



General Manager's Monthly Report



Activities for the Month of February 2024

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Message from the General Manager

Metropolitan is in a transformational moment. The decisions we make today will impact Southern California for decades to come. If we embrace and boldly address the current challenges of scarcity, we will create a more abundant future.

Given how weighty today's decisions are, it stands to reason that they are also difficult. Where should we invest limited financial resources? How much risk should we assume in the face of a changing climate, emerging contaminants, and the demand on financial reserves? How do we remain competitive as the workforce and workplace change?

Unfortunately, we can't exactly predict the future. We have to make choices with incomplete information, which adds pressure to gather the best information available. Thankfully Metropolitan's resource managers, planners and staff are the absolute best in the business.

An important response to the challenge of making decisions amid uncertainty is the adaptive management approach being raised through the Climate Adaptation Master Plan for Water (CAMP4W) process. Adaptive management is a way to enable course corrections when future conditions indicate the need to make adjustments and where investment decisions can be staged incrementally. By adapting and fine-tuning investment decisions over time, we could better align implementation with real-world conditions and thereby reduce the risk of over or under developing resources.

Climate change is threatening the water supplies that have been our lifeblood for a century, and other challenges require us to look for innovative approaches to the future. None of this will be easy, as limited resources force us to prioritize among many urgent and real demands.

I'm confident, we can build a brighter—and wetter!—future that leaves no one behind. It will take collaboration, a continued focus on Metropolitan's mission, mindful prioritization of our commitments, and an adaptive management approach to help balance the many uncertainties we face.

We are one,

Adel



“We are caught in an inescapable network of mutuality, tied in a single garment of destiny. Whatever affects one directly, affects all indirectly.”

***- Martin Luther King Jr.,
Civil Rights Leader***



Strategic Priorities Update

The General Manager's Strategic Priorities guide actions in key areas of change and opportunity that will strengthen Metropolitan and its ability to fulfill its mission. Review the General Manager's [Business Plan for FY23-24](#) and the "[SMART Tracker](#)" dashboard of specific actions that advance the Strategic Priorities.



Empower the workforce and promote diversity, equity, and inclusion



Goal Dashboard

9 of 9 Outcomes in process and on target

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

The organization's overall vision, safety vision, and values (Safety, Trust, Accountability, Respect & Teamwork) were officially introduced to the workforce during the Coffee with the GM, attended by 900 employees. Activities and communication strategies are being developed to ensure ongoing tangible expression of these values including, for example, through performance management, orientation, and internal communications. As part of the related effort to promote safety, staff scheduled focus group sessions with employees, management, and bargaining units to discuss the safety vision and principles.

The EEO Office will hold office hours in the Desert region April 8-10. The purpose is to provide our remote employees the opportunity to meet and speak in-person with EEO staff to learn more about the EEO Office's policies and procedures, and/or report any EEO work-related concerns.

General Manager's and General Auditor's offices worked together to complete and agree upon an audit of the Roesling Nakamura Terada Architects contract to provide assessment, planning, and design support to the Desert Housing and Property Improvement Program.



Vision & Values

**Organizational
Vision and Values
have been updated
informed by
employee input**

■ Prepare and support the workforce by expanding training and skill development and updating strategies to recruit and retain diverse talent at a time when Metropolitan's needs are evolving and employee expectations about the workplace are changing.

The Recruitment Unit has engaged an outside professional services firm to assist with sourcing and to develop marketing campaigns for hard-to-fill positions. The Recruitment Unit has also started to implement new provisions of the AFSCME MOU and continues to evaluate the minimum staffing needs to meet service level expectations and to identify areas where potential improvements can be made to shorten the recruitment timeline.

To increase outreach efforts into Metropolitan's internships and apprenticeship programs, DEI has strategic partnership agreements for outreach in place with several community-based partners, including California African American Water Education Foundation (CAAWEF), Water Education for Latino Leaders (WELL), National Association for the Advancement of Colored People (NAACP), and Homeboy Industries.

843 employees completed Career Development trainings.



Sustain Metropolitan's mission with a strengthened business model



Goal Dashboard

5 of 5 Outcomes in process and on target

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

As a contribution to including fairness in the business model deliberation, our next panel discussion regarding affordability will be at the April Equity, Inclusion and Affordability Committee. Meanwhile, board questions and discussion around the proposed budget and revenue options for the coming biennium are also valuable for later exploration of business model alternatives.

- **Manage rate pressure on member agencies through attention to programmatic costs, organizational efficiencies, and efforts to secure external funding for projects with broad and multi-purpose benefits.**

SRI is interviewing for the Research and Grants Unit Manager position in March, which will enable further attention to expanding access to grant funding.



Adapt to changing climate and water resources



Goal Dashboard

9 of 11 Outcomes in process and on target
2 Outcomes behind schedule

■ Provide each member agency access to an equivalent level of water supply reliability through the development of a Climate Adaptation Master Plan for Water (CAMP4) that integrates water resource, financial and climate adaptation planning.

In its February meeting, the CAMP4W Task Force reviewed and discussed a refined set of Time-Bound Targets for use in the Climate Decision Making Framework. Ten Targets were discussed and, in accordance with the discussion, will be further refined for inclusion in the CAMP4W Year One Report.

Staff presented to the Board in February the recommended drought mitigation actions portfolio along with an implementation strategy. A March board action is being developed to recommend amending the current CIP to include selected drought mitigation projects.

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

Staff presented a Board Information Item on a proposed framework for a Supplemental Water Management Program that was designed collaboratively with member agencies as one strategy for capturing more water during surplus conditions.

A retail-level turf dashboard was presented to member and retail agency representatives at the monthly Water Use Efficiency coordinators meeting in February. While staff continues to gather feedback as part of the quality control process, all agencies in Metropolitan's service area now have access to the data.



Farm Conservation

Quechan Seasonal
Fallowing Program has
been extended through
December 31, 2026

Staff has completed negotiations with the Delta Conservancy on the Webb Tract Grant Agreement.

The Quechan Seasonal Fallowing Pilot Program has been extended through December 31, 2026. For the 2023 fallowing season, 148 acres were fallowed, which resulted in an estimated 281 AF conserved.

Progress continues on transitioning the fleet to zero emissions, with 11 ZEVs in the fleet, and on planning for expanded ZEV charging infrastructure. The team analyzed benefits of renewable energy at Reclamation facilities on the Delta islands and is transitioning agricultural leases to rice to reduce GHG emissions and provide carbon sequestration benefits. While the Climate Action Plan program still requires a full-time staff person to make additional progress on tracking GHGs and leading GHG reductions through new renewable energy and carbon sequestration credits, staff is on schedule to publish a Second Annual Report in April 2024.



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



Goal Dashboard

6 of 7 Outcomes in process and on target

1 Outcome completed

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

Staff presented to the Board the roadmap to develop the Strategic Infrastructure Resilience Plan (SIRP). The activities in 2023 to improve seismic resilience of Metropolitan's infrastructure were also discussed in the presentation.

This month staff trained with Pasadena Fire Department and CalFIRE.

All 13 of Metropolitan's Dam Emergency Action Plans have been completed and submitted to CalOES. Ten have been approved by the state, and the remaining three are under review with expected approval in the first quarter of 2024.

Since the launch of Cybersecurity Awareness Training, over 90 percent of Metropolitan employees have completed their training.

Planning for the Member Agency Cybersecurity Summit has begun. A save-the-date memo for the June 2024 Summit will be sent soon.

■ **Apply innovation, technology, and sustainable practices across project lifecycles (design, construction, operations, maintenance, and replacement).**

The SCADA pilot phase at Mills plant is complete. Staff is currently evaluating the effectiveness of the control system pilot program.

Master specifications are being reviewed for opportunities to incorporate sustainability/Envision principles into all projects.

The asphalt and surface restoration specification sections have been updated to increase the maximum amount of recycled asphalt from 20 to 25 percent, while a pilot project is planned to begin in April to test the use of a minimum 40 percent recycled asphalt.



Control System

A pilot control system upgrade (SCADA) at Mills Plant is complete and being evaluated



Partner with interested parties and the communities we serve



Goal Dashboard

5 of 7 Outcomes in process and on target

1 Outcome completed

1 Outcome behind schedule

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

Metropolitan hosted a Member Agency Public Information Officers Working Group meeting to share the results of recent focus groups on public trust in agencies and institutions, including Metropolitan. With discussion around water supply and water quality, the participants provided insights that can guide our public engagement strategies.

Metropolitan convened the seventh workshop of the regional Water Reuse Collaborative to coordinate among local agencies to leverage the benefits of the large-scale water reuse projects being led by Metropolitan and the City of Los Angeles. Water Replenishment District was featured this month, with a presentation that emphasized the opportunities of significant available basin storage.

Metropolitan participated in and presented technical information at two workshops for an effort organized by LA Waterkeeper to develop awareness and common policy positions on issues of water reuse.

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

External Affairs and DEI staff are coordinating on a few distinct tribal engagement efforts. Through site visits and technical discussions, Metropolitan is working with the Soboba Nation and Pechanga Nation to share knowledge around water system infrastructure, operations, and water quality. This also includes exploring grant opportunities targeted for underserved communities and small water systems. An April tour of the Colorado River Aqueduct is being planned for the California Indian Manpower Consortium and its member tribes.

We are continuing to work with fellow signatories of the Equity in Infrastructure Pledge to expand opportunity for historically underutilized businesses to secure procurement contracts with government agencies. There is focused attention and dialogue on how best to increase access to capital as well as how to pursue reciprocity in certification, which are two key barriers. As a testament to our efforts, Metropolitan has been nominated by the Greater Los Angeles African American Chamber of Commerce (GLAAACC) for Utility Company of the Year. The winner will be announced at GLAAACC's 30th Annual Economic Awards Dinner to be held in LA on April 19.

Executive Summary

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

Bay-Delta Resources

The California Department of Water Resources released two fact sheets: [Delta Conveyance Project Fast Facts](#)—a compilation of quick project stats, key project features, water supply reliability, and public input; and [Adapting to Climate Change: Catching and Moving Water from Big Storms](#)—which found that had the Delta Conveyance Project been operational during the recent storms, about 457,000 acre-feet of water could have been captured by the State Water Project for future use through February 20. This number will be updated as available.

Chief Financial Officer

Metropolitan staff commenced working on two upcoming bond sales, the approximately \$425 million Water Revenue Refunding Bonds, 2024 Series A, and the approximately \$270 million Subordinate Lien Water Revenue Refunding Bonds, 2024 Series B. The 2024 Series A bonds are scheduled to be marketed the week of April 22, 2024, and the Subordinate 2024 Series B are expected to be marketed the week of June 3, 2024. Members of the financing teams for the two refunding projects are assisting Metropolitan in preparing the documentation as well as meetings with the rating agencies for the two upcoming bond sales.

Diversity, Equity & Inclusion

The Diversity, Equity & Inclusion Office had a busy February continuing to advance equity and inclusion across all our stakeholder groups and engaging in the diverse communities we serve. We visited and made connections with the Sunburst Youth Academy to better advance our water treatment and conservation efforts and also brokered connections between the Soboba Tribe and a DC nonprofit to advance mutually beneficial conversations to support small water systems on Tribal lands. From engaging with innovations with the Israeli government to engaging with the US Green Building Alliance, the Business Outreach and Community Engagement Team has been engaged with local organizations and events to share more about expanding procurement opportunities for Metropolitan. The team was recently informed that we have been nominated by the Greater Los Angeles African American Chamber of Commerce (GLAAACC) for Utility Company of the Year. The winner will be announced at GLAAACC's 30th Annual Economic Awards Dinner to be held in LA on April 19.

Engineering Services

Following inspection of the Allen McColloch Pipeline (AMP) in October/November 2023, staff determined that urgent rehabilitation of portions of the pipeline was necessary. The urgent relining of the AMP will be performed in two stages to minimize impacts to member agencies. The first stage will primarily focus efforts on the portion of pipeline north of service connection OC-88 and will be performed in April 2024. The second stage will start in May 2024 and will address portions of the pipeline south of OC-88. A bulkhead will be used to provide flows to the northern portion of the line during an extended outage of the southern portion.

In February 2024, the Board authorized increases in change order authority to three existing contracts to expedite the Stage 1 work. Design of the Stage 1 work is now 99 percent complete. All of the 72-inch diameter pipe and 40 percent of the 63-inch diameter pipe needed for the April shutdown has been fabricated. Extensive outreach with member agencies and the local communities is underway, and encroachment permit applications have been submitted. Design for the Stage 2 work is 90 percent complete and will be advertised for competitive bids in March 2024.

Equal Employment Opportunity Office

The Equal Employment Opportunity Office has launched an updated mandatory EEO training for both supervisors and non-supervisors, in accordance with California regulations. Workplace discrimination, harassment, including sexual harassment, and retaliation is prohibited by Metropolitan policy, and is illegal under federal, state, and local laws. Through scenarios and exercises, this interactive training will explore the different forms of workplace

harassment, provide an overview of EEO-protected characteristics, and discuss abusive conduct prevention. The training is located in the My Learning Platform under the title *Recognizing Discrimination, Harassment and Retaliation (Supervisor/Manager)* for supervisors and *Recognizing Discrimination, Harassment and Retaliation (Non-Supervisor/Non-Manager)* for non-supervisors.

External Affairs

On February 7, Chair Ortega, GM Hagekhalil, and EO/AGM Upadhyay provided an update to the Calleguas board of directors on water supply reliability and how CAMP4W will inform future investments to serve Ventura County and the region. On February 21, Chair Ortega, GM Hagekhalil, and EO/AGM Upadhyay provided an update to the Inland Empire Utilities Agency board of directors on water supply conditions, CAMP4W, and planned investments to ensure continued reliability in the region.

Human Resources

The new training calendar was posted for the January and February offerings. A total of 392 employees completed in-person and virtual trainings covering topics like Franklin Covey's 7 Habits, Communicating Authentically & Effectively, Excel Calculations, Interviewing Skills, and Resume Writing. LinkedIn Learning's online training platform was accessed for trainings on Generative AI, Tinkercad, Mindfulness in the Workplace, PowerPoint Data Analytics, Inclusive Language at Work, and Interviewing Techniques.

Information Technology

The Information Technology Group recently completed the successful upgrade of ServiceNow to the latest version, Vancouver. ServiceNow is the main platform used by IT to manage help desk tickets and service requests, as well as automating many internal IT operations. The project, which began in late December 2023, involved a series of regression testing with all key functions being validated after the production upgrade. The new release offers improved AI searches and flow designer and backend navigation enhancements on the information technology infrastructure library (ITIL).

Safety, Security and Protection

Metropolitan staff has implemented a series of proactive measures aimed at addressing various safety and security concerns. One notable initiative includes the installation of additional high-security Automated Meter Reader (AMR) cabinets. These measures are designed to mitigate unplanned metering outages caused by incidents such as metal, battery, and power thefts.

In collaboration with both internal and external partners, Emergency Management has been diligently updating the first of several Dam Emergency Action Plans (EAPs). The goal is to bolster safety measures for both employees and the surrounding community. Additionally, Emergency Management has engaged in joint planning and training exercises with local fire departments to better prepare for potential emergencies.

Safety, Regulatory, and Training (SRT) has been proactive in drafting a memorandum introducing Metropolitan's new Safety Vision and Guiding Principles. SRT has also developed four new Safety Talks and facilitated joint exercises with local hazmat responders at the Skinner Treatment Plant. Repair work on underground storage tank fuel and vent lines at the Rio Hondo hydroelectric plant has been successfully completed, further enhancing safety protocols. Moreover, staff has secured a crucial air quality permit for the Manufacturing Service Unit (MSU) and has diligently submitted multiple compliance reports to respective air quality agencies. On the training front, the Apprenticeship program has continued its efforts to enhance skills and expertise among staff members. Additionally, Training has elevated its SOOM training program by integrating site visits into the course curriculum. These initiatives collectively underscore Metropolitan's ongoing commitment to safety and security across its operations.

Sustainability, Resiliency and Innovation

The Chief SRI Office is actively engaged in advancing climate adaptation efforts, beginning with a comprehensive presentation to the Los Angeles Business Council (LABC) Energy and Environmental Committee on the Climate Adaptation Master Plan for Water (CAMP4W). This presentation underscored the plan's critical implications for water conservation and its integration into broader environmental resilience strategies. Furthermore, participation in the Advisory Council for Climate Adaptation Science (ACCAS) in Washington, D.C., aimed to foster understanding among members regarding its objectives, subsequently shaping future discussions around prioritized topics identified by the U.S. Geological Survey. Subsequent to these engagements, the CAMP4W Task Force convened to deliberate on Time-Bound Targets, crucial for tracking progress on resource and policy goals across various categories, with the initial targets outlined in Working Memo #6.

Meanwhile, SRI has been actively involved in several key initiatives, including the transition to Zero Emission Vehicles (ZEVs), and sustainable procurement policy development, including the development of Sustainability and Resilience Operating Policy D-03. In February, efforts to facilitate a smooth ZEV transition continued, with discussions on a new policy for charging needs for Fleet ZEVs and the development of a ZEV First Directive prioritizing ZEV purchases. Furthermore, SRI has been collaborating on sustainable procurement practices, with work ongoing to revise Operating Policy G-05. Additionally, the Centralized Grants Management Office (CGMO) has been finalizing a MyLearning Grant Training program and launching a Water Grant Network for member agencies, underscoring Metropolitan's commitment to innovation and sustainability across its operations and programs.

Water Resource Management

Water Resource Management staff supported current year supply reliability by procuring SWP supplies that were undeliverable last year. Metropolitan reinforced its position as a leader in conservation, local resources, and groundwater recharge with the completion and submission of its Annual Report to the California Legislature on Achievements in Conservation, Recycling, and Groundwater Recharge. Metropolitan advanced conservation efforts by collaborating in the areas of non-functional turf and landscape certifications and prepared for potential future supply options through furthering the Future Supply Actions Funding Program RFP.

Water System Operations

This month marked the successful completion of a 10-day shutdown on a portion of the Upper Feeder between the Weymouth plant and Eagle Rock. Staff removed coatings and completed a 3-D scan for future upgrades at the San Gabriel Tower, inspected three tunnels, replaced several faulty valves, and upgraded security features at various locations. Despite being rescheduled at the last minute because of massive rainstorms, quick coordination with key stakeholders including member agencies, flood control district, field crews, operators, shutdown planners, and others ensured a successful shutdown. This effort exemplifies Metropolitan staff's commitment to collaboration and teamwork to get the job done.



Assistant Engineer Annie Yu collecting a nitrite sample early in the morning



Engineer Victor Galvez working a pipeline shutdown

“Working on this team gives me a broad perspective of water system operations and what it takes to safeguard the public’s drinking water. It has been a fun, exciting, and challenging journey.”

***Ying Wu, Team Manager
Operations Compliance Team***

TEAM DESCRIPTION

Water Quality’s Operations Compliance Team has a long and storied history at Metropolitan. Established in 1981 as the Process Coordination Unit in the Water Quality Branch, the team was later renamed the Plant Liaison Section and adopted its current name in 2001. Over the years, many members of this team have advanced to key roles within the organization, including several treatment plant managers.

The team is responsible for monitoring performance of Metropolitan’s five treatment plants, overseeing regulatory compliance of the domestic water systems at our desert facilities, collecting samples and monitoring water quality in the distribution system, and ensuring cross-connection control at all Metropolitan facilities. The team’s leader, Dr. Ying Wu, provides prompt notifications of any water quality changes or challenges to Member Agencies to ensure they are properly informed, as well as keeping the state’s Division of Drinking Water apprised on key water quality issues.

IMPORTANCE TO METROPOLITAN

Water Quality’s mission is to safeguard the public’s drinking water and the Operations Compliance Team plays a pivotal role in ensuring regulatory standards are met. Team members understand that it is their job to ensure 100 percent compliance with regulatory requirements and internal water quality goals.

It’s not uncommon for team members to receive off-hours calls about a treatment upset or an off-spec situation somewhere in Metropolitan’s vast system. Whether it’s an unexpected leak or planned shutdown repair, the team is always ready to respond to any water quality emergency.

MEMORABLE MOMENT

In 2023, Metropolitan experienced its longest and most severe nitrification episode on record, affecting multiple pipelines in the distribution system. Team Manager Ying and staff were at the heart of not just coordinating routine daily monitoring operations but also consistently updating Member Agency managers on system conditions. The appreciation expressed by the Member Agencies during this event recognized the collective efforts of all Metropolitan staff, but is in no small measure an acknowledgement of Ying and her team’s significant efforts in monitoring and managing this historic nitrification event.

Water Supply Conditions Report

Water Year 2023-2024

As of 02/28/2024

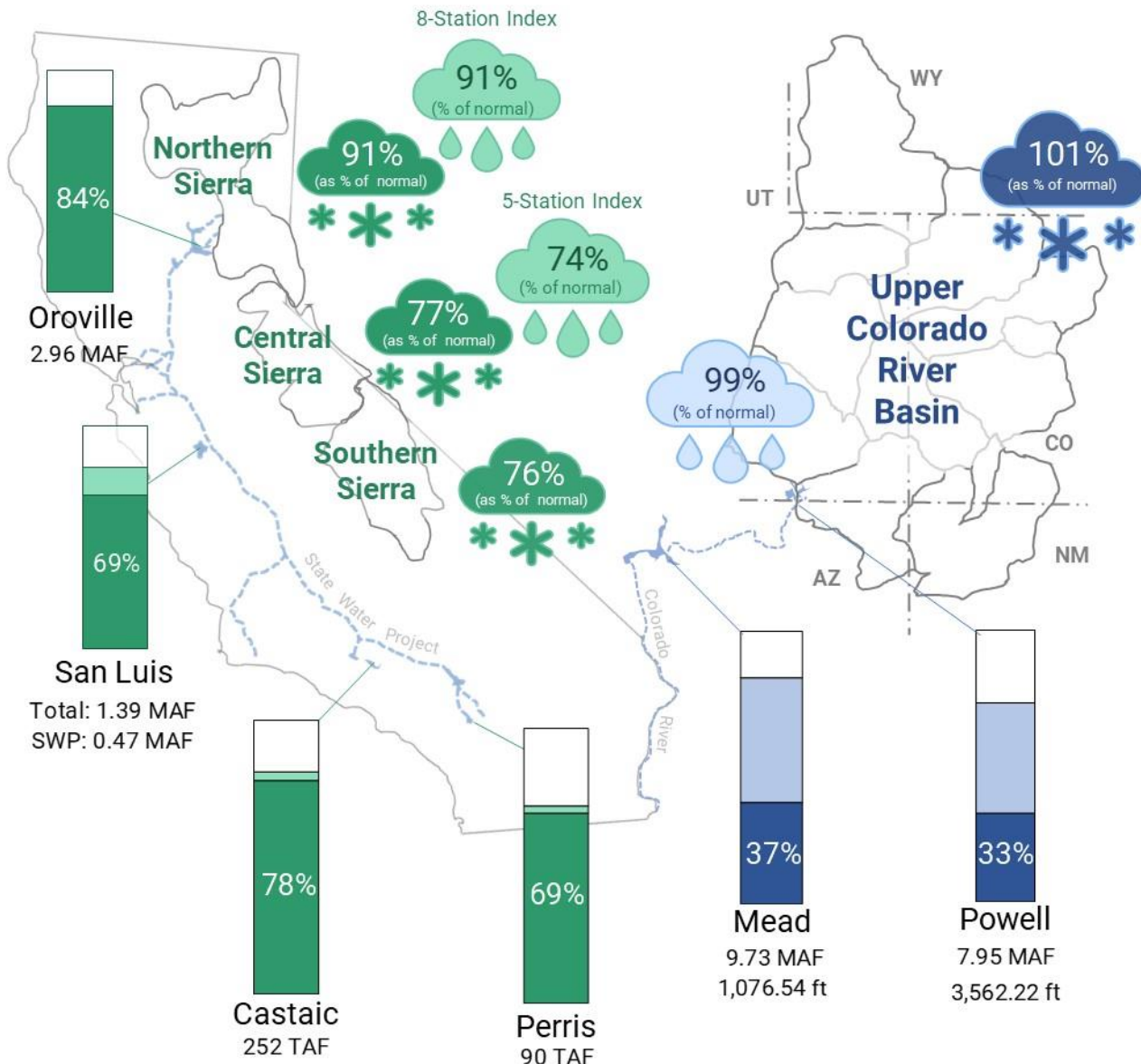
Extended Report: <https://www.mwdh2o.com/WSCR>

State Water Project Resources

SWP Allocation
15% Table A: 286,725 acre-feet

Colorado River Resources

Projected CRA Diversions
981,000 acre-feet



Reservoir Report

End of Month Reservoir Report

Monthly Update as of:

2/29/2024

<u>Reservoir</u>	<u>Current Storage</u>	<u>Percent of Capacity</u>
<i>Colorado River Basin</i>		
Lake Powell	7,911,000	33%
Lake Mead	9,731,000	38%
<i>DWR</i>		
Lake Oroville	2,947,797	83%
Shasta Lake	3,748,955	82%
San Luis Total	1,397,020	69%
San Luis CDWR	474,449	45%
Castaic Lake	257,101	79%
Silverwood Lake	70,111	94%
Lake Perris	90,607	69%
<i>MWD</i>		
DVL	755,081	93%
Lake Mathews	157,406	86%
Lake Skinner	34,782	79%



Hoover Dam



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

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