

WORKSHOP MEETING OF THE
BOARD OF DIRECTORS WITH MET DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
February 3, 2016, 8:30 a.m.

AGENDA

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC PARTICIPATION/COMMENTS

At this time members of the public will be given an opportunity to address the Board concerning items within the subject matter jurisdiction of the Board. Members of the public may also address the Board about a particular Agenda item at the time it is considered by the Board and before action is taken.

The Board requests, but does not require, that members of the public who want to address the Board complete a voluntary "Request to be Heard" form available from the Board Secretary prior to the meeting.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize item(s), which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present or, if less than two-thirds of the Board members are present, a unanimous vote.)

ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the District's business office located at 18700 Ward Street, Fountain Valley, California 92708, during regular business hours. When practical, these public records will also be made available on the District's Internet Web site, accessible at <http://www.mwdoc.com>.

(NEXT RESOLUTION NO. 2025)

PRESENTATION/DISCUSSION/INFORMATION ITEMS

1. ORANGE COUNTY'S DROUGHT PERFORMANCE – NOVEMBER REPORT

Recommendation: Review and discuss the information presented.

2. PRESENTATION BY METROPOLITAN WATER DISTRICT'S (MET) CHIEF FINANCE OFFICER GARY BREAU ON MET'S PROPOSED BIENNIAL BUDGET AND RATES FOR FISCAL YEAR 2016/17 AND 2017/18 (Approximate Presentation Time: 25 minutes)

Recommendation: Review and discuss the information presented.

3. MET ITEMS CRITICAL TO ORANGE COUNTY

- a. MET's Water Supply Conditions
- b. MET's Finance and Rate Issues

- c. Colorado River Issues
- d. Bay Delta/State Water Project Issues
- e. MET's Ocean Desalination Policy and Potential Participation by MET in the Doheny Desalination Project and in the Huntington Beach Ocean Desalination Project (Poseidon Desalination Project)
- f. Orange County Reliability Projects
- g. East Orange County Feeder No. 2

Recommendation: Discuss and provide input on information relative to the MET items of critical interest to Orange County.

4. OTHER INPUT OR QUESTIONS ON MET ISSUES FROM THE MEMBER AGENCIES

5. METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

- a. Summary regarding January MET Board Meeting
- b. Review items of significance for MET Board and Committee Agendas

Recommendation: Review and discuss the information presented.

ADJOURNMENT

Note: Accommodations for the Disabled. Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Maribeth Goldsby, District Secretary, at (714) 963-3058, or writing to Municipal Water District of Orange County at P.O. Box 20895, Fountain Valley, CA 92728. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.



DISCUSSION ITEM

February 3, 2016

TO: Board of Directors

FROM: Robert Hunter
General Manager

Staff Contact: Harvey De La Torre/
Kevin Hostert

**SUBJECT: ORANGE COUNTY'S DROUGHT PERFORMANCE – NOVEMBER 2015
REPORT**

STAFF RECOMMENDATION

Staff recommends the Board of Directors review and discuss this information

BACKGROUND

Last year Governor Brown issued an Executive Order calling for statewide mandatory water reductions for all urban water retail agencies. The purpose was to reduce water consumption in response to the record-breaking drought throughout the state of California. Although each Orange County retail agency was assigned a conservation target by the State Water Resource Control Board (State Board) that ranges between 8% and 36%, the aggregated water savings target among all of the retail agencies in Orange County is approximately 21.73%.

At the same time, the Metropolitan Board implemented its water supply allocation plan at a level 3 to all of its member agencies, effective July 1, 2015. This called for a reduction, no greater than 15%, in imported water usage for a twelve month period - ending June 30, 2016.

The reports below demonstrates how Orange County, as a whole, has been performing to the State Board's water saving targets and how MWDOC has been tracking to MET imported water supply allocation targets. Please note, these targets are calculated differently and are based on different factors.

Budgeted (Y/N): n/a	Budgeted amount: n/a	Core _X_	Choice __
Action item amount: n/a	Line item:		
Fiscal Impact (explain if unbudgeted):			

Report

Orange County's Performance under the SWRCB Mandatory Reduction Targets

Orange County monthly % Savings vs. SWRCB Target

(As of January 26, 2016)

	June	July	August	Sept.	Oct.	Nov.
Orange County SWRCB Savings Target*	21.73% - Monthly Saving Target					
Orange County Actual Savings	23.86%	29.18%	25.12%	28.45%	23.47%	15.58%
Savings beyond the Target	2.13%	7.43%	3.39%	6.72%	1.74%	-6.15%

For the month of November 2015, Orange County retail water agencies reported a total water saving of 15.58% (note this is compared to November 2013 water usage). This is **below** our Orange County month conservation target of 21.73% by -6.15%. However, the cumulative savings for the six months into the State Board's mandatory regulations total 24.65% for Orange County.

NOTE: At the time of preparing this report, the State Board had not released its numbers for the month of December 2015. Depending on when the new numbers are released, staff will present the new savings amount at the Board workshop on February 3.

MWDOC's performance under the MET's Water Supply Allocation Plan

MWDOC Actual Imported Water Usage vs. Imported Allocation Target

(As of January 27, 2016)

(In Acre-Feet)

	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
Allocation Monthly Target*	21,700	21,991	19,858	15,989	13,303	11,078	103,919AF
Actual Imported Usage**	15,950	15,791	12,455	14,130	17,964	11,315	87,605 AF

[*] Estimated monthly imported water allocation targets per the MWDOC's WSAP model.

[**] This includes all MWDOC imported water purchases – Full Service Treated and Full Service untreated (Replenishment purchases are included)

Note: These targets are subject to change based on actual local supply production and WSAP calculations.

As of January 27, the total actual imported water usage for July through December totals 87,605 AF, this is 16,313 AF below our estimated allocation target (this includes OCWD purchases).

Based on our actual imported water usage, we are tracking well-below our allocation targets. This is mainly due to retail agencies responding to the State Board's mandatory reduction targets. As a result of these savings, the MWDOC Board authorized the General Manager to offer our member agencies a "secondary assignment" of unused imported water from our MET's Allocation with appropriate conditions. In October, OCWD responded to this offer taking 17,000 AF of untreated water to their spreading basins. An additional "secondary assignment" of 7,000 AF was offered on November 25, and OCWD requested to take only 3,000 AF of the 7,000 AF. Bring their total purchases of imported water to 20,000 AF. As shown above, there is additional water that OCWD can take in the coming months. MWDOC will continue to monitor, inform, and offer OCWD of unused imported allocation on a monthly basis.



Orange County Drought Performance & Water Supply Report

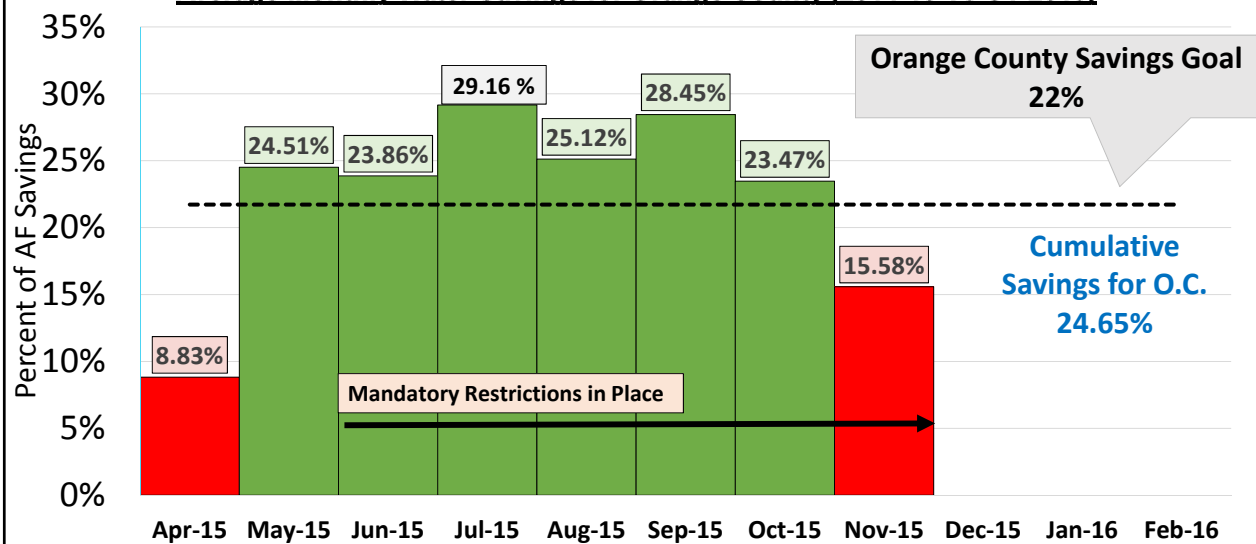
February 3, 2016

Municipal Water District of Orange County

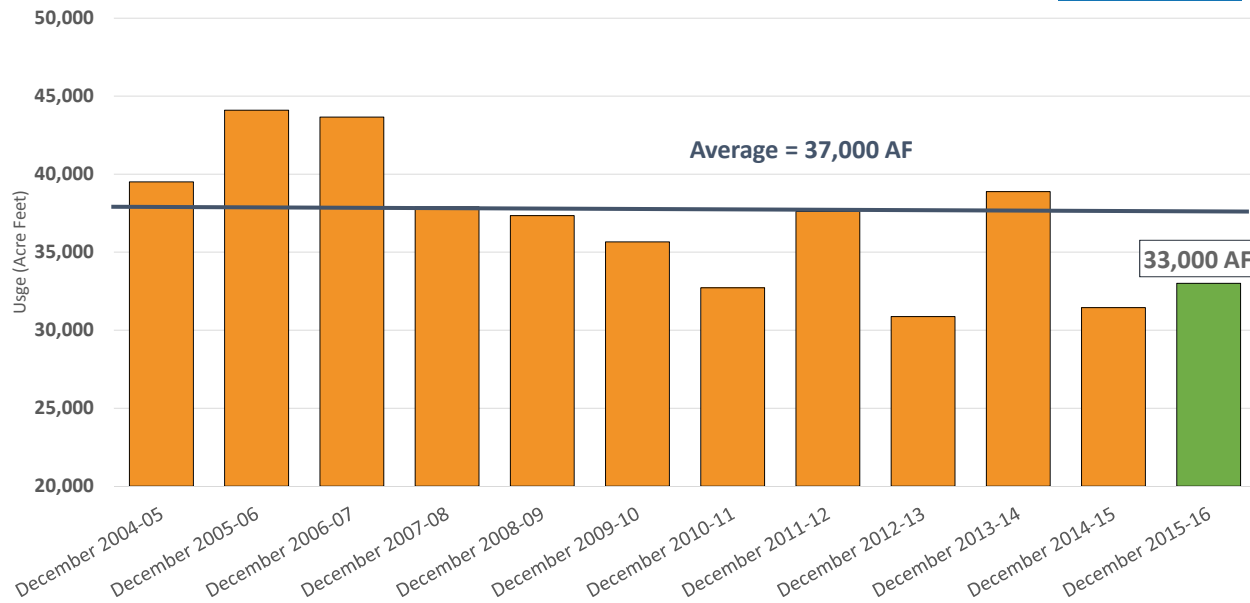
O.C. Water Savings Reported to SWRCB



Average Monthly Water Savings for Orange County (2014-15 Vs CY 2013)



OC Historical December Water Usage



FY Annual Precipitation (Santa Ana)



Cumulative Year-to-Date

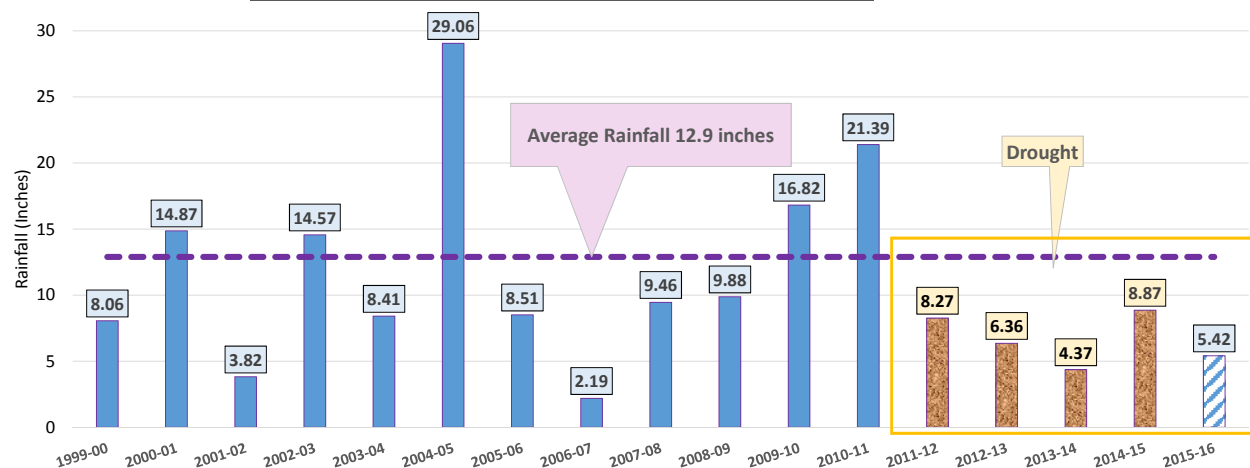
Average: 5.61"

2015-16: **5.42"**

Average Annual Rainfall: 12.9"

4-Year Deficit: 23.9" (2011-12 to Present)

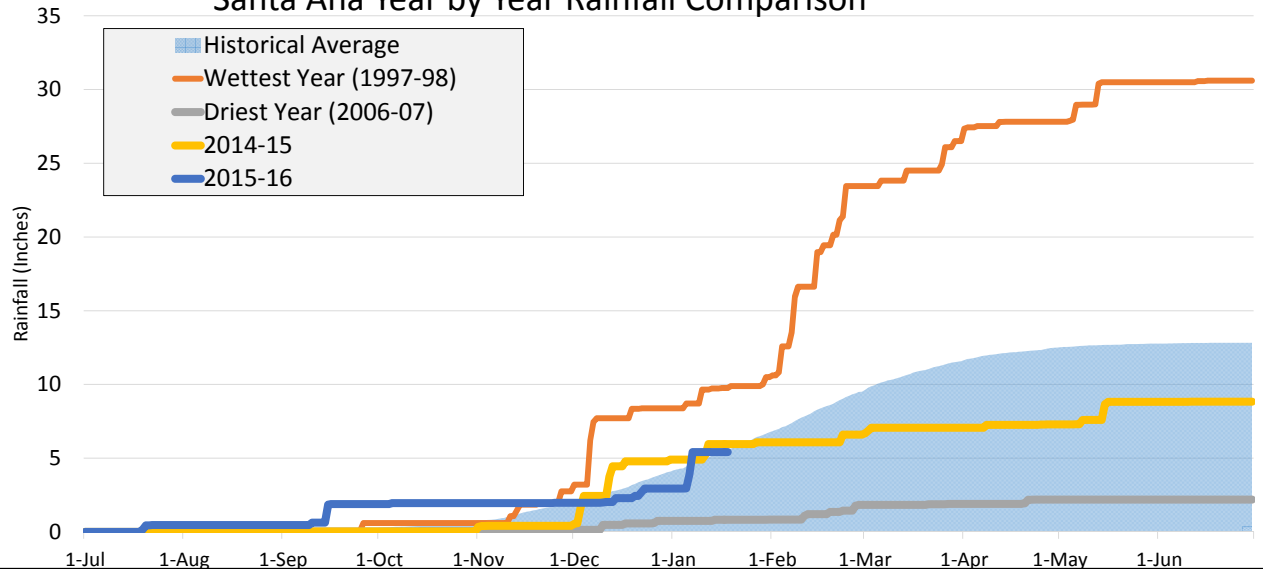
Santa Ana Annual Precipitation Statistics (Fiscal Year July-June)



FYD Rainfall Compared to Past



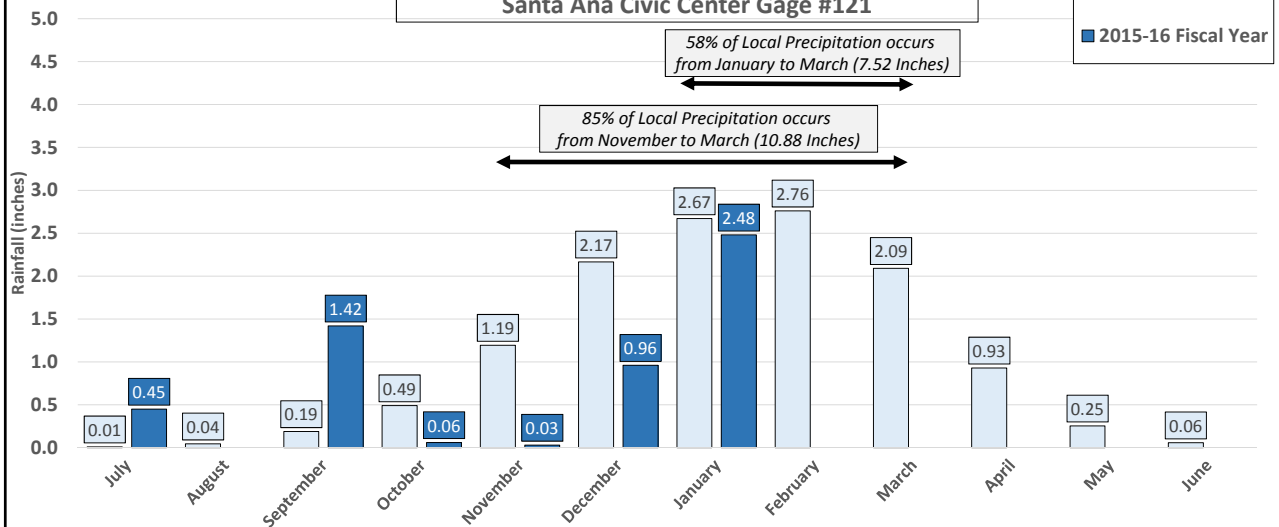
Santa Ana Year by Year Rainfall Comparison



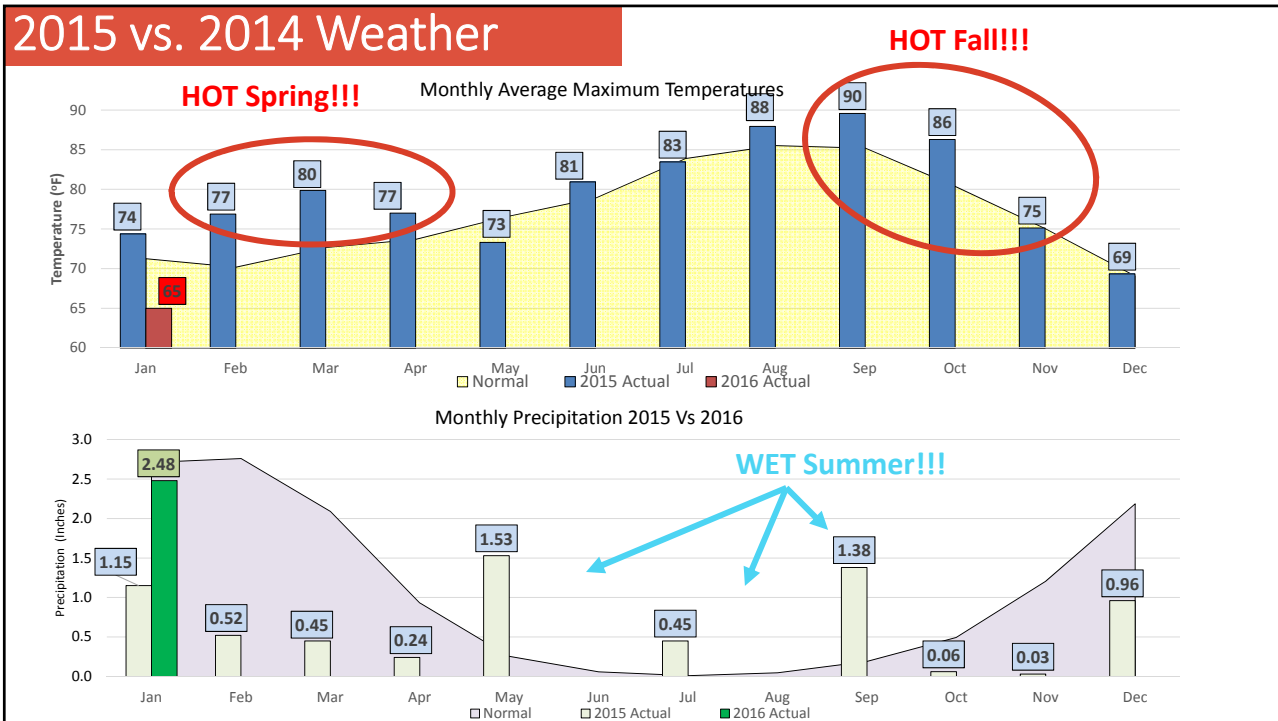
2015-16 FY Rainfall



Average Monthly Precipitation in Orange County, Ca
Santa Ana Civic Center Gage #121

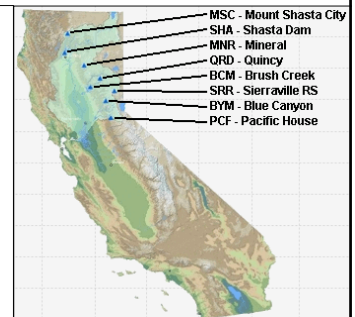
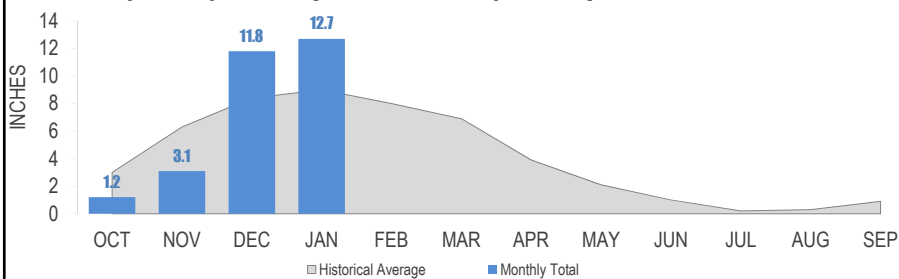


2015 vs. 2014 Weather

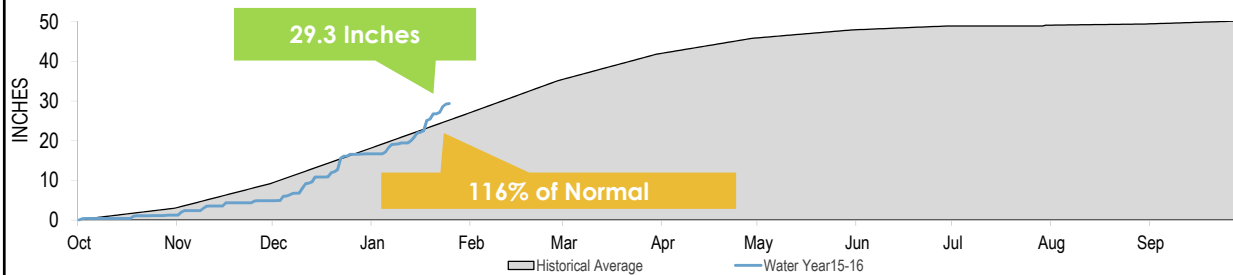


Northern California Accumulated Precipitation

Monthly Precipitation (8 Station Precip Index)



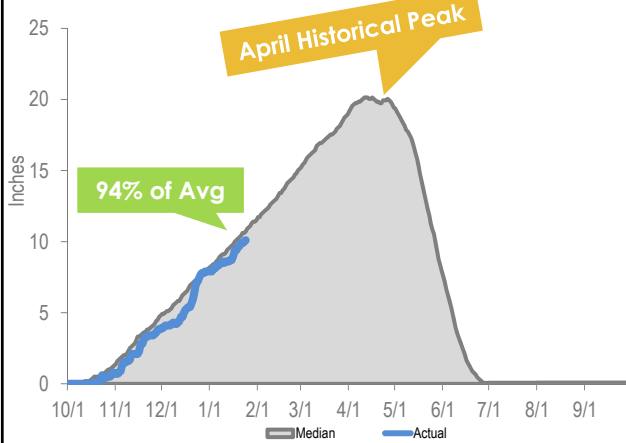
Accumulated Precipitation (8-Station Precip Index)



Snowpack



Colorado River Basin Snowpack Water Equivalent



Northern Sierra Snowpack Water Equivalent

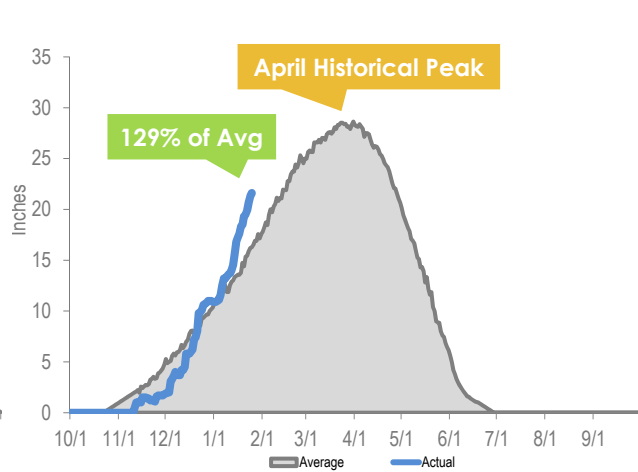
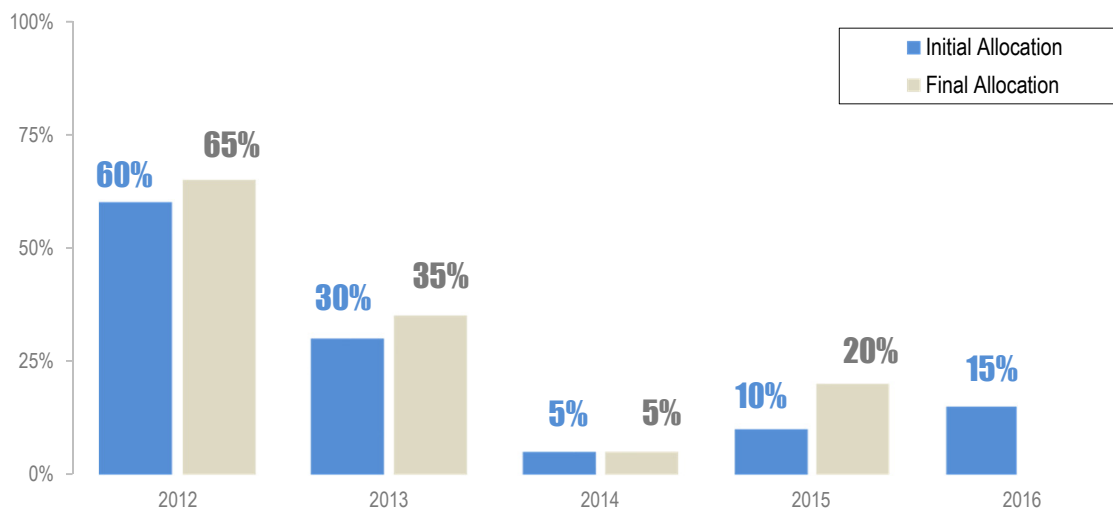
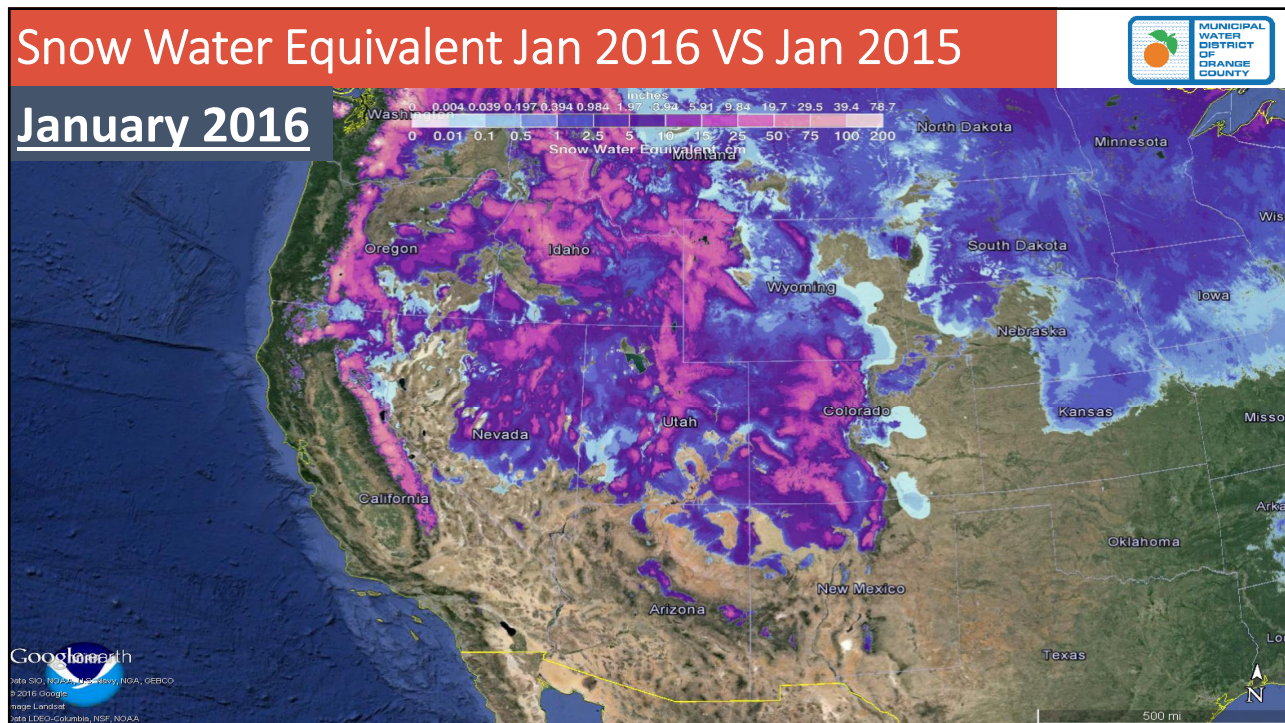
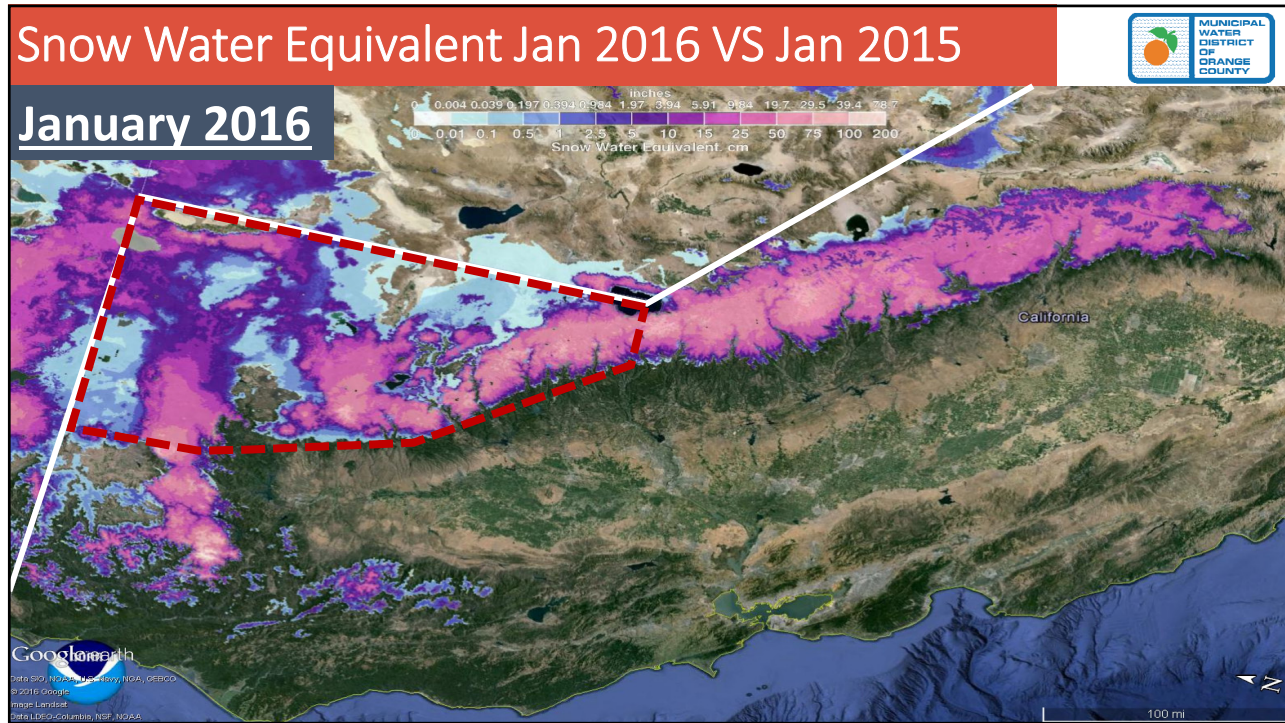
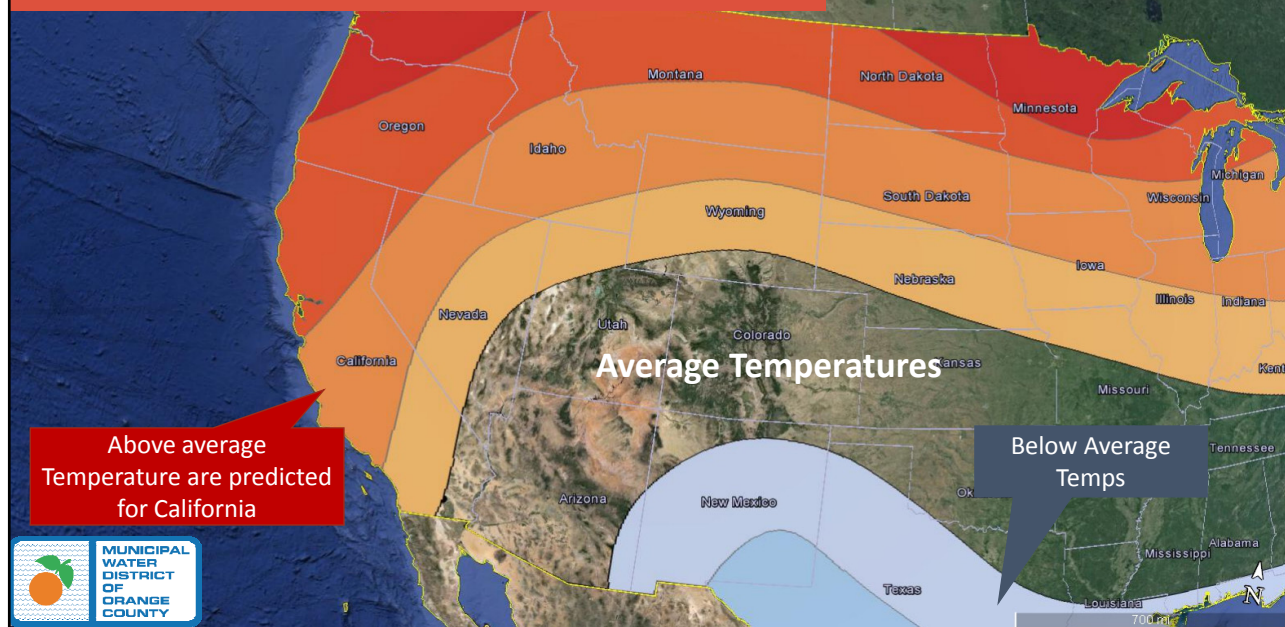


Table A SWP Allocation

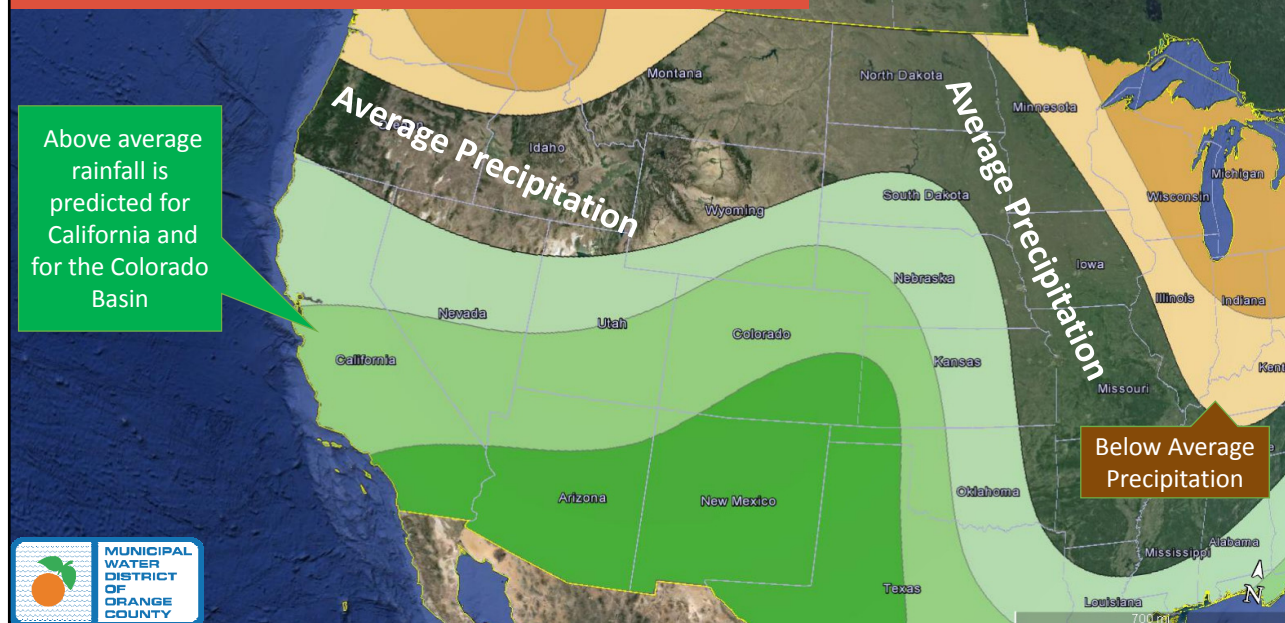




National Weather Service Temperature 3 Month Weather Outlook (February-April)



National Weather Service Precipitation 3 Month Weather Outlook (February-April)

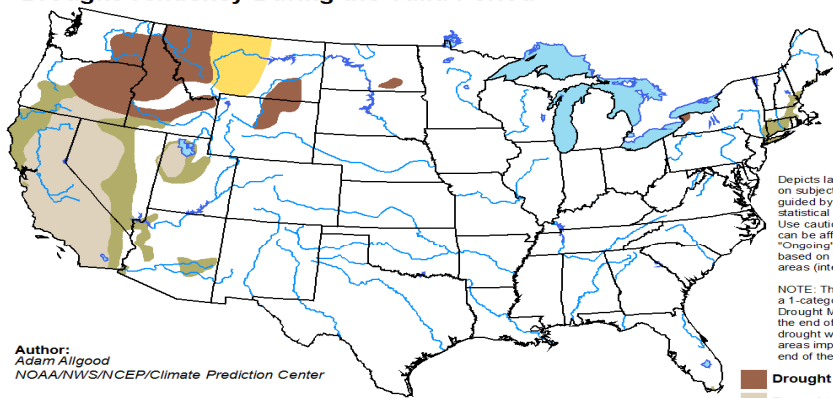


Drought Outlook (April 30th 2016)



U.S. Seasonal Drought Outlook Drought Tendency During the Valid Period

Valid for January 21 - April 30, 2016
Released January 21, 2016



Author:
Adam Allgood
NOAA/NWS/NCEP/Climate Prediction Center

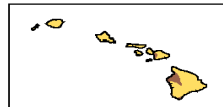
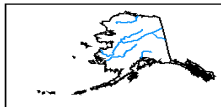
Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

- Drought persists
- Drought remains but improves
- Drought removal likely
- Drought development likely



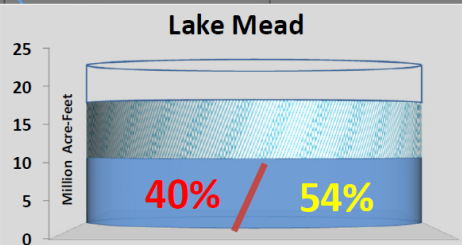
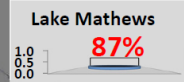
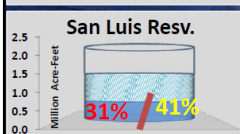
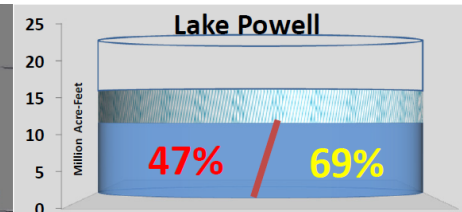
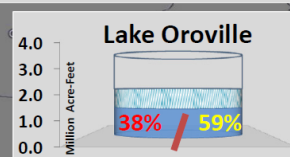
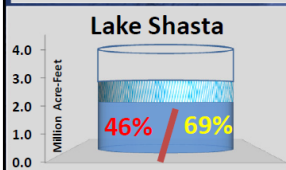
<http://go.usa.gov/3eZ73>



Reservoir Storage



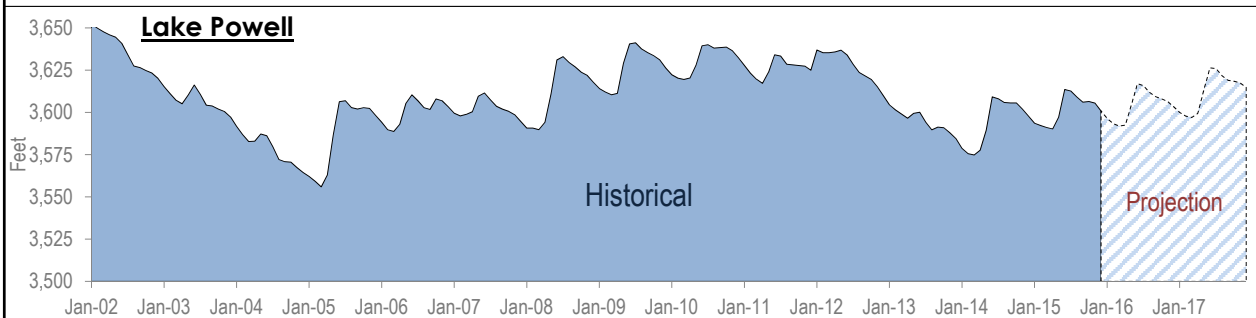
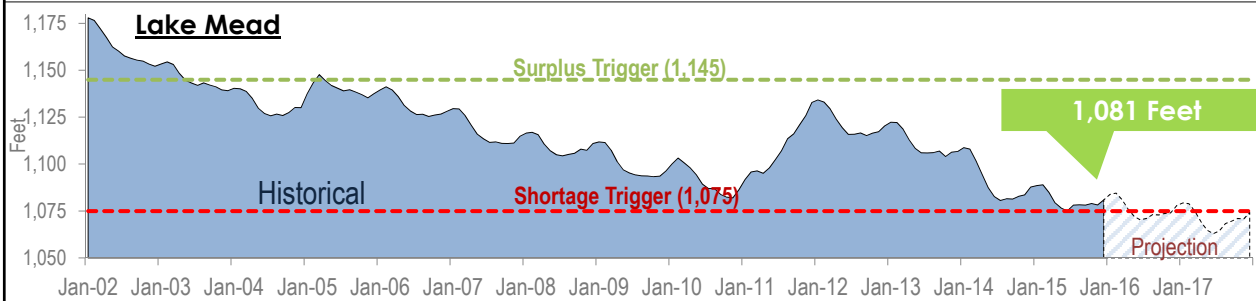
State Water Project, Colorado River, and MWD Reservoir Storage as of January 25th, 2016



% of Capacity
% of Historical Avg.

© 2016 BIRCO

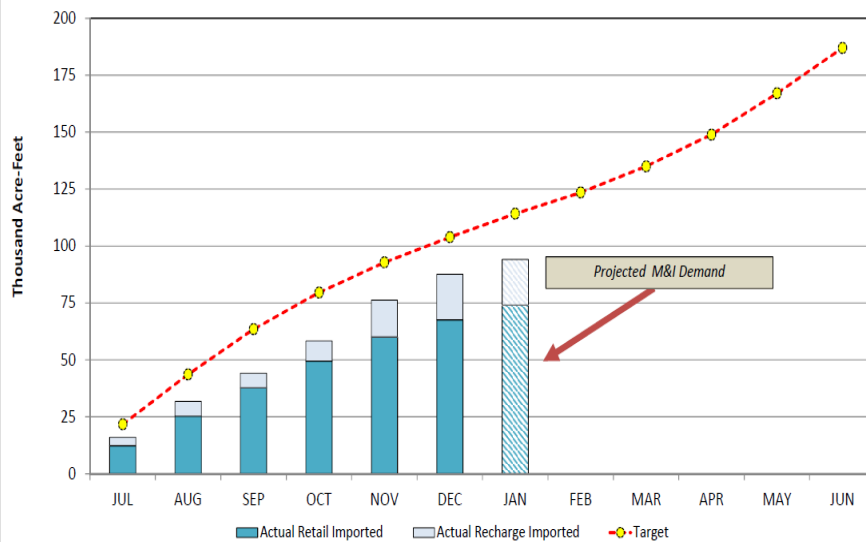
CRA Storage



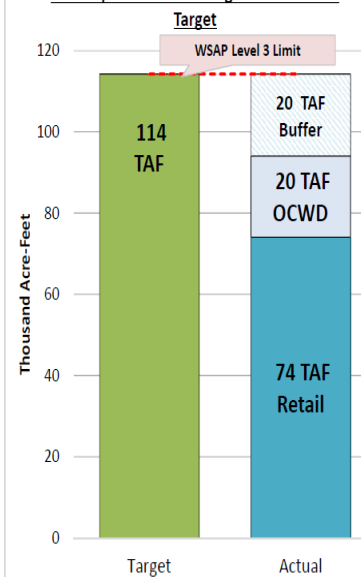
MWDOC's Stage III Allocated Water



Cumulative Imported Water Usage vs. Allocation Target



YTD Imported Water Usage Vs. Allocation





DISCUSSION ITEM

February 3, 2016

TO: Board of Directors

FROM: Robert Hunter
General Manager

Staff Contact: Harvey De La Torre

SUBJECT: Presentation by Metropolitan Water District's (MET) Chief Finance Officer Gary Breaux on MET's Proposed Biennial Budget and Rates for Fiscal Year 2016/17 and 2017/18

STAFF RECOMMENDATION

Staff recommends the Board of Directors review and discuss this information

REPORT

MWDOC has invited Metropolitan Water District's (MET) Chief Finance Officer, Gary Breaux to present on MET's Proposed Biennial Budget and Rates for Fiscal Year 2016/17 and 2017/18. Mr. Breaux will highlight the key budget assumptions such as: water sales, expected revenues, key expenditures, PAYGo, reserves, rates and charges; including a 10-year water rate forecast.

On February 8th, the MET Board will hold its 1st budget workshop and commence with setting its Public Hearing for March 8. There are expected to be a least three budget workshops before the MET Board considers action on the Biennial Budget and Rates on April 12, 2016.

Budgeted (Y/N): n/a	Budgeted amount: n/a	Core <input checked="" type="checkbox"/> Choice <input type="checkbox"/>
Action item amount: n/a	Line item:	
Fiscal Impact (explain if unbudgeted):		



Item No. 3

DISCUSSION ITEM

February 3, 2016

TO: Board of Directors & MET Directors

FROM: Robert J. Hunter
General Manager

Staff Contact: Harvey De La Torre

SUBJECT: Metropolitan Water District (MET) Items Critical To Orange County

STAFF RECOMMENDATION

Staff recommends the Board of Directors to review and discuss this information.

SUMMARY

This report provides a brief update on the current status of the following key MET issues that may affect Orange County:

- a) MET's Water Supply Conditions
- b) MET's Finance and Rate Issues
- c) Colorado River Issues
- d) Bay Delta/State Water Project Issues
- e) MET's Ocean Desalination Policy and Potential Participation in the Doheny and Huntington Beach Ocean (Poseidon) Desalination Projects
- f) Orange County Reliability Projects
- g) East Orange County Feeder No. 2

ISSUE BRIEF # A

SUBJECT: MET's Water Supply Conditions

RECENT ACTIVITY

Orange County residents and businesses continue their water savings efforts as we enter the winter months. For the month of November, the County showed a 15.58% monthly reduction (compared to November 2013 usage) and a cumulative savings of 24.65%, which is 2.65% beyond the 22% saving goal for the County. For the first time, the retail water savings achieved in November were below the monthly savings target. The retail agencies predicted this would occur during winter months as a result of seasonally appropriate lessening of irrigation need and, therefore, a reduction in the potential for outdoor water savings. For this reason, during winter months, the overall water savings potential is hardened.

At the end of January, the California Department of Water Resource (DWR) increased the State Water Contractor's "Table A" initial allocation for 2016 from 10% to 15% as a result of slightly above average precipitation and snowpack levels in the Northern Sierra Mountains. This will increase MET's State Water Project (SWP) water deliveries by approximately 100,000 acre-feet (AF). DWR Director Mark Cowin stated that, *"our modest increase underscores the fact that we still have a critical water shortage after four-plus years of drought that we don't know when will end. One look at our low reservoirs tells us that we need a lot more wet weather before summer."*

ISSUE BRIEF # B

SUBJECT: MET's Finance and Rate Issues

RECENT ACTIVITY

MET Financial Report

MET staff report that total water sales are projecting to be 116,000 AF less than the budget estimates of 1.75 million acre-feet (MAF). This is roughly a 12% reduction and could result in MET's water sales totaling 1.55 MAF by the end of the fiscal year. However, December was the first month where imported water sales were higher than the budgeted monthly projection. This increase was mainly due to a surge in groundwater purchases.

MET plans to start their Biennial Budget Workshops this month. Along with water sales assumptions and projected revenues, there will be discussion on MET's future expenditures and the resultant impact on water rates. MET's CFO Gary Breaux will present on MET's proposed FY 2016/17 and FY 2017/18 Biennial Budget at the February 3 MWDOC Board Workshop.

ISSUE BRIEF # C

SUBJECT: Colorado River Issues

RECENT ACTIVITY

Colorado River Drought Response MOU

In 2014, Southern Nevada Water Authority (SNWA), Central Arizona Project (CAP), the U.S. Bureau of Reclamation (Reclamation), and MET entered into a memorandum of understanding for pilot drought response actions on the Lower Colorado River. The agencies agreed to use best efforts to implement actions that would slow the decline in Lake Mead. At the Colorado River Basin States meeting that adjourned on December 15, the agencies provided a summary of the activities completed to date that have benefited Lake Mead in 2014 and 2015:

- SNWA reported that it left a total of 12,500 AF of Nevada's water in Lake Mead that would otherwise have been banked off-stream;
- CAP reported that it left a total of 215,000 AF of water in Lake Mead under its recently developed Intentionally Created Surplus (ICS) program and Arizona water that it could have banked but chose to leave in Lake Mead;
- MET reported that it implemented actions to reduce its planned draw on ICS by 58,000 AF by reaching agreement to store conserved water from Imperial Irrigation District and funding conservation within MET's service area to reduce its demand on Colorado River water.

Collectively, these actions above have significantly reduced the likelihood of a first ever shortage declaration on the Colorado River in 2017.

Colorado River Basin Study Next Steps Process to Enter Second Phase

In May 2015, Reclamation, with assistance from the Colorado River Basin States, issued the Moving Forward Phase I Report as a follow-up to the 2013 Colorado River Basin Supply and Demand Study. The Phase I report included a refined analysis of the potential for increased urban conservation, agricultural conservation and transfers, and environmental and other non-consumptive flows. In December, Reclamation notified the Colorado River Basin States of its intentions to begin the Moving Forward Phase II process in early 2016, which will include selection and implementation of pilot projects for the actions that were studied in the Phase I report. A kickoff meeting to develop a process for completing Phase II will be held in the coming months.

ISSUE BRIEF # D

SUBJECT: Bay Delta/State Water Project Issues

RECENT ACTIVITY

Bay Delta Conservation Plan/California WaterFix

The California Department of Water Resources (DWR) continues to process the comments received on the Bay Delta Conservation Plan/California WaterFix Partially Recirculated Draft Environmental Impact Report/Supplemental Draft Environmental Impact Statement (RDEIR/SDEIS) in preparation for the Response to Comments and Final EIR/EIS, anticipated in mid-2016. MET staff continues to monitor the environmental review process and work with DWR and the other participating State Water Project (SWP) and Central Valley Project (CVP) public water agencies.

State Water Resources Control Board (SWRCB)

The State Water Resources Control Board (SWRCB) set a public hearing date of April 7, 2016, to consider the petition requesting changes in the point of diversion for the SWP and CVP as part of the California WaterFix Project. A pre-hearing conference is scheduled for January 28, 2016. Opening briefs will be given in March 2016. MET staff, in collaboration with public water agency attorneys, is coordinating with DWR staff in preparation for the hearing.

Delta Flood Emergency Management Plan

DWR has reported that the final Delta Flood Emergency Management Plan (DFEMP) will include a recently revised Emergency Response Tool (ERT) that provides forecasted emergency response logistics, as well as incorporates coordinated comments from state, federal and local agencies. The DFEMP will assess ERT generated timelines for emergency freshwater pathway development in the event of multiple island failures under historical hydrologic conditions, as well as demonstrate its real time forecasting capabilities. The DFEMP is expected to be finalized in early 2016.

In mid-December, DWR advertised a construction contract for major facilities improvements at their Stockton and Rio Vista materials storage and transfer sites. At Stockton, the work will include existing warehouse improvements, new warehouses, waterside loading and unloading facilities, boat slips, roadway improvements, and the transfer of a portion of rock stockpiles from their temporary storage site at the Port of Stockton. At Rio Vista, the work will consist of additional all-weather roadway access to new and existing rock storage sites and the transfer of a portion of rock stockpiles to Rio Vista from the Port of Stockton. This contract work would be completed in late 2016.

DWR reports that a recent contract to remove the drought salinity control barrier from the west False River site has placed an additional 115,000 tons of rock at the Rio Vista storage site. Together with this rock, there is a total of 365,000 tons of rock storage at Stockton and

Rio Vista, which is sufficient to close several levee breaches to support formation of the emergency freshwater pathway in the event of a multiple-island failure. DWR plans a contract in 2017 to purchase large sheet pile as a redundant method to close levee breaches and perform additional warehouse renovation.

ISSUE BRIEF # E

SUBJECT: MET's Ocean Desalination Policy and Potential Participation in the Doheny and Huntington Beach Ocean (Poseidon) Desalination Projects

RECENT ACTIVITY

Doheny Desal

South Coast Water District and its consulting team are continuing to pursue the Doheny Desal Project. Major items scheduled over the next year include:

- Historical Doc Summary TM1
- Environmental & Permitting Roadmap TM2
- Brine Outfall Analysis TM3
- Preliminary Design Report and Cost Estimate TM5
- EIR Process
- Environmental Permitting Approvals & Hearings
- Public Outreach TM4
- Project Funding
- Project Delivery Method TM6
- Economic Analysis TM7

Key among those, will be the updated cost estimate and the economic analysis, expected within the April/May timeframe. On January 28, the South Coast Water District Board is scheduled to approve the contract for preparation of the Preliminary Design Report for the 5 million gallons per day (MGD) Desalination Plant and an additional contract to begin the CEQA preparation.

Karl Seckel and Andy Brunhart met with the Doheny State Parks staff to brief them on the following:

1. Process and schedule for development of the Doheny Desal 5 MGD project. This meeting initiated the process for the start of right-of-way acquisition by South Coast for their project. Within the next two months, Karl and Andy will visit with the State Parks Headquarters in Sacramento to continue the discussions.
2. Process and schedule for decommissioning of the existing slant well, associated piping, the mobile test facility and restoration of the site. MWDOC will be in charge of engineering and construction for the decommissioning work.

Poseidon Huntington Beach

The Orange County Water District (OCWD) has continued work on evaluating where the product water produced from the Poseidon Project would be utilized. Option include: seawater barrier operations, injection or replenishment in the groundwater basin, for direct delivery to other agencies, or some combination thereof. OCWD has set February 3 as their first workshop on this issue.

MWDOC, OCWD and Poseidon met with MET Executive Staff including Jeff Kightlinger, Debra Man, Deven Upadhyay, and Bob Harding. The purpose of the meeting was to provide a briefing to MET Executive Staff on the OCWD integration study and progress being made by Poseidon with the Coastal Commission with an anticipated meeting in May regarding their permit. Poseidon also reported at the meeting that a majority interest in Poseidon had been purchased by Brookfield Infrastructure Partners out of Canada. Additional discussion included MET concerns relating to integration issues such as stranded assets, peaking on their system, water quality issues, and constraining MET operations.

ISSUE BRIEF # F

SUBJECT: Orange County Reliability Projects

RECENT ACTIVITY

Central Pool Augmentation Program

There are no updates to report.

Orange County Water Reliability Study

The second of the Phase 1 extended Workgroup meetings took place on December 14 and specifically targeted SYSTEM RELIABILITY ISSUES. MWDOC invited all agencies to send representatives to this meeting, especially agency representatives who had not made the prior workgroup meetings. Emphasis was also placed on operations staff from all agencies, specifically on the issue of Emergency Response. In all, 22 agencies attended the two-hour meeting held at the City of Santa Ana, plus representatives from MET and the Division of Drinking Water.

The meeting included review and input of the planning spreadsheet developed by MWDOC to assist in reviewing the ability of each agency to respond to:

- Outages of the Import System for up to 60 days
- Outages of the Electrical Grid for up to 7 days

As a result of the wide-ranging discussions, MWDOC offered to meet individually with any of the agencies to walk through the analysis.

Subsequent meetings were held on:

- Jan 4 – Supply Reliability GAPS, Illustration of Strategies to Reduce the GAPS and Economic Methods for Comparison of strategies
- Jan 21 – Discussion of Policy Issues and Scope for Phase 2

This should allow Phase 2 to begin in February and proceed over the subsequent three months.

Karl Seckel presented on the Water Reliability Study at the WACO meeting on December 11. The presentation and recording is posted on the WACO website hosted by MWDOC (direct link to presentation is : <https://www.youtube.com/user/orangecountywater>).

ISSUE BRIEF # G

SUBJECT: East Orange County Feeder No. 2

RECENT ACTIVITY

Use of East Orange County Feeder No. 2 for Conveyance of Groundwater and Poseidon Water

In the Poseidon Meeting summarized under Issue Brief # E., the discussions included issues associated with using the EOCF#2 for delivery of the Poseidon Water. MWDOC is preparing information for an upcoming discussion with MET.

**Summary Report for
The Metropolitan Water District of Southern California
Board Meeting
January 12, 2016**

COMMITTEE ASSIGNMENTS

Director Martinez was removed from the Communications and Legislation Committee. Directors Dick and Zurita were assigned to the Engineering and Operations Committee. Director Lowenthal was removed from the Finance and Insurance Committee; and Director Paskett was added to the Committee. Director Ackerman was added to the Integrated Resources Planning Committee. Director Paskett was added to the Legal and Claims Committee. Director Dick was removed from the Organization, Personnel and Technology Committee; and Directors Barbre, McKenney and Zurita were added to the Committee. Director Paskett was added to the Special Committee on Bay-Delta. Directors Martinez and Koretz were removed from the Water Planning and Stewardship Committee; and Directors Wunderlich and Paskett were added to the Committee. **(Agenda Item 5D)**

ENGINEERING AND OPERATIONS COMMITTEE

Appropriated \$4.25 million; authorized design to improve drainage at each CRA pumping plant; authorized preliminary design to replace the CRA domestic water systems; authorized design of conduit structural protection at 22 locations along the aqueduct; and authorized preliminary design to control erosion at eight locations along the aqueduct. (Approp. 15483) **(Agenda Item 8-1)**

Appropriated \$2.7 million; authorized final design of discharge line isolation couplings at the Colorado River Aqueduct pumping plants; and authorized design to replace overhead cranes at each of the plants. (Approp. 15481) **(Agenda Item 8-2)**

INTEGRATED RESOURCES PLANNING COMMITTEE

Adopted the 2015 Integrated Water Resources Plan Update. **(Agenda Item 8-3)**

LEGAL AND CLAIMS COMMITTEE

Received a report on *Bradley Wayne Nutt v. Metropolitan Water District of Southern California*, Los Angeles Superior Court Case No. BC550863; and authorized an increase in the maximum amount payable under contract with Atkinson, Andelson, Loya, Ruud & Romo for legal services by \$200,000 to an amount not to exceed \$550,000. **(Agenda Item 8-4)**

WATER PLANNING AND STEWARDSHIP COMMITTEE

Authorized the General Manager to enter into a pilot program agreement with Bard Water District, and land management and seasonal fallowing agreements with farmers in the district, consistent with the terms outlined in the Board memorandum and in a form approved by the General Counsel; and approved payment of up to \$1.8 million for funding the pilot program. **(Agenda Item 9-1)**

CONSENT CALENDAR

In other action, the Board:

Adopted a resolution supporting an application to the Bureau of Reclamation for WaterSMART grant funding for high-efficiency clothes washers; authorized the General Manager to accept grant funds, if awarded; and authorized the General Manager to enter into a contract for the grant funds.

(Agenda Item 7-1)

Appropriated \$980,000; and awarded \$413,186.30 pump procurement contract to Peerless Pump Company for the F. E. Weymouth Water Treatment Plant washwater tanks. (Approp. 15477)

(Agenda Item 7-2)

Certified the Final Environmental Impact Report for planned improvements at and near the Robert B. Diemer Water Treatment Plant; adopted the Findings of Fact, the Statement of Overriding Considerations, and the Mitigation Monitoring and Reporting Program; and approved the Diemer Upgrades Project for purposes of the California Environmental Quality Act. **(Agenda Item 7-3)**

Appropriated \$1.1 million; and authorized final design of urgent prestressed concrete cylinder pipe repairs at two locations on the Sepulveda Feeder. (Approp. 15496) **(Agenda Item 7-5)**

OTHER MATTERS:

In other action, the Board:

Presented ten-year service pins to Directors John Murray and Jesús Quiñonez, representing the City of Los Angeles. **(Agenda Item 5C)**

THIS INFORMATION SHOULD NOT BE CONSIDERED THE OFFICIAL MINUTES OF THE MEETING.

Board letters related to the items in this summary are generally posted in the Board Letter Archive approximately one week after the board meeting. In order to view them and their attachments, please copy and paste the following into your browser <http://edmsidm.mwdh2o.com/idmweb/home.asp>.



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

MWD MEETING AGENDA

Board Meeting

Meeting with Board of Directors

February 9, 2016

12:00 p.m. -- Board Room

MWD Headquarters Building

700 N. Alameda Street

Los Angeles, CA 90012

1. Call to Order

(a) Invocation: Kelly Bowen, Principal HR Training Specialist, Human Resources Group

(b) Pledge of Allegiance: Director Steve Blois

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

- A. Approval of the Minutes of the Meeting for January 12, 2016. (A copy has been mailed to each Director) Any additions, corrections, or omissions

Draft Minutes

- B. Report on Directors' events attended at Metropolitan expense for month of January
- C. Presentation of five-year service pin to Director Michael Camacho, representing Inland Empire Utilities Agency
- D. Approve 30-day leave of absence for Director Cynthia Kurtz, effective February 29, 2016
- E. Approve committee assignments
- F. Chairman's Monthly Activity Report

6. DEPARTMENT HEADS' REPORTS

- A. General Manager's summary of Metropolitan's activities for the month of January
- B. General Counsel's summary of Legal Department activities for the month of January
- C. General Auditor's summary of activities for the month of January
- D. Ethics Officer's summary of activities for the month of January

7. CONSENT CALENDAR ITEMS — ACTION

- 7-1 Authorize amendment to reimbursable agreement with the Los Angeles Department of Water and Power to refurbish solids lagoons for the Joseph Jensen Water Treatment Plant. (E&O)

7-1 Board Letter and Attachment

- 7-2 Appropriate \$650,000; and award \$270,099.36 procurement contract to CS Associated Municipal Sales Corporation for gate valves at the Colorado River Aqueduct pumping plants (Approp. 15438). (E&O)

7-2 Board Letter and Attachments

- 7-3 Appropriate \$550,000; and authorize design and procurement of standby generators for the San Dimas and Red Mountain Power Plants (Approp. 15480). (E&O)

7-3 Board Letter and Attachments

- 7-4 Authorize a long-term ground lease to Verizon Wireless for a telecommunications equipment site on Metropolitan fee-owned property located in the unincorporated area of Los Angeles County, near the city of La Verne. (RP&AM)

7-4 Board Letter and Attachment

8. OTHER BOARD ITEMS — ACTION

- 8-1 Set combined public hearing for estimated water rates and charges and ad valorem property tax for calendar years 2017 and 2018 to meet the revenue requirements for fiscal years 2016/17 and 2017/18. (F&I)

8-1 Board Letter

- 8-2 Authorize: (1) agreement with the State Water Contractors, Inc. to pursue 2016 Sacramento Valley water transfer supplies; and (2) \$5 per acre-foot initial administrative deposit not to exceed \$500,000 from the Water Management Fund. (WP&S)

8-2 Board Letter

- 8-3 Appropriate \$15 million; award \$11,555,000 contract to Kiewit Infrastructure West Co. for Stage 2 lining repairs on the Etiwanda Pipeline; and authorize increase of \$120,000 to an agreement with Helix Environmental Planning, Inc., for a new not-to-exceed total of \$520,000 (Approp. 15441). (E&O)

8-3 Board Letter and Attachments

- 8-4 Authorize increase of \$3 million for capital projects costing less than \$250,000 for fiscal years 2014/15 and 2015/16 (Approp. 15489). (E&O)

8-4 Board Letter and Attachment

- 8-5 Approve entering into salary agreements between the Metropolitan Water District of Southern California and American Federation of State, County and Municipal Employees, Local 1902 (AFSCME), the Management and Professional Employees Association (MAPA), and the Supervisors Association (Association). (OP&T) [Conference with labor negotiators; to be heard in closed session pursuant to Gov. Code Section 54957.6. Metropolitan representative: Stephen V. Lem, Manager of Labor Relations and EEO Investigations Section. Employee organizations: The Employees Association of The Metropolitan Water District of Southern California/AFSCME Local 1902; The Management and Professional Employees Association MAPA/AFSCME Chapter 1001; and the Supervisors Association]

8-5 Board Letter

- 8-6 Authorize extension of the contract term for one year with Quigley Simpson & Hepplewhite, Inc. for a water awareness and conservation advertising campaign; and to increase the contract value by \$2.2 million for a new not to exceed amount of \$7.7 million over the full term of the contract. (C&L) (To be mailed separately)

9. BOARD INFORMATION ITEMS

- 9-1 Update on purchase or acquisition of an option to purchase property from Delta Wetlands Properties located in Contra Costa, San Joaquin, and Solano Counties. (RP&AM) Conference with real property negotiators; Property is approximately 20,369.80 acres, identified as Contra Costa County Assessor's Parcel Nos. 026-060-003-6, 026-060-007-7, 026-060-008-5, 026-060-015-0, 026-060-016-8, 026-060-017-6, 026-060-018-4, 026-060-019-2, 026-070-001-8, 026-070-006-7, 026-070-010-9, 026-070-011-7, 026-070-012-5, 026-070-013-3, 026-080-004-0, 026-080-005-7, 026-080-006-5, 026-080-007-3, 026-080-008-1, 026-080-009-9, 023-040-026-9, 023-040-027-7, 023-050-001-9, 023-050-002-7, 023-070-011-4, 023-070-012-2, 023-080-010-4, 023-080-011-2, 023-090-001-1, 023-090-003-7, 023-090-004-5, 023-100-001-9, 023-100-002-7, 023-100-004-3, 023-100-007-6, 023-100-008-4; San Joaquin County Assessor's Parcel Nos. 129-050-01, 129-050-02, 129-050-03, 129-050-04, 129-050-05, 129-050-06, 129-050-07, 129-050-08, 129-050-09, 129-050-11, 129-050-12, 129-050-13, 129-050-14, 129-050-15, 129-050-16, 129-050-17, 129-050-18, 129-050-19, 129-050-24, 129-050-25, 129-050-26, 129-050-27, 129-050-28, 129-050-52, 129-050-54, 129-050-55, 129-050-56, 129-050-60, 069-030-08, 069-030-09, 069-030-10, 069-030-11, 069-030-19, 069-030-20, 069-030-21, 069-030-22, 069-030-23, 069-030-24, 069-030-26, 069-030-27, 069-030-28, 069-030-29, 069-030-30, 069-030-31, 069-030-32, 069-030-33, 069-030-34, 069-030-35, 069-030-36, 069-030-37, 069-030-38, 069-030-39, 069-030-42, 069-030-44, 069-100-01, 069-100-02, 069-100-03, 069-100-04, 069-100-05, 069-100-08, 069-100-09, 069-100-10, 069-100-11; and Solano County Assessor's Parcel No. 090-060-010;

agency negotiators: Jeff Kightlinger, Stephen Arakawa, and Bryan Otake; negotiating parties: Metropolitan and Delta Wetlands Properties; under negotiation: price and terms; to be heard in closed session pursuant to Gov. Code Section 54956.8]

- 9-2 Proposed biennial budget and revenue requirements for fiscal years 2016/17 and 2017/18; estimated water rates and charges for calendar years 2017 and 2018 to meet revenue requirements; and ten-year forecast. (F&I)

9-2 Board Letter and Attachments

10. FOLLOW-UP ITEMS

None

11. FUTURE AGENDA ITEMS

12. ADJOURNMENT

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

This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Agendas for the meeting of the Board of Directors may be obtained from the Board Executive Secretary. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

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

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