

WORKSHOP MEETING OF THE  
BOARD OF DIRECTORS WITH MET DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
18700 Ward Street, Board Room, Fountain Valley, California  
May 3, 2017, 8:30 a.m.

**AGENDA**

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**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. 2050)**

**PRESENTATION/DISCUSSION/INFORMATION ITEMS**

**1. INPUT OR QUESTIONS ON MET ISSUES FROM THE MEMBER AGENCIES/MET DIRECTOR REPORTS REGARDING MET COMMITTEE PARTICIPATION**

*Recommendation: Receive input and discuss the information.*

**2. UPDATE ON WATER SUPPLY CONDITIONS**

*Recommendation: Review and discuss the information presented.*

**3. UPDATE ON METROPOLITAN'S INTERGRATED RESOURCE PLAN (IRP)  
POLICY DEVELOPMENT DISCUSSION**

*Recommendation: Review and discuss the information presented.*

**4. PRESENTATION BY SYRUS DEVERS OF BEST, BEST & KRIEGER  
REGARDING THE LEGISLATIVE LONG-TERM CONSERVATION FRAMEWORK  
(PROPOSED BILLS VS. TRAILER BILL)**

*Recommendation: Review and discuss the information presented.*

**5. MET ITEMS CRITICAL TO ORANGE COUNTY** (The following items are for informational purposes only – a write up on each item is included in the packet. Discussion is not necessary unless requested by a Director)

- 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
- h. South County Projects

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

**6. METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION  
ITEMS**

- a. Summary regarding April 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**

May 3, 2017

**TO: Board of Directors**

**FROM: Robert Hunter,  
General Manager**

Staff Contact: Kevin Hostert  
Harvey De La Torre

**SUBJECT: UPDATE ON WATER SUPPLY CONDITIONS**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors review and discuss this information

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**REPORT**

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Attached is an update on local and regional water supply conditions.

**2017 WATER SUPPLY CONDITIONS UPDATE**

After average March precipitation, April saw above average precipitation for Northern California. For the month of April 2017, accumulated precipitation was 9.3 inches, which is 6 inches above normal compared to the historical average. The Northern California accumulated precipitation (8-Station Index) is reporting **92.8 inches or 206% of normal** as of April 25. The Northern Sierra Snow Water Equivalent is at 42.4 inches as of April 24, which is 189% of normal. Due to this large snowpack, it is predicted that Northern California runoff will be 208% of normal.

All major state and federal reservoirs are at or above their historical averages; and the total Delta inflow at Clifton Court and Jones Pumping Plant are currently at maximum flow (141,229 cubic feet per second). Clifton Court Forebay maintenance issues have been

<b>Budgeted (Y/N): N</b>	Budgeted amount: None	Core _X_	Choice __
<b>Action item amount: N/A</b>	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b>			

resolved and State Water Project (SWP) pumps are back in operation - pumping 2,900 cubic feet per second.

Based on these above average conditions the Department of Water Resources (DWR) has increased the SWP "Table A" allocation from 60% to 85%. This allocation will provide Metropolitan with approximately 1,624,000 AF in SWP deliveries this water year. To date, SWP deliveries have already exceeded Metropolitan's final 2016 SWP's Allocation. It is also forecasted that 100,000 AF of Article 21 supplies will be delivered to Metropolitan this spring.

On the Colorado River system, snowpack is measured across four states in the Upper Colorado River Basin. As of April 24, 2017, snowpack measured at 107% of normal for that date. Due to the above average snowpack/precipitation Lake Mead levels have improved slightly and the Bureau of Reclamation is now projecting that there will be no shortages on the lake for at least two years. In June 2016 Lake Mead levels hit an historical low of 1,071 feet above sea level. As of the end of March 2017, the lake elevation is 1,088 feet above sea level.



# Update on Water Supply Conditions

May 3, 2017

Municipal Water District of Orange County

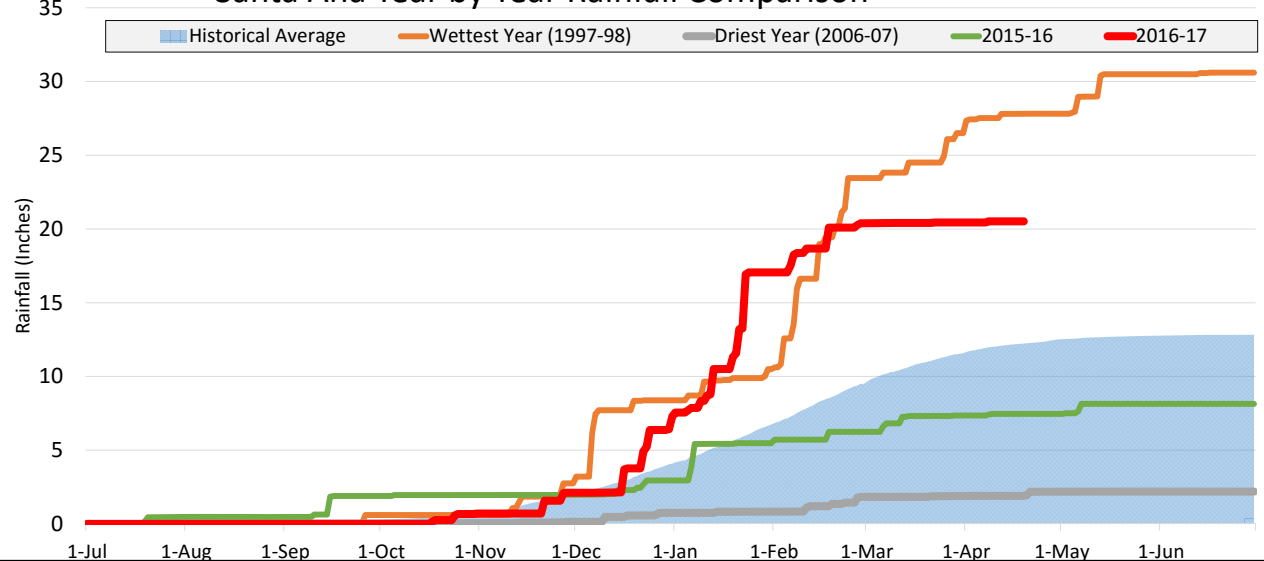
## Orange County Rain Report



## Santa Ana Rainfall

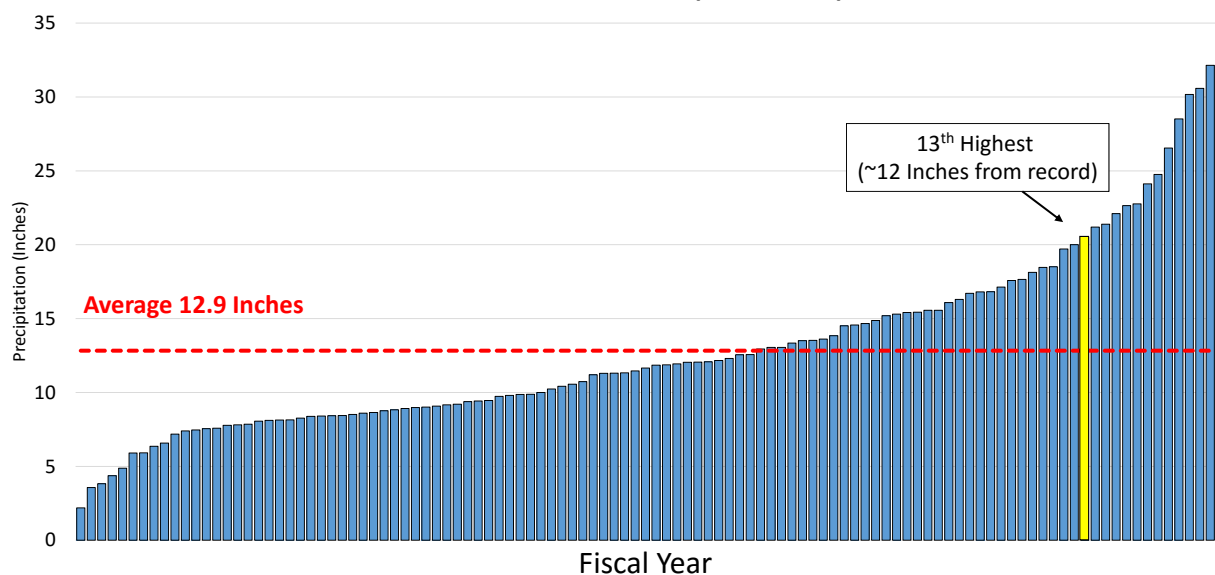


### Santa Ana Year by Year Rainfall Comparison

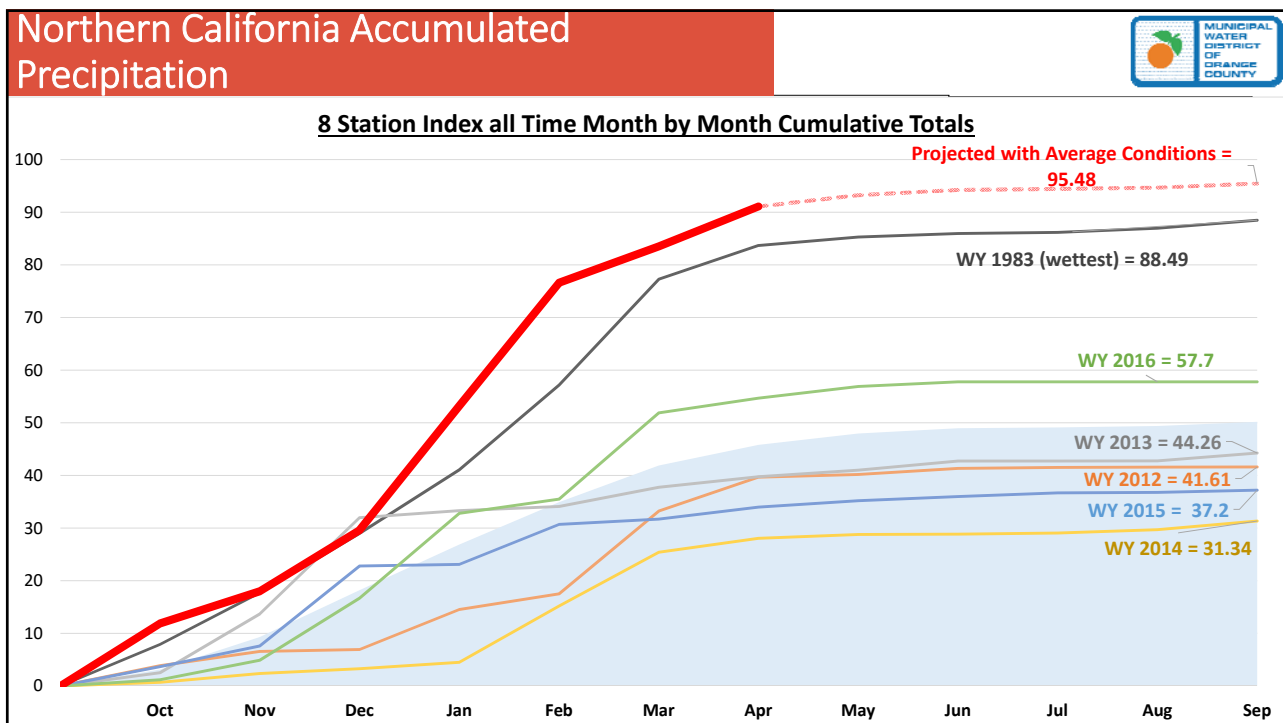


## Historical Comparison

### Historical Annual Rainfall (Santa Ana)

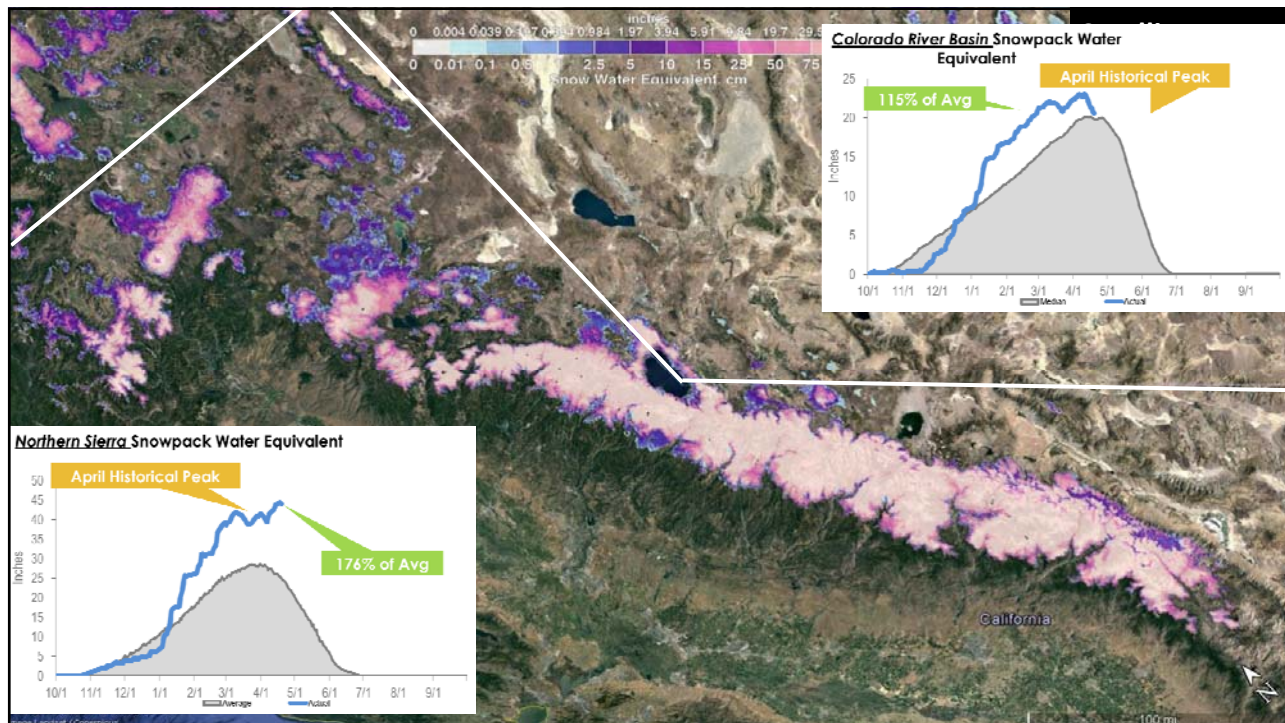
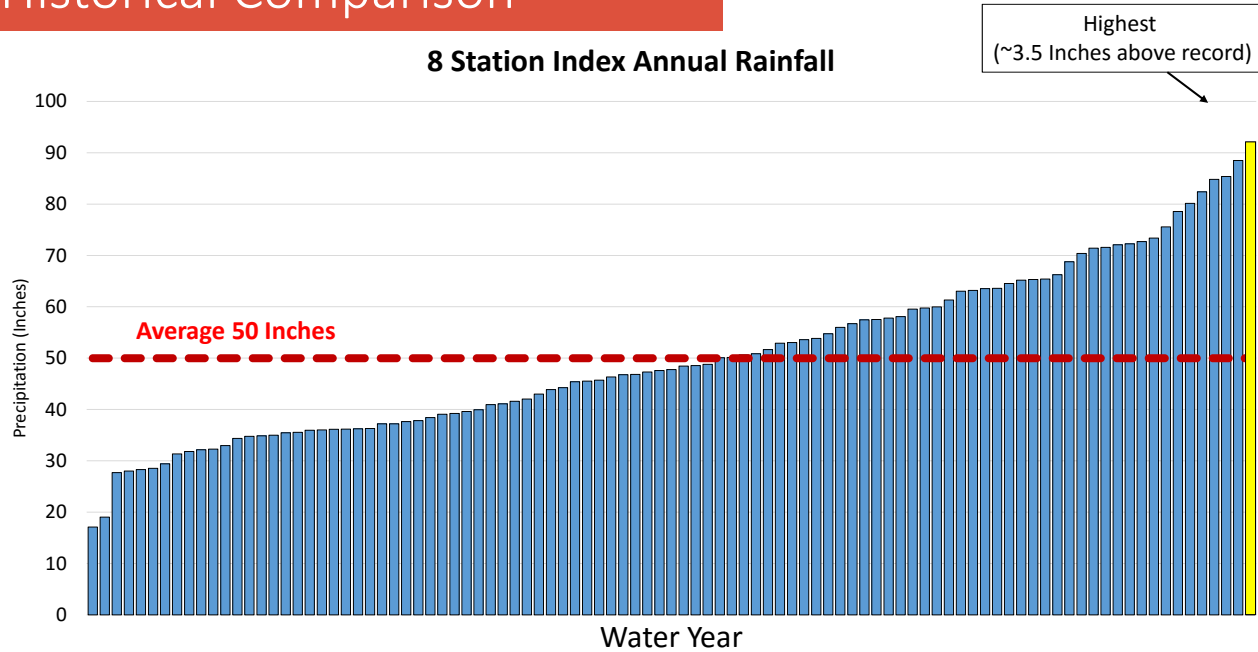






# Historical Comparison

## 8 Station Index Annual Rainfall

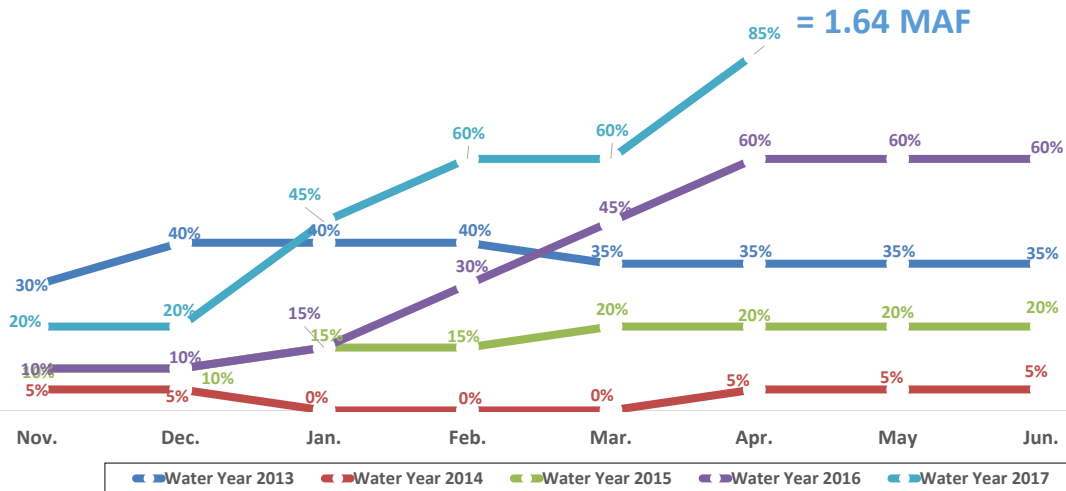




## SWP Table Allocation

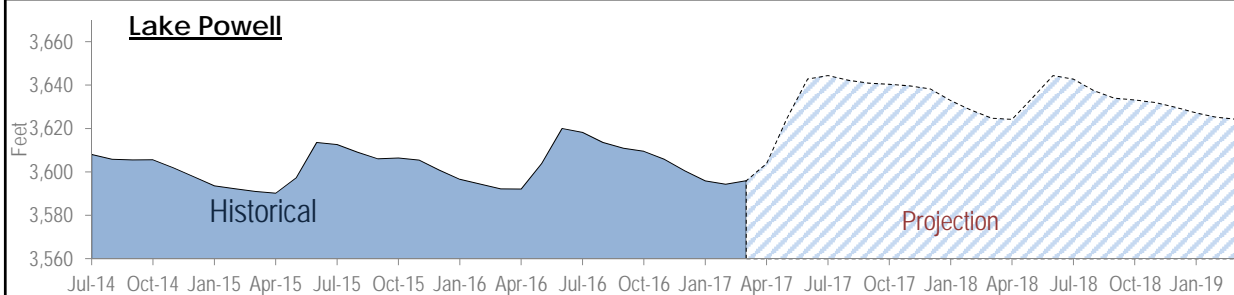
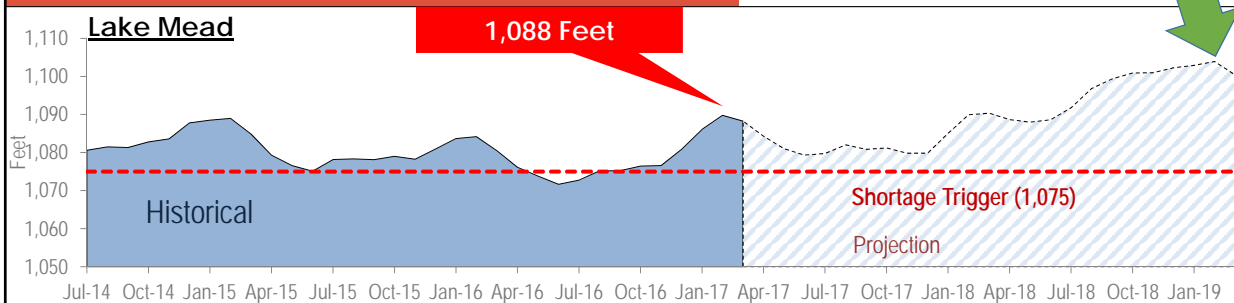
### SWP TABLE A ALLOCATION

FOR STATE WATER PROJECT CONTRACTORS

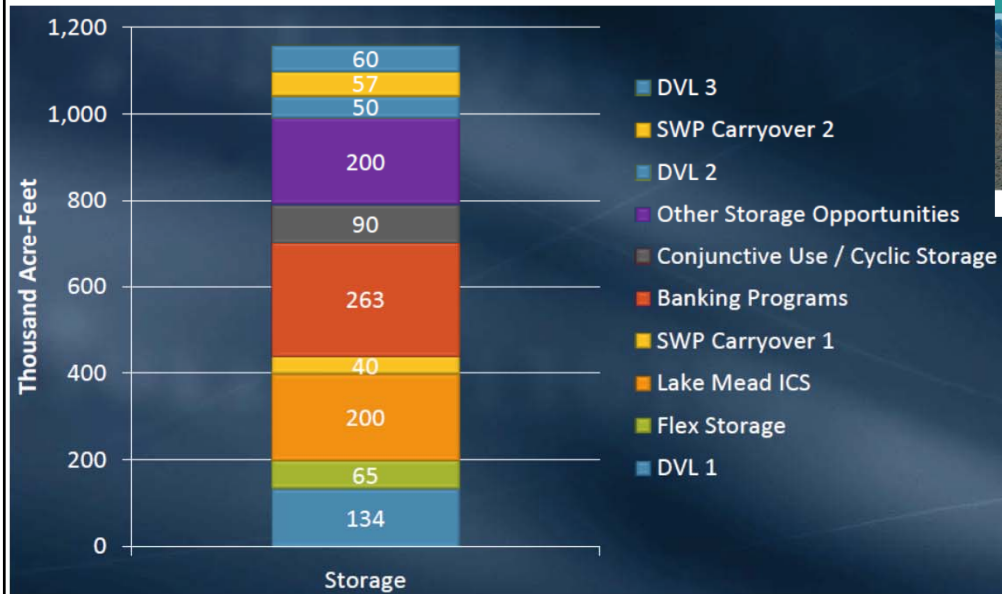


## Lake Mead Projected Levels

25 Ft. Over Trigger



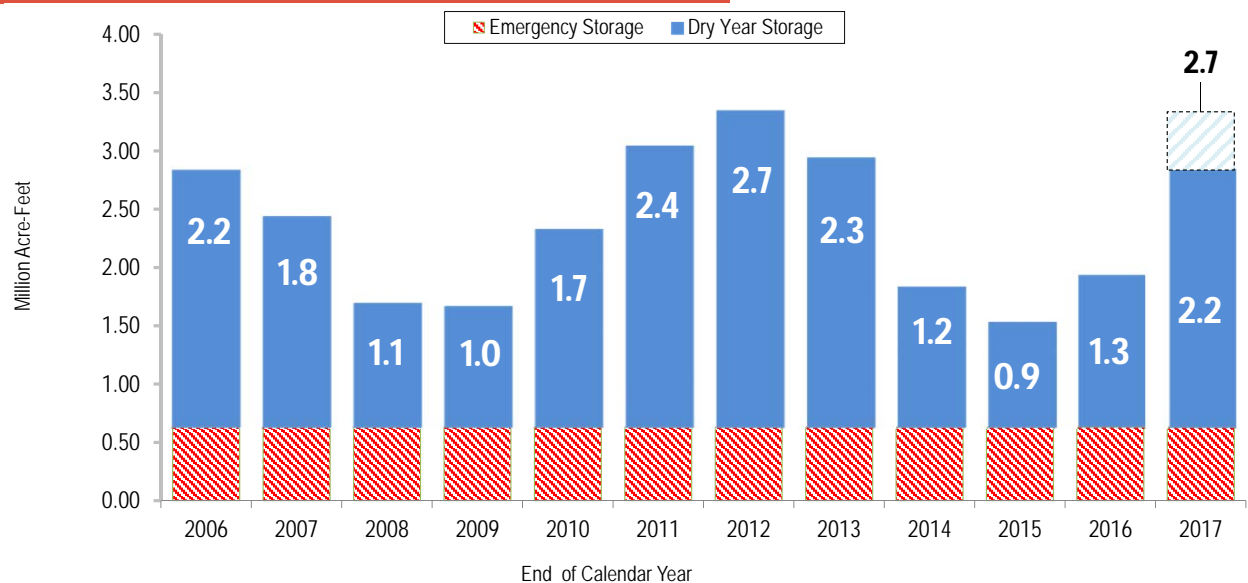
## MET Storage Management



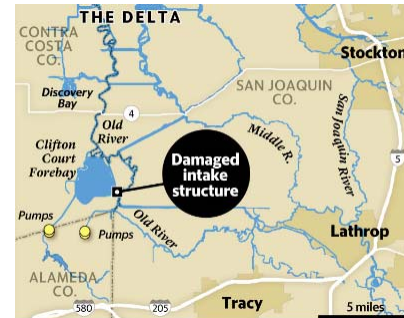
2017 Annual Operating Plan



## MWD Supplies



## SWP Issues



## Laker Oroville Spillway

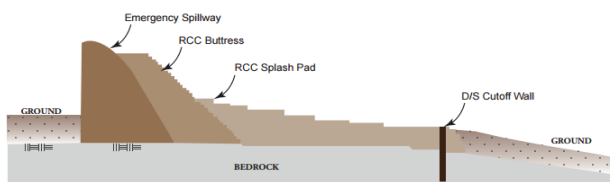
-**Upper Chute** (1,600 Feet) remove and replace or Repair in Place as much as possible by November 1<sup>st</sup> 2017.

-**Lower Chute** (1,400 Feet) Temporary stabilization by November 1<sup>st</sup> 2017 or permanent reconstruction by November 1<sup>st</sup> 2017.

-**Emergency Spill Way** have concrete cutoff wall (the most critical component) completed by November 1<sup>st</sup> 2017.

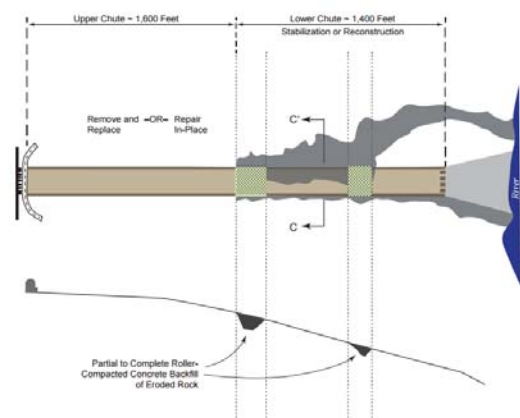
### Emergency Spillway Remediation Concepts

The following graphic provides a profile view of an emergency spillway recovery concept including the RCC buttress and splash pad and the downstream cutoff wall.



### Gated Spillway Remediation Concepts: Lower Chute Area

The following graphic provides a plan view of both the upper and lower chute portions of the gated flood control spillway.



Note  
Lower Chute has two concepts: temporary stabilization by November 1, 2017 or permanent reconstruction by November 1, 2017.





**DISCUSSION ITEM**

May 3, 2017

**TO: Board of Directors**

**FROM: Robert Hunter,  
General Manager**

Staff Contact: Harvey De La Torre

**SUBJECT: UPDATE ON METROPOLITAN'S INTEGRATED RESOURCE PLAN (IRP)  
POLICY DEVELOPMENT DISCUSSION**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors review and discuss this information

**REPORT**

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Following the adoption of the 2015 Integrated Resource Plan (IRP) in January 2016, the Metropolitan (MET) Board embarked on a Phase II of the IRP. This phase focuses on the development of policy principles to help guide the Board and staff outline ways to achieve the reliability goals set in the IRP.

Since January 2017, the IRP Committee has discussed policy issues on how MET can further encourage local resource development and water conservation. MET staff started this discussion by providing an overview of MET's historic role in helping agencies develop local resource projects and water conservation programs in MET service area. They also reviewed the 2015 IRP target assumptions, adaptive management approach, which is designed to address current and future uncertainty, and current MET programs' regional benefits and performance.

Last month, Chairman Record announced a Board workshop to be held on May 23 to discuss and develop of policy principles on two major policy areas. There are as followed:

1. How should Metropolitan expand its role in local resources and conservation and under what conditions; and

<b>Budgeted (Y/N): N</b>	Budgeted amount: None	Core <u>_X_</u>	Choice <u>__</u>
<b>Action item amount: N/A</b>	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b>			



## 2. How should Metropolitan plan and participate with existing and expanding mandates

The policy discussion on expanding MET's role in local resources development and conservation considers redefining "regional benefits" beyond supply yields and reducing distribution system costs. Benefits can be: location, type of supply, potential risk of stranded assets, system reliability, and financial exposure. A number of committee members voiced a more strategic approach of MET's involvement in local resource development. However, there was also a concern that if MET is moving beyond the "assistance" role to a more "direct/active" role it needs to be weighed with assurances that MET is protected.

Under the policy issue of mandates (e.g. State conservation mandates), the Board would need to evaluate such mandates and their effect on regional benefits, in particular in the area of water use efficiency standards and stormwater requirements. For example, the Board must consider if there is regional value to provide financial support to agencies when there are requirements in place. In addition, this policy issue needs to be evaluated with the goals set in the IRP.

Prior to Board Workshop, MET staff plans to prepare a white paper on these policy areas. The white paper is expected to include background information and draft policy principles for the Board to review and consider. Following the May Workshop, the Board will consider adopting policy principles in either June or July 2017.



# Update on MET's IRP Policy Development Discussion

May 3, 2017

Municipal Water District of Orange County

## IRP Committee Discussions

- Since January 2017, MET's IRP Committee has focused on
  - Policy related to MET's future role in Local Resource Development and Water Conservation
  - Reviewed MET's historic role, past & current programs, and performance
  
- Seeking to establish Policy Principles
  - Clarify MET's role in future involvement
  - Provide guidance for the Board and staff for implementation actions/changes



## Policy Area #1

*How should Metropolitan expand its role in local resources and conservation and under what conditions?*

- 💧 Defining **regional benefit** beyond supply yields and reducing distribution system cost
  - 💧 Location
  - 💧 Type of supply
  - 💧 Potential for stranded assets
  - 💧 System reliability
  - 💧 Financial exposure
- 💧 A more direct/active role needs to be weighed with assurances that MET is protected
  - 💧 Risk
  - 💧 Liability
  - 💧 Financial harm
- 💧 Identify a more **strategic approach** of MET's involvement



## Policy Area #2

*How should Metropolitan plan and participate with existing and expanding mandates?*

- 💧 Evaluate mandates and their effect on regional benefits
  - 💧 Statewide **Water Use Efficiency** standards and **Stormwater**
- 💧 Is there value for the region to provide financial support to agencies when there are requirements in place
- 💧 Needs to be evaluated with the goals set in the IRP



## MET's IRP Board Workshop

- 💧 MET staff will provide White Paper prior to the Workshop
  - 💧 Background information and draft policy principles
  
- 💧 MET will have a full Board Workshop to discuss and develop draft policy principles
  - 💧 Discussion facilitated by IRP Committee Chair/Vice Chair and staff
  - 💧 May 23, 2017 for 1-2 hours
  
- 💧 Following the workshop, Board will consider adopting policy principles in either June or July





**DISCUSSION ITEM**

May 3, 2017

**TO: Board of Directors**

**FROM: Robert Hunter,  
General Manager**

Staff Contact: Heather Baez  
Melissa Baum-Haley

**SUBJECT: PRESENTATION BY SYRUS DEVERS OF BEST, BEST & KRIEGER  
REGARDING THE LEGISLATIVE LONG-TERM CONSERVATION  
FRAMEWORK (PROPOSED BILLS VS. TRAILER BILL)**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors review and discuss the information presented.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**BACKGROUND**

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The Water Conservation Act of 2009 set a statewide water use reduction goal (SB7X 7, Steinberg); which mandated a 10 percent reduction in per capita urban water use by 2015, and a 20 percent reduction by 2020. State agencies developed the 20x2020 Plan to guide progress towards that goal. Water agencies were required to develop usage targets in their urban water management plans, using one of four allowable methodologies.

The recent drought led the State to further impose urban usage reductions in the form of temporary restrictions. In 2015, the Governor's executive order required a 25 percent statewide reduction in potable urban water use compared to 2013 levels. To achieve this statewide reduction goal, the Governor ordered the State Water Resources Control Board (SWRCB) to establish temporary water conservation reduction standards for water agencies ranging from 4 percent to 36 percent depending on historic per capita water usage. In 2016, the SWRCB modified these conservation standards, allowing agencies to establish

<b>Budgeted (Y/N): N</b>	Budgeted amount: None	Core <u>X</u>	Choice <u>  </u>
<b>Action item amount: NA</b>		Line item:	
<b>Fiscal Impact (explain if unbudgeted):</b>			



their own standards if they could self-certify they had adequate supplies to withstand a “stress test” of three additional years of drought. The SWRCB also passed emergency regulations (1) requiring monthly reporting of urban water use and (2) prohibiting certain water use, including hosing-down sidewalks and running sprinklers during rainstorms.

## REPORT

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In an effort to establish long-term water conservation standards, the Governor issued Executive Order (EO B-37-16); which directed a number of state agencies to develop a long-term statewide conservation plan. A final version of the report, “Making Water Conservation a California Way of Life,” was released April 7, 2017 and can be considered a framework for implementing EO B-37-16.

Concurrently, Trailer Bill Language (TBL 810) was released, which establishes authorities and deadlines for setting new long-term standards for efficient urban water use. Specifically, the proposal:

- Requires the SWRCB, in consultation with the Department of Water Resources (DWR) to set long-term urban water use efficiency standards by May 20, 2021;
- Allows the SWRCB to set interim standards to ensure that progress begins before the long-term standards are adopted in 2021;
- Includes a robust public participation process to provide the SWRCB and DWR with critical input from local agencies, tribal governments, nongovernmental organizations, the business sector, academics, and others.
- Adds new requirements to urban water management plans, including a risk assessment for droughts lasting five or more years, a water shortage contingency plan, and an annual water budget forecast.
- Adds new requirements to agricultural water management plans, including a drought plan and annual water budget. Also expands reporting requirements to suppliers providing water to between 10,000 and 25,000 irrigated acres. (Previous threshold was 25,000 acres.)

In addition to TBL 810, eight bills were heard at the April 25, 2017 Assembly Committee on Water, Parks, and Wildlife. The focus was on those bills authored by Assembly Members Friedman and Rubio (Figure 1). The three Friedman Bills nearly mimic the Brown Administration’s TBL 810, while the Rubio Bills are generally supported by local water agencies, the Metropolitan Water District, and the Association of California Water Agencies. All eight pieces of legislation were passed out of Committee with direction for all parties to work cooperatively towards agreed upon language.

Table 1 provides a comparison of the Rubio Bills (AB 968 and AB 1654) with Brown Administration’s Budget Trailer Bill 810 and the Friedman Bills (AB 1668 and AB1669). The following are primary areas of concern relating regarding the TBL and Friedman Bills:

1. Power without accountability (e.g. requires multiple arbitrary stages, set by the SWRCB, that may not reflect local conditions/storage)
2. Trailer bill process removes legislative involvement
3. Potential violation of water rights when efficiency standards supersede water rights

MWDOC staff has invited Syrus Devers, Director of Governmental Affairs for Best, Best & Krieger, MWDOC's Sacramento Lobbyist, to present on the legislative process for the long-term conservation framework of the proposed bills versus a Budget Trailer Bill.

Attachments: Figure 1 - Key Water Conservation Legislation  
Table 1 - Comparison of Local Water Agency Sponsored Legislation AB 968 and AB 1654 (Rubio) with Brown Administration's Budget Trailer Bill 810 and AB 1668 and AB1669 (Friedman)

Figure 1. Key Water Conservation Legislation.

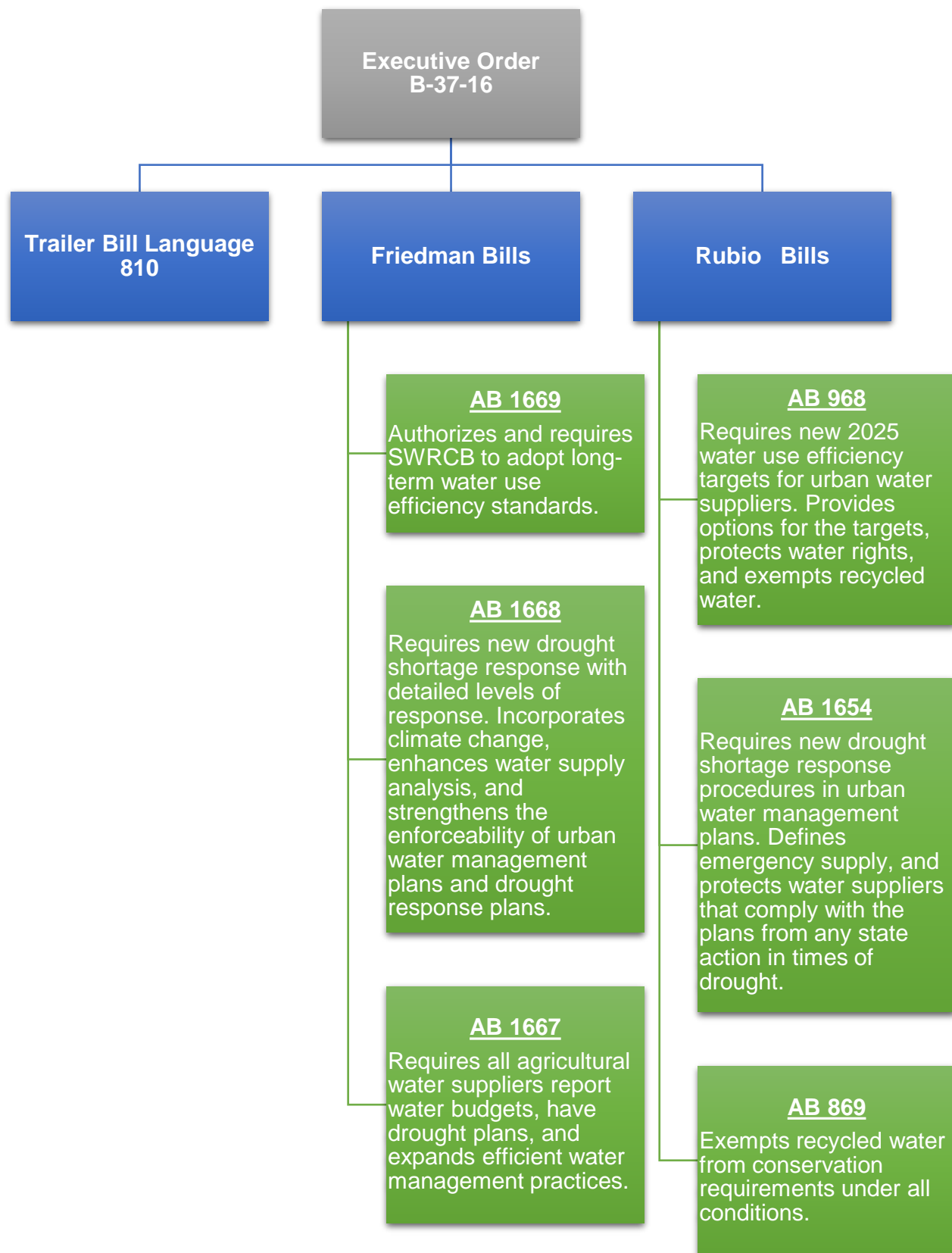


Table 1. Comparison of Local Water Agency Sponsored Legislation AB 968 and AB 1654 (Rubio) with Brown Administration's Budget Trailer Bill 810 and AB 1668 and AB1669 (Friedman)

	<i>Budget Trailer Bill 810 AB 1668/1669 (Freidman)</i>	<i>AB 968/1654 (Rubio)</i>
<b>Compliance Methods to Meet New Standards</b>	<b>One</b> - Allows only one mechanism, defined by the State Water Resources Control Board (SWRCB) via emergency and permanent regulations, with no oversight from the Legislature and no CEQA review	<b>Multiple</b> - Allows local water suppliers the choice of multiple mechanisms to determine compliance with water use efficiency standards – ensuring flexibility while accommodating local conditions and system characteristics
<b>Enforcement</b>	<b>Misdemeanor Penalties</b> - Imposes SWRCB cease and desist order processes and misdemeanor penalties (\$20,000 plus \$500/day) for failure to meet efficiency planning targets	<b>Ineligibility for Grants</b> - Maintains current ineligibility for grant funding for failure to meet efficiency planning targets
<b>Commercial, Institutional and Industrial Requirements</b>	<b>SWRCB Regulations</b> - Authorizes the SWRCB to adopt emergency or permanent regulations to limit CII water use	<b>Stakeholder Process</b> - Water suppliers, business organizations and other stakeholders work with the State to define appropriate efficiency targets for commercial, institutional and industrial (CII) users
<b>Water Rights</b>	<b>No Water Rights Protection</b> - Specifies that state efficiency standards supersede water rights, undermining over a century of precedent	<b>Water Rights Protection</b> - Maintains Water Code Section 1011 protection of right to conserved water; reiterates that water rights law is not affected
<b>Drought Planning</b>	<b>Expanded State Control</b> - Extends to one year the duration of State mandates during a declared emergency	<b>Improved Drought Preparation</b> - Enhances the requirements for water suppliers to plan for and respond to drought
<b>Drought Response</b>	<b>One-Size-Fits-All</b> - Requires multiple arbitrary stages, set by the SWRCB, that may not reflect local conditions; requires drought emergency declaration at a certain undefined stage	<b>Locally Tailored</b> - Maintains authority of local water supplier to define drought stages and actions, and decisions to declare emergencies
<b>Water Infrastructure Investments</b>	<b>Strands Investments</b> - Conservation requirements are applied to all water supplies, stranding and disincentivizing resiliency investments	<b>Protects Investments</b> - No limitation of use of emergency or drought-resilient water supplies, incentivizing water reliability investments



**DISCUSSION ITEM**

May 3, 2017

**TO: Board of Directors**

**FROM: Robert Hunter,  
General Manager**

Staff Contact: Karl Seckel  
Harvey De La Torre  
Melissa Baum-Haley

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

**STAFF RECOMMENDATION**

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

**DETAILED REPORT**

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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
- h) South Orange County Projects

<b>Budgeted (Y/N): N</b>	Budgeted amount: None	Core <input checked="" type="checkbox"/> _X_	Choice ____
<b>Action item amount: N/A</b>		Line item:	
<b>Fiscal Impact (explain if unbudgeted):</b>			



**ISSUE BRIEF # A****SUBJECT: MET's Water Supply Conditions****RECENT ACTIVITY**

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**2017 Water Supply Balance**

With the Department of Water Resources (DWR) increased State Water Project (SWP) "Table A" allocation from 60% to 85%, the allocation will provide Metropolitan with approximately 1.624 MAF in SWP deliveries this water year. So far, Metropolitan has received approximately 43 TAF of Article 21 supplies. With additional Article 21 supplies expected to be delivered to Metropolitan starting in April, Metropolitan will receive approximately 100 TAF of Article 21 in total. On the Colorado River system, there is an estimated 960 TAF.

Metropolitan is projecting that supplies will exceed demand levels in CY 2017. With a current demand trend of 1.5 MAF, Metropolitan is expected to increase their dry-year storage by approximately 1.17. Based on this estimated recovery and a beginning dry-year storage balance of 1.3 MAF, this will bring Metropolitan's total dry year storage to a potential range of 2.3 to 2.7 MAF.

**ISSUE BRIEF # B**

**SUBJECT: MET's Finance and Rate Issues**

**RECENT ACTIVITY**

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**MET Financial Report**

Water sales through March were 76.3 TAF lower than budget and 170.3 TAF lower than the 5-year average. Three months of this winter were lower than previous year. Based on 1.563 MAF of sales, water sales would be \$139.1 M lower than Budget.

The State Water Contractor costs are now \$62.9 M (rather than \$80 M) lower than budget because more water is being moved through State Water Project. Colorado River Aqueduct costs are \$29.5 M lower than budget due to lower water diversions than expected.

Expenses are in excess of revenue by \$232 M. To note, the unrestricted reserves are partially funded by water management fund and proceeds from issuance of water revenue bonds for Delta Wetlands Land Purchase.

**ISSUE BRIEF # C****SUBJECT: Colorado River Issues****RECENT ACTIVITY**

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**Bard Pilot Program Enters Its Second Year**

The Bard Seasonal Fallowing Pilot Program (Pilot Program) entered into its second year of fallowing on March 15. This two-year Pilot is testing the water savings potential of a four-month summer fallowing program in the Bard Water District. The 2017 fallowing season was modified at the request of Bard farmers to include two staggered fallowing periods. Instead of fallowing between April 1 and July 31, 2017, Bard farmers will be fallowing for a four-month period of either March 15 to July 15 or April 15 to August 15, 2017 at the choice of the farmer.

A total of 1,641 acres are signed up for fallowing in 2017; 752 acres during the first period and 889 acres during the second period. In addition to performing visual field inspections to ensure that fields comply with the terms in the Agreement, Metropolitan staff will be evaluating the use of drone technology for field inspections and will develop a recommendation of the drone's effectiveness at the end of the Pilot Program.

## **ISSUE BRIEF # D**

**SUBJECT: Bay Delta/State Water Project Issues**

### **RECENT ACTIVITY**

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#### **MET White Papers of California WaterFix**

MET staff will be developing three white papers in preparation for the MET Board to take an official position on the California WaterFix. The issues covered by the white papers will include:

- 1) Physical Infrastructure
- 2) Operations (including reliability)
- 3) Cost allocation/Finance

#### **State Water Resources Control Board Hearings**

The California WaterFix Petition proceedings before the State Water Resources Control Board (SWRCB) are ongoing. Part 1 of the hearings addresses the effects of the proposed project on legal users of water. Part 2 of the hearings, which are scheduled to begin once the Environmental Impact Report/Environmental Impact Statement is approved and Endangered Species Act permits are approved, will consider the effects of the proposed project on fish and wildlife and review “appropriate flow” criteria.

MET staff worked with the SWC to submit written comments on the Phase 1 document on March 17. The comment letter expresses concern that previous comments provided by the SWC have not been addressed, and also reiterates concerns with the use of unimpaired flow as a compliance metric and the requirement for the State Water Project and Central Valley Project to install temporary barriers in the south Delta.

Key comments on Phase I Substitute Environmental Document:

- Unimpaired flow is an inappropriate metric for setting water quality objectives
- Use of agriculture barriers to address south Delta should be reconsidered
- Support voluntary agreements to achieve objectives

Key comments on Phase II Technical Report:

- Unimpaired flow is not a proxy for “natural” or “functional” flow
- Uncertainty insufficiently disclosed
- Need to apply best statistical practices
- Need to consider more current and highly relevant literature

Next steps include participation with State Water Contractors in upstream water user discussions as well as participations in SWRCB proceedings and coordination of comments with State Water Contractors.

## **ISSUE BRIEF # E**

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

### **RECENT ACTIVITY**

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MET is working on the Phase 2 of its Integrated Resources Plan for 2015. MET is open to considering alternative ways of participating in local projects, including ocean desalination projects, as part of the on-going discussions.

#### **Doheny Desal**

The details of this have been moved to briefing Issue H as it pertains only to South Orange County.

#### **Poseidon Huntington Beach**

Poseidon is still working on the permitting process and OCWD is still working on the system integration concepts.

## **ISSUE BRIEF # F**

**SUBJECT: Orange County Reliability Projects**

### **RECENT ACTIVITY**

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#### **Central Pool Augmentation Program**

There are no updates to report.

#### **Orange County Water Reliability Study**

CDM-Smith and MWDOC staff are in the process of completing follow-up work to the 2016 study. The work includes modeling of more recently available information, updating Colorado River assumptions, assessment of additional scenarios for the Huntington Beach Desalination Plant, and assessment of the value of new storage. The work is expected to be completed in 3 to 4 months.



**ISSUE BRIEF # G**

**SUBJECT: East Orange County Feeder No. 2**

**RECENT ACTIVITY**

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

Nothing new to Report.

## **ISSUE BRIEF # H**

**SUBJECT: South Orange County Projects**

### **RECENT ACTIVITY**

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#### **UPDATED - Doheny Desal Project**

South Coast Water District is continuing to move the project forward and to look for potential partners and grant funding. The CEQA process has been temporarily put on hold to evaluate the results of a recent geotechnical survey indicating a potentially wider and deeper alluvial channel that may allow for additional and/or alternative slantwell locations. The evaluation is scheduled to be completed by the end of June 2017.

South Coast is in the process of establishing a Community Reliability Working Group and is looking to hold a kick-off meeting in May 2017. South Coast will also be conducting workshops on their reliability analysis in May/June 2017 followed by a Project Delivery Analysis workshop scheduled in June 2017.

**Baker Water Treatment Plant** - The Baker Water Treatment Plant is a joint regional project by five SOC water districts for a 28.1 million gallon per day (mgd) [43.5 cubic feet per second (cfs)] drinking water treatment plant at the site of the former Baker Filtration Plant in the City of Lake Forest.

Nothing new to Report.

**UPDATED - Advanced Purified Water (APW) Facility at Lake Mission Viejo** – In March, the contractor completed site and finishing work. Santa Margarita staff operated the treatment facility in standby mode to test the ability to maintain the membranes by periodically flushing the system. The plant is currently operating at half capacity, returning flow to the recycled water system. Flow to the lake is anticipated to be initiated in late April or early May, 2017.

#### **UPDATED - San Juan Watershed Project**

Santa Margarita WD continues working on the Draft Environmental Impact Report (DEIR) for the San Juan Watershed Project. Phase 1, scheduled for release in June/July 2017, and is designed to capture wet and dry weather runoff, while subsequent phases will look to introduce recycled water into San Juan Creek for Indirect Potable Reuse. Preliminary design work is focusing on locating two rubber dam sites (one just downstream of the confluence with Trabuco Creek, and the other near the southerly end of Alipaz Street). The updated cost estimate for the Phase 1 Rubber Dams has been reduced from \$34 M to \$15 M.

#### **UPDATED - SMWD Trampas Canyon Recycled Water Reservoir**

Santa Margarita WD Board of Directors approved an agreement with Rancho Mission Viejo for transfer of land for Trampas Canyon Reservoir on February 17, 2017. The transfer of ownership will take place on June 1, 2017. The transfer of ownership is required before Department of Water Resources Division of Safety of Dams will give final approval for the project.

The applications for regulatory permits from the Regional Water Quality Control Board, Army Corps of Engineers, and Department of Fish and Wildlife were submitted during the week of July 11, 2016, and resubmitted in March 2017. Additional water quality monitoring was requested by the Regional Water Quality Control Board. SMWD is in the process of contracting with a consultant to complete this monitoring. Approval of these permits is anticipated in June 2017. Final plans and specifications are now scheduled for completion in April 2017, with advertisement for bids in June 2017.

#### **Other Information on South County Projects:**

**Camp Pendleton Seawater Desalination Project** – (Nothing New to Report) San Diego County Water Authority (SDCWA) is studying a desalination project to be located at the southwest corner of Camp Pendleton Marine Corps Base adjacent to the Santa Margarita River. The project is currently in the feasibility study stage and SDCWA is conducting geological surveys, analyzing intake options, and studying the effect on ocean life and routes to bring desalinated water to SDCWA's delivery system. MWDOC and the Doheny Desal Participants are working to lease the Doheny Mobile Test Facility to Michael Baker International for use at the SDCWA intake study testing site.

**Expansion of the Irvine Interconnection Project to South Orange County** – (Nothing New to Report) An agreement completed in 2006 resulted in an investment by South Orange County (SOC) agencies in the Irvine Ranch Water District (IRWD) system to allow exchanges of water to be delivered by IRWD into SOC under emergency situations. Project capacity was committed by IRWD to move up to 30 cfs of emergency supplies whereas the agreement allows moving up to 50 cfs, not to exceed 3,000 AF per emergency event. In accordance with the Agreement with IRWD, the emergency capacity committed to the SOC agencies declines over time and goes to zero by 2030. IRWD is examining their ability to increase the exchange and conveyance of water under this arrangement or extend to extend the end date of the agreement and the capacity thereunder. MWDOC is working on other options with OCWD and MET to move groundwater via the EOCF#2 to SOC during emergency events.

**Laguna Beach County Water District Groundwater Project with Newport Beach** (Nothing New to Report) – MWDOC, MET, Laguna Beach County Water District and Newport Beach have been working to activate Laguna Beach County's access to 2,025 AF of groundwater from within the Orange County Water District Basin. Deliveries began in September 2016.

If any agencies would like to have updates included herein on any projects within your service area, please email the updates to Karl Seckel at [kseckel@mwdoc.com](mailto:kseckel@mwdoc.com)

**Summary Report for  
The Metropolitan Water District of Southern California  
Board Meeting  
April 11, 2017**

**COMMITTEE ASSIGNMENTS**

Director Gray was reinstated as Vice Chair of the Board. Director Gedney was assigned to the Engineering and Operations Committee, Finance and Insurance Committee, and Organization, Personnel and Technology Committee. Director Vasquez was assigned to the Conservation and Local Resources Committee. Director De Jesus was appointed as Colorado River Board of California Alternate. **(Agenda Item 5D)**

**FINANCE AND INSURANCE COMMITTEE**

Adopted the Resolution Approving the Treatment Charge Workgroup's Proposed Policy Principles, as amended by deleting the fourth "Whereas" clause on page 2 of attachment 4 and take no further action at this time. **(Agenda Item 8-1)**

Adopted the Resolution Fixing and Adopting a Readiness-to-Serve Charge effective January 1, 2018, as set forth in the board letter dated April 11, 2017, using the charge shown in Section 4 of the Resolution; and adopted the Resolution Fixing and Adopting a Capacity Charge effective January 1, 2018, as set forth in the board letter dated April 11, 2017, using the charge shown in Section 5 of the Resolution.  
**(Agenda Item 8-2)**

**ENGINEERING AND OPERATIONS COMMITTEE**

Appropriated \$23.73 million; authorized \$15,993,000 agreement with Glenmount Global Solutions; authorized increase of \$630,000 to an agreement with Power-Tech Engineers, Inc., for a new not-to-exceed total of \$1,974,000; and authorized full-scale control and electrical system upgrades at Wadsworth pumping plant. (Appropriation No. 15467) **(Agenda Item 8-3)**

**WATER PLANNING AND STEWARDSHIP COMMITTEE**

Authorized the General Manager to enter into Cyclic Agreements with Metropolitan member agencies consistent with the terms as set forth in Attachment 1 of the board letter dated April 11, 2017. **(Agenda Item 8-4)**

Appropriated \$1.5 million in capital funds; authorized agreement with DWR for preliminary design and environmental review of a proposed recovery system at Lake Perris; and authorized preliminary design of a water conveyance pipeline to the Colorado River Aqueduct.  
**(Agenda Item 8-5)**

Authorized the General Manager to negotiate a project agreement amendment with the Sites Project Authority and other participants for participation in the Sites Reservoir Phase 1 process for an amount not to exceed \$1.5 million; and appropriated \$1.5 million for Sites Reservoir Phase 1 based on reserving an option for 25,000 acre-feet of Class 1 water supply yield or 50,000 AF of Class 2 water supply yield, or a combination thereof. **(Agenda Item 8-6)**

## **COMMUNICATIONS AND LEGISLATION COMMITTEE**

Authorize the General Manager to support SB 231 as described in the board letter dated April 11, 2017. **(Agenda Item 8-7)**

Authorized the General Manager to support AB 1654 (Rubio, D-Baldwin Park) – Urban Water Management Planning and seek amendments to consider provisions from the Governor’s package and request that any bill to implement a framework for long-term efficient water use advance through legislative policy and fiscal committees rather than by budget trailer bill. **(Agenda Item 8-8)**

Authorized the General Manager to express opposition to AB 472 (Frazier, D-Oakley) – Water Transfers: Idled Agricultural Land: Wildlife, Waterfowl, and Bird Nesting Habitat. **(Agenda Item 8-9)**

## **CONSENT CALENDAR**

In other action, the Board:

Appropriated \$1.32 million; authorized preliminary design to rehabilitate three finished water reservoirs with floating covers at the Jensen and Mills plants; and authorized final design to repair the concrete roof of one finished water reservoir at the Jensen plant. (Appropriation No. 15417) **(Agenda Item 7-1)**

Appropriated \$540,000; awarded \$325,000 procurement contract to Golden Empire Concrete Products, Inc. for a precast concrete building for Mile 12 on the CRA; and authorized installation of a discharge line isolation coupling at Gene Pumping Plant. (Appropriation Nos. 15438 & 15481) **(Agenda Item 7-2)**

Authorized increase of \$400,000 in change order authority for the contract with Zusser Company, Inc. to refurbish solids lagoons for the Jensen plant, up to an aggregate amount not to exceed \$650,000. **(Agenda Item 7-3)**

Appropriated \$1.35 million; authorized design and procurement to replace chemical storage tanks at the Jensen and Mills plants. (Appropriation Nos. 15486 and 15479) **(Agenda Item 7-4)**

Adopted the Lead Agency's findings related to the proposed actions; and adopt resolution granting approval for the 105th Fringe Area Annexation concurrently to Eastern and Metropolitan and establish Metropolitan's terms and conditions for the annexation as set forth in Attachment 3 of the board letter dated April 11, 2017, conditioned upon approval by Riverside County's Local Agency Formation Commission, and upon receipt of annexation fee of \$31,129.72. **(Agenda Item 7-5)**

Adopted the resolution granting approval for the 107th Fringe Area Annexation concurrently to Eastern and Metropolitan and establish Metropolitan's terms and conditions for the annexation as set forth in Attachment 3 of the board letter dated April 11, 2017, conditioned upon approval by Riverside County's Local Agency Formation Commission, and upon receipt of annexation fee of \$16,570.24. **(Agenda Item 7-6)**

Adopted the revised resolution authorizing the General Manager to accept grant funding or low interest loans, if awarded, and to enter into agreements with SWRCB.  
**(Agenda Item 7-7)**

Approved the changes to the Administrative Code set forth in Attachment 1 of the board letter to add the Conservation and Local Resources Special Committee to the Administrative Code. **(Agenda Item 7-8)**

### **OTHER MATTERS:**

In other action, the Board:

Presented a Commendatory Resolution to past Director Michael Touhey, representing Upper San Gabriel Valley Municipal Water District. **(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

TELECONFERENCE PARTICIPATION:  
Monterey Marriott  
350 Calle Principal  
Monterey, CA 93940

## Board Meeting Meeting with Board of Directors

**May 9, 2017**

**12:00 p.m. -- Board Room**

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**MWD Headquarters Building**

**700 N. Alameda Street**

**Los Angeles, CA 90012**

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### 1. Call to Order

(a) Invocation: James K. Lee, Desktop Services and Help Desk Team Manager, Information Technology Group

(b) Pledge of Allegiance: Director Donald Dear,  
West Basin Municipal Water District

### 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 April 11, 2017. (A copy has been mailed to each Director) Any additions, corrections, or omissions
- B. Report on Directors' events attended at Metropolitan expense for month of April
- C. Approve committee assignments
- D. Chairman's Monthly Activity Report

### 6. DEPARTMENT HEADS' REPORTS

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

### 7. CONSENT CALENDAR ITEMS — ACTION

- 7-1 Adopt CEQA determination and authorize the amendment of the contract with Macias Gini O'Connell, LLP to increase the maximum amount payable by \$324,715, from \$915,096 to \$1,239,811 and extend the term by one year for external audit services. (A&E)

#### 7-1 Board Letter and Attachment

- 7-2 Adopt CEQA determination and authorize increase in change order authority for the contract to replace valves at the Collis Avenue Valve Structure (Appropriation No. 15441). (E&O)

7-2 Board Letter and Attachment

- 7-3 Adopt CEQA determination and appropriate \$350,000; and authorize preliminary design to replace the wastewater system at Lake Mathews (Appropriation No. 15495). (E&O)

7-3 Board Letter and Attachments

- 7-4 Adopt CEQA determination and appropriate \$1.2 million; and authorize design and procurement to rehabilitate Service Connection A-06 on the East Orange County Feeder No. 2 (Appropriation No. 15480). (E&O)

7-4 Board Letter and Attachments

- 7-5 Adopt CEQA determination and authorize increase of \$160,000 to an amount not to exceed \$235,000 for contract with GeoPentech, Inc. to continue monitoring the groundwater basin lying westerly of Diamond Valley Lake, commonly referred to as the Domenigoni Basin and to assist with development of a groundwater management plan. (L&C)

7-5 Board Letter and Attachments

(END OF CONSENT CALENDAR)

**8. OTHER BOARD ITEMS — ACTION**

- 8-1 Adopt CEQA determination and approve the introduction by title only of an Ordinance Determining That The Interests Of The District Require The Use Of Revenue Bonds In The Aggregate Principal Amount Of \$400,000,000 To Finance A Portion Of Capital Expenditures. [To be mailed separately]

- 8-2 Adopt CEQA determination and adopt resolution to continue Metropolitan's Water Standby Charge for fiscal year 2017/18. (F&I)

8-2 Board Letter and Attachments

- 8-3 Adopt CEQA determination and appropriate \$TBD; award \$TBD contract to TBD to construct four houses at Hinds and Eagle Mountain Pumping Plants; award \$TBD contract to TBD to construct four houses at Iron Mountain and Gene Pumping Plants; and authorize: (1) construction to refurbish up to 63 desert houses; (2) design to add two new desert houses; and (3) design to improve short-term accommodations at two pumping plants (Appropriation No. 15495). (E&O) [To be mailed separately]

- 8-4 Adopt CEQA determination and appropriate \$10.2 million; and award \$9,134,398 procurement contract to Northwest Pipe Company to provide steel liner pipe for the Second Lower Feeder (Appropriation No. 15497). (E&O)

8-4 Board Letter and Attachments

- 8-5 Adopt CEQA determination and appropriate \$2 million; and authorize: 1) agreement with Johnson Controls, Inc. to maintain Metropolitan's physical security system in an amount not-to-exceed \$3.8 million; and 2) agreement with Johnson Controls, Inc. for upgrades to the physical security system in an amount not-to-exceed \$1.5 million (Appropriation No. 15499). (E&O)

8-5 Board Letter and Attachment

- 8-6 Adopt CEQA determination and adopt resolution to declare a "Condition 1 - Water Supply Watch". (WP&S)

8-6 Board Letter and Attachments

- 8-7 Adopt CEQA determination and adopt Proposed Legislative Priorities Related to Implementing the Governor's Executive Order B-37-16, "Making Water Conservation a California Way of Life." (C&L) [To be mailed separately]

**9. BOARD INFORMATION ITEMS**

- 9-1 Renewal Status of Metropolitan's Property and Casualty Insurance Program. (F&I)

9-1 Board Letter and Attachment

**10. OTHER BOARD MATTERS**

- 10-1 Board and Committee Room Emergency Evacuation Procedures

**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.

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.