

# The Metropolitan Water District of Southern California

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.

## Agenda

### Special Joint Meeting of the Executive Committee and Board of Directors

**December 10, 2024**

**12:00 PM**

**Tuesday, December 10, 2024  
Meeting Schedule**

**08:30 a.m. FAM  
10:30 a.m. LEG  
11:30 a.m. Break  
12:00 p.m. Sp Jt Exec and BOD**

Agendas, live streaming, meeting schedules, and other board materials are available here: <https://mwdh2o.legistar.com/Calendar.aspx>. Written public comments received by 5:00 p.m. the business days before the meeting is scheduled will be posted under the Submitted Items and Responses tab available here: <https://mwdh2o.legistar.com/Legislation.aspx>.

If you have technical difficulties with the live streaming page, a listen-only phone line is available at 1-877-853-5257; enter meeting ID: 891 1613 4145.

Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference 1-833-548-0276 and enter meeting ID: 815 2066 4276 or to join by computer [click here](#).

---

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

---

\* 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. Call to Order

- a. Invocation: Director Miguel Angel Luna, City of Los Angeles
- b. Pledge of Allegiance: Director Garry E. Bryant, Foothill Municipal Water District

### 2. Roll Call

### 3. Determination of a Quorum

4. **Opportunity for members of the public to address the Board limited to the items listed on the agenda. (As required by Gov. Code §54954.3(a))**

**EXECUTIVE COMMITTEE ITEMS**

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

**5. CONSENT CALENDAR ITEMS - ACTION**

- A. Approval of the Minutes of the Special Executive Committee of July 11, 2023 and the Special Executive Committee of November 20, 2024 (Copies have been submitted to each Director, any additions, corrections, or omissions) [21-4054](#)

**Attachments:** [12102024 BOD 5A \(07112023\) Minutes](#)  
[12102024 BOD 5A \(11202024\) Minutes](#)

- B. Approve draft Committee and Board meeting agendas and schedule for January 2025 [21-4055](#)

**Attachments:** [12102024 BOD 5B Draft Packet](#)

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

**6. OTHER COMMITTEE ITEMS - ACTION**

NONE

**7. COMMITTEE INFORMATION ITEMS**

- a. Report on the Colorado River Board Meeting [21-4060](#)

**Attachments:** [12102024 Exec 7a Presentation](#)

- b. Colorado River Activities [21-4061](#)

**BOARD OF DIRECTOR ITEMS**

**8. OTHER MATTERS AND REPORTS**

- A. Report on Directors' Events Attended at Metropolitan's Expense [21-4066](#)

**Attachments:** [12102024 BOD 8A Report](#)

- B. Chair's Monthly Activity Report [21-4065](#)

**Attachments:** [12102024 BOD 8B Report](#)

- C. Interim General Manager's summary of activities [21-4050](#)  
**Attachments:** [12102024 BOD 8C Report](#)
- D. General Counsel's summary of activities [21-4051](#)  
**Attachments:** [12102024 BOD 8D Report](#)
- E. General Auditor's summary of activities [21-4052](#)  
**Attachments:** [12102024 BOD 8E Report](#)
- F. Ethics Officer's summary of activities [21-4053](#)  
**Attachments:** [12102024 BOD 8F Report](#)
- G. Update on Delta Conveyance Project: Wade Crowfoot, California Secretary for Natural Resources. [ADDED SUBJECT 12/3/2024] [21-4092](#)

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

**9. CONSENT CALENDAR OTHER ITEMS - ACTION**

- A. Approval of the Minutes of the Board of Directors Meeting for October 8, 2024, the Special Joint Executive Committee and Board of Directors Meeting for October 21, 2024, and the Special Board of Directors Meeting for November 19, 2024 (Copies have been submitted to each Director, any additions, corrections, or omissions) [21-4067](#)  
**Attachments:** [12102024 BOD 9A \(10082024\) Minutes](#)  
[12102024 BOD 9A \(10212024\) Minutes](#)  
[12102024 BOD 9A \(11192024\) Minutes](#)
- B. Approve Committee Assignments [21-4068](#)
- C. Chair and Vice Chair of standing committee appointments for the term commencing on January 1, 2025. [DEFERRED on 12/6/2024] [21-4073](#)
- D. Approve waiver of Administrative Code to extend the term of Committee Chairs and Vice Chairs through the end of February 2025. [ADDED SUBJECT 12/6/2024] [21-4097](#)

**10. CONSENT CALENDAR ITEMS - ACTION**

- 7-1** Approve proposed amendments to Administrative Code Section 6451 regarding the General Auditor Charter; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA **[21-3966](#)**

**Attachments:** [12102024 BOD 7-1 B-L](#)  
[12102024 BOD 7-1 Presentation](#)

- 7-2** Award a \$588,000 contract to Heed Engineering for construction of new drainage control improvements at the Lake Skinner dam; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA **[21-4021](#)**

**Attachments:** [12102024 EOT 7-2 B-L](#)  
[12092024 EOT 7-2 Presentation](#)

- 7-3** Authorize an increase of \$250,000, to a maximum amount not to exceed \$500,000, for workers' compensation legal services contract with the law firm Hanna, Brophy, MacLean, McAleer & Jensen, LLP; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA **[21-4028](#)**

**Attachments:** [12102024 LC 7-3 B-L](#)  
[12102024 LC 7-3 Presentation](#)

- 7-4** Authorize a professional services agreement with Public Financial Management Asset Management, LLC, a subsidiary of US Bancorp Asset Management, Inc., to provide investment management services; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA **[21-4040](#)**

**Attachments:** [12102024 FAM 7-4 B-L](#)

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

**11. OTHER BOARD ITEMS - ACTION**

- 8-1** Approve additional funding, in an amount not to exceed \$35 million over the next two years (Fiscal Years 2024/2025 and 2025/2026), to support the Zero-Emission Vehicle Transition Program at Metropolitan and partially mitigate high operational risk; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA **[21-4023](#)**

**Attachments:** [12102024 EOT 8-1 B-L](#)  
[12092024 EOT 8-1 Presentation](#)

- 8-2** Authorize entering into one or more agreements to accept up to \$125,472,855 in grant funding from the United States Bureau of Reclamation through the WaterSMART Large-Scale Water Recycling Program for Pure Water Southern California; the General Manager has determined that the proposed actions are exempt or otherwise not subject to CEQA **21-4072**

**Attachments:** [12102024 EOT 8-2 B-L](#)  
[12092024 EOT 8-2 Presentation](#)

- 8-3** Authorize the General Manager to enter into agreements with the U.S. Bureau of Reclamation to implement phase two of the Lower Colorado River Basin System Conservation and Efficiency Program; and adopt CEQA determination that the environmental effects of the Antelope Valley-East Kern High Desert Water Bank and the Turf Replacement Programs were previously addressed in various CEQA documents and related actions **21-4082**

**Attachments:** [12102024 OWS 8-3 B-L](#)  
[12092024 OWS 8-3 Presentation](#)

- 8-4** Review and consider the Lead Agency's certified 2023 Final Environmental Impact Report for the Delta Conveyance Project and take related CEQA actions and authorize the General Manager to enter into an amended agreement for preconstruction work planned for 2026-2027 **21-4032**

**Attachments:** [12102024 OWS 8-4 B-L](#)  
[12092024 OWS 8-4 Presentation](#)

- 8-5** Approve amendments to the Metropolitan Water District Administrative Code to conform surplus water provisions to current law and practice, update the list of active District funds, and clarify employee benefits for unrepresented employees; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. [DEFERRED on 11/27/2024] **21-4029**

- 8-6** Adopt Legislative Priorities and Principles for 2025; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA **21-4046**

**Attachments:** [12102024 LEG 8-6 B-L](#)  
[12102024 LEG 8-6 Presentation](#)

**JOINT EXECUTIVE AND BOARD ITEM**

- 8-7** Review and consider action for an equal employment opportunity violation by a Director; the General Manager has determined that this proposed action is exempt or otherwise not subject to CEQA **[21-4081](#)**

**Attachments:** [12102024 BOD 8-7 Presentation](#)

## **12. BOARD INFORMATION ITEMS**

- 9-1** Report on Conservation Program **[21-4069](#)**

**Attachments:** [12102024 BOD 9-1 Report](#)

- 9-2** Update on developing State Water Project water management actions to meet multiple objectives of managing dry year and wet year water supplies and generating new revenues **[21-4070](#)**

**Attachments:** [12102024 OWS 9-2 B-L](#)  
[12092024 OWS 9-2 Presentation](#)

## **13. FOLLOW-UP ITEMS**

NONE

## **14. FUTURE AGENDA ITEMS**

## **15. 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**

### **SPECIAL EXECUTIVE COMMITTEE**

**July 11, 2023**

Chair Ortega called the meeting to order at 2:30 p.m.

Chair Ortega announced at this time that we do not have any Directors participating in the meeting using AB 2449. We have members participating on Zoom, so we will complete a verbal roll call of committee members.

Members present: Directors Abdo, Camacho, Fong-Sakai, Goldberg, Jung (teleconference posted location), Luna, McCoy (teleconference posted location), Ortega, Pressman, Ramos, and Smith.

Members absent: Directors Cordero, Erdman, and Gray.

Members entered after roll call: Directors Quinn and Sutley.

Other Board members present: Directors Alvarez, Armstrong, Dennstedt, Dick, Garza, Miller, Pressman, and Seckel.

Committee staff present: Andrus, Hagekhalil, Hudson, Salinas, Scully, Suzuki, Upadhyay, Wheeler, Zinke.

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

NONE

#### **2. COMMITTEE INFORMATION ITEMS**

Subject: Department Head Performance and Goal Setting

Presented by: General Manager Adel Hagekhalil

The General Manager reported on his evaluation and the business plan.

Directors Quinn and Sutley entered the meeting.

Chair Ortega then addressed the Board and asked if any members had questions/comments.

The following Director(s) asked questions or made comments:

Director(s)

1. Smith
2. Pressman
3. Sutley
4. Fong-Sakai
5. Luna
6. Garza
7. Ortega

Staff responded to the Director(s)' comments or questions.

**3. FOLLOW-UP ITEMS**

NONE

**4. FUTURE AGENDA ITEMS**

NONE

**5. ADJOURNMENT**

The meeting was adjourned at 4:06 p.m.

Adán Ortega, Jr.  
Chair of the Board

# THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

## MINUTES

### SPECIAL EXECUTIVE COMMITTEE

**November 20, 2024**

Chair Ortega called the meeting to order at 10:12 p.m.

Members present: Directors Armstrong, Cordero (teleconference posted location), Erdman, Fong-Sakai (teleconference posted location), Goldberg, Gray (teleconference posted location), Jung (teleconference posted location), McCoy, Ortega, Pressman (teleconference posted location), Quinn, Smith.

Members absent: Directors Camacho, De Jesus, Garza, Luna, and Sutley.

Other Board members present: Directors Alvarez, Fellow, McMillan, and Morris.

Committee staff present: Beatty, Hudson, Salinas, Scully, Suzuki, Upadhyay, Wheeler, and Zinke.

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

NONE

#### **2. OTHER MATTERS AND REPORTS**

a. Subject: Chair's Report

Presented by: Chair Ortega

Chair Ortega reported that Metropolitan will have the Phil Pace dedication on January 28th, immediately following the Executive Committee.

b. Subject: Interim General Manager's Report of Metropolitan activities

Interim General Manager Upadhyay stated he had nothing to add to the report.

c. Subject: General Counsel's report of Metropolitan activities

General Counsel Scully stated she had nothing to add to the report.

- d. Subject: General Auditor's report of Metropolitan activities

General Auditor Suzuki stated he had nothing to add to the report.

- e. Subject: Ethics Officer's report of Metropolitan activities

Ethics Officer Salinas stated he had nothing to add to his report.

### **CONSENT CALENDAR ITEMS – ACTION**

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

- A. Chair Ortega announced the minutes for the Special Executive Committee of July 31, 2023 (Agenda Item 3A) are being deferred.

- B. Approve the draft of the Committee and Board meeting agendas and schedule for December 2024.

Chair Ortega asked if there were any additions or deletions to the December 2024 draft packet.

Committee Chair Quinn reported that at the One Water and Stewardship Committee the following subject has been revised:

Authorize the General Manager to enter into agreements with the U.S. Bureau of Reclamation to implement phase two of the Lower Colorado River Basin System Conservation and Efficiency Program; and adopt CEQA determination that the environmental effects of the Antelope Valley-East Kern High Desert Water Bank and the Turf Replacement Programs were previously addressed in various CEQA documents and related actions.

Committee Chair Erdman reported that at the Engineering, Operations & Technology Committee the following subject has been revised:

Authorize entering into one or more agreements to accept up to \$125,472,855 in grant funding from the United States Bureau of Reclamation through the WaterSMART Large-Scale Water Recycling Program for Pure Water Southern California; the General Manager has determined that the proposed actions are exempt or otherwise not subject to CEQA.

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

- 7-1 Subject: Approve amendments to the Metropolitan Water District Administrative Code Section 6451 regarding the Audit Department Charter.

Presented by: General Auditor Suzuki

General Auditor Suzuki indicated a presentation was given at the Audit Subcommittee that morning. No questions or comments.

Chair Ortega called for the vote on Items 3B and 7-1.

Director Quinn made a motion, seconded by Director Erdman, to approve the consent calendar Items 3B and 7-1 as presented, listed, and revised.

The vote was:

Ayes: Directors Armstrong, Cordero, Erdman, Fong-Sakai, Goldberg, Gray, Jung, McCoy, Ortega, Pressman, Quinn, and Smith.

Abstention: None

Recusal: None

Absent: Camacho, De Jesus, Garza, Luna, and Sutley.

The motion for Items 3B and 7-1 passed by a vote of 12 ayes; 0 noes; 0 abstention; and 5 absent.

## **END OF CONSENT CALENDAR ITEMS**

### **5. COMMITTEE INFORMATION ITEMS**

a. Subject: Report on the Colorado River Board Meeting.

Presented by: Director Cordero

Director Cordero reported on the Colorado River Board Meeting.

b. Subject: Colorado River Activities

Presented by: Bill Hasencamp

Mr. Hasencamp reported on Colorado River activities.

### **6. SUBCOMMITTEE REPORTS AND DISCUSSION**

Director Armstrong reported on the items from the Audit Subcommittee of the Executive Committee.

### **7. FOLLOW-UP ITEMS**

NONE

### **8. FUTURE AGENDA ITEMS**

NONE

## **9. ADJOURNMENT**

The meeting was adjourned at 10:31 a.m.

Adán Ortega, Jr.  
Chair of the Board

**Draft**

**January 13-14, 2025**

**Committee and**

**Board Meeting**

**Agenda Packet**



**The Metropolitan Water District of Southern California**



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

# BOARD UPDATES

## **DRAFT Schedule of Meetings – January 2025**

---

### **Monday, January 13**

- 9:00 a.m. Engineering, Operations, and Technology Committee
- 11:00 a.m. Ethics, Organization, and Personnel
- 1:30 p.m. Break
- 2:00 p.m. One Water and Stewardship Committee

### **Tuesday, January 14**

- 8:30 a.m. Legal and Claims Committee
- 11:30 a.m. Break
- 12:00 p.m. Board of Directors Meeting

### **Tuesday, January 28**

- 8:30 a.m. Audit Subcommittee of the Executive Committee
- 9:30 a.m. Executive Committee
- 11:30 a.m. Break
- 12:00 p.m. Subcommittee on Pure Water SoCal and Regional Conveyance

### **Wednesday, January 29**

- 9:30 a.m. Subcommittee on Long-Term Regional Planning Processes and Business Modeling

# 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.

## **EOT Committee**

D. Erdman, Chair  
M. Camacho, Vice Chair  
D. Alvarez  
G. Bryant  
J. Crawford  
B. Dennstedt  
S. Faessel  
L. Fong-Sakai  
R. Lefevre  
J. McMillan  
C. Miller  
J. Morris  
M. Petersen  
K. Seckel  
T. Smith

## **Engineering, Operations, and Technology Committee - Hidden**

Meeting with Board of Directors \*

**January 13, 2025**

**9:00 a.m.**

**Agendas, live streaming, meeting schedules, and other board materials are available here:**

**<https://mwdh2o.legistar.com/Calendar.aspx>. Written public comments received by 5:00 p.m. the business days before the meeting is scheduled will be posted under the Submitted Items and Responses tab available here:  
<https://mwdh2o.legistar.com/Legislation.aspx>.**

**If you have technical difficulties with the live streaming page, a listen-only phone line is available at 1-877-853-5257; enter meeting ID: 862 4397 5848.**

**Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference 1-833-548-0276 and enter meeting ID: 815 2066 4276 or to join by computer [click here](#).**

## **Monday, January 13, 2025 Meeting Schedule**

**09:00 a.m. EOT  
11:00 a.m. EOP  
01:30 p.m. Break  
02:00 p.m. OWS**

---

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

---

\* 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))**

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

**2. CONSENT CALENDAR OTHER ITEMS - ACTION**

- A.** Approval of the Minutes of the Engineering, Operations, and Technology Committee for December 9, 2024 (Copies have been submitted to each Director, any additions, corrections, or omissions) **21-4100**

**3. CONSENT CALENDAR ITEMS - ACTION**

- 7-1** Authorize an increase of \$TBD to an agreement with Arcadis U.S. Inc. for a new not-to-exceed total amount of \$TBD million for final design to rehabilitate the finished water reservoirs at the Henry J. Mills and Joseph Jensen Water Treatment Plants; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA **21-4119**
- 7-2** Authorize an agreement with TBD in an amount not to exceed \$TBD for the implementation of the Data Storage Infrastructure Refresh project; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA **21-4121**

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

**4. OTHER BOARD ITEMS - ACTION**

NONE

**5. BOARD INFORMATION ITEMS**

- 9-2** Colorado River Aqueduct High-voltage Transformers Replacement Project Update **21-4120**

**6. COMMITTEE ITEMS**

- a.** Update on Prestressed Concrete Cylinder Pipe Program **21-4122**
- b.** Quarterly Cybersecurity Update [Conference with Metropolitan Director of Info Tech Services, Information Technology, Jacob Margolis, or designated agents on threats to public services or facilities; to be heard in closed session pursuant to Gov. Code Section 54957(a)] **21-4123**

- c. Update on Invasive Mussels in the State Water Project 21-4124

## 7. MANAGEMENT ANNOUNCEMENTS AND HIGHLIGHTS

- a. Engineering Services activities 21-4098  
Information Technology activities  
Water System Operations activities

## 8. SUBCOMMITTEE REPORTS AND DISCUSSION

- a. Discuss and provide direction to Subcommittee on Pure Water 21-4099  
Southern California and Regional Conveyance

## 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

## 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.

### **EO&P Committee**

B. Pressman, Chair  
T. Phan, Vice Chair  
G. Bryant  
M. Camacho  
G. Cordero  
C. Douglas  
D. Erdman  
S. Faessel  
L. Fong-Sakai  
F. Jung  
J. Lewitt  
J. McMillan  
M. Ramos  
N. Sutley

### **Ethics, Organization, and Personnel Committee - Hidden**

Meeting with Board of Directors \*

**January 13, 2025**

**11:00 a.m.**

**Monday, January 13, 2025  
Meeting Schedule**

**09:00 a.m. EOT  
11:00 a.m. EOP  
01:30 p.m. Break  
02:00 p.m. OWS**

**Agendas, live streaming, meeting schedules, and other board materials are available here:**

**<https://mwdh2o.legistar.com/Calendar.aspx>. Written public comments received by 5:00 p.m. the business days before the meeting is scheduled will be posted under the Submitted Items and Responses tab available here:  
<https://mwdh2o.legistar.com/Legislation.aspx>.**

**If you have technical difficulties with the live streaming page, a listen-only phone line is available at 1-877-853-5257; enter meeting ID: 862 4397 5848.**

**Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference 1-833-548-0276 and enter meeting ID: 815 2066 4276 or to join by computer [click here](#).**

---

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

---

\* 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))**

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

**2. CONSENT CALENDAR OTHER ITEMS - ACTION**

- A. Approval of the Minutes of the Special Ethics, Organization, and Personnel Committee for November 19, 2024 (Copies have been submitted to each Director, any additions, corrections, or omissions) **21-4103**

**3. CONSENT CALENDAR ITEMS - ACTION**

- 7-5 Approve amending the list of Metropolitan officials required to take AB 1234 state ethics training to include all Form 700 filers; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA **21-4141**

**\*\* END OF CONSENT CALENDAR ITEMS \*\*****4. OTHER BOARD ITEMS - ACTION**

NONE

**5. BOARD INFORMATION ITEMS**

NONE

**6. COMMITTEE ITEMS**

- a. Results of Ethics Office Survey **21-4140**

**7. MANAGEMENT ANNOUNCEMENTS AND HIGHLIGHTS**

- a. Ethics Officer's report on monthly activities **21-4104**
- b. Equal Employment Opportunity activities **21-4105**  
Human Resources activities  
Safety, Security, and Protection activities

**8. FOLLOW-UP ITEMS**

NONE

**9. FUTURE AGENDA ITEMS****10. 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

# 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.

## **OW&S Committee**

T. Quinn, Chair  
S. Faessel, Vice Chair  
L. Ackerman  
D. Alvarez  
J. Armstrong  
G. Cordero  
D. De Jesus  
D. Erdman  
L. Fong-Sakai  
M. Gold  
S. Goldberg  
C. Kurtz  
R. Lefevre  
J. Lewitt  
C. Miller  
B. Pressman  
N. Sutley

## **One Water and Stewardship Committee - Hidden**

Meeting with Board of Directors \*

**January 13, 2025**

**2:00 p.m.**

**Agendas, live streaming, meeting schedules, and other board materials are available here:**

**<https://mwdh2o.legistar.com/Calendar.aspx>. Written public comments received by 5:00 p.m. the business days before the meeting is scheduled will be posted under the Submitted Items and Responses tab available here:  
<https://mwdh2o.legistar.com/Legislation.aspx>.**

**If you have technical difficulties with the live streaming page, a listen-only phone line is available at 1-877-853-5257; enter meeting ID: 862 4397 5848.**

**Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference 1-833-548-0276 and enter meeting ID: 815 2066 4276 or to join by computer [click here](#).**

## **Monday, January 13, 2025 Meeting Schedule**

**09:00 a.m. EOT  
11:00 a.m. EOP  
01:30 p.m. Break  
02:00 p.m. OWS**

---

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

---

\* 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))**

- A. Public Hearing on Metropolitan's Achievements in Conservation, Recycling, and Groundwater Recharge (To participate via teleconference 1-833-548-0276 and enter meeting ID: 815 2066 4276) **21-4132**

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

**2. CONSENT CALENDAR OTHER ITEMS - ACTION**

- A. Approval of the Minutes of the Meeting One Water Stewardship Committee for December 9, 2024 (Copies have been submitted to each Director, any additions, corrections, or omissions) **21-4106**

**3. CONSENT CALENDAR ITEMS - ACTION**

- 7-3 Authorize the General Manager to enter into a funding agreement for the DAC Leak Detection and Repair Program with the U.S. Bureau of Reclamation [CEQA] [21-4126](#)

- 7-4 Authorize: (1) renewal of the Municipal Water Quality Investigations Agreement between the Department of Water Resources, the State Water Contractors and participating urban State Water Project Contractors; and (2) renewal of the Municipal Water Quality Investigations Program Specific Project Agreement between the State Water Contractors and participating urban State Water Project Contractors; the General Manager has determined that the proposed actions are exempt or otherwise not subject to CEQA [21-4127](#)

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

**4. OTHER BOARD ITEMS - ACTION**

- 8-1 Authorize a resolution to support a grant application selected to receive United States Department of the Interior, Bureau of Reclamation WaterSMART: Applied Sciences Program funding for fiscal year 2023 for an amount totaling \$390 thousand; authorize Metropolitan's non-federal cost share of \$130 thousand; and authorize the General Manager to enter a contract with the United States Department of the Interior, Bureau of Reclamation; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [21-4125](#)

- 8-2 Authorize developing State Water Project water management actions to meet multiple objectives of managing dry year and wet year water supplies and generating new revenues [CEQA] [21-4128](#)

## 5. BOARD INFORMATION ITEMS

- 9-3 Information on proposed agreements with the City of San Buena Ventura and Calleguas Municipal Water District for wheeling and emergency delivery of State Water Project water [21-4129](#)

## 6. COMMITTEE ITEMS

- a. Report on Regulatory Processes 21-4131
- b. Update on Conservation 21-4133
- c. Report on Water Surplus and Drought Management 21-4134
- d. Update on WSDM 21-4135
- e. [PLACEHOLDER] Update on Basin States Discussions Regarding Post-2026 Operational Guidelines 21-4130

## 7. MANAGEMENT ANNOUNCEMENTS AND HIGHLIGHTS

- a. Bay-Delta Resources activities 21-4107
- Colorado River Resources activities
- Sustainability, Resilience, and Innovation activities
- Water Resources Management activities

## 8. COMMITTEE REPORTS

- a. Report on the Delta Conveyance Design and Construction Authority Meeting 21-4136
- b. Report on Delta Conveyance Finance Authority Meeting 21-4137
- c. Report on the Bay-Delta Ad Hoc Meeting 21-4138

## 9. SUBCOMMITTEE REPORTS AND DISCUSSION

- a. Discuss and provide direction to Subcommittee on Demand Management and Conservation Programs and Priorities 21-4139

## 10. FOLLOW-UP ITEMS

NONE

## 11. FUTURE AGENDA ITEMS

## **12. 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

# 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.

## L&C Committee

M. Luna, Chair  
J. Garza, Vice Chair  
M. Camacho  
G. Cordero  
L. Dick  
C. Douglas  
A. Fellow  
C. Kurtz  
T. McCoy  
C. Miller  
M. Ramos  
K. Seckel

## **Legal and Claims Committee - Hidden**

Meeting with Board of Directors \*

**January 14, 2025**

**8:30 a.m.**

**Tuesday, January 14, 2025  
Meeting Schedule**

**08:30 a.m. LEGAL  
11:30 a.m. Break  
12:00 p.m. BOD**

**Agendas, live streaming, meeting schedules, and other board materials are available here:**  
**<https://mwdh2o.legistar.com/Calendar.aspx>. Written public comments received by 5:00 p.m. the business days before the meeting is scheduled will be posted under the Submitted Items and Responses tab available here:**  
**<https://mwdh2o.legistar.com/Legislation.aspx>.**

**If you have technical difficulties with the live streaming page, 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 on matters within their jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference 1-833-548-0276 and enter meeting ID: 876 9484 9772 or to join by computer [click here](#).**

---

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

---

\* 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. **MANAGEMENT ANNOUNCEMENTS AND HIGHLIGHTS**

- A. General Counsel's report of monthly activities 21-4101

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

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

- A. Approval of the Minutes of the Legal and Claims Committee for December 9, 2024 (Copies have been submitted to each Director, any additions, corrections, or omissions) 21-4102

4. **CONSENT CALENDAR ITEMS - ACTION**

- 7-6 Approve amendments to the Metropolitan Water District Administrative Code to conform surplus water provisions to current law and practice, update the list of active District funds, and clarify employee benefits for unrepresented employees; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [21-4142](#)

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

5. **OTHER BOARD ITEMS - ACTION**

- 8-3 Report on Nevada Environmental Response Trust Site (former Tronox Site) in Henderson, Nevada and authorize an increase of \$150,000 to an amount not to exceed \$450,000 for an existing contract with GeoPentech, Inc. for consulting services; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [21-4143](#)

6. **BOARD INFORMATION ITEMS**

NONE

7. **COMMITTEE ITEMS**

- a. Report on litigation in San Diego County Water Authority v. Metropolitan Water District of Southern California, et al., San Francisco County Superior Court Case Nos. CPF-10-510830, CPF-12-512466, CPF-14-514004, CPF-16-515282, CPF-16-515391, CGC-17-563350, and CPF-18-516389; the appeals of the 2010 and 2012 actions, Court of Appeal for the First Appellate District Case Nos. A146901, A148266, A161144, and A162168, and California Supreme Court Case No. S243500; the petition for extraordinary writ in the 2010 and 2012 actions, Court of Appeal for the First Appellate District Case No. A155310; the petition for extraordinary writ in the second 2016 action, Court of Appeal for the First Appellate District Case No. A154325 and California Supreme Court Case No. S251025; the Metropolitan Water District of Southern California v. San Diego County Water Authority cross-complaints in the 2014, 2016, and 2018 actions; and the appeals of the 2014, 2016, and 2018 actions, Court of Appeal for the First Appellate District Case No. A170156; including report on discussions regarding potential settlement of the 2014, 2016, and 2018 actions, including the cross-complaints and appeals, San Francisco County Superior Court Case Nos. CPF-14-514004, CPF-16-515282, and CPF-18-516389 and Court of Appeal for the First Appellate District Case No. A170156 [Conference with legal counsel – existing litigation; may be heard in closed session pursuant to Gov. Code Sections 54956.9(d)(1)] **21-4144**

## **8. FOLLOW-UP ITEMS**

NONE

## **9. FUTURE AGENDA ITEMS**

## **10. 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

# 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.

## Board of Directors - Hidden

**January 14, 2025**

**12:00 PM**

<b>Tuesday, January 14, 2025 Meeting Schedule</b>
<b>08:30 a.m. LEGAL 11:30 a.m. Break 12:00 p.m. BOD</b>

Agendas, live streaming, meeting schedules, and other board materials are available here: <https://mwdh2o.legistar.com/Calendar.aspx>. Written public comments received by 5:00 p.m. the business days before the meeting is scheduled will be posted under the Submitted Items and Responses tab available here: <https://mwdh2o.legistar.com/Legislation.aspx>.

If you have technical difficulties with the live streaming page, a listen-only phone line is available at 1-877-853-5257; enter meeting ID: 891 1613 4145.

Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference 1-833-548-0276 and enter meeting ID: 815 2066 4276 or to join by computer [click here](#).

---

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

---

## 1. Call to Order

- a. Invocation: TBD
- b. Pledge of Allegiance: TBD

## 2. Roll Call

## 3. Determination of a Quorum

## 4. Opportunity for members of the public to address the Board on matters within the Board's jurisdiction. (As required by Gov. Code §54954.3(a))

## 5. OTHER MATTERS AND REPORTS

- A. Report on Directors' Events Attended at Metropolitan's Expense **21-4112**

- |           |   |                |
|-----------|---|----------------|
| <b>B.</b> | Chair's Monthly Activity Report   | <b>21-4113</b> |
| <b>C.</b> | Interim General Manager's summary of activities                               | <b>21-4114</b> |
| <b>D.</b> | General Counsel's summary of activities                                       | <b>21-4115</b> |
| <b>E.</b> | General Auditor's summary of activities                                       | <b>21-4116</b> |
| <b>F.</b> | Ethics Officer's summary of activities  | <b>21-4117</b> |
| <b>G.</b> | Presentation of 10-year Service Pin to Director Marsha Ramos, City of Burbank | <b>21-4146</b> |
| <b>H.</b> | Induction of new Director Mel Katz from San Diego County Water Authority      | <b>21-4148</b> |
|           | (a) Receive credentials   |                |
|           | (b) Report on credentials by General Counsel                                  |                |
|           | (c) File credentials  |                |
|           | (d) Administer Oath of Office   |                |
|           | (e) File Oath   |                |

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

**6. CONSENT CALENDAR OTHER ITEMS - ACTION**

- |           |   |                |
|-----------|---|----------------|
| <b>A.</b> | Approval of the Minutes of the Special Joint Executive Committee and Board of Directors Meeting for December 10, 2024 (Copies have been submitted to each Director, any additions, corrections, or omissions) | <b>21-4118</b> |
| <b>B.</b> | Approve Commendatory Resolution for Director Timothy Smith representing San Diego County Water Authority  | <b>21-4147</b> |
| <b>C.</b> | Approve Committee Assignments   |                |

**7. CONSENT CALENDAR ITEMS - ACTION**

- |            |   |                                |
|------------|---|--------------------------------|
| <b>7-1</b> | Authorize an increase of \$TBD to an agreement with Arcadis U.S. Inc. for a new not-to-exceed total amount of \$TBD million for final design to rehabilitate the finished water reservoirs at the Henry J. Mills and Joseph Jensen Water Treatment Plants; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) | <a href="#"><u>21-4119</u></a> |
| <b>7-2</b> | Authorize an agreement with TBD in an amount not to exceed \$TBD for the implementation of the Data Storage Infrastructure Refresh project; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT)  | <a href="#"><u>21-4121</u></a> |

- 7-3** Authorize the General Manager to enter into a funding agreement for the DAC Leak Detection and Repair Program with the U.S. Bureau of Reclamation [CEQA] (OWS) [21-4126](#)
- 7-4** Authorize: (1) renewal of the Municipal Water Quality Investigations Agreement between the Department of Water Resources, the State Water Contractors and participating urban State Water Project Contractors; and (2) renewal of the Municipal Water Quality Investigations Program Specific Project Agreement between the State Water Contractors and participating urban State Water Project Contractors; the General Manager has determined that the proposed actions are exempt or otherwise not subject to CEQA (OWS) [21-4127](#)
- 7-5** Approve amending the list of Metropolitan officials required to take AB 1234 state ethics training to include all Form 700 filers; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOP) [21-4141](#)
- 7-6** Approve amendments to the Metropolitan Water District Administrative Code to conform surplus water provisions to current law and practice, update the list of active District funds, and clarify employee benefits for unrepresented employees; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (LC) [21-4142](#)

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

**8. OTHER BOARD ITEMS - ACTION**

- 8-1** Authorize a resolution to support a grant application selected to receive United States Department of the Interior, Bureau of Reclamation WaterSMART: Applied Sciences Program funding for fiscal year 2023 for an amount totaling \$390 thousand; authorize Metropolitan's non-federal cost share of \$130 thousand; and authorize the General Manager to enter a contract with the United States Department of the Interior, Bureau of Reclamation; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (OWS) [21-4125](#)
- 8-2** Authorize developing State Water Project water management actions to meet multiple objectives of managing dry year and wet year water supplies and generating new revenues [CEQA] (OWS) [21-4128](#)

- 8-3** Report on Nevada Environmental Response Trust Site (former Tronox Site) in Henderson, Nevada and authorize an increase of \$150,000 to an amount not to exceed \$450,000 for an existing contract with GeoPentech, Inc. for consulting services; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (LC) [21-4143](#)

## **9. BOARD INFORMATION ITEMS**

- 9-1** Report on Conservation Program **21-4145**
- 9-2** Colorado River Aqueduct High-voltage Transformers Replacement Project Update (EOT) [21-4120](#)
- 9-3** Information on proposed agreements with the City of San Buena Ventura and Calleguas Municipal Water District for wheeling and emergency delivery of State Water Project water (OWS) [21-4129](#)

## **10. OTHER MATTERS**

NONE

## **11. FOLLOW-UP ITEMS**

NONE

## **12. FUTURE AGENDA ITEMS**

## **13. ADJOURNMENT**

**NOTE:** Each agenda item with a committee designation will be considered and a recommendation may be made by one or more committees prior to consideration and final action by the full Board of Directors. The committee designation appears in parenthesis at the end of the description of the agenda item, e.g. (EOT). Board agendas may be obtained on Metropolitan's Web site <https://mwdh2o.legistar.com/Calendar.aspx>

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.



Executive Committee

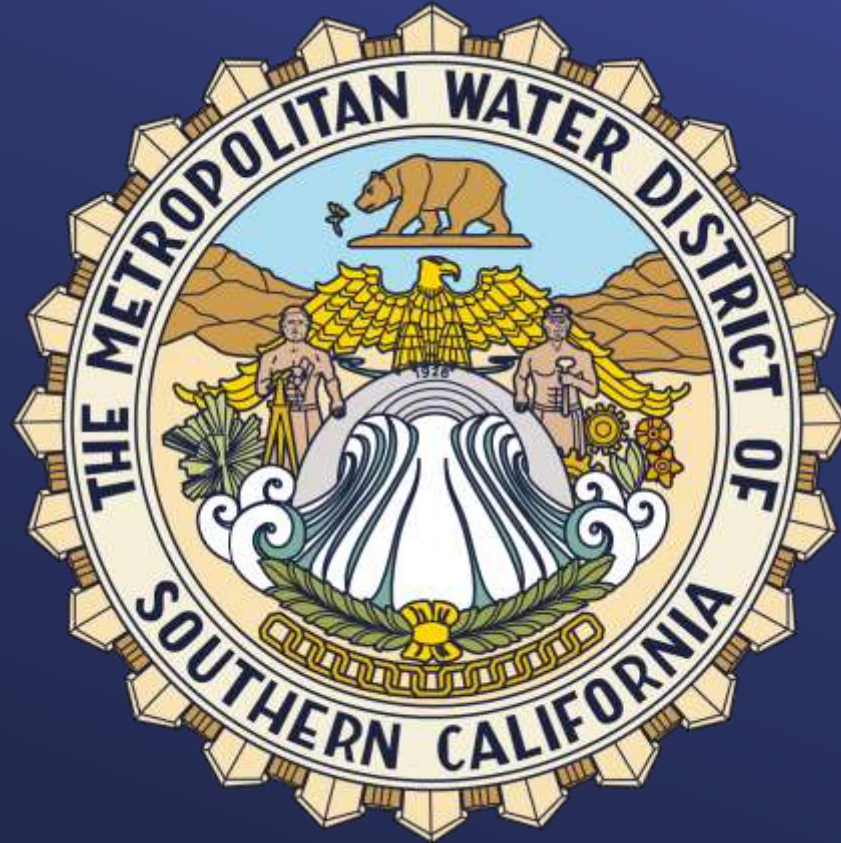
# Report on Colorado River Board Meeting

Item 7a

December 10, 2024



## Metropolitan Presentation To Commissioner Camille Touton



## December 10, 2024 Board Meeting

**Revised  
Item 8A**



### Metropolitan Water District of Southern California Summary of Events

**Attended by Directors at Metropolitan's Expense in November 2024**

<b>Date(s)</b>	<b>Location</b>	<b>Meeting Hosted by:</b>	<b>Participating Director(s)</b>
Nov. 6-8	Groveland, CA	Localizing California Waters 2024 Conference	Jacque McMillan
Nov. 12-14	Yuma, AZ	CO River Board	Gloria Cordero Cynthia Kurtz Chair Ortega*

Adding Chair Ortega



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

# Board Report

## ● Chair of the Board Adán Ortega Jr.'s Monthly Activity Report – November 2024

### Summary

This report highlights my activities as Chair of the Board during the month of November 2024 on matters relating to The Metropolitan Water District of Southern California's business.

### Monthly Activities

#### Key Activities

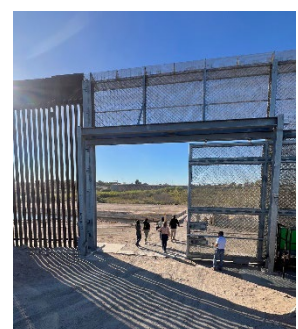
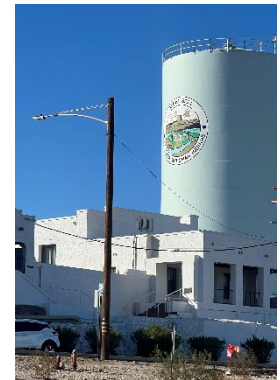
- Interim General Manager Deven Upadhyay and I continue to conduct Metropolitan site visits to meet with the employees, provide district updates, and listen to and address their concerns. This month we traveled to Mills Treatment Plant in Riverside. We participated in a robust question-and-answer session addressing various topics, including Metropolitan's local and regional planning investments, workforce initiatives, and CAMP4W. We emphasized our commitment to upholding high service standards and transparency. I communicated the Board's strong unity in recent tough decisions and our united concern for their well-being. I was encouraged by the focus the workforce is demonstrating on our mission of providing safe and reliable drinking water to the community. Interim General Manager Deven Upadhyay's comments and answers to questions were received with candor, appreciation, good humor, and with sincere thanks.
- I attended the Southern California Water Coalition dinner celebrating 40 years of Partnership and Education, where I had the honor of presenting the Harriett Wieder Award Winner to U.S. Senator Alex Padilla and accepting it on his behalf acknowledging his leadership and contributions in the water industry. The event included keynote speaker Senator Toni G. Atkins and was attended by water and business leaders as well as other elected officials. Metropolitan Board Directors, including Michael Camacho, Desi Alvarez, Brenda Dennstedt, Dennis Erdman, and Miguel Luna, were also in attendance, as well as Interim General Manager Deven Upadhyay and Metropolitan staff.



- I presented Engineering Team Manager Johanna Clemens with a certificate acknowledging the dedication of the October 8, 2024, meeting of the Board of Directors in recognition of her award by the Hispanic Coalition of Small Businesses (HCSB) during their Latinicima Awards event. The Board commended her dedication, leadership expertise, and as an inspiring role model in our community.
- The talented External Affairs team is producing a tribute video of former Board Chair Phil Pace and asked me to contribute some comments recognizing his leadership. I spoke from my perspective as his long-time friend as well as from my experience as an employee during Chair Pace's three terms. The video will be presented during the upcoming dedication in January 2025, naming the board room in his honor.



Directors Cynthia Kurtz and Gloria Cordero joined me and Metropolitan staff experts on a tour hosted by the United States Bureau of Reclamation of water and other facilities operated by the Imperial Irrigation District (IID), the Quechan Tribe and the Bard Water District in the Yuma area covering portions of Arizona and California. We were accompanied by 20 other officials, including the Colorado River Board, which met the next day. The sites we visited included the Imperial Dam and several projects by Bard and the Quechan tribe, including canal lining and estuary restoration projects. We crossed the border fence to see the Morelos Dam in Mexico.



- I was invited to answer questions for the Water Education for Latino Leaders WELL Untapped Cohort retreat in Burbank, CA. The six-month “Untapped” class is made up of elected city council, water board, and school board members from around California. The cohorts are trained on the basics of water policy and infrastructure based on a “method of inquiry” that requires invited experts to provide concise and clear answers free of acronyms, with collaborative follow-up by members of the cohort. The questions ranged from issues of affordability, the Colorado River, and the regulatory environment. The Untapped program helps participants to deepen their understanding of California's water challenges and empowers them to make informed decisions about the future of water in our state.



- I would like to thank One Water Committee Chair Tracy Quinn, Vice Chair Faessel, and members of the Board for your participation in a special Joint Workshop to inform ourselves about Delta Conveyance Project funding through key experts and opinion leaders. As we approach December’s decision on the next phase of funding for planning and permitting of the Delta Conveyance Project, we can be assured that with the staff’s help, we have left “no stone unturned” in preparing ourselves.



The three-hour workshop featured two panels moderated by One Water Committee Chair Quinn representing Sacramento-San Joaquin Delta and Tribal interests, and another representing Bay Area and Southern California business and labor interests. I was happy to moderate a robust Q&A roundtable involving Directors, panelists, and stakeholders invited to participate.

### **Regularly Scheduled/Ongoing Meetings**

I continue to meet regularly to review the Board's organizational issues and coordinate activities with the Board Vice Chairs and Department Heads.



# General Manager's Monthly Report



**Activities for the Month of November 2024**



# Table of Contents

<u>Message from the GM</u>	<u>3</u>
<u>Strategic Priorities Update</u>	<u>4-10</u>
<u>Executive Summary</u>	<u>11-13</u>
<u>Reflections</u>	<u>14</u>
<u>Water Supply Conditions Report</u>	<u>15</u>
<u>Reservoir Report</u>	<u>16</u>

# Message from the General Manager

Metropolitan staff are widely recognized as industry experts and leaders, and I am both proud and grateful every time they are formally honored for their innovation and excellence.

Jacob Margolis, Metropolitan's director of information technology security, was named one of the Cyber Defense Magazine's Top Global Chief Information Security Officers for 2024, while Infrastructure Reliability Team Manager Johana Clemens was recognized by the Hispanic Coalition of Small Businesses. Clemens was honored for her career in a traditionally male-dominated field and for her dedicated support of small businesses through her work at Metropolitan.

Our social media channels also have been highlighting #WaterChampions among the Metropolitan family. The dedicated staff at Metropolitan inspire their colleagues every day and set the bar in the industry, from environmental specialist Alex Marks, who negotiated environmental permits that included funding to restore habitat in Newport Bay, to associate engineer Shannon Maceiko, who manages the state-of-the-art laboratory at the Pure Water Southern California demonstration plant, to inspection trip manager Eduardo Garcia, who has 20 years of service at Metropolitan (including as a chemist in our Water Quality Lab) and who led our first-ever Spanish-language inspection trip this year.

The diversity of skills and backgrounds among Metropolitan's outstanding staff reflects the wide range of responsibilities and expertise required to deliver reliable supplies of high-quality water to the 19 million people we serve across Southern California.

It is also a reminder that we must constantly be looking to the future to ensure continued excellence and industry leadership. To this end, one of our strategic priorities is to "empower the workforce and promote diversity, equity, and inclusion," which includes focused efforts to update and expedite recruitment processes, to expand workforce development across the District, to improve outreach to build a future pipeline of diverse qualified talent, and to grow our training, mentorship and succession planning programs.

It also includes taking a moment out of our busy workdays to say thank you to the coworkers who have built Metropolitan's peerless reputation.

Deven Upadhyay  
Interim General Manager



# Strategic Priorities Update

The General Manager's Strategic Priorities guide actions in key areas of change and opportunity that will strengthen Metropolitan and its ability to fulfill its mission. Review the General Manager's [Business Plan for FY24-25](#) and the ["SMART Tracker"](#) dashboard of specific actions that advance the Strategic Priorities.



## Empower the workforce and promote diversity, equity, and inclusion



### Goal Dashboard

8 Outcomes in progress are on target

■ Build a safe, inclusive, and accountable workplace where all employees feel valued, respected, and able to meaningfully contribute to decisions about their work to fulfill Metropolitan's Mission.

The Equal Employment Opportunity Office (EEO) conducted an EEO Investigations 101 Training in November. This interactive training provided employees with an overview of the EEO Office and its mission and guiding principles; the complaint intake process; investigative guidelines for conducting EEO investigations; and the post-investigative process. The goal of this training series is to ensure that Metropolitan employees know how to file an EEO complaint, better understand the complaint process and their rights and responsibilities in the workplace and help build a positive rapport with the EEO Office. The training was fully booked, and the EEO Office received positive feedback from participants.

Health, Safety and Environmental (HSE) 101.5 Safety Committee Procedures were provided to local safety committees and their management for review and feedback. The Procedures will help standardize the safety committees and their activities.

The Ethics Office was featured in a meeting of nearly 300 managers, providing a refresher training about conflicts of interest.

■ Prepare and support the workforce by expanding training and skill development and updating strategies to recruit and retain diverse talent, to meet the evolving needs and expectations of the workplace.

The monthly recruitment status report continues to be shared with Group Managers that lists all approved positions, vacant positions, and the status of the recruitment, and overlays any temporary staffing currently working in their group. The Recruitment Manager and Lead Recruiter meet with Group Managers to discuss active and upcoming recruitments to prioritize efforts and hold everyone involved in the recruitment process accountable to move the process forward. In addition, they have been attending meetings held by Section Managers with their managers to talk about the recruitment process and their roles. This month, EEO presented at a meeting of Metropolitan's 300 managers to provide an understanding of EEO's role in the recruitment process.

Recruitment's tool that allows for proactive candidate identification for historically hard-to-fill positions is having a positive impact and will help decrease our time to fill and generate a deep and diverse applicant pool.

The Engineering Services Group Career Launch program kicked off in October. This program supports career development among its staff. The November session educated employees about Metropolitan history, the Colorado River Aqueduct, and the distribution system.

The Organizational Development & Training Unit (OD&T) graduated the 14th cohort of Metropolitan Management University, providing new managers leadership soft skills, administration and institutional knowledge, and practical skills such as delegation and time management. The Unit continued the rollout of the "Civil Workplace" employee training with sessions in Diamond Valley Lake, Lake Matthews, Skinner, Diemer, Weymouth, Jensen, and Headquarters. OD&T sponsored a beta-test training for Board Presentation Skills with one of our consultants, which gathered feedback from executive management.



## Recruitments Coordinated

**HR now meets monthly with Group Managers and provides updated status reports for all their vacant positions**



## Sustain Metropolitan's mission with a strengthened business model



### Goal Dashboard

5 Outcomes in process

#### ■ Develop revenue and business model options that support the needs of the member agencies as well as Metropolitan's financial sustainability and climate adaptation needs.

Member agencies met in an all-day workshop facilitated by Ken Kirby, which primarily focused on two topics: understanding the current Metropolitan business model using a "Business Model Canvas" that connected value propositions of the agency's work with different customer segments and identifying potential revisions to the business model to explore in the next few months. An update on this activity was reported to the Board at the Climate Adaptation Master Plan for Water (CAMP4W) Task Force meeting. The next workshop is planned for December 13.

The Treated Water Cost Recovery Task Force has met seven times through November. The Task Force is on target to meet the Board's directive to review and develop solutions for the treated water surcharge.

#### ■ Identify and secure programmatic cost savings, organizational efficiencies and external funding.

In November, the Centralized Grants Management Office (CGMO) launched the Grants Administrator (GA) training program. While the specific duties of GAs may vary from group to group, creating the GA role in Metropolitan and offering meaningful training increases our capacity to support grant funding and to better coordinate within Metropolitan, including the following roles:

- Serve as liaison with the CGMO
- Assist their group with searching for grant opportunities
- Attend SoCal Water Grants Network quarterly meetings
- Participate in the teams that develop grant applications
- Provide support with managing grants and producing reports



### Grants Management

**Grant Administrator roles have been identified and a training program launched**



## Adapt to changing climate and water resources



### Goal Dashboard

10 Outcomes in process and on target

#### ■ Provide each member agency access to an equivalent level of water supply reliability.

The CAMP4W Task Force met in November to further test the draft evaluative criteria, which was found to be pertinent and flexible enough to apply across a wide range of project types and stages in a project's lifecycle. Additional input was received that will allow staff to integrate this important component of the decision-making framework into a final draft plan.

Water Resource Management (WRM) staff and management have been engaged in the CAMP4W and Business Model development and discussions. WRM staff supported both processes with participation and technical support. The Business Model and CAMP4W processes made progress but have not yet reached a point which requires further policy and technical development of the Local Resources Program, Stormwater, or Groundwater Management programs.

The contractor is currently installing electrical equipment and preparing for installation of a large isolation valve in early 2025 for the Wadsworth Pumping Plant Bypass, which is one of the suite of projects currently in construction that will enhance long-term water supply reliability for the State Water Project-dependent areas. All other piping work is complete on the project.

#### ■ Advance the long-term reliability and resilience of the region's water sources through a One Water approach that recognizes the interconnected nature of imported and local supplies, meets both community and ecosystem needs and adapts to a climate change.

Technical studies are complete for Pure Water Southern California (PWSC), and Environmental Impact Report (EIR) preparation continues. The draft EIR is scheduled to be available by mid-2025. The final EIR schedule is targeting January 2026 completion. In parallel, staff is working with member agency staff to develop terms of participation in the program. The target for approved term sheets is early 2025.

Metropolitan convened the Regional Water Reuse Collaborative for a discussion focused on the status of master planning for PureWater LA (formerly known as OperationNext/Hyperion 2035) in the City of Los Angeles.

Staff continues to coordinate with the U.S. Bureau of Reclamation (USBR) to ensure maximum flexibility and value regarding its award of nearly \$100M from the Large Scale Water Recycling program (LSWR) for PWSC. A board action to adopt a resolution supporting the LSWR application was approved on November 18. A second board action authorizing the grant agreement will follow in December 2024. Metropolitan was notified on November 18, 2024, that USBR was awarding us an additional \$26M in LSWR funds that we had applied for but that were not included in the May award. The board resolution for support of this grant was approved the next day. Staff will include the full \$125M grant into the agreement for action in December.

In October, the Department of Water Resources submitted a draft certification of consistency with the Delta Stewardship Council's Delta Plan for geotechnical activities planned for 2024 through 2026. Four appeals, representing about 18 local agencies, conservation groups, and tribes, were filed.

The California Department of Fish and Wildlife issued Sites Project Authority Incidental Take Permits for permits for construction and operations of the project on October 22, 2024.

Webb Tract is a proving ground for the design of multi-benefit solutions toward a more sustainable Bay-Delta. This month staff held a Webb Tract design optimization workshop. 65 percent design drawings are expected in December. Staff visited several restoration projects in the south Delta. An article highlighting Metropolitan's work on floating wetlands and their potential benefit to the Delta was published in Maven's Notebook.

The final adopted Conservation as a California Way of Life regulation was summarized in a board report. Metropolitan is committed to helping support retail water agency efforts to comply with the regulations, such as through the Member Agency Administered Program, the Water Savings Incentive Program, the Regional Rebate Program, and the PlanetScape AI turf dashboard.

To further promote conservation and Metropolitan's incentive programs, staff connected with commercial/industrial/institutional property owners through the National Association for Industrial and Office Parks and the Irvine Company.

Metropolitan continues to prepare for the One Water Award event, which this year will be held at Metropolitan's Headquarters Building.



## Pure Water Studies

**Technical studies are complete toward a mid-2025 release of the draft EIR for Pure Water Southern California**



## Protect public health, the regional economy, and Metropolitan's assets



### Goal Dashboard

9 Outcomes in process and on target

#### Proactively identify, assess, and reduce potential vulnerabilities to Metropolitan's system, operations, and infrastructure.

Over 140 cyberthreat investigations for the month were completed. Since January 2024, the Cyber Security Operations Center (CSOC) has conducted 1,972 cyber threat investigations. An annual "Cybersecurity Awareness Training Campaign" was launched in October, and the status of staff certifications will be tracked starting on December 1, 2024.

The Office of Cybersecurity launched the Governance, Risk, and Compliance Capital Improvement Project and appointed a project manager to begin handling priority action items, including updates to Operating Policy I-01 and implementing a vulnerability management tracking system.

Under the new Office of Safety, Security and Protection, emergency operations and coordination are increasingly taking an enterprise-wide approach. During planning for possible incidents this month (elections and weather related), all Metropolitan Groups provided a confirmed Point of Contact, which significantly expanded district communications in readiness for an emergency.

Annual PFAS monitoring in Metropolitan's waters was conducted in November. Results of this monitoring are being done through a contract lab and are not yet available as of the writing of this report. Purchase of a liquid chromatography mass spectrometer for in-house PFAS analysis is expected to be completed in the first quarter of 2025.

It is anticipated that state-mandated microplastics monitoring will be scheduled in Quarter 3 of 2025. Water Quality provided letters of support to three research teams responding to the Water Research Foundation call for proposals on "Method Refinement and Standardization for Microplastics Sample Collection and Analysis." Staff has also volunteered for the Project Advisory Committee for this project.



### Innovation Program

Program Manager hired

This month, staff held a meeting to review and resolve comments on the draft preliminary design for the Water Quality Laboratory upgrade. Staff also conducted a Value Engineering disposition workshop for the temporary lab location during the construction phase. The final preliminary design is expected to be completed in Quarter 2 of 2025.

■ **Apply innovation, technology, and sustainable practices across project lifecycles.**

Patrick Atwater, a new program manager hired to lead Metropolitan's Innovation Program, started in November.



## Partner with interested parties and the communities we serve



### Goal Dashboard

6 Outcomes in progress and on target

■ **Grow and deepen collaboration and relationships among member agencies, interested parties and leaders on the issues most important to them and toward mutual and/or regional benefits.**

To facilitate public input and to enhance the Board's deliberations through a deeper discussion of a broad range of viewpoints, staff worked closely with the board chair's office to organize two panels and roundtable participants in an innovative workshop format regarding proposed funding for Delta Conveyance Project planning and permitting. This workshop was a joint meeting of the Board and the One Water Committee. Additional staff outreach further promoted public engagement through written correspondence and public comment on this high-profile topic.

Our strong social media campaign is highlighting employees as "Water Champions" and acknowledging Employee Resource Group activities. Staff began production work on a new video series to showcase safety achievements resulting from employee input and local Safety Councils.

■ **Reach disadvantaged communities and non-traditional interested parties to better understand their needs and ensure their inclusion in decision making.**

The Office of Diversity, Equity, and Inclusion is collaborating with Finance on a grant for conservation in underserved communities. The Disadvantaged Communities (DAC) research and analysis conducted is being used to understand potential opportunities for program enhancements. In addition, Community Partnering Program grants are being mapped to identify where additional outreach could help increase participation for underserved communities.

# Executive Summary

*This executive summary is added to this report to provide a high-level snapshot of key accomplishments from each area of the organization.*

## **Bay-Delta Resources**

On October 8, 2024, the Department of Water Resources submitted a draft certification of consistency with the Delta Stewardship Council's Delta Plan for geotechnical activities planned for 2024 through 2026. Four appeals, representing about 18 local agencies, conservation groups and tribes, were filed by the appellant deadline of November 7, 2024. An article highlighting Metropolitan's work on floating wetlands, and their potential benefit to the Delta, was published in Maven's Notebook.

## **Chief Financial Officer**

In November, an informational report was provided to the Finance and Asset Management Committee on the district's first quarter financial condition for the fiscal year ending June 30, 2025. In addition, Metropolitan is continuing its Member Agency Manager Treated Water Cost Recovery Workshops.

## **Colorado River Resources**

In late November, the U.S. Bureau of Reclamation released proposed alternatives to be analyzed in the Draft Environmental Impact Statement for the post-2026 Colorado River Operational Guidelines. Those alternatives did not include the Lower Basin alternative that was submitted to USBR in March 2024. The initial release was a high-level overview of the alternatives; USBR intends to provide more details about them at the December 2024 Colorado River Water Users Association Annual Conference in Las Vegas.

## **Diversity, Equity & Inclusion**

The Diversity, Equity, and Inclusion (DEI) Team continued to advance greater opportunity across business procurement and workforce development through several key outreach events across our service territory in November. Some key highlights of our engagement efforts this month included the Veterans in Business Network's 8th Annual National Conference in San Diego, designed to help veteran businesses build connections among corporations, government agencies, and primes looking to create partnerships for contracting opportunities. On November 15, 2024, Metropolitan staff attended the Asian Business Association–Orange County (ABA-OC) Gala Awards during which Metropolitan staff member Wigs Mendoza was recognized as the Legacy Member of the Year. During the month, the DEI Team also hosted an Envision training class at Gene Camp to provide our employees the opportunity to learn more about sustainable infrastructure development. Members of the team attended a kickoff meeting for a grant-funded initiative through Long Beach City College and will continue to serve in an advisory capacity to advance work readiness skills and mission-critical positions in the water/wastewater industry. Finally, we continue to engage with Colorado River Indian Tribes (CRIT) on workforce development opportunities through weekly language classes and at key cultural events such as the CRIT 50th Anniversary Native American Fair and Expo.

## **Engineering Services**

Engineering hosted a BIM Tech Day at Metropolitan Headquarters in November 2024, bringing together Metropolitan staff, industry professionals, and public agency technical representatives. The one-day conference featured emerging technologies in design optimization, construction management solutions, and 3-D augmented reality modeler to advance practices in engineering, operations, and asset management. The event also showcased cutting-edge industry trends in Building Information Modeling (BIM) and Digital Twin. Metropolitan has engaged staff to network with external professionals to enhance productivity, efficiency, and innovation in engineering solutions.

## Equal Employment Opportunity Office

On November 13, 2024, the Equal Employment Opportunity Office (EEO) conducted an EEO Investigations 101 Training. This interactive and informative training provided employees with an overview of the EEO Office and its mission and guiding principles; the complaint intake process; investigative guidelines for conducting EEO investigations; and the post-investigative process. On November 12, EEO conducted a concurrence process training at the All-Manager Briefing. The purpose of this training was to provide hiring managers in this section with an understanding of EEO's role in the recruitment process.

## External Affairs

Education staff facilitated the first student tour of the Hinds Pumping Plant and Village for 27 students from the Eagle Mountain School, many of whom are family members of Metropolitan employees. With a surprise visit from Admiral Splash, the students participated in hands-on activities while learning about water careers and conservation. (November 5)

## Human Resources

The Organizational Development & Training Unit (OD&T) graduated the 14th cohort of Metropolitan Management University (providing new managers leadership soft skills, administration and institutional knowledge, and practical skills such as delegation and time management). OD&T continued the rollout of the "Civil Workplace" employee training with sessions in Diamond Valley Lake, Lake Matthews, Skinner, Diemer, Weymouth, Jensen, and Headquarters. OD&T sponsored a beta-test training for Board Presentation Skills with one of our consultants, which gathered feedback from executive management.

## Information Technology

Metropolitan's Information Technology Group (IT) recently completed the annual Disaster Recovery exercise, a vital procedure to test the resiliency of critical systems in the event of a natural disaster or major outage. The exercise was executed on multiple critical business applications, and these systems were cut over from the primary datacenter to the secondary datacenter. During this period, all applications were functional, and business continued as normal from the secondary datacenter. This platform switchover lasted for one week and was returned to the primary data center on October 26, 2024.

All supporting IT teams displayed agility to work through any issues and to implement resolutions in a considerably short amount of time, proving the resiliency of critical systems in the event of a disaster. Key takeaways were documented and will be tested in the next annual exercise.

## Safety, Security and Protection

Staff participated in the "Great California ShakeOut" emergency exercises and a joint Defense Support to Civil Authorities tabletop exercise on disaster coordination. Additionally, staff monitored for possible 2024 Presidential Election protests and coordinated response efforts for the Mountain Fire in Ventura County.

The Safety Team provided asbestos training and a Near Miss Safety Advisory. The Environmental Team managed sulfuric acid removal and landfill audits. Apprenticeship testing was completed, with positions offered in early 2025. The Safety and Technical Training team is updating System Operating Orders Manual (SOOM) procedures based on recent incidents.

## Sustainability, Resiliency and Innovation

Sustainability, Resiliency and Innovation (SRI) continued to work with Engineering and the Fleet Services Unit to transition Metropolitan's fleet to Zero Emission Vehicles (ZEVs) to comply with the California Air Resources Board's Advanced Clean Fleet regulation. Metropolitan's fleet currently has 12 ZEVs with 21 total planned by the end of this calendar year.

## **Water Resource Management**

Water Resource Management (WRM) staff participated in two events related to salinity control and management, at the Colorado River Basin Salinity Control Forum and at the 30th anniversary of the George E. Brown Jr. Salinity Lab at UC Riverside. WRM staff continued regional outreach efforts with a presentation on water supply and demand to the California Municipal Rates Group Conference. Metropolitan entered into a Future Supply Actions Funding Program agreement with the Long Beach Public Utilities Department to further research and development on groundwater recharge and system improvement.

## **Water System Operations**

Construction has begun for the Diemer Helicopter Hydrant Facility. The helicopter hydrant consists of an open-top tank and supporting infrastructure, allowing helicopters to collect water to fight nearby fires quickly. Metropolitan collaborated with Yorba Linda Water District, the California Department of Forestry and Fire Protection, and Orange County Fire Authority. Metropolitan will own and operate the facility after construction is completed. This project will allow for enhanced wildfire preparedness and response capabilities for the benefit of Southern California communities.



**"It's an exciting collaboration between diverse parties coming together to tackle water supply challenges holistically. I look forward to witnessing partnerships that are developed through creative, out-of-the-box solutions and help us better manage our resources."**

***Tracy Abundez, Resource Specialist,  
Supply Acquisition Team***

## **MEMORANDUM OF UNDERSTANDING DESCRIPTION**

Metropolitan signed two Memorandums of Understanding (MOU) on May 8, 2024, that will advance our collaboration with agricultural partners in the Central Valley. The first MOU is between Metropolitan, Friant Water Authority (Friant), and Westlands Water District (Westlands). Friant and Westlands are the two largest Central Valley Project contractors south of the Delta and Metropolitan has a history of working with both agencies. The second MOU is with The Water Blueprint for the San Joaquin Valley Education Fund (Blueprint), which is a large nonprofit coalition of San Joaquin Valley diverse stakeholders that seek to advance common-sense water solutions for the region. Both MOUs memorialized the intent of collaboration among the parties to identify, develop, and implement mutually beneficial water supply management projects.

## **IMPORTANCE TO METROPOLITAN**

Through these MOUs, the parties will identify potential water supply management opportunities such as surface storage, groundwater storage, or transfers and exchanges. Work completed under the MOUs will be shared among parties and may consist of feasibility studies, modeling, technical analyses, or pilot projects. Collaboration could also lead to program development, infrastructure investments, or policy development. Future studies will help identify opportunities for storage and recovery based on certain criteria (i.e., location, infrastructure needs, suitability for recharge and recovery, and water quality). Collaboration under the MOUs will serve as a groundwork for Metropolitan to establish partnerships to develop projects/programs that will improve the region's reliability by increasing dry-year storage capacity and improving our operational flexibility. In addition, potential projects/ programs can help agricultural partners increase their own reliability and meet their Sustainable Groundwater Management Act (SGMA) goals.

## **MEMORABLE MOMENT**

The MOUs mark the start of great partnerships between urban and agricultural stakeholders.

# Water Supply Conditions Report

Water Year 2024-2025

As of 11/30/2024

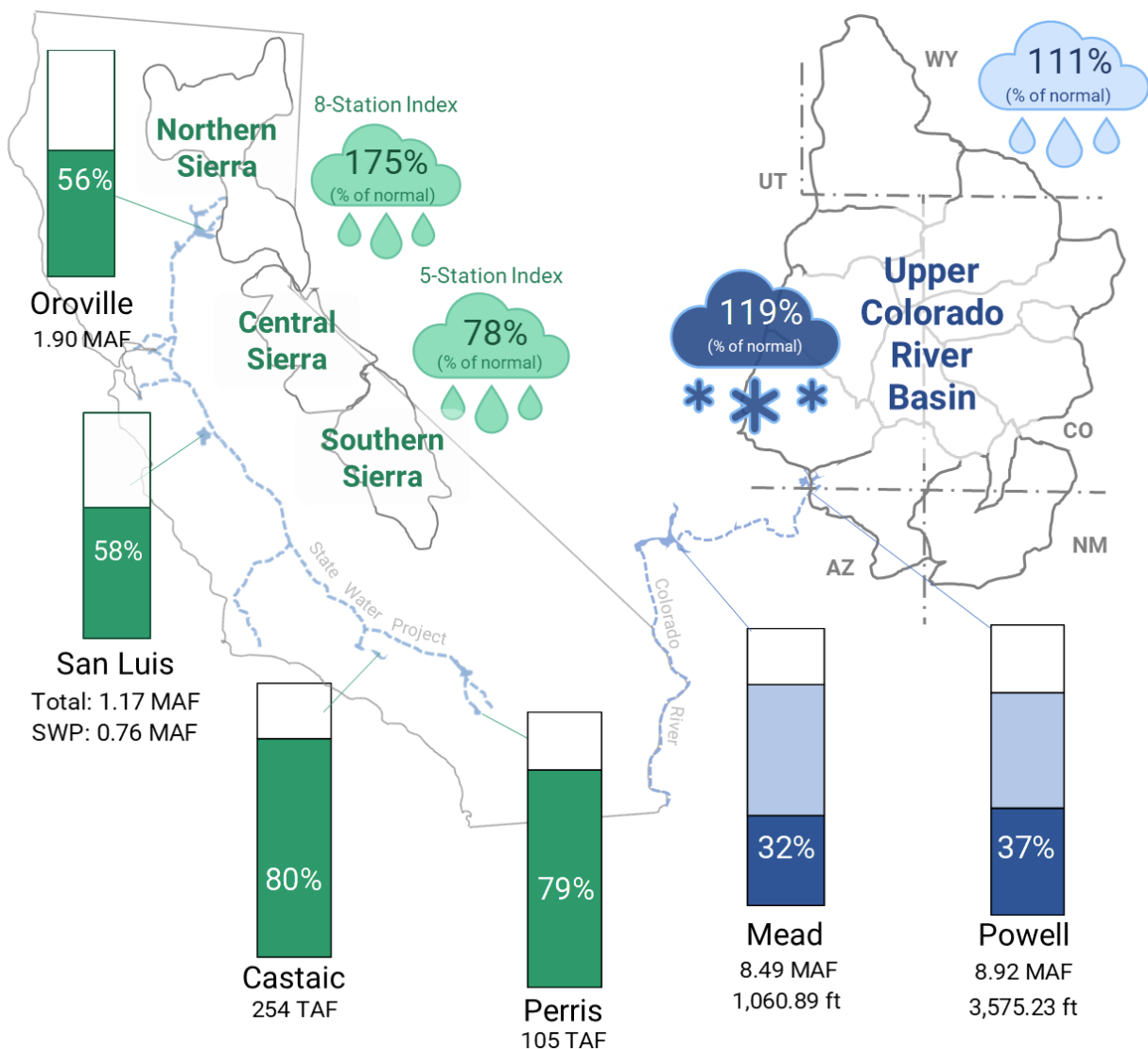
Extended Report: <https://www.mwdh2o.com/WSCR>

## State Water Project Resources

SWP Allocation  
40% Table A: 764,600 acre-feet

## Colorado River Resources

Projected CRA Diversions  
958,000 acre-feet



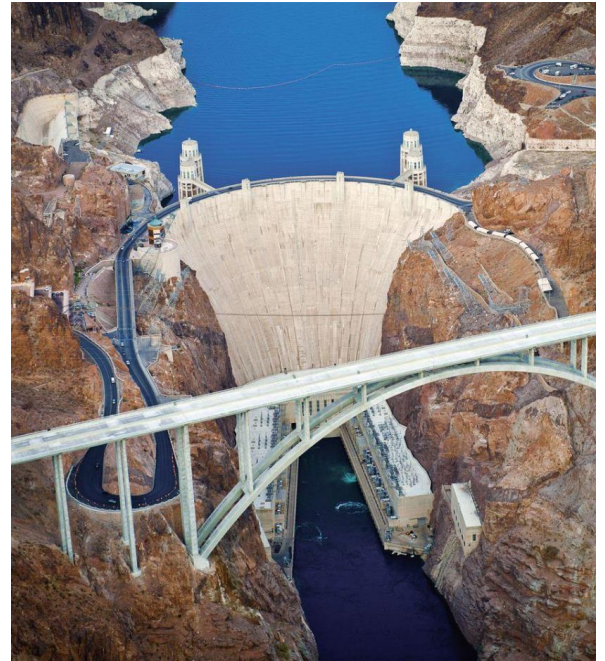
# Reservoir Report

## End of Month Reservoir Report

Monthly Update as of:

11/30/2024

<u>Reservoir</u>	<u>Current Storage</u>	<u>Percent of Capacity</u>
<b><i>Colorado River Basin</i></b>		
Lake Powell	8,918,380	37%
Lake Mead	8,494,000	33%
<b><i>DWR</i></b>		
Lake Oroville	1,906,469	55%
Shasta Lake	2,772,336	61%
San Luis Total	1,187,142	59%
San Luis CDWR	766,632	72%
Castaic Lake	252,695	78%
Silverwood Lake	72,513	97%
Lake Perris	104,855	80%
<b><i>MWD</i></b>		
DVL	789,479	97%
Lake Mathews	115,836	64%
Lake Skinner	37,415	85%



Hoover Dam



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

700 N. Alameda Street, Los Angeles, CA 90012  
General Information (213) 217-6000  
[www.mwdh2o.com](http://www.mwdh2o.com) [www.bewaterwise.com](http://www.bewaterwise.com)

Interim General Manager: Deven Upadhyay  
Office of the GM (213) 217-6139  
[OfficeoftheGeneralManager@mwdh2o.com](mailto:OfficeoftheGeneralManager@mwdh2o.com)



## Office of the General Counsel

### Monthly Activity Report – November 2024



### Matters Concluded and/or Terminated

#### ***Baker Electric, Inc. v. Metropolitan*** **(Los Angeles County Superior Court)**

On June 8, 2021, Baker filed a complaint in the Superior Court of Los Angeles County in connection with work performed on the Colorado River Aqueduct cable replacement project seeking approximately \$16 million in damages for alleged delays and extra work. Metropolitan subsequently filed a cross-complaint for approximately \$9 million for defective work and liquidated damages. As previously reported, Metropolitan entered into a

settlement agreement with Baker Electric and its subcontractors on September 26, 2024. On November 11, 2024, the case was dismissed in its entirety.

#### ***Darren Reese v. Metropolitan*** **(Riverside County Superior Court)**

On November 25, 2024, the Riverside County Superior Court entered a dismissal with prejudice of this case. The dismissal was due to the parties' settlement of the case.

### Matters Received

<u>Category</u>	<u>Received</u>	<u>Description</u>						
Government Code Claims	3	Claims relating to: (1) an accident involving an MWD vehicle; (2) Claimant slipped and fell from stepping out of a vehicle from Lyft into a puddle; and (3) vehicle rented from Alamo by an MWD employee on MWD-related business that was damaged in hotel parking lot when MWD employee was not in the vehicle						
Subpoenas	1	Deposition Subpoena for Personal Appearance, served by Defendant Wells Fargo Bank, N.A. in the case <i>State of California ex. Rel. Edelweisse Fund, LLC v. JP Morgan Chase Bank, N.A., et al.</i> , San Francisco County Superior Court, Case No. CGC-14-540777, seeking MWD's testimony regarding the third party advisors retained, selection of entities to provide, MWD involvement in connection with the Variable Rate Demand Obligations (VRDOs) issued by MWD that are subject of this action						
Requests Pursuant to the Public Records Act	17	<table><tr><th><u>Requestor</u></th><th><u>Documents Requested</u></th></tr><tr><td>22nd Century Technologies</td><td>Winning proposals and scoring sheets for Temporary Labor Services – Professional / Administrative, Scientific and Technical</td></tr><tr><td>CCS Global Tech</td><td>Winning proposals, awarded contracts, proposal evaluation tally sheets, and bid tabulations for Request for Proposal for Temp Labor Staffing Professional Administrative</td></tr></table>	<u>Requestor</u>	<u>Documents Requested</u>	22nd Century Technologies	Winning proposals and scoring sheets for Temporary Labor Services – Professional / Administrative, Scientific and Technical	CCS Global Tech	Winning proposals, awarded contracts, proposal evaluation tally sheets, and bid tabulations for Request for Proposal for Temp Labor Staffing Professional Administrative
<u>Requestor</u>	<u>Documents Requested</u>							
22nd Century Technologies	Winning proposals and scoring sheets for Temporary Labor Services – Professional / Administrative, Scientific and Technical							
CCS Global Tech	Winning proposals, awarded contracts, proposal evaluation tally sheets, and bid tabulations for Request for Proposal for Temp Labor Staffing Professional Administrative							



<u>Requestor</u>	<u>Documents Requested</u>
Center for Contract Compliance	Certified payroll records and fringe benefit statement for J. Orozco Enterprises Inc. dba Orozco Landscape and Tree Co.
Collins Kim LLP (2 requests)	(1) MWD responses to PRA requests re communications to or from Katano Kasaine, EEO and/or ethics complaints against Adel Hagekhalil from September 1, 2021 to present and related investigation reports, communications by and/or between Adel Hagekhalil and certain persons from September 1, 2021 to the present; and (2) all communications between Adel Hagekhalil and Director Lois Fong-Sakai
Delteck	Contract information for the Request for Qualifications for On-Call Value Engineering, Meeting Facilitation and Technical Engineering Services
Engineering Design & Testing Corp.	Documents relating to MWD assets, including transmission lines, storage, control devices such as valves or gates, and monitoring stations in the Tujunga Valley
Gibbs Giden Locher Turner Senet & Wittbrodt	Payment bond for James W. Fowler Company for the Interstate 215 Freeway Tunnel Crossing for the Perris Valley Pipeline
Los Angeles Times	Final EEO investigation report regarding discriminatory remarks about GM Adel Hagekhalil and related communications between MWD and member agencies about the investigation
MAPA/AFSCME Local 1001	Solicitation documents relating to the hiring of Shaw HR Consulting and employment contracts for Adel Hagekhalil, Mohsen Mortada, Martin Schlageter, and Elizabeth Crosson
Mott MacDonald	Task orders, date contract expires, and name of MWD Project Manager for the Request for Qualifications for Tunnel Design Engineering
PMCS Group	Request for proposal, all submittals, and evaluation sheets relating to the Request for Proposal for Pure Water Southern California Program Management Support Services



<u>Requestor</u>	<u>Documents Requested</u>
Private Citizen	Claim correspondence from an MWD employee
SmartProcure	Purchase order data including purchase order number, purchase order date, line item details, line item quantity, line item price, vendor information from August 11, 2024 to current
Sonoma Water	Bidders lists, requests for proposals, evaluation forms, and reports from consultants on records management practices within the past 10 years
Tryfacta (2 requests)	(1) Data on awarded vendors and amount spent under the contract for Skilled/Technical Temp Labor Staffing; and (2) Proposals, amount of spend to date, and list of vendors under contract for On-Call Information Technology Services



PLEASE NOTE

- ADDITIONS ONLY IN THE FOLLOWING TWO TABLES WILL BE SHOWN IN RED.
- ANY CHANGE TO THE *OUTSIDE COUNSEL AGREEMENTS* TABLE WILL BE SHOWN IN REDLINE FORM (I.E., ADDITIONS, REVISIONS, DELETIONS).



Bay-Delta and SWP Litigation	
Subject	Status
<b>Delta Conveyance Project CEQA Cases</b>  <i>City of Stockton v. California Department of Water Resources</i>  <i>County of Butte v. California Department of Water Resources</i>  <i>County of Sacramento v. California Department of Water Resources</i>  <i>County of San Joaquin et al. v. California Department of Water Resources</i>  <i>Sacramento Area Sewer District v. California Department of Water Resources</i>  <i>San Francisco Baykeeper, et al. v. California Department of Water Resources</i>  <i>Sierra Club, et al. v. California Department of Water Resources</i>  <i>South Delta Water Agency and Rudy Mussi Investment L.P. v. California Department of Water Resources</i>  <i>Tulare Lake Basin Water Storage District v. California Department of Water Resources</i>  <i>Sacramento County Superior Ct. (Judge Acquistio)</i>	<ul style="list-style-type: none"> <li>DWR is the only named respondent/defendant</li> <li>All alleged CEQA violations</li> <li>Most allege violations of the Delta Reform Act, Public Trust Doctrine and Delta and Watershed Protection Acts</li> <li>Two allege violations of the fully protected bird statute</li> <li>One alleges violations of Proposition 9 (1982) and the Central Valley Project Act</li> <li>Deadline for DWR to prepare the administrative record extended to Nov 29, 2024</li> <li>June 20, 2024 trial court issued a preliminary injunction halting pre-construction geotechnical soil testing until DWR certifies that the DCP is consistent with the Delta Plan</li> <li>Aug. 19, 2024 DWR appealed the injunction</li> <li>Aug. 23, 2024 trial court denied DWR's motion to modify or stay the preliminary injunction</li> <li>Aug. 29, 2024 DWR filed a petition in the court of appeal seeking to stay the preliminary injunction pending a ruling on the merits of its appeal</li> <li>Oct. 18, 2024 stay petition denied.</li> <li>Oct. 24, 2024 cases ordered consolidated for all purposes under <i>Tulare Lake Basin Water Storage District v. California Department of Water Resources</i></li> <li>April 4, 2025 next case management conference</li> <li><u>Briefing deadlines on the appeals will begin once the clerk's transcript of trial court proceedings is filed with the court of appeal</u></li> </ul>



Subject	Status
<p><b>Delta Conveyance Project Water Right Permit Litigation</b></p> <p><i>Central Delta Water Agency et al. v. State Water Resources Control Board</i></p> <p>Fresno County Superior Court (Judge Hamilton)</p>	<ul style="list-style-type: none"> <li>Complaint filed April 16, 2024, alleges that the State Water Board must rule on DWR's 2009 petition to extend the time to perfect its State Water Project rights before the State Water Board may begin to adjudicate DWR's petition to change its water rights to add new points of diversion for the Delta Conveyance Project</li> <li>Sept. 19 hearing date for State Water Resources Control Board demurrer (motion to dismiss) and motion to strike and DWR's demurrer (motion to dismiss) taken off calendar by court-entered stipulation of the parties after DWR withdrew the 2009 petition to extend its SWP water rights</li> <li><a href="#"><u>Dec. 17, 2024 Case Status Conference</u></a></li> </ul>
<p><b>Consolidated DCP Revenue Bond Validation Action and CEQA Case</b></p> <p><i>Sierra Club, et al. v. California Department of Water Resources</i> (CEQA, designated as lead case)</p> <p><i>DWR v. All Persons Interested</i> (Validation)</p> <p>Sacramento County Superior Ct. (Judge Kenneth C. Mennemeier)</p> <p>3d District Court of Appeal Case No. C100552</p>	<ul style="list-style-type: none"> <li><b>Validation Action</b></li> <li>Final Judgment and Final Statement of Decision issued January 16, 2024 ruling the bonds are not valid</li> <li>DWR, Metropolitan and other supporting public water agencies filed Notices of Appeal on or before the February 16, 2024 deadline</li> <li>Eight opposing groups filed Notices of Cross Appeals by March 27, 2024</li> <li>April 16, 2024 DWR moved to dismiss the cross appeals as untimely</li> <li>October 4, 2024 DWR's and Supporting SWP Contractors' Joint Opening Brief and Appellants' Appendix filed</li> <li>October 15, 2024 DWR's and Supporting SWP Contractors' joint motion for calendar preference was granted; the appeal will be accorded priority pursuant to statutory provisions, which should accelerate oral argument and the court's decision once briefing is completed in about March 2025</li> <li>Respondents' and Cross-Appellants' briefs due December 3, 2024</li> <li><a href="#"><u>Nov. 26, 2024 Respondents/Cross-Appellants moved for a 30-day extension of time</u></a></li> <li><a href="#"><u>Nov. 27, 2024 DWR, Metropolitan and Coachella Valley Water District filed an opposition to the time extension motion</u></a></li> </ul>



Subject	Status
<p><b>SWP-CVP 2019 BiOp Cases</b></p> <p><i>Pacific Coast Fed'n of Fishermen's Ass'ns, et al. v. Raimondo, et al. (PCFFA)</i></p> <p><i>Calif. Natural Resources Agency, et al. v. Raimondo, et al. (CNRA)</i></p> <p>Federal District Court, Eastern Dist. of California, Fresno Division (Judge Thurston)</p>	<ul style="list-style-type: none"> <li>SWC intervened in both <i>PCFFA</i> and <i>CNRA</i> cases</li> <li>Federal defendants reinitiated consultation on Oct 1, 2021</li> <li>March 28, 2024 order extending the Interim Operations Plan and the stay of the cases through the issuance of a new Record of Decision or December 20, 2024, whichever is first</li> </ul>
<p><b><u>2020</u> CESA Incidental Take Permit Cases</b></p> <p><b>Coordinated Case Name <i>CDWR Water Operations Cases, JCCP 5117</i> (Coordination Trial Judge Gevercer)</b></p> <p><i>Metropolitan &amp; Mojave Water Agency v. Calif. Dept. of Fish &amp; Wildlife, et al. (CESA/CEQA/Breach of Contract)</i></p> <p><i>State Water Contractors &amp; Kern County Water Agency v. Calif. Dept. of Fish &amp; Wildlife, et al. (CESA/CEQA)</i></p> <p><i>Tehama-Colusa Canal Auth., et al. v. Calif. Dept. of Water Resources (CEQA)</i></p> <p><i>San Bernardino Valley Municipal Water Dist. v. Calif. Dept. of Water Resources, et al. (CEQA/CESA/ Breach of Contract/Takings)</i></p> <p><i>Sierra Club, et al. v. Calif. Dept. of Water Resources (CEQA/Delta Reform Act/Public Trust)</i></p> <p><i>North Coast Rivers Alliance, et al. v. Calif. Dept. of Water Resources (CEQA/Delta Reform Act/Public Trust)</i></p> <p><i>Central Delta Water Agency, et. al. v. Calif. Dept. of Water Resources (CEQA/Delta Reform Act/Public Trust/ Delta Protection Acts/Area of Origin)</i></p> <p><i>San Francisco Baykeeper, et al. v. Calif. Dept. of Water Resources, et al. (CEQA/CESA)</i></p>	<ul style="list-style-type: none"> <li>Administrative records certified in October 2023</li> <li>Order entered to delay setting a merits briefing schedule by 90 days and extending the time to bring the action to trial by six months</li> <li>Deadline to bring all the coordinated cases to trial is now December 5, 2025</li> </ul>



Subject	Status
<p><b><u>2024 CESA Incidental Take Permit Cases</u></b></p> <p><u><i>San Francisco Baykeeper, et al. v. California Department of Water Resources</i> (CEQA, Delta Reform Act, Public Trust Doctrine)</u></p> <p><u>Sacramento County Superior Ct. Case No. TBD (Judge TBD)</u></p> <p><u><i>California Sportfishing Protection Alliance, et al. v. California Department of Water Resources, et al.</i> (CEQA, CESA, Delta Reform Act, Public Trust Doctrine)</u></p> <p><u>Sacramento County Superior Ct. Case No. 24WM000181 (Judge Arguelles)</u></p> <p><u><i>Tehama-Colusa Canal Authority, et al. v. California Department Of Water Resources, et al.</i> (CEQA)</u></p> <p><u>Sacramento County Superior Ct. Case No. 24WM000183 (Judge Rockwell)</u></p>	<ul style="list-style-type: none"> <li>• <u>Cases challenge DWR's Final EIR and the California Department of Fish and Wildlife's California Endangered Species Act Incidental Take Permit for the updated Long Term Operations plan for the State Water Project</u></li> </ul>
<p><b><i>CDWR Environmental Impact Cases</i></b> <b>Sacramento Superior Ct. Case No. JCCP 4942, 3d DCA Case No. C100302 (20 Coordinated Cases)</b></p> <p>Validation Action <i>DWR v. All Persons Interested</i></p> <p>CEQA 17 cases</p> <p>CESA/Incidental Take Permit 2 cases</p> <p>(Judge Arguelles)</p>	<ul style="list-style-type: none"> <li>• Cases dismissed after DWR rescinded project approval, bond resolutions, decertified the EIR, and CDFW rescinded the CESA incidental take permit</li> <li>• January 10, 2020 – Nine motions for attorneys' fees and costs denied in their entirety</li> <li>• May 11, 2022, court of appeal reversed the trial court's denial of attorney fees and costs</li> <li>• Coordinated cases remitted to trial court for re-hearing of fee motions consistent with the court of appeal's opinion</li> <li>• Dec. 26, 2023 order denying fee motions</li> <li>• Six notices of appeal filed</li> <li>• Appellants' opening briefs and appendices filed Oct. 29 and Oct. 31</li> <li>• <u>Jan. 31, 2025 deadline for DWR's opposition brief</u></li> </ul>
<p><b>COA Addendum/ No-Harm Agreement</b></p> <p><i>North Coast Rivers Alliance v. DWR</i> Sacramento County Superior Ct. (Judge Rockwell)</p>	<ul style="list-style-type: none"> <li>• Plaintiffs allege violations of CEQA, Delta Reform Act &amp; public trust doctrine</li> <li>• Westlands Water District and North Delta Water Agency granted leave to intervene</li> <li>• Metropolitan &amp; SWC monitoring</li> <li>• Deadline to prepare administrative record last extended to Nov. 18, 2022</li> </ul>



Subject	Status
<b>Water Management Tools Contract Amendment</b> <i>California Water Impact Network et al. v. DWR</i> Sacramento County Superior Ct. (Judge Acquisto)  <i>North Coast Rivers Alliance, et al. v. DWR</i> Sacramento County Super. Ct. (Judge Acquisto)	<ul style="list-style-type: none"><li>• Filed September 28, 2020</li><li>• CWIN and Aqualliance allege one cause of action for violation of CEQA</li><li>• NCRA et al. allege four causes of action for violations of CEQA, the Delta Reform Act, Public Trust Doctrine and seeking declaratory relief</li><li>• SWC motion to intervene in both cases granted</li><li>• Dec. 20, 2022 DWR filed notice of certification of the administrative record and filed answers in both cases</li></ul>



***San Diego County Water Authority v. Metropolitan, et al.***

Cases	Date	Status
<b>2014, 2016</b>	Sept. 30	Based on the Court of Appeal's Sept. 21 opinion in the parties' earlier 2010/2012 cases, and the Board's Sept. 28 authorization, Metropolitan paid \$35,871,153.70 to SDCWA for 2015-2017 Water Stewardship Rate charges under the Exchange Agreement and statutory interest.
<b>2017</b>	July 23, 2020	Dismissal without prejudice entered.
<b>2018</b>	April 11, 2022	Court entered order of voluntary dismissal of parties' WaterFix claims and cross-claims.
<b>2014, 2016, 2018</b>	June 11, 2021	Deposition of non-party witness.
	Aug. 25	Hearing on Metropolitan's motion for further protective order regarding deposition of non-party witness.
	Aug. 25	Court issued order consolidating the 2014, 2016, and 2018 cases for all purposes, including trial.
	Aug. 30	Court issued order granting Metropolitan's motion for a further protective order regarding deposition of non-party witness.
	Aug. 31	SDCWA filed consolidated answer to Metropolitan's cross-complaints in the 2014, 2016, and 2018 cases.
	Feb. 22	Metropolitan and SDCWA each filed motions for summary adjudication.
	April 13	Hearing on Metropolitan's and SDCWA's motions for summary adjudication.
	May 4	Court issued order granting Metropolitan's motion for summary adjudication on cross-claim for declaratory relief that the conveyance facility owner, Metropolitan, determines fair compensation, including any offsetting benefits; and denying its motion on certain other cross-claims and an affirmative defense.
	May 11	Court issued order granting SDCWA's motion for summary adjudication on cross-claim for declaratory relief in the 2018 case regarding lawfulness of the Water Stewardship Rate's inclusion in the wheeling rate and transportation rates in 2019-2020; certain cross-claims and affirmative defenses on the ground that Metropolitan has a duty to charge no more than fair compensation, which includes reasonable credit for any offsetting benefits, with the court also stating that whether that duty arose and whether Metropolitan breached that duty are issues to be resolved at trial; affirmative defenses that SDCWA's claims are untimely and SDCWA has not satisfied claims presentation requirements; affirmative defense in the 2018 case that SDCWA has not satisfied contract dispute resolution requirements; claim, cross-claims, and affirmative defenses regarding applicability of



Cases	Date	Status
<b>2014, 2016, 2018 (cont.)</b>		Proposition 26, finding that Proposition 26 applies to Metropolitan's rates and charges, with the court also stating that whether Metropolitan violated Proposition 26 is a separate issue; and cross-claims and affirmative defenses regarding applicability of Government Code section 54999.7, finding that section 54999.7 applies to Metropolitan's rates. Court denied SDCWA's motion on certain other cross-claims and affirmative defenses.
	May 16-27	Trial occurred but did not conclude.
	June 3, June 24, July 1	Trial continued, concluding on July 1.
	June 24	SDCWA filed motion for partial judgment.
	July 15	Metropolitan filed opposition to motion for partial judgment.
	Aug. 19	Post-trial briefs filed.
	Sept. 14	Court issued order granting in part and denying in part SDCWA's motion for partial judgment (granting motion as to Metropolitan's dispute resolution, waiver, and consent defenses; denying motion as to Metropolitan's reformation cross-claims and mistake of fact and law defenses; and deferring ruling on Metropolitan's cost causation cross-claim).
	Sept. 21	Metropolitan filed response to order granting in part and denying in part SDCWA's motion for partial judgment (requesting deletion of Background section portion relying on pleading allegations).
	Sept. 22	SDCWA filed objection to Metropolitan's response to order granting in part and denying in part SDCWA's motion for partial judgment.
	Sept. 27	Post-trial closing arguments.
	Oct. 20	Court issued order that it will rule on SDCWA's motion for partial judgment as to Metropolitan's cost causation cross-claim simultaneously with the trial statement of decision.
	Dec. 16	Parties filed proposed trial statements of decision.
	Dec. 21	SDCWA filed the parties' stipulation and proposed order for judgment on Water Stewardship Rate claims for 2015-2020.
	Dec. 27	Court entered order for judgment on Water Stewardship Rate claims for 2015-2020 as proposed by the parties.
	March 14, 2023	Court issued tentative statement of decision (tentatively ruling in Metropolitan's favor on all claims litigated at trial, except for those ruled to be moot based on the rulings in Metropolitan's favor)



Cases	Date	Status
<b>2014, 2016, 2018 (cont.)</b>	March 14	Court issued amended order granting in part and denying in part SDCWA's motion for partial judgment (ruling that Metropolitan's claims for declaratory relief regarding cost causation are not subject to court review).
	March 29	SDCWA filed objections to tentative statement of decision
	April 3	Metropolitan filed response to amended order granting in part and denying in part SDCWA's motion for partial judgment (requesting deletion of Background section portion relying on pleading allegations).
	April 25	Court issued statement of decision (ruling in Metropolitan's favor on all claims litigated at trial, except for those ruled to be moot based on the rulings in Metropolitan's favor)
	Jan. 10, 2024	Parties filed joint status report and stipulated proposal on form of judgment
	Jan. 17	Court issued order approving stipulated proposal on form of judgment (setting briefing and hearing)
	April 3	Court entered final judgment
	April 3	Court issued writ of mandate regarding demand management costs
	April 3	SDCWA filed notice of appeal
	April 17	Metropolitan filed notice of cross-appeal
	May 3	Participating member agencies filed notice of appeal
	May 31	Parties filed opening briefs on prevailing party
	June 28	Parties filed response briefs on prevailing party
	July 17	Court issued tentative ruling that there is no prevailing party due to mixed results
	July 18	Hearing on prevailing party; court took matter under submission, stating it expects to rule in mid-Aug.
	Aug. 15	Court issued ruling that Metropolitan is the prevailing party and is entitled to SDCWA's payment of its litigation costs and fees under the Exchange Agreement
	Sept. 25	Court issued order extending time for Metropolitan to file its memorandum of costs and motion for attorneys' fees
	Sept. 27	Metropolitan filed its memorandum of costs in the amount of \$372,788.64



Cases	Date	Status
2014, 2016, 2018 (cont.)	Oct. 18	Parties filed a joint application to extend the briefing schedule in the Court of Appeal
	Oct. 21	Court of Appeal granted parties' joint briefing schedule; briefing begins April 11, 2025 and ends October 10, 2025
	Oct. 29	SDCWA filed its motion to tax (reduce) Metropolitan's costs
	<del>Dec. 11</del>	<del>Hearing on SDCWA's motion to tax (reduce) Metropolitan's costs</del>
	<u>Nov. 26</u>	<u>SDCWA withdrew its motion to tax (reduce) Metropolitan's costs and requested that the court cancel the Dec. 11 motion hearing</u>
All Cases	April 15, 2021	Case Management Conference on 2010-2018 cases. Court set trial in 2014, 2016, and 2018 cases on May 16-27, 2022.
	April 27	SDCWA served notice of deposition of non-party witness.
	May 13-14	Metropolitan filed motions to quash and for protective order regarding deposition of non-party witness.
	June 4	Ruling on motions to quash and for protective order.



Outside Counsel Agreements				
Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Albright, Yee & Schmit, APC	Employment Matter	216064	06/24	<del>\$100,000</del> <u>\$175,000</u>
	Employment Matter	220423	10/24	\$100,000
	<u>Employment Matter</u>	<u>222524</u>	<u>11/24</u>	<u>\$50,000</u>
Andrade Gonzalez LLP	MWD v. DWR, CDFW and CDNR Incidental Take Permit (ITP) CESA/CEQA/Contract Litigation	185894	07/20	\$250,000
Aleshire & Wynder	Oil, Mineral and Gas Leasing	174613	08/18	\$50,000
Anzel Galvan LLP	Bond Issues	220411	07/24	N/A
Atkinson Andelson Loya Ruud & Romo	Employee Relations	59302	04/04	\$1,316,937
	Delta Conveyance Project Bond Validation-CEQA Litigation	185899	09/21	\$250,000
	MWD Drone and Airspace Issues	193452	08/20	\$50,000
	AFSCME Local 1902 in Grievance No. 1906G020 (CSU Meal Period)	201883	07/12/21	\$30,000
	AFSCME Local 1902 v. MWD, PERB Case No. LA-CE-1438-M	201889	09/15/21	\$20,000
	MWD MOU Negotiations**	201893	10/05/21	\$100,000
BDG Law Group, APLC	Gutierrez v. MWD	216054	03/24	\$250,000
Best, Best & Krieger	Bay-Delta Conservation Plan/Delta Conveyance Project (with SWCs)	170697	08/17	\$500,000
	Environmental Compliance Issues	185888	05/20	\$100,000
	Grant Compliance Issues	211921	05/23	\$150,000
	Pure Water Southern California	207966	11/22	\$100,000
	Progressive Design Build	216053	04/24	\$250,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP	FCC and Communications Matters	110227	11/10	\$100,000
<a href="#"><u>Brown White &amp; Osborn LLP</u></a>	<a href="#"><u>Employment Matter</u></a>	<a href="#"><u>222523</u></a>	<a href="#"><u>10/24</u></a>	<a href="#"><u>\$50,000</u></a>
	<a href="#"><u>Employment Matter</u></a>	<a href="#"><u>222525</u></a>	<a href="#"><u>11/24</u></a>	<a href="#"><u>\$50,000</u></a>
Buchalter, a Professional Corp.	Union Pacific Industry Track Agreement	193464	12/07/20	\$50,000
Burke, Williams & Sorensen, LLP	Real Property – General	180192	01/19	\$100,000
	Labor and Employment Matters	180207	04/19	\$75,000
	General Real Estate Matters	180209	08/19	\$200,000
	Rancho Cucamonga Condemnation Actions (Grade Separation Project)	207970	05/22	\$100,000
Law Office of Alexis S.M. Chiu*	Bond Counsel	200468	07/21	N/A
	Bond Counsel	220409	07/24	N/A
Castañeda + HeideIman LLP	Employment Matter	216055	04/24	\$100,000
Cislo & Thomas LLP	Intellectual Property	170703	08/17	\$100,000
Curls Bartling P.C.*	Bond Counsel	200470	07/21	N/A
Davis Wright Tremaine, LLP	Advice and Representation re Potential Litigation	220424	10/24	\$250,000
Drooz Legal, LLP	Employment Matter	220402	08/24	\$100,000
Duane Morris LLP	SWRCB Curtailment Process	138005	09/14	\$615,422
Duncan, Weinberg, Genzer & Pembroke	Power Issues	6255	09/95	\$3,175,000
Ellison, Schneider, Harris & Donlan	Colorado River Issues	69374	09/05	\$175,000
	Issues re SWRCB	84457	06/07	\$200,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Erin Joyce Law, PC	Employment Matter	216039	11/23	\$100,000
	Ethics Advice	216058	05/24	\$100,000
Glaser Weil Fink Howard Jordan & Shapiro	Employment Matter	220395	7/24	\$150,000
Greines, Martin, Stein & Richland LLP	SDCWA v. MWD	207958	10/22	\$100,000
	Colorado River Matters	207965	11/22	\$100,000
Hackler Flynn & Associates	Government Code Claim Advice	216059	5/24	\$150,000
Haden Law Office	Real Property Matters re Agricultural Land	180194	01/19	\$50,000
Hanna, Brophy, MacLean, McAleer & Jensen, LLP	Workers' Compensation	211926	06/23	<del>\$200,000</del> <u>\$250,000</u>
Hanson Bridgett LLP	<del>SDCWA v. MWD</del>	<del>124103</del>	<del>03/12</del>	<del>\$1,100,000</del>
	Finance Advice	158024	12/16	\$100,000
	Deferred Compensation/HR	170706	10/17	\$500,000
	Tax Issues	180200	04/19	\$50,000
	Alternative Project Delivery (ADP)	207961	10/22	\$250,000
	Ad Valorem Property Taxes	216042	11/23	\$100,000
Harris & Associates	Employment Matter	220397	7/24	\$100,000
Hausman & Sosa, LLP	Jones v. MWD	216056	05/24	\$100,000
	Villavicencio v. MWD	220426	10/24	\$100,000
	<u>Jensen Operator Standby Removal</u>	<u>222522</u>	<u>10/24</u>	<u>\$100,000</u>
Hawkins Delafield & Wood LLP*	Bond Counsel	193469	07/21	N/A
	Bond Counsel	220405	07/24	N/A
Hemming Morse, LLP	Baker Electric v. MWD	211933	08/23	\$175,000
Hogan Lovells US LLP	Employment Matter	220400	07/24	\$100,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Horvitz & Levy	SDCWA v. MWD	124100	02/12	\$1,250,000
	General Appellate Advice	146616	12/15	\$200,000
	Colorado River	203464	04/22	\$100,000
	Delta Conveyance Bond Validation Appeal	216047	03/24	\$25,000
	PFAS Multi-District Litigation – Appeal	216050	03/24	\$200,000
Innovative Legal Services, P.C.	Employment Matter	211915	01/19/23	\$175,000
Internet Law Center	Cybersecurity and Privacy Advice and Representation	200478	04/13/21	\$100,000
	Systems Integrated, LLC v. MWD	201875	05/17/21	\$100,000
Amira Jackmon, Attorney at Law*	Bond Counsel	200464	07/21	N/A
Jackson Lewis P.C.	Employment: Department of Labor Office of Contract Compliance	137992	02/14	\$45,000
Jones Hall, A Professional Law Corp*	Bond Counsel	200465	07/21	N/A
Kronenberger Rosenfeld, LLP	Systems Integrated, LLC v. MWD	211920	04/23	\$250,000
Kutak Rock LLP	Delta Islands Land Management	207959	10/22	\$60,000
Liebert Cassidy Whitmore	Labor and Employment	158032	02/17	\$240,821
	FLSA Audit	180199	02/19	\$50,000
	EEO Advice	216041	12/23	\$200,000
Lieff Cabraser Heimann & Bernstein, LLP	PFAS Multi-District Litigation	216048	03/24	\$200,000
Manatt, Phelps & Phillips	SDCWA v. MWD rate litigation	146627	06/16	\$4,400,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
	Raftelis-Subcontractor of Manatt, Agr. #146627: Per 5/2/22 Engagement Letter between Manatt and Raftelis, MWD paid Raftelis Financial Consultants, Inc.	Invoice No. 23949		\$56,376.64 for expert services & reimbursable expenses in SDCWA v. MWD
Marten Law LLP	PFAS Multi-District Litigation	216034	09/23	\$550,000
	PFAS-Related Issues (PWSC)	220414	08/24	\$100,000
	Perris Valley Pipeline Project	220415	07/24	\$100,000
	<u>PFAS-Related Issues (General)</u>	<u>220413</u>	<u>10/24</u>	<u>\$50,000</u>
Meyers Nave Riback Silver & Wilson	Pure Water Southern California	207967	11/22	\$100,000
Miller Barondess, LLP	SDCWA v. MWD	138006	12/14	\$600,000
Morgan, Lewis & Bockius	SDCWA v. MWD	110226	07/10	\$8,750,000
	Project Labor Agreements	200476	04/21	\$100,000
Musick, Peeler & Garrett LLP	Colorado River Aqueduct Electric Cables Repair/Contractor Claims	193461	11/20	\$3,250,000
	Arvin-Edison v. Dow Chemical	203452	01/22	\$150,000
	Semitropic TCP Litigation	207954	09/22	\$75,000
	Employment Matter	216063	06/24	\$100,000
	Employment Matter	220417	08/24	\$100,000
Nixon Peabody LLP*	Bond Counsel [re-opened]	193473	07/21	N/A
	Special Finance Project	207960	10/22	\$50,000
	Bond Counsel	220404	07/24	N/A
Norton Rose Fulbright US LLP*	Bond Counsel	200466	07/21	N/A
	Bond Counsel	220407	7/24	N/A



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Olson Remcho LLP	Government Law	131968	07/14	\$400,000
	Executive Committee/Ad Hoc Committees Advice	207947	08/22	\$60,000
	Advice/Assistance re Proposition 26/Election Issues	211922	05/23	\$100,000
Robert P. Otilie	Employment Matter	220403	09/24	\$100,000
Pearlman, Brown & Wax, L.L.P.	Workers' Compensation	216037	10/23	\$100,000
Procopio, Cory, Hargreaves & Savitch, LLP	CityWatch Los Angeles Public Records Act Request	216046	02/24	\$75,000
	Public Records Act Requests	220399	7/24	\$75,000
Renne Public Law Group, LLP	ACE v. MWD (PERB Case No. LA-CE-1574-M)	203466	05/22	\$100,000
	ACE v. MWD (PERB Case No. LA-CE-1611-M)	207962	10/22	\$50,000
	Employee Relations and Personnel Matters	216045	01/24	\$50,000
	ACE v. MWD (PERB Case No. LA-CE-1729-M)	220421	09/24	\$35,000
	AFSCME v. MWD (PERB Case No. LA-CE-1733-M)	220422	09/24	\$35,000
	AFSCME v. MWD (PERB Case No. LA-CE-1738-M)	220425	10/24	\$35,000
Ryan & Associates	Leasing Issues	43714	06/01	\$200,000
	Oswalt v. MWD	211925	05/23	\$100,000
	Unlawful Encroachment on Metropolitan Rights-of-Way	216065	06/24	\$100,000
Sanders Roberts LLP	Employment Matter	220401	7/24	\$100,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Seyfarth Shaw LLP	Claim (Contract #201897)	201897	11/04/21	\$350,000
	Claim (Contract #203436)	203436	11/15/21	\$350,000
	Claim (Contract #203454)	203454	01/22	\$210,000
	Reese v. MWD	207952	11/22	\$750,000
	General Labor/Employment Advice	211917	3/23	\$100,000
	Civil Rights Department Complaint	211931	07/23	\$100,000
	Crawford v. MWD	216035	09/23	\$100,000
	Tiegs v. MWD	216043	12/23	\$250,000
	Zarate v. MWD	216044	01/24	\$250,000
Sheppard Mullin Richter & Hampton LLP	Lorentzen v. MWD	216036	09/23	\$200,000
Stradling Yocca Carlson & Rauth*	Bond Counsel	200471	07/21	N/A
	Bond Counsel	220408	7/24	N/A
<u>The Myers Law Group, APC</u>	<u>Employment Matter</u>	<u>220420</u>	<u>11/24</u>	<u>\$100,000</u>
Theodora Oringher PC	Construction Contracts - General Conditions Update	185896	07/20	\$100,000
Thompson Coburn LLP	NERC Energy Reliability Standards	193451	08/20	\$300,000
Van Ness Feldman, LLP	General Litigation	170704	07/18	\$50,000
	Colorado River MSHCP	180191	01/19	\$50,000
	Bay-Delta and State Water Project Environmental Compliance	193457	10/15/20	\$50,000
	Colorado River Issues	211924	05/23	<del>\$100,000</del> <u>\$250,000</u>

\*Expenditures paid by Bond Proceeds/Finance

\*\*Expenditures paid by another group

Date of Report: December 4, 2024



## Office of the General Auditor

### • General Auditor's Report for November 2024

#### Summary

---

This report highlights significant activities of the Office of the General Auditor for the month ended November 30, 2024.

#### Purpose

---

Informational

#### Attachments

---

None

#### Detailed Report

---

##### Audit & Advisory Projects

Twenty-seven projects are in progress:

- Ten audit projects are in the report preparation phase.
  - Management feedback on two preliminary draft reports has not been received (Sensis, Inc., originally shared 9/30/2024; Fallowed Land, originally shared 10/31/2024)
- Seventeen projects are in the execution phase, including eight audits and nine advisories; a review on mutual benefit leases was started.

Work priority is being given to the nine carryforward audits.

##### Follow-Up Reviews

Nine audits are in the follow-up phase:

- Seven follow-up reviews are in progress.
- Two follow-up reviews are in planning.

No follow-up review forms are overdue.

## Board Report (General Auditor's Report for November 2024)

### **Other General Auditor Activities**

#### **1. Adoption of Global Internal Audit Standards**

Evaluation of the updated standards issued by the Institute of Internal Auditors, effective January 2025, is in progress.

#### **2. Internal Quality Assessment**

Preparation for the annual internal quality assessment required by professional internal auditing standards is in progress; surveys have been received from department staff, the Board, and management.

#### **3. Senior Audit Manager Recruitment**

Collaboration with Human Resources to fill this position is in progress.

#### **4. Colorado River Water Users Association (CRWUA) Agreed Upon Procedures**

We completed an agreed-upon procedures engagement for the period April 1, 2023 through March 31, 2024. A memo reporting the results of the procedures was issued to the CRWUA Assistant Secretary-Treasurer on November 26, 2024.

#### **5. Weymouth Operations Tour**

Three members of the Internal Audit team participated in the Weymouth New Employee tour.



# Ethics Office Monthly Report

NOVEMBER 2024

## EDUCATION

- Provided mandatory biennial AB 1234 state ethics training for the Board of Directors and designated employees through outside firm Best Best & Krieger
- Presented an Ethics Office overview at new employee orientations hosted by Human Resources
- Provided an overview of conflicts of interest laws to managers at the Interim General Manager's All-Manager Briefing, and
- Held new filer sessions for employees who assumed positions required to file Form 700.

## COMPLIANCE

Assisted directors and employees with their Annual, Assuming Office, and Leaving Office Form 700 filings. Assistance included filing for multiple positions, troubleshooting the electronic filing system, and notifications of deadlines.

Staff attended "Statement of Economic Interest Form 700: Duties of Filing Officers & Officials" training.

## ADVICE

Addressed 24 advice matters related to the following: conflicts of interest, financial disclosure, gifts, outside employment, and other ethics-related topics.

## ETHICS OFFICER FINDINGS

The Ethics Officer determined that a manager participated in Metropolitan matters in which they had a financial conflict of interest. The findings were forwarded to Human Resources and Management for consideration of appropriate action and will also be forwarded to the Fair Political Practices Commission.

## INVESTIGATIONS

Received nine complaints involving the following allegations:

- Inappropriate comments based on race and gender by a manager (two complaints).
- Discrimination and harassment by a manager.
- Unfair hiring practices (two complaints).
- Bad financial decisions and practices by a manager.
- Sexual harassment by an employee.

Misuse of authority for personal gain by a manager (two complaints).

## ADVICE AND INVESTIGATIVE DATA

Advice Matters	24
Compliance Assistance	10
Complaints Received	9

## COMPLAINTS MAY BE FILED AT:

**ANONYMOUS ETHICS HOTLINE**  
(800) 461-9330  
<http://www.mwdethicshotline.net/>

**ETHICS OFFICE**  
(213) 217-5832  
[ethicsoffice@mwdeh2o.com](mailto:ethicsoffice@mwdeh2o.com)

Investigations Opened	0
Pending Investigations	1

**MINUTES**  
**REGULAR MEETING OF THE**  
**BOARD OF DIRECTORS**  
**THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

**October 8, 2024**

**53797** The Board of Directors of The Metropolitan Water District of Southern California met in a regular session on Tuesday, October 08, 2024.

Chair Ortega called the meeting to order at 1:00 p.m.

Director Douglas stated that he is using AB 2449 just cause for caretaker responsibilities.

**53798** The Meeting was opened with an invocation by the Secretary of the Board Lois Fong-Sakai, San Diego County Water Authority.

**53799** The Pledge of Allegiance was given by Vice Chair of the Board Nancy Sutley, City of Los Angeles.

**53800** Board Secretary Fong-Sakai administered the roll call. Those responding present were: Directors Ackerman, Alvarez, Armstrong (teleconference posted location available for the public), Bryant, Camacho, Cordero, Crawford, De Jesus, Douglas (AB2449), Faessel, Fellow, Fong-Sakai, Garza, Gold, Goldberg, Jung (teleconference posted location available for the public), Kassakhian, Kurtz, Lefevre (teleconference posted location available for the public), Lewitt, Luna, McCoy, McMillan, Miller, Morris, Ortega, Petersen, Phan (teleconference posted location available for the public), Quinn, Ramos (teleconference posted location available for the public), Seckel, Smith (teleconference posted location available for the public), and Sutley.

Those not responding were: Directors Dennstedt (teleconference posted locations available for the public), Dick, Erdman, Gray, and Pressman.

Board Secretary Fong-Sakai declared a quorum present.

Chair Ortega called on Director Ackerman to introduce Member Agency Manager Guest Board Vice President Jeffery Thomas and General Manager Harvey De La Torre of Municipal Water District of Orange County. Chair Ortega, Director Ackerman, Mr. Thomas, and Mr. De La Torre made remarks.

Chair Ortega welcomed and thanked Misters Thomas and De La Torre for joining the board and encouraged them to comment on matters important to the Municipal Water District of Orange County.

Chair Ortega announced Metropolitan will be celebrating Hispanic Heritage Month. The social media team will be teaming up Hispanic Employees Association to create engaging posts that showcase the diverse talents and stories within our workforce.

**53801** Chair Ortega invited members of the public to address the Board on matters within the Board's jurisdiction (in-person and via teleconference).

	Name	Affiliation	Comment
1.	Vice Mayor Mendoza	City of San Fernando	Item 6C
2.	Former Director and Mayor Sylvia Ballin	City of San Fernando	Item 6C
3.	Darcy Burke	Elsinore Valley Water District	Water Professional Week, Items 8-5 and 7C
4.	Alexandros Mikrakis	Vice President, Delta Plan Systems	Items 6C and 8-5
5.	John (no last name provided)	Resident	Fluoride in Water
6.	Maura Monagan	LA Waterkeepers	Item 6c

Chair Ortega addressed the following: Other Matters and Reports.

**53802** Chair Ortega asked if there were any corrections to the report of events attended by Directors at Metropolitan's expense during the month of September, as previously posted and distributed to the Board. None were made.

**53803** Chair Ortega referred to the Chair's monthly report, which was previously posted and distributed to the Board. In addition, Director Erdman and Dennstedt are currently attending the WEFTEC Conference to accept the Water Resources Utility of the Future Today Certificate of Recognition on behalf of Metropolitan. Chair Ortega requested to dedicate today's meeting in honor of the late Maureen Kendall and to Johanna Clemens, Metropolitan Team Manager in the Engineering Services Group who will be honored at the Hispanic Coalition of Small Businesses.

Chair Ortega asked if there are any questions. None were made.

**53804** Interim General Manager Upadhyay reported on the upcoming EOT inspection trip on November 7, 2024, the Colorado River Symposium, and in honor of Water Professionals Week and Gene Wash Discharge Valve, videos were shown; and lastly, made a request to adjourn today's Board meeting in honor of Metropolitan employee Gene Patricio. The memorial will be on November 25<sup>th</sup> at 2:00 p.m. at Calvary Chapel Bible Fellowship in Temecula.

**53805** General Counsel Scully stated that if any directors wanted a copy of the fluoride case opinion, they should reach out to the legal department.

**53806** General Auditor Suzuki stated that the next Audit meeting will occur in November.

**53807** Ethics Officer Salinas stated that the AB 1234 required training will be given at the November Board meeting, and the second quarterly newsletter has been posted.

**53808** Report from the Executive Committee on the nominations for Board Chair. The Committee approved Chair Ortega to Chair of Board for a second term. (Agenda Item 5G).

**53809** Chair Ortega asked the Directors if there were any comments or discussions on the Approval of the Minutes of the Special Joint Meeting of the Executive Committee and Board of Directors for August 27, 2024 and the Board of Directors Meeting for September 10, 2024 (Copies have been submitted to each Director any additions, corrections, or omissions) (Agenda Item 6A). No amendments were made.

Chair Ortega announced there are no committee assignments (Agenda Item 6B).

Chair Ortega called on Directors who are requesting that any items be pulled from the Consent Calendar Action Items and to state any recusals, abstentions, and disclosures.

Director Camacho disclosed for the record that he receives per diem, reimbursements, and other benefits from Inland Empire Utilities Agency for his service on the Board. Additionally, based on MWD Act Section 56, he will not vote, including abstaining, on Item 7-6, which is an agreement between Metropolitan and Inland Empire Utilities Agency.

**53810** Award a \$589,957 procurement contract to Vogt Valves to furnish one 42-inch diameter stainless steel sleeve valve for the Red Mountain Pressure Control Structure, as set forth in Agenda Item 7-1 board letter.

**53811** Award a \$1,833,650 contract to Power Engineering Construction Company to rehabilitate the San Diego Canal at one location, as set forth in Agenda Item 7-2 board letter.

**53812** Award a \$448,000 contract to Heed Engineering to provide construction materials and install reinforcing steel to support the construction of the helicopter hydrant facility at the Diemer plant, as set forth in Agenda Item 7-3 board letter.

Agenda Item 7-4 board letter was deferred.

**53813** Authorize resolutions to support two applications selected to receive United States Department of the Interior, Bureau of Reclamation WaterSMART: Water and Energy Efficiency Grant Program funding for fiscal year 2024 totaling \$2 million; and authorize the General Manager to accept this funding and enter contracts with the United States Department of the Interior, Bureau of Reclamation, as set forth in Agenda Item 7-5 board letter.

**53814** Review and consider the Lead Agency's certified 2022 Final Environmental Impact Report for the Chino Basin Program and take related CEQA actions, and authorize the

General Manager to enter into an exchange agreement with Inland Empire Utilities Agency to assist in the implementation of the program, as set forth in Agenda Item 7-6 board letter.

**53815** Authorize the General Manager to enter into agreements with Western Canal Water District and Richvale Irrigation District for water transfer options and first rights of refusal during 2025 through 2027, as set forth in Agenda Item 7-7 board letter.

Agenda Item 7-8 board letter was deferred.

**53816** Adopt the resolution authorizing the reimbursement of capital expenditures from bond proceeds for FY 2024/25 and FY 2025/26 as contained in Attachment 1, as set forth in Agenda Item 7-9 board letter.

Director Fellow moved, seconded by Director Morris that the Board approve the Consent Calendar Items 6A, 7-1 through 7-3, 7-5 through 7-7, and 7-9 as follows:

Chair Ortega called for a vote to approve the Consent Calendar Items 6A, 7-1 through 7-3, 7-5 through 7-7, and 7-9.

The following is a record of the vote:

Record of Vote on Consent Item(s):		6A, 7-1, 7-2, 7-3, 7-5, 7-6, 7-7, and 7-9							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman							
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza	x	x	10133				
		Crawford	x	x	10133				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	12919	Armstrong	x	x	12919				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley	x	x	16767				
		Petersen	x	x	16767				
		Quinn	x	x	16767				
		Luna	x	x	16767				
		Douglas	x	x	16767				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	34051				
		Seckel	x	x	34051				
		Dick							
		Erdman							
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70862	Fong-Sakai	x	x	17716				
		Goldberg	x	x	17716				
		Miller	x	x	17716				
		Smith	x	x	17716				
			Subtotal:		70862				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan	x	x	3569				
Santa Monica	5055	Gold	x	x	5055				
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre	x	x	3781				
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt							
<b>Total</b>	<b>406315</b>				<b>385949</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>20366</b>								

The motion to approve the Consent Calendar Items 6A, 7-1 through 7-3, 7-5 through 7-7, and 7-9 (**M.I. No. 53809 through 53813 and 53815 through 53816**)\* passed by a vote of 385,949 ayes; 0 noes; 0 abstain; 0 not voting; and 20,366 absent.

Director Douglas, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

\* The motion to approve the Consent Calendar Item 7-6 (**M.I. No. 53814**) passed by a vote of 368,846 ayes; 0 noes; 0 abstain; 17,103 not voting; and 20,366 absent.

Chair Ortega advised Board Vice Chair Camacho would proceed with chairing the board meeting for Item 6C.

Board Vice Chair Camacho requested if there were any additional nominations for Board Chair for the two-year term commencing January 1, 2025. None were made. Chair Ortega made a statement to the Board.

Director Fellow moved, seconded by Director Lewitt, that the Board approve the Agenda Item 6C as follows:

Board Vice Chair Camacho called for a vote on the motion for Agenda Item 6C.

**53817** Chair Ortega was re-elected as Board Chair for a two-year term effective January 1, 2025 (Agenda Item 6C).

The following is a record of the vote:

Record of Vote on Item:		6C - Chair Ortega							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman							
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza	x	x	10133				
		Crawford	x	x	10133				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	12919	Armstrong	x	x	12919				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley	x	x	16767				
		Petersen	x	x	16767				
		Quinn	x	x	16767				
		Luna	x	x	16767				
		Douglas	x	x	16767				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	34051				
		Seckel	x	x	34051				
		Dick							
		Erdman							
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70862	Fong-Sakai	x	x	17716				
		Goldberg	x	x	17716				
		Miller	x	x	17716				
		Smith	x	x	17716				
			Subtotal:		70862				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan	x	x	3569				
Santa Monica	5055	Gold	x	x	5055				
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre	x	x	3781				
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt							
<b>Total</b>	<b>406315</b>				<b>385949</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>20366</b>								

The motion to approve Item 6C - Chair Ortega (**M.I. No. 53817**) passed by a vote of 385,949 ayes; 0 noes; 0 abstain; 0 not voting; and 20,366 absent.

Director Douglas, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

Board Vice Chair Camacho turned the meeting back to Chair Ortega.

**53818** Authorized the General Manager to acquire a 0.33-acre property located in Los Angeles County in the city of La Verne from Charles J. Arballo and Margaret R. Arballo, as Trustees of the Arballo Family Trust, dated December 9, 1991, according to the price and terms direction given in closed session (Agenda Item 8-3).

Chair Ortega asked if the Board wanted to hear Item 8-3 in closed session. No requests were made.

Director Goldberg moved, seconded by Director Camacho, that the Board approve the Board Item 8-3 as follows:

Chair Ortega called for a vote on the motion for Agenda Item 8-3 as stated.

The following is a record of the vote:

Record of Vote on Item:	8-3								
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman							
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza	x	x	10133				
		Crawford	x	x	10133				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	12919	Armstrong	x	x	12919				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley	x	x	16767				
		Petersen	x	x	16767				
		Quinn	x	x	16767				
		Luna	x	x	16767				
		Douglas	x	x	16767				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	34051				
		Seckel	x	x	34051				
		Dick							
		Erdman							
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70862	Fong-Sakai	x	x	17716				
		Goldberg	x	x	17716				
		Miller	x	x	17716				
		Smith	x	x	17716				
			Subtotal:		70862				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan	x	x	3569				
Santa Monica	5055	Gold	x	x	5055				
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre	x	x	3781				
Upper San Gabriel Valley Mun. Wat. Dist	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt							
<b>Total</b>	<b>406315</b>				<b>385949</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>20366</b>								

The motion to approve the Board Item 8-3 (**M.I. No. 53818**) passed by a vote of 385,949 ayes; 0 noes; 0 abstain; 0 not voting; and 20,366 absent.

Director Douglas, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

Director Smith disclosed for the record that Item 8-2 involves a project and a contract with Black and Veatch. He currently own Black and Veatch stock, therefore he will recuse himself from all participation on Item 8-2 and will leave the meeting until completion of the item.

Director Luna disclosed for the record that Item 8-2 involves an agreement with Black and Veatch, and he will recuse himself from all participation matter due to potential business management unrelated to Metropolitan in recent past, therefore he will recuse himself from all participation on Item 8-2 and will leave the meeting until completion of the item.

Director Luna and Smith left the meeting.

**53819** Authorize on-call agreements with Black & Veatch Corporation, Burns & McDonnell Western Enterprises Inc., HDR Inc., and Stantec Consulting Services Inc., in an amount not to exceed \$3 million each, for a maximum period of three years, to provide design and support services related to the ZEV infrastructure upgrades at Metropolitan facilities (Agenda Item 8-2 Option 1).

The following Director(s) asked questions or made comments:

Director(s)

1. Gold

Staff responded to the Directors' comments and questions.

Director Camacho moved, seconded by Director Sutley, that the Board approve the Board Item 8-2 as follows:

Chair Ortega called for a vote on the motion for Agenda Item 8-2 as stated.

The following is a record of the vote:

Record of Vote on Item:	8-2								
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman							
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza	x	x	10133				
		Crawford	x	x	10133				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	12919	Armstrong	x	x	12919				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley	x	x	20959				
		Petersen	x	x	20959				
		Quinn	x	x	20959				
		Luna							
		Douglas	x	x	20959				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	34051				
		Seckel	x	x	34051				
		Dick							
		Erdman							
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70862	Fong-Sakai	x	x	23621				
		Goldberg	x	x	23621				
		Miller	x	x	23621				
		Smith							
			Subtotal:		70862				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan	x	x	3569				
Santa Monica	5055	Gold	x	x	5055				
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre	x	x	3781				
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt							
<b>Total</b>	<b>406315</b>				<b>385949</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>20366</b>								

The motion to approve the Board Item 8-2 (**M.I. No. 53819**) passed by a vote of 385,949 ayes; 0 noes; 0 abstain; 0 not voting; and 20,366 absent.

Director Douglas, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

Director Luna and Smith entered the meeting.

**53820** Approve the nomination of the Joseph Water Treatment Plant Ozone Facility in honor of former Metropolitan Director Ina S. Roth (Agenda Item 8-4).

Director Camacho moved, seconded by Director Sutley, that the Board approve the Board Item 8-4 as follows:

Chair Ortega called for a vote on the motion for Agenda Item 8-4 as stated.

The following is a record of the vote:

Record of Vote on Item:	8-4								
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel							
Beverly Hills	4677	Pressman							
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza	x	x	10133				
		Crawford	x	x	10133				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	12919	Armstrong	x	x	12919				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley	x	x	16767				
		Petersen	x	x	16767				
		Quinn	x	x	16767				
		Luna	x	x	16767				
		Douglas	x	x	16767				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	34051				
		Seckel	x	x	34051				
		Dick							
		Erdman							
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70862	Fong-Sakai	x	x	17716				
		Goldberg	x	x	17716				
		Miller	x	x	17716				
		Smith	x	x	17716				
			Subtotal:		70862				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan	x	x	3569				
Santa Monica	5055	Gold	x	x	5055				
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre	x	x	3781				
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt							
<b>Total</b>	<b>406315</b>				<b>379643</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>26672</b>								

The motion to approve the Board Item 8-4 (**M.I. No. 53820**) passed by a vote of 379,643 ayes; 0 noes; 0 abstain; 0 not voting; and 26,672 absent.

Director Douglas, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

**53821** Approve the nomination and naming of Metropolitan's Water Quality Laboratory in honor of former Metropolitan Water Quality Manager and Director of Water Quality, Dr. Michael J. McGuire (Agenda Item 8-5).

Director Camacho moved, seconded by Director Morris, that the Board approve the Board Item 8-5 as follows:

Chair Ortega called for a vote on the motion for Agenda Item 8-5 as stated.

The following is a record of the vote:

Record of Vote on Item:	8-5								
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel							
Beverly Hills	4677	Pressman							
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza	x	x	10133				
		Crawford	x	x	10133				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	12919	Armstrong	x	x	12919				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley	x	x	16767				
		Petersen	x	x	16767				
		Quinn	x	x	16767				
		Luna	x	x	16767				
		Douglas	x	x	16767				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	34051				
		Seckel	x	x	34051				
		Dick							
		Erdman							
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70862	Fong-Sakai	x	x	17716				
		Goldberg	x	x	17716				
		Miller	x	x	17716				
		Smith	x	x	17716				
			Subtotal:		70862				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan	x	x	3569				
Santa Monica	5055	Gold	x	x	5055				
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre	x	x	3781				
Upper San Gabriel Valley Mun. Wat. Dist	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt							
<b>Total</b>	<b>406315</b>				<b>379643</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>26672</b>								

The motion to approve the Board Item 8-5 (**M.I. No. 53820**) passed by a vote of 379,643 ayes; 0 noes; 0 abstain; 0 not voting; and 26,672 absent.

Director Douglas, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.


**53821** Chair Ortega asked if there were questions or need for discussion on Board Information Items 9-1 or 9-2. No requests were made.

Chair Ortega stated there are no other matters.

**53822** Chair Ortega asked if there were any Follow-Up Items. No requests were made.

**53823** Chair Ortega asked if there were any Future Agenda Items. Director Armstrong and Gold requested an update to the Board on the history of fluoride and the pending actions in the regulatory community.

**53824** There being no objection, the meeting was adjourned in honor of Gene Patricio at 2:26 p.m.



---

**ADÁN ORTEGA, JR.**  
**CHAIR OF THE BOARD**



---

**LOIS FONG-SAKAI**  
**BOARD SECRETARY**

**MINUTES**  
**SPECIAL JOINT MEETING OF THE**  
**EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS**  
**THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**  
**October 21, 2024**

**53825** The Executive Committee and Board of Directors of The Metropolitan Water District of Southern California met in a special session on Monday, October 21, 2024.

Chair Ortega called the meeting to order at 9:00 a.m.

Director Pressman stated that he is using AB 2449 just cause for caretaker responsibilities.

**53826** Board Secretary Fong-Sakai administered the roll call. Those responding present were: Directors Ackerman, Alvarez, Bryant, Camacho, Cordero, Crawford De Jesus (teleconference posted location available for the public), Dennstedt, Douglas (teleconference posted location available for the public), Erdman, Faessel, Fellow, Fong-Sakai, Garza, Gold, Goldberg, Gray, Jung, (teleconference posted location available for the public), Kurtz, Lefevre (teleconference posted location available for the public), Lewitt, Luna, McCoy, Miller, Morris, Ortega, Phan (teleconference posted location available for the public), Pressman (AB2449 Just Cause), Seckel, Smith (teleconference posted location available for the public), and Sutley.

Those not responding were: Director Dick.

Board Executive Secretary Fong-Sakai declared a quorum present.

Directors entered the meeting after the roll call: Directors Armstrong (teleconference posted location available for the public), Kassakhian, McMillan (teleconference posted location available for the public), Petersen, Quinn, and Ramos.

Chair Ortega made remarks regarding the items on the agenda.

**53827** Chair Ortega invited members of the public to address the Board on matters within the Board's jurisdiction (in-person and via teleconference).

	Name	Affiliation	Comment
1.	Connor Everts	Statewide Environmental Water Caucus and other organizations	Item 9 a-c
2.	Crystal Moreno		Item 9 a-c

3.	Darcy Burke	Elsinore Valley Water District	Item 9 a-c
4.	Annette Eckhardt	President of Women at Met	Item 9 a-c
5.	Phyvin Mok	Metropolitan Employee	Item 9 a-c
6.	Adel Hagekhalil	Metropolitan Employee	Item 9 a-c
7.	Oscar Yanez	Metropolitan Employee	Item 9 a-c
8.	Bob Bloomfield	Council member City of Los Angeles	Item 9 a-c
9.	Wendy Brugette	Sanitation	Item 9 a-c
10.	Emilo Cruz		Item 9 a-c
11.	Rick Hidrazi		Item 9 a-c
12.	Barbara Barrigan-Prilla	Restore the Delta	Item 9 a-c
13.	Andy Lipkus	Accelerate \Resilience LA	Item 9 a-c
14.	Michelle Plais		Item 9 a-c
15.	Randall Neudeck	Metropolitan Employee	Item 9 a-c
16.	Bruce Reznik	Los Angeles Water Keeper, Executive Director	Item 9 a-c
17.	Evelyn Wendell	WeTap	Item 9 a-c
18.	Paul Caretz	For BOD Member	Item 9 a-c
19.	David Hethon	LA Resident	Item 9 a-c
20.	John Popoch	Los Angeles City Council, Deputy Chief of Staff	Item 9 a-c
21.	Hilary Norton	Former Chair of the CA Transportation Commission	Item 9 a-c
22.	Alan Shanahan	Metropolitan Employee	Item 9 a-c
23.	Rickita Hudson	Metropolitan Employee	Item 9 a-c
24.	Kerry Garvis Wright	Attorney at Glaser Weil for Adel Hagekhalil	Item 9 a-c
25.	Behat Zinjani	IEM President	Item 9 a-c

26.	Lisa Hart		Item 9 a-c
27.	Steve Pedersen		Item 9 a-c
28.	Caty Wagner	Sierra Club of California	Item 9 a-c
29.	Dina Zaroo		Item 9 a-c
30.	Rita Robinson	Director of the Bureau of Sanitation	Item 9 a-c
31.	Jose Lozano		Item 9 a-c
32.	Nancy Velasco		Item 9 a-c
33.	Teresa Viegas		Item 9 a-c
34.	Venu Khali		Item 9 a-c
35.	Stephanie Clemens	Assistant Director Chief Financial Officer Bureau of Street Services	Item 9 a-c
36.	Andrew Pizzula		Item 9 a-c
37.	Aura Garcia	Former President of LA Public Works	Item 9 a-c
38.	Trish Gonzales	Metropolitan Retiree	Item 9 a-c
39.	Margaret Shiroko Roucher		Item 9 a-c
40.	Charming Evelyn	Sierra Club of California	Item 9 a-c
41.	Hans Johnson	President, East Area Progressive	Item 9 a-c
42.	Sydney		Item 9 a-c
43.	Brandi Vanderjagt	Metropolitan Employee	Item 9 a-c
44.	Jan Warren	Walnut Creek Resident	Item 9 a-c
45.	Welsey Trung		Item 9 a-c
46.	Karen Jacques	Sacramento Resident	Item 9 a-c
47.	Cristina Gomez		Item 9 a-c
48.	Elizabeth Reid Wainslo		Item 9 a-c

49.	Gabriela Ortiz	Streets of LA	Item 9 a-c
50.	Tracy Shabria		Item 9 a-c
51.	Lane Fujot	Delta Resident	Item 9 a-c
52.	Ellen Mackey	Metropolitan Employee	Item 9 a-c
53.	Osmin Pena	Metropolitan Employee	Item 9 a-c
54.	Seth Chipman	Member of Public	Item 9 a-c
55.	Alip Hosi		Item 9 a-c
56.	Bernadette Robertson	Metropolitan Employee	Item 9 a-c
57.	No Name Provided	Civil Engineering	Item 9 a-c
58.	David Abel		Item 9 a-c
59.	Drew Boronkay	MAPA Union Representative	Item 9 a-c
60.	Bart Fisher	Palo Verde Irrigation District, Board Member	Item 9 a-c

Directors Armstrong, Kassakhian, McMillan, Petersen, Quinn, and Ramos entered the meeting.

### **EXECUTIVE COMMITTEE ITEMS**

#### **5. OTHER MATTERS AND REPORTS**

a. Subject: Chair's Report

Presented by: Chair Ortega

Chair Ortega stated that the report on international travel for the third quarter of 2024, July through September 2024, was posted online. He asked if there were any questions or comments. In addition, the celebration of the 50<sup>th</sup> Anniversary of the Metropolitan Water Quality Section and the Safe Drinking Water Act will be on October 24, 2024.

The following Director(s) asked questions or made comments:

**Director(s)**

1. Gray

Staff responded to the Directors' comments and questions.

b. Subject: Interim General Manager's Report of Metropolitan Activities

Presented by: Interim General Manager Deven Upadhyay

Interim General Manager Upadhyay reported on the following:

- Update on the outreach meetings with Member Agencies
- Update on the workshop with Member Agencies General Managers
- Report on the passing of Metropolitan employee Jonathan Holm, O&M Tech IV at Lake Matthews

c. Subject: General Counsel's report of Metropolitan activities

Presented by: Assistant General Counsel Torres

Assistant General Counsel Torres stated he had nothing to add to the report.

d. Subject: General Auditor's report of Metropolitan activities

Presented by: General Auditor Suzuki

General Auditor Suzuki stated he had nothing to add to his report.

e. Subject: Ethics Officer's report of Metropolitan activities

Presented by: Ethics Officer Abel Salinas

Ethics Officer Salinas stated he had nothing to add to his report.

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

A. Approval of the Minutes of the Executive Committee Meeting for September 24, 2024.

Chair Ortega asked the Directors if there were any additions, corrections, or omissions on the minutes of the September 24, 2024 Executive Committee Meeting. None were made.

B. Approve the draft of the Committee and Board meeting agendas and schedule for November 2024.

Chair Ortega asked if there were any additions or deletions to the November 2024 draft packet. No comments were made.

- C. Approve Candidates for Board Secretary for two-year term effective January 1, 2025.

Director Quinn nominated Board Secretary Fong-Sakai and the nomination was accepted.

Chair Ortega called for the vote on Items 6A, 6B and 6C.

Director Sutley made a motion, seconded by Director Garza, to approve the consent calendar Items 6A, 6B and 6C as listed and revised.

The vote was:

Ayes: Directors Armstrong, Camacho, Cordero, De Jesus, Erdman, Fong-Sakai, Garza, Goldberg, Gray, Jung, Luna, McCoy, Ortega, Pressman, Quinn, Smith and Sutley.

Abstention: None

Recusal: None

Absent: None

The motion for Items 6A, 6B and 6C passed by a vote of 17 ayes; 0 noes; 0 abstention; and 0 absent.

Director Pressman using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

## **END OF CONSENT CALENDAR ITEMS**

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

- a. Subject: Report on the Colorado River Board Meeting

Director Camacho deferred the report.

The following Director(s) asked questions or made comments:

#### **Director(s)**

1. Luna

- b. Subject: Colorado River Activities

Presented by: Shanti Rosset

Ms. Rosset reported on Colorado River activities.

The following Director(s) asked questions or made comments:

Director(s)

1. Gold

Staff responded to the Director's comments and questions.

**8. SUBCOMMITTEE REPORTS AND DISCUSSION**

- a. Committee Chair Armstrong announced nothing to report. The next Audit Subcommittee of the Executive Committee meeting was scheduled for November 19, 2024.

**SPECIAL BOARD ITEMS**

**9. OTHER BOARD ITEMS - ACTION**

Chair Ortega called the meeting into closed session to discuss Agenda Items 9a, 9b, and 9c.

**53827** Status of investigations and provide direction on potential interim measures; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA. [Conference with legal counsel—anticipated litigation; based on existing facts and circumstances, including receipt of correspondences containing allegations of serious Equal Employment Opportunity, retaliation, and other violations; there is significant exposure to litigation against Metropolitan; two potential cases; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(2)]. (Agenda Item 9a).

**53828** Review of Department Head Performance Evaluation [Public employee performance evaluation: General Manager, to be heard in closed session pursuant to Gov. Code Section 54957]. (Agenda Item 9b)

**53829** Public Employee Discipline/Dismissal/Release [to be heard in closed session pursuant to Gov. Code Section 54957]. (Agenda Item 9c)

Director Miller left the meeting.

The Board returned to open session at 3:25 p.m.; in closed session, the Board discussed Items 9a, 9b, and 9c. Chair Ortega called on Assistant General Counsel Torres to report the action.

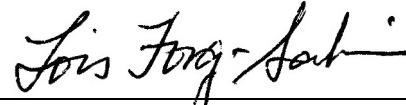
Mr. Torres reported Item 9a, the Board voted to continue the General Manager's administrative leave until receipt of the Chief Financial Officer's investigative report, and the Board and Executive Committee have time to meet to consider the report. On Items 9b and 9c, there are no reportable actions.

A record of the votes made in closed session are attached to the minutes.

Record of Vote on Item:		Item 9A - Motion to continue General Manager's administrative leave until receipt of CFO investigative report, and we have time for the Board and Executive Committee to meet to consider the report.							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman	x	x	4677				
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza	x	x	10133				
		Crawford	x	x	10133				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	12919	Armstrong	x	x	12919				
Foothill Municipal Water District	2543	Bryant	x			x	2543		
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x			x	3224		
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley	x	x	16767				
		Petersen	x	x	16767				
		Quinn	x	x	16767				
		Luna	x	x	16767				
		Douglas	x	x	16767				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	22701				
		Seckel	x	x	22701				
		Dick							
		Erdman	x	x	22701				
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70862	Fong-Sakai	x	x	23621				
		Goldberg	x	x	23621				
		Miller							
		Smith	x	x	23621				
			Subtotal:		70862				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan	x	x	3569				
Santa Monica	5055	Gold	x	x	5055				
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre	x	x	3781				
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	14382				
		Gray	x	x	14382				
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt	x			x	15689		
<b>Total</b>	<b>406315</b>				<b>384859</b>		<b>21456</b>		
<b>Present and not voting</b>									
<b>Absent</b>	<b>0</b>								

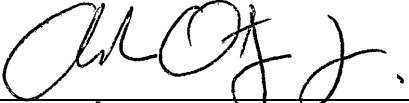
The motion to approve the Item 10A Closed Session (**M.I. No. 53827**) passed by a vote of 384,859 ayes; 21,456 noes; 0 abstain; 0 not voting; and absent.

**53828** There being no objection, the meeting was adjourned in honor of the late Jonathan Holm at 3:26 p.m.



---

**LOIS FONG-SAKAI**  
**BOARD SECRETARY**



---

**ADÁN ORTEGA, JR.**  
**CHAIR OF THE BOARD**

**MINUTES**  
**SPECIAL MEETING OF THE**  
**BOARD OF DIRECTORS**  
**THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**  
**November 19, 2024**

**53829** The Board of Directors of The Metropolitan Water District of Southern California met in a special session on Tuesday, November 19, 2024.

Chair Ortega called the meeting to order at 2:06 p.m.

Director Ackerman stated that he is using AB 2449 just cause due to medical disability.

Director De Jesus stated that he is using AB 2449 just cause for contagious illness.

Director Faessel stated that he is using AB 2449 just cause for legislative business.

**53830** The Meeting was opened with an invocation by Director Cynthia Kurtz, City of Pasadena.

**53831** The Pledge of Allegiance was given by Director Jeffrey D. Armstrong, Eastern Municipal Water District.

**53832** Board Secretary Fong-Sakai administered the roll call. Those responding present were: Directors Ackerman (AB2449), Alvarez, Armstrong, Bryant, Camacho, Cordero (teleconference posted locations available for the public), Crawford, De Jesus (AB2449), Dennstedt, Dick, Douglas, Erdman, Faessel (AB2449), Fellow (teleconference posted locations available for the public), Fong-Sakai, Goldberg, Jung (teleconference posted locations available for the public), Kassakhian, Kurtz, Lewitt, Luna, McCoy, McMillan, Miller, Morris, Ortega, Petersen, Pressman, Quinn, Ramos (teleconference posted locations available for the public), and Smith.

Those not responding were: Directors Garza, Gold, Gray, Lefevre, Phan, Seckel, and Sutley.

Board Secretary Fong-Sakai declared a quorum present.

Chair Ortega introduced the Member Agency Manager, Guest Board Chair Nick Serrano, Former Board Chair Mel Katz, and General Manager Dan Denham of San Diego County Water Authority. Chair Ortega, Mr. Serrano, and Mr. Katz made remarks.

Chair Ortega welcomed and thanked Misters Serrano and Denham for joining the board and encouraged them to comment on matters important to the San Diego County Water Authority.

Chair Ortega announced that Metropolitan will be celebrating Thanksgiving; Metropolitan is putting a spotlight on the community, thanking Southern California for engaging with

Metropolitan on issues of water quality, conservation, and Metropolitan projects in their communities. In addition, Metropolitan Native American Heritage Day is on November 29th, and National Native American Heritage Month has messages in observance of the day and month. Lastly, Chair Ortega thanked Veterans on Veteran's Day and showcased the Hispanic Employee Association's Dia De Muertos Ofrenda on social media.

Director Quinn left the meeting.

**53833** Chair Ortega invited members of the public to address the Board on matters within the Board's jurisdiction (in-person and via teleconference).

	Name	Affiliation	Comment
1.	Philippa Romeo	Metropolitan Employee	General Manager Investigation

Chair Ortega addressed the following: Other Matters and Reports.

**53834** Chair Ortega asked if there were any corrections to the report of events attended by Directors at Metropolitan's expense during the month of October, as previously posted and distributed to the Board. None were made.

**53835** Chair Ortega referred to the Chair's monthly report, which was previously posted and distributed to the Board. In addition, Director Erdman and Dennstedt attended the WEFTEC Conference to accept the Water Resources Utility of the Future Today Certificate of Recognition on behalf of the Metropolitan. Chair Ortega requested that today's meeting be dedicated to Christiana Daisy, Deputy General Manager for Inland Empire Utilities Agency and former Metropolitan Employee. Ms. Daisy is retiring from Inland Empire Utilities Agency on December 24, 2024.

Chair Ortega asked if there are any questions. None were made.

**53836** Interim General Manager Upadhyay reported on the transition to the new federal administration and how it will affect Metropolitan's interest, the business model workshop, and the Metropolitan Employee Service Awards.

**53837** General Counsel Scully reported on the National Environmental Policy Act (NEPA) litigation where a judge found the Council on Environmental Quality lacked authority to enforce NEPA.

**53838** General Auditor Suzuki stated that the next Audit meeting will occur on November 20th, with the audit quarterly report presentation and reviewing changes to the administrative code for the audit charter.

**53839** Ethics Officer Salinas stated that he did not have anything to add to his written report.

**53840** Report from the Executive Committee on the nominations for Board Secretary. The Committee approved Board Secretary Fong-Sakai for a second term. (Agenda Item 5G).

**53841** Nomination and Election for Board Secretary for a two-year term effective January 1, 2025. (Agenda Item 6C).

Chair Ortega called for a vote to approve the Consent Calendar Item 6C nominating Board Secretary Fong-Sakai for a two-year term effective January 1, 2025.

The following is a record of the vote:

Record of Vote on Item:	6C								
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman	x	x	4677				
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza							
		Crawford	x	x	20265				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	13623	Armstrong	x	x	13623				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley							
		Petersen	x	x	27945				
		Quinn							
		Luna	x	x	27945				
		Douglas	x	x	27945				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	22701				
		Seckel							
		Dick	x	x	22701				
		Erdman	x	x	22701				
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70158	Fong-Sakai	x	x	17540				
		Goldberg	x	x	17540				
		Miller	x	x	17540				
		Smith	x	x	17540				
			Subtotal:		70158				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan							
Santa Monica	5055	Gold							
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre							
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt	x	x	15689				
<b>Total</b>	<b>406315</b>				<b>393910</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>12405</b>								

The motion to approve the Consent Calendar Item 6C (**M.I. No. 53841**) passed by a vote of 393,910 ayes; 0 noes; 0 abstain; 0 not voting; and 12,405 absent.

Director Ackerman, De Jesus, and Faessel, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

**53842** Updated report on the list of certified assessed valuations for the fiscal year 2024/25 and tabulation of assessed valuation, percentage participation, and vote entitlement of member agencies as of November 19, 2024.

Chair Ortega announced that the report was presented at the Finance and Asset Management Committee and asked if there are any questions. None were made.

Chair Ortega announced that the minutes for the October meeting have been deferred (Agenda Item 6A).

Chair Ortega announced there are no committee assignments (Agenda Item 6B).

Chair Ortega called on Directors who are requesting that any items be pulled from the Consent Calendar Action Items and to state any recusals, abstentions, and disclosures. None were made.

**53843** Authorize an amendment to an agreement with Roesling Nakamura Terada Architects to provide design and architectural services for Stage 1 improvements at Metropolitan's desert facilities, as set forth in Agenda Item 7-1 board letter.

**53844** Certify that the Final EIR for the Garvey Reservoir Rehabilitation Project has been completed in compliance with CEQA and the State CEQA Guidelines, certify that the Board has reviewed and considered the information presented in the Final EIR, certify that the Final EIR reflects Metropolitan's independent judgment and analysis, and adopt the Findings and the Mitigation Monitoring and Reporting Program, as set forth in Agenda Item 7-2 board letter.

**53845** Authorize the General Manager to enter into Reverse-Cyclic Program agreements with participating agencies to defer deliveries of up to 100,000 acre-feet total over calendar years 2024 and 2025.

Agenda Item 7-4 board letter was deferred.

**53846** Adopt resolution for the 116th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan, with a correction to the annexation area, is within Moreno Valley, not the City of Murrieta.

**53847** Authorize General Manager to sponsor legislation for Metropolitan to increase the minimum threshold for competitive bidding on public works construction contracts from \$25,000 to \$150,000 and to seek the inclusion of an inflation escalator.

Director Morris moved, seconded by Director McCoy, that the Board approve the Consent Calendar Items 7-1 through 7-3, 7-5 through 7-6 follows:

Chair Ortega called for a vote to approve the Consent Calendar Items 7-1 through 7-3, 7-5 through 7-6.

The following is a record of the vote:

Record of Vote on Consent Item(s):	Items: 7-1, 7-2, 7-3, 7-5, and 7-6								
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman	x	x	4677				
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza							
		Crawford	x	x	20265				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	13623	Armstrong	x	x	13623				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley							
		Petersen	x	x	27945				
		Quinn							
		Luna	x	x	27945				
		Douglas	x	x	27945				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	22701				
		Seckel							
		Dick	x	x	22701				
		Erdman	x	x	22701				
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70158	Fong-Sakai	x	x	17540				
		Goldberg	x	x	17540				
		Miller	x	x	17540				
		Smith	x	x	17540				
			Subtotal:		70158				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan							
Santa Monica	5055	Gold							
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre							
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt	x	x	15689				
<b>Total</b>	<b>406315</b>				<b>393910</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>12405</b>								

The motion to approve the Consent Calendar Items 7-1 through 7-3, 7-5 through 7-6 (**M.I. No. 53843 through 53847**)\* passed by a vote of 393,910 ayes; 0 noes; 0 abstain; 0 not voting; and 12,405 absent.

Director Ackerman, De Jesus, and Faessel, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

\*Director Jung voted no on Item 7-6. The motion to approve the Consent Calendar Item 7-6 (**M.I. No. 53847**) passed by a vote of 391,144 ayes; 2,766 noes; 0 abstain; 0 not voting; and 12,405 absent.

The following Director(s) asked questions or made comments:

Director(s)

1. Dennstedt
2. Camacho

Staff responded to the Directors' comments and questions.

**53848** Authorize the General Manager to amend the Project Labor Agreement to add four new projects and approve the amended Project Labor Agreement's use as a bid condition for the newly added projects (Agenda Item 8-1).

Director Erdman moved, seconded by Director Camacho, that the Board approve the Board Item 8-1 as follows:

Chair Ortega called for a vote on the motion for Agenda Item 8-1 as stated.

The following is a record of the vote:

Record of Vote on Item:	8-1								
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman	x	x	4677				
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza							
		Crawford	x	x	20265				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	13623	Armstrong	x	x	13623				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley							
		Petersen	x	x	27945				
		Quinn							
		Luna	x	x	27945				
		Douglas	x	x	27945				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	22701				
		Seckel							
		Dick	x	x	22701				
		Erdman	x	x	22701				
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70158	Fong-Sakai	x	x	17540				
		Goldberg	x	x	17540				
		Miller	x	x	17540				
		Smith	x	x	17540				
			Subtotal:		70158				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan							
Santa Monica	5055	Gold							
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre							
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt	x	x	15689				
<b>Total</b>	<b>406315</b>				<b>393910</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>12405</b>								

The motion to approve the Board Item 8-1 (**M.I. No. 53848**) passed by a vote of 393,910 ayes; 0 noes; 0 abstain; 0 not voting; and 12,405 absent.

Director Ackerman, De Jesus, and Faessel, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

**53849** Adopt the proposed resolution, verifying that the Board reviewed and supports the grant application, that subject to board approval of a grant agreement, the General Manager or his/her designee will have the legal authority to enter into that agreement, and that the General Manager or his/her designee will work with the United States Bureau of Reclamation to meet established deadlines for entering into a grant agreement and that the Board adopts another similarly worded resolution to accept the additional grant amount of \$26.3 million(Agenda Item 8-2).

Director Erdman moved, seconded by Director Morris, that the Board approve the Board Item 8-2 as follows:

Chair Ortega called for a vote on the motion for Agenda Item 8-2 as stated.

The following is a record of the vote:

Record of Vote on Item:		8-2							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman	x	x	4677				
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza							
		Crawford	x	x	20265				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	13623	Armstrong	x	x	13623				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley							
		Petersen	x	x	27945				
		Quinn							
		Luna	x	x	27945				
		Douglas	x	x	27945				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	22701				
		Seckel							
		Dick	x	x	22701				
		Erdman	x	x	22701				
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70158	Fong-Sakai	x	x	17540				
		Goldberg	x	x	17540				
		Miller	x	x	17540				
		Smith	x	x	17540				
			Subtotal:		70158				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan							
Santa Monica	5055	Gold							
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre							
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt	x	x	15689				
<b>Total</b>	<b>406315</b>				<b>393910</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>12405</b>								

The motion to approve the Board Item 8-2 (**M.I. No. 53849**) passed by a vote of 393,910 ayes; 0 noes; 0 abstain; 0 not voting; and 12,405 absent.

Director Ackerman, De Jesus, and Faessel, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

**53850** Approve the nomination and naming of the San Jacinto Tunnel in honor of former Chairman of the Board and Director Randy Record in recognition of his legacy of service to Metropolitan (Agenda Item 8-4).

**53851** Approve the nomination and naming of the Inlet/Outlet Tower at Diamond Valley Lake in honor of former Metropolitan General Counsel N. Gregory Taylor in recognition of his legacy of service to Metropolitan (Agenda Item 8-5).

Director Camacho moved, seconded by Director Armstrong, that the Board approve the Board Items 8-4 and 8-5 as follows:

Chair Ortega called for a vote on the motion for Agenda Items 8-4 and 8-5, as stated.

The following is a record of the vote:

Record of Vote on Item:	8-4 and 8-5								
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman	x	x	4677				
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza							
		Crawford	x	x	20265				
			Subtotal:		20265				
Compton	678	McCoy	x						
Eastern Municipal Water District	13623	Armstrong	x	x	13623				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley							
		Petersen	x	x	27945				
		Quinn							
		Luna	x	x	27945				
		Douglas	x	x	27945				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	22701				
		Seckel							
		Dick	x	x	22701				
		Erdman	x	x	22701				
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70158	Fong-Sakai	x	x	17540				
		Goldberg	x	x	17540				
		Miller	x	x	17540				
		Smith	x	x	17540				
			Subtotal:		70158				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan							
Santa Monica	5055	Gold							
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre							
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt	x	x	15689				
<b>Total</b>	<b>406315</b>				<b>393232</b>				
<b>Present and not voting</b>	<b>678</b>								
<b>Absent</b>	<b>12405</b>								

The motion to approve the Board Items 8-4 and 8-5 (**M.I. No. 53850 and 53851**) passed by a vote of 393,232 ayes; 0 noes; 0 abstain; 678 not voting; and 12,405 absent.

Director Ackerman, De Jesus, and Faessel, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

**53852** Authorize an increase to the General Auditor's base salary from \$288,413 to \$313,350. This will make the General Auditor's base salary 9.58 percent above the 75th percentile of the comparator agencies. Authorize a 3 percent Cost-of-Living Adjustment for the General Counsel, General Auditor, and Ethics Officer. Authorize the above actions to be effective June 23, 2024. (Agenda Item 8-6).

Director Pressman moved, seconded by Director Morris, that the Board approve the Board Item 8-6 as follows:

Chair Ortega called for a vote on the motion for Agenda Item 8-6 as stated.

The following is a record of the vote:

Record of Vote on Item:		8-6							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman	x	x	4677				
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza							
		Crawford	x	x	20265				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	13623	Armstrong	x	x	13623				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley							
		Petersen	x	x	27945				
		Quinn							
		Luna	x	x	27945				
		Douglas	x	x	27945				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	22701				
		Seckel							
		Dick	x	x	22701				
		Erdman	x	x	22701				
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70158	Fong-Sakai	x	x	17540				
		Goldberg	x	x	17540				
		Miller	x	x	17540				
		Smith	x	x	17540				
			Subtotal:		70158				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan							
Santa Monica	5055	Gold							
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre							
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt	x	x	15689				
<b>Total</b>	<b>406315</b>				<b>393910</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>12405</b>								

The motion to approve the Board Item 8-6 (**M.I. No. 53852**) passed by a vote of 393,910 ayes; 0 noes; 0 abstain; 0 not voting; and 12,405 absent.

Director Ackerman, De Jesus, and Faessel, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

Chair Ortega asked if anyone would like to discuss and/or vote on Items 8-3 or 8-7 in closed session. No requests were made.

**53853** Authorize a new lease with the Certified Federal Credit Union for up to a combined total of 1,667 square feet of office space at the Metropolitan Headquarters Building, located at 700 North Alameda Street in Los Angeles, California, and the F.E. Weymouth Water Treatment Plant, located at 700 Moreno Avenue in La Verne, California, subject to the price and terms direction given in closed session (Agenda Item 8-3).

Director Smith moved, seconded by Director Bryant, that the Board approve the Board Item 8-3 as follows:

Chair Ortega called for a vote on the motion for Agenda Item 8-3 as stated.

The following is a record of the vote:

Record of Vote on Item:		8-3							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman	x	x	4677				
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza							
		Crawford	x	x	20265				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	13623	Armstrong	x	x	13623				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley							
		Petersen	x	x	27945				
		Quinn							
		Luna	x	x	27945				
		Douglas	x	x	27945				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	22701				
		Seckel							
		Dick	x	x	22701				
		Erdman	x	x	22701				
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70158	Fong-Sakai	x	x	17540				
		Goldberg	x	x	17540				
		Miller	x	x	17540				
		Smith	x	x	17540				
			Subtotal:		70158				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan							
Santa Monica	5055	Gold							
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre							
Upper San Gabriel Valley Mun. Wat. Dist.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt	x	x	15689				
<b>Total</b>	<b>406315</b>				<b>393910</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>12405</b>								

The motion to approve the Board Item 8-3 (**M.I. No. 53853**) passed by a vote of 393,910 ayes; 0 noes; 0 abstain; 0 not voting; and 12,405 absent.

Director Ackerman, De Jesus, and Faessel, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

**53854** Authorize an increase in the maximum amount payable under a contract for legal services in Ryan Tiegs v. Metropolitan with Seyfarth Shaw LLP in the amount of \$275,000 for a total amount not to exceed \$525,000, increase in the maximum amount payable under a contract for legal services in Dane Crawford v. Metropolitan with Seyfarth Shaw LLP in the amount of \$275,000 for a total amount not to exceed \$525,000, and increase in the maximum amount payable under a contract for legal services in Alicia Lorentzen v. Metropolitan with Sheppard, Mullin, Richter & Hampton LLP in the amount of \$175,000 for a total amount not to exceed \$425,000 (Agenda Item 8-7).

Director Luna moved, seconded by Director Camacho, that the Board approve the Board Item 8-7 as follows:

Chair Ortega called for a vote on the motion for Agenda Item 8-7 as stated.

The following is a record of the vote:

Record of Vote on Item:		8-7							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	6306	Faessel	x	x	6306				
Beverly Hills	4677	Pressman	x	x	4677				
Burbank	3330	Ramos	x	x	3330				
Calleguas Municipal Water District	13627	McMillan	x	x	13627				
Central Basin Municipal Water District	20265	Garza							
		Crawford	x	x	20265				
			Subtotal:		20265				
Compton	678	McCoy	x	x	678				
Eastern Municipal Water District	13623	Armstrong	x	x	13623				
Foothill Municipal Water District	2543	Bryant	x	x	2543				
Fullerton	2766	Jung	x	x	2766				
Glendale	4165	Kassakhian	x	x	4165				
Inland Empire Utilities Agency	17103	Camacho	x	x	17103				
Las Virgenes	3224	Lewitt	x	x	3224				
Long Beach	6805	Cordero	x	x	6805				
Los Angeles	83835	Sutley							
		Petersen	x	x	27945				
		Quinn							
		Luna	x	x	27945				
		Douglas	x	x	27945				
			Subtotal:		83835				
Municipal Water Dist. of Orange County	68102	Ackerman	x	x	22701				
		Seckel							
		Dick	x	x	22701				
		Erdman	x	x	22701				
			Subtotal:		68102				
Pasadena	4042	Kurtz	x	x	4042				
San Diego County Water Authority	70158	Fong-Sakai	x	x	17540				
		Goldberg	x	x	17540				
		Miller	x	x	17540				
		Smith	x	x	17540				
			Subtotal:		70158				
San Fernando	274	Ortega	x	x	274				
San Marino	836	Morris	x	x	836				
Santa Ana	3569	Phan							
Santa Monica	5055	Gold							
Three Valleys Municipal Water District	9019	De Jesus	x	x	9019				
Torrance	3781	Lefevre							
Upper San Gabriel Valley Mun. Wat.	14079	Fellow	x	x	14079				
West Basin Municipal Water District	28764	Alvarez	x	x	28764				
		Gray							
			Subtotal:		28764				
Western Municipal Water District	15689	Dennstedt	x	x	15689				
<b>Total</b>	<b>406315</b>				<b>393910</b>				
<b>Present and not voting</b>									
<b>Absent</b>	<b>12405</b>								

The motion to approve the Board Items 8-7 (**M.I. No. 53854**) passed by a vote of 393,910 ayes; 0 noes; 0 abstain; 0 not voting; and 12,405 absent.

Director Ackerman, De Jesus, and Faessel, using AB 2449 just cause, did not have anyone over the age of 18 present during the vote.

Chair Ortega advised Board Vice Chair Goldberg would proceed with chairing the meeting for the remainder of the meeting.

**53855** Board Vice Chair Goldberg asked if there were questions or need for discussion on Board Information Items 9-1, 9-2 or 9-3. No requests were made.

Director Miller left the meeting.

Director Quinn entered the meeting.

**53856** AB 1234 Ethics Biennial Training (Item 10-1).

Ethics Officer Salinas introduced Lauren Langer and Ryan Guiboa, Partners at Best Best & Krieger, LLP, to present the Item.

The following Director(s) asked questions or made comments:

Director(s)

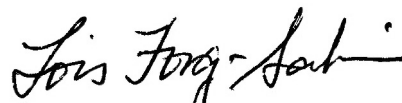
1. Camacho

Outside counsel responded to the Directors' comments and questions.

**53857** Board Vice Chair Goldberg asked if there were any Follow-Up Items. No requests were made.

**53858** Board Vice Chair Goldberg asked if there were any Future Agenda Items. No requests were made.

**53859** There being no objection, the meeting was adjourned at 5:13 p.m.



---

**LOIS FONG-SAKAI**  
**BOARD SECRETARY**



---

**ADÁN ORTEGA, JR.**  
**CHAIR OF THE BOARD**



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

# Board Action

- **Board of Directors**  
***Executive Committee***

12/10/2024 Board Meeting

---

7-1

## Subject

---

Approve amendments to the Metropolitan Water District Administrative Code Section 6451 regarding the Audit Department Charter; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

---

The proposed amendments will (1) add information technology to the Audit Department's scope of work; (2) delete the responsibility of the Audit Department for issuing an opinion on internal controls over financial reporting; and (3) delete Governmental Auditing Standards as a professional standards reference and make other minor, non-substantive changes.

## Proposed Action(s)/Recommendation(s) and Options

---

### Staff Recommendation: Option #1

#### Option #1

Approve amendments to the Metropolitan Water District Administrative Code Section 6451 regarding the Audit Department Charter.

**Fiscal Impact:** None

**Business Analysis:** This option will improve the Audit Department Charter by aligning this portion of the Administrative Code with current and permissible Audit Department practices.

#### Option #2

Do not approve amendments to the Metropolitan Water District Administrative Code.

**Fiscal Impact:** None

**Business Analysis:** The Administrative Code will not be amended to specifically define information technology as part of the Audit Department's scope of work, and department strategy and resource allocation will be modified to perform additional work required to issue opinions and comply with the additional standards.

## Alternatives Considered

---

No alternatives were considered for the update of the Administrative Code.

## Applicable Policy

---

Metropolitan Water District Administrative Code Section 6451: Audit Department Charter

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

---

**Related Board Action(s)/Future Action(s)**

---

The Board approved amendments to the Audit Department Charter in April 2023. Administrative Code 6451(e) requires an annual review of the Audit Department Charter with amendments proposed to the Board accordingly.

---

**California Environmental Quality Act (CEQA)**

---

**CEQA determination(s) for Option #1:**

The proposed action is not defined as a project under CEQA because it involves organizational, maintenance, or administrative activities; personnel-related actions; and/or general policy and procedure making that will not result in direct or indirect physical changes in the environment. (Public Resources Code Section 21065; State CEQA Guidelines Section 15378(b)(2) and (5)).

**CEQA determination for Option #2:**

None required

---

**Details and Background**

---

**Audit Department Charter**

Professional internal auditing standards require that an internal audit activity's purpose, authority, and responsibility be formally defined in an internal audit charter. The internal audit charter establishes the internal audit activity's position within the organization; authorizes access to records, personnel, and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities. Standards require the charter to be reviewed periodically.


The District's Audit Department charter is contained within Metropolitan Water District Administrative Code Section 6451. Audit Department staff reviewed the charter and propose amending Section 6451 as follows:

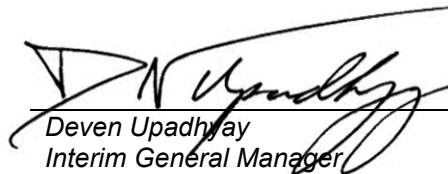
1. Information technology is pervasive in District operations and support functions. Associated risks with cybersecurity and other information technology require Audit Department focus. Accordingly, this letter proposes amending subsection (a) to add information technology to the Audit Department's scope of work.
2. California Government Code Section 1236 requires that the District's Audit Department conduct audits under specified standards prescribed by the Institute of Internal Auditors (IIA) or the Comptroller General of the United States (GAO). Both entities are recognized as authoritative sources for providing frameworks for executing audits. Generally, the GAO's Governmental Auditing Standards (GAGAS) provides requirements for conducting performance and financial audits, while the IIA's standards focus on internal audit function management and principles for conducting audits. Federal government audit agencies more commonly follow standards issued by the GAO but may be adopted by others, and an agency can opt to follow both standards. Historically, the District's Audit Department has exclusively followed the IIA's standards and other public agency internal audit functions exclusively follow this standard as well (e.g., County of Los Angeles, County of Orange, California State University). Continuing to follow the IIA's standards sufficiently meets the District's internal auditing needs while complying with State law. Accordingly, this letter proposes amending subsection (c) to remove reference to the Government Auditing Standards (GAGAS).
3. The District hires an independent external audit firm to annually perform an audit of the District's financial statements. As part of this audit, the external auditor considers the District's internal control over financial reporting (ICFR) to design audit work for the purpose of expressing an opinion on the financial statements. While the work performed by the external auditor is not for the purpose of expressing an opinion on the effectiveness of the District's ICFR, it is sufficient and does not warrant the additional expense or use of internal resources to complete work that would result in an opinion on ICFR. Furthermore, only certain publicly traded companies are required to have an opinion on ICFR.

Accordingly, this letter proposes amending subsection (d) to remove the responsibility for the Audit Department to issue an opinion on ICFR on an annual basis.

***Project Milestone***

Not applicable

 _____ Scott Suzuki General Auditor	11/13/2024 _____ Date
--	-----------------------------

 _____ Deven Upadhyay Interim General Manager	11/14/2024 _____ Date
--	-----------------------------

**Attachment 1 – Redline Version, Proposed Administrative Code Amendment**

**Attachment 2 – Clean Version, Proposed Administrative Code Amendment**

Ref# a12690756

Provisions updated to reflect the actions of the Board of Directors through its 3/12/2024 meeting.

**§ 6451. Audit Department Charter.**

(a) Mission and Scope of Work - The mission of the Audit Department is to provide independent, professional, objective assurance and consulting services designed to add value and improve Metropolitan's operations. It helps the District accomplish its objectives by using a proactive, systematic approach to evaluate and improve the effectiveness of governance, risk management, and internal control. The scope of work of the Audit Department is to determine whether the District's network of governance, risk management, and internal control, as designed and represented by District management, is adequate and functioning in a manner to ensure:

- (1) Risks are appropriately identified, managed, and monitored;
- (2) Significant financial, managerial, and operating information is accurate, reliable, and timely;
- (3) Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations;
- (4) Resources are acquired economically, used efficiently, and adequately protected;
- (5) Programs, plans, and objectives are achieved;
- (6) Quality and continuous improvement are fostered in the District's control process;
- (7) Significant legislative or regulatory issues impacting the District are recognized and addressed appropriately; and
- (8) Information technology is governed and systems and applications are securely deployed and monitored.

Opportunities for improving management internal control, efficiency and the District's image may be identified during audits. They will be communicated to the appropriate level of District management.

(b) Accountability - The General Auditor shall be accountable to the Board of Directors and the Executive Committee to:

- (1) Advise on the adequacy and effectiveness of the District's processes for controlling its activities and managing its risks;
- (2) Report significant issues related to the processes for controlling the activities of the District, including potential improvements to those processes, and provide information concerning such issues through to resolution; and

(3) Coordinate with other District control and monitoring functions (e.g., risk management, legal, finance, ethics, security, environmental).

(c) Professional Standards - The Audit Department shall govern itself by adherence to The Institute of Internal Auditors' mandatory guidance, including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the Audit Department's performance. These documents constitute the operating procedures for the department and constitute an addendum to the charter. The Institute of Internal Auditors' Practice Advisories, Practice Guides, and Position Papers shall also be adhered to as applicable. In addition, Audit Department staff shall adhere to Metropolitan's policies and procedures, the California Government Code, and the Audit Department's Policies and Procedures Manual.

(d) Responsibilities - The Audit Department shall carry out the following responsibilities:

(1) Develop and present a flexible annual audit plan to the Executive Committee for review and approval. This plan should be developed utilizing a risk-based methodology and should include risks or internal control concerns identified by District management or the Board of Directors;

(2) Report periodically to the Executive Committee and District management the status of the current year's audit plan and the sufficiency of department resources;

(3) Submit audit reports to the Executive Committee and District management communicating the General Auditor's opinion regarding the internal control structure, identifying significant control issues, and providing related recommendations;

(4) Evaluate the adequacy and timeliness of District management's responses to, and the corrective action taken on, all recommendations noted in such reports. Conduct follow-up reviews as necessary and periodically report to the Executive Committee the status of District management's progress;

(5) Ensure the selection, development, and supervision of competent and professional audit staff;

(6) Perform a quality assurance program by which the General Auditor evaluates internal auditing activities against professional standards. Obtain an external quality assurance review as required by the Standards;

(7) Perform advisory services to assist District management in meeting its objectives. Examples may include facilitation, process design, training, and assessment services;

(8) Evaluate additions or changes in internal control processes coincident with their development and implementation;

(9) Keep the Executive Committee informed of significant emerging trends and best practices in internal auditing and governance;

(10) Assist in the investigation of significant suspected fraudulent activities within the District. Assure reporting to the Executive Committee on the results, as appropriate; and

(11) Coordinate with external auditors to minimize duplication of effort and ensure that issues raised as a result of their review are appropriately addressed.

(e) Authority - The General Auditor and Audit Department staff members are authorized to:

(1) Have unrestricted access to all functions, records, property, and personnel, subject to the requirements of safekeeping, confidentiality, and applicable process;

(2) Have full and free access to the Executive Committee, subject to applicable law;

(3) Allocate resources, set frequencies, select the subject, determine scopes of work, and apply the techniques required to accomplish audit objectives; and

(4) Obtain the necessary assistance of personnel within units of the District where they perform audits, as well as other specialized services from within or outside the District.

The General Auditor and Audit Department staff are not authorized to:

(1) Perform any operational duties for the District;

(2) Initiate or approve accounting transactions external to the Audit Department;  
or

(3) Direct the activities of any District employee not employed by the Audit Department, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors.

This Charter shall be reviewed at least annually by the Executive Committee and Board of Directors.#

Provisions updated to reflect the actions of the Board of Directors through its 3/12/2024 meeting.

**§ 6451. Audit Department Charter.**

(a) Mission and Scope of Work - The mission of the Audit Department is to provide independent, professional, objective assurance and consulting services designed to add value and improve Metropolitan's operations. It helps the ~~organization~~District accomplish its objectives by using a proactive, systematic approach to evaluate and improve the effectiveness of governance, risk management, and internal control, ~~and governance processes~~. The scope of work of the Audit Department is to determine whether the ~~organization's~~District's network of governance, risk management, and internal control ~~and governance~~, as designed and represented by District management, is adequate and functioning in a manner to ensure:

- (1) Risks are appropriately identified, managed, and monitored;
- (2) Significant financial, managerial, and operating information is accurate, reliable, and timely;
- (3) Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations;
- (4) Resources are acquired economically, used efficiently, and adequately protected;
- (5) Programs, plans, and objectives are achieved;
- (6) Quality and continuous improvement are fostered in the ~~organization's~~District's control process;
- (7) Significant legislative or regulatory issues impacting the ~~organization~~District are recognized and addressed appropriately; and
- (8) Information technology is governed and systems and applications are securely deployed and monitored.

Opportunities for improving management internal control, efficiency and the ~~organization's~~District's image may be identified during audits. They will be communicated to the appropriate level of District management.

(b) Accountability - The General Auditor shall be accountable to the Board of Directors and the Executive Committee to:

- (1) Advise on the adequacy and effectiveness of the ~~organization's~~District's processes for controlling its activities and managing its risks;

(2) Report significant issues related to the processes for controlling the activities of the ~~organization~~District, including potential improvements to those processes, and provide information concerning such issues through to resolution; and

(3) Coordinate with other Metropolitan District control and monitoring functions (e.g., risk management, legal, finance, ethics, security, ~~and environmental~~);

(c) Professional Standards -- The Audit Department shall govern itself by adherence to The Institute of Internal Auditors' mandatory guidance, including the Definition of Internal Auditing, the Code of Ethics, and the *International Standards for the Professional Practice of Internal Auditing (Standards)*. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the Audit Department's performance. These documents constitute the operating procedures for the department and constitute an addendum to the charter. The Institute of Internal Auditors' Practice Advisories, Practice Guides, and Position Papers shall also be adhered to as applicable. In addition, Audit Department staff shall adhere to Metropolitan's policies and procedures, the California Government Code, ~~Government Auditing Standards (GAGAS)~~; and the Audit Department's Policies and Procedures Manual.

(d) Responsibilities -- The Audit Department shall carry out the following responsibilities:

(1) Develop and present a flexible annual audit plan to the Executive Committee for review and approval. This plan should be developed utilizing a risk-based methodology and should include risks or internal control concerns identified by District Mmanagement or the Board of Directors;

(2) Report periodically to the Executive Committee and District Mmanagement the status of the current year's audit plan and the sufficiency of department resources;

~~(3) Issue an opinion on internal controls over financial reporting on an annual basis;~~

~~(4)~~ Submit audit reports to the Executive Committee and District Mmanagement communicating the General Auditor's opinion regarding the internal control structure, identifying significant control issues, and providing related recommendations;

~~(5)~~ Evaluate the adequacy and timeliness of District Mmanagement's responses to, and the corrective action taken on, all ~~significant control issues recommendations~~ noted in such reports. Conduct follow-up reviews as necessary and periodically report to the Executive Committee the status of District Mmanagement's progress;

~~(6)~~ Ensure the selection, development, and supervision of competent and professional audit staff;

~~(7)~~ Perform a quality assurance program by which the General Auditor evaluates internal auditing activities against professional standards. Obtain an external quality assurance review as required by ~~GAGAS and~~ the Standards;

(87) Perform ~~consulting-advisory~~ services to assist District management in meeting its objectives. Examples may include facilitation, process design, training, and ~~advisory assessment~~ services;

(98) Evaluate additions or changes in internal control processes coincident with their development and implementation;

(409) Keep the Executive Committee informed of significant emerging trends and best practices in internal auditing and governance;

(140) Assist in the investigation of significant suspected fraudulent activities within the ~~District~~organization. Assure reporting to the Executive Committee on the results, as appropriate; and

(121) Coordinate with external auditors to minimize duplication of effort and ~~to~~ ensure that issues raised, as a result of their review, are appropriately addressed.

(e) Authority - The General Auditor and Audit Department staff members are authorized to:

(1) Have unrestricted access to all functions, records, property, and personnel, subject to the requirements of safekeeping, confidentiality, and applicable process;

(2) Have full and free access to the Executive Committee, subject to applicable law;

(3) Allocate resources, set frequencies, ~~and select the~~ subject, determine scopes of work, and apply the techniques required to accomplish audit objectives; and

(4) Obtain the necessary assistance of personnel within units of the District organization where they perform audits, as well as other specialized services from within or outside the ~~District organization~~;

The General Auditor and Audit Department staff ~~members~~ are not authorized to:

(1) Perform any operational duties for the ~~District~~organization;

(2) Initiate or approve accounting transactions external to the ~~internal-a~~Auditing dDepartment; or

(3) Direct the activities of any ~~organization~~District employee not employed by the ~~internal-a~~Auditing dDepartment, except to the extent such employees have been appropriately assigned to auditing teams or to otherwise assist the internal auditors.

This Charter shall be reviewed at least annually by the Executive Committee and Board of Directors.#



Board of Directors

# Audit Department Charter Revisions

Item 7-1

December 10, 2024

# Item 7-1 Audit Department Charter Revisions

## Subject

Audit Department Charter Revisions

## Purpose

To share recommended revisions to the Audit Department Charter and request Board approval for revisions.

## Next Steps

Review the Charter annually with the Board and recommend revisions to ensure alignment with professional internal audit standards and industry best practices.

# Administrative Code

## 6451 Audit Department Charter

- 6451(a) - Mission & Scope of Work
- 6451(b) - Accountability
- 6451(c) - Professional Standards
- 6451(d) - Responsibilities
- 6451(e) - Authority

# Audit Department Charter

## Recommended Updates

1. Add to the Charter:
  - Information technology under Scope of Work – Section 645l(a)
2. Delete from the Charter:
  - References to Government Auditing Standards (GAGAS), e.g., Section 645l(c), 645l(d)(7)
  - Issuing an opinion on internal controls over financial reporting on an annual basis – Section 645l(d)(3)

# Audit Department Charter

## Recommended Updates (con't)

3. Clarification of:
  - Follow-up reviews to reflect new process in place – Section 6451(d)(5)
4. Minor, non-substantive changes (e.g., term consistency)

# Audit Department Charter

## Future Updates

- Mission & Scope of Work
- Professional Standards
- Responsibilities

# Board Options

## Option #1

- Approve amendments to the Administrative Code (Section 6451 – Audit Department Charter)
  - Updates the scope of work
  - Updates professional standards and responsibilities

# Board Options

## Option #2

- Do not approve amendments to the Administrative Code

# Board Options

## Staff Recommendation

- Option #1  
Approve amendments to the Administrative Code  
(Section 6451 Audit Department Charter)





- **Board of Directors**  
***Engineering, Operations, and Technology Committee***

12/10/2024 Board Meeting

---

7-2

## Subject

---

Award a \$588,000 contract to Heed Engineering for construction of new drainage control improvements at the Lake Skinner dam; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

---

Proper drainage of stormwater runoff is vital to preventing embankment erosion along Metropolitan's dams. The existing concrete drainage control structures at the Lake Skinner dam show signs of deterioration at several locations. This project will improve stormwater collection and runoff, provide long-term protection against erosion, reduce maintenance costs, allow access to the dam monitoring system equipment, and maintain regulatory compliance.

This action awards a \$588,000 contract to Heed Engineering for construction of new drainage control improvements at Lake Skinner dam. See **Attachment 1** for the Allocation of Funds, **Attachment 2** for the Abstract of Bids, and **Attachment 3** for the Location Map.

## Proposed Action(s)/Recommendation(s) and Options

---

### Staff Recommendation: Option #1

#### Option #1

Award a \$588,000 contract to Heed Engineering for construction of drainage control improvements at the Lake Skinner dam.

**Fiscal Impact:** Expenditure of \$800,000 in capital funds. All costs will be incurred in the Fiscal Years 2024/2025 and 2025/2026 and have been previously authorized.

**Business Analysis:** This option will ensure regulatory compliance, protect Metropolitan's assets, enhance delivery reliability to member agencies, and reduce the risk of costly urgent repairs.

#### Option #2

Do not proceed with the project at this time.

**Fiscal Impact:** None

**Business Analysis:** Under this option, staff would continue to monitor the condition of the drainage system at the Lake Skinner Dam and make as-needed repairs.

## Alternatives Considered

---

Staff considered repairing and replacing only the portions of the Lake Skinner dam drainage system with significant damage. However, based on Metropolitan staff inspections, the damage to the drainage system is significant, and spot repairs may not have long-term durability. It was determined that the concrete drainage system at the dam was well past its design life and needed to be replaced. The selected option will replace the

existing drainage structure at the Lake Skinner dam. This alternative is more cost-effective and maintains compliance with regulatory requirements.

---

**Applicable Policy**

---

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

---

**Related Board Action(s)/Future Action(s)**

---

By Minute Item 53598, dated April 8, 2024, the Board appropriated a total of \$636.48 million for projects identified in the Capital Investment Plan for Fiscal Years 2024/2025 and 2025/2026.

---

**California Environmental Quality Act (CEQA)**

---

**CEQA determination for Option #1:**

The proposed action is exempt from CEQA because the action consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features involving negligible or no expansion of existing or former use and no possibility of significantly impacting the physical environment. In addition, the proposed action is exempt from CEQA because it consists of the replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced. Finally, the proposed action consists of minor public or private alterations in the condition of land, water, and/or vegetation, which do not involve the removal of healthy, mature, scenic trees except for forestry or agricultural purposes. (State CEQA Guidelines Sections 15301, 15302, and 15304).

**CEQA determination for Option #2:**

None required

---

**Details and Background**

---

**Background**

Lake Skinner was constructed in the 1970s and is located north of the City of Temecula in Riverside County. Its maximum storage capacity is 44,000 acre-feet. The reservoir receives Colorado River Aqueduct and State Water Project supplies via the San Diego Canal. Untreated water from the lake can be delivered to the Robert A. Skinner Water Treatment Plant or to the San Diego area. The reservoir has an earth-filled dam embankment with a maximum height of 109 feet and a crest length of 5,150 feet. The Lake Skinner dam falls under the jurisdiction of the California Department of Water Resources, Division of Safety of Dams (DSOD).

The dam's original construction incorporated unreinforced concrete v-ditches to collect and divert stormwater away from the face of the dam to a local storm drain. In particular, the toe of the dam includes a 4,800-foot-long, 3-foot-wide unreinforced concrete v-ditch that prevents erosion of the dam embankment and controls the flow of storm runoff along the dam. If these drainage structures do not perform as designed, then the dam is subject to erosion that could, over time, compromise the overall stability of the dam.

A recent DSOD annual report noted the poor condition of the v-ditch system along the toe of the dam. The concrete v-ditch has been degraded by erosion caused by storm runoff, creating voids on the underside of the concrete lining. In some locations, the concrete lining has cracked and has displaced sufficiently to impede the flow of the storm runoff. In addition, the adjacent unpaved roadway has potholes and shows signs of erosion and rutting, which produces uneven stormwater runoff and contributes to the degradation of the drainage system. The existing v-ditch system will be replaced with a new 4-foot-wide reinforced concrete trapezoidal drainage channel with a larger capacity to divert stormwater from the dam face. Also, the project will regrade the unpaved 15-foot-wide access road directly adjacent to the v-ditch system to improve drainage from the road into the v-ditch and provide a road that performs well in all weather conditions.

Final design for the Lake Skinner Dam Drainage System Improvements project is complete. Staff recommends proceeding with construction of the new drainage control structures at this time. These drainage control structures will improve stormwater diversion, have a significantly longer service life, and comply with DSOD requirements.

### **Lake Skinner Dam Drainage System Improvements – Construction**

The scope of the contract consists of demolition of the existing v-ditch system at the toe of the dam, clearing and grubbing of the construction area, construction of a 4,800 linear-foot long and 4-foot-wide reinforced concrete trapezoidal drainage channel, and grading of the adjacent unpaved 15-feet wide adjacent roadway.

A total of \$800,000 is allocated for this work. In addition to the amount of the construction contract described below, allocated funds for Metropolitan staff include: \$86,000 for construction management and inspection; \$53,000 for submittal review and preparation of record drawings; \$41,000 for contract administration, environmental support, and project management; and \$32,000 for the remaining budget. **Attachment 1** provides the allocation of the required funds. The total cost to complete the drainage system replacement, including the amount appropriated to date and funds allocated for the work described in this action, is approximately \$1.0 million.

### ***Award of Construction Contract (Heed Engineering)***

Specifications No. 2078 for Lake Skinner Dam Drainage System Improvements was advertised for bids on Thursday, August 29, 2024. As shown in **Attachment 2**, five bids were received and opened on October 24, 2024. The low bid from Heed Engineering, in the amount of \$588,000, complies with the requirements of the specifications. The other bids ranged from \$766,000 to \$1,086,226, while the engineer's estimate for this project was \$999,000. Staff investigated the difference between the low bid and the engineer's estimate and attributed the difference to lower-than-expected costs for demolition, grading and profit markup, which reflects the contractor's intent to self-perform the majority of the work. For this contract, Metropolitan established a Small Business Enterprise (SBE) participation level of at least 25 percent. Heed Engineering is a certified SBE firm and thus achieves 100 percent SBE participation.

Metropolitan staff will perform construction management and inspection. Engineering Services' performance metric target range for construction management and inspection of projects with construction less than \$3 million is 9 to 15 percent. For this project, the performance metric goal for inspection is 14.6 percent of the total construction cost. The total cost of construction for this project is \$800,000.

### ***Project Milestone***

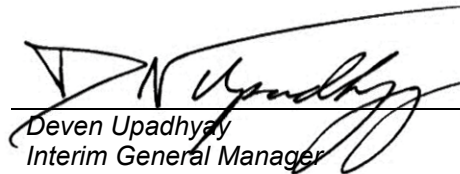
September 2025 – Completion of construction



Mai M. Hattar  
Interim Chief Engineer  
Engineering Services

11/19/2024

Date



Deven Upadhyay  
Interim General Manager

11/27/2024

Date

### **Attachment 1 – Allocation of Funds**

### **Attachment 2 – Abstract of Bids**

### **Attachment 3 – Location Map**

Ref# es12699654

### Allocation of Funds for Lake Skinner Dam Drainage System Improvements

	<b>Current Board Action (Dec. 2024)</b>
Labor	
Studies & Investigations	\$ -
Final Design	-
Owner Costs (Program mgmt., envir. monitoring)	41,000
Submittals Review & Record Drwgs.	53,000
Construction Inspection & Support	86,000
Metropolitan Force Construction	-
Materials & Supplies	-
Incidental Expenses	-
Professional/Technical Services	-
Right-of-Way	-
Equipment Use	-
Contracts	-
Heed Engineering	588,000
Remaining Budget	32,000
<b>Total</b>	<b>\$ 800,000</b>

The total amount expended to date is approximately \$237,000. The total estimated cost to complete the drainage system improvements, including the amount appropriated to date, is \$1.04 million.

**The Metropolitan Water District of Southern California**

**Abstract of Bids Received on October 24, 2024, at 2:00 P.M.**

**Specifications No. 2078**

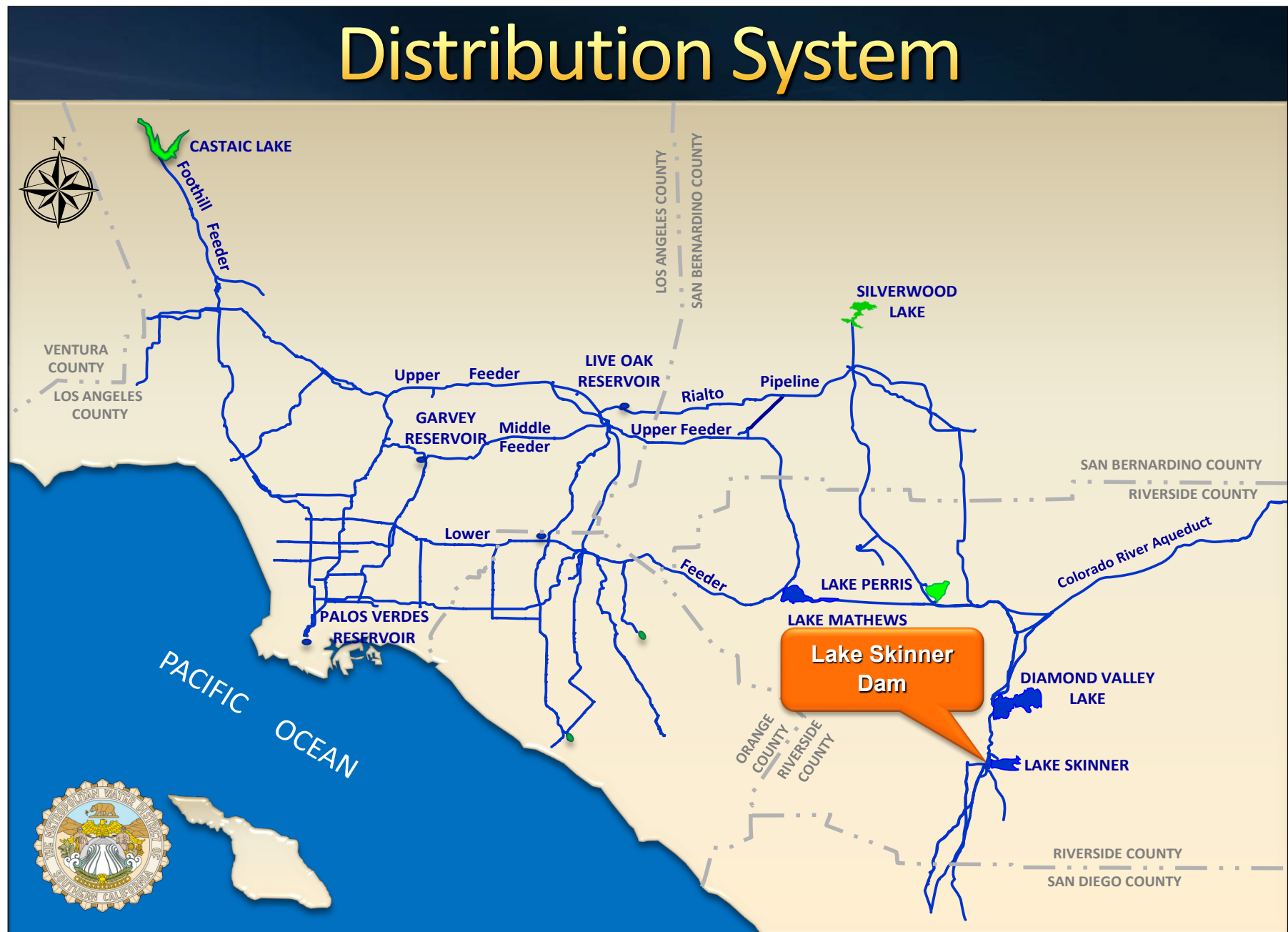
**Lake Skinner Dam Drainage System Improvements**

The work consists of replacing approximately 4,800 linear feet of an existing gunite channel with a reinforced concrete channel and grading of adjacent roadway.

**Engineer's Estimate: \$999,000**

<b>Bidder and Location</b>	<b>Total</b>	<b>SBE \$</b>	<b>SBE %</b>	<b>Met SBE<sup>1</sup></b>
Heed Engineering Foothill Ranch, CA	<b>\$588,000</b>	<b>\$588,000</b>	<b>100%</b>	<b>Yes</b>
NMN Construction Inc. Walnut, CA	\$766,000	-	-	-
Crimson Marie Company Phelan, CA	\$813,269	-	-	-
IO Environmental and Infrastructure Inc. San Diego, CA	\$854,373	-	-	-
Bosco Constructors Inc. Chatsworth, CA	\$1,086,226	-	-	-

<sup>1</sup> Small Business Enterprise (SBE) participation level established at 25 percent for this contract.





Engineering, Operations, & Technology Committee

# Lake Skinner Dam Drainage Control Improvements

Item 7-2

December 9, 2024

## Item 7-2

### Lake Skinner Drainage Control Improvements

#### Subject

Award a \$588,000 contract to Heed Engineering for the construction of drainage control improvements at the Lake Skinner Dam

#### Purpose

Improves the drainage around the base of the dam in compliance with California Division of Safety of Dams (DSOD) requirements

#### Recommendation and Fiscal Impact

Award a construction contract for drainage improvements

Fiscal impact of \$800,000 in capital funds

#### Budgeted

# Location Map



# Background



# Lake Skinner Drainage Control Improvements

## Background

- Drainage control system is damaged & in need of rehabilitation
  - Constructed in May 1970
  - V-ditch concrete is cracked & displaced at several locations along toe of dam
  - Adjacent access road exhibits signs of erosion
- Final design complete



Existing  
Drainage Control Ditch

## Lake Skinner Drainage Control Improvements

### Alternatives Considered

- Alternative – Perform spot repairs
  - Damage is significant & spot repairs do not provide long-term durability
- Selected Alternative – Replace the entire drainage control system at toe of dam
  - Drainage system is past its design life
  - A new drainage system with reinforced concrete will improve stormwater flow

# Lake Skinner Drainage Control Improvements

## Scope of Work

- Contractor
  - Demolition of the existing drainage system
  - Clearing & grubbing
  - Construction of a 4-foot-wide by 4,800-foot-long drainage channel
  - Grading of adjacent access road
- Metropolitan
  - Construction management & inspection
  - Submittal review & preparation of record drawings
  - Contract administration, environmental support & project management

# Bid Results

## Specifications No. 2078

Bids Received	October 24, 2024
No. of Bidders	5
Lowest Responsible Bidder	Heed Engineering
Low Bid	\$588,000
Range of Other Bids	\$766,000 to \$1,086,226
Engineer's Estimate	\$999,000
SBE Participation*	100%

\*SBE (Small Business Enterprise) minimum participation level set at 25%

# Allocation of Funds

## Lake Skinner Drainage Control Improvements

### Metropolitan Labor

Owner Costs (Proj. Mgmt., Contract Admin., Envir. Support)	\$ 41,000
Construction Inspection & Support	86,000
Submittals Review, Tech. Support, Record Dwgs.	53,000

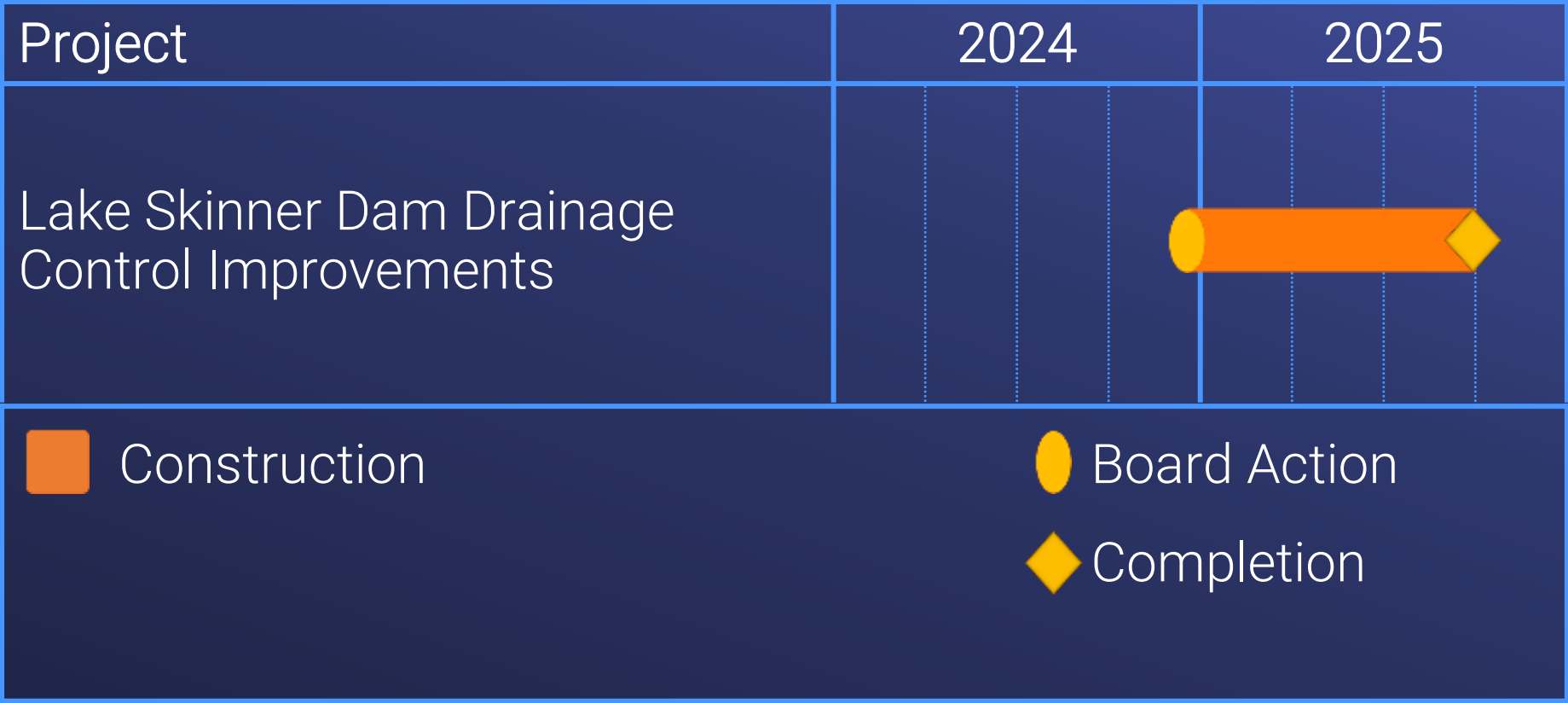
### Contracts

Heed Engineering	588,000
Remaining Budget	32,000

---

Total \$ 800,000

# Project Schedule



# Board Options

- Option #1  
Award a \$588,000 contract to Heed Engineering for construction of drainage control improvements at the Lake Skinner dam.
- Option #2  
Do not proceed with the project at this time.

# Staff Recommendation

- Option #1





- **Board of Directors**  
***Legal and Claims Committee***

12/9/2024 Board Meeting

7-3

## **Subject**

Authorize an increase of \$250,000, to a maximum amount not to exceed \$500,000 for workers' compensation legal services contract with the law firm Hanna, Brophy, MacLean, McAleer Jensen, LLP; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## **Executive Summary**

This action authorizes an increase of \$250,000 to the existing contract with the law firm Hanna Brophy, MacLean, McAleer, Jensen, LLP ("Hanna Brophy") for workers' compensation legal services to a maximum amount not to exceed \$500,000. Metropolitan retained Hanna Brophy on June 1, 2023, under the General Counsel's authority of \$100,000, to provide advice, assistance and representation on workers' compensation matters, including workers' compensation claims, subrogation claims, and representation in litigation.

On November 14, 2023, the Board increased the Legal Department's delegated contracting authority to \$250,000. Thereafter, on January 1, 2024, Legal executed Amendment 1 to increase the contract maximum from \$100,000 to \$200,000. On September 1, 2024, Amendment 2 increased the contract maximum by \$50,000 to \$250,000. Costs for outside attorneys fees now total approximately \$224,000, and Metropolitan continues to need workers' compensation representation. Therefore, the Legal Department requests authorization to increase the contract maximum to \$500,000.

Under California law, workers' compensation is a "no fault" system and Metropolitan is required to provide certain benefits to injured employees. When disputes arise, claims can become subject to litigation. It is a highly specialized area of law with its own court system, including administrative law judges and an appeals board. Under this contract, the firm provides expertise on all workers' compensation matters, from advice on claims to representation in litigation.

While the rate of expenditure is subject to the nature of the matters and the number of litigated cases, it is anticipated that the increase will be adequate for one additional year. Metropolitan receives cost-efficient services for the amount of cases that are handled by Hanna Brophy. On average, Metropolitan may have seven to eight new litigated cases a year. The firm currently represents Metropolitan in 47 matters.

Staff requests authority to increase the amount under this contract in order to continue obtaining expert advice, assistance and representation for ongoing workers' compensation matters.

## **Proposed Action(s)/Recommendation(s) and Options**

### **Staff Recommendation: Option #1**

#### **Option #1**

Authorize an increase of \$250,000, to a maximum amount not to exceed \$500,000 for the workers' compensation legal services contract with the law firm Hanna, Brophy, MacLean, McAleer, Jensen, LLP.

**Fiscal Impact:** \$250,000 is added to this agreement for the provision of the authorized legal services budgeted from labor costs through the additive rate.

**Business Analysis:** Metropolitan will retain the expertise needed for advice, assistance and representation in workers' compensation matters.

**Option #2**

Do not authorize the contract increase.

**Fiscal Impact:** Unknown

**Business Analysis:** Metropolitan will not have access to the expertise needed to have adequate representation in workers' compensation matters.

**Alternatives Considered**

---

Not applicable.

**Applicable Policy**

---

Metropolitan Water District Administrative Code Section 6430: Authority to Obtain Expert Assistance

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

**Related Board Action(s)/Future Action(s)**

---

Not applicable.

**California Environmental Quality Act (CEQA)**

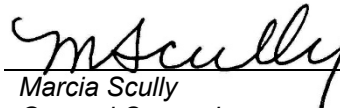
---

**CEQA determination for Option #1:**

The proposed action is not defined as a project under CEQA because it will not result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines Section 15378(a).)

**CEQA determination for Option #2:**

None required.

  
\_\_\_\_\_  
Marcia Scully  
General Counsel

12/3/2024  
\_\_\_\_\_  
Date

Ref# I12702434



Legal and Claims Committee

# Authorize Increase for Workers' Compensation Legal Services Contract

Item 7-3

December 9, 2024

## Item # 7-3

### Continued Representation of Workers' Compensation Matters

#### Subject

Authorize an increase in the maximum amount payable for workers' compensation legal services contract with Hanna, Brophy, MacLean, McAleer, Jensen, LLP

#### Purpose

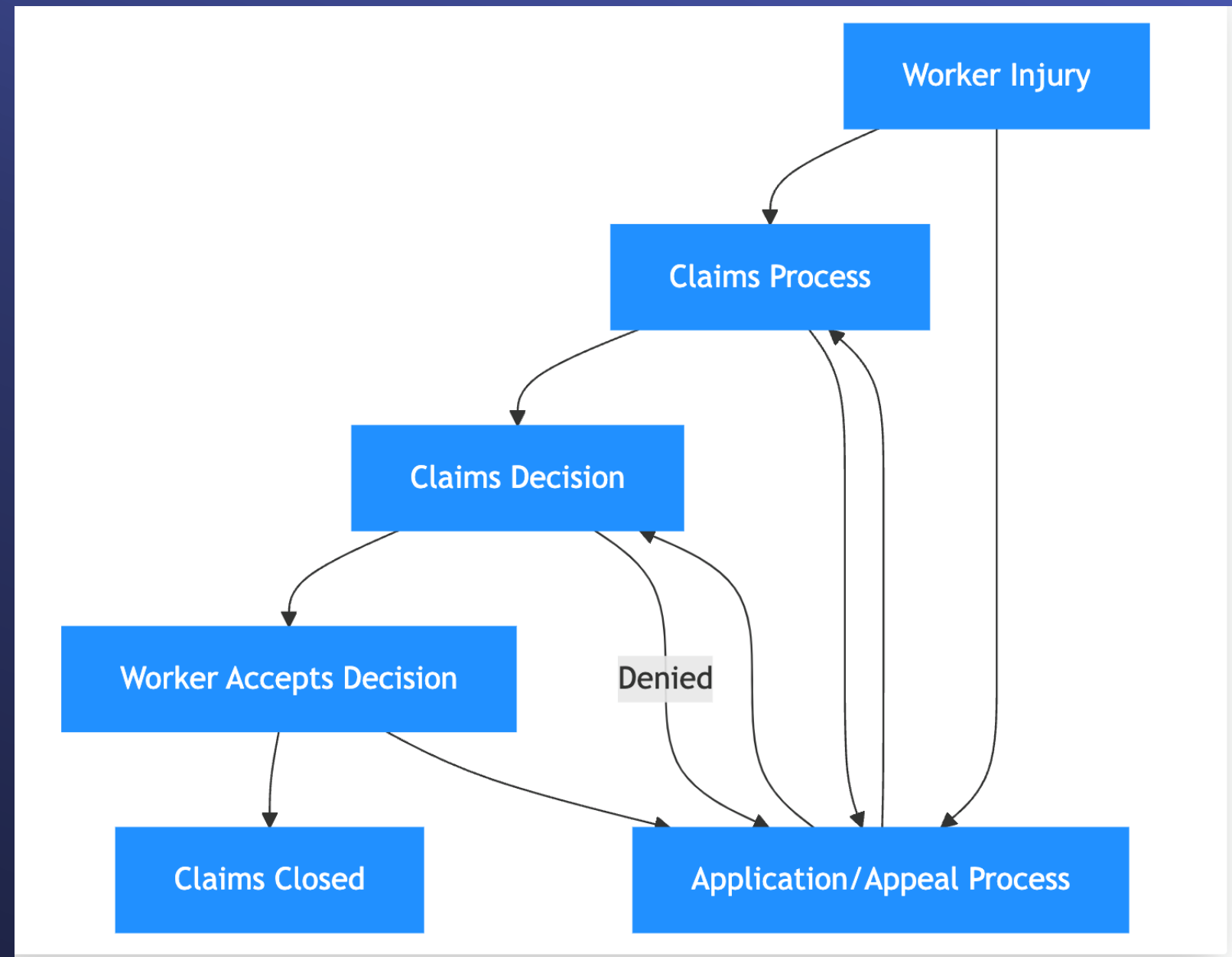
Continue obtaining expert advice, assistance and representation for ongoing workers' compensation matters

## Services Provided

### Background

- Hanna Brophy has been handling our WC matters since June 1, 2023
- Representation in litigated claims, through administrative trial
- Advice and consultation as needed

# WC Process Overview



## Data Points

### Data Points

- Hanna Brophy was selected based on public agency experience and referrals
- We have 47 open matters with Hanna Brophy
- Average cost: about \$12,500 per month
- Total cost so far: about \$225,000

**Item # 7-3**

**Continued  
Representation  
of Workers'  
Compensation  
Matters**

**Recommendation**

Authorize an increase of \$250,000, to a maximum amount not to exceed \$500,000 for the workers' compensation legal services contract with the law firm Hanna, Brophy, MacLean, McAleer, Jensen, LLP

**Fiscal Impact**

\$250,000 is added to this agreement for the provision of the authorized legal services budgeted from labor costs through the additive rate.





- **Board of Directors**  
***Finance and Asset Management Committee***

12/10/2024 Board Meeting

7-4

## Subject

Authorize a professional services agreement with Public Financial Management Asset Management LLC, a subsidiary of US Bancorp Asset Management Inc., to provide investment management services; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

In September 2024, Metropolitan issued a Request for Proposals (RFP) to firms to provide investment management services for Metropolitan's short-term liquidity, long-term core, and endowment portfolios. Three firms responded to the RFP. In coordination with the Professional Contracting Services Team, Finance staff and a representative from Engineering Services reviewed and scored the proposals. Based on evaluations of responses, Public Financial Management Asset Management LLC, a subsidiary of US Bancorp Asset Management Inc. (USBAM), was selected to provide investment management services for Metropolitan's short-term liquidity, long-term core, and endowment portfolios for a five-year period.

## Proposed Action(s)/Recommendation(s) and Options

### Staff Recommendation: Option #1

#### Option #1

Authorize a professional services agreement with Public Financial Management Asset Management LLC, a subsidiary of US Bancorp Asset Management Inc., to provide investment management services.

**Fiscal Impact:** The fees under the agreement will be calculated on the average balance in the liquidity, core, and endowment portfolio but will not exceed \$500,000 annually. Fees under the agreement may be offset by returns realized by external management.

**Business Analysis:** Cost-effective management of the liquidity, core, and endowment portfolio is realized through economies of scale by an external manager.

#### Option #2

Do not authorize a professional services agreement.

**Fiscal Impact:** Additional staffing, technical training and resources, and information systems are required to manage the liquidity, core and endowment portfolios internally.

**Business Analysis:** This option would forego an opportunity to improve the management of the liquidity portfolio.

## Alternatives Considered

Not applicable

---

**Applicable Policy**

---

Metropolitan Water District Administrative Code Section 5101: Investment of Surplus Funds

Metropolitan Water District Administrative Code Section 5114: Reporting Requirements of the Treasurer

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

Metropolitan Water District Administrative Code Section 8140: Competitive Procurement

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

---

**Related Board Action(s)/Future Action(s)**

---

Not applicable

---

**Summary of Outreach Completed**

---

Not applicable

---

**California Environmental Quality Act (CEQA)**

---

**CEQA determination for Option #1:**

The proposed action is not defined as a project under CEQA because it will not result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines Section 15378(a)).

**CEQA determination for Option #2:**

None required

---

**Details and Background**

---

**Background**

In 2002, Metropolitan's Board directed staff to, among other actions, bifurcate the investment portfolio into a liquidity, or short-term, portfolio and a core, or long-term, portfolio. Since 2002, the core portfolio has been managed by outside managers. The liquidity portfolio was managed internally until December 2018, when its management was taken over by PFM Asset Management LLC (PFMAM). In May 2019, the Board awarded an agreement to PFMAM to manage the liquidity portfolio for a five-year term effective July 1, 2019. In February 2021, the agreement with PFMAM was amended to include the core portfolio management. In July 2021, PFMAM was acquired by USBAM. In July 2024, the Board approved a six-month extension with USBAM.

**Request for Proposals**


In September 2024, Metropolitan issued an RFP to firms to provide investment management services for Metropolitan's short-term liquidity, long-term core, and endowment portfolios. Three firms responded to the RFP. In coordination with the Professional Contracting Services Team, Finance staff and a representative from Engineering Services reviewed and scored the proposals. Based on the evaluations, USBAM was selected to provide investment management services for the short-term liquidity, long-term core, and endowment portfolios for a five-year period.

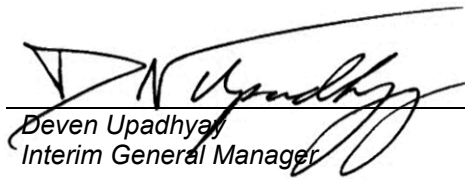
USBAM would manage investments to the current Investment Policy Benchmark. The short-term liquidity portfolio benchmark is the ICE BofAML 3-Month Treasury Bill Index. The long-term core portfolio benchmark comprises 20% of the ICE BofAML 0-1 YEAR US Treasury Index and 80% of the ICE BofAML 1-5 Years AAA-A US Corporate & Government Index.

It is expected that USBAM would exceed the benchmark after accounting for fees. The fees under the agreement will depend on the average balance in the liquidity, core, and endowment portfolios but will not exceed \$500,000 annually. All securities would continue to be held by Metropolitan's custodial bank, the Bank of New York.

Metropolitan uses treasury management software to monitor and report information by the portfolio as well as on a consolidated basis for management and the Board.

Treasury staff would work with the investment manager to ensure that investments comply with Metropolitan's investment policy, as that policy is amended from time to time. The Treasurer would continue to provide monthly reports and quarterly performance reviews to the Finance and Asset Management Committee.

  
\_\_\_\_\_  
Katano Kasaine  
Assistant General Manager/  
Chief Financial Officer  
12/5/2024  
Date

  
\_\_\_\_\_  
Deven Upadhyay  
Interim General Manager  
12/5/2024  
Date

Ref# cfo12699554



- **Board of Directors**  
***Engineering, Operations, and Technology Committee***

12/10/2024 Board Meeting

8-1

## Subject

Approve additional funding, in an amount not to exceed \$35 million over the next two years (Fiscal Years 2024/2025 and 2025/2026), to support the Zero-Emission Vehicle Transition Program at Metropolitan and partially mitigate high operational risk; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

Metropolitan manages a large and diverse fleet with an estimated asset replacement value of \$180 million, consisting of over 1,000 vehicles and motorized equipment. Fleet assets ensure the operational reliability of Metropolitan's system and the ability to effectively respond to emergencies and urgent repairs. Metropolitan's fleet is strategically distributed at 18 locations for daily operational activities and emergency response. Over the years, to help manage budgets and water rate pressures, Metropolitan has deferred the timely replacement of many fleet assets, which has resulted in a backlog of aged and worn vehicles and equipment.

Recent regulations adopted by the California Air Resources Board require Metropolitan's medium- and heavy-duty on-road vehicles to transition to zero-emission vehicles (ZEVs) and its off-road vehicles to transition to cleaner-burning engines over the next few years. Therefore, while regulations allow, there is an urgent need to replace some of Metropolitan's critical fleet with newer, cleaner-burning internal combustion engine (ICE) vehicles while also purchasing new ZEVs where technologies are available to meet Metropolitan's operational needs. In addition, Metropolitan has established a series of goals in its Climate Action Plan (CAP) to reduce carbon emissions, including the transition of its fleet to ZEVs when operationally feasible.

Staff has developed a ZEV Transition Program that includes a 25-year replacement forecast to estimate the funding needed to meet CAP goals and comply with regulations. Metropolitan's approved operating equipment budget for vehicles in the current biennium (Fiscal Years 2024/25 and 2025/26) is not sufficient to fund this transition program. The use of additional funding in the near term to supplement the approved operating equipment budget for critical ICE vehicle purchases provides financial flexibility to address critical vehicle needs, comply with regulatory requirements, minimize operational risk, and support CAP goals. Staff will return to the Board prior to the next biennium budget to present long-term funding solutions for ZEVs.

This letter recommends the Board approve additional funding, in an amount not to exceed \$35 million over the next two years (Fiscal Years 2024/2025 and 2025/2026), to support the replacement of critical vehicles and comply with ZEV regulations for Metropolitan's fleet. See **Attachment 1** for the Allocation of Funds, and **Attachment 2** for the Abstract of Purchases.

---

## Proposed Action(s)/Recommendation(s) and Options

---

### Staff Recommendation: Option #1

#### Option #1

Approve additional funding, in an amount not to exceed \$35 million over the next two years (Fiscal Years 2024/2025 and 2025/2026), to support the Zero-Emission Vehicle Transition Program at Metropolitan and partially mitigate high operational risk.

**Fiscal Impact** There is no fiscal impact on the current biennial budget, as the \$2 million required for FY 2025/26 debt service is already available in the vehicle operating budget. However, future biennial budgets will need to include appropriations for ongoing debt service if the \$35 million is debt financed. If the committee approves the item, staff will schedule it for review by the Finance and Asset Management Committee to approve the issuance of debt to fund the \$35 million. Staff will identify the most suitable financing method and seek Board authorization, if required, for the selected form of financing.

**Business Analysis:** Additional funding to supplement the approved operating equipment budget for vehicles provides financial flexibility and an efficient means for Metropolitan to expedite fleet vehicle purchases needed to minimize risk to operational reliability, support Metropolitan's CAP goal, and comply with all local, state, and federal regulations. This option addresses replacement needs for high-criticality vehicles in very poor condition.

#### Option #2

Do not authorize additional funding at this time.

**Fiscal Impact:** Unknown at this time.

**Business Analysis:** This option will delay Metropolitan's required transition to ZEVs and negatively impact the ability to purchase critical vehicles due to the timing of regulatory and market conditions. This option continues to defer the renewal of critical vehicles by up to 10 years. This option would result in an approximate asset renewal replacement rate of 5 percent for Metropolitan, which is almost 50 percent less than other similar-sized agencies. Deferring high and moderate criticality vehicle purchases will increase Metropolitan's risk to operational reliability and emergency response capabilities as a result of a worn and aging fleet.

---

## Alternatives Considered

---

Staff considered several alternatives as part of the ZEV Transition Program including deferring select high-criticality vehicles and proposing increases to the approved operating equipment budget for the current biennium. Deferring additional critical vehicles would result in high operational risk. Increases to the current approved operating equipment budget for vehicles would result in an adverse impact on Metropolitan's rates and/or financial reserves for the current biennium.

Additionally, staff considered recommending additional program funding, in an amount not to exceed \$78 million over the next two years (Fiscal Years 2024/2025 and 2025/2026), to support the zero-emission vehicle transition at Metropolitan. This alternative would fully mitigate high operational risk by addressing replacement needs for moderate and high-criticality vehicles in poor condition. However, if the additional funding for this alternative were debt financed, it would increase the cost of debt financing for Fiscal Year 2025/26 to approximately \$5 million, while the future costs would be paid from subsequent biennial budgets. Due to the current financial conditions, staff decided to not propose this option because the cost of debt financing for subsequent biennial budgets would have exceeded the planned operating equipment budget for vehicles.

---

## Applicable Policy

---

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

---

**Related Board Action(s)/Future Action(s)**

---

By Minute Item 53596, dated April 9, 2024, the Board appropriated \$3,453.2 million for Metropolitan Operations and Maintenance and operating equipment, approved appropriations and funding of capital expenditures, and approved a Ten-Year Financial Forecast for Fiscal Years 2024/25 and 2025/26.

By Minute Item 53316, dated July 11, 2023, the Board adopted Ordinance No. 152 determining that the interests of the District require the use of revenue bonds in the aggregate principal amount of \$500,000,000 to finance a portion of capital expenditures.

By Minute Item 52823, dated May 10, 2022, the Board adopted the Climate Action Plan.

By Minute Item 52579, dated November 9, 2021, the Board adopted legislative policy principles on climate changes and the environment to help California reach its climate goals while adapting to a rapidly changing environmental landscape. The Board also expressed its support for policies and funding that encourage sustainable practices and environmental compliance, reduce greenhouse gas emissions, and improve energy sustainability.

By Minute Item 50409, dated March 8, 2016, the Board adopted Resolution 9201 authorizing the sale and issuance from time to time of up to \$400 million of short-term certificates.

---

**Summary of Outreach Completed**

---

Metropolitan actively participates in multiple professional organizations, including the California Council for Environmental and Economic Balance, California Municipal Utilities Association, and Association of California Water Agencies in an effort to smooth the ZEV transition and provide key input to both ZEV regulations and legislation. In addition, staff regularly participates in one-on-one meetings with regulators to provide feedback regarding current and proposed regulations, compliance dates, and mitigate enforcement actions. In the development of Metropolitan's ZEV Transition Program, staff met with other public agencies to gain valuable lessons learned from their ZEV transition, and staff is assessing the actual field performance of ZEVs prior to purchasing.

---

**California Environmental Quality Act (CEQA)**

---

**CEQA determination for Option #1:**

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. (State CEQA Guidelines Section 15378(b)(4).)

**CEQA determination for Option #2:**

None required

---

**Details and Background**

---

**Background**

Metropolitan manages a modern fleet, critical to the effective operation and maintenance of the distribution system, with an estimated asset replacement value of \$180 million. Metropolitan's existing fleet consists of 1,039 vehicles and motorized equipment, which include 379 light-duty vehicles, 356 medium-duty vehicles, 195 heavy-duty vehicles, and 109 off-road vehicles. These vehicles are strategically domiciled in 18 locations across Metropolitan's service area for daily operational activities and emergency response.

Metropolitan has assessed the criticality of the various types of vehicles within its fleet based on operational uses. Many of these vehicles are equipped with specialized equipment such as cranes, weld machines, compressors, and other critical equipment to sustain Metropolitan's operations. Approximately 62 percent of Metropolitan's vehicles are classified as high or moderate criticality and are crucial for system reliability. High and moderate

criticality vehicles are required to meet Metropolitan's mission of water delivery and provide emergency response capabilities for a two-pipeline break scenario or other emergency event.

To help manage Metropolitan's budgets and rates over the past decade, Metropolitan has prioritized replacement of only the highest criticality vehicles and deferred others, which has resulted in a backlog of aged and worn vehicles. Currently, more than 50 percent of Metropolitan's overall fleet has a high condition index, indicating that these vehicles have reached the end of their useful life due to excessive mileage, increased maintenance, or poor physical condition. Almost 60 percent of Metropolitan's high-criticality vehicles also have a high condition index, which poses an elevated risk to Metropolitan's operations. To mitigate this risk, Metropolitan has increased maintenance and repairs of aging vehicles to ensure their availability for daily activities and emergency response. However, these efforts are not sustainable, and Metropolitan must replace these critical vehicles to ensure operational safety and reliability.

While addressing the challenge of an aging fleet, Metropolitan has also been transitioning from a fossil-fueled fleet to a zero-emission fleet in accordance with California's new fleet regulations. The California Air Resources Board (CARB) adopted the Advanced Clean Fleets (ACF) Rule which has set milestones for replacing medium- and heavy-duty vehicles with ZEVs. CARB regulations also require Metropolitan to phase out its existing off-road vehicles to cleaner-burning engines. Fines and penalties may be imposed for non-compliance with CARB regulations. In addition, Metropolitan's CAP set forth goals to reduce carbon emissions by specific measures related to: (1) transitioning Metropolitan's existing medium and heavy-duty vehicles to ZEVs when technological, operational, or cost-effectiveness parameters are met and (2) replacing Metropolitan's fossil-fuel passenger fleet vehicles with operationally-feasible passenger ZEVs.

### **ZEV Transition Program**

Staff developed a ZEV Transition Program to take a practical and fiscally prudent approach to carefully balancing operational reliability and adaptability to the changing regulatory landscape.

For light-duty on-road vehicles (i.e., those weighing 8,500 lbs. or less), Metropolitan has adopted an initial approach, in support of the CAP goals, to replace these vehicles with ZEVs where technologically and operationally feasible and cost-effective. Currently, there appears to be suitable ZEV replacements for Metropolitan's light-duty vehicles where fewer miles are traveled, or towing is not required.

For medium- and heavy-duty on-road vehicles (i.e., those weighing more than 8,500 lbs.), Metropolitan is meeting the ACF regulations by ensuring that, starting in 2024, 50 percent of its fleet purchases are ZEVs. However, after January 1, 2027, the regulations require 100 percent of new on-road medium- and heavy-duty fleet vehicle purchases to be ZEVs. For those types of vehicles where the ZEV market is not yet mature, Metropolitan must replace critical medium- and heavy-duty vehicles with cleaner-burning ICE vehicles to ensure our fleet remains resilient and reliable. After the 2027 regulatory milestone, Metropolitan may not be able to replace existing medium- or heavy-duty vehicles until suitable ZEV replacements are available on the market or regulatory exemptions are granted. In the meantime, Metropolitan would continue operating these aged and worn vehicles beyond their expected life, leading to increased maintenance costs and potentially a reduced ability to respond to emergencies, timely completion of shutdowns, and perform other urgent repairs and maintenance. Some industry sources indicate that suitable ZEV replacements for Metropolitan's medium- and heavy-duty fleet may not be available until 2030 or later.

For off-road vehicles (i.e., construction equipment, forklifts, etc.), Metropolitan is complying with CARB regulations which require all existing fleet and new purchases to have cleaner-burning engines by January 1, 2028, or be limited in operational use which may increase risks to certain operational activities.

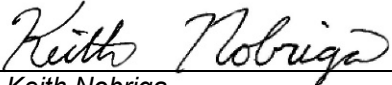
### **Near-Term Funding Approach for the ZEV Transition Program**

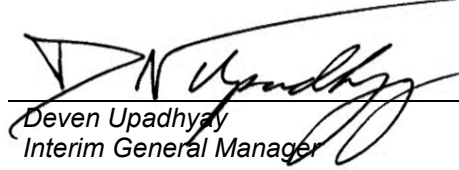
Staff developed a 25-year forecast of vehicle replacements to estimate the funding needed to support the ZEV Transition Program. This funding will allow Metropolitan to replace critical vehicles that will minimize operational risks to reliability and ensure emergency response. The funding required to replace these critical vehicles exceeds the increases in the planned operating equipment budget for vehicle purchases over the next several years, as assumed in the 10-Year Financial Forecast.

In April 2024, Metropolitan's Board approved an annual operating equipment budget of \$6.7 million and \$7.1 million for vehicle purchases for Fiscal Years 2024/25 and 2025/26, respectively. Staff recommends additional funding to support the ZEV Transition Program and management of Metropolitan's vehicle fleet operational risk without impacting the current biennial budget. If approved, and if debt financed, the repayment term for each debt financing will match the expected useful life of the financed assets, subject to review by transaction bond counsel. Consequently, any debt costs beyond Fiscal Year 2025/26 will need to be considered when establishing future vehicle budget needs programmatically. Staff will return to the Board, through the Finance and Asset Management Committee, if Board approval is required for the form of financing that is best suited for this additional budget.

Additional near-term funding provides a higher degree of flexibility to respond to annual vehicle replacement needs, allows staff to quickly adapt to regulatory compliance requirements, and lowers operational risk. Any use of debt financing for this additional funding of vehicle purchases will, however, result in higher vehicle costs over time and solely is not expected to be a long-term solution to managing Metropolitan's vehicle replacement program. Metropolitan will continue to pursue grants and incentives, where applicable, to help defray the cost of the transition to ZEVs.

This action would approve additional funding for vehicle purchases for Fiscal Years 2024/2025 and 2025/2026. Staff will seek the best financing method available to fund the budget increase and will seek Board authorization, if required, for the form of financing selected. Staff will also return to the Board when developing the next biennial budget for Fiscal Years 2026/27 and 2027/28 and will propose a vehicle operating equipment budget that supports Metropolitan's ZEV Transition Program and a long-term funding strategy.

  
\_\_\_\_\_  
Keith Nobriga  
Group Manager  
Integrated Operations Planning, and  
Support Services  
11/26/2024  
Date

  
\_\_\_\_\_  
Deven Upadhyay  
Interim General Manager  
12/3/2024  
Date

**Attachment 1 – Allocation of Funds**

**Attachment 2 – Abstract of Purchases**

Ref# wso12695826

**Allocation of Funds for Zero Emission Vehicle Transition Program**

---

	<b>Funding / Expense</b>
Approved Operating Equipment Budget for Vehicle Purchases FY24/25 & 25/26	\$ (13,800,000)
Proposed ZEV Transition Program (Current Board Action) Vehicle Purchases FY 24/25 & 25/26	44,000,000
Estimated Debt Service for FY25/26	1,900,000
Remaining/Contingency Budget	2,900,000
<b>Total Additional Proposed Program Funding</b>	<b>\$ 35,000,000</b>

The total amount expended to date for FY2024/25 Vehicle Purchases is approximately \$4 million. The total estimated cost for the Zero Emission Vehicle Transition for FY 2024/25 and 2025/26, including the amount spent to date, funds allocated for the work described in this action, is \$44 million.

**The Metropolitan Water District of Southern California****Abstract of Purchases for Zero Emission Vehicle Transition Program**

The summary estimate below includes the purchase of vehicles to address replacement needs for Fiscal Years 2024/2025 and 2025/2026.

**Estimated Vehicle Purchases<sup>1</sup>: \$44,000,000**

<b>Vehicle Type</b>	<b>Est. Count</b>	<b>Est. Total</b>
Light Duty	5	\$1,000,000
Medium Duty	45	\$6,000,000
Heavy Duty	49	\$24,000,000
Off-Road	42	\$13,000,000
<b>Total</b>	<b>141</b>	<b>\$44,000,000</b>

<sup>1</sup> The actual vehicle count and purchase costs may vary to comply with California Air Resource Board regulation requirements, exemptions granted, available electric charging infrastructure at Metropolitan facilities, market availability vehicles, and market costs at time of purchase.



Engineering, Operations, & Technology Committee

# Zero-Emission Vehicles – Transition and Funding Program

Item 8-1

December 9, 2024

# Item 8-1

## Zero- Emission Vehicle Transition & Funding Program

### Subject

Approve additional funding, in an amount not to exceed \$35 million over the next two years (Fiscal Years 2024/2025 and 2025/2026), to support the Zero-Emission Vehicle Transition Program at Metropolitan and partially mitigate high operational risk

### Purpose

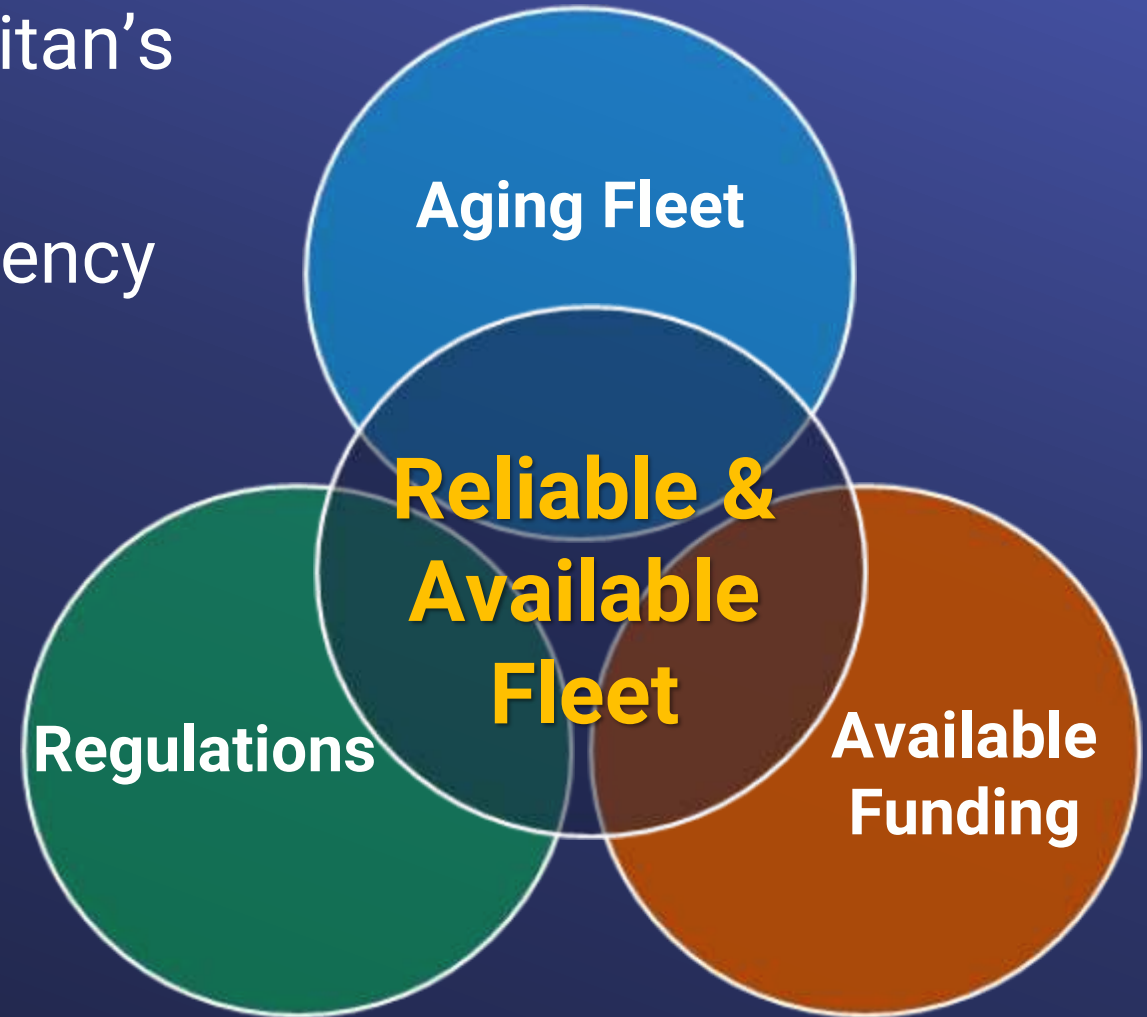
Utilize additional funding to provide financial flexibility to address critical vehicle needs and minimize risk to availability and reliability in an emergency.

### Fiscal Impact

No Fiscal Impact for FYs 24/25 and 25/26

# Challenges for Metropolitan's Fleet

- Reliable Fleet is central to Metropolitan's ability to be resilient
- Fleet must be available in an emergency
- Three competing components to managing fleet
  - Backlog of aging fleet
  - ZEV regulatory requirements
  - Limited funding available



# Metropolitan's Diverse Pool of Fleet Assets

Estimated Asset  
Replacement Value  
**\$180 M**  
(1,039 vehicles; 2024 dollars)

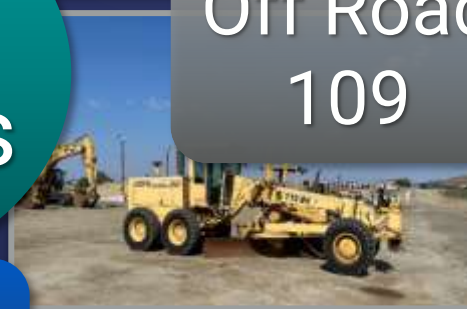
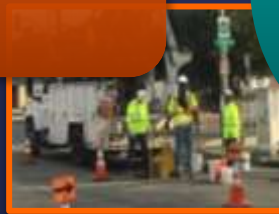
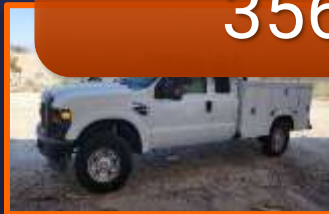
Heavy  
Duty  
195

Medium Duty  
356

Fleet  
Vehicles

Off Road  
109

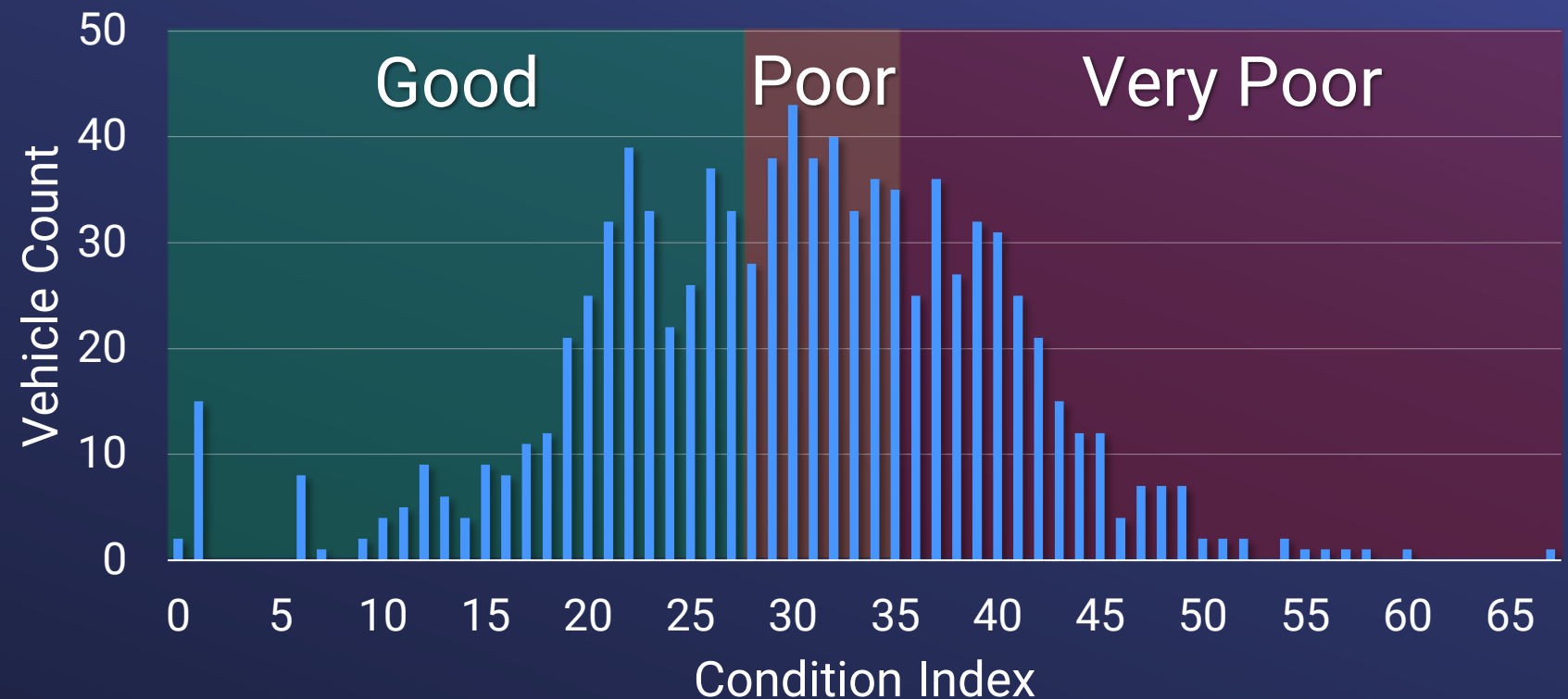
Light Duty  
379



## Impact of Deferred Replacement Needs

Over 50% of Fleet vehicles are in poor/very poor condition

- Staff have performed more frequent repairs
- High priority work delayed due to unreliable vehicles



# Examples of High Condition Index

Condition Index = 59



33-year-old dump truck with 103,000 miles used by Metropolitan Forces

Condition Index = 42



5-year-old Line-truck with 186,000 miles operating in remote desert conditions

# Fleet Risk Mitigation Costs

- Costs to mitigate high risk is approx. \$85 million (red zone)



Low Criticality



Moderate  
Criticality



High Criticality

## Condition

Very Poor

\$13M

\$11M

\$44M

Poor

\$11M

\$9M

\$30M

Good

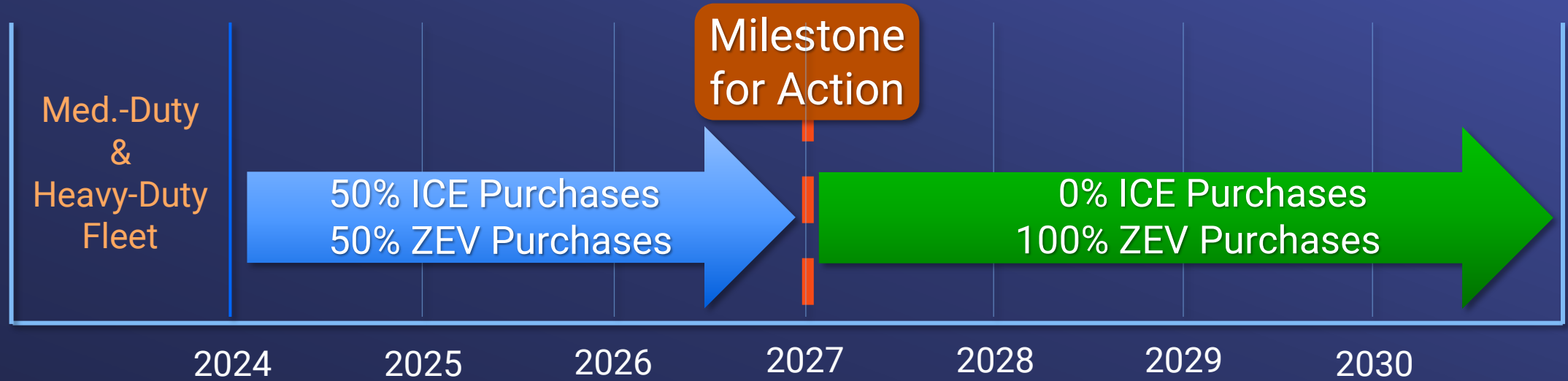
\$13M

\$18M

\$32M

Note: Amounts shown are in 2024 dollars

# Advanced Clean Fleet (ACF) Regulation



- Milestone for action
  - Replace aged high criticality vehicles with cleaner burning ICE to ensure reliability for the next 5 to 10 years
  - After 2027, a suitable ZEV replacement may not be available

## Advanced Clean Fleet Rulemaking

### Metropolitan's active engagement with CARB

- Testimony at CARB Board hearings
- Formal comment letters
- 1:1 meetings with CARB regulators
- Advocacy efforts with partner agencies and associations
- 5 of 6 bills were vetoed or failed to move forward

## Advanced Clean Fleet Exemptions

### Exemptions are difficult to obtain

- 7 available exemptions
- Metropolitan is focused on two exemptions related to vehicle availability & usage
  - A GM-approved vehicle replacement plan may be needed
- Only 3 out of 34 exemption requests granted

## Comprehensive Reliability Approach

### Key activities

- Focus replacing high-risk ICE vehicles with cleaner burning modern ICE
- After 2027, continue using aged ICE vehicles if not available as a ZEV
- Pursue exemptions, grants, and innovative funding approaches
- Continue advocacy efforts with CARB

# Alternatives Considered

- Limit vehicle purchases to approved budget only
  - Increases operational risk
- Fully mitigate high operational risk
  - Additional funding of \$78M needed

\$15M	\$13M	\$44M
\$11M	\$9M	\$30M
\$13M	\$18M	\$32M

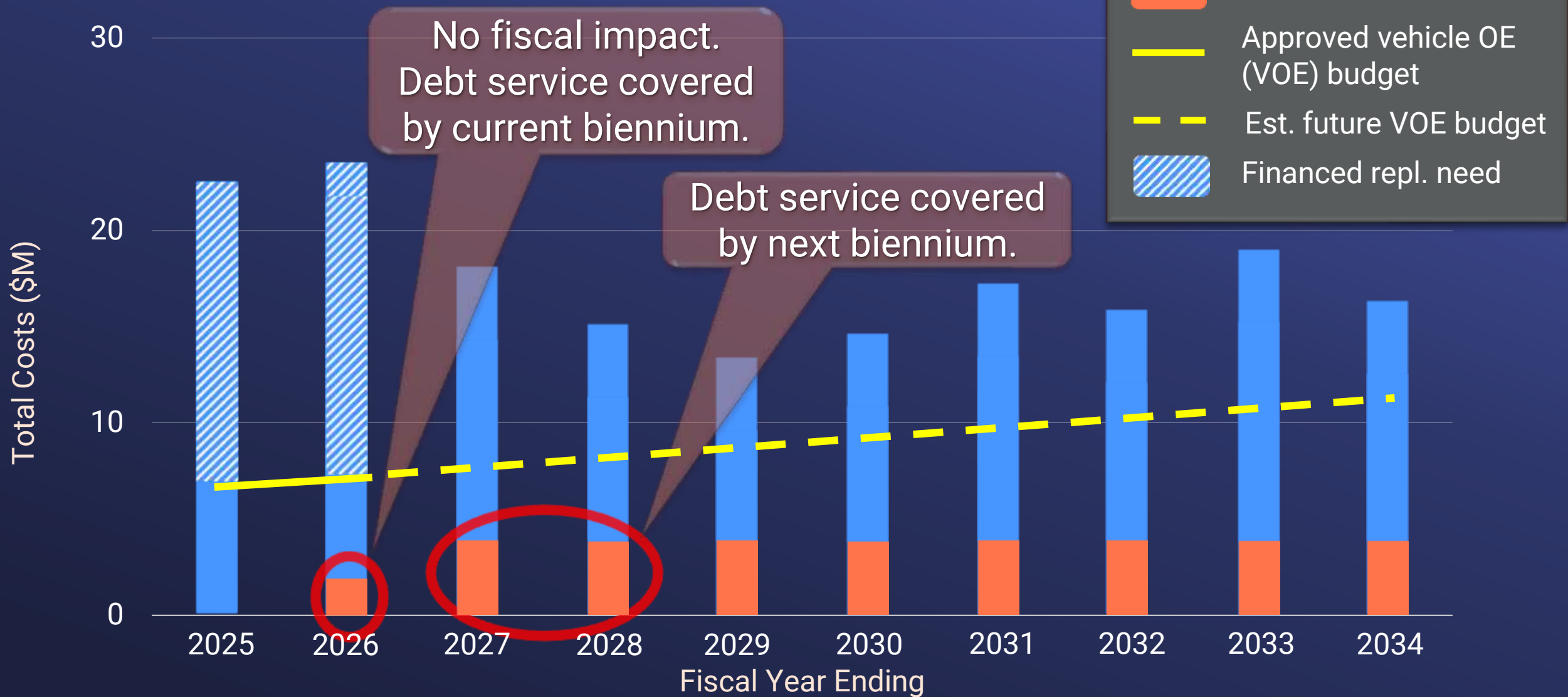
\$15M	\$13M	\$44M
\$11M	\$9M	\$30M
\$13M	\$18M	\$32M

# Selected Alternative

- Partially mitigate high operational risk
  - Replace high criticality vehicles in very poor condition with cleaner burning modern ICE
  - Purchase ZEVs, where feasible, to comply with ACF

\$15M	\$13M	\$44M
\$11M	\$9M	\$30M
\$13M	\$18M	\$32M

# Ten-year Forecast for Selected Alternative



# Summary of Planned Purchases <sup>1</sup>

Vehicle Type	Estimated Count	Estimated Total
Light Duty	5	\$ 400,000
Medium Duty	45	\$ 6,000,000
Heavy Duty	49	\$ 24,000,000
Off-Road	42	\$ 13,600,000
TOTAL	141	\$ 44,000,000

1. The actual vehicle count and purchase costs may vary to comply with California Air Resources Board regulation requirements, exemptions granted, available electric charging infrastructure at Metropolitan facilities, market availability of vehicles, and market costs at time of purchase.

# Allocation of Funds

Approved Operating Equipment Budget	
Vehicle Purchases FYs 24/25 & 25/26 <sup>1</sup>	\$(13,800,000)
Additional Financing (Current Board Action)	
Vehicle Replacement Needs	44,000,000
Debt Service for FY 25/26 <sup>2</sup>	1,900,000
Remaining/Contingency Budget	2,900,000
<hr/>	
Total	\$35,000,000

1. Portion of Approved Operating Budget for Vehicle Purchases only.
2. Assumes that additional funding is debt financed.

# Board Options

- Option #1

Approve additional funding, in an amount not to exceed \$35 million over the next two years (Fiscal Years 2024/2025 and 2025/2026), to support the Zero-Emission Vehicle Transition Program at Metropolitan and partially mitigate high operational risk.

- Option #2

Do not authorize additional funding at this time.

# Staff Recommendation

- Option #1





- **Board of Directors**  
***Engineering, Operations, and Technology Committee***

12/10/2024 Board Meeting

8-2

## Subject

Authorize entering into one or more agreements to accept up to \$125,472,855 in grant funding from the United States Bureau of Reclamation through the WaterSMART Large-Scale Water Recycling Program for Pure Water Southern California; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

Metropolitan worked with its congressional delegation to create a new federal grant program to help advance large-scale, regional recycled water projects. The Large-Scale Water Recycling Program (LSWRP) was included in the Bipartisan Infrastructure Law (P.L. 117-58, § 40905) enacted on November 15, 2021. Under that law, the U.S. Bureau of Reclamation (Reclamation) is authorized to issue grants that provide 25 percent in federal cost-sharing towards the planning, design, and construction of large-scale water recycling projects to develop local, drought-resistant water supplies.

In November 2023, Metropolitan and the Los Angeles County Sanitation District applied for a \$125 million LSWRP grant to help fund planning and design activities for the Pure Water Southern California Program (PWSC). Although permissible under the LSWRP guidelines, Metropolitan's grant application did not request, and the award does not provide LSWRP funds for the core capital construction costs of PWSC. In May 2024, Reclamation notified Metropolitan of Reclamation's intent to award Metropolitan up to \$99,199,096. In May 2024, Metropolitan applied for another LSWRP grant, this time for approximately \$26 million, the amount not awarded based on Metropolitan's initial application. On November 15, 2024, Reclamation notified Metropolitan that it intends to award Metropolitan the additional requested funds. After receiving input from the Board, staff has worked with Reclamation to develop the terms for the agreement required for Metropolitan to receive the awarded federal funds.

Staff recommends that the Board authorizes the General Manager to enter into an agreement with Reclamation and accepts up to \$125,472,855 in LSWRP grant funding,

## Proposed Action(s)/Recommendation(s) and Options

### Staff Recommendation: Option #1

#### Option #1

Authorize entering into one or more agreements with the United States Bureau of Reclamation to accept up to \$125,472,855 in grant funding through the WaterSMART Large-Scale Water Recycling Program.

**Fiscal Impact:** Reimbursable expenditure of up to \$125,472,855 in LSWRP grant, including up to approximately \$22 million allocated for County Sanitation District No. 2 of Los Angeles County for their portion of the work during the Large-Scale Water Recycling Program grant period.

**Business Analysis:** This option would allow Pure Water Southern California to advance the delivery of new water sources in Southern California to augment regional supplies within Metropolitan's service area and enhance the region's operational resilience and reliability.

**Option #2**

Do not enter into an agreement with the United States Bureau of Reclamation to accept the grant funding.

**Fiscal Impact:** None. However, additional funds would be required to advance Pure Water Southern California.

**Business Analysis:** This option would forgo the use of the Large-Scale Water Recycling Program grant funds to advance Pure Water Southern California, jeopardize receipt of future federal funds, and delay the development of a new source of water in Southern California.

**Alternatives Considered**

---

Staff considered an alternative that would have Metropolitan defer the acceptance of the federal grant funding until board approval of PWSC. However, deferring the use of federal grant funds is not recommended for several reasons and is likely not feasible as Reclamation is unlikely to allow deferral. The PWSC is anticipated to be approved in the first quarter of 2026 upon completion of the environmental documentation. If grant acceptance is deferred to that date, this would likely significantly reduce the amount of planning and design work that could be funded during the grant period, resulting in under-utilization of the grant funds. As the federal grant funding process is highly competitive, Metropolitan may risk prospects of getting additional federal grant funds by forfeiting or deferring this current funding opportunity. It is also not guaranteed, and is unlikely, that Reclamation would allow Metropolitan to defer grant acceptance. Reclamation may require Metropolitan to forgo acceptance and re-apply later if any grant funds remain.

Staff initially considered an alternative that would have Metropolitan accept less grant funding, thus requiring a lower cost-share obligation. Instead, Metropolitan collaborated with Reclamation to develop proposed terms that allow Reclamation to obligate the full grant amount to Metropolitan, and Metropolitan can start drawing on the grant based on Metropolitan's available matching funds while allowing Metropolitan to access the full grant amount if additional matching funds are secured in the future.

**Applicable Policy**

---

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

**Related Board Action(s)/Future Action(s)**

---

By Minute Item 50299, dated November 10, 2015, the Board authorized an agreement with County Sanitation District No. 2 of Los Angeles County for development of a potential regional recycled water supply program and a demonstration project.

By Minute Item 52174, dated November 10, 2020, the Board authorized the preparation of environmental documentation and technical studies, and public outreach activities for the Regional Recycled Water Program.

By Minute Item 52181, dated November 10, 2020, the Board authorized an amendment to an existing agreement with County Sanitation District No. 2 of Los Angeles County and a new agreement with Southern Nevada Water Authority to support continued evaluation and development of the Regional Recycled Water Program.

By Minute Item 52210, dated December 8, 2020, the Board authorized the General Manager to enter into an agreement with Southern Nevada Water Authority to accept up to \$6 million in financial support for the development of the Regional Recycled Water Program.

By Minute Item 53052, dated December 13, 2022, the Board authorized the General Manager to use \$80 million in grant funding from the State Water Resources Control Board and to commence activities related to the initiation of the Pure Water Southern California Program.

By Minute Item 53099, dated January 10, 2023, the Board authorized the General Manager an agreement with the joint venture of AECOM Technical Services, Inc. and Brown and Caldwell in an amount not to exceed \$25 million for program management services to support the Pure Water Southern California Program.

By Minute Item 53177, dated March 14, 2023, the Board authorized an agreement with Black & Veatch Corporation, Inc. in an amount not to exceed \$8 million for the preliminary design of conveyance Reach 1 of the Pure Water Southern California Program; and an agreement with HDR Engineering, Inc. in an amount not to exceed \$9 million for preliminary design of conveyance Reach 2 of the Pure Water Southern California Program; and adopt a resolution to support a grant application to the U.S. Bureau of Reclamation for water recycling and desalination planning and authorize the General Manager or a designated representative to accept the grant if awarded.

By Minute Item 53570, dated March 12, 2024, the Board authorized an increase of \$1.3 million to an existing agreement with Helix Environmental Planning Inc. for a new not-to-exceed amount of \$4.1 million to continue preparing environmental documentation for the Pure Water Southern California Program.

By Minute Item 53598, dated April 9, 2024, the Board appropriated a total of \$636.5 million for projects identified in the Capital Investment Plan for Fiscal Years 2024/25 and 2025/26.

By Minute Item 53792, dated September 10, 2024, the Board authorized an amended and restated agreement with the County Sanitation District No. 2 of Los Angeles County for shared implementation of the advanced water purification facility for Pure Water Southern California.

By item dated November 19, 2024, the Board adopted federal grant resolutions verifying that the Board reviewed and supports the grant application with the U.S. Bureau of Reclamation for the Pure Water Southern California Program.

## **California Environmental Quality Act (CEQA)**

---

### **CEQA determination for Option #1:**

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 that do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. (State CEQA Guidelines Section 15378(b)(4)). In addition, the proposed action is exempt from CEQA because it involves minor alteration of existing public topographical features, involving negligible or no expansion of existing or former use, and no possibility of significantly impacting the physical environment. (State CEQA Guidelines Section 15301.) Furthermore, the proposed action is exempt from CEQA because it consists of minor public or private alterations in the condition of land, water, and/or vegetation that do not involve removal of healthy, mature, scenic trees except for forestry or agricultural purposes. (State CEQA Guidelines Section 15304.) Additionally, the proposed action is exempt from CEQA because it consists of basic data collection, research, experimental management, and resource evaluation activities that do not result in a serious or major disturbance to an environmental resource. These may be strictly for information-gathering purposes or as part of a study leading to an action that a public agency has not yet approved, adopted, or funded. (State CEQA Guidelines Section 15306.) Finally, the proposed action does not constitute an approval of the project for the purposes of CEQA. Environmental review will be completed prior to any decision by the Board, which commits Metropolitan to the project. (State CEQA Guidelines Section 15352).

### **CEQA determination for Option #2:**

None required

## **Details and Background**

---

### **Background**

PWSC would reuse treated wastewater currently being discharged to the Pacific Ocean from the Los Angeles County Sanitation District's (Sanitation District) A.K. Warren Water Resource Facility (Warren Facility) in the City of Carson. Treated wastewater would be further purified at a new advanced water purification facility (AWPF) located at the Warren Facility to produce up to 150 million gallons per day (mgd) at full build-out. Purified water would recharge regional groundwater basins through spreading facilities and injection wells, satisfy non-potable demands currently relying on imported water, and augment existing water supplies. In addition to the treatment facilities, a new backbone conveyance system would extend over 40 miles from the City

of Carson to as far north as the City of Azusa, with a portion of the flow potentially conveyed over 10 miles east to the City of La Verne to connect with Metropolitan's existing water treatment and distribution facilities for raw water augmentation. A new direct potable reuse (DPR) facility would also be constructed at Metropolitan's F.E. Weymouth Water Treatment Plant for further treatment before blending with other raw water sources. Staff is also evaluating potential alternative phasing options that would reduce initial costs and address purified water demands for initial customer connections, including possible opportunities to incorporate treated water augmentation.

In November 2015, Metropolitan's Board authorized an agreement with the Sanitation District to implement a demonstration project and establish the framework of terms and conditions for developing a Regional Recycled Water Program, including the pursuit of grant and loan funding. This agreement was amended and restated agreement in September 2024 to define roles and responsibilities for the shared implementation of the AWPf. The Sanitation District will be responsible for the design of pretreatment and nitrogen management facilities. Metropolitan will primarily be responsible for designing advanced treatment and ancillary facilities. Metropolitan and the Sanitation District would share responsibilities for regulatory permitting, public engagement, program management, and other related work. The amended and restated agreement defines each agency's role and responsibilities during the early design phase of the AWPf covered by the LSWRP funding period.

In November 2020, Metropolitan's Board authorized the initiation of the environmental planning phase of the PWSC, which included technical studies and conceptual engineering for the AWPf and conveyance system facilities to prepare a comprehensive Program Environmental Impact Report in accordance with the CEQA Guidelines. Various technical studies and analyses were conducted to define the key PWSC components, including the treatment and conveyance facilities, and identify their associated environmental impacts.

In December 2022, Metropolitan's Board authorized the acceptance of \$80 million in state funds to initiate PWSC activities, including program management, continued demonstration testing, continued AWPf planning, and preliminary design of the first two pipeline reaches. In January 2023, Metropolitan's Board awarded a program management support consulting agreement to assist Metropolitan in developing PWSC implementation strategies; evaluating opportunities for alternative project delivery; performing cost, schedule, and budget reporting functions; identifying program and project-level risks and potential mitigation; and provide other as-needed program management support.

In March 2023, Metropolitan's Board awarded two new consulting agreements for preliminary design of the first two pipeline reaches. In that action, the Board also authorized staff to pursue and accept \$5 million in federal grant funding from Reclamation to advance the PWSC, which Reclamation awarded to Metropolitan.

### **LSWRP Grant Funding for Pure Water Southern California**

In November 2023, Metropolitan submitted a grant application to Reclamation's LSWRP federal grant program, which will fund up to \$180 million to plan, design, and construct large-scale water recycling projects to develop local drought-resistant water supplies. Through this grant, Reclamation would provide up to 25 percent federal cost-sharing of the expected total project cost, with the remaining 75 percent cost-share required to be met by each grant recipient. Metropolitan submitted a proposal for \$125,472,855 in LSWRP grant funding for planning and design activities, along with the required Feasibility Study Report for the funding application.

In May 2024, Reclamation approved Metropolitan's Feasibility Study Report and notified Metropolitan of its intent to award Metropolitan up to \$99,199,096 in LSWRP federal grant funding for planning and design activities. In that same month, Metropolitan submitted a second grant application to Reclamation for approximately \$26 million, the difference between the amount requested in the initial application and the amount initially awarded. On November 15, 2024, Reclamation notified Metropolitan of its intent to award Metropolitan an additional \$26,273,759 in grant funds. As a result, if accepted, Metropolitan would have access to \$125,472,855 of LSWRP grant funds.

In November 2024, Metropolitan's Board adopted two resolutions required by Reclamation prior to accepting the LSWRP grant funding to verify that, for Metropolitan's November 2023 and May 2024 applications: (1) the Board reviewed and supported the application; (2) subject to board approval of a grant agreement, the General Manager or his/her designee had the legal authority to enter into that agreement; and (3) the General Manager or

his/her designee will work with the United States Bureau of Reclamation to meet established deadlines for entering into a grant agreement.

As a consequence of the initial notice by Reclamation of its intent to award Metropolitan federal funds, Metropolitan and Reclamation staff have been working since May to address potential grant agreement-related concerns raised by the Board. Those potential concerns are identified below, along with the manner in which they were resolved.

### ***Material Terms and Conditions***

The following “standard” terms and conditions are provided for in the proposed agreement with Reclamation:

- **Period of Performance:** The proposed agreement establishes a period of performance that commences on April 6, 2020, which was the date Reclamation approved the feasibility study Metropolitan prepared for the Title VXi WIIN Reclamation and Reuse grant and continues until three years from the effective date of the agreement, unless prior to that date Reclamation agrees to an extension.
- **Scope of Work and Budget:** The proposed agreement includes descriptions of the proposed work, major tasks, and project milestones, as well as related budgets. Metropolitan and the Sanitation District will use the full award grant and associated matching funds to (1) procure a progressive design-build entity to initiate the AWPf design; (2) continue design and initiate pre-construction alternative delivery services for pipeline reaches; (3) pursue potential property acquisition for PWSC facilities; (4) continue design of the centrate treatment facilities; (5) advance ongoing regulatory permitting and public engagement; and (6) continue professional services for program management and other related work.
- **Ability to Acquire Real Property:** The proposed agreement authorizes the use of federal funds for the acquisition of real property, provided the real property is identified in the scope of work.

Reclamation agreed to include a special term that addresses the existing available funding:

- **No Obligation to Use the Full Award Amount:** Through the special term, Reclamation: (1) awards and obligates the full grant award of \$125,472,855 for the identified scope of work; (2) authorizes an initial grant award of funds based on existing, secured matching funds for defined tasks within the scope of work; and (3) will make available the remaining grant award if and as Metropolitan demonstrates to Reclamation that Metropolitan has secured additional matching funds.

The existing, secured matching funds include: (1) approximately \$30 million in operations and maintenance (O&M) funds to support environmental phase activities previously authorized by the Board and expended by Metropolitan since April 2020 for fiscal years 2020/21 through 2025/26; (2) approximately \$54 million of the state funds previously authorized by Metropolitan’s Board in December 2022<sup>1</sup>; (3) approximately \$19.5 million in capital funds for design and construction of the DPR pilot/demonstration testing facility previously authorized by Metropolitan’s Board in April 2024 for fiscal years 2024/25 through 2025/26; and (4) approximately \$28.1 million in other Metropolitan group O&M funds that were/are committed to PWSC planning activities and previously authorized by Metropolitan Board for fiscal years 2020/21 through 2025/26. The Sanitation District will provide approximately \$88.4 million in matching funds for the planning and design of pretreatment facilities design for the AWPf. As a result, a total of approximately \$131.6 million in Metropolitan board-approved funds and up to \$88.4 million contribution by the Sanitation District is expected to be available to support Reclamation’s 25 percent reimbursement, which results in approximately \$55 million of federal grant

---

<sup>1</sup> The State provided approximately \$80 million. However, approximately \$15 million of the \$80 million have been designated by Metropolitan as matching funds for the \$5 million WaterSMART Water Recycling and Desalination Planning grant previously awarded to Metropolitan in 2023; and approximately \$11 million of \$80 million will be allocated to the Sanitation District to plan and develop pre-treatment and nitrogen management facilities for the AWPf. As a result, the remaining \$54 million of the state funds are available for the LSWRP cost-share match.

funding. The scope of work and corresponding budget are based on federal funds received being reinvested in the planning and design of PWSC.

Although not in the proposed agreement, Reclamation's contracting officer assigned to this grant provided Metropolitan with the following important assurances in writing:

- Confirmed Metropolitan will not have to pay Reclamation back for any of the federal funding, whether used by Metropolitan or any of its consultants or sub-recipients, if at any time the Metropolitan Board decides not to approve the project.
- Understood that Metropolitan intended to use the federal funding to support activities provided for in contracts let through any one of the methods (alternative project delivery) authorized by California Public Contract Code section 20928 et seq.
- Indicated that it is standard practice, if requested by a grant recipient, for Reclamation to extend the period of performance and that denial of such requests is rare.

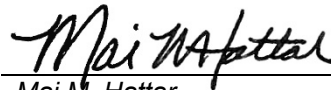
These assurances are not necessarily binding on Reclamation until they are affirmed after the grant agreement becomes effective, which the contracting officer said she will do. However, staff believes the risk is relatively low since the positions are consistent with the applicable state and federal law, and, as to the proposed extension, common Reclamation practice.

Staff recommends that the Board authorize the General Manager to enter into an agreement with Reclamation to accept the LSWRP grant funds. Staff plans to return to the Board to appropriate federal funds received.

See **Attachment 1** for the location map.

#### ***Project Milestone***

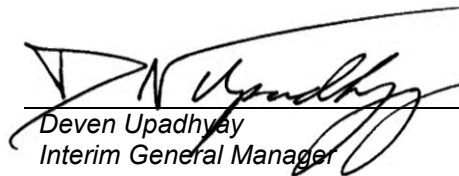
January 2026 – Request for Board to certify CEQA and approve PWSC



11/27/2024

Mai M. Hattar  
Interim Chief Engineer  
Engineering Services

Date



12/3/2024

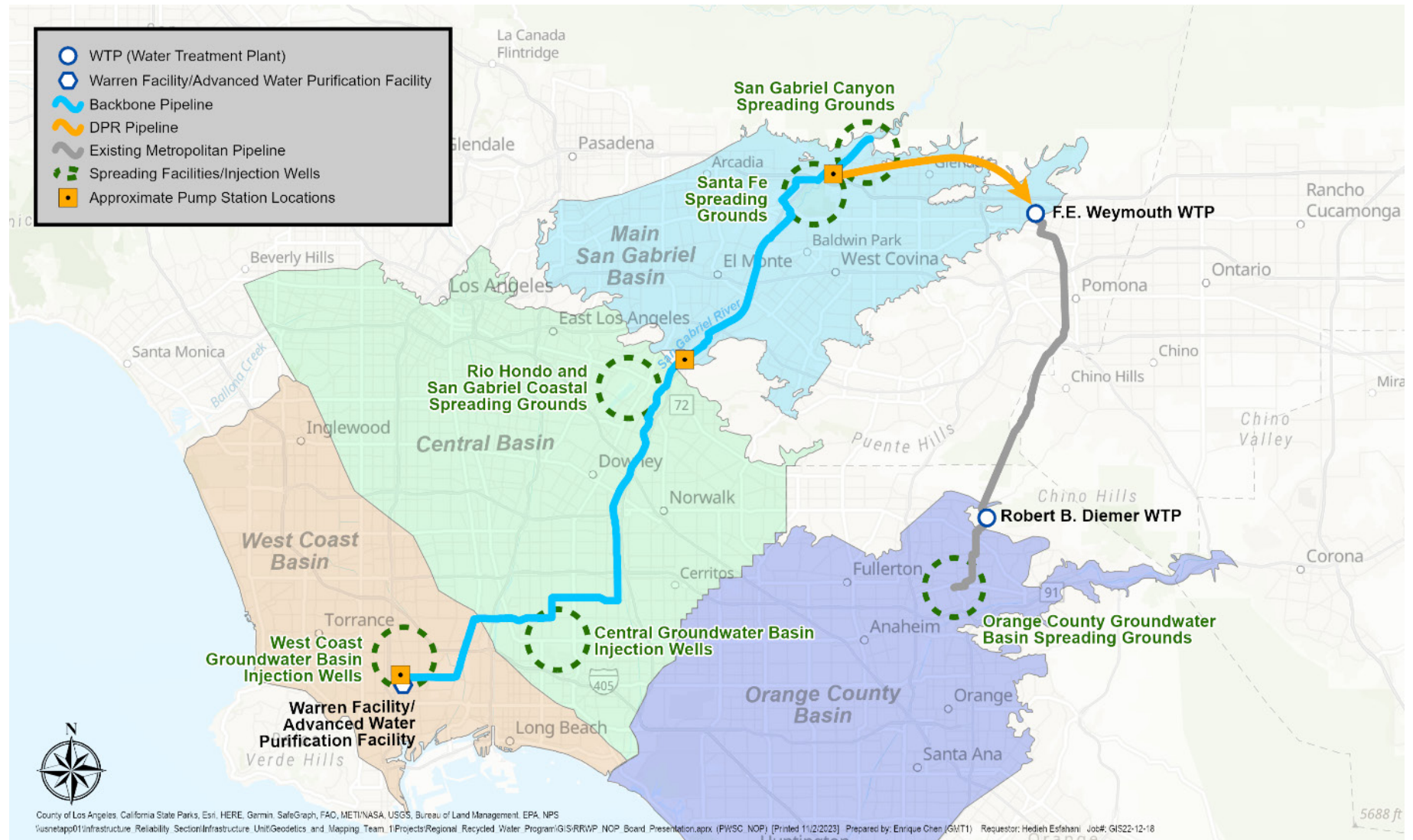
Deven Upadhyay  
Interim General Manager

Date

#### **Attachment 1 – Location Map**

Ref# es12696813

## Pure Water Southern California – Preliminary Configuration





Engineering, Operations, & Technology Committee

# Federal grant funding agreement with the U.S. Bureau of Reclamation to advance the Pure Water Southern California Program

Item 8-2

December 9, 2024

## Item 8-2

PWSC  
LSWRP  
Grant Funding

### Subject

Authorize entering into one or more agreements to accept grant funding from the U.S. Bureau of Reclamation (Reclamation) through Large Scale Water Recycling Program (LSWRP) for Pure Water Southern California Program (PWSC)

### Purpose

To advance anticipated planning and design activities for PWSC

### Recommendation and Fiscal Impact

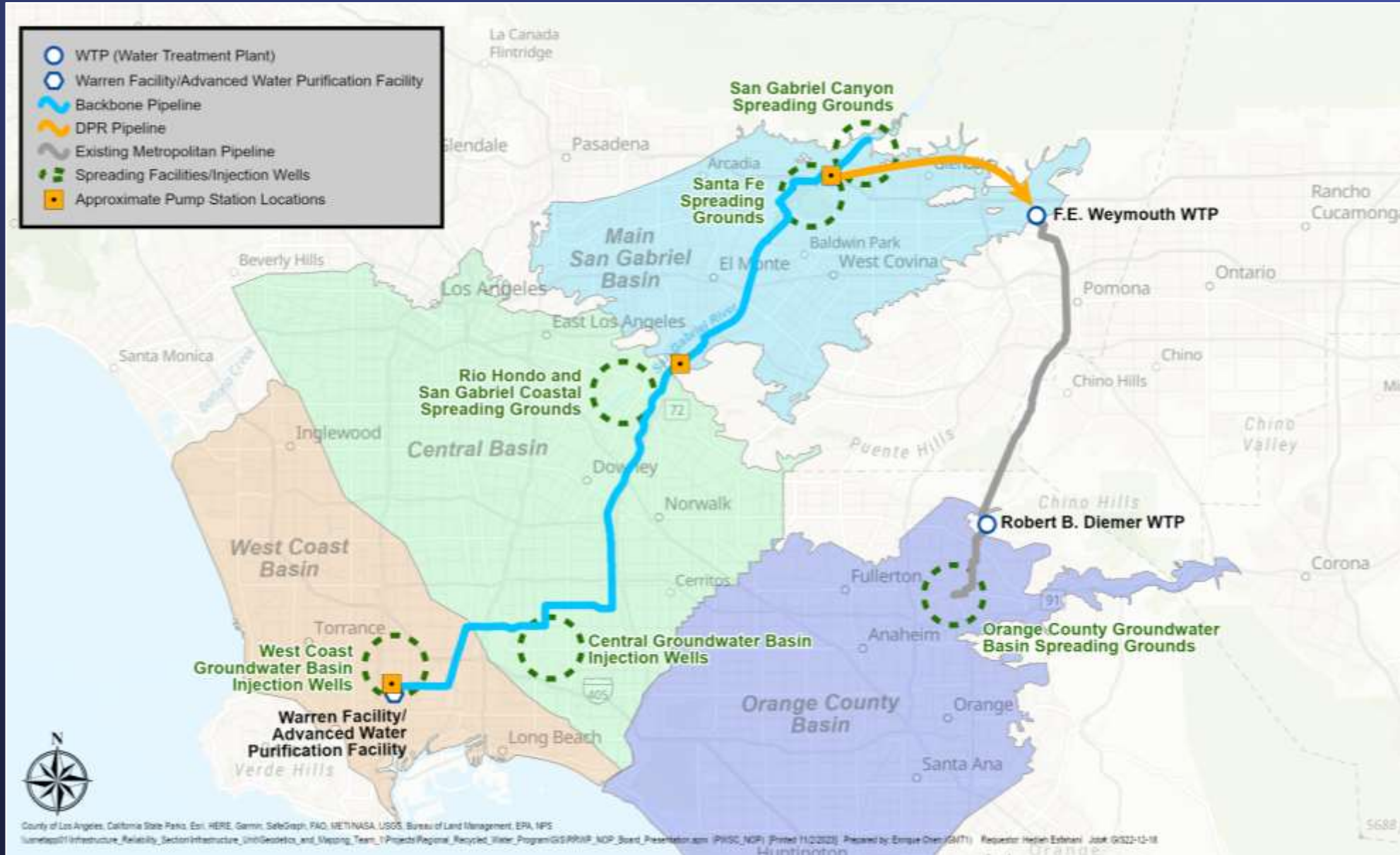
Authorize entering into one or more agreements with the United States Bureau of Reclamation

Reimbursable expenditure: up to \$125 M

### Budgeted

No budget impact at this time

# Pure Water Southern California Overview



## PWSC LSWRP Grant Funding

### Grant Funding Opportunity

- Bipartisan Infrastructure Law (P.L. 117-58, § 40905)
  - Enacted November 15, 2021
  - \$450 M in funding available in LSWRP
- November 2023 – Applied for LSWRP \$125.4 M grant for planning & design
- May 2024 – Reclamation approved Metropolitan's Feasibility Study & issued Notice of Intent to award \$99.2 M
- November 2024
  - Reclamation issued Notice of Intent to award \$26.2 M in additional funding
  - Board adopted the LSWRP grant resolutions

PWSC  
LSWRP  
Grant Funding

## Agreement Terms and Conditions

- Coverage period for costs and expenditures
  - Pre-award match - from April 2020
  - End date - three years from agreement execution
- Defined scope of work & budget
- Ability to acquire real property
- Single Reclamation agreement planned for entire \$125.4 M award with 3-1 non-federal cost share
- Agreement includes Special Condition
  - Reclamation to award & obligate full amount
  - Initial grant award based on spent & secured matching funds
  - Remaining grant award available with additional future matching funds consistent with program plan
  - No obligation to use full award amount

PWSC  
LSWRP  
Grant Funding

## Practices Consistent with Federal/State Law & Reclamation Common Practices

- Reclamation will not seek “repayment” of grant funding if Metropolitan does not approve PWSC
- Federal funding allowed for alternative delivery methods authorized by California Public Contract Code
- Denial of requests for extensions are rare

# PWSC Scope of Work



## Planning & Design Activities

- Procure Membrane BioReactor (MBR) & Advanced Water Treatment (AWT) progressive design-build entities to start AWPf & Workforce Training Center designs
- Continue Sanitation District's design of centrate pre-treatment process
- Perform design of required pipeline reaches
- Procure alternative delivery entities for conveyance
- Evaluate treated water augmentation (TWA) opportunities
- Continue program management & outreach
- Continue demonstration testing & research

## PWSC Grant Funding Sources

### Current Funding Sources

- Metropolitan approximate cost-share funds
  - Environmental planning phase - \$30 M
  - State funds - \$54 M remaining after planning grant
  - DPR Demo Plant capital project - \$19.5 M
  - Board approved O&M - \$28.1 M
- Sanitation District funds - \$88.4 M
- Total available funds - \$220 M
- Federal grant funding - \$55 M
- To receive remaining grant amount, Metropolitan must secure additional approx. \$155 M in cost-share funds

# Alternatives Considered

- Defer agreement until after Board approves PWSC
  - Impacts cost, schedule & use of federal grants
- Accept less grant funding
- Selected Alternative – Authorize agreement to accept LSWRP grant funds to accomplish proposed scope-of-work
  - Pursue additional non-federal matching fund opportunities
  - Return to Board in the future to authorize:
    - Appropriations to allow additional expenditures concurrent with the receipt of new matching funds
    - Remaining scope & cost match after approval of EIR & program capitalization

# Program Schedule during LSWRP Grant Funding Period



# Board Options

- Option #1

Authorize entering into one or more agreements with the United States Bureau of Reclamation to accept up to \$125,472,855 in grant funding through the WaterSMART Large-Scale Water Recycling Program.

- Option #2

Do not enter into an agreement with the United States Bureau of Reclamation to accept the grant funding.

# Staff Recommendation

- Option #1





- **Board of Directors**  
***One Water and Stewardship Committee***

12/10/2024 Board Meeting

8-3

## Subject

Authorize the General Manager to enter into agreements with the U.S. Bureau of Reclamation to implement phase two of the Lower Colorado River Basin System Conservation and Efficiency Program; and adopt CEQA determination that the environmental effects of the Antelope Valley-East Kern High Desert Water Bank and the Turf Replacement Programs were previously addressed in various CEQA documents and related actions

## Executive Summary

Staff recommends that the Board authorize the General Manager to enter into two agreements with the U.S. Bureau of Reclamation (Reclamation) under its Lower Colorado Conservation and Efficiency Program (LC Conservation Program). Under these agreements, Reclamation would pay for conserved water generated from Metropolitan's Turf Replacement Program and the Antelope Valley-East Kern (AVEK) High Desert Water Bank (HDWB). These agreements are different from previous system conservation agreements under the first half of the LC Conservation Program (Bucket 1). Bucket 1 focused on short-term water savings from short-term actions. The two projects referenced in this board letter are part of the second half of the LC Conservation Program (Bucket 2) which focuses on projects that offer long-term efficiencies and result in multi-year water savings. Staff is seeking authorization to enter into the following agreements:

1. AVEK HDWB System Conservation Implementation Agreement
2. Turf Replacement System Conservation Implementation Agreement

Under the new agreements with Reclamation, Metropolitan would receive up to approximately \$178 million in federal funding through 2031. Of this, staff estimates that approximately \$58.3 million would offset projected expenses over the current 2-year budget cycle. The remaining funds would either be received in future budget cycles or would meet currently unbudgeted project costs (i.e., increased turf rebate and arsenic treatment costs for AVEK HDWB). In exchange, Metropolitan would implement the projects and create a total of 265,296 acre-feet of conserved water to benefit Lake Mead as system water.

Additionally, these Bucket 2 projects will yield long-term reductions in demand for Colorado River water. These demand reductions will continue after all agreement terms have been met. This allows Metropolitan to capture federal investment to decrease long-term demands for Colorado River water. Long-term reductions in demand will improve our ability to manage our water supply under post-2026 operations which could include potential supply reductions. Metropolitan and other Colorado River water users would also benefit from increased Lake Mead elevation associated with the system water creation.

Additional agreements will be necessary to implement these system conservation implementation agreements. Before Reclamation will pay Metropolitan, the California Section 5 contractors will need to forbear through the remaining period of the 2007 Interim Guidelines. New intra-state and inter-state forbearance agreements will also be needed to continue implementing these system conservation agreements post-2026. Staff will bring those agreements to the Board for consideration as needed.

**Timing and Urgency**

Reclamation would like to execute as many Bucket 2 System Conservation Implementation Agreements as possible prior to the end of the calendar year. This will ensure that funding under the 2022 Inflation Reduction Act (IRA) is obligated without delay. Nevertheless, funding provided by Reclamation in these agreements could be withdrawn after they are executed by future congressional action or delayed by the next Administration.

**Proposed Action(s)/Recommendation(s) and Options**

---

**Staff Recommendation: Option #1****Option #1**

Adopt CEQA determination that the environmental effects of the Antelope Valley-East Kern High Desert Water Bank and the Turf Replacement Programs were previously addressed in various CEQA documents and related actions, and authorize the General Manager to enter into agreements with the U.S. Bureau of Reclamation to implement phase two of the LC Conservation Program.

**Fiscal Impact:** Federal funding increase of up to approximately \$178 million; approximately \$58.3 million would offset currently budgeted expenses over the current 2-year budget cycle. The rest of the funds would be received in a future budget cycle or would meet currently unbudgeted project costs (i.e., increased turf rebate and arsenic treatment costs for AVEK HDWB).

**Business Analysis:** These agreements would provide federal funding for both the design and construction of Metropolitan's AVEK facilities as well as Metropolitan's Turf Replacement Program for commercial, industrial, and institutional facilities. Implementation of these projects would reduce long-term demands for Colorado River water. Reduced demands would improve our ability to manage our water supply under post-2026 operations, which could include potential future supply reductions.

**Option #2**

Direct the General Manager not to enter into the agreements under the proposed terms.

**Fiscal Impact:** None

**Business Analysis:** Metropolitan would forego an opportunity to leverage federal dollars to reduce Metropolitan's long-term demands on the Colorado River and improve our ability to manage our water supply under post-2026 operations which could include potential future supply reductions.

**Alternatives Considered**

---

Staff submitted six different proposals for Bucket 2 funding. These two projects were selected by Reclamation.

**Applicable Policy**

---

By Minute Item 53051 in December 2022, Metropolitan's Board adopted legislative priorities and principles to support the funding of conservation projects to enhance the resiliency of the Colorado River System to reduce the risk of Lake Mead and Lake Powell falling below critical elevations.

The General Manager's 24/25 Business Plan identified Goal 2.2 to identify and secure programmatic cost savings, organizational efficiencies, and external funding. One of the outcomes identified under this goal was to secure IRA funding that supports Colorado River water use objectives.

**Related Board Action(s)/Future Action(s)**

---

By Minute Item 53447 in November 2023, Metropolitan's Board approved forbearance for system conservation created by CVWD and IID in 2023 to be left in Lake Mead as system water under Reclamation's LC Conservation Program.

By Minute Item 53469 in December 2023, Metropolitan's Board approved a similar action for system conservation projects with the Palo Verde Irrigation District, Bard Water District, and the Quechan Tribe under Reclamation's LC Conservation Program.

By Minute Item 53752 in August 2024, Metropolitan's Board approved forbearance for system conservation created by CVWD and IID between 2024-2026 to be left in Lake Mead as system water under Reclamation's LC Conservation Program.

### **Summary of Outreach Completed**

---

All LC Conservation Program projects were discussed with and received input from the Colorado River Ad-hoc Committee. The Bucket 2 proposals were also discussed with the One Water Stewardship and Planning Committee in August of 2023 when the proposals were submitted to Reclamation.

### **California Environmental Quality Act (CEQA)**

---

#### **CEQA determination for Option #1:**

The following programs that are subject to this action were previously evaluated by the Board, and the Board made CEQA determinations for each.

- On April 9, 2019, the Board acted as a Responsible Agency and certified that it reviewed and considered the information in the Antelope Valley-East Kern Water Agency's Mitigated Negative Declaration and authorized entering into an agreement for the High Desert Water Bank Program.
- On September 10, 2013, the Board determined that the Turf Removal Program was categorically exempt under Section 15301 of the State CEQA Guidelines and authorized implementing New Conservation Program Initiatives.

#### **CEQA determination for Option #2:**

None required

### **Details and Background**

---

#### **Background – The LC Conservation Program**

The 2022 IRA provides \$4 billion in funding specifically for conservation efforts in the Colorado River Basin. The Department of the Interior, through Reclamation, created the LC Conservation Program to use the IRA funding to increase system conservation and efficiency opportunities to address the drought in the Lower Colorado River Basin. Similar conservation programs are being developed in the Upper Colorado River Basin. The LC Conservation Program provides funding opportunities for voluntary participation to increase system conservation and efficiency opportunities.

These opportunities consisted of two main components. The first was for conservation projects that could be implemented in the short-term and provide short-term savings and is often called "Bucket 1". The second was for conservation projects that improve long-term efficiencies and result in multi-year system conservation and is often called "Bucket 2". These Bucket 2 projects are intended to reduce long-term demands for Colorado River water to improve the ability to manage the Colorado River system under post-2026 operations, which are likely to include future supply reductions within the Lower Basin.

Prior Board actions related to the LC Conservation Program have all fallen under Bucket 1. Metropolitan submitted six separate proposals for potential conservation projects under Bucket 2. Reclamation selected two proposals to move forward to the negotiation phase. These negotiations are reaching their conclusion, and staff seeks board authorization to enter into System Conservation Implementation Agreements for these two selected projects. Recently, Reclamation also selected Metropolitan's proposal to fund leak detection and repair in Disadvantaged Communities. Metropolitan will bring that item to the Board in the future. These Bucket 2 projects would help Metropolitan manage our water supplies in a drier future by leveraging federal funds for projects that will reduce our demands for Colorado River water post-2026.

**AVEK Program Participation in the LC Conservation Program**

As part of Bucket 2 of the LC Conservation Program, Reclamation will pay Metropolitan up to \$82 million for the design and construction of Metropolitan's AVEK HDWB facilities. Identified activities include construction costs for onsite power, well drilling, well equipping and recovery facilities, design and construction of arsenic treatment for extracted groundwater, and other design changes that may be necessary after consultation and approval by Reclamation. Costs associated with these activities must be incurred between June 24, 2024 and September 30, 2031. In exchange, Metropolitan will create a total of 168,000 acre-feet of system conservation water within 10 years of the date of execution of the agreement. This system conservation water may be left in Lake Mead prior to the completion of project milestones. Water would be conserved through Metropolitan's existing Extraordinary Conservation Intentionally Created Surplus (EC ICS) exhibits to achieve this "predelivery" prior to 2027. A different process for creating system conservation water may be in place post-2026. Reclamation's payments will be made quarterly based on milestone completion for design components, and percent completion for construction components as documented in progress reports. Payments are also contingent on the forbearance of the California Section 5 contractors covering this agreement. Metropolitan will have until at least September 30, 2031, to complete the project, or Metropolitan will be required to reimburse Reclamation all of the provided funds. Staff has requested, and anticipates that Reclamation will agree to, a completion date of 2040. Reclamation also requires that Metropolitan comply with the domestic procurement preference of the Build America, Buy America requirements.

The material terms of the proposed agreement are summarized in **Attachment 1**.

**Turf Replacement Program Participation in the LC Conservation Program**

As part of Bucket 2 of the LC Conservation Program, Reclamation will pay Metropolitan up to \$95.81 million for the replacement of up to 30 million square feet of turf through Metropolitan's existing Turf Replacement Program for commercial, industrial, and institutional properties. Turf replacement activities will need to be completed, consistent with program standards and rebates issued to property owners, between June 24, 2024, and September 30, 2031. To encourage an increase in program participation, under Metropolitan's proposal, Metropolitan would increase the turf rebate to \$4 per square foot (sq ft) of replaced turf. Of this \$4 per sq ft, Metropolitan would contribute \$1 per sq ft, and Reclamation would contribute \$3 per sq ft. In exchange, Metropolitan will create a total of 97,296 acre-feet of system conservation water within 10 years of the date of execution of the agreement. This system conservation water may be left in Lake Mead prior to the completion of project milestones. Water would be conserved through Metropolitan's existing EC ICS exhibits to achieve this "predelivery" prior to 2027. A different process for creating system conservation water may be in place post-2026. Reclamation's payments are to be made based on the amount of turf removed that has been verified and paid by Metropolitan and are contingent on the execution of a California forbearance agreement covering this activity. Thus, to the extent that Metropolitan advertises increased turf replacement incentives to increase program activity, Metropolitan would need to carry those increased costs until a California forbearance agreement is signed and Metropolitan can receive Reclamation funding.

The material terms of the proposed agreement are summarized in **Attachment 2**.

**Future Agreements Will Be Necessary**

Additional agreements will be necessary to implement these system conservation implementation agreements. Before Reclamation will pay Metropolitan, the California Section 5 contractors will need to forbear through the remaining period of the 2007 Interim Guidelines. New intra-state and inter-state forbearance agreements will also be needed to continue implementing these system conservation agreements post-2026. For additional background on the purpose and mechanics of forbearance by Metropolitan, please see the June 2024 presentation on that subject, available at:

<https://mwdh2o.legistar.com/View.ashx?M=F&ID=13012478&GUID=5C7533D3-F668-4FC6-A12E-EACEF0DF52DD>

Staff will bring those agreements to the Board for consideration as needed.

### ***Summary***

Metropolitan is expanding opportunities to conserve system water in a continuing effort to reduce long-term demands on Colorado River water to improve our ability to manage our water supply under post-2026 operations. Staff recommends that the Board authorize the General Manager to enter into agreements with Reclamation which will allow Metropolitan to utilize federal dollars to decrease long-term demands of Colorado River water.

The LC Conservation Program Bucket 2 agreements would provide up to \$95.81 million in federal funding for Metropolitan's Turf Replacement Program for commercial, industrial, and institutional facilities and up to \$82 million for the design and construction of Metropolitan's AVEK HDWB facilities. This funding would apply toward project or program expenses through September 30, 2031. In exchange, over a period of ten years, Metropolitan would create 97,296 acre-feet and 168,000 acre-feet of system conservation water, respectively. While some federal funding would go toward currently budgeted items, some funds would be received beyond the current two-year budget cycle. Additionally, some of the funds would reimburse Metropolitan for currently unbudgeted expenses related to increasing the incentive for turf replacement on commercial, industrial, and institutional properties, as well as the design of arsenic treatment at AVEK.

Based on these factors and the expected project implementation schedules, staff estimates that, over the current 2-year budget cycle, Metropolitan's expenses related to the Turf Replacement Program would be reduced by approximately \$9.2 million and that \$49.1 million of currently budgeted expenses related to the AVEK HDWB would be reimbursed through these agreements. Therefore, a total of \$58.3 million would count toward Metropolitan's new revenue and reduced expenditure goals associated with the current 2-year budget cycle. Additionally, Metropolitan would benefit from the long-term reduction in demands for Colorado River water that will improve our ability to manage our water supply under potentially reduced supply conditions under post-2026 operations.

### ***Project Milestones***

#### ***AVEK HDWB Project Milestones***

AVEK HDWB components include: Well Drilling Package #4, well equipping and recovery facilities, onsite power, and arsenic treatment facilities.

Milestones and deliverables for Well Drilling Package #4, well equipping and recovery facilities, and onsite power include the following:

**Award Contract:** Notice of Award

**Start Construction:** Notice to Proceed

**Complete Construction:** As-Build Drawings and Closeout Report

Milestones and deliverables for arsenic treatment facilities include the following:

**Start of Design:** Preliminary Design Report

**Complete 60% Design:** 60% Design Plans and Specifications

**Complete Final Design:** Final Design Plans and Specifications

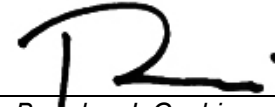
**Bid Opening:** Notice Inviting Bids

**Award Contract:** Notice of Award, Notice to Proceed

**Complete Construction:** As-Build Drawings and Closeout Report

Turf Replacement Project Milestones

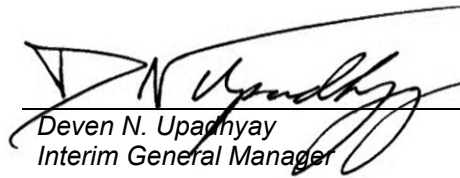
On a quarterly basis, Metropolitan will submit to Reclamation a written justification for payment and report detailing the total amount of square feet of turf replaced consistent with program standards and rebates issued to property owners in the time since Metropolitan submitted its last written justification for payment and report.



Brandon J. Goshi  
Interim Manager  
Water Resource Management

11/27/2024

---

Date

Deven N. Upadhyay  
Interim General Manager

11/27/2024

---

Date

**Attachment 1 – AVEK HDWB System Conservation Implementation Agreement Term Sheet**

**Attachment 2 – Turf Replacement System Conservation Implementation Agreement Term Sheet**

Ref# wrm12697214

**Term Sheet for Antelope Valley East Kern High Desert Water Bank SCIA under Federally Funded Lower Colorado River Basin System Conservation and Efficiency Program**

1. Reclamation agrees to provide funding for construction of Metropolitan's AVEK High Desert Water Bank facilities.
2. Reclamation's total payment to Metropolitan shall not exceed \$82,000,000.
3. Costs must be incurred prior to September 30, 2031. All costs incurred beyond September 30, 2031 are Metropolitan's responsibility of.
4. Reclamation's payment is contingent on the execution of a California Forbearance agreement covering this project.
5. Eligible costs include design and construction related costs incurred by Metropolitan's AVEK High Desert Water Bank between June 24, 2024 and September 30, 2031.
  - a. Design and construction costs for arsenic treatment facilities
  - b. Construction costs for onsite power, well drilling package #4, and well equipping and recovery facilities
  - c. Other design changes after consultation and approval by Reclamation
6. Subject to any waivers the Secretary may authorize, Metropolitan must comply with the Buy American Domestic Procurement Preference pursuant to Public Law 117-58 for all project related activity.
7. Metropolitan will provide progress reports at the conclusion of each project milestone. Metropolitan will also provide a closeout report.
8. Payments will be made quarterly. For design costs, payments will be based upon successful completion of project milestones. For construction costs, payments will be based on percent completion as documented in progress reports.
9. Progress reports must be completed for all project milestones, even when total costs have exceeded \$82M.
10. Metropolitan will have until at least September 30, 2031 to complete the project or Metropolitan will be required to reimburse Reclamation all of the provided funds.
11. Metropolitan will create a total of 168,000 acre-feet of System Conservation Water over a period of 10 years after the date of execution of this agreement.
12. System Conservation Water may be created and left in Lake Mead prior to the completion of project milestones. Such water must be created using existing Extraordinary Conservation Intentionally Created Surplus (EC ICS) exhibits prior to 2027 and an EC Certification Report must be provided. A different process for creating System Conservation Water may be in place post-2026.

13. Creation of System Conservation Water will be included in Reclamation's existing water order approval process. System Conservation Water can only be created in a year in which delivery of water is less than available supplies. Verified volumes will be reported in Reclamation's annual Water Accounting Report.
14. If Metropolitan does not create the full volume of System Conservation Water, Metropolitan must reimburse Reclamation. For example, if Metropolitan leaves 93% of the System Conservation Water in Lake Mead, then Metropolitan will reimburse Reclamation 7% of the total payments made.
15. If Metropolitan creates the full volume of System Conservation Water, but the project is not completed, all such System Conservation Water will stay in Lake Mead as system water.

DRAFT

**Term Sheet for Turf Replacement SCIA under Federally Funded Lower Colorado River Basin System  
Conservation and Efficiency Program**

1. Reclamation agrees to provide funding to Metropolitan's existing Turf Replacement Program for commercial, industrial, and institutional properties between June 24, 2024, and September 30, 2031.
2. Metropolitan's proposal is to increase the rebate on its Turf Replacement Program for commercial, industrial, and institutional properties to \$4/square foot for all turf replacement projects completed and paid between June 24, 2024, and September 30, 2031.
3. Metropolitan's proposal is to cost-share eligible expenses. Total program costs are \$4/ square foot. Reclamation costs are \$3/ square foot. Metropolitan costs are \$1/ square foot.
4. Eligible costs are those incurred by Metropolitan's Turf Replacement Program for commercial, industrial, and institutional properties between June 24, 2024, and September 30, 2031, for up to 30 million square feet of turf replacement on commercial, industrial, and institutional properties.
5. All costs incurred beyond September 30, 2031, are Metropolitan's responsibility.
6. Reclamation's total payment to Metropolitan shall not exceed \$95,810,737. Metropolitan's administration costs for the program are eligible for payment.
7. Reclamation's payment is contingent on the execution of a California Forbearance agreement covering this project.
8. Metropolitan will provide quarterly progress reports for the duration of this agreement. Payments will be made based on the incurred eligible expenses identified in these semi-annual reports. Metropolitan will also provide a closeout report.
9. Metropolitan will create a total of 97,296 acre-feet of System Conservation Water over a period of 10 years after the date of execution of this agreement.
10. System Conservation Water may be created and left in Lake Mead prior to completion of turf removal activities. Such water must be created using existing Extraordinary Conservation Intentionally Created Surplus (EC ICS) exhibits prior to 2027, and an Extraordinary Conservation Certification Report must be provided. A different process for creating System Conservation Water may be in place post-2026.
11. If Metropolitan does not create the full volume of System Conservation Water, Metropolitan must reimburse Reclamation. For example, if Metropolitan leaves 93% of the System Conservation Water in Lake Mead, then Metropolitan will reimburse Reclamation 7% of the total payments made.
12. Creation of System Conservation Water will be included in Reclamation's existing water order approval process. System Conservation Water can only be created in a year in which delivery of

water is less than available supplies. Verified volumes will be reported in Reclamation's annual Water Accounting Report.

13. If Metropolitan does create the full volume of System Conservation Water, but less than 30 million square feet of turf is replaced under the program, all such System Conservation Water will stay in Lake Mead as system water and no changes to payment will be made.

DRAFT



One Water and Stewardship Committee

# Colorado River System Conservation Agreements

Item 8-3

December 9, 2024

## Item 8-3

# Authorize Colorado River System Conservation Agreements

### Subject

Authorize the General Manager to enter into agreements with the U.S. Bureau of Reclamation to implement phase two of Lower Colorado River Basin System Conservation and Efficiency Program; and adopt CEQA determination that the environmental effects of the Antelope Valley-East Kern High Desert Water Bank and the Turf Replacement Programs were previously addressed in various CEQA documents and related actions

### Purpose

To obtain Board approval for agreements allowing water conserved by Metropolitan to be added to Lake Mead under Reclamation's LC Conservation Program.

### Recommendation and Fiscal Impact

Authorize entering into agreements for Reclamation to provide funding for the AVEK HDWB and the Turf Replacement Program for commercial, industrial, and institutional properties and to use those programs to generation of up to 265,296 AF of conserved Colorado River system water.

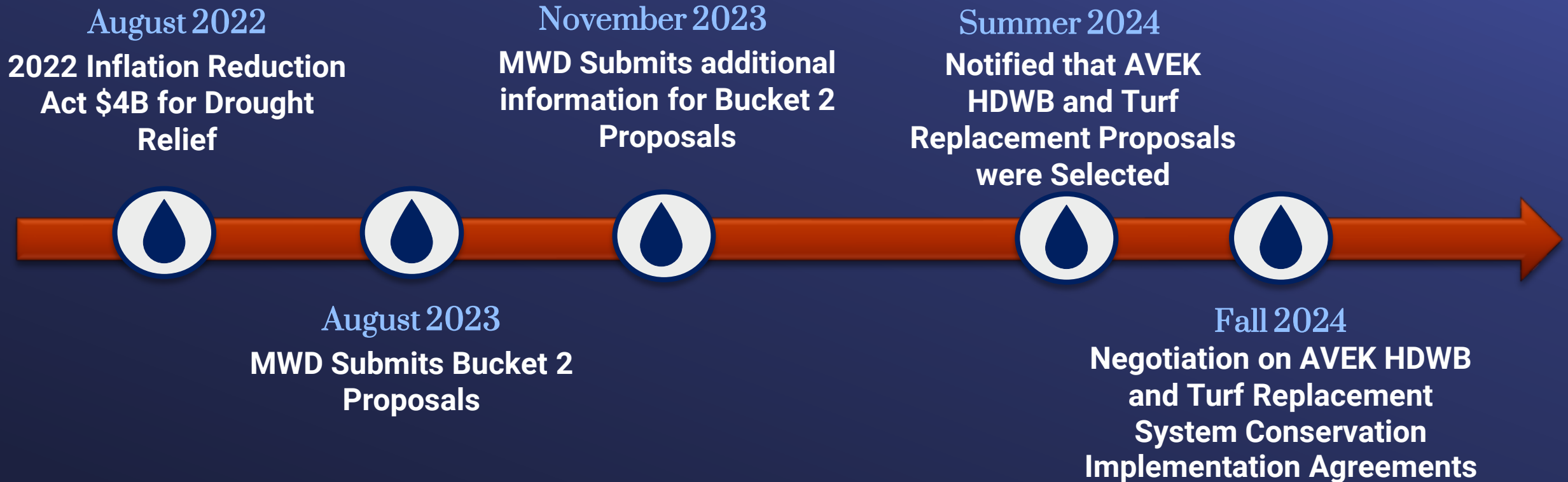
In addition to reduced budgeted expenditures, Metropolitan would receive up to \$178 million in federal funding over 7 years.

### Budget

Not budgeted.

Metropolitan would benefit receipt of federal funding

# Background



# AVEK HDWB System Conservation Project

## AVEK High Desert Water Bank



- ❖ Project: Design and construction of groundwater storage facilities
- ❖ Funding: Up to \$82 Million
- ❖ Duration: June 24, 2024 – September 30, 2031
- ❖ Volume: 168,000 acre-feet over 10 years
- ❖ Other:
  - Payment based on project activity
  - Pre-delivery through other existing conservation activities
  - Build America, Buy America

# Turf Replacement



## Turf Replacement System Conservation Project

- ❖ Project: Increase turf rebate for commercial, industrial, and institutional properties  
(\$3/sqft – USBR, \$1/sqft – MWD)
- ❖ Funding: Up to \$95.81 Million
- ❖ Duration: June 24, 2024 – September 30, 2031
- ❖ Volume: 30 million square feet of turf removed  
97,296 AF system water created  
over 10 years
- ❖ Other:
  - Payment based on issued rebates
  - Pre-delivery through other existing conservation activities

# Additional Items Will Be Necessary



1

California Forbearance through the 2007 Interim Guidelines

2

Post-2026 California and Inter-State Forbearance

# Summary



## Federal Funding

Up to \$178 Million in Federal Funding



## System Water Creation

Create 265,296 AF of System Water in Lake Mead



## Budget Benefit

Estimated \$58.3 Million to offset budgeted expenditures in current budget biennium

## Next Steps, Pending Board Approval

1

Execute agreements

2

Bring forbearance and other related agreements to the Board

3

Develop additional Bucket 2 Agreement for DAC Leak Detection and Repair

## Next Steps, Continued

### 4

## Implement projects

- Turf: advertise \$4/sqft incentive
- AVEK HDWB: additional Board items
  - Information on agreement term extension, update on water quality, and possible treatment options
  - Authorization for treatment costs and related agreement amendments
  - Authorization to debt finance capital costs

# Board Options

- Option #1

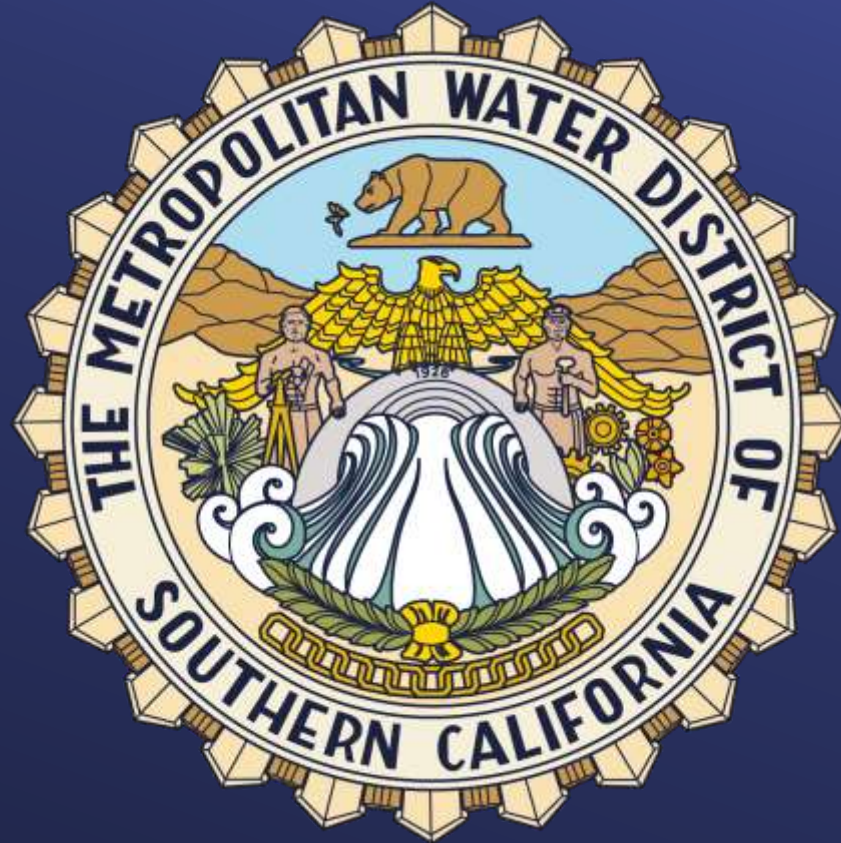
Adopt CEQA determination that the environmental effects of the Antelope Valley-East Kern High Desert Water Bank and the Turf Replacement Programs were previously addressed in various CEQA documents and related actions, and authorize the General Manager to enter into agreements with the U.S. Bureau of Reclamation to implement phase two of the LC Conservation Program.

- Option #2

Direct the General Manager not to enter into agreements under the proposed terms.

# Staff Recommendation

- Option #1





# Benefits

1

Reducing long-term demand for Colorado River Water improves the ability to manage water post-2026 when there may be supply reductions

2

Securing federal investment in our service area

3

\$58.3 Million to offset budgeted expenditures in current budget biennium

# Two Separate Requests for Proposals Funded by the Inflation Reduction Act

## Bucket 1

- Short-term projects with short-term benefits
  - Immediate implementation
  - Elevation protection



## Bucket 2

- Long-term projects with multi-year benefits
  - Improving system efficiency
  - Reducing long-term demand



# Metropolitan's Bucket 2 Proposals – Two Agreements for Board Approval

AVEK High Desert  
Water Bank

DAC Leak Detection  
and Repair

New Local Supply  
Program

Turf Replacement for  
Commercial,  
Industrial, and  
Institutional  
Properties

DAC Turf  
Replacement – Direct  
Install

New DAC Focused  
Local Supply Program

# Forbearance is Necessary and More Complicated

Forbearance agreements are the mechanism for ensuring conserved water stays in Lake Mead under the priority system

California Forbearance

Inter-State  
Forbearance



# Risks

1

Additional agreements necessary for full implementation of agreements

2

Carrying costs of increased turf replacement until a California Forbearance Agreement is signed

# California Forbearance Agreement for Bucket 2 Projects

\*Payments contingent on  
signing a California  
Forbearance Agreement

## Bucket 2 California Forbearance Agreement

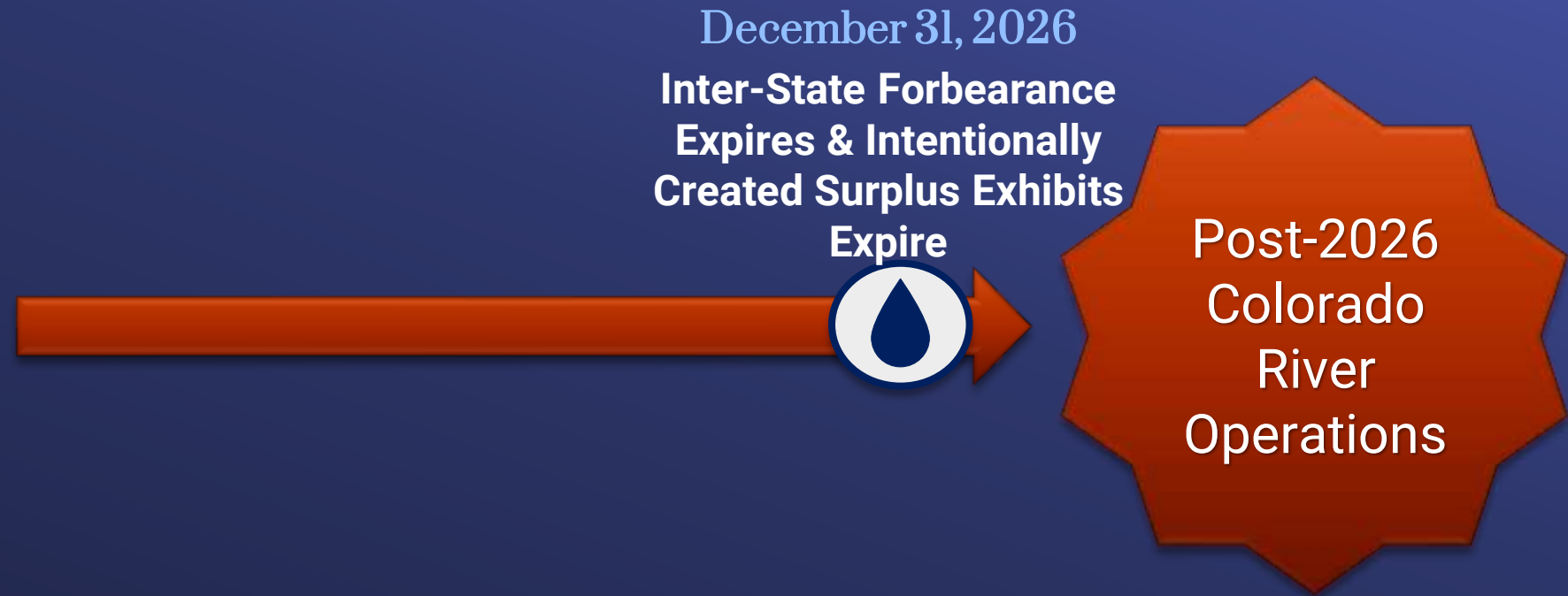
- AVEK HDWB System Conservation Project
- Turf Replacement System Conservation Project

### Current Action

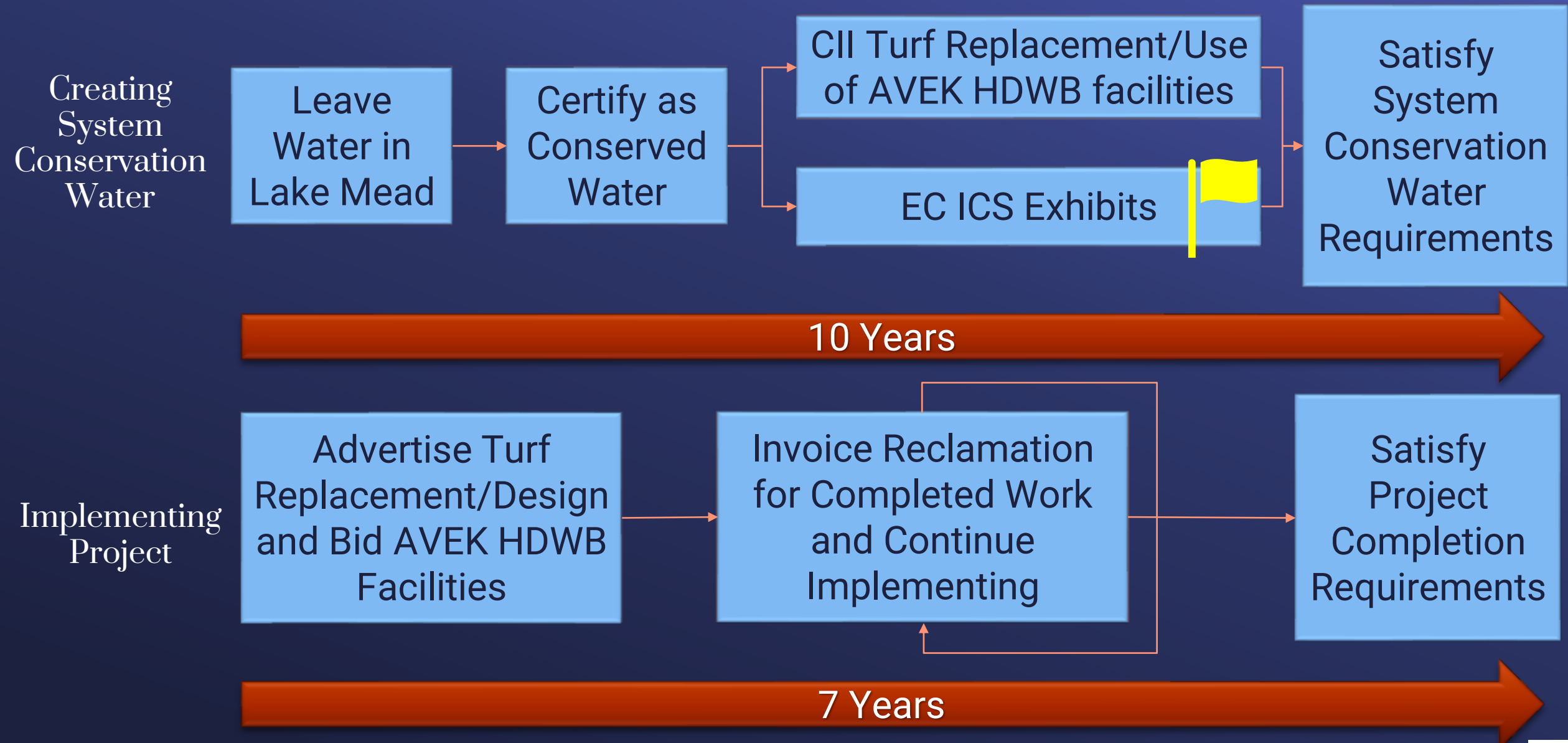
- IID System Conservation Project
- CVWD System Conservation Project
- MWD DAC Leak Detection and Repair System Conservation Project

### Future Actions

# Inter-State Forbearance and EC ICS Forbearance Expiring



# Predelivery of System Conservation Water



# Title of Slide

## Topic Goes Here

- First Bullet
- Second Bullet
  - Secondary Bullet
  - Tertiary Bullet

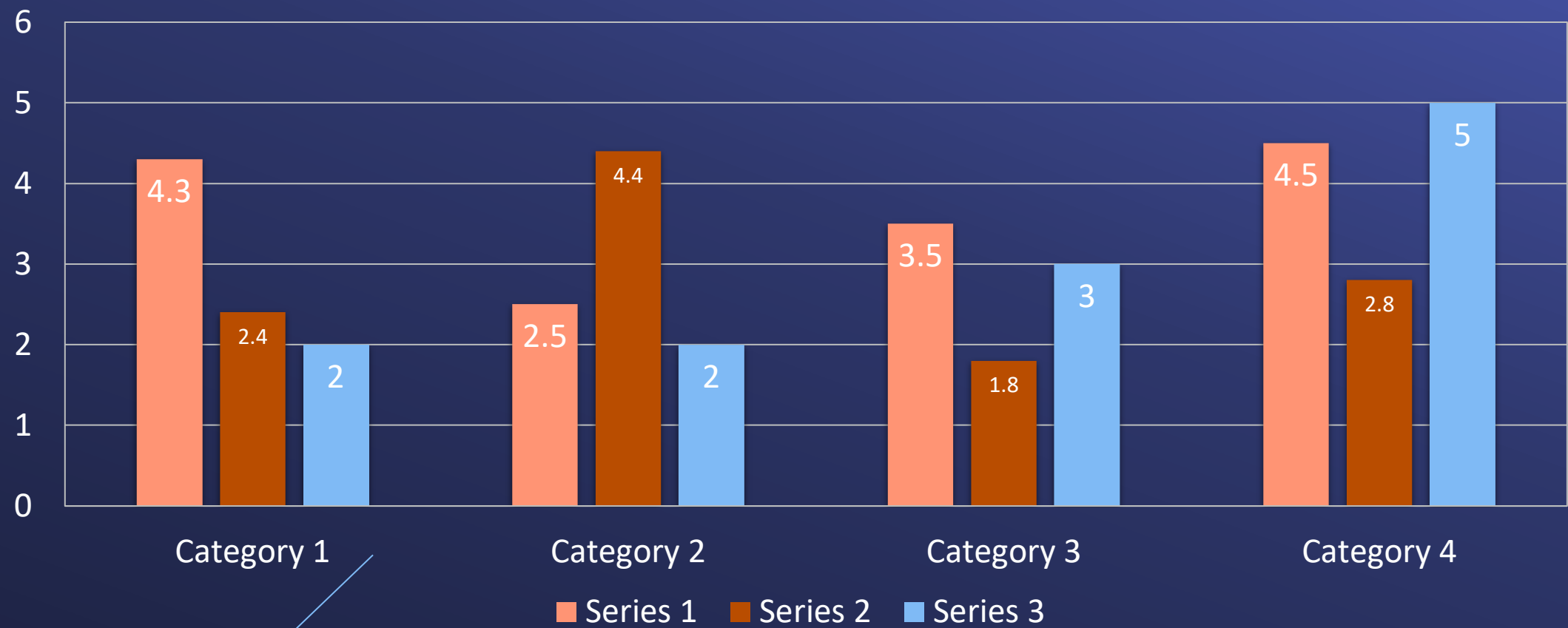


California

# Map Slide

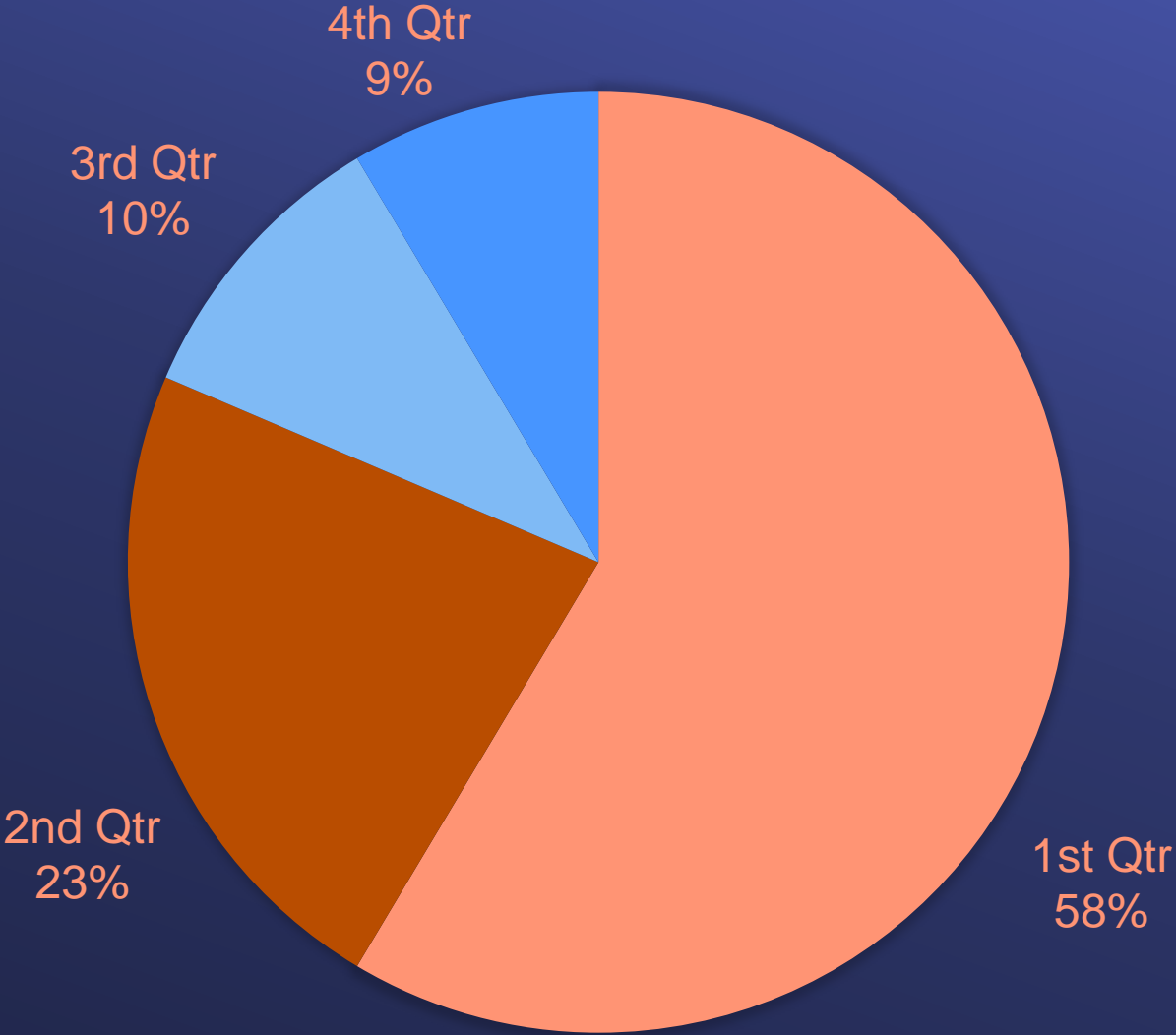
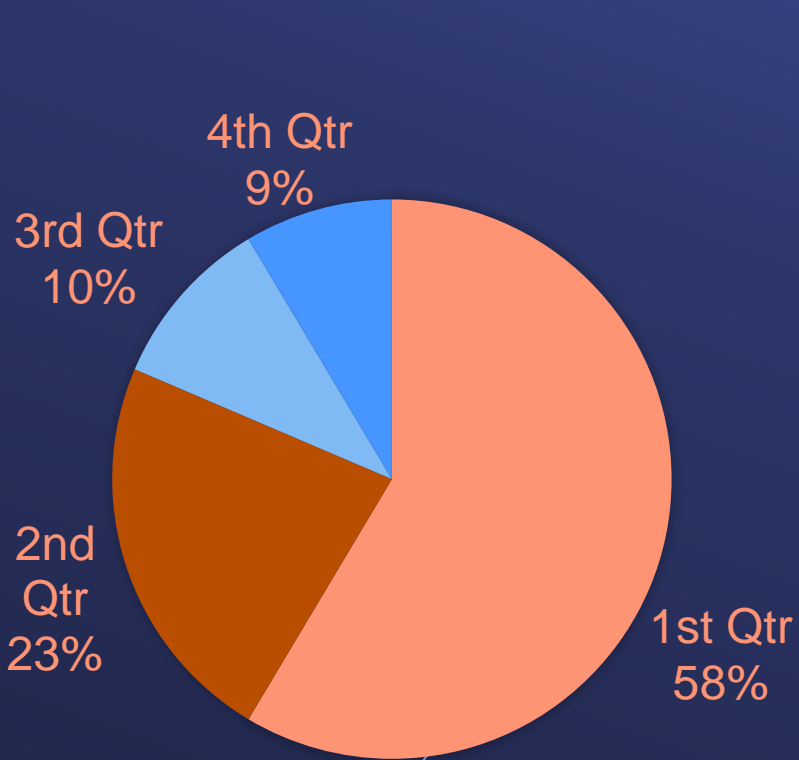


# Title of Bar Graph Here



**DESIGN NOTES:**  
**Graphs & Charts**  
Use theme color palette.

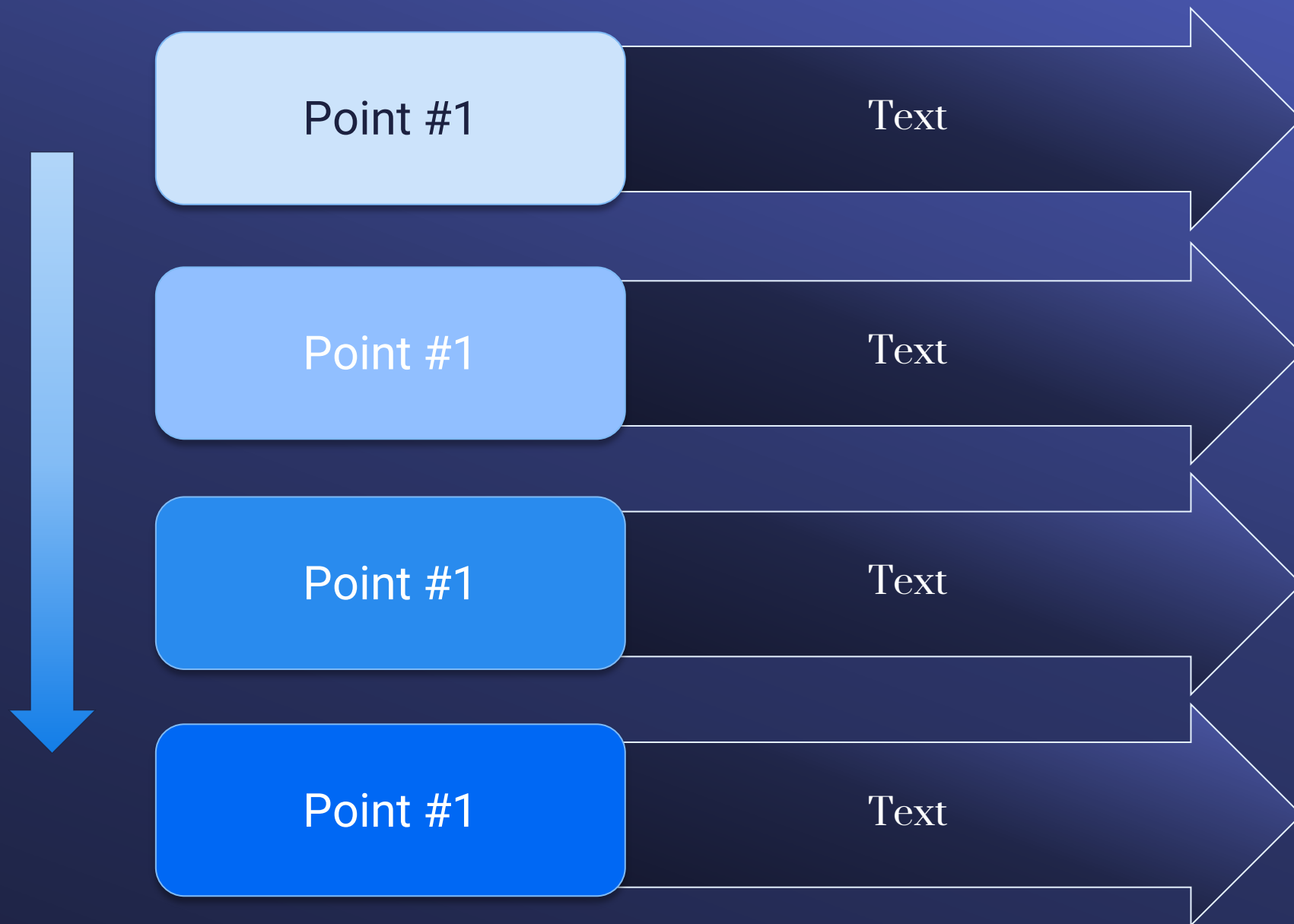
# Title of Pie Chart Here



**DESIGN NOTES:**  
**Graphs & Charts**  
Use theme color palette.

# Key Points

Sample Layout



## KEY FINDINGS

**87%** are concerned about drought conditions in California

**72%** say California's current drought has had an impact on their water usage

Residents under 30 are the most likely to increase their water efficiency



survey respondents aged **18-29** believe they can do more to be water efficient

People of color (66%) are likely to increase their water efficiency

Demographic of respondents who believe they can do more to be water efficient.



Telephone and online survey of 1,000 California residents July 15-22, 2021, conducted by Probolsky Research for State of California and ACWA

Sample Layout

# Research, Findings & Key Points

## Pipeline Retrofit

### Board Options

- Option #1  
Authorize agreements with Acme Engineers, Inc., in an amount not-to-exceed total of \$750,000 per year for a period of three years
- Option #2  
Do not proceed with these agreements at this time.

## Pipeline Retrofit

### Staff Recommendation

- Option #1  
Authorize agreements with Acme Engineers, Inc., in an amount not-to-exceed total of \$750,000 per year for a period of three years



Title of  
Presentation

Photo slide

Other Text Here

## Design Resources

# Document Fonts.

This presentation uses two primary fonts. Both are open-source Google fonts. Find the font specifications and download locations below:

## Prata

<https://fonts.google.com/specimen/Prata?query=prata>

## Roboto

<https://fonts.google.com/specimen/Roboto>



PROGRAMS



PUMPING



EXCHANGES



POINTS



CONSERVATION



STRATEGY



GROUNDWATER



SUBSIDENCE



WATER RATES



PARTNERSHIP



SNOWPACK



HABITAT



WASTEWATER



EARTHQUAKE



DROUGHT



VETERAN



LOCATION



WILDLIFE



ECONOMY



INFRASTRUCTURE



STORAGE

## Design Resources

# Icon Suite.

Here is a complementary suite of custom icons that represent many of Metropolitan's common talking points and functions.

Suggested applications are included, but feel free to use them in any context that makes sense in your presentation.



PROGRAMS



PUMPING



EXCHANGES



POINTS



CONSERVATION



STRATEGY



GROUNDWATER



SUBSIDENCE



WATER RATES



PARTNERSHIP



SNOWPACK



HABITAT



WASTEWATER



EARTHQUAKE



DROUGHT



VETERAN



LOCATION



WILDLIFE



ECONOMY



INFRASTRUCTURE



STORAGE



- **Board of Directors**  
***One Water and Stewardship Committee***

12/10/2024 Board Meeting

8-4

## Subject

Review and consider the Lead Agency's certified 2023 Final Environmental Impact Report for the Delta Conveyance Project and take related CEQA actions; and authorize the General Manager to enter into an amended agreement for preconstruction work planned for 2026-2027

## Executive Summary

In December 2020, Metropolitan executed a funding agreement with the California Department of Water Resources (DWR), through which Metropolitan committed to its share of the Delta Conveyance Project (DCP) planning and preconstruction costs that were anticipated at that time. Funds committed in 2020 cover expenditures planned through 2025. Post 2025, DWR must complete additional planning and preconstruction activities to advance the DCP and has requested \$300 million in total from all potential participants, \$141.6 million of which is Metropolitan's share.

DWR and Metropolitan have exchanged several letters (**Attachment 4**) addressing key issues raised by the Board that must be resolved prior to the DCP being implemented and prior to final decisions regarding Metropolitan's participation. These letters outlined DWR's commitments to ensure proportional and complete planning funding, secure key permits and certifications by the end of 2026, develop a plan to fund and finance project implementation, resolve protest items related to Metropolitan's Statement of Charges, and improve the near-term reliability of the SWP through a suite of climate adaptation strategies. With these commitments by DWR, staff developed an updated term sheet for the proposed funding agreement amendment that includes off-ramps to Metropolitan's future payment obligations if material, adverse changes in project benefits or costs occur during the two-year term of the agreement. Staff recommends that the Board authorize the General Manager to enter into an amended funding agreement for an amount not to exceed \$141.6 million for preconstruction work on the DCP planned during 2026-2027.

## Proposed Action(s)/Recommendation(s) and Options

### Staff Recommendation: Option #1

#### Option #1

Review and consider the Lead Agency's certified 2023 Final Environmental Impact Report (EIR) for the DCP, take related CEQA actions, and authorize the General Manager to enter into an amended agreement for preconstruction work on the DCP planned for 2026-2027.

**Fiscal Impact:** Metropolitan's 47.2 percent share of the \$300 million requested by DWR for DCP planning costs is \$141.6 million. Metropolitan's share of the planning costs is anticipated to be spent over the next three fiscal years (FY), including FY 2025/26 (~\$25.7 million), FY 2026/27 (~\$74.7 million), and FY 2027/28 (~\$41.3 million). The additional requested planning funds were not included in the second year of the adopted two-year budget that includes FY 2025/26, and therefore are not included in the adopted calendar year rates for 2026. Metropolitan recently secured a commitment from DWR for a refund of \$75 million in past SWP payments. Because the \$75 million will be received prior to January 1, 2026,

approval of the additional planning dollars would not have an impact on Metropolitan's already approved rates through 2026. Beginning January 1, 2027, Metropolitan's overall calendar year 2027 rates would need to increase by approximately three percent to generate sufficient revenues, on a cash basis, to cover expected expenditures through June 30, 2028.

**Business Analysis:** This option would allow DWR to continue to advance the DCP which would ultimately improve the reliability of the SWP, a critical component of Metropolitan's water supply portfolio. This additional funding will provide the Board significant additional information regarding the benefits and costs of the DCP prior to the Board making an implementation decision in 2027.

#### **Option #2**

Do not authorize the General Manager to enter into an amended agreement for preconstruction work on the DCP planned for 2026-2027.

**Fiscal Impact:** None

**Business Analysis:** This option would forego an opportunity to advance the DCP and provide significant additional information regarding the benefits and costs of the DCP prior to the Board making an implementation decision, result in loss of design and engineering leadership and staff, result in significant cost escalation if the project subsequently moves forward and risk further reduced reliability of the SWP if it does not.

#### **Applicable Policy**

---

By Minute Item 53012, dated October 11, 2022, the Board adopted the revision and restatement of Bay-Delta Policies.

#### **Related Board Action(s)/Future Action(s)**

---

Provided the staff recommendation is approved, a future decision would come before the Board in 2027 based on further design and permitting as well as an updated cost estimate and benefits cost analysis to determine whether, and if so, at what level Metropolitan would participate in the DCP.

#### **Summary of Outreach Completed**

---

In addition to the outreach conducted by DWR and the Delta Conveyance Design and Construction Authority (DCA), Metropolitan staff has undertaken extensive public outreach. To inform stakeholders about the Board's planned vote in December, staff created and distributed a fact sheet to member agencies and shared information with more than 100 community groups, local officials, and associations. Interested parties were encouraged to provide written comments in advance of the Board's deliberation and action. Executive staff has also attended multiple member agency board meetings as those agencies deliberated continued funding for preconstruction activities. Additionally, a Joint Board/One Water Committee workshop was held on November 18, 2024, at which the Board had an opportunity to engage directly with a diverse array of voices. The workshop featured two panels comprising representatives from environmental organizations, Delta counties, Tribal communities, business sectors and labor interests. In addition to the panel presentations, the Board participated in a roundtable discussion with a large number of workshop attendees and heard public comment.

#### **California Environmental Quality Act (CEQA)**

---

##### **CEQA determination for Option #1:**

Acting as the Lead Agency, DWR certified a Final EIR on December 21, 2023, for the DCP. DWR also approved Findings of Fact, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program, which DWR has exclusive responsibility to implement. The Final EIR, Mitigation Monitoring Reporting Program, and Notice of Determination are available at <https://www.deltaconveyanceproject.com/planning-processes/california-environmental-quality-act/final-eir/final-eir-document>. The CEQA Findings and Metropolitan's Statement of Overriding Considerations are included in **Attachment 1** and **Attachment 2**. The Board has reviewed and considered these environmental documents and adopts the attached findings of the Lead Agency and Statement of Overriding Considerations. (State CEQA Guidelines Section 15096.)

**CEQA determination for Option #2:**

None required

**Details and Background**

---

**Background**

In February 2019, in his State of the State address, Governor Newsom announced support for a single tunnel project. Consistent with the Governor's direction, in May 2019, DWR began planning for a single tunnel project. DWR is pursuing the DCP to improve the reliability and operational flexibility of the SWP given historical, emerging, and future risks from climate change, sea level rise, levee failure, and regulatory restrictions.

In April 2020, DWR and SWP Contractors agreed upon a framework, referred to as an Agreement in Principle (AIP), which would guide amendments to each SWP contract if the DCP proceeds to construction. The goals of the AIP are to provide the structure for: (1) allocating DCP costs and benefits to those SWP Contractors that decide to support construction of and participate in the DCP, and (2) protecting the existing SWP contract rights for those SWP Contractors that decide not to participate in the DCP. Decisions regarding participation are not anticipated until 2027. Staff provided information and a copy of the AIP to the Board at the October 27, 2020, Bay-Delta Committee meeting.

On December 8, 2020, the Metropolitan Board authorized the General Manager to execute a funding agreement for the recommended share of 47.2 percent (up to \$160.8 million) for planning and preconstruction costs for the DCP. The money Metropolitan provided to DWR under that agreement has been used to complete the Final EIR documenting design and operational refinements under CEQA, all major permit applications and supporting documentation, preliminary design to support environmental review, a cost estimate, and a benefit-cost analysis. Part of this effort also included Tribal consultation, outreach to environmental justice communities and advocates, and stakeholder engagement to avoid and reduce community impacts and coordination with responsible and trustee state and federal agencies. Completion of these efforts verifies that the project is permissible and improves understanding of project benefits, risks and costs. Additional details regarding milestones completed and upcoming work planned are provided below.

The funding request from DWR for Metropolitan's portion of the DCP planning and preconstruction costs for 2026 and 2027, along with the proposed amendment to the existing funding agreement to pay Metropolitan's share, was presented as an informational item to the Special Joint Meeting of the One Water and Stewardship Committee and Board of Directors Workshop in November 2024.

**Key Project Milestones****California Environmental Quality Act Compliance**

On January 15, 2020, DWR initiated a CEQA review and began developing alternatives and conducting the environmental impact analysis for the proposed project. DWR's fundamental purpose in proposing to develop new diversion and conveyance facilities in the Delta is to restore and protect the reliability of SWP water deliveries and, potentially, Central Valley Project (CVP) water deliveries south of the Delta, consistent with the state's Water Resilience Portfolio in a cost-effective manner. The above-stated purpose, in turn, gives rise to several related objectives of the DCP, as follows:

- To address anticipated rising sea levels and other reasonably foreseeable consequences of climate change and extreme weather events.
- To minimize the potential for public health and safety impacts from reduced quantity and quality of SWP water deliveries, and potentially CVP water deliveries, south of the Delta resulting from a major earthquake that causes breaching of Delta levees and the inundation of brackish water into the areas in which the existing SWP and CVP pumping plants operate in the southern Delta.
- To protect the ability of the SWP, and potentially the CVP, to deliver water when hydrologic conditions result in the availability of sufficient amounts, consistent with the requirements of state and federal law, including the California and Federal Endangered Species Acts and Delta Reform Act, as well as the terms and conditions of water delivery contracts and other existing applicable agreements.

- To provide operational flexibility to improve aquatic conditions in the Delta and better manage risks of further regulatory constraints on project operations.

After CEQA scoping concluded, the Draft EIR analyzed a range of potentially feasible project alternatives ranging from a single intake with a maximum capacity to divert 3,000 cubic feet per second (cfs) to three intakes with a maximum diversion capacity of 7,500 cfs, as well as three alignment options.

During the development of the Draft EIR, DWR organized informational meetings and engaged in Tribal consultations with California Native American Tribes regarding Tribal cultural resources, in line with the AB 52 Tribal Cultural Resources requirements under CEQA and DWR's Tribal Engagement Policy.

Alongside the formal CEQA analysis requirements, DWR conducted an environmental justice survey to gather insights from disadvantaged communities in the Sacramento-San Joaquin Delta region about their experiences related to work, living, recreation, and interaction with the Delta. The survey specifically targeted historically burdened, underrepresented, and low-income communities, including people of color and Indigenous and Tribal interests. The findings from this survey were included as Appendix 29A in the Draft EIR. The results highlighted key concerns and priorities, which were incorporated into the Draft EIR analysis. Additionally, these findings helped shape the development of the Community Benefits Program.

DWR released the Draft EIR for public review on July 27, 2022, which included a 142-day public comment period in which DWR received more than 700 letters and 7,000 individual comments.

On December 21, 2023, DWR certified the Final EIR, approved the Bethany Alignment (Alternative 5), adopted Findings of Fact, a Statement of Overriding Considerations and Public Trust findings, adopted a Mitigation Monitoring and Reporting Program, and issued a Notice of Determination. In certifying the EIR and approving the project, DWR determined the environmental review complies with CEQA, and the Final EIR reflects public input and DWR's independent judgment and analysis. This is a significant milestone and serves as the foundation for the evaluation of costs, benefits, and environmental impacts of the DCP.

The Final EIR identifies the participating SWP Contractors as responsible agencies for actions related to the DCP. DWR's Final EIR, Findings, Statement of Overriding Considerations, Mitigation Monitoring Reporting Plan, and Notice of Determination can be found at the official DWR website at:

<https://www.deltaconveyanceproject.com/planning-processes/california-environmental-quality-act/final-eir/final-eir-document>].

As a CEQA-responsible agency, prior to any approval of funding for preconstruction work, Metropolitan must consider the Final EIR, adopt DWR's CEQA findings for the DCP (**Attachment 1**) and adopt a Statement of Overriding Considerations (**Attachment 2**) regarding the preconstruction work's contributions, if any, to the DCP's potentially significant and unavoidable impacts. Note that because the Board would not be approving the DCP, just funding for 2026-2027 preconstruction work, the Statement of Overriding Considerations presented to the Board is specific to Metropolitan's continued funding of preconstruction activities and is different from DWR's Statement of Overriding Considerations for the DCP as a whole.

#### National Environmental Policy Act Compliance

On December 16, 2022, the U.S. Army Corps of Engineers (USACE) issued a Draft Environmental Impact Statement (EIS) for the construction of DCP. A Final EIS is anticipated by early 2025. Other federal permits (Clean Water Act Sections 404 and 401 and National Historic Preservation Act Section 106) will need to be completed prior to issuance of a Record of Decision. The issuance of the necessary federal permits and Record of Decision by the USACE would enable DCP construction activities that involve altering or modifying federally constructed levees (under the Rivers and Harbors Act Section 408 Permit) to go forward and allow for the discharge of dredged or fill materials into U.S. waters (under the Clean Water Act Section 404 & 401 Permits), among other activities.

#### California Endangered Species Act

On April 9, 2024, DWR submitted an Incidental Take Permit application to the California Department of Fish and Wildlife. This permit would cover the potential take of endangered species during the construction and operations of the DCP. An Incidental Take Permit is anticipated by the end of 2024. DWR is seeking permit coverage for the

proposed DCP, which addresses the potential incidental take of species listed under the California Endangered Species Act during the preconstruction, construction, maintenance, and operation of all proposed project facilities. This permit coverage will be effective from the date it is issued through the initial operations of the north Delta intakes. This is another significant milestone that will affect DCP operations and potential benefits.

#### Federal Endangered Species Act

The DCP has two coordinated federal processes for Federal Endangered Species Act (ESA) compliance, one to address construction and another covering operations. Federal ESA permitting for DCP operations is included as a programmatic element in the 2021 Consultation on the Coordinated Long-Term Operation of the CVP and the SWP. The U.S. Fish and Wildlife Service (USFWS) issued a Biological Opinion on November 8, 2024, and the National Marine Fisheries Service is expected to finalize a Biological Opinion for this process by the end of 2024. Federal ESA permitting for DCP construction is being led by USACE and DWR in a separate process. USACE submitted draft Biological Assessments to the federal fisheries agencies in May 2024. Final Biological Opinions for construction are expected to be complete in late 2024 or early 2025. These permits could affect project costs but would not affect operations and potential benefits.

#### Water Right Change Petition

On February 22, 2024, DWR submitted a change petition to the State Water Resources Control Board (SWRCB) to add the two new intake facilities as points of diversion and rediversion to the SWP water rights. Thirty-eight protests were submitted to the SWRCB. DWR has reached settlements to resolve some of the protests. The initial hearing has been scheduled for February 18, 2025.

#### Preliminary Design

In the initial design phase, the DCA, under the direction of DWR, formed a Stakeholder Engagement Committee (SEC) to facilitate the exchange of information and ideas aimed at minimizing project impacts on Delta communities and identifying meaningful community benefits. The SEC included Delta residents, business owners, Tribal representatives, and other interested parties. This committee convened regularly from November 2019 to December 2021. Input from the SEC enabled the design team to incorporate community-focused adjustments into the planning and conceptual design, helping to minimize or avoid potential negative impacts to communities and businesses whenever possible.

In November 2023, the DCA released updated final draft engineering project reports for the alternatives considered in the EIR. The original engineering project reports were first completed in May of 2022. The preliminary design of the approved project (Bethany Reservoir Alignment) was the basis of the updated cost estimate. In 2024, the DCA released a concept engineering report that provides comprehensive documentation of the approved project.

#### Community Benefits Program

The Community Benefits Program is anticipated to be a set of commitments made by project proponents in collaboration with local Delta communities to address potential community impacts that go beyond CEQA mitigation. The Community Benefits Program is intended to address challenges local communities may encounter during extended construction periods. The Project Cost Estimate released in May 2024 included \$200 million to fund the Community Benefits Program (equal to approximately 1 percent of the estimated project cost). DWR continues to develop key Community Benefit Program elements, including a grant program and individual agreements with Delta communities. On October 11, 2024, DWR released a Draft Implementation Plan and Guidelines for public review: [https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Delta-Conveyance/Public-Information/CBP-Draft-Implementation-Plan\\_Final\\_Oct2024\\_Final.pdf](https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Delta-Conveyance/Public-Information/CBP-Draft-Implementation-Plan_Final_Oct2024_Final.pdf). DWR is accepting public comments through March 1, 2025.

### Delta Plan Certification of Consistency

On October 8, 2024, DWR submitted a draft certification of consistency with the Delta Stewardship Council's Delta Plan for geotechnical activities planned for 2024 through 2026. Four appeals, representing about eighteen local agencies, conservation groups, and Tribes, were filed by the appellant deadline of November 7, 2024. The Delta Stewardship Council will hold a hearing on December 19, 2024, and issue a final determination on the appeals within an additional 60 days. DWR may not initiate implementation of the geotechnical work until the Delta Stewardship Council denies all administrative appeals and the trial court where the ten coordinated CEQA cases are pending lifts the preliminary injunction.

DWR has begun preparing a certification of consistency for the DCP and anticipates filing it by late 2025. Notably, the Delta Stewardship Council does not issue a permit and is not authorized to impose conditions of approval on the DCP.

### Project Cost

On May 17, 2024, the DCA released an updated cost estimate of \$20.1 billion in real 2023 (undiscounted) dollars. A preliminary cost assessment conducted in 2020, early in the design process, estimated the project at \$16 billion. Accounting for inflation to 2023 dollars, the two estimates are similar in cost. The 2023 cost estimate was robust and includes a 30-percent cost contingency for construction and utilizes both a bottom-up and a top-down approach – with both methods yielding similar costs. Costs will be updated again once geotechnical work and additional engineering has been completed, including the incorporation of any design and construction innovations that would reduce project costs.

### Benefit-Cost Analysis

On May 16, 2024, DWR released the benefit-cost analysis for the project prepared by the Berkeley Research Group, utilizing the revised cost estimate. The project benefits were compared to future conditions consistent with the objectives of the EIR. The report calculated a benefit-cost ratio of 2.21:1, meaning that the value of the benefits would be more than double the value of the costs. A ratio greater than 1:1 generally indicates a good value for the investment. At the June and July 2024 One Water and Stewardship (OWS) Committee meetings, the Board received presentations on the DCP costs and the cost-benefit analysis.

### **Work Planned Through 2025**

Now that the environmental review is complete and the project has been approved, DWR will take the next steps to finalize state and federal permits and necessary authorizations. DWR will also continue to develop a Community Benefits Program. DWR will advance the development of a plan of finance and contract amendments. DWR intends to submit a certification of consistency for the full project to the Delta Stewardship Council in late 2025, which will then adjudicate any appeals. The water rights hearing at the SWRCB is scheduled to begin in February 2025. The purpose of the hearing is to gather evidence to determine whether the SWRCB will approve the petitions and, if so, what specific terms and conditions should be included in the amended SWP water rights permits. This is a critical path item that may affect the operations, benefits, and the viability of the DCP.

### **Additional Work Requiring Funding 2026-2027**

DWR currently anticipates completing the SWRCB and the Delta Stewardship Council processes by the end of 2026 and advancing to the project implementation phase in 2027. The DCA will advance the project's design from the current 5 percent up to approximately 30 percent. This phase of project design will include conducting subsurface and site investigations and surveys, providing engineering support of permit activities as requested by DWR, and developing engineering studies to evaluate conceptual design assumptions and consider refinements that will influence construction costs. The planned activities through 2027 will provide new information needed to refine benefits, risks, and costs prior to the Board making a final decision on project participation beyond the current planning phase. The updated information will be needed prior to evaluating the DCP through the CAMP4W process.

### Existing/Potential Litigation

In addition to the information provided above under Milestones Completed, there is litigation that implicates the DCP: ten consolidated CEQA cases and the validation action. Information regarding current litigation was provided to the Legal and Claims Committee at its November 2024 meeting.

As the work planned for 2025, 2026, and 2027 is completed, there is a risk of additional litigation. If litigation is filed based on that completed work, staff will update the Board so the Board will be apprised of all litigation and outcomes before the Board would be asked to make a final decision regarding participation in the implementation of the DCP.

Notably, for pending and potential future litigation, the litigation does not automatically halt activities; many agencies proceed as planned unless and until a court issues an injunction. In addition, if a court finds the agency that acted committed an error, it cannot direct a change in the project; it may only direct the action agency to reconsider its action in light of the court's ruling, which often causes the agency to correct any stated deficiencies by supplementing the evidentiary record or undertaking additional process.

### Funding and Financial Considerations

Approximately \$300 million of additional investment has been requested to fund planning and preconstruction activities in 2026 and 2027. This additional investment includes both DWR and DCA expenditures, and would also help keep the project on schedule, reduce cost escalation, and retain key DCA functions and staff. To meet the \$300 million funding request, each agency investing in the additional planning and preconstruction activities would contribute a percentage of the costs. Currently, some, but not all, agency board decisions on participation levels have occurred and will be presented at committee. Assuming Metropolitan participates at its proportional share of 47.2 percent, Metropolitan's additional obligation would be \$141.6 million.

The proposed funding agreement amendment terms (**Attachment 3**) would authorize funding for work planned through 2027. The proposed funding agreement amendment would allow Metropolitan and DWR to determine the timing and collection of funds. Notably, the amended agreement will provide Metropolitan with contractual off-ramps for future payment obligations if events cause material and adverse changes in project benefits or costs. Finally, like prior agreements, the proposed funding agreement amendment would provide that funds would be reimbursed to Metropolitan if the project is approved and implemented and bonds are issued to finance the project. If the DCP did not move forward and was not implemented, DWR would not be under an obligation to issue bonds to reimburse participants for planning costs. Action to fund planning at this time does not commit Metropolitan to participate in the project in the future. At a subsequent meeting, expected in 2027, the Board would consider whether to commit Metropolitan to the project and its share of the design and construction costs.

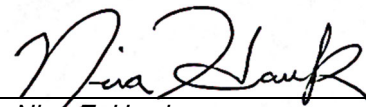
### Correspondence Between Metropolitan and DWR

On October 8, 2024, staff presented information about managing risks and water supply reliability in the Bay-Delta to the OWS Committee. At the conclusion of the committee meeting, the Interim General Manager indicated additional information would be needed from the State administration in order to support the Board's deliberation in December. On October 24, 2024, the Interim General Manager sent a letter to DWR requesting this additional information. Metropolitan received two letters in response which outlined DWR's commitment to:

- Refunding \$75 million to Metropolitan no later than December 2025 as an initial step towards resolution of longstanding protest items.
- Completion of all key permitting and certification processes by the end of 2026, including water rights and Delta Plan consistency certification.
- Adherence to proportionate planning and implementation funding consistent with the beneficiary pays principle to ensure there are no subsidies among participants.
- Development of innovative new long-term financing approaches to close the funding gap.
- Evaluation and implementation of a portfolio of climate adaptations to improve near-term SWP reliability, outlined in DWR's first Climate Adaptation Strategy to be published in early 2025.

- Pausing funding or returning unspent funds should substantial permitting issues arise or if Metropolitan chooses not to fund capital construction costs.

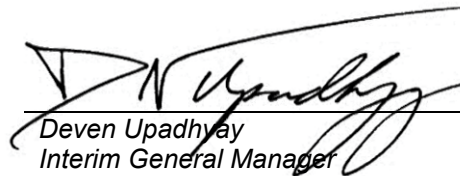
Staff recommends that the Board authorize the General Manager to enter into an amended funding agreement for an amount not to exceed \$141.6 million for planning and preconstruction work planned in 2026-2027 that is consistent with DWR's commitments that are outlined above.



Nina E. Hawk  
Chief of Bay-Delta Resources/Group  
Manager, Bay-Delta Initiatives

11/27/2024

Date



Deven Upadhyay  
Interim General Manager

11/27/2024

Date

**Attachment 1 – DWR's CEQA Findings**

**Attachment 2 – Metropolitan's Statement of Overriding Considerations**

**Attachment 3 – Key Terms of Funding Agreement Amendment – December 2024**

**Attachment 4 – Correspondence between Metropolitan and DWR**

Ref# eo12699488

1

2

3

Exhibit A

CEQA Findings of Fact for the Project’s Significant and Unavoidable Impacts, Impacts that are Less Than Significant after Mitigation and Impacts that are Less Than Significant/No Impact

4

Table 1: CEQA Findings of Fact for Significant and Unavoidable Project Impacts

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Adopted Mitigation Measures	Impact Conclusion After Mitigation- CEQA	Findings of Fact
<b>Agricultural Resources</b>				
Impact AG-1: Convert a Substantial Amount of Prime Farmland, Unique Farmland, Farmland of Local Importance, or Farmland of Statewide Importance as a Result of Construction of Water Conveyance Facilities	Significant	MM AG-1: Preserve Agricultural Land	Significant and Unavoidable	<p>Mitigation Measure AG-1: Preserve Agricultural Land would reduce the extent of the remaining impacts that could not be avoided through careful project planning. However, these impacts would remain significant and unavoidable after implementation of the mitigation measures because conservation of agricultural farmland through acquisition of agricultural conservation easements, even at a ratio of 1:1 or greater, would not avoid a net loss of Important Farmland in the study area.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>
Impact AG-2: Convert a Substantial Amount of Land Subject to Williamson Act Contract or under Contract in Farmland Security Zones to a Nonagricultural Use as a Result of Construction of Water Conveyance Facilities	Significant	MM AG-1: Preserve Agricultural Land	Significant and Unavoidable	<p>Project facilities would result in permanent conversion of around 1,100 acres of land under Williamson Act contract.</p> <p>There is projected to be temporary or permanent conversion of approximately 39 acres of agricultural land within a Farmland Security Zone under the Project. The permanent impacts on land under contract with Farmland Security Zone would be associated with the shaft sites and new overhead power transmission lines, while the temporary impacts would result from work associated with geotechnical exploration sites and underground installation of utility lines.</p> <p>DWR would comply with all applicable provisions of California Government Code Sections 51290–51295 as they pertain to acquiring lands subject to Williamson Act contract.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>
<b>Aesthetics and Visual Resources</b>				
Impact AES-1: Substantially Degrade the Existing Visual Character or Quality of Public Views (from Publicly Accessible Vantage Points) of the Construction Sites and Visible Permanent Facilities and Their Surroundings in Nonurbanized Areas	Significant	MM AES-1a: Install Visual Barriers between Construction Work Areas and Sensitive Receptors MM AES-1b: Apply Aesthetic Design Treatments to Project Structures MM AES-1c: Implement Best Management Practices in Project Landscaping Plan	Significant and Unavoidable	Construction of the Project would substantially affect the existing visual quality and character present in the study area from public roads, residences, and areas of visual effect in the vicinity of project sites. Contributing to this impact would include the long-term nature of facility construction at all of the major project sites and visibility of heavy construction equipment in the proximity to sensitive vantage points; removal of residences and agricultural buildings; removal of riparian vegetation and other mature vegetation or landscape plantings; earthmoving and grading that result in changes to topography in areas that are predominantly flat, as well as dust generation; addition of large-scale industrial-looking structures (e.g., intakes, pumping plants, discharge structures and related facilities); remaining presence of large-scale reusable tunnel material (RTM) area landscape effects; and introduction of tall lattice steel transmission towers. Because of the combined effect of multiple and concurrent

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Adopted Mitigation Measures	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				<p>construction sites on localized views, the length of time construction would occur, and the changes permanent facilities would have on multiple short- and long-range views in the study area and high viewer sensitivity, this impact is considered to be significant at several sites, as shown in Table 18- 14. This conclusion also takes into consideration the Project’s visual effects in a large Delta landscape. Although in a regional context the Project would affect a relatively small portion of the Delta limited to the distinct and discrete project sites, construction and permanent facility changes in visual quality and character would be substantially reduced in a number of locations in the study area.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>
Impact AES-2: Substantially Damage Scenic Resources including, but Not Limited to, Trees, Rock Outcroppings, and Historic Buildings Visible from a State Scenic Highway	Significant	MM AES-1b: Apply Aesthetic Design Treatments to Project Structures MM AES-1c: Implement Best Management Practices in Project Landscaping Plan	Significant and Unavoidable	<p>Because visual elements associated with the Project would conflict with the existing forms, patterns, colors, and textures along State Route (SR) 160; would dominate riverfront views available from SR 160; and would alter broad views and the general nature of the visual experience presently available from SR 160 (thereby permanently damaging the scenic resources along a state scenic highway), these impacts are considered significant. Mitigation Measures AES-1b: Apply Aesthetic Design Treatments to Project Structures and AES-1c: Implement Best Management Practices in Project Landscaping Plan would help reduce these impacts through the application of aesthetic design treatments to all structures, to the extent feasible. However, impacts on visual resources resulting from damage to scenic resources that may be viewed from a state scenic highway would not be reduced to a less-than-significant level because even with Mitigation Measures AES-1b and AES-1c 17 the overall view from SR 160 to the location of intakes would change from open agricultural land to a large industrial-type facility. There would be noticeable to very noticeable changes to the visual character of a state scenic highway viewshed that do not blend or are not in keeping with the existing visual environment based upon the viewer’s location in the landscape relative to the visible change. Thus, overall, this impact would be significant and unavoidable.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>
Impact AES-3: Have Substantial Significant Impacts on Scenic Vistas	Significant	MM AES-1a: Install Visual Barriers between Construction Work Areas and Sensitive Receptors MM AES-1b: Apply Aesthetic Design Treatments to Project Structures MM AES-1c: Implement Best Management Practices in Project Landscaping Plan	Significant and Unavoidable	<p>The Project would include some facilities or components that would result in significant and unavoidable impacts on existing visual quality and character within the study area including scenic vistas. Mitigation Measures AES-1a: Install Visual Barriers between Construction Work Areas and Sensitive Receptors, AES-1b: Apply Aesthetic Design Treatments to Project Structures, and AES-1c: Implement Best Management Practices in Project Landscaping Plan would reduce scenic vista impacts in the same way described for effects on visual quality and character. Overall, not all impacts would be reduced to a less-than-significant level because, although environmental commitments and mitigation measures would reduce some aspects of the impact on scenic vistas, these measures would only partially reduce effects for the same reasons described for Impact AES-1.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Adopted Mitigation Measures	Impact Conclusion After Mitigation- CEQA	Findings of Fact
<b>Cultural Resources</b>				
Impact CUL-1: Impacts on Built-Environment Historical Resources Resulting from Construction and Operation of the Project	Significant	MM CUL-1a: Avoid Impacts on Built-Environment Historical Resources through Project Design MM CUL-1b: Prepare and Implement a Built-Environment Treatment Plan in Consultation with Interested Parties	Significant and Unavoidable	<p>Construction of project features may require physical alteration of 7 built-environment historical resources. Construction may also result in changes to the setting of 7 built-environment historical resources. Both material alterations to the integrity of materials, design, or workmanship, as well as material alterations to the integrity of setting, feeling, or association would impact the historical resource by removing character-defining features of the resource or altering the resource’s character, resulting in an impairment of the resource’s ability to convey its significance. For these reasons this would be a significant impact. Mitigation Measure CUL-1a: Avoid Impacts on Built-Environment Historical Resources through Project Design and Mitigation Measure CUL-1b: Prepare and Implement a Built Environment Treatment Plan in Consultation with Interested Parties may mitigate these effects but cannot guarantee they would be entirely avoided. The scale of the Project and the constraints imposed by other environmental resources would make avoidance of all significant impacts unlikely. For these reasons, even with MM CUL-1a and MM CUL-1b, this impact would be significant and unavoidable. All mitigation will be completed under the oversight of individuals who meet the Secretary of the Interior Professional Qualifications Standards and have demonstrable experience conducting the recommended measures (MM CUL-1a and MM CUL-1b).</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>
Impact CUL-2: Impacts on Unidentified and Unevaluated Built-Environment Historical Resources Resulting from Construction and Operation of the Project	Significant	MM CUL-2: Conduct a Survey of Inaccessible Properties to Assess Eligibility and Determine Whether These Properties Will Be Adversely Affected by the Project	Significant and Unavoidable	<p>Construction of project facilities may require the alteration of built-environment historical resources. Construction may also result in material alterations to the integrity of feeling, setting, or association. Changes to the setting would be material alterations because they would either remove the resource or alter the resource’s character, resulting in a diminishment of the resource’s ability to convey its significance. For these reasons this would be a significant impact. Mitigation Measure CUL-2: Conduct a Survey of Inaccessible Properties to Assess Eligibility and Determine Whether These Properties Will Be Adversely Affected by the Project may mitigate these impacts, but cannot guarantee they would be entirely avoided. The scale of the Project and the constraints imposed by other environmental resources make avoidance of all significant impacts unlikely. For these reasons, even with MM CUL-2, this impact would be significant and unavoidable.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>
Impact CUL-3: Impacts on Identified Archaeological Resources Resulting from the Project	Significant	MM CUL-3a: Prepare and Implement an Archaeological Resources Management Plan MM CUL-3b: Conduct Cultural Resources Sensitivity Training MM CUL-3c: Implement Archaeological Protocols for Field Investigations	Significant and Unavoidable	<p>Field investigations and construction of conveyance facilities would affect identified archaeological resources that occur in the footprint of the Project. This impact would be significant because construction would materially alter or destroy the spatial associations between these resources and their archaeological data, which has the potential to yield information useful in archaeological research and is the basis for the significance of these resources. Identified but currently inaccessible resources may also be significant under other California Register of Historical Resources (CRHR) criteria. Mitigation Measure CUL-3a: Prepare and Implement an Archaeological Resources Management Plan, Mitigation Measure CUL-3b: Conduct Cultural Resources Sensitivity Training, and Mitigation Measure CUL-3c: Implement Archaeological Protocols for Field Investigations would mitigate this impact by training personnel and recovering scientifically important material prior to construction through the sensitive area, but would not guarantee that all of the scientifically consequential</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Adopted Mitigation Measures	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				<p>information would be retrieved because feasible archaeological excavation typically only retrieves a sample of the deposit, and portions of the site with consequential information may remain after treatment. Construction could damage these remaining portions of the deposit. Therefore, even with mitigation, this impact would be significant and unavoidable.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>
Impact CUL-4: Impacts on Unidentified Archaeological Resources That May Be Encountered in the Course of the Project	Significant	MM CUL-3a: Prepare and Implement an Archaeological Resources Management Plan MM CUL-3b: Conduct Cultural Resources Sensitivity Training MM CUL-3c: Implement Archaeological Protocols for Field Investigations	Significant and Unavoidable	<p>Construction has the potential to disturb previously unidentified archaeological resources qualifying as historical resources or unique archaeological resources. Because direct excavation, compaction, or other disturbance may disrupt the spatial associations that contain scientifically useful information, these activities would alter the potential basis for eligibility, thus materially altering the resource and resulting in a significant impact. Because these resources would not be identified prior to construction, they cannot be recorded, and impacts cannot be managed through construction treatment. Mitigation Measures CUL-3a: Prepare and Implement an Archaeological Resources Management Plan, CUL-3b: Conduct Cultural Resources Sensitivity Training, and CUL-3c: Implement Archaeological Protocols for Field Investigations would reduce the potential for this impact by implementing monitoring and discovery protocols and providing training to all personnel involved in ground-disturbing activities. However, because archaeological resources may not be identified through these measures prior to disturbance, the effect cannot be entirely avoided. Therefore, this impact would remain significant and unavoidable because resource locations and extents are unknown.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>
Impact CUL-5: Impacts on Buried Human Remains	Significant	MM CUL-3a: Prepare and Implement an Archaeological Resources Management Plan MM CUL-3b: Conduct Cultural Resources Sensitivity Training MM CUL-3c: Implement Archaeological Protocols for Field Investigations MM CUL-5: Follow State and Federal Law Governing Human Remains If Such Resources Are Discovered during Construction	Significant and Unavoidable	<p>The study area is sensitive for buried human remains. Construction would require ground-disturbing work that may damage previously unidentified human remains, resulting in direct effects on these resources. Disturbance of human remains, including remains interred outside of cemeteries, is considered a significant impact in the CEQA Appendix G checklist; therefore, any disturbance of such remains would be a significant impact. Mitigation Measures CUL-3a: Prepare and Implement an Archaeological Resources Management Plan, CUL-3b: Conduct Cultural Resources Sensitivity Training, and CUL-3c: Implement Archaeological Protocols for Field Investigations would reduce the potential for this impact and its severity by implementing monitoring and discovery protocols and providing training to all personnel involved in ground-disturbing activities, but not to a less-than-significant level because they would not guarantee that buried human remains could be discovered and treated in advance of construction; the scale of construction makes it technically and economically infeasible to perform the level of sampling necessary to identify all such buried human remains prior to construction. Therefore, this impact, even with mitigation, would be significant and unavoidable.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Adopted Mitigation Measures	Impact Conclusion After Mitigation- CEQA	Findings of Fact
<b>Transportation</b>				
Impact TRANS-1: Increased Average VMT Per Construction Employee versus Regional Average	Significant	MM TRANS-1: Implement Site-Specific Construction Transportation Demand Management Plan and Transportation Management Plan	Significant and Unavoidable	<p>Construction of the Project would result in additional vehicle miles traveled (VMT) to the regional transportation system and increase the total amount of driving and distances traveled for home-based work trips when compared to the regional average of 22.5 miles per day. This increase would be a temporary but long-term and a substantial VMT impact because conveyance facility construction employee VMT would exceed the regional VMT average over the course of the construction time period for Project facilities.</p> <p>This level of carpool participation is a goal that may not be achieved because construction workers will be drawn from the region in a manner that may not be conducive to large-scale carpooling or vanpooling. Because of the logistics of requiring construction workers to carpool/vanpool near their place of residence to project construction sites, and the uncertainty that this goal would be achieved, Impact TRANS-1 is considered significant and unavoidable with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>
<b>Air Quality and Greenhouse Gases</b>				
Impact AQ-5: Result in Exposure of Sensitive Receptors to Substantial Localized Criteria Pollutant Emissions	Significant	MM AQ-5: Avoid Public Exposure to Localized Particulate Matter and Nitrogen Dioxide Concentrations	Significant and Unavoidable	<p>The impact would be significant under CEQA for the Project because construction could contribute to existing violations or create new violations of the particulate matter (PM) that is 2.5 microns in diameter and smaller (PM2.5) and particulate matter that is 10 microns in diameter and smaller (PM10) standards. Construction of the Project would generate maximum 1-hour nitrogen dioxide (NO<sub>2</sub>) concentrations above the National Ambient Air Quality Standards (NAAQS).</p> <p>No other violations of the ambient air quality standards would result during project construction. Likewise, off-site construction traffic would not contribute to a localized violation of the California ambient air quality standards (CAAQS) or national ambient air quality standards (NAAQS) at intersections throughout the transportation network. Emissions from long-term Operation &amp; Maintenance activities would not cause or contribute to violations of the CAAQS and NAAQS.</p> <p>Environmental Commitments EC-7: Off-Road Heavy-Duty Engines through EC-13: DWR Best Management Practices to Reduce Greenhouse Gas (GHG) Emissions would minimize construction emissions through implementation of the on-site controls. However, exceedances of the significant impact levels (SILs) and ambient air quality standards would still occur, and the project would contribute a significant level of localized air pollution within the local air quality study area.</p> <p>Mitigation Measure AQ-5: Avoid Public Exposure to Localized Particulate Matter and Nitrogen Dioxide Concentrations is required to reduce potential public exposure to elevated ambient concentrations of PM and NO<sub>2</sub> during construction. As discussed above, the predicted results presented in Tables 23-55 through 23-58 are conservative because they combine worst-case meteorological conditions with the highest daily and annual construction emissions estimates. Mitigation Measure AQ-5 requires additional PM and NO<sub>2</sub> modeling to provide a more refined estimate of hourly and annual concentrations that are expected to occur during the construction period. If the refined modeling predicts an exceedance of the SIL or violation of the NO<sub>2</sub> NAAQS, the measure requires DWR to conduct ambient air quality monitoring during</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Adopted Mitigation Measures	Impact Conclusion After Mitigation- CEQA	Findings of Fact
<p>construction. Results of the monitoring would be used to inform decision-making on further actions to reduce pollutant concentrations. While these actions would lower exposure to project-generated air pollution, it may not be feasible to completely eliminate all localized exceedances of the SILs and ambient air quality standards. Accordingly, this impact is determined to be significant and unavoidable.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>				
<b>Noise and Vibration</b>				
Impact NOI-1: Generate a Substantial Temporary or Permanent Increase in Ambient Noise Levels in the Vicinity of the Project in Excess of Standards Established in the Local General Plan or Noise Ordinance, or Applicable Standards of Other Agencies	Significant	MM NOI-1: Develop and Implement a Noise Control Plan	Significant and Unavoidable	<p>Construction-related noise would exceed daytime and nighttime noise level criteria at intakes, shaft sites, the Bethany Complex, and associated infrastructure under the Project. Depending on facility location relative to noise-sensitive receptors, the duration of daytime criteria exceedance would vary from 1 week to up to 14 years on a nonconsecutive basis. The duration of nighttime criteria exceedance would vary from 1 week to 5 months on a nonconsecutive basis. The exceedance of daytime and nighttime noise level criteria for these durations would result in a significant impact. Mitigation Measure NOI-1: Develop and Implement a Noise Control Plan would reduce noise levels through pre-construction actions, sound-level monitoring, best noise control practices, and installation of noise barriers.</p> <p>Mitigation Measure NOI-1 would reduce the severity of this impact to less-than-significant levels if property owners elect to participate in the sound insulation program to reduce noise impacts. DWR cannot ensure that property owners will voluntarily participate in the program and accept sound insulation improvements. If a property owner does not elect to participate in the sound insulation program, the impact would remain significant and unavoidable. Conservatively, the impact due to construction noise is determined to be significant and unavoidable after mitigation. However, if improvements required to avoid significant impacts are accepted by all eligible property owners, impacts would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that substantially lessen, but do not avoid, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>
<b>Paleontological Resources</b>				
Impact PALEO-2: Cause Destruction of a Unique Paleontological Resource as a Result of Tunnel Construction and Ground Improvement	Significant	No feasible mitigation is available to address this impact.	Significant and Unavoidable	<p>Construction of water conveyance facilities could cause the destruction of unique paleontological resources because tunneling would occur in geologic units with high sensitivity for paleontological resources: the Modesto and Riverbank Formations. The Project could destroy unique paleontological resources, with varying degrees of magnitude (Table 28-11). Excavation using the tunnel boring machine (TBM) for the tunnels could destroy unique paleontological resources because tunneling would involve large-scale ground disturbance that would not be accessible to monitors and would occur in geologic units sensitive for paleontological resources. This tunneling would occur at depths greater than 100 feet and therefore the geologic units affected would not be accessible to paleontologists and any fossils would not be available for scientific study. It cannot, however, be known whether paleontological resources would be present because paleontological resources are not distributed evenly throughout a geologic unit. Nevertheless, given the volume of material excavated by tunneling (Table 28-4) that would occur in the Modesto and Riverbank Formations, which are both sensitive for paleontological resources, and the consistency of the</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Adopted Mitigation Measures	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				<p>reusable tunnel material (RTM) generated by the TBM (i.e., too fine to contain macrofossils), tunneling could result in a significant impact. No mitigation is available to address this impact. The impacts of tunneling would therefore be significant and unavoidable.</p> <p>Ground improvement would consist of in-situ mixing of amendments, such as cement grout, into the subsurface to improve stability. If this improvement occurs in the Modesto or Riverbank Formations and paleontological resources are present, ground improvement would damage or destroy these resources because the activity cannot be viewed or stopped by a paleontological monitor. No mitigation is available to address this impact. The impacts of ground improvement would therefore be significant and unavoidable.</p> <p>Findings: Impacts are significant and unavoidable and no feasible mitigation measures have been identified.</p>
Tribal Cultural Resources				
Impact TCR-1: Impacts on the Delta Tribal Cultural Landscape Tribal Cultural Resource Resulting from Construction, Operations, and Maintenance of the Project Alternatives	Significant	MM TCR-1a: Avoidance of Impacts on Tribal Cultural Resources MM TCR-1b: Plans for the Management of Tribal Cultural Resources MM TCR-1c: Implement Measures to Restore and Enhance the Physical, Spiritual, and Ceremonial Qualities of Affected Tribal Cultural Resources MM TCR-1d: Incorporate Tribal Knowledge into Compensatory Mitigation Planning (Restoration)	Significant and Unavoidable	<p>Project construction and operational activities would impair character-defining features that qualify the Delta Tribal Cultural Landscape (TCL) for listing in the CRHR. The Project would materially impair affiliated Tribes’ ability to physically, spiritually, or ceremonially experience these character-defining features: the Delta as a holistic place that is a Tribal homeland and place of origin, terrestrial and aquatic plant and animal species habitats that are part of the Delta’s ecosystem and the heritage of Tribes, ethnohistorical locations that are sacred places and historically important, archaeological sites, and views and vistas of and from the Delta that are sacred and important to the heritage of Tribes. While other chapters have identified mitigation measures to address project effects on several of the natural resources that also qualify as character-defining features for the Tribal cultural resource (such as the Compensatory Mitigation Plan) these are aimed at satisfying certain regulatory requirements for ecological conservation and may not mitigate for the impacts to Tribal cultural resources. DWR will coordinate with Tribes to incorporate Tribal values into compensatory mitigation; however, these measures may not reduce the impacts to a less-than-significant level. Because the project would materially impair character-defining features of the Delta TCL, and project commitments and mitigation measures would not fully avoid or reduce such impacts, the impact on the Delta TCL would be significant. DWR has identified four measures for mitigating this impact: Mitigation Measures TCR-1a: Avoidance of Impacts on Tribal Cultural Resources, TCR-1b: Plans for the Management of Tribal Cultural Resources, TCR-1c: Implement Measures to Restore and Enhance the Physical, Spiritual, and Ceremonial Qualities of Affected Tribal Cultural Resources, and TCR-1d: Incorporate Tribal Knowledge into Compensatory Mitigation Planning (Restoration).</p> <p>Application of these mitigation measures has the potential to reduce the impact on character-defining features of the Delta TCL because they could restore affiliated Tribes’ ability to physically, spiritually, and ceremonially experience the materially impaired qualities of the features. However, there may be instances where even with the mitigation measures described above, the impacts would not be mitigated to a less-than-significant level. There may also be instances where the project components would permanently damage a character-defining feature of the Delta TCL, such as where ground disturbance and construction of a project feature would occur in an ethnohistoric location, disturb an archaeological site, or a facility would block an important view. Project impacts would remain significant and unavoidable after implementation of Mitigation Measures TCR-1a, TCR-1b, TCR-1c, and TCR-1d because complete avoidance or protection is unlikely and operations and maintenance of the intakes and tunnels may still materially impair the Tribal experience of the spiritual qualities of the Delta TCL even with the efforts to repair or restore the Tribal experience. DWR will continue to consult with affiliated Tribes throughout implementation of Mitigation</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Adopted Mitigation Measures	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				Measures TCR-1a, TCR-1b, and TCR-1c, and TCR-1d to minimize and mitigate the project’s significant impacts on the Delta TCL.
				Findings: Changes or alterations have been required in, or incorporated into, the project that mitigate, but <i>not</i> to a less than significant level, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.
Impact TCR-2: Impacts on Individual Tribal Cultural Resources Resulting from Construction, Operations, and Maintenance of the Project Alternatives	Significant	MM TCR-1a: Avoidance of Impacts on Tribal Cultural Resources MMTCR-1b: Plans for the Management of Tribal Cultural Resources MM TCR-1c: Implement Measures to Restore and Enhance the Physical, Spiritual, and Ceremonial Qualities of Affected Tribal Cultural Resources MM TCR-1d: Incorporate Tribal Knowledge into Compensatory Mitigation Planning (Restoration) MM TCR-2: Perform an Assessment of Significance, Known Attributes, and Integrity for Individual CRHR Eligibility	Significant and Unavoidable	<p>The precise nature of the impact on an individual Tribal cultural resource is not currently known because DWR has not identified any individual Tribal cultural resources at this time; therefore, the features that make an individual resource eligible for California Register of Historical Resources (CRHR) listing, its significance, attributes and location, and integrity have not been established. In general, DWR anticipates that if an individual resource is identified, the project has the potential to materially impair an affiliated Tribes’ ability to physically, ceremonially, or spiritually experience the resource.</p> <p>If the conclusion of implementing Mitigation Measure TCR-2: Perform an Assessment of Significance, Known Attributes, and Integrity for Individual CRHR Eligibility is that DWR finds a character-defining feature or other resource that is individually eligible, application of Mitigation Measures TCR-1a, TCR-1b, and TCR-1c, and TCR-1d could reduce the impact on any individually eligible Tribal cultural resources, because they could restore affiliated Tribes’ ability to physically, spiritually, and ceremonially experience the materially impaired qualities of the features. However, there may be instances where even with the mitigation measures described above, the impacts would not be mitigated to a less-than-significant level. There may also be instances where the project components would permanently damage an individual Tribal cultural resource, such as where ground disturbance and construction of a project feature would disturb an individually eligible ethnohistoric location or a facility would block an important view that is a character-defining feature of an individual Tribal cultural resource. Project impacts on individual Tribal cultural resources would remain significant and unavoidable after implementation of Mitigation Measures TCR-1a, TCR-1b, TCR-1c, TCR-1d, and TCR-2, because complete avoidance or protection is unlikely. DWR will continue to consult with affiliated Tribes throughout implementation of mitigation measures to minimize and mitigate the project’s significant impacts on the Delta Tribal Cultural Landscape, as well as refine DWR’s understanding of the character-defining features, or other features, that may be individual Tribal cultural resources.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project, that mitigate, but <i>not</i> to a less than significant level, the significant environmental effect as identified in the Final EIR. Impacts are therefore significant and unavoidable despite the adoption of feasible mitigation measures.</p>

1

2

1 Table 2: CEQA Findings of Fact for the Project’s Less-than-Significant Impacts after Mitigation

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
<b>Water Quality</b>				
Impact WQ-6: Effects on Mercury Resulting from Facility Operations and Maintenance	Less Than Significant for the Project; Potentially Significant for Implementation of the CMP	MM WQ-6: Develop and Implement a Mercury Management and Monitoring Plan	Less Than Significant	<p>The Project would not cause additional exceedance of applicable water quality criteria or objectives by frequency, magnitude, and geographic extent that would cause significant impacts on any beneficial uses of waters in the study area. Because mercury concentrations are not expected to increase substantially, no long-term water quality degradation that would result in substantially increased risk for significant impacts on beneficial uses would occur. Furthermore, changes in long-term methylmercury concentrations that may occur in study area waterbodies would not make existing CWA Section 303(d) impairments measurably worse, or increase levels of mercury by frequency, magnitude, and geographic extent to cause measurably higher body burdens of mercury in aquatic organisms, thereby substantially increasing the health risks to wildlife (including fish) or humans consuming those organisms. Thus, the impact of the Project on mercury concentrations would be less than significant.</p> <p>While the Project would not result in significant water quality effects associated with mercury, there could be significant impacts with the implementation of the CMP. Those impacts could be reduced to a less-than-significant level with Mitigation Measure WQ-6.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
<b>Soils</b>				
Impact SOILS-5: Have Soils Incapable of Adequately Supporting the Use of Septic Tanks or Alternative Wastewater Disposal Systems Where Sewers Are Not Available for the Disposal of Wastewater	Significant	MM SOILS-5: Conduct Site-Specific Soil Analysis and Construct Alternative Wastewater Disposal System as Required	Less Than Significant	<p>Potential impacts of the use of septic tanks or alternative wastewater disposal systems would occur during construction and operations and maintenance. If a conventional disposal system were to be constructed on soils with a rating of very limited for septic tank absorption fields, use of the system could contaminate surface water and groundwater and create objectionable odors during operations and maintenance. The water contamination could raise the risk of disease transmission and human exposure to pathogens. The impact would be significant. However, county planning and building departments typically require on-site soil percolation tests and other analyses to determine site suitability and type of system appropriate to the site. Along with compliance with county requirements, implementation of Mitigation Measure SOILS-5: Conduct Site-Specific Soil Analysis and Construct Alternative Wastewater Disposal System as Required, would reduce the impact to a less-than-significant level.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
<b>Fish and Aquatic Resources</b>				
Impact AQUA-1: Effects of Construction of Water Conveyance Facilities on Fish and Aquatic Species	Significant	MM AQUA-1a: Develop and Implement an Underwater Sound Control and Abatement Plan MM AQUA-1b: Develop and Implement a Barge Operations Plan MM AQUA-1c: Develop and Implement a Fish Rescue and Salvage Plan MM WQ-6: Develop and Implement a Mercury Management and Monitoring Plan CMP-23: Tidal Perennial Habitat Restoration for Construction Impacts on Habitat for Fish and Aquatic Resources	Less Than Significant	<p>Construction impacts on fish and aquatic species potentially would be significant because there would be the potential for spatial and temporal overlap with appreciable proportions of some of the species of management concern’s populations (e.g., adult steelhead; Table 12A-9 in Appendix 12A) as well as loss of aquatic habitat. To address these impacts, the project will include Mitigation Measures AQUA-1a: Develop and Implement an Underwater Sound Control and Abatement Plan, AQUA-1b: Develop and Implement a Barge Operations Plan, AQUA-1c: Develop and Implement a Fish Rescue and Salvage Plan, and Mitigation Measure CMP: Compensatory Mitigation Plan, specifically CMP-23: Tidal Perennial Habitat Restoration for Construction Impacts on Habitat for Fish and Aquatic Resources and CMP-24: Channel Margin Habitat Restoration for Construction Impacts on Habitat for Fish and Aquatic Resources (Attachment 3F.1, Compensatory Mitigation Design Guidelines, Table 3F.1-3). Mitigation</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
		CMP-24: Channel Margin Habitat Restoration for Construction Impacts on Habitat for Fish and Aquatic Resources		<p>Measure AQUA-1a: Develop and Implement an Underwater Sound Control and Abatement Plan includes limiting pile-driving timing consistent with EC-14 and controlling or abating underwater noise generated during impact pile driving, for example, by starting impact pile driving at lower levels of intensity to allow fish to leave the area before the intensity is increased.</p> <p>Construction impacts on fish and aquatic species would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact AQUA-2: Effects of Operations and Maintenance of Water Conveyance Facilities on Sacramento River Winter-Run Chinook Salmon	Significant	CMP-25: Tidal Habitat Restoration to Mitigate North Delta Hydrodynamic Effects on Chinook Salmon Juveniles CMP-26: Channel Margin Habitat Restoration for Operations Impacts on Chinook Salmon Juveniles	Less Than Significant	<p>The available information generally indicates that diversion at the North Delta Diversion (NDD) would negatively affect winter-run Chinook salmon through flow-survival and habitat impacts. The Sacramento River is the main migration pathway through the Delta for juvenile winter-run and therefore a large proportion of the population would potentially be exposed to negative impacts.</p> <p>To address the significance of the impacts, Mitigation Measure CMP: Compensatory Mitigation Plan would be implemented, specifically CMP-25: Tidal Habitat Restoration to Mitigate North Delta Hydrodynamic Effects on Chinook Salmon Juveniles and CMP-26: Channel Margin Habitat Restoration or Operations Impacts on Chinook Salmon Juveniles (Attachment 3F.1, Table 3F.1-3). This mitigation would reduce negative hydrodynamic effects such as flow reversals in the Sacramento River at Georgiana Slough (CMP-25) and reduced effects from reduced inundation of riparian/wetland benches as a result of NDD operations (CMP-26). The mitigation thereby would reduce potential for negative effects on winter-run Chinook salmon through-Delta survival as a result of factors such as flow-related changes in migration speed and probability of entering the low-survival interior Delta migration pathway and restoring new bench habitat at elevations that would be inundated under reduced flows downstream of the north Delta intakes. The impact of operations and maintenance of the Project would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact AQUA-3: Effects of Operations and Maintenance of Water Conveyance Facilities on Central Valley Spring-Run Chinook Salmon	Significant	CMP-25: Tidal Habitat Restoration to Mitigate North Delta Hydrodynamic Effects on Chinook Salmon Juveniles CMP-26: Channel Margin Habitat Restoration for Operations Impacts on Chinook Salmon Juveniles	Less Than Significant	<p>Recent research for two spring-run Chinook salmon populations in the Central Valley indicates that the majority of returning adults emigrated as yearlings (Cordoleani et al. 2021), which migrate beginning in fall and therefore have the potential to overlap periods of greater north Delta diversions with greater potential effects on through-Delta survival as shown by the Perry et al. (2018) modeling results. As a result, and although there is uncertainty in biological impacts because of the variability in flow-survival statistical relationships (see discussion for winter-run Chinook salmon), population abundance is low relative to historical values (Appendix 12A) and it is concluded that the operations and maintenance impact of the Project would be significant for spring-run Chinook salmon. Compensatory mitigation to be implemented for the winter-run Chinook salmon significant impact discussed above in Impact AQUA-2 (i.e., Mitigation Measure CMP: Compensatory Mitigation Plan, specifically CMP-25: Tidal Habitat Restoration to Mitigate North Delta Hydrodynamic Effects on Chinook Salmon Juveniles and CMP-26: Channel Margin Habitat Restoration for Operations Impacts on Chinook Salmon Juveniles [Attachment 3F.1, Table 3F.1-3]) would also be applied to spring-run Chinook salmon to mitigate hydrodynamic effects such as flow reversals in the Sacramento River at Georgiana Slough (CMP-25) and effects from reduced inundation of riparian/wetland benches</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				as a result of North Delta Diversion operations (CMP-26). The impact would be less than significant with mitigation.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact AQUA-5: Effects of Operations and Maintenance of Water Conveyance Facilities on Central Valley Steelhead	Significant	MM CMP: Compensatory Mitigation Plan	Less Than Significant	As discussed by National Marine Fisheries Service (2016:19), Central Valley steelhead is in danger of extinction, with very low levels of natural production. Available data and studies for steelhead are limited relative to Chinook salmon and so there is some uncertainty in potential effects. As previously noted for winter-run Chinook salmon, there is uncertainty in the biological impacts because of the variability in flow-survival statistical relationships. However, per the significance criteria (Section 12.3.2, Thresholds of Significance), the potential for negative effects of the north Delta intakes (e.g., up to 4% less through-Delta migration survival per the Perry et al. model implemented for juvenile Chinook salmon) and the population status (Appendix 12A) leads to the conclusion that the impact would be significant. Compensatory mitigation (tidal perennial habitat restoration and channel margin restoration) described in Appendix 3F, and as previously discussed for winter-run Chinook salmon would be implemented to reduce the impact to less than significant.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact AQUA-6: Effects of Operations and Maintenance of Water Conveyance Facilities on Delta Smelt	Significant	MM CMP: Compensatory Mitigation Plan CMP-27: Tidal Habitat Restoration for Operations Impacts on Delta Smelt	Less Than Significant	There is generally somewhat less Delta outflow under the Project than existing conditions during spring–fall as a result of less outflow being needed for meeting Delta salinity requirements. There is considerable uncertainty in the potential for negative effects to delta smelt food availability, predation, and recruitment as a result of these changes in Delta outflow, which are within the existing parameters of current regulations (e.g., D-1641; federal and state water project permits). Given the existing all-time low abundance indices of delta smelt (Appendix 12A), the impacts are concluded to be significant. Tidal habitat restoration of approximately 1,100 to 1,400 acres under Mitigation Measure CMP: Compensatory Mitigation Plan, specifically CMP-27 (Attachment 3F-1, Table 3F.1-3), would mitigate these impacts. Restoration would increase the extent of suitable delta smelt habitat (e.g., intertidal and subtidal habitat; California Department of Fish and Game 2011) with appropriate parameters (e.g., turbidity) providing habitat for occupancy (e.g., Sommer and Mejia 2013) or higher food availability in the vicinity (e.g., Hammock et al. 2019b). The impact would be less than significant with mitigation.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact AQUA-7: Effects of Operations and Maintenance of Water Conveyance Facilities on Longfin Smelt	Significant	MM CMP: Compensatory Mitigation Plan CMP-28: Tidal Habitat Restoration for Operations Impacts on Longfin Smelt	Less Than Significant	In general, the analyses of the operations and maintenance impacts of the Project suggested minor impacts on longfin smelt, relative to existing conditions, including near-field effects of the north Delta intakes, south Delta entrainment, and very little potential for negative effects on food availability as a result of differences in spring Delta outflow. Any such impacts would not be significant because they are minor and would affect only a very small proportion of the longfin smelt population. The analyses of flow-related effects (differences in Delta outflow) on longfin smelt abundance suggested more potential for negative effects under the Project (i.e., mean difference of 2%–10% less depending on water year type) and a potentially significant impact given that they represent a population-level impact. There is uncertainty in the impact, however, given the appreciably greater variability of longfin smelt abundance index estimates

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				<p>for a given alternative relative to the difference from existing conditions. Operations of the Project would be consistent with all applicable regulations to limit the potential for negative effects on fish and aquatic resources, including the existing spring outflow measures required by the California Department of Fish and Wildlife Incidental Take Permit (ITP). Nevertheless, the uncertain negative outflow-related effect is considered significant in light of the species’ California Endangered Species Act-listed status and low population abundance indices (Appendix 12A). As such, the Project would implement approximately 135.2acres of compensatory mitigation (Mitigation Measure CMP: Compensatory Mitigation Plan, specifically CMP-28: Tidal Habitat Restoration for Operations Impacts on Longfin Smelt [Attachment 3F.1, Table 3F.1-3]). Tidal habitat would expand the diversity, quantity, and quality of longfin smelt rearing and refuge habitat consistent with recent tidal habitat mitigation required for outflow impacts to the species and would therefore reduce the potential effects caused by reduced outflow. As shown by multiple recent tidal habitat restoration projects in the Delta, there are potential feasible opportunities for tidal habitat restoration directly applicable to longfin smelt, with demonstrated presence of longfin smelt. This tidal habitat restoration mitigation would reduce the impact to a less-than-significant level; therefore, the impact would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
<b>Terrestrial Biological Resources</b>				
Impact BIO-1: Impacts of the Project on the Tidal Perennial Aquatic Natural Community	Significant	MM CMP: Compensatory Mitigation Plan	Less Than Significant	<p>The Project would cause the removal, conversion, and temporary disturbance of tidal perennial aquatic natural community due to project construction and maintenance. The temporary disturbances of tidal perennial aquatic habitat would be reduced by Environmental Commitments EC-1: Conduct Worker Awareness Training; EC-2: Develop and Implement Hazardous Materials Management Plans; EC-3: Develop and Implement Spill Prevention, Containment, and Countermeasure Plans; and EC-14: Construction Best Management Practices for Biological Resources (Appendix 3B). Even with these environmental commitments, however, the loss of tidal perennial aquatic community from construction and potential impacts from maintenance activities would be significant. Mitigation Measure CMP: Compensatory Mitigation Plan would offset permanent and temporary loss of tidal perennial aquatic habitat. Therefore, the impacts on the tidal perennial aquatic community from the Project would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-2: Impacts of the Project on Tidal Freshwater Emergent Wetlands	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement	Less Than Significant	<p>The Project would cause the removal, conversion, and temporary disturbance of tidal freshwater emergent wetlands due to project construction and maintenance. Temporary disturbances and indirect impacts on tidal freshwater emergent wetlands would be reduced by Environmental Commitments EC-1: Conduct Worker Awareness Training; EC-2: Develop and Implement Hazardous Materials Management Plans; EC-3: Develop and Implement Spill Prevention, Containment, and Countermeasure Plans; and EC-14: Construction Best Management Practices for Biological Resources. Even with these environmental commitments, however, the loss of tidal freshwater emergent wetlands from construction and potential impacts from maintenance activities would be significant. Mitigation Measure BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants would reduce impacts on tidal freshwater emergent wetlands during project construction. Mitigation Measure BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities would reduce impacts on tidal freshwater emergent wetland during</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				<p>project maintenance. Mitigation Measure BIO-2c: Electrical Power Line Support Placement would minimize impacts on tidal freshwater emergent wetlands from electric power line installation. Mitigation Measure CMP: Compensatory Mitigation Plan would offset permanent and temporary loss of tidal freshwater emergent wetland. Therefore, the impacts on tidal freshwater emergent wetland from the Project would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-3: Impacts of the Project on Valley/Foothill Riparian Habitat	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants	Less Than Significant	<p>Constructing the Project would cause the removal, conversion, and temporary disturbance of valley/foothill riparian habitat. Maintenance activities could result in periodic temporary disturbances to valley/foothill riparian habitat. Temporary disturbances and indirect impacts on valley/foothill riparian habitat would be reduced by Environmental Commitments EC-1: Conduct Worker Awareness Training and EC-14: Construction Best Management Practices for Biological Resources. Even with these environmental commitments, however, the loss of valley/foothill riparian habitat from construction and potential impacts from maintenance activities would be significant. Mitigation Measure BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants would reduce impacts on valley/foothill riparian habitat during project construction. Mitigation Measure BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities would reduce impacts on valley/foothill riparian habitat during project maintenance. Mitigation Measure BIO-2c: Electrical Power Line Support Placement would minimize impacts on valley/foothill riparian habitat from electric power line installation. Mitigation Measure CMP: Compensatory Mitigation Plan would offset permanent and temporary loss of valley/foothill riparian habitat. Therefore, the impacts on valley/foothill riparian habitat from the Project would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-4: Impacts of the Project on the Nontidal Perennial Aquatic Natural Community	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants	Less Than Significant	<p>Constructing the Project would cause the removal, conversion, and temporary disturbance of nontidal aquatic perennial habitat. Maintenance activities could result in periodic temporary disturbances to nontidal perennial aquatic habitat. Temporary disturbances and indirect impacts on nontidal perennial aquatic habitat would be reduced by Environmental Commitments EC-1: Conduct Worker Awareness Training; EC-2: Develop and Implement Hazardous Materials Management Plans; EC-3: Develop and Implement Spill Prevention, Containment, and Countermeasure Plans; and EC-14: Construction Best Management Practices for Biological Resources. Even with these environmental commitments, however, the loss of nontidal perennial aquatic habitat from construction and potential impacts from maintenance activities would be significant. Mitigation Measure BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants would mitigate impacts on nontidal perennial aquatic habitat by identifying locations where special-status natural communities and special-status plants would be avoided. Under Mitigation Measure CMP: Compensatory Mitigation Plan, nontidal perennial aquatic habitat would be created or acquired and permanently protected to compensate for project impacts from project construction to ensure no significant loss of nontidal perennial aquatic habitat functions and values. Therefore, the impacts on nontidal perennial aquatic habitat from the Project would be less than significant with mitigation.</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-5: Impacts of the Project on Nontidal Freshwater Perennial Emergent Wetland	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants	Less Than Significant	<p>Constructing the Project would cause the removal, conversion, and temporary disturbance of nontidal freshwater perennial emergent wetlands. Maintenance activities could result in periodic temporary disturbances to this community. Temporary disturbances and indirect impacts on nontidal freshwater perennial emergent wetland would be reduced by Environmental Commitments EC-1: Conduct Worker Awareness Training; EC-2: Develop and Implement Hazardous Materials Management Plans; EC-3: Develop and Implement Spill Prevention, Containment, and Countermeasure Plans; and Environmental Commitment EC-14: Construction Best Management Practices for Biological Resources. Even with these environmental commitments, however, the loss of nontidal freshwater perennial emergent wetland from construction and potential impacts from maintenance activities would be significant. Mitigation Measure BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants would mitigate impacts on nontidal freshwater emergent wetlands by identifying locations where special-status natural communities and special-status plants would be avoided or where measures to minimize impact would be implemented. Under Mitigation Measure CMP: Compensatory Mitigation Plan, nontidal perennial emergent wetlands would be created or acquired and permanently protected to compensate for project impacts from project construction and ensure no significant loss of nontidal perennial aquatic habitat functions and values. Therefore, the impacts on nontidal freshwater perennial emergent wetland from the Project would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-7: Impacts of the Project on Alkaline Seasonal Wetland Complex	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement	Less Than Significant	<p>Project construction and maintenance would remove, convert, or temporarily disturb alkaline seasonal wetland complex. Temporary disturbances and indirect impacts on alkaline seasonal wetland complex would be reduced by Environmental Commitments EC-1: Conduct Worker Awareness Training; EC-2: Develop and Implement Hazardous Materials Management Plans; EC-3: Develop and Implement Spill Prevention, Containment, and Countermeasure Plans; and EC-14: Construction Best Management Practices for Biological Resources. Even with these environmental commitments, however, the loss of alkaline seasonal wetland complex from construction and potential impacts from maintenance activities would be significant. Mitigation Measure BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants would reduce impacts on alkaline seasonal wetlands during project construction. Mitigation Measure BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities would reduce impacts on alkaline seasonal wetlands during project maintenance. Mitigation Measure BIO-2c: Electrical Power Line Support Placement would minimize impacts on alkaline seasonal wetland from electric power line installation. Under Mitigation Measure CMP: Compensatory Mitigation Plan, alkaline seasonal wetland complex would be created or acquired and permanently protected to compensate for project impacts from project construction and ensure no significant loss of nontidal perennial aquatic habitat functions and values. The total acreage to be conserved would be based on the criteria presented in the CMP. Therefore, the impacts on alkaline seasonal wetland complex from the Project would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
Impact BIO-8: Impacts of the Project on Vernal Pool Complex	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities	Less Than Significant	<p>Constructing the Project would cause the removal, conversion, and temporary disturbance of vernal pool complex. Maintenance activities could result in periodic temporary disturbances to this community. Temporary disturbances and indirect impacts on vernal pool complex would be reduced by Environmental Commitments EC-1: Conduct Worker Awareness Training; EC-2: Develop and Implement Hazardous Materials Management Plans; EC-3: Develop and Implement Spill Prevention, Containment, and Countermeasure Plans; and EC-14: Construction Best Management Practices for Biological Resources. Even with these environmental commitments, however, the loss of vernal pool complex from construction and potential impacts from maintenance activities would be significant. Mitigation Measure BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants would reduce impacts on vernal pool complex during project construction. Mitigation Measure BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities would reduce impacts on vernal pool complex during project maintenance. As described in Appendix 3F and Attachment 3F.1, under Mitigation Measure CMP: Compensatory Mitigation Plan, vernal pool complex would be created or acquired and permanently protected to compensate for project impacts from project construction and ensure no significant loss of vernal pool complex functions and values. The total acreage to be conserved would be based on the criteria presented in the CMP. Therefore, the impacts on vernal pool complex from the Project would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-9: Impacts of the Project on Special-Status Vernal Pool Plants	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities	Less Than Significant	<p>Temporary disturbances and indirect impacts on special-status vernal pool plants would be reduced by Environmental Commitment EC-14: Construction Best Management Practices for Biological Resources. Even with this environmental commitment, however, the effects on vernal pool plants from construction and potential impacts from maintenance activities would be significant. Mitigation Measure BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants would reduce impacts on special-status vernal pool plants during project construction. Mitigation Measure BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities would reduce impacts on special-status vernal pool plants during project maintenance. Under Mitigation Measure CMP: Compensatory Mitigation Plan, habitat for special-status vernal pool plants would be created and permanently protected or mitigation credits would be acquired to compensate for project impacts and ensure no significant loss of habitat, as described in Appendix 3F and Attachment 3F.1. Therefore, the Project’s impacts on special-status vernal pool plants would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-10: Impacts of the Project on Special-Status Alkaline Seasonal Wetland Complex Plants	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities	Less Than Significant	<p>Temporary disturbances and indirect impacts special-status alkaline seasonal wetland complex plants would be reduced by Environmental Commitment EC-14: Construction Best Management Practices for Biological Resources. Even with this environmental commitment, however, the loss of alkaline wetland plants from construction and potential impacts from maintenance activities would be significant. Mitigation Measure BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants, would reduce impacts on special-status alkaline seasonal wetland complex plants during project construction. Mitigation Measure BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities would reduce impacts on special-status alkaline seasonal wetland complex plants during project maintenance. Under Mitigation Measure CMP:</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				Compensatory Mitigation Plan, habitat for special-status alkaline seasonal wetland plants would be created and permanently protected or mitigation credits would be acquired to compensate for project impacts and ensure no significant loss of habitat, as described in Appendix 3F and Attachment 3F.1. Therefore, the project’s impacts on special-status alkaline seasonal wetland plants would be less than significant with mitigation.
				Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-11: Impacts of the Project on Special-Status Grassland Plants	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities	Less Than Significant	Temporary disturbances and indirect impacts on special-status grassland plants would be reduced by Environmental Commitment EC-14: Construction Best Management Practices for Biological Resources. Even with this environmental commitment, however, the loss of grassland plants from construction and potential impacts from maintenance activities would be significant. Mitigation Measure BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants would reduce impacts on special-status grassland plants during project construction. Mitigation Measure BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities would reduce impacts on special-status grassland plants during project maintenance. Under Mitigation Measure CMP: Compensatory Mitigation Plan, habitat for special-status grassland plants would be created and permanently protected or mitigation credits would be acquired to compensate for project impacts and to ensure no significant loss of habitat. Therefore, the Project’s impacts on special-status grassland plants would be less than significant with mitigation.
				Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-12: Impacts of the Project on Tidal Freshwater Emergent Wetland Plants	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities	Less Than Significant	Temporary disturbances and indirect impacts on special-status tidal freshwater emergent wetland plants would be reduced by Environmental Commitment EC-14: Construction Best Management Practices for Biological. Even with this environmental commitment, however, the loss of tidal freshwater emergent plants from construction and potential impacts from maintenance activities would be significant. Mitigation Measure BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants would reduce impacts on special-status tidal freshwater emergent wetland species during project construction. Mitigation Measure BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities would reduce impacts on tidal freshwater emergent wetland during project maintenance. Under Mitigation Measure CMP: Compensatory Mitigation Plan (Appendix 3F, Section 3F.3.2.5; Attachment 3F.1, Table 3F.1-2, CMP-2: Tidal Freshwater Emergent Wetland, and Table 3F.1-3, CMP-9: Special-Status Plants), habitat for special-status tidal freshwater emergent wetland plants would be created or acquired and permanently protected to compensate for project impacts and ensure no significant loss of special-status tidal perennial aquatic wetland habitat functions and values. Therefore, project impacts on special-status tidal freshwater emergent wetland plants would be less than significant with mitigation.
				Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-13: Impacts of the Project on Special-Status Nontidal Perennial Aquatic Plants	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants	Less Than Significant	Temporary disturbances and indirect impacts of nontidal perennial aquatic habitat would be reduced by Environmental Commitment EC-14: Construction Best Management Practices for Biological Resources. Even with this environmental commitment, however, the loss nontidal

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
		MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities		<p>perennial aquatic plants from construction and potential impacts from maintenance activities would be significant. Mitigation Measure BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants would reduce impacts on special-status nontidal perennial aquatic plants during project construction. Mitigation Measure BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities would reduce impacts on special-status nontidal perennial aquatic plants during project maintenance. Under Mitigation Measure CMP: Compensatory Mitigation Plan, habitat for special-status nontidal perennial aquatic plants would be created or acquired and permanently protected to compensate for project impacts and ensure no significant loss of special-status nontidal perennial aquatic plants or their habitat functions and values. The project impacts on these special-status nontidal perennial aquatic plants would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-14: Impacts of the Project on Vernal Pool Aquatic Invertebrates	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-14: Avoid and Minimize Impacts on Vernal Pool Aquatic Invertebrates and Critical Habitat for Vernal Pool Fairy Shrimp	Less Than Significant	<p>The impacts on vernal pool aquatic invertebrates from the Project would be less than significant with mitigation because the measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by avoiding and minimizing activities during construction and maintenance that could adversely affect habitat, which include establishing non-disturbance buffers around pools with construction fencing, by surveying suitable habitat for vernal pool fairy shrimp and vernal pool tadpole shrimp, and by avoiding adverse modification of critical habitat and indirect effects on vernal pool aquatic invertebrate habitat through work area redesigns, to the extent practicable.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-16: Impacts of the Project on Vernal Pool Terrestrial Invertebrates	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-14: Avoid and Minimize Impacts on Vernal Pool Aquatic Invertebrates and Critical Habitat for Vernal Pool Fairy Shrimp	Less Than Significant	<p>The impacts on vernal pool terrestrial invertebrates from the Project would be less than significant with mitigation because mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by avoiding and minimizing activities during construction and maintenance that could adversely affect habitat, which include establishing non-disturbance buffers around habitat with construction fencing, and by avoiding indirect effects on vernal pool habitat to the extent practicable.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-18: Impacts of the Project on Valley Elderberry Longhorn Beetle	Significant	MM CMP: Compensatory Mitigation Plan CMP-18a: Sandhill Crane Roosting Habitat CMP-18b: Sandhill Crane Foraging Habitat CMP-19a: Swainson’s Hawk Nesting Habitat CMP-19b: Swainson’s Hawk Foraging Habitat CMP-22a: Tricolored Blackbird Nesting Habitat CMP-22b: Tricolored Blackbird Breeding Foraging Habitat MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities	Less Than Significant	<p>The impacts on valley elderberry longhorn beetle from the Project would be less than significant with mitigation because these mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by avoiding and minimizing activities that could injure or kill valley elderberry longhorn beetle, which includes establishing non-disturbance buffers around shrubs with construction fencing, limiting trimming of shrubs to stems less likely to contain larvae (&lt;1 inch in diameter) and during periods when trimming is less likely to affect the vigor of shrubs, and avoiding work to the extent possible during the species active season when they are in flight around shrubs and dispersing.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
		MM BIO-18: Avoid and Minimize Impacts on Valley Elderberry Longhorn Beetle		
Impact BIO-20: Impacts of the Project on Curved-Foot Hygrotus Diving Beetle	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-14: Avoid and Minimize Impacts on Vernal Pool Aquatic Invertebrates and Critical Habitat for Vernal Pool Fairy Shrimp	Less Than Significant	<p>The impacts on curved-foot hygrotus beetle from the Project would be less than significant with mitigation because these mitigation measures would reduce direct effects on the species, including habitat disturbance, by avoiding and minimizing activities during construction and maintenance that could adversely affect habitat, establishing non-disturbance buffers around aquatic habitat with construction fencing and by implementing protective measures during maintenance activities.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-21: Impacts of the Project on Crotch Bumble Bee	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-21: Avoid and Minimize Impacts on Crotch Bumble Bee	Less Than Significant	<p>The impacts on Crotch bumble bee from the Project would be less than significant with mitigation because these mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by identifying and avoiding potential habitat to the extent possible during maintenance and construction activities through establishing avoidance buffers, by temporarily delaying work where colonies are identified, and replanting areas of disturbed habitat with suitable foraging plants.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-22: Impacts of the Project on California Tiger Salamander	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22a: Avoid and Minimize Impacts on California Tiger Salamander MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife	Less Than Significant	<p>The impacts on California tiger salamander from the Project would be less than significant with mitigation because these mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by designing lighting that avoids spillover into habitats and thus avoiding disrupting dispersal movements; by avoiding construction and maintenance activities in and adjacent to habitat to the extent possible; timing construction activities, installing exclusion fencing, conducting preconstruction surveys, and other protective measures to avoid and minimize the potential for injury and mortality; and by putting in place traffic control measures at DWR facilities during operations to minimize the potential for vehicle strikes.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-23: Impacts of the Project on Western Spadefoot Toad	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-23: Avoid and Minimize Impacts on Western Spadefoot Toad	Less Than Significant	<p>The impacts on western spadefoot toad from the Project would be less than significant with mitigation because these mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by designing lighting that avoids spillover into habitats, thus avoiding disrupting dispersal movements; by avoiding construction and maintenance activities in and adjacent to habitat to the extent possible; timing construction activities, installing exclusion fencing, conducting preconstruction surveys, and other protective measures to avoid and minimize the potential for injury and mortality; and by putting in place traffic control measures at DWR facilities during operations to minimize the potential for vehicle strikes.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
Impact BIO-24: Impacts of the Project on California Red-Legged Frog	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-24a: Avoid and Minimize Impacts on California Red-Legged Frog and Critical Habitat MM BIO-24b: Compensate for Impacts on California Red-Legged Frog Habitat Connectivity	Less Than Significant	<p>The impacts on California red-legged frog from the Project would be less than significant with mitigation because these mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by designing lighting that avoids spillover into habitats and thus avoiding potential increases in predation and disrupting normal behaviors; by avoiding construction and maintenance activities in and adjacent to habitat to the extent possible; timing construction activities, installing exclusion fencing, conducting preconstruction surveys, and other protective measures to avoid and minimize the potential for injury and mortality; and by putting in place traffic control measures at DWR facilities during operations to minimize the potential for vehicle strikes.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-25: Impacts of the Project on Western Pond Turtle	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-25: Avoid and Minimize Impacts on Western Pond Turtle MM WQ-6 Develop and Implement a Mercury Management and Monitoring Plan	Less Than Significant	<p>The impacts on western pond turtle from the Project would be less than significant with mitigation because these mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by avoiding construction and maintenance activities in and adjacent to habitat to the extent possible; timing construction activities, installing exclusion fencing, conducting preconstruction surveys, and other protective measures to avoid and minimize the potential for injury and mortality; and by putting in place traffic control measures at DWR facilities during operations to minimize the potential for vehicle strikes.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-26: Impacts of the Project on Coast Horned Lizard	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-26: Avoid and Minimize Impacts on Special-Status Reptiles	Less Than Significant	<p>The impacts on coast horned lizard from the Project would be less than significant with mitigation because these mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by avoiding construction and maintenance activities in and adjacent to habitat to the extent possible; timing construction activities, conducting preconstruction surveys, and other protective measures to avoid and minimize the potential for injury and mortality; and by putting in place traffic control measures at DWR facilities during operations to minimize the potential for vehicle strikes.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-27: Impacts of the Project on Northern California Legless Lizard	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-26: Avoid and Minimize Impacts on Special-Status Reptiles	Less Than Significant	<p>The impacts on Northern California legless lizard from the Project would be less than significant with mitigation because these mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by avoiding construction and maintenance activities in and adjacent to habitat to the extent possible; timing construction activities, installing exclusion fencing, conducting preconstruction surveys, and other protective measures to avoid and minimize the potential for injury and mortality; and by putting in place traffic control measures at DWR facilities during operations to minimize the potential for vehicle strikes.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-28: Impacts of the Project on California Glossy Snake	Significant	MM CMP: Compensatory Mitigation Plan	Less Than Significant	<p>The impacts on California glossy snake from the Project would be less than significant with mitigation because these mitigation measures would reduce direct effects on the species,</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
		MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-26: Avoid and Minimize Impacts on Special-Status Reptiles		including habitat disturbance, by avoiding construction and maintenance activities in and adjacent to habitat to the extent possible; timing construction activities, conducting preconstruction surveys, and other protective measures to avoid and minimize the potential for injury and mortality; and by putting in place traffic control measures at DWR facilities during operations to minimize the potential for vehicle strikes.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-29: Impacts of the Project on San Joaquin Coachwhip	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-26: Avoid and Minimize Impacts on Special-Status Reptiles	Less Than Significant	The impacts on San Joaquin coachwhip from the Project would be less than significant with mitigation because these mitigation measures would replace lost habitat with habitat potentially suitable and reduce direct effects on the species, including habitat disturbance, by avoiding construction and maintenance activities in and adjacent to habitat to the extent possible; timing construction activities, installing exclusion fencing, conducting preconstruction surveys, and other protective measures to avoid and minimize the potential for injury and mortality; and by putting in place traffic control measures at DWR facilities during operations to minimize the potential for vehicle strikes.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-30: Impacts of the Project on Giant Garter Snake	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-30: Avoid and Minimize Impacts on Giant Garter Snake MM WQ-6 Develop and Implement a Mercury Management and Monitoring Plan	Less Than Significant	The impacts on giant garter snake from the Project would be less than significant with mitigation because these mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by avoiding construction and maintenance activities in and adjacent to habitat to the extent possible; timing construction activities, installing exclusion fencing, conducting preconstruction surveys, and other protective measures to avoid and minimize the potential for injury and mortality; and by putting in place traffic control measures at DWR facilities during operations to minimize the potential for vehicle strikes.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-31: Impacts of the Project on Western Yellow-Billed Cuckoo	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-31: Avoid and Minimize Impacts on Western Yellow-Billed Cuckoo	Less Than Significant	The impacts on western yellow-billed cuckoo from the Project would be less than significant with mitigation because the mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat, noise, and visual disturbances, by providing environmental awareness training to construction personnel, by implementing protective measures during maintenance activities, and species-specific avoidance measures during construction.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-32: Impacts of the Project on California Black Rail	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction	Less Than Significant	The impacts on California black rail from the Project would be less than significant with mitigation because the mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat, noise, and visual disturbances, by providing environmental

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
		MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan		awareness training to construction personnel, by implementing protective measures during maintenance activities, and species-specific avoidance measures during construction.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-33: Impacts of the Project on Greater Sandhill Crane and Lesser Sandhill Crane	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-33: Avoid and Minimize Disturbance of Sandhill Cranes	Less Than Significant	Construction, operations, and maintenance of the water conveyance facilities for the Project could result in impacts on greater sandhill crane and lesser sandhill crane through the permanent and temporary loss of known roost sites and modeled foraging habitat and the potential disruption of normal behaviors. The temporary loss of habitat and potential impacts of the disruption of normal behaviors from project construction would be reduced by Environmental Commitments EC-1: Conduct Worker Awareness Training; EC-2: Develop and Implement Hazardous Materials Management Plans; EC-3: Develop and Implement Spill Prevention, Containment, and Countermeasure Plans; EC-11: Fugitive Dust Control; and EC-14: Construction Best Management Practices for Biological Resources (Appendix 3B); however, even with these commitments, the loss of habitat from the construction of the Project, and the potential for the disruption of normal behaviors from construction, operations, and maintenance activities on greater sandhill crane and lesser sandhill crane would be significant. The CMP would be required to offset the loss of roosting and foraging habitat by creating roosting and foraging habitat and protecting agricultural foraging habitat for sandhill cranes (Appendix 3F, Attachment 3F.1, Table 3F.1-3, CMP-18a: Sandhill Crane Roosting Habitat, and CMP-18b: Sandhill Crane Foraging Habitat), which would reduce the impact associated with habitat loss to less than significant. Because the greater sandhill crane is listed as “fully protected” under the California Fish and Game Code Section 3511, activities that would result in “take” as defined by Section 86 of the Fish and Game Code (i.e., “to hunt, pursue, catch, capture, or kill, or attempt to” undertake these activities) are prohibited. The Project has been designed to avoid any activities that would result in actions considered “take” of greater sandhill crane. The Project would use existing power lines or underground conduit to the extent possible for the purpose of avoiding potential injury or direct mortality of the greater sandhill crane and all new aboveground lines would be located outside of the roost sites or foraging habitat for greater sandhill crane. Mitigation Measure BIO-2c: Electrical Power Line Support Placement, which requires that project lines installed on existing poles or towers be placed in the same vertical prism as existing lines where feasible, as determined by project engineers in coordination with utility providers, and that all project lines within 3 miles of greater sandhill crane roost sites be fitted with bird flight diverters that are visible under all conditions and based on APLIC or more current guidance (Avian Power Line Interaction Committee 2006, 2012), would minimize any additional potential collisions of greater or lesser sandhill cranes from the Project. Mitigation Measures NOI-1: Develop and Implement a Noise Control Plan (Chapter 24); BIO-2b: Avoid and Minimize Impacts on Biological Resources from Maintenance Activities; AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction; AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences (Chapter 18); and BIO-33: Avoid and Minimize Disturbance of Sandhill Cranes would mitigate the impacts on greater sandhill crane and lesser sandhill crane to a less-than-significant level. Therefore, the project impacts on greater sandhill crane and lesser sandhill crane would be less than significant with mitigation because these measures would reduce direct impacts on these species and compensate for lost habitat. Mitigation measures would reduce direct impacts in the following ways: (1) implementing protective measures during maintenance activities, which would include assessing work areas for habitat and conducting surveys where appropriate and delaying maintenance activities (either by season or time of day); (2) designing lighting that avoids spillover into habitat; (3) reducing noise impacts through time-of-day restrictions on construction and noise-attenuating measures where feasible, as determined by the contractor;

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				and (4) avoiding and minimizing disturbance of roosting and foraging cranes by conducting surveys and work outside of the winter crane season (September 15 through March 15). Mitigation measures would also establish roosting and foraging habitat to compensate for disturbance and displacement of sandhill cranes during construction. The feasibility of mitigation measures will be determined by the contractor in coordination with a qualified wildlife biologist.
				Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-34: Impacts of the Project on California Least Tern	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-34: Avoid California Least Tern Nesting Colonies and Minimize Indirect Effects on Colonies	Less Than Significant	The impacts on California least tern from the Project would be less than significant with mitigation because the mitigation measures would reduce direct effects on the species, including habitat, noise, and visual disturbances, by providing environmental awareness training to construction personnel, by implementing protective measures during maintenance activities, and species-specific avoidance measures for the species during construction.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-35: Impacts of the Project on Cormorants, Herons, and Egrets	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-35: Avoid and Minimize Impacts on Cormorant, Heron, and Egret Rookeries	Less Than Significant	The impacts on cormorants, herons, and egrets from the Project would be less than significant with mitigation because the mitigation measures would replace lost habitat, reduce direct effects on the species, including habitat, noise, and visual disturbances, by providing environmental awareness training to construction personnel, by implementing protective measures during maintenance activities, and avoidance measures for cormorant, heron, or egret rookeries during construction.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-36: Impacts of the Project on Osprey, White-Tailed Kite, Cooper’s Hawk, and Other Nesting Raptors	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-36a: Conduct Nesting Surveys for Special-Status and Non–Special-Status Birds and Raptors and	Less Than Significant	The impacts on special-status and non–special-status raptors from the Project would be less than significant with mitigation because the mitigation measures would replace lost habitat, reduce direct effects on the species, including habitat, noise, and visual disturbances, by providing environmental awareness training to construction personnel, by implementing protective measures during maintenance activities, and avoidance measures for raptors during construction.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
		Implement Protective Measures to Avoid Disturbance of Nesting Birds and Raptors MM BIO-36b: Conduct Preconstruction Surveys and Implement Protective Measures to Avoid Disturbance of White-Tailed Kite		
Impact BIO-37: Impacts of the Project on Golden Eagle and Ferruginous Hawk	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-37: Conduct Surveys for Golden Eagle and Avoid Disturbance of Occupied Nests	Less Than Significant	<p>The impacts on ferruginous hawk and golden eagle from the Project would be less than significant with mitigation because the mitigation measures would replace lost habitat, reduce direct effects on the species, including habitat, noise, and visual disturbances, by providing environmental awareness training to construction personnel, by implementing protective measures during maintenance activities, and avoidance measures to avoid take of golden eagles, as defined by Section 86 of the California Fish and Game Code during construction.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-38: Impacts of the Project on Ground-Nesting Grassland Birds	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-36a: Conduct Nesting Surveys for Special-Status and Non–Special-Status Birds and Raptors and Implement Protective Measures to Avoid Disturbance of Nesting Birds and Raptors	Less Than Significant	<p>The impacts on northern harrier, short-eared owl, California horned lark, and grasshopper sparrow from the Project would be less than significant with mitigation because the mitigation measures would reduce direct effects on the species, including habitat, noise, and visual disturbances, by providing environmental awareness training to construction personnel, by implementing protective measures during maintenance activities, and avoidance measures for nesting birds during construction.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-39: Impacts of the Project on Swainson’s Hawk	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-39: Conduct Preconstruction Surveys and Implement Protective Measures to Minimize Disturbance of Swainson’s Hawk	Less Than Significant	<p>The impacts on Swainson’s hawk from the Project would be less than significant with mitigation because the mitigation measure would replace lost habitat, reduce direct effects on the species, including habitat, noise, and visual disturbances, by providing environmental awareness training to construction personnel, by implementing protective measures during maintenance activities, and avoidance measures for nesting Swainson’s hawk during construction.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
Impact BIO-40: Impacts of the Project on Burrowing Owl	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-40: Conduct Surveys and Minimize Impacts on Burrowing Owl	Less Than Significant	<p>The impacts on burrowing owl from the Project would be less than significant with mitigation because the mitigation measures would reduce direct effects on the species, including habitat, noise, and visual disturbances, by providing environmental awareness training to construction personnel, by implementing protective measures during maintenance activities, and avoidance measures for burrowing owl during construction.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-41: Impacts of the Project on Other Nesting Special-Status and Non–Special-Status Birds	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-36a: Conduct Nesting Surveys for Special-Status and Non–Special-Status Birds and Raptors and Implement Protective Measures to Avoid Disturbance of Nesting Birds and Raptors	Less Than Significant	<p>The impacts on special-status and non–special-status bird species from the Project would be less than significant with mitigation because the mitigation measures would replace lost habitat, reduce direct effects on these species, including habitat, noise, and visual disturbances, by providing environmental awareness training to construction personnel, by implementing protective measures during maintenance activities, and avoidance measures for nesting birds during construction.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-42: Impacts of the Project on Least Bell’s Vireo	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-42: Conduct Surveys and Minimize Impacts on Least Bell’s Vireo	Less Than Significant	<p>The impacts on least Bell’s vireo from the Project would be less than significant with mitigation because the mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat, noise, and visual disturbances, by providing environmental awareness training to construction personnel, by implementing protective measures during maintenance activities, and avoidance measures for least Bell’s vireo during construction.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-44: Impacts of the Project on Tricolored Blackbird	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction	Less Than Significant	<p>The impacts on tricolored blackbird from the Project would be less than significant with mitigation because the mitigation measures would replace lost habitat, reduce direct effects on the species, including habitat, noise, and visual disturbances, by providing environmental awareness training to construction personnel, by implementing protective measures during maintenance activities, and avoidance measures for tricolored blackbird during construction.</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
		MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM NOI-1: Develop and Implement a Noise Control Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-2c: Electrical Power Line Support Placement MM BIO-44: Conduct Preconstruction Surveys and Implement Protective Measures to Avoid Disturbance of Tricolored Blackbird		Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-45: Impacts of the Project on Bats	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-45a: Compensate for the Loss of Bat Roosting Habitat on Bridges and Overpasses MM BIO-45b: Avoid and Minimize Impacts on Roosting Bats	Less Than Significant	<p>The impacts on bats from the Project would be less than significant with mitigation because these measures would replace lost habitat and reduce direct effects on the species (including habitat modification) by (1) implementing protective measures during maintenance activities, which would include assessing work areas for habitat and conducting surveys for bats where appropriate and delaying maintenance activities where possible; (2) designing lighting that avoids spillover into habitats and choosing light sources less disruptive to wildlife and thus avoiding disrupting roost sites and foraging activity; and (3) prior to and during construction, identifying occupied roosts and implementing construction activities such that the avoid disrupting roosts, in particular maternal roosts, and establishing protective buffers around roosts.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-46: Impacts of the Project on San Joaquin Kit Fox	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-46: Conduct Preconstruction Survey for San Joaquin Kit Fox and Implement Avoidance and Minimization Measures	Less Than Significant	<p>The impacts on San Joaquin kit fox from the Project would be less than significant with mitigation because the mitigation measures would reduce direct effects on the species by (1) implementing protective measures during maintenance activities, which would include conducting den surveys where appropriate and avoiding certain activities where possible, and (2) implementing traffic controls on facility access roads during operations, which would minimize the potential for vehicle strikes if San Joaquin kit fox is present in these areas.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-47: Impacts of the Project on American Badger	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-47: Conduct Preconstruction Survey for American Badger and Implement Avoidance and Minimization Measures	Less Than Significant	<p>The impacts on American badger from the Project would be less than significant with mitigation because the mitigation measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by (1) implementing protective measures during maintenance activities, which would include assessing work areas for habitat and conducting dens surveys where appropriate and avoiding certain activities where possible, (2) implementing traffic controls on facility access roads during operations, which would minimize the potential for vehicle strikes, and (3) implementing avoidance measures for active dens during construction.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-48: Impacts of the Project on San Joaquin Pocket Mouse	Significant	MM CMP: Compensatory Mitigation Plan	Less Than Significant	The impacts on San Joaquin pocket mouse from the Project would be less than significant with mitigation because these measures would replace lost habitat and reduce direct effects on the species, including habitat disturbance, by implementing protective measures during

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
		MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife		maintenance activities, which would include assessing work areas for potential habitat, and by implementing traffic controls on facility access roads during operations, which would minimize the potential for vehicle strikes.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-51: Substantial Adverse Effect on State- or Federally Protected Wetlands and Other Waters through Direct Removal, Filling, Hydrological Interruption, or Other Means	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities	Less Than Significant	The impact of discharge of fill into aquatic resources would be reduced to less than significant because the mitigation measures would avoid a net loss in aquatic resources and avoid and minimize periodic, temporary discharges of fill material into aquatic resources by assessing maintenance work areas for aquatic resources, establishing non-disturbance buffers around aquatic resources, training maintenance staff on the need to avoid the discharge of fill material into aquatic resources, and having a biological monitor present, where applicable.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-53: Interfere Substantially with the Movement of Any Native Resident or Migratory Fish or Wildlife Species or with Established Native Resident or Migratory Wildlife Corridors, or Impede the Use of Native Wildlife Nursery Sites	Significant	MM CMP: Compensatory Mitigation Plan MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-22b: Avoid and Minimize Operational Traffic Impacts on Wildlife MM BIO-53: Avoid and Minimize Impacts on Terrestrial Wildlife Connectivity and Movement	Less Than Significant	The impacts on wildlife connectivity resources, habitat connectivity, and wildlife movement from the Project would be less than significant with mitigation because the mitigation measures would compensate for impacts on wildlife habitat and avoid and minimize habitat and species impacts that potentially could disrupt species movement and habitat selection, habitat access, and wildlife behavior, resulting in impacts on wildlife connectivity. These measures would avoid and minimize habitat and species impacts that could cause potential for injury, mortality, disruption of normal behaviors and disturbances to habitat that potentially may disrupt species movement, habitat selection, habitat access, and wildlife behavior, resulting in impacts on wildlife connectivity, by training construction staff on protecting habitat and species, reporting requirements, and the ramifications for not following these measures; implementing spill prevention and containment plans that would avoid material spills that could affect habitat and wildlife; preventing erosion and sedimentation of habitats and stormwater pollution, which may affect habitat and wildlife; preventing dust emissions that may impact habitat and wildlife; implementing construction BMPs and having a biological monitor present to ensure that non disturbance buffers and associated construction fencing are intact and all other protective measures are being implemented where applicable to protect habitat and wildlife; reducing fugitive light and lighting impacts that may disrupt nocturnal wildlife behavior and habitat selection; implementing environmental review and avoidance of habitat and wildlife impacts during maintenance activities; limiting vehicle speeds and implementing traffic control measures on DWR roads during operations to reduce species movement disruptions and vehicle-related mortality; and ensuring that the project prevents impacts on and facilitates habitat connectivity and safe wildlife movement.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-54: Conflict with the Provisions of an Adopted Habitat Conservation Plan, Natural Community Conservation Plan, or Other Approved Local, Regional, or State Habitat Conservation Plan	Significant	MM CMP: Compensatory Mitigation Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants MM BIO-14: Avoid and Minimize Impacts on Vernal Pool Aquatic Invertebrates and Critical Habitat for Vernal Pool Fairy Shrimp MM BIO-18: Avoid and	Less Than Significant	Because the Project would only remove a small proportion of available lands for conservation, and thus not obstruct the plans’ conservation goals, and with the mitigation measures to avoid and minimize impacts on covered species and habitats, the impact on an adopted HCP, NCCP, or other approved local, regional, or state habitat conservation plan would be less than significant with mitigation.

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
		Minimize Impacts on Valley Elderberry Longhorn Beetle MM BIO-22a: Avoid and Minimize Impacts on California Tiger Salamander MM BIO-24a: Avoid and Minimize Impacts on California Red-Legged Frog and Critical Habitat MM BIO-25: Avoid and Minimize Impacts on Western Pond Turtle MM BIO-26: Avoid and Minimize Impacts on Special-Status Reptiles MM BIO-30: Avoid and Minimize Impacts on Giant Garter Snake MM BIO-31: Avoid and Minimize Impacts on Western Yellow-Billed Cuckoo MM BIO-32: Conduct Preconstruction Surveys and Implement Protective Measures to Avoid Disturbance of California Black Rail MM BIO-33: Minimize Disturbance of Sandhill Cranes MM BIO-35: Avoid and Minimize Impacts on Cormorant, Heron, and Egret Rookeries MM BIO-36a: Conduct Nesting Surveys for Special-Status and Non–Special-Status Birds and Implement Protective Measures to Avoid Disturbance of Nesting Birds and Raptors MM BIO-36b: Conduct Preconstruction Surveys and Implement Protective Measures to Avoid Disturbance of White-Tailed Kite MM BIO-39: Conduct Preconstruction Surveys and Implement Protective Measures to Minimize Disturbance of Swainson’s Hawk MM BIO-40: Conduct Surveys and Minimize Impacts on Burrowing Owl MM BIO-44: Conduct Preconstruction Surveys and Implement Protective Measures to Avoid Disturbance of Tricolored Blackbird MM BIO-47: Conduct Preconstruction Survey for American Badger and Implement Avoidance and Minimization Measures MM AG-1: Preserve Agricultural Land		Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact BIO-55: Conflict with Any Local Policies or Ordinances Protecting Biological Resources, Such as a Tree Preservation Policy or Ordinance	Significant	MM CMP: Compensatory Mitigation Plan	Less Than Significant	<p>The temporary loss of habitats from project construction would be reduced by Environmental Commitments EC-1: Conduct Worker Awareness Training; EC-2: Develop and Implement Hazardous Materials Management Plans; EC-3: Develop and Implement Spill Prevention, Containment, and Countermeasure Plans; and EC-14: Construction Best Management Practices for Biological Resources (Appendix 3B). Even with these commitments, however, the permanent loss of habitat from the construction of the alternatives would be significant. The CMP would be required to offset the loss of wetlands, riparian, and habitat for special-status species (Appendix 3F), which would reduce impacts on these resources and thus the conflicts with local policies and ordinances to less than significant.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact BIO-56: Substantial Adverse Effects on Fish and Wildlife Resources	Significant	MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities	Less Than Significant	The impacts on rivers, streams, and lakes, and associated communities, subject to the notification requirements of California Fish and Game Code 1600 et seq. would be less than

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
Regulated under California Fish and Game Code Section 1600 et seq		MM AQUA-1a: Develop and Implement an Underwater Sound Control and Abatement Plan MM AQUA-1b: Develop and Implement a Barge Operations Plan MM AQUA-1c: Develop and Implement a Fish Rescue and Salvage Plan MM BIO-2a: Avoid or Minimize Impacts on Special-Status Natural Communities and Special-Status Plants MM BIO-2b: Avoid and Minimize Impacts on Terrestrial Biological Resources from Maintenance Activities MM BIO-18: Avoid and Minimize Impacts on Valley Elderberry Longhorn Beetle MM BIO-22a: Avoid and Minimize Impacts on California Tiger Salamander MM BIO-24a: Avoid and Minimize Impacts on California Red-Legged Frog and Critical Habitat MM BIO-25: Avoid and Minimize Impacts on Western Pond Turtle MM BIO-26: Avoid and Minimize Impacts on Special-Status Reptiles MM BIO-30: Avoid and Minimize Impacts on Giant Garter Snake MM BIO-31: Avoid and Minimize Impacts on Western Yellow-Billed Cuckoo MM BIO-32: Conduct Preconstruction Surveys and Implement Protective Measures to Avoid Disturbance of California Black Rail MM BIO-33: Minimize Disturbance of Sandhill Cranes MM BIO-35: Avoid and Minimize Impacts on Cormorant, Heron, and Egret Rookeries MM BIO-36a: Conduct Nesting Surveys for Special-Status and Non–Special-Status Birds and Implement Protective Measures to Avoid Disturbance of Nesting Birds and Raptors MM BIO-36b: Conduct Preconstruction Surveys and Implement Protective Measures to Avoid Disturbance of White-Tailed Kite MM BIO-39: Conduct Preconstruction Surveys and Implement Protective Measures to Minimize Disturbance of Swainson’s Hawk MM BIO-40: Conduct Surveys and Minimize Impacts on Burrowing Owl MM BIO-44: Conduct Preconstruction Surveys and Implement Protective Measures to Avoid Disturbance of Tricolored Blackbird MM BIO-45b: Avoid and Minimize Impacts on Roosting Bats MM BIO-46: Conduct Preconstruction Survey for San Joaquin Kit Fox and Implement Avoidance and Minimization Measures MM BIO-47: Conduct Preconstruction Survey for American Badger and Implement Avoidance and Minimization Measures		significant because the mitigation measures would provide for compensatory mitigation to offset impacts on habitat that support fish and wildlife species, including rare plants, and would require steps to avoid and minimize effects on these species by establishing work windows to minimize the level of construction activities during sensitive time periods (e.g., migration, nesting), by establishing non-disturbance buffers to protect sensitive resources, by conducting preconstruction surveys to avoid occupied areas to the extent practicable, and by having biological monitors present to ensure measures are implemented and that direct effects on species are avoided and minimized.  Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Agricultural Resources				

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
Impact AG-3: Other Impacts on Agriculture as a Result of Constructing and Operating the Water Conveyance Facilities Prompting Conversion of Prime Farmland, Unique Farmland, Farmland of Local Importance, or Farmland of Statewide Importance	Significant	MM AG-3: Replacement or Relocation of Affected Infrastructure Supporting Agricultural Properties MM GW-1: Maintain Groundwater Supplies in Affected Areas	Less than Significant	<p>Construction and operation of the Project’s water conveyance facilities could indirectly affect agriculture within the study area through changes in groundwater elevation in localized areas affecting crop yields, disruption of agricultural infrastructure such as irrigation and drainage facilities, and operation-related changes in salinity affecting the water quality of irrigation water applied to crops. The potential for impacts resulting from changes in groundwater elevations during construction and operation would be minimized by design elements such placement of seepage cutoff wall placements around the north Delta intakes where such issues are most likely to arise. Implementation of these design elements to prevent changes in groundwater elevations that may affect neighboring properties, including farmland, would be tracked through groundwater monitoring programs. Furthermore, with Mitigation Measure GW-1: Maintain Groundwater Supplies in Affected Areas, identified in Chapter 8, the effects of temporary dewatering associated with the project are not anticipated to adversely disrupt agricultural operations in the vicinity of the intake sites that would result in conversion of Important Farmland to nonagricultural use.</p> <p>DWR considered how construction work for the project could affect local infrastructure supporting agricultural properties, including drainage and irrigation facilities. Such disruptions could result in the areas serviced by this infrastructure being fallowed. During project planning, known infrastructure used to serve agricultural properties were avoided to the greatest extent possible; however, the presence of additional infrastructure (e.g., buried pipelines that are not visible on aerial imagery and not identified in publicly available maps) may be revealed during future site level investigations. Although these disruptions may last only for the duration of project construction activity at a particular work area, such disruptions may persist for 7 to 15 years, depending on the facility being constructed. The effect would be permanent if the disruption to the infrastructure remains after construction is complete. This impact would be potentially significant.</p> <p>Mitigation Measure AG-3: Replacement or Relocation of Affected Infrastructure Supporting Agricultural Properties would require that any agricultural infrastructure that is disrupted by construction activities would be relocated or replaced to support continued agricultural activities; otherwise, the affected landowner would be fully compensated for any financial losses resulting from the disruption. Furthermore, as required under Mitigation Measure BIO-2c: Electrical Power Line Support Placement, the installation of power transition and distribution lines and necessary appurtenances within agricultural areas would require that DWR incorporate BMPs, where feasible, to minimize crop damage, reduce agricultural land impacts, and reduce the potential for interference with farm machinery. The impact would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
<b>Aesthetics and Visual Resources</b>				
Impact AES-4: Create New Sources of Substantial Light or Glare That Would Adversely Affect Daytime or Nighttime Views of the Construction Areas or Permanent Facilities	Significant	MM AES-1b: Apply Aesthetic Design Treatments to Project Structures MM AES-1c: Implement Best Management Practices in Project Landscaping Plan MM AES-4a: Limit Construction Outside of Daylight Hours within 0.25 Mile of Residents at the Intakes MM AES-4b: Minimize Fugitive Light from Portable Sources Used for Construction	Less Than Significant	Once construction is completed and the project is in operation, the Project facilities would use limited nighttime lighting. Sources of glare would be blocked by levees, reduced by distance, or fleeting to motorists. Any building materials that would have potential to reflect glare would have a matte or nonreflective finish that would reduce or inhibit glare. Therefore, permanent, postconstruction impacts of light and glare attributable to the project would be less than significant.

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
		MM AES-4c: Install Visual Barriers along Access Routes, Where Necessary, to Prevent Light Spill from Truck Headlights toward Residences		Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Transportation				
Impact TRANS-4: Result in Inadequate Emergency Access	Significant	MM TRANS-1: Implement Site-Specific Construction Transportation Demand Management Plan and Transportation Management Plan	Less Than Significant	<p>Construction of the Project would increase the potential for emergency access conflicts in the vicinity of construction sites at multiple locations and would increase the potential for emergency vehicle delays on roadways used to access construction sites or in the vicinity of proposed roadway improvements. Even with the roadway and access road improvements incorporated into the Project, this potential is considered to be a significant impact because (1) a substantial increase in the volume of additional construction-related vehicle trips would occur on the regional transportation system and on Delta roadways during the construction period, and (2) up to 18 access points have the potential to experience emergency vehicle access delay due to ingress and egress of construction vehicles and roadway and bridge construction for the Project. The traffic management plan (TMP) actions in Mitigation Measure TRANS-1: Implement Site-Specific Construction Transportation Demand Management Plan and Transportation Management Plan would reduce this impact to a less-than-significant level by providing specific actions and coordination with emergency responders at construction sites to maintain adequate emergency access in the vicinity of construction sites.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Air Quality and Greenhouse Gases				
Impact AQ-1: Result in Impacts on Regional Air Quality within the Sacramento Metropolitan Air Quality Management District	Significant	MM AQ-1: Offset Construction-Generated Criteria Pollutants in the Sacramento Valley Air Basin	Less Than Significant	<p>Impacts associated with fugitive dust emissions would be minimized through a dust control plan (Environmental Commitment EC-11: Fugitive Dust Control) and BMPs at new concrete batch plants (Environmental Commitment EC-12: On-Site Concrete Batching Plants). Exhaust-related pollutants would be reduced through use of zero-emissions equipment and vehicles (where feasible), renewable diesel, Tier 4 diesel engines, newer on-road and marine engines, and other BMPs, as required by Environmental Commitments EC-7: Off-Road Heavy-Duty Engines through EC-10: Marine Vessels and EC-13: DWR Best Management Practices to Reduce GHG Emissions. These environmental commitments would minimize air quality impacts through application of on-site controls to reduce construction emissions; however, even with these commitments, exceedances of SMAQMD’s thresholds would occur, and the project would contribute a significant level of regional NOX and particulate matter pollution within the SVAB.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact AQ-2: Result in Impacts on Regional Air Quality within the San Joaquin Valley Air Pollution Control District	Significant	MM AQ-2: Offset Construction-Generated Criteria Pollutants in the San Joaquin Valley Air Basin	Less Than Significant	<p>Based on the performance of current incentive programs and reasonably foreseeable future growth, SJVAPCD has confirmed that enough emissions reduction credits would be available to offset emissions generated by the project for all years in excess of SJVAPCD’s thresholds (McLaughlin pers. comm.). Because SJVAPCD’s thresholds were established to prevent emissions from new projects in the SJVAB from contributing to CAAQS or NAAQS violations, mitigating emissions below the threshold levels would avoid potential conflicts with the ambient air quality plans and ensure that project construction would not contribute a significant level of air pollution such that regional air quality within the SJVAB would be degraded. Accordingly, the impact would be less than significant with mitigation.</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact AQ-3: Result in Impacts on Regional Air Quality within the Bay Area Air Quality Management District	Significant	MM AQ-3: Offset Construction-Generated Criteria Pollutants in the San Francisco Bay Area Air Basin	Less Than Significant	<p>Based on the performance of current incentive programs and reasonably foreseeable future growth, BAAQMD has confirmed that Mitigation Measure AQ-3: Offset Construction-Generated Criteria Pollutants in the San Francisco Bay Area Air Basin is technically feasible (Kirk pers. comm.). Because BAAQMD’s thresholds were established to prevent emissions from new projects in the SFBAAB from contributing to CAAQS or NAAQS violations, mitigating emissions below the threshold levels would avoid potential conflicts with the ambient air quality plans and ensure that project construction would not contribute a significant level of air pollution such that regional air quality within the SFBAAB would be degraded. Accordingly, the impact would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact AQ-9: Result in Impacts on Global Climate Change from Construction and O&M	Significant	MM AQ-9: Develop and Implement a GHG Reduction Plan to Reduce GHG Emissions from Construction and Net CVP Operational Pumping to Net Zero	Less Than Significant	<p>The CEQA Guidelines generally offer two paths to evaluating GHG emissions impacts in CEQA documents:</p> <ul style="list-style-type: none"><li>• Projects can tier off a plan or similar document for the reduction of GHG emissions (as defined in CEQA Guidelines § 15183.5(b)) where the plan addresses GHG emissions for a range of project types within a geographic area.</li><li>• Projects can evaluate and determine significance by calculating GHG emissions and assessing their significance using a performance standard (CEQA Guidelines § 15064.4).</li></ul> <p>As discussed in Section 23.3.2, Thresholds of Significance, this analysis uses both evaluation pathways to appropriately consider the planning and regulatory frameworks most applicable to the project’s emissions sources.</p> <p>O&amp;M and SWP pumping activities are covered by DWR’s Update 2020, which was prepared by DWR to provide a departmental strategy for meeting the State’s 2030 and 2045 emissions reduction goals articulated in SB 32 and EO B-55-18 (and subsequently, AB 1279), respectively. Update 2020 is a plan for the reduction of GHG emissions and as such, GHG emissions from project O&amp;M and SWP pumping activities are eligible to tier from the environmental document (California Department of Water Resources 2020b) for Update 2020 to evaluate project-level significance.</p> <p>Construction of the Project is not covered by DWR’s Update 2020 and, therefore, is not eligible for tiering to evaluate whether project-level GHG emissions would result in a significant impact under CEQA. Accordingly, this analysis evaluates the significance of GHG emissions resulting from construction and displaced purchases of CVP electricity against a net zero threshold. As discussed in Section 23.3.2, Thresholds of Significance, a net zero threshold was selected by DWR given the project’s long-term implementation timeframe and in recognition of scientific evidence that concludes carbon neutrality must be achieved by mid-century to avoid the most severe climate change impacts.</p> <p>While by different mechanisms, both pathways assess the Project against the larger threshold of carbon neutrality by 2045 (or earlier), as discussed below, which is consistent with the State’s long-term climate change goal and emissions reduction trajectory (AB 1279 and EO B-55-18).</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				<p>The Project would not affect DWR’s established emissions reduction goals or baseline (1990) emissions and therefore would not result in a change in total DWR emissions that would be considered significant. The Project would not conflict with any of DWR’s specific action GHG emissions reduction measures and implements all applicable project-level GHG emissions reduction measures as set forth in Update 2020. The Project is, therefore, consistent with the analysis performed in Update 2020.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact AQ-10: Result in Impacts on Global Climate Change from Land Use Change	Significant	MM CMP: Compensatory Mitigation Plan	Less Than Significant	<p>The impact would be less than significant under CEQA for the Project because cumulative emissions from land use change are projected to decrease relative to baseline by 2070. Initial construction activities would result in GHG increases early in project implementation. The Project would achieve a yearly net negative emissions rate approximately 4 to 6 years after groundbreaking, and a cumulative net negative GHG impact 15 to 28 years later. As shown in Table 23-76, cumulative net reductions projected through 2070 are estimated to range from 16,235 to 30,150 metric tons CO2e for the Project. Because cumulative GHG emissions from land use change would not exceed net zero, the project would not result in a significant impact on GHG emissions or impede DWR’s or the state’s ability to achieve their GHG reduction goals.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
<b>Hazards, Hazardous Materials, and Wildfire</b>				
Impact HAZ-2: Create a Significant Hazard to the Public or the Environment through Reasonably Foreseeable Upset and Accident Conditions Involving the Release of Hazardous Materials into the Environment	Significant	MM HAZ-2: Perform a Phase I Environmental Site Assessment Prior to Construction Activities and Remediate	Less Than Significant	<p>Overall, considering the potential for release of hazardous materials during construction, operations and maintenance of the Project, the potential exists for accidental spills and exposure to hazardous materials to occur. The environmental commitments could partially reduce impacts related to hazardous materials but not to a less-than-significant level because of the uncertainty that exists about the locations and nature of potential hazardous materials sites and the potential for construction worker and public exposure to hazardous materials. Implementing Mitigation Measure HAZ-2: Perform a Phase I Environmental Site Assessment Prior to Construction Activities and Remediate would include a Phase I environmental site assessment before construction, the identification and evaluation of potential sites of concern within the construction footprint, and the development of a remediation plan before construction and operations commence. This would reduce all impacts related to accidental release of hazardous materials into the environment to a less-than-significant level with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact HAZ-4: Be Located on a Site That Is Included on a List of Hazardous Materials Sites Compiled Pursuant to Government Code Section 65962.5 and, as a Result, Create a Substantial Hazard to the Public or the Environment	Significant	MM HAZ-2: Perform a Phase I Environmental Site Assessment Prior to Construction Activities and Remediate	Less Than Significant	<p>The Project would construct facilities on or near known Cortese List sites. Ground-disturbing activities and dewatering at or near sites that have not been fully remediated could expose workers and the public to contaminated soil and/or groundwater resulting in adverse health effects. The potential for exposure during construction would be a significant impact because of the proximity of these sites to Project and the potential for hazardous materials exposure during site excavation and grading. Operations and maintenance activities of the Project would not result in employee exposure because a plan (e.g., Environmental Site Assessment) for remediating hazardous sites would be implemented prior to project operations. Mitigation Measure HAZ-2: Perform a Phase I Environmental Site Assessment Prior to Construction</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				Activities and Remediate would reduce the potential for significant impacts to a less-than-significant level by requiring preconstruction investigations and remediation to reduce the potential for encountering contaminants and other hazardous materials at construction sites.
				Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
Impact HAZ-5: Result in a Safety Hazard Associated with an Airport or Private Airstrip	Significant	MM HAZ-5: Wildlife Hazards Management Plan and Wildlife Deterrents	Less Than Significant	<p>Airspace safety hazards occur when project components, such as buildings or construction equipment, encroach on the airspace of an airport runway. The locations of airports within 2 miles of the Project are shown on Figure 25-5. Eleven airports are within 2 miles of the construction footprint. No aspect of the Project would include equipment or structures that would be taller than 200 feet. Also pursuant to the State Aeronautics Act, DWR would adhere to FAA and Caltrans recommendations and comply with the recommendations of the OE/AAA. In areas where the project intersects with the Byron Airport influence area, construction of structures more than 100 feet above ground level could cause an obstruction or hazard to air navigation. However, construction would not introduce equipment or temporary structures in locations that could obstruct an airport or conflict with airport land uses. In addition, consultation with the Contra Costa Airport Land Use Commission would ensure that potential impacts of airspace interference would be reduced. As such, impacts on airports within 2 miles of the construction footprint due to construction of the Project would be less than significant.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
Impact HAZ-6: Impair Implementation of or Physically Interfere with an Adopted Emergency Response Plan or Emergency Evacuation Plan	Significant	MM TRANS-1: Implement Site-Specific Construction Transportation Demand Management Plan and Transportation Management Plan	Less Than Significant	<p>With Mitigation Measure TRANS-1, additional evaluations and discussions with local agencies would be required during the design phase to determine the most appropriate method to coordinate between project-provided emergency response services at the construction sites and integration with local agencies. Because project construction would not take place without a Transportation Demand Management Plan and good-faith coordination with local agencies on appropriate emergency response services, impacts from construction or operations and maintenance of any of the alternatives would be reduced to less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>
<b>Public Health</b>				
Impact PH-1: Increase in Vector-Borne Diseases	Significant	MM PH-1a: Avoid Creating Areas of Standing Water During Preconstruction Future Field Investigations and Project Construction MM PH-1b: Develop and Implement a Mosquito Management Plan for Compensatory Mitigation Sites on Bouldin Island and at I-5 Ponds	Less Than Significant	<p>Operation and maintenance of the water conveyance facilities would not be expected to result in the creation of potentially suitable mosquito breeding habitat and thus would not likely increase the public’s exposure to vector-borne diseases in the study area relative to existing conditions.</p> <p>Mitigation Measure PH-1a: Avoid Creating Areas of Standing Water During Preconstruction, Field Investigations, and Project Construction would minimize the potential for any impact on public health related to increasing suitable vector habitat within the study area during construction and reduce this impact to a less-than-significant level by reducing suitable mosquito habitat at Project facilities.</p>

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA	Proposed Mitigation	Impact Conclusion After Mitigation- CEQA	Findings of Fact
				Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.
<b>Paleontological Resources</b>				
Impact PALEO-1: Cause Destruction of a Unique Paleontological Resource as a Result of Surface Ground Disturbance	Significant	MM PALEO-1a: Prepare and Implement a Monitoring and Mitigation Plan for Paleontological Resources MM PALEO-1b: Educate Construction Personnel in Recognizing Fossil Material	Less Than Significant	<p>The potential for destruction of unique paleontological resources, as defined in Section 28.3.2, Thresholds of Significance, in those portions of the study area affected by project construction would constitute a significant impact under CEQA because excavation for project facilities would occur in locations known to be sensitive for paleontological resources and localized project excavation would be considerable. Mitigation Measures PALEO-1a: Prepare and Implement a Monitoring and Mitigation Plan for Paleontological Resources, and PALEO-1b: Educate Construction Personnel in Recognizing Fossil Material would reduce the impacts to a less-than-significant level by ensuring that a qualified professional paleontologist would develop a monitoring and mitigation plan and determine which activities would occur in units sensitive for paleontological resources; educating construction personnel in recognizing paleontological resources; and having qualified monitors in place to monitor for paleontological resources and temporarily stop construction (per the PRMMP) should paleontological resources be discovered. For excavation at the tunnel shafts where in situ monitoring cannot occur, the shaft spoils would be monitored. The level of impact for all alignment alternatives would be similar but would vary in magnitude based on the amount of excavation that would occur (Table 28-4). In summary, the impacts of surface-related ground disturbance would be less than significant with mitigation.</p> <p>Findings: Changes or alterations have been required in, or incorporated into, the project that avoid the significant environmental effect as identified in the Final EIR. Impacts will be less than significant with mitigation.</p>

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13

1

2

3 **Table 3: Project Impacts that are Less-than-Significant/No Impact Before Mitigation**

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA
<b>Flood Protection</b>	
Impact FP-1: Cause a Substantial Increase in Water Surface Elevations of the Sacramento River between the American River Confluence and Sutter Slough	Less than Significant
Impact FP-2: Alter the Existing Drainage Pattern of the Site or Area, including through the Alteration of the Course of a Stream or River, or Substantially Increase the Rate or Amount of Surface Runoff in a Manner That Would Result in Flooding On- or Off-Site or Impede or Redirect Flood Flows	Less than Significant
<b>Groundwater</b>	
Impact GW-1: Changes in Stream Gains or Losses in Various Interconnected Stream Reaches	Less than Significant
Impact GW-2: Changes in Groundwater Elevations	Less than Significant
Impact GW-3: Reduction in Groundwater Levels Affecting Supply Wells	Less than Significant
Impact GW-4: Changes to Long-Term Change in Groundwater Storage	Less than Significant
Impact GW-5: Increases in Groundwater Elevations near Project Intake Facilities Affecting Agricultural Drainage	Less than Significant
Impact GW-6: Damage to Major Conveyance Facilities Resulting from Land Subsidence	Less than Significant
Impact GW-7: Degradation of Groundwater Quality	Less than Significant
<b>Water Quality</b>	
Impact WQ-1: Impacts on Water Quality Resulting from Construction of the Water Conveyance Facilities	Less than Significant
Impact WQ-2: Effects on Boron Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-3: Effects on Bromide Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-4: Effects on Chloride Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-5: Effects on Electrical Conductivity Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-7: Effects on Nutrients Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-8: Effects on Organic Carbon Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-9: Effects on Dissolved Oxygen Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-10: Effects on Selenium Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-11: Effects on Pesticides Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-12: Effects on Trace Metals Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-13: Effects on Turbidity/Total Suspended Solids Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-14: Effects on Cyanobacteria Harmful Algal Blooms Resulting from Facility Operations and Maintenance	Less than Significant
Impact WQ-15: Risk of Release of Pollutants from Inundation of Project Facilities	Less than Significant
Impact WQ-16: Effects on Drainage Patterns as a Result of Project Facilities	Less than Significant
Impact WQ-17: Consistency with Water Quality Control Plans	No Impact
<b>Geology and Seismicity</b>	
Impact GEO-1: Loss of Property, Personal Injury, or Death from Structural Failure Resulting from Rupture of a Known Earthquake Fault or Based on Other Substantial Evidence of a Known Fault	Less than Significant
Impact GEO-2: Loss of Property, Personal Injury, or Death from Strong Earthquake-Induced Ground Shaking	Less than Significant
Impact GEO-3: Loss of Property, Personal Injury, or Death from Earthquake-Induced Ground Failure, including Liquefaction and Related Ground Effects	Less than Significant

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA
Impact GEO-4: Loss of Property, Personal Injury, or Death from Ground Settlement, Slope Instability, or Other Ground Failure	Less than Significant
Impact GEO-5: Loss of Property, Personal Injury, or Death from Structural Failure Resulting from Project-Related Ground Motions	Less than Significant
Impact GEO-6: Loss of Property, Personal Injury, or Death from Seiche or Tsunami	Less than Significant
<b>Soils</b>	
Impact SOILS-1: Accelerated Soil Erosion Caused by Vegetation Removal and Other Disturbances as a Result of Constructing the Proposed Water Conveyance Facilities	Less than Significant
Impact SOILS-2: Loss of Topsoil from Excavation, Overcovering, and Inundation as a Result of Constructing the Proposed Water Conveyance Facilities	Less than Significant
Impact SOILS-3: Property Loss, Personal Injury, or Death from Instability, Failure, and Damage as a Result of Constructing the Proposed Water Conveyance Facilities on or in Soils Subject to Subsidence	Less than Significant
Impact SOILS-4: Risk to Life and Property as a Result of Constructing the Proposed Water Conveyance Facilities in Areas of Expansive or Corrosive Soils	Less than Significant
<b>Fish and Aquatic Resources</b>	
Impact AQUA-4: Effects of Operations and Maintenance of Water Conveyance Facilities on Central Valley Fall-Run/Late Fall–Run Chinook Salmon	Less than Significant
Impact AQUA-8: Effects of Operations and Maintenance of Water Conveyance Facilities on Southern DPS Green Sturgeon	Less than Significant
Impact AQUA-9: Effects of Operations and Maintenance of Water Conveyance Facilities on White Sturgeon	Less than Significant
Impact AQUA-10: Effects of Operations and Maintenance of Water Conveyance Facilities on Pacific Lamprey and River Lamprey	Less than Significant
Impact AQUA-11: Effects of Operations and Maintenance of Water Conveyance Facilities on Native Minnows (Sacramento Hitch, Sacramento Splittail, Hardhead, and Central California Roach)	Less than Significant
Impact AQUA-12: Effects of Operations and Maintenance of Water Conveyance Facilities on Starry Flounder	Less than Significant
Impact AQUA-13: Effects of Operations and Maintenance of Water Conveyance Facilities on Northern Anchovy	Less than Significant
Impact AQUA-14: Effects of Operations and Maintenance of Water Conveyance Facilities on Striped Bass	Less than Significant
Impact AQUA-15: Effects of Operations and Maintenance of Water Conveyance Facilities on American Shad	Less than Significant
Impact AQUA-16: Effects of Operations and Maintenance of Water Conveyance Facilities on Threadfin Shad	Less than Significant
Impact AQUA-17: Effects of Operations and Maintenance of Water Conveyance Facilities on Black Bass	Less than Significant
Impact AQUA-18: Effects of Operations and Maintenance of Water Conveyance Facilities on California Bay Shrimp	Less than Significant
Impact AQUA-19: Effects of Operations and Maintenance of Water Conveyance Facilities on Southern Resident Killer Whale	Less than Significant
Impact AQUA-20: Effects of Construction of Water Conveyance Facilities on California Sea Lion	Less than Significant
<b>Terrestrial Biological Resources</b>	
Impact BIO-6: Impacts of the Project on Nontidal Brackish Emergent Wetland	No Impact
Impact BIO-15: Impacts of the Project on Conservancy Fairy Shrimp	No Impact
Impact BIO-17: Impacts of the Project on Sacramento and Antioch Dunes Anthicid Beetles	No Impact
Impact BIO-19: Impacts of the Project on Delta Green Ground Beetle	No Impact
Impact BIO-43: Impacts of the Project on Suisun Song Sparrow and Saltmarsh Common Yellowthroat	No Impact
Impact BIO-49: Impacts of the Project on Salt Marsh Harvest Mouse	No Impact
Impact BIO-50: Impacts of the Project on Riparian Brush Rabbit	No Impact
Impact BIO-52: Impacts of Invasive Species Resulting from Project Construction and Operations on Established Vegetation	Less than Significant
Impact BIO-57: Impacts of the Project on Monarch Butterfly	Less than Significant
<b>Land Use</b>	
Impact LU-1: Displacement of Existing Structures and Residences and Effects on Population and Housing	Less than Significant

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA
Impact LU-2: Incompatibility with Applicable Land Use Designations, Goals, and Policies, Adopted for the Purpose of Avoiding or Mitigating an Environmental Effect as a Result of the Project	Less than Significant
Impact LU-3: Create Physical Structures Adjacent to and through a Portion of an Existing Community that Would Physically Divide the Community as a Result of the Project	No Impact
Impact REC-1: Increase the Use of Existing Neighborhood and Regional Parks or Other Recreational Facilities Such That Substantial Physical Deterioration of the Facility Would Occur or Be Accelerated	Less than Significant
<b>Transportation</b>	
Impact TRANS-2: Conflict with a Program, Plan, Ordinance, or Policy Addressing the Circulation System	Less than Significant
Impact TRANS-5: Potential Effects on Marine Navigation Caused by Construction, Operation, and Maintenance of Intakes	Less than Significant
<b>Public Services and Utilities</b>	
Impact UT-1: Result in Substantial Physical Impacts Associated with the Provision of, or the Need for, New or Physically Altered Governmental Facilities, the Construction of Which Could Cause Significant Environmental Impacts on Public Services Including Police Protection, Fire Protection, Public Schools, and Other Public Facilities (e.g., Libraries, Hospitals)	Less than Significant
Impact UT-2: Require or Result in the Relocation or Construction of New or Expanded Service System Infrastructure, the Construction or Relocation of Which Could Cause Significant Environmental Impacts for Any Service Systems Such as Water, Wastewater Treatment, Stormwater Drainage, Electric Power Facilities, Natural Gas Facilities, and Telecommunications Facilities	Less than Significant
Impact UT-3: Exceed the Capacity of the Wastewater Treatment Provider(s) that Would Serve the Alternative’s Anticipated Demand in Addition to the Provider’s Existing Commitments	Less than Significant
Impact UT-4: Generate Solid Waste in Excess of Federal, State or Local Standards, or Be in Excess of the Capacity of Local Infrastructure, or Otherwise Impair the Attainment of Solid Waste Reduction Goals	Less than Significant
<b>Energy</b>	
Impact ENG-1: Result in Substantial Significant Environmental Impacts Due to Wasteful, Inefficient, or Unnecessary Consumption of Energy Resources during Project Construction or Operation	Less than Significant
Impact ENG-2: Conflict with or Obstruct Any State/Local Plan, Goal, Objective, or Policy for Renewable Energy or Energy Efficiency	No Impact
<b>Air Quality and Greenhouse Gases</b>	
Impact AQ-4: Result in Impacts on Air Quality within the Yolo-Solano Air Quality Management District	Less than Significant
Impact AQ-6: Result in Exposure of Sensitive Receptors to Substantial Toxic Air Contaminant Emissions	Less than Significant
Impact AQ-7: Result in Exposure of Sensitive Receptors to Asbestos, Lead-Based Paint, or Fungal Spores That Cause Valley Fever	Less than Significant
Impact AQ-8: Result in Exposure of Sensitive Receptors to Substantial Odor Emissions	Less than Significant
Impact AQ-10: Result in Impacts on Global Climate Change from Land Use Change	Less than Significant
<b>Noise and Vibration</b>	
Impact NOI-2: Generate Excessive Groundborne Vibration or Groundborne Noise Levels	Less than Significant
Impact NOI-3: Place Project-Related Activities in the Vicinity of a Private Airstrip or an Airport Land Use Plan, or, Where Such a Plan Has Not Been Adopted, within 2 Miles of a Public Airport or Public Use Airport, Resulting in Exposure of People Residing or Working in the Project Area to Excessive Noise Levels	No Impact
<b>Hazards, Hazardous Materials, and Wildfire</b>	
Impact HAZ-1: Create a Substantial Hazard to the Public or the Environment through the Routine Transport, Use, or Disposal of Hazardous Materials	Less than Significant
Impact HAZ-3: Expose Sensitive Receptors at an Existing or Proposed School Located within 0.25 Mile of Project Facilities to Hazardous Materials, Substances, or Waste	No Impact
Impact HAZ-5: Result in a Safety Hazard Associated with an Airport or Private Airstrip	Less than Significant
Impact HAZ-7: Expose People or Structures, Either Directly or Indirectly, to a Substantial Risk of Loss, Injury, or Death Involving Wildland Fires	Less than Significant

Potential Project Impact	Impact Conclusions Before Mitigation- CEQA
<b>Public Health</b>	
Impact PH-2: Exceedance(s) of Water Quality Criteria for Constituents of Concern Such That Drinking Water Quality May Be Affected	Less than Significant
Impact PH-3: Substantial Mobilization of or Increase in Constituents Known to Bioaccumulate	Less than Significant
Impact PH-4: Adversely Affect Public Health Due to Exposing Sensitive Receptors to New Sources of EMF	Less than Significant
Impact PH-5: Impact Public Health Due to an Increase in Microcystis Bloom Formation	Less than Significant
<b>Mineral Resources</b>	
Impact MIN-1: Loss of Availability of Locally Important Natural Gas Wells as a Result of the Project	No Impact
Impact MIN-2: Loss of Availability of Extraction Potential from Natural Gas Fields as a Result of the Project	No Impact
Impact MIN-3: Loss of Availability of Locally Important Aggregate Resources (Mines and MRZs) as a Result of the Project	No Impact
Impact MIN-4: Loss of Availability of Locally Important Aggregate Resources as a Result of the Project	No Impact

## Attachment 2

### Statement of Overriding Considerations

California Public Resources Code section 21081, subdivision (b), and State CEQA Guidelines section 15093 provide that when a public agency's decision-making body approves a project that may have potentially significant, unavoidable environmental impacts identified in an environmental impact report, the decision-making body must state in writing why the potentially significant and unavoidable impacts are acceptable given environmental, economic, legal, social, technological, or other considerations.

The Metropolitan Water District of Southern California (Metropolitan) is considering approval of an amendment to the Agreement for the Advance or Contribution of Money to the Department of Water Resources by the Metropolitan Water District of Southern California to fund continued project planning, environmental permitting, design and engineering, and data collection and field work investigations, including ground-disturbing geotechnical work, water quality and hydrogeologic investigations, agronomic testing and the installation of monitoring equipment planned for calendar years 2026 through 2027 (collectively, preconstruction work) that will guide the ultimate design, appropriate construction methods, and monitoring programs for the Department of Water Resources' (DWR's) Delta Conveyance Project (DCP). The DCP comprises two new fish-screened water intakes, conveyance, and pumping facilities in the Sacramento-San Joaquin Delta (Delta) designed to address risks to State Water Project (SWP) supplies from climate change, sea level rise, earthquakes and regulations restricting south-Delta SWP pumping. Metropolitan is not considering approval of the DCP, nor is Metropolitan committing to a future approval of the DCP by approving the preconstruction work.

DWR prepared and certified a Final Environmental Impact Report (Final EIR) (State Clearinghouse Number 2020010227) that analyzed the potential environmental impacts of the DCP, inclusive of potential impacts associated with the preconstruction work. (Available at [Final EIR document \(deltaconveyanceproject.com.\)](https://deltaconveyanceproject.com/)). DWR also adopted a Mitigation Monitoring and Reporting Program (MMRP) to address potentially significant project impacts. (Available at [04\\_DCP\\_MMRP\\_ADA.pdf | Powered by Box.](#))

The Final EIR concluded that the DCP, inclusive of the preconstruction work, may have significant and unavoidable impacts on the environment, and these impacts are listed below and prefaced by their identification number from the Final EIR:

- Impact AG-1: Convert a Substantial Amount of Prime Farmland, Unique Farmland, Farmland of Local Importance, or Farmland of Statewide Importance as a Result of Construction of Water Conveyance Facilities
- Impact AG-2: Convert a Substantial Amount of Land Subject to Williamson Act Contract or under Contract in Farmland Security Zones to a Nonagricultural Use as a Result of Construction of Water Conveyance Facilities
- Impact AES-1: Substantially Degrade the Existing Visual Character or Quality of Public Views (from Publicly Accessible Vantage Points) of the Construction Sites and Visible Permanent Facilities and Their Surroundings in Nonurbanized Areas
- Impact AES-2: Substantially Damage Scenic Resources including, but Not Limited to,

### Trees, Rock Outcroppings, and Historic Buildings Visible from a State Scenic Highway

- Impact AES-3: Have Substantial Significant Impacts on Scenic Vistas
- Impact CUL-1: Impacts on Built-Environment Historical Resources Resulting from Construction and Operation of the Project
- Impact CUL-2: Impacts on Unidentified and Unevaluated Built-Environment Historical Resources Resulting from Construction and Operation of the Project
- Impact CUL-3: Impacts on Identified Archaeological Resources Resulting from the Project
- Impact CUL-4: Impacts on Unidentified Archaeological Resources That May Be Encountered During the Project
- Impact CUL-5: Impacts on Buried Human Remains
- Impact TRANS-1: Increased Average VMT Per Construction Employee versus Regional Average
- Impact AQ-5: Result in Exposure of Sensitive Receptors to Substantial Localized Criteria Pollutant Emissions
- Impact NOI-1: Generate a Substantial Temporary or Permanent Increase in Ambient Noise Levels in the Vicinity of the Project in Excess of Standards Established in the Local General Plan or Noise Ordinance, or Applicable Standards of Other Agencies
- Impact PALEO-2: Cause Destruction of a Unique Paleontological Resource as a Result of Tunnel Construction and Ground Improvement
- Impact TCR-1: Impacts on the Delta Tribal Cultural Landscape Tribal Cultural Resource Resulting from Construction, Operations, and Maintenance of the Project Alternatives
- Impact TCR-2: Impacts on Individual Tribal Cultural Resources Resulting from Construction, Operations, and Maintenance of the Project Alternatives

In the judgment of the Board of Directors, given the benefits of the DCP<sup>1</sup> and the need for the preconstruction work to advance its permitting, design and engineering, each benefit of the preconstruction work, as set forth below, outweighs – both individually and collectively – the preconstruction work’s contribution, if any, to each of the potentially significant and unavoidable impacts DWR identified for the DCP.

1. **The DCP, which cannot be developed without the preconstruction work, would mitigate the risk to the reliability of SWP water deliveries south of the Delta from salinity intrusion in the wake of an earthquake.** The SWP’s primary purpose is to supply water to local and regional water suppliers, including Metropolitan, across California that supply water to member agencies or end users engaged in the beneficial uses of that water. Historically, thirty percent of Metropolitan’s imported water supplies come from the SWP on a long-term average basis, and Metropolitan relies on the relatively low salinity of SWP

---

<sup>1</sup> “[T]he benefits that a public agency may consider in deciding whether to approve a part of a larger project as a responsible agency include the benefits of the project as a whole.” (*Marina Coast Water Dist. v. County of Monterey* (2023) 96 Cal.App.5th 46, 85.)

supplies to manage salinity in its blended supplies while some members rely on it for conjunctive use of groundwater. The current SWP system relies heavily on natural channels within the Delta to convey water and is vulnerable to seismic events because most land in the central Delta has subsided well below sea level. If levees fail because of a seismic event, seawater intrusion from the western Delta could create salinity conditions that could require ceasing diversions from the SWP's current point of diversion in the south Delta. The capability of the DCP to continue operations would improve the ability of SWP Delta facilities to function after a seismic event by operating new diversion facilities on the Sacramento River in the north Delta, conveying the water to a new pumping plant in the south Delta via a tunnel, and lifting the water into the Bethany Reservoir at the beginning of the California Aqueduct. The new intakes and tunnel would be designed to withstand significant seismic events such that the DCP could provide water even if there were massive levee failures in the Delta.

2. **The DCP, which cannot be developed without the preconstruction work, would protect the reliability of SWP water deliveries south of the Delta by addressing reasonably foreseeable consequences of climate change and extreme weather events.** The DCP is part of the State of California's strategy to adapt the SWP water supply to climate change. As described in the Final EIR certified for the DCP, Volume 1, Chapter 30, *Climate Change*, projected future conditions under climate change, such as higher average temperature and more extreme variability in annual precipitation patterns, is anticipated to further diminish overall water supply and reliability of water delivery to Metropolitan. Under a 2070 climate change scenario with 1.8 feet of sea level rise at Golden Gate Bridge, DWR modeling shows a nearly 600,000 acre-foot or 22-percent decrease in long-term average SWP supplies without the DCP. (Berkeley Research Group, Benefit-Cost Analysis of the Delta Conveyance Project, Table 2, Existing Conditions and Main Scenario, available at [21-3411 - 06102024 OWS 6a - DCP Benefit-Cost Analysis \(legistar.com\)](#).) The same modeling shows the DCP would mitigate about 400,000 AF of that impact on a long-term average basis. In addition, Climate change is already taking a toll on California's water supplies in the form of more frequent and more severe droughts. A warmer atmosphere would modify precipitation and runoff patterns, shifting runoff earlier in the year, and affect extreme hydrologic events like floods and droughts. It is anticipated that droughts would increase in severity and duration, resulting in periods of critical dryness, further reducing Delta inflows during these dry periods. At the same time, associated increases in the frequency and severity of flashy storms in the cool season could increase high-flow events and flood risk in the Delta. These trends point to the need for alternate methods of water diversion and conveyance to effectively respond to changing water flow regimes under future climate change. The Final EIR, DCP Benefit-Cost Analysis, and "hindcast" modeling of past water years<sup>2</sup> show that the DCP would increase resiliency in managing combined effects of climate change and sea level rise, including changes to timing and quantity of seasonal runoff, even in severe drought years, while meeting water quality and endangered species regulations and permits. As water demand and supply challenges continue to increase, the DCP is designed to enhance resilience to climate change impacts and ensure that safe and reliable water deliveries to Metropolitan continue far into the future.
3. **The DCP, which cannot be developed without the preconstruction work, would restore and protect the reliability of State Water Project water deliveries south of the Delta by**

---

<sup>2</sup> See DWR's Adapting to Climate Change: Catching and Moving Water from Big Storms, available at [Adapting to Climate Change: Catching and Moving Water from Big Storms](#) and slides 16-17 of staff's presentation on Item 6a at the October 7, 2024 One Water and Stewardship Committee meeting, available at [21-3876 - 10072024 OWS 6a Presentation \(legistar.com\)](#).

**addressing sea level rise.** The DCP would protect Metropolitan's SWP water supplies by facilitating adaption to sea level rise. As sea levels rise, salinity will intrude further into the Delta, degrading water quality over the long term. As described in Final EIR, Volume 1, Appendix 6A, *Water Supply 2040 Analysis* and the Benefit-Cost Analysis of the Delta Conveyance Project, the DCP would improve SWP water supply reliability under current and future conditions, including extreme high sea level rise. As Metropolitan relies on SWP water supply, the preconstruction work, and the DCP that it would enable, would provide significant benefits to Metropolitan.

4. **The DCP, which cannot be developed without the preconstruction work, would restore and protect the reliability of State Water Project water deliveries south of the Delta by addressing regulatory constraints on south Delta water exports.** By adding two new fish-screened water intakes on the Sacramento River in the north Delta, the DCP would enable more flexible SWP operations such that if sensitive fish species trigger pumping restrictions in the south Delta, DWR could divert in the north Delta as conditions permit, thereby reducing impacts to sensitive fish species while meeting water quality and endangered species permit terms.
5. **The preconstruction work is necessary for the cost-effective design of the DCP.** The information collected from and generated by the preconstruction work would be used to develop the DCP safely, efficiently, and in a manner that minimizes impacts to the environment. For example, the information collected would be used to develop detailed design of the DCP's structure and bridge foundations, new or modified levee cross sections, and ground improvement methodology. Information from the preconstruction work would determine selection of tunnel boring machine methods, dewatering methods and quantities, below-grade construction methods (such as at the shafts and the pumping plant), need for impact pile driving, and methods to reduce ground settlement risk at all construction sites and along the tunnel alignment. The information would also determine the specific depths and widths of groundwater cutoff walls to be installed at select construction sites. Additionally, soil samples obtained during soil borings would be analyzed to determine the structural capabilities of the soil to construct tunnel shaft pads and levee improvements, among other things. Soil and water quality tests would also be conducted to determine the potential for high concentrations of metals, organic materials, or hazardous materials that would require specific treatment and/or disposal methods. Thus, the preconstruction work would generate information to guide any construction of the DCP in a manner that would minimize its potential environmental impacts and most efficiently and cost effectively achieve the DCP's objectives.
6. **The preconstruction work is necessary to obtain a more accurate estimate of benefits and costs, which will inform Metropolitan's future decision whether to participate in its construction and operation.** The ultimate benefits and costs of the DCP continue to be refined as further planning, permitting, design and engineering information is obtained. The project costs will be refined as more information is known regarding the precise construction techniques, unique localized conditions that may increase or decrease construction costs, feasibility of potential design innovations to reduce cost or environmental impacts, and potential schedule for any future construction. In addition, the preconstruction work includes obtaining a change in point of diversion to DWR's water right permits, the terms of which may affect project benefits. Metropolitan wishes to further confirm the DCP benefits and costs to allow for more informed decision making, including a more accurate assessment of impacts to rate-payers and in relation to prudent financial planning and decision making. The preconstruction work is necessary to achieve those ends.

Through this Statement of Overriding Considerations, and based on the substantial evidence in the administrative record, including the Final EIR available at [Final EIR document \(deltaconveyanceproject.com\)](https://deltaconveyanceproject.com) and the Berkeley Research Group, Benefit-Cost Analysis of the Delta Conveyance Project, available at [21-3411 - 06102024 OWS 6a - DCP Benefit-Cost Analysis \(legistar.com\)](https://legistar.com), as well as past and contemporaneous Metropolitan board letters and presentations on the DCP. Metropolitan has weighed the preconstruction work's benefits against its environmental impacts and finds that the preconstruction work's contributions, if any, to the potentially significant and unavoidable environmental impacts of the DCP are acceptable given the environmental, economic, legal, social, technological, or other considerations set forth above, and that each benefit of the preconstruction work outweighs, both individually and collectively, any of its contributions to the potentially significant and unavoidable environmental impacts of the DCP.

### **Attachment 3 Term Sheet of Amended Funding Agreement**

Although the 2020 funding agreement allows for an increase in the amount of “Contributed Funds” from participating agencies by way of a simple letter, several terms of the 2020 agreement will need to be amended or supplemented (Proposed Amended Funding Agreement) to implement the next phase of work planned in 2026-2027. Most of the elements of the 2020 agreement will remain intact.

Terms for the Proposed Amended Funding Agreement that are materially similar to the 2020 agreement between DWR and Metropolitan:

- Parties are the California Department of Water Resources and the Metropolitan Water District of Southern California.
- Funding can be spent on planning and preconstruction costs incurred by DWR and DCA for the Delta Conveyance Project.
- Metropolitan’s cost share would be up to 47.2 percent of the total costs.
- If the Project is implemented, Metropolitan’s planning costs could be reimbursed, at the time of DWR bond issuance.
- Any unspent pay-go funds contributed under the agreement would be returned to Metropolitan if the Project were not implemented.

Terms that may require amendment to the 2020 agreement between DWR and Metropolitan:

- An update to recitals to reflect status of the Project.
- An extended term: January 1, 2025 – December 31, 2027.
- Funds may be used to support soil and geotechnical investigations only to the extent DWR has the legal authority to conduct such activities. Funds to be used for geotechnical soil investigations shall be due only once DWR has the legal authority to conduct such activities.
- DWR and Metropolitan will meet and confer if there is a condition that materially and adversely affects the DCP’s benefits and costs.
- Metropolitan may off-ramp future payments, after meeting and conferring with DWR, to terminate financial obligations if there is a condition that materially and adversely affects the DCP’s benefits and costs during term of agreement. The DCP benefits and costs could be materially affected if implementation of planned work is prohibited, if DWR fails to secure key changes to the State Water Project’s water rights, if DWR fails to obtain a ruling in DWR’s favor from the Delta Stewardship Council on the appeals of the Certification of Consistency with the Delta Plan, or if an update to the Bay-Delta Water Quality Control Plan is adopted that is substantially different from the Healthy Rivers & Landscape proposal that was submitted to the State Water Resources Control Board.
- Updates to the scope of work.
- Updates to payment schedule.

**DEPARTMENT OF WATER RESOURCES**

1416 NINTH STREET, P.O. BOX 942836  
SACRAMENTO, CA 94236-0001  
(916) 653-5791



November 25, 2024

Deven Upadhyay  
Interim General Manager  
Metropolitan Water District of Southern California  
700 North Alameda Street  
Los Angeles, CA 90012-2944  
Email: [DUpadhyay@mwdh2o.com](mailto:DUpadhyay@mwdh2o.com)

Re: Continued Delta Conveyance Project Planning Funding

Dear Mr. Upadhyay:

Thank you for your letter of October 24, 2024, and for your agency's thoughtful and clear approach to information gathering in advance of your board's important consideration of ongoing funding of the permitting and engineering design work for the Delta Conveyance Project.

As the climate continues to change, and precipitation patterns evolve, the urgency of our collective attention to modernizing backbone infrastructure is evident. We appreciate and value our ongoing partnership in taking prudent and necessary steps to protect the vital water supplies provided by the State Water Project.

## 1. Securing Key Permits and Certifications

Governor Newsom has made clear his expectation that the process to obtain key permits and certifications be complete by the end of his second term and he is 100% committed to providing his support toward this end. Our schedule reflects this expectation, and we are laser-focused on completing key permits and preparing the project for future implementation on this timeline.

There were important lessons learned following our experiences during California WaterFix and we have improved our approach accordingly. We have a very clear understanding of the steps required to approve the project and enable its implementation, including completing key regulatory processes with the State Water Resources Control Board, state and federal fishery agencies, and the Delta Stewardship Council.

Our team has engaged with early and ongoing consultation with these regulatory agencies. We understand the value of working closely to ensure a shared understanding of information needed for submittal and shared schedule expectations. We have advanced numerous settlements with several agencies prior to the end of the protest period and, as a part of the water rights process, continue to have settlement discussions with all protestants. We are currently

seeking Delta Plan Consistency compliance to advance geotechnical investigations and continue to work with the Delta Stewardship Council on early consultation for the larger Delta Conveyance Project. We expect an Incidental Take Permit from the California Department of Fish and Wildlife before the end of the year. And we expect federal biological opinions on operations through the Long-Term Operations process before the end of the year. The biological opinions on construction will be separate and completed in early 2025.

Collaboration with MWD has been instrumental in helping to advance permitting activities and shaping our approach to compliance. We greatly appreciate your team's contributions and expertise. Our staffs' collective expertise in permit compliance is a strong guard against challenges that can and do occur during any regulatory process. These challenges are anticipated and expected and are built into our schedule and planning. DWR, working with your staff, has and will continue to respond to any new issues quickly and move the project forward.

While not anticipated, if substantial issues arise during permitting in the next few years, there will be an opportunity to pause funding and resolve issues. If MWD and other participating water agencies choose not to fund the capital construction costs, any unspent planning funds earmarked for this project will be returned. DWR completed a similar effort associated with California WaterFix and returned unspent money at the close of that process.

## **2. Demonstrating Proportional and Complete Planning Funding**

We confirm unequivocally that no State Water Contractor participating in the Delta Conveyance Project is or will be expected to increase their established proportionate share of planning or implementation funds, unless contractors identify an interest in increasing their participation.

## **3. Providing a Plan to Fund and Finance Delta Conveyance Project Implementation**

It is correct that there is currently a 12% gap in planning funds and we have been working diligently to identify creative ways to address all the participating agencies' needs. These potential solutions will in no way involve any agency being asked or expected to cover another participating agency's established proportionate share of the planning or implementation funds.

There are potential solutions however that are promising and we will take the needed steps to fully investigate these ideas with you, your staff, and other participating water agencies. Two such ideas are:

- Explore the potential to expand the pool of beneficiaries, including the facilitation of more efficient trades and transfers of the DCP benefits.

- Explore the potential to help remedy profound needs across the state for more secure and reliable water supplies, particularly areas of the Central Valley that are facing groundwater challenges and limited access to drinking water. These regions could potentially benefit from an expanded beneficiary opportunity.

Additionally, if there are water years that an agency's supplies are more than their local needs, they may choose to transfer excess SWP water supplies and associated costs, consistent with water law and existing water supply contracts. This flexibility will allow agencies to preserve water supplies for local needs and to transfer those excess supplies—and costs—to other parts of the state, and potentially to convert DCP water supply benefits into a source of revenue.

Lastly for this section, you've raised some interest in the Validation Case process. To be very clear, and to correct some lingering misunderstanding, the ruling from the Sacramento County Superior Court in no way prohibits the use of bond financing for the Delta Conveyance Project. While the Sacramento County Superior Court concluded that the bond resolutions were too broad the court did not conclude that DWR does not have the authority to build the project it approved in December 2023 or to issue revenue bonds to pay for it. The validation action, including appeals, was built into the schedule. DWR and the joint appellants, including MWD, are pursuing an appeal in California's Third District Court of Appeal. If the Validation Case experiences unexpected setbacks, there is an opportunity to pause funding to address those setbacks.

#### **4. Resolving Protest Items Related to Metropolitan's Statement of Charges**

Please refer to the letter on this matter dated October 29, 2024. Working with your team, we have made significant progress to resolve these protest items. While the protest resolution effort is ongoing and our understanding of the exact amount owed to MWD differs, we do acknowledge that it will be at least \$75 million, which as the letter states, includes other one-time credits for Metropolitan's share of the debt service reserve fund related to the Devil Canyon Powerplant and its share of the Replacement Account Fund credit. DWR is prepared to issue that amount to MWD while the rest of the protest issues are resolved.

#### **5. Improving Near-Term State Water Project Reliability**

The 2023 Delivery Capability Report makes clear the challenges faced by the State Water Project due to climate change, sea level rise, changing precipitation patterns and important regulatory constraints. DWR is working diligently to adapt to these challenges, and to address them with efficiency.

DWR is pursuing multiple actions to ameliorate the impacts of climate change on the SWP in the near future. DWR recently received an updated Incidental Take Permit on the Long-Term Operations of the SWP; the new permit has an

improved focus on adaptive management to address changing climate and biological conditions. Near-term subsidence projects along the California Aqueduct will enable the SWP to regain capacity to move water in wetter years. Additionally, DWR has started work on multiple efforts that will help protect SWP reliability, including Forecast Informed Reservoir Operations, improvements to Delta salinity barriers, SWP water contract extensions and water management tools.

These strategies notwithstanding, additional strategy development will be needed and DWR is already working on additional options involving groundwater recharge partnerships and Feather River forest management that can provide important drought protections.

DWR will publish its first Climate Adaptation Strategy in early 2025 that will evaluate several adaptation strategies and help guide executive decision-making about the needs and capabilities of the SWP.

It is clear there is a need to enhance the management of the SWP, including operations, maintenance, nature-based solutions and structural measures. The hydrology of the 21<sup>st</sup> century is not expected to be extraordinarily dry, rather the precipitation we get will come in fewer more intense bursts and will run off earlier. We are working aggressively to identify and standardize maintenance efficiencies to ensure we can capture these bursts and make investments that allow SWP to take advantage of opportunities that come with these changes. We appreciate your staff's contributions to these strategies and will continue to work collaboratively toward feasible solutions.

Your board has asked important questions. We greatly appreciate the opportunity to provide this information and hope it has provided not only clarity but also confidence in the path forward.

Sincerely,



Karla Nemeth  
Director

cc: Jennifer Pierre, GM of the State Water Contractors

**DEPARTMENT OF WATER RESOURCES**

P.O. BOX 942836  
SACRAMENTO, CA 94236-0001  
(916) 653-5791

10/29/2024



Mr. Deven Upadhyay  
Interim General Manager  
Metropolitan Water District  
of Southern California  
700 North Alameda Street  
Los Angeles, California 90012-2944

**Re: State Water Project Billing Claims**

Dear Interim General Manager Upadhyay:

As you know, The Metropolitan Water District of Southern California (Metropolitan) and other State Water Project Contractors (Contractors) have asserted various protests related to the annual Statement of Charges (SOC) issued for the State Water Project (SWP). The Department of Water Resources (Department) has been engaged in good faith discussions with the Contractors to address these protests as expeditiously as possible, and a significant number have now been resolved.

The final debits and credits associated with these protests is still being determined and will necessitate further discussions with the Contractors. Nonetheless, the Department's preliminary analysis of these protests in combination with other one-time credits for Metropolitan's share of the debt service reserve fund related to the Devil Canyon Powerplant and its share of the Replacement Account System fund supports issuing a refund to Metropolitan of \$75 million.

Although some additional work is required to confirm and process this refund, the Department is prepared to issue it to Metropolitan no later than December 1, 2025.

The Department's issuance of this initial refund represents a significant step toward resolving the various protests asserted by Metropolitan related to the annual SOC's. The Department looks forward to continuing its work with Metropolitan and the other Contractors to resolve all outstanding protests in a fair and equitable manner. Doing so will promote our shared goal of improving and enhancing of the financial management of the SWP moving forward, but also will help position the Department and Metropolitan to meet the long-term water supply challenges California is likely to face in the coming years.

Sincerely,

*Karla Nemeth*

Karla Nemeth  
Director



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

Office of the General Manager

October 24, 2024

EMAIL: [Karla.Nemeth@water.ca.gov](mailto:Karla.Nemeth@water.ca.gov)

Director Karla Nemeth  
Department of Water Resources  
P.O. Box 942836  
Sacramento, CA 94236-0001

Dear Director Nemeth:

Continued Delta Conveyance Project Planning Funding

Over the last 50 years, the Department of Water Resources (DWR), through its State Water Project (SWP), has delivered over 44 million acre-feet of water to Metropolitan and has been vital in supporting the region's development and growth. Because of the critical role SWP supplies play in our District's supply portfolio, Metropolitan has always been a strong supporter of DWR and its efforts to protect and improve the reliability of the SWP.

Most recently at the end of 2020, Metropolitan's Board of Directors showed support for DWR and the SWP by voting to advance \$160.8 million dollars to fund the environmental review, planning and associated preconstruction design and engineering of the Delta Conveyance Project (DCP). This vote and Metropolitan's ongoing development of its Climate Adaptation Master Plan for Water demonstrates Metropolitan's commitment to meeting the challenges of a changing climate.

Prior to supporting the current preconstruction activities of the DCP, Metropolitan committed funds to advance planning for the California WaterFix and the Bay-Delta Conservation Plan. Including Metropolitan's own internal costs to advance said projects, Metropolitan to date has invested over \$300 million dollars in planning related to Delta conveyance solutions.

At Metropolitan's October 7, 2024, One Water and Stewardship Committee, Metropolitan directors asked important questions related to the DCP. Many of those questions must be resolved for Metropolitan to better understand the DCP's path towards implementation and prior to the Metropolitan Board of Directors considering whether to commit additional funds for DWR's preconstruction activities planned for 2026-2027.

Director Karla Nemeth

Page 2

October 24, 2024

## **1. Secure Key Permits and Certifications**

A number of key permitting milestones have been met for the DCP, including DWR certifying a Final Environmental Impact Report. However, important planning processes are outstanding, including the issuance of an incidental take permit under the State Endangered Species Act and biological opinions under the Federal Endangered Species Act, the issuance of an order by the State Water Board permitting new diversion points required for the DCP, and the determination by the Delta Stewardship Council that the DCP is consistent with the Delta Plan. Metropolitan is seeking a clearer understanding of how DWR plans to navigate the remaining permitting and certification processes, as they are foundational to determining the ultimate viability of the DCP.

## **2. Demonstrate Proportional and Complete Planning Funding**

It is understood that some participating SWP contractors, specifically agricultural contractors, may not commit to fund preconstruction activities for the DCP up to their proportionate share. Consequently, a planning and preconstruction funding gap for 2026-2027 has been identified, and while it is estimated to be approximately twelve percent, it is uncertain what the final percentage will be. Metropolitan cannot be expected to make up this difference. It is critical that DWR ensures that Metropolitan does not pay more than 47.2% of the planning funding.

## **3. Provide a Plan to Fund and Finance Delta Conveyance Project Implementation**

Although the above planning and preconstruction funding gap is in the millions, if it persists to construction, the gap will be billions of dollars due to the current estimated implementation costs of approximately \$20.1 billion. Also, at this stage of the project, Metropolitan cannot be expected to increase its participation amount beyond its proportionate share. It is incumbent on DWR to demonstrate how it will ensure construction of the DCP will be fully financed and funded. Metropolitan is also seeking further clarification on how the initial rulings in the validation action will allow for the ability to fund the project, which should include an explanation of how the pending validation action will be resolved in a timeframe that would allow for certainty for financing and funding.

## **4. Resolve Protest Items Related to Metropolitan's Statement of Charges**

In October 2023, Metropolitan submitted a letter to DWR detailing unresolved protest items identified more than two decades ago. These outstanding claims have a significant financial impact on Metropolitan, its member agencies, and ultimately the ratepayers. Resolution of these items is complex. Some protest items can be resolved through a direct credit back to Metropolitan while others would require DWR to recover funds through rebilling of other State Water Contractors. Understanding these dynamics, and specifically to avoid at this time DWR making decisions that could require rebilling of others, Metropolitan requests that DWR resolve those issues raised in the protest that could result in funds being directly credited to Metropolitan. Based on audit results detailed in Metropolitan's October 2023 letter, these directly refundable protest items are tied primarily to overcollection of the Water System Revenue Bond Surcharge and total approximately \$180 million dollars. Metropolitan is seeking

Director Karla Nemeth

Page 3

October 24, 2024

resolution of this issue to offset the financial impact of DWR's request for additional preconstruction funds for the DCP, if the Metropolitan Board of Directors decides to commit to providing its share of those funds.

#### **5. Improve Near-Term State Water Project Reliability**

According to DWR's most recent Delivery Capability Report, a changing climate could reduce the reliability of the SWP by as much as 23 percent over the next two decades. Reasonable estimates do not have the DCP completed and operational until at least 20 years from now. In the near term, it is important for DWR to demonstrate what actions it proposes to take to mitigate for the changing climate and its impact on the SWP's reliability.

In closing, thank you for your understanding and consideration of these key questions raised by Metropolitan's Board of Directors. We hope that with additional clarity and resolution of some of these issues, that Metropolitan can advance its vote in 2024 in response to DWR's request for additional preconstruction funds for the DCP.

Sincerely,



Deven Upadhyay  
Interim General Manager

cc: Jennifer Pierre, GM of the State Water Contractors



One Water and Stewardship Committee

# Delta Conveyance Planning & Preconstruction Funding Request for 2026-2027

Item 8-4

December 9, 2024

## Item 8-4

### Delta Conveyance Project Planning and Pre-construction Funding

#### Subject

Review and consider the Lead Agency's certified 2023 Final Environmental Impact Report for the Delta Conveyance Project, take related CEQA actions, and authorize the General Manager to enter into an amended agreement for preconstruction work on the Delta Conveyance Project for 2026-2027.

#### Purpose

Provide additional funding for preconstruction and planning costs for the Delta Conveyance Project.

#### Recommendation

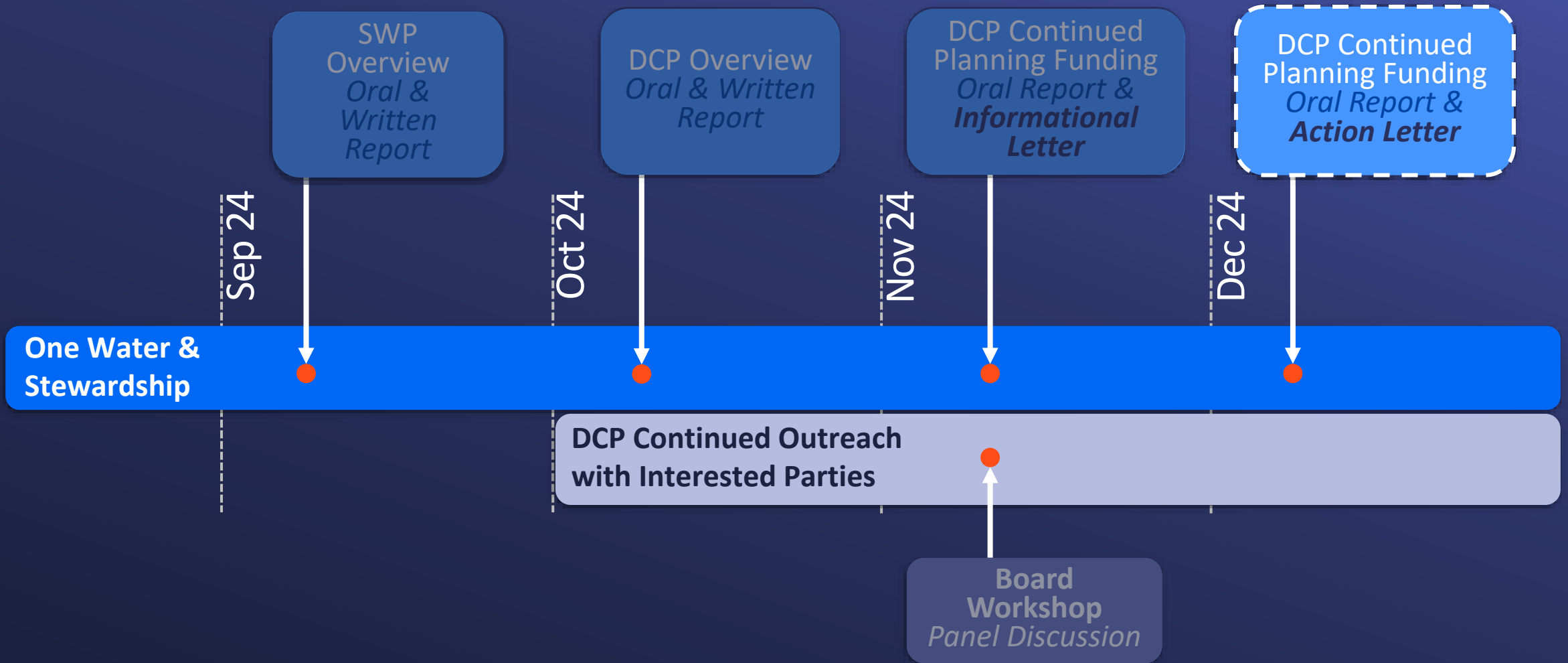
Authorize the General Manager to enter into an amended Delta Conveyance Project planning and preconstruction funding agreement.

#### Fiscal and Budget Impact

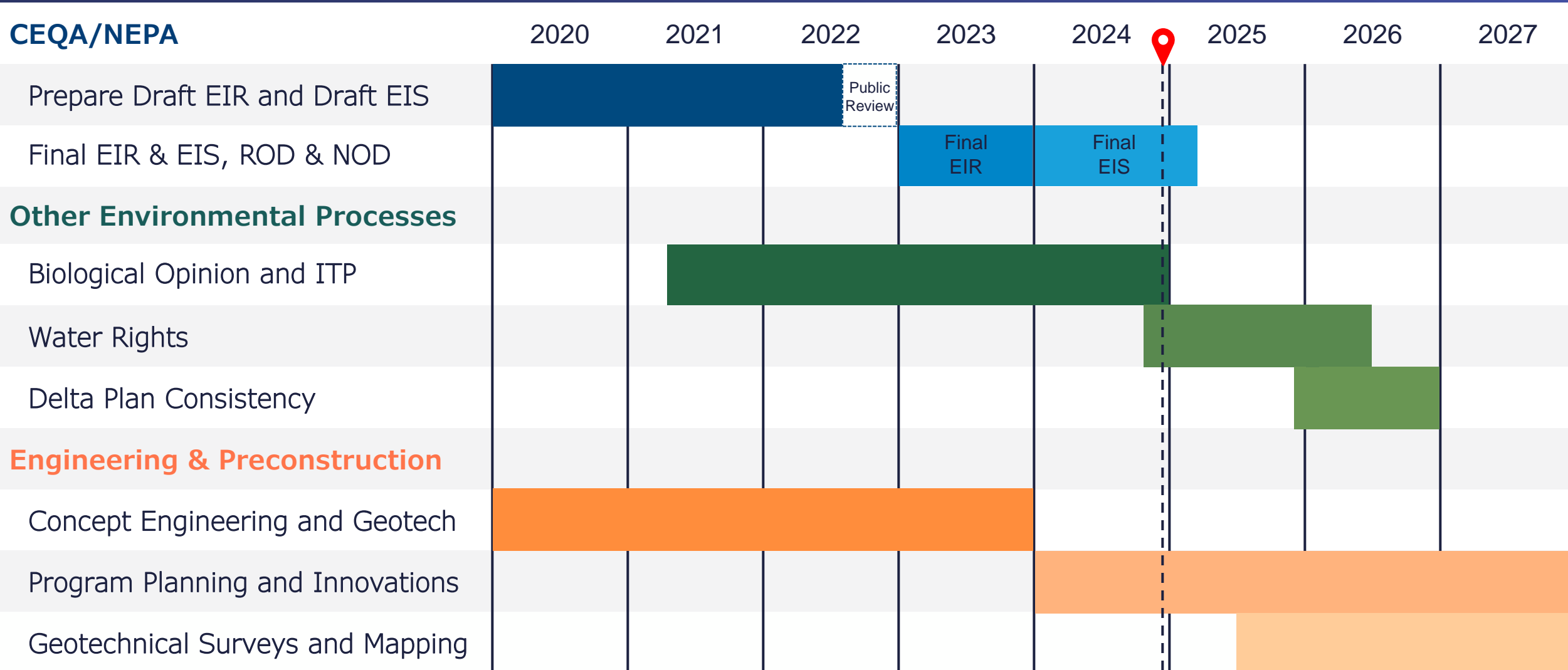
Net of DWR \$75 million refund, a rate increase of 3% in 2027 would be needed to generate Metropolitan's \$141.6 million share of planning costs over the next three fiscal years.

# Updates and Deliberation for Continued Funding

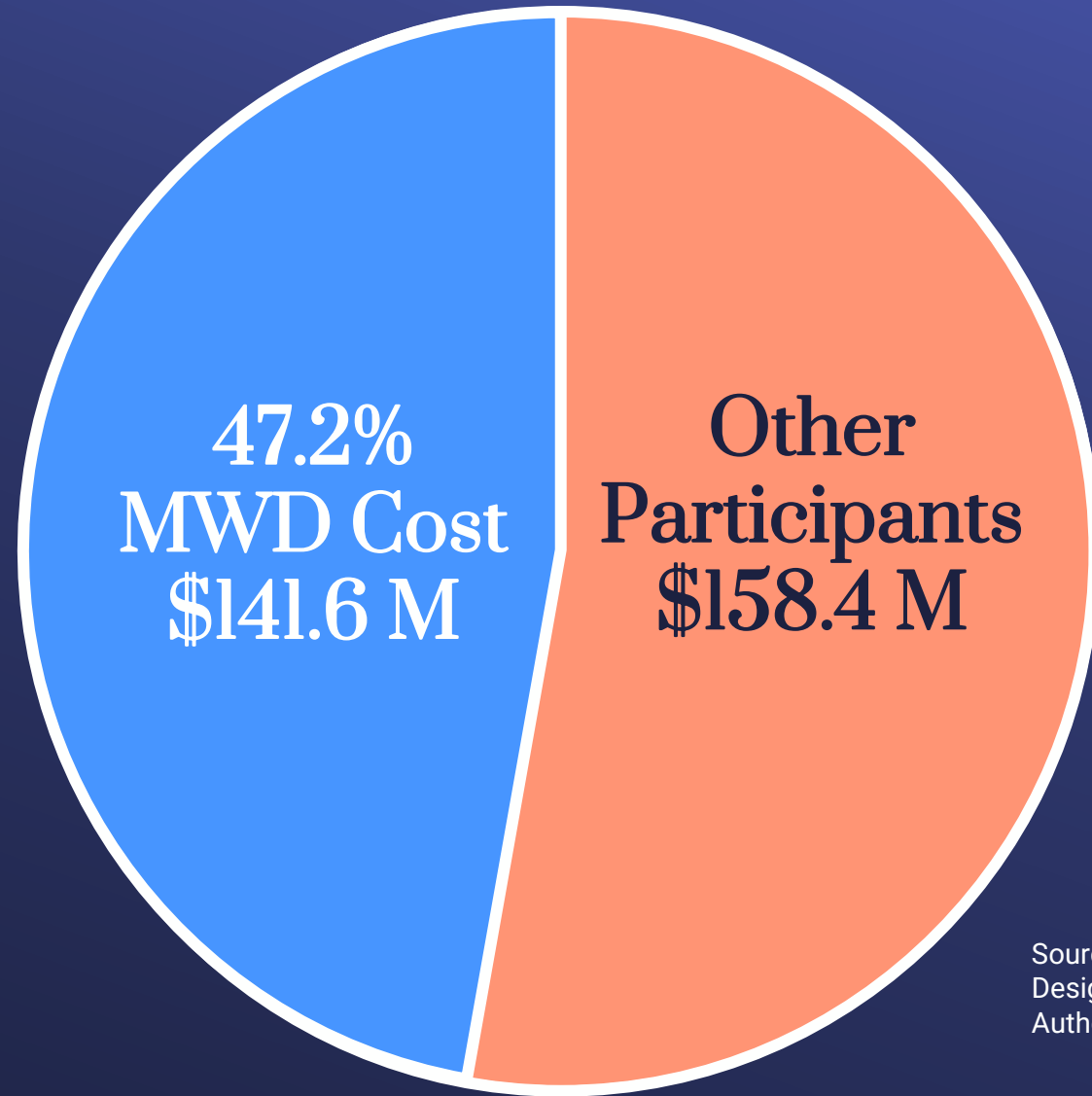
## Delta Conveyance Project Planning and Preconstruction



# Delta Conveyance Planning & Preconstruction Schedule



Delta  
Conveyance  
Project  
Continued  
Planning &  
Preconstruction  
Funding



Source: Delta Conveyance  
Design and Construction  
Authority.

# Planning & Preconstruction Activities Clarifications

- Permitting comprises nine percent of the total funding ask and will inform project benefits and yield
  - Operational Criteria
  - Water Rights
- Majority of funding will support geotechnical and engineering activities
  - Confirmation of ground conditions for tunneling
  - Additional engineering design innovations
  - Inform future cost estimate
- New information will be used to support future analyses and Board decision-making processes

# Metropolitan's Share of DCP Planning Costs

in millions of dollars

	FY 2025/26	FY 2026/27	FY 2027/28	Total	CY 2027 Rate Impact <sup>1</sup>
Planning Costs – no refund offset	\$25.7	\$74.7	\$41.3	<b>\$141.6</b>	<b>6%</b>
Planning Costs net of \$75M refund	\$0.0	\$25.3	\$41.3	<b>\$66.6</b>	<b>3%</b>

(1) Overall calendar year 2027 rate increase needed to generate additional revenues for DCP planning and preconstruction costs on a cash basis by June 30, 2028

# DCP Participating Agencies



M&I

Ag

M&I

Region	Contractors	Board Approved % Participation	
		Current	26-27
South Bay	✓ Alameda County FC&WCD, Zone 7	2.2 %	2.2 %
	✓ Alameda County WD	1.15 %	1.15 %
	Santa Clara Valley WD	3.23 %	
San Joaquin Valley	Dudley Ridge WD	1.02 %	
	Kern County WA	11.22 %	
Central Coastal	San Luis Obispo County FC&WCD	0.6 %	
Southern California	Antelope Valley-East Kern WA	3.95 %	
	✓ Santa Clarita Valley WA	2.6 %	2.6 %
	✓ Coachella Valley WD	3.78 %	3.78 %
	✓ Crestline-Lake Arrowhead WA	0.16 %	0.16 %
	✓ Desert Water Agency	1.52 %	1.52 %
	<b>Metropolitan Water District</b>	47.2 %	
	✓ Mojave Water Agency	2.45 %	2.45 %
	✓ Palmdale Water District	1.06 %	1.06 %
	✓ San Bernardino Valley MWD	2.8 %	2.8 %
	✓ San Gabriel Valley MWD	0.79 %	0.79 %
	✓ San Geronio Pass WA	2.0 %	2.0 %
	Ventura County WPD	0.55 %	

✓ indicates board action taken to support additional DCP planning and preconstruction activities

# Member Agency Resolutions & Letters Supporting DCP

Oct 2024 - Western  
Oct 2024 - Foothill  
Nov 2024 - Eastern  
Nov 2024 - Three Valleys  
Nov 2024 - Calleguas  
Nov 2024 - Las Virgenes  
Nov 2024 - Upper San Gabriel  
Nov 2024 - Beverly Hills  
Dec 2024 - MWDOC

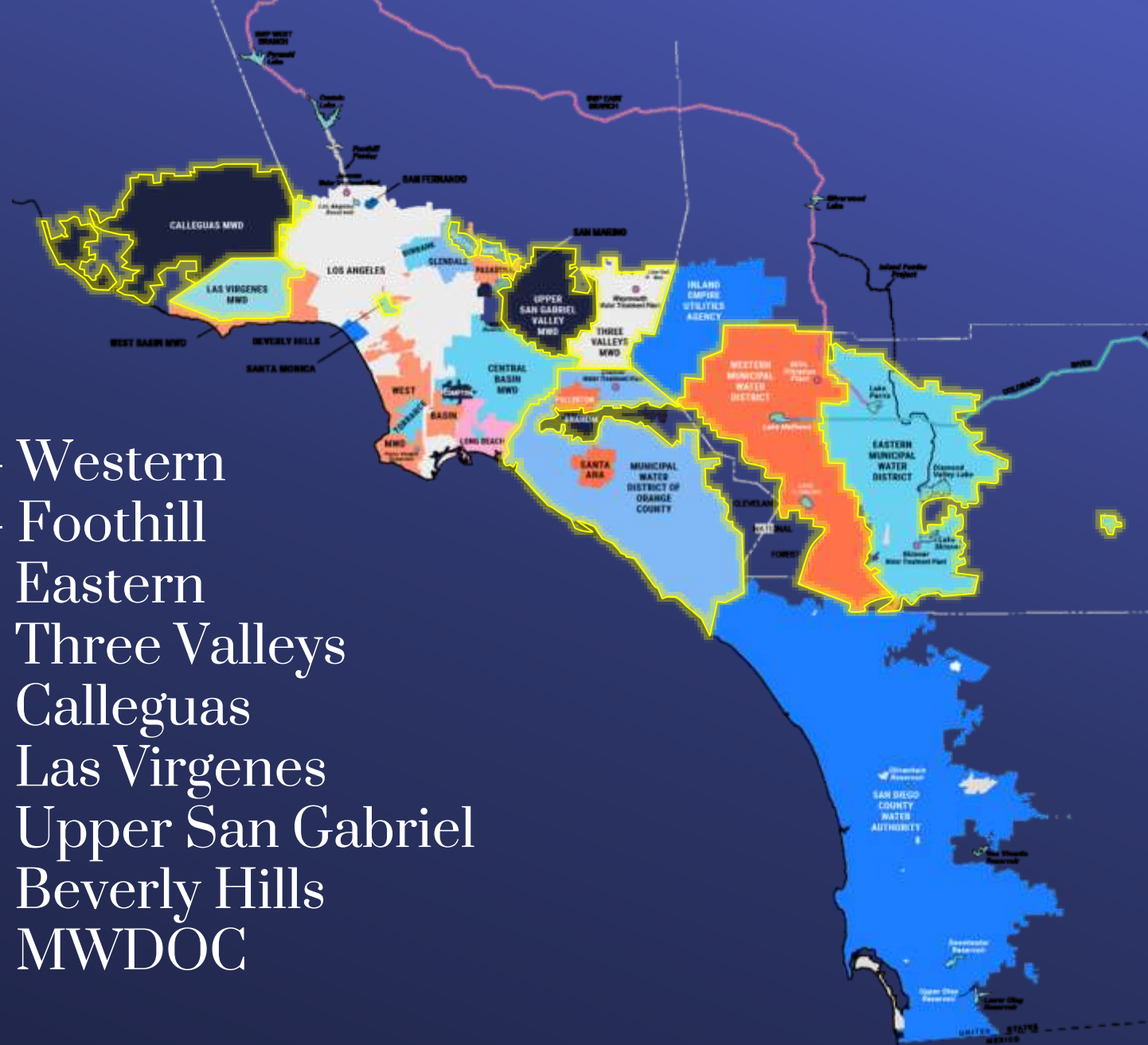




Photo Credit: DWR

# Board Requested Information and Agreement Provisions

# Metropolitan Letter to DWR 10/24/24 DWR Response

- Partial Resolution of MWD Protest Items  
\$75 M dollar initial refund to be issued to Metropolitan no later than December 2025
- Key Permits & Certifications  
Commitment to complete all permitting and certification processes by the end of 2026.
- Proportional & Complete Planning Funding  
DWR concurrence with proportionate share and proportionate benefits.

Metropolitan  
Letter to DWR  
10/24/24  
DWR  
Response

- Funding & Financing for Implementation  
Innovative new long-term financing approaches to close the funding gap.
- Near Term Improvements to SWP Reliability  
Portfolio of solutions to be evaluated in DWR's first Climate Adaptation Strategy, to be released in early 2025.

## Unique Funding Agreement Provisions & Offramps

- Metropolitan has the ability to terminate financial obligations if:
  - A condition is identified that materially and adversely affects the DCP's benefits and costs during term of agreement.
  - DWR fails to secure key changes to the State Water Project's water rights.
  - DWR fails to obtain a ruling in DWR's favor from the Delta Stewardship Council on the appeals of the Certification of Consistency with the Delta Plan.
  - An update to the Bay-Delta Water Quality Control Plan is adopted that is substantially different from the Healthy Rivers & Landscapes proposal that was submitted to the State Water Resources Control Board.
- Funds to be used for geotechnical soil investigations shall be due only once DWR has the legal authority to conduct such activities.

# Board Options

## Option 1 (amended)

- Review and consider the Lead Agency's certified 2023 Final EIR for the DCP, take related CEQA actions, and authorize the General Manager to enter into an amended agreement for preconstruction work on the DCP planned for 2026-2027. By approving Option 1, the Board is not approving the DCP, as reflected in the statement of overriding considerations, which is limited to the preconstruction funding only.

## Option 2

- Do not authorize the General Manager to enter into an amended agreement for preconstruction work on the DCP planned for 2026-2027.

## Item 8-4 Delta Conveyance Preconstruction & Planning Funding

Item 8-4  
Delta  
Conveyance  
Preconstruction  
& Planning  
Funding

## Staff Recommendation

- Option 1 (amended)

Review and consider the Lead Agency's certified 2023 Final EIR for the DCP, take related CEQA actions, and authorize the General Manager to enter into an amended agreement for preconstruction work on the DCP planned for 2026-2027.

By approving Option 1, the Board is not approving the DCP, as reflected in the statement of overriding considerations, which is limited to the preconstruction funding only.





- **Board of Directors**

- Legislation, Regulatory Affairs, and Communications Committee***

12/10/2024 Board Meeting

---

8-6

## Subject

---

Adopt Legislative Priorities and Principles for 2025; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

---

This letter presents the final 2025 legislative priorities and principles recommended by staff with input received for the Board of Directors' consideration and adoption.

## Proposed Action(s)/Recommendation(s) and Options

---

### Staff Recommendation: Option #1

#### Option #1

Adopt the Legislative Priorities and Principles for 2025

**Fiscal Impact:** None

**Business Analysis:** Adoption of these legislative priorities and principles supports staff's ability to address matters in a timely manner related to legislative and regulatory matters in 2025.

#### Option #2

Take no action

**Fiscal Impact:** None

**Business Analysis:** Absence of these legislative priorities and principles could hinder staff's ability to respond in a timely manner to legislative and regulatory matters in 2025.

## Alternatives Considered

---

Not applicable

## Applicable Policy

---

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

## Related Board Action(s)/Future Action(s)

---

The draft 2025 priorities and principles were presented to the Legislation and Communications Committee as an information item on November 19, 2024.

## Summary of Outreach Completed

---

The draft 2025 Legislative Priorities and Principles (LPP) was presented to the Member Agency Legislative Coordinators Annual Planning Meeting on November 7, 2023, and to the Member Agency Managers' Meeting on November 15, 2023. Feedback on the priorities and principles was requested; input received was reviewed by staff and is provided to the Board for discussion and direction in the Summary of Comments – November 2024 (**Attachment 1**).

## California Environmental Quality Act (CEQA)

---

### CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves organizational, maintenance, or administrative activities; personnel-related actions; and/or general policy and procedure making that will not result in direct or indirect physical changes in the environment. (Public Resources Code Section 21065; State CEQA Guidelines Section 15378(b)(2) and (5).)

### CEQA determination for Option #2:

None required

## Details and Background

---

### Background

This board letter presents the 2025 LPP as recommended by staff for the Board's consideration. It lays out an integrated "One Water" collaborative approach on current, anticipated legislative water policy issues to effectively manage Southern California's watersheds, water resources, and water infrastructure to ensure long-term resilience and reliability for communities and ecosystems. Once adopted, staff use this document to determine Metropolitan's positions and advocate for these priorities and principles at the state and federal level through Metropolitan-sponsored legislation, engaging on bills, or pursuing state and federal funding. Updated legislative priorities and principles are presented annually to the Board of Directors. The final, board-approved annual LPP document is publicly available on the Metropolitan website.

For the coming year, which begins new two-year state and federal legislative cycles, staff has updated the document to reflect developments and new laws on the state and federal arenas, and to be consistent with internal Metropolitan initiatives, including the GM Business Plan, the Metropolitan Climate Action Plan, and the Board-led planning effort on the Climate Adaptation Master Plan for Water (CAMP4W). The draft 2025 LPP was presented to the Member Agency Legislative Coordinators Annual Planning Meeting on November 7, 2024, and to the Member Agency Managers' Meeting on November 15, 2024.

Recommended updates to the language received after the November 19, 2024, Legislation and Communications Committee can be seen in the Summary of Comments – November 2024 (**Attachment 1**). All input received was reviewed by staff and presented to the Board for discussion and direction.

In November 2024, the Board authorized the General Manager to sponsor legislation for Metropolitan to increase the minimum threshold for competitive bidding on public works construction contracts from \$25,000 to \$150,000 and seek the inclusion of an inflation escalator.

The 2025 Legislative Priorities and Principles below are respectfully submitted for adoption by the Board.

### 2025 Legislative Priorities

To help adapt to a changing climate, protect water resources, and partner with communities we serve, Metropolitan will work to support administrative/legislative actions and federal and state funding for the following priorities in 2025:

#### I. Top Legislative Priorities

1. Continue support for imported water supply resiliency and reliability, including planning for the Delta Conveyance Project, Sites Reservoir Project, Agreements to Support Healthy Rivers and Landscapes (Voluntary Agreements), and the development of post-2026 Colorado River operating guidelines.
2. Conserve existing water supplies and adapt to climate change by supporting demand management and water use efficiency, long-term non-functional turf conversion, and a federal tax exemption for water conservation rebates.

3. Advance Pure Water Southern California and other water recycling projects and long-term supply reliability improvements.
4. Support funding for regional conveyance and water storage improvements to ensure the region's water supply is adequate and reliable for all member agencies.
5. Protect drinking water quality and ensure access to safe and reliable drinking water, including upholding the polluter pays principle and supporting the ongoing cleanup of contaminated sites along the Colorado River.
6. Support adaptive management for ecosystem restoration in the Bay-Delta and Colorado River watersheds that takes into consideration evolving climate conditions, risk analyses, and best available science.
7. Improve water affordability, especially for disadvantaged communities, without burdening existing ratepayers.
8. Assist public agencies in the transition to zero-emission fleets and equipment, while ensuring operational reliability and maintaining emergency response capabilities.

## II. Metropolitan-Sponsored State Bills

1. Support administrative/legislative actions to amend the Surface Mining and Reclamation Act to eliminate the sunset date and allow Metropolitan to continue operating under its existing master reclamation plan. (Board approved in November 2023, MI 53444)
2. Support legislation for Metropolitan to increase the local agency dollar threshold for public works construction contracts from \$25,000 to \$150,000 and seek an inflation cost escalator. (Board approved in November 2024)

## 2025 Legislative Policy Principles

The 2025 Legislative Policy Principles guide and inform Metropolitan's engagement on state and federal legislative and regulatory activities. They are updated annually and are developed in consultation with Metropolitan's subject matter experts and through outreach with the member agencies.

The policy principles address six strategic areas that inform Metropolitan's integrated approach and the Board-led process for developing the Climate Adaptation Master Plan for Water (CAMP4W). These policy areas include: (1) drinking water; (2) regional water resource management; (3) imported water supply; (4) sustainability, resiliency, and innovation; (5) infrastructure; and (6) system resiliency.

- I. Drinking Water – Metropolitan provides high-quality, reliable drinking water in an economically responsible way to the Southern California region that surpasses all federal and state drinking water regulations.

Metropolitan supports administrative/legislative actions and funding that:

### A. Water Quality and Treatment

1. Use best available science, occurrence and health effects data, and appropriate cost-benefit analyses or economic feasibility to protect public health and improve water quality. Apply these principles when setting maximum contaminant levels, health advisories, or notification/response levels, in addition to assessing laboratory capacity, analytical methods, and other regulatory standards or guidance levels.
2. Apply the "polluter pays" principle such that parties responsible for introducing contaminants in or near drinking water sources are held liable for cleanup, and not the drinking water, recycled water, and wastewater facilities that subsequently store, transport, or treat the water.
3. Comply with new regulatory standards, including treatment and mitigation measures, development of risk communication tools, and adequate time for implementation.

4. Protect source water quality, reduction of threats from invasive species, and mitigation of harmful algal blooms.
  5. Improvements to the State Water Resource Control Board's knowledge of CEC in waters of the state and drinking water, including support for the Constituents of Emerging Concern (CEC) Action Fund.
- B. Water Governance, Affordability, and Funding – Metropolitan supports efforts to provide access to safe, reliable, and affordable drinking water to all communities.
1. Improve water affordability throughout the region, especially for disadvantaged communities, without burdening existing ratepayers.
  2. Help for water systems to provide low-income ratepayer assistance programs in a way that is operationally feasible, sustainable, and maintains consumer confidence in retail agencies.
  3. Improve governance and long-term sustainability of non-compliant water systems, provide assistance for voluntary consolidations, and ensure that all receiving public water systems are consulted on potential consolidations. Increase local agency flexibility in determining fees for service and assessment amounts.
  4. Ensure the limited resources of the Safe and Affordable Drinking Water Fund are prioritized for operation and maintenance costs, infrastructure improvements, and consolidation actions.
- II. Regional Water Resource Management – Metropolitan's One Water Vision and the Board-led CAMP4W process promote collaboration with member agencies to adapt to climate change and plan for future water supply needs in a reliable, cost-effective, and environmentally responsible manner.

Metropolitan supports administrative/legislative actions and funding that:

A. Conservation

1. Support tax exemptions and/or credits for water conservation or efficiency incentives, including but not limited to long-term conversion of non-functional turf, local stormwater capture, and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape.
2. Encourage equitable water use efficiency and recycled water use among agricultural, industrial, and urban sectors.
3. Support retail water agencies' ability to meet the objectives of Conservation as a California Way of Life in a manner that maintains flexibility and local control. Support efforts to ensure new statutes and regulations are based on science; recognize regional distinctions (such as climate, land use, population, and hydrology); consider water affordability; and assess potential impacts to wastewater operations and recycled water projects.
4. Advance leak detection and water loss reduction. Support the development and implementation of flexible water loss standards for both retail and wholesale water systems.
5. Support administrative/legislative actions for the long-term conversion of non-functional turf in commercial, industrial, and institutional landscapes and ban installation of non-functional turf in new construction. Support federal/state funding for the long-term conversion of non-functional turf in residential, commercial, industrial, and institutional landscapes.

B. Desalination and Groundwater Remediation

1. Support brackish groundwater and seawater desalination projects, consistent with the Governor's Water Resilience Portfolio, California's Water Supply Strategy and Metropolitan's CAMP4W goals.
2. Facilitate salinity control projects, including but not limited to source control, treatment, and concentrate management.

3. Advance research, pilot tests, and demonstration studies that encourage the development of environmentally sustainable and climate-resilient desalination technologies.

C. Recycled Water

1. Advance Pure Water Southern California and other water recycling projects.
2. Improve flexibility of the State's water recycling grant program.
3. Implement the National Water Reuse Action Plan and California's Water Reuse Action Plan while preserving local flexibility and encouraging local, state, and federal coordination, research, and innovation.
4. Facilitate advancing direct potable reuse projects in California, including but not limited to streamlining the planning, development, and implementation of local and regional potable reuse projects, as well as addressing research gaps, advancing scientific knowledge, and strengthening partnerships and outreach to further the development of potable reuse.
5. Promote voluntary on-site wastewater treatment systems if they comply with Title 22 and do not negatively affect municipal water recycling systems.
6. Maximize voluntary use of recycled water.

D. Local Supply Development

1. Protect and enhance flexibility and responsiveness in developing diverse, climate-resilient resource portfolios tailored to local needs.
2. Promote integrated water resources development by advocating for clear, concise, and expedited regulations and policies that are easily understandable by the regulated community and public.
3. Expedite the development of new local resources to help adapt to climate change and safeguard water system operations. Advance stormwater as a beneficial resource and facilitate the funding and permitting of stormwater capture projects to augment local and regional water supplies and promote holistic watershed health.
4. Advance Metropolitan's surface and groundwater storage and/or recovery programs with member agencies and other partners.

E. Watershed Management

1. Enhance watershed management to provide broad public benefits, such as improved water quality and water supply reliability, reduced wildfire risks, greater scientific understanding, and other environmental improvements.
2. Advance implementation of watershed management plans, including watershed research and multi-benefit forestry management projects.
3. Advance implementation of the California Water Resilience Portfolio and the Water Supply Strategy, consistent with Metropolitan's goals and objectives, to enhance watershed-scale coordination, management and planning, and support programs and funding that improve water resilience and watershed functions.

III. Imported Water Supply – Metropolitan provides imported water supplies to its member agencies from two primary sources: the Colorado River via the Colorado River Aqueduct and Northern California watersheds via the Sacramento-San Joaquin Delta and the State Water Project (SWP).

Metropolitan supports administrative/legislative actions and funding that:

- A. Bay-Delta Initiatives– Metropolitan is involved in several key regulatory and planning processes in the Sacramento-San Joaquin Delta related to the operation of the SWP. The goals are to improve both water supply reliability and ecosystems in the Delta estuary for threatened and

endangered species. To advance these goals, Metropolitan supports collaborative scientific efforts to enhance understanding of how to restore and manage the Bay-Delta while reducing reliance on it, consistent with the 2009 Delta Reform Act (Delta Reform Act).

1. Advance Delta Conveyance and EcoRestore in support of California's coequal goals of water supply reliability and Delta ecosystem restoration and the Governor's California Water Resilience Portfolio.
  2. Improve scientific understanding of listed Delta fish and wildlife species and water project operations in the Delta, including data collection, real-time monitoring, and modeling. Promote the use of best available science to protect and restore aquatic species and habitats and enhance flexibility for water project operations while maintaining regulatory and statutory protections for species listed under the state and federal Endangered Species Act.
  3. Support implementation of state policies adopted as part of the Delta Reform Act and water management package, including clarification of the monitoring, reporting, and enforcement provisions related to in-Delta diversions.
  4. Protect water quality for beneficial uses and that are implemented in accordance with California water rights priorities.
  5. Advance the Delta Freshwater Pathway, improve levees (including levee modernization for the existing Delta levee system), levee maintenance programs (including real-time monitoring), and secure Delta flood-fighting materials and stockpiles.
  6. Modernize and effectively administer the California water rights system in the Delta watershed, including protecting stored water releases.
  7. Advance the Sites Reservoir Project and the Agreements to Support Healthy Rivers and Landscapes (Voluntary Agreements), consistent with the Board's action for these efforts.
- B. Colorado River Resources – The Colorado River is a critical resource for the entire Southwest and many diverse ecosystems. Climate change has reduced the River's flow, and degradation of the Colorado River's water quality can cause economic, environmental, and human health impacts across the West. Metropolitan and other interested parties work to ensure we can continue to supply our communities with a safe and reliable water supply.
1. Support conservation and efficiency projects to enhance the resiliency of the Colorado River System and ensure that sufficient water is delivered to meet regional water supply needs. Support the cleanup of contaminated sites along the Colorado River. This includes, but is not limited to, uranium remediation in Moab, Utah; perchlorate remediation in Henderson, Nevada; hexavalent chromium remediation near Topock, Arizona; and a waste disposal site near Hoover Dam.
  2. Stabilize the financial position of the Colorado River Basin Salinity Control Program (Program), ensure continued coordination between states and federal agencies to further the Program goals, and maintain the safe operation of the U.S. Bureau of Reclamation Paradox Valley Unit salinity control project until a viable long-term alternative is implemented.
  3. Facilitate successful implementation of the Lower Colorado River Multi-Species Conservation Program by conserving Colorado River water and creating habitat for threatened and endangered species.
  4. Advance binational water conservation programs that benefit Colorado River supply augmentation and habitat restoration objectives.
  5. Support settlement of tribal reserved rights claims in the Colorado River Basin that are consistent with the evolving Law of the River.

C. State Water Project – About 30 percent of Southern California’s water comes from the SWP in an average year. Metropolitan works with state and federal agencies as well as other SWP contractors to manage threats to the project, address environmental needs, and augment water supplies through existing and potential collaborative transfers and groundwater banking agreements.

1. Address the impacts of subsidence on the SWP and prevent future damage caused by unsustainable groundwater pumping.
2. Repair and improve the joint state and federal facility and ensure that funding is equitably distributed between partners while maintaining SWP supply reliability.
3. Clean up contaminated groundwater storage basins used for Metropolitan water banking programs along the California Aqueduct.
4. Provide public share of costs, including recreation, flood protection, mitigation, environmental enhancement, and rehabilitation for multi-purpose SWP facilities.

IV. Sustainability, Resiliency, and Innovation – Metropolitan supports sustainable practices that improve water and power system resilience to help water agencies prepare and respond to a rapidly changing environmental landscape. Metropolitan strives to fulfill the needs of the current generation without compromising the needs of future generations in an environmentally and economically responsible way.

Metropolitan supports administrative/legislative actions and funding that:

A. Carbon Neutrality

1. Facilitate implementation of Metropolitan’s Climate Action Plan to reduce Metropolitan’s greenhouse gas emissions and reach carbon neutrality by 2045.
2. Assist the Department of Water Resources in reaching carbon neutrality for the SWP by 2045 in a cost-effective and environmentally responsible manner.
3. Improve, develop, and promote innovative climate adaptation solutions, including science-based strategies and tools that restore healthy soils, conserve water, or capture carbon.
4. Assist public agencies in the transition to zero-emission fleets and equipment, while ensuring operational reliability and maintaining emergency response capabilities.

B. Water/Energy Nexus

1. Facilitate energy efficiency and storage projects, and programs to reduce greenhouse gases and develop renewable resources.
2. Remove barriers and encourage energy sector investments in water conservation and energy management programs.
3. Preserve Metropolitan’s ability to pursue a diverse set of supply options and oppose constraints on supply development, such as water resource loading orders based solely on energy intensity.
4. Ensure power costs are appropriate and proportional to the benefits received and that water system operations are not adversely affected by power-related legislation or administrative actions.
5. Use the Greenhouse Gas Reduction Fund for water/energy nexus projects and maintain cap-and-trade allowances for Metropolitan and Department of Water Resources (i.e., State Water Contractors).
6. Maintain Metropolitan authority over energy-related matters relative to its system and operations (e.g., system reserve margin or resource adequacy requirements).

C. Renewable Energy

1. Define hydropower generation as renewable energy irrespective of a facility's nameplate generating capacity and include the provision of renewable energy credits for hydroelectric generation.
2. Enhance or expand hydropower at existing dams without adversely impacting the financial or operational aspects of those dams or impacting entities with rights to power from existing resources that directly or indirectly impact Metropolitan's service area.
3. Improve federal hydropower relicensing for existing facilities, including SWP resources.
4. Incorporate renewable energy resources for the SWP and the Colorado River Aqueduct (CRA) that contribute to the state's climate goals, such as pumped hydroelectric energy, without compromising the primary purpose of these water supply and delivery projects. Ensure consideration of transmission limitations, cost and portfolio availability, and prevent shifting of any unrelated impacts to SWP or CRA facilities.

D. Environmental Stewardship

1. Ensure environmental compliance by improving the clarity and workability of regulatory and reporting requirements, promoting consistency, and reducing duplication while also protecting public health and the environment.
2. Facilitate non-mitigation habitat restoration projects that benefit endangered and threatened species and ecosystem health.
3. Advance research and partnerships in water science, including snowpack and streamflow monitoring, stormwater runoff, drinking water quality, salinity control, source water protection, soil moisture monitoring, healthy soils, and watershed research.

E. Workforce Development and Safety – Metropolitan is committed to ensuring the resiliency of its workforce and to advancing diversity, equity, and inclusion, as well as workplace violence prevention, to promote the physical and mental safety and well-being of its workforce and the communities it serves.

1. Improve educational opportunities in the water sector, including career technical education and workforce development.
2. Strengthen training programs and certification processes for water system staff.
3. Promote safe work environments.

F. Innovation – Supporting and promoting innovation and emerging technologies continues Metropolitan's longstanding tradition of creatively solving complex challenges.

1. Advance research and development of new and emerging technologies, such as satellite- and computer-based systems to monitor source water quality, ecosystem health, and threatened and endangered species. Support technologies that measure and predict water use, evaporation, and moisture monitoring; expand coordination with technology incubators, research institutions, and other stakeholders.
2. Promote open water data platforms and sharing, including improving access to agency data, streamlining the collection and submission of water agency data, and promoting collaboration among federal, state, and local stakeholders.

- V. Infrastructure – Metropolitan has a strategic priority to invest in key capital projects in its region to enable long-term, reliable water deliveries. Key projects identified in Metropolitan’s Capital Investment Plan focus on improvements to the CRA, treatment plants, and distribution systems.

Metropolitan supports administrative/legislative actions and funding that:

- A. Initiate, expedite, and defray the costs of planning, financing, constructing, repairing, and rehabilitating water and power infrastructure projects, including but not limited to general obligation bonds, tax-exempt municipal bonds, grants, low-interest loans, and direct appropriations. Ensure equitable cost-sharing of water and power infrastructure projects.
- B. Expand funding programs, expedite project approval and reporting processes, and prevent project backlogs in state and federal funding or financing.
- C. Support the “beneficiaries pay” approach as a financing mechanism for statewide projects and programs and oppose public goods charges or other charges levied on water agencies for funding broader public benefits.
- D. Advocate for public share of costs, including mitigation, rehabilitation, and recreation, for multi-purpose water infrastructure.
- E. Support new or expanded water and power infrastructure or programs that complement existing water supplies and operations to ensure reliability for all member agencies.

- VI. System Resiliency – Metropolitan diligently maintains and significantly invests to safeguard a region-wide water supply and delivery system that is a cornerstone of Southern California’s \$1.6 trillion economy. Climate change and increasing weather extremes are serious challenges facing Metropolitan and its member agencies. Additionally, Metropolitan must be prepared to respond rapidly to natural disasters and security threats. Resiliency ensures the systems for water supply. Delivery and power remain strong, can return to service quickly, and are prepared to address future challenges.

Metropolitan supports administrative/legislative actions and funding that:

A. Climate Resiliency

- 1. Support local and regional drought resiliency projects to improve system flexibility; facilitate the integration of existing and planned local water supplies, distribution, and regional water facilities.
- 2. Advance planning and research into the potential risks of climate change on water and power resources and water quality and work to offset these risks.
- 3. Help offset the effects of climate change on imported and local water supplies through watershed protection and enhancement of water quality, supply, and demand-side management actions.
- 4. Recognize and help mitigate the significant differences in the capabilities and needs of communities and regions to respond to the impacts of climate change.
- 5. Help develop local drought contingency plans in areas of the state that have increased concern about wholesale water system delivery constraints.

B. Emergency Preparedness

- 1. Assist the water industry in preparing for, responding to, and recovering from extreme weather events and natural disasters, including earthquakes and wildfires, catastrophic accidents, and physical or cyber sabotage. These actions may include, but are not limited to, hazard mitigation and emergency response planning, funding, and post-emergency service restoration.

2. Assist the water industry in addressing the effects of wildfires and power outages, including the impacts of public safety power shutoff events.
3. Support the Federal Emergency Management Agency programs to assist with hazard mitigation and emergency repairs and improvements, including but not limited to dam safety, spillway improvements, and erosion control repairs.

C. Physical and Cyber Security

1. Support continued U.S. Environmental Protection Agency oversight of water system security in coordination with other federal and state agencies with expertise in security, including the Governor's Office of Emergency Services, the Cybersecurity and Infrastructure Security Agency, and the Chemical Security Analysis Center.
2. Support enhanced physical security and cybersecurity for water and power infrastructure.
3. Support trade associations and coalition efforts to share information and develop standard guidance and best management practices to protect water and power critical infrastructure from cyber vulnerabilities.
4. Ensure Metropolitan's ability to reliably operate and maintain its facilities, infrastructure, and real property assets, including rights of way, and to protect against encroachment.

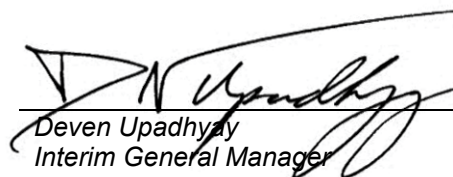
D. Chemical Security

1. Improve supply chain reliability, achieve tax-exempt status for water treatment chemicals, and ensure consistent access to water treatment chemicals.
2. Ensure the continued use of gaseous chlorine to protect public health.

**Project and Milestone(s)**

Not applicable

  
\_\_\_\_\_  
Susan Sims  
Group Manager, External Affairs  
12/3/2024  
Date

  
\_\_\_\_\_  
Deven Upadhyay  
Interim General Manager  
12/4/2024  
Date

**Attachment 1 – Summary of Comments**

Ref# ea12696407

	Agency	Section	Proposed – Nov 2024	Staff Response	Suggested Revision
		2024 LEGISLATIVE TOP PRIORITIES			
1	MA: Western and MWDOC		Add new bullet 2: Support reforms to the California Water Plan to establish long-term water supply targets and actions that support statewide development of new water supplies and resource management strategies to meet current and future water demands of the environment, urban sector and agriculture.	Agree as revised.	Support reforms to the California Water Plan to establish long-term water supply targets and actions that support statewide development of new water supplies and resource management strategies to meet current and future water demands of the urban sector and agriculture, without compromising existing access to core supplies and while meeting applicable environmental protections.
2	MA: Western		Move the previously listed second priority related to conservation down to the last priority. Western Water feels strongly with the implementation of the Making Conservation as a CA Way of Life regulations, the non-functional turf ban from the last session, and all the legislation from the last 6 years over conservation, that conservation should either be the last priority or removed from the list if nine priorities are too many.	No change. Removing conservation from top priorities is inconsistent with Metropolitan’s long held policy positions.	
3	MA: Western	Priority 3, also found in Section II.C.1	Change the wording in current Priority 3 regarding Pure Water SoCal to reflect similar language from Priority 1 related to the Delta Conveyance Project, as follows:  <del>3.-Advance</del> Continue support for planning of Pure Water Southern California and other water recycling projects and long-term supply reliability improvements.	Agree that language can be more consistent with Delta Conveyance project bullet (Priority 1). Development should not be limited to planning only.	Support the development of water recycling projects, including <del>for</del> Pure Water Southern California, to improve long-term water supply reliability.
4	MA: Western and MWDOC	Priority 8, also found in Section IV.A.4	In Priority 8, add language related to ensuring cost-effective transitioning the EV fleets, as follows: Assist public agencies in seeking outside funding and administrative actions to cost-effectively <del>the</del> transition to zero-emission fleets and equipment, while ensuring operational reliability and maintaining emergency response capabilities.	Agree with addition of “cost effective.”  Support for legislative and/or administrative actions, and seeking funding is implicit in the entirety of the document.	Support cost-effective transition to zero emissions fleets and equipment, while ensuring operational reliability and maintaining emergency response capabilities.

		Section I: Drinking Water			
5	MA: SDCWA	B. Water Governance, Affordability, and Funding	Add NEW Bullet 5, to read: <b>Work collaboratively with the member agencies on the pursuit of grant funding and joint lobbying activities to achieve implementation of MWD and member agency projects and programs that are part of the integrated resources planning identified in MWD’s CAMP4W process.</b>	As submitted, this bullet does not articulate a legislative policy principle.  Staff suggest incorporating the intent into bullet II.D.1, Regional Water Resource Management, Local Supply Development, as revised.	II.D.1 Protect and enhance flexibility and responsiveness in developing diverse, climate-resilient resource portfolios, <b>as identified in CAMP4W and related initiatives</b> , tailored to local needs <b>that benefit overall regional reliability</b> .
6	MA: MWDOC	B.2	2. Help water systems <b>seek outside state funding and assistance</b> to provide low-income ratepayer assistance programs in a way that is operationally feasible, sustainable, and maintains consumer confidence in retail agencies <b>while maintaining flexibility and preserving local operational authority</b> .	Staff note that funding should not limited to state sources.  Support for legislative and/or administrative actions, and seeking funding is implicit in the entirety of the document.	2. Help water systems provide low-income ratepayer assistance programs in a way that is operationally feasible, sustainable, and maintains consumer confidence in retail agencies <b>while maintaining flexibility and preserving local operational authority</b> .
		Section II: Regional Water Resource Management			
7	MA: Joint comment from Burbank and Pasadena	Description of Section II	Metropolitan’s One Water Vision and the Board-led CAMP4W process promote collaboration with member agencies to plan for future water supply needs and the challenges ahead in a reliable, cost-effective, and environmentally responsible manner. This involves protecting imported water supplies and quality, supporting local resource development, advancing water use efficiency, and supporting ecosystem protection and restoration and <b>maintains flexibility and local autonomy</b> .	Noted.	Metropolitan’s One Water Vision and the Board-led CAMP4W process promote collaboration with member agencies to plan for future water supply needs and the challenges ahead in a reliable, cost-effective, and environmentally responsible manner <b>while maintaining flexibility and local autonomy</b> . This involves protecting imported water supplies and quality, supporting local resource development, advancing water use efficiency, and supporting ecosystem protection and restoration.
8	MA: MWDOC	Description of Section II	Metropolitan supports administrative <b>and/or</b> <del>legislative</del> actions and funding that:	Noted.	Changes can be made throughout LPP

## Summary of Comments

9	MA: MWDOC	II.A.3	3. Support retail water agencies' ability to meet the objectives of Conservation as a California Way of Life in a manner that maintains flexibility <b>and protects local agency decision-making, and local control</b> . Support efforts to ensure that implementation of <del>the new statutes and</del> regulations are based on science; recognize regional distinctions (such as climate, land use, population, and hydrology); consider water affordability; and assess potential impacts to wastewater operations and recycled water projects.	Agree as revised.  Metropolitan seeks to ensure that any new statute, not only regulation, is based on science.	3. Support retail water agencies' ability to meet the objectives of Conservation as a California Way of Life in a manner that maintains flexibility <b>and protects local agency decision-making</b> . Support efforts to ensure that implementation of the new statutes and regulations are based on science; recognize regional distinctions (such as climate, land use, population, and hydrology); consider water affordability; and assess potential impacts to wastewater operations and recycled water projects.
10	MA: MWDOC	II.A.4	4. Advance leak detection and water loss reduction. <b>Provide continued advocacy for state and federal funding to support the</b> <del>Support the development and implementation of flexible water loss standards for both retail and wholesale</del> water systems.	Staff agree with the deletion of "retail and wholesale" qualifiers.  Support for legislative and/or administrative actions, and seeking funding is implicit in the entirety of the document.	4. Advance leak detection and water loss reduction. Support the development and implementation of flexible water loss standards for <del>both retail and wholesale</del> water systems.
11	MA: MWDOC	II.A.5	5. Support administrative/ <del>legislative</del> efforts <b>to improve the effective implementation of the Model Water Efficient Landscape Ordinance and actions to implement existing statutory requirements</b> for the long-term conversion of non-functional turf in commercial, industrial, and institutional landscapes and <b>for banning</b> the <del>ban</del> installation of non-functional turf in new construction. Support federal/state funding for the long-term conversion of non-functional turf in residential, commercial, industrial, and institutional landscapes.	Staff correction to original bullet.  This document is intended to articulate policy level positions.  Support for legislative and/or administrative actions, and seeking funding is implicit in the entirety of the document.	5. Support <del>administrative/legislative actions for</del> the long-term conversion of non-functional turf in commercial, industrial, and institutional landscapes and a ban on installation of non-functional turf in new construction. <b>Support federal/state funding for the long-term conversion of non-functional turf in residential, commercial, industrial, and institutional landscapes.</b>
12	MA: MWDOC	II.B.1	1. Support brackish groundwater and seawater desalination projects, <b>and impaired groundwater treatment projects</b> , consistent with the Governor's Water Resilience Portfolio and 2022, California's Water Supply Strategy, and Metropolitan's CAMP4W goals.	Agree.	1. Support brackish groundwater and seawater desalination projects, <b>and impaired groundwater treatment projects</b> , consistent with the Governor's Water Resilience Portfolio and 2022, California's Water Supply Strategy, and Metropolitan's CAMP4W goals.

13	MA: MWDOC	II.D.3	3. Expedite the development of new local resources to help adapt to climate change and safeguard water system operations. Advance stormwater as a beneficial resource and facilitate the funding and permitting of financially viable stormwater capture projects with demonstrated augment local and regional water supply benefits supplies and that promote holistic watershed health.	Agree as revised.  The meaning of “financially viable” is determined by each local agency, not Metropolitan.	3. Expedite the development of new local resources to help adapt to climate change and safeguard water system operations. Advance stormwater as a beneficial resource and facilitate the funding and permitting o stormwater capture projects with demonstrated local and regional water supply benefits and that promote holistic watershed health.
		Section III: Imported Water Supply			
14	MA: MWDOC	III.B.1	1. Support conservation and efficiency projects to enhance the resiliency of the Colorado River System and ensure that sufficient water is delivered to meet regional-Metropolitan’s water supply needs. Support the cleanup of contaminated sites along the Colorado River by responsible parties. This includes, but is not limited to, uranium remediation in Moab, Utah; perchlorate remediation in Henderson, Nevada; hexavalent chromium remediation near Topock, Arizona; and a waste disposal site near Hoover Dam.	Agree.	1. Support conservation and efficiency projects to enhance the resiliency of the Colorado River System and ensure that sufficient water is delivered to meet regional Metropolitan’s water supply needs. Support the cleanup of contaminated sites along the Colorado River by responsible parties. This includes, but is not limited to, uranium remediation in Moab, Utah; perchlorate remediation in Henderson, Nevada; hexavalent chromium remediation near Topock, Arizona; and a waste disposal site near Hoover Dam.
15	MA: MWDOC	III.B.3	3. <del>Facilitate</del> Support efforts that facilitate successful implementation of the Lower Colorado River Multi-Species Conservation Program by conserving Colorado River water and creating habitat for threatened and endangered species.	Noted. No change.	
		Section IV: Sustainability, Resiliency, and Innovation			
16	MA: Joint comment from Burbank	Description of Section IV	Metropolitan supports policies and funding that encourage sustainable practices that improve water and power system resilience and adapt to a rapidly changing environmental landscape. Metropolitan strives to fulfill the needs of the current generation	Agree.	Metropolitan supports policies and funding that encourage sustainable practices that improve water and power system resilience and adapt to a rapidly changing environmental landscape. Metropolitan strives to fulfill the needs of the current generation without compromising the

	and Pasadena		without compromising the needs of future generations in an environmentally and economically responsible way <b>and maintains flexibility and local autonomy.</b>		needs of future generations in an environmentally and economically responsible way <b>while maintaining local flexibility and local autonomy.</b>
17	MA: MWDOC	Description of Section IV	Metropolitan’s <b>CAMP4W process</b> supports sustainable practices that improve water and power system resilience to help <del>water</del> <b>Metropolitan and its member agencies</b> collaboratively prepare and respond to a rapidly changing environmental landscape <b>while maintaining flexibility and local control.</b> Metropolitan strives to fulfill the needs of the current generation without compromising the needs of future generations in an environmentally and economically responsible way.	Agree as revised, to also include a staff correction to original description; the Office of SRI is broader than only the CAMP4W process.	Metropolitan supports sustainable practices that improve water and power system resilience to help water agencies collaboratively prepare and respond to a rapidly changing environmental landscape <b>while maintaining flexibility and local control.</b> Metropolitan strives to fulfill the needs of the current generation without compromising the needs of future generations in an environmentally and economically responsible way.
18	MA: MWDOC	IV.B.1	1. Facilitate <b>the development of economically feasible</b> energy efficiency and storage projects, and programs to reduce greenhouse gases and develop renewable resources.	No change.  The meaning of “economically feasible” is determined by each local agency, not Metropolitan.	
		<b>VI. System Resiliency</b>			
19	MA: MWDOC	VI.A.2	2. Advance planning and research into potential risks of climate change on water and power resources <del>and water quality</del> <b>and work to provide state and federal funding for infrastructure or other mechanisms</b> to offset these risks.	Water quality is fundamental to Metropolitan as a drinking water agency and is affected by climate change.  Support for legislative and/or administrative actions, and seeking funding is implicit in the entirety of the document.	Advance planning and research into potential risks of climate change on water and power resources and water quality, and work <b>to advance infrastructure improvements and/or other mechanisms</b> to offset these risks.

20	MA: MWDOC	VI.B.2	2. Assist the water industry in addressing the effects of wildfires and power outages, <b>including and the impacts of public safety power shutoff events, including seeking outside state and federal funding for emergency distributed power generation and for the removal of regulatory barriers limiting the operations of emergency generators.</b>	Support for legislative and/or administrative actions, and seeking funding is implicit in the entirety of the document.	Assist the water industry in addressing the impacts of public safety power shutoffs, power outages, and wildfires <b>by facilitating procurement for emergency distributed power generation and working to remove regulatory barriers limiting the operation of emergency generators.</b>
----	--------------	--------	---	---	---



Legislation and Communications Committee

# Adopt Legislative Priorities and Principles for 2025

Item 8-6

December 10, 2024

Item #8-6

Adopt  
Legislative  
Priorities and  
Principles for  
2025

## Subject

Annual review of staff-recommended updates to the Legislative Priorities and Principles

## Purpose

Seek Board approval and adoption

## Next Steps

Continue Metropolitan advocacy with updated Board direction

## Summary of High-Level Changes

- Streamline document
  - Reduce repetitive phrases
  - Eliminate lists of examples
  - Keep bullets intentionally more general to speak to policy issue & principle
- Reflect recent developments in law, regulations, and anticipated legislative activity
- Add new priority to address public agency transition to zero emissions fleet & equipment
- Add a new MWD-sponsored bill proposal(s)

## Summary of High-Level Changes

- Revised 3 bullets in I:A Water Quality & Treatment to:
  - 2 – add recycled water
  - 3 – add treatment & mitigation measures
  - 5 – express support for CEC Action Fund
- I.B.1 was incorporated into the description
- Revised 1 bullet 5 in III.B. Colorado River Resources to express support for tribal settlement, consistent with the Law of the River

# Summary of High-Level Changes

- Revised IV.E. Workforce Development and Safety
- Revised V. Infrastructure to add power infrastructure throughout; also include support for infrastructure that complements both existing supplies and *operations*.
- VI.A Climate Resiliency – combined bullets 1, 6
- VI.B Emergency Preparedness – add hazard mitigation throughout

## Current Actions & Next Steps

- Presented to Member Agency Legislative Coordinators - November 7
- Presented to Member Agency General Managers - November 15
- Information item presented to Board - November 19
- Input Received & Reviewed
- Action Item to Board for adoption - December 10
- Post approved new LPP on website

## Summary of Input Received & Staff Recommendations

- Summary of Comments (Attachment 1) includes input received, staff response & suggested revision
- Input from 5 MAs: Burbank, MWD OC, Pasadena, SDCWA, Western MWD
- Staff 'agree' or 'agree as revised' to 16/20 suggestions
- Theme of local control

## Summary of Input Received & Staff Recommendations

- Expand “administrative/legislative” to “administrative and/or legislative”
- Change 1: Add new top priority supporting the establishment of long-term water supply targets while protecting current supplies and meeting applicable environmental protections
- Change 3: Make conforming changes to support development of water recycling projects, including Pure Water Southern California
- Emphasize support for local control throughout

## Summary of Input Received & Staff Recommendations

- Change 5: Bullet II.D.1 - support advancement of projects identified in CAMP4W that benefit regional reliability.
- Change 10: Bullet II.A.4 - delete “both retail and wholesale”
- Change 12: Bullet II.B.1 – add “impaired groundwater treatment projects”
- Change 19: Bullet VI.A.2 – support advancement of infrastructure improvements to offset climate change risks
- Change 20: Bullet VI.B.2 – support for emergency distributed power generation & regulatory relief for use of emergency generators

## Summary of Input Received – Changes Not Recommended

- Removal of conservation out of top priorities
- Language that does not articulate a legislative principle or fall within Metropolitan's scope
  - i.e. “economically feasible” or “financially viable” is to be determined by each local agency, not Metropolitan
- Non-substantive/stylistic language edits
  - i.e. “Facilitate” vs. “Support efforts that facilitate...”

## Options for Board Action

- Option #1  
Adopt the Legislative Priorities and Principles for 2025
- Option #2  
Take no action

# Options for Board Action

## Staff Recommendation

### Option #1





## Special Joint Meeting of the Executive Committee and Board of Directors

### EEO Ad Hoc Subcommittee's Proposed Appropriate Action for Substantiated Finding in *Anonymous vs. John T. Morris*

Item 8-7

December 10, 2024



## Post- Investigation Action

# Addressing Proven Allegations of Discrimination and Harassment Against Directors

- In cases where there are substantiated findings against a Board or its direct reports, the EEO Officer shall refer substantiated\* EEO findings to the EEO Ad Hoc Subcommittee (AHSC) to determine recommended appropriate action.
- In turn, the AHSC shall report the findings and recommend appropriate action for the Board's consideration
- Admin Code Section 2416(f)(5)(iii)

**\*Substantiated.** Where the investigation results show that it is *more likely than not* that a factual allegation occurred.

## Key Events

### Post-Investigative Timeline

- On October 4, 2024-A confidential and attorney-client privileged EEO investigative report concerning an anonymous complaint against Director Morris was issued to the EEO Office
- On October 15, 2024- The EEO Officer informed the AHSC that they would confidentially receive the investigative report and upon review, they must follow the procedure outlined in Admin Code Section 2416
- On October 16, 2024-The EEO's legal advisor emailed the AHSC a redacted version of the investigative report for their review, reminding them to consider recommending appropriate actions per Admin Code Section 2416

## Key Events

### Post-Investigative Timeline

- On October 17, 2024- The EEO Office informed Director Morris of the finding referred to the AHSC:

*“Director Morris made a disparaging statement [towards a staff member] on the basis of race or national origin in violation of Administrative Code section 2131.”*

- November 21, 2024- The EEO Officer received the AHSC’s recommendations for appropriate action
- December 2, 2024-The report was confidentially shared with the Board Directors in advance of December Board

## Administrative Code Section 2416(f)(5)(iii)

# Determining Appropriate Action

- I. The ad hoc subcommittee shall report a substantiated finding of an EEO violation by a director and recommend appropriate action for the Board's consideration.
- II. Appropriate action for directors may include, but is not limited to:
  - counseling
  - training
  - a private warning letter
  - public censure
  - temporary or permanent removal from committee assignments
  - referral to the Director's appointing authority requesting appropriate action

## Proposed Board Action

# Ad Hoc Subcommittee's Recommendation for Appropriate Action

- The Ad Hoc Subcommittee recommends censuring Director Morris and imposing restrictions on his travel on behalf of MWD
  - Regarding censure, the AHSC recommends for the Board to issue a public rebuke of his conduct and notify his member agency in writing
  - Regarding travel, the AHSC recommends that MWD cease funding Director Morris' travel and prohibit him from representing MWD at any events

# Questions?





## Water Resource Management Group

### • Conservation Board Report December 2024

#### Summary

This report provides a summary of conservation activities and expenditures for October 2024.

#### Purpose

Informational

#### Detailed Report

### Conservation Expenditures – FY2024/25 & FY2025/26 <sup>(1)</sup>

	Paid <sup>(2)</sup>	Committed <sup>(3)</sup>
Regional Devices	\$0.8 M	\$1.8 M
Member Agency Administered	\$2.8 M	\$4.7 M
Turf Replacement	\$5.5 M	\$20.7 M
Advertising	\$0.1 M	\$0.9 M
Other	\$0.8 M	\$1.1 M
<b>TOTAL</b>	<b>\$10.0 M</b>	<b>\$29.2 M</b>

(1) The Conservation Program biennial expenditure authorization is \$98.2 million.

(2) Paid as of 7/1/2024 - 10/31/2024. Financial reporting on cash basis.

(3) Committed dollars as of November 10, 2024

### Summary of Expenditures in October 2024: \$1,603,198 (1)

**Lifetime Water Savings to be achieved by all rebates in October 2024: 3,375 AF**

FY2024/25-FY2025/26: 16,472 AF lifetime water savings



#### Turf Replacement Rebates:

October: 558,354 ft<sup>2</sup> replaced

**FY2024/25-FY2025/26: 2,824,343 ft<sup>2</sup> replaced**



#### Trees (part of Turf Replacement Program):

October: 241 trees rebated

**FY2024/25-FY2025/26: 892 units rebated**



#### Smart Controllers:

October: 513 units rebated

**FY2024/25-FY2025/26: 2,188 units rebated**



#### Clothes Washers:

October: 720 units rebated

**FY2024/25-FY2025/26: 2,677 units rebated**



#### Toilets:

October: 1,334 units rebated

**FY2024/25-FY2025/26: 5,885 units rebated**



#### Sprinkler Nozzles:

October: 1,706 units rebated

**FY2024/25-FY2025/26: 6,063 units rebated**

(1) Expenditures may include advertising and Water Savings Incentive Program activity in addition to the incentives highlighted above.



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

# Board Information

- **Board of Directors**  
***One Water and Stewardship Committee***

12/10/2024 Board Meeting

---

9-2

## Subject

---

Update on developing State Water Project water management actions to meet multiple objectives of managing dry-year and wet-year water supplies and generating new revenues

## Executive Summary

---

This report provides information on the development of potential State Water Project (SWP) water management actions to achieve multiple objectives: (1) generate new revenue through the sale and exchange of available water supplies, (2) manage annual surplus water supplies for regional benefit, and (3) manage and procure water transfers and exchanges to reduce the risk of future water supply shortages and increase regional water supply reliability. Extreme fluctuation in SWP supplies driven by variable hydrologic conditions gives rise to these two challenges: (1) wet years are typically associated with lower water sales and low revenue generation, and (2) dry years, especially multiple dry years, require storage and supplemental water purchases to maintain water supply reliability. While these goals may sometimes appear to conflict, they can also complement each other when managed strategically in a timely and holistic manner. Addressing these challenges effectively will require prompt responses to available opportunities. In the coming months, staff plans to request Board authorization for the General Manager to enter into water transactions—whether to buy or sell water—as opportunities arise so that Metropolitan can act swiftly to ensure it does not miss valuable prospects that require immediate action. Ultimately, this flexibility will help Metropolitan adapt to changing conditions, enabling it to align financial and resource goals more effectively.

Staff plans to pursue water transactions that enhance Metropolitan's financial health while protecting long-term water supply reliability. Staff have identified that authorization to sell up to 400,000 acre-feet of 2025 and 2026 SWP supplies to other SWP contractors, including their members and landowners within the SWP place of use, will help generate the estimated \$120 million in unrealized annual revenue assumed in the Metropolitan budget and rates adopted in April 2024. On the other hand, if hydrologic conditions in 2025 and 2026 turn out to be dry, thus increasing the risk of shortages, staff have identified that authorization to purchase up to 100,000 acre-feet at a cost of up to \$50 million from sellers that convey water via the SWP would be needed to help manage potential shortage conditions. It is envisioned that a portfolio of water transactions, with short- and longer-term purchases and sales of water, will be effective in managing the multiple objectives that Metropolitan and its member agencies face currently and into the future.

## Fiscal Impact

---

In the current biennium: Depending on hydrologic conditions, a potential estimated revenue of up to \$120 million via non-permanent transfers of Metropolitan SWP supply to other SWP contractors; or a potential cost of up to 50 million for the purchase of non-permanent SWP transfer supplies or non-project water from sellers that can convey water via the SWP.

---

**Applicable Policy**

---

By Minute item 52273, dated February 9, 2021, the Board reviewed and considered the Department of Water Resources' certified Final Environmental Impact Report, took related California Environmental Quality Act (CEQA) actions and approved the State Water Project Contract Amendment for Water Management.

By Minute item 20984, dated November 1, 1960, the Board adopted Resolution 5838 and approved execution of the State Water Project Contract with the Department of Water Resources (DWR).

Metropolitan Water District Administrative Code Section 4200: Water Availability

Metropolitan Water District Administrative Code Section 4203: Water Transfer Policy

Metropolitan Water District Act Section 132: Sale of Surplus Water

---

**Related Board Action(s)/Future Action(s)**

---

Staff plans to return to the Board in January 2025 to request that the Board authorize the General Manager to execute SWP transfer and exchange agreements with parties in the SWP place of use that generate up to \$120 million in revenue in the next biennium or that secure dry-year supply at a cost of up to \$50 million.

---

**Details and Background**

---

**Background**

Historically, staff has come to the Board annually and on a case-by-case basis for authorizations to buy additional supply. Staff generally makes annual requests to the Board to purchase single-year water transfers, if needed. The Board authorized single-year water transfer purchases of up to \$44 million in April 2021, \$60 million in April 2022, \$100 million in January 2023, and \$50 million in February 2024. These annual authorizations allowed for additional water purchases under existing programs, such as the Yuba Accord Water Transfer Program, that was first authorized by the Board in 2007. In recent years, the funds for these water purchases would have come from unspent Water Supply Program or SWP budgeted funds. The full requested amounts were not spent in the past four years. In the dry years of 2021 and 2022, spending was constrained by the limited availability of transfer supply. In the past two years, water supply conditions improved significantly after February such that Metropolitan did not need to purchase supplemental water.

More recently in October 2024, the Board authorized option agreements with Western Canal Water District and Richvale Irrigation District for single-year water transfers during 2025 through 2027. These agreements are being developed over more than a year of negotiations with these sellers as a new approach for providing increased SWP-dependent area reliability over multiple dry years. A major benefit of these recently approved agreements is that they offer first-right access to a relatively large quantity of limited north-of-Delta transfer supply. Going forward, staff will need to continue to develop water transfer partnerships. Metropolitan would benefit from additional partnerships, especially with parties that can offer water unconstrained by Delta conveyance capacity or with flexible call dates.

Adapting to changed conditions, staff will be seeking additional authority to sell SWP water for the first time. This flexibility is afforded by the Water Management Amendment to the SWP contract approved by the Board in February 2021. Sale of Metropolitan's SWP supply is consistent with Metropolitan Water District Act Section 132 that allows for the sale of surplus water not needed for domestic or municipal use within the district. Administrative Code Section 4200 requires that the sale of water outside of Metropolitan's service area be approved by the Board. Sale of Metropolitan's SWP supply within the next two calendar years could help contribute to the estimated \$120 million in unrealized annual revenue assumed in the budget and rates adopted by the Board in April 2024.

The following discussion describes the type of transactions that staff is contemplating to pursue to meet revenue and water supply goals, possible transaction parameters, key considerations and potential partners.

### **Potential Transactions under Surplus Conditions**

Metropolitan can pursue several types of transactions to generate revenue, including non-permanent Table A transfers to other SWP contractors, transfers of SWP carryover supply, and transfers of previously stored SWP supply in banking programs outside of the service area. The 2021 Water Management Amendment provides that buyers and sellers can determine the cost compensation for these types of transfers. SWP contractors can also execute balanced or unbalanced water exchanges with cost compensation determined by the buyer and seller, and DWR views these exchanges as “Transfer Packages.” An example of a potential unbalanced exchange Metropolitan would consider under surplus conditions would be transfer of Metropolitan surplus SWP supply in exchange for the future return of lesser supply, with potential cost compensation to reflect the dry-year value of water.

### ***Pricing for Water Sales***

The potential pricing for single-year SWP sales would be dependent on hydrologic conditions, time of year, and overall supply versus demand. In this past year, there were relatively few buyers and several potential sellers with above-average supplies coming off a wet 2023, and the price of Table A sales generally went down as the year progressed. Pricing in 2024 ranged from approximately \$250 to \$600 per acre-foot. In a wet year like 2023, there were sales at approximately \$100 to \$200 per acre-foot; and in a dry year like 2022, there were sales ranging from approximately \$500 to \$2,000 per acre-foot. Staff recommends that the price of Metropolitan SWP supply sales to other parties at least covers the Supply Rate element charged for water sales to Metropolitan member agencies (approximately \$300 per acre-foot).

### ***Protection of Water Supply Reliability***

The quantity of water that Metropolitan would be willing to sell in 2025 or 2026 would be constrained by the need to maintain reliability, in particular for the SWP-dependent area. SWP-dependent area reliability could be achieved by having four years of dry-year storage in the various storage accounts that can meet SWP demands and by having a robust portfolio of potential dry-year water transfer purchases.

Additionally, staff could negotiate terms in agreements to help mitigate future dry-year risk. For example, water sale prices could be set to a schedule tied to the final SWP allocation with higher dry-year prices reflecting the higher value and replacement cost of that water. Another possible protection would be to include an option to purchase the water back in the next four years. Because of projected record high end-of-2024 storage, staff anticipates being able to sell up to 50,000 acre-feet of SWP supply in 2025 without negatively affecting SWP-dependent area reliability, even at low SWP allocations in 2025. The quantity of water for sale at SWP allocations higher than 30 percent would be less constrained, and dependent on the overall balance between Metropolitan member agency demands and SWP and Colorado River supplies. Staff recommends that the Board authorize the General Manager to sell up to 400,000 acre-feet of SWP supply in 2025 and 2026 in the event of wet conditions on the SWP to help generate revenue and minimize unmanaged SWP supplies.

### ***Potential Partners***

Potential buyers of Metropolitan SWP supply under the Water Management Amendment are other SWP contractors, including their members or landowners. Sale of water to a non-SWP contractor (e.g., a Central Valley Project (CVP) contractor) would require that DWR petition the State Water Resources Control Board (SWRCB) to allow a transfer of SWP water outside of the SWP place of use. Because of the regulatory challenges related to sale of SWP water outside of the SWP place of use, staff intends to identify potential partners for water sales within the SWP place of use. The regulatory challenges for exchanging SWP water with CVP contractors are less onerous and managed via annual petitions to the SWRCB for consolidation of the SWP and CVP place of use. As such, staff will evaluate and potentially pursue mutually beneficial exchanges with both SWP and CVP contractors and their member agencies or landowners.

**Potential Transactions under Shortage Conditions**

If 2025 and 2026 are dry, staff anticipates a potential need to purchase water transfer supplies in addition to those already approved for purchase by the Board. The Board has already authorized the potential purchase of surface water transfer supplies under the Yuba Accord through 2025, and the potential purchase of single-year water transfer supplies from Western Canal Water District and Richvale Irrigation District through 2027. In the future, staff plans to seek additional authority to purchase single-year water transfers from other sellers north and south of the Delta, including other SWP contractors as allowed under the Water Management Amendment. Under shortage conditions, Metropolitan may also consider unbalanced water exchanges to secure dry-year supply in exchange for the obligation to return greater quantities in wetter years, with potential cost compensation to reflect the dry-year value of water. A broad portfolio of water transfer options will help Metropolitan meet its future water supply needs in the most cost-effective manner.

The quantity of water that Metropolitan would purchase under shortage conditions in 2025 and 2026 would be dependent on the overall supply and demand balance, price, and whether Metropolitan purchases water from other sellers such as Yuba Water Agency, Western Canal Water District, and Richvale Irrigation District. To supplement these existing water purchase programs, staff recommends that the Board authorize the General Manager to buy up to 100,000 acre-feet of additional supply from willing sellers in 2025 and 2026, if needed.

Potential partners for the purchase of water by Metropolitan include public water agencies, private water utilities and companies, water rights holders, and state and federal agencies located north or south of the Delta that can move water via SWP facilities.

**Administrative Requirements for Potential Transactions**

For any potential SWP water sale, Metropolitan would need to enter into at least two agreements, one with the purchasing entity covering the terms of the transaction, and another with DWR, Metropolitan, and the partner SWP contractor (may also be the purchasing entity). For any transaction under the Water Management Amendment, DWR will require compliance with transparency requirements enumerated in Article 57(g) of the SWP contract (**Attachment 1**), including that Metropolitan provide relevant terms to all other contractors via the State Water Contractors organization. DWR will require CEQA documentation to process each transfer and exchange agreement requested by Metropolitan.

Purchase of SWP water from other entities will also likely require at least two agreements, one with the seller and another with DWR to convey the transfer supply. No commitment to any given transfer would be made by the General Manager unless and until all applicable CEQA requirements have been met.

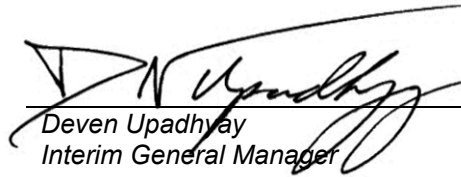
**Summary**

In early 2025, staff will be seeking that the Board authorize the General Manager to execute water transactions that generate new revenue and/or secure needed water supplies in calendar years 2025 through 2026. This authority is needed to effectively and efficiently respond to changing hydrologic and market conditions and maximize potential benefits for Metropolitan. Staff plans to return to the Board to seek this authority and update the Board monthly on transactions secured under this authority, if granted.



Brandon J. Goshi  
Interim Manager,  
Water Resource Management

11/27/2024

Date

Deven Upadhyay  
Interim General Manager

11/27/2024

Date**Attachment 1 – Article 57(g) of the SWP Contract**

Ref# wrm12702675

**Article 57(g) of Metropolitan's State Water Project Contract****Article 57. Provisions Applicable to Both Transfers and Exchanges of Project Water**

(g). The District shall, for each transfer or exchange it participates in, confirm to the State in a resolution or other appropriate document approving the transfer or exchange, including use of Article 56(c) stored water, that:

- (1) The District has complied with all applicable laws.
- (2) The District has provided any required notices to public agencies and the public.
- (3) The District has provided the relevant terms to all contractors and to the Water Transfers Committee of the State Water Contractors Association.
- (4) The District is informed and believes that the transfer or exchange will not harm other contractors.
- (5) The District is informed and believes that the transfer or exchange will not adversely impact State Water Project operations.
- (6) The District is informed and believes that the transfer or exchange will not affect its ability to make all payments, including payments when due under its Contract for its share of the financing costs of the State's Central Valley Project Revenue Bonds.
- (7) The District has considered the potential impacts of the transfer or exchange within its service area.



## One Water & Stewardship Committee

Update on developing SWP water management actions to meet multiple objectives of managing dry year and wet year water supplies and generating new revenues

Item 9-2

December 9, 2024

## Item 9-2

### Update on developing SWP water management actions

#### Subject

Update on developing SWP water management actions to meet multiple objectives of managing dry year and wet year water supplies and generating new revenues

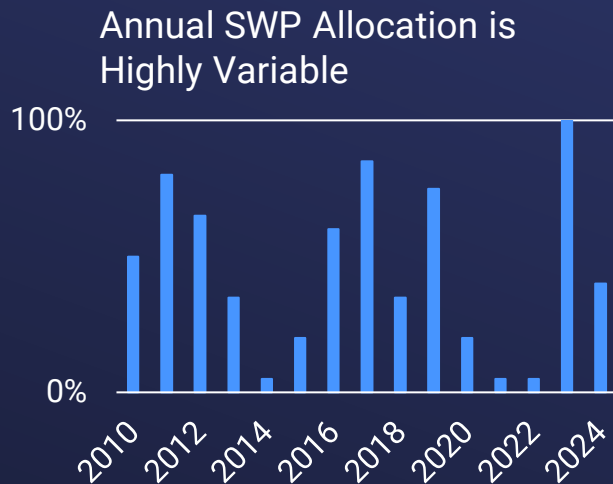
#### Purpose

Provide information on water transactions that can generate new revenue through sale and exchange of available water supply, manage annual surplus water supplies for regional benefit, and manage and procure water transfers and exchanges to reduce the risk of future water supply shortages.

#### Next Steps

Staff will return to the One Water and Stewardship Committee in the future with an Action letter and oral report.

## Background



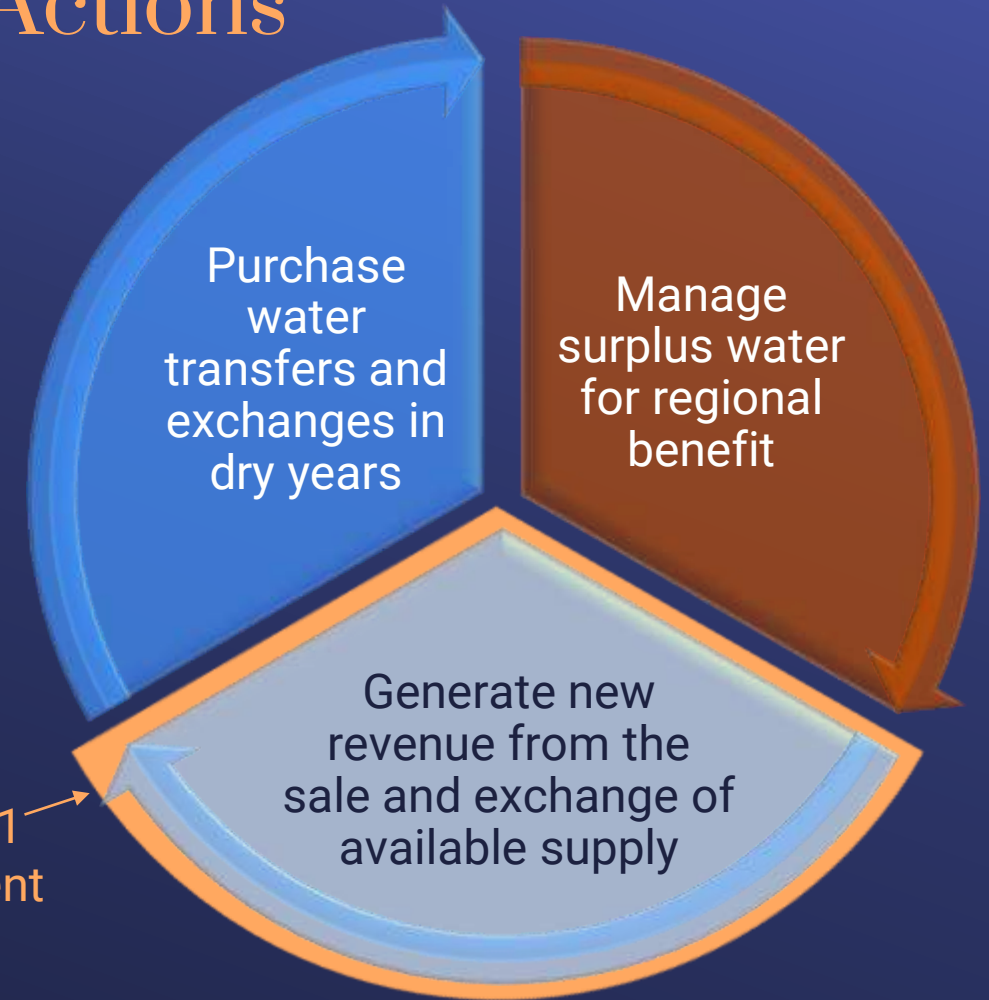
# Variable SWP Supply Presents Water and Financial Management Challenges

- Dry years
  - Supplemental water needed to meet demands and preserve storage
- Wet years
  - Lower water sales and revenues
  - Potential for unmanaged SWP supply
- Timing
  - SWP supply allocation finalized in May/June
  - Need flexible tools to efficiently manage to variable hydrologic conditions

## Background

# Multiple Objectives for SWP Water Management Actions

- Water supply reliability
- Financial reliability



Newly Allowed Under the 2021  
Water Management Amendment  
to the SWP Contract

## Water Management Actions



# Water Transfer Purchases Enhance Dry Year Water Supply Reliability

- Board annually authorizes purchases, if needed, and on a case-by-case basis
  - Options for crop-idling transfers from North-of-Delta authorized Oct. 2024
  - Yuba Accord Water Transfer Program authorized 2007
- Additional opportunities, including:
  - Flexible groundwater substitution transfers from North-of-Delta sellers
  - Water transfers from other SWP contractors

## Water Management Actions



# Management of Annual Water Supply Surplus for Regional Benefit

- Storage programs
- Cyclic deliveries
- Additional opportunities, including:
  - Sales and exchanges with other SWP contractors

## Water Management Actions



# Sale of SWP Supply to SWP Contractors to Generate New Revenue

- New tool of the Water Management Amendment to the SWP contract approved by board in February 2021
  - Allows annual water transfers with compensation determined by buyer and seller
- Opportunity to generate new revenues assumed in budget adopted by board in April 2024
- Sale of water outside of the service area requires board authorization

# Proposed Parameters for SWP Supply Sales

- Sale of up to 400,000 acre-feet in calendar years 2025 and 2026 to other SWP contractors, including their members/landowners
  - Target maintaining 4-years dry year storage in SWP storage accounts
- Price of potential water sales to meet or exceed water supply rate element to Metropolitan member agencies
  - Historical single-year Table A transfer prices ranged from approximately \$100/AF in a wet year like 2023 to up to \$2,000/AF in a dry year like 2022
- Potential agreement terms to enhance dry-year reliability
  - Pricing to reflect value of water in dry years
  - Buy-back provisions (exchange options)

## Flexible Approach



- Staff anticipates seeking board authorization to execute SWP water transactions, including
  - Sale of SWP supply outside of the service area to generate new revenue
  - Purchase of single-year water transfers if needed
- Authority provided early in the calendar year will allow for the most efficient responses to changing hydrologic and market conditions to provide maximum benefits to Metropolitan

## Next Steps



- Receive board feedback
- Return to the board with an action item in January
- Negotiate agreement terms with potential partners
- Update the board monthly on potential transactions executed under the authority, if granted by the board

