



**Regular Board of Directors Meeting - Final -
Revised 1**

December 14, 2021

12:00 PM

Tuesday, December 14, 2021 Meeting Schedule
10:00 a.m. - L&C
11:00 a.m. - Adj Exec
11:30 a.m. - Break
12:00 p.m. - BOD

Teleconference meetings will continue through the end of the year. Live streaming is available for all board and committee meetings on mwdh2o.com ([Click Here](#))

A listen only phone line is also available at 1-800-603-9516; enter code: 2176868#. Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda via teleconference only. To participate call (404) 400-0335 and enter Code: 9601962.

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

1. Call to Order

- 1.1 Invocation: Omar H. De Leon Medina, Senior Admin. Analyst, Chief Finance Office
- 1.2 Pledge of Allegiance: Director Linda Ackerman, Municipal Water District of Orange County

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

[21-666](#)

Attachments: [12142021 BOD 5A Report](#)

- B.** Chairwoman's Monthly Activity Report

[21-702](#)

Attachments: [12142021 BOD 5B Report](#)

- C. General Manager's summary of activities [21-703](#)
Attachments: [12142021 BOD 5C Report](#)
- D. General Counsel's summary of activities [21-704](#)
Attachments: [12142021 BOD 5D Report](#)
- E. General Auditor's summary of activities [21-706](#)
Attachments: [12142021 BOD 5E Report](#)
- F. Ethics Officer's summary of activities [21-708](#)
Attachments: [12142021 BOD 5F Report](#)
- G. Induction of new Director Lois Fong-Sakai from the San Diego County Water Authority [21-729](#)
(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

- A. Approval of the Minutes of the Board Workshop on November 8 and the Meeting for November 9, 2021 (Copies have been submitted to each Director) Any additions, corrections, or omissions [21-672](#)
Attachments: [12142021 BOD 6A1 Minutes](#)
[12142021 BOD 6A2 Minutes](#)
- B. Adopt resolution to continue remote teleconference meetings pursuant to the Brown Act Section 54953(e) for meetings of Metropolitan's legislative bodies for a period of 30 days; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA [21-694](#)
Attachments: [12142021 BOD 6B Resolution](#)

- C. Approve Commendatory Resolutions for Directors John Murray, Jr. representing the city of Los Angeles; and Jerry Butkiewicz and Michael T. Hogan both representing San Diego County Water Authority [21-695](#)
- D. Chair and Vice Chair committee appointments for the term commencing December 15, 2021 through January 11, 2023; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. [Withdrawn/Deferred 12/9/21] (Exec) [21-661](#)
- E. Approve Committee Assignments

7. CONSENT CALENDAR ITEMS - ACTION

- 7-1 Amend the Capital Investment Plan for fiscal years 2020/2021 and 2021/2022 to include water supply reliability improvements in the Rialto Pipeline service area; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EO) [21-657](#)

Attachments: [12142021 EO 7-1 B-L](#)
[12142021 EO 7-1 Presentation.pdf](#)

- 7-2 Award a \$11,499,000 contract to J.F. Shea Construction, Inc. for the seismic upgrade of the Casa Loma Siphon Barrel No. 1; and authorize \$1,100,000 increase to an agreement with Carollo Engineers Inc., for a new not-to-exceed total of \$3.6 million, for technical support during construction; the proposed action is in furtherance of a project that was previously determined to be exempt or otherwise not subject to CEQA (EO) [21-658](#)

Attachments: [12142021 EO 7-2 B-L](#)
[12142021 EO 7-2 Presentation.pdf](#)

- 7-3 Award a \$32,824,000 contract to J.F. Shea Construction, Inc. to upgrade the domestic water treatment systems at the five Colorado River Aqueduct pumping plants; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EO) [21-659](#)

Attachments: [12142021 EO 7-3 B-L](#)
[12142021 EO 7-3 Presentation.pdf](#)

- 7-4** Authorize the General Manager to enter into a Memorandum of Understanding to facilitate near-term actions to maintain the elevation of water in Lake Mead above elevation 1,020 feet, and to provide up to 20 percent of the non-federal cost share of any such actions, not to exceed \$10 million per year in 2022 and 2023, and delegate authority to the General Manager to enter into additional agreements as needed to implement the Memorandum of Understanding; the General Manager determined that the proposed actions are exempt or otherwise not subject to CEQA [12/7/21 SUBJECT CHANGED] (WPS) [21-660](#)
- Attachments:** [12142021 WPS 7-4 B-L](#)
[12142021 WPS 7-4 Presentation.pdf](#)
- 7-5** Authorize the General Manager to enter into agreements with San Bernardino Valley Municipal Water District and the California Department of Water Resources to improve the management of State Water Project supplies, including the exchange of water; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (WPS) [21-665](#)
- Attachments:** [12142021 WPS 7-5 B-L](#)
[12142021 WPS 7-5 Presentation.pdf](#)
- 7-6** Authorize General Manager to enter into agreements with San Diego County Water Authority, Semitropic Water Storage District, and the California Department of Water Resources to purchase water, lease groundwater return capacity, exchange water, and to convey water in the State Water Project facilities; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (WPS) [21-662](#)
- Attachments:** [12142021 WPS 7-6 B-L](#)
[12142021 WPS 7-6 Presentation.pdf](#)
- 7-7** Authorize implementation of modifications to the On-Site Retrofit Program; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. [WITHDRAWN/ITEM DEFERRED] (WPS) [21-664](#)

- 7-8** Adopt resolutions to support Metropolitan's applications for the California Department of Water Resources 2021 Urban and Multi-benefit Drought Relief Program of \$7.5 million to supplement funding for residential and commercial landscapes within the Turf Replacement Program and \$2.5 million to supplement funding for the Residential Direct Install Program in partnership with the Southern California Gas Company; authorize the General Manager to accept grant funds, if awarded; and authorize the General Manager to enter into a contract with the California Department of Water Resources for the grant funds, if awarded; the General Manager has determined that the proposed actions are exempt or otherwise not subject to CEQA (WPS) **[21-663](#)**

Attachments: [12142021 WPS 7-8 B-L.pdf](#)
[12142021 WPS 7-8 Presentation.pdf](#)

- 7-9** Adopt amendment to the Administrative Code establishing Metropolitan-specific parliamentary procedures; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (LC) **[21-263](#)**

Attachments: [12142021 BOD 7-9 B-L](#)

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

8. OTHER BOARD ITEMS - ACTION

None

9. BOARD INFORMATION ITEMS

- 9-1** Report on Conservation **[21-693](#)**

Attachments: [12142021 BOD 9-1 Report](#)

- 9-2** Update on Draft Strategic Priorities **[21-737](#)**

Attachments: [12142021 BOD 9-2 Presentation.pdf](#)

10. FOLLOW-UP ITEMS

None

11. FUTURE AGENDA ITEMS

12. ADJOURNMENT

NOTE:

At the discretion of the Board, all items appearing on this agenda and all committee agendas, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

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. (E&O, BF&I). Committee agendas may be obtained from the Executive Secretary.

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 Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

December 14, 2021 Board Meeting

Item 5A



Metropolitan Water District of Southern California Summary of Events

Attended by Directors at Metropolitan's Expense in November 2021

Date(s)	Location	Meeting Hosted by:	Participating Director(s)
Nov. 1-10	Glasgow, Scotland	United Nations Climate Change Conference COP26	Miguel Luna



● Chairwoman of the Board Monthly Activity Report – November 2021

Summary

This report highlights activities of the Chairwoman of the Board during the month of November 2021 on matters relating to The Metropolitan Water District of Southern California's business.

Monthly Activities

November 1

- Attended a dinner meeting with San Diego County Water Authority General Manager Kerl, Chair Croucher, and General Manager Hagekhalil regarding water issues, San Diego

November 2

- Attended a meeting with the San Diego County Water Authority litigation team, General Manager Hagekhalil, General Counsel Scully, and Assistant General Manager Upadhyay to discussion ongoing litigation matters, San Diego

November 3

- Attended a meeting with General Counsel Scully, Assistant General Manager Kasaine, Assistant General Manager Zinke, and board staff for a briefing on Metropolitan's administrative code as it pertains to committee guidelines, Los Angeles
- Participated via teleconference with Metropolitan's Employee Resource Groups, Metropolitan's Bargaining Units, General Counsel Scully, Ethics Officer Salinas, and Metropolitan's Executive Management at Metropolitan's Diversity, Equity, and Inclusion Council meeting
- Participated via teleconference in West Basin Municipal Water District's Caucus meeting

November 4

- Participated via teleconference with Metropolitan Water District of Orange County Directors Ackerman, Dick, Tamaribuchi, and Erdman to discuss matters of the Board
- Participated via teleconference with General Manager Hagekhalil regarding matters of the Board
- Attended and provided remarks at CalDesal and Poseidon Water's Women in Desal Event, El Segundo

November 6-10

- Attended the American Water Works Association Water Quality Technology Conference, Seattle, WA

November 6

- Participated via teleconference and provided remarks at the National Women's Political Caucus Ecofeminist Fight for Climate Change Justice and Resiliency Panel

November 8

- Participated via teleconference in Metropolitan's Board Workshop
- Participated via teleconference in Metropolitan's Engineering and Operations Committee meeting
- Participated via teleconference in Metropolitan's Communications and Legislation Committee meeting

- Participated via teleconference in Metropolitan’s Water Planning and Stewardship Committee meeting

November 9

- Participated via teleconference in Metropolitan’s Legal and Claims Committee meeting
- Participated via teleconference in Metropolitan’s Organization, Personnel, and Technology Committee meeting
- Participated via teleconference in Metropolitan’s Board meeting

November 11

- Participated via teleconference with General Manager Hagekhalil to discuss matters of the Board

November 12

- Attended an introduction meeting with Water Replenishment District General Manager Stephan Tucker, Carson

November 13

- Attended the Arab American Association of Engineers and Architects Fall Scholarship Gala honoring General Manager Hagekhalil, Glendale

November 16

- Attended and provided remarks as an honoree for the Special Recognition Award at The Greater Los Angeles Area Chamber of Commerce Awards Gala, Los Angeles

November 17

- Participated and provided welcome remarks at a meeting with Dutch Vice Minister Roald Lapperre and the Netherlands Ministry for Infrastructure and Water Manager delegation, Assistant General Manager Chapman, and Assistant General Manager Zinke, Los Angeles
- Met with General Counsel Scully regarding upcoming committee and board items, Los Angeles

November 18

- Attended a meeting with Imperial Irrigation District President James Hanks, Vice President JB Hambey, Metropolitan Directors Peterson and Camacho, General Manager Hagekhalil, and Colorado River Manager Hasencamp, Imperial
- Attended a meeting with Palo Verde Irrigation District board trustees Bart Fisher, Brad Robinson, and, Michael Mullion, General Manager Hyduke, Metropolitan Directors Kurtz, Peterson, Camacho, Record, and De Jesus, General Manager Hagekhalil, and Colorado River Manager Hasencamp, Blythe

November 19

- Participated via teleconference with City of Los Angeles Directors Luna, Repenning, Quinn, and Sutley, Los Angeles City Staff Rebecca Rasmussen, Susie Santilena, and General Manager Hagekhalil
- Participated via teleconference with General Manager Hagekhalil to discuss matters of the Board
- Participated via teleconference with Metropolitan Vice Chairs Kurtz, Repenning, and De Jesus to discuss matters of the Board

November 23

- Participated via teleconference in Metropolitan’s Audit and Ethics Committee meeting
- Participated via teleconference in Metropolitan’s Integrated Resources Planning Committee meeting
- Participated via teleconference in Metropolitan’s Executive Committee meeting
- Participated via teleconference in Metropolitan’s Bay-Delta Committee meeting
- Participated via teleconference in Metropolitan’s Special Board meeting



The GENERAL MANAGER Monthly Report

**Activities for the Month of
November 2021**

This report identifies the actions and activities taking place during the month that support the objectives of the General Manager's Fiscal Year 2020/21 Strategic Priorities and the Core Business of the GM's work groups.



Adel Hagekhalil, Metropolitan General Manager, and Staff at the DVL-Skinner Tour

Content by Group

Executive Summary	3-4
Administrative Services	5-6
Bay-Delta Initiatives.....	7-9
Board Support Team	10
Chief Financial Officer	11-12
Engineering Services.....	13-17
Environmental Planning	18-21
External Affairs.....	22-27
Human Resources	28-32
Information Technology	33-35
Real Property	36-37
Security Management	38-39
Water Resource Mgmt.....	40-44
Water System Operations	45-64

EXECUTIVE SUMMARIES

This executive summary is added to this report to provide a high-level snapshot of a key accomplishment from each area of the organization. Detailed information is reported in the pages following this summary.

ADMINISTRATIVE SERVICES

The Business Management Team partnered with Graphics in External Affairs to develop and distribute a new Administrative Services Section employee newsletter. The quarterly e-newsletter is an opportunity to share and connect the Section with inspiring stories, information, milestones, and media content happening within the Section.

BAY-DELTA INITIATIVES

A project kick-off meeting was held with Delta experts as part of the California Department of Fish and Wildlife Planning Grant to conduct an island-wide planning effort that integrates a mosaic of land use opportunities. Potential benefits that will be evaluated include subsidence reversal, sustainable agriculture, carbon sequestration and reduction of greenhouse gas emissions, habitat restoration, improvement of water quality, and economic benefits. This effort, led by Metropolitan staff, is funded by a State Proposition 1 Delta Water Quality and Ecosystem Restoration Grant of \$1.088 million.

BOARD SUPPORT SYSTEM

Staff implemented the rollout of Metropolitan email accounts for all Board of Directors.

CHIEF FINANCIAL OFFICER

The annual audit of Metropolitan's financial statements was successfully completed by KPMG in October 2021, for which Metropolitan received an unqualified opinion. This means that the financial statements are free from any material statement and are in accordance with Generally Accepted Accounting Principles. The controller section also worked with KPMG in completing the financial audits of the Delta Conveyance Design and Construction Authority (DCA), the Six Agency Committee (SAC), and the Colorado River Authority (CRA). Metropolitan is trustee for both the SAC and CRA. Controller staff also worked with Richardson and Company to complete the audit of the Delta Conveyance Finance Authority (DCFA). Metropolitan's CFO, Katano Kasaine, is treasurer for both DCA and DCFA. All audits received a clean opinion from their respective auditors.

ENGINEERING SERVICES

In November, the Board authorized four contracts, including a demonstration project to apply an epoxy liner to 500 linear feet of the Colorado River Aqueduct Cholla Wash Cut and Cover Conduit. The goal of this project is to maximize flows in the CRA aqueduct system. In December, two additional projects will be ready for contract award, including installing earthquake-resistant ductile iron pipe where the CRA system crosses the Casa Loma fault. This significant project will mitigate leaks associated with long-term ground subsidence and improve the overall seismic resilience of the CRA.

ENVIRONMENTAL PLANNING

Environmental planning section completed preparation of the draft climate action plan (CAP) and the draft program environmental impact report (PEIR) and released the documents for public review on November 17. A public engagement workshop was held December 1, and the public review period will run through January 7, 2022. The CAP is a comprehensive document that quantifies greenhouse gas (GHG) emissions associated with future construction, operation, and maintenance activities, identifies a strategy for reducing those emissions to meet the state goal of 40 percent below 1990 levels by 2030, and provides a customized roadmap for Metropolitan to achieve carbon neutrality by the year 2045. The CAP will serve as a tool to reduce costs to Metropolitan by identifying a suite of options to reduce GHG emissions rather than identifying specific reduction measures on a project-by-project basis. Expected adoption of the CAP and certification of the PEIR is spring 2022.

EXECUTIVE SUMMARIES *continued*

EXTERNAL AFFAIRS

President Biden signed H.R. 3864, the Infrastructure Investment and Jobs Act. Throughout the year, Metropolitan staff advocated for passage and worked with members of Congress and their staff to ensure funding for key priorities. The \$1.2 trillion legislative package is the federal government's largest ever investment in water infrastructure funding and includes \$450 million for a new large-scale water recycling program at the Bureau of Reclamation that can be used to help fund the Regional Recycled Water Project.

Human Resources

Human Resources staff created three new job descriptions for the Equal Employment Opportunity Officer; Chief Diversity, Equity and Inclusion Officer; and the Chief Sustainability, Resiliency, and Innovation Officer and worked with The Hawkins Company to start the recruitment process. The MetFit Wellness program organized a webinar, presented by Kaiser Permanente, on COVID-19 Vaccine Safety.

INFORMATION TECHNOLOGY

The Information Technology Group successfully migrated the email services (Microsoft Exchange) from on premise to the cloud (Microsoft O365). This complex endeavor involved a significant amount of data comprising mailboxes, managed folders, and public folders. Benefits include enhanced security, greater storage, and the ability to work anywhere, anytime, from any Metropolitan authorized device.

REAL PROPERTY

An existing telecommunication lease with T-Mobile has been replaced with a new 10-year license for the site at Bouldin Island West in the Bay Delta, which is used for commercial cellular communication purposes. The new license agreement brings the rent to current market rates and includes annual fixed rent increases of 3 percent. T-Mobile will be authorized to sublicense a portion of the premises to AT&T and will pay 25 percent of sublicense revenue as additional rent.

SECURITY MANAGEMENT

On November 2, security specialists accompanied Protective Security Advisors (PSAs) from the Department of Homeland Security (DHS) for a two-day site assistance visit to assess potential critical infrastructure security vulnerabilities at Gene, Eagle, and Hinds pumping plants. A forthcoming, confidential DHS report will provide observations, constructive discussion, and security recommendations for improvement considerations. This sixth site assistance visit represents an increasing professional partnership between Metropolitan Security and DHS.

WATER RESOURCE MANAGEMENT

Water Resource Management staff began implementing actions approved by the Board in response to the Drought Emergency Declaration in November. New and modified conservation programs, water transfer and exchange agreements, and operational coordination with Department of Water Resources all focused on improving water supply reliability for 2022. Additionally, staff presented draft findings from the IRP Assessment Phase to the Member Agencies and the IRP Special Committee.

WATER SYSTEM OPERATIONS

Staff completed tertiary membrane bioreactor (MBR) testing at the Regional Recycled Water Advanced Purification Center. Testing began in late 2019, and completion of this phase marks a major milestone as Metropolitan seeks regulatory credits for an MBR in a potable reuse application.

ADMINISTRATIVE SERVICES

CORE BUSINESS: Business Processes Advance value-added business process improvements to increase effectiveness and efficiency while striving for innovation, flexibility, and integration with technology.

Accomplishments

1. Procurement Team staff members collaborated with Business Outreach to conduct several outreach program events such as “OneLA-Doing Business with MWD” and “Introduction to meet Suppliers at the Latina Bizcon” event on October 28, 2021, and “How to do Business with Metropolitan” virtual event on November 17, 2021.



2. Procurement Team staff will be awarding six contracts in November, comprising a Janitorial Services contract for the Metropolitan Headquarters Building and five as-needed heating, ventilating, and air conditioning repair and maintenance services in support of the Desert and in-town housing units.
3. Procurement Team staff members completed 431 purchase orders agreements in October comprising one-time purchases, ongoing agreements, and new agreements in support of Water System Operations, Water Resource Management, Legal, Human Resources, Finance, Information Technology, and Administrative, operational needs.
4. Professional Services Contracting staff completed RFQ 1265—Environmental Planning Services (On-Call) for Metropolitan’s Environmental Planning Section, which currently oversees 29 professional services agreements for both operations and maintenance (O&M) and capital projects. Fourteen agreements will be executed this month in support of projects such as future Colorado River Aqueduct (CRA) shutdowns, State Water Project support, legislative support, water transfers, land purchases, Real Property actions, Water System Operations (WSO) support, reserve management, and Capital Investment Plan (CIP).

ADMINISTRATIVE SERVICES *continued*

5. The Business Management Team partnered with Graphics in External Affairs to develop and distribute a new Administrative Services Section employee's newsletter. The quarterly e-newsletter is an opportunity to share and connect the Section with inspiring stories, information, milestones, and media content happening within the Section.



BAY-DELTA INITIATIVES

GM STRATEGIC PRIORITY #1: Resiliency

Objective # 1 Pursue the development of adaptive management decision processes, governance, and funding mechanisms that would provide effective and stable means of meeting State Water Project (SWP) regulatory requirements.

Staff continued to participate in the collaborative groups called for in the 2019 Biological Opinions for the State Water Project (SWP) and Central Valley Project, and in the 2020 Incidental Take Permit (ITP) for Long-term Operation of the SWP, to address science needs and inform management and operation of the water projects. In November, staff continued collaboration with state and federal agencies to develop a Juvenile Production Estimate for Spring-run Chinook salmon. Current efforts are focused on refining the decision problem and objectives to be specific to requirements stated in the ITP.

Staff continued working with state and federal agencies to develop a monitoring program for steelhead populations within the San Joaquin Basin and/or the San Joaquin River downstream of the confluence with the Stanislaus River. The group is continuing development of conceptual models that describe the life history and required monitoring of steelhead.

Staff also worked with California Department of Water Resources (DWR) and California Department of Fish and Wildlife scientists to develop a new entrainment risk model for larval longfin smelt. The entrainment risk model will be designed to help inform risk assessment evaluations of water project operating regimes, and the development of a larval entrainment monitoring program.

GM STRATEGIC PRIORITY #2: Sustainability

Objective # 1 Pursue completion of the planning and permitting process for the single tunnel Delta Conveyance Project (DCP).

Delta Conveyance

DWR is continuing to develop an Environmental Impact Report (EIR) under the California Environmental Quality Act for the Delta Conveyance Project.

DWR has identified a range of reasonable alternatives to analyze in the EIR, and current efforts are focused on assessing the alternatives' potential impacts on environmental resources and identifying needed mitigation measures. The U.S. Army Corps of Engineers (USACE) has started preparation of an Environmental Impact Statement to comply with the National Environmental Policy Act. DWR and USACE are planning to release draft environmental documents for public review in mid-2022.

Field activities continue to be completed, including cone penetration tests, soil borings, and geophysical surveys, under the Initial Study/Mitigated Negative Declaration for Soil Investigations in the Delta. Field investigations have experienced a short delay because of wet weather, but the current investigations are expected to be complete in November. DWR and the Delta Conveyance Design and Construction Authority (DCA) are continuing work to obtain temporary entry for additional soil surveys on private lands, and DWR is also continuing to pursue permits for soil survey sites that fall under the jurisdiction of the Rivers and Harbors Act (Section 408). Investigations at any given site will not occur until property owners have been notified and required permits and approvals for that site have been obtained.

DWR held a virtual workshop on November 17 to hear and learn from representatives of several different example community benefits programs around the country. Case study project participants shared firsthand experiences about the development and implementation of their programs, including different organizational structures, development timing, important milestones, and lessons learned.

BAY-DELTA INITIATIVES *continued*

Joint Powers Authorities

The regularly scheduled DCA Board of Directors meeting was held on November 18 and included regular staff reports and updates. The DCA's auditors completed their draft Fiscal Year 2020/21 Audit Report and presented findings to the board. The Delta Conveyance Finance Authority (DCFA) also met on November 18 and received an audit of their financial activities for the past fiscal year from Richardson and Company, the DCFA auditor.

Objective # 3 Engage in planning and permitting activities for the Sites Reservoir.

In October 2021, Congress approved \$80 million in federal funding for Sites Reservoir. The allocation of these funds is tied to the Secretary of Interior's determination in December 2020 that Sites Reservoir is technically and financially feasible and should be prioritized for federal investment. Overall federal funding approved since 2017 totals \$104 million.

Objective # 4 Develop and execute land use strategies for the Delta Islands that are consistent with board policies.

In October 2021, a kick-off meeting with Delta experts was held as part of the California Department of Fish and Wildlife Planning Grant to conduct an island-wide planning effort that would integrate a mosaic of land use opportunities based on natural characteristics of the island and identified priorities among multiple benefits, including subsidence reversal, sustainable agriculture, carbon sequestration and reduction of greenhouse gas emissions, habitat restoration, improvement of water quality, and economic benefit. This effort, led by Metropolitan staff, is funded by a State Proposition 1 Delta Water Quality and Ecosystem Restoration Grant of \$1.088 million.

GM STRATEGIC PRIORITY #3: Innovation

Objective # 1 Provide leadership through advancing scientific knowledge that promotes opportunities for the improvement of SWP supply reliability through the improvement and protection of estuarine processes, native species, and Delta ecosystem health.

A scientific paper recently published in the peer-reviewed journal *Ecology & Evolution* (<https://onlinelibrary.wiley.com/doi/10.1002/ece3.8292>) reported on results from a Metropolitan -funded study on statistical approaches for monitoring the distribution of fishes in the Bay-Delta. As background, the information provided by various trawl surveys in the Bay-Delta has been used to manage water project operations and impacts on fish species for a half-century. However, some trawl surveys as originally designed do not collect monitoring information that can inform how and why species redistribute across dynamic landscapes in response to natural covariates or management actions. The study investigators, Dr. James Peterson, of Oregon State University, and Dr. Adam Duarte, of the U.S. Forest Service, explore statistical approaches to evaluating trawl survey data and highlight the importance of considering the unique characteristics of monitoring programs when evaluating existing long-term monitoring data to understand the distribution of species.

Staff hosted an onsite tour of the Delta and upper Feather River watershed (Oroville Dam facilities) for General Manager Adel Hagekhalil and Assistant General Managers Dee Zinke and Deven Upadhyay. The tour in the Delta included scientists with the U.S. Geological Survey during which Delta smelt habitat, habitat restoration sites, the drought barrier, and Bouldin Island were highlighted. On Bouldin Island, staff presented the ongoing floating wetlands pilot research project and discussed next steps.

BAY-DELTA INITIATIVES *continued*

CORE BUSINESS RELIABILITY

Objective # 1 Provide analysis of key regulations and legislation that may influence SWP supply reliability, Bay Delta water quality and environmental health.

The Delta Stewardship Council (Council) kicked off the public outreach process for the Delta Adapts Climate Adaptation Strategy with a Stakeholder Workgroup Meeting on November 16, 2021. The Climate Adaptation Strategy builds on the findings of the Vulnerability Assessment that was adopted by the Council in June 2021. Staff continues to participate and provide input into the Delta Adapts process through the Stakeholder Workgroup as well as topical focus groups and technical meetings. In November, staff also provided comments in coordination with the State Water Contractors on the Council's Delta Plan Ecosystem Amendment Draft Program EIR.

BOARD SUPPORT TEAM

GM STRATEGIC PRIORITY #1: Resiliency

OBJECTIVE #1 Infrastructure Reliability

In October, the Board Support Team with the Information Technology Team issued Metropolitan Directors email addresses consistent with Metropolitan protocols. The policy is to better accommodate the Public Records Act. The new email account will be the primary account for all correspondence and communication relating to Metropolitan business.

CHIEF FINANCIAL OFFICER

CFO STRATEGIC PRIORITY: Maintain Strong Financial Position.

Provide timely and discerning financial analyses, planning, and management to ensure that forecasted revenues are sufficient to meet planned expenses and provide a prudent level of reserves consistent with Board policy.

Objective #2 Manage risk to protect Metropolitan's assets against exposure to loss.

The Risk Management Unit completed 38 incident reports communicating instances of Metropolitan property damage, liability, workplace injuries, regulatory visits, and spills.

Risk Management completed 54 risk assessments on contracts, including professional service agreements, construction contracts, entry permits, special events, and film permits.

CORE PRIORITY: Business Continuity

Facilitate district-wide planning and training to prepare employees and managers to effectively carry out critical roles and recover mission essential functions thus ensuring continuity of operations and resiliency in the event of a disaster.

Objective #1 Manage the Business Continuity Management Program in accordance with Operating Policy A-06 policy.

- Participated in Metropolitan's Innovation Council. Key activities included defining key program deliverables and metrics for measuring effectiveness.
- Participated in a Cybersecurity internal audit along with IT and WSO staff.
- Participated in the Hazard Mitigation core planning team in an effort to develop a district-wide hazard mitigation plan.
- Conducted a business continuity tabletop exercise for Finance using a cybersecurity ransomware attack scenario. The objective of the exercise was to validate plan information about how to continue working without system access for a specified period and to identify any gaps.

CORE BUSINESS: Financial Management

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

Objective #1 Record and report the financial activities of Metropolitan in a timely, accurate, and transparent manner to the Board, executive management, member agencies, and the financial community.

- Water Transactions for October 2021 totaled 151.5 thousand acre-feet (TAF), which was 3.6 TAF higher than the budget of 147.9 TAF. This translate to \$134.6 million in revenues for October 2021, which were \$.8 million higher than budget of \$133.8 million.
- Year-to-date water transactions through October 2021 were 639.6 thousand acre-feet (TAF), which was 46.5 TAF higher than the budget of 593.1 thousand acre-feet (TAF). Year-to-date water revenues through October 2021 were \$582.1 million, which were \$33.0 million higher than the budget of \$549.1 million.
- In October 2021, Accounts Payable processed approximately 3,300 vendor invoices for payment and took advantage of about \$13,700 in discounts.

CHIEF FINANCIAL OFFICER *continued*

Objective #2 Ensure that internal controls are in place to provide assurance that assets are safeguarded and financial information is fairly stated.

The annual financial audit was completed by KPMG in October 2021. As part of their risk assessment, KPMG reviewed the internal control relevant to the preparation and fair presentation of the financial statements. KPMG did not bring any concerns to the attention of management.

Objective #4 Update capital financing plans and work with rating agencies and investors to communicate financial needs and capabilities, ensure cost-effective access to capital markets, and maintain long-term bond ratings of AA or better.

Bond-related activity in October 2021, were as follows: Metropolitan released a Request For Qualifications (RFQ) to select a team of underwriters for bond issuances in calendar year 2022, with responses due on November 22nd; finance staff began a review of Appendix A, with the objective of enhancing the disclosure document before next year's cycle of bond issuances.

ENGINEERING SERVICES

GM STRATEGIC PRIORITY #1: Enhance Infrastructure Safety, Security, and Resiliency

Objective #1: Manage and execute Board-authorized projects within the Capital Investment Plan (CIP) to ensure the reliable delivery of water to Metropolitan's member agencies.

Distribution System Reliability Program

This program maintains reliable water deliveries through specific repair and rehabilitation projects on Metropolitan's pipelines, reservoirs, and control structures. Recent activities include the following:

- **Lake Mathews Disaster Recovery Facility Upgrades**—This project makes structural upgrades to the building's roof, and interior walls to resist seismic events, upgrades the fire suppression system and constructs a retaining wall to ensure stability of the nearby slope. The contractor has completed construction of the retaining wall and sidewalk. Currently the contractor is waiting for approval of fire suppression system plans from Riverside County Fire Department and delivery of the fire suppression system from the manufacturer. Construction is approximately 75 percent complete; however, the contractor is currently experiencing COVID-19-related shortages of materials and vendor delays. The anticipated project completion date is April 2022.
- **Lake Mathews PCCP Valve Storage**—This project constructs a pre-engineered metal building for storage of Metropolitan furnished equipment, such as valves and actuators, that will be used for upcoming prestressed concrete cylinder pipeline rehabilitation projects. Final design is complete, the project is currently being advertised for construction bids, and a board action for award of a construction contract is planned for February 2022.
- **Etiwanda Pipeline Rehabilitation, Stage 3**—This project replaces delaminated mortar lining in 5.5 miles of pipeline with polyurethane lining. This project was conducted in three stages. Stages 1 and 2, which included polyurethane lining of 3 miles, are complete. Stage 3 will reline 2.5 miles of pipeline with polyurethane lining and include installation of 1,300 feet of new internal steel pipe in areas with more extensive corrosion. Procurement of internal steel liner pipe was awarded by the Board in November 2021, with expected deliveries by June 2022. Final design of Stage 3 work, which includes installation of the steel liner, is 98 percent complete and is scheduled to be complete by January 2022. Advertisement for construction bids will take place in the first quarter of 2022.
- **Casa Loma Siphon Upgrades**—This project will mitigate leaks associated with long-term ground subsidence and will improve seismic resilience of the siphon as it crosses the Casa Loma Fault. This project replaces approximately 1,200 feet of the Casa Loma Siphon Barrel No. 1 at a fault crossing using earthquake-resistant ductile iron pipe (ERDIP) and welded steel pipe (WSP). The delivery of ERDIP and WSP is complete. Final design for pipe installation is complete, the project is currently in advertisement for construction bids, and a board action for award of a construction contract is planned for December 2021.

ENGINEERING SERVICES *continued*

Prestressed Concrete Cylinder Pipe (PCCP) Reliability Program

This program was established to enhance the reliability of Metropolitan's water distribution system and to reduce the risk of costly emergency repairs of PCCP. The priority pipelines included in the program are the Second Lower Feeder, Sepulveda Feeder, Calabasas Feeder, Rialto Pipeline, and the Allen-McColloch Pipeline. A total of 100 miles of PCCP pipelines will eventually be relined with new steel pipe liners under this 20-year program. Recent activities include the following:

- **Second Lower Feeder PCCP Rehabilitation**—This project rehabilitates the remaining 28 miles of PCCP segments within the Second Lower Feeder and will enhance delivery reliability to member agencies. Long-term rehabilitation of this pipeline is being staged over a period of eight to ten years, with multiple construction and procurement contracts. Final design of Reach 3, the westernmost portion of Second Lower Feeder, spanning approximately 4.8 miles through the cities of Lomita, Torrance, Los Angeles, and Rolling Hills Estates, will be divided into two construction packages, Reach 3A and Reach 3B. Reach 3A is 98 percent complete and is scheduled to be complete by January 2022. Reach 3B is 90 percent complete and scheduled to be complete by June 2022. Study efforts continue for Reach 9, an approximately 0.8-mile-long portion of Second Lower Feeder in western Long Beach that crosses the Los Angeles River.
- **Second Lower Feeder Isolation Valve Procurement**—This fabrication contract provides 13 conical plug valves for the Second Lower Feeder PCCP rehabilitation. These valves, which include three 48-inch and ten 54-inch diameter, provide primary isolation for maintenance activities, inspections, and repairs required to maintain reliable water deliveries within Metropolitan's distribution system. Fabrication of these valves is approximately 51 percent complete. Two 48-inch conical plug valves were completed and delivered in July 2021. The third 48-inch valve was delivered on September 2021. Fabrication of seven 54-inch valves is in progress. Two of the 54-inch valves are scheduled to be delivered in January 2022, and five more will be delivered between September 2022 and July 2023. Fabrication of three remaining 54-inch valves is scheduled to start in 2022 and be completed in late-2023.
- **Sepulveda Feeder PCCP Rehabilitation**—This project rehabilitates the remaining 35 miles of PCCP segments within the Sepulveda Feeder and will enhance delivery reliability to member agencies. Long-term rehabilitation of the Sepulveda Feeder will be staged over multiple years with multiple construction and procurement contracts. Final design of Reach 1 and Reach 2 are occurring simultaneously and are scheduled to be complete by February 2023. Preliminary design to rehabilitate the remaining reaches of the feeder continues.



Second Lower Feeder Isolation Valve Procurement—Fabrication of 54-inch diameter valve body

ENGINEERING SERVICES *continued*

Colorado River Aqueduct (CRA) Reliability Program

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

- **CRA Storage Buildings at Hinds, Eagle Mountain, and Iron Mountain**—This project furnishes and installs two new storage buildings (six total) and constructs associated site improvements at the Hinds, Eagle Mountain, and Iron Mountain pumping plants. Final design is 90 percent complete and scheduled to be complete by January 2022. Advertisement for construction bids will take place in the first quarter of 2022, with a board action to follow.
- **CRA Cranes Rehabilitation**—This project replaces the pumphouse overhead bridge cranes, retrofits the support structure of the below grade pump bays, and upgrades the crane electrical system at the CRA's pumping plants. Construction is 4 percent complete is scheduled to be complete by September 2023. The contractor is currently working on submittals for Metropolitan's review.
- **Gene Wash Reservoir Discharge Structure Rehabilitation**—This project replaces the existing deteriorated discharge valve and refurbishes the valve house and discharge structure at the base of the Gene Wash Reservoir dam. If the reservoir needed to be drained rapidly in the event of an emergency, the valve would be opened to safely release the water. The contractor completed the valve house refurbishment and the sluiceway pipe relining and began installation and commissioning of the discharge valve and actuator. Construction is 78 percent complete and is scheduled to be complete by January 2022.
- **Cholla Wash Cut and Cover Conduit Lining**—This project consists of lining 500 linear feet of the Colorado River Aqueduct Cholla Wash Cut and Cover Conduit with an epoxy lining. A construction contract was awarded by the Board in November 2021. Contract work activities will take place during the February 2022 CRA shutdown.
- **CRA Domestic Water Treatment System Replacement**—This project replaces the membrane filtration system and associated water treatment equipment at the five Colorado River Aqueduct pumping plants. Procurement of water treatment equipment is complete with expected deliveries in two shipments, in mid-2022 and early 2024. Final design of the installation package is also complete, the project is currently being advertised for construction bids, and a board action for award of a construction contract is planned for December 2021.

Treatment Plant Reliability Program

This program was initiated to maintain reliability and improve the operating efficiency of Metropolitan's water treatment plants through specific improvement projects. Recent activities include the following:

Weymouth Plant

- **Weymouth Chlorination System Upgrades**—This project expands the existing chlorine building to house additional chlorination feed equipment and instrumentation at the Weymouth plant. The chlorination system at the Weymouth plant is a critical component of the plant's disinfection process. The contractor completed all required piping, electrical, and instrumentation work. Wet testing of the chlorine system is in progress. Construction is 98 percent complete and is scheduled to be complete by December 2021.
- **Weymouth Water Quality Instrumentation Improvements**—This project will improve monitoring and rapid response to changing water quality conditions at the Weymouth plant. Construction is complete. System testing is ongoing and scheduled to be complete by December 2021.

ENGINEERING SERVICES *continued*

Diemer Plant

- **Diemer Water Sampling System Improvements**—This project upgrades the existing Diemer water sampling system, comprising 13 sample locations, and will improve the accuracy and timeliness of collected data. At each location, the sample pump, piping, and field analyzers will be upgraded by Metropolitan staff. Metropolitan staff continues installation and commissioning activities for the water quality field analyzers. Construction is 98.5 percent complete and is scheduled to be complete by January 2022.

Jensen Plant

- **Jensen Electrical Upgrades, Stage 2**—This three-stage project upgrades the electrical system with dual power feeds to key process equipment to comply with current codes and industry practice, improves plant reliability, and enhances worker safety. Stage 1 work is complete. Stage 2 improvements will upgrade Unit Power Centers 7 and 9, and their associated motor control centers (MCCs) to support critical process equipment. The contractor completed commissioning of the service water and washwater pumps and continues to work on Building 12 and cutover of other MCCs. Construction is 91 percent complete and is scheduled to be complete by August 2022.

System Reliability Program

The System Reliability Program consists of projects to improve or modify facilities located throughout Metropolitan's service area in order to utilize new processes and/or technologies and improve facility safety and overall reliability. Recent activities include the following:

- **Headquarters Building Improvements**—This project provides seismic upgrades and other needed improvements to the Metropolitan Headquarters Building. Construction related to the original contract scope is substantially complete. The contractor continues to work on approved change order scope items such as the electrical work for the power door-assist devices and the UVC air disinfection system. Staff is working with the contractor to complete change order work while the building remains lightly occupied. The anticipated contract completion is in the first quarter of 2022.
- **Board and Committee Room Upgrades**—This project upgrades and enhances the reliability of the audio/visual (A/V) systems in the boardroom, three committee rooms and the rotunda at the Metropolitan Headquarters Building. Engineering Services, IT, and Facilities Management are working collaboratively on this technology replacement project. The contractor has completed A/V equipment installation, commissioning, and user acceptance activities in the committee rooms and the board room. Construction is substantially complete, and all systems are fully operational. Installation of a redundant network to enhance system reliability is anticipated to be complete by December 2021.
- **Headquarters Physical Security Upgrades**—This project implements comprehensive security upgrades for the Metropolitan Headquarters Building. These upgrades are consistent with federally recommended best practices for government buildings. This work has been prioritized and staged to minimize rework and impacts on day-to-day operations within the building. Stage 1 work enhances security related to perimeter windows and doors. Stage 2 improvements will provide security system upgrades inside the building with a focus on the main entry rotunda area, board room, executive dining lounge, and security control room. Stage 3 improvements will provide security system upgrades around the perimeter of the building. Construction of Stage 1 improvements is complete. Construction of Stage 2 improvements is 79 percent complete and is scheduled to be complete by March 2022. The contractor completed security equipment installation on Floors 3 through 12, began testing and cutover to the new security system, and is continuing the rotunda equipment installation. Stage 3 improvements are currently in the design phase, which is scheduled to be complete by December 2021. Advertising for construction bids will take place in the first quarter of 2022.

ENGINEERING SERVICES *continued*

- **Headquarters Building Fire Alarm and Smoke Control System Upgrades**—This project upgrades the Metropolitan Headquarters Building fire life safety systems, which includes replacement of the fire detection and alarm system and HVAC system improvements for smoke control. The fire alarm and smoke control systems in the Metropolitan Headquarters Building provide detection, notification, and control of building functions so that occupants and visitors can safely exit in the event of a fire. The contractor began the fire alarm system cutover on the first floor and is continuing installation of the electrical closets, Emergency Radio Responder System, carbon monoxide controller, and the two-hour rated DAS riser. Construction is 28 percent complete and is scheduled to be complete by February 2023.



Headquarters Building Improvements—Installation of electrical conduit for Fire Alarm and Smoke Control Improvements in parking level P1.

ENVIRONMENTAL PLANNING

GM STRATEGIC PRIORITY #1: Resiliency

Objective #1 Provide planning, California Environmental Quality Act (CEQA)/National Environmental Policy Act (NEPA), and regulatory permitting support for programs and projects that focus on infrastructure reliability and redundancy.

Regulatory Permitting Support

- Obtained Major Amendment to Long-Term Lake or Streambed Alteration to California Department of Fish and Wildlife (CDFW) for the Cajalco Creek Dam and Detention Basin and Lake Mathews Annual Vegetation Maintenance.
- Submitted Notification of Lake or Streambed Alteration to CDFW for the Colorado River Aqueduct (CRA) Lakeview Siphon Shutdown.
- Submitted final reports required under U.S. Army Corps of Engineers, Regional Water Quality Control Board, and CDFW permits for CRA Exposed Barrel Repairs following construction completion.
- Monitored annual Bull Creek vegetation maintenance (Jensen Plant) in compliance with CDFW permit.

Objective #2 Emphasize employee development and recruitment, knowledge capture, cross-training, management/leadership training, and succession planning.

Webinars attended by staff:

- 2022 Scoping Plan Update: Electricity Sector Technical Workshop hosted by the California Air Resources Board.

GM STRATEGIC PRIORITY #2: Sustainability

Objective #2 Provide planning, CEQA/NEPA, and regulatory permitting support for projects and activities that address the challenges of sustainability, including aging infrastructure, contaminants of concern, and affordability of water supplies.

Delta Conveyance Project

- Reviewed and commented on Administrative Draft Environmental Impact Report (EIR) Tribal Cultural Resources chapter.

Objective #3 Continue to actively manage Metropolitan's more than 30,000 acres of conservation lands through cooperative relationships with public agencies and non-governmental conservation organizations to promote sustainability of reserve resources.

Lake Mathews Multiple Species Reserve

- Collected data from wildlife monitoring arrays and artificial coverboards deployed to document the diversity of wildlife species on the Reserve.
- Conducted six acres of stinknet treatment using a new pre-emergent herbicide to suppress germination of the invasive plant.

Southwestern Riverside County Multi-Species Reserve

- Coordinated with Cal-Fire for the 2022 prescribed burns.
- Updating Reserve GIS database.
- Supplemented the Reserve plant nursery with new mulefat, willow, and cottonwood cuttings.
- Collected photos from game cameras located on the reserve; photos included deer, bobcats, and coyotes.
- Completed the annual Engelmann Oak Survey.

ENVIRONMENTAL PLANNING *continued*

Objective #4 Develop a Climate Action Plan (CAP) and prepare CEQA documentation to be used to offset greenhouse (GHG) emissions from future construction projects. Identify new and continuing conservation efforts for the purpose of reducing future GHG reductions, as well as highlighting Metropolitan's effort to achieve those reductions, and develop a tracking methodology to ensure Metropolitan is meeting its goal.

Climate Action Plan

- Released draft CAP and Program EIR for public review period from November 18, 2021 to January 7, 2022.
- Prepared for draft CAP and PEIR Public Engagement Webinar to be held on December 1, 2021

Water Energy Climate Sustainability Team

- Provided support to the Core WECS Team.
- Provided support to the CRA Sustainability Study.

GM STRATEGIC PRIORITY #3 Innovation

Objective #1 Pursue programmatic CEQA and regulatory permitting efforts for operations and maintenance activities throughout Metropolitan's service area to streamline clearances for capital projects and O&M activities.

Surface Mining and Reclamation Act Compliance

- Met with California Department of Conservation staff to discuss reclamation plan development, inspection and reporting requirements, schedule, and fees.

Objective #2 Develop and improve internal processes, procedures, systems, and databases to streamline and standardize environmental analysis and project clearance in support of customers.

- Finalized new Standard Operating Policy to streamline WSO environmental clearance review process and administrative record protocol and developed the following:
 1. New WSO EForm Analysis Template for exempt projects
 2. New CEQA Analysis Template Form for WSO projects under the Orange County and Western San Bernardino Right-of-Way and Infrastructure Protection Program (RWIPP)
 3. New Standard Environmental Clearance Requirements
 4. New Cultural Resources Guidance for WSO EForm reviews
- Participated in the first Metropolitan Cybersecurity Executive Steering Committee Charter Workgroup.
- Participated in the Change Control Board Monthly Meeting to provide environmental planning support for implementation of the ESG Project Delivery Checklist.
- Participated in the Real Property Review Council Monthly Meeting to provide environmental planning support.

Objective #3 Partner and collaborate with regulatory and resources agencies, as well as other public agencies and external organizations, to build relationships and expedite/streamline environmental authorizations and clearances for Metropolitan projects.

- Coordinated with the Western Science Center to determine proper curation of Metropolitan-owned cultural and paleontological resources located at the Diamond Valley Lake (DVL) Visitor's Center (see photos below).
- Participated in monthly meeting and annual planning session for the California Council for Environmental and Economic Balance Natural Resources Task Force.

ENVIRONMENTAL PLANNING *continued*

Resources Used in Mock Archaeological Digs for School Children at DVL Visitor Center (1990s/early 2000s):



Faunal Bone



Blade



Chinese Pottery



Historic Glass Jar with Lid

Objective #4 Incorporate innovative measures and solutions into project planning, design, construction, and operation to minimize impacts to the environment and streamline environmental approvals, while meeting the goals and objectives of the project.

- Integrated Environmentally Sensitive Area and Desert Tortoise Exclusion Fencing in the plans and specifications for the CRA Storage Buildings project.

CORE BUSINESS: Regulatory Compliance

Objective #1 Provide timely and professional environmental planning services and CEQA and regulatory permitting support to ESG, WSO, WRM, External Affairs, and Real Property groups.

Engineering Services

- Provided design phase support for the following projects:
 1. Battery Energy Storage
 2. CRA Storage Buildings
 3. Etiwanda Pipeline Relining
 4. Foothill Hydroelectric Plant Seismic Upgrades
 5. Garvey Reservoir Rehabilitation
 6. Lake Mathews Tank Farm Roof Modifications
 7. Western San Bernardino RWIPP Construction Package 1

ENVIRONMENTAL PLANNING *continued*

- Provided construction phase support for the following projects:
 1. Black Metal Mountain 2.4 kV Electrical Rehabilitation
 2. Cabazon Radial Gate Facility Rehabilitation
 3. CRA Pump Plant 2.3 kV and 480V Rehab
 4. CRA 69kV and 230kV Transformers Replacement
 5. CRA 6.9kV Cable Replacement
 6. CRA Delivery Line Rehabilitation
 7. CRA Discharge Line Isolation and Couplings Repair
 8. CRA Mile 12 Flow Monitoring Station Upgrades
 9. CRA Erosion Protection
 10. CRA Overhead Cranes Replacement
 11. Copper Basin Access Road and Discharge Valve Repair
 12. Garvey Reservoir Permanent Drainage and Erosion Improvements
 13. Gene Wash Reservoir Discharge Valve Replacement
 14. Lake Mathews Disaster Recovery Facility
 15. Lake Mathews Electrical Upgrades and New Pressure Control Structure

Water System Operations

- Provided CEQA analysis and environmental planning support for the following O&M activities:
 1. Jensen Module 4 Weed Abatement
 2. West Portal Secure Property, Casa Loma Road Relocation
 3. CRA Crossing Repair near Dairy Farm
 4. Bull Creek annual vegetation maintenance (Jensen Plant)

Water Resource Management

- Provided environmental clearance for:
 1. Quechan Land Fallowing Pilot Program
 2. Water Delivery Agreement with San Bernardino Valley Municipal Water District and The Metropolitan Water District of Southern California—Article 56 Carryover Water Transfer

External Environmental Document Reviews

- Reviewed 22 CEQA notices for external projects and prepared comment letters for those that may affect Metropolitan facilities and/or operations.

Real Property Support

- Provided CEQA analysis and determinations in support of four real property agreements.

EXTERNAL AFFAIRS

EXTERNAL AFFAIRS PRIORITY: Advance Initiatives to Educate and Inform the Public, Elected Officials and Stakeholders on Water Supply Conditions and Important Water Management Decisions.

External Affairs will develop and maintain relationships with the public, legislative leaders, government officials, non-governmental organizations, and other stakeholders, and implement effective and diverse communication and outreach strategies on the value of water, current water supply conditions, innovative strategies to address current and future challenges, and the importance of Metropolitan actions and leadership to promote stewardship, planning and investments to benefit the region.

Objective #1 Recognizing there is a new normal that is directly impacting California water conditions driven, in part, by more volatile supply conditions due to climate change, and informing key stakeholders, news media, businesses and the public on the need for sustained conservation actions, support for new water supply projects and continued investment in imported water systems to maintain water supply reliability and protect the environment.

As severe drought conditions continue, media and public interest in water supply conditions and conservation actions remained high, generating strong media coverage.

- Arranged multiple interviews regarding Metropolitan's drought emergency declaration with Los Angeles Times, KCBS-TV Channel 2, KABC-TV Channel 7, KPCC-FM 89.3, KNX-AM 1070 and TV 62, and a podcast produced by Southern California Water Coalition featuring interviews with GM Hagekhalil, AGM/COO Upadhyay, and Water Resource Manager Coffey.
- Metropolitan's water conservation advertising and outreach campaign began using stronger and more direct messaging on digital platforms, out of home and social media. Full page advertisements were placed in the Los Angeles Times, San Diego Union-Tribune, the 11 publications of the Southern California News Group, and associated Spanish language publications and websites. Caltrans' 700 electronic signs posted drought messaging across the region for two weeks.



- Staff coordinated with member agencies and cities to provide targeted local advertising to promote conservation and rebate programs.

California Natural Resources Agency Secretary Wade Crowfoot met with Metropolitan's Executive Committee to provide a state update on drought conditions and thank the agency for championing water diversification and encouraging conservation.

Chairwoman Gray participated in the National Women's Political Caucus Foundation and spoke about leadership in the water industry and Metropolitan's activities to promote diversity, equity, and inclusion. (November 6)



Chairwoman Gray and Secretary Crowfoot

EXTERNAL AFFAIRS *continued*

GM Hagekhalil addressed the Los Angeles City Council to provide an update on current water supply conditions and Metropolitan's drought emergency declaration. (November 10)

GM Hagekhalil was honored at the Arab American Association of Engineers and Architects fall event. (November 13)

Metropolitan sponsored the Valley Industry and Commerce Association After Dark Reception, featuring GM Hagekhalil as the guest speaker. (November 15)

The Greater Los Angeles African American Chamber of Commerce honored Chairwoman Gray at its annual awards event, acknowledging Metropolitan's work to advance business opportunities for Black-owned businesses and entrepreneurs. (November 16)

GM Hagekhalil was a speaker at the LA Waterkeeper's Douse the Drought event and spoke about his One Water vision and why an integrated approach is critical to transforming California's water infrastructure. (November 17)



GM Hagekhalil was a panelist at the Public Policy Institute of California's Embracing Transformative Change event, speaking about new ideas and approaches to address challenges in the water industry (November 17)

GM Hagekhalil and staff participated in a Coalition for Clean Air discussion on Water, Air Quality, and Climate Nexus at which highlights of Metropolitan's draft Climate Action Plan were presented. (November 29)

CORE BUSINESS: Legislative, Communications, Community Relations, Public and Business Outreach

Engage the public, labor, business community, agriculture, government leaders, non-governmental organizations and other stakeholders in California's water issues, communicating Metropolitan's interests and Board-adopted policies through federal and state legislative strategies, multimedia and multi-cultural communications, and educational and other outreach programs. Inform the public about Metropolitan projects, facilities, operations and initiatives to gather input and support, foster competitive and diverse business opportunities, and facilitate innovation and technology sharing.

Objective #1 LEGISLATIVE SERVICES - Develop and implement local, state and federal legislative and regulatory strategies consistent with Board-adopted policies. Promote interaction between Metropolitan leadership and various stakeholders, including elected officials, to facilitate support for water policy issues.

Federal

President Biden signed H.R. 3864, the Infrastructure Investment and Jobs Act. Throughout the year, Metropolitan staff advocated for passage and worked with members of Congress and their staff to ensure funding for key priorities. The \$1.2 trillion legislative package is the federal government's largest ever investment in water infrastructure funding and includes \$450 million for a new large-scale water recycling program at the Bureau of Reclamation that can be used to help fund the Regional Recycled Water Project. (November 15)

State

The Department of Water Resources released the final 2021 Urban and Multi-benefit Drought Relief guidelines and Proposal Solicitation Package for \$300 million.

AGM/COO Upadhyay was a featured speaker at the 2021 Fall Water Policy Academy for Assembly staff. The Speaker's Office organized the Academy with support from the California Latino Capitol Association Foundation to educate staff about key policy issues facing the state. (November 10)

EXTERNAL AFFAIRS *continued*

Local

Metropolitan sponsored the San Gabriel Valley Public Affairs Network Virtual Leadership Forum featuring Assembly Member Calderon (D-Whittier). (November 2)

Metropolitan sponsored the Los Angeles County Economic Development Corporation's annual Eddy Awards, which recognized leadership in business, education, and government. (November 10)

Metropolitan sponsored the Gateway Multi-Chamber "State of the Nation" address featuring Rep. Linda Sanchez (D-Norwalk). Water Resources Management Group Manager Coffey introduced the Congresswoman and provided a brief presentation on Metropolitan and the Regional Recycled Water Project. (November 10)

Metropolitan staff participated in webinars and events this month with chambers of commerce, business associations, councils of governments, and public affairs networks throughout the service area including:

- San Fernando City Board Meeting (November 1)
- Los Angeles Area Chamber of Commerce Transportation & Goods Movement Council with Rep. Lowenthal (D-Long Beach) (November 1)
- Los Angeles Business Council Energy & Environment Committee (November 1)
- South Bay Association of Chambers of Commerce Board/Government Affairs Committee (November 2)
- West Ventura County Business Alliance Board Retreat (November 3)
- Inland Empire Economic Partnership Government Affairs Committee (November 3)
- Southern California Association of Governments (November 4)
- Oxnard Leadership Steering Committee (November 4)
- Southern California Edison's Water Workshop (November 4)
- Los Angeles County Business Federation Advocacy Committee (November 4)
- LAX Coastal Chamber of Commerce Public Policy Committee (November 4)
- Torrance Area Chamber of Commerce Government Affairs Policy Committee (November 4)
- Los Angeles County Business Federation Roundtable with LA City Councilmember Buscaino (November 5)
- Water Associations of the County of Orange (November 5)
- Orange County Business Council Government Affairs Committee (November 5)
- California Women for Agriculture State Meeting (November 6-7)
- Regional Chamber of Commerce—San Gabriel Valley, Government Affairs Committee (November 8)
- San Gabriel Valley Council of Governments Water Committee (November 9)
- West Ventura County Business Alliance Business Advocacy Committee (November 8)
- Beverly Hills Chamber of Commerce Government Affairs Committee (November 9)
- Orange County Business Council Infrastructure Committee (November 9)
- Palos Verdes Peninsula Chamber of Commerce Legislative Affairs Committee (November 9)
- South Orange County Economic Coalition Legislative Meeting (November 10)
- US Water Alliance Water Webinar (November 10)
- Upland Chamber of Commerce Legislative Advocacy Committee (November 11)
- Long Beach Chamber of Commerce Government Affairs Committee (November 11)
- United Chambers of Commerce Government Affairs Committee (November 15)
- El Segundo Chamber of Commerce Government and Military Affairs Committee (November 15)
- Building Industry Association of Southern California Board of Directors and Housing Summit (November 15)
- MWD South Bay Outreach Meeting with South Bay Cities Council of Governments (November 16)
- Association of Water Agencies of Ventura County Water Issues Committee (November 16)

EXTERNAL AFFAIRS *continued*

- California Women in Agriculture Ventura County Chapter Board (November 16)
- Coalition of Labor, Agriculture and Business Wheel Committee (November 17)
- Coalition of Labor, Agriculture and Water Committee on Water, Housing, Energy, Environment and Labor (November 17)
- Huntington Beach Chamber Government Affairs Meeting (November 17)
- Westside Council of Chambers of Commerce (November 17)
- Los Angeles County Economic Development Corporation Board of Governors (November 17)
- San Gabriel Valley Council of Governments Energy, Environment, and Natural Resources Committee (November 17)
- San Gabriel Valley Council of Governments Board (November 18)
- Association of California Cities—Orange County Environment, Energy and Water Committee (November 18)
- Association of Water Agencies of Ventura County Waterwise Program (November 18)
- Anaheim Chamber of Commerce Government Affairs Committee (November 19)
- South Orange County Economic Coalition (November 19)
- United Chambers of Commerce of the San Fernando Valley Board (November 22)
- Redondo Beach Chamber of Commerce Government Affairs Committee (November 23)
- Gateway Chambers Alliance Board (November 23)
- San Gabriel Valley Public Affairs Network (November 24)
- Construction Industry Coalition on Water Quality Board of Directors/Regulatory Affairs Committee (November 24)
- City of Torrance Water Commission (November 24)

Objective #2 MEDIA AND COMMUNICATIONS - Communicate Metropolitan's policy priorities, actions and initiatives through various means to raise public awareness, enhance Metropolitan's visibility and cultivate support for Metropolitan priorities. Update and develop new communications tools, materials and platforms to ensure Metropolitan information reaches diverse audiences throughout its service area in a cost-effective, timely, relevant manner that reflects current communications trends.

Media Activities and Interviews

Coordinated separate interviews on Palo Verde Irrigation District land fallowing and system conservation partnership between Colorado River Resources Manager Hasencamp and reporter Hanna Klouth of German broadcaster RTL, and between External Affairs' Representative Cetina and CNN En Español reporter Gonzalo Alvarado.

Set up interview between Los Angeles Times reporter Ian James and Colorado River Resources Manager Hasencamp about proposed plan to leave 500,000 acre-feet in Lake Mead through a partnership of Lower Basin states and agencies.

Participated in interview with Fox 11 News regarding outdoor water use at Metropolitan headquarters.

Arranged GM Hagekhalil's participation in Central Basin Municipal Water District podcast about his first months as general manager and his One Water vision.

The November/December issue of Municipal Water Leader magazine featured a cover story on GM Hagekhalil.

Press Releases

- Metropolitan Board declared drought emergency and expanding water efficiency programs
- New director Nancy Sutley representing the city of Los Angeles

EXTERNAL AFFAIRS *continued*

Website

Logged nearly 120,000 visits to the mwdh2o.com website with the homepage, careers, and job listing pages the most popular destinations. Generated 28,000 views on bewaterwise.com, with the turf replacement and rebates pages the most visited.

Metropolitan's newly-redesigned website was honored with four top awards including "Best in Show" by the Academy of Interactive and Visual Arts.

Social Media

Celebrated Imagine a Day Without Water with a short 1-minute video highlighting how Metropolitan ensures water supply reliability to Southern California. The post was one of the highest performing posts on Twitter.

Posted video highlighting Metropolitan's Disabled Veteran-owned businesses for Veterans Day.

Generated the highest engagement on Instagram in response to the slideshow of GM Hagekhalil's visit to State Water Project facilities and the Sacramento-San Joaquin Delta.

Delivered more than 84,000 clicks to bewaterwise.com website in response to 12 social media treatments created for the conservation advertising campaign that reached nearly 7 million users. The campaign performance numbers also includes the Water Zombie videos on social, which received 1.5 million impressions on Facebook and Instagram.



Objective #3 PUBLIC OUTREACH AND MEMBER SERVICES - Conduct public outreach to increase awareness and input on Metropolitan projects and initiatives and ensure impacted communities are aware of Metropolitan construction and maintenance activities. Enhance public awareness of Metropolitan's systems and facilities and the role they play in regional supply reliability while protecting environmental resources. Serve as liaison to Metropolitan's member agencies and facilitate their engagement with Metropolitan.

Member Agency Support

Presented conservation campaign updates at the monthly water use efficiency meeting with member agency conservation coordinators and water resource representatives. (November 18)

Regional Recycled Water Program

Met with the Regional Recycled Water Program Member Agency Outreach Working Group to plan outreach and stakeholder engagement. (November 3)

Provided a briefing and discussion on Regional Recycled Water Program with:

- South Bay Council of Governments (November 16)
- LA County Sustainability Office (November 16)
- Accelerate Resiliency LA (November 30)
- Asian Business Association (November 30)

EXTERNAL AFFAIRS *continued*

Outreach

Provided an update on the drought and water supply conditions to the Southern California Water Utilities Association and the California Retired County Employees Association 2021 Fall Conference. (November 9)

Objective #4 EDUCATION AND COMMUNITY RELATIONS - Facilitate public engagement in and understanding of water resource issues through community relations activities and education projects. Build awareness of and appreciation among Southern California for the value of clean, reliable water supplies and the importance of good water stewardship.

Community Partnering and Sponsorship Programs

Metropolitan sponsored and staff participated in the following events to promote water education, conservation, and sustainability initiatives:

- Los Angeles County Economic Development Corp 2021 Eddy Awards (November 8)
- Arab American Association of Engineers & Architects Fall Event (November 13)

Education

Metropolitan staff interacted with more than 2,300 teachers, students, and parents through online virtual tours, scouting programs, customized Zoom class presentations and digital outreach. Staff supported community events for the National Science Teachers Association, MWDOC Environmental Justice DEI presentation, and the Western Science Center Academic Decathlon team.

Issued the H2Know quarterly newsletter to K-college educators with updates on the Community Partnering Program and virtual field trips to Diamond Valley Lake and the Regional Recycled Water Advanced Purification Center.



Objective #5 BUSINESS OUTREACH AND INNOVATION - Facilitate opportunities for small businesses to work with Metropolitan. Help position Metropolitan as a leader in water innovation.

Metropolitan supported small businesses and entrepreneurs throughout the region with online participation and, in some cases, sponsorship of the following programs, online conferences, webinars, and events:

- USGBC-LA Sustainability Executive Roundtable and SoFi Sustainability Tour (November 3)
- Booky Oren Global Knowledge to Innovation Workshop (November 10)
- Veterans in Business Network Annual Conference (November 9–10)
- American Indian Chamber of Commerce Warrior's Awards (November 12)
- Panel discussion hosted by the Canadian Trade Commission. (November 16)
- Inland Empire—Small Business Development Center workshop on “How to do Business with MWD”. (November 17)

Hosted the first MetWorks outreach virtual event with more than 200 construction and other firms participating. (November 5)

HUMAN RESOURCES

GM STRATEGIC PRIORITY #1: RESILIENCY

Objective #1 Partner with Metropolitan leadership to support learning, development, and adaptive workforce planning initiatives.

The Organizational Development and Training Unit continued its virtual Management University, a ten-session, bi-monthly program for 25 newly promoted managers. The second session's content covered delegation skills, prioritization and decision-making strategies, and managing the worker's compensation process.

This month, 334 Metropolitan employees attended other online classes including Effective Presentations, Excel Macros, Dealing with Difficult People, and Preventing Workplace Harassment.

LinkedIn Learning, Metropolitan's online, e-learning content platform, was used for classes including topics on Sharing Your Best Self at Work, Communicating with Confidence, and Leadership Behaviors that Can Sabotage Your Career.

Objective #2 Seek diverse, high-quality talent, and establish partnerships to discover additional outreach opportunities that aid in staffing positions.

Recruitment successfully filled 20 positions for the month of November. We received 28 new staffing requisitions, resulting in 175 positions currently in recruitment. Recruitment continues virtual interviews using Zoom.

This month at the Organization, Personnel & Technology Committee meeting, CFO Katano Kasaine reported on additional follow-up actions from the Independent Review of Workplace Concerns, including the formation of a Labor Management Committee with bargaining unit representatives and management.

Contracted with The Hawkins Company to recruit the three new positions created by the General Manager: Chief Sustainability, Resiliency, and Innovation Officer; Chief Diversity, Equity, and Inclusion Officer; and Equal Employment Opportunity Officer.

In addition to launching an Expert Training Series with a first session on "Why DE&I?", a representative from the Diversity, Equity & Inclusion Council, Olivia Freeman, briefed the OP&T Committee meeting on DE&I subcommittee efforts including the launching of a quarterly newsletter on Council activities.

Partnered with WSO to develop additional details on the design and curriculum of Workforce Development pilot program focused on the trades and apprenticeship program.

Since the onset of the COVID-19 pandemic, the Human Resources Group Manager has organized a bi-weekly check-in meeting with all Group Managers focused on sharing the latest information on employee illness or potential exposure, issues raised by the bargaining units, and strategies for working through the complexities of COVID protocols, which increasingly include COVID vaccination mandates at the federal, state, and local levels. Staff are also continuing work on "tool kits" for managers and employees to facilitate the eventual return of employees to their regular work locations.

Objective #2 Ensure Metropolitan managers have foundational knowledge, on-going support to effectively manage employees, and the tools to prepare for a changing workforce.

Human Resources staff continued to provide one-on-one coaching and mediation services for managers and employees in the developmental areas of gaining trust, active listening, and goal definition and prioritization.

HUMAN RESOURCES *continued*

GM STRATEGIC PRIORITY #3: INNOVATION

Objective #1 Continue to upgrade HR's technological capabilities and continue to seek out improved technologies to better serve HR's customers.

HRIS staff configured and tested capabilities within the MyHR system to track vaccinated status, testing results, and other COVID related information. Ensuring that this information remains confidential is key to implementing any new functionality.

HR CORE BUSINESS: Provide Excellent Human Resources Services

Human Resources provides a wide range of services and support from pre-hire to post retirement care. HR policies, procedures, and practices will be reviewed and revised as appropriate. HR will continually improve service and better utilize technologies.

Objective #1 Administer all HR services with efficiency and a focus on customer service excellence, consistency, and flexibility.

In November, Employee Relations staff briefed the OP&T Committee on the status of MOU negotiations. Staff reported that two of Metropolitan's four bargaining units have already agreed to extend their current MOUs by one year. Staff also received the Committee's direction on a proposal from AFSCME Local 1902 which would extend that particular MOU by three years. Negotiations with AFSCME Local 1902 will commence shortly.

HR Benefits is finalizing this open enrollment for 2022 benefits by processing all elections, changes, and preparing the 2022 Benefits Confirmation Statements.

HR staff hosted the Medical Vesting Election which closed on November 17, 2021 which entailed notifying 498 employees hired before January 1, 2012, of their option to voluntarily elect to opt in to the 10/20 medical vesting schedule which governs retiree medical benefits eligibility and employer contributions.

HR Benefits staff presented on leave laws to managers in the Metropolitan Management University program and discussed their responsibilities as managers and supervisors with regards to Employee Leave Rights.

HR staff completed the month-long National Retirement Security Month (NRSRM). The "Your Next Move" theme was reinforced with post card mailers, emails, and providing employees with nine related webinars by Empower Retirement and Financial Finesse. This campaign is provided to assist Metropolitan with meeting its fiduciary responsibilities by providing adequate and sufficient participant education.

In November, Employee Relations staff continued discussions with the bargaining units on COVID impacts in anticipation of further federal and/or state guidance which may mandate COVID vaccinations. Discussions are focused on medical and religious exemptions, and how those might work in the context of mandated vaccines. COVID impacts continue to be a priority of the bargaining units, and the parties intend to work collaboratively to resolve any outstanding concerns.

The MetFit Wellness program organized a free webinar with a guest speaker from Kaiser Permanente discussing COVID vaccines, boosters and myths to help educate employees on the value of getting vaccinated.

HUMAN RESOURCES *continued*

HR CORE BUSINESS: Comply with Employment Laws and Regulations

Ensure all policies, programs, and practices comply with ever-changing laws and regulations. Compliance with applicable laws and policies requires monitoring and analyzing changing requirements, determining impact on Metropolitan management and staff, and implementing any changes necessary to maintain compliance. In addition, these changes must be clearly communicated to all customers as necessary, with any needed training provided, as appropriate.

Objective #1 Effectively administer all Human Resources policies, programs, and practices in compliance with applicable federal and state laws and Metropolitan's Administrative Code, Operating Policies, and Memorandum of Understanding.

In November, five new workers' compensation claims were received. Six employees remain off work because of an industrial injury or illness. This reflects Metropolitan's effort to accommodate injured workers while enabling them to be productive and remain on the job.

Staff is collaborating with other Metropolitan stakeholders to implement a new Incident Reporting and Case Management System designed by Ventiv Technology. Staff continues to work closely with our new Workers Compensation Third-Party Administrator, TRISTAR Risk Management, during the transition.

- Coordinated medical surveillance exams at four facilities (Soto Street and Sunset) which included respirator exams, Department of Motor Vehicle exams, and hearing tests.
- Coordinated two random drug tests.
- Arranged five medical evaluations (DMV, medical surveillance).
- Addressed eight accommodation issues.

HUMAN RESOURCES *continued*

HR Metrics	June 2021	November 2021	Prior Month October 2021
Headcount			
Regular Employees	1,806	1,784	1,788
Temporary Employees	30	34	32
Interns	3	3	2
Recurrents	20	20	20
Annuitants	16	15	15

	November 2021	October 2021
Number of Recruitments in Progress (Includes Temps and Intern positions)	175	167
Number of New Staffing Requisitions	28	51
	November 2021	October 2021
Number of Job Audit Requests in Progress	8	12
Number of Completed/Closed Job Audits	4	1
Number of New Job Audit Requests	0	3

Transactions Current Month and Fiscal YTD (includes current month)			
<u>External Hires</u>	<u>FY 20/21 Totals</u>	<u>November 2021</u>	<u>FISCAL YTD</u>
Regular Employees	74	6	26
Temporary Employees	30	5	15
Interns	3	1	4
Internal Promotions	60	5	18
Management Requested Promotions	149	15	53
Retirements/Separations (regular employees)	78	10	48
Employee Requested Transfers	20	0	1

HUMAN RESOURCES *continued*

ID	Last	First Name	Classification	Eff Date	Reason	Group
08443	Davis	Gregory	Construction Inspector III	10/15/2021	Retirement - Service	ENGINEERING SERVICES GROUP
08390	McCaskey	Ronald	O&M Tech IV	10/1/2021	Retirement - Service	WATER SYSTEM OPERATIONS GROUP
04759	Garren	William	O&M Tech IV	10/6/2021	Retirement - Service	WATER SYSTEM OPERATIONS GROUP
03712	Wallace	Cary	O&M Tech IV	10/15/2021	Retirement - Service	WATER SYSTEM OPERATIONS GROUP
07434	Tsang	Jacqueline	Sr Admin Analyst	10/5/2021	Retirement - Service	GENERAL COUNSEL
10617	Yu	Tiffany	Sr Admin Analyst	10/8/2021	Retirement - Service	WATER RESOURCE MANAGEMENT GROUP
07330	Milton	Frederico	Sr IT Software Developer	10/5/2021	Retirement - Service	INFORMATION TECHNOLOGY GROUP
12174	Rivers	Joshua	Assoc Security Specialist (C)	9/29/2021	Discharge-Released from Probation	CHIEF ADMINISTRATIVE OFFICER
07619	Pesantes	Cristian	Team Mgr-Warehouse	10/9/2021	Resign - Family Reasons	CHIEF ADMINISTRATIVE OFFICER
12085	Ghaznavi	Mahnaz	Admin Analyst	10/15/2021	Resign-Accepted Other Employ	CHIEF ADMINISTRATIVE OFFICER

INFORMATION TECHNOLOGY

GM STRATEGIC PRIORITY #1: Resiliency

OBJECTIVE #1 Strengthen Metropolitan's cybersecurity capabilities by deploying new and emerging technologies, and implementing enhanced security countermeasures.

Continued to implement Cybersecurity projects and initiatives to improve Metropolitan's security posture and to collaborate with stakeholders to further enhance network security capabilities for Metropolitan's computing environments.

- Continued operational analysis, assessments, and monitoring of IT network and systems to identify potential vulnerabilities and take action to remediate findings.
- Monitored and maintained IT network and remote connectivity to ensure secure and reliable services for employees' teleworking.
- Conducted cybersecurity briefing to key stakeholders as part of keeping Executive Management apprised of cybersecurity projects, initiatives, and activities.

OBJECTIVE #2 Manage Information Technology Projects within the Capital Investment Plan to ensure reliability of Information Technology (IT) Systems and Infrastructure.

- Executed IT capital projects supporting Metropolitan's strategic priorities by replacing end-of-life infrastructure, upgrading applications, and delivering innovative solutions to ensure the reliability and resilience of IT systems.
- IT-Project Management Office (PMO) continued to conduct monthly meetings to assess changing conditions to meet organizational priorities while ensuring that projects are on-schedule and on-budget.



IT Project Management Office

OBJECTIVE #4 Improve Metropolitan's IT Disaster Recovery and Response Capability.

- IT continued to collaborate with Metropolitan's EOC to evaluate response and recovery capabilities in the event of an emergency or major system outage. On-going preparations include training and tabletop exercises to ensure that a comprehensive response plan is in place and provides for continuous improvements.

INFORMATION TECHNOLOGY *continued*

OBJECTIVE #5 Provide leadership, planning, and solutions in support of Metropolitan's Strategic Priorities.

- Metropolitan's data center modernization project provides enhanced operational uptime of data center processing to meet current and future capacity and reliability needs. The secondary data center site relocation was completed in August and is strategic to ensuring recovery capabilities before moving the primary site.
- In November, staff provided an update to the Board and received authority to amend the consultant contract as part of requirement changes necessary to complete the primary datacenter. Based on approval from the Board, staff is in the process of amending the consultant agreement.
- In the meantime, work by IT staff is underway to establish network connectivity to the new site. This is a highly complex project providing Metropolitan an out-of-region datacenter to enhance operational resiliency.

GM STRATEGIC PRIORITY #2: Sustainability

OBJECTIVE #1 Provide IT services in support of the Headquarters Improvements Program.

- IT Group continued to collaborate with stakeholders (behind the scenes) on work associated with IT infrastructure required to support physical security and current construction upgrades taking place at the Headquarters security desk in the rotunda. In addition, IT is partnering with the stakeholders on upgrades related to security cameras and ancillary systems.



Construction—Security Desk Area

GM STRATEGIC PRIORITY #3: Innovation

OBJECTIVE #1 Strengthen Metropolitan's cyber security capabilities by deploying new and emerging technologies and implementing enhanced security countermeasures.

- Elements of the Security Operations Center (SOC) project are underway to implement new countermeasures to protect Metropolitan's computing infrastructure.
- IT Cybersecurity staff continued to develop the strategy for Security Information and Event Monitoring and the build-out of a SOC, which will allow Metropolitan to efficiently detect and respond to anomalies and potential vulnerabilities using automated tools that collect and correlate events for incident detection and cyber response.

INFORMATION TECHNOLOGY *continued*

OBJECTIVE #4 Provide Leadership, planning, and solutions in support of Metropolitan's Strategic Priorities.

- Building on the successful completion of prior efforts, IT staff are currently working on migrating a batch of applications to the Azure cloud environment comprising approximately 50 servers. The work is proceeding according to plan as staff continued to collaborate with stakeholders providing a seamless transition with little to no impact to users.
- Key benefits of these migrations (servers and databases to the cloud) has allowed for the decommissioning of legacy servers and those that have reached end-of-life (and will no longer need to be replaced). Other benefits include reducing Metropolitan's physical server footprint, risk profile, and potential vulnerabilities associated with legacy hardware and operating systems.

OBJECTIVE #5 Deploy innovative solutions to improve operations, promote collaboration, and provide business value.

- IT Group continued to deliver value by partnering with businesses to conduct behind the scenes upgrades on enterprise systems (i.e., PeopleSoft). Annual year-end upgrades are necessary to support new tax codes and regulatory compliance (COVID-19), as well as new reporting requirements. Efforts are underway to prepare Metropolitan's enterprise applications for the upcoming 2022 calendar year.

OBJECTIVE #6 Enhance workforce productivity by simplifying access to business information and deploy technologies to support our customers in business decisions.

- Electronic System Log (ESL) is an application used by WSO to record an accurate, understandable, and researchable history of plants' operations of pertinent events, including operations, maintenance, and modifications.
- The web front end user interface (UI) was recently upgraded for ESL, in order to be compatible with current Metropolitan standard web browsers.
- The enhanced UI was based on user group inputs from select facilities such as WSO's OCC, treatment plant control rooms, pumping plant control rooms, tested by IT QA/QC, and approved by the business owner before migrating to production. This project was successfully deployed and is in post-production support.

The screenshot displays the ESL.net Web @MWD interface. On the left is a login section with fields for 'User ID' and 'Password', and a 'Log In' button. Below the login section is a copyright notice: '© 2021 - MWD ESL.net'. The main content area is divided into two parts. The top part is a 'Browse All Events' section with filters for 'Facility' (set to 'OCC'), 'Start Date' (07/25/2021), 'End Date' (07/27/2021), and 'Keywords'. Below this is a table of events. The bottom part is a 'Create Flow Change Details for OCC' form, which includes fields for 'Requested By', 'Request Date', 'Request Time', 'Requested To / Notified', 'Effective Date', 'Effective Time', 'Time Off', 'Meter ID', 'Old Value', 'Old Unit', 'Change +/-', 'Changeability Unit', 'New Value', 'New Unit', and 'Related To'. There are also buttons for 'Create' and 'Cancel'.

Subject	Details
Flow Change Presched Dt/Tmc 07/27/2021 05:00 for MeterID: LB-08	Deor -36 Mejia, Lo
Flow Change Presched Dt/Tmc 07/27/2021 04:00 for MeterID: LB-04	Deor -42 Mejia, Lo
Flow Change Presched Dt/Tmc 07/26/2021 21:00 for MeterID: LB-08	Incr 36 C Logged b
Flow Change Presched Dt/Tmc 07/26/2021 20:00 for MeterID: FM-01	Deor -3 C Mejia, Lo
Flow Change Presched Dt/Tmc 07/26/2021 18:00 for MeterID: LB-04	Incr 42 C Logged b
Flow Change Presched Dt/Tmc 07/26/2021 16:00 for MeterID: LB-08	Deor -3 C Logged b

Electronic Systems Log

REAL PROPERTY

GM STRATEGIC PRIORITY #1: Resiliency

Objective #1 Provide right-of-way planning, valuation, and real property acquisition support services for the protection and reliability of existing infrastructure.

A renewal of a 30-year right-of-way permit was granted by the Bureau of Land Management in San Diego County. The permit provides Metropolitan access to construct, operate, and maintain San Diego Pipelines 4 and 5.

The Federal Aviation Administration extended eight Determination Letters allowing the Perris Valley Pipeline construction project to continue through May 15, 2023. The determination letters reference tall cranes and water tanks that were erected to support the construction project. The temporary structures are safely positioned to avoid interference by aircraft/flight operations at the March Air Force Base.

Objective #2 Foster staff training and development.

Appraisal Institute Southern California Chapter: Uniform Standards of Professional Appraisal Practice (USPAP) — Seven-hour continuing education course. This course provided our staff appraisers with a USPAP overview to ensure continued adherence to the professional appraisal practices and to the California Code of Civil Procedure.

Appraisal Institute: 54th Annual Litigation Seminar. This seminar provided our staff appraisers an overview of potential condemnation appraisal practices and procedures that will ensure that Metropolitan's staff appraisal reports are following applicable condemnation law and that just compensation is paid.

Staff attended the Martin V. Boise workshop, which provided legal updates for public agencies regarding obligations towards addressing growing homelessness issues. The workshop covered legal precedence on how public agencies could create ordinances and programs to address ongoing homelessness; it also included legal updates on public camping and a presentation from Helene Schneider, of the United States Interagency Council on Homelessness, who spoke on federal resources pertaining to creating programs that address homelessness.

CORE BUSINESS: Real Property Acquisition, Management and Revenue Enhancement

Objective #2 Provide valuation, land management, and real property disposition support services for the maximum return or use of Metropolitan-owned land and facilities.

An existing telecommunication lease with T-Mobile has been replaced with a new 10-year license for the site at Bouldin Island West in the Bay-Delta, which is used for commercial cellular communication purposes. The new license agreement brings the rent to current market rates and includes annual fixed rent increases of 3 percent. T-Mobile will be authorized to sublicense a portion of the premises to AT&T and will pay 25 percent of sublicense revenue as additional rent.

Objective #3 Efficiently maintain and operate assets not related to the treatment and distribution of water.

The Diamond Valley Lake Marina docks were refurbished. The purpose of this project was to replace the existing deck boards, boat tie-downs, and other associated equipment to extend the useful life of the docks and provide a safe boarding and un-boarding environment for fisherman and recreational boaters.

REAL PROPERTY *continued*

The Diamond Valley Lake Marina docks were refurbished. The purpose of this project was to replace the existing deck boards, boat tie-downs, and other associated equipment to extend the useful life of the docks and provide a safe boarding and un-boarding environment for fisherman and recreational boaters.



To continuously improve the operations at the Metropolitan Headquarters Building, upgrades have been completed to the original irrigation controller for the headquarters landscaping. The new irrigation controller resource management system includes new hardware and software to control watering stations, helps reduce watering time, facilitates the generation of usage reports, and provides active leak detection monitoring. A cellular connection allows programing the controller from any Internet-connected device for increased time and labor efficiency.

Objective #4 District Housing Maintenance and Management.

Thirty-three work orders, including six tenant requests, were completed at the four employee Desert villages. Tenant-requested work orders included three plumbing repairs, installation of security screen doors, and weather-stripping replacement.

Two houses were refurbished to accommodate new employees at Gene and Iron Mountain Pumping Plants. These houses required roof repairs, bathroom upgrades, flooring repairs, interior painting, installation of new appliances, yard cleanup, and irrigation repairs.

SECURITY MANAGEMENT

GM STRATEGIC PRIORITY #1: Resiliency

Objective #1 Develop and Refine Security's Strategic Plan

On Tuesday, November 2, security specialists accompanied Protective Security Advisors (PSAs) from the Department of Homeland Security (DHS) for a two-day site assistance visit to assess potential critical infrastructure security vulnerabilities along the Colorado River Aqueduct (CRA).

The visit provided dedicated time for federal protective agents to become thoroughly familiar with Metropolitan's water system operations and current security measures at Gene, Eagle, and Hinds Pumping Plants. A forthcoming, confidential DHS report will provide observations, constructive discussion, and security recommendations for improvement considerations. This sixth site assistance visit represents an increasing professional partnership between Metropolitan Security and DHS.



DHS Protective Security Advisor assessing potential security vulnerabilities along the CRA

Objective #2 Improve Security and Emergency Response

Metropolitan's five-year exercise plan, composed of a two-hour discussion-based tabletop exercise, was conducted virtually on Microsoft Teams because of COVID-19 protocols. The overall goal of the exercise was to review current communications processes between agencies. Objectives included: 1) updating emergency contacts, and 2) identifying gaps in lines of communications between all participating agencies.

Metropolitan security and over 25 individuals participated in a notional cyber-security attack nexus by responding to a complex threat scenario involving multiple operational water issues across Los Angeles County. Participants included five of Metropolitan's Member Agencies (LADWP, Calleguas Municipal Water District, West Basin Municipal Water District, Long Beach Water, and Torrance Water), the County of Los Angeles, and leadership personnel from Metropolitan's Emergency Operations Center (EOC).

SECURITY MANAGEMENT *continued*



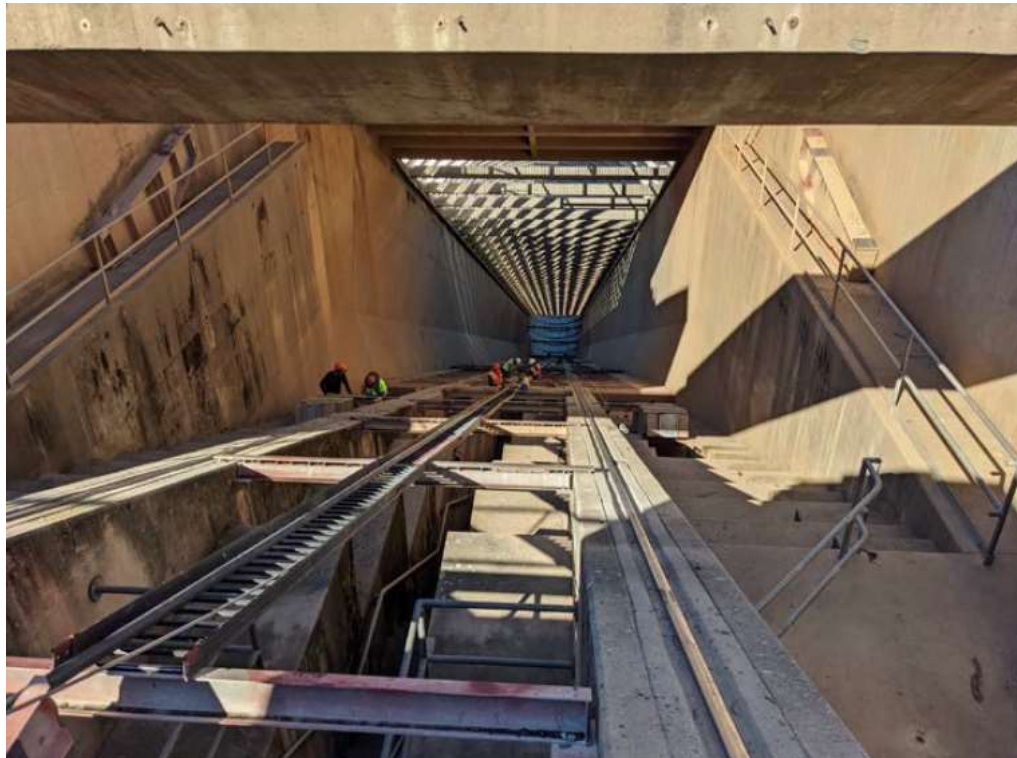
Metropolitan Security responds to notional cyber-attack in EOC virtual tabletop exercise

WATER RESOURCE MANAGEMENT

GM STRATEGIC PRIORITY #1: Resiliency

Objective #5 Ensure reliable State Water Project (SWP).

The California Department of Water Resources (DWR) provided updates to Metropolitan staff on the Oroville Dam Comprehensive Needs Assessment (CNA) projects. Prompted by the 2017 spillway incident, these CNA projects reduce risk and improve the reliability of the Oroville Complex. DWR is currently implementing less costly projects such as raising the small Parish Camp Saddle dam by 3 feet to reduce the likelihood of overtopping, and relining of the Palermo Canal to reduce leakage that could lead to instability and impact the switchyard. In addition, because of the extremely low elevations in Oroville caused by the drought, DWR is conducting a detailed structural inspection of the Hyatt intake structure and walk-in inspections of flat sections of the penstocks. Last, DWR currently estimates that Hyatt powerplant will be back in operation sometime in December if Oroville elevations increase. Staff will continue to monitor the progress of the Oroville Dam CNA projects to ensure reliable State Water Project supplies.

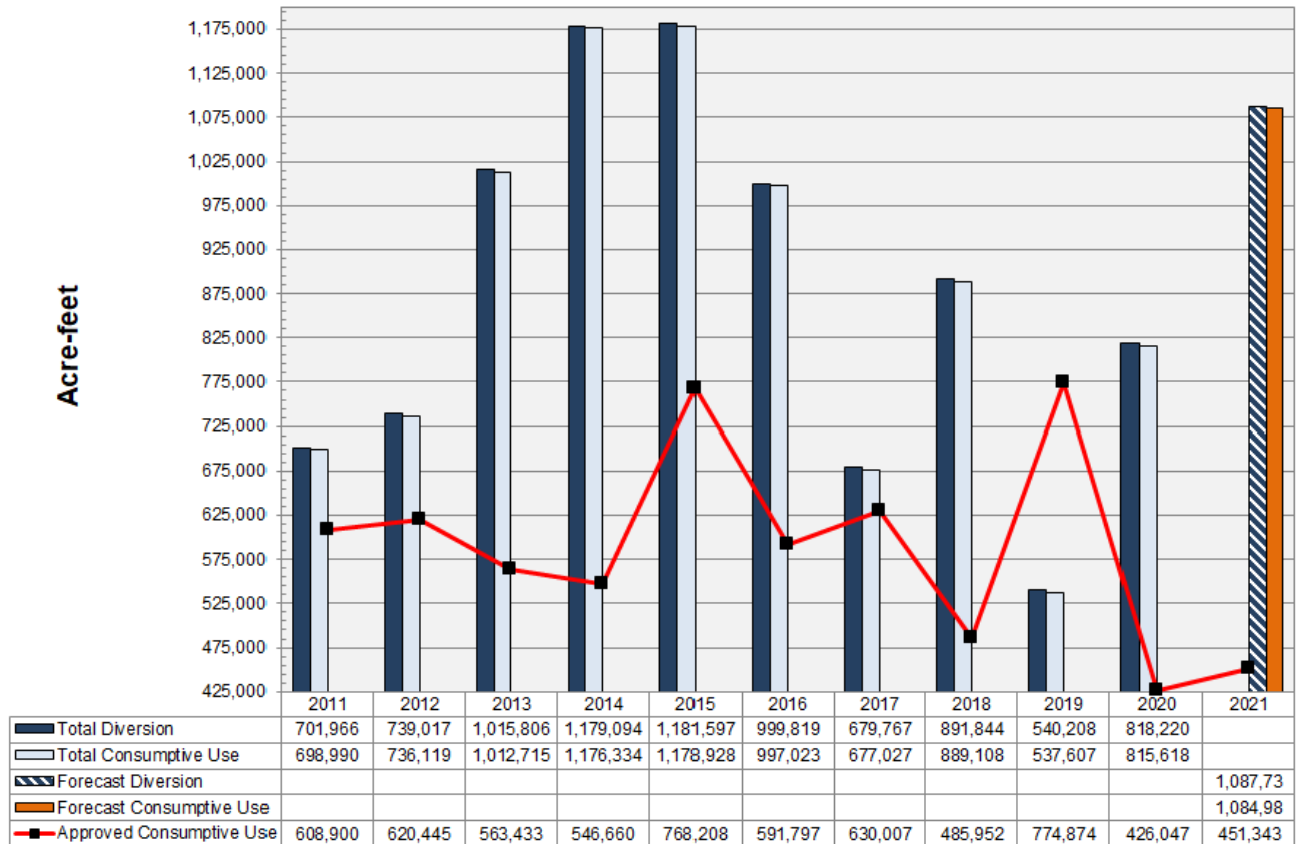


Workers (seen on the photo wearing bright yellow and orange safety vests) conduct detailed structural inspection of the Hyatt intake structure via rope access. Photo credit: California Department of Water Resources.

Objective #6 Ensure access to sufficient water supplies to operate a full Colorado River Aqueduct in times of drought.

Metropolitan met with U.S. Bureau of Reclamation (USBR) to discuss Metropolitan's 2022 Colorado River Diversion Request, which staff submitted to USBR in September. Metropolitan provided supporting information about water supply and demand management programs and a summary of water conservation outreach efforts along with the diversion request. The consultation meeting with USBR allowed staff to respond to USBR's questions regarding Metropolitan's diversion request and helped ensure full access to the available Colorado River supplies in 2022.

The Metropolitan Water District of Southern California



* Consumptive Use Approval amounts are based on initial water order approval and do not reflect subsequent revisions.

Historical record of Metropolitan's diversions and consumptive use, 2011-2020. Forecasted 2021 diversion and consumptive use as of August 2, 2021. Source: USBR.

Staff attended several Colorado River Basin States meetings, including technical working group meetings. The main purpose of the meetings was to continue planning a range of additional measures that can be implemented during the interim period (2022–2026) to slow or halt the decline of Lake Mead elevations during ongoing dry conditions in the basin. These discussions were prompted, in part, by the first-ever Level 1 shortage declaration on the river in August and the projection that, under minimum probable conditions, Lake Mead elevations could fall below elevation 1030' within the next 24 months. Working group meetings focused on proposed revisions to USBR's primary basin modeling tool, Colorado River Simulation System (CRSS), and environmental compliance measures required to implement proposed additional measures to slow Lake Mead's decline.

The Metropolitan Board authorized the General Manager to enter into agreements with the Quechan Tribe of the Fort Yuma Indian Reservation and farmers within Quechan tribal land for the Metropolitan/Quechan Tribe Seasonal Fallowing Pilot Program (Pilot). Farmers typically grow high-value crops in the winter (vegetable crops), followed by a lower-value, water-intensive field crop (such as Sudan grass) in the spring and summer. The Pilot will provide incentives for participating farmers to reduce their water consumption through land fallowing of collectively up to 1,600 acres annually between the months of April and July of each fallowing season. The Pilot will reduce water consumption in the Quechan tribal land and augment Metropolitan's Colorado River supplies.

WATER RESOURCE MANAGEMENT *continued*

GM STRATEGIC PRIORITY #2: Sustainability

Objective #1 Complete the 2020 Integrated Water Resource Plan.

Metropolitan staff provided an overview of the draft findings from the Integrated Resource Plan (IRP) assessment phase to the Member Agency Working Group and the IRP Special Committee. Feedback from these meetings are being incorporated and the findings will be refined over the next month. Staff also began to scope out the IRP Assessment Phase.

Objective #4 Manage existing and develop new regional water management programs to maintain water supply reliability in the face of increasing water supply volatility.

Metropolitan staff met with MWDOC and their retail agencies to discuss successes and barriers in connecting end-users to recycled water systems. Feedback from this discussion and the October Local Supply Work Group meeting will guide internal discussions on proposed modifications to the On-Site Retrofit Program, as well as any potential new incentive programs. These are parts of Metropolitan's ongoing effort to maintain water supply reliability as dry conditions persist.

Objective #8 Implement Regional Conservation Program.

Staff continued outreach to implement Metropolitan's conservation programs as Metropolitan's board declared a Drought Emergency, calling for increased efforts to maximize conservation:

- Held Water Efficient Landscape Dual Certification Program classes in conjunction with City of South Pasadena for 25 participants. Participants learned about efficient irrigation and landscaping practices while receiving credits to achieve both Qualified Water Efficient Landscaper (QWEL) and water manager certifications.
- Staff presented on Metropolitan's Commercial, Industrial and Institutional (CII) conservation programs to the So Cal Rental Housing Association in conjunction with Western Municipal Water District. Staff provided information on the available CII conservation and rebate programs and overview of the drought conditions in southern California.
- Staff presented at the So Cal Gas Stormwater Management class, co-sponsored by Metropolitan, on Metropolitan's background, conservation programs, and current drought conditions and drought planning efforts. Approximately 25 attendees participated.
- Staff represented Metropolitan at various stakeholder meetings for the Department of Water Resources conservation recommendations development related to SB606 and AB1668 (together known as the Making Water Conservation a California Way of Life legislations). These two bills amended existing law to provide expanded and new authorities and requirements to enable permanent changes and actions for water conservation and drought planning to help the state better adapt to climate change and the resulting longer and more intense droughts.

GM STRATEGIC PRIORITY #3: Innovation

Objective #1 Adaptively Prepare for a Range of Possible Futures through the Incorporation of Scenario Planning in the IRP.

Metropolitan staff continued to engage with member agencies and the board on work for the 2020 IRP. Meetings were held with the Member Agency IRP Technical Workgroup on November 15 and the Board IRP Committee November 23. The meetings were focused on review of topic areas of initial draft findings from the IRP Needs

WATER RESOURCE MANAGEMENT *continued*

Assessment Phase. Staff also began to lay out the next IRP Implementation Phase that will commence once the IRP Needs Assessment findings are adopted.

Objective #3 Implement Future Supply Actions Funding Program.

Staff hosted a Future Supply Actions Funding Program (FSA Program) webinar with the City of Anaheim. The webinar shared the results of Anaheim's Stormwater Capture Infiltration Study. Anaheim's study analyzed GIS imagery to develop an engineering database and resource map for estimating permeable vs. non-permeable surfaces of designated land uses. Results from the study will help Anaheim implement city-wide development fees for funding stormwater capture projects. The methodology can be replicated by other communities. Over 40 individuals participated in the webinar.

The next FSA Program webinar is a doubleheader scheduled for December 7 at 10:00 AM. It will present findings for potable reuse treatment technology studies from Eastern Municipal Water District and the City of Fullerton.

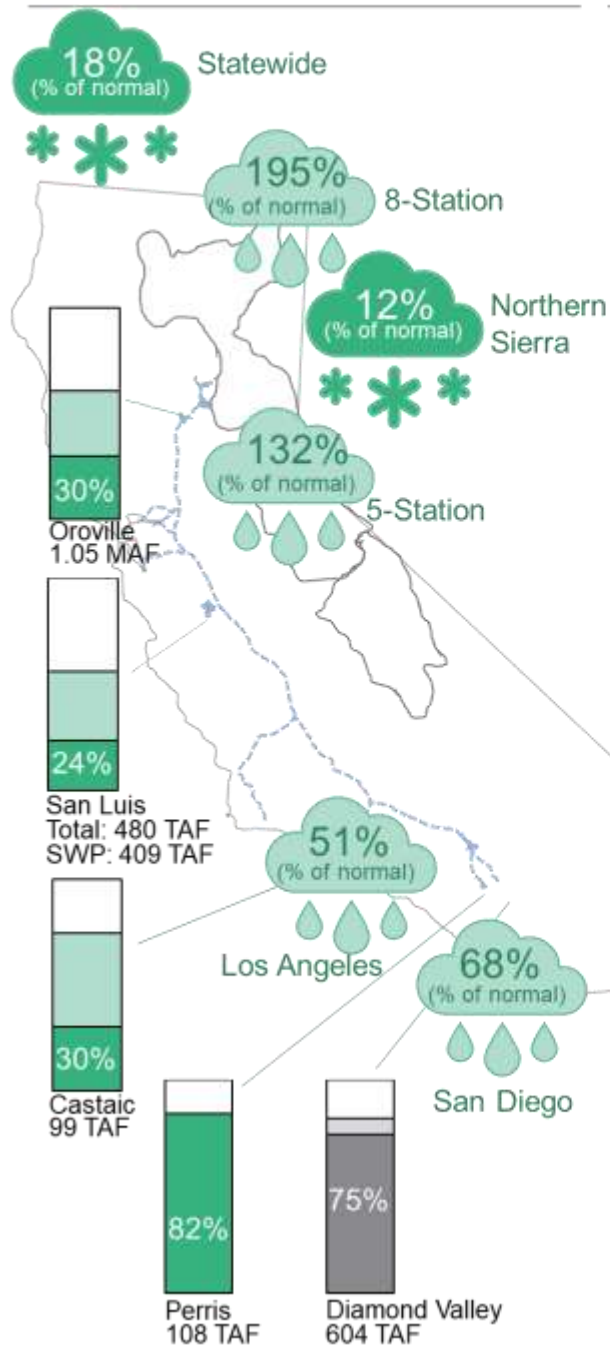
Objective #5 Position Metropolitan as a leader in Open Water Data.

Metropolitan is providing daily storage information for Metropolitan's reservoirs Diamond Valley Lake (DMV), Lake Skinner (SKN), and Lake Mathews (MHW) to the DWR California Data Exchange Center (CDEC). The primary driver for this data exchange collaboration was a request by the DWR executive management to be briefed on the conditions of reservoirs statewide, instead of only state-managed reservoirs. The daily archived data can be accessed at <https://cdec.water.ca.gov/queryDaily.html> using the codes DMV, SKN, and MHW.

WATER RESOURCE MANAGEMENT *continued*

State Water Project Resources

SWP Table A – 5% - 95,575 AF



Colorado River Resources

Projected CRA Diversions – 1,076,000 AF



Extended Report:
<http://mwdh2o.com/WSCR>

As of November 30, 2021

WATER SYSTEM OPERATIONS

GM STRATEGIC PRIORITY #1: Resiliency

Objective #1 Provide Reliable Water Deliveries.

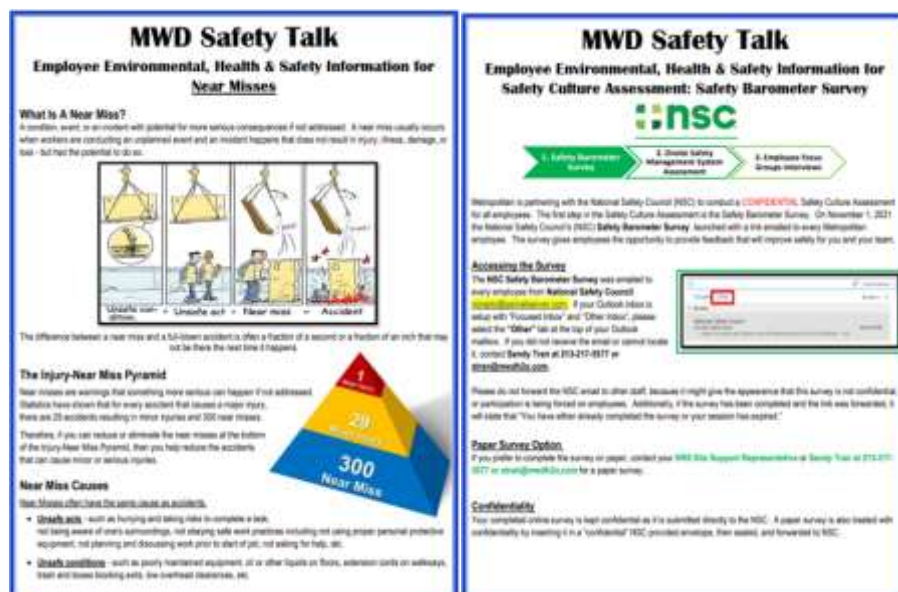
Metropolitan delivered approximately 147,913 acre-feet (AF) of water to member agencies in November. Deliveries averaged approximately 4,930 AF per day, which was 190 AF per day higher than October. Treated water deliveries decreased by 1,018 AF from October with a total of 69,218 AF, or 47 percent of total deliveries for the month. The Colorado River Aqueduct (CRA) continued at seven-pump flow with a total of 95,490 AF pumped for the month. State Water Project (SWP) imports averaged 1,528 AF per day, totaling about 45,835 AF for the month, which accounted for about 31 percent of Metropolitan's deliveries. The target SWP blend remained at zero percent for the Weymouth, Diemer, and Skinner plants as Metropolitan maximized the use of Colorado River supplies under the current drought conditions and low SWP allocation.

Objective #2 Ensure Water Quality Compliance, Worker Safety, and Environmental Protection.

Metropolitan complied with all treated water quality regulations and primary drinking water standards during October 2021. A brief filter monitoring lapse at the Jensen plant on October 4 was caused by a turbidimeter that was inadvertently switched to manual mode. Staff informed the Division of Drinking Water and appropriate protocols have been put in place to ensure that a similar event does not occur in the future. The plant continued to meet all operational requirements, and treated water met all regulatory standards during this temporary monitoring lapse.

Metropolitan partnered with the National Safety Council (NSC) to conduct an independent review of Metropolitan's safety program. On November 1, the NSC sent a confidential survey to all employees to assess the safety culture and perceptions at Metropolitan. The survey results will be benchmarked against 1,400 organizations and used to prioritize focus areas for review by the NSC. The independent review will continue with a comprehensive safety program assessment and interviews with employees are planned for early 2022.

Staff published two new Safety Talks on Near Misses and the NSC Safety Barometer Survey. The Near Misses Safety Talk describes what a near miss is, some potential causes for a near miss situation, how to report a near miss, and other relevant information. The NSC Safety Barometer Survey Safety Talk walks through how to access the survey, provides survey details, how to complete the survey, and the next steps following the survey. Both Safety Talks are posted on the SRS IntraMet webpage.



New Near Misses (left) and Safety Barometer Survey (right) Safety Talks

WATER SYSTEM OPERATIONS *continued*

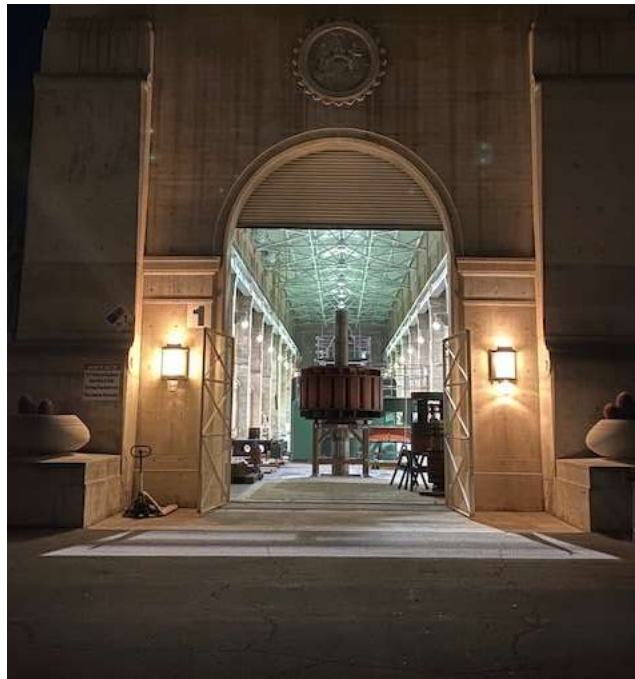
Objective #3 Actively Engage in Capital Project Planning and Execution.

Staff completed improvements at the Cactus City communication site as part of a capital project to update the existing backup power equipment for the two-way radio systems. The scope of work included increasing the emergency fuel tank of the standby generator from 500 to 1,150 gallons and updating the system to comply with current regulatory requirements.



Installation of new 1,150 gallon propane tank at the Cactus City communication site

Staff disassembled a pump for inspection and testing at Gene pumping plant. Vendors will provide test reports to assist with the CRAMPR (Colorado River Aqueduct Main Pump Reliability) capital project scope of work, as well as to determine life expectancy of the equipment. Inspection and testing of the rotor, stator, and excitation system will provide valuable insight into the condition of aging equipment and support the upcoming capital project.



Pump unit rotor at Gene pumping plant

WATER SYSTEM OPERATIONS *continued*

Objective #4 Optimize Maintenance.

The excitation system on the CRA pumps' synchronous motors requires periodic and critical maintenance in order to maintain reliable operation. The excitation system uses carbon brushes similar to those in portable battery-powered tools, and these brushes produce conductive carbon dust. Regular maintenance, which includes disassembly and deep cleaning, prevents accumulation, and any required repairs ensure that the CRA pumps remain available and ready for service.



Staff cleaning a synchronous motor armature used for CRA pumps

Staff installed scaffolding between the Hinds pumping plant discharge lines to provide access for installation of new flow meter transducers. The discharge lines rise 442 feet from the pump elevation over very rough terrain, making access and installation difficult. Scaffolding is required to safely access the ten-foot diameter lines as the steep grade does not accommodate ladder access. Addition of the new transducers will ensure reliable flow monitoring for the CRA.



Scaffolding installed at the Hinds pumping plant discharge lines

WATER SYSTEM OPERATIONS *continued*

Staff performed routine maintenance on the Lower Feeder patrol roads, working within the Chino Hills State Park, to remove densely overgrown brush from the patrol road before performing routine grading. Because of the size and amount of vegetation, staff removed and transported the large piles and used a brush cutter for the smaller areas.



Staff using a skip loader to load vegetation into a dump truck along the Lower Feeder



Staff using a skid steer with brush mower attachment to remove brush along the Lower Feeder

Staff repaired a large, eroded area along the west side of the Diemer plant. After receiving environmental approval, staff removed the vegetation and restored the slope, which consisted of importing 100 cubic yards of fill material, compacted the slope, and installed post-construction erosion protection.



Erosion along the west edge (left) and completed slope repair (right) at the Diemer plant

WATER SYSTEM OPERATIONS *continued*

Staff installed two small ball valves to reduce pressure, enabling valve packing maintenance to be performed at the Sepulveda Feeder-West Basin Feeder interconnection. The work included welding the valve assembly to the thimble and hot tapping the live line within the structure at two locations. This valve maintenance helps to ensure reliable distribution system operations.



Completed hot tap with ball valve at the Sepulveda Feeder-West Basin Feeder interconnection

Staff performed maintenance and testing on the high-voltage switchgear at the Weymouth plant. The work included testing high-voltage circuit breakers used to isolate electrical faults and testing high-voltage cable used to distribute the power. Staff also tested the protection system, which includes instrumentation, transformers, and relays that are high-speed devices that detect and isolate electrical faults to minimize potential safety issues or equipment damage.



Staff performing high-voltage testing on vacuum-style circuit breakers (left) and electrical testing on instrument transformers (right) at the Weymouth plant

Staff completed maintenance at Temescal Hydroelectric Plant (HEP), which included servicing the mechanical seal and wicket gate actuators. Staff also tested and maintained the high-voltage circuit breaker and capacitor banks, which help the generator run more efficiently, thereby providing more power to the electrical system.

WATER SYSTEM OPERATIONS *continued*



Staff disassembling turbine shaft seal at Temescal HEP



Staff installing new capacitor bank protection relays (left),
and performing switchyard maintenance cleaning (right) at Temescal HEP

Staff completed replacement of the three-way plug valve at the Coastal Junction Pressure Control Structure (PCS) on East Orange County Feeder No. 2. The three-way plug valve was experiencing substantial leakage affecting the control system's ability to regulate downstream grade. Removal of the valve involved cutting a section of pipe and rethreading to facilitate installation. The positive seal from the new valve addressed the leakage allowing reliable operation of the system.

WATER SYSTEM OPERATIONS *continued*



Staff removing damaged plug valve (left) and new ball valve installed (right) at Coastal Junction PCS

Staff are upgrading the sectionalizing valve at the Palos Verdes Feeder-West Coast Feeder interconnection to a regulating valve. This will allow operators to use the valve as a flow control device for improved system operation and flexibility during the ongoing Prestressed Concrete Cylinder Pipe (PCCP) Rehabilitation capital project. To complete the upgrade, staff are replacing the old electrical system with new electrical panels, a transformer, lights, and receptacle wire. The work also includes installation of the termination and RTU (remote terminal unit) cabinets, as well as pathways for instrumentation and cables. La Verne Shops staff also refurbished an electric actuator used to operate a large sectionalizing valve at the interconnection.



Staff bending conduit (left) and making low-voltage connections (right) at the transformer at the Palos Verdes Feeder-West Coast Feeder interconnection

WATER SYSTEM OPERATIONS *continued*



New electrical panels and transformer at the interconnection structure



Reassembly of the valve actuator before (left) and after (right) testing and coating work at the La Verne Shops

Railroad track repairs were completed at the intersection of 5th Street and Wheeler Avenue near the Weymouth plant where water treatment chemicals are delivered by rail. Given its age and usage, the roadway intersection asphalt developed gaps, and sections were uneven, making it difficult for vehicles to cross. A railroad contractor performed the repairs, which included leveling the rail to the same height as the asphalt and installing new railroad ties to stabilize the track. This work helps to ensure continuous and safe railcar deliveries of chemicals used in the water treatment process.

WATER SYSTEM OPERATIONS *continued*



Railroad track before (left) and after (right) repair work near the Weymouth plant

During a recent internal inspection of the secondary inlet sleeve valve at Diamond Valley Lake (DVL), staff found moderate levels of internal corrosion on some of the carbon steel components. The secondary inlet sleeve valve is a large inline valve which provides an alternate means, other than the Inlet/Outlet Tower, to bring water into DVL from the Eastside Pipeline. The valve was installed in 1999 and has been used to bring State Project water into the lake. Staff met onsite to discuss the safe removal of the valve and a short section of piping to facilitate metal and coating repairs.



Staff being lowered into the structure (left) and inspecting (right) the secondary inlet sleeve valve at DVL

WATER SYSTEM OPERATIONS *continued*



Staff preparing for internal inspection of the secondary inlet sleeve valve at DVL

Staff refurbished the protective coating on an air release vacuum valve along the Rialto Pipeline in the city of San Dimas. This involved removing the existing coatings down to white metal, repairing any voids with high-solids epoxy, and recoating with primer and the final finish. This work helps to prevent corrosion, extend the service life, and ensure protection and reliability of pipelines and infrastructure.



Rialto Feeder air release vacuum valve assembly before (left) and after (right) coating repair work

WATER SYSTEM OPERATIONS *continued*

Objective #5 Manage the Power System.

Staff identified a forecasted resource adequacy (RA) shortfall in support of CRA pumping operations in January 2022 of approximately 11 megawatts. The forecast shortfall is due to continued high pumping operations and reduced capacity at Hoover and Parker dams because of low water conditions and annual scheduled maintenance. A Request for Offer (RFO) was issued by Metropolitan's scheduling coordinator AEPCO (Arizona Electric Power Cooperative) for capacity to make up the forecast shortfall and offers were received on October 29. An RA purchase agreement with a supplier was approved and executed on November 17.

Objective #6 Improve Emergency Preparedness and Response.

On October 21, Metropolitan's Emergency Management and Business Continuity programs staff gave a presentation on emergency communications and situational awareness at the American Water Works Association's Annual Fall Conference 2021. The virtual presentation focused on various tools and strategies water agencies can use to stay in touch as well as coordinate with external emergency agencies during disasters. Additionally, staff participated in the Great California ShakeOut. During this earthquake emergency exercise, Metropolitan's mass notification system was tested by sending a notification to all employees reminding them to "duck, cover, and hold on" at 10:21 a.m. Following the exercise, an online webinar on earthquake preparedness was provided and open to all employees.



Virtual instructions for Great California ShakeOut earthquake emergency exercise

Objective #7 Optimize Water Treatment and Distribution.

The State Project water (SPW) target blend entering the Weymouth and Diemer plants, and Lake Skinner was zero percent in November 2021.

Flow-weighted running annual averages for total dissolved solids from October 2020 through September 2021 for Metropolitan's treatment plants capable of receiving a blend of SPW and CRA water were 571, 570, and 579 mg/L for the Weymouth, Diemer, and Skinner plants, respectively.

The La Verne Shops fabricated and coated pipe spool assemblies for the ammonia feed system at the Jensen plant. These spools will facilitate the installation of new flowmeters within the feed system to improve chemical dosing accuracy.



Fabricated spool assembly for the ammonia feed system at the Jensen plant

WATER SYSTEM OPERATIONS *continued*

Staff added filter media, anthracite coal, to the Diemer plant filters to replace media that was lost during normal operations. Staff purchased and placed 132 tons of filter media into six filters. An estimated additional 732 tons of filter media will be procured to bring the filters back to an acceptable level. Every year, staff evaluates the filters and compares the amount of filter media present to the design standard. This information helps to determine whether additional media is needed. The anthracite coal is shipped in one-ton bags that are added to each filter.



Staff adding anthracite coal to the filters at the Diemer plant

Mills plant staff have been supporting CRA de-chlorination operations at the Chemical Unloading Facility (CUF) in Riverside. Chlorine is added to the CRA for quagga mussel control, but for environmental protection, de-chlorination is required before the water reaches Lake Mathews. To improve this current manual process, staff identified a new sample location upstream of CUF and then proceeded to design, install, test, and commission a new water quality station. This new station monitors the chlorine concentration and water temperature of the CRA, as well as air temperature, sample line flow, and pressure. The system can be controlled through the SCADA system, while the chlorine analyzer can be remotely tested to verify proper operation before use.



New sample location (left) and installed water quality enclosure (right) for de-chlorination operations upstream of Lake Mathews

WATER SYSTEM OPERATIONS *continued*

Staff is working on a modification to the ozone contactor residual analyzer instruments that will allow the SCADA signal to be intercepted by an ozone calibration cart at the Weymouth plant. This will allow the operations team to quickly respond and remedy a failed instrument by using the mobile calibration cart to take the place of any of the residual analyzers. The calibration cart analyzer can easily be coupled with the output signal, causing the failed instrument's output signal to be disconnected from SCADA, thereby replacing that signal with the calibration cart signal connected to SCADA instead. This work helps to ensure reliability of the ozone system.



Control technician adding the instrument output loop modification at the Weymouth plant



Ozone calibration cart with standby analyzer and probe at the Weymouth plant

Staff installed a replacement conveyor chute for pressed solids at the Skinner plant. All material removed from the water in the treatment process is dewatered by the belt presses and sent on a conveyor belt to a solids pile for removal from the facility by truck. The conveyor chute is an important component that directs the solids to the waste pile. Staff fabricated the chute, sent it to the La Verne Shops for coating, and then installed it in place.

WATER SYSTEM OPERATIONS *continued*



Newly fabricated conveyor chute prepared for installation at the Skinner plant



Conveyor chute being installed at the Skinner plant

WATER SYSTEM OPERATIONS *continued*



Newly installed conveyor chute at the Skinner plant

Objective #8 Manage Water Reserves.

Water reserves continued to be managed according to Water Surplus and Drought Management (WSDM) principles, operational objectives, and the current 5-percent SWP allocation. Deliveries of SWP supply were minimized to preserve SWP Carryover and Flexible Storage. Releases from Diamond Valley Lake (DVL) through PC-1 to connections on the Lakeview Pipeline, as well as the DVL to Mills plant operation continued in November to conserve SWP use in that area. Returns from the Semitropic and Kern Delta SWP Banking Programs also continued in November. Staff continued Greg Avenue pump operations to minimize SWP usage by about 3,300 AF per month. In addition, staff continued coordination with member agencies, shifting their deliveries from SWP connections to Colorado River water connections, when possible. Along with these actions being taken to respond to drought conditions, Metropolitan's record-high storage levels at the end of 2020 provide significant water supply reliability in 2021. Staff continue to develop additional drought mitigation actions to prepare for the potential of a dry 2022.

Objective #10 Manage Vacancies.

WSO filled eight vacant positions in October 2021.

Objective #11 Prepare Employees for New Opportunities.

The Water System Operations Apprentice and Technical Training Programs develop and train personnel to become qualified mechanics and electricians responsible for maintaining Metropolitan's water treatment and distribution systems. This month, the Class of 2021 electrical apprentices completed the academic portion of their apprenticeship training. These apprentices are scheduled to complete a demonstrated proficiency assessment and on-the-job training hours before attaining certified journey status. The Class of 2021 mechanical apprentices will complete their academic portion of the program next month.

WATER SYSTEM OPERATIONS *continued*

Staff attended a ***Let's Talk Trades*** event with a local high school. Staff presented an overview of Metropolitan's Apprenticeship Program to a diverse group of high school students preparing to hit the workforce and make decisions about their future. The discussion highlighted the path for high school graduates to enter Metropolitan's Apprenticeship Program or similar programs to gain knowledge in the trades and have a life-long career.



Ayala HS Engineering Academy and Women in STEM will be hosting a virtual tak with April Hall and Jerrod Neihus of MWD about entering the TRADES this Friday. Great opportunity for our students to learn about the TRADES. @BaldyViewROP @CaliforniaCTE @mwdh2o



Social media post announcing ***Let's Talk Trades*** event

Objective #1 Prepare for Future Legislation and Regulation.

On October 2, the California Air Resources Board released a 45-day rulemaking draft of the Proposed Amendments to the Small Off-Road Engines (SORE) Regulation for public comment. The SORE regulation is focused on manufacturers and requires all new SORE equipment—except portable generators—rated at or below 25 horsepower sold or leased in California to be zero emission (ZE) by model year (MY) 2024 and new SORE portable generators by MY 2028. Metropolitan may continue to operate and repair its existing SORE equipment until the end of its useful life, as the regulation applies to only new equipment. The amended SORE regulation is scheduled for adoption on December 9, 2021. Staff will continue to monitor any updates affecting Metropolitan's SORE fleet.

On October 20, Cal/OSHA released proposed text for the final re-adoption of the COVID-19 Emergency Temporary Standard (ETS). If re-adopted on December 16, the updated COVID-19 ETS will be in effect from January 14, 2022 through April 14, 2022, after which a new permanent COVID-19 standard will go into effect. Key updates to the latest ETS draft include testing of all employees in close contact with an infected person, regardless of vaccination status or whether they are asymptomatic; return to work criteria for close contacts; and face covering requirements for all employees in employer-provided vehicles, regardless of vaccination status. Staff will continue to monitor for updates to COVID-19 standards.

On November 5, the State Water Resources Control Board announced, via a Notice of Preparation for a Programmatic Environmental Impact Report, that they are developing a new maximum contaminant level (MCL) for hexavalent chromium. The SWRCB is considering 17 possible MCLs (1 to 15, 20, and 25 µg/L), as well as multiple compliance methods (e.g., treatment, blending, or using a new water source). The State Board is seeking input regarding the scope and content of the environmental impact report. Staff are evaluating whether Metropolitan will be submitting comments at this time.

WATER SYSTEM OPERATIONS *continued*

On November 17, the State Water Resources Control Board held a public workshop on “Proposed Standardized Methods for Testing and a Testing and Reporting Plan for Microplastics in Drinking Water”. This workshop presented a summary of activities undertaken to comply with Senate Bill 1422 (2018) that requires the State Board to adopt a standard microplastics monitoring methodology and requirements for four years of testing and reporting of microplastics in drinking water. Staff provided oral comments during the workshop, supporting the state’s progress in advancing the science and understanding of microplastics in drinking water. Metropolitan recommended that the state incorporates flexibility into the monitoring schedule so that water systems and laboratories have sufficient time and resources to establish and validate sample collection procedures and analytical methods before the monitoring period. Written comments on the draft policy handbook, monitoring plan, and proposed methods are due to the State Board on December 22, 2021. The State Board intends to present the final methods and monitoring plan in February 2022.

Objective #3 Support the Regional Recycled Water Program

During November, staff completed tertiary membrane bioreactor (MBR) testing at the Regional Recycled Water Advanced Purification Center demonstration facility. Staff also assisted the Los Angeles County Sanitation Districts with their final sampling events for this first phase of testing, which began in late 2019. This marked a major milestone as Metropolitan seeks regulatory credits for use of an MBR in a potable reuse application. The next phase of testing for a secondary MBR configuration will begin in 2022.



Collecting the final tertiary MBR microbial samples at the demonstration facility

WATER SYSTEM OPERATIONS *continued*



Microbiology staff celebrate processing the final pathogen samples for tertiary MBR testing at the demonstration facility

Planning continued for an upcoming December shutdown of the demonstration facility, including fabrication of a new influent standpipe and replacement of a return activated sludge pump. A new consultant team was brought on to support onsite operations of the facility for the next phase of testing.

Metropolitan entered into an agreement with Southern Nevada Water Authority (SNWA) on December 20, 2020, to support development of the Regional Recycled Water Program (RRWP). As an element of this partnership, a technical exchange meeting was held on November 2, which provided an opportunity for staff from Metropolitan and SNWA to discuss common areas of interest relating to water reuse research and development.

On November 15, Metropolitan staff and project consultants conducted a full-day workshop to discuss Metropolitan's potential approaches to direct potable reuse or raw water augmentation as part of the Regional Recycled Water Program.

Objective #5 Manage Power Resources and Energy Use in a Sustainable Manner.

Metropolitan's hydroelectric plants generated an average of approximately 10.7 megawatts, or 7,975 megawatt-hours and \$448,055 in revenue, for October 2021. Metropolitan's solar facilities, totaling 5.4 megawatts of capacity, generated over 670 megawatt-hours in October.

To support the upcoming Battery Energy Storage System capital project at the Skinner plant, staff began installing a new duct bank from existing vaults to the new system location. This energy system will provide additional functionality to the solar facility that optimizes renewable energy use at the Skinner plant.



Staff installing conduit (left) and tying steel reinforcement cage (right) to support a battery energy storage system project at the Skinner plant

WATER SYSTEM OPERATIONS *continued*

GM STRATEGIC PRIORITY #3: Innovation

Objective #1 Develop New Solutions to Enhance Operational and Business Processes,

Skinner plant staff built a portable sprayer that uses power tool batteries, a voltage regulator, and a small pump motor to keep the disinfectant tank at the desired pressure. This tool allows staff to disinfect pipelines and water vessels following shutdowns without having to repeatedly hand-pump sprayers to keep them pressurized. This more efficient pipeline disinfection method, developed through the resourcefulness of staff, shortens the disinfection time and will likely improve the effectiveness of the disinfection process.



Portable battery-powered disinfection sprayer invented at the Skinner plant

WATER SYSTEM OPERATIONS *continued*

Monthly Update as of:

11/30/2021

<u>Reservoir</u>	<u>Current Storage</u>	<u>Percent of Capacity</u>
<i>Colorado River Basin</i>		
Lake Powell	7,016,000	29%
Lake Mead	8,804,000	34%
<i>DWR</i>		
Lake Oroville	1,055,064	30%
Shasta Lake	1,117,240	25%
San Luis Total	480,402	24%
San Luis CDWR	408,552	38%
Castaic Lake	99,106	31%
Silverwood Lake	66,969	89%
Lake Perris	107,604	82%
<i>MWD</i>		
DVL	604,407	75%
Lake Mathews	130,535	72%
Lake Skinner	30,666	70%



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.

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Matters Impacting Metropolitan

EPA and Corps Propose Updated Pre-2015 Definition of WOTUS for Clean Water Act Jurisdiction

On November 18, 2021, the U.S. Environmental Protection Agency (EPA) and U.S. Army Corps of Engineers (collectively, “agencies”) announced a proposed rule to re-establish the pre-2015 definition of “waters of the United States” (WOTUS). “Waters of the United States” is a term used in the federal Clean Water Act (CWA) which establishes the CWA’s scope of federal jurisdiction.

As previously reported, the definition of WOTUS has changed multiple times and has been the subject of significant litigation over the past several years.

In 2015 the Obama Administration adopted definitions of WOTUS called the Clean Water Rule.

In 2020, at the direction of President Trump, the agencies acted to repeal the 2015 Rule and replace it with a more limited definition of WOTUS called the Navigable Waters Protection Rule (NWPR). These changes were the subject of multiple legal challenges in multiple courts.

In January 2021, the Biden Administration issued an Executive Order directing a review of rules promulgated under the Trump Administration. Based on that order, the agencies began a new rulemaking process to again change the WOTUS definition. In September 2021, due to multiple pending legal challenges, the agencies announced that they have stopped implementing the NWPR and interpret WOTUS consistent with the pre-2015 regulatory regime.

The pre-2015 regulations were largely in place for both agencies in 1986 and are referred to as “the

1986 regulations.” The agencies’ amendments to the 1986 regulations include the codification of the “significant nexus standard” described in the 2006 U.S. Supreme Court decision, *Rapanos v. United States*. The agencies interpret that standard to mean “waters that either alone or in combination with similarly situated waters in the region, significantly affect the chemical, physical, or biological integrity of traditional navigable waters, interstate waters, or the territorial seas.”

The agencies have also applied a “relatively permanent standard” to mean waters that are “relatively permanent, standing or continuously flowing,” and, for other waters and wetlands, “with a continuous surface connection” to such waters.”

The agencies proposed this interim definition of WOTUS to provide “stable implementation” of the CWA while the Biden administration seeks to develop a durable definition that will avoid policy pendulum swings with changes in administrations.

The agencies are hosting virtual public hearings on the proposed rule on January 12, 2022 from 7 a.m. to 10 a.m. PST, January 13, 2022 from 11 a.m. to 2 p.m. PST, and January 18, 2022 from 2 p.m. to 5 p.m. PST. Information regarding the public hearings is available on EPA’s website at <https://www.epa.gov/wotus/public-outreach-and-stakeholder-engagement-activities>.

The agencies will accept comments on this proposed rule for 60 days once it is published in the Federal Register.

Metropolitan staff will continue to monitor these lawsuits and the agencies’ rulemaking process, and will comment on the agencies’ proposed definition of WOTUS. (See General Counsel’s August 2021 Activity Report.)

Matters Received by the Legal Department

<u>Category</u>	<u>Received</u>	<u>Description</u>
Government Code Claims	1	Claim relating to MWD vehicle hitting claimant’s vehicle and bike that was on a rack attached to the rear of the vehicle



Subpoenas	1	Deposition Subpoena for Production of Business Records seeking Metropolitan's records from January 1, 2021 to the present relating to Metropolitan's consulting agreement or work with Mercury Public Affairs LLC or any of its prior principals, served in the case <i>Núñez, et al. v. Mercury Public Affairs LLC</i> , Los Angeles County Superior Court Case No. 21STCV36104	
Requests Pursuant to the Public Records Act	12	<u>Requestor</u>	<u>Documents Requested</u>
		Center for Contract Compliance	Contract document relating to electrical upgrades at 15 structures in the Orange County Region
		Deltek	Specifications for Colorado River Aqueduct Pumping Plants Domestic Water Treatment System Replacement
		Edge Point	Data on outstanding/returned checks for \$100 or more which remain stale and/or remain outstanding from 2018 through present
		Los Angeles Times	Communication from California Department of Water Resources regarding minimum water demands for health and safety
		Mt. San Antonio College	Drawings of MWD facilities near Orange County Feeder and Mt. San Antonio College water main pipeline
		MWD Supervisors Association	Records on presence of any water pipelines located near proposed new school site in the city of Fontana
		Private Citizen (2 requests)	Proposals or statement of qualifications for On-Call Engineering Services for (1) Seismic and Pipeline Rehabilitation; and (2) Water Treatment Facilities, Conveyance, Storage and Distribution Facilities, and Large Rotating Equipment
		SmartProcure	Purchase order data for the period July 23, 2021 to current
Other Matters	1	WestWater Research (3 requests)	(1) Price per acre-foot in temporary assignment of lease from MWD and San Gabriel Valley Water Company; (2) volume and price for Imperial Irrigation District-MWD transfer in 2021; and (3) volume of water in acre-feet that the Quechan Tribe did not divert in 2021
		Wage garnishment	



Bay-Delta and SWP Litigation	
Subject	Status
<p>Consolidated DCP Revenue Bond Validation Action and CEQA Case</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 Earl)</p>	<ul style="list-style-type: none"> • Validation Action <ul style="list-style-type: none"> • Metropolitan, Mojave Water Agency, Coachella Valley Water District, and Santa Clarita Valley Water Agency have filed answers in support • Kern County Water Agency, Tulare Lake Basin Water Storage District, Oak Flat Water District, County of Kings, Kern Member Units & Dudley Ridge Water District, and City of Yuba City filed answers in opposition • North Coast Rivers Alliance et al., Howard Jarvis Taxpayers Association, Sierra Club et al., County of Sacramento & Sacramento County Water Agency, CWIN et al., Clarksburg Fire Protection District, Delta Legacy Communities, Inc, and South Delta Water Agency & Central Delta Water Agency have filed answers in opposition • Case ordered consolidated with the DCP Revenue Bond CEQA Case for pre-trial and trial purposes and assigned to Judge Earl for all purposes • Sierra Club, DWR, North Coast Rivers Alliance and Public Agencies' motions for summary judgment on CEQA affirmative defenses to be heard Dec. 17, 2021 • CEQA Case <ul style="list-style-type: none"> • Sierra Club, Center for Biological Diversity, Planning and Conservation League, Restore the Delta, and Friends of Stone Lakes National Wildlife Refuge filed a standalone CEQA lawsuit challenging DWR's adoption of the bond resolutions • Alleges DWR violated CEQA by adopting bond resolutions before certifying a Final EIR for the Delta Conveyance Project • Cases ordered consolidated for pre-trial and trial purposes • Sierra Club motion for summary judgment on CEQA cause of action hearing on Dec. 17, 2021



SWP-CVP 2019 BiOp Cases

Pacific Coast Fed'n of Fishermen's Ass'ns, et al. v. Raimondo, et al. (PCFFA)

Calif. Natural Resources Agency, et al. v. Raimondo, et al. (CNRA)

Federal District Court, Eastern Dist. of California,
Fresno Division
(Judge Drozd)

- SWC intervened in both *PCFFA* and *CNRA* cases
- Briefing on federal defendants' motion to dismiss CNRA's California ESA claim is complete; no hearing date set and may be decided on the papers
- Federal defendants circulated administrative records for each of the BiOps
- December 18, 2020 PCFFA and CNRA filed motions to complete the administrative records or to consider extra-record evidence in the alternative
- Federal defendants reinitiated consultation on Oct 1, 2021
- On Nov. 8, 2021, Federal Defendants and PCFFA plaintiffs stipulated to inclusion of certain records in the Administrative Records and to defer further briefing on the matter until July 1, 2022
- On Nov. 12, 2021, SWC filed a motion to amend its pleading to assert cross-claims against the federal defendants for violations of the ESA, NEPA and WIIN Act; Court has yet to set a hearing date
- November 23, 2021, Federal Defendants filed a motion for voluntary remand of the 2019 Biological Opinions and NEPA Record of Decision and requesting that the Court issue an order approving an Interim Operations Plan through September 30, 2022; that the cases be stayed for the same time period; and that the Court retain jurisdiction during the pendency of the remand. State Plaintiffs filed a motion for injunctive relief seeking judicial approval of the Interim Operations Plan
- December 16, 2021 – NGO Plaintiffs' deadline to file a response or opposition to the Federal Defendants' motion; NGO Plaintiffs' deadline to file a motion for preliminary injunction related to interim operations
- January 10, 2022 - Defendant-Intervenors, including SWC, deadline to file oppositions to motions filed by Federal Defendants, State Plaintiffs, and NGO Plaintiffs; Federal Defendants' deadline to file response or opposition to NGO Plaintiffs' motion for preliminary injunction



	<ul style="list-style-type: none"> January 24, 2022 – Deadline for any replies in support of Federal Defendants', State Plaintiffs' and NGO Plaintiffs' motions Hearing date(s) on the motions to be determined by the Court
<p>CESA Incidental Take Permit Cases</p> <p>Coordinated Case Name <i>CDWR Water Operations Cases, JCCP 5117</i> (Coordination Trial Judge Gevercer)</p> <p><i>Metropolitan & Mojave Water Agency v. Calif. Dept. of Fish & Wildlife, et al.</i> (CESA/CEQA/Breach of Contract)</p> <p><i>State Water Contractors & Kern County Water Agency v. Calif. Dept. of Fish & Wildlife, et al.</i> (CESA/CEQA)</p> <p><i>Tehama-Colusa Canal Auth., et al. v. Calif. Dept. of Water Resources</i> (CEQA)</p> <p><i>San Bernardino Valley Municipal Water Dist. v. Calif. Dept. of Water Resources, et al.</i> (CEQA/CESA/ Breach of Contract/Takings)</p> <p><i>Sierra Club, et al. v. Calif. Dept. of Water Resources</i> (CEQA/Delta Reform Act/Public Trust)</p> <p><i>North Coast Rivers Alliance, et al. v. Calif. Dept. of Water Resources</i> (CEQA/Delta Reform Act/Public Trust)</p> <p><i>Central Delta Water Agency, et. al. v. Calif. Dept. of Water Resources</i> (CEQA/Delta Reform Act/Public Trust/ Delta Protection Acts/Area of Origin)</p> <p><i>San Francisco Baykeeper, et al. v. Calif. Dept. of Water Resources, et al.</i> (CEQA/CESA)</p>	<ul style="list-style-type: none"> All 8 cases ordered coordinated in Sacramento County Superior Court Stay on discovery issued until coordination trial judge orders otherwise All four Fresno cases transferred to Sacramento to be heard with the four other coordinated cases SWC and Metropolitan have submitted Public Records Act requests seeking administrative record materials and other relevant information Answers filed in the three cases filed by State Water Contractors, including Metropolitan's Draft administrative records produced on Sept. 16, 2021 Certified administrative records due early March 2022



<p>CDWR Environmental Impact Cases Sacramento Superior Ct. Case No. JCCP 4942, 3d DCA Case No. C091771 (20 Coordinated Cases)</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>	<ul style="list-style-type: none"> • Cases dismissed after DWR rescinded project approval, bond resolutions, decertified the EIR, and CDFW rescinded the CESA incidental take permit • January 10, 2020 – Nine motions for attorneys' fees and costs denied in their entirety • Parties have appealed attorneys' fees and costs rulings • Appeals fully briefed
<p>COA Addendum/ No-Harm Agreement</p> <p><i>North Coast Rivers Alliance v. DWR</i> Sacramento County Superior Ct. (Judge Gevercer)</p>	<ul style="list-style-type: none"> • Plaintiffs allege violations of CEQA, Delta Reform Act & public trust doctrine • USBR Statement of Non-Waiver of Sovereign Immunity filed September 2019 • Westlands Water District and North Delta Water Agency granted leave to intervene • Metropolitan & SWC monitoring • Deadline to prepare administrative record extended to Nov. 16, 2021
<p>Delta Plan Amendments and Program EIR 4 Consolidated Cases Sacramento County Superior Ct. (Judge Gevercer)</p> <p><i>North Coast Rivers Alliance, et al. v. Delta Stewardship Council</i> (lead case)</p> <p><i>Central Delta Water Agency, et al. v. Delta Stewardship Council</i></p> <p><i>Friends of the River, et al. v. Delta Stewardship Council</i></p> <p><i>California Water Impact Network, et al. v. Delta Stewardship Council</i></p> <p>Delta Stewardship Council Cases 3 Remaining Cases (CEQA claims challenging original 2013 Delta Plan EIR) (Judge Chang)</p> <p><i>North Coast Rivers Alliance, et al. v. Delta Stewardship Council</i></p> <p><i>Central Delta Water Agency, et al. v. Delta Stewardship Council</i></p> <p><i>California Water Impact Network, et al. v. Delta Stewardship Council</i></p>	<ul style="list-style-type: none"> • Cases challenge, among other things, the Delta Plan Updates recommending dual conveyance as the best means to update the SWP Delta conveyance infrastructure to further the coequal goals • Allegations relating to "Delta pool" water rights theory and public trust doctrine raise concerns for SWP and CVP water supplies • Cases consolidated for pre-trial and trial under <i>North Coast Rivers Alliance v. Delta Stewardship Council</i> • SWC granted leave to intervene • Metropolitan supports SWC • 2013 and 2018 cases to be heard separately due to peremptory challenge • SWC and several individual members, including Metropolitan, SLDMWA and Westlands have dismissed their remaining 2013 CEQA claims but remain intervenor-defendants in the three remaining <i>Delta Stewardship Council Cases</i> <p>2013 Cases</p> <ul style="list-style-type: none"> • Hearing on merits of CEQA claims in the three remaining 2013 cases re-set for Feb. 25, 2022



	2018 Cases <ul style="list-style-type: none"> July 15, 2021 - Opening Briefs Oct. 13, 2021 - Opposition Briefs Nov. 22, 2021 - Reply Briefs Dec. 10, 2021 - Case Management Conference to set hearing on the merits
SWP Contract Extension Validation Action Sacramento County Superior Ct. (Judge Culhane) <i>DWR v. All Persons Interested in the Matter, etc.</i>	<ul style="list-style-type: none"> DWR seeks a judgment that the Contract Extension amendments to the State Water Contracts are lawful Metropolitan and 7 other SWCs filed answers in support of validity to become parties Four answers filed in opposition denying validity on multiple grounds raised in affirmative defenses Case deemed related to the two CEQA cases below and assigned to Judge Culhane DWR certified the administrative record for the validation action on May 3, 2021 Parties stipulated to a revised briefing schedule in all three related cases (validation and CEQA): Opening Briefs Sept. 17, 2021 Opposition Briefs Nov. 15, 2021 Reply Briefs Dec. 17, 2021 Jan. 5, 2022 Hearing on the merits with CEQA cases, below
SWP Contract Extension CEQA Cases Sacramento County Superior Ct. (Judge Culhane) <i>North Coast Rivers Alliance, et al. v. DWR</i> <i>Planning & Conservation League, et al. v. DWR</i>	<ul style="list-style-type: none"> Petitions for writ of mandate alleging CEQA and Delta Reform Act violations filed on January 8 & 10, 2019 Deemed related to DWR's Contract Extension Validation Action and assigned to Judge Culhane Administrative Record completed DWR filed its answers on September 28, 2020 Metropolitan, Kern County Water Agency and Coachella Valley Water District have intervened and filed answers in the two CEQA cases Briefing and hearing on the merits same as for the SWP Contract Extension Validation Action, above



<p>Delta Conveyance Project Soil Exploration Case</p> <p><i>Central Delta Water Agency, et al. v. DWR</i> Sacramento County Superior Ct. (Judge Chang)</p>	<ul style="list-style-type: none"> • Filed August 10, 2020 • Plaintiffs Central Delta Water Agency, South Delta Water Agency and Local Agencies of the North Delta • One cause of action alleging that DWR's adoption of an Initial Study/Mitigated Negative Declaration (IS/MND) for soil explorations needed for the Delta Conveyance Project violates CEQA • March 24, 2021 Second Amended Petition filed to add allegation that DWR's addendum re changes in locations and depths of certain borings violates CEQA • Deadline to prepare the administrative record extended to Nov. 8, 2021 • <u>Dec. 16, 2021 hearing on DWR's petition to add the 2020 CEQA case to the <i>Department of Water Resources Cases</i>, JCCP 4594, San Joaquin County Superior Court</u>
<p>Water Management Tools Contract Amendment</p> <p><i>California Water Impact Network et al. v. DWR</i> Sacramento County Superior Ct. (Judge Earl)</p> <p><i>North Coast Rivers Alliance, et al. v. DWR</i> Sacramento County Super. Ct. (Judge Earl)</p>	<ul style="list-style-type: none"> • Filed September 28, 2020 • CWIN and Aqualliance allege one cause of action for violation of CEQA • NCRA et al. allege four causes of action for violations of CEQA, the Delta Reform Act, Public Trust Doctrine and seeking declaratory relief • <u>Parties have stipulated to production of a draft administrative record by April 1, 2022 and to a timeline to attempt to resolve any disputes over the contents</u> • CWIN case reassigned to Judge Earl so both cases will be heard together • Trial set for Jan. 14, 2022



San Diego County Water Authority v. Metropolitan, et al.		
Cases	Date	Status
2010, 2012	Aug. 13-14, 2020	Final judgment and writ issued. Transmitted to the Board on August 17.
	Aug. 28, Sept. 1	SDCWA and Metropolitan filed memoranda of costs.
	Sept. 11	Metropolitan filed notice of appeal of judgment and writ.
	Sept. 14, 16	Metropolitan filed motion to strike SDCWA's costs memorandum, and SDCWA filed motion to strike or tax Metropolitan's costs memorandum.
	Jan. 13, 2021	Court issued order finding SDCWA is the prevailing party on the Exchange Agreement, entitled to attorneys' fees and costs under the contract.
	Feb. 4	Metropolitan filed opening appellate brief regarding final judgment and writ.
	Feb. 10	Court issued order awarding SDCWA statutory costs, granting SDCWA's and denying Metropolitan's related motions.
	Feb. 16	Per SDCWA's request, Metropolitan paid contract damages in 2010-2012 cases judgment and interest. Metropolitan made same payment in Feb. 2019, which SDCWA rejected.
	Feb. 25	Metropolitan filed notice of appeal of Jan. 13 (prevailing party on Exchange Agreement) and Feb. 10 (statutory costs) orders.
	Aug. 5	Metropolitan filed opening appellate brief regarding prevailing party on the Exchange Agreement and statutory costs.
	Sept. 21	Court of Appeal issued opinion on Metropolitan's appeal regarding final judgment and writ, holding: (1) the court's 2017 decision invalidating allocation of Water Stewardship Rate costs to transportation in the Exchange Agreement price and wheeling rate applied not only to 2011-2014, but also 2015 forward; (2) no relief is required to cure the judgment's omission of the court's 2017 decision that allocation of State Water Project costs to transportation is lawful; and (3) the writ is proper and applies to 2015 forward.
	Sept. 21	SDCWA filed responding appellate brief regarding prevailing party on the Exchange Agreement and statutory costs.
2014, 2016	Aug. 28, 2020	SDCWA served first amended (2014) and second amended (2016) petitions/complaints.



Cases	Date	Status
	Sept. 28	Metropolitan filed demurrers and motions to strike portions of the amended petitions/complaints.
	Sept. 28-29	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed joinders to the demurrers and motions to strike.
	Feb. 16, 2021	Court issued order denying Metropolitan's demurrers and motions to strike, allowing SDCWA to retain contested allegations in amended petitions/complaints.
	March 22	Metropolitan filed answers to the amended petitions/complaints and cross-complaints against SDCWA for declaratory relief and reformation, in the 2014, 2016 cases.
	March 22-23	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed answers to the amended petitions/complaints in the 2014, 2016 cases.
	April 23	SDCWA filed answers to Metropolitan's cross-complaints.
	Sept. 30	Based on the Court of Appeal's Sept. 21 opinion (described above), 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.
2017	July 23, 2020	Dismissal without prejudice entered.
2018	July 28	Parties filed a stipulation and application to designate the case complex and related to the 2010-2017 cases, and to assign the case to Judge Massullo's court.
	Nov. 13	Court ordered case complex and assigned to Judge Massullo's court.
	April 21	SDCWA filed second amended petition/complaint.
	May 25	Metropolitan filed motion to strike portions of the second amended petition/complaint.



Cases	Date	Status
2018 (cont.)	May 25-26	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed joinders to the motion to strike.
	July 19	Court issued order denying Metropolitan's motion to strike portions of the second amended petition/complaint.
	July 29	Metropolitan filed answer to the second amended petition/complaint and cross-complaint against SDCWA for declaratory relief and reformation.
	July 29	Member agencies City of Torrance, Eastern Municipal Water District, Foothill Municipal Water District, Las Virgenes Municipal Water District, Three Valleys Municipal Water District, Municipal Water District of Orange County, West Basin Municipal Water District, and Western Municipal Water District filed answers to the second amended petition/complaint.
	Aug. 31	SDCWA filed answer to Metropolitan's cross-complaint.
2014, 2016, 2018	June 11	Metropolitan lodged administrative records.
	June 11, 21	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.
	Oct. 27	Parties submitted to the court a joint stipulation and proposed order staying discovery through Dec. 8 and resetting pre-trial deadlines.
	<u>October 29</u>	<u>Court issued order staying discovery through Dec. 8 and resetting pre-trial deadlines, while the parties discuss the prospect of settling some or all remaining claims and crossclaims.</u>
	Jan. 12, 2022	Next Case Management Conference. (Sept. 17 Conference postponed.)



Cases	Date	Status
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
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
Atkinson Andelson Loya Ruud & Romo	Employee Relations	59302	04/04	\$1,214,517
	MWD v. Collins	185892	06/20	\$60,000
	Delta Conveyance Project Bond Validation-CEQA Litigation	185899	09/21	\$100,000
	MWD Drone and Airspace Issues	193452	08/20	\$50,000
	Equal Employee Opportunity Commission Charge	200462	03/21	\$20,000
	Public Employment Relations Board Charge No. LA-CE-1441-M	200467	03/21	\$30,000
	Representation re the Shaw Law Group's Investigations	200485	05/20/21	\$50,000
	DFEH Charge-Howard (DFEH Number 202102-12621316)	201882	07/01/21	\$25,000
	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
	<u>MWD MOU Negotiations**</u>	<u>201893</u>	<u>10/05/21</u>	<u>\$100,000</u>
Best, Best & Krieger	Navajo Nation v. U.S. Department of the Interior, et al.	54332	05/03	\$185,000
	Iron Mountain SMARA (Surface Mining and Reclamation Act)	158043	07/17	\$250,000
	Bay-Delta Conservation Plan/Delta Conveyance Project (with SWCs)	170697	08/17	\$500,000
	Environmental Compliance Issues	185888	05/20	\$50,000



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
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	\$50,000
	General Real Estate Matters	180209	08/19	\$100,000
Law Office of Alexis S.M. Chiu*	Bond Counsel	200468	07/21	N/A
Cislo & Thomas LLP	Intellectual Property	170703	08/17	\$75,000
Curls Bartling P.C.*	Bond Counsel	174596	07/18	N/A
	Bond Counsel	200470	07/21	N/A
Duane Morris LLP	SWRCB Curtailment Process	138005	09/14	\$615,422
Duncan, Weinberg, Genzer & Pembroke PC	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
Haden Law Office	Real Property Matters re Agricultural Land	180194	01/19	\$50,000
Hanson Bridgett LLP	SDCWA v. MWD	124103	03/12	\$1,100,000
	Finance Advice	158024	12/16	\$100,000
	Deferred Compensation/HR	170706	10/17	\$ 400,000
	Food and Water Watch v. MWD	174612	09/18	\$200,000
	Tax Issues	180200	04/19	\$50,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Hausman & Sosa, LLP	Benjamin Brinker NOID Appeal	201892	09/21	\$25,000
Hawkins Delafield & Wood LLP*	Bond Counsel	193469	07/21	N/A
Horvitz & Levy	SDCWA v. MWD	124100	02/12	\$900,000
	General Appellate Advice	146616	12/15	\$100,000
	Food and Water Watch v. MWD Appeal	185862	09/19	\$60,000
Hunt Ortmann Palffy Nieves Darling & Mah, Inc.	Construction Contracts/COVID-19 Emergency	185883	03/20	\$40,000
Internet Law Center	HR Matter	174603	05/18	\$60,000
	Cybersecurity and Privacy Advice and Representation	200478	04/13/21	\$100,000
	Systems Integrated, LLC v. MWD	201875	05/17/21	\$40,000
Amira Jackmon, Attorney at Law*	Bond Counsel	200464	07/21	N/A
Jackson Lewis P.C.	Employment: Department of Labor Office of Contract Compliance (OFCCP)	137992	02/14	\$45,000
Jones Hall, A Professional Law Corporation*	Bond Counsel	200465	07/21	N/A
Kegel, Tobin & Truce	Workers' Compensation	180206	06/19	\$100,000 \$250,000
Lesnick Prince & Pappas LLP	Topock/PG&E's Bankruptcy	185859	10/19	\$30,000
Liebert Cassidy Whitmore	Labor and Employment	158032	02/17	\$201,444
	EEO Investigations	180193	01/19	\$100,000
	FLSA Audit	180199	02/19	\$50,000
LiMandri & Jonna LLP	Bacon Island Subrogation	200457	03/21	\$50,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Manatt, Phelps & Phillips	In Re Tronox Incorporated	103827	08/09	\$540,000
	SDCWA v. MWD rate litigation	146627	06/16	\$2,900,000
Meyers Nave Riback Silver & Wilson	OCWD v. Northrop Corporation	118445	07/11	\$2,300,000
	IID v. MWD	185900	08/20	\$ 410,000
	IID v. MWD (Contract Litigation)	193472	02/21	\$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	\$300,000
Norton Rose Fulbright US LLP*	Bond Counsel	200466	07/21	N/A
Olson Remcho LLP	Government Law	131968	07/14	\$200,000
	Ethics Office	170714	01/18	\$350,000
Quinn Emanuel Urquhart & Sullivan	Appellate	174598	04/18	\$100,000
Ryan & Associates	Leasing Issues	43714	06/01	\$200,000
Seyfarth Shaw LLP	HR Litigation	185863	12/19	\$250,000
Stradling Yocca Carlson & Rauth*	Bond Counsel	200471	07/21	N/A
Theodora Oringer PC	OHL USA, Inc. v. MWD	185854	09/19	\$1,100,000
	Construction Contracts - General Conditions Update	185896	07/20	\$50,000 <u>\$100,000</u>
Thomas Law Group	MWD v. DWR, CDFW, CDNR – Incidental Take Permit (ITP) CESA/CEQA/Contract Litigation	185891	05/20	\$250,000



Firm Name	Matter Name	Agreement No.	Effective Date	Contract Maximum
Thompson Coburn LLP	FERC Representation re Colorado River Aqueduct Electrical Transmission System	122465	12/11	\$100,000
	NERC Energy Reliability Standards	193451	08/20	\$25,000
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
Western Water and Energy	California Independent System Operator Related Matters	193463	11/20/20	\$100,000

*Expenditures paid by Bond Proceeds/Finance

**Expenditures paid by another group



Internal Audit Report for November 2021

Summary

One report was issued during the month:

Bay-Delta Leases Audit Report

Discussion Section

This report highlights the significant activities of the Internal Audit Department during November 2021. In addition to presenting background information and the opinion expressed in the audit report, a discussion of findings noted during the examination is also provided.

Bay-Delta Leases Audit Report

The Audit Department has completed a review of the accounting and administrative controls over Bay-Delta Leases as of June 30, 2021.

Scope

Our review consisted of evaluating the accounting and administrative controls over lease management. Specifically, we evaluated compliance with the Administrative Code, internal policies and procedures, and terms and conditions of lease agreements.

Background

In March 2016, the Board approved the purchase of five properties in the western Delta, known as the Delta Wetland Properties, from Zurich American Corporation. These estuary properties include five islands and tracts, including Webb Tract, Bouldin Island, Bacon Island, Holland Tract, and Chipps Island. In April 2021, Metropolitan sold 243 acres on Chipps Island located in Solano County to the Department of Water Resources. Together, the remaining properties comprise almost 20,000 acres. The properties are located along the Pacific Flyway and are used primarily for agricultural purposes.

The Real Property Group manages Metropolitan's real property assets' operation, control, maintenance. Administrative Code §8230 and Board-approved strategic policies outline the authority for these activities and establish rules and guidance for acquiring, managing, and divesting real property. The Lease Management section of the Real Property Group seeks to minimize operational costs while protecting water conveyance, treatment, and storage systems. These efforts include identifying revenue-generating opportunities in agriculture, telecommunications, energy development, film production, sustainable technology, and research.

The Controller Section of the Office of the Chief Financial Officer shares responsibility with the Real Property Group for the billing, collecting, and accounting for property leases.

As of June 2021, Metropolitan has entered into five lease agreements to farm the islands/tracts. The total size of the properties is 19,938 gross acres with approximately 16,282 acres of farmable land; annual gross rents for 2021 are \$590,545.

Opinion

In our opinion, the accounting and administrative procedures over Bay-Delta Leases include those practices usually necessary to provide for a generally satisfactory internal control structure. The degree of compliance with such policies and procedures provided effective control from March 2016 through June 2021.

Comments and Recommendations

COMPLIANCE WITH INSURANCE REQUIREMENTS

Compliance with the terms and conditions of agreements is necessary to ensure accurate accounting records, proper supporting detail, and adequate control over the administration of lease agreements. Furthermore, compliance with lease terms and conditions confirms that parties fully discharge their duties and obligations and exercise their rights associated with the contracts.

Metropolitan's lease agreements require the lessee to provide and maintain insurance against claims for injuries to persons or damages to the property for the duration of the lease.

For two of the six leases we tested, management could not provide evidence that obligated insurance carriers to notify Metropolitan in the event of policy cancellation. In addition, we could not locate evidence that one of the lessees met the minimum worker's compensation requirements.

Non-compliance with established terms and conditions of the agreement could result in financial losses to Metropolitan due to claims.

We recommend that management maintain documentation of compliance with all lease terms and conditions.

CREDIT POLICY

Operational policies and procedures should be established and documented to provide a framework for achieving program goals and objectives. They assist management in training new employees, provide guidance for consistent performance, and serve as a reference for experienced personnel. Documenting policies and procedures are essential to ensure they are accurately communicated and clearly understood by staff.

In response to our previous audit, management outlined intended credit check policies for prospective lessees. However, this review revealed that management has not integrated them in Operating Policies or desktop procedures.

Failure to apply credit check processes could result in a lease transaction that was not subject to controls designed to evaluate financial soundness and stability. This could result in lost revenue if a lessee defaults on lease payments.

We recommend management incorporate the credit check processes into Operating Policies and desktop procedures.

DATABASE ACCURACY

Data accuracy refers to error-free records that can be used as a reliable source of information. This is crucial for management to be able to assess operations and develop effective strategic plans.

Management uses the REPortfolio system to track lease activity, maintain documentation evidencing compliance with lease terms and conditions, and to improve lease administration decision-making. REPortfolio prompts management to act at crucial points during the term of a lease, such as an approaching expiration date. Our testing of seven Bay Delta leases revealed three with incorrect lease terms recorded in REPortfolio. Management has corrected these discrepancies.

Data input errors in the REPortfolio system could result in ineffective decision-making and lead to financial loss.

We recommend that management develop written procedures to ensure REPortfolio data is accurate and conduct periodic reviews to ensure compliance.



Ethics Office Monthly Report

November 2021

EDUCATION

Issued notices to all directors and employees highlighting the new ethics policies applicable to them.

Coordinated a director training session on conflicts of interest laws to be presented by the Fair Political Practices Commission at the January 2022 Board meeting.

Provided informational material to all employees on the new employee gift ban.

Provided new filer session for an employee entering into a position requiring Form 700 filings.

COMPLIANCE

Assisted Board members and employees with Assuming Office and Leaving Office Form 700 filings. Assistance included notifications of deadlines and troubleshooting the electronic filing system. Monitored the status of past due Assuming Office and Leaving Office Form 700 filings; obtained compliance from four current employees and sent filing notices to four former employees.

POLICY

Presented the proposed overhaul of ethics policies and procedures to the Board of Directors. The Board adopted the proposal and the new ethics policies and procedures became effective November 9, 2021.

ADVICE

Addressed nine new advice matters involving: conflicts of interest, recusals, financial disclosure, political activities, and other ethics-related topics.

INVESTIGATIONS

Received a complaint alleging that a supervisor had influenced a Metropolitan decision affecting a business entity in which that supervisor had a financial conflict of interest.

Initiated an investigation into a whistleblower allegation that a supervisor misused the authority of their position to favor certain employees.

ADVICE AND INVESTIGATIVE DATA

Advice Matters	9
Compliance Assistance	42
Complaints Received	1
Investigations Opened	1
Pending Investigations	3

EEO INVESTIGATIONS

Briefing by the Ethics Officer to the Organization, Personnel and Technology Committee on the results of EEO investigations conducted by Shaw Law Group has been postponed to the January 2022 Committee meeting.

MINUTES

BOARD WORKSHOP: DEMAND MANAGEMENT COST RECOVERY AND RATE REFINEMENT

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

November 8, 2021

1. CALL TO ORDER

Board Chairwoman Gray called the Teleconference to order at 9:00 a.m.

2. ROLL CALL

Board Secretary Abdo administered the roll call.

Board Members present: Chairwoman Gray, Directors Abdo, Ackerman, Atwater, Blois, Camacho, Cordero, De Jesus, Dennstedt, Dick, Erdman, Faessel, Fellow, Goldberg, Hawkins, Jung, Kurtz, Morris, Ortega, Phan, Pressman, Quinn, Record, Smith, Tamaribuchi, and Williams.

Directors responding after roll call: Directors Butkiewicz, Lefevre, McCoy, Peterson, Ramos, Repenning, and Sutley.

Board Members absent: Directors Apodaca, Hogan, Kassakhian, Luna, and Petersen.

3. DETERMINATION OF QUORUM

Board Secretary Abdo determined that a quorum was present.

4. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD ON MATTERS WITHIN THE BOARD'S JURISDICTION

No members of the public requested to speak.

General Manager Hagekhalil addressed the Board on matters pertaining to this Workshop.

5. WORKSHOP

- A. Subject: Demand Management Cost Recovery and Rate Refinement Workshop

Presented by: Chief Financial Officer Katano Kasaine

Ms. Kasaine introduced Paul Brown, President, Paul Revers Brown, Inc. who moderated today's Workshop.

Mr. Brown introduced Arnout Van den berg, Section Manager, who presented a PowerPoint overview of the Demand Management Cost Recovery and Rate Refinement program. The presentation explained that action is needed because Demand Management (DM) is running out of funding. In December 2019, the Board approved the option to use the Water Stewardship Fund (WSF) to fund DM costs in the FY2020/21 & FY2021/22 biennial period, to allow the Board to consider DM funding in relation to the upcoming 2020 IRP update, and to undergo a rate structure refinement process. The WSF is projected to be exhausted in FY2022/23, and the Board must establish a new DM rate charge or revenue collection mechanism that would go into effect no later than CY 2023.

The following Directors made comments or asked questions:

- | | |
|----------------|--------------------------------|
| 1. Ortega | Commented |
| 2. Morris | Asked question |
| 3. Ortega | Commented |
| 4. Morris | Commented |
| 5. Ortega | Asked questions and commented |
| 6. Dennstedt | Asked questions |
| 7. Abdo | Commented |
| 8. Smith | Commented and asked questions |
| 9. Tamaribuchi | Commented; and asked questions |
| 10. Peterson | Commented; and asked questions |
| 11. Kurtz | Commented; and asked questions |
| 12. Goldberg | Commented |
| 13. Repenning | Commented |
| 14. Sutley | Announced she arrived |
| 15. Ortega | Commented |
| 16. Dick | Commented |
| 17. Pressman | Commented |
| 18. Dick | Commented |
| 19. Fellow | Commented |
| 20. DeJesus | Commented |

21.	Atwater	Commented
22.	Smith	Commented
23.	Blois	Commented
24.	Abdo	Commented
25.	Tamaribuchi	Commented
26.	Repenning	Commented
27.	Peterson	Commented; asked question
28.	Peterson	Commented
29.	Gray	Commented
30.	Goldberg	Commented
31.	Record	Commented
32.	Ortega	Commented
33.	Morris	Commented
34.	Dick	Commented
35.	Ortega	Commented
36.	Morris	Commented
37.	Brown	Responded
38.	Ortega	Commented
39.	Peterson	Commented
40.	Ramos	Commented
41.	Repenning	Commented

Staff responded to the Directors' questions and comments.

Chairwoman Gray addressed the Board and stated that this matter will be brought back to the Board for continued discussions.

6. FOLLOW UP ITEMS

None.

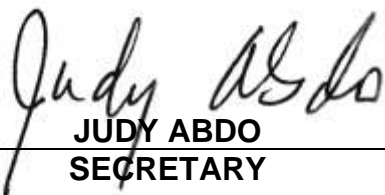
7. FUTURE AGENDA ITEMS

None.

8. ADJOURNMENT

Meeting adjourned at 11:20 a.m.


GLORIA D. GRAY
CHAIRWOMAN


JUDY ABDO
SECRETARY

MINUTES
REGULAR MEETING OF THE
BOARD OF DIRECTORS
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
November 9, 2021

52559 The Board of Directors of The Metropolitan Water District of Southern California met in Regular Session on Tuesday, November 09, 2021.

Chairwoman Gray called the Teleconference Meeting to order at 1:03 PM.

52560 The Meeting was opened with an invocation by Kenneth R. Morphis Jr, O&M Tech IV, Water System Operations.

52561 The Pledge of Allegiance to the Flag was given by Director Williams, West Basin Municipal Water District

Chairwoman addressed the Board providing brief remarks acknowledging Indigenous Peoples' Day and Veteran's Day.

52562 Board Secretary Abdo administered the roll call. Those responding present were: Directors Abdo, Ackerman, Apodaca, Atwater, Blois, Cordero, De Jesus, Dennstedt, Dick, Erdman, Fellow, Goldberg, Gray, Hawkins, Jung, Kurtz, Lefevre, McCoy, Morris, Murray, Ortega, Pressman, Quinn, Ramos, Record, Repenning, Smith, Sutley, Tamaribuchi, and Williams.

Directors Luna and Peterson entered the Meeting after the roll call.

Those not responding were: Directors Butkiewicz, Faessel, Hogan, Kassakhian, Petersen, and Phan.

Board Secretary Abdo declared a quorum present.

52563 Chairwoman Gray invited members of the public to address the Board on matters within the Board's jurisdiction.

	Name	Affiliation	Item
1.	Dr. Tom Williams	None stated	Delta Tunnels
2.	Caty Wagner	Sierra Club of California	Delta Tunnels
3.	Melanie Cohen	Advisory Board Member, Parkland University	Delta Tunnels
4.	Unknown	Tree People; Sierra Club	Delta Tunnels

Chairwoman Gray addressed the following: Other Matters and Reports.

52564 Chairwoman Gray asked if there were any changes 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. No amendments were made.

52565 Chairwoman Gray referred to her monthly report, which was previously posted and distributed to the Board.

Chairwoman announced that San Diego County Water Authority Director Hogan will be stepping down and Director Marty Miller will be sworn in as his replacement at our next meeting. Director Hogan's departure leaves a vacancy for his nonofficer seat on the Executive Committee. An election to fill this nonofficer seat will be held on November 23, 2021. Contact Board Administrator Castro with nominations or interest in running for this seat; nominations will also be taken from the floor at the November 23 Special Board Meeting.

In addition, Chairwoman reported that she is reviewing current committee leadership and formation of new committees. An action board letter amending Metropolitan's administrative code will be brought to the November 23 Special Board Meeting with recommendations of changes to our current committee structure for the Board's consideration.

A survey seeking Directors' input regarding Metropolitan establishing new committees and inquiries about interest in serving in leadership roles on the Board will be sent out. The proposed slate will be brought for consideration to both the Executive Committee and Board Meeting in December 2021.

Director Quinn formally nominated Director Miguel Luna to fill the vacant position as nonofficer member of Executive Committee.

52566 Regarding matters relating to Metropolitan's operations and activities, General Manager Hagekhalil announced the following:

1. Acknowledged Veterans across our agency and our country and expressed appreciation for their service.
2. Acknowledged National Native American Month and stated that he pledged to work closely with native tribes on water matters.
3. Continues to work with the Board and Member Agencies to develop strategic priorities for Metropolitan and plans to come back in December with a presentation on a draft for the Board's guidance. Final presentation for action will be made early next year.
4. Toured State Water Project in Northern California, Lake Oroville; and projects across the Sacramento Valley. Reported that Metropolitan is working closely

with the communities in the Delta Islands to create a balance while moving forward.

5. A number of celebrations for One Water Day will be held on December 3.
6. The General Manager presented a video, titled "State Water Project/Delta Tour" to the Board.

Additional information on the General Manager's activities may be found in his written monthly report.

52567 General Counsel Scully stated she had nothing to add to her report.

52568 General Auditor Riss stated that he is working with the Human Resources Group to post both internally and externally for additional staff needed in the Audit Department.

52569 Ethics Officer Salinas announced that a one-hour training is scheduled for the Board on January 11, 2022 from 1:30-3:00 pm. The training will be conducted by FPPC staff, and is titled: "Preventing conflicts of interest in governmental decisions and contracts."

Chairwoman Gray addressed the Consent Calendar Other Items for November 2021.

52570 Approval of the Minutes of the meeting for October 12, 2021. Chairwoman Gray asked Directors if there were any comments or discussion on the approval of the Minutes (Agenda Item 6A). No comments or requests were made.

52571 Adopt resolution to continue remote teleconference meetings pursuant to the Brown Act Section 54953(e) for meetings of Metropolitan's legislative bodies for a period of 30 days; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (Agenda Item 6B). No comments or requests were made.

52572 Chairwoman Gray announced the Induction of new Director Nancy Sutley from the city of Los Angeles (Agenda Item 6C).

- (a) Received credentials
- (b) Reported on credentials by General Counsel
- (c) Filed credentials
- (d) Administered Oath of Office
- (e) Filed Oath

General Counsel Scully reported the credentials were received and are in order.

Director Repenning introduced Director Sutley to the Board. Director Sutley provided brief remarks.

Chairwoman Gray addressed the Consent Calendar Items for November 2021.

52573 Approval of Committee Assignments (Agenda Item 6D).

Chairwoman Gray announced the following committee assignments for Director Sutley:

- Bay-Delta Committee
- Legal and Claims Committee
- Real Property and Asset Management Committee

Chairwoman Gray called on the Committee Chairs to give a report of the Consent Calendar Action Items as discussed at their Committees.

52574 Approve recommended ethics-related amendments to the Administrative Code, as set forth in Agenda Item 7-1 board letter.

52575 Award a \$1,477,000 contract to Minako America Corporation (dba Minco Construction) for replacement of ozone power supply units at the Jensen plant; and, authorize an agreement with CDM Smith Inc. in the amount not to exceed \$800,000 for engineering services to support Jensen ozone generation system rehabilitation, as set forth in Agenda Item 7-2 board letter.

52576 Award a \$9.2 million contract to CSI Electrical Contractors, Inc. for Stage 2 electrical upgrades at the Mills plant; authorize the General Manager to grant permanent easement to Riverside Public Utilities; and, authorize an increase of \$830,000 to the agreement with Lee & Ro, Inc. for a new not-to-exceed amount of \$1,927,000, as set forth in Agenda Item 7-3 board letter.

52577 Award a \$6,044,896.76 contract to Northwest Pipe Company to furnish 1,300 feet of welded steel pipe and fittings to rehabilitate a portion of the Etiwanda Pipeline, as set forth in Agenda Item 7-4 board letter.

52578 Award a \$3,280,920 contract to J.F. Shea Construction, Inc. for the lining of Cholla Wash cut-and-cover conduit along the Colorado River Aqueduct, as set forth in Agenda Item 7-5 board letter.

52579 Adopt the Legislative Priorities and Principles for 2022, as set forth in Agenda Item 7-6 board letter.

52580 Approve Metropolitan's annual membership in the North American Transmission Forum and authorize a one-time application fee of \$5,000 and annual dues payment of \$28,500, as set forth in Agenda Item 7-7 board letter.

52581 Adopt resolution as modified in Attachment 1, Declaring a Regional Drought Emergency as set forth in Agenda Item 7-8 board letter.

San Diego County Water Authority General Manager Kerl submitted a letter dated November 8, 2021 regarding Agenda Item 7-8, addressed to Chairwoman Gray that will be made part of the record. The letter was received on Monday, November 8, 2021 at 11:15 a.m.

General Manager Hagekhalil submitted a letter dated November 8, 2021 regarding Agenda Item 7-8, addressed to the Board of Directors and Member Agencies that will be made part of the record. The letter was received on Monday, November 8, 2021 at 5:48 p.m. Attachments in the letter indicate the modifications to the resolution made at the Water Planning and Stewardship Committee.

52582 Authorize changes to the Turf Replacement Programs; and (a) authorize increase of the Turf Replacement Program incentive for public agencies from \$2 to \$3 per square foot; (b) authorize increase of the square footage maximum to 200,000 square feet for public agency projects; (c) authorize turf replacement public agency assistance program; Authorize changes to the Member Agency Administered Funds Program to include a public agency local project category; and authorize expansion and changes to the Pre-1994 Multi-Family Property Toilet Replacement Program; and (a) authorize one additional funding cycle for the installation of 20,000 toilets; (b) authorize change to eliminate tiered incentive and offer flat incentive of \$250 for all eligible toilets; and authorize expansion of SoCal Gas Direct Install Program, as set forth in Agenda Item 7-9 board letter.

52583 Authorize implementation of the Municipal Leak Detection and Repair Grant Pilot Program, as set forth in Agenda Item 7-10 board letter.

52584 Adopt the resolution to support Metropolitan's application for United States Bureau of Reclamation grant funding of \$2 million to provide supplemental funding for public agency landscapes in the Turf Replacement Program; authorize the General Manager to accept grant funds, if awarded; and authorize the General Manager to enter into a contract with United States Bureau of Reclamation for the grant funds, if awarded, as set forth in Agenda Item 7-11 board letter.

52585 Authorize the General Manager to enter into a Program agreement with the Quechan Tribe and seasonal following agreements with farmers within the Quechan tribal land; additionally, approve payment of up to \$1.6 million for the 2022 and 2023 following seasons, as set forth in Agenda Item 7-12 board letter.

52586 (1) Rescind the Board's June 8, 2021 action authorizing the General Manager to enter into a Local Resources Program (LRP) agreement with the Municipal Water District of Orange County (MWDOC) and Santa Margarita Water District (SMWD) for the Las Flores Recycled Water Expansion Project (Las Flores Project); review and consider SMWD's approved Final Mitigated Negative Declaration and Addendum for the Las Flores Project and take related CEQA actions; and, after the disclosure of a remote financial interest under Government Code Section 1090 (Section 1090) and director recusal, consider and authorize an LRP agreement with MWDOC and SMWD for the Las Flores Project; and (2) Rescind the Board's December 13, 2016 actions authorizing the General Manager to enter into LRP agreements with MWDOC and SMWD for the Lake Mission Viejo Advanced Purification Water Treatment Facilities (Lake Mission Viejo Facilities) and with MWDOC and the El Toro Water District (ETWD) for the El Toro Recycled Water System Expansion Phase II Project (El Toro Project); after the disclosure of a remote financial interest under Section 1090 and director recusal, consider and authorize LRP agreements with MWDOC and SMWD for the Lake Mission

Viejo Facilities and with MWDOC and ETWD for the El Toro Project; and authorize retroactive LRP payments in the amounts of \$522,000 and \$110,000 for the Lake Mission Viejo Facilities and El Toro Project, respectively, as credit against returned payments in the same amount, as set forth in Agenda Item 7-13 board letter.

52587 Authorize an increase of \$985,000 to an agreement with PlanNet, LLC for a new not-to-exceed amount of \$2.885 million for professional services in support of the Datacenter Modernization Relocation project, as set forth in Agenda Item 7-14 board letter.

52588 Authorize an increase of \$150,000, to a maximum amount not to exceed \$250,000 for the workers' compensation legal services contract with the law firm Kegel, Tobin & Truce A.P.C., as set forth in Agenda Item 7-15 board letter.

Chairwoman Gray called for a vote to approve the Consent Calendar Items 6A, 6B, 6D, and 7-1, 7-2, 7-3, 7-4, 7-5, 7-6, 7-7, 7-8, 7-9, 7-10, 7-11, 7-12, 7-13, 7-14 and 7-15 **(M.I. 52570 through 52572, and 52574 through 52588)**.

Director Tamaribuchi stated that pursuant to Government Code section 1090, he would like to disclose for the record that he receives per diem from Municipal Water District of Orange County. Pursuant to MWD Act Section 56, Directors who are also members of the governing body of their member agency are disqualified from voting (including abstaining) on a contract between Metropolitan and their member agency. Therefore, he would not vote on Item 7-13.

Director Record stated that Item 7-8 does not need to be pulled from the Consent Calendar for a separate vote.

Director Dick stated he will not be voting for the same reasons Director Tamaribuchi stated (pursuant to Government Code section 1090, that he would like to disclose for the record that he receives per diem from Municipal Water District of Orange County. Pursuant to MWD Act Section 56, Directors who are also members of the governing body of their member agency are disqualified from voting (including abstaining) on a contract between Metropolitan and their member agency. Therefore, he would not vote on Item 7-13).

Director Ackerman stated Item 7-13 involves authorizing agreements with the Municipal Water District of Orange County (MWDOC) and Santa Margarita Water District. Her spouse performs consulting services for Municipal Water District of Orange County and Santa Margarita Water District on unrelated matters. The laws are unsettled as to whether or not this income could create a conflict of interest and whether one of the many exceptions applies, such as the non-interest exception or the remote interest exception. She also receives per diem from MWDOC for her service on the Metropolitan Board. Out of abundance of caution, she will therefore recuse herself from all participation in this matter.

Director Ortega stated that Item 7-13 involves authorizing an agreement with the Santa Margarita Water District. He performs consulting services for the Santa Margarita Water District on unrelated matters. He therefore recused himself from all participation in this matter.

Director Erdman stated for Item 7-13 pursuant to Government Code section 1090 he would like to disclose he receives per diem payment from Municipal Water District of Orange County. However, he was advised he is entitled to vote on the matter.

Director Morris moved, seconded by Director Record that the Board approve the Consent Calendar Other Items for Action 6A, 6B, 6D, and 7-1, 7-2, 7-3, 7-4, 7-5, 7-6, 7-7, 7-8, 7-9, 7-10, 7-11, 7-12, 7-13, 7-14 and 7-15 as follows:

The following is a record of the vote:

Record of Vote on Consent Item(s): 6A, 6B, 6D, 7-1 through 7-6*, 7-7 through 7-13* and 7-14 through 7-15									
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	5277	Faessel							
Beverly Hills	4056	Pressman	x	x	4056				
Burbank	2666	Ramos	x	x	2666				
Calleguas Municipal Water District	11552	Blois	x	x	11552				
Central Basin Municipal Water District	17051	Apodaca	x	x	8526				
		Hawkins	x	x	8526				
			Subtotal:		17051				
Compton	553	McCoy	x	x	553				
Eastern Municipal Water District	9492	Record	x	x	9492				
Foothill Municipal Water District	2131	Atwater	x	x	2131				
Fullerton	2255	Jung	x	x	2255				
Glendale	3622	Kassakhian							
Inland Empire Utilities Agency	13433	Camacho	x	x	13433				
Las Virgenes	2741	Peterson	x	x	2741				
Long Beach	5772	Cordero	x	x	5772				
Los Angeles	70689	Sutley	x	x	17672				
		Petersen							
		Quinn	x	x	17672				
		Luna	x	x	17672				
		Repenning	x	x	17672				
			Subtotal:		70689				
Municipal Water Dist. of Orange County	57264	Ackerman	x	x	14316				
		Tamaribuchi	x	x	14316				
		Dick	x	x	14316				
		Erdman	x	x	14316				
			Subtotal:		57264				
Pasadena	3522	Kurtz	x	x	3522				
San Diego County Water Authority	58302	Butkiewicz							
		Goldberg	x	x	29151				
		Hogan							
		Smith	x	x	29151				
			Subtotal:		58302				
San Fernando	224	Ortega	x	x	224				
San Marino	730	Morris	x	x	730				
Santa Ana	3035	Phan							
Santa Monica	4352	Abdo	x	x	4352				
Three Valleys Municipal Water District	7753	De Jesus	x	x	7753				
Torrance	3237	Lefevre	x						
Upper San Gabriel Valley Mun. Wat. Dis	11942	Fellow	x	x	11942				
West Basin Municipal Water District	23608	Williams	x	x	11804				
		Gray	x	x	11804				
			Subtotal:		23608				
Western Municipal Water District	12466	Dennstedt	x	x	12466				
Total	337725				322554				
Present and not voting	3237								
Absent	11934								

Director Lefevre did not respond to vote.

The motion to approve the Consent Calendar Items 6A, 6B, 6D, and 7-1, 7-2, 7-3, 7-4, 7-5, 7-6*, 7-7, 7-8, 7-9, 7-10, 7-11, 7-12, 7-13*, 7-14 and 7-15 (**M.I. 52570 through 52572, and 52574 through 52588**), passed by a vote of 322,554 ayes, 3,237 present and not voting, and 11,934 absent.

***Note: Individual vote tally for Item 7-6**

Director Quinn abstained from Item 7-6. The motion to approve the Consent Calendar Item 7-6 passed by a vote of 304,882 ayes; 0 noes; 17,672 abstain; 3,237 not voting; and 11,934 absent.

***Note: Individual vote tally for Item 7-13**

Directors Tamaribuchi and Dick were disqualified from voting; and Directors Ackerman, and Ortega recused themselves from Item 7-13. The motion to approve the Consent Calendar Item 7-13 passed by a vote of 322,330 ayes; 0 noes; 0 abstain; 3,237 not voting; and 12,158 absent.

52589 Board Chairwoman Gray asked if there were questions or need for discussion of Board Information Item 9-1. No requests were made.

52590 Chairwoman Gray called on Human Resources Group Manager Pitman to introduce Item 10-1: Department Head Performance Evaluations. [Public Employees' performance evaluations; General Counsel, General Auditor and Ethics Officer; to be heard in closed session pursuant to Gov. Code 54957.]

Chairwoman Gray called the meeting into closed session to continue discussion on Agenda Item 10-1.

The meeting returned to open session at 2:44 PM. Chairwoman Gray stated that the Board discussed Item 10-1. No action was taken during closed session.

Director Abdo left the meeting.

52591 Chairwoman Gray called on Human Resources Group Manager Pitman who introduced Class Comp and Recruitment Manager Brandon Patrick to present Item 10-2: Report on Department Head 2020 Salary Survey.

Human Resources Group Manager Pitman reminded the Board of the compensation options for the Department Heads.

52592 Chairwoman Gray called on Directors for discussion of Item 10-3: Discuss and Approve Compensation Recommendations for General Counsel, General Auditor, and Ethics Officer.

The following Directors asked questions or made comments:

	Directors	Comments/Questions
--	-----------	--------------------

-
- | | | |
|----|----------|--|
| 1. | Ortega | Commented |
| 2. | Ramos | Commented |
| 3. | Camacho | Commented |
| 4. | Peterson | Commented |
| 5. | Ramos | Moved three percent cost of living increase and 10 percent merit increase for Ethics Officer Salinas |
| 6. | Peterson | Seconded Ramos Motion |

Chairwoman called for a vote for Item 10-3 with regard to Ethics Officer Salinas' compensation recommendation.

Directors Morris and Pressman left the meeting.

The following is a record of the vote:

Record of Vote on Item:		10-3 - Ethics Officer							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	5277	Faessel							
Beverly Hills	4056	Pressman							
Burbank	2666	Ramos	x	x	2666				
Calleguas Municipal Water District	11552	Blois	x	x	11552				
Central Basin Municipal Water District	17051	Apodaca	x	x	8526				
		Hawkins	x	x	8526				
			Subtotal:		17051				
Compton	553	McCoy	x	x	553				
Eastern Municipal Water District	9492	Record	x	x	9492				
Foothill Municipal Water District	2131	Atwater	x	x	2131				
Fullerton	2255	Jung	x	x	2255				
Glendale	3622	Kassakhian							
Inland Empire Utilities Agency	13433	Camacho	x	x	13433				
Las Virgenes	2741	Peterson	x	x	2741				
Long Beach	5772	Cordero	x	x	5772				
Los Angeles	70689	Sutley	x					x	17672
		Petersen							
		Quinn	x	x	17672				
		Luna	x	x	17672				
		Repenning	x	x	17672				
			Subtotal:		53017				17672
Municipal Water Dist. of Orange County	57264	Ackerman	x	x	14316				
		Tamaribuchi	x	x	14316				
		Dick	x	x	14316				
		Erdman	x	x	14316				
			Subtotal:		57264				
Pasadena	3522	Kurtz	x	x	3522				
San Diego County Water Authority	58302	Butkiewicz							
		Goldberg	x	x	29151				
		Hogan							
		Smith	x	x	29151				
			Subtotal:		58302				
San Fernando	224	Ortega	x	x	224				
San Marino	730	Morris							
Santa Ana	3035	Phan							
Santa Monica	4352	Abdo							
Three Valleys Municipal Water District	7753	De Jesus	x	x	7753				
Torrance	3237	Lefevre	x	x	3237				
Upper San Gabriel Valley Mun. Wat.	11942	Fellow	x	x	11942				
West Basin Municipal Water District	23608	Williams	x	x	11804				
		Gray	x	x	11804				
			Subtotal:		23608				
Western Municipal Water District	12466	Dennstedt	x	x	12466				
Total	337725				298981				17672
Present and not voting									
Absent	21072								

The motion to approve Item 10-3 with regards to the Ethics Officer passed by a vote of 298,981 ayes; 0 noes; 17,672 abstain; 0 not voting; and 21,072 absent.

The following Directors asked questions or made comments:

	Directors	Comments/Questions
1.	Ramos	Moved three percent cost of living increase and seven percent merit increase for General Auditor Riss
2.	Dick	Seconded Ramos motion
3.	Ortega	Commented

Chairwoman called for a vote for Item 10-3 with regard to General Auditor Riss' compensation recommendation.

The following is a record of the vote:

Record of Vote on Item:		10-3 - General Auditor							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	5277	Faessel							
Beverly Hills	4056	Pressman							
Burbank	2666	Ramos	x	x	2666				
Calleguas Municipal Water District	11552	Blois	x	x	11552				
Central Basin Municipal Water District	17051	Apodaca	x	x	8526				
		Hawkins	x	x	8526				
			Subtotal:		17051				
Compton	553	McCoy	x	x	553				
Eastern Municipal Water District	9492	Record	x	x	9492				
Foothill Municipal Water District	2131	Atwater	x	x	2131				
Fullerton	2255	Jung	x	x	2255				
Glendale	3622	Kassakhian							
Inland Empire Utilities Agency	13433	Camacho	x	x	13433				
Las Virgenes	2741	Peterson	x	x	2741				
Long Beach	5772	Cordero	x	x	5772				
Los Angeles	70689	Sutley	x					x	23563
		Petersen							
		Quinn	x	x	23563				
		Luna	x	x	23563				
		Repenning							
			Subtotal:		47126				23563
Municipal Water Dist. of Orange County	57264	Ackerman	x	x	14316				
		Tamaribuchi	x	x	14316				
		Dick	x	x	14316				
		Erdman	x	x	14316				
			Subtotal:		57264				
Pasadena	3522	Kurtz	x	x	3522				
San Diego County Water Authority	58302	Butkiewicz							
		Goldberg	x	x	29151				
		Hogan							
		Smith	x	x	29151				
			Subtotal:		58302				
San Fernando	224	Ortega	x	x	224				
San Marino	730	Morris							
Santa Ana	3035	Phan							
Santa Monica	4352	Abdo							
Three Valleys Municipal Water District	7753	De Jesus	x	x	7753				
Torrance	3237	Lefevre	x	x	3237				
Upper San Gabriel Valley Mun. Wat.	11942	Fellow	x	x	11942				
West Basin Municipal Water District	23608	Williams	x	x	11804				
		Gray	x	x	11804				
			Subtotal:		23608				
Western Municipal Water District	12466	Dennstedt	x	x	12466				
Total	337725				293090				23563
Present and not voting									
Absent	21072								

The motion to approve Item 10-3 - General Auditor passed by a vote of 293,090 ayes; 0 noes; 23,563 abstain; 0 not voting; and 21,072 absent.

Director Quinn left the meeting.

The following Directors asked questions or made comments:

	Directors	Comments/Questions
1.	Dick	Moved three percent cost of living increase and seven percent merit increase for General Counsel Scully
2.	Record	Seconded Dick's motion

Chairwoman called for a vote for Item 10-3 with regards to General Counsel Scully Compensation Recommendations.

Directors Goldberg, Luna, Repenning, Smith, and Sutley left the meeting.

The following is a record of the vote:

Record of Vote on Item:		10-3 - General Counsel							
Member Agency	Total Votes	Director	Present	Yes	Yes Vote	No	No Vote	Abstain	Abstain Vote
Anaheim	5277	Faessel							
Beverly Hills	4056	Pressman							
Burbank	2666	Ramos	x	x	2666				
Calleguas Municipal Water District	11552	Blois	x	x	11552				
Central Basin Municipal Water District	17051	Apodaca	x	x	8526				
		Hawkins	x	x	8526				
			Subtotal:		17051				
Compton	553	McCoy	x	x	553				
Eastern Municipal Water District	9492	Record	x	x	9492				
Foothill Municipal Water District	2131	Atwater	x	x	2131				
Fullerton	2255	Jung	x	x	2255				
Glendale	3622	Kassakhian							
Inland Empire Utilities Agency	13433	Camacho	x	x	13433				
Las Virgenes	2741	Peterson	x	x	2741				
Long Beach	5772	Cordero	x	x	5772				
Los Angeles	70689	Sutley							
		Petersen							
		Quinn							
		Luna							
		Repenning							
			Subtotal:						
Municipal Water Dist. of Orange County	57264	Ackerman	x	x	14316				
		Tamaribuchi	x	x	14316				
		Dick	x	x	14316				
		Erdman	x	x	14316				
			Subtotal:		57264				
Pasadena	3522	Kurtz	x	x	3522				
San Diego County Water Authority	58302	Butkiewicz							
		Goldberg							
		Hogan							
		Smith							
			Subtotal:						
San Fernando	224	Ortega	x					x	224
San Marino	730	Morris							
Santa Ana	3035	Phan							
Santa Monica	4352	Abdo							
Three Valleys Municipal Water District	7753	De Jesus	x	x	7753				
Torrance	3237	Lefevre	x	x	3237				
Upper San Gabriel Valley Mun. Wat.	11942	Fellow	x	x	11942				
West Basin Municipal Water District	23608	Williams	x	x	11804				
		Gray	x	x	11804				
			Subtotal:		23608				
Western Municipal Water District	12466	Dennstedt	x	x	12466				
Total	337725				187438				224
Present and not voting									
Absent	150063								

The motion to approve Item 10-3 General Counsel passed by a vote of 187,438 ayes; 0 noes; 224 abstain; 0 not voting; and 150,063 absent.

Human Resources Group Manager Pitman confirmed with the Board the effective day of compensation increases consistent with the Bargaining Units for the General Counsel, General Auditor, and Ethics Officer would be retroactive from July 1, 2021.

The following Directors asked questions or made comments:

	Directors	Comments/Questions
1.	Kurtz	Commented
2.	Ortega	Commented

Per outside counsel Jeffrey Freedman and seeing no objections from the Board, the compensation is retroactive to July 1, 2021 for the three Department Heads.

52593 Chairwoman Gray asked if there were any follow-up items. No requests were made.

52594 Chairwoman Gray asked if there were any future agenda items.

52595 There being no objection, at 3:14 PM, Chairwoman Gray adjourned the Meeting.


GLORIA D. GRAY
CHAIRWOMAN


JUDY ABDO
SECRETARY



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Date: November 8, 2021
To: Board of Directors
Member Agency Managers
From: Adel Hagekhalil, General Manager
Subject: Discussion of Proposed Drought Emergency Resolution (Action Item 7-8)
at WP&S Committee

This afternoon the Water Planning & Stewardship Committee deliberated on action item 7-8. During the discussion, Director Smith referenced a letter that had been sent from the San Diego County Water Authority General Manager, Sandy Kerl, earlier in the day. Director Smith recommended changes to the drought emergency resolution consistent with those included in the letter from Sandy Kerl. Finally, Director Barry Pressman also proposed changes to the resolution. Upon completion of the deliberations, item 7-8 passed out of WP&S Committee with these amendments. The Committee also directed staff to send out a revised version of the resolution for the Board to review in advance of the Board meeting tomorrow.

Please find attached three documents pertinent to the discussion:

- Item 1: Letter from SDCWA General Manager, Sandy Kerl
- Item 2: Proposed Revised Drought Emergency Resolution (Clean Version)
- Item 3: Proposed Revised Drought Emergency Resolution (Redline Version)

The committee also discussed having the general manager report back to the Board regarding any use of his expanded authorities granted by the emergency resolution. Please note that Item 4 on the final page of the resolution addresses this with the following language:

- (4) "For purposes of this delegation of authority, any provisions of Administrative Code requiring prior Board review and approval are hereby waived. However, the General Manager shall report to the Board at its next regularly scheduled meeting the specific details of and justification for any actions taken, agreements entered, or permits and authorizations secured under this delegation of authority."

Staff will be prepared to address questions on action item 7-8 at the Board meeting tomorrow.

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
RECOGNIZING A STATEWIDE DROUGHT EMERGENCY, DECLARING SPECIFIED
EMERGENCY CONDITIONS WITHIN THE METROPOLITAN SERVICE AREA, AND DIRECTING
SPECIFIED ACTIONS.**

WHEREAS, Severe Drought Conditions Are Impacting Water Supplies Imported from the Colorado River and Northern California.

Metropolitan's two primary sources of imported water, the Colorado River and the State Water Project (SWP), face continuing drought.

Water year 2021 (October 1, 2020 to September 30, 2021) exhibited extreme temperature and lack of precipitation, and it followed water year 2020 that was likewise warm and dry.

Warm temperatures and arid soils depleted the expected runoff water from the Upper Colorado River Basin snowpack and Northern Sierra snowpack into SWP reservoirs.

The two-year sequence of water years 2020 and 2021 (October 1, 2019 through September 30, 2021) was the driest on record in California for statewide precipitation.

The Colorado River is experiencing a prolonged 21-year warming and drying trend.

The United States Bureau of Reclamation announced a first-ever shortage declaration for 2022 for the Colorado River System.

WHEREAS, a State of Emergency Has Been Declared in All California Counties Due to These Severe Drought Conditions.

On October 19, 2021, Governor Gavin Newsom proclaimed that a state of emergency now exists in all California counties due to severe drought conditions.

Governor Newsom's drought proclamation re-doubled a call for all Californians to voluntarily reduce their water use by 15 percent immediately.

The proclamation directed the State Water Resources Control Board to develop regulations prohibiting wasteful water use and the California Department of Water Resources (DWR) to assist local agencies implement solutions to alleviate acute potable water shortages.

The proclamation called on local and regional water agencies to implement the Water Shortage Contingency Plans (WSCPs) to conserve water at a level appropriate for local conditions taking into account the possibility of a third consecutive dry year.

WHEREAS, Metropolitan's State Water Project Supplies Are Curtailed.

Storage in Lake Oroville, the largest and principal storage reservoir for the State Water Project (SWP), reached record low levels in August 2021. Storage in many other reservoirs across the state remains well below average.

DWR's SWP Table A Allocation for calendar year 2021 remains at only five percent of contract amounts.

A zero percent initial SWP Allocation is expected for calendar year 2022, and current projections indicate that the final allocation will likely only reach 25 percent under a normal-weather scenario.

Considering these projections, DWR is preparing to deliver the minimum needs contractors may have for domestic supply, fire protection, and sanitation, while under a zero percent Table A allocation. In preparing for

this operation under a severe dry condition for 2022, DWR expects contractors receiving these deliveries to mandate substantial reductions in water use consistent with an emergency circumstance.

WHEREAS, Metropolitan's State Water Project Supplies Are Essential to Meet Metropolitan's Total-Member Agency Demands.

Over the past 20 years, the State Water Project provided about 30 percent of the region's water needs.

Diamond Valley Lake, Metropolitan's largest surface water reservoir and source of dry-year and emergency water supplies, has only been replenished with State Water Project supplies since the discovery of Quagga mussels in Colorado River water.

Under a zero percent SWP Allocation, insufficient SWP supplies exist to meet normal potable demands in areas where Metropolitan depends on the SWP to meet its agencies' demands, nor can it serve SWP supplies to other agencies or replenish storage in Diamond Valley Lake.

WHEREAS, Metropolitan, Its Member Agencies, and Others in the Region Have Taken Extraordinary Steps to Reduce Demands and Bolster Supplies.

Metropolitan, in conjunction with its member agencies, counties, cities, and wholesale and retail water suppliers, decreased its potable water demands within its service area by 40 percent, roughly 80 gallons per person per day, since 1990.

Metropolitan invested \$1.5 billion in conservation, local water recycling, and local groundwater recovery since 1990, resulting in the cumulative savings of nearly 7.3 million acre-feet.

Metropolitan invested more than \$3.1 billion in increasing storage capacity with Diamond Valley Lake and conveyance capacity with the Inland Feeder to capture SWP supply when available for later use in dry years.

Local water suppliers and communities have also made multi-billion dollar strategic and forward-looking investments in water conservation (within and outside the MWD service area), water recycling, stormwater capture and reuse, groundwater storage, and other strategies to improve drought resilience.

Water conserved throughout the service area, among other things, helped preserve storage in Metropolitan's diverse storage portfolio during these dry conditions.

Continued action by Southern California residents to conserve water and extend local groundwater and surface water supplies will provide greater resilience if the drought continues in future years.

WHEREAS, Metropolitan and Its Member Agencies Have Taken Specific Actions to Preserve SWP Supplies.

Metropolitan recently invested in its delivery system to reduce dependency on SWP supplies and to improve operational flexibility allowing delivery of water from either of its two imported supply sources to most of the service area.

Metropolitan member agencies invested billions of dollars in investments to maintain existing, produce new and increase the utilization of local supplies and therefore decrease the use of SWP supplies.

Metropolitan member agencies have, where feasible, operated their systems to reduce Metropolitan's dependency on SWP supplies.

WHEREAS, Additional Actions Are Needed to Manage and Preserve SWP Supplies.

Despite the efforts made to date by Metropolitan, member agencies, and others in the region, additional actions are needed to manage and preserve SWP supplies.

As part of their required Urban Water Management Plans, all urban water suppliers and water wholesalers have identified voluntary and mandatory actions in their Water Shortage Contingency Plans (WSCP) to prepare for and address various water shortage conditions. The Metropolitan Board of Directors believes that member agencies should review such WSCP and immediately implement mandatory conservation measures to help address the SWP supply shortages.

The Metropolitan Board of Directors further believes that it is necessary and desirable to work closely with member agencies in identifying near-term actions that could be taken to address this regional drought emergency, in general, and the SWP supply shortages, in particular, and to grant the General Manager certain additional powers and authorities to assist in carrying out such actions promptly.

NOW, THEREFORE, BE IT RESOLVED that, pursuant to the express and implied powers and authorities granted under The Metropolitan Water District Act (Statutes 1969, ch.209, as amended), the Board of Directors of The Metropolitan Water District of Southern California **HEREBY RECOGNIZES A STATEWIDE DROUGHT EMERGENCY AND DECLARES THAT SPECIFIED EMERGENCY CONDITIONS EXIST WITHIN THE METROPOLITAN SERVICE AREA** . Per this Declaration, the Board calls on all member agencies to:

- (1) Review the adequacy of their past drought response measures.
- (2) Make all reasonably practicable changes in their operations to reduce their use of SWP supplies.
- (3) Immediately implement such conservation requirements, water-use efficiency measures, and drought-related limitations as are appropriate to reduce the use of SWP supplies, including those SWP supplies already in storage.

BE IT FURTHER RESOLVED that Metropolitan's General Manager is hereby directed to coordinate with the member agencies and bring to the Board for authorization, as appropriate, the following actions:

- (1) Develop an appropriate regional message to communicate the status of the statewide drought emergency and specified emergency conditions within the Metropolitan service area and the need for continued conservation to the general public, businesses, stakeholders, industries, and public officials.
- (2) Expand regional water use efficiency programs for the duration of this regional drought emergency, provided budget or grant funding is available.
- (3) Identify and implement measures to ensure all portions of the service area attain a high level of reliability against multi-year, severe droughts. Measures include, but are not limited to, system improvements, local water supply development, new water storage opportunities, and water efficiency gains.
- (4) Seek state funding and other resources for the region to accelerate conservation and supply programs.

BE IT FURTHER RESOLVED that notwithstanding anything in Metropolitan's Administrative Code to the contrary:

- (1) The General Manager is hereby delegated authority to take such actions, enter such agreements, and secure such permits and approvals as he deems necessary to address the statewide drought emergency and specified emergency conditions within the Metropolitan service area to carry out the directives listed above, including:
 - a. Agreements with member agencies and/or other public agencies to enhance local water production, recycling, conservation, and storage.
 - b. Agreements with member agencies and/or other public agencies to purchase, transfer or exchange water supplies.
 - c. Contracts to procure equipment, materials, services, and supplies.

- d. Agreements to provide media buying and placement services for a water awareness and conservation advertising campaign.
- (2) The General Manager is hereby designated as the decision-making body with respect to any actions taken, agreements entered, or permits and approvals secured pursuant to the above delegation of authority. In consultation with the General Counsel, the General Manager shall conduct any review and prepare, approve and/or certify any documentation that may be required under the California Environmental Quality Act.
- (3) This delegation of authority is limited to drought-related actions and agreements that individually are less than \$5,000,000 and collectively are less than \$25,000,000.
- (4) For purposes of this delegation of authority, any provisions of Administrative Code requiring prior Board review and approval are hereby waived. However, the General Manager shall report to the Board at its next regularly scheduled meeting the specific details of and justification for any actions taken, agreements entered, or permits and authorizations secured under this delegation of authority.
- (5) Nothing in this delegation of authority shall be construed as waiving any other applicable requirements related to public and non-public works contracts as set forth in the state Public Contracts Code or Metropolitan's Administrative Code.

BE IT FURTHER RESOLVED that the duration of requested actions and the delegation of authority will automatically terminate when the drought state of emergency declared by the Governor has been lifted for all counties within Metropolitan's service area.

BE IT FURTHER RESOLVED that, should drought conditions persist or worsen in the coming months, Metropolitan's Board of Directors will consider declaring a water shortage emergency condition and imposing appropriate regulations, restrictions and penalties pursuant to California Water section 350 et seq., so as to conserve Metropolitan's water supplies for the greatest public benefit with particular regard to domestic use, sanitation, and fire protection.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting held November 9, 2021.

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

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
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- (1) Review the adequacy of their past drought response measures.
- (2) Make all reasonably practicable changes in their operations to reduce their use of SWP supplies.
- (3) Immediately ~~mandate and~~ implement such conservation requirements, water-use efficiency measures, and drought-related limitations as are appropriate to reduce the use of SWP supplies, including those SWP supplies already in storage.

BE IT FURTHER RESOLVED that Metropolitan's General Manager is hereby directed to coordinate with the member agencies and bring to the Board for authorization, as appropriate, the following actions:

- (1) Develop an appropriate unified regional message to communicate the status of ~~theis statewide regional~~ drought emergency and specified emergency conditions within the Metropolitan service area and the need for continued conservation to the general public, businesses, stakeholders, industries, and public officials.
- (2) Expand regional water use efficiency programs for the duration of this **regional** drought emergency, provided budget or grant funding is available.
- (3) Identify and implement measures to ensure all portions of the service area attain a high level of reliability against multi-year, severe droughts. Measures include, but are not limited to, system improvements, local water supply development, new water storage opportunities, and water efficiency gains.
- (4) Seek state funding and other resources for the region to accelerate conservation and supply programs.

BE IT FURTHER RESOLVED that notwithstanding anything in Metropolitan's Administrative Code to the contrary:

- (1) The General Manager is hereby delegated authority to take such actions, enter such agreements, and secure such permits and approvals as he deems necessary to address ~~theis statewide regional~~ drought emergency and specified emergency conditions within the Metropolitan service area to carry out the directives listed above, including:
 - a. Agreements with member agencies and/or other public agencies to enhance local water production, recycling, conservation, and storage.
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- (2) The General Manager is hereby designated as the decision-making body with respect to any actions taken, agreements entered, or permits and approvals secured pursuant to the above delegation of authority. In consultation with the General Counsel, the General Manager shall conduct any review and prepare, approve and/or certify any documentation that may be required under the California Environmental Quality Act.
- (3) This delegation of authority is limited to drought-related actions and agreements that individually are less than \$5,000,000 and collectively are less than \$25,000,000.
- (4) For purposes of this delegation of authority, any provisions of Administrative Code requiring prior Board review and approval are hereby waived. However, the General Manager shall report to the Board at its next regularly scheduled meeting the specific details of and justification for any actions taken, agreements entered, or permits and authorizations secured under this delegation of authority.
- (5) Nothing in this delegation of authority shall be construed as waiving any other applicable requirements related to public and non-public works contracts as set forth in the state Public Contracts Code or Metropolitan's Administrative Code.

BE IT FURTHER RESOLVED that the duration of requested actions and the delegation of authority will automatically terminate when the drought state of emergency declared by the Governor has been lifted for all counties within Metropolitan's service area.

BE IT FURTHER RESOLVED that, should drought conditions persist or worsen in the coming months, Metropolitan's Board of Directors will consider declaring a water shortage emergency condition and imposing appropriate regulations, restrictions and penalties pursuant to California Water section 350 *et seq.*, so as to conserve Metropolitan's water supplies for the greatest public benefit with particular regard to domestic use, sanitation, and fire protection.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting held November 9, 2021.

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

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

RESOLUTION NO. XXXX

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
RELYING ON GOVERNOR NEWSOM’S MARCH 4, 2020 PROCLAMATION OF A
STATE OF EMERGENCY
AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE
LEGISLATIVE BODIES OF THE METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA FOR THE PERIOD OF 30 DAYS FROM
DECEMBER 14, 2021 TO JANUARY 13, 2022 PURSUANT TO BROWN ACT
PROVISIONS**

WHEREAS, The Metropolitan Water District of Southern California (“Metropolitan”) is committed to preserving and nurturing public access and participation in meetings of the its legislative bodies; and

WHEREAS, all meetings of Metropolitan’s legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov’t Code Sections 54950 – 54963), so that any member of the public may attend, participate, and watch the Metropolitan’s legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code Section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code Section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code Section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the Metropolitan’s boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Board of Directors previously adopted Resolution Number 9285 on September 28, 2021, finding that the requisite conditions exist for the legislative bodies of Metropolitan to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency, and the Board of Directors has done so in subsequent Resolutions Number 9287, 9288 and 9291 on October 12, 2021, November 9, 2021 and November 23, 2021, respectively;

WHEREAS, such conditions now persist at Metropolitan, specifically, Governor Newsom's March 4, 2020 Proclamation of A State of Emergency caused by the COVID-19 pandemic; and

WHEREAS, meeting in person would create conditions that would present imminent risks to the health and safety of the attendees due to the fact that that: (1) the community transmission rates and spread of the COVID-19 Delta variant remain high or substantial, both nationally and locally throughout Metropolitan's service area, (2) the Delta variant is highly contagious, more than two times as contagious as previous variants, (4) data suggests that the Delta variant might cause more severe illness than previous variants, and (5) the Centers for Disease Control and Prevention is recommending that everyone wear a mask in public and in indoor settings; and

WHEREAS, state or local officials continue to impose or recommend measures to promote social distancing, including County of Los Angeles Department of Public Health Order issued September 28, 2021, providing guidance for indoor masking and implementation of policies and practices that support physical distancing where possible; and

WHEREAS, the Board of Directors does hereby find that the conditions described above has caused, and will continue to cause, conditions of peril to the safety of persons within Metropolitan that are likely to be beyond the control of services, personnel, equipment, and facilities of Metropolitan; and

WHEREAS, as a consequence of the state of emergency, the Board of Directors does hereby find that the legislative bodies of Metropolitan shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code Section 54953, as authorized by subdivision (e) of Section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of Section 54953; and

WHEREAS, Metropolitan is providing call-in telephonic access for the public to make comment and to listen; and providing livestreaming of the meetings over the internet to ensure access for the public.

NOW, THEREFORE, the Metropolitan Board of Directors does hereby resolve as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Reconsider the Circumstances of the State of Emergency Persists. The Board of Directors hereby reconsiders the conditions of the state of emergency and the Board of Directors hereby continues to rely on the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.

Section 3. State of Emergency Directly Impacts the Ability to Meet Safely in Person and Presents Imminent Risks. The Board hereby proclaims that the State of Emergency continues to directly impact the ability of members to meet safely in person and create conditions that would present imminent risks to the health and safety of the attendees due to the fact that: (1) the community transmission rates and spread of the COVID-19 Delta variant continue to remain high or substantial, both nationally and locally throughout Metropolitan's service area, (2) the Delta variant is highly contagious, more than two times as contagious as previous variants, (3) data suggests that the Delta variant might cause more severe illness than previous variants, and (4) the Centers for Disease Control and Prevention is recommending that everyone wear a mask in public and in indoor settings.

Section 4. State or Local Officials Continue to Impose or Recommend Measures to promote social distancing. The Board hereby acknowledges that state or local officials continue to impose or recommend measures to promote social distancing, including County of Los Angeles Department of Public Health Order issued September 28, 2021, providing guidance for indoor masking and implementation of policies and practices that support physical distancing where possible.

Section 5. Remote Teleconference Meetings. The General Manager and legislative bodies of Metropolitan are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code Section 54953(e) and other applicable provisions of the Brown Act.

Section 6. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) January 13, 2022, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code Section 54953(e)(3) to extend the time during which the legislative bodies of Metropolitan may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting held on December 14, 2021.

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



• **Board of Directors**
Engineering and Operations Committee

12/14/2021 Board Meeting

7-1

Subject

Amend the Capital Investment Plan for fiscal years 2020/2021 and 2021/2022 to include water supply reliability improvements in the Rialto Pipeline service area; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

The current state-wide drought and resulting low allocation of State Water Project (SWP) supplies by the California Department of Water Resources (DWR) have a direct impact on Metropolitan's ability to deliver water to the Rialto Pipeline service area. Expanding delivery of alternative supplies from Diamond Valley Lake (DVL) and possibly Colorado River water would benefit this area and preserves limited SWP supplies for West Branch SWP member agencies in times of drought. This action amends the Capital Investment Plan to include infrastructure improvements that would enhance water delivery capabilities to member agencies that can only receive State Project Water (SPW). Initial work on this project will involve planning and design activities for the related infrastructure improvements. Staff will return to the Board in the future to award construction contracts, or report on the award of any contracts by the General Manager pursuant to his authority under the Drought Emergency Resolution adopted November 9, 2021. As this project was not included in the Capital Investment Plan (CIP) budget for fiscal years 2020/21 and 2021/22, this action amends the current CIP to include this project.

Details

The Rialto Pipeline, constructed in 1972, is approximately 30 miles long with a diameter ranging from 96 to 144 inches. It conveys untreated water from DWR's Lake Silverwood to Metropolitan's Live Oak Reservoir in La Verne. Under normal conditions, the Rialto Pipeline relies on raw water deliveries from the East Branch of the SWP via DWR's Devil Canyon Afterbay. Member agencies with service connections on the Rialto Pipeline include the Inland Empire Utilities Agency, Three Valleys Municipal Water District, and the Upper San Gabriel Valley Municipal Water District.

Metropolitan's DVL provides emergency storage in the event of a major earthquake, carryover storage as a reserve for drought conditions, and seasonal storage to meet annual member agency demands. DVL is Metropolitan's largest reservoir, with a maximum storage capacity of 810,000 acre-feet. At this time, the Rialto Pipeline is unable to access the water stored in DVL due to infrastructure and operational constraints, as well as hydraulic limitations.

The Rialto Pipeline water supply reliability improvements that are the subject of this letter consists of three project components: Wadsworth Pumping Plant Bypass Pipeline, Inland Feeder Rialto Pipeline Intertie, and Inland Feeder/San Bernardino Valley Municipal Water District (SBVMWD) Pump Station Intertie. These incremental infrastructure improvements coupled with major existing infrastructure would greatly increase operational flexibility and enhance the water supply availability to member agencies with service connections on the Rialto Pipeline. The three project components are as follows:

1. Wadsworth Pumping Plant Bypass Pipeline – This project component involves the addition of a bypass pipeline at DVL's Wadsworth Pumping Plant to increase operational flexibility. Currently, water is being sent from DVL into the Inland Feeder by gravity to the Mills Water Treatment Plant. The Wadsworth Pumping Plant could also be used to pump DVL water from the DVL forebay into the Inland Feeder

toward the Rialto Feeder area, which is at a much higher elevation than the Mills Plant. However, once the forebay is emptied, pumping to Inland Feeder must stop so that the forebay can be refilled with DVL water. The bypass will allow the forebay to be filled continuously from DVL without disrupting the pumping operation. In the future, it is possible that this alternative could be used to pump Colorado River water to the Mills and Rialto areas, if quagga mussel challenges can be appropriately addressed. As currently envisioned, the bypass pipeline is approximately eight feet in diameter and 600 feet long and will connect the Wadsworth Pumping Plant discharge pipeline directly to the Inland Feeder. Once constructed, the bypass line will allow water from DVL to continuously flow in a northerly direction along the Inland Feeder to SBVMWD's/DWR's Citrus and Foothill Pump Stations near the community of Redlands. These pump stations are needed for the final lift of water into the Rialto Pipeline.

2. Inland Feeder/Rialto Pipeline Intertie – The second component of this project constructs an intertie between the Inland Feeder and Rialto Pipeline just south of DWR's Devil Canyon Afterbay (Afterbay). The intertie would be approximately eight feet in diameter and 200 feet long. This additional infrastructure will allow for the direct transfer of water supplies from the Inland Feeder to the Rialto Pipeline. With the current infrastructure configuration, water must be pumped through the Inland Feeder into the Afterbay, and then released into the Rialto Feeder. This operation requires close coordination with DWR. By eliminating the need to pump into the Afterbay, any potential operational limitations due to coordination efforts with DWR are eliminated. Additionally, the recommended project may allow for more energy-efficient deliveries of water by eliminating the need to lift the water an additional 100 feet up to the Afterbay.
3. Inland Feeder/SBVMWD Pump Station Intertie – The two improvement projects discussed above will provide a pathway for alternative water supplies to be introduced into the Rialto Feeder through a series of water exchanges with the SBVMWD and DWR. The third project component of the overall recommended improvements will permit the direct delivery of water from DVL to the Rialto Pipeline. This objective will be accomplished by connecting the Inland Feeder to either SBVMWD's/DWR's existing Citrus or Foothill pump stations. Water will then be lifted at the pump station to a hydraulic grade sufficient to supply the Rialto Pipeline. This component of the recommended improvements will require agreements with both agencies, as well as physical infrastructure, including piping, isolation valves, valve structures, and potentially surge protection devices.

The recommended improvements would be completed in two stages. Stage 1 work includes design and construction of the first two project components discussed above. Staff currently envisions that the physical implementation of these first two components is relatively straightforward as both projects consist of pipe connections between existing Metropolitan pipelines. Construction of the new infrastructure is anticipated to be completed in early 2023 and will allow for the delivery of up to 60 cubic feet per second (cfs) to the Rialto Pipeline service area. SBVMWD and DWR, through new water exchange agreements, would supply these flows by pumping local groundwater or by exchanging their SWP supplies. Metropolitan would return water to the agencies from DVL or from SWP supplies at a later date. Water exchange agreements will need to be executed in order to implement this approach.

Stage 2 work is detailed in the third project component as described above. These improvements are more complex when compared to the Stage 1 work, as they will require physical interconnections between Metropolitan's pipeline infrastructure and pump stations that are owned and operated by either SBVMWD or DWR, as well as operational agreements between the agencies. To successfully implement these improvements, detailed investigations and design and construction activities will be undertaken by Metropolitan, SBVMWD, and DWR. This collaborative effort between the agencies will include an agreement with SBVMWD and DWR to use their pump station to convey DVL supplies. Currently, staff envisions that these improvements can be completed by mid-2025. Upon completion of Stage 2 improvements, up to 160 cfs of DVL water can be delivered to the Rialto Pipeline.

Benefits of Current and Future Actions

In collaboration with member agencies, staff identified 132 actions to mitigate the impact of current and future regional droughts. Staff evaluated the feasibility of these actions and recommends proceeding with the subject projects, which have near and long-term benefits. As the Stage 1 components of the subject projects consist of

relatively short pipe connections between existing Metropolitan pipelines, the project can be implemented in the near term to provide alternate sources of water (DVL or Colorado River Aqueduct) to the Rialto Pipeline service area. This improvement in the Eastern Region will leave more of Metropolitan's limited allocation of SPW available to the Western Region, so the current action benefits SWP reliant service areas in both Metropolitan's Eastern and Western Regions. The current action will expedite completion of the most critical work, reduce the impact of the current drought, and provide future system flexibility. Staff recommends amending the CIP at this time to include the Rialto Pipeline water supply reliability improvements.

Metropolitan staff is also progressing study-level evaluations of several other potential infrastructure improvement options to enhance water reliability for SWP reliant service areas in Metropolitan's Western and Eastern Regions. In the Western Region, staff is evaluating new pump stations at Venice and Sepulveda pressure control facilities or expansion of the Greg Avenue Pump Station. In the Eastern Region, staff is evaluating new pump stations at the Etiwanda Reservoir, the Inland Feeder Pressure Control Facility (PC-1), and Live Oak Reservoir. The new pump station could pump Colorado River Aqueduct or DVL water to the Rialto Pipeline service area and utilize the current action Stage 1 improvements. However, these long-term projects could not be designed and constructed in time for the ongoing drought. A new pump plant requires rigorous environmental documentation, long lead time equipment procurement, negotiation, construction of a dedicated power supply from the local power supplier, and extensive engineering analysis. Staff will return to the Board at a later date for authorization to include additional selected infrastructure improvements in the CIP.

In April 2020, the Board appropriated funds and authorized the General Manager to initiate or proceed with work on all capital projects identified in the CIP, subject to any limits on the General Manager's authority and CEQA requirements. This action amends the CIP to include the Rialto Pipeline Water Reliability Improvements. It is not anticipated that the addition of this project to the CIP will increase CIP expenditures in the current biennium beyond those which have been previously approved by the Board. Funds required for work to be performed pursuant to the subject contract after fiscal year 2021/22 will be budgeted within the Capital Investment Plan Appropriation for Fiscal Years 2022/23 and 2023/24. This project has been reviewed in accordance with Metropolitan's CIP prioritization criteria and were approved by Metropolitan's CIP Evaluation Team to be included in the System Reliability Program.

Rialto Pipeline Water Supply Reliability Improvements – Design Activities

Planned design activities include: field investigations including geotechnical analyses and aerial topographic survey; hydraulic analysis; establishing design criteria; evaluation of the connection pipeline alignments; preparation of drawings and specifications for procurement of pipe and valves; preparation of drawings and specifications for construction package; shutdown planning with member agencies; acquiring temporary right-of-way for the contractor staging and work areas; preparation of environmental documentation and permitting; development of a construction cost estimate; receipt of bids; and all other activities in advance of award of the procurement and construction contracts. Staff will return to the Board at a later date to award construction contracts or report on the award of any contracts by the General Manager pursuant to his authority under the Drought Emergency Resolution adopted November 9, 2021.

A total of \$2,960,000 is required for these activities. Allocated funds for Metropolitan staff activities include \$532,000 for engineering studies and investigations, including utility investigations; \$1,432,000 for engineering design; \$120,000 for hydraulic analysis to be performed by a specialty firm under a contract planned to be executed under the General Manager's Administrative Code authority to award contracts of \$250,000 or less; \$73,000 for preparation of temporary right-of-way acquisition documentation needed for the contractor staging and work areas; \$350,000 for environmental permitting, contracts bidding, project controls and project management; and \$453,000 for remaining budget.

As described above, all work will be performed by Metropolitan staff and specialized consultants. Engineering Services' performance metric target range for final design with construction greater than \$3 million is 9 to 12 percent. For this project, the performance metric goal for final design is 8.3 percent of the total construction costs. The total estimated cost of construction for the first and second components of this project is anticipated to range from \$17.0 million to \$18.5 million.

Attachment 1 provides the allocation of the required funds for this work. The total estimated cost of the Rialto Pipeline Water Supply Reliability Improvements, including the funds allocated for the work described in this action and future construction costs for Stage 1 components, is anticipated to range from \$22.5 million to \$24.5 million.

Summary

This action amends the current CIP to include necessary supply availability improvements to the Rialto Pipeline that depends exclusively on raw water deliveries from the East Branch of the SWP.

These projects have been evaluated and recommended by Metropolitan's CIP Evaluation Team, and funds are available within the fiscal year 2020/21 capital expenditure plan. See **Attachment 1** for the Allocation of Funds, **Attachment 2** for the Location Map.

Project Milestones

April 2022 – Completion of design of Rialto Pipeline Water Supply Reliability Improvements - Stage 1

June 2022 – Completion of preliminary investigations of Rialto Pipeline Water Supply Reliability Improvements Stage 2

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 51963, dated April 14, 2020 the Board appropriated a total of \$500 million for projects identified in the Capital Investment Plan for Fiscal Years 2020/21 and 2021/22.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

Amending the Capital Investment Plan (CIP) and authorizing work to proceed under the CIP, subject to the limits described above, is not defined as a project and is not subject to the CEQA, because it involves the creation of a general funding mechanism and general policy and procedure making with no commitment to proceed with any specific project at this time (Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines). Furthermore, the proposed action involves feasibility or planning studies for possible future actions which the agency, commission or board has not yet approved, adopted or funded. Accordingly, the proposed action qualifies as a Statutory Exemption (Section 15262 of the State CEQA Guidelines). In addition, the proposed actions also involve basic data collection and resource evaluation activities that do not result in a serious or major disturbance to an environmental resource. This may be strictly for information gathering purposes, or as part of a study leading to an action, which a public agency has not yet approved, adopted, or funded. Accordingly, the proposed action qualifies as a Class 6 Categorical Exemption (Section 15306 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Amend current CIP to include projects to improve water supply reliability in the Rialto Pipeline service area.

Fiscal Impact: Expenditure of \$2.96 million in capital funds. Approximately \$2.96 million will be incurred in the current biennium and has been previously authorized. It is not anticipated that the addition of the project listed above to the CIP will increase CIP expenditures in the current biennium beyond those which have been previously approved by the Board. The remaining funds from this action and for future construction costs will be accounted for and appropriated under the next biennial budget.

Business Analysis: These projects will enhance the reliability of water deliveries to member agencies with connections to the Rialto Pipeline.

Option #2

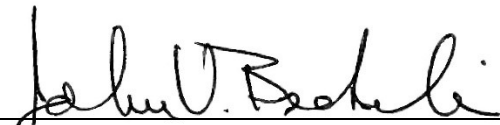
Do not proceed with the project at this time.

Fiscal Impact: None

Business Analysis: This option would forego improving the reliability of service to those member agencies with connections to the Rialto Pipeline.

Staff Recommendation

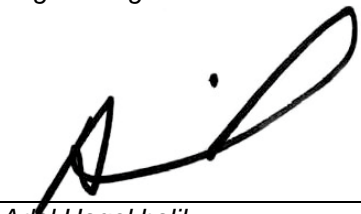
Option #1



John V. Bednarski
Manager/Chief Engineer
Engineering Services

11/29/2021

Date



Adel Hagekhalil
General Manager

12/1/2021

Date

Attachment 1 – Allocation of Budgeted Funds

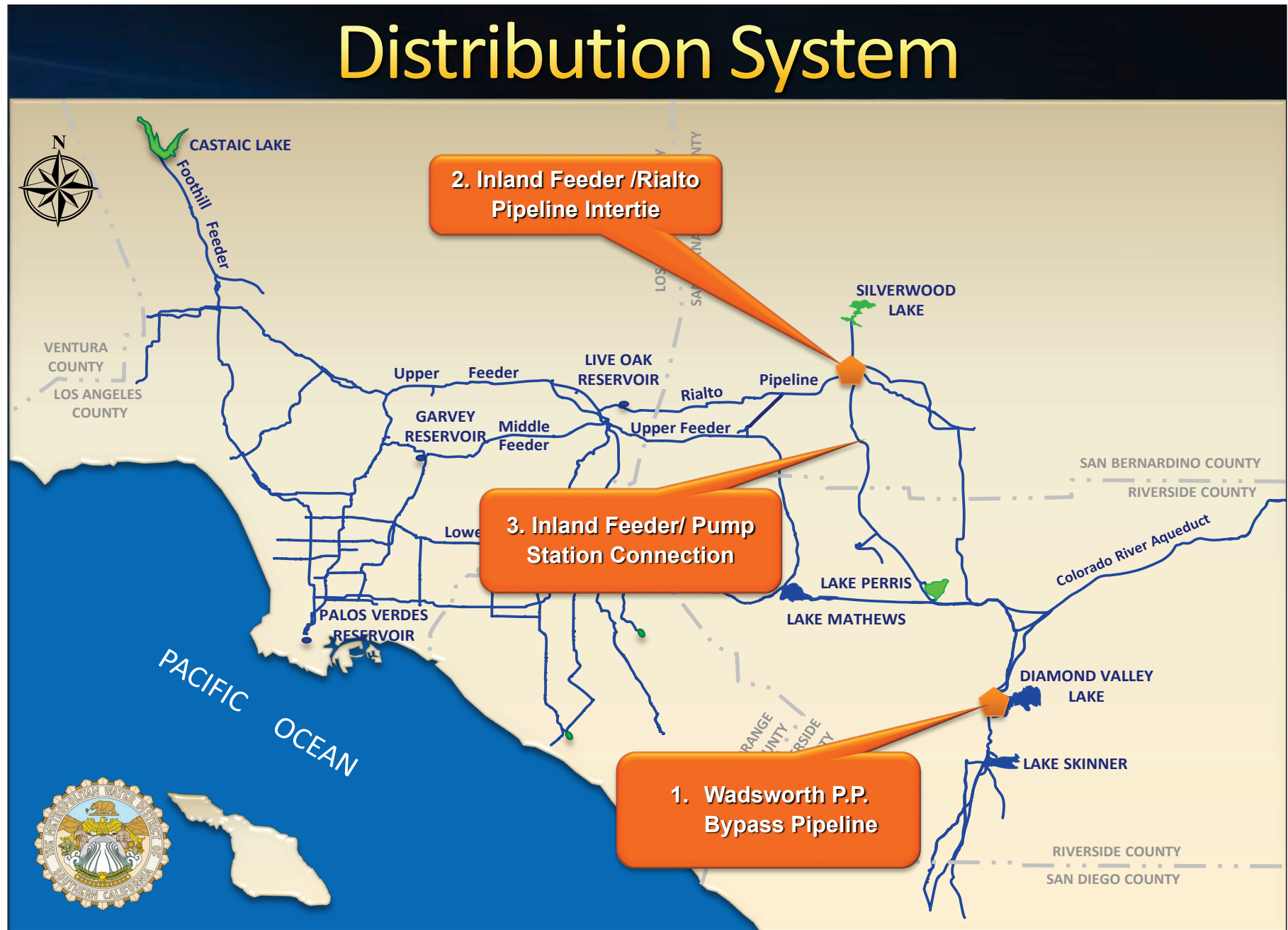
Attachment 2 – Location Map

Ref# es12679016

Allocation of Funds for Rialto Pipeline Water Supply Reliability Improvements

	Current Board Action (Dec. 2021)
Labor	
Studies & Investigations	\$ 532,000
Final Design	1,432,000
Owner Costs (Program mgmt., contract admin., envir. monitoring)	350,000
Real Property	73,000
Submittals Review & Record Drwgs.	-
Fabrication Inspection & Support	-
Metropolitan Force Construction	-
Materials & Supplies	-
Incidental Expenses	-
Professional/Technical Services	120,000
Equipment Use	-
Contracts	-
Remaining Budget	453,000
Total	\$ 2,960,000

This is the initial action for the Rialto Pipeline Water Supply Reliability improvements. The total estimated cost to complete Stage 1 improvements, including the amount appropriated to date, and funds allocated for the work described in this action, is anticipated to range from \$22.5 million to \$24.5 million.





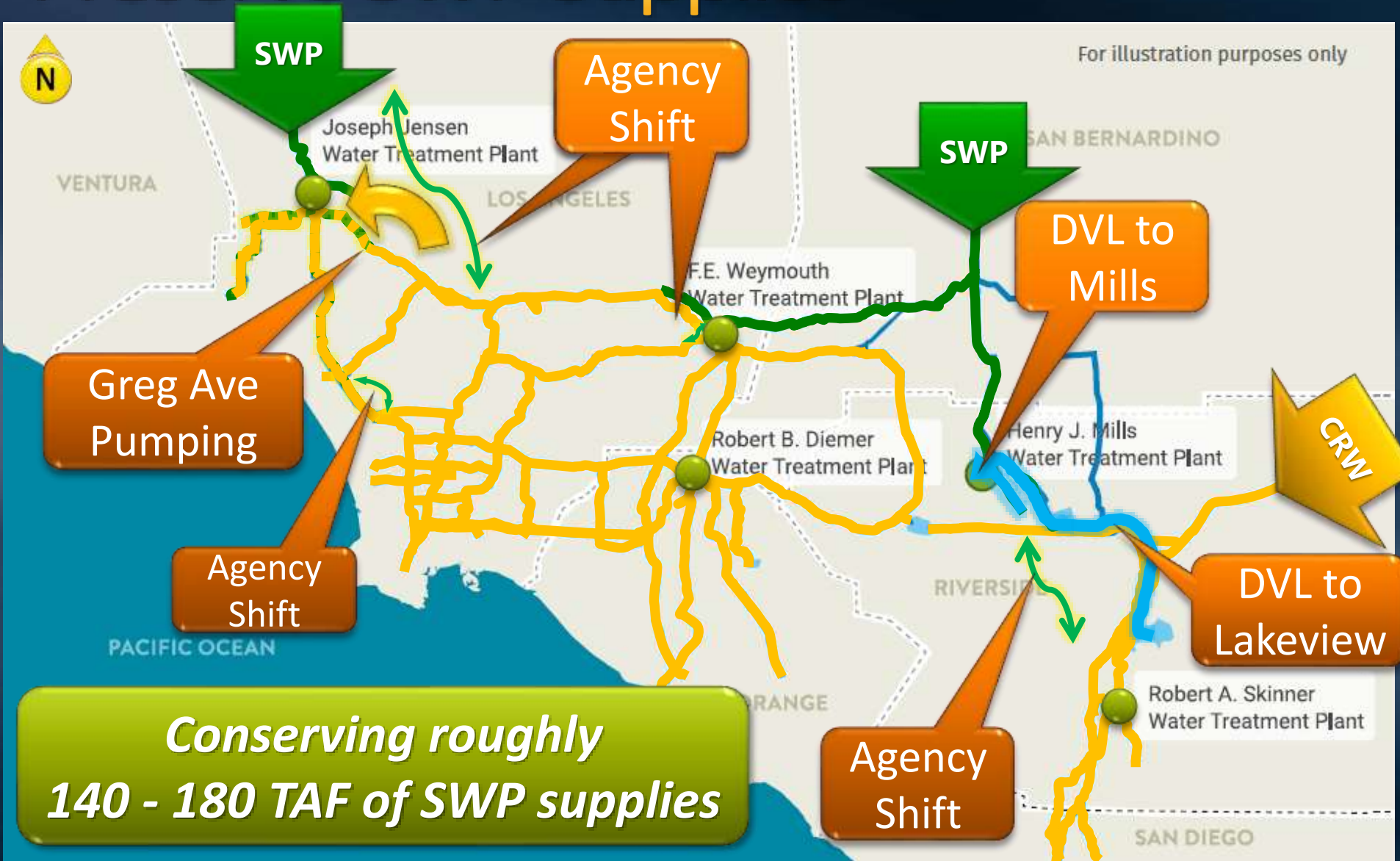
Rialto Pipeline Water Reliability Improvements

Engineering and Operations Committee

Item 7-1

December 13, 2021

Ongoing Extraordinary Drought Actions to Preserve SWP Supplies



Maximizing reliability with extraordinary operational drought actions

Evaluating New Drought Actions for the Near- and Long-Term

Collaboration and idea generation across Metropolitan and Member Agencies

- Generated 132 creative ideas
- About 50 ideas selected for further study and potential development

Project Categories



*System
and Operations*



*Shift Timing
of Deliveries*



*Increase Local
Supplies*



*Increase
Conservation*



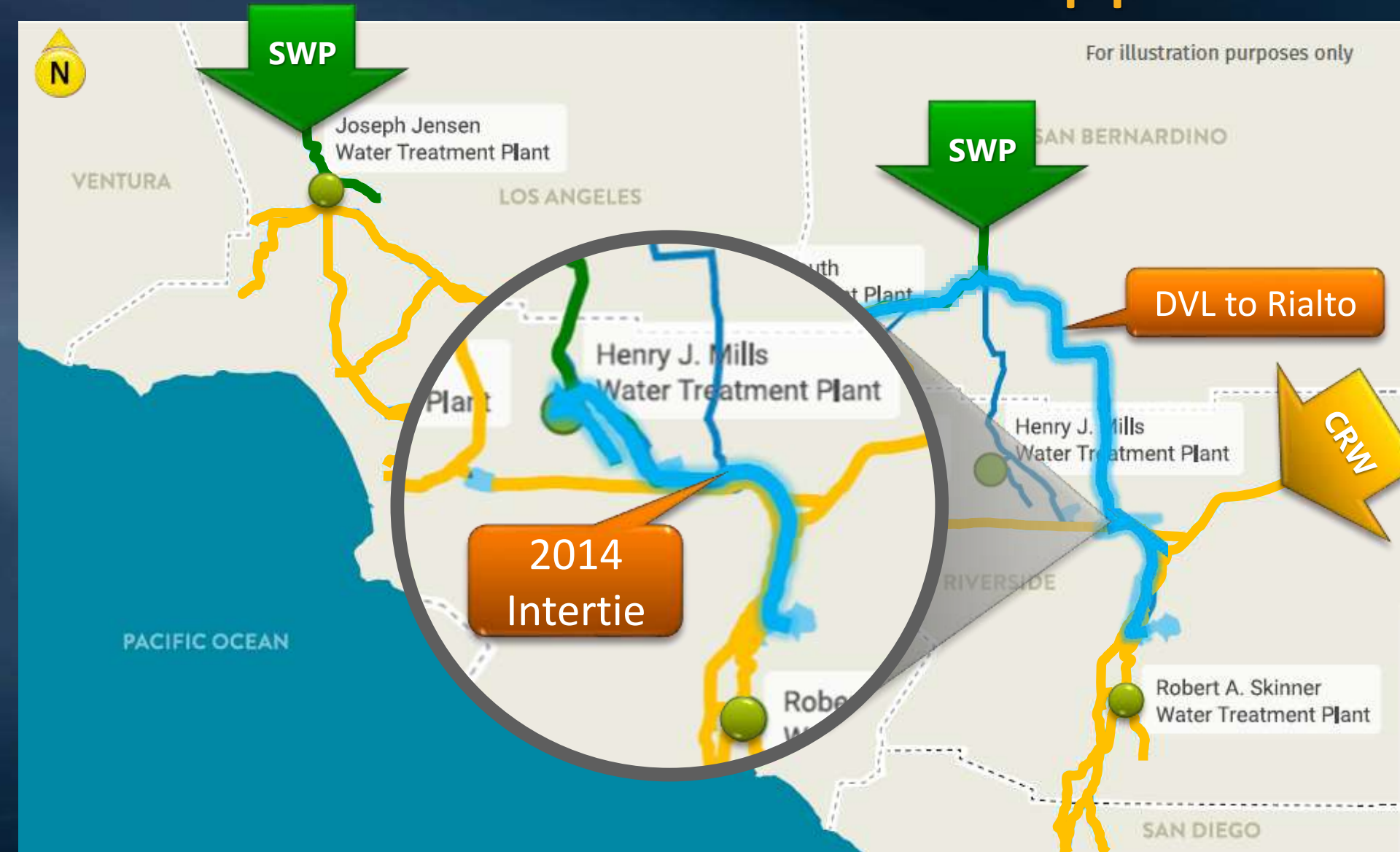
*Expand
Supply Programs*

Long-Term Opportunities to Further Reduce Demands for Limited SWP Supplies



- Projects require significant planning and capital investments
- Continue investigating long-term project opportunities

Long-Term Opportunities to Further Reduce Demands for Limited SWP Supplies

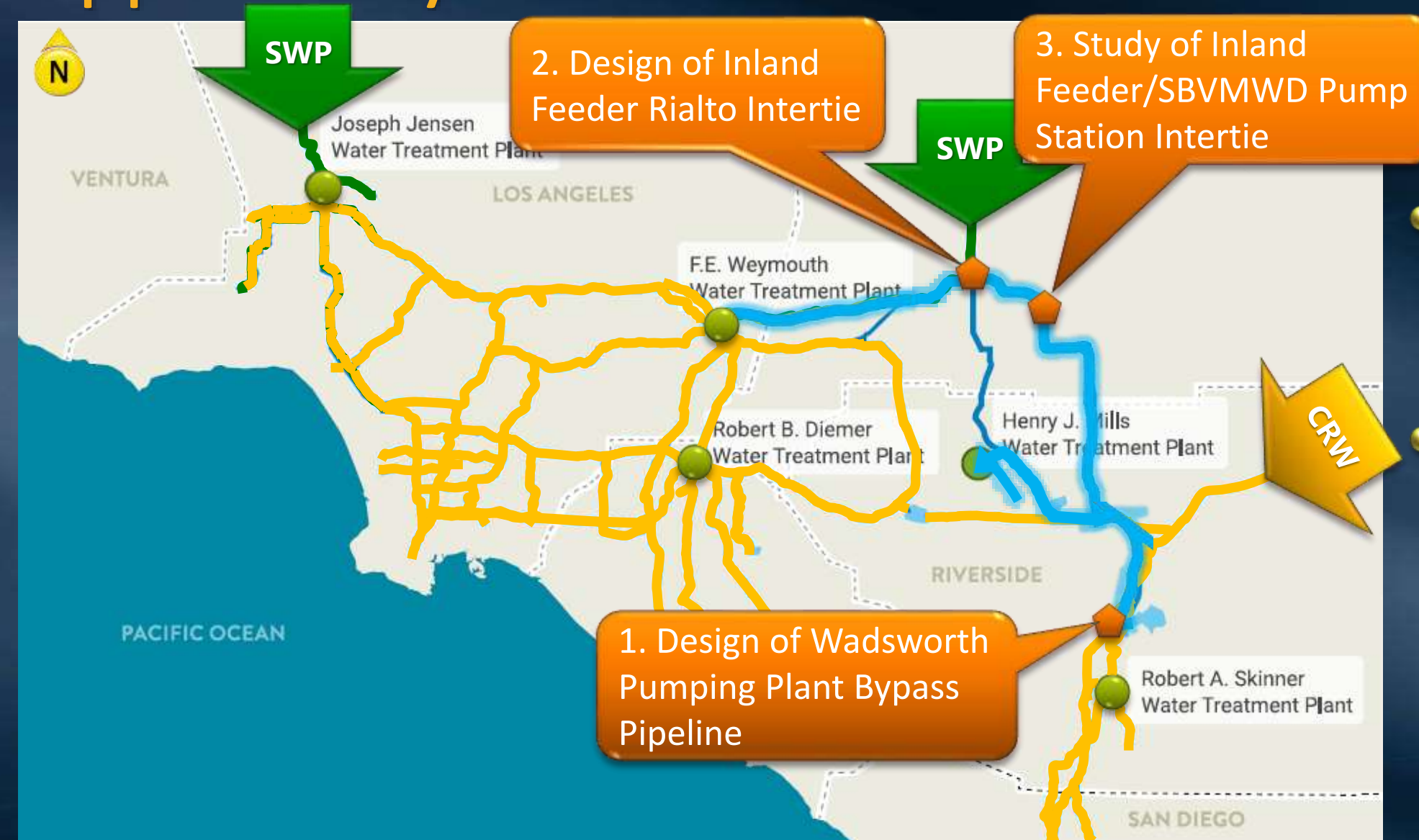


- Low-cost incremental improvement
- Takes advantage of existing pump stations and other infrastructure

Inland Feeder / Lakeview Pipeline Intertie

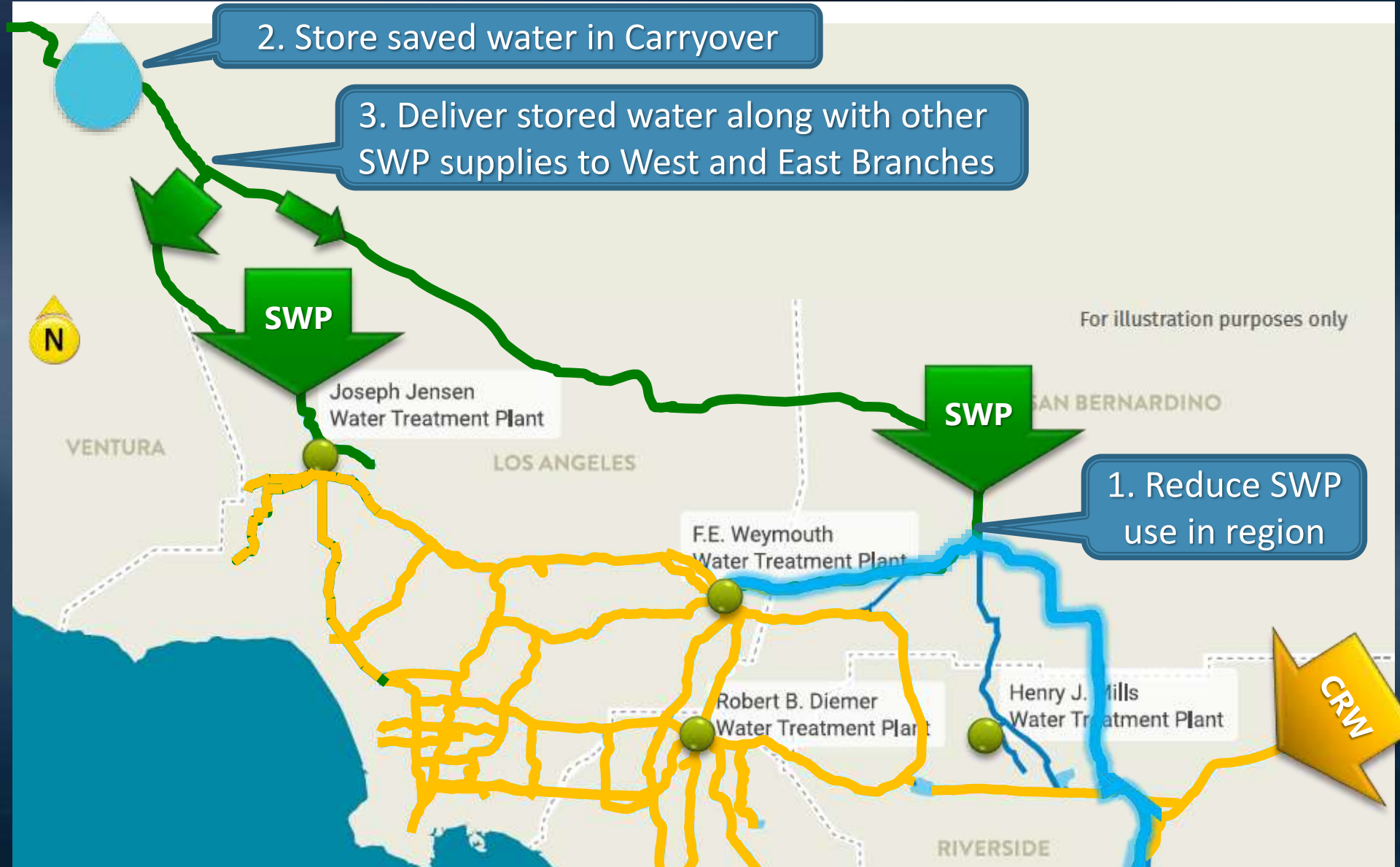


Recommended Next Steps on the DVL to Rialto Opportunity



- Low-cost incremental improvement
- Takes advantage of existing pump stations and other infrastructure

A Drop of SWP Water Saved Anywhere... is a Drop that can be used Everywhere



- Connected System: All drought actions work together to benefit the region
- Saved water delivered to area of need

Current Action

- Amend the Capital Investment Plan for fiscal years 2020/2021 and 2021/2022 to include water supply reliability improvements in the Rialto Pipeline service area
- Allows work to begin on:
 - Design of Wadsworth Pumping Plant Bypass Pipeline
 - Design of Inland Feeder Rialto Intertie
 - Study of Inland Feeder/SBVMWD Pump Station Intertie
- General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Background

- Rialto Pipeline is approx. 30-miles long & 96 to 144 inches in diameter
 - Conveys SWP to Inland Empire Utilities Agency, Three Valleys Municipal Water District & Upper San Gabriel Valley Municipal Water District
- Diamond Valley Lake (DVL) is Metropolitan's largest reservoir
 - Storage reserve to help meet member agency demands under normal, drought, and emergency conditions
- The Rialto Pipeline is unable to access water stored in DVL or from the CRA due to infrastructure & operational constraints
 - Quagga mussel management is required for CRA water

Project Components

Rialto Pipeline

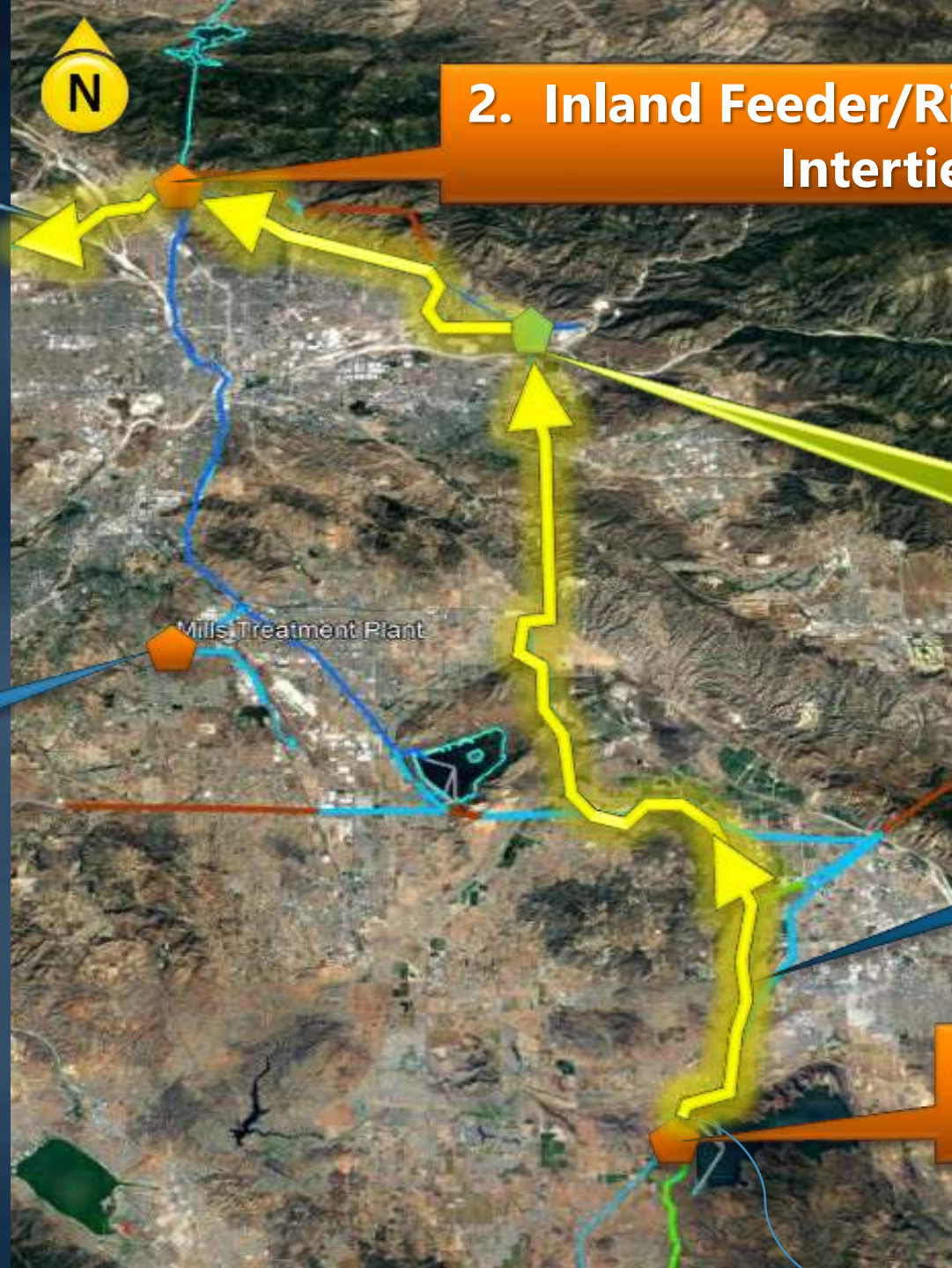
2. Inland Feeder/Rialto Pipeline Intertie

3. SBVMWD Foothill Pump Station Intertie

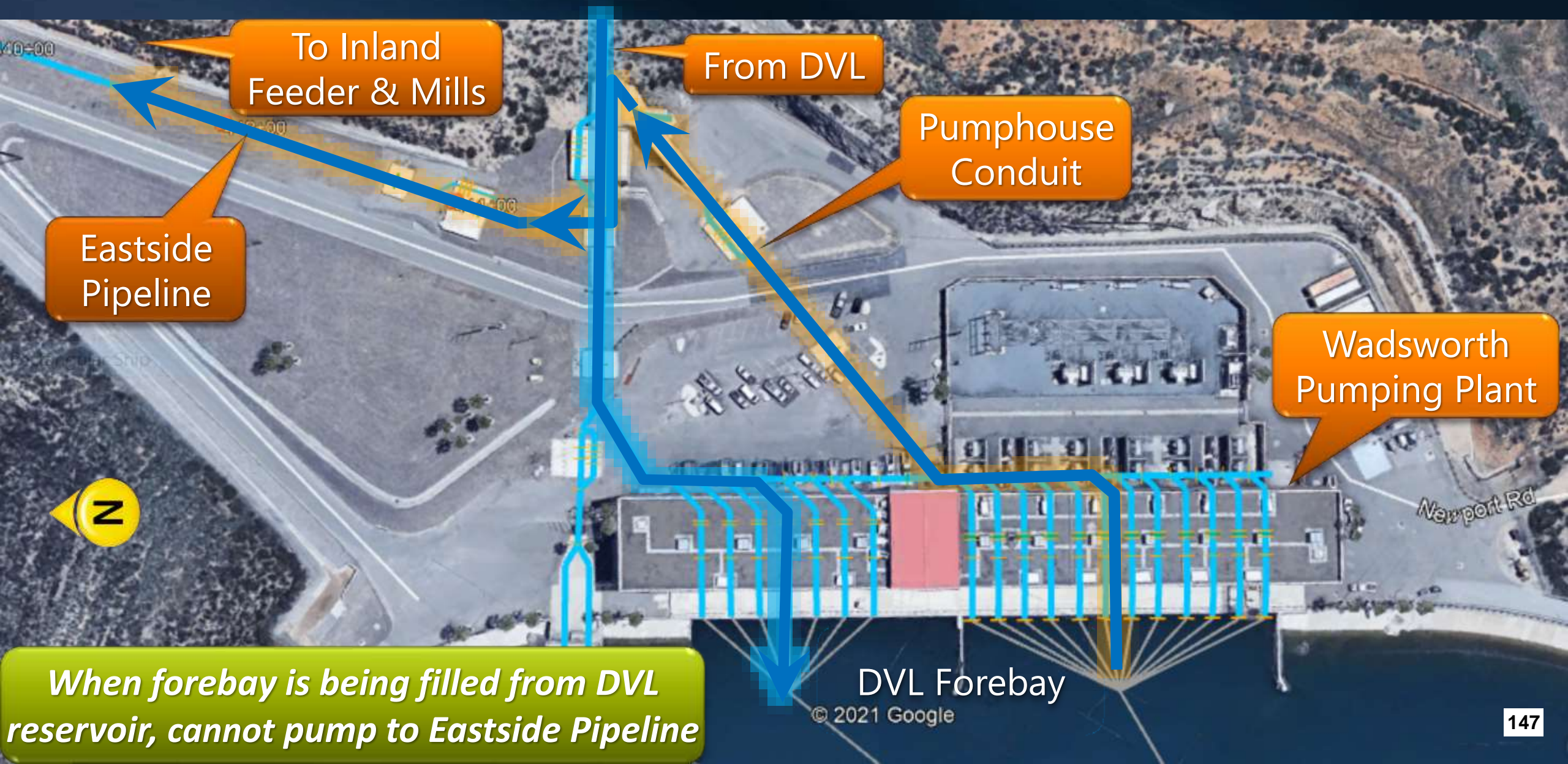
Mills Treatment Plant

Inland Feeder

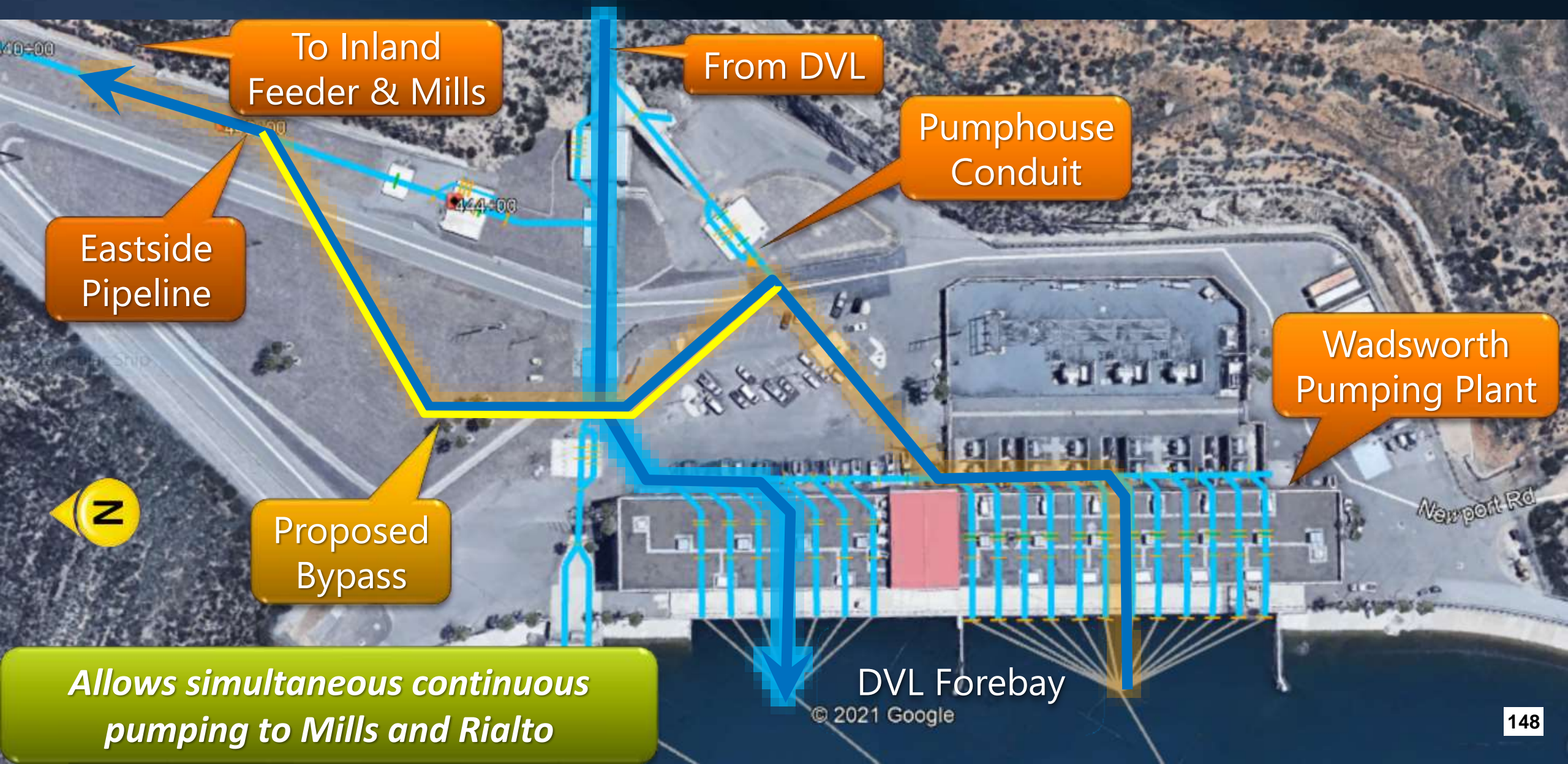
1. Wadsworth Pumping Plant Bypass



1. Wadsworth P.P. – Current Operation



1. Wadsworth P.P. – With Proposed Bypass



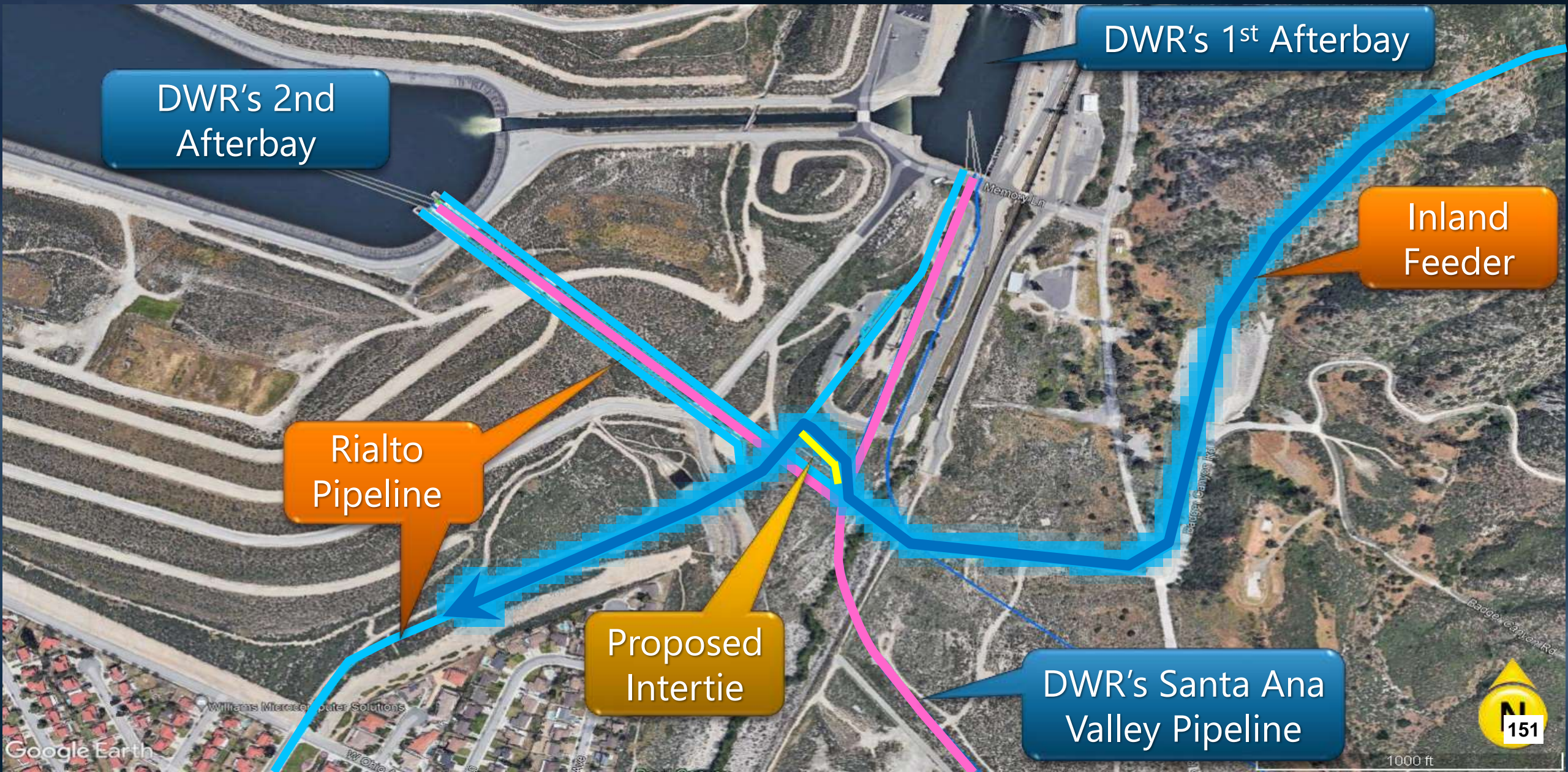
1. Bypass Components

- Approximately 600 feet of 96" diameter pipe
- Tee pipe fitting to tie into Wadsworth Pump house Conduit
 - Inland Feeder has an existing wye for tie-in
- Isolation valve structure
 - 84" isolation valve
 - Bypass valving and pipe
 - SCADA monitoring
- Estimated cost range of project: \$12 to \$12.5 million

2. Inland Feeder Rialto Pipeline – Normal Ops.



2. Inland Feeder Rialto Pipeline - Intertie



2. Intertie Components

- Approximately 200 feet of 96" diameter pipe
- Tee pipe fitting to tie into Inland Feeder & Rialto Pipeline
- Isolation valve structure
 - 84" isolation valve
 - Bypass valving and pipe
 - SCADA monitoring
- Estimated cost range of project: \$10.5 to \$11.5 million

3. Pump Station Intertie

- Connects Inland Feeder to either of SBVMWD's/DWR's Citrus Reservoir or SBVMWD's Foothill Pump Station
- Permits delivery of DVL water to Rialto Pipeline by providing final lift needed to reach Rialto Pipeline
- Exchange agreement with SBVMWD allowing utilization of pump stations is similar to other agreements with SBVMWD
- Intertie components
 - Intertie piping, valves & valve structures
 - Surge protection
 - Flow meter & SCADA monitoring
- Estimated cost range of project: \$16 to \$26 million

Scope of Work

- Components 1, 2, & 3
 - Conduct field invests., Geotech & hydraulic analyses, & survey
 - Establish design criteria
 - Evaluate infrastructure configurations
- Components 1 & 2 Only
 - Prepare drawings, specifications & cost estimates
 - Procure pipe & valves
 - Conduct shutdown planning with member agencies
 - Prepare environmental documentation & permitting
 - Acquire necessary rights-of-way

Allocation of Budgeted Funds

Rialto Pipeline Water Reliability Improvements

Labor

Studies & Investigations	\$532,000
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Final Design	1,432,000
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Program mgmt. & contract admin.	350,000
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Real Property	73,000
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Materials & Incidentals	0
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Professional Services

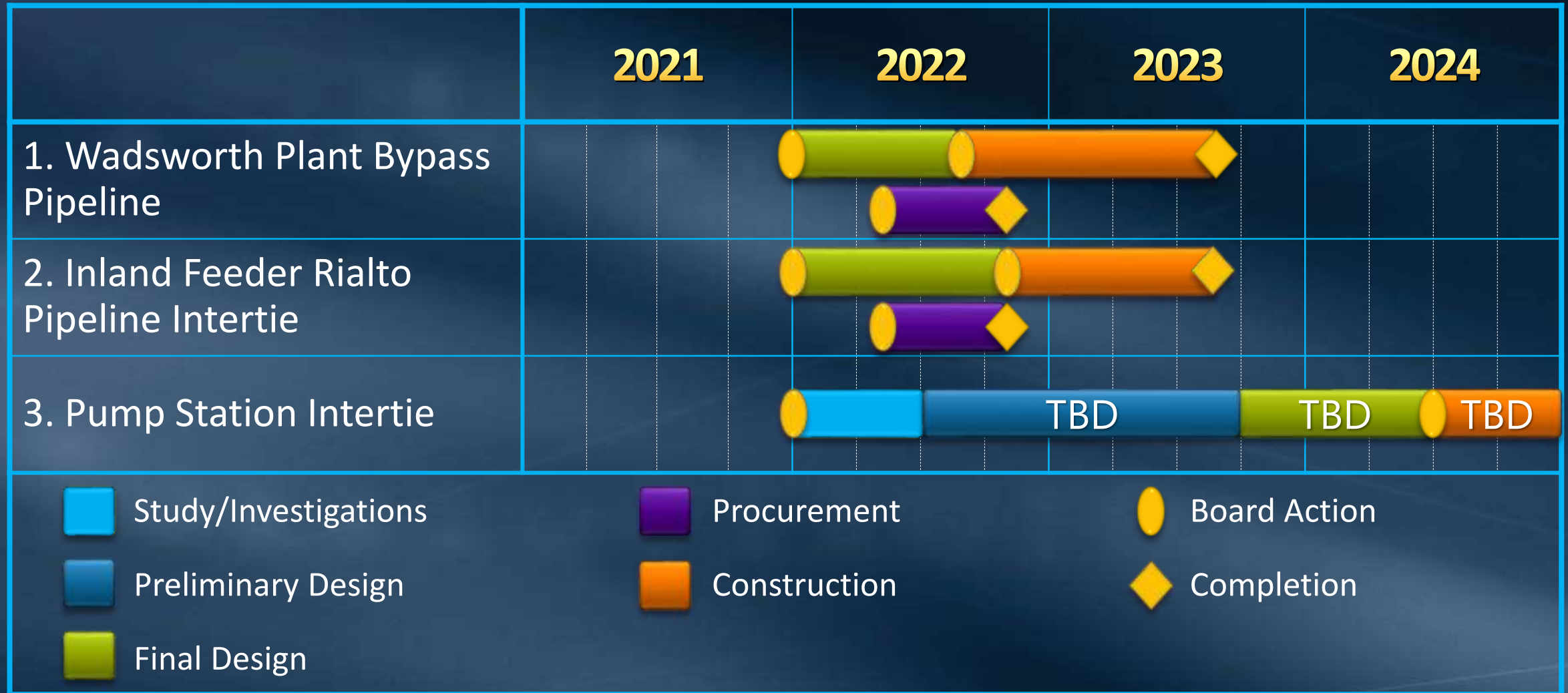
Consultants	120,000
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Remaining Budget	453,000
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Total	\$2,960,000
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Est. Construction Cost - Components 1 & 2: \$17 M to \$18.5 M

Project Schedule



Board Options

- Option #1
 - Amend current CIP to include projects to improve water supply reliability in the Rialto Pipeline service area.
- Option #2
 - Do not proceed with the projects at this time.

Staff Recommendation

- Option #1





• **Board of Directors**
Engineering and Operations Committee

12/14/2021 Board Meeting

7-2

Subject

Award a \$11,499,000 contract to J. F. Shea Construction, Inc. for the seismic upgrade of the Casa Loma Siphon Barrel No. 1; and authorize \$1,100,000 increase to an agreement with Carollo Engineers Inc., for a new not-to-exceed total of \$3.6 million, for technical support during construction; the proposed action is in furtherance of a project that was previously determined to be exempt or otherwise not subject to CEQA

Executive Summary

Casa Loma Siphon Barrel No. 1, which is located near the city of Hemet, is a key portion of the Colorado River Aqueduct (CRA) system. The siphon crosses the Casa Loma Fault and is vulnerable to significant deformation and potential rupture from a seismic event. In addition, the pipeline has deformed over time due to ongoing localized ground subsidence, and, as a result, the pipeline has experienced recurring leaks since the 1960s. Numerous repairs have been attempted over the years; however, intermittent leaks continue to occur. This project will mitigate leaks associated with long-term ground subsidence and improve the overall seismic resilience of this portion of the CRA.

This action awards a contract to replace a portion of Barrel No. 1 of the Casa Loma Siphon at the fault crossing with earthquake-resistant pipe. This action also authorizes an increase to an existing agreement for technical support during construction.

Details

Background

Casa Loma Siphon Barrel No. 1 was constructed in 1935 as a component of the CRA. The siphon extends west from the San Jacinto Diversion Structure to the Bernasconi Tunnel near Lake Perris; a distance of five miles. The siphon was originally constructed of 148-inch-diameter concrete pipe. In the early 1960s, cracks and leakage developed in the pipe as a result of ground movement due to subsidence where the siphon crosses the Casa Loma Fault. In 1968, 300 feet of the concrete pipe was replaced with 148-inch-diameter steel pipe, joined by external sleeve type couplings. These couplings were installed across the fault to permit minor, movement of pipe segments without leaking. However, since that time, continued ground subsidence has caused leaks in that section of the pipeline, which have required numerous repairs.

Metropolitan has an extensive seismic reliability program, which periodically reassesses seismic risks to its infrastructure. This program conducted a geologic hazard evaluation of the area surrounding the Casa Loma Siphon Barrel No. 1. This evaluation indicated that a potential horizontal ground displacement of up to 13 feet is possible due to fault rupture at this location. In addition, an internal survey of the pipeline confirmed that an 800-foot-long portion of the siphon has experienced vertical displacement of more than five feet over 84 years due to ongoing non-seismic settlement of the ground surface.

In light of these unique site conditions, staff investigated innovative solutions to make this section of the siphon more resilient to seismic events and ground subsidence. Staff concluded that Earthquake-Resistant Ductile Iron Pipe (ERDIP) is a viable and superior alternative to other methods to enhance reliability and seismic resiliency of the siphon. ERDIP is a type of pipe with flexible joints that can accommodate relatively large ground displacements. Traditional welded steel pipe will be used to transition between the ERDIP and the existing concrete pipe.

In May 2018, Metropolitan's Board authorized design to replace a portion of the Casa Loma Siphon Barrel No. 1 with ERDIP. In December 2019, due to the long lead-time needed to procure these pipes and fittings and the timing of the project to meet the CRA shutdown, Metropolitan's Board authorized procurement of the pipe. Both the ERDIP and welded steel pipe have been fabricated and are currently in storage near the project site. Staff recommends award of a construction contract at this time.

In accordance with the April 2020 action on the biennial budget for fiscal years 2020/21 and 2021/22, the General Manager will authorize staff to proceed with seismic upgrade of the Casa Loma Siphon Barrel No. 1, pending board award of the contract described below. Based on the current Capital Investment Plan (CIP) expenditure forecast, funds for the work to be performed pursuant to this action during the current biennium are available within the Capital Investment Plan Appropriation for Fiscal Years 2020/21 and 2021/22 (Appropriation No. 15517). Funds required for work to be performed pursuant to the subject contract after fiscal year 2021/22 will be budgeted within the Capital Investment Plan Appropriation for Fiscal Years 2022/23 and 2023/24. This project has been reviewed in accordance with Metropolitan's CIP prioritization criteria and was approved by Metropolitan's CIP evaluation team to be included in the Distribution System Reliability Program.

Casa Loma Siphon Barrel No. 1 Seismic Upgrade – Construction

The scope of construction includes replacing approximately 1,200 linear feet of 148-inch diameter steel and concrete pipe crossing the Casa Loma Fault Zone with two parallel barrels of Metropolitan-furnished 104-inch diameter ERDIP, installing 148-inch diameter Metropolitan-furnished steel pipe and fittings to connect the ERDIP and existing siphon, and applying cement-mortar lining. In addition, Metropolitan forces will shut down the pipeline, establish clearances, perform water quality testing, and return the pipeline to service.

A total of \$16.2 million is required for this work. In addition to the amount of the contract described below, other funds to be allocated include \$110,000 for Metropolitan force construction, as described above; \$1,602,000 for construction management and inspection; \$562,000 for submittal review and preparation of record drawings; \$1,100,000 for technical support during construction by Carollo Engineers Inc., as described below, \$403,000 for contract administration, environmental support, and project management; and \$924,000 for remaining budget.

Attachment 1 provides the allocation of the required funds. The total estimated cost to complete the Casa Loma Siphon Barrel No. 1 Seismic Upgrade, including the amount allocated to date and funds allocated for the work described in this action, is \$37.2 million. Approximately \$21 million has been expended on this project to date.

Award of Construction Contract (J. F. Shea Construction, Inc.)

Specification No. 1958 for the Seismic Upgrade of Casa Loma Siphon Barrel No. 1 was advertised for bids on September 24, 2021. As shown in **Attachment 2**, seven bids were received and opened on November 16, 2021. The low bid from J. F. Shea Construction, Inc, in the amount of \$11,499,000, complies with the requirements of the specifications. The other bids ranged from \$12,982,500 to \$20,425,706, while the engineer's estimate for this project was \$16.1 million. For this contract, Metropolitan established a Small Business Enterprise (SBE) participation level of at least 20 percent of the bid amount. J. F. Shea Construction, Inc. has agreed to meet this level of participation. The subcontractors for this contract are listed in **Attachment 3**. This action awards an \$11,499,000 contract to J. F. Shea Construction, Inc. for Seismic Upgrade of Casa Loma Siphon Barrel No. 1.

As described above, Metropolitan staff will perform construction management and inspection. Additionally, the ERDIP manufacturer, Kubota Corporation, will provide field support, including hands-on training, joint testing, and ERDIP installation inspections. These services were included in the ERDIP procurement contract. Engineering Services' performance metric target range for inspection of projects with construction greater than \$3 million is 9 to 12 percent. For this project, the performance metric goal for inspection is 7.5 percent of the total construction cost. The metric is derived from the total cost of inspection and the total value of the construction and procurement costs for the project. The total cost of inspection for this project is \$2.07 million, which includes inspection of the subject pipe installation (\$1,602,000) and pipe fabrication (\$470,000); funds for the pipe fabrication inspection were previously allocated. The total cost of construction for this project is \$27.6 million, which includes the subject installation contract (\$11,499,000), previously procured Metropolitan-furnished pipe (\$15,991,000), and Metropolitan force work (\$110,000).

Technical Support During Construction (Carollo Engineers Inc.) – Amendment to Agreement

Carollo Engineers Inc. (Carollo) performed the design and provided technical support during pipe procurement for the Casa Loma Siphon Barrel No. 1 Seismic Upgrade under a board-authorized agreement. As the engineer of record for the design, Carollo is recommended to provide technical support during construction. The planned activities include review of submittals, responding to requests for information from the contractors, and advising staff on technical issues as they arise. The estimated cost for these services is \$1.1 million.

This action authorizes an increase of \$1.1 million to the existing agreement with Carollo for a new not-to-exceed amount of \$3.6 million to provide technical support during construction for the Casa Loma Siphon Barrel No. 1 Seismic Upgrade. For this agreement, Metropolitan has established an SBE participation level of 25 percent. Carollo has agreed to meet this level of participation. The subconsultants for this work are Degenkolb Engineers, Inc., Hushmand Associates, Inc., JDH Corrosion Consultants, Inc., and Lettis Consultants International, Inc.

Alternatives Considered

During planning and design of this project, staff considered replacing the existing Casa Loma Siphon Barrel No. 1 with conventional steel pipe. On a short-term basis, this option would address the persistent leakage issues at the siphon. However, this approach would not provide the pipeline flexibility necessary to accommodate the continuing settlement displacement that is expected to occur over time, nor the significant displacement from a potential seismic event. Taken collectively, the alternative to use only steel pipe for the siphon/fault crossing would not increase the overall resiliency of this portion of the CRA. Staff evaluated multiple configurations and sizes of ERDIP and steel pipe and determined that a combination of ERDIP and steel pipe is the most cost-effective and reliable option.

Summary

This action awards a \$11,499,000 construction contract to J. F. Shea Construction, Inc. for Casa Loma Siphon Barrel No. 1 Seismic Upgrade and authorizes an increase in an agreement with Carollo Engineers Inc. for technical support during construction. See **Attachment 1** for the Allocation of Funds, **Attachment 2** for the Abstract of Bids, **Attachment 3** for the listing of Subcontractors for Low Bidder, and **Attachment 4** for the Location Map.

Project Milestone

June 2023 – Complete construction for Casa Loma Siphon Barrel No. 1 seismic upgrade

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

By Minute Item 51196, dated May 8, 2018, the Board authorized design to replace Casa Loma Siphon Barrel No. 1

By Minute Item 51830 dated December 10, 2019, the Board authorized procurement of pipe materials to replace Casa Loma Siphon Barrel No. 1

By Minute Item 51963, dated April 13, 2020, the Board appropriated a total of \$500 million for projects identified in the Capital Investment Plan for Fiscal Years 2020/21 and 2021/22.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action was previously determined to be exempt under the provisions of CEQA and the State CEQA Guidelines. The Casa Loma Siphon Barrel No. 1 project was found by the Board to be statutorily exempt under Section 21080.21(a) of the California Public Resources Code and Section 15282(k) of the State CEQA Guidelines and categorically exempt under Class 1 and Class 2 Categorical Exemptions (Sections 15301 and 15302 of the

State CEQA Guidelines) on May 8, 2018. With the current board action, there is no substantial change proposed since the original project was first approved in 2018. Hence, the previous environmental documentation in conjunction with the project fully complies with CEQA and the State CEQA Guidelines. Accordingly, no further CEQA documentation is necessary for the Board to act with regard to the proposed action.

CEQA determination for Option #2:

None required

Board Options

Option #1

- a. Award \$11,499,000 contract to J. F. Shea Construction, Inc. for Casa Loma Siphon Barrel No. 1 Seismic Upgrade.
- b. Authorize a \$1.1 million increase to an agreement with Carollo Engineers Inc. for a new not-to-exceed amount of \$3.6 million.

Fiscal Impact: Expenditure of \$16.2 million in capital funds. Approximately \$1.5 million will be incurred in the current biennium and has been previously authorized.

Business Analysis: This option will resolve long-term leakage and settlement issues with the Casa Loma Siphon, reduce the risk of unplanned outages and costly urgent repairs, and enhance the delivery reliability of the CRA.

Option #2

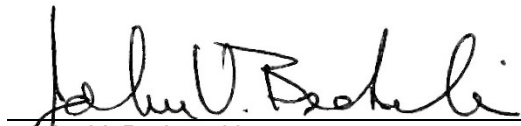
Do not proceed with the project at this time.

Fiscal Impact: None

Business Analysis: This option would forgo an opportunity to increase the seismic resilience of the CRA. Staff would continue to monitor the siphon and make repairs when leaks are found.

Staff Recommendation

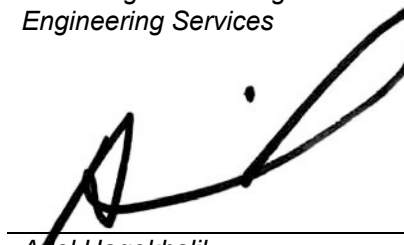
Option #1



John V. Bednarski
Chief Engineer/Manager
Engineering Services

11/22/2021

Date



Adel Hagekhalil
General Manager

12/2/2021

Date

Attachment 1 – Allocation of Funds

Attachment 2 – Abstract of Bids

Attachment 3 – Subcontractors for Low Bidder

Attachment 4 – Location Map

Ref# es12684519

Allocation of Funds for Casa Loma Siphon Barrel No. 1 Seismic Upgrade

	Current Board Action (Dec. 2021)
Labor	
Studies & Investigations	\$ -
Final Design	-
Owner Costs (Program mgmt., envir. monitoring)	403,000
Submittals Review & Record Drwgs.	562,000
Construction Inspection & Support	1,602,000
Metropolitan Force Construction	110,000
Materials & Supplies	-
Incidental Expenses	-
Professional/Technical Services	-
Carollo Engineers Inc.	1,100,000
Right-of-Way	-
Equipment Use	-
Contracts	-
J. F. Shea Construction, Inc.	11,499,000
Remaining Budget	924,000
Total	\$ 16,200,000

The total amount expended to date for the Casa Loma Siphon Barrel No. 1 Seismic Upgrade is approximately \$21 million. The total estimated cost to complete this project, including the amount appropriated to date and funds allocated for the work described in this action, is \$37.2 million.

The Metropolitan Water District of Southern California

Abstract of Bids Received on November 16, 2021 at 10:00 A.M.

Specifications No. 1958 Casa Loma Siphon Barrel No. 1 Seismic Upgrade

The work includes replacing approximately 1,200 linear feet of 148-inch diameter steel and concrete pipe crossing the Casa Loma Fault Zone with two parallel barrels of Metropolitan-furnished 104-inch diameter ERDIP, installing 148-inch diameter Metropolitan-furnished steel pipe and fittings to connect the ERDIP and existing siphon, welding, applying cement mortar lining, and site restoration.

Engineer's estimate: \$16,100,000

Bidder and Location	Total	SBE \$	SBE %	Met SBE ¹
J. F. Shea Construction, Inc. Walnut, CA	\$11,499,000	\$2,910,975	25%	Yes
Steve P. Rados, Inc. Santa Ana, CA	\$12,982,500	-	-	-
Mladen Buntich Construction Co., Inc, Upland, CA	\$13,397,000	-	-	-
James W. Fowler Co. Dallas, OR	\$14,505,000	-	-	-
Blois Construction, Inc. Oxnard, CA	\$14,974,000	-	-	-
Kiewit Infrastructure West Co. Poway, CA	\$15,474,000	-	-	-
ARB, Inc. Lake Forest, CA	\$20,425,706	-	-	-

¹ Small Business Enterprise (SBE) participation level established at 20% for this contract.

The Metropolitan Water District of Southern California**Subcontractors for Low Bidder****Specifications No. 1958
Casa Loma Siphon Barrel No. 1 Seismic Upgrade**

Low bidder: J. F. Shea Construction, Inc.

Subcontractor and Location
Amber Steel Co. Rialto, CA
Geo-Cell Solutions Fresno, CA
Marina Landscape, Inc. Orange, CA
Matrix Environmental Long Beach, CA
Dean's Certified Welding Temecula, CA
Miller Pipeline, LLC Indianapolis, IN





Casa Loma Siphon Barrel No. 1 Seismic Upgrade

Engineering and Operations Committee

Item 7-2

December 13, 2021

Current Action

- Award \$11,499,000 contract to J. F. Shea Construction, Inc. for the seismic upgrade of the Casa Loma Siphon Barrel No. 1
- Authorize \$1,100,000 increase to an existing agreement with Carollo Engineers Inc. to provide technical support during construction

Distribution System



Location Map



Background

- 148-in concrete pipe constructed in 1935
- Vulnerable to fault displacement and ground subsidence



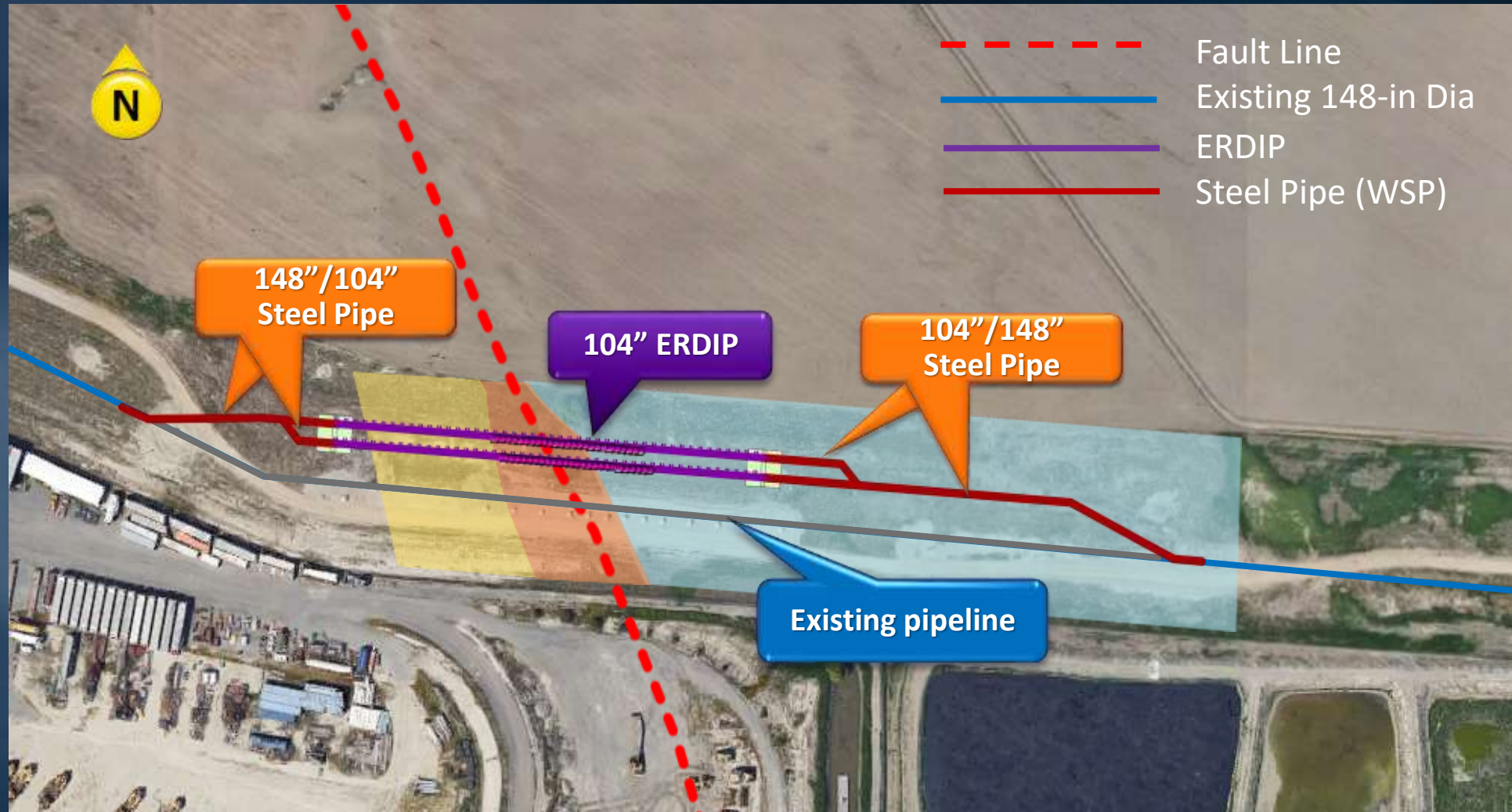
Alternatives Considered

- Replace with steel pipe
 - Addresses persistent leakage short term
 - Inadequate flexibility for continuing settlement & significant displacement from a potential seismic event
- Replace with Earthquake Resistant Ductile Iron Pipe (ERDIP) & steel pipe combination
 - Optimized design to determine the most cost-effective option and reliable configuration
 - Selected approach



ERDIP

Project Scope



Contractor Scope

- Install Metropolitan-furnished pipe:
 - ERDIP & specialty pieces
 - 954 ft of 104-inch diameter
 - Steel pipe & fittings
 - 500 ft of 148-inch diameter
 - 100 ft of 104-inch diameter
- Abandon-in-place existing pipe
 - Filled with light-weight concrete



ERDIP and steel pipe in storage at DVL

Metropolitan Scope

- Dewatering & refilling
- Construction inspection
- Contract admin., outreach & PM
- Review of submittals
- Preparation of record drawings



ERDIP on wood dunnage



Steel pipe on storage berm



Steel pipe wye pieces

Bid Results

Specifications No. 1958

Bids Received	November 16, 2021
No. of Bidders	7
Low Bidder	J. F. Shea Construction, Inc.
Low Bid	\$11,499,000
Range of Higher Bids	\$12,982,500 to \$20,425,706
Engineer's estimate	\$16,100,000
SBE Participation*	25%

*SBE (Small Business Enterprise) participation level set at 20%

Agreement Amendment - Carollo Engineers Inc.

- Engineer of record for project
- Previously selected via Request for Qualifications No. 1131
- Scope of work
 - Provide technical support during construction
 - Review and respond to submittals
 - Review and respond to RFIs on as-needed basis
- Requested increase amount: \$1,100,000
- Agreement amendment to an amount NTE \$3.6 M
- SBE participation: 25%

Allocation of Budgeted Funds

Contract

J. F. Shea Construction, Inc.	\$11,499,000
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Labor

Program mgmt. & contract admin.	403,000
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Const. Inspection & support	1,602,000
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Force Construction	110,000
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Submittal review & record drwgs.	562,000
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Professional Services

Carollo Engineers Inc.	1,100,000
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Remaining Budget	924,000
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Total	\$16,200,000
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Total Construction Cost including Metropolitan-furnished pipe: \$27,600,000

Project Schedule



Board Options

- Option #1

- Award \$11,499,000 contract to J. F. Shea Construction, Inc. for Casa Loma Siphon Barrel No. 1 Seismic Upgrade.
- Authorize a \$1.1 million increase to an agreement with Carollo Engineers Inc. for a new not-to-exceed amount of \$3.6 million.

- Option #2

- Do not proceed with the project at this time.

Staff Recommendation

- Option #1





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

12/14/2021 Board Meeting

7-3

Subject

Award a \$32,824,000 contract to J. F. Shea Construction, Inc. to upgrade the domestic water treatment systems at the five Colorado River Aqueduct pumping plants; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

The Colorado River Aqueduct (CRA) pumping plants and villages are isolated facilities that rely on local domestic water treatment systems for the supply of potable water. These water treatment systems have been in operation for nearly 30 years. While all of the systems are currently functioning as originally intended, major components of these aging systems are deteriorating and require frequent repairs and adjustments. In order to maintain long-term compliance with drinking water regulations, reduce the frequency of repairs, and maintain reliable operation, the systems need to be replaced. This action awards a construction contract to upgrade the domestic water treatment systems at the five CRA pumping plants.

Details

Background

The CRA is a 242-mile-long conveyance system that transports water from the Colorado River to Lake Mathews. It consists of five pumping plants, 124 miles of tunnels, 63 miles of canals, and 55 miles of conduits, siphons, and reservoirs. The aqueduct was constructed in the late 1930s and was placed into service in 1941. The CRA pumping plants are located in remote areas of Riverside and San Bernardino Counties, where municipal water supplies are not available.

The CRA pumping plants and villages are isolated facilities that rely on local domestic water systems for the supply of potable water. Water from the aqueduct is initially pumped to the on-site domestic water system for treatment to meet potable water standards. The domestic water systems contain water treatment units that include membrane filtration, activated carbon adsorption, and sodium hypochlorite feed systems for disinfection. Following treatment, the water is then pumped to a concrete storage tank located on the hill above each pump house. From this location, water is conveyed by gravity through distribution piping to the pump house, guest lodge and kitchen, employee houses, and support buildings. The largest treatment system can process up to 30,000 gallons per day. Metropolitan staff regularly monitors and tests water quality within the domestic water networks to ensure compliance with state Division of Drinking Water requirements.

The existing water treatment systems are early-generation membrane filtration units, which were installed in 1993. While still fully functional today, system components are deteriorating, and the systems require frequent repairs and adjustments. Replacement parts are difficult to obtain as the original equipment supplier no longer produces spare parts. In addition, the original granular activated carbon (GAC) units were installed outside and are continuously exposed to the heat and desert environment. During periods of low system demand, the combination of intense summer heat with low or no flow through the GAC units causes low chlorine residual which leads to bacterial growth inside the GAC vessels. Currently, increasing the chlorine dosage requires manual adjustments to the sodium hypochlorite feed rate, which is a labor-intensive task. The domestic water treatment systems are critical components of the infrastructure that supports the CRA pumping plants. In order to

maintain compliance with drinking water regulations, reduce the frequency of repairs, and maintain reliable operation, the systems need to be replaced.

In April 2020, Metropolitan's Board authorized procurement of six water treatment units: one for each of the five CRA pumping plants and one spare unit. The existing water treatment units will be replaced with new systems that include strainers to protect the filtration unit; chlorine-tolerant, high-pressure membrane filtration systems; and disinfection equipment. The water treatment systems will fully comply with state and federal drinking water regulations, and the planned capacities will be consistent with projections of current and future demands at each plant. Based on the nearly 30 years of operational experience with this water treatment processes, the new systems will include climate-controlled buildings for both the GAC and disinfection equipment to improve operations and reduce maintenance requirements. Finally, due to the labor-intensive nature of the current system's operations, significant portions of the new systems will be automated to reduce the necessity for staff to make process adjustments.

In July 2018, Metropolitan's Board authorized design to upgrade the domestic water treatment systems at all five pumping plants, including replacement of the water treatment units. Design is complete, and staff recommends proceeding with award of a construction contract at this time to upgrade the water treatment systems at the five CRA pumping plants.

In accordance with the April 2020 action on the biennial budget for fiscal years 2020/21 and 2021/22, the General Manager will authorize staff to proceed with construction to upgrade the domestic water treatment systems at the five CRA pumping plants, pending board award of the construction contract described below. Based on the current Capital Investment Plan (CIP) expenditure forecast, funds for the work to be performed pursuant to this action during the current biennium are available within the CIP Appropriation for Fiscal Years 2020/21 and 2021/22 (Appropriation No. 15517). Funds required for work to be performed pursuant to the subject contract after fiscal year 2021/22 will be budgeted within the Capital Investment Plan Appropriation for Fiscal Years 2022/23 and 2023/24. This project has been reviewed in accordance with Metropolitan's CIP prioritization criteria and was approved by Metropolitan's CIP evaluation team to be included in the CRA Reliability Program.

CRA Domestic Water Treatment System Upgrades – Construction

At each plant, the scope of the construction contract includes replacing the existing membrane filtration units with new Metropolitan-furnished equipment; replacing water quality monitoring instrumentation and laboratory equipment; upgrading electrical and instrumentation and controls systems for the disinfection system; and construction of a temperature-controlled, pre-engineered metal building with two rooms to house GAC vessels and disinfection equipment, each in a separate room.. This climate-controlled building, which will be equipped with automated features, will reduce equipment maintenance and the temperature of drinking water at desert facilities. Metropolitan force activities will include installing new duct banks for electrical and fiber optic cables; connecting the new instruments to new data collection systems; constructing new power systems; and integrating these systems with Metropolitan's Supervisory Control and Data Acquisition system.

A total of \$42.3 million is required for this work. In addition to the amount of the contract described below, other allocated funds for the construction phase include: \$2,273,000 for Metropolitan force activities, which includes \$1,653,000 for labor and \$620,000 for materials and supplies. Other construction support activities include: \$3,074,000 for construction management and inspection; \$1,912,000 for submittals review, responding to requests for information, technical support during construction, and preparation of record drawings; \$1,370,000 for contract administration, environmental monitoring, and project management; and \$847,000 for remaining budget. **Attachment 1** provides the allocation of the required funds.

Award of Construction Contract (J. F. Shea, Construction, Inc.)

Specifications No. 1949 for the upgrades of the domestic water systems at the CRA pumping plants was advertised for bids on September 24, 2021. As shown in Attachment 2, four bids were received and opened on November 16, 2021. The low bid from J. F. Shea Construction, Inc. in the amount of \$32,824,000 complies with the requirements of the specifications. The other bids ranged from approximately \$35.2 million to \$36.1 million, while the engineer's estimate was \$24,047,000. Staff investigated the difference between the engineer's estimate and the low bid. The key differences are attributed to increased costs for specialized electrical equipment such as transformers, control panels, and pressure, flow, and process measuring systems. Additionally, contractor staffing

levels proposed by the bidders to complete construction at five sites within the three-year construction timeframe is greater than estimated by staff. Finally, due to the remote location of the work sites, the contractor's bids included higher than anticipated lodging and pay incentives for meals and incidental expenses. The contract duration is approximately three years. For this contract, Metropolitan established a Small Business Enterprise participation level of at least 25 percent of the bid amount. J. F. Shea Construction, Inc. has committed to meet this level of participation. The subcontractors for this contract are listed in **Attachment 3**. This action awards a \$32,824,000 contract to J. F. Shea Construction, Inc. to upgrade the domestic water system at the CRA pumping plants.

As described above, construction management and inspection will be performed by Metropolitan staff. Engineering Services' performance metric target range for inspection of projects with construction greater than \$3 million is 9 to 12 percent. For this project, the performance metric goal for inspection is 8.9 percent of the total construction cost. The metric is derived from the total cost of inspection and the total value of the construction and procurement costs for the project. The total cost of inspection for this project is \$3,223,000, which includes inspection of the work under the subject contract (\$3,074,000) and fabrication inspection of the water treatment system units (\$149,000); funds for fabrication inspection of the water treatment system units were previously allocated. The total cost of construction for this project is \$36,303,535, which includes the amount of the contract (\$32,824,000), Metropolitan force activities (\$2,273,000), and previously procured water treatment system units (\$1,206,535).

Alternatives Considered

During planning and design of this project, staff considered rehabilitation and upgrading of deteriorating components of the existing skid-mounted water treatment systems. This approach would allow for the continued use of the existing membrane filtration systems. However, this would not address the reduced availability or reliability of membrane modules and other spare parts compatible with the existing system.

Additionally, staff evaluated multiple alternative treatment technologies to determine the most cost-effective and reliable solution. The treatment technologies considered included: (1) conventional treatment with GAC; (2) polymeric microfiltration (MF) membranes with GAC; (3) ceramic MF membranes with GAC; and (4) nanofiltration membranes. Due to its proven ability to reliably and cost-effectively meet water quality objectives, chlorine-tolerant, high-pressure MF units with GAC were selected as the recommended treatment technology to be installed with the new equipment, as described herein.

Summary

This action awards a \$32,824,000 contract to J. F. Shea Construction, Inc. for the upgrades to the domestic water system at the CRA pumping plants. See **Attachment 1** for the Allocation of Funds, **Attachment 2** for the Abstract of Bids, **Attachment 3** for the listing of Subcontractors for Low Bidder, and **Attachment 4** for the Location Map.

Project Milestone

January 2025 – Completion of construction of CRA domestic water treatment systems upgrades

Policy

Metropolitan Water District Administrative Code Section 5108: Appropriations

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

By Minute Item 50356, dated January 12, 2016, the Board authorized preliminary design to replace the domestic water systems at the CRA pumping plants.

By Minute Item 51250, dated July 10, 2018, the Board authorized final design to replace the CRA domestic water systems at the CRA pumping plants.

By Minute Item 51959, dated April 14, 2020, the Board authorized the procurement of water treatment equipment for the domestic water systems at the CRA pumping plants.

By Minute Item 51963, dated April 14, 2020, the Board appropriated a total of \$500 million for projects identified in the Capital Investment Plan for Fiscal Years 2020/21 and 2021/22.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed action involves 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 includes the replacement and reconstruction of existing structures and facilities where the new structure will be located on the same site and as the structure replaced and will have the same purpose and capacity as the structure replaced. Lastly, the proposed action includes minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees except for forestry or agricultural purposes. Accordingly, the proposed action qualifies under Class 1, Class 2, and Class 4 Categorical Exemptions (Sections 15301, 15302, and 15304 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Award a \$32,824,000 contract to J. F. Shea Construction, Inc. to upgrade the domestic water treatment systems at the five CRA pumping plants.

Fiscal Impact: Expenditure of \$42.4 million in capital funds. Approximately \$6 million will be incurred in the current biennium and has been previously authorized.

Business Analysis: This option will enhance critical infrastructure that supports efficient operation and reliability of the CRA pumping plants.

Option #2


Do not proceed with the project at this time.

Fiscal Impact: None.

Business Analysis: This option would forego an opportunity to improve reliability of the domestic water treatment systems, which may lead to costly urgent repairs.

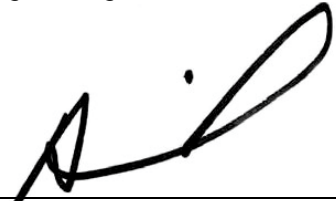
Staff Recommendation

Option #1



John V. Bednarski
Manager/Chief Engineer
Engineering Services

11/19/2021
Date



Adel Hagekhalil
General Manager

12/1/2021
Date

Attachment 1 – Allocation of Funds**Attachment 2 – Abstract of Bids****Attachment 3 – Subcontractors for Low Bidder****Attachment 4 – Location Map**

Ref# es12142021

Allocation of Funds for CRA Domestic Water Treatment System Upgrades

	Current Board Action (Dec. 2021)
Labor	
Studies & Investigations	\$ -
Final Design	-
Owner Costs (Program mgmt., envir. monitoring)	1,370,000
Submittals Review & Record Drwgs.	1,912,000
Construction Inspection & Support	3,074,000
Metropolitan Force Construction	1,653,000
Materials & Supplies	620,000
Incidental Expenses	-
Professional/Technical Services	-
Right-of-Way	-
Equipment Use	-
Contracts	-
J. F. Shea Construction, Inc.	32,824,000
Remaining Budget	847,000
Total	\$ 42,300,000

The total amount expended to date for the CRA Domestic Water Treatment System Upgrades is approximately \$6.5 million. The total estimated cost to complete this project, including the amount appropriated to date, and funds allocated for the work described in this action, is \$48.8 million.

The Metropolitan Water District of Southern California

Abstract of Bids Received on November 16, 2021, at 2:00 P.M.

**Specifications No. 1949
Colorado River Aqueduct Pumping Plants
Domestic Water Treatment System Upgrades**

This project will replace the domestic water treatment systems at five pumping plants including installation of Metropolitan-furnished membrane filtration units, granular activated carbon vessels, sodium hypochlorite tanks and disinfection equipment, water quality monitoring instrumentation, and construction of temperature-controlled pre-engineered metal buildings.

Engineer's estimate: \$24,047,000

Bidder and Location	Total	SBE \$	SBE %	Met SBE¹
J. F. Shea Construction, Inc. Walnut, CA	\$32,824,000	\$12,930,485	39.4%	Yes
Steve P. Rados, Inc. Santa Ana, CA	\$35,186,000	-	-	-
Myers & Sons Construction, LLC Sacramento, CA	\$35,200,000	-	-	-
Kiewit Infrastructure West Co. Santa Fe Springs, CA	\$36,149,000	-	-	-

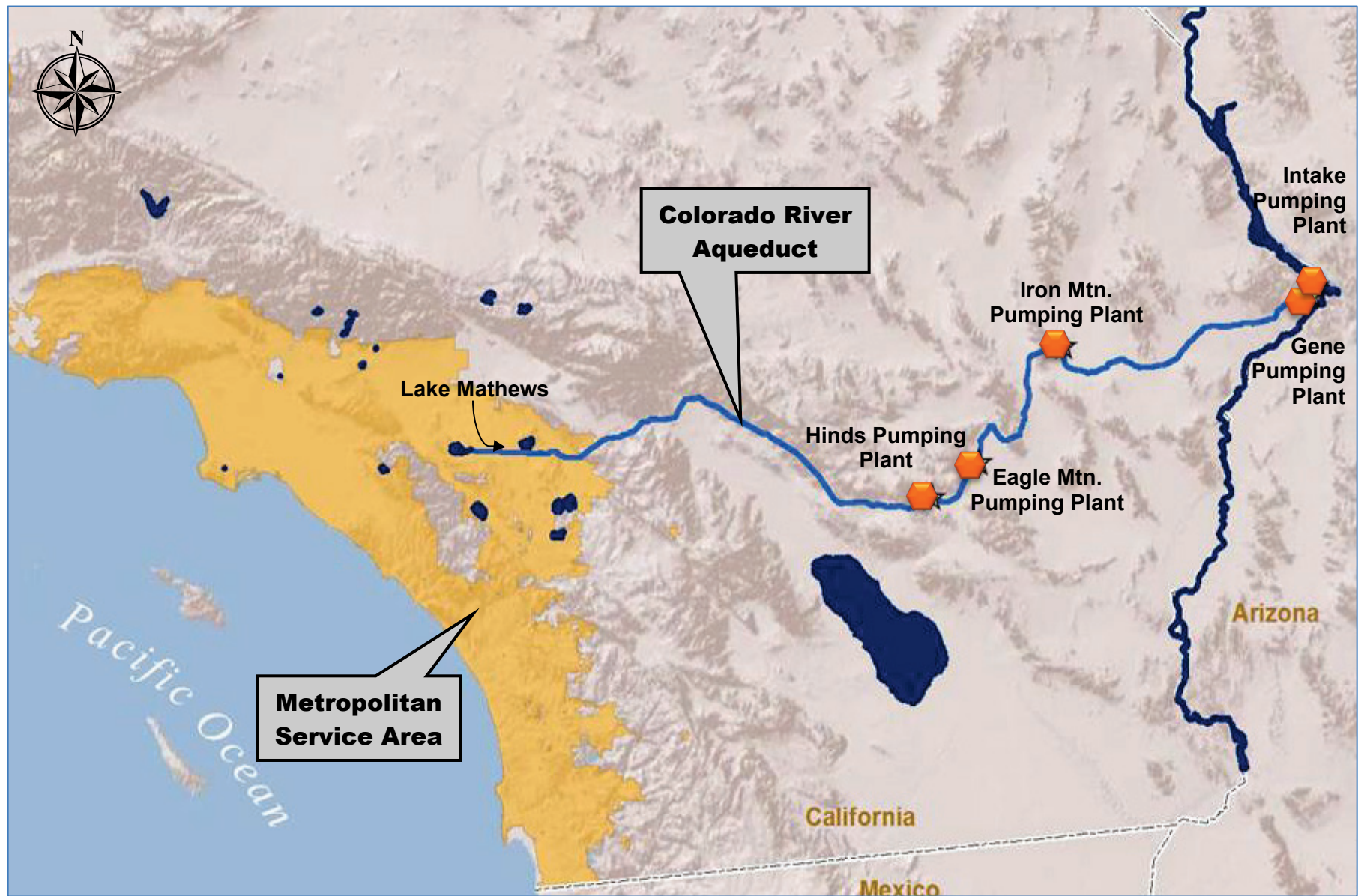
¹ Small Business Enterprise (SBE) participation level established at 25% for this contract.

The Metropolitan Water District of Southern California**Subcontractors for Low Bidder****Specifications No. 1949
Colorado River Aqueduct Pumping Plants
Domestic Water Treatment System Upgrades**

Low bidder: J. F. Shea Construction, Inc.

Subcontractor and Location
LA Steel Services, Inc. Corona, CA
LEED Electric Santa Fe Springs, CA
ACCO Engineered Systems, Inc. Pasadena, CA
Murphy Industrial Coatings, Inc. Signal Hill, CA
Facility Builders & Erectors, Inc. Anaheim, CA
Dean's Certified Welding Temecula, CA
Matrix Environmental, Inc. Long Beach, CA

Location Map





Domestic Water Treatment Systems Upgrades at the Colorado River Aqueduct Pumping Plants

Engineering and Operations Committee

Item 7-3

December 13, 2021

Current Action

- Award a \$32,824,000 contract to J. F. Shea Construction, Inc. to upgrade the domestic water treatment systems at the five Colorado River Aqueduct pumping plants

Location Map



Upcoming Desert Projects

- District Housing Improvements
- Village Enhancements
 - Kitchens
 - Guest lodges
 - Recreation spaces
- Village Utility Upgrades
 - Water
 - Sewer
 - Roadways
- Domestic Water Upgrades

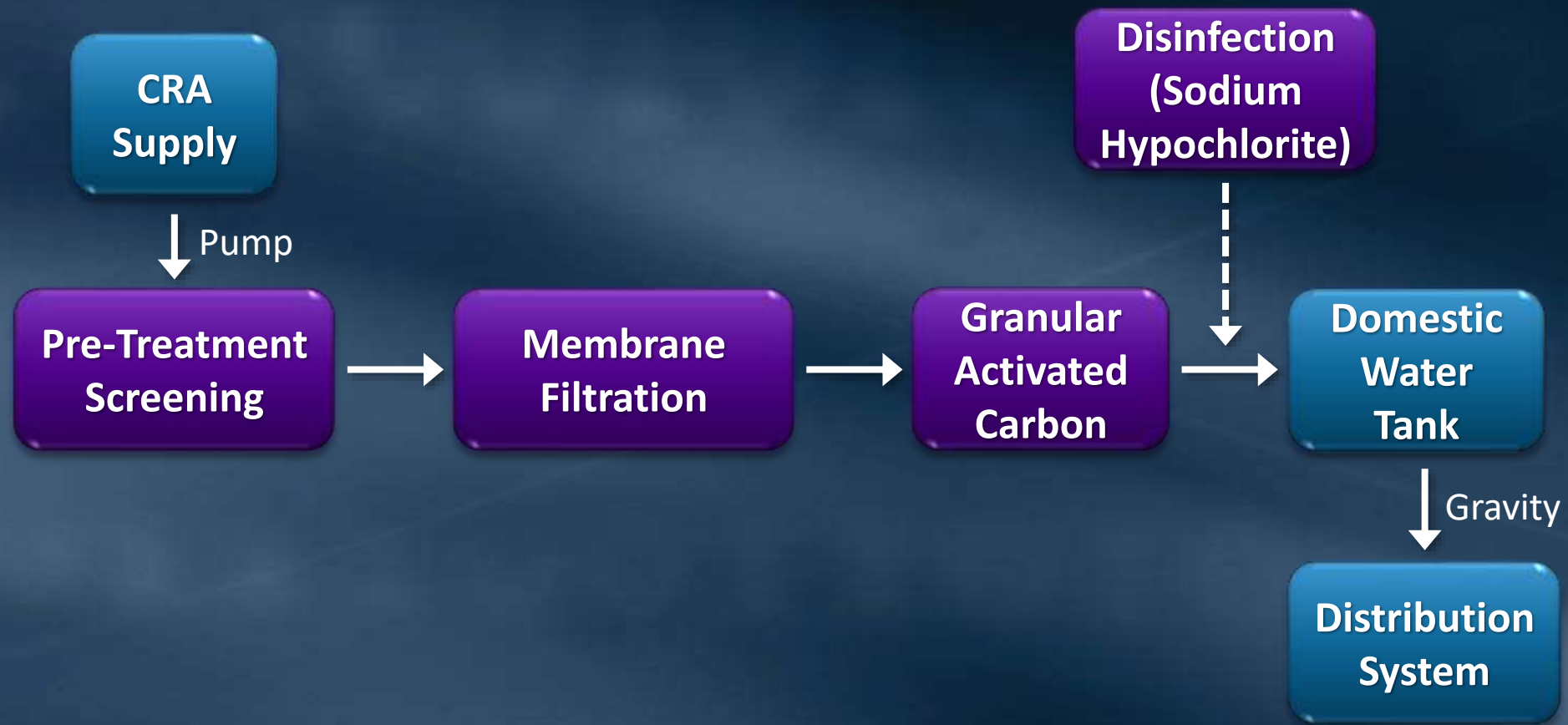


Housing



Guest Lodge

Typical Desert Water Treatment System



Background

- Original treatment systems installed in 1993
 - Maintain compliance with drinking water regulations
 - First systems approved by DDW for these purposes
- Equipment is deteriorating
 - Frequent repairs are required
 - Replacement parts are difficult to obtain

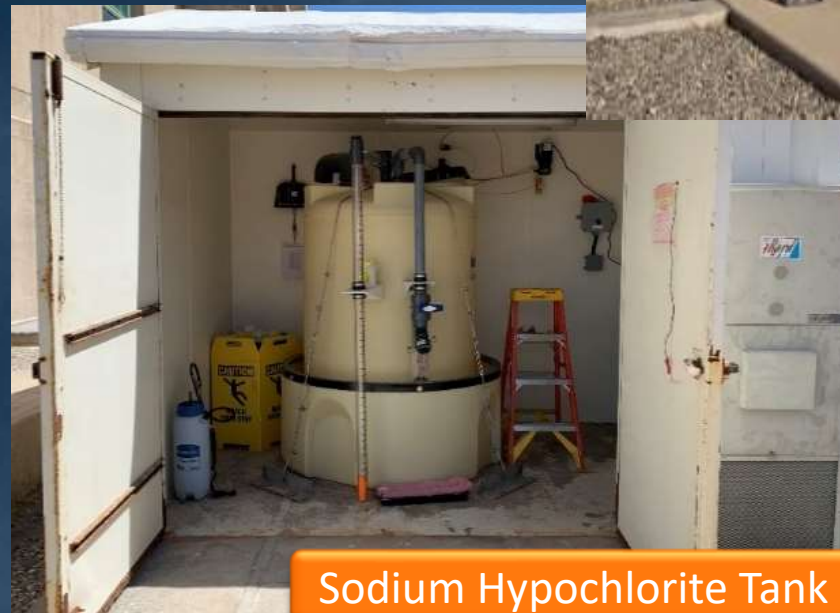


Background

- Existing GAC units
 - Installed outdoors
 - Periods of low demand & intense summer heat cause bacterial growth inside units
- Existing disinfection systems
 - Require manual adjustments of the chlorine dosage
 - Labor intensive process for desert plant staff



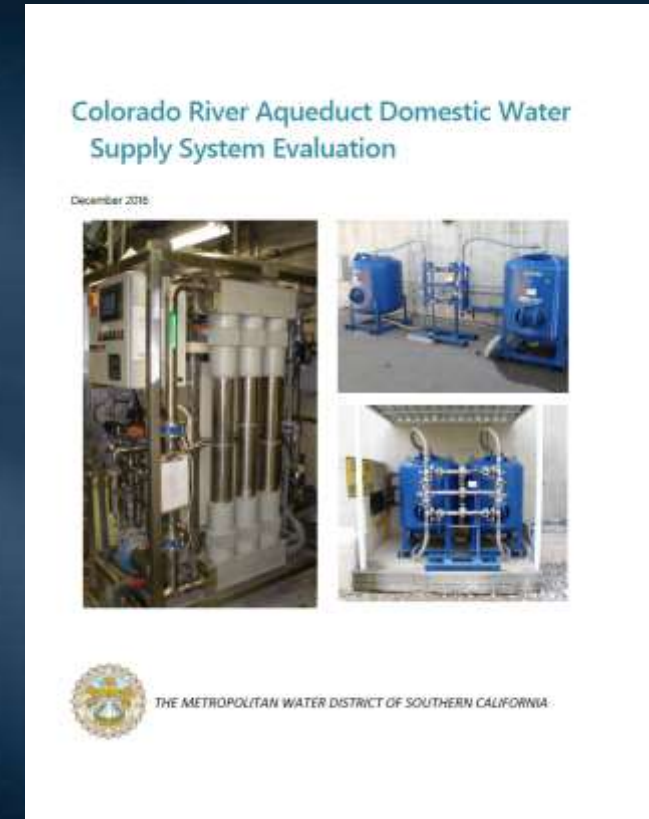
GAC Tanks



Sodium Hypochlorite Tank

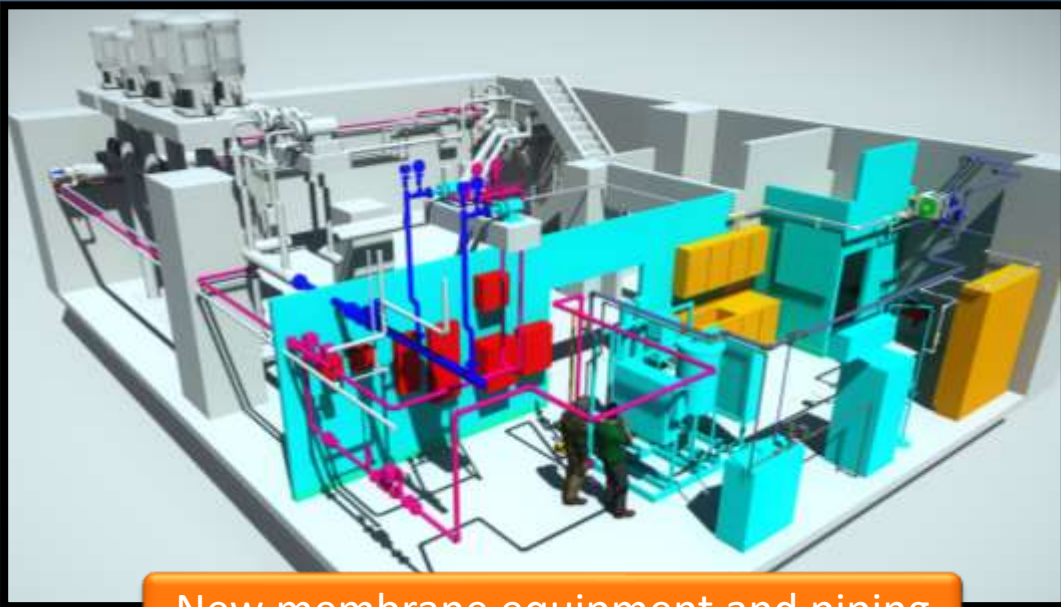
Alternatives Considered

- Rehabilitate deteriorating components of existing water treatment systems
- Evaluated multiple alternative treatment technologies
 - Conventional treatment: with Granular Activated Carbon (GAC)
 - Polymeric microfiltration membranes with GAC
 - Ceramic microfiltration membranes with GAC
 - Nanofiltration membranes
- Selected alternative
 - Polymeric microfiltration membranes with GAC
 - High pressure, reliable & cost-effective system that meets water quality requirements



Contractor Scope

- Replace membrane filtration units & piping
- Construct temperature-controlled buildings
 - GAC units
 - Sodium hypochlorite tanks



New membrane equipment and piping



New climate-controlled building

Contractor Scope (Cont'd)

- Upgrade water quality instrumentation & laboratory equipment
- Replace electrical & water conduits
- Upgrade & automate disinfection system
- Perform tie-ins & start-up testing



Water Quality Equipment



Conduits



Disinfection

Metropolitan Scope

- District-force construction
 - Install new duct banks for electrical & fiber optic cables
 - Connect new instruments to data collection system
 - Construct new power systems & integrate with SCADA system
- Other support
 - Construction Inspection
 - Contract Administration & PM
 - Submittal Review & Record Drawings



Bid Results

Specifications No. 1949

Bids Received

November 16, 2021

No. of Bidders

4

Low Bidder

J. F. Shea Construction, Inc.

Low Bid

\$32,824,000

Range of Higher Bids

\$35,186,000 to 36,149,000

Engineer's estimate

\$24,047,000

SBE Participation*

36.6%

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

Allocation of Budgeted Funds

Contract

J. F. Shea Construction, Inc.	\$32,824,000
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Metropolitan Labor

Force Construction	1,653,000
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Construction Inspection	3,074,000
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Submittals Review & Record Drawings	1,912,000
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Contract Administration & PM	1,370,000
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Materials & Incidentals	620,000
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Remaining Budget	847,000
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Total	\$42,300,000
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Total Construction Cost: \$34,477,000

Project Schedule



Board Options

- Option #1
 - Award a \$32,824,000 contract to J. F. Shea Construction, Inc. to upgrade the domestic water treatment systems at the five CRA pumping plants.
- Option #2
 - Do not proceed with the project at this time.

Staff Recommendation

- Option #1





- **Board of Directors**
Water Planning and Stewardship Committee

12/14/2021 Board Meeting

7-4

Subject

Authorize the General Manager to enter into a Memorandum of Understanding to facilitate near-term actions to maintain the elevation of water in Lake Mead above elevation 1,020 feet, and to provide up to 20 percent of the non-federal cost share of any such actions, not to exceed \$10 million per year in 2022 and 2023, and delegate authority to the General Manager to enter into additional agreements as needed to implement the Memorandum of Understanding; the General Manager determined that the proposed actions are exempt or otherwise not subject to CEQA

Executive Summary

Authority is requested for Metropolitan to enter into a Memorandum of Understanding (MOU) with the United States, the State of Arizona, the Central Arizona Water Conservation District, the State of Nevada, and the Southern Nevada Water Authority known as the “500+ Plan MOU” (see **Attachment 1**) and agreements necessary to implement the 500+ Plan MOU to facilitate near-term actions necessary to maintain the elevation of water in Lake Mead above elevation 1,020 feet. The 500+ Plan MOU is a commitment by water managers in Arizona, Nevada, and California to facilitate actions that could add 500,000 acre-feet (AF) of water to Lake Mead in both 2022 and 2023. The sources of water for the 500+ Plan MOU could include the creation of additional Intentionally Created Surplus and additional system conservation throughout the Colorado River Lower Basin. The 500+ Plan MOU would include a request for a federal funding match. Modeling shows that implementation of the 500+ Plan MOU significantly reduces the risk of Lake Mead declining below the critical reservoir elevation of 1,020 feet through 2026, the end of the interim period.

Timing and Urgency

Metropolitan is a party to the 2019 Lower Basin Drought Contingency Plan Agreement (DCP) that includes a provision that if “any 24-month Study for the minimum probable inflows projects that Lake Mead elevations will be at or below 1,030 feet anytime within the succeeding two years, the Secretary and Lower Division States shall consult and determine what additional measures will be taken by the Secretary and Lower Division States to avoid and protect against the potential for Lake Mead to decline below 1,020 feet.” In August 2021, the 24-Month Study minimum probable inflows projected that Lake Mead will be at or below 1,030 feet in 2023. Implementation of the 500+ Plan MOU is designed to reduce the risk of Lake Mead declining to elevation 1,020 feet or below through 2026, the end of the interim period.

Details

Background

The Colorado River Basin entered a historic drought in 2000. In response, the Department of Interior and water managers in California, Arizona, and Nevada have taken a number of actions, including adoption of the 2007 Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead (2007 Interim Guidelines), and the approval of the DCP. The DCP includes a provision that requires the Department of Interior and the Colorado River Lower Division States, Arizona, California, and Nevada, to consult if any 24-Month Study shows that Lake Mead would decline to elevation 1,030 feet or below at any point in the next two years. After this risk appeared in the August 2021 24-Month Study, water managers in Arizona, Nevada, and California considered options for reducing the risk of Lake Mead declining to elevation

1,020 feet or below through 2026, the period of Interim Guidelines. Modeling shows that the addition of 500,000 AF or more of water during calendar years 2022 and 2023 significantly reduces the risk of the elevation of Lake Mead declining to levels below 1,020 feet as contemplated in the DCP.

Implementation of the 500+ Plan MOU could add or retain at least 500,000 AF of water in Lake Mead in both 2022 and 2023. Under this plan, water managers in Arizona, Nevada, and California would commit to work together towards this goal. Potential actions may involve creation of additional Intentionally Created Surplus as allowed by the 2007 Interim Guidelines and DCP, and creation of new system water, which may include agreements with other water users in the Lower Basin. The Lower Basin water managers in Arizona, Nevada, and Metropolitan in California would commit to fund additional water projects that would meet the goal of adding or retaining at least 500,000 AF per year in Lake Mead in 2022 and 2023. Metropolitan would provide up to twenty percent of the non-federal funds, not to exceed \$10 million per year in 2022 and 2023. Contributed funds may be used to fund agreements for additional water in any of the Lower Division States. Entities that contribute funds would be able to decide which projects to financially support.

A combination of factors, including the effects of climate change, increasing temperatures in the Colorado River Basin, decreased snow accumulation, and reduced runoff, have all contributed to decreasing inflows into the Colorado River's mainstem reservoirs. This decline in runoff and inflow into the system has been more severe than what was expected at the time the Guidelines were developed or when the DCP was executed. Allowing the continued decline in system storage is not sustainable and presents Metropolitan and all Colorado River water users with risks.

Metropolitan also receives a portion of the power generated at both Hoover and Parker Dams. Declining elevations in Lake Mead significantly reduces the ability to generate power at Hoover Dam, which will reduce the amount of energy Metropolitan receives.

Potential Risk to Metropolitan Without 500+ Plan MOU

While California holds certain senior Colorado River water rights among the Lower Division States, if Lake Mead elevations continue to fall, there is a risk that California's full Colorado River allocation may not be delivered due to either: (1) physical limitations on the ability to release sufficient water from Hoover Dam; or (2) the Secretary's use of discretion to reduce deliveries to protect Lake Mead from declining below critical reservoir elevations. These risks to Metropolitan are increased by Metropolitan's junior priority to Colorado River supplies within the state of California. Although the allocation of a shortage within California has not been established, Metropolitan faces risks if such shortage decisions are made.

Staff recommends that the Board authorize the General Manager to enter into the 500+ Plan MOU and to provide funding for action taken under the 500+ Plan MOU not to exceed \$10 million per year in 2022 and 2023. Staff further recommends the Board delegate authority to the General Manager to enter into agreements necessary to facilitate the 500+ Plan MOU consistent with the terms described in this board letter, and in a form approved by the General Manager and General Counsel. For purposes of this delegation of authority, the General Manager would be the designated decision-making body for any actions taken, agreements entered, or permits and approvals in support of the 500+ Plan MOU. In consultation with the General Counsel, the General Manager shall conduct any review and prepare, approve or certify any documentation that may be required under the California Environmental Quality Act.

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 51512, dated March 12, 2019, the Board authorized participation in the Lower Basin Drought Contingency Plan.

By Minute Item 51427, dated December 11, 2018, the Board authorized entering into seven agreements (Lower Basin Drought Contingency Plan Agreement, DCP Contributions and ICS Accumulation Limits Sharing Agreement, Companion Agreement, agreements with PVID, CVWD, and IID, an amendment to the California ICS Agreement) that would implement the Lower Basin Drought Contingency Plan (Lower Basin DCP) Agreement, as set forth in Agenda Item 8-11 board letter.

By Minute Item 41222, dated January 10, 1995, the Board adopted a set of Colorado River Basin Management Policy Principles that include continuing to seek ways to increase the reliability of Metropolitan's Colorado River supplies and collaborate with the other Colorado River Basin States and the Department of the Interior on innovative strategies requiring interstate cooperation.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed actions of authorizing and entering into the MOU to (1) facilitate near-term actions necessary to maintain the elevation of water in Lake Mead above elevation 1,020 feet and (2) provide up to 20 percent of the non-federal cost share of any such future actions not to exceed \$10 million per year in 2022 and 2023, and (3) delegate authority to the General Manager to enter into additional agreements as needed to implement the Memorandum of Understanding are not subject to CEQA because they involve the creation of government funding mechanism and 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 (Section 15378(b)(4) of the State CEQA Guidelines).

In addition, the potential environmental impacts associated with any federal actions necessary to implement the MOU were analyzed in the 2007 Environmental Impact Statement (2007 EIS) for continued implementation of the 2007 Interim Guidelines. The 2007 EIS is posted at <http://www.usbr.gov/lc/region/programs/strategies/FEIS/index.html>. The proposed actions are within the scope of actions that were previously analyzed in that document and will be subject to further environmental review under the NEPA as necessary. Thus, to the extent the proposed actions involve or may affect areas outside of California, such as at Lake Mead or on the portions of the Colorado River in Nevada and Arizona, they are exempt from CEQA under a Statutory Exemption (Public Resources Code Section 21080(b)(14) and State CEQA Guidelines Section 15277).

Lastly, with respect to any future actions undertaken pursuant to the MOU, a separate CEQA review will be carried out, and the appropriate environmental documentation will be prepared as necessary.

CEQA determination for Option #2:

None required

Board Options

Option #1

Authorize the General Manager to enter into the 500+ Plan MOU to facilitate near-term actions necessary to maintain the elevation of water in Lake Mead above elevation 1,020 feet and to provide up to 20 percent of the non-federal cost share of any such actions, not to exceed \$10 million per year in 2022 and 2023, and delegate authority to the General Manager to enter into additional agreements as needed to implement the MOU.

Fiscal Impact: \$10 million in aggregate over FY 2022-23 and 2023-24

Business Analysis: Participation in the 500+ Plan MOU would assist in reducing the risk of Lake Mead's elevation declining to 1,020 feet through 2026, reducing the potential of water curtailments to California agencies, including Metropolitan.

Option #2


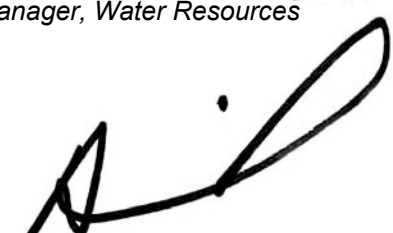
Do not authorize the General Manager to enter into the 500+ Plan MOU.

Fiscal Impact: None

Business Analysis: Not participating in the 500+ Plan MOU increases the risk of Lake Mead declining to elevation 1,020 feet or below through 2026, which may make deliveries of Colorado River water to California less reliable.

Staff Recommendation

Option #1

 Deven N. Upadhyay Executive Officer and Assistant General Manager, Water Resources	12/7/2021 Date
 Adel Hagekhalil General Manager	12/7/2021 Date

Attachment 1 – Memorandum of Understanding among the United States of America acting through the Department of the Interior, Bureau of Reclamation, the State of Arizona acting through the Arizona Department of Water Resources, the Central Arizona Water Conservation District, The Metropolitan Water District Of Southern California, the State Of Nevada acting through the Colorado River Commission of Nevada, and the Southern Nevada Water Authority to Facilitate Near-Term Actions Necessary to Maintain the Elevation of Water in Lake Mead

Ref# eo12687635

MEMORANDUM OF UNDERSTANDING

--AMONG--

THE UNITED STATES OF AMERICA ACTING THROUGH
THE DEPARTMENT OF THE INTERIOR, BUREAU OF
RECLAMATION, THE STATE OF ARIZONA ACTING
THROUGH THE ARIZONA DEPARTMENT OF WATER
RESOURCES, THE CENTRAL ARIZONA WATER
CONSERVATION DISTRICT, THE METROPOLITAN WATER
DISTRICT OF SOUTHERN CALIFORNIA, THE STATE OF
NEVADA ACTING THROUGH THE COLORADO RIVER
COMMISSION OF NEVADA, AND THE SOUTHERN
NEVADA WATER AUTHORITY

TO FACILITATE NEAR-TERM ACTIONS NECESSARY TO
MAINTAIN THE ELEVATION OF WATER IN LAKE MEAD

This Memorandum of Understanding, (hereinafter referred to as "2021 MOU"), is made and entered into this _____ day of December, 2021 ("Effective Date"), by and between the UNITED STATES OF AMERICA ("United States") represented by the Secretary of the Interior ("Secretary") acting through the Bureau of Reclamation ("Reclamation"), the STATE OF ARIZONA acting through the Director of the Arizona Department of Water Resources ("ADWR"), the CENTRAL ARIZONA WATER CONSERVATION DISTRICT, a multi-county water conservation district duly organized and existing under the laws of the State of Arizona ("CAWCD"), THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, duly organized under California law ("MWD"), and the STATE OF NEVADA acting through the Colorado River Commission of Nevada ("CRCNV") and the SOUTHERN NEVADA WATER AUTHORITY, a political subdivision of the State of Nevada ("SNWA"), each of which is at times referred to individually as "Party" and collectively as "Parties."

BACKGROUND

A. WHEREAS, the Colorado River basin began suffering from a meaningfully warmer and drier climate more than twenty years ago, leading to substantially diminished inflows into the system and decreased water elevation levels in both Lakes Mead and Powell;

B. WHEREAS, in response to the emerging climate reality, the Secretary adopted, and with the support and agreement of the Colorado River Basin Upper Division States of Colorado, New Mexico, Utah, and Wyoming, and the Lower Division States of Arizona, California, and Nevada, implemented the 2007 Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead ("2007 Interim Guidelines") to, among other things, provide incentives and tools for the storage of water in Lake Mead and for Lake Mead elevation dependent shortages reducing annual allocations to the States of Arizona and Nevada beginning at 1075 feet;

C. WHEREAS, in 2014, to further help maintain the elevation of Lake Mead, the United States acting through Reclamation, Denver Water, CAWCD, MWD, and SNWA funded a Pilot System Conservation Program to reduce diversions from the Colorado River System through the voluntary, compensated, and temporary reduction in use by water users ("System Conservation");

D. WHEREAS, also in 2014, the Parties, together with the Colorado River Board of California, entered into a Memorandum of Understanding pursuant to which additional "protection volumes" were generated through conservation and other means and left in Lake Mead between 2014 and 2017 to help maintain Lake Mead elevation;

E. WHEREAS, in 2019, the Parties entered into a Lower Basin Drought Contingency Plan Agreement that further incentivized conservation and storage in Lake Mead and established elevation dependent contributions to Lake Mead's sustainability, including required contributions by each Lower Basin State. Federal legislation, the Colorado River Drought Contingency Plan Authorization Act, Pub. L. No. 116-14 (2019) directed the Secretary to implement a number of

agreements, including specifically an agreement applicable in the Lower Basin that implemented a Lower Basin Drought Contingency Operations rule set known as the LBOps;

F. WHEREAS, through Minute Nos. 318 (2010), 319 (2012), and 323 (2017) to the "United States-Mexico Treaty on Utilization of Waters of the Colorado and Tijuana Rivers and of the Rio Grande," signed February 3, 1944 ("1944 Water Treaty"), and in furtherance of the 1944 Water Treaty, the Parties incentivized the conservation of water in Mexico for subsequent delivery thereby benefitting storage in the United States (together "Mexican Water Reserve");

G. WHEREAS, as a result of the collective impact of the programs set forth above (approximately 4.0 million acre-feet), Lake Mead's elevation at the end of 2020 was approximately 50 feet higher than it would have been in their absence;

H. WHEREAS, despite the successes of implementing programs designed to meet the challenge brought about by a warmer, drier climate discussed above, Reclamation's August 2021 24-Monthly Study projected Lake Mead's elevation would be below 1,075 feet on January 1, 2022, and consistent with the provisions of the 2007 Interim Guidelines, a shortage declaration limiting deliveries of Colorado River water to Arizona and Nevada will be in effect in Calendar Year 2022. Furthermore, the August 2021 24-Month Study using the minimum probable inflow projected Lake Mead would fall below elevation 1,030 feet in July of 2023. That projection was sustained in the September and October 2021 24-Month studies using the minimum probable inflow;

I. WHEREAS, the LBOps provide that "If any 24-month Study for the minimum probable inflows projects that Lake Mead elevations will be at or below 1,030 feet anytime within the succeeding two Years, the Secretary and Lower Division States shall consult and determine what additional measures will be taken by the Secretary and Lower Division States to avoid and protect against the potential for lake Mead to decline below 1,020 feet";

J. WHEREAS, the Parties have engaged in initial and ongoing discussions and consultations regarding the foregoing, and technical workgroups have participated in Colorado River Mid-term Modeling System ("CRMMS") exercises to identify additional volumes of water

during Calendar Years 2022 and 2023 that are designed to avoid and protect against the elevation of Lake Mead declining to levels below 1,020 feet as contemplated in the LBOps;

K. WHEREAS, recognizing both the recent history of low runoff conditions and the variability of flows in the Colorado River Basin and without predetermining what additional measures may be appropriate or necessary through 2026, generally, these technical workgroups concluded that 500,000 or more acre-feet per year of additional reductions in water use or augmentation of system water may be required to meet this goal;

L. WHEREAS, the Parties recognize that facilitating reductions in use or augmentation of system water in the magnitude described above will require substantial funds. The United States, ADWR, CAP, MWD, and SNWA (collectively "Funding Parties") agree, pursuant to the terms, conditions, and limitations set forth below, to work in a coordinated fashion to identify and fund projects that result in measurable benefits to Lake Mead's elevation through Calendar Year 2023; AND

M. WHEREAS, the Parties enter this 2021 MOU with a collective understanding that while this effort addresses an acute short-term need to support Lake Mead elevations, future climate projections for the Colorado River Basin suggest worsening conditions. Accordingly, the Parties intend to regularly evaluate conditions throughout the term of this 2021 MOU and to use the information gained in any process developed to address longer term operations.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, and other valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. Additional Parties. The Parties recognize that adding additional entities to this 2021 MOU may increase the extent to which the undertaking succeeds in sustaining Lake Mead elevations to avoid and protect against the potential for Lake Mead to decline below 1,020 feet.

To that end, additional entities may be added to this 2021 MOU as parties with the written consent of all existing Parties.

2. Additional Water. Additional Water means water remaining in Lake Mead that is either (a) not attributable to shortage volumes under the 2007 Guidelines or any DCP Contributions required in the LBOps; or (b) attributable to a net positive change in Intentionally Created Surplus ("ICS") behavior assumed in Reclamation's June 2021, 24-month study Most Probable projection.

3. Additional Water Sources. Provided such sources meet the definition of Additional Water in Paragraph 2 above, Additional Water Sources may include, but are not necessarily limited to: Creation of ICS, creation of system water (through increases in system efficiencies, conservation not inuring to an ICS account, augmenting system supply, not taking delivery of water authorized by an entitlement, or other means acceptable to the Parties), and decreasing ICS releases assumed in Reclamation's June 2021, 24-month study Most Probable projection.

4. Additional Water Minimum Target. The Parties are targeting a combined minimum of 1,000,000 acre-feet of Additional Water in 2022 and 2023, and such additional water as may be achievable in this timeframe. At the time of execution of this MOU, the Parties have identified potential Additional Water Sources to create approximately 500,000 acre-feet of Additional Water in 2022 and approximately 500,000 acre-feet of Additional Water in 2023.

5. Non-Federal Funding. The non-federal Funding Parties, subject to the availability of budgeted funds and any necessary board approvals, agree to fund participation in Additional Water projects up to, but not exceeding, the following amounts for 2022-2023:

- a. ADWR: \$40,000,000
- b. CAWCD: \$20,000,000
- c. MWD: \$20,000,000

d. SNWA: \$20,000,000

Total: \$100,000,000

The non-federal Funding Parties anticipate that their overall contribution for Additional Water will be in proportion to the commitment set forth above, though their contributions for any specific project may vary.

6. Federal Funding Match. The United States, subject to the availability of budgeted funds, will work to match the cumulative non-federal funding commitment above, with a goal of a total federal funding commitment of up to \$100,000,000, such that the total commitment by the Funding Parties, subject to all necessary approvals, availability of appropriations and available Additional Water Sources, is an aggregate of \$200,000,000 for 2022-2023.

7. Additional Water Sources Project Selection. As soon as practicable after the Effective Date, the Parties will work together to establish appropriate means and methods for Additional Water projects identification, consideration, selection, funding, administration, and validation, with the key considerations being the total quantity of Additional Water that can be created in support of Lake Mead elevations, the cost of such water quantities, and the timing of implementation of any projects for Additional water. This 2021 MOU shall not obligate any Funding Party to any specific contribution of funds or otherwise support any particular Additional Water project.

8. Adaptation. The Parties agree that conditions in the Colorado River Basin may improve or further deteriorate before the conclusion of 2023. Accordingly, the Parties agree to consult with each other at least semi-annually to evaluate current hydrologic conditions and may make reasonable and prudent adaptations to this 2021 MOU to meet such conditions.

9. Environmental Compliance. The Parties will comply with applicable law regarding implementation of this MOU.

10. Notice. To the extent that written notices and/or requests are undertaken under the terms of this 2021 MOU, the Parties may be contacted at the following addresses:

Reclamation:

Bureau of Reclamation
Attn: Deputy Regional Director
P.O. Box 61470
Boulder City, NV 89006-1470
Email: slwade@usbr.gov

ADWR:

Arizona Department of Water Resources
Attn: Director
P.O. Box 36020
Phoenix, AZ 85067
Email: tbuschatzke@azwater.gov

With copy to:

Nicole Klobas
Deputy Chief Counsel
P.O. Box 36020
Phoenix, AZ 85067
Email: ndklobas@azwater.gov

CAWCD:

Central Arizona Water Conservation District
Attn: General Manager
P.O. Box 43020
Phoenix, AZ 85080-3020
Email: tcooke@cap-az.com

With copy to:

Jay M. Johnson
General Counsel
P.O. Box 43020
Phoenix, AZ 85080-3020
jjohnson@cap-az.com

MWD:

The Metropolitan Water District of Southern California
Attn: General Manager

700 North Alameda Street
Los Angeles, CA 92363-2933
Email: AdelH@mwdh2o.com

CRCNV:

Colorado River Commission of Nevada
Attn: Executive Director
555 East Washington Avenue, Suite 3100
Las Vegas, NV 89101
Email: ewitkoski@crc.nv.gov

With a copy to:

Sara Price
Senior Assistant Director
555 East Washington Avenue, Suite 3100
Las Vegas, NV 89101
sprice@crc.nv.gov

SNWA:

Southern Nevada Water Authority
Attn: General Manager
1001 South Valley View Boulevard
Las Vegas, NV 89153
Email: john.entsminger@lvvwd.com

With copy to:

Gregory J. Walch
General Counsel
1001 South Valley View Boulevard
Las Vegas, NV 89153
greg.walch@lvvwd.com

The Parties agree that for purposes of complying with this section, notice through electronic mail is acceptable. A Party may update its contact information in this section without need to amend this 2021 MOU by providing notice to the Parties consistent with this section.

11. General Provisions.

- a) **Term.** This 2021 MOU shall be effective from the Effective Date until December 31, 2024 ("Term").
- b) **Reservation of Rights.** Nothing in this 2021 MOU shall be construed to

diminish or waive the rights of any Party to this MOU.

c) **Party Authorities.** Nothing in this 2021 MOU is intended to or shall be construed to limit or affect in any way the authority or legal responsibilities of any Party or to require any Party to perform beyond its respective authorities.

d) **Budget Limitations.** Nothing in this 2021 MOU may be construed to obligate any Party to any current or future expenditure of resources in advance of the availability of appropriations. Nor does this 2021 MOU obligate any Party to spend funds on any particular project or purpose, even if funds are available.

e) **Mission Influence.** The mission requirements, funding, personnel, and other priorities of the Parties may affect the Parties' ability to undertake actions to achieve the goals identified in this 2021 MOU.

f) **Separate Agreements Required for Transfer of Consideration.** Specific activities that involve the transfer of money, services, or property between Parties are not included in the scope of this 2021 MOU. To the extent that any such activities are subsequently considered between or among any of the Parties, execution of separate agreements or contracts will be required.

g) **Actions not Exclusive.** Nothing in this 2021 MOU is intended to or shall be construed to restrict the Parties from participating in similar activities or arrangements with other public or private agencies, organizations, or individuals.

h) **No Third Party Beneficiaries.** This 2021 MOU is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any person or entity against any Party, including any Party board member, department, agency, entity, officer, employee, or agent.

i) **Freedom of Information Act and State Open Records.** Any information furnished between the Parties under this 2021 MOU may be subject to the Freedom of Information Act, 5 U.S.C. § 552, et seq. (“FOIA”) and/or respective state authorities. The Parties agree to consult each other regarding any such relevant requests and prior to releasing potentially privileged or exempt documents.

j) **Choice of Law.** This 2021 MOU is subject, as applicable, to the laws of the United States of America.

k) **Anti-Discrimination.** All work under the provisions of this 2021 MOU will be accomplished without discrimination against any employee because of race, sex, creed, color, national origin, or any other legally protected class as identified in Federal or applicable state law.

l) **Renewals.** This 2021 MOU shall remain in effect for the Term as set forth above and may be renewed if the Parties agree.

m) **Media/Notice.** The Parties will consult with each other in a timely manner to ensure coordination prior to release of any statements referring to this 2021 MOU intended for widespread publication.

n) **No Endorsement.** Nothing in this 2021 MOU may be interpreted to imply that a Party endorses any product, service, or policy of the other Parties, except as specifically set forth in this 2021 MOU. No Party will take any action or make any statement that suggests or implies any such type of endorsement.

o) **No Waiver.** No participant in this 2021 MOU will be considered to have waived any policy, administrative or legal right hereunder.

p) **Amendments.** This 2021 MOU may be amended, modified, or

supplemented only by the written, signed agreement of the Parties.

q) **Conflicts of Interest.** No Member of or Delegate to the Congress, or Resident Commissioner, or official of the United States, Reclamation, ADWR, CAWCD, MWD, SNWA, or CRCN or any Elector or Electors may benefit from this 2021 MOU other than as a water user or landowner in the same manner as other water users or landowners. The Parties are hereby notified of A.R.S. section 38-511.

r) **Execution in Counterparts.** This 2021 MOU may be executed in counterparts, each of which will be an original and all of which, together, constitute only one 2021 MOU.

IN WITNESS WHEREOF, the Parties hereto have executed this 2021 MOU on the day and year written above.

[SIGNATURES ON FOLLOWING PAGES]

THE UNITED STATES OF AMERICA

By: _____
Camille C. Touton
Commissioner
Bureau of Reclamation

Date: _____

Approved as to form:

**THE STATE OF ARIZONA ACTING
THROUGH THE DIRECTOR OF THE ARIZONA
DEPARTMENT OF WATER RESOURCES**

By: _____
Nicole D. Klobas
Deputy Chief Counsel

By: _____
Thomas Buschatzke
Director

Approved as to form:

**CENTRAL ARIZONA WATER
CONSERVATION DISTRICT**

By: _____
Jay M. Johnson
General Counsel

By: _____
Theodore C. Cooke
General Manager

Approved as to form:

**THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA**

By: _____
Marcia L. Scully
General Counsel

By: _____
Adel Hagekhalil
General Manager

Approved as to form:

COLORADO RIVER COMMISSION OF NEVADA

By: _____
Christine Guerci-Nyhus
Special Counsel Attorney General

By: _____
Eric Witkoski
Executive Director

Approved as to form:

SOUTHERN NEVADA WATER AUTHORITY

By: _____
Gregory J. Walch
General Counsel

By: _____
John J. Entsminger
General Manager



Seek authorization to enter into Memorandum of Understanding and agreements to facilitate near-term actions to maintain the elevation of water in Lake Mead above elevation 1,020 feet

Water Planning and Stewardship Committee

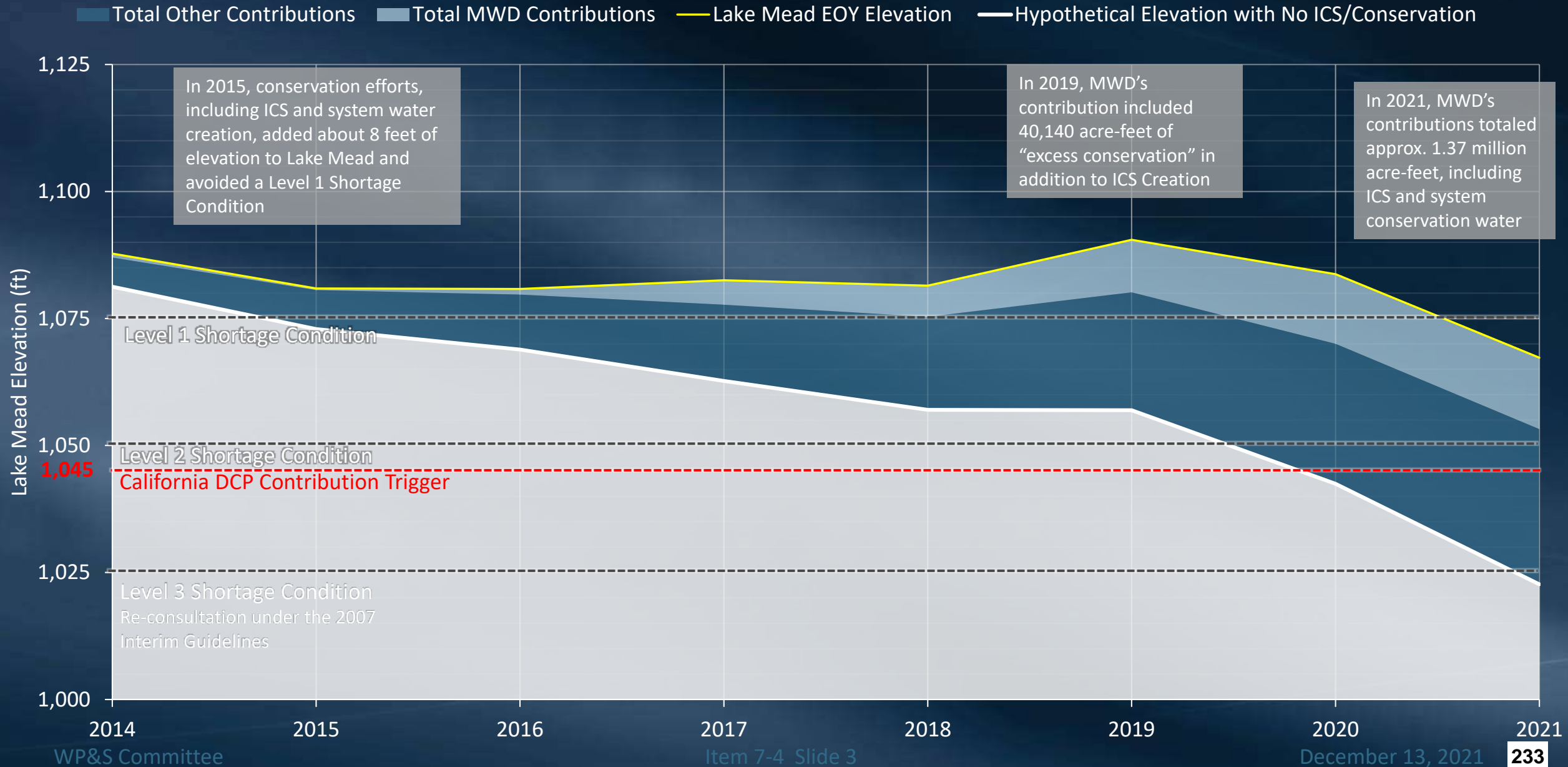
Item 7-4

December 13, 2021

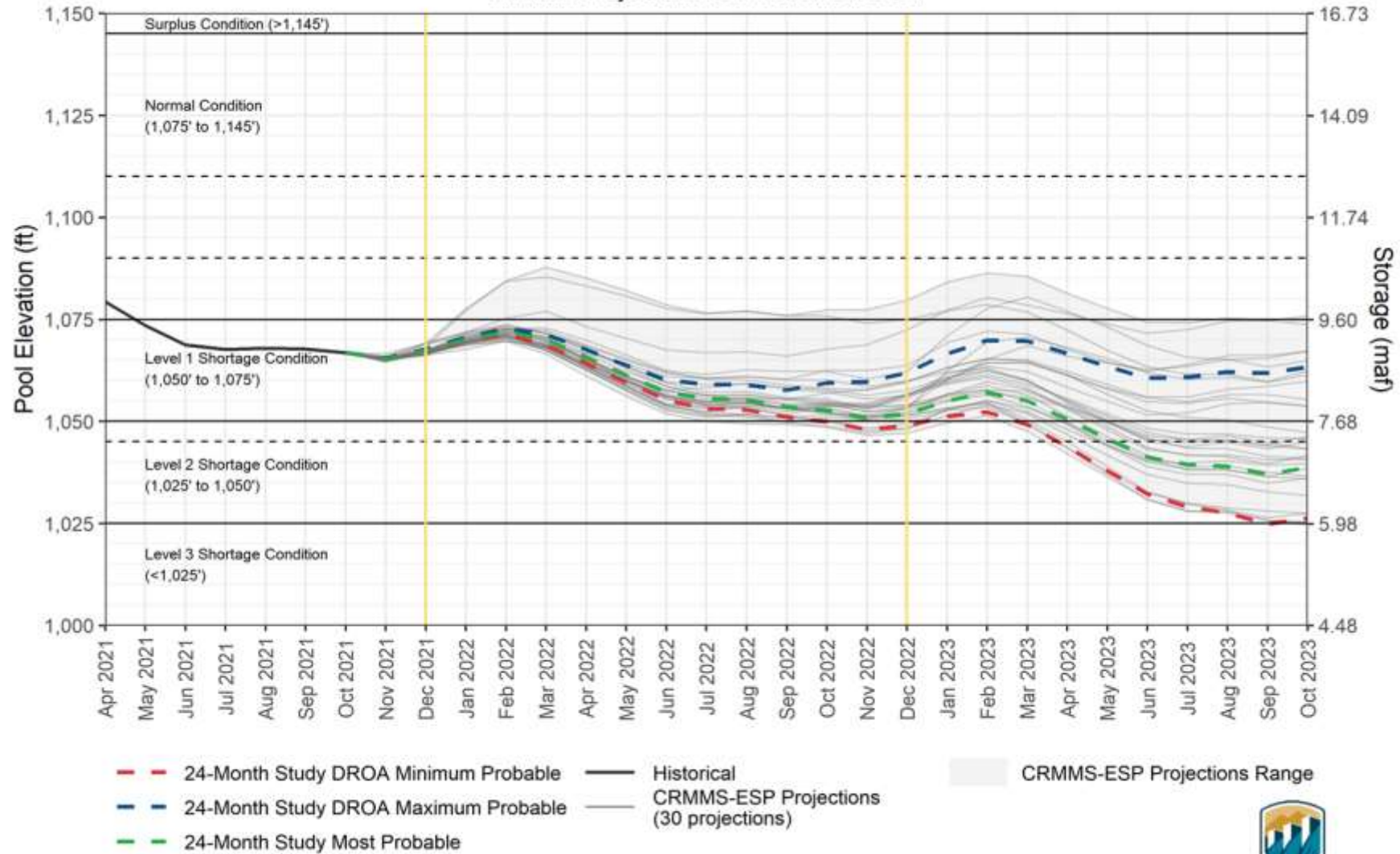
500+ Plan

- Interstate and federal effort to keep Lake Mead above the critical elevation of 1,020 feet
 - Target 500,000 AF to add to Lake Mead in 2022 and 2023
 - Contribute to funding additional water
- Actions in response to Lower Basin Drought Contingency Plan requirement to consult when the 24-Month Study shows that Lake Mead would fall to elevation 1,030 feet in the minimum probable scenario any time in the next two years

Metropolitan's Contribution Lake Mead Elevation



Lake Mead End-of-Month Elevations CRMMS Projections from November 2021



End of Year 2022 - Lake Mead Elevation Projection

Elevation (ft)

Not to Scale

Lake Mead

1,219.6

Maximum Storage

1,075

Level 1 Shortage Condition

1,058 ft

1,052 ft

Proposed 500 TAF Plan Contribution

1,050

Level 2 Shortage Condition

1,045

California DCP Contribution Trigger

1,025

Level 3 Shortage Condition

Re-consultation under the 2007
Interim Guidelines

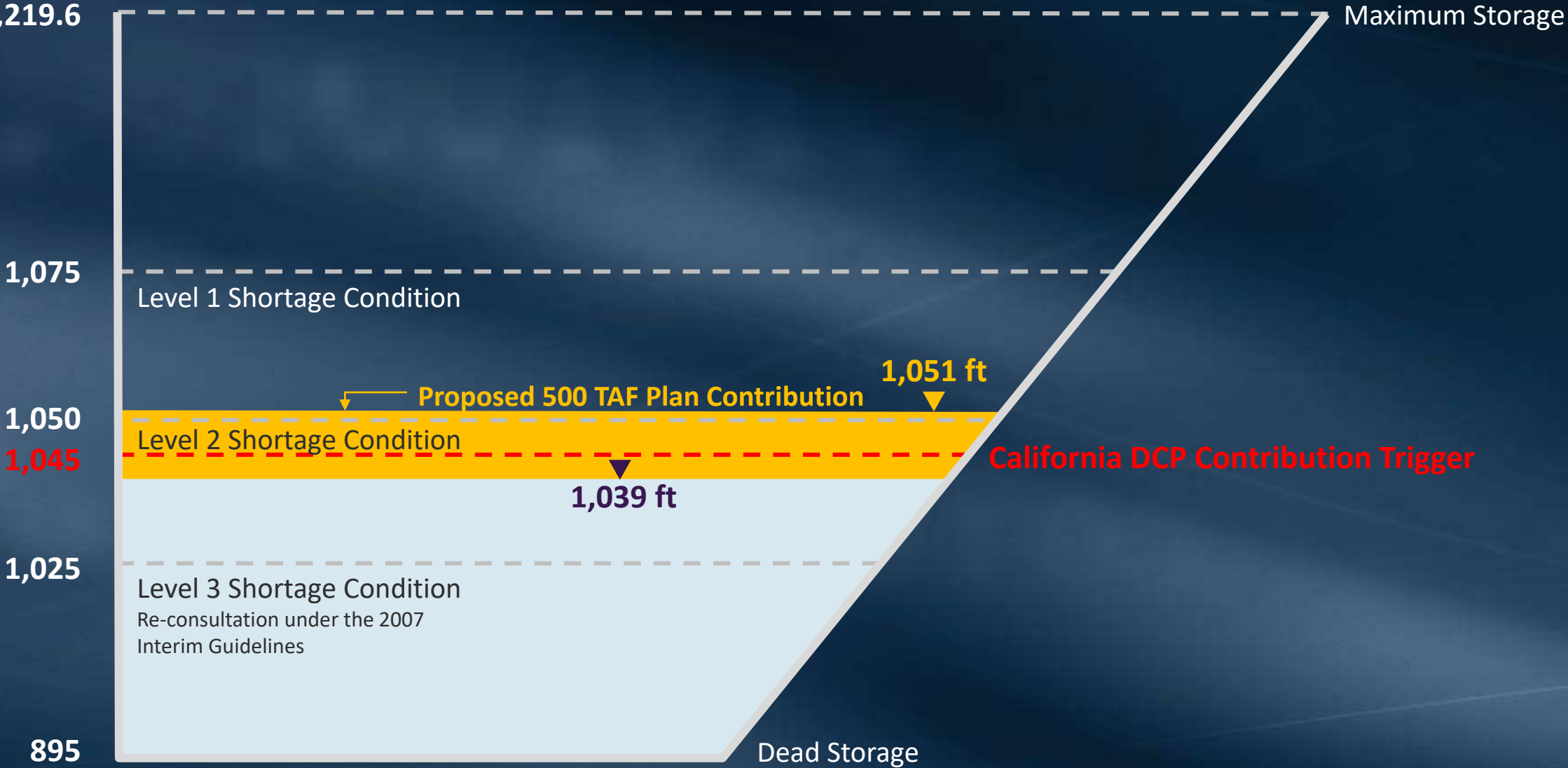
895

Dead Storage

End of Year 2023 - Lake Mead Elevation Projection

Elevation (ft)
Not to Scale

Lake Mead



500+ Plan Partners

- Parties to 500+ Plan MOU
 - US – Secretary of Dept of Interior and Bureau of Reclamation
 - AZ – Arizona Department of Water Resources and Central Arizona Project
 - NV – Southern Nevada Water Authority and Colorado River Commission of Nevada
 - CA - Metropolitan
- Other parties/partners may join later

Potential for Partnership with Mexico

- The Commissioners for the US and Mexico sections of the International Boundary and Water Commission (IBWC) exchanged letters in November 2021 affirming the agreement to establish a small work group to address unprecedented reservoir conditions
- On December 2, 2021, the Minute 323 Binational Work Group on Proactive Measures held its first meeting at the U.S. Section San Diego Field Office. The IBWC Commissioners will provide a report on this group's activities at the Colorado River Water Users Association.

Water To Be Added To Lake Mead

- Additional Water means water remaining in Lake Mead
 - Not due to shortage volumes under the 2007 Guidelines or any DCP Contributions; or
 - A net positive change in Intentionally Created Surplus (ICS) behavior assumed in Reclamation's June 2021, 24-month study Most Probable projection.
- Sources of Additional Water include
 - Additional ICS
 - System conservation
 - System efficiency

Funding Commitments

Subject to availability of funds and board approvals:

- Non-federal Funding Parties agree to fund participation in Additional Water projects up to:
 - ADWR: \$40,000,000
 - CAWCD: \$20,000,000
 - MWD: \$20,000,000
 - SNWA: \$20,000,000
- Total: \$100,000,000
- The United States will work to match the non-federal funding commitment, with a goal of a total federal funding commitment of up to \$100,000,000, such that the total commitment by the Funding Parties, is an aggregate of \$200,000,000 for 2022-2023

2014 System Conservation Agreement

- The Parties to the 500+ Plan MOU partnered together to add system water to Lake Mead in the 2014 System Conservation Agreement
- In the System Conservation Agreement, water users could apply to the program and if selected would be compensated to conserve specific amounts of water
- Each Party to the System Conservation Agreement could decide whether to fund any specific conservation project

Board Approvals & Next Steps

- If the Metropolitan Board approves this proposed action, Parties will develop implementation agreements regarding funding of system conservation projects
- The Southern Nevada Water Authority and Central Arizona Water Conservation District boards approved participation in the 500+Plan MOU
- Additional parties may join this effort including Mexico, Tribes and NGOs

Board Options

Option #1

- Authorize the General Manager to enter into the 500+ Plan MOU to facilitate near-term actions necessary to maintain the elevation of water in Lake Mead above elevation 1,020 feet and to provide up to 20 percent of the non-federal cost share of any such actions, not to exceed \$10 million per year in 2022 and 2023, and delegate authority to the General Manager to enter into additional agreements as needed to implement the MOU.

Board Options

Option #2

- Do not authorize the General Manager to enter into the 500+ Plan MOU.

Staff Recommendations

- Option #1





- **Board of Directors**
Water Planning and Stewardship Committee

12/14/2021 Board Meeting

7-5

Subject

Authorize the General Manager to enter into agreements with San Bernardino Valley Municipal Water District and the California Department of Water Resources to improve the management of State Water Project supplies, including the exchange of water; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

Staff requests authorization for the General Manager to enter into agreements with San Bernardino Valley Municipal Water District (Valley District) and the California Department of Water Resources (DWR) to enhance Metropolitan's capability of delivering supplies to areas dependent on State Water Project (SWP) supplies. The agreements include exchanging supplies, delivering Valley District's local supplies to the Rialto Pipeline, shifting from Valley District's SWP supplies to its local supplies, and delivering Diamond Valley Lake supplies to the Rialto Pipeline and to Valley District. The proposed agreements provide for reimbursement of operating costs and provide a payment to encourage Valley District's member agencies to shift to local supplies to make additional Valley District SWP supplies available to Metropolitan.

Details

Background

On March 9, 2021, Metropolitan's Board authorized the General Manager to enter into a Coordinated Operating Agreement (COA) with Valley District to allow Metropolitan to purchase surplus SWP supplies from Valley District and to provide for mutual aid in emergencies. However, the COA does not provide for exchanges of supplies or for the payment of costs. The new agreements will provide Metropolitan additional flexibility in managing supplies for the SWP reliant areas of the service area.

On November 9, 2021, Metropolitan's Board adopted a resolution declaring a drought emergency. The resolution provided the General Manager with additional authorities and directed him to identify and implement measures to improve reliability against multi-year, severe droughts. While the proposed agreements with Valley District would advance this goal, staff is seeking Board authorization in this case because the proposed agreements would provide benefits for a period that would extend beyond the current emergency and the agreements could also be used to provide benefits to Valley District.

Agreement to Exchange Supplies between Metropolitan and Valley District

Exchanging supplies between Metropolitan and Valley District provides both districts an additional tool to manage their supplies. In 2022, staff estimates up to 8,000 acre-feet of Valley District's SWP carryover would be available. The actual amount available will be determined by Valley District based on its water supply and demand needs. Metropolitan can use Valley District's water earlier in the year when staff expects the SWP allocation to be low and can return water later in the year, or future in a year, to meet Valley District's surface water needs. Metropolitan and Valley District would exchange water equally within a calendar year. However, the districts would retain discretion to negotiate exchange terms up to a ratio of two-to-one for the return of water beyond a calendar year. In other words, for every acre-foot Metropolitan receives, Metropolitan would return up to two acre-feet in a future year when SWP supplies improve. Under alternate conditions where Metropolitan's supply conditions are good, Valley District could request an exchange of supplies from Metropolitan under the

same terms. Valley District and Metropolitan will retain discretion on whether to participate in an exchange based on each district's water supply and demand conditions.

Agreement to Reimburse Valley District to shift from SWP Supplies and provide Local Supplies

Metropolitan would reimburse Valley District for direct costs associated to produce local water for either delivery to Metropolitan or for usage in Valley District's service area as a shift from Valley District's SWP supplies. Staff estimates the amount of local supply available to be around 1,000 acre-feet per month. The shift enhances Metropolitan's exchange capability of SWP supplies. The current COA does not allow Metropolitan to reimburse Valley District for its costs to deliver additional local water for Metropolitan's benefit, or the production costs of local water and associated operation, maintenance, and repair costs. Metropolitan would pay Valley District up to \$300/AF, for its retail agencies to shift from SWP water to local groundwater. The payment will be based on an estimate of the actual costs incurred by retail agencies to reduce direct deliveries of SWP water or, upon agreement, for the cost of any new facilities that may be required.

Agreement to Reimburse Valley District for Conveying Metropolitan's Diamond Valley Lake Supplies

Metropolitan would reimburse Valley District for costs to convey Metropolitan's Diamond Valley Lake supplies for delivery to Metropolitan or for usage in Valley District's service area as a shift from Valley District's SWP supplies. The program could provide around 100,000 acre-feet of additional supply when fully developed. The shift enhances Metropolitan's exchange capability of SWP supplies. The current COA does not allow Metropolitan to reimburse Valley District for the conveyance costs for moving Diamond Valley Lake supplies to Metropolitan or to Valley District for Metropolitan's benefit. The agreement would allow for reimbursement to Metropolitan should reversed conditions prevail, and Valley District needs Diamond Valley Lake supplies during an emergency or outage.

Summary

Metropolitan's capability of delivering supplies to areas that are reliant on SWP supplies improves with entering into a series of agreements with Valley District, and any necessary related agreements with DWR, consistent with the terms outlined in **Attachment 1**. Agreements with DWR are needed to exchange and deliver supplies using SWP facilities under Metropolitan's existing State Water Contract. The agreements allow for the production and delivery of water based on actual costs. Staff estimates that the cost for Valley District to shift from SWP supplies to local supplies is up to \$300/AF. Valley District and Metropolitan will each retain discretion on the level of participation in the exchange and operation of their distribution systems based on each district's water supply, water demand, and distribution system needs. The agreements will be limited to ten years, through December 31, 2031, to provide additional flexibility during future emergencies and outages.

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 44357, February 13, 2001, the Board approved a water quality policy governing the introduction of new water sources into conveyance facilities.

By Minute Item 52304, March 9, 2021, the Board approved a Coordinated Operating Agreement with Valley District that provided for mutual aid.

By Minute Item 52581, November 9, 2021, the Board recognized a statewide drought emergency, declared specified emergency conditions within the Metropolitan service area, and directed specified actions.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA (Public Resources Code Section 21065, State CEQA Guidelines Section 15378(b)(4)) because it involves organizational or administrative activities such as the creation of government funding mechanisms or other governmental fiscal activities which do not involve any commitment to any specific project which may result in a direct or indirect physical impact on the environment. Additionally, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section

15061(b)(3) of the State CEQA Guidelines). Finally, the proposed project involves minor alterations to the operation of existing facilities with negligible or no expansion of use and with no possibility of significantly impacting the physical environment. Accordingly, the proposed action qualifies under a Class 1 Categorical Exemption (Section 15301) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

Board Options

Option #1

Authorize the General Manager to execute agreements with San Bernardino Valley Municipal Water District and the Department of Water Resources consistent with the key terms outlined herein and in **Attachment 1**, and in a form approved by the General Counsel.

Fiscal Impact: Should Metropolitan incur costs in a given year, the cost will be managed first using board-approved funds allocated to the Water Supply Program and then the State Water Project Program if needed. Metropolitan will cover actual costs to move local or Diamond Valley Lake water that would benefit the region's reliability. Metropolitan will also reimburse San Bernardino Valley Municipal Water District up to \$300 per acre-foot towards actual costs to increase the shift to local groundwater supplies instead of State Water Project supplies. The amount of shift available will be dependent upon Valley District's State Water Project supplies. With a zero percent State Water Project Allocation, the upper limit will be the amount in carryover estimated at 8,000 AF.

Business Analysis: Increases the water supply reliability to areas served by State Water Project supplies.

Option #2

Do not enter into agreements with San Bernardino Valley Municipal Water District and the California Department of Water Resources.

Fiscal Impact: May increase costs by requiring Metropolitan to purchase higher-cost transfers and further reduce water supply reliability in areas served by State Water Project supplies.

Business Analysis: Does not improve Metropolitan's water supply reliability in Metropolitan's State Water Project areas and reduces the ability to respond to the current drought conditions.

Staff Recommendation

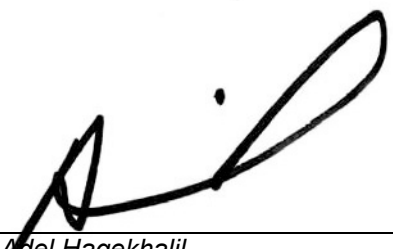
Option #1



Brad Coffey
Manager, Water Resource Management

11/29/2021

Date



Adel Hagekhalil
General Manager

12/2/2021

Date

Attachment 1 – Metropolitan and San Bernardino Valley Municipal Water District Terms – Agreement to Improve Management of State Water Project Supplies

**Metropolitan and
San Bernardino Valley Municipal Water District
Terms
Agreements to Improve Management of State Water Project Supplies**

Exchange

Metropolitan Initiated Exchange

- Ratio 1:1: For every acre-foot Metropolitan receives, Metropolitan will return one acre-foot in the calendar year.
- Exchange schedule by mutual agreement. Metropolitan anticipates needing the supply early in calendar year and will return the water to meet Valley District's State Water Project (SWP) supply needs later in the calendar year.
- Metropolitan will backstop the exchange, should its SWP supplies be insufficient, with a combination of its supplies stored in Diamond Valley Reservoir or its other various SWP Storage Programs at Metropolitan's cost.
- Valley District, at its sole discretion may agree to an unbalanced exchange ratio should Metropolitan want to return water in a subsequent calendar year. The parties may negotiate a ratio, up to 2:1, for any exchange beyond the same calendar year.

Valley District Initiated Exchange

- Ratio 1:1: For every acre-foot Valley District receives, Valley District will return one acre-foot.
- Exchange schedule by mutual agreement.
- Metropolitan, at its sole discretion may agree to an unbalanced exchange ratio should Valley District want to return water in a subsequent calendar year. The parties may negotiate a ratio, up to 2:1, for any exchange beyond the same calendar year.

Enhanced Valley District Local Production Capability for Metropolitan

Valley District pumps groundwater into the Inland Feeder or Valley District's Distribution System

- Metropolitan will pay Valley District the energy, operations and maintenance costs, to pump groundwater into the Inland Feeder or Valley District's distribution system for Metropolitan. The parties will meet and confer on these costs prior to any delivery.
- For every one acre-foot provided to Metropolitan, Metropolitan will return one acre-foot to Valley District in the same calendar year.
- Valley District, at its sole discretion may agree to an unbalanced exchange ratio should Metropolitan want to return water in a subsequent calendar year. The parties may negotiate a ratio, up to 2:1, for any exchange beyond the same calendar year.

Valley District retail agencies shift from SWP water to stored groundwater

- Metropolitan will pay Valley District a mutually agreed upon sum, up to \$300/AF, for its retail agencies to shift off of SWP water and onto groundwater. The payment will reflect an estimate of the actual cost incurred by retail agencies to reduce direct deliveries of SWP water or a portion of the cost of any new facilities that may be required.
- The amount of production shifted off of SWP water and onto groundwater will be quantified using the actual meter data for the well(s) pumped in lieu of SWP water direct deliveries.
- The SWP water preserved by shifting to stored groundwater would be provided for exchange with Metropolitan.

Diamond Valley Lake Operation**Metropolitan provides Valley District water from Diamond Valley Lake in exchange for Valley District's SWP supplies**

- Metropolitan will pay the energy, operations, and maintenance costs to deliver water from Diamond Valley Lake to Valley District in-lieu of Valley District using SWP water when initiated by Metropolitan. For every acre-foot provided to Valley District, Metropolitan will receive an acre-foot in return during the same calendar year. Metropolitan, at its sole discretion may agree to an unbalanced exchange ratio should Valley District want to return water in a subsequent calendar year. The parties may negotiate a different ratio, up to 2:1, for any exchange beyond the same calendar year.
- Valley District will pay the energy, operations, and maintenance costs to deliver water from Diamond Valley Lake to Valley District when initiated by Valley District. For every acre-foot provided to Valley District, Metropolitan will receive an acre-foot in return during the same calendar year. Valley District, at its sole discretion may agree to an unbalanced exchange ratio should Metropolitan want to return water in a subsequent calendar year. The parties may negotiate a ratio, up to 2:1, for any exchange beyond the same calendar year.

Metropolitan moves Diamond Valley Lake supplies to Devil Canyon Afterbay/Rialto Pipeline

- Metropolitan will pay the energy, operations, and maintenance costs to deliver water from Diamond Valley Lake to Devil Canyon Afterbay/Rialto Pipeline.

Term

- Through December 31, 2031.



Partnership with San Bernardino Valley MWD to Improve Reliability

Water Planning and Stewardship Committee

Item 7-5

December 13, 2021

San Bernardino Valley MWD (Valley District)

- Valley District
 - State Water Contractor – 102,600 AF Table A
 - San Bernardino Basin Area
 - Santa Ana River Watershed
- Past Litigation
- 2000 Coordinated Operating Agreement
 - Mutual Aid – Helped fill DVL with 600,000 AF
 - Water Transfer - 200,000 AF
 - Expired 2016, but new agreement in 2021



Current & Proposed

● Current Agreement

- Allows the transfer of surplus supplies to Metropolitan
- Coordinate use of facilities during emergencies and outages
- Capable of moving Metropolitan supplies using their Foothill Pipeline
- Capable of moving Valley District's supplies using Metropolitan's Inland Feeder

● Proposed New Agreements

- Authorize an exchange of supplies
- Authorize reimbursement of actual costs for shifting supplies and conveying local or Diamond Valley Lake supplies

Exchange Terms

- Exchange
 - One-to-One Exchange – water within a calendar year
 - Up to Two-to-One Exchange – water returned after the calendar year
- Exchange Examples
 - Metropolitan receives 5,000 AF in January 2022 and returns 5,000 AF during the summer of 2022 to meet Valley District demands
 - Metropolitan receives 5,000 AF in January 2022 and returns 10,000 AF in 2023
- Exchange amounts and timing based on each district's supply and demand situation
- Term: 10 years

Valley District Shift Terms

- Direct correlation between local production and demand on Valley District SWP supplies
- Increasing local production will reduce demand on Valley District SWP supplies
- Reimburse of costs up to \$300/AF to shift from Valley District SWP supplies
- All preserved SWP supplies from the shift would be available to Metropolitan for an exchange
 - Shift supports the exchange but is not additive
 - Shift limited by available SWP supplies

Groundwater to Devil Canyon

- Deliver local groundwater to Devil Canyon Second Afterbay
- Redlands pumps water through Valley District Central Feeder and Inland Feeder
- Maximum: 16 cfs or 1,000 AF/month
- Start: March 2022
- Groundwater that is pumped meets drinking water standards
- Pump-in plan and regular testing
- Metropolitan reimburses for costs



Metropolitan DVL water to Devil Canyon

- Deliver Diamond Valley Lake water to Devil Canyon Afterbay
- Alternatives
 - Valley District Foothill Pump Station
 - DWR Citrus Reservoir Pump Station
- Flow: 60 cfs to 160 cfs
- Start: ~2025
- Metropolitan reimburses for actual costs



Summary

Program Element	2022	2025
SWP Exchange / Shift	up to 7,000 AF	Depends on Valley District's SWP Supplies
Local Groundwater	up to 10,000 AF	up to 12,000 AF
DVL to Devil Canyon or Rialto Pipeline	Not Applicable	up to 43,000 AF to 116,000 AF

Board Options

- Option #1
 - Authorize the General Manager to execute an agreement with San Bernardino Valley Municipal Water District and the California Department of Water Resources consistent with the terms outlined in the Board letter and in a form approved by the General Counsel.

Board Options

- Option #2
 - Do not enter into agreements with San Bernardino Valley Municipal Water District.

Staff Recommendation

- Option #1





● **Board of Directors**
Water Planning and Stewardship Committee

12/14/2021 Board Meeting

7-6

Subject

Authorize General Manager to enter into agreements with San Diego County Water Authority, Semitropic Water Storage District, and the California Department of Water Resources to purchase water, lease groundwater return capacity, exchange water, and to convey water in the State Water Project facilities; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

In November 2021, Metropolitan's Board declared a regional drought emergency and directed staff to identify and implement measures to ensure all portions of the service area attain a high level of reliability against multi-year, severe droughts. Staff seeks authorization to enter into an agreement with San Diego County Water Authority (SDCWA) to access 4,200 acre-feet (AF) of water supply and 5,000 AF per year (AFY) of contractual return capacity to the California Aqueduct from SDCWA's groundwater storage program with Semitropic Water Storage District (Semitropic). Metropolitan and SDCWA negotiated a purchase price for water delivered under this agreement at \$893 per AF. This price is consistent with the price for north-of-Delta transfers authorized by the Board in April 2021. For the use of SDCWA's contractual return capacity, Metropolitan and SDCWA negotiated a price of \$100 per AFY. By partnering with SDCWA in this agreement, Metropolitan's water supply reliability for deliveries to the East and West branches of the California Aqueduct will be increased by 9,200 AF in 2022.

Details

Background

Metropolitan is encountering a significant reduction of supply from the State Water Project (SWP) given the current five percent SWP Allocation and the expected zero percent allocation to begin in 2022. Staff is seeking additional supplies to improve SWP system reliability.

SDCWA developed a groundwater storage program in partnership with Semitropic in Kern County. Staff seeks authorization to enter into an agreement with SDCWA to access its water supply and contractual return capacity to the California Aqueduct from the Semitropic program. Staff also seeks authorization to enter into any additional agreements with Semitropic and the California Department of Water Resources (DWR) necessary to convey the water to the East and West branches of the California Aqueduct. Metropolitan has partnered with SDCWA in the past related to the Semitropic storage program. In 2008, SDCWA acquired transfer supplies when Metropolitan was recovering water from Metropolitan's Semitropic Storage Program. Metropolitan and SDCWA implemented an exchange of 16,117 AF to enhance water available to Metropolitan's service area. SDCWA provided Metropolitan the transfer supplies in the California Aqueduct, and Metropolitan provided to SDCWA supplies previously stored with Semitropic. SDCWA has since maintained this same supply for its reliability but now offers up to 4,200 AF of the reserve to Metropolitan given the drought emergency. In addition, SDCWA has also offered contractual return capability of 5,000 AF that Metropolitan would use to return its own water stored with Semitropic and deliver the water to the California Aqueduct. The combined total benefit to Metropolitan's service area could be 9,200 AF in 2022.

The purchase price for the 4,200 AF of water stored in SDCWA's Semitropic program and delivered to the California Aqueduct would be \$893 per AF. The price is consistent with the board-authorized price for north-of-Delta transfers when factoring in conveyance losses of 30 percent. The water sale would reduce SDCWA's account balance from 16,117 AF to 11,917 AF.

SDCWA has also offered to provide 5,000 AF of contractual return capacity from the Semitropic Stored Recovery Unit (above and beyond the return capacity needed for the 4,200 AF supply purchase). Metropolitan would use the freed-up return capacity to recover Metropolitan's own stored water and deliver the water to the California Aqueduct. Metropolitan would pay SDCWA \$100 per AF of return capacity. Metropolitan would also be responsible for all the costs to Semitropic related to returning Metropolitan's stored water, including regulation fees, energy, and treatment costs. Metropolitan would also receive any unused capacity of other banking partners that would otherwise be allocated to SDCWA at no additional charge. Metropolitan's payment to SDCWA will help offset actual costs SDCWA has incurred in managing its Semitropic Program.

As part of the purchase, Metropolitan would exchange the balance of the water SDCWA has in storage (after purchasing up to 4,200 AF) on an equal basis (one AF to one AF) to help SDCWA manage its remaining stored supply. Because the SDCWA supplies were held prior to February 2021, the current stored water can only be delivered to Metropolitan's service area under the recent Water Management Amendment to the State Water Contract. Exchanging the remaining supplies with Metropolitan for newly received SWP water would provide SDCWA additional flexibility in managing and marketing its stored water outside of Metropolitan's service area. The exchange would only occur when Metropolitan is in surplus conditions and delivering water into the Semitropic Program, so there will be no impact on Metropolitan's regional reliability due to the exchange. Any new exchanged water would take the place of the assigned water in the 2008 exchange and conveyance agreement with SDCWA. The 2008 agreement refers explicitly to the pre-set wheeling rate in Metropolitan's Administrative Code, which has subsequently been repealed by the Metropolitan Board. Therefore, it will be necessary to separately amend that term of the agreement in a future Board action to implement future SDCWA deliveries from its storage.

The Metropolitan water purchase and use of SDCWA's contractual return capacity enhances the region's water supply reliability for areas that are heavily dependent on Metropolitan's SWP supplies. These additional supplies will be used to meet demands in calendar year 2022 and, should water supply conditions improve later in the year; the extra water would enhance Metropolitan's SWP carryover supplies for 2023.

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute item 47640, dated September 9, 2008, the Board authorized a wheeling and exchange agreement with San Diego County Water Authority.

By Minute item 52273, dated February 9, 2021, the Board approved the State Water Project Contract Amendment for Water Management.

By Minute item 52329, dated April 13, 2021 to secure one-year water transfers with various water districts north of the Sacramento-San Joaquin River Delta.

By Minute Item 52581, November 9, 2021, the Board recognized a statewide drought emergency, declared specified emergency conditions within the Metropolitan service area, and directed specified actions.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action of entering into agreements is not defined as a project under CEQA because it involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines) and because it involves other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines). The exchange and conveyance of water is exempt from CEQA as it 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 (Section 15301 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Authorize the General Manager to enter into agreements with San Diego County Water Authority, Semitropic Water Storage District, and the California Department of Water Resources to purchase water, lease groundwater return capacity, exchange water, and to convey water in the State Water Project facilities consistent with the terms outlined herein and in **Attachment 1**, and in a form approved by the General Counsel.

Fiscal Impact: Metropolitan will pay the costs first using funds allocated to the Water Supply Program and then any unused funds from the State Water Project, if needed. Metropolitan will pay \$893/AF for 4,200 AF amounting to \$3,750,600 and lease return capacity at \$100/AFY for 5,000 AFY of return capability amounting to \$500,000. The combined cost is projected to be \$4,250,600 and improve supplies to the SWP dependent areas by 9,200 AF.

Business Analysis: Increases the water supply reliability to areas served by State Water Project supplies. The cost is expected to be at or below water transfers supplies.

Option #2

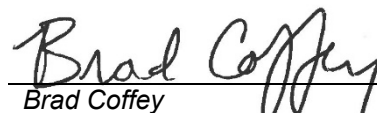
Do not enter into the described agreements with San Diego County Water Authority, Semitropic Water Storage District, and the California Department of Water Resources.

Fiscal Impact: May increase costs by requiring Metropolitan to purchase higher-cost transfers and further reduce water supply reliability in areas served by State Water Project supplies.

Business Analysis: Does not improve Metropolitan's water supply reliability in State Water Project dependent areas and reduces the ability to respond to the current drought conditions.

Staff Recommendation

Option #1

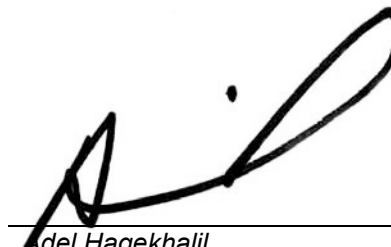


Brad Coffey

Manager, Water Resource Management

12/6/2021

Date



Adel Hagekhalil
General Manager

12/7/2021

Date

Attachment 1 – Metropolitan and SDCWA Water Purchase and Return Capacity Terms

Ref# wrm12684431

**Metropolitan and
San Diego County Water Authority
Water Purchase and Semitropic Program Return Capacity Lease Terms**

Water Purchase (2022)

- The San Diego County Water Authority (SDCWA) will make available to Metropolitan 4,200 acre-feet of stored water in the Semitropic Original Water Bank during 2022.
- SDCWA shall be responsible for all the costs to Semitropic Water Storage District (Semitropic) related to providing the water to Metropolitan.
- Metropolitan shall pay SDCWA \$893 for each acre-foot of water provided to Metropolitan.
- Delivery Point: Semitropic turnout location before the California Aqueduct.
- Metropolitan shall be responsible for the State Water Project conveyance costs to deliver the water purchased from the location of the Semitropic turnout location to Metropolitan's service area.
- Purchase, and below Lease and Exchange, all subject to approval by Semitropic.

Return Capacity Lease (2022)

- SDCWA will make available to Metropolitan 5,000 acre-feet of return capacity from the Semitropic Stored Water Recovery Unit in 2022.
- Metropolitan shall use the additional return capacity to recover Metropolitan's stored water.
- Metropolitan shall pay the SDCWA \$100 for each acre-foot of return capacity provided by SDCWA up to 5,000 acre-feet in 2022.
- Metropolitan shall be allocated any unused capacity of other banking partners that would otherwise be allocated to SDCWA at no additional cost.
- Metropolitan shall be responsible for all the costs to Semitropic related to returning to Metropolitan's stored water, including regulation fees, energy, and treatment costs.
- Metropolitan shall be responsible for the State Water Project conveyance costs to deliver Metropolitan's stored water using the SDCWA's Semitropic return capacity.

Exchange of SDCWA Stored Supplies

- Metropolitan shall exchange supplies with the SDCWA when Metropolitan is storing water in Metropolitan's Semitropic Storage Program, so that SDCWA's remaining 11,917 acre-feet of Semitropic stored water is replaced by newly stored water from Metropolitan. Metropolitan shall prioritize storage in its Semitropic bank over its other storage programs in the Central Valley until the remaining SDCWA stored water is fully exchanged. For every acre-foot SDCWA provides Metropolitan of its previously stored water, Metropolitan will provide one acre-foot of Metropolitan's newly stored water. This will allow all of SDCWA's remaining 11,917 acre-feet of stored water to be 2022 (or later) water. Metropolitan and SDCWA shall work together to effectuate the above Exchange.



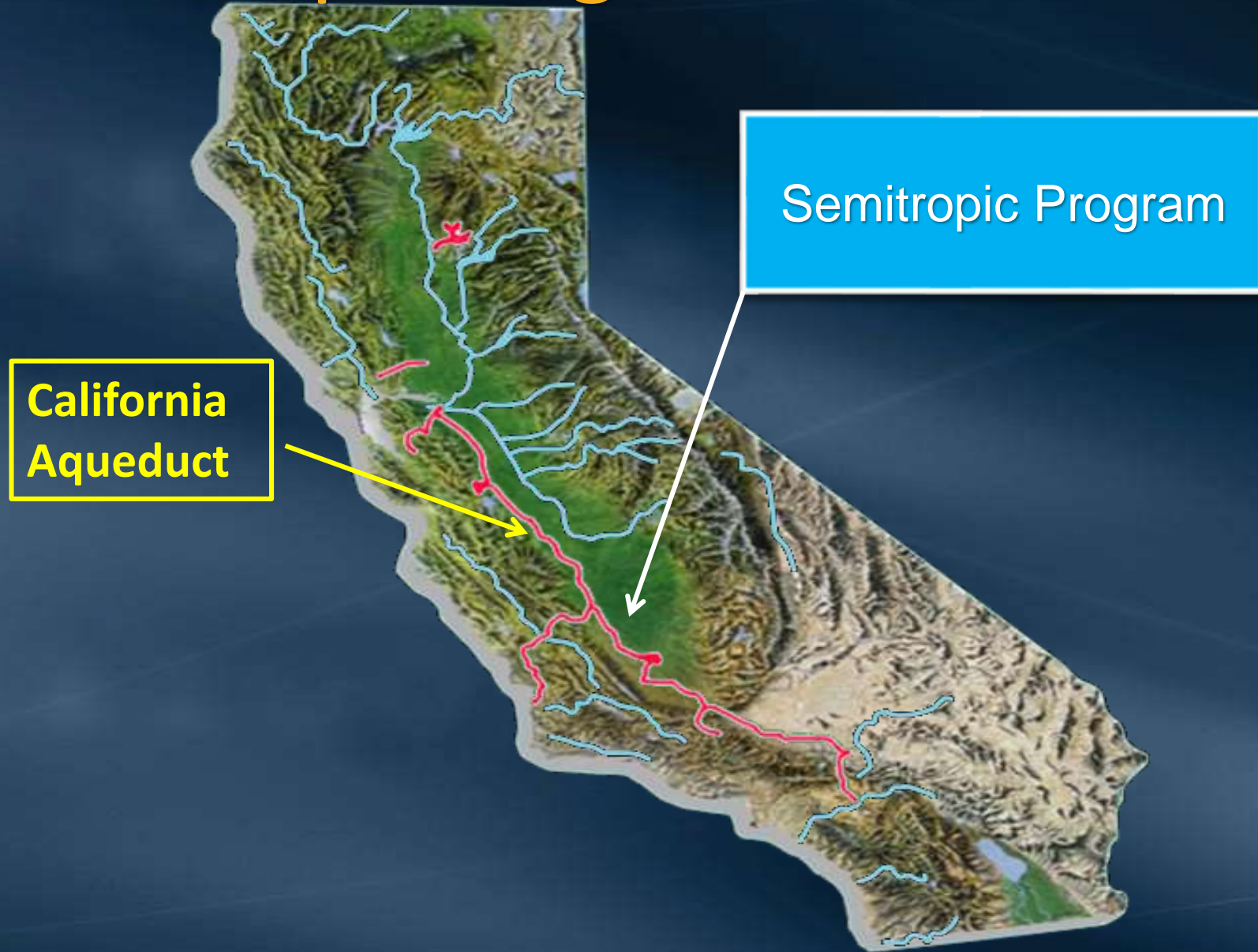
SDCWA Water Purchase, Use of Capacity, and Exchange Water

Water Planning and Stewardship Committee

Item 7-6

December 13, 2021

Semitropic Program Location



SDCWA Semitropic Program Background

- SDCWA invested in Semitropic Program to improve their reliability
 - 70,000 AF storage capacity acquired in 2008
 - Storage program expires in 2035 unless renewed
- Current amount in storage: 16,117 AF
- 9,200 AFY Direct Return Capacity under low SWP Allocations
 - 4,200 AFY of direct return capacity in the Semitropic Water Bank
 - 5,000 AFY of direct return capacity in the Stored Water Recovery Unit

SDCWA Semitropic Program Background

- SDCWA acquired north of Delta water transfers in 2008
- Metropolitan and SDCWA entered into an exchange and conveyance agreement in 2008
 - Metropolitan was recovering water from storage at the same time SDCWA was planning on storing water
 - Metropolitan exchanged its previously stored water with SDCWA water transfer to enhance the recovery of water
- Partnership benefited both SDCWA and Metropolitan
 - SDCWA saved put costs
 - Metropolitan saved take costs
 - Region improved water supply reliability

Proposed SDCWA Water Purchase and Lease

- Water Purchase

- Purchase 4,200 AF south of Delta at \$893/AF at Semitropic turnout
- Price consistent with \$625/AF SWC Dry Year Transfers and estimated 30% conveyance loss

- Capacity

- Use 5,000 AFY of return capacity from SDCWA's Semitropic Program
- Pay \$100/AFY for return capacity

- Exchange

- Under surplus conditions Metropolitan will exchange future stored water with SDCWA stored water to provide additional flexibility for SDCWA to manage and market their stored water

Board Options

- Option #1
 - Authorize the General Manager to execute agreements with San Diego County Water Authority, Semitropic Water Storage District, and the California Department of Water Resources consistent with the terms outlined in the Board letter and in a form approved by the General Counsel.

Board Options

- Option #2
 - Do not enter into agreement with San Diego County Water Authority

Staff Recommendation

- Option #1





• **Board of Directors**
Water Planning and Stewardship Committee

12/14/2021 Board Meeting

7-8

Subject

Adopt resolutions to support Metropolitan's applications for the California Department of Water Resources 2021 Urban and Multi-benefit Drought Relief Program of \$7.5 million to supplement funding for residential and commercial landscapes within the Turf Replacement Program and \$2.5 million to supplement funding for the Residential Direct Install Program in partnership with the Southern California Gas Company; authorize the General Manager to accept grant funds, if awarded; and authorize the General Manager to enter into a contract with the California Department of Water Resources for the grant funds, if awarded; the General Manager has determined that the proposed action is exempt of otherwise not subject to CEQA

Executive Summary

As Metropolitan prepares to mitigate challenges imposed by impending drought conditions, staff accelerated local conservation efforts and identified alternative funding sources to enhance regional programming.

One potential opportunity for grant funding is the California Department of Water Resources (DWR) 2021 Urban and Multi-benefit Drought Relief Program. Metropolitan requested \$7.5 million to increase the financing of turf replacement of residential and commercial landscapes eligible under the Turf Replacement Program and \$2.5 million to increase funding available for the Residential Direct Install Program. If approved, this action authorizes two different resolutions for Metropolitan's applications to the DWR 2021 Urban and Multibenefit Drought Relief Program (**Attachments 1 and 2**). If awarded, this action also authorizes the General Manager to accept up to \$7.5 million in grant funding for the Turf Replacement Program, \$2.5 million for the Residential Direct Install Program, and enter into a contract with DWR the 2021 Urban and Multibenefit Drought Relief Program.

Timing and Urgency

The Department of Water Resources requires the inclusion of a board resolution supporting grant applications. DWR will be evaluating applications and making awards on a phased schedule. DWR accepted applications submitted by November 19, 2021, for the first round of funding.

Details

Background

On October 19, 2021, Governor Gavin Newsom issued an Executive Order that expanded California's drought declaration to include Metropolitan's service area. Metropolitan's Board declared a regional drought emergency in November 2021 and, in part, directed staff to expand regional conservation programs to ensure all portions of the service area attain a high level of reliability against multi-year, severe drought.

The Budget Act of 2021 (Stats. 2021, ch. 240, § 80) allocated \$300 million to DWR to deliver interim and immediate drought relief grants to urban communities and multi-benefit projects. These grants provide assistance to communities that face the loss or contamination of their water supplies, address immediate impacts on human health and safety, protect fish and wildlife resources, or address an immediate drought response.

Turf Replacement Incentive

Metropolitan incentivizes improvements to outdoor water-use efficiency by offering a variety of rebates for irrigation system devices and conversions from turf to more California-friendly landscapes. These incentives are integral components of Metropolitan's efforts to sustain momentum toward achieving the Integrated Resources Plan goals for urban water conservation. In coordination with those efforts, an analysis by staff that was facilitated through discussions with the Board and member agencies determined that increasing resources for residential and commercial landscape transformation would be a multi-benefit approach to achieving urban water conservation and would help mitigate the impacts of the current declared drought.

If awarded, Metropolitan will use the grant funds to increase the incentive for residential and commercial recipients that apply for the Turf Replacement Program by an additional \$1 per square foot. Metropolitan will provide funding to member agencies through the existing Conservation Credits Program. If awarded, staff anticipates the grant funding would give member agencies a greater ability to tailor outdoor water efficiency improvements for non-functional turf in the residential and commercial sectors. Cost-sharing is encouraged but not required for grant applications. Because of increased activity that an additional \$1 per square foot rebate would generate, staff anticipates an additional spending of up to \$11.5 million on residential and commercial turf replacement projects through the entire three-year grant period if the grant was awarded. These additional expenditures would represent Metropolitan's cost share.

Residential Direct Install Program

Since 2014, Metropolitan and the Southern California Gas Company (SoCal Gas) partnered to provide water and energy efficiency programming to consumers within Metropolitan's service area and to customers of SoCal Gas. The two parties continue to develop collaborative programming measures through a Memorandum of Understanding that is in effect through December 31, 2024. On November 9, 2021, the Board authorized the expansion of the Residential Direct Install Program in partnership with SoCalGas to provide no-cost direct installations of clean energy and water-saving measures to income-qualified residences. Through the Residential Direct Install Program, eligible consumers receive no-cost energy upgrades funded by SoCal Gas and high-efficiency toilets, showerheads, faucet aerators, and weather-based irrigation controllers through financial support from Metropolitan. This initiative enhances Metropolitan's suite of indoor and outdoor incentives to consumers within underserved communities.

If awarded, Metropolitan would use the grant funds to increase Metropolitan's share of program funding to provide direct installation services for more water-efficiency devices in the Residential Direct Install Program with SoCalGas. Metropolitan will partner with SoCal Gas to enhance their installation of water-efficient devices and appliances. Staff anticipates \$1.5 million to be expended per year for the direct installation of water efficiency devices in the Residential Direct Install Program for the upcoming biennial budget, which may also be provided as a cost share by Metropolitan from the Conservation budget.

Required Resolution

DWR requires the inclusion of a board resolution supporting grant proposals along with the program applications. The Board resolution documents the governing body's support of the application. The Board resolution: acknowledges the support of the applications, authorizes the General Manager to accept funding, delegates authority to the General Manager to enter into a contract, and commits Metropolitan to work with DWR to meet established deadlines. The resolution does not obligate Metropolitan to accept funding. Metropolitan has the discretion to accept or decline potential funding after award. **See Attachments 1 and 2.**

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities.

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

By Minute Item 52582, dated November 8, 2021 the Board authorized the expansion of the Residential Direct Install Program.

By Minute Item 52581, November 9, 2021, the Board recognized a statewide drought emergency, declared specified emergency conditions within the Metropolitan service area, and directed specified actions.

By Minute Item 51166, dated April 10, 2018, the Board authorized funding for the Turf Replacement Program, and the Member Agency Administered Program.

By Minute Item 48772, dated August 16, 2011, the Board adopted the Long-Term Conservation Plan and revisions to the water conservation policy principles.

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 impact on the environment (State CEQA Guidelines Section 15378(b)(4)).

CEQA determination for Option #2:

None required

Board Options

Option #1

1. Adopt the resolutions to support Metropolitan's application to the California Department of Water Resources 2021 Urban and Multi-benefit Drought Relief Program grant funding of \$7.5 million to provide supplemental funding for residential and commercial landscapes in the Turf Replacement Program and \$2.5 million for the direct installation of water efficiency devices for the Residential Direct Install Program.
2. Authorize the General Manager to accept grant funds, if awarded.
3. Authorize the General Manager to enter into a contract with the California Department of Water Resources for the grant funds, if awarded.

Fiscal Impact: The addition of grant funds to existing Metropolitan funding would allow for more member agency local projects to be implemented to increase both indoor and outdoor water efficiency. Increasing program incentives would likely increase program activity and spending, which staff has accounted for in our projected expenditures.

Business Analysis: This Turf Replacement grant proposal would allow Metropolitan's funding to reach more participants by enhancing Metropolitan's incentive for residential and commercial turf replacement projects and increasing participation in income-qualified programs supported by the SoCal Gas Direct Install Program.

Option #2

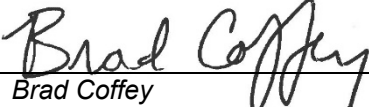
Do not support or accept grant funding.

Fiscal Impact: None

Business Analysis: Without the grant funds, Metropolitan would reach fewer participants in the conservation program.

Staff Recommendation

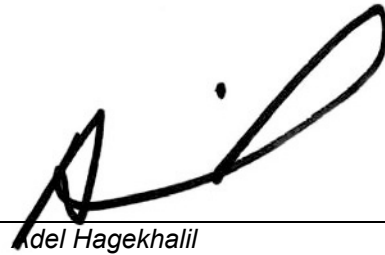
Option #1



Brad Coffey
Manager, Water Resource Management

12/6/2021

Date



Adel Hagekhalil
General Manager

12/7/2021

Date

Attachment 1 – Resolution NO. [xxxx] A Resolution of the Board of Directors of The Metropolitan Water District of Southern California Authorizing the Grant Application, Acceptance, and Execution for the Turf Replacement Program

Attachment 2 – Resolution NO. [xxxx] A Resolution of the Board of Directors of The Metropolitan Water District of Southern California Authorizing the Grant Application, Acceptance, and Execution for the Residential Direct Install Program

Ref# wrm12683131

RESOLUTION NO. [xxxx]
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN
CALIFORNIA
AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION
FOR THE TURF REPLACEMENT PROGRAM

WHEREAS, the Metropolitan Water District of Southern California proposes to implement the Turf Replacement Program;

WHEREAS, the Metropolitan Water District of Southern California has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, the Metropolitan Water District of Southern California intends to apply for grant funding from the California Department of Water Resources for the Turf Replacement Program;

THEREFORE, BE IT RESOLVED by the Board of Directors of the Metropolitan Water District of Southern California as follows:

1. That pursuant and subject to all of the terms and provisions of Budget Act of 2021 (Stats. 2021, ch.240, § 80), the General Manager of the Metropolitan Water District of Southern California, or designee is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources, and take such other actions necessary or appropriate to obtain grant funding.
2. The General Manager of the Metropolitan Water District of Southern California, or designee is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
3. The General Manager of the Metropolitan Water District of Southern California, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

CERTIFICATION I hereby certify that the foregoing Resolution was duly and regularly adopted by the Board of Directors of the Metropolitan Water District of Southern California at the meeting held on [date], motion by [member name] and seconded by [member name], motion passed by the following vote:

AYES: NOES:

ABSTAIN: ABSENT:

Authorized Representative, Metropolitan Water
District of Southern California

ATTEST: Secretary, Board of Directors of the
Metropolitan Water District of Southern
California

RESOLUTION NO. [xxxx]
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN
CALIFORNIA
AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION
FOR THE RESIDENTIAL DIRECT INSTALL PROGRAM

WHEREAS, the Metropolitan Water District of Southern California proposes to implement the Residential Direct Install Program;

WHEREAS, the Metropolitan Water District of Southern California has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, the Metropolitan Water District of Southern California intends to apply for grant funding from the California Department of Water Resources for the Residential Direct Install Program;

THEREFORE, BE IT RESOLVED by the Board of Directors of the Metropolitan Water District of Southern California as follows:

1. That pursuant and subject to all of the terms and provisions of Budget Act of 2021 (Stats. 2021, ch.240, § 80), the General Manager of the Metropolitan Water District of Southern California, or designee, is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources, and take such other actions necessary or appropriate to obtain grant funding.
2. The General Manager of the Metropolitan Water District of Southern California, or designee, is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
3. The General Manager of the Metropolitan Water District of Southern California, or designee, is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

CERTIFICATION I hereby certify that the foregoing Resolution was duly and regularly adopted by the Board of Directors of the Metropolitan Water District of Southern California at the meeting held on [date], motion by [member name] and seconded by [member name], motion passed by the following vote:

AYES: NOES:

ABSTAIN: ABSENT:

Authorized Representative, Metropolitan Water
District of Southern California

ATTEST: Secretary, Board of Directors of the
Metropolitan Water District of Southern
California



Adopt Resolution Supporting DWR Grant Applications for Turf Replacement and the Residential Direct Install Program

Water Planning and Stewardship Committee

Item 7-8

December 13, 2021

DWR Urban & Multibenefit Drought Relief Grant Program

- \$190 million available in current solicitation
- Matching funds encouraged, but not required
- Eligible Projects include those that
 - Deliver drinking water
 - Construct or rehabilitate wells
 - Establish permanent connections between adjacent water systems
 - Rescue, protect and relocate fish and wildlife
 - Otherwise support an immediate drought response

DWR Urban & Multibenefit Drought Relief Grant Application

- \$10 million request to DWR submitted on November 19, 2021
 - \$7.5 million for Turf Replacement
 - \$2.5 million for SoCalGas Residential Direct Install Program
- Board Resolution of support required to complete application
- Turf Replacement funding available to all Member Agencies
- Residential Direct Install funding available to all qualified customers jointly served by MWD and SoCalGas

Turf Replacement Program

- In November, Board authorized modifications to the Turf Replacement Program for public agency landscapes
 - Incentive: increased from \$2 to \$3/sq. ft.
 - Maximum Square Footage: increased from 50,000 to 200,000 sq. ft.
- Staff proposed increasing incentive for residential and commercial turf should external funds become available
- If awarded, staff would return to Board to authorize temporary increase from \$2 to \$3/sq. ft for residential and commercial turf replacement applicants

Residential Direct Install Program

- In November, Board authorized expansion to the SoCal Gas Residential Direct Install Program to include additional water savings measures:
 - Toilets
 - Showerheads
 - Aerators
 - Irrigation Controllers
- If awarded, grant would provide supplement the existing program budget with \$2 million to be used for additional installations

Board Options

● Option #1

- Adopt the resolutions to support Metropolitan's applications to the Department of Water Resources 2021 Urban and Multibenefit Drought Relief Program grant funding of \$7.5 million to supplement funding for residential and commercial landscapes within the Turf Replacement Program and \$2.5 million for the direct installation of water efficiency devices for the Residential Direct Install Program in partnership with the Southern California Gas Company;
- Authorize the General Manager to accept grant funds, if awarded; and
- Authorize the General Manager to enter into a contract with the Department of Water Resources for the grant funds, if awarded.

● Option #2

- Do not support or accept grant funding

Staff Recommendation

- Option #1





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

12/14/2021 Board Meeting

7-9

Subject

Adopt amendment to the Administrative Code establishing Metropolitan-specific parliamentary procedures; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

The Metropolitan Board has requested options to modify the current procedures for the conduct of committee and board meetings. This letter provides multiple options for amendments to the Administrative Code establishing Metropolitan-specific parliamentary rules.

Details

Background

The Metropolitan Board has requested information regarding options for consideration to establish formal rules of parliamentary procedure in Metropolitan's Administrative Code.

The current provisions in the Administrative Code include procedural rules that cover time and place of meetings, agendas, meeting procedures, board officers, selection and duties, board committees' functions, and directors' responsibilities. The Administrative Code does not include rules of parliamentary procedure. The request for adoption of specific rules of parliamentary procedure was made when members of the Board had concerns with the Chair of the Board imposing a limitation on substitute motions for a specific Board vote.

At its March 9, 2021 meeting, the Legal and Claims Committee discussed current board procedures, including options to formally adopt rules of Parliamentary Procedures for Metropolitan's Board and committee meetings. Some Board members have indicated that the board letter was not satisfactory because it did not include a staff recommendation and seemed to favor "Chair's Rules."

Current Parliamentary Procedure

Under the current system of procedural rules, the Board or Committee Chair (collectively, "Chair"):

1. Presides over the applicable meetings.
2. Calls the meeting to order and adjourns the meeting.
3. Reviews closed session procedures.
4. May reorder the agenda.
5. Ensures timely completion of meetings.
6. Presides over debate using Robert's Rules of Order as a guide (or consulting the General Counsel).
7. Makes parliamentary rulings, which may be overruled by a majority of the Board.

This system is based on longstanding practice and is not a system of written rules that was formally adopted as the system of parliamentary procedure for Metropolitan. Members of the Board have expressed concern regarding the current system in general and, more specifically, with "Chair's Rules."

The parliamentary rules of 60 similar agencies were reviewed. Less than half of the agencies surveyed have formally adopted Robert's Rules of Order. One agency adopted Rosenberg's Rules of Order. Rosenberg's Rules was developed by a judge for use by cities and counties. Many cities and counties have adopted them.

Rosenberg's Rules is a simple system that provides for those common motions that are used to conduct public agency business. With the exception of certain provisions relating to voting that are inconsistent with Metropolitan's unique weighted voting system, Rosenberg's Rules can provide a basis for inclusion of express rules of parliamentary procedure in the Administrative Code. A copy of Rosenberg's Rules is provided as **Attachment 2** to this board letter.

Some public agencies have adopted rules specific to their agency. Staff can prepare Metropolitan-specific rules, if that is the desire of the Board.

Although members of the Board have expressed concern with "Chair's Rules," all systems of parliamentary procedure provide that the role of the Chair is to preside over the meetings and, under most systems, the Chair makes parliamentary rulings. Although there is no express provision in Metropolitan's Administrative Code providing for this, under all major parliamentary systems, the legislative body can overrule a parliamentary ruling of the Chair by majority vote.

Board Options

The prior board letter did not have a staff recommendation because the request for adoption of rules has been Board driven.

Historically, the majority of Metropolitan's business is accomplished with the use of a minimal number of motions: (1) motion to approve; (2) motion to amend an existing motion; (3) substitute motion; and (4) motion to table or defer to a later time.

The staff recommendation is to retain the current rules with amendments to Administrative Code Sections 2205 and 2401 to expressly provide that a parliamentary ruling by the Chair may be overruled by approval of a motion to overrule by a majority vote of the applicable committee or the Board. Pursuant to this option, the Chair would continue to, in his or her discretion, consult Robert's Rules of Order as a general guide, or seek assistance from the General Counsel. The current rules are easy to understand by the Board and the public, do not create the incentive for parliamentary versus substantive debates during committee and Board meetings, and do not impose constraints on debate.

If the Board would like to make more substantive changes to the Administrative Code, the following additional options are included in this letter:

- (1) Adopt parliamentary procedures based upon Rosenberg's Rules of Order, Revised 2011.
- (2) Formally adopt Robert's Rules of Order as binding on Metropolitan.
- (3) Prepare Metropolitan-specific rules of procedure.

Policy

Metropolitan Administrative Code Section 2110: Regular Meetings.

Metropolitan Administrative Code Section 2205: Duties of the Chair.

Metropolitan Administrative Code Section 2401: Officers and Members of Standing Committees.

Metropolitan Administrative Code Section 11104: Delegation of Responsibilities.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed action may have a significant impact on the environment, the action is not subject to CEQA pursuant to Section 15061(b)(3) of the State CEQA Guidelines.

CEQA determination for Options #2, #3, and #4:

None required

Board Options

Option #1

Retain Metropolitan's current procedural rules with amendments to Administrative Code Sections 2205 and 2401 to provide that a parliamentary ruling by the Chair of a committee or the Board may be overruled by a majority vote of the applicable committee or Board (**Attachment 1**).

Fiscal Impact: None

Business Analysis: Metropolitan would amend its current procedural rules for board and committee meetings to expressly provide that parliamentary rulings by the Chair of the Board or a committee can be overruled by majority vote.

Option #2

Direct staff to return with proposed amendments to the Administrative Code based upon Rosenberg's Rules of Order, Revised 2011 (**Attachment 2**).

Fiscal Impact: None

Business Analysis: Metropolitan would formally adopt a system of parliamentary procedures for board and committee meetings.

Option #3

Direct staff to return with proposed amendments to the Administrative Code to adopt Robert's Rules of Order as binding on Metropolitan.

Fiscal Impact: None

Business Analysis: Metropolitan would formally adopt Robert's Rules of Order as governing board and committee meetings.

Option #4

Direct staff to prepare and return to Committee with Metropolitan-specific parliamentary procedures based on the discussion of the Committee.

Fiscal Impact: None

Business Analysis: Staff would prepare and return to Committee with proposed parliamentary procedures based upon the direction of the Board.

Staff Recommendation

Option #1



Marcia Scully
General Counsel

12/9/2021

Date

Attachment 1 – Administrative Code amendments clarifying that parliamentary rulings by the Chair may be overruled by a majority of the committee or Board

Attachment 2 –Rosenberg's Rules of Order, Revised 2011

Division II**PROCEDURES PERTAINING TO BOARD, COMMITTEES
AND DIRECTORS****Chapter 2****BOARD OFFICERS****STRIKEOUT/UNDERLINE VERSION:****§ 2205. Duties of the Chair.**

As prescribed by the Board, the Chair's duties include:

- (a) Presiding over meetings of the Board, with the exception that the Board may, by a majority vote, overrule parliamentary rulings of the Chair;
- (b) Ex officio membership on standing or special committees as designated in this Code;
- (c) Making committee appointments as set forth in this Code; and,
- (d) Other Board duties not specifically delegated to another Board officer or director.

Chapter 4**STANDING COMMITTEES****§ 2401. Officers and Members of Standing Committees.**

(a) Members, Chair, and Vice Chair of standing committees with the exception of the Executive Committee shall be appointed subject to the approval of the Executive Committee and the Board on the basis that each director, with the exception of the Chair of the Board, serve on at least one standing committees, in addition to the Executive Committee. Such appointment shall be made by the Chair of the Board unless a new Chair-elect has been selected by the Board to take office on the next January 1, in which event appointment of Chair and Vice-Chair of standing committees shall be made by the Chair-elect.

(b) Chair and Vice Chair of standing committees with the exception of the Executive Committee are to be appointed in even-numbered years at the December meeting of the Board for a two-year term commencing on January 1 of odd-numbered years. No director shall be appointed to the same committee office for more than two consecutive full terms.

(c) The Chair of the Board or the Vice Chair to whom the Chair has assigned the Chair's membership pursuant to Section 2204 is a member ex-officio, with right to vote, of all standing

and special committees of the Board. However, the Chair or the Vice Chair to whom the Chair's membership has been assigned shall not be considered a member of any committee of which the officer is a member ex-officio for the purpose of determining whether a quorum of the committee is present unless the Chair or Vice Chair is actually present at the meeting of the committee.

(d) The committee Chair's duties include presiding over meetings of the committee, with the exception that the committee may, by a majority vote, overrule parliamentary rulings of the Chair.

CLEAN VERSION:**§ 2205. Duties of the Chair.**

As prescribed by the Board, the Chair's duties include:

- (a) Presiding over meetings of the Board, with the exception that the Board may, by a majority vote, overrule parliamentary rulings of the Chair;
- (b) Ex officio membership on standing or special committees as designated in this Code;
- (c) Making committee appointments as set forth in this Code; and,
- (d) Other Board duties not specifically delegated to another Board officer or director.

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(a) Members, Chair, and Vice Chair of standing committees with the exception of the Executive Committee shall be appointed subject to the approval of the Executive Committee and the Board on the basis that each director, with the exception of the Chair of the Board, serve on at least one standing committees, in addition to the Executive Committee. Such appointment shall be made by the Chair of the Board unless a new Chair-elect has been selected by the Board to take office on the next January 1, in which event appointment of Chair and Vice-Chair of standing committees shall be made by the Chair-elect.

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(c) The Chair of the Board or the Vice Chair to whom the Chair has assigned the Chair's membership pursuant to Section 2204 is a member ex-officio, with right to vote, of all standing and special committees of the Board. However, the Chair or the Vice Chair to whom the Chair's membership has been assigned shall not be considered a member of any committee of which the officer is a member ex-officio for the purpose of determining whether a quorum of the committee is present unless the Chair or Vice Chair is actually present at the meeting of the committee.

(d) The committee Chair's duties include presiding over meetings of the committee, with the exception that the committee may, by a majority vote, overrule parliamentary rulings of the Chair.



Rosenberg's Rules of Order

REVISED 2011

Simple Rules of Parliamentary Procedure for the 21st Century

By Judge Dave Rosenberg



MISSION AND CORE BELIEFS

To expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

VISION

To be recognized and respected as the leading advocate for the common interests of California's cities.

About the League of California Cities

Established in 1898, the League of California Cities is a member organization that represents California's incorporated cities. The League strives to protect the local authority and autonomy of city government and help California's cities effectively serve their residents. In addition to advocating on cities' behalf at the state capitol, the League provides its members with professional development programs and information resources, conducts education conferences and research, and publishes Western City magazine.

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ABOUT THE AUTHOR

Dave Rosenberg is a Superior Court Judge in Yolo County. He has served as presiding judge of his court, and as presiding judge of the Superior Court Appellate Division. He also has served as chair of the Trial Court Presiding Judges Advisory Committee (the committee composed of all 58 California presiding judges) and as an advisory member of the California Judicial Council. Prior to his appointment to the bench, Rosenberg was member of the Yolo County Board of Supervisors, where he served two terms as chair. Rosenberg also served on the Davis City Council, including two terms as mayor. He has served on the senior staff of two governors, and worked for 19 years in private law practice. Rosenberg has served as a member and chair of numerous state, regional and local boards. Rosenberg chaired the California State Lottery Commission, the California Victim Compensation and Government Claims Board, the Yolo-Solano Air Quality Management District, the Yolo County Economic Development Commission, and the Yolo County Criminal Justice Cabinet. For many years, he has taught classes on parliamentary procedure and has served as parliamentarian for large and small bodies.

TABLE OF CONTENTS

About the Author	ii
Introduction.....	2
Establishing a Quorum.....	2
The Role of the Chair.....	2
The Basic Format for an Agenda Item Discussion	2
Motions in General	3
The Three Basic Motions.....	3
Multiple Motions Before the Body.....	4
To Debate or Not to Debate.....	4
Majority and Super-Majority Votes	5
Counting Votes.....	5
The Motion to Reconsider.....	6
Courtesy and Decorum	7
Special Notes About Public Input	7

INTRODUCTION

The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that has not always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules — *Robert's Rules of Order* — which are embodied in a small, but complex, book. Virtually no one I know has actually read this book cover to cover. Worse yet, the book was written for another time and for another purpose. If one is chairing or running a parliament, then *Robert's Rules of Order* is a dandy and quite useful handbook for procedure in that complex setting. On the other hand, if one is running a meeting of say, a five-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order.

Hence, the birth of *Rosenberg's Rules of Order*.

What follows is my version of the rules of parliamentary procedure, based on my decades of experience chairing meetings in state and local government. These rules have been simplified for the smaller bodies we chair or in which we participate, slimmed down for the 21st Century, yet retaining the basic tenets of order to which we have grown accustomed. Interestingly enough, *Rosenberg's Rules* has found a welcoming audience. Hundreds of cities, counties, special districts, committees, boards, commissions, neighborhood associations and private corporations and companies have adopted *Rosenberg's Rules* in lieu of *Robert's Rules* because they have found them practical, logical, simple, easy to learn and user friendly.

This treatise on modern parliamentary procedure is built on a foundation supported by the following four pillars:

1. **Rules should establish order.** The first purpose of rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings.
2. **Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.
3. **Rules should be user friendly.** That is, the rules must be simple enough that the public is invited into the body and feels that it has participated in the process.
4. **Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of rules of procedure is to encourage discussion and to facilitate decision making by the body. In a democracy, majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

Establishing a Quorum

The starting point for a meeting is the establishment of a quorum. A quorum is defined as the minimum number of members of the body who must be present at a meeting for business to be legally transacted. The default rule is that a quorum is one more than half the body. For example, in a five-member body a quorum is three. When the body has three members present, it can legally transact business. If the body has less than a quorum of members present, it cannot legally transact business. And even if the body has a quorum to begin the meeting, the body can lose the quorum during the meeting when a member departs (or even when a member leaves the dais). When that occurs the body loses its ability to transact business until and unless a quorum is reestablished.

The default rule, identified above, however, gives way to a specific rule of the body that establishes a quorum. For example, the rules of a particular five-member body may indicate that a quorum is four members for that particular body. The body must follow the rules it has established for its quorum. In the absence of such a specific rule, the quorum is one more than half the members of the body.

The Role of the Chair

While all members of the body should know and understand the rules of parliamentary procedure, it is the chair of the body who is charged with applying the rules of conduct of the meeting. The chair should be well versed in those rules. For all intents and purposes, the chair makes the final ruling on the rules every time the chair states an action. In fact, all decisions by the chair are final unless overruled by the body itself.

Since the chair runs the conduct of the meeting, it is usual courtesy for the chair to play a less active role in the debate and discussion than other members of the body. This does not mean that the chair should not participate in the debate or discussion. To the contrary, as a member of the body, the chair has the full right to participate in the debate, discussion and decision-making of the body. What the chair should do, however, is strive to be the last to speak at the discussion and debate stage. The chair should not make or second a motion unless the chair is convinced that no other member of the body will do so at that point in time.

The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, often published agenda. Informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon roadmap for the meeting. Each agenda item can be handled by the chair in the following basic format:

First, the chair should clearly announce the agenda item number and should clearly state what the agenda item subject is. The chair should then announce the format (which follows) that will be followed in considering the agenda item.

Second, following that agenda format, the chair should invite the appropriate person or persons to report on the item, including any recommendation that they might have. The appropriate person or persons may be the chair, a member of the body, a staff person, or a committee chair charged with providing input on the agenda item.

Third, the chair should ask members of the body if they have any technical questions of clarification. At this point, members of the body may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

Fourth, the chair should invite public comments, or if appropriate at a formal meeting, should open the public meeting for public input. If numerous members of the public indicate a desire to speak to the subject, the chair may limit the time of public speakers. At the conclusion of the public comments, the chair should announce that public input has concluded (or the public hearing, as the case may be, is closed).

Fifth, the chair should invite a motion. The chair should announce the name of the member of the body who makes the motion.

Sixth, the chair should determine if any member of the body wishes to second the motion. The chair should announce the name of the member of the body who seconds the motion. It is normally good practice for a motion to require a second before proceeding to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the chair can proceed with consideration and vote on a motion even when there is no second. This is a matter left to the discretion of the chair.

Seventh, if the motion is made and seconded, the chair should make sure everyone understands the motion.

This is done in one of three ways:

1. The chair can ask the maker of the motion to repeat it;
2. The chair can repeat the motion; or
3. The chair can ask the secretary or the clerk of the body to repeat the motion.

Eighth, the chair should now invite discussion of the motion by the body. If there is no desired discussion, or after the discussion has ended, the chair should announce that the body will vote on the motion. If there has been no discussion or very brief discussion, then the vote on the motion should proceed immediately and there is no need to repeat the motion. If there has been substantial discussion, then it is normally best to make sure everyone understands the motion by repeating it.

Ninth, the chair takes a vote. Simply asking for the “ayes” and then asking for the “nays” normally does this. If members of the body do not vote, then they “abstain.” Unless the rules of the body provide otherwise (or unless a super majority is required as delineated later in these rules), then a simple majority (as defined in law or the rules of the body as delineated later in these rules) determines whether the motion passes or is defeated.

Tenth, the chair should announce the result of the vote and what action (if any) the body has taken. In announcing the result, the chair should indicate the names of the members of the body, if any, who voted in the minority on the motion. This announcement might take the following form: “The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring a 10-day notice for all future meetings of this body.”

Motions in General

Motions are the vehicles for decision making by a body. It is usually best to have a motion before the body prior to commencing discussion of an agenda item. This helps the body focus.

Motions are made in a simple two-step process. First, the chair should recognize the member of the body. Second, the member of the body makes a motion by preceding the member’s desired approach with the words “I move ...”

A typical motion might be: “I move that we give a 10-day notice in the future for all our meetings.”

The chair usually initiates the motion in one of three ways:

1. **Inviting the members of the body to make a motion**, for example, “A motion at this time would be in order.”
2. **Suggesting a motion to the members of the body**, “A motion would be in order that we give a 10-day notice in the future for all our meetings.”
3. **Making the motion**. As noted, the chair has every right as a member of the body to make a motion, but should normally do so only if the chair wishes to make a motion on an item but is convinced that no other member of the body is willing to step forward to do so at a particular time.

The Three Basic Motions

There are three motions that are the most common and recur often at meetings:

The basic motion. The basic motion is the one that puts forward a decision for the body’s consideration. A basic motion might be: “I move that we create a five-member committee to plan and put on our annual fundraiser.”

The motion to amend. If a member wants to change a basic motion that is before the body, they would move to amend it. A motion to amend might be: "I move that we amend the motion to have a 10-member committee." A motion to amend takes the basic motion that is before the body and seeks to change it in some way.

The substitute motion. If a member wants to completely do away with the basic motion that is before the body, and put a new motion before the body, they would move a substitute motion. A substitute motion might be: "I move a substitute motion that we cancel the annual fundraiser this year."

"Motions to amend" and "substitute motions" are often confused, but they are quite different, and their effect (if passed) is quite different. A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to throw out the basic motion on the floor, and substitute a new and different motion for it. The decision as to whether a motion is really a "motion to amend" or a "substitute motion" is left to the chair. So if a member makes what that member calls a "motion to amend," but the chair determines that it is really a "substitute motion," then the chair's designation governs.

A "friendly amendment" is a practical parliamentary tool that is simple, informal, saves time and avoids bogging a meeting down with numerous formal motions. It works in the following way: In the discussion on a pending motion, it may appear that a change to the motion is desirable or may win support for the motion from some members. When that happens, a member who has the floor may simply say, "I want to suggest a friendly amendment to the motion." The member suggests the friendly amendment, and if the maker and the person who seconded the motion pending on the floor accepts the friendly amendment, that now becomes the pending motion on the floor. If either the maker or the person who seconded rejects the proposed friendly amendment, then the proposer can formally move to amend.

Multiple Motions Before the Body

There can be up to three motions on the floor at the same time. The chair can reject a fourth motion until the chair has dealt with the three that are on the floor and has resolved them. This rule has practical value. More than three motions on the floor at any given time is confusing and unwieldy for almost everyone, including the chair.

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed *first* on the *last* motion that is made. For example, assume the first motion is a basic "motion to have a five-member committee to plan and put on our annual fundraiser." During the discussion of this motion, a member might make a second motion to "amend the main motion to have a 10-member committee, not a five-member committee to plan and put on our annual fundraiser." And perhaps, during that discussion, a member makes yet a third motion as a "substitute motion that we not have an annual fundraiser this year." The proper procedure would be as follows:

First, the chair would deal with the *third* (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion *passed*, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the body of the third motion (the substitute motion). No vote would be taken on the first or second motions.

Second, if the substitute motion *failed*, the chair would then deal with the second (now the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be five or 10 members). If the motion to amend *passed*, the chair would then move to consider the main motion (the first motion) as *amended*. If the motion to amend *failed*, the chair would then move to consider the main motion (the first motion) in its original format, not amended.

Third, the chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (five-member committee), or if *amended*, would be in its amended format (10-member committee). The question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are not debatable (that is, when the following motions are made and seconded, the chair must immediately call for a vote of the body without debate on the motion):

Motion to adjourn. This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. It requires a simple majority vote.

Motion to recess. This motion, if passed, requires the body to immediately take a recess. Normally, the chair determines the length of the recess which may be a few minutes or an hour. It requires a simple majority vote.

Motion to fix the time to adjourn. This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: "I move we adjourn this meeting at midnight." It requires a simple majority vote.

Motion to table. This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to be placed on “hold.” The motion can contain a specific time in which the item can come back to the body. “I move we table this item until our regular meeting in October.” Or the motion can contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

Motion to limit debate. The most common form of this motion is to say, “I move the previous question” or “I move the question” or “I call the question” or sometimes someone simply shouts out “question.” As a practical matter, when a member calls out one of these phrases, the chair can expedite matters by treating it as a “request” rather than as a formal motion. The chair can simply inquire of the body, “any further discussion?” If no one wishes to have further discussion, then the chair can go right to the pending motion that is on the floor. However, if even one person wishes to discuss the pending motion further, then at that point, the chair should treat the call for the “question” as a formal motion, and proceed to it.

When a member of the body makes such a motion (“I move the previous question”), the member is really saying: “I’ve had enough debate. Let’s get on with the vote.” When such a motion is made, the chair should ask for a second, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a two-thirds vote of the body.

NOTE: A motion to limit debate could include a time limit. For example: “I move we limit debate on this agenda item to 15 minutes.” Even in this format, the motion to limit debate requires a two-thirds vote of the body. A similar motion is a *motion to object to consideration of an item*. This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a two-thirds vote.

Majority and Super Majority Votes

In a democracy, a simple majority vote determines a question. A tie vote means the motion fails. So in a seven-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions come up when the body is taking an action which effectively cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a two-thirds majority (a super majority) to pass:

Motion to limit debate. Whether a member says, “I move the previous question,” or “I move the question,” or “I call the question,” or “I move to limit debate,” it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a two-thirds vote to pass.

Motion to close nominations. When choosing officers of the body (such as the chair), nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers and it requires a two-thirds vote to pass.

Motion to object to the consideration of a question. Normally, such a motion is unnecessary since the objectionable item can be tabled or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a two-thirds vote to pass.

Motion to suspend the rules. This motion is debatable, but requires a two-thirds vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

Counting Votes

The matter of counting votes starts simple, but can become complicated.

Usually, it’s pretty easy to determine whether a particular motion passed or whether it was defeated. If a simple majority vote is needed to pass a motion, then one vote more than 50 percent of the body is required. For example, in a five-member body, if the vote is three in favor and two opposed, the motion passes. If it is two in favor and three opposed, the motion is defeated.

If a two-thirds majority vote is needed to pass a motion, then how many affirmative votes are required? The simple rule of thumb is to count the “no” votes and double that count to determine how many “yes” votes are needed to pass a particular motion. For example, in a seven-member body, if two members vote “no” then the “yes” vote of at least four members is required to achieve a two-thirds majority vote to pass the motion.

What about tie votes? In the event of a tie, the motion always fails since an affirmative vote is required to pass any motion. For example, in a five-member body, if the vote is two in favor and two opposed, with one member absent, the motion is defeated.

Vote counting starts to become complicated when members vote “abstain” or in the case of a written ballot, cast a blank (or unreadable) ballot. Do these votes count, and if so, how does one count them? The starting point is always to check the statutes.

In California, for example, for an action of a board of supervisors to be valid and binding, the action must be approved by a majority of the board. (California Government Code Section 25005.) Typically, this means three of the five members of the board must vote affirmatively in favor of the action. A vote of 2-1 would not be sufficient. A vote of 3-0 with two abstentions would be sufficient. In general law cities in

California, as another example, resolutions or orders for the payment of money and all ordinances require a recorded vote of the total members of the city council. (California Government Code Section 36936.) Cities with charters may prescribe their own vote requirements. Local elected officials are always well-advised to consult with their local agency counsel on how state law may affect the vote count.

After consulting state statutes, step number two is to check the rules of the body. If the rules of the body say that you count votes of “those present” then you treat abstentions one way. However, if the rules of the body say that you count the votes of those “present and voting,” then you treat abstentions a different way. And if the rules of the body are silent on the subject, then the general rule of thumb (and default rule) is that you count all votes that are “present and voting.”

Accordingly, under the “present and voting” system, you would **NOT** count abstention votes on the motion. Members who abstain are counted for purposes of determining quorum (they are “present”), but you treat the abstention votes on the motion as if they did not exist (they are not “voting”). On the other hand, if the rules of the body specifically say that you count votes of those “present” then you **DO** count abstention votes both in establishing the quorum and on the motion. In this event, the abstention votes act just like “no” votes.

How does this work in practice?

Here are a few examples.

Assume that a five-member city council is voting on a motion that requires a simple majority vote to pass, and assume further that the body has no specific rule on counting votes. Accordingly, the default rule kicks in and we count all votes of members that are “present and voting.” If the vote on the motion is 3-2, the motion passes. If the motion is 2-2 with one abstention, the motion fails.

Assume a five-member city council voting on a motion that requires a two-thirds majority vote to pass, and further assume that the body has no specific rule on counting votes. Again, the default rule applies. If the vote is 3-2, the motion fails for lack of a two-thirds majority. If the vote is 4-1, the motion passes with a clear two-thirds majority. A vote of three “yes,” one “no” and one “abstain” also results in passage of the motion. Once again, the abstention is counted only for the purpose of determining quorum, but on the actual vote on the motion, it is as if the abstention vote never existed — so an effective 3-1 vote is clearly a two-thirds majority vote.

Now, change the scenario slightly. Assume the same five-member city council voting on a motion that requires a two-thirds majority vote to pass, but now assume that the body **DOES** have a specific rule requiring a two-thirds vote of members “present.” Under this specific rule, we must count the members present not only for quorum but also for the motion. In this scenario, any abstention has the same force and effect as if it were a “no” vote. Accordingly, if the votes were three “yes,” one “no” and one “abstain,” then the motion fails. The abstention in this case is treated like a “no” vote and effective vote of 3-2 is not enough to pass two-thirds majority muster.

Now, exactly how does a member cast an “abstention” vote?

Any time a member votes “abstain” or says, “I abstain,” that is an abstention. However, if a member votes “present” that is also treated as an abstention (the member is essentially saying, “Count me for purposes of a quorum, but my vote on the issue is abstain.”) In fact, any manifestation of intention not to vote either “yes” or “no” on the pending motion may be treated by the chair as an abstention. If written ballots are cast, a blank or unreadable ballot is counted as an abstention as well.

Can a member vote “absent” or “count me as absent?” Interesting question. The ruling on this is up to the chair. The better approach is for the chair to count this as if the member had left his/her chair and is actually “absent.” That, of course, affects the quorum. However, the chair may also treat this as a vote to abstain, particularly if the person does not actually leave the dais.

The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself; the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion to consider is made and passed.

A motion to reconsider requires a majority vote to pass like other garden-variety motions, but there are two special rules that apply only to the motion to reconsider.

First, is the matter of timing. A motion to reconsider must be made at the meeting where the item was first voted upon. A motion to reconsider made at a later time is untimely. (The body, however, can always vote to suspend the rules and, by a two-thirds majority, allow a motion to reconsider to be made at another time.)

Second, a motion to reconsider may be made only by certain members of the body. Accordingly, a motion to reconsider may be made only by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the body — including a member who voted in the minority on the original motion — may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a member of minority could make a motion to reconsider, then the item could be brought back to the body again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. At the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.

The chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is "no." There are, however, exceptions. A speaker may be interrupted for the following reasons:

Privilege. The proper interruption would be, "point of privilege." The chair would then ask the interrupter to "state your point." Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person's ability to hear.

Order. The proper interruption would be, "point of order." Again, the chair would ask the interrupter to "state your point." Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

Appeal. If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

Call for orders of the day. This is simply another way of saying, "return to the agenda." If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair's determination may be appealed.

Withdraw a motion. During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

Rule One: Tell the public what the body will be doing.

Rule Two: Keep the public informed while the body is doing it.

Rule Three: When the body has acted, tell the public what the body did.



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● Conservation Board Report (DEC '21)

Summary

This report provides a summary of conservation activity and expenditures for October 2021.

Purpose

Informational

Detailed Report

Conservation Expenditures – FY2020/21 & FY2021/22 ⁽¹⁾

	Paid ⁽²⁾	Committed ⁽³⁾
Regional Devices	\$5.5 M	\$3.8 M
Member Agency Administered	\$2.0 M	\$9.2 M
Turf Replacement	\$10.7 M	\$14.1 M
Advertising	\$0.1 M	\$1.0 M
Other	\$2.0 M	\$1.2 M
TOTAL	\$20.3 M	\$29.3 M

(1) The Conservation Program biennial expenditure authorization was \$86 million and expected expenditures for rate setting purposes were \$50 million.

(2) As of 7/1/2020 - 10/31/2021

(3) Committed dollars as of November 10, 2021

Summary of Expenditures in October 2021: \$726,025 ⁽¹⁾



Turf Replacement Rebates:

October: 182,611 ft² removed

FY2020/21-FY2021/22: 5,493,356 ft² removed



Clothes Washers:

October: 704 units rebated

FY2020/21-FY2021/22: 21,751 units rebated



Smart Controllers:

October: 907 units rebated

FY2020/21-FY2021/22: 17,731 units rebated



Toilets:

October: 569 units rebated

FY2020/21-FY2021/22: 14,197 units rebated



Rain Barrels and Cisterns:

October: 32 units rebated

FY2020/21-FY2021/22: 3,545 units rebated



Sprinkler Nozzles:

October: 1,107 units rebated

FY2020/21-FY2021/22: 35,234 units rebated

Lifetime Water Savings to be achieved by all rebates in October 2021: 1,795 AF

FY2020/21-FY2021/22: 52,189AF lifetime water savings

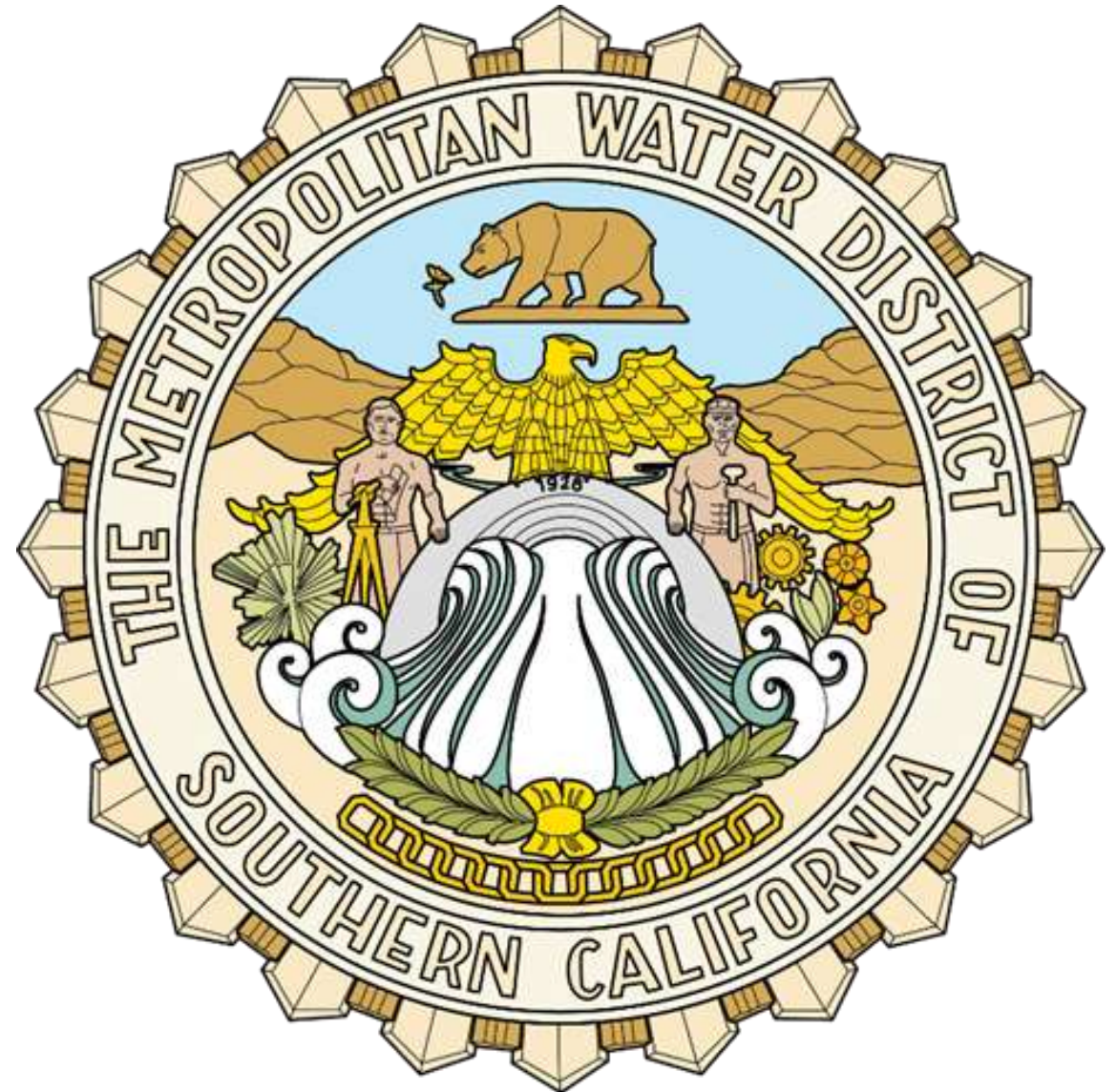
(1) Expenditures may include advertising and Water Savings Incentive Program activity in addition to the incentives highlighted above.

METROPOLITAN WATER DISTRICT

UPDATE ON STRATEGIC PRIORITIES

ITEM 9-2

DECEMBER 14, 2021





Gathering Momentum to Set Strategic Priorities



- Board Retreat 2019
- IRP 2020
- Board Retreat 2021
- Member Agency Managers 2021
- Executive Managers 2021



EMPOWER

Empower the workforce and
promote diversity, equity and
inclusion



Empower the Workforce and Promote Diversity, Equity And Inclusion

- Establish Office of Diversity, Equity, and Inclusion
- Establish Equal Employment Opportunity (EEO) office
- Establish Workforce Development Strategies
 - Update training curriculum to focus on future challenges
 - Pilot program to expand craft training to complement the apprenticeship program
 - Coordinate District-wide management forum
- Update recruitment strategies and practices

SUSTAIN

Sustain Metropolitan's Mission with
a Strengthened Business Model

Sustain Metropolitan's Mission with a Strengthened Business Model

- Given the identified challenges before us, document a common understanding of the services needed and value provided to the region
- Assess the rate structure based on the identified values and services
- Manage rate pressure on Member Agencies
 - Secure state and federal funding
 - Explore non-rate revenues
 - Assess benefits, costs and alternative approaches for major initiatives and projects
- Evaluate alternative funding and participation mechanisms for local supply development

ADAPT

Adapt to Changing Climate and Water Resources



Adapt to Changing Climate and Water Resources

- Establish Office of Sustainability, Resiliency, and Innovation
- Complete IRP Implementation Plan and Revise Water Surplus and Drought Management Plan to meet short- and long-term water resource objectives
- Implement Climate Action Plan to reduce and mitigate emissions and impacts from energy use and other activities
- Advance source reliability of major water resources
 - Regional Recycled Water Program (per Board consideration)
 - Water management guidelines for Colorado River
 - Delta Conveyance Project (DCP) planning and permitting
 - Advance watershed science and ecosystem restoration
 - Increase water use efficiency for all communities and sectors, with a particular emphasis on addressing outdoor use (irrigation and agriculture) and leaking pipes

PROTECT

Protect Public Health,
Regional Economy, and
Metropolitan's Assets



Protect Public Health, Regional Economy, and Metropolitan's Assets

- Invest in system resilience, with an emphasis on infrastructure reliability and system flexibility (e.g., SWP dependent areas)
- Protect water quality from source to tap and prepare for emerging water quality issues
- Apply innovation and technology across project lifecycles (design, construction, operations, maintenance, and replacement)
- Identify and address system vulnerabilities, such as
 - Emergency preparedness and response
 - Physical- and cyber-security
 - Seismic and other system risks



PARTNER

Partner with
Stakeholders and
the Communities
We Serve

Partner with Stakeholders and the Communities We Serve

- Strengthen collaboration with member agencies and external stakeholders on public outreach, business, education, conservation and workforce development
- Build greater awareness and understanding of underserved communities and engage them in addressing challenges of water quality, infrastructure and affordability
- Engage new civic leaders at the local, state and federal levels
- Equip staff to serve as ambassadors for Metropolitan and water reliability throughout the region and state, nationally, and industry-wide



Next Steps

- Gather Feedback
 - Metropolitan Staff
 - Member Agency Managers
 - Board of Directors
- Refine Strategic Priorities
- Board Adoption Proposed in March 2022

