2019-2023 Business Plan Performance Update

Administrative & Finance Committee
August 22, 2019

Sandra L. Kerl
Acting General Manager
Business Plan History

- Guiding document to achieve objectives:
  - Flexible
  - Adaptive
  - Accountable
  - Continuously improved
  - Responsive to change
Business Plan History

- 15 years of proven success
- Awarded 2012 ICMA Certificate of Achievement for Performance Measurement in Strategic Planning

**Goal Success Rate**

<table>
<thead>
<tr>
<th>Year</th>
<th>Success Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>74%</td>
</tr>
<tr>
<td>2008</td>
<td>63%</td>
</tr>
<tr>
<td>2012</td>
<td>79%</td>
</tr>
<tr>
<td>2015</td>
<td>81%</td>
</tr>
<tr>
<td>2017</td>
<td>84%</td>
</tr>
<tr>
<td>2018</td>
<td>84%</td>
</tr>
<tr>
<td>2019</td>
<td>87%</td>
</tr>
</tbody>
</table>
Business Plan Overview

- Three Key Focus Areas
- Updated Management Strategies
- New Objectives and Tactics
- New and Updated KPIs
Programs and Management Strategies emphasize the following:

- Water System Management
- System Reliability
- Regulatory Compliance
- Financial Stability
2019-2023 Business Plan

Key Focus Areas - 106 Objectives

Water Supply
30 Objectives

- Imported Water
- Local Water
- Resource Planning

Water Facilities
35 Objectives

- Infrastructure/Capital Improvement Program
- Sustainability
- Water System Management

Business Services
41 Objectives

- Business Support
- Communication and Messaging
- Financial Management
- Workforce Management
2019-2023 Business Plan Performance Status as of June 30, 2019

106 Objectives

1. Objective has achieved the overall performance target.
2. Objective is either on track or ahead of schedule to meet the near-term and overall performance targets by the original target date.
3. Objective is not on track to meet the near-term and overall performance targets by the original target date.
4. Objective has been deleted or delayed due to a decision by the Water Authority Board.
5. Objective has been deleted or delayed due to factors outside of the Water Authority's control.
Water Supply

- **Imported Water**
  - Ensure appropriate cost allocation and long-term viability of imported water supplies
  - Bay-Delta, Colorado River, Metropolitan Water District

- **Local Water**
  - Support the on-going execution of the Water Authority’s and Member Agencies’ water supply diversification strategies
    - Seawater desalination and potable reuse

- **Resource Planning**
  - Advance long-term water planning and water use efficiency practices
Water Supply Objectives

1. **Completed:** 4
   - Support Poseidon in obtaining Carlsbad Desalination NPDES permit
   - Secure $2.5M in external funding for water-use efficiency programs

2. **On Track:** 25
   - Communicate conditional support of California WaterFix and updated Bay-Delta Policy
   - Explore viability of alternative conveyance of QSA supplies
   - Submit Member Agency Local Resource Program applications
   - Board approval of IRWM Plan Update (Completed in July)

3. **Delayed (Outside WA Control):** 1
   - Prepare Annual Water Supply and Demand Assessment
Ensure full amount of scheduled Quantification Settlement Agreement Water is delivered to the San Diego region each fiscal year.
Exceed the Claude “Bud” Lewis Carlsbad Desalination Plant Water Purchase Agreement minimum demand commitment of 48,000 acre-feet annually.
Water Facilities

- Infrastructure/Capital Improvement Program
  - Asset Management, Infrastructure Planning, New Facilities

- Sustainability
  - Climate Change, Environmental Management

- Water System Management
Water Facilities Objectives

1. Completed: 3
   - Meet 2020 Climate Action Plan emission targets
   - Board approval for update to 2013 Energy Management Program

2. On Track: 27
   - Complete the Mission Trails Flow Regulatory Storage II and Flow Control Facility
   - Develop major maintenance and replacement plan for Lake Hodges Hydroelectric Pump Storage Facility

3. Not On Track: 3
   - Complete the Hauck Mesa Reservoir and Pipeline Surge Protection project

4. Delayed (Outside WA Control): 2
   - Secure bill credit arrangement for Carlsbad Desalination Plant for energy produced at Rancho Peñasquitos Hydroelectric Facility
Maintain 90 percent of all Capital improvement Program projects within four months of their baseline schedule.
Eliminate unplanned service interruptions to member agencies by maintaining 100 percent system uptime each fiscal year.
Business Services

- Business Support
  - Adopting pioneering technology and protecting against cybersecurity threats
- Communication & Messaging
  - Continuing effective communications with external stakeholders
- Financial Management
  - Implementing long-term financial plans to provide rates and charges guidance
- Workforce Management
  - Attracting, retaining, and developing a high-performing workforce
Business Services Objectives

1. Completed: 8
   - Develop and obtain approval for a long-term pension funding strategy for future pension savings
   - Develop communication plan to address changing workforce demographics

2. On Track: 29
   - Implement all physical and policy improvements to enhance Kearny Mesa headquarters security
   - Reduce energy use of the Kearny Mesa headquarters from FY 2018 baseline by 7 percent.

3. Not On Track: 3
   - Upgrade existing phone technology

4. Delayed (Board Direction): 1
   - Conduct communications and outreach with poll results of 70% of stakeholders viewing municipal water service as “good” or “excellent.”
Implement at least 50 additional information security measures based on Center for Internet Security's CIS-20 security framework by the end of FY2023.
Business Services Key Performance Indicators

Monitor the Water Authority's short-term investment portfolio performance using the Bank of America Merrill Lynch 0-3 Year US Treasury & Agency Index as a performance benchmark.
Engage in outreach efforts that result in at least 50 percent of Citizens Water Academy alumni participating in at least one alumni activity through June 2021.
Business Planning Process

Monitor and Communicate Performance

Water Supply

Water Facilities

Business Plan

Business Services

Update every 2 years
2019-2023 Business Plan

Mission, Vision, Values, & Strategies

Our Mission
To provide a safe and reliable supply of water to its member agencies serving the San Diego region.

Our Vision

Our Values

Supply Diversification Strategy

Business Plan

Business Plan
The 2019-2023 Business Plan is the guiding document used by the Water Authority to implement the Board of Director's strategic direction. The Plan provides a common set of objectives for the organization, focuses Water Authority staff on achievable actions, and guides investments in resources.

The Business Plan is a rolling five year plan that is updated every two years to ensure the Water Authority stays on track in accomplishing its business goals. An assessment of the Business Plan's performance metrics is reviewed quarterly by Water Authority management and presented to the Board annually.

Business Plan Performance Report – October 1, 2016 to September 20, 2018
Sacramento Update

Legislation and Public Outreach Committee
August 22, 2019

Glenn Farrel, Government Relations Manager
Legislature

- August 12: Summer recess concluded - Legislature reconvened
- August 30: Fiscal committee deadline
- September 13: Last day of 2019 legislative session
- October 13: Last day for Governor to take final action on bills
Sponsored Legislation - AB 1588 (Gloria/Gray)

- AB 1588 is co-sponsored by the Water Authority and the Otay Water District
- AB 1588 is intended to address the lack of satisfactory crediting and equivalency standards for military veterans transitioning into civilian water and wastewater system operator occupations
- Pending consideration on the Senate Floor
Resources Bond Ballot Initiative

- July 3 - $7.883 billion resources general obligation bond ballot initiative filed with Attorney General
  - Sponsor: Joe Caves - Conservation Strategy Group

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>TITLE</th>
<th>FUNDING AMOUNT</th>
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<tbody>
<tr>
<td>Chapter 3</td>
<td>Wildfire Prevention and Community Resilience from Climate Impacts</td>
<td>$3.508 B</td>
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<td>Chapter 4</td>
<td>Safe Drinking Water, Protecting Water Supply and Water Quality from Climate Risks</td>
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<td>Protecting Agricultural Lands from Climate Risks</td>
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<tr>
<td>Chapter 7</td>
<td>Protecting Coastal Lands, Bays, and Oceans from Climate Risks</td>
<td>$770 M</td>
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<tr>
<td>Chapter 8</td>
<td>Climate Resilience, Workforce Development and Education</td>
<td>$230 M</td>
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- Measure will be eligible for signature gathering upon receipt of ballot title and summary from AG’s Office
### AB 352 (E. Garcia) - Resources Bond Measure

- **$3.92 B resources bond for November 2020 ballot**

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>TITLE</th>
<th>FUNDING AMOUNT</th>
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<tr>
<td>Chapter 2</td>
<td>Wildfire Prevention and Community Resilience from Climate Change Impacts</td>
<td>$1.25 B</td>
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<tr>
<td>Chapter 3</td>
<td>Safe Drinking Water and Protecting Water Supply and Water Quality from Climate Risks (Includes $185 M to Salton Sea Authority for implementation of Salton Sea Management Program)</td>
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<td>Chapter 4</td>
<td>Investments in Green and Social Equity, Enhancing California’s Disadvantaged Communities</td>
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<td>Protecting Fish and Wildlife from Climate Risks</td>
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<td>Protecting Agricultural Lands from Climate Risks</td>
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<td>Chapter 7</td>
<td>Protecting Coastal Lands, Bays, and Oceans from Climate Risks</td>
<td>$215 M</td>
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<tr>
<td>Chapter 8</td>
<td>Climate Resilience, Workforce Development, and Education</td>
<td>$230 M</td>
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Key Issues Remaining in 2019 Legislative Session

- SB 414 (Caballero)
  - Small system water authority act
  - Addresses structural deficiencies in service delivery by failing/non-compliant water systems
  - Assembly Appropriations Committee
  - Water Authority Board position: Support

- Pumped hydropower storage
  - Next Era Renewables

- Non-water issues center of attention
  - AB 5 (Gonzalez) - Independent contractors vs. employees
  - Housing - quantity, affordability
  - SB 1 (Atkins) - prevention of federal roll-back of statutory/regulatory standards
Small Contractor Outreach and Opportunities Program
Fiscal Year 2019 Annual Report

Legislation and Public Outreach Committee
August 22, 2019

Teresa Penunuri, Public Affairs Supervisor
Craig Balben, Public Affairs Representative
History of SCOOP Program

- SCOOP = Small Contractor Outreach and Opportunities Program
  - Goal: Maximize participation of small businesses on Water Authority contracts.
- 1992: Emerging Business Enterprise program formed
- 2001: Board changed name of program to SCOOP
- 2005: First SCOOP Small Business Participation Goal Enacted (21%)
Small Business Outreach

- 18 events in FY19
  - Veterans in Business Conference
  - San Diego Hispanic Chamber of Commerce’s North County Business Expo
  - Society of American Military Engineers luncheon and networking event
  - Innovation Showcase
  - Caltrans Procurement Fair
  - SANDAG speed networking event
$ Committed to Small Businesses

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<th>Amount Committed to Small Businesses</th>
<th>FY18</th>
<th>FY19</th>
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<td>$19.3M (26%)</td>
<td>$19.3M</td>
<td>$10.3M</td>
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<tr>
<td>$10.3M (12%)</td>
<td>$10.3M</td>
<td>$10.3M</td>
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<tr>
<td>$5.7M (7%)</td>
<td>$5.7M</td>
<td>$5.7M</td>
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<tr>
<td>$1.9M (3%)</td>
<td>$1.9M</td>
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Amount committed to minority and women-owned businesses:

<table>
<thead>
<tr>
<th>Amount Committed to Minority and Women-Owned Businesses</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.9M (3%)</td>
<td>$1.9M</td>
<td>$1.9M</td>
</tr>
<tr>
<td>$5.7M (7%)</td>
<td>$5.7M</td>
<td>$5.7M</td>
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Our Region’s Trusted Water Leader
San Diego County Water Authority
FY19 Small Business Highlights

Percent of spend

- Construction (small subcontractors): FY18 13%, FY19 34%
- Professional Services (small primes): FY18 21%, FY19 27%
Historical Trends - SCOOP Participation

- Small business participation
- Small business goal

FY10: 12% 20%
FY11: 41% 20%
FY12: 26% 25%
FY13: 25% 25%
FY14: 32% 30%
FY15: 39% 63%
FY16: 30% 30%
FY17: 30% 28%
FY18: 18% 26%
FY19: 20% 20%

FY10 FY11 FY12 FY13 FY14 FY15 FY16 FY17 FY18 FY19
Construction Participation Trends Downward

Total spend
Total construction spend
Small contractor spend

Our Region’s Trusted Water Leader
San Diego County Water Authority
In June 2018, small, local contractor, L.H. Woods & Sons, Inc., was sold to J.F. Shea Co.
SCOOP Goal Challenges, cont.

Construction: CIP focused on maintenance, rehab projects

Professional Services: Increased specialization

Contracting environment: Lots of competition
SCOOP Outlook - FY 2020

- Contracting
  - As-needed contracts
  - Construction

- Outreach
  - Caltrans Procurement Fair
  - USD Supplier Diversity Fair

- SCOOP Future
  - Strategies, trends
  - Plan for beyond 2020
Why WNN?

- Launched May 2018 to provide regional water news
  - Original stories
  - Member agency news
  - Media articles
  - Daily news clips
  - Bi-weekly roundup
- Part of Brought to You by Water Program
Telling Member Agency Stories ...

Agave attenuata is one of the plants available.

Fallbrook PUD Offers

June 18, 2019

Lake Jennings Photo Contest, Youth Category, First Prize Winner

Helix Water District Selects Photo Contest Winners

July 1, 2019

Alexander Schultz, Otay Water District geographic information systems technician, operates a drone in front of a district water storage tank.

Drones Offer Water Agencies Cost, Safety Benefits

April 29, 2019
... From Across the Region

East County Advanced Water Purification
April 2, 2019

San Diegans attending the Pure Water Demonstration Plant's demonstration facility. Photo: CEA

Pure Water Day Delhi
June 24, 2019

Yuima is among the smallest water districts in the San Diego County metropolitan area, covering 13.460 acres. Its 10 largest water users are all agricultural customers, consuming approximately 70 percent of total district water deliveries annually. Photo: Yuima Municipal Water District

Cooperation Preserves Pauma Valley Groundwater
April 24, 2019
Site Readership Climbs Steadily in 2019

- Story count grows
- Search engines generate interest
- Clicks double over six months
Reach Grows with Social Media

- WNN stories are repackaged for social media
- Water Authority: 19,000+ followers
- Member agency engagement boosts traffic
- Other stakeholders share content
Sharing by News Platforms Expands Audience

Good morning, Ed

Since San Francisco began exploring reusing water in 1932, the promise of conserving water has hovered. Today, as Water Innovations reveal drivers that compel its consider adoption are growing. Yet despite reuse’s great appeal, few are embracing the concept. So how do we move from interesting concept to widespread practice? Five factors could accelerate adoption of water reuse.

OPEN TODAY’S EDITION

Some other stories making news across California:
- San Diego scientists make waves in climate science
- San Francisco State team tests surprising new climate tool
- Special Report: The Central Valley’s trash-to-energy mystery
- State moves to protect workers from wildfire smoke
- San Diego’s water portfolio a ‘model for California’

In California water news today:
- Nature: the next big thing in climate adaptation technology?
- After at least 7 children diagnosed with cancer, parents eye chemical in city’s water?
- Key State Lawmakers to Call for Hearings Into Chevron Oil Spill?
- San Diego’s Water Portfolio Approach ‘Model for California’

Escondido Water employee Joseph Lucero

Escondido Water employee Joseph Lucero wins award for invention

The hometown newspaper of Escondido, California

The Daily Voice of Escondido, California

THE DAILY VOICE

Escondido Water employee Joseph Lucero

Escondido Water employee Joseph Lucero wins award for invention

The California Water Environmental Association for his innovative device that improved efficiencies and safety at the City of Escondido’s Hale Avenue Resource Recovery Facility.

San Diego County Water Authority

Our Region’s Trusted Water Leader
Moving into the Future

- Site improvements
- Content upgrades
- Social advertising
- Newsletter refinements
- JPIC training & brainstorming
- Member agency coordination & feedback
Update on Member Agency Outreach

- Member agency presentations
  - Completed presentations to date: 6
  - Scheduled: 10
  - Working to schedule: 8
State Salton Sea Management Program Update

Imported Water Committee
August 22, 2019

Darren Simon
QSA Outreach Coordinator
Background

- **Salton Sea Management Program (SSMP)**
  - State’s phased approach to restoration led by CNRA
  - Phase I plan covers first 10 years

**Water Order 2017-0134 (Nov. 2017)**

- Established annual acreage milestones
  - 30,000 total acres in first 10 years
    - 500 acres in 2018
    - 1,300 acres in 2019
- Annual updates to State Water Board
- Long-term plan required by 2021
Issues Identified During March 19 Workshop

- State reported 2018-19 milestones not met
  - Easement issues for key project (SCH) - Nearly 4,000 acres
  - Lack of staffing
  - Learning Curve - Design-Build process

- State Water Board Response
  - Resolve easement issue by May 2019
  - Continue efforts to expand staffing
  - More community engagement
Update During June 18 Workshop

- State reported positive developments
  - SCH Easement issue resolved by May deadline
  - Design-Build process moving forward
    - Work to begin in 2020
    - SCH anticipated completion -- 2023
  - Work ongoing to expand staffing levels

- State Water Board Response
  - State given time to move SSMP forward
  - Next workshop in Spring 2020
Next Steps for the State

- Anticipated to open field office at sea during SCH project
- Organize community engagement workshops
- Work on funding issues

Additional SSMP projects
- Red Hill Marina
- North Lake
- Air quality

- Milestone for 2020 - 1,700 acres
- Accumulative 2018 to 2020 - 3,500 acres
- Question remains whether State can meet existing/future targets
MWD’s Emergency Storage Update

Imported Water Committee
August 22, 2019

Liz Mendelson-Goossens
Senior Water Resources Specialist
MWD’s Dry-Year and Emergency Storage

End of year storage balances

Million Acre-Feet

Emergency Storage
Dry-Year Storage

Year

2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019

End of year storage balances

630 TAF

6.5
6.0
5.5
5.0
4.5
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0

The graph above shows the end of year storage balances for Emergency Storage and Dry-Year Storage from 2000 to 2019. The storage balances are measured in Million Acre-Feet (MAF). The data indicates a steady increase in storage over the years, with Emergency Storage consistently exceeding Dry-Year Storage. The highest storage balance recorded in the graph is 630 TAF in 2010.
Emergency Storage Objective Criteria

- **Outage Period**
  - 6 months
  - 6 to 12 months

- **Retail demand Cutback**
  - 25%
  - Range: 25% to 35%

- **Local Production**
  - 100% MAs reported in IRP
  - Range: 80% to 100%

- Local supply production & retail demand based on forecasts for 2018 provided during the 2015 IRP update
“Envelope” Approach

<table>
<thead>
<tr>
<th>Local Supply</th>
<th>Retail Demand Cutback</th>
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<tbody>
<tr>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>80%</td>
<td>1,420,000</td>
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<tr>
<td>90%</td>
<td>1,290,000</td>
</tr>
<tr>
<td>100%</td>
<td>1,180,000</td>
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</table>

Local supply and retail demand cutback based on the projections for 2018 included in MWD’s 2015 IRP
Member Agency Input

- Update objective more frequently
- Inclusion of other agencies’ emergency supplies
- Water Authority’s ESP Supplies
  - Capacity vs. actual wet water
- White Paper
Next Steps

- Update emergency storage objective in WSDM
- Spatial distribution assessment & system operations
Colorado River Hydrology and Operations Update

Imported Water Committee
August 22, 2019

Kara Mathews, Principal Water Resources Specialist
Drought in the Colorado River Basin

- Drought conditions since 2000 with declining reservoir levels and storage
- Led to Drought Contingency Plan (DCP) signed in May 2019 to help protect Lake Mead
- This year experienced above average hydrology
DCP Changes to the Lake Mead Storage Program

- DCP contribution volumes triggered by Lake Mead elevation starting at 1,090'

- California can access Lake Mead storage (ICS) below 1,075'

- New projects approved for Lake Mead storage and increased capacities for states
Storage, Hydrology, and Operations

<table>
<thead>
<tr>
<th>Storage and Hydrology (As of August 19)</th>
<th>% Full</th>
<th>Million AF</th>
<th>Elevation</th>
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<tbody>
<tr>
<td>Lake Powell</td>
<td>57%</td>
<td>13.8</td>
<td>3,621'</td>
</tr>
<tr>
<td>Lake Mead</td>
<td>39%</td>
<td>10.3</td>
<td>1,083'</td>
</tr>
<tr>
<td>Total System</td>
<td>55%</td>
<td>32.6</td>
<td>-</td>
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Upper Basin Peak Snowpack - 133% of normal
Forecasted WY Runoff to Powell - 125% of normal

2020 Operations (August Projections)

<table>
<thead>
<tr>
<th>Lake Powell (Jan. 1 Elevation - 3,618’)</th>
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<tbody>
<tr>
<td>Release Volume - 8.23</td>
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</table>

<table>
<thead>
<tr>
<th>Lake Mead (Jan. 1 Elevation - 1,089’)</th>
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</thead>
<tbody>
<tr>
<td>Shortage - No</td>
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<tr>
<td>DCP Contributions - Yes</td>
</tr>
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</table>
Lake Mead Elevation Triggers

1st Trigger 1075’

1st Trigger 1090’

Projections:

- 1050’
- 1045’
- 1040’
- 1035’
- 1030’

No CA Cutbacks in a Shortage

DCP Contributions:

- 1045’ CA Contributes
- 1040’ CA Contributes
- 1035’ CA Contributes
- 1030’ CA Contributes

1090’ 1st Trigger = 241,000 AF of DCP Contributions

Projected Lake Mead Level - 1,089’

Our Region’s Trusted Water Leader
San Diego County Water Authority
### Five Year Shortage Projections

**Projected Probability of Shortage**

<table>
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<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
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<tbody>
<tr>
<td>% Chance of Lake Mead Shortage</td>
<td>0%</td>
<td>6%</td>
<td>26%</td>
<td>31%</td>
<td>37%</td>
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</table>

![Lake Mead Image](image-url)
DCP Contributions for 2020

Lake Mead Elevation <=1,090 to >1,075

241,000 AF of DCP Contributions +
100,000 AF of system water from BOR

*California does not have DCP contributions until elevation 1,045’
Key Points

Better outlook but remain mindful of long-term drought

DCP will be implemented in 2020 and includes key changes

Continue efforts to obtain Lake Mead storage
## New Approved Projects for Lake Mead Storage

<table>
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<tr>
<th>State</th>
<th>Exhibit</th>
<th>Agency</th>
<th>Program</th>
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<tr>
<td>Arizona</td>
<td>Q</td>
<td>CAWCD</td>
<td>ICS Project</td>
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<tr>
<td></td>
<td>R</td>
<td>CAWCD</td>
<td>Demand Reduction Incentives Program</td>
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<tr>
<td></td>
<td>S</td>
<td>CRIT</td>
<td>EC ICS Fallowing Program</td>
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<td></td>
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<td>GRIC</td>
<td>ICS Project</td>
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<td></td>
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<td>MVIDD</td>
<td>EC ICS Fallowing Program</td>
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<td>LRP Additional Groundwater Recovery Projects</td>
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<td>LRP Recycling Projects</td>
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<td>Seawater Desalination Program</td>
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<td>Regional Recycled Water Program</td>
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<td></td>
<td>AD</td>
<td>MWD</td>
<td>Seasonal Fallowing Program</td>
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Update to 2014 Climate Action Plan

Water Planning and Environmental Committee
August 22, 2019

Eric Rubalcava, PE
Senior Water Resource Specialist
1st Climate Action Plan

- In August 2011, the Board directed staff to prepare a Climate Action Plan (CAP) in conjunction with the 2013 Water Facilities Optimization and Master Plan Update
- In 2014, the Water Authority completed and approved its first CAP
Water Authority’s Climate Action Plan

- Community-wide CAP vs. Government Operations CAP
  
  (Multi-purpose agency)  
  (Single purpose agency)
Water Authority’s Climate Action Plan

- Inventories GHG sources (facilities, buildings, fleet)
- Estimates emission changes over time, including new facilities
- Establishes required targets for compliance
- Identifies mitigation actions to reduce GHGs
- Documents GHG reduction measures on feasibility, cost and implementation
Water Authority’s Requirements

- Assembly Bill 32 (AB 32), the California Global Warming Solutions Act
  - 2020 GHG emissions goal established
  - Focused on industries emitting more than 25,000 metric tons (MT) CO2e
  - Cannot hinder State from achieving 2020 goals
- California Environmental Quality Act (CEQA) required all environmental review documents to provide a detailed assessment of GHG emissions
  - Water Authority voluntarily prepared CAP to meet this requirement
Setting our Greenhouse Gas Emission Targets

- AB 32 requires 2020 GHG emission levels to be at 1990 levels
- State’s Scoping Plan allows for substitute year between 2004-2010

2009 Baseline Emissions (85%) 2009 Levels = 1990 Levels

- Executive Order S-3-05 requires 2050 GHG emissions to be 80% below 1990 levels
# Water Authority 2009 Baseline Emissions

<table>
<thead>
<tr>
<th>Emissions Sector</th>
<th>2009 MT CO$_2$e</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>4,133</td>
<td>71%</td>
</tr>
<tr>
<td>Vehicle Fleet</td>
<td>694</td>
<td>12%</td>
</tr>
<tr>
<td>Employee Commute</td>
<td>685</td>
<td>12%</td>
</tr>
<tr>
<td>Off-Road Equipment</td>
<td>143</td>
<td>2%</td>
</tr>
<tr>
<td>Stationary Source</td>
<td>89</td>
<td>2%</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>58</td>
<td>1%</td>
</tr>
<tr>
<td>Solid Waste</td>
<td>27</td>
<td>0.5%</td>
</tr>
<tr>
<td>Water</td>
<td>4</td>
<td>0.1%</td>
</tr>
<tr>
<td>Refrigerants</td>
<td>2</td>
<td>&lt;0.1%</td>
</tr>
<tr>
<td>Wastewater</td>
<td>1</td>
<td>&lt;0.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,836</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Water Authority’s State-Aligned Emission Goals

Baseline Emissions

15% Below Baseline 1990 Equivalent
AB32

Interpolation Between 2020 & 2050 Goals

80% Below 1990 Levels EO S-3-05
Water Authority Emission Targets and Annual Updates

Emission Estimates (MT CO2e)  State Aligned Targets (MT CO2e)
New Regulations and Next Steps

- September 2016 the State passed Senate Bill 32

2030 Emission Levels = 40% of 1990 Emission Levels

- Schedule moving forward:
  - Complete Draft CAP Update (September 2019)
  - Consultant QA/QC (December 2019)
  - Present Final CAP to Board (Spring 2020)
Developing Federal and State Water Reuse Action Plans

Water Planning and Environmental Committee
August 22, 2019

Lesley Dobalian
Principal Water Resources Specialist
Two Recycled Water Action Plans

- California WaterReuse Action Plan

- National Water Reuse Action Plan
California WateReuse Action Plan

- Statewide action plan
  - Developed by WateReuse CA
  - Water Authority and member agency input

- Strategy over 30 years
  - Advance reuse statewide
  - State and local agency actions
  - Four key focus areas

Finalized July 2019
Focus Areas in California Action Plan

1. Research to advance water recycling
   - Amount of wastewater available to recycle
   - Impacts of diminishing wastewater flows
   - Direct potable reuse research

2. Regulations and permitting
   - Direct potable reuse regulations
   - Recycled water statewide use goals
   - Alternative treatment trains
Focus Areas in California Action Plan (continued)

3. Integrated regional planning
   - Local collaboration to maximize reuse
   - Regional brine disposal solutions

4. Grant and loan opportunities
   - Funding for State Revolving Fund through bond sales
   - General obligation bond measure
   - Streamline funding and increase staff
Outreach on California Action Plan

- State Water Resilience Portfolio
  - Inform development
  - Reuse key component

- State Water Resources Control Board

- State legislators

- National Water Reuse Action Plan
Federal action plan
- Under development by United States Environmental Protection Agency (USEPA)
- Released discussion framework
- Invited public, agency, and industry feedback

Accelerate reuse through integrated approach

Draft will be released in September
- National WateReuse Symposium in San Diego
Input into National Action Plan

- WateReuse Association input
  - Joint workshops with USEPA
  - WateReuse committee workgroup
  - Coalition letter challenges and recommended actions

- Water Authority input
  - WateReuse workshop and committee
  - Member agency workgroups
  - Comments through public docket
Next Steps on National Action Plan

- USEPA to release draft September 2019
- Provide input to USEPA
  - Engage with WateReuse Association
  - Coordinate with member agencies
WaterSmart Contractor Incentive Program

Water Planning & Environmental Committee

August 22, 2019
MWD Reinstatement of MAAP Eligibility

- MWD Rate Structure Integrity (RSI) clause in effect 2011-17
- Successful legal challenge leads MWD to rescind RSI clause
- After reinstating MAAP eligibility, FY 2018-19 allocation totals $2.4 million (including $803,000 in accrued FY 2017 funds)
- Allocated MAAP funds expire June 30, 2020
- **MAAP Funding Status:**
  - **TOTAL MWD MAAP FUNDS:** $2,409,000
  - **PROJECTS APPROVED BY MWD:** $1,938,893  
    (13 regional & 9 by member agencies)
  - **UNALLOCATED FUNDS AVAILABLE:** $ 470,107
WaterSmart Contractor Incentive Program (WSCIP) Overview

- For large landscapes (min. 1 acre; pref. > 5 acres; no max.)
- Payments directly to contactors with owner permission
- Bundled incentives for multiple irrigation devices

<table>
<thead>
<tr>
<th>Measures</th>
<th>Incentive Amount*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smart Irrigation Controllers</td>
<td>$35 per station</td>
</tr>
<tr>
<td>High-Efficiency Sprinkler Nozzles</td>
<td>$6 per nozzle</td>
</tr>
<tr>
<td>Flow Sensors</td>
<td>$60 per sensor</td>
</tr>
<tr>
<td>Drip Irrigation</td>
<td>$0.20 per square foot</td>
</tr>
</tbody>
</table>

* Based on MWD $195/AF
# WSCIP Budget

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>MWD MAAP Funding</td>
<td>$621,320</td>
<td>New MAAP allocation in consultation with MAs</td>
<td>TBD</td>
</tr>
<tr>
<td>POC Operating Budget</td>
<td>$139,500</td>
<td>Proportional Budgeted Funds</td>
<td>New Budget (Bd. Approval)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$760,820</td>
<td>TBD</td>
<td>TBD</td>
</tr>
</tbody>
</table>

If pilot is successful, allocate additional funding for Years 2–3.
Authorize the General Manager to execute a three-year professional services agreement with an option for a two-year extension with WaterWise Consulting for the administration of the WaterSmart Contractor Incentive Program in an amount not to exceed $760,820.
Mission Trails Flow Regulatory Structure II and Flow Control Facility Project

Engineering & Operations Committee
August 22, 2019

Brent Fountain
Principal Engineer
Budget History

FY04/05: $28.9
FY12/13: $63.9
FY18/19: $40.8
FY20/21: $42.5
Budget Update

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Budget Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY04/05</td>
<td>$28.9</td>
</tr>
<tr>
<td>FY12/13</td>
<td>$63.9</td>
</tr>
<tr>
<td>FY18/19</td>
<td>$40.8</td>
</tr>
<tr>
<td>FY20/21</td>
<td>$49.1</td>
</tr>
</tbody>
</table>
Construction Cost Estimate

- FY20/21 Budget Bid Range: $19.0 to $26.5 million
  - Based on Midpoint Design
- Current Bid Range: $26.5 to $32.5 Million
  - Based on Final Design
- Difference: $6.6 million
  - Refined Design Data
  - Inadequate Estimate Contingency
  - Construction Cost Inflation
Construction Cost Mitigation

- Steel Pipe Supplier Outreach
- Prime Contractor Outreach
- Value Engineering
Community Outreach

- Mission Trails Regional Park Citizens Advisory Committee
- Mission Trails Regional Park Task Force
- Tierrasanta Community Council
## Project Schedule

<table>
<thead>
<tr>
<th>Year</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>- Advertise &amp; Receive Bids</td>
</tr>
<tr>
<td></td>
<td>- Recommend Board Award</td>
</tr>
<tr>
<td>2020</td>
<td>- Aqueduct Isolation Shutdown</td>
</tr>
<tr>
<td></td>
<td>- Construct New Facilities</td>
</tr>
<tr>
<td>2021</td>
<td>- Aqueduct Activation Shutdown</td>
</tr>
<tr>
<td></td>
<td>- Complete Construction</td>
</tr>
</tbody>
</table>
Pipeline 4 Leak - Moosa Canyon

Engineering & Operations Committee
August 22, 2019

Jim Fisher
Director of Operations & Maintenance
Pipeline 4 Leak Location

Pipelines 3, 4, and 5

PIPEDLINE 4 LEAK

PIPELINE 4 LEAK
Moosa Creek

Area of Leak
Running Water Results from Leak
Pipeline 4
Actions to date

- Coordinated emergency shutdown with member agencies and MWD (tentatively scheduled for Sept 9)
- Issued emergency declaration
- Ordered bulkheads for isolation (estimated delivery date Sept 4-6)
- Coordinated outreach/messaging with member agencies
- Secured contractor(s) for potential repair
-Preparing multiple repair approaches (actual approach to be confirmed following shutdown & inspection)
Future actions

- Perform shutdown and install bulkheads (tentatively scheduled for Sept 9-18)
- Perform internal investigation
- Develop design of repair (TBD)
- Perform repairs (TBD)
- Schedule pipe return to service (TBD)
Staff recommendation

- Authorize the continuation of the emergency declaration for the repair of Pipeline 4 in Moosa Canyon
As-Needed Contracts for Professional Structural Engineering Services

Engineering & Operations Committee
August 22, 2019
As-Needed Contracts

- 15 projects over next five years requiring licensed Structural Engineers.
- Fulfills part time structural engineering services.
Professional Service Contract

- Staff advertised a request for proposal on April 24, 2019.
- Six consultants submitted written proposals.
- Five consultants were asked to interview.
- Consultants were evaluated based on:
  - Understanding of Work
  - Technical Qualifications
  - Experience
  - Past Performance
Consultant Selection

- Kleinfelder, Inc.
- Beyaz & Patel, Inc.
- Kennedy/Jenks Consultants, Inc.
Authorize the General Manager to award professional services contracts to Kleinfelder, Inc. for $350,000; Beyaz & Patel, Inc. for $350,000; and Kennedy/Jenks Consultants, Inc. for $300,000 for professional structural engineering services, as-needed, for a period of three years with an option to extend two additional years.