

WORKSHOP MEETING OF THE
BOARD OF DIRECTORS WITH MET DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Conference Room 101, Fountain Valley, California
January 2, 2025, 8:30 a.m.

Teleconference Sites:
25652 Paseo De La Paz, San Juan Capistrano, CA 92675
17420 Walnut Street, Fountain Valley, CA 92708

This meeting will be held in person at 18700 Ward Street, Fountain Valley, California, 92708 (Conference Room 101). As a convenience for the public, the meeting may also be accessed by Zoom Webinar and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the Zoom component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

Computer Audio: You can join the Zoom meeting by clicking on the following link:
<https://zoom.us/j/8828665300>

**Telephone Audio: (669) 900 9128 fees may apply
(877) 853 5247 Toll-free
Webinar ID: 882 866 5300#**

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. 2153

PRESENTATION/DISCUSSION ITEMS

1. PRESENTATION REGARDING METROPOLITAN WATER DISTRICT WATER PROGRAMS

Recommendation: Discuss and file the information presented.

2. LEGISLATIVE ACTIVITIES

- a. Federal Legislative Report (NRR)
- b. State Legislative Report (SDA)
- c. Legal and Regulatory Report (Ackerman)
- d. County Legislative Report (Whittingham)

Recommendation: Review and discuss the information presented.

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

Recommendation: Receive input and discuss the information presented.

INFORMATION ITEMS**4. 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 Finance and Rate Issue
- b. MET's Water Supply Condition Update
- c. MET's Water Quality Update
- d. Colorado River Issues
- e. Delta Conveyance Activities and State Water Project Issues

Recommendation: Review and discuss the information presented.

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

- a. Summaries regarding November and December MET Board Meetings
- b. Review items of significance for MET Board and Committee Agendas

Recommendation: Review and discuss the information presented.

CLOSED SESSION ITEMS**6. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water of Southern California on April 8, 2014, et al., former Los Angeles Superior Court Case No. BC547139, transferred on December 2, 2014, to San Francisco Superior Court, now Case No. CPF-14-514004.

7. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern

California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 12, 2016, effective January 1, 2017 and January 1, 2018, et al., former Los Angeles Superior Court Case No. BS161729, transferred to San Francisco Superior Court, now Case CPF-16-515282.

8. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 10, 2018 to be effective January 1, 2019, and Jan. 1, 2020, et al., Los Angeles Superior Court Case No. BS 173868, Transferred to San Francisco Superior Court, now Case CPF-18-516389.

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 accommodations should make the request with adequate time before the meeting for the District to provide the requested accommodations.



DISCUSSION ITEM

October 2, 2024

TO: Board of Directors

FROM: Harvey De La Torre, General Manager

Staff Contact: Alex Heide
Kevin Hostert

SUBJECT: PRESENTATION REGARDING METROPOLITAN WATER DISTRICT WATER PROGRAMS

STAFF RECOMMENDATION

It is recommended that the Board of Directors discuss and file this information.

SUMMARY

With the 2024-2025 Water Year underway and conditions ranging from dry to wet possible, the region has implemented a portfolio of innovative water management programs to address a variety of supply scenarios. Metropolitan's Cyclic and Reverse Cyclic Programs provide flexibility by enabling water storage in wet years and pre-purchasing during dry years to stabilize supply and costs. Proposed initiatives like the Supplemental Water Management Program incentivize actions that maximize regional reliability, while the proposed Interagency Local Supply Exchange Program fosters collaborative resource sharing among member agencies. As older agreements like the Conjunctive Use Program (CUP) reach their term, Metropolitan is refining its strategies to enhance resilience, reliability, and operational flexibility across varying water conditions. These programs ensure the region's readiness to meet challenges, regardless of whether the water year turns wet or dry. MWD OC staff will provide a presentation highlighting the current water supply conditions and provide an overview of Metropolitan's water management programs.

DETAILED REPORT

The 2024-2025 Water Year, which commenced October 1, 2024, shows mixed conditions across key water supply metrics. While the California snowpack currently stands at 129% of average and the Colorado River Basin at 92% of average, indicating average to slightly above-average conditions, the Department of Water Resources has set a conservative initial "Table A"

Budgeted: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Budgeted amount: None	Core: <input checked="" type="checkbox"/>	Choice: <input type="checkbox"/>
Action item amount: N/A		Movement between funds: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

allocation of 5%. This conservative allocation reflects ongoing challenges in projecting longer-term water supply availability and challenges in the San Francisco Bay-Delta. Additionally, both Lake Mead and Lake Powell remain at concerning levels, currently holding only 51% of their average combined capacity.

Local conditions present a stark contrast to the regional supply conditions. With precipitation at a mere 4% of normal, local water supply conditions remain challenging. However, this concern is partially offset by historically low water demand, as fiscal year 2023-24 recorded the lowest usage since 1978-79. This reduced regional consumption has enabled Metropolitan to strengthen its storage position, with projections indicating record-high reserves of 3.9 million acre-feet by the end of 2024.

Looking ahead, it's important to consider California's characteristic climate variability, which can lead to dramatic shifts in water supply within weeks. With the majority of the water-year still ahead, outcomes ranging from wet to dry remain possible. Metropolitan has positioned itself to meet regional imported water demands even at a 30% "Table A" allocation. Furthermore, the region has developed a comprehensive approach to water management through various board-adopted programs and initiatives under development. These programs, spanning both drought and surplus management, are designed to enhance water supply reliability, resilience, and flexibility across all potential supply conditions.

Metropolitan's Board Adopted Water Management Programs

Metropolitan has several Board adopted programs that help with water management under varying conditions. In 2017, Metropolitan initiated the Cyclic Program to enhance operational flexibility during both wet and dry periods. In wet years, the cyclic accounts help Metropolitan to store available supplies. In dry years, the cyclic accounts are operated as part of Metropolitan's storage reserves to help meet the water needs within the service area. Under the cyclic program, water is pre-delivered to groundwater basins or surface water reservoirs and is only purchased when the member agency uses or consumes the water. Deliveries into the cyclic accounts by Metropolitan are made either through direct deliveries, or through in-lieu. The program was intended to provide more flexibility for in-region water storage and allow for voluntary participation in the program from Metropolitan's member agencies. MWDOC and OCWD entered into a Cyclic Agreement with Metropolitan in 2017.

In 2019, Metropolitan modified the Cyclic Program to include the Cyclic Cost-Offset Program component. This program was a response to the historically wet conditions in 2019, which provided Metropolitan with more supplies than they had the ability to store. The Cost-Offset program offsets a member agency cost incurred while capturing water they otherwise would not have purchased from Metropolitan. The maximum cost offset was capped at \$225/AF, escalated by CPI. At this time, MWDOC and OCWD entered into a Cyclic Cost-Offset Program Agreement for treated water in-lieu deliveries.

In 2023, Metropolitan faced another historic year on the State Water Project with a "Table A" allocation of 100% and Article 21 deliveries. Unable to store the water under existing programs, the Cyclic Cost-Offset Program was further modified to increase the maximum credit from \$264 to \$354/AF. Additionally, through a series of workshops with the member agencies and their groundwater managers, it was recommended that Metropolitan extend the time of purchase from 5 years to 10 years and increase the maximum credit for losses.

In contrast, in 2022, Metropolitan faced historically dry conditions on the State Water Project (SWP), with multiple years of very low “Table A” allocations. Metropolitan had already withdrawn a significant amount of water from SWP storage reserves and needed to reduce SWP deliveries to further preserve supplies. Metropolitan developed the Reverse Cyclic Program to allow member agencies to prepurchase water supplies at the current calendar year rate, and defer that delivery to a future year at Metropolitan’s discretion. The program was intended to preserve SWP supplies, provide Metropolitan with revenue, and avoid additional operational costs to meet demands.

Reverse Cyclic was implemented again in 2024 to help Metropolitan monetize water in storage and meet budgetary constraints. Multiple years of above average water supply coupled with decreased demands led to the significant decline in Metropolitan’s reserves. In order to bolster reserves, Metropolitan made 100,000 AF of water available for purchase, of which MWDOC and its member agencies received 24,988 AF. This water was purchased at the 2024 treated water rate and will be delivered at Metropolitan’s discretion in a future year.

Metropolitan’s Water Management Programs Under Development

In 2023, Metropolitan, in collaboration with several member agencies, proposed the Interagency Local Supply Exchange Program (ILSEP). The program is intended to provide an avenue for exchanges between member agencies that have no shared boundary or connection. A member agency that has the ability to increase local supply production could partner with a member agency that would like to invest in that supply development, and Metropolitan would facilitate the exchange. Metropolitan put together a regional framework for consideration that would guide the program, including:

1. Ensure Metropolitan facilitates an exchange that increases Metropolitan’s regional supply
2. Ensure there is no water supply reliability or financial impact to non-participating agencies
3. Ensure that agency pays full-service water rate for every acre-foot Metropolitan delivers
4. Ensure that during an allocation, Metropolitan is not allocating more water to participating agencies than if there was no exchange agreement in place.

The program was proposed by Metropolitan in March of 2024 and was moved into the business model process that is currently under discussion.

A second proposed program was developed after Water Year 2023-2024, resulting in a loss of over 400,000 AF. Metropolitan worked with member agencies to put together modifications to existing programs and develop new programs for their water management portfolio. After a series of workshops that included member agencies and their groundwater managers, the Supplemental Water Management Program was developed. The program is a pay-for-performance program, where member agencies could perform a variety of water management actions and would be paid a corresponding incentive based on the regional benefit of that action. Storage of water would receive the lowest incentive, extraction of the water at Metropolitan’s request would get the next highest incentive, and then extraction of the water during a regional allocation would receive the highest incentive.

The program is intended to maximize Metropolitan’s reliability and help reduce the risk of loss of unmanaged regional supplies. It also provides benefits to the SWP-Dependent Area and has a

minimal/no impact on Metropolitan's rate structure. The program was proposed by Metropolitan in February of 2024 and was moved into the business model process shortly thereafter.

Metropolitan's Water Management Programs Being Phase Out

In early 2000, Metropolitan entered into a number of agreements with member agencies and their groundwater managers under the Conjunctive Use Program (CUP) and Dry Year Yield (DYY) program. MWDOC and OCWD entered into the Orange County CUP program agreement in 2003. The CUP program allows for Metropolitan to store up to 60,000 AF of water in the Orange County basin during wet years and produce 20,000 AF of year per year during drought periods. Additionally, Metropolitan funded \$11 million in new production wells, \$4 million for seawater barrier well improvements, and \$8 million in OCWD CIP facilities for the CUP program.

The last time that Orange County Water District purchased CUP water was in FY 2015. Due to the limited use of the CUP program and its effective replacement by the Cyclic and Cyclic Cost-Offset Programs, Metropolitan is phasing out several CUP agreements, including the MWDOC/OCWD agreement, at their March 2025 Board meeting.

Next Steps

Metropolitan continues to work with member agencies to develop, implement, and refine water management programs for both dry and wet year conditions to ensure resilience and reliability for the region. MWDOC will continue to work with its member agencies and Metropolitan to ensure that regional programs are effective at the local level and are responsive to local conditions.

MWDOC staff will provide a presentation highlighting key water supply conditions for Water Year 2024-25 to date, as well as Metropolitan's programs that may be utilized to address drought or surplus conditions.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|---|--|
| <input type="checkbox"/> Clarifying MWDOC's mission and role; defining functions and actions. | <input checked="" type="checkbox"/> Work with member agencies to develop water supply and demand objectives. |
| <input checked="" type="checkbox"/> Balance support for Metropolitan's regional mission and Orange County values and interests. | <input checked="" type="checkbox"/> Solicit input and feedback from member agencies. |
| <input type="checkbox"/> Strengthen communications and coordination of messaging. | <input type="checkbox"/> Invest in workforce development and succession planning. |

List of Attachments/Links:

Attachment 1: Water Supply Update and Metropolitan Water Management Programs



Metropolitan's Water Management Programs

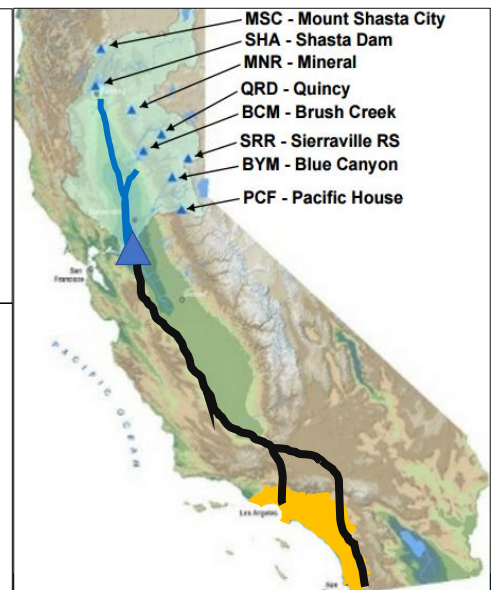
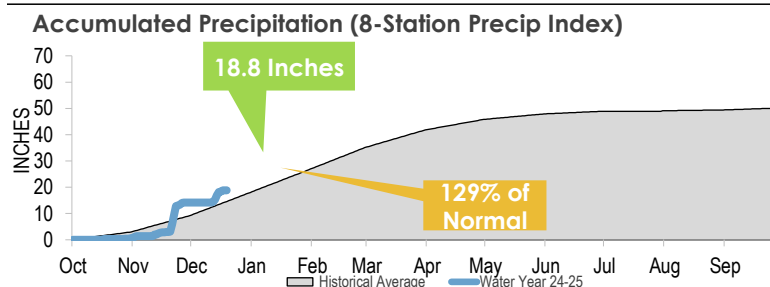
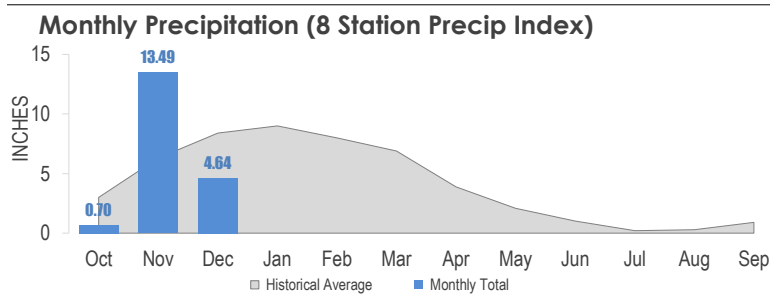
Joint Board Workshop

January 2, 2025



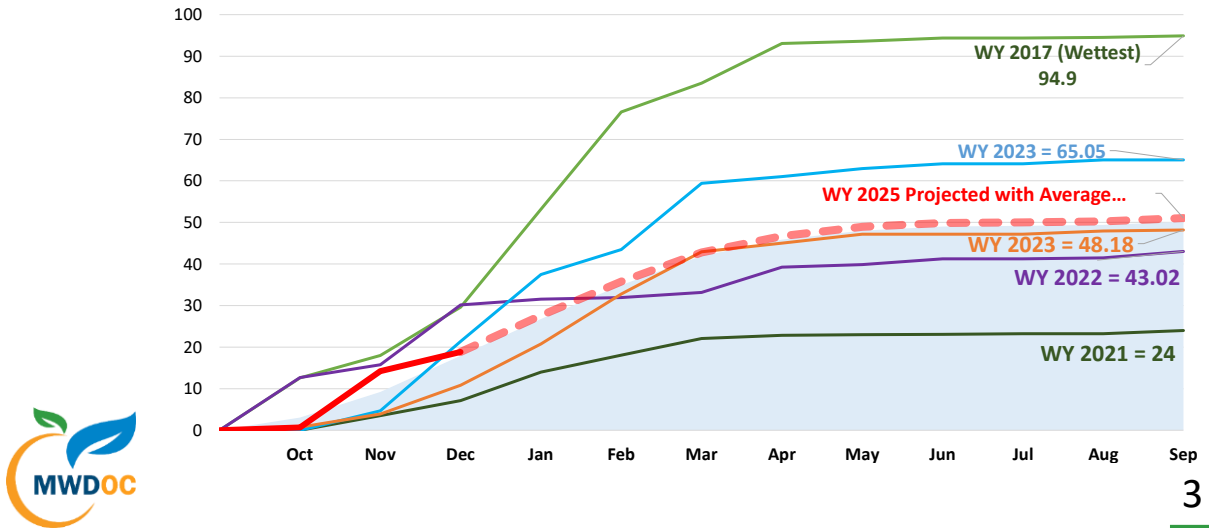
1

Current Conditions



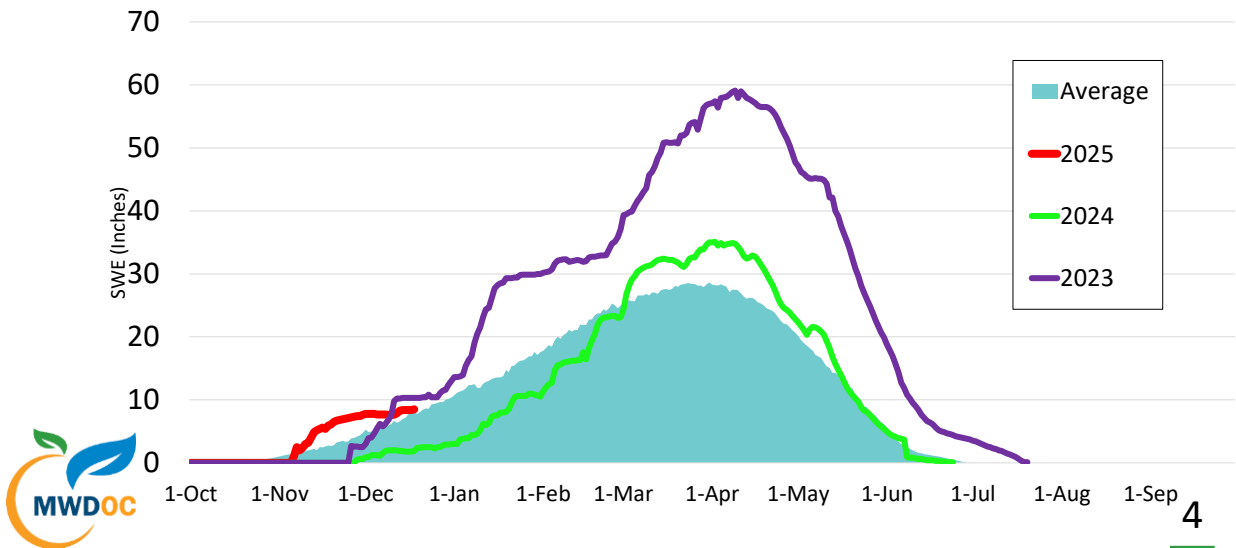
2

Accumulated Precipitation WY 2025



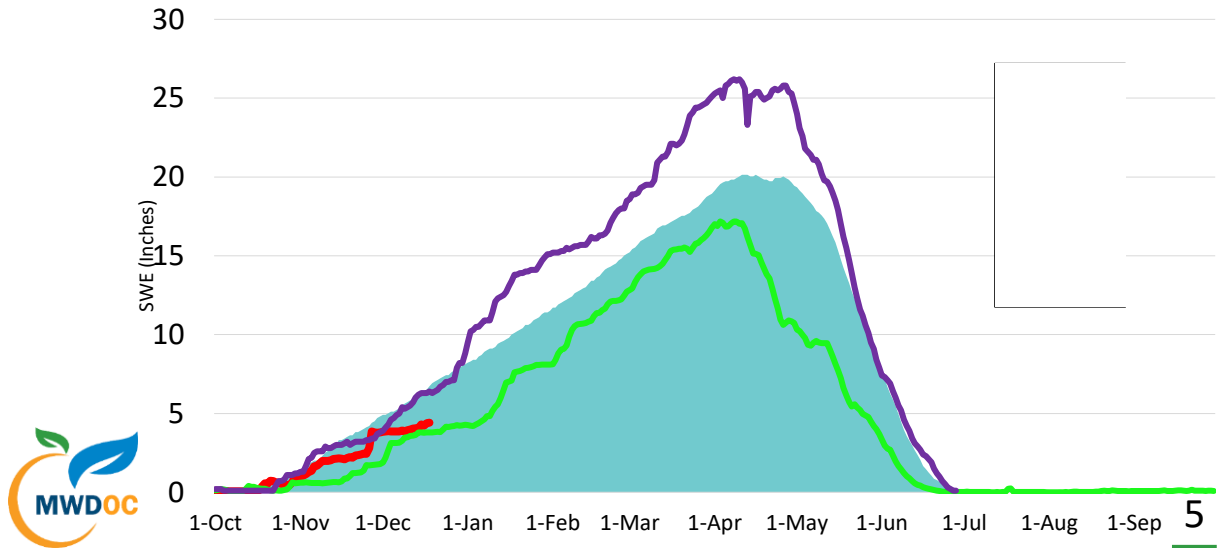
3

California Snow Water Equivalent



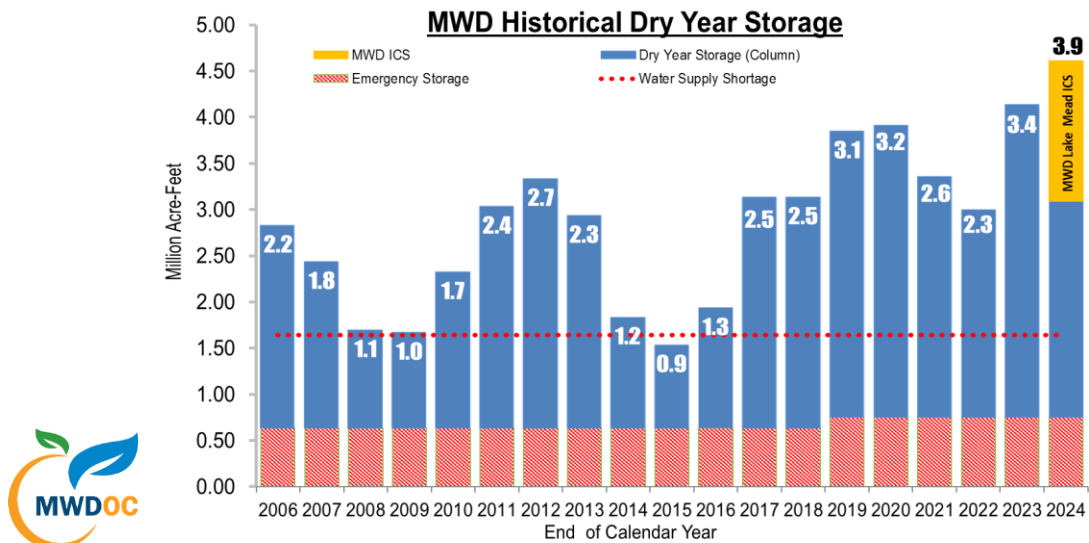
4

Colorado Basin Snow Water Equivalent



5

Metropolitan Storage

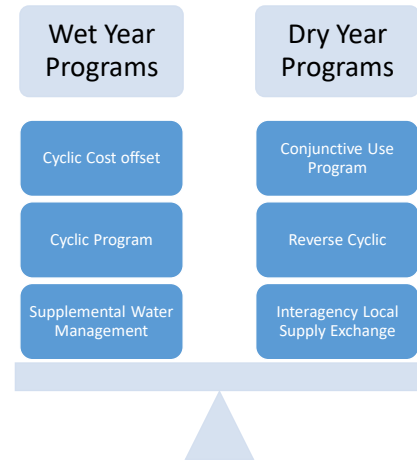


6

6

MET Programs Overview

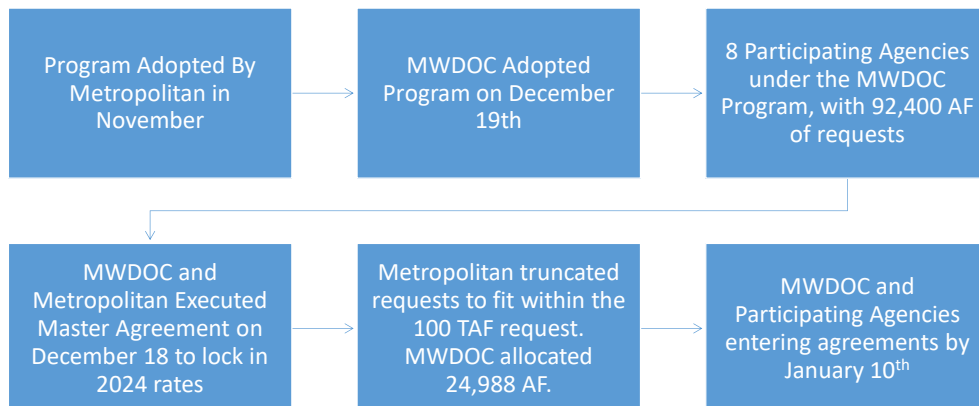
- Metropolitan and the member agencies have developed a suite of programs for both wet year and dry year water management
- Programs provide incentives for member agencies to take specific actions to modify their regular operational behavior
- Metropolitan has modified or proposed a number of programs to further enhance their ability to respond to changed conditions



7

7

Reverse Cyclic Program



8

8

Reverse Cyclic Program

- Member Agencies were prorated based on a five-year historical baseline of total imported water purchases.
- Allocation resulted in six agencies receiving their fully requested amount.
- Three agencies, including MWDOC, had requests partially filled.
- As of January 1, 2025, MWDOC agencies avoided cost savings are a minimum of **\$3,473,332**

Agency	Request	Allocation	RCP Purchase
ETWD	1,000	1,000	\$1,256,000
IRWD	60,000	6,564	\$8,244,384
MNWD	2,000	2,000	\$2,512,000
City of Newport Beach	500	500	\$628,000
City of Orange	1,000	1,000	\$1,256,000
SMWD	25,000	11,134	\$13,984,304
SCWD	1,300	1,300	\$1,632,800
YLWD	1,000	1,000	\$1,256,000
MWDOC	600	490	\$615,440
Total	92,400	24,988	\$31,384,928



9

9

Cyclic Program

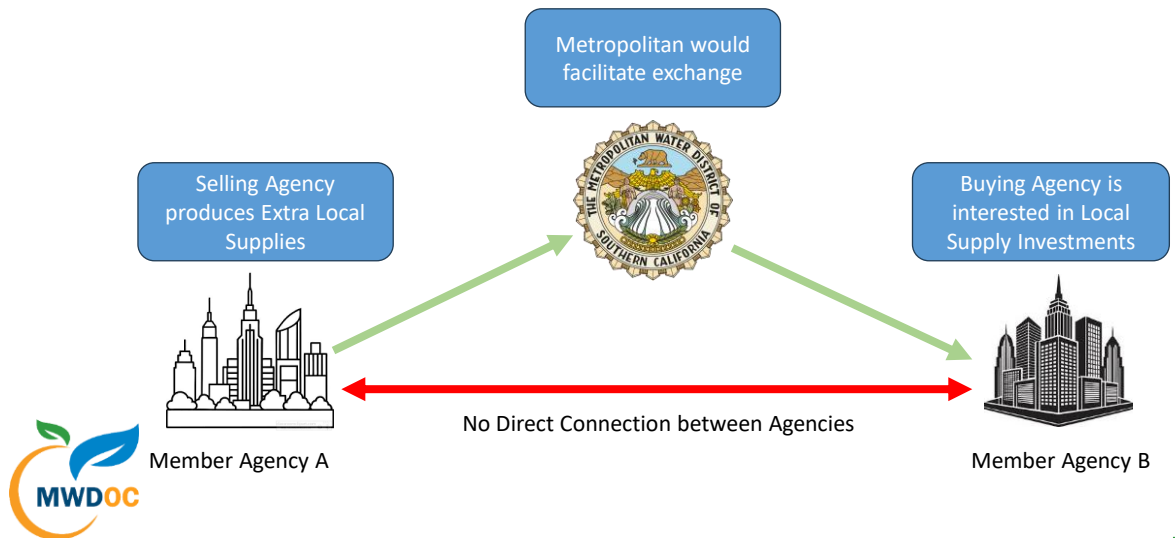
- The program allows pre-delivery of water for groundwater replenishment or surface storage in excess of normal deliveries
- Water is then purchased when the agency uses the storage water through pumping and/or use
- Provides Metropolitan flexibility to respond quickly to surplus conditions by pre-delivering water into groundwater basins and surface reservoirs ahead of agency demands
- MWDOC/OCWD Cyclic agreement executed 2017



10

10

Interagency Local Exchange Program



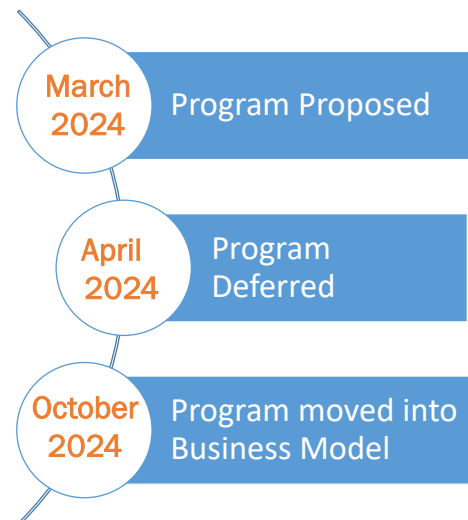
11

11

Interagency Local Exchange Program

Framework Principles:

- ◆ Metropolitan facilitates an exchange that increases Metropolitan's regional supply
- ◆ No water supply reliability or financial impact to non-participating agencies
- ◆ Agency pays full-service water rate for every acre-foot Metropolitan delivers
- ◆ Metropolitan is not allocating more water to participating agencies than if there was no exchange agreement in place.



12

12

Supplemental Water Management

- Program is based on an agency's ability to perform water management actions.
- Agency would pay the up front Tier 1 rate at the time of purchase
- Metropolitan would pay incentives for Water Management Actions at varying levels depending on benefits to the region.
- Would allow for Metropolitan to manage supplies that would otherwise be lost for the region.

\$\$\$

- Level 2 Take (Regional Shortage Allocation)

\$\$

- Level 1 Take (MWD Call)

\$

- Puts into Storage



13

13

Supplemental Water Management

- Member Agencies, including MWD OC & OCWD helped develop the program through a series of workshops
- Metropolitan Priorities in Program Development
 - Maximize Metropolitan's reliability
 - Benefits the SWP Dependent area
 - Increases regional supplies
 - Minimal/No impact on rate structure
 - Complements existing programs



June
2023

Member Agency Workshops on Potential Program

Dec
2023

Workshops result Proposed SWiM program

Feb
2024

Board Information Item

March
2024

Program moved into Business Model Discussions

14

14

Conjunctive Use Program

- Metropolitan is phasing out water management programs that are no longer effective or utilized by Member agencies
- Cyclic in addition to the cost-offset program provide member agencies with more flexibility to manage puts/takes
- MWDOC/OCWD CUP agreement executed in 2003
- Metropolitan plans to terminate outdated CUP agreements March 2025.

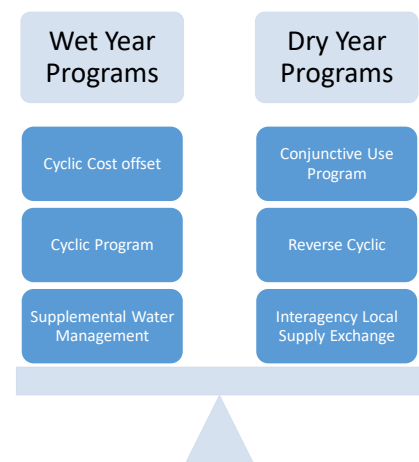


15

15

Next steps

- Metropolitan will continue to assess program effectiveness as part of its water surplus and drought management process.
- Proposed programs will likely be brought back as part of the business model process
- MWDOC will continue to collaborate with member agencies on program development



16

16

NATURAL RESOURCE RESULTS

To: Board of Directors, *Municipal Water District of Orange County*

From: Natural Resource Results

RE: Monthly Board Report – December 2024

Special Districts

Unfortunately, our efforts to pass legislation to clarify that special districts are eligible for federal grant funding ran into a significant roadblock – Senator Rand Paul (R-KY). After passing the House, the bill passed out of Committee in the Senate earlier this fall. After the election, the goal was to pass the bill out of the full Senate via Unanimous Consent (UC) as there wasn't enough time to bring it to the floor using another mechanism. Passing a bill on UC requires every Senator to agree to its passage and for some unknown reason, Senator Paul will not allow that to happen. We have been working closely with the National Special Districts Coalition and tried utilizing their member in Kentucky to get to Senator Paul with no luck. Plan B is to make an attempt to attach the legislation to the appropriations package that Congress will pass in March of next year.

Appropriations

At the time of this report, the House passed a Continuing Resolution (CR) to fund the government through March 14th. The Senate is expected to pass it and just barely avert a shutdown. The bill also included roughly \$100 billion in disaster assistance and \$10 billion in economic relief for farmers.

119th Congress

The new Congress will gavel in on January 3rd and there will be some new faces in the leadership ranks of relevant committee. Congressman Huffman (D-CA) will replace Congressman Grijalva (D-AZ) as the top Democrat on the House Natural Resources Committee while Congressman Westerman (R-AR) will continue as the top Republican. Senator Lee (R-UT) will be the new leader of the Senate Energy and Natural Resources Committee and Senator Heinrich (D-NM) will take the top Democratic slot.

To:	Municipal Water District of Orange County
From:	Syrus Devers
Date:	January 2nd, 2025
Re:	State Legislative Report

The Legislature returns for the 2025-26 biennial session on January 6th with a majority of members that have served two years or less. There are few leadership changes, but there will be significant changes to committee membership as detailed in last month's report. No rumors yet on when committee assignments will be released.

The Legislature convened for one day on December 2nd to swear in new members, elect or reelect leadership positions, and adopt procedural rules. As usual, there were many sincere statements about reaching across the aisle and bipartisanship; however, it all evaporated once the two houses responded to Governor Newsom's Executive Order to open an extraordinary session of the Legislature, the sole purpose being to counter the incoming Trump administration.

There were rumors that Sen. Anna Caballero would reintroduce SB 366 (solve the Water Crisis) as her first bill, but that did not happen. So far it appears that only one bill of interest, a spot bill on recycling, was introduced on the first day of session. To no one's surprise, it was not well taken by the Republicans.

Here are the proposed bills in search of an author of which SDA is aware:

Low Income Rate Assistance (LIRA): CMUA held working groups through the recess to draft a counterproposal to SB 1255 (Durazo), which—according to rumor—will be reintroduced. The CMUA proposal lends a statutory foundation to agency created LIRA programs, requires data reporting, and establishes an account for the state to fund LIRA programs upon appropriation by the Legislature. The draft text ensures these programs will be administered by local water agencies.

Increased water theft penalties: ACWA has indicated it will co-sponsor a bill with the Las Virgenes Municipal Water District to increase the penalties for water theft. Current law limits a first offense for tampering with a water meter to \$130, and \$1,000 for all other first offenses. Las Virgenes MWD has offered anecdotal accounts of theft that demonstrate that the current penalties are far too low to provide a meaningful deterrent.

Protection from liability for Hexavalent Chromium VI (Chrome 6) contamination: The new regulations for Chrome 6 are now in effect and will soon require that notices be sent to all customers of impacted agencies. The Coachella Valley Water District is seeking an author and support for a bill that provides protection from 3rd party liability, but not from state-imposed penalties for noncompliance,

Syrus Devers Advocacy

when an agency is successfully implementing a plan to remove Chrome 6 that has been approved by the State Water Resources Control Board.

Guidelines for economic feasibility determination: The Community Water Systems Alliance is looking to sponsor a bill that would prohibit the SWRCB from using a cost/benefit approach similar to the US EPA in the determination of economic feasibility when imposing new regulations. Just because a regulation provides more benefits than it costs, it does not mean that it is affordable.

There are, no doubt, many more bills in process that MWDOC would find interesting, but these are the only ones SDA had heard about as of mid December.

Happy New Year!

Legal and Regulatory

January 2, 2025

1. **Less Thirsty Plants:** We all know that plants of all natures require water to survive. Some plants require a great deal of water, while others get along on a minimal amount. The University of Illinois is working on ways to make plants less thirsty. By studying how plants use water and how each plant reacts to the photosynthesis process, they have shown how small changes to the plants structure can increase their water efficiency. Their study looks at the pores on the leaf surface of various plants that can be changed through genetic engineering. Those changes have shown how plants can get by on less water and still produce the same quantity and quality of product. The plants they are studying now are primarily sorghum and sugar cane. This process will not be workable in all types of plants. The study hopes to identify other plants that can be modified. Projected water savings from these this research is between 10 and 20%. This can have a significant impact on agriculture worldwide.
2. **Less Fruit and Nuts:** The Sustainable Groundwater Management Act is starting to put enforcement measures on local farmers. The estimated impact on agriculture would be a reduction in fruit and nut production by over 25% and could leave a lot of our valley cropland 50% unused. We all know that California is one of the leading agriculture states in the United States, producing almost 20% of all crop value. In some of these specialty markets, such as almonds, they produce 80% of the global consumption. At the same time, we are aware that a lot of the water used for irrigation comes from groundwater. The Act has imposed a tax on groundwater use which will be kicking in very soon. It is estimated that this tax will result in the reductions mentioned above. The Act is getting significant pushback from farmers. The beneficial use doctrine requires that water must be put to a specified beneficial use or the right to use the water would be lost. They argue that much of the water is being used to try to save certain species, like the Delta smelt, but that effort is failing.
3. **Nuisance Flooding:** Every year we have new reports of flooding in coastal areas, including our own Huntington Beach and Newport Beach. The University of Alabama, in conjunction with the National Oceanic and Atmospheric Administration are sharing notes to be able to predict when these occurrences may happen. There are currently tide gauge indicators on both the East Coast and West Coast, but there are not enough of them to be able to accurately predict these nuisance flooding events. Nuisance flooding can be very costly as it creates damages to roads and infrastructure if it occurs on numerous occasions. While sea level rise is a factor, many other things come into consideration, such as ocean topography and climate change.
4. **Better Filters:** It seems like better filtering methods are being discovered every day. The key to a filter's success is that they can be made commercially viable and cover a broader array of pollutants. New York University is researching an organic membrane which potentially has limitless applications. They use a microwave technology to produce the membrane. The overall process has more big words than I can include in my report. The advantage

to this process is that it is cheap, it applies to many types of contaminants, and the membrane can be reused numerous times. As with all these developments, the key will be whether it is commercially viable. Stay tuned.

5. **Golden Mussel Threat:** Water, and in particular drinking water, is seemingly under attack from all sides. The latest potential threat is the golden mussel, which appeared in the delta very recently. This tiny freshwater mollusk is a native of China and Asia but is starting to appear around the world. It is generally carried in the bowels of commercial ships who dumped their ballast at whatever port they arrive in. This critter has been classified as a super invader and can do significant damage to pumps and other water infrastructure. Steps are being taken now to stamp it out. But it also has other problems for its existence as it must compete with the other invasive species in the area. An interesting fact of life is the California Delta has been colonized by over 185 invasive species ranging from trees to fish, to plants and other water critters.
6. **Mars Water Update:** More research comes in every day regarding the history of water on the planet Mars. Research shows that almost 4 billion years ago, Mars had water flows and lakes the size of the Mediterranean. These were caused by carbon dioxide freezing around the planet. It turns out that the tilt on the planet Mars changes every 100,000 years or so. The impact of that is the sun hits different parts of the planet at a different direction. That causes the carbon monoxide to react. The report also indicates that there is a layer of water ice below the surface of the planet, almost 3 miles thick. As research continues, we will learn more about the status of water on Mars. Perhaps someday we may be able to not only have a Mars candy bar, but Mars water.
7. **The 100 Year Flood:** Much of the world we live in is influenced by the 100 year flood model. Particularly in advanced countries, building codes and insurance standards are built around the expectation of 100-year flood experience. Major structures including buildings, roads, bridges, tunnels and the like, are designed to be able to withstand 100-year standard. In light of recent weather history, planners and designers are bringing this prior thought process into reconsideration. When you consider the various droughts we have had which have resulted higher intensity rains and runoff, the 100 year model may not work in the future.
8. **San Luis Reservoir Raised:** The San Luis Reservoir in Santa Clara County may be getting a facelift. Recently, the 8 local water agencies and the federal government came to an agreement to spend a billion dollars to raise the height of the dam. San Luis is the 5th largest reservoir in the state. The plan is to raise the dam by 10 feet. This would add an additional 130,000-acre feet to our supply. The cost is divided almost equally between the local water agencies and the federal government. Surprisingly, the project has had no environmental opposition. The reason given by the environmental groups was that this has been in existence for many years (1960) and does not change existing runoff or endanger existing land.
9. **Global Freshwater Drop:** Using NASA and German satellites a group of world scientists have discovered that the level of fresh water in the world has decreased. Using measurements from 2015 through 2023, they have indicated that the overall volume of water in the world has decreased by over 290 cubic miles. That is over twice the volume of Lake Erie. They attribute that to expanded agricultural use, urban use, droughts, evaporation, and other changes in climate. Interestingly enough, they do not blame it on global warming, as they say it is very difficult to link the two things. They acknowledge the models regarding climate predictions are always filled with errors.

10. **Tsunami Warnings:** A few weeks ago, California had a 7.0 magnitude earthquake off the coast of Humboldt County. Almost immediately, by way of the Wireless Emergency Alert, a tsunami warning went out to the entire Bay Area. The warning warned people to go to higher ground because of the significant threat to life and property caused by the earthquake. Approximately 1 hour later, the tsunami warning was cancelled. Some areas, such as Berkeley, issued mandatory evacuations. Many in the Northern California area were critical of the early tsunami warning going out. The warning is given because of the magnitude of the quake, the potential for a 3-foot tide being generated by the earthquake at the same time a high tide was occurring. After further reflection, it was clear that the issuing of the warning was correct. At the time the warning was given the only information the authorities had was the magnitude of the earthquake and the location. The potential for devastation based on the area and the information at the time was clearly warranted. After further information was gained, it was determined which of various plates were moving. That plate was not the one that could cause catastrophic effects. Therefore, as soon as that information was determined, the warning was cancelled. People were reminded of the devastation caused by the earthquake off northern Japan in 2011. Impact from water action from that tsunami was felt in the Bay Area and in Southern California.
11. **Seagrass Filter:** Seagrass ecosystems are common on both the East and West Coast of the United States. Studies done by various universities, including the University of California at Irvine, have shown these seagrasses are very important. The seagrass system is very successful in reducing pathogenic bacteria. In some areas it is shown to be as much as 65% effective in reducing or eliminating these pathogens. These pathogens are very dangerous to both human and marine life. In the past, these seagrass systems have been disappearing at a rate of about 7% per year. Now with their increased advantages, efforts are made to maintain and increase them around the world. The study also estimated that over 1 billion people in the world lived within 30 miles of seagrass ecosystems, which will help both the water and land environment.



January 8, 2025

TO: MWDOC Board of Directors

FROM: Peter Whittingham

SUBJECT: January 2025 Report

The months of November and December were dominated by the outcome of the November 5 election and major news regarding a member of the Orange County Board of Supervisors. Following is a few of the more notable developments and issues of the month:

- The seven members of South Orange County Wastewater Authority, or SOCWA, have been in discussions for more than a year on the agency's future and the management and operation of several facilities, including the Regional Treatment Plant in Laguna Niguel. Over the first three weeks of November, the Moulton Niguel Water District (MNWD), Santa Margarita Water District (SMWD), South Coast Water District (SCWD), El Toro Water District (ETWD), and Emerald Bay Service District (EBSD) Boards of Directors, as well as the San Clemente City Council and Laguna Beach City Council (also acting as the Board of Directors of Laguna Beach County Water District) have approved a series of legal agreements to enable MNWD to withdraw from SOCWA, assume management of the Regional Treatment Plant, and to transfer asset capacity and future flows between participant agencies. The agencies held a document signing event December 9 at the Ocean Institute in Dana Point.
- Longtime Yorba Linda Water District Board member Phil Hawkins announced his resignation from the Board. Director Hawkins, who was first appointed to the YLWD Board in 2010, has served as Chief Executive Officer for Pacific West Association of Realtors and was recently named the new CEO of the California Association of Realtors. The YLWD Board of Directors interviewed six candidates at a special meeting December 17 and on December 19 the Board voted 3-1 to appoint Colonel Wayne Scott to fill the vacancy.
- Former Orange County 1st District Supervisor Andrew Do plead guilty to one count of conspiracy to commit bribery related to Federally-funded programs and will be sentenced March 31, 2025. Current state Senator and former Supervisor Janet Nguyen was successful in her reelection campaign and was sworn in

privately on December 4; Supervisor Nguyen will have a public swearing-in ceremony as the new 1st District Supervisor in January 2025.

- Santa Margarita Water District continued its role as a key firefighting resource during the recent Airport Fire. The District provided 727,000 gallons of water used to fight the fire, which started in the canyons above Rancho Santa Margarita. SMWD's Upper Oso Reservoir was critical in the aerial firefight, with water-dropping helicopters pulling 640,000 gallons of water from the reservoir.
- An Omni Catamaran has been cruising Newport Harbor with a specific purpose - removing trash from the waterways. The founder of the nonprofit Los Cerritos Wetlands Stewards, which has been cleaning the water in Rainbow Harbor and near Aquarium of the Pacific in Long Beach since 2015, started roughly four months ago in Newport Harbor, using pool-skimming nets and a few other tinkered tools to pluck trash. The "Good Seamaritan" will soon have onboard the long-awaited "trash interceptor," a giant wheel staged in the San Diego Creek just east of Jamboree Road Bridge to capture trash before it hits the Back Bay and harbor. As of early November, the skimmers have brought in 294.5 pounds to the Marina Park weigh station since Sept. 9. The Harbor Department, by comparison, has brought in nearly 2,000 pounds since it started keeping stats on Aug. 3.
- The South Coast Water District (SCWD) Board of Directors announced its unanimous decision to award the Progressive Design-Build-Operate-Maintain (PDBOM) services contract for Phase 1 of the Doheny Ocean Desalination Project to the team of J.R. Filanc Construction, Acciona Agua Corporation, and Hazen. The nearly \$7 million contract marks the latest milestone in a decade-plus effort to enhance SCWD's water supply portfolio, along with the water supply needs of the region. When completed, the Doheny Project will produce five million gallons per day (MGD) of drinking water. SCWD is currently partnering on the Doheny Project with Laguna Beach County Water District and Eastern Municipal Water District and is in active discussions with other agencies.
- The City of San Clemente has finished a sand replenishment project at North Beach, a months-long effort to help widen a stretch of eroded coastline. The \$2 million project, which kicked off in late July, delivered 37,000 cubic yards of sand from the Santa Ana River, with truckloads hauling the material in and spreading it out on the north end of town. Because the work went faster than expected and was under budget, the amount of material to be hauled in was expanded to add 7,000 more cubic yards. The city also received Coastal Commission approval to increase its opportunistic beach sand replenishment program to allow for 300,000 cubic yards of sand to be placed annually along four locations, including areas around T Street beach.
- The Laguna Beach City Council voted unanimously to move forward with conceptual plans to restore the Aliso Creek Estuary, consolidating technical studies and initiating the scope of work for an EIR to determine the project's feasibility. The project includes restoring the estuary's functionality, such as removing invasive plant species and mitigating water flow, upgrading public

spaces, adding an interpretive center and improving pedestrian access. The project would also replace parking lots and paved areas with mobility hubs to encourage alternative modes of transportation, updated restrooms, trails and seating areas, and a pedestrian bridge over the estuary. The project's future will also include coordination with a variety of property owners, including South Coast Water District and The Ranch at Laguna Beach.

- The Huntington Beach City Council authorized a feasibility analysis of a potential interagency water transfer partnership with Mesa Water®. Potential benefits of such an agreement include access to the groundwater basin via Mesa Water District's infrastructure and avoiding the need to spend millions on imported water in the event of one or more of the City's existing wells failing.
- The Huntington Beach City Council also approved an agreement to share consultant costs for completion of Joint Hazard Mitigation Plans and the America's Water Infrastructure Act of 2018 Update Projects with MWDOC.
- Santa Margarita Water District (SMWD) announced that Trampas Reservoir, California's largest recycled water reservoir, has surpassed 90% of its 1.6-billion-gallon capacity.

It is a pleasure to work with you and to represent the Municipal Water District of Orange County.

Sincerely,



Peter Whittingham



DISCUSSION ITEM

January 2, 2025

TO: Board of Directors

**FROM: Harvey De La Torre,
General Manager**

Staff Contact: Melissa Baum-Haley
Alex Heide
Kevin Hostert

**SUBJECT: METROPOLITAN WATER DISTRICT (MET) ITEMS CRITICAL TO ORANGE
COUNTY**

STAFF RECOMMENDATION

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

DETAILED REPORT

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

- a. MET's Finance and Rate Issues
- b. Water Supply Condition Update
- c. Water Quality Update
- d. Colorado River Issues
- e. Delta Conveyance Activities and State Water Project Issues

ISSUE BRIEF #A

SUBJECT: MET Finance and Rate Issues

RECENT ACTIVITY

Water Transactions for December 2024 (for water delivered in October 2024) totaled 118.3 thousand acre-feet (TAF), which was 5.6 TAF lower than the budget of 123.9 TAF and translates to \$125.4 million in receipts for December 2024, which were \$3.2 million lower than the budget of \$128.6 million.

Year-to-date water transactions through December 2024 (for water delivered in May 2024 through October 2024) were 659.8 TAF, which was 92.1 TAF lower than the budget of 751.9 TAF.

Metropolitan's sale of 100 TAF of water in December under the reverse cyclic program, will generate \$125.6 million in revenue for Metropolitan.

FY24-25 Cash Water Transactions and Revenues Budget vs Actual (Preliminary, subject to change)

Month		Acre-Feet (AF) ²		Variance		Revenue (\$) ¹		Variance	
Delivered/ Billed In	To be Collected in	Budget	Actual	AF	%	Budget	Actual	\$	%
May	July	111,381	93,988	(17,393)	-16%	115,411,844	111,844,425	(3,567,419)	-3%
June	August	119,830	101,259	(18,570)	-15%	142,766,424	100,440,378	(42,326,046)	-30%
July	September	133,150	113,715	(19,435)	-15%	141,775,001	121,901,017	(19,873,983)	-14%
August	October	136,454	116,650	(19,804)	-15%	145,410,622	129,047,328	(16,363,293)	-11%
September	November	127,137	115,902	(11,235)	-9%	133,836,426	125,914,754	(7,921,673)	-6%
October	December	123,989	118,330	(5,659)	-5%	128,665,932	125,400,378	(3,265,554)	-3%
YTD Total		751,939	659,844	(92,096)	-12%	807,866,249	714,548,281	(93,317,968)	-12%
November	January	124,881	-	-	0%	125,782,252	-	-	0%
December	February	104,337	-	-	0%	103,324,010	-	-	0%
January	March	88,988	-	-	0%	95,074,177	-	-	0%
February	April	77,291	-	-	0%	81,911,825	-	-	0%
March	May	82,757	-	-	0%	88,153,603	-	-	0%
April	June	107,565	-	-	0%	116,431,176	-	-	0%
FY Total		1,337,760	659,844	N/A	N/A	1,418,543,293	714,548,281	N/A	N/A

ISSUE BRIEF #B

SUBJECT: MET's Supply Condition Update

RECENT ACTIVITY

The 2024-25 Water Year (2024-25 WY) officially started on October 1, 2024. Thus far, Northern California accumulated precipitation (8-Station Index) reported **18.8. inches or 129% of normal** as of December 28th. The Northern Sierra Snow Water Equivalent is at **8.5 inches as of December 19th**, which is **105% of normal** for that day. The Department of Water Resources (DWR) has set the initial State Water Project (SWP) **"Table A" allocation for WY 2024-25 at 5%.**

The Upper Colorado River Basin accumulated precipitation is reporting **6.0 inches or 92% of normal as of December 16th**. On the Colorado River system, snowpack is measured across four states in the Upper Colorado River Basin. The Upper Colorado River Basin Snow Water Equivalent was at **4.2 inches as of December 16th**, which is **90% of normal** for that day. Due to the below average inflows into Lake Powell over the past several years, the United States Bureau of Reclamation **declared a shortage at Lake Mead that has been ongoing since January 1st, 2022 (below 1,075 feet storage level)**. As of December 2024, **there is a 100% chance of shortage continuing in Calendar Year (CY) 2025, a 93% chance in CY 2026 and a 57% chance in CY 2027. In addition, there is a 7% chance of a California (below 1,045 feet storage level) shortage in 2027.**

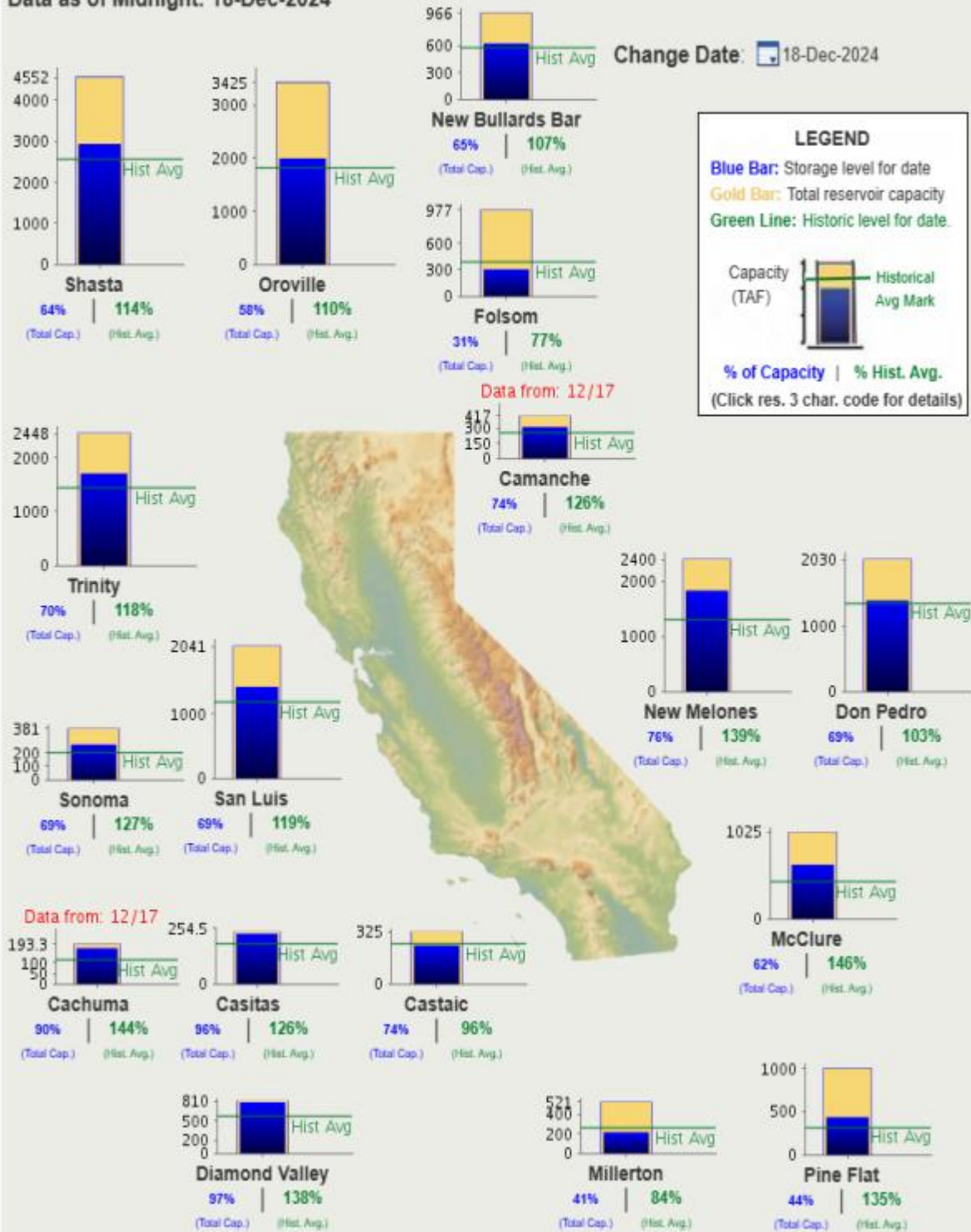
As of December 18th Lake Oroville storage is at **58% of total capacity and 110% of normal**. As of December 18th San Luis Reservoir has a current volume of **69% of the reservoir's total capacity and is 119% of normal**.

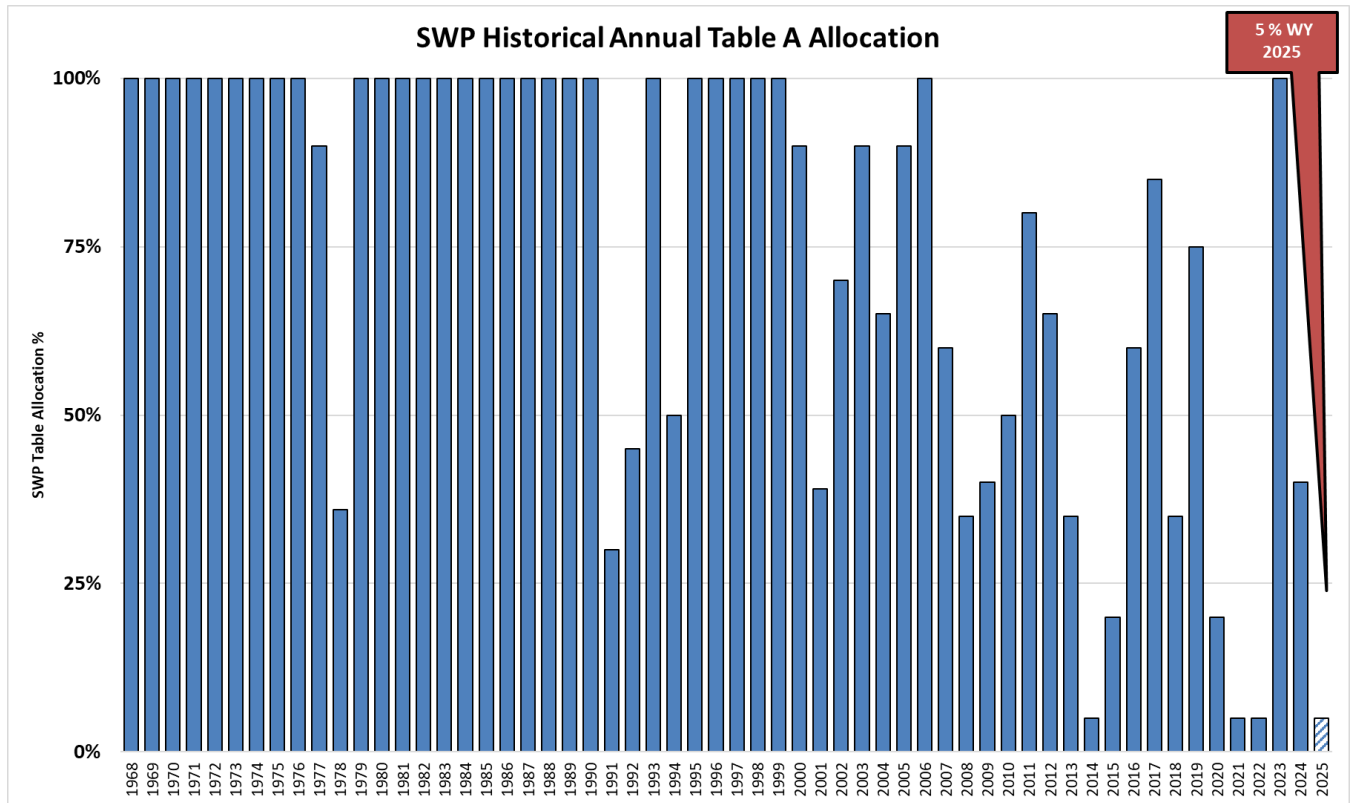
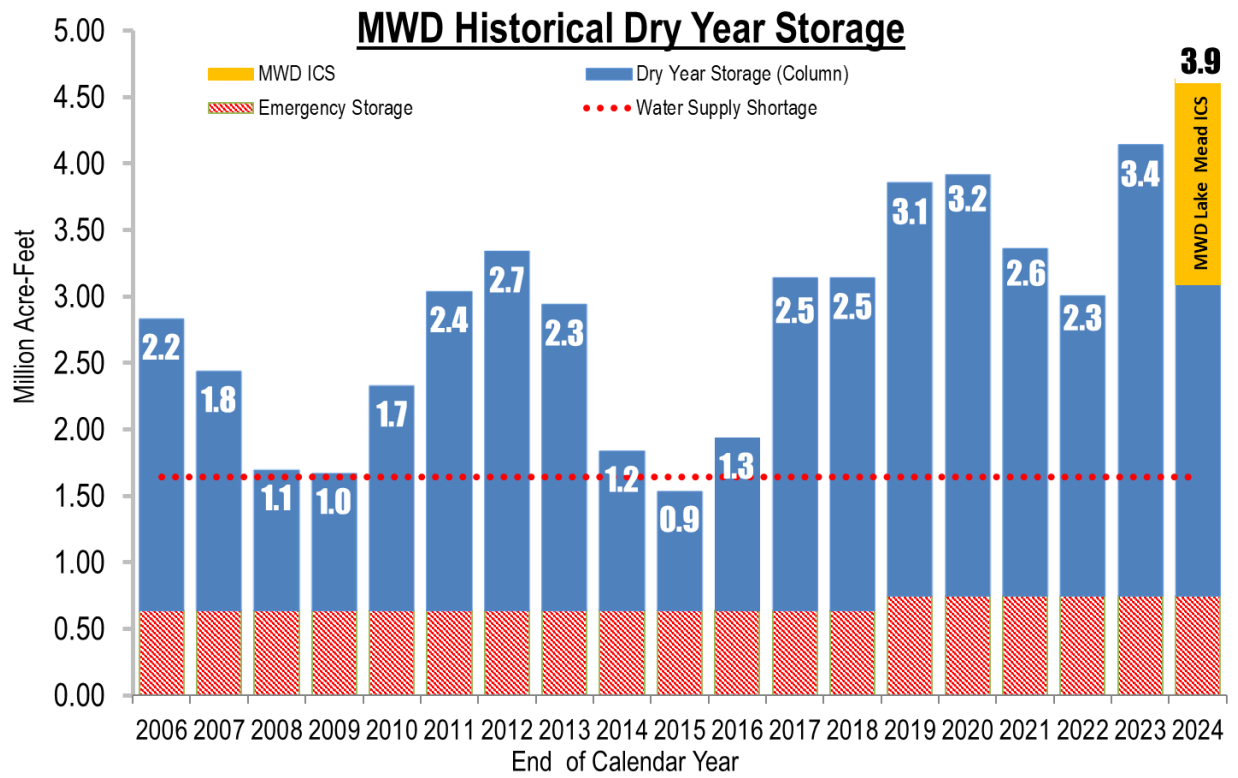
With CY 2024 estimated total demands and losses of 1.343 million acre-feet (MAF) and with a 40% SWP Table A Allocation, Metropolitan is projecting that supplies will exceed demands levels in CY 2024. Based on this, estimated total dry-year storage for Metropolitan at the end of **CY 2024 will increase to approximately 3.9 MAF.**

A projected dry-year storage supply of **3.9 MAF would be approximately 2.9 MAF from a typical level where Metropolitan's goes into Water Supply Allocations**. A large factor in maintaining a high water storage level are lower than expected water demands. We are seeing regional water demands reaching a 40-year low. **However, with a majority of Metropolitan's water supplies stored in Lake Mead and with still a 5-year shortage projection at Lake Mead, there remains a lot of uncertainty to where supply balances will be in the future. In addition, Colorado River Basin States have been meeting for months to negotiate new post 2026 operations at Glen Canyon Dam at Lake Powell and Hoover Dam at Lake Mead.**

CURRENT CONDITIONS: MAJOR WATER SUPPLY RESERVOIRS:18-DEC-2024

Data as of Midnight: 18-Dec-2024





2024 WSDM Storage Detail

WSDM Storage	1/1/2024 Estimated Storage Levels	Net Projected Storage Action Put (+) / Take (-) ¹	Projected End of Year 2024 Balance ²	2024 Total Storage Capacity
Colorado River Aqueduct Delivery System	1,544,000	67,000	1,611,000	1,622,000
Lake Mead ICS	1,544,000 ³	67,000	1,611,000	1,622,000 ⁴
State Water Project System	1,033,000	134,000	1,167,000	2,255,000
MWD & DVCV Carryover	297,000	103,000	400,000	446,000 ⁵
MWD Articles 14(b) and 12(e)	28,000 ⁶	-28,000	0	0
Castaic and Perris DWR Flex Storage	219,000	0	219,000	219,000
Arvin-Edison Storage Program	100,000	0 ⁷	100,000	350,000
Semitropic Storage Program	190,000	27,000	217,000	350,000
Kern Delta Storage Program	141,000	0	141,000	250,000
Mojave Storage Program	19,000	0	19,000	330,000
AVEK Storage Program	27,000	0	27,000	30,000
AVEK High Desert Water Bank Program	11,000	32,000	43,000	280,000 ⁸
In-Region Supplies and WSDM Actions	1,016,000	47,000	1,063,000	1,246,000
Diamond Valley Lake	753,000	47,000	800,000	810,000
Lake Mathews and Lake Skinner	207,000	-27,000	180,000	226,000
Conjunctive Use Programs (CUP)	56,000	27,000	83,000	210,000 ⁹
Other Programs	586,000	206,000	792,000	1,181,000
Other Emergency Storage	381,000	0	381,000	381,000
DVCV Advanced Delivery Account	205,000	206,000	411,000	800,000
Total	4,180,000	454,000	4,634,000	6,304,000
Emergency	750,000	0	750,000	750,000
Total WSDM Storage (AF) ¹⁰	3,430,000	454,000	3,884,000	5,554,000

¹ Storage program losses included where applicable.

² Preliminary end of year balances, subject to DWR adjustments and USBR final accounting in May 2025.

³ Reflects USBR's final accounting for 2023, released May 2024. This amount is net of the water Metropolitan stored for IID in Lake Mead in an ICS sub-account.

⁴ This storage capacity is net of the water Metropolitan stored for IID in Lake Mead in an ICS sub-account.

⁵ Total storage capacity varies year-to-year as the contractual annual storage limit combines with the remaining balance from the previous year. There is a potential risk that Metropolitan's stored water be converted to SWP contractor water if San Luis Reservoir approaches full capacity.

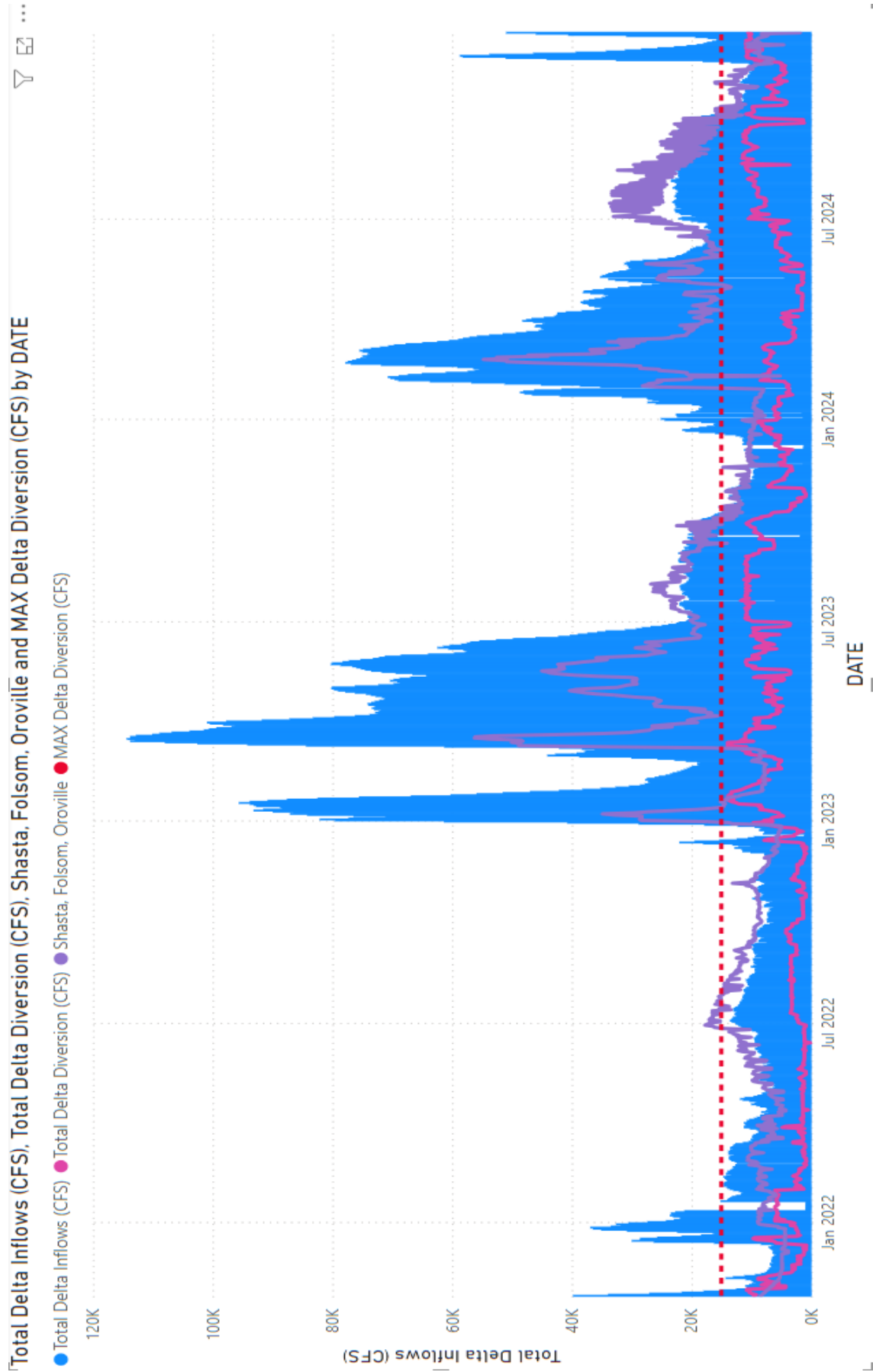
⁶ Approved carryover supplies under Articles 14 (b) and 12 (e) of the State Water Project Contract for delivery in 2024.

⁷ Puts are limited due to water quality considerations.

⁸ This reflects the full storage capacity of the AVEK High Desert Water Bank because the construction of the recharge basins have been completed. Full recharge and recovery operation anticipated by 2027.

⁹ Total of all CUP programs including IEUA/TVMWD (Chino Basin); Long Beach (Central Basin); Long Beach (Lakewood); Foothill (Raymond and Monk Hill); MWD OC (Orange County Basin); Three Valleys (Live Oak); Three Valleys (Upper Claremont); and Western.

¹⁰ Total WSDM Storage level subject to change based on accounting adjustments. Total may not sum due to rounding.



ISSUE BRIEF #C**SUBJECT: MET's Water Quality Update****RECENT ACTIVITY**

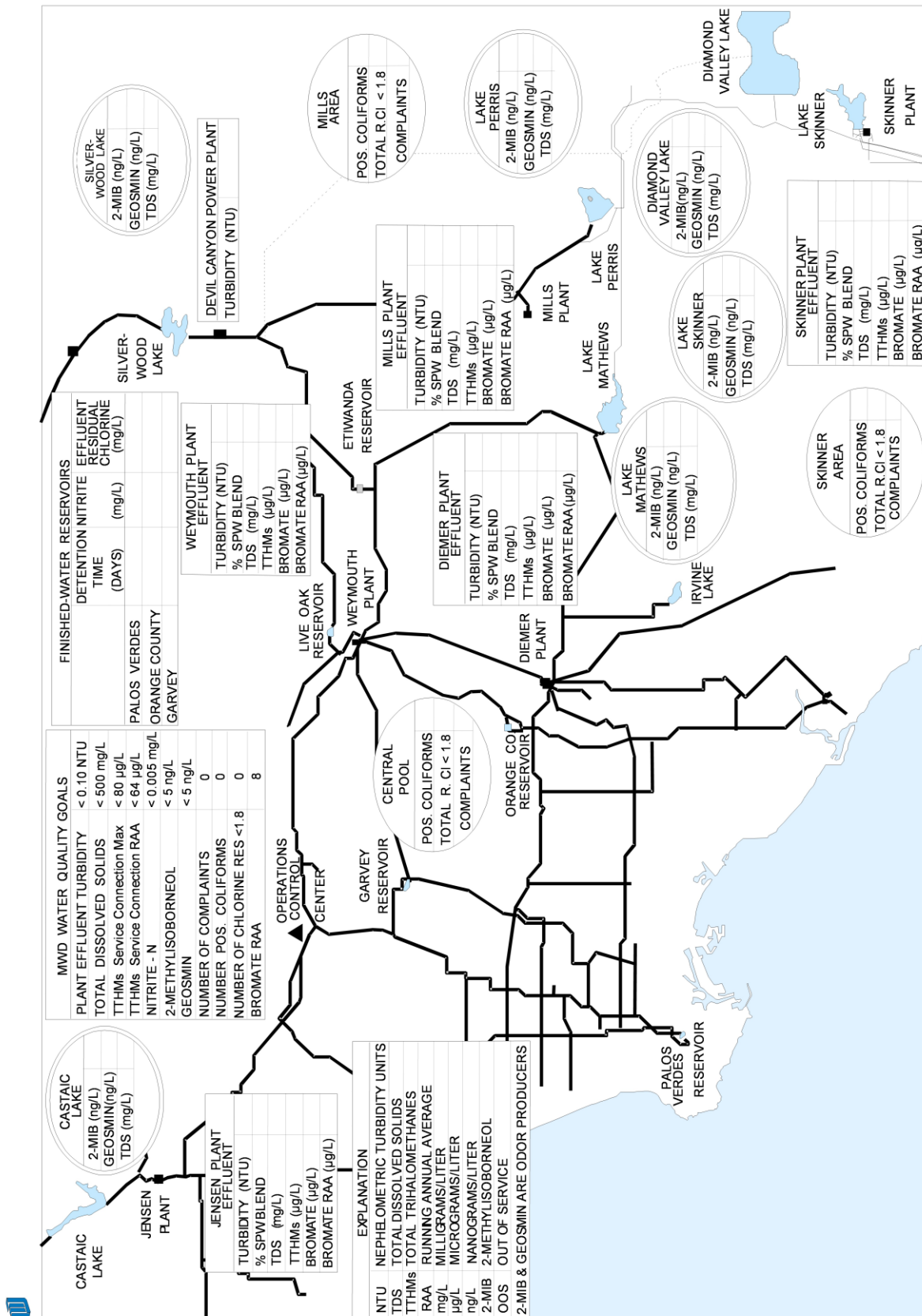
Water System Operations

Metropolitan member agency water deliveries were 117,500 acre-feet (AF) for November with an average of 3,900 AF per day, which was about 300 AF per day lower than in October. Metropolitan continued delivering water to the Cyclic and Conjunctive Use Programs. Treated water deliveries were 4,300 AF lower than in October, for a total of 58,400 AF, or 50 percent of total deliveries for the month. The Colorado River Aqueduct (CRA) pumped a total of 97,000 AF in November. State Water Project (SWP) imports averaged 2,600 AF per day, totaling about 78,300 AF for the month. The target SWP blend is 25 percent for Skinner. The blends changed from 25 percent to 50 percent during the month at Weymouth and Diemer during Lake Mathews tower chlorination.

Metropolitan has sufficient SWP and Colorado River supplies to meet demands in 2024. Water continues to be managed according to Water Surplus and Drought Management (WSDM) principles and operational objectives with an emphasis on positioning SWP supplies to meet future demands in the SWP-dependent area. Metropolitan continued deliveries to Desert Water Agency and Coachella Valley Water District. Metropolitan is continuing to minimize the use of Table A supplies this year to improve SWP carryover for next year, targeting around 400,000 AF in carryover and a full Diamond Valley Lake at the end of the year.

Water Treatment and Distribution

The SWP target blend entering the Weymouth and Diemer plants increased from 25 to 50 percent before decreasing to zero percent in November. The SWP blend entering Lake Skinner decreased from 25 percent to zero percent. Flow-weighted running annual averages for total dissolved solids from September 2023 through August 2024 for Metropolitan's treatment plants capable of receiving a blend of supplies from the SWP and the Colorado River Aqueduct were 497, 571, and 508 mg/L for the Weymouth, Diemer, and Skinner plants, respectively.



The Metropolitan Water District of Southern California

Weekly Operations Plan for 12/12/2024 – 12/19/2024

For additional information, please contact James Bodnar at (213) 217-6099

1. **COLORADO RIVER AQUEDUCT:** The CRA is at a 7-pump flow.
2. **EAST BRANCH SPW:** Rialto Pipeline will average a flow of 720 AF/day. Santa Ana Valley Pipeline will average a flow of 70 AF/day. Inland Feeder will average a flow of 170 AF/day.
3. **WEST BRANCH SPW:** The flow from Castaic Lake will be at 1,440 AF/day. Flow to SCVWA (formerly CLWA) is currently at 120 AF/day.
4. **TERMINAL RESERVOIRS:**

Reservoir	Current Storage* (AF)	Percent of Capacity
Lake Mathews	122,600	67%
Lake Skinner	38,400	87%
DVL	788,800	97%

*as of 12/11/2024

5. **WATER QUALITY:**

Plant	Targeted Blend (% SPW)	TDS (mg/L)	TTHMs (µg/L)
	As of 12/11/2024	As of 12/11/2024	As of 12/2/2024
Weymouth	0	646	24
Diemer	0	654	20
Skinner	0	560	11
Jensen	100	312	11
Mills	100	191	18

6. **WATER DELIVERIES:** December deliveries are forecasted to be about 125 TAF. As of December 12, 2024, total system demands are about 4,430 AF/day, a decrease of about 390 AF/day from last week.
7. **HYDROELECTRIC GENERATION:** As of December 12, 2024, the total daily average generation for the week was about 4.5 MW, with two of the fifteen hydroelectric plants in operation.

ISSUE BRIEF #D

SUBJECT: Colorado River Issues

RECENT ACTIVITY

2024-26 California Forbearance Agreement Executed

Following board authorization on August 20, 2024, Metropolitan staff moved forward with executing a California Forbearance agreement that covers system conservation projects in California in 2024, 2025, and 2026. Under this forbearance agreement, Coachella Valley Water District (CVWD), Imperial Irrigation District (IID), Palo Verde Irrigation District (PVID), the City of Needles, and Metropolitan all agreed to not take delivery of water conserved pursuant to System Conservation Implementation Agreements with Reclamation and to leave that water in Lake Mead as system water. System Conservation agreements covered under this forbearance agreement include conservation activities in PVID, Bard Water District, Fort Yuma Quechan Tribe, CVWD, and IID and will cover approximately 1.1 million acre-feet (maf) of conserved water added to Lake Mead, or approximately 14 feet. This forbearance agreement was signed on November 13.

Post-2026 Operational Guidelines Alternatives

The U.S. Bureau of Reclamation (Reclamation) released four proposed action alternatives to be analyzed as part of the Post-2026 Operational Guidelines Environmental Impact Statement (EIS). The Lower Basin Alternative was not identified as one of the alternatives to be analyzed, instead Reclamation combined elements of the Lower Basin Alternative, Upper Division States Alternative, and Tribal alternatives into the Basin Hybrid Alternative. Reclamation also plans to analyze two federal alternatives and the Cooperative Conservation Alternative that incorporate elements of an alternative submitted by a group of non-governmental organizations. Lake Powell releases included in the various alternatives range from 5 - 12. maf, with Reclamation reserving the right to further reduce releases if necessary to protect Glen Canyon Dam infrastructure and make releases from specified reservoirs above Lake Powell to protect Glen Canyon Dam infrastructure. Lower Basin shortages up to 4 maf will be modeled, along with Upper Basin conservation that may serve as a contribution, although details have yet to be provided on how this would be implemented. New conservation and storage in both Lake Powell and Lake Mead will be analyzed in the Basin Hybrid Alternative. Reclamation plans to provide additional details about the alternatives at the Colorado River Water Users Association Conference in Early December 2024.

ISSUE BRIEF #E

SUBJECT: Delta Conveyance Activities and State Water Project Issues

RECENT ACTIVITY

Delta Conveyance

On December 10, 2024 the Metropolitan Board approved \$142.6 million in funding for the next phase of Delta Conveyance Planning and Design. This funding will provide Metropolitan with the necessary information to make an informed decision about future investments project.

On October 8, 2024, the Department of Water Resources submitted a draft certification of consistency with the Delta Stewardship Council's Delta Plan for geotechnical activities planned for 2024 through 2026. Four appeals, representing about eighteen local agencies, conservation groups and Tribes, were filed by the appellant deadline of November 7, 2024. On November 18, 2024, Metropolitan held a joint One Water and Stewardship Committee and Board of Director's Workshop. The meeting included a workshop with two panels and a roundtable discussion on the Delta Conveyance Project. The goal of the workshop was to ensure the Board heard from a diverse range of leaders and voices ahead of the decision on additional funding for preconstruction activities related to the Delta Conveyance Project.

Sites Reservoir

On October 22, 2024, the California Department of Fish and Wildlife issued Sites Project Authority Incidental Take Permits for permits for construction and operations of the project on October 22, 2024. Issuance of these key permits allow the Sites Project Authority authorization to build and operate the project in compliance with the state's comprehensive endangered species laws.

Science Activities

Metropolitan staff presented an overview of the Healthy Rivers and Landscapes Science Plan as part of a multi-agency panel to the State Water Resources Control Board during the November 22, 2024, workshop on the draft updates to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Watershed. The Reorienting to Recovery (R2R) Project submitted a final report summarizing Phase 3 to the Delta Science Program as the final deliverable associated with their funding to support the project. Phase 3 applied a structured decision-making approach that engaged a diverse group of decision makers, interested parties, and technical experts in the Central Valley to identify a preferred recovery scenario that advances Salmonid recovery, balances other socioeconomic interests, and achieves a critical mass of support.

Delta Island Activities

On October 22, 2024, Metropolitan staff held a Webb Tract design optimization workshop. Surface elevation data was received for Webb Tract. Sixty-five percent (65%) design drawings are expected in December 2024. Staff visited several restoration projects in the south Delta. An article highlighting Metropolitan's work on floating wetlands, and their potential benefit to the Delta, was published in Maven's Notebook.

**Summary Report for
The Metropolitan Water District of Southern California
Special Board Meeting
November 19, 2024**

CONSENT CALENDAR OTHER ITEMS - ACTION

Nominated and elected for Board Secretary Fong-Sakai for a two-year term effective January 1, 2025. **(Agenda Item 6C)**

CONSENT CALENDAR ITEMS – ACTION

Authorized an Amendment to an agreement with Roesling Nakamura Terada Architects to provide design and architectural services for Stage 1 improvements of the District Housing and Property Improvements Program. **(Agenda Item 7-1)**

Certified the Final Environmental Impact Report (EIR) for the Garvey Reservoir Rehabilitation Project has been completed in compliance with CEQA and the State CEQA Guidelines, certified that the Board has reviewed and considered the information presented in the Final EIR, certified that the final EIR reflects Metropolitan's independent judgment and analysis, and adopted the Findings and the Mitigation Monitoring and Reporting Program. **(Agenda Item 7-2)**

Authorized the General Manager to enter into Reverse-Cyclic Program agreements with participating agencies to defer deliveries of up to 100,000 acre-feet total over calendar years 2024 and 2025. **(Agenda Item 7-3)**

Adopted resolution for 116th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan and updated the location of the annexation within Moreno Valley. **(Agenda Item 7-5)**

Authorized the General Manager to sponsor legislation for Metropolitan to increase the minimum threshold for competitive bidding on public works construction contracts from \$25,000 to \$150,000, and to seek the inclusion of an inflation escalator. **(Agenda Item 7-6)**

OTHER BOARD ITEMS - ACTION

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

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

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

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

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

Authorized an increase to the General Auditor's base salary from \$288,413 to \$313,350. This will make the General Auditor's base salary 9.58 percent above the 75th percentile of the comparator agencies; authorized a three percent cost-of-living adjustment for the General Counsel, General Auditor, and Ethics Officer; and authorized the above actions to be effective June 23, 2024. **(Agenda Item 8-6)**

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

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

All current month materials, and materials after July 1, 2021 are available on the public website here: <https://mwdh2o.legistar.com/Calendar.aspx>

This database contains archives from the year 1928 to June 30, 2021:
<https://bda.mwdh2o.com/Pages/Default.aspx>

**Summary Report for
The Metropolitan Water District of Southern California
Special Joint Executive and Board Meeting
December 10, 2024**

CONSENT CALENDAR OTHER ITEMS - ACTION

Approved waiver of Administrative Code to extend the term of Committee Chairs and Vice Chairs through the end of February 2025. **(Agenda Item 9D)**

CONSENT CALENDAR ITEMS – ACTION

Approved amendments to the Metropolitan Water District Administrative Code Section 6451 regarding the Audit Department Charter. **(Agenda Item 7-1)**

Awarded a \$588,000 contract to Heed Engineering for construction of drainage control improvements at the Lake Skinner dam. **(Agenda Item 7-2)**

Authorized an increase of \$250,000, to a maximum amount not to exceed \$500,000 for the workers' compensation legal services contract with the law firm Hanna, Brophy, MacLean, McAleer, Jensen, LLP. **(Agenda Item 7-3)**

Authorized a professional services agreement with Public Financial Management Asset Management LLC, a subsidiary of US Bancorp Asset Management Inc., to provide investment management services. **(Agenda Item 7-4)**

OTHER BOARD ITEMS - ACTION

Approved additional funding, in an amount not to exceed \$35 million over the next two years (Fiscal Years 2024/2025 and 2025/2026), to support the Zero-Emission Vehicle Transition Program at Metropolitan and partially mitigate high operational risk. **(Agenda Item 8-1)**

Authorized entering into one or more agreements with the United States Bureau of Reclamation to accept up to \$125,472,855 in grant funding through the WaterSMART Large-Scale Water Recycling Program. **(Agenda Item 8-2)**

Adopted CEQA determination that the environmental effects of the Antelope Valley-East Kern High Desert Water Bank and the Turf Replacement Programs were previously addressed in various CEQA documents and related actions and authorized the General Manager to enter into agreements with the U.S. Bureau of Reclamation to implement phase two of the LC Conservation Program. **(Agenda Item 8-3)**

Reviewed and considered the Lead Agency's certified 2023 Final Environmental Impact Report for the Delta Conveyance Project (DCP), take related CEQA actions, and authorized the General

Manager to enter into an amended agreement for preconstruction work on the DCP planned for 2026-2027. By approving Option 1, the Board is not approving the DCP, as reflected in the statement of overriding considerations, which is limited to the preconstruction funding only. **(Agenda Item 8-4)**

Adopted the Legislative Priorities and Principles for 2025. **(Agenda Item 8-6)**

Approved censuring Director Morris by issuing a written public rebuke of his conduct and notifying his member agency; imposing restrictions on his travel on behalf of Metropolitan, including ceasing funding and prohibiting him from representing Metropolitan at any events; counseling by a professional and evaluation by the ad hoc committee to consider the rehabilitation and lifting those travel restrictions after the end of 12 months; and voluntarily not participating in closed session items regarding the General Manager. **(Agenda Item 8-7)**

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

All current month materials, and materials after July 1, 2021, are available on the public website here: <https://mwdh2o.legistar.com/Calendar.aspx>

This database contains archives from the year 1928 to June 30, 2021:
<https://bda.mwdh2o.com/Pages/Default.aspx>

The Metropolitan Water District of Southern California

Agenda

The mission of the Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

Board of Directors - Hidden

January 14, 2025

12:00 PM

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

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

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

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

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

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

1. Call to Order

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

2. Roll Call

3. Determination of a Quorum

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

5. OTHER MATTERS AND REPORTS

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

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

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

6. CONSENT CALENDAR OTHER ITEMS - ACTION

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

7. CONSENT CALENDAR ITEMS - ACTION

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

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

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

8. OTHER BOARD ITEMS - ACTION

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

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

9. BOARD INFORMATION ITEMS

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

10. OTHER MATTERS

NONE

11. FOLLOW-UP ITEMS

NONE

12. FUTURE AGENDA ITEMS

13. ADJOURNMENT

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

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

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