February 26, 2020

**Attention: Imported Water Committee**

**Metropolitan Water District Delegates’ Report. (Discussion)**

**Purpose**
This report summarizes activities of interest at the Metropolitan Water District (MWD) committee and Board meetings. This report includes MWD Board activities from February 10 and 11, 2020. The MWD Board will meet next on February 25, and March 9 and 10.

**Discussion**
The Water Authority Delegates (Delegates) supported all 10 action items approved by the MWD Board at its February 2020 meeting. MWD Board actions of interest to the Water Authority were:

- Setting MWD’s March 10, 2020 Board meeting as the combined public hearing date for its proposed calendar years 2019 and 2020 water rates and charges and the “applicability” of the ad valorem property tax rate limit for fiscal years 2021 and 2022;
- Authorizing agricultural leases on portions of MWD’s Bay-Delta islands; and

The Finance and Insurance (F&I) Committee received presentations on setting the combined public hearing and a summary of the proposed 2020 and 2021 biennial budget, rates and charges, and updated 10-year rate forecast. Attachment 1 summarizes these presentations and the subsequent discussion. The biennial budget and rates setting schedule is:

- February 25: Workshop #2
- March 9: Workshop #3
- March 10: Public Hearing on proposed rates, charges, and “applicability of the tax rate limit pursuant to Section 124.5 of the MWD Act”
- March 24: Workshop #4, if needed
- April 13: Present recommended Board action on the budget, rates, and charges; Workshop #5, if needed
- April 14: Board action to adopt the budget, rates, and charges.

At MWD’s February Board meeting, in response to an earlier question by Board Secretary Abdo (Santa Monica), Chairwoman Gray (West Basin) discussed the role of the Integrated Resources Plan Special Committee (IRP Committee). Gray said the IRP Committee will “play the important role of following up on many of the key issues” MWD faces today, which “are significantly different than those we faced when we first started [the IRP] process 25 years ago.” Gray asked staff to “mirror our Board process with significant engagement on the part of our member and local agencies,” noting engagement with the member agencies will start at the February 14 Member Agency Managers’ meeting. MWD plans to conclude the IRP update by the end of 2020. Director Pressman (Beverly Hills) and Director De Jesus (Three Valleys) will

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1 Director Butkiewicz abstained on an item related to granting a permanent easement to San Diego Gas and Electric.
serve as the committee’s chair and vice chair, respectively. (Directors Goldberg and Smith are assigned to the committee.) The IRP Committee’s first meeting will be on February 25.

At the Water Planning and Stewardship Committee, Acting Deputy Director of the State Water Project Ted Craddock presented on the California Aqueduct Subsidence Program. At the Real Property and Asset Management Committee meeting, the Board received an update on activities taking place on MWD’s Bay-Delta islands. Attachment 2 summarizes discussions following Craddock’s presentation and related to the Bay-Delta, including the voluntary agreements.

At the Communications and Legislation (C&L) Committee, the committee discussed and accepted three revisions to the 2020 State Legislative Priorities and Principles related to the Bay-Delta and State Water Project improvements and Regional Water Resource Management. At the December 2019 MWD meeting, the Board approved the 2020 State and Federal Legislative Priorities and Principles, but the Board requested additional changes at the January 2020 C&L Committee meeting, so the item was brought back in February. The Board unanimously approved modifications made by the committee at its February meeting.

Prepared by: Skylar Stephens, Management Analyst
Megan Couch, Assistant Management Analyst

Reviewed by: Communications and Legislation Committee by Jerry Butkiewicz & Tim Smith
Conservation and Local Resources Committee by Michael Hogan
Engineering and Operations Committee by Tim Smith
Finance and Insurance Committee by Gail Goldberg & Tim Smith
Legal and Claims Committee by Gail Goldberg & Tim Smith
Organization, Personnel and Technology Committee by Michael Hogan & Tim Smith
Real Property and Asset Management Committee by Michael Hogan & Tim Smith
Water Planning and Stewardship Committee by Gail Goldberg & Michael Hogan

Attachments:

Attachment 1 – Discussion Summary of MWD’s Proposed Biennial Budget and Rates
Attachment 2 – Discussion Summary of Issues Related to the Bay-Delta
Attachment 3 – MWD’s committee and Board meeting agendas dated February 10 and 11, 2020 and Board summary dated February 11, 2020
Discussion Summary of MWD’s Proposed Biennial Budget and Rates

At its February 2020 meeting, Metropolitan Water District’s (MWD’s) Finance and Insurance (F&I) Committee received two presentations related to its proposed 2021 and 2022 budget, rates, and charges. The first presentation by Assistant General Manager/Chief Financial Officer Kasaine sought to set a combined public hearing on March 10, 2020 regarding MWD’s proposed calendar years 2021 and 2022 rates and charges and the “applicability of the MWD Act Section 124.5 ad valorem property tax limitation” for fiscal years 2021 and 2022. Following this presentation, Kasaine and other MWD staff presented MWD’s proposed fiscal years 2021 and 2022 biennial budget, the associated calendar years 2021 and 2022 rates and charges, and the updated 10-year rate forecast.

During her presentation on setting the combined public hearing, Kasaine made it clear that MWD plans to suspend the ad valorem tax rate limitation for fiscal years 2021 and 2022, which will result in MWD collecting about $254 million more in tax revenues than permitted under its Act. (Section 124.5 of the MWD Act limits the types of debt MWD may fund using ad valorem tax revenues unless the Board “finds that a tax in excess of these restrictions is essential to the fiscal integrity of the district.”) Different from MWD’s past actions to set the public hearing, this time MWD described the public hearing as regarding the “applicability” of Section 124.5 of its Act rather than a suspension of “the ad valorem property tax.”

Following Kasaine’s presentation, Director Goldberg echoed her previous comments that staff has yet to provide analysis demonstrating that suspending the tax rate limitation is “essential” to MWD’s fiscal integrity. She requested this analysis be provided at the March public hearing. She also doubted the Board letter’s wording—“applicability of the MWD Act Section 124.5 ad valorem property tax limitation”—would send a “clear message” to the public about the topic of the hearing. Referring to the Water Authority General Counsel’s letter1 on the item, Director Smith asked why MWD changed the language to reference the “applicability” of Section 124.5. Without explaining the change following six years of using a more direct description, staff responded that the agenda item uses the language in MWD’s Act directly. Smith asked how often the Board would be required to reevaluate the tax rate limitation’s applicability, assuming the Board determines that it does not apply. Staff said, “as far as how often it does not apply, it would be up to the Board to determine what is applicable.”

Following staff’s presentation on the proposed 2021 and 2022 biennial budget, rates, charges, and ten-year forecast, Director Hogan verified that staff’s proposal would result in the System Access Rate increasing by approximately 15 percent over a two-year period and 50 percent between 2020 and 2030. He asked if that included any funding for the Bay-Delta tunnel project; General Manager Kightlinger said the proposed rate increases and 10-year forecast only include planning costs for the Bay-Delta project ($25 million annually in fiscal years 2021 and 2022, and $50 million in fiscal year 2023) and Regional Recycled Water Program ($15 million annually in fiscal years 2021 and 2022) but do not include any of these projects’ implementation costs.

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1 The Water Authority General Counsel’s February 8, 2020 letter to MWD can be found here: https://mwdprograms.sdcwa.org/wp-content/uploads/2020-02-08-WA-GC-ltr-to-MWD-GC-re-Tax-hearing.pdf
Hogan mentioned the Water Authority’s fiscal sustainability task force is working through similar issues MWD is facing and that process is “very productive;” he suggested that MWD establish a similar task force to tackle the issues. Kightlinger replied that “we'll watch it with interest.”

Director Ortega (Fullerton) suggested that at “future workshops,” MWD discuss its current rate structure compared to bundled rates. Kightlinger said staff does not “intend to bring forward options” to bundle MWD’s rates during this budget and rate setting process, but the Board could evaluate this option later through the “rate review structure process.” He added that bundled versus unbundled rates are “more of a policy issue than a rate setting issue.” Ortega also requested that staff explore the option of minimizing rate increases “by reducing the debt reduction,” and Kightlinger said staff will “address that.”

Director Blois (Calleguas) expressed concern that the Treatment Surcharge is not proposed to decrease. Alluding to the Board’s previous discussions when it considered implementing a fixed charge to recover a portion of its treatment costs, Blois said the Board was told “we were going to mothball our stranded assets and that surely the treated water charge would eventually go down.” Kightlinger said that during those discussions, staff did not suggest “costs were going down, but the [cost] drivers were shrinking and so that overall [treatment] cost would stabilize over time.” However, Kightlinger noted chemical and power costs have increased and MWD is spreading these costs over a lower sales base, which is causing the treatment cost increase (through 2025, at which point MWD currently projects it will stabilize).

Smith expressed a desire for a more robust financial policy discussion, either through a long-range financial planning exercise or by performing a “sensitivity analysis” on various assumptions used to develop the ten-year rate forecast. He requested that at the March workshop, staff provide this sensitivity analysis under several scenarios:
- If MWD moved forward with the Regional Recycled Water Program (a $3.4 billion project if implemented at full-scale);
- If MWD participated in the multi-billion dollar single-tunnel Bay-Delta project;
- Factoring in the cost of dealing with subsidence issues along the California Aqueduct (previously estimated by Kightlinger to be between $1 billion and $5 billion);
- Prefunding some of its retirement and retiree healthcare liabilities; and
- Assuming MWD’s Capital Investment Plan (CIP) expenditures track with 100 percent of their appropriation (instead of at 90 percent, which the proposed budget and rates are based on).

To understand the financial impact of MWD expenditures on rates, Smith asked how an additional $50 million or $100 million in operating expenses would impact MWD’s rates, and similarly the impact that $100 million in debt issuance would have. Kightlinger indicated staff would accommodate Smith’s requests and said staff will “explain the assumptions” used in its projections.

Director Kurtz (Pasadena) noted that in fiscal year 2021, MWD plans to draw on its unrestricted reserves, while in fiscal year 2022, it plans to add to them. She asked how MWD uses its reserves and how MWD projects its water sales. Related to how MWD forecasts its sales,
Kightlinger said the Board will get more details during the 2020 Integrated Water Resources Plan update, but at a high level, MWD uses member agency demand and local supply forecasts and financial and population growth estimates from regional and state planning agencies. For hydrologic impacts, MWD assumes average conditions. He said MWD will not sell exactly what it forecasts; sales will “be 10 percent more or 10 percent less” and reserves “buffer” these swings. He added that MWD tries to budget water sales more accurately in each budget and rate setting cycle and to avoid drawing from reserves for more than an 18-month period. Kasaine added that MWD is not hitting the Board-established debt coverage ratio target of two times, which is a driver in the need for MWD to have large reserves, and “spend[ing] more of our reserves would not be the right direction if we’re going to try and hit those targets.” Later, Director Barbre (Municipal Water District of Orange County) asked if MWD had sufficient cash reserves despite its bond coverage ratio being “down;” if it did, he suggested MWD would still be hitting its “financial metrics.” Kasaine said MWD has “sufficient cash to meet our needs.”

Director Murray (Los Angeles) asked how per- and polyfluoroalkyl substances (PFAS) contamination in groundwater may affect water sale projections. Kightlinger said due to regulatory uncertainty and local decisions, it is unclear how MWD sales may be impacted, but that PFAS is one factor “that can swing sales 10 percent higher than projected.” Murray asked if more information will become available during the current budget and rate setting process so that MWD can better align its budget and rates with those potential increased sales. Kightlinger replied that staff will look at the timing for that additional information. Barbre stated for Orange County, it will be a “wash” because the reduced replenishment purchases will be replaced with more treated water purchases.

Director Goldberg said the intention of the MWD Act was to ultimately eliminate MWD’s collection of ad valorem tax revenues, which MWD had previously projected would occur in 2022 or 2023, and that the suspension of tax rate limit is permitted only when the Board determines it is necessary to meet MWD’s “fiscal integrity.” Noting MWD’s continued reliance on suspending ad valorem tax rate limitation in its 10-year forecast, Goldberg expressed concern with the “risk” MWD is taking by not exploring other alternatives. She suggested amending the MWD Act to establish a dedicated tax rate to prevent MWD from being legally challenged. Kightlinger said the Board can discuss legislative options for amending the Act, but he preferred to “shift that discussion” into the rate structure review process.

Director Butkiewicz noted MWD is forecasting lower water sales and planning on drawing from reserves and suggested MWD look for opportunities to contain costs. Kightlinger implied MWD already made cost saving efforts in the proposed budget and that staff will detail these efforts in the future workshops, but highlighted a few like the “freezing of staff levels” and “cutting costs in the CIP budget.” Ortega asked if there were opportunities through the budget or other policy processes for MWD to discuss how it could “generate more water sales based on [storage] supplies.” Kightlinger highlighted that MWD’s storage is “a tremendous asset” and has provided it with both flexibility and the opportunity to take on “added risk” through projects such as “backing California in the Drought Contingency Plan.” He added that due to the flexibility and resilience from storage, staff plans to present the Board with the option of taking on additional “risks” in the voluntary agreement process, which Kightlinger surmised MWD could do “if we can show that we can return that value to our ratepayers.”
Wrapping up the discussion, Director Peterson (Las Virgenes) implied MWD’s transactions, which include its sales and the Water Authority’s exchange, will likely be higher than what the proposed budget is projecting. He cautioned MWD against “whiplashing our budgets” and cutting costs, noting that over his time on the Board, MWD has lowered staffing levels. Butkiewicz clarified that his request for MWD to consider options to manage costs was not a suggestion to reduce employees.

Looking ahead, MWD will hold its second budget and rates workshop on February 25, during which it plans to focus on its CIP.
Discussion Summary of Issues Related to the Bay-Delta

At its February 2020 committee and Board meetings, the Metropolitan Water District (MWD) discussed several Bay-Delta issues, including the voluntary agreements, MWD’s Bay-Delta Islands, and subsidence along the California Aqueduct.

Voluntary Agreements and MWD’s Bay-Delta Islands

During the Water Planning and Stewardship (WP&S) Committee’s update on Bay-Delta matters, MWD staff reported that the state released an updated framework for the voluntary agreements with water users, including MWD, and non-governmental organizations. The voluntary agreements aim to improve habitat and flows for native species in the Bay-Delta, without strictly relying on flows, to achieve the goals of the State Water Resources Control Board’s Water Quality Control Plan while avoiding potential litigation by achieving consensus among interested parties. The state’s latest release suggested increased funding for habitat and a 25 percent increase in flows from water users. The materials did not offer details, thus it is unclear what MWD’s contribution to the settlement agreements would be should its Board authorize participating in them. However, earlier, during MWD’s Budget Workshop, in response to a director’s question, General Manager Kightlinger said MWD’s large amount of stored water allow it to “take on…added risk[s].” He added that MWD is “stepping up to maybe take on some risks” in the voluntary agreement process, similar to the risks MWD took in “backing California in the Drought Contingency Plan” (DCP). (Initially, MWD had reported its DCP contribution would amount to as low as 25 percent of California’s share, but ultimately MWD ended up backing 93 percent of the state’s DCP contributions.)

The subsequent day, the Real Property and Asset Management (RP&AM) Committee received an update on activities taking place on MWD’s Bay-Delta islands. The presentation focused on the current and potential role MWD’s islands can play in science and research, improving water quality and system reliability, environmental protection and restoration, and sustainable farming. Following staff’s presentation, Kightlinger commented that MWD is working with other groups to develop a “carbon capture protocol” for the California Air Resources Board, which could eventually become a potential revenue stream for MWD. He also noted that in the past, the Bay-Delta islands’ previous owner partnered with MWD to fallow land on Bay-Delta islands to create additional dry-year water supplies. He said fallowing land on MWD’s islands “could become a piece of the voluntary agreements” by generating additional flows during certain types of water years, which could “move those voluntary agreements into action” and generate revenue for MWD. He added that during a recent meeting, Governor Newsom indicated the state is “looking for Metropolitan to basically be helpful on” using its islands to support the voluntary agreements and carbon sequestration.

Following these comments, Director Smith asked whether mitigation requirements for the single-tunnel Bay-Delta project would be similar to those specified for California WaterFix. Kightlinger replied the requirements would most likely be similar because the footprint for construction is similar. Director Record (Eastern) complimented staff on its work, including regenerative agriculture and carbon sequestration “even though this…is not [MWD’s] core issue,” and on its ability to provide some water and habitat for the voluntary agreements. Director McKenney (Municipal Water District of Orange County (MWDOC)) echoed Record’s
comments and asked about opportunities to explore these strategies on MWD’s land in the Palo Verde Valley. Kightlinger said staff would “make that a future agenda item.” In response to a question from Director Lefevre (Torrance) about future opportunities on the islands, Kightlinger said MWD is implementing short-term agricultural leases to “defray our costs,” will assess options to use the islands for the Bay-Delta project and other opportunities, and will bring a plan with a cost analysis to the Board for a decision in the next one to three years.

The RP&AM Committee also went into closed session to discuss proposed agricultural leases on Bacon & Bouldin Islands in the Bay-Delta. Later, during the Board meeting, MWD authorized the leases according to the committee-recommended price and terms, in accordance with the closed session memo which was not made available.

Also during the Board meeting, Chairwoman Gray (West Basin) reported that she, Vice Chair Kurtz (Pasadena), Director Record (Eastern), and Kightlinger met with Governor Newsom on February 5 to “communicate [MWD’s] strong support for his efforts to resolve the conflicts in the Delta through the voluntary agreements and…for a single tunnel.” She reported that Newsom thanked MWD for its “leadership and efforts to address some of California’s most difficult water challenges.” Kurtz said Newsom was enthusiastic about the use of MWD’s Bay-Delta islands for carbon sequestration and habitat restoration, and Record added the Governor was also supportive of MWD “potentially providing water for the voluntary agreements.”

California Aqueduct and Subsidence
The WP&S committee also received a presentation from Ted Craddock, Acting Deputy Director of the Department of Water Resources (DWR) for the State Water Project (SWP), on the California Aqueduct Subsidence Program.1 Following the presentation, Director McKenney (MWDOC) asked if DWR plans to recover some of the subsidence that has occurred and who would be responsible for the cost. Craddock replied that DWR will factor whether subsidence is recoverable in each area to ensure aqueduct repairs are “truly needed.” Turning to addressing “damage” and the entities that may have contributed to it, Craddock said DWR is “currently assessing [its] options.” He also highlighted that as a “first step” to protect the aqueduct from further subsidence impacts, DWR is engaging with Groundwater Sustainability Agencies (GSAs) to encourage more sustainable management of groundwater basins. Later, Director Blois (Calleguas) asked whether DWR is “close” to identifying which “pumpers” most likely caused the subsidence along the aqueduct. Craddock said DWR is moving from “more global” studies to a “more granular look” at specific causes, which he expects will take about a year to “work through.” He added that DWR’s “engagement with the GSAs has been good” and that there is a lot of data provided in the Groundwater Sustainability Plans that will help DWR “understand the causes better.”

Director Atwater (Foothill) asked about the budget for the environmental and planning work for aqueduct repairs over the next two to three years; Craddock confirmed the timing of the work and offered to follow-up with a cost estimate. On a similar note, Lefevre asked whether DWR anticipates getting appropriations from the California legislature to address subsidence.

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1 In March 2019, DWR released The California Aqueduct Subsidence Study: Supplemental Report to provide new data and analysis that would supplement its June 2017 California Aqueduct Subsidence Study.
Craddock said DWR is “working with” water agencies on “a range of possible alternative or supplemental funding sources,” including from both the state and federal governments. Kightlinger added that MWD will work closely with DWR on securing funding, but absent supplemental sources, SWP “contractors will be paying for a lot of these transportation facilities and the repairs to them.”

In response to Director Hogan’s request for a timeline of DWR’s “rehabilitation actions,” Craddock said over the next three to five years, DWR will take actions to “keep the system whole” like fixing the liner and modifying the gate structure. In the next two years, DWR plans to complete a feasibility study to determine what long-term repairs are necessary. Hogan asked whether there are impacts to MWD deliveries from the reduced capacity of the aqueduct. Kightlinger replied that both operations and maintenance and pumping costs have gone up as carrying capacity has gone down, but he was unsure if MWD lost any water supply. Assistant General Manager/Chief Operating Officer Upadhyay emphasized that subsidence impacts MWD on the “cost-side,” specifically through power costs. Additionally, Upadhyay said MWD would see more costs in “the statement of charges…in the next few years to address some of the early actions” DWR will take. Upadhyay highlighted that due to MWD’s storage capacity, it has scheduled deliveries in such a way that it is less affected by reduced capacity than other contractors.

Wrapping up the discussion, Ortega asked about other ways, like adding a conveyance surcharge to conveyance users, to fund repairs along the Delta-Mendota Canal. Craddock thanked him for the question on “creative funding” and said in a similar vein, DWR is developing ways to allow transfers between SWP contractors and expects to follow up in the next month “in terms of releasing an environmental document” to move those forward.
Monday, February 10, 2020
Meeting Schedule

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<td>F&amp;I / Budget</td>
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1. **Opportunity for members of the public to address the committee on matters within the committee’s jurisdiction** (As required by Gov. Code Section 54954.3(a))

2. **Approval of the Minutes of the meeting of the Finance and Insurance Committee held January 13, 2020**

3. **CONSENT CALENDAR ITEMS — ACTION**

   None
4. OTHER BOARD ITEMS — ACTION

8-1 Set combined public hearing regarding: (1) the proposed water rates and charges for calendar years 2021 and 2022 necessary to meet the revenue requirements for fiscal years 2020/21 and 2021/22, and (2) applicability of the MWD Act Section 124.5 ad valorem property tax limitation for fiscal years 2020/21 and 2021/22; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

5. BOARD INFORMATION ITEMS

9-2 Proposed biennial budget, which includes the Capital Investment Plan and revenue requirements for fiscal years 2020/21 and 2021/22; proposed water rates and charges for calendar years 2021 and 2022 to meet revenue requirements for fiscal years 2020/21 and 2021/22; ten-year forecast; and Cost of Service Report (Workshop #1)

6. COMMITTEE ITEMS

None

7. MANAGEMENT REPORT

a. Chief Financial Officer’s report

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

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

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

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

Meeting with Board of Directors*

February 10, 2020

11:30 a.m. – Room 2-145

Monday, February 10, 2020

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* The Metropolitan Water District’s Engineering and Operations Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Engineering and Operations Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to the Engineering and Operations Committee will not vote on matters before the Engineering and Operations Committee.

1. **Opportunity for members of the public to address the committee on matters within the committee's jurisdiction** (As required by Gov. Code Section 54954.3(a))

2. **Approval of the Minutes of the meeting of the Engineering and Operations Committee held January 13, 2020**

3. **CONSENT CALENDAR ITEMS — ACTION**

   None
4. OTHER BOARD ITEMS — ACTION

8-2 Award a contract to Suez Treatment Solutions, Inc., in an amount not-to-exceed $4,100,000 for procurement of ozone generator dielectrics and power supply units at the Joseph Jensen Water Treatment Plant; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA.

8-3 Authorize on-call agreements with Arcadis U.S., Inc., HDR, Inc., and Tetra Tech, Inc., in amounts not-to-exceed $1 million per year each, for a maximum of five years, and with GEI Consultants, Inc. and Genterra Consultants, Inc., in amounts not-to-exceed $500,000 per year each, for a maximum of three years, for engineering services to support board-authorized O&M and Capital Investment Plan projects; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA.

5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

a. Annual report on Seismic Resilience Activities

b. Metropolitan’s Health and Safety Program Update

7. MANAGEMENT REPORTS

a. Water System Operations Manager’s report

b. Engineering Services Manager’s report

8. FOLLOW-UP ITEMS

None
9. FUTURE AGENDA ITEMS

10. ADJOURNMENT

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Water Planning and Stewardship Committee

Meeting with Board of Directors*

February 10, 2020

1:00 p.m. – Room 2-456

Meeting Schedule

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* The Metropolitan Water District’s Water Planning and Stewardship Committee is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Water Planning and Stewardship Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committees as advisory to the Board, members of the Board who are not assigned to the Water Planning and Stewardship Committee will not vote on matters before the Water Planning and Stewardship Committee.

1. Opportunity for members of the public to address the committee on matters within the committee’s jurisdiction (As required by Gov. Code Section 54954.3(a))
   a. Presentation by Ted Craddock, Acting Deputy Director, State Water Project: California Aqueduct Subsidence Program

2. Approval of the Minutes of the Water Planning and Stewardship Committee held January 13, 2020

3. CONSENT CALENDAR ITEMS — ACTION
   None

4. OTHER BOARD ITEMS — ACTION
   None

Date of Notice: February 3, 2020
5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

a. Update on Request for Proposals for annual audit of State Water Project charges
b. Update on Water Surplus and Drought Management Plan

7. MANAGEMENT REPORTS

a. Bay-Delta Matters
b. Colorado River Matters
c. Water Resource Management Manager's report

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

10. ADJOURNMENT

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

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Date of Notice: February 3, 2020
Organization, Personnel and Technology Committee

Meeting with Board of Directors*

February 10, 2020

2:00 p.m.  -- Room 2-145

* The Metropolitan Water District's meeting of the Organization, Personnel and Technology Committee is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Organization, Personnel and Technology Committee may participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to the Organization, Personnel and Technology Committee will not vote on matters before the meeting of the Organization, Personnel and Technology Committee.

1. Opportunity for members of the public to address the committee on matters within the committee’s jurisdiction (As required by Gov. Code Section 54954.3(a))

2. Approval of the Minutes of the Adjourned meeting of the Organization, Personnel and Technology Committee held November 4, 2019

3. CONSENT CALENDAR ITEMS – ACTION

   None

4. OTHER BOARD ITEMS – ACTION

   None
5. **BOARD INFORMATION ITEMS**

   None

6. **COMMITTEE ITEMS**

   a. Water Careers Website

   b. Quarterly Update on Cybersecurity

   [Conference with Metropolitan Cybersecurity Unit Manager of Information Technology, Jacob Margolis, or designated agents on threats to public services or facilities; to be heard in closed session pursuant to Gov. Code Section 54957(a)]

7. **MANAGEMENT REPORT**

   a. Human Resources Manager’s report

   b. Information Technology Manager’s report

8. **FOLLOW-UP ITEMS**

   None

9. **FUTURE AGENDA ITEMS**

10. **ADJOURNMENT**

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Date of Notice: February 3, 2020
Communications and Legislation Committee

Meeting with Board of Directors*

February 11, 2020
3:00 p.m. -- Room 2-456

The Metropolitan Water District’s Communications and Legislation Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Communications and Legislation Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to the Communications and Legislation Committee will not vote on matters before the Communications and Legislation Committee.

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

2. Approval of the Minutes of the meeting of the Communications and Legislation Committee held January 13, 2020

3. CONSENT CALENDAR ITEMS — ACTION

   None

4. OTHER BOARD ITEMS — ACTION

   8-4 Adopt updated State Legislative Priorities and Principles for 2020; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Date of Notice: February 5, 2020
8-5   Adopt updated Federal Legislative Priorities and Principles for 2020; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

5.   BOARD INFORMATION ITEMS

None

6.   COMMITTEE ITEMS

a.   Outreach Program: Building Support for Conservation and Water Infrastructure with Bass Anglers

b.   Report on activities from Washington, D.C.

c.   Report on activities from Sacramento

7.   MANAGEMENT REPORT

a.   External Affairs Management report

8.   FOLLOW-UP ITEMS

None

9.   FUTURE AGENDA ITEMS

10.  ADJOURNMENT
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Legal and Claims Committee
Meeting with Board of Directors*

February 11, 2020
9:00 a.m. -- Room 2-145

1. Opportunity for members of the public to address the committee on matters within the committee’s jurisdiction (As required by Gov. Code Section 54954.3(a))

2. Approval of the Minutes of the Legal and Claims Committee meeting held January 14, 2020

3. MANAGEMENT REPORT
   a. General Counsel’s report of monthly activities

4. CONSENT CALENDAR ITEMS — ACTION
   None

* The Metropolitan Water District’s Legal and Claims Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Legal and Claims Committee may participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to the Legal and Claims Committee will not vote on matters before the Legal and Claims Committee.
5. OTHER BOARD ITEMS — ACTION

8-6 Report on Greg Staar v. Metropolitan Water District of Southern California, Los Angeles Superior Court Case No. 19STCV41726, and authorize an increase in the maximum amount payable under contract for legal services with Seyfarth Shaw LLP by $150,000 to an amount not to exceed $250,000; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA.

[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(1)]

6. BOARD INFORMATION ITEMS

None

7. COMMITTEE ITEMS

None

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

10. ADJOURNMENT

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Date of Notice: February 5, 2020
Conservation and Local Resources Committee

Meeting with Board of Directors*

February 11, 2020

10:00 a.m. – Room 2-456

* The Metropolitan Water District’s Conservation and Local Resources Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Conservation and Local Resources Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to the Conservation and Local Resources Committee will not vote on matters before the Conservation and Local Resources Committee.

1. Opportunity for members of the public to address the committee on matters within the committee’s jurisdiction (As required by Gov. Code Section 54954.3(a))

2. Approval of the Minutes of the meeting of the Conservation and Local Resources Committee held January 14, 2020

3. COMMITTEE ITEMS
   a. Conservation Update

4. FOLLOW-UP ITEMS
   None
5. FUTURE AGENDA ITEMS

6. ADJOURNMENT

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Real Property and Asset Management Committee

Meeting with Board of Directors*

February 11, 2020

10:30 a.m. -- Room 2-145

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

2. Approval of the Minutes of the meeting of the Real Property and Asset Management Committee held December 9, 2019

3. CONSENT CALENDAR ITEMS — ACTION

7-1 Authorize the granting of a permanent easement to San Diego Gas and Electric Company for the construction and maintenance of electricity distribution facilities along Metropolitan fee-owned property in the unincorporated San Diego County community of Pala; the General Manager has determined these actions are exempt or are not subject to CEQA

* The Metropolitan Water District’s Real Property and Asset Management Committee meeting is noticed as a joint meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Real Property and Asset Management Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to the Real Property and Asset Management Committee will not vote on matters before the Real Property and Asset Management Committee.
4. OTHER BOARD ITEMS – ACTION

8-7 Authorize agricultural leases to D&L Farms, Sierra Cattle Company, and Steve Dinelli Farms in the Sacramento-San Joaquin Bay Delta; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

[Conference with real property negotiators; properties total approximately 10,915 acres of land in areas known as Bacon Island and Bouldin Island in Northern California, also identified as San Joaquin County Assessor Parcel Nos. 129-050-01; 129-050-02; 129-050-03; 129-050-04; 129-050-05; 129-050-06; 129-050-07; 129-050-08; 129-050-09; 129-050-11; 129-050-12; 129-050-13; 129-050-14; 129-050-15; 129-050-16; 129-050-17; 129-050-18; 129-050-19; 129-050-24; 129-050-25; 129-050-26; 129-050-27; 129-050-28; 129-050-52; 129-050-54; 129-050-55; 129-050-56; 129-050-60; 069-030-37; 069-030-38; 069-030-39; 069-100-01; and 069-100-02; agency negotiators: Kevin Webb and Octavia Tucker; negotiating parties: Leisha and David Robertson dba D&L Farms; Robert Hilarides dba Sierra Cattle Company; and Steve Dinelli dba Steve Dinelli Farms; under negotiation: price and terms; to be heard in closed session pursuant to Government Code Section 54956.8.]

5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

a. Update on Delta Island activities

7. MANAGEMENT REPORT

a. Interim Real Property Manager's Report

8. FOLLOW-UP ITEMS

9. FUTURE AGENDA ITEMS
10. ADJOURNMENT

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1. **Call to Order**

   (a) Invocation: Kalysha Murphey, Real Estate Representative, Real Property Group

   (b) Pledge of Allegiance: Director Sylvia Ballin

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 Government Code Section 54954.3(a))

5. **OTHER MATTERS**

   A. Approval of the Minutes of the Meeting for January 14, 2020 and the Special Board Meeting for January 28, 2020 (Copies have been mailed to each Director) Any additions, corrections, or omissions

   B. Report on Directors’ events attended at Metropolitan expense for month of January 2020

   C. Approve committee assignments

   D. Chairwoman’s Monthly Activity Report

   E. Presentation of Commendatory Resolution for Director Jasmin Hall representing Inland Empire Utilities Agency

Date of Notice: February 5, 2020
6. DEPARTMENT HEADS' REPORTS

A. General Manager's summary of activities for the month of January 2020

B. General Counsel’s summary of activities for the month of January 2020

C. General Auditor’s summary of activities for the month of January 2020

D. Ethics Officer’s summary of activities for the month of January 2020

7. CONSENT CALENDAR ITEMS — ACTION

7-1 Authorize the granting of a permanent easement to San Diego Gas and Electric Company for the construction and maintenance of electricity distribution facilities along Metropolitan fee-owned property in the unincorporated San Diego County community of Pala; the General Manager has determined these actions are exempt or are not subject to CEQA. (RP&AM)

END OF CONSENT CALENDAR

8. OTHER BOARD ITEMS — ACTION

8-1 Set combined public hearing regarding: (1) the proposed water rates and charges for calendar years 2021 and 2022 necessary to meet the revenue requirements for fiscal years 2020/21 and 2021/22, and (2) applicability of the MWD Act Section 124.5 ad valorem property tax limitation for fiscal years 2020/21 and 2021/22; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (F&I)
8-2 Award a contract to Suez Treatment Solutions, Inc., in an amount not-to-exceed $4,100,000 for procurement of ozone generator dielectrics and power supply units at the Joseph Jensen Water Treatment Plant; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (E&O)

8-3 Authorize on-call agreements with Arcadis U.S., Inc., HDR, Inc., and Tetra Tech, Inc., in amounts not-to-exceed $1 million per year each, for a maximum of five years, and with GEI Consultants, Inc. and Genterra Consultants, Inc., in amounts not-to-exceed $500,000 per year each, for a maximum of three years, for engineering services to support board-authorized O&M and Capital Investment Plan projects; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (E&O)

8-4 Adopt updated State Legislative Priorities and Principles for 2020; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (C&L)

8-5 Adopt updated Federal Legislative Priorities and Principles for 2020; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (C&L)

8-6 Report on Greg Staar v. Metropolitan Water District of Southern California, Los Angeles Superior Court Case No. 19STCV41726, and authorize an increase in the maximum amount payable under contract for legal services with Seyfarth Shaw LLP by $150,000 to an amount not to exceed $250,000; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (L&C)

[Conference with legal counsel—existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(1)]
8-7 Authorize agricultural leases to D&L Farms, Sierra Cattle Company, and Steve Dinelli Farms in the Sacramento-San Joaquin Bay Delta; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (RP&AM) [Conference with real property negotiators; properties total approximately 10,915 acres of land in areas known as Bacon Island and Bouldin Island in Northern California, also identified as San Joaquin County Assessor Parcel Nos. 129-050-01; 129-050-02; 129-050-03; 129-050-04; 129-050-05; 129-050-06; 129-050-07; 129-050-08; 129-050-09; 129-050-11; 129-050-12; 129-050-13; 129-050-14; 129-050-15; 129-050-16; 129-050-17; 129-050-18; 129-050-19; 129-050-24; 129-050-25; 129-050-26; 129-050-27; 129-050-28; 129-050-52; 129-050-54; 129-050-55; 129-050-56; 129-050-60; 069-030-37; 069-030-38; 069-030-39; 069-100-01; and 069-100-02; agency negotiators: Kevin Webb and Octavia Tucker; negotiating parties: Leisha and David Robertson dba D&L Farms; Robert Hilarides dba Sierra Cattle Company; and Steve Dinelli dba Steve Dinelli Farms; under negotiation: price and terms; to be heard in closed session pursuant to Government Code Section 54956.8.]

9. BOARD INFORMATION ITEMS

9-1 Update on Conservation Program

9-2 Proposed biennial budget, which includes the Capital Investment Plan and revenue requirements for fiscal years 2020/21 and 2021/22; proposed water rates and charges for calendar years 2021 and 2022 to meet revenue requirements for fiscal years 2020/21 and 2021/22; ten-year forecast; and Cost of Service Report (Workshop #1). (F&I)

10. FOLLOW-UP ITEMS

11. FUTURE AGENDA ITEMS

12. 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 parentheses at the end of the description of the agenda item e.g., (E&O, F&I). Committee agendas may be obtained from the Board Executive Secretary.

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COMMITTEE ASSIGNMENTS

Director Ackerman was appointed to the IRP Committee as a member. (Agenda Item 5C)

FINANCE AND INSURANCE COMMITTEE

Set a combined public hearing on March 10, 2020, regarding: (1) the proposed water rates and charges for calendar years 2021 and 2022 necessary to meet the revenue requirements for fiscal years 2020/21 and 2021/22, and (2) applicability of the MWD Act Section 124.5 ad valorem property tax limitation for fiscal years 2020/21 and 2021/22. (Agenda Item 8-1)

ENGINEERING AND OPERATIONS COMMITTEE

Awarded a contract to Suez Treatment Solutions Inc., in an amount not-to-exceed $4,100,000 to procure PSUs and dielectrics for Jensen’s ozone generation system. (Agenda Item 8-2)

Authorized on-call agreements with Arcadis U.S., Inc., HDR, Inc., and Tetra Tech, Inc., in an amount not to-exceed $1 million per year each, for a maximum period of five years. (Agenda Item 8-3)

COMMUNICATIONS AND LEGISLATION COMMITTEE

Adopted the State Legislative Priorities and Principles for 2020 with revisions to bullet 9 of the Regional Water Resource Management Section as follows:

- Ensure statutory or regulatory mandates for improving water use efficiency are based on sound science; recognize regional distinctions relative to climate, land use, population, hydrology, and similar factors and consider potential positive and negative impacts to wastewater operations and recycled water development. (Agenda Item 8-4)

Adopted the updated Federal Legislative Priorities and Principles for 2020 as recommended by staff. (Agenda Item 8-5)

LEGAL AND CLAIMS COMMITTEE

Authorized the General Counsel to increase the maximum amount payable under contract with Seyfarth Shaw LLP for legal services by $150,000, to an amount not to exceed $250,000. (Agenda Item 8-6)
REAL PROPERTY AND ASSET MANAGEMENT COMMITTEE
Authorized agricultural leases to D&L Farms, Sierra Cattle Company, and Steve Dinelli Farms according to the committee recommended price and terms. (Agenda Item 8-7)

CONSENT CALENDAR

In other actions, the Board:

 Authorized the granting of a permanent easement to San Diego Gas and Electric Company for electrical distribution purposes. (Agenda Item 7-1)

OTHER MATTERS

Presentation of Commendatory Resolution for Director Jasmin Hall representing Inland Empire Utilities Agency. Delivery of Resolution was arranged prior to the meeting. (Agenda Item 5E)

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

Board letters related to the items in this summary are generally posted in the Board Letter Archive approximately one week after the board meeting. In order to view them and their attachments, please copy and paste the following into your browser: http://mwdh2o.com/WhoWeAre/Board/Board-Meeting/Pages/search.aspx

All current month materials, before they are moved to the Board Letter Archive, are available on the public website here: http://mwdh2o.com/WhoWeAre/archived-board-meetings
February 26, 2020

Attention: Engineering and Operations Committee

Second Aqueduct Pipeline Inspections at Moosa Creek (Action)

Staff recommendation
Authorize the General Manager to take all necessary actions, including issuing contracts, to conduct urgent repairs on Pipeline 5 in Moosa Creek.

Alternative
Do not authorize the General Manager to take all necessary actions, including issuing contracts, to conduct urgent repairs on Pipeline 5 in Moosa Creek. This would require the General Manager to return to Board to request approval prior to executing any necessary contracts for the repair of Pipeline 5 in Moosa Creek which will result in delays to the pipeline repair and risk of maintaining reliable water delivery.

Fiscal Impact
Costs for this project are unknown at this time. This project is funded by the Asset Management Program. Funds in the amount of $3,000,000 are available in the approved project budget, and in the fiscal years 2020 and 2021 Capital Improvement Program appropriation. The rate category for this project is transportation.

Executive Summary
- A leak on Pipeline 4 in Moosa Canyon was discovered on August 2, 2019.
- Pipelines 3 and 5 were inspected on January 29-30, 2020 and Pipeline 5 was found to be showing signs of distress.
- Pipeline 5 is a vital component of the Water Authority’s untreated water system and delivers untreated water from the MWD delivery point down to Lower Otay Water Treatment Plant.
- Staff is currently planning the design and repair of Pipeline 5 and will need to immediately issue contracts once the design is completed in order to make the necessary repairs prior to pipeline distress escalating to pipeline failure.
- Staff recommends authorizing the General Manager to take all necessary actions, including issuing contracts, to conduct urgent repairs on Pipeline 5 in Moosa Creek.

Background
The Water Authority’s second aqueduct contains Pipelines 3, 4 and 5, which all cross Moosa Creek in the same vicinity. Pipeline 3 is a 72-inch welded steel pipeline constructed in 1958. Pipeline 4 is a 90-inch pre-stressed concrete cylinder pipeline constructed in 1970. Pipeline 5 is a 96-inch pre-stressed concrete cylinder pipeline constructed in 1982. Pipelines 3 and 5 are untreated water and Pipeline 4 is treated water.
In 2019, Water Authority staff discovered and repaired a leak on Pipeline 4 at Moosa Creek. The General Manager declared an emergency on August 7, 2019 and immediate actions were taken by staff to address the leaking pipeline. Rehabilitation of Pipeline 4, by installation of a carbon fiber composite liner, was completed and the pipeline was restored to service on November 10, 2019.

The Pipeline 5 urgent repairs are categorically exempted from CEQA under Section 15301 (existing facilities) per the Water Authority's Administrative Code implementing CEQA [§8.00.060(a)(1)(i)].

Discussion
As a result of the leak on Pipeline 4, staff scheduled an internal inspection of Pipeline 3 and 5 on January 29-30, 2020 when both untreated pipelines could be drained for access during a planned shutdown. During the inspection, Pipeline 3 was found to be in good condition with no signs of distress, however Pipeline 5 was found with signs of distress in the approximate location as the failure of Pipeline 4. A follow-up engineering analysis confirmed that Pipeline 5 was overstressed and subject to failure.

Pipeline 5 is a vital component of the Water Authority’s untreated water system and delivers treated water from the MWD delivery point down to Lower Otay Water Treatment Plant. Pipeline 5 is supplied by Lake Skinner and the operating pressure in Moosa Canyon exceeds 400 psi. A catastrophic failure could result in considerable environmental damage and potentially risks damage to Pipelines 3 and 4, along with a pipeline owned by Rainbow Municipal Water District. Failure of Pipeline 5 would significantly impact the Water Authority’s ability to provide untreated water service to all its member agencies, meet QSA obligations and could result in mandatory water restrictions.

Because of the very high operating pressure and consequences of failure, staff immediately began planning a shutdown and repair of Pipeline 5 to mitigate the present risks and prevent further loss. The shutdown to install bulkheads for pipeline isolation is tentatively scheduled for March 30, 2020. Once isolated, a contractor will install a carbon fiber liner like the repairs made on Pipeline 4.

In consideration of the circumstances being an unexpected occurrence which represent a clear and immediate danger to system integrity, system reliability, essential public services and to the property surrounding the affected area and, therefore, requiring immediate action to resolve, the General Manager needs to have the ability to issue contracts exceeding General Manager authority prior to the next scheduled Board meeting on March 26, 2020. Based on this urgency staff is requesting Board approval for the General Manager to take all necessary actions, including issuing contracts, to conduct urgent repairs on Pipeline 5 in Moosa Creek.

Staff anticipates issuing professional services and construction contracts for the installation and removal of the bulkheads for pipeline isolation, installation of a carbon fiber composite relining repair, and the removal and reinstallation of the acoustic fiber optic monitoring cable. All contracts will be issued through the competitive acquisition waiver process and will not be through the normal competitive procurement process. Waiving the competitive procurement process for these contracts in accordance with Administrative Code Section 4.04.060 (b)(8) is deemed in the best interest of the Water Authority and its member agencies to ensure reliable Pipeline 5 water deliveries. The costs
for each contract are unknown at this time; however, staff does not expect the total cost of the contracts to exceed the $3,000,000 project budget.

In addition to the urgent repair on Pipeline 5, staff will be conducting a planning study to evaluate the improvements required for all pipelines within Moosa Canyon to ensure the long-term reliability of the second aqueduct. The study is anticipated to take up to 18 months to complete, at which time staff will return to board with any recommended long-term projects as part of the capital improvement program.

Staff recommends the Board take formal action to authorize the General Manager to take all necessary actions, including issuing contracts, to conduct urgent repairs on Pipeline 5 in Moosa Creek.

Prepared by: James E. Fisher, Director of Operations and Maintenance
Approved by: Sandra L. Kerl, General Manager

Attachments: Figure 1 – General Vicinity Map
Figure 2 – Location Map
Pipelines 3, 4, and 5

MOOSA CREEK CROSSING
PIPELINE 5
AREA OF DISTRESS

PROJECT:
SECOND AQUEDUCT
MOOSA CREEK CROSSING
FIGURE 2
President Releases Fiscal Year 2021 Budget Proposal

On February 10th, President Trump released his Fiscal Year 2021 (FY21) budget proposal. The $4.8 trillion budget proposes billions of dollars in cuts to non-defense spending, different from the budget deal negotiated with Congressional leaders just last year. Under the plan, the federal deficit would shrink to $966 billion in FY 2021 and to $261 billion by 2030. Under current spending levels, the deficit is expected to be over $1 trillion this year. Over half of the savings projected would come from the administration’s proposed plan to cut mandatory spending through changes that could curb food stamp benefits, implement Medicaid work requirements and tackle improper health payments. Below are the proposed funding levels included in the President’s budget for the programs of importance to the Water Authority:

<table>
<thead>
<tr>
<th>Agency/Program</th>
<th>Final FY20 Amount</th>
<th>FY21 President’s Proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bureau of Reclamation</td>
<td>$1.66 billion</td>
<td>$1.1 billion</td>
</tr>
<tr>
<td>WaterSMART Grants</td>
<td>$55 million</td>
<td>$18.2 million</td>
</tr>
<tr>
<td>Title XVI Program (Legacy Projects)</td>
<td>$43.617 million</td>
<td>$3 million</td>
</tr>
<tr>
<td>Title XVI Program (WIIN Projects)</td>
<td>$20 million</td>
<td>0</td>
</tr>
<tr>
<td>WIIN Desalination Program</td>
<td>$12 million</td>
<td>0</td>
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<tr>
<td>Environmental Protection Agency</td>
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<td>$6.658 billion</td>
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<tr>
<td>Clean Water State Revolving Fund</td>
<td>$1.638 billion</td>
<td>$1.119 billion</td>
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<tr>
<td>Drinking Water State Revolving Fund</td>
<td>$1.126 billion</td>
<td>$863 million</td>
</tr>
<tr>
<td>WIFIA</td>
<td>$60 million</td>
<td>$25 million</td>
</tr>
</tbody>
</table>

A couple of important things to remember regarding the President’s budget proposal:

- It is a proposal and an opportunity for the President to put forward his suggestions about how he would allocate federal funding for the year. Congress still maintains the power of the purse and will ultimately decide how to appropriate federal funds.

- Congress will not vote on the President’s budget proposal.

- The cuts highlighted above in the FY21 budget proposal are very similar to the proposed cuts the President has suggested to these programs in previous budget proposals, which Congress has not only chosen to ignore, but in many cases, choses to increase funding in these programs.
Final WOTUS Rule Released

The Environmental Protection Agency (EPA) and the Army Corps of Engineers (Corps) released the much-anticipated Waters of the US rule, which the Administration is now calling the Navigable Waters Protection Rule (NWPR) to define “waters of the United States.” The release of the NWPR completes step 2 of the President’s 2017 Executive Order regarding the withdrawal and replacement of the 2015 Obama WOTUS rule. The rule will become effective 60 days after it is officially published in the federal register (which has not happened yet). Once the rule becomes final it is expected that there will be legal challenges.

White House Releases Proposed Changes to NEPA

The White House Council on Environmental Quality (CEQ) announced a notice of proposed rulemaking to make changes to the National Environmental Policy Act (NEPA) implementation. CEQ is aiming to modernize and clarify the regulations to facilitate more efficient, effective and timely NEPA reviews by federal agencies. NEPA was signed into law on January 1, 1970 and requires federal agencies to consider the environmental impacts of certain proposed projects. The proposed rule would:

- Establish time limits of two years for completion of environmental impact statements and one year for environmental assessments;
- Establish a 300-page limit for environmental impact statements and a 75-page limit for environmental assessments;
- For projects that require multi-agency reviews, establish a lead federal agency to develop a joint review schedule, procedures to elevate delays or disputes, and preparation of a single environmental impact statement and joint record of decision to the extent practicable;
- Exclude non-federal projects from the NEPA review process (those with minimal federal funding or involvement);
- Reduce duplication between federal, state and local governments by facilitating the use of documents required by other statutes or prepared by state or local agencies to comply with NEPA; and
- Eliminate the requirement for analysis of “cumulative” effects from factors agencies must consider, while establishing that effects must be “reasonably foreseeable” and have a direct, causal relationship to the project.

There is currently a 60-day comment period for the notice of proposed rulemaking; however, there are efforts in both Congress and the environmental community to extend the comment period.
House Democrats Release Infrastructure Package

House Democrats are trying to revive efforts to move a comprehensive infrastructure package with the release of the "Moving American and Environment Forward" plan. This plan calls for $760 billion in funding over 5 years. Similarly, to infrastructure efforts that occurred in 2019, it is unclear at this time if this package in its current form will be able to move through Congress. In the spring of last year, Congressional leaders went to the White House to meet with the President to talk about the basic structure of an infrastructure package. That meeting did not go well, and as a result, efforts to do an infrastructure package have stalled. House Democrats are hopeful that by releasing this new plan, it will restart discussions with the White House.

EPA Names New Region 9 Administrator

Recently, EPA Administrator Andrew Wheeler announced that John Busterud will now be serving as the administrator of the EPA Region 9. Busterud served as counsel for PG&E from 1985-2016. In early February, EPA announced that the current region 9 administrator Michael Stoker, would no longer be serving in his position. Both Stoker and the EPA offered different reasons for his sudden departure. EPA region 9 includes the states of California, Arizona, Hawaii and Nevada.
February 26, 2020

Attention: Water Planning and Environmental Committee

Water Resources Report

Purpose
This report includes the following exhibits for January 2020:

- Rainfall totals and temperature data
- Deliveries to Member Agencies (Exhibit A)
- Water Use by Member Agencies (Exhibit B)
- Potable M&I Water Use (Exhibit C)
- Storage Available to Member Agencies (Exhibit D)
- Firm Water Deliveries to Member Agencies (Exhibit E)
- Summary of Water Authority Member Agency Operations (Exhibit F)

### RAINFALL TOTALS (inches)

<table>
<thead>
<tr>
<th>Station</th>
<th>January 2020</th>
<th>WATER YEAR 2020 TO DATE (October 2019 through January 2020)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Normal</td>
</tr>
<tr>
<td>Lindbergh Field (N.O.A.A.)</td>
<td>0.48</td>
<td>1.98</td>
</tr>
<tr>
<td>Ramona Airport (N.O.A.A.)</td>
<td>0.27</td>
<td>3.32</td>
</tr>
<tr>
<td>Lake Henshaw (Vista I.D.)</td>
<td>0.75</td>
<td>5.42</td>
</tr>
</tbody>
</table>

*Accumulated through January.

Sources: National Weather Service, Vista Irrigation District.

### AVERAGE DAILY MAXIMUM TEMPERATURE (°F)

<table>
<thead>
<tr>
<th>Station</th>
<th>January 2020 Actual</th>
<th>January 2020 Normal</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lindbergh Field (N.O.A.A.)</td>
<td>67.9</td>
<td>65.1</td>
<td>2.8</td>
</tr>
</tbody>
</table>

Since January 2014, 67 of last 73 months were hotter than normal at Lindbergh Field.
## MONTHLY WATER RESOURCES REPORT

Water Deliveries to Member Agencies

(acre-feet)

**JANUARY 2020**

<table>
<thead>
<tr>
<th>Member Agency</th>
<th>January 2020</th>
<th>12 Months Ended January 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2019</td>
</tr>
<tr>
<td>Carlsbad M.W.D.</td>
<td>1,031.1</td>
<td>454.9</td>
</tr>
<tr>
<td>Del Mar, City of</td>
<td>59.4</td>
<td>54.0</td>
</tr>
<tr>
<td>Escondido, City of</td>
<td>240.8</td>
<td>51.2</td>
</tr>
<tr>
<td>Fallbrook P.U.D.</td>
<td>414.0</td>
<td>341.0</td>
</tr>
<tr>
<td>Helix W.D.</td>
<td>1,166.7</td>
<td>1,105.4</td>
</tr>
<tr>
<td>Lakeside W.D.</td>
<td>162.9</td>
<td>139.4</td>
</tr>
<tr>
<td>National City, City of</td>
<td>0.0</td>
<td>-</td>
</tr>
<tr>
<td>Oceanside, City of</td>
<td>1,169.5</td>
<td>1,108.5</td>
</tr>
<tr>
<td>Olivenhain M.W.D.</td>
<td>926.4</td>
<td>777.5</td>
</tr>
<tr>
<td>Otay W.D.</td>
<td>1,642.3</td>
<td>1,652.1</td>
</tr>
<tr>
<td>Padre Dam M.W.D.</td>
<td>604.2</td>
<td>566.8</td>
</tr>
<tr>
<td>Pendleton M.C.B.</td>
<td>5.9</td>
<td>6.0</td>
</tr>
<tr>
<td>Poway, City of</td>
<td>537.4</td>
<td>173.0</td>
</tr>
<tr>
<td>Rainbow M.W.D.</td>
<td>536.1</td>
<td>362.2</td>
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<tr>
<td>Ramona M.W.D.</td>
<td>237.8</td>
<td>238.5</td>
</tr>
<tr>
<td>Rincon Del Diablo M.W.D.</td>
<td>275.3</td>
<td>221.8</td>
</tr>
<tr>
<td>San Diego, City of</td>
<td>17,872.8</td>
<td>13,641.4</td>
</tr>
<tr>
<td>San Dieguito W.D.</td>
<td>242.4</td>
<td>208.0</td>
</tr>
<tr>
<td>Santa Fe I.D.</td>
<td>201.7</td>
<td>200.9</td>
</tr>
<tr>
<td>South Bay I.D.</td>
<td>0.2</td>
<td>288.2</td>
</tr>
<tr>
<td>Vallecitos W.D.</td>
<td>526.9</td>
<td>156.6</td>
</tr>
<tr>
<td>Valley Center M.W.D.</td>
<td>697.2</td>
<td>430.7</td>
</tr>
<tr>
<td>Vista I.D.</td>
<td>265.2</td>
<td>119.9</td>
</tr>
<tr>
<td>Yuima M.W.D.</td>
<td>65.2</td>
<td>37.9</td>
</tr>
</tbody>
</table>

### Deliveries To SDCWA Agencies

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries To SDCWA Agencies</td>
<td>28,881.4</td>
<td>22,335.9</td>
<td>370,045.9</td>
</tr>
<tr>
<td>Less: Deliveries to SDCWA Storage</td>
<td>7,871.6</td>
<td>4,041.1</td>
<td>37,259.7</td>
</tr>
</tbody>
</table>

### TOTAL MEMBER AGENCY DELIVERIES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliveries From South Coast Water District</td>
<td>5.3</td>
<td>8.2</td>
<td>112.3</td>
</tr>
<tr>
<td>Deliveries From SDCWA Storage</td>
<td>3,152.6</td>
<td>2,000.0</td>
<td>5,922.2</td>
</tr>
</tbody>
</table>

---

2. Escondido and Vista I.D. deliveries exclude SLR water transfers.
3. Member agency deliveries include puts into Water Authority storage accounts. For January 2020, storage account deliveries totaled 7,847.8 AF and 23.8 AF to San Vicente Reservoir and Lower Otay Reservoir, respectively, through city of San Diego connections. January 2019 storage account deliveries totaled 3,859.1 AF and 182.0 AF to San Vicente Reservoir and Lower Otay Reservoir, respectively, through city of San Diego connections.
## MONTHLY WATER RESOURCES REPORT

### Estimated Water Use by Member Agency (acre-feet)

### JANUARY 2020

<table>
<thead>
<tr>
<th>Member Agency</th>
<th>Imported/Desal Sources 2020</th>
<th>Surface Sources 2020</th>
<th>Groundwater Sources 2020</th>
<th>Recycled Sources 2020</th>
<th>Desal / Supplemental Sources 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad M.W.D.</td>
<td>1,031.2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>75.2</td>
</tr>
<tr>
<td>Del Mar, City of</td>
<td>59.4</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2.3</td>
</tr>
<tr>
<td>Escondido, City of</td>
<td>413.2</td>
<td>-</td>
<td>44.1</td>
<td>124.0</td>
<td>3.9</td>
</tr>
<tr>
<td>Fallbrook P.U.D. 2</td>
<td>406.8</td>
<td>-</td>
<td>8.6</td>
<td>4.7</td>
<td>-</td>
</tr>
<tr>
<td>Helix W.D.</td>
<td>1,460.8</td>
<td>-</td>
<td>436.9</td>
<td>281.4</td>
<td>10.5</td>
</tr>
<tr>
<td>Lakeside W.D.</td>
<td>162.9</td>
<td>-</td>
<td>55.2</td>
<td>73.6</td>
<td>-</td>
</tr>
<tr>
<td>National City, City of 3</td>
<td>0.0</td>
<td>-</td>
<td>88.1</td>
<td>41.5</td>
<td>-</td>
</tr>
<tr>
<td>Oceanside, City of 3</td>
<td>1,169.5</td>
<td>-</td>
<td>131.0</td>
<td>218.7</td>
<td>-</td>
</tr>
<tr>
<td>Olivenhain M.W.D.</td>
<td>926.4</td>
<td>-</td>
<td>98.8</td>
<td>51.6</td>
<td>-</td>
</tr>
<tr>
<td>Otay W.D.</td>
<td>1,462.3</td>
<td>-</td>
<td>62.4</td>
<td>54.0</td>
<td>-</td>
</tr>
<tr>
<td>Padre Dam M.W.D.</td>
<td>603.6</td>
<td>-</td>
<td>0.5</td>
<td>41.5</td>
<td>-</td>
</tr>
<tr>
<td>Pendleton M.C.B. 4</td>
<td>11.2</td>
<td>-</td>
<td>450.0</td>
<td>442.2</td>
<td>10.0</td>
</tr>
<tr>
<td>Poway, City of 5</td>
<td>567.0</td>
<td>-</td>
<td>0.0</td>
<td>493.2</td>
<td>-</td>
</tr>
<tr>
<td>Rainbow M.W.D.</td>
<td>590.1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Ramona M.W.D.</td>
<td>237.8</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rincon Del Diablo M.W.D.</td>
<td>275.3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>San Diego, City of</td>
<td>10,577.1</td>
<td>-</td>
<td>116.3</td>
<td>1,099.6</td>
<td>35.6</td>
</tr>
<tr>
<td>San Dieguito W.D.</td>
<td>242.4</td>
<td>-</td>
<td>128.3</td>
<td>108.0</td>
<td>-</td>
</tr>
<tr>
<td>Santa Fe I.D.</td>
<td>201.7</td>
<td>-</td>
<td>-</td>
<td>18.6</td>
<td>50.5</td>
</tr>
<tr>
<td>South Bay I.D. 3</td>
<td>0.0</td>
<td>-</td>
<td>32.9</td>
<td>23.9</td>
<td>-</td>
</tr>
<tr>
<td>Vallecitos W.D.</td>
<td>532.2</td>
<td>-</td>
<td>37.5</td>
<td>291.7</td>
<td>-</td>
</tr>
<tr>
<td>Valley Center M.W.D.</td>
<td>697.2</td>
<td>-</td>
<td>-</td>
<td>30.0</td>
<td>31.3</td>
</tr>
<tr>
<td>Vista I.D.</td>
<td>265.2</td>
<td>-</td>
<td>28.1</td>
<td>-</td>
<td>689.0</td>
</tr>
<tr>
<td>Yuima M.W.D.</td>
<td>65.2</td>
<td>-</td>
<td>37.9</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

### TOTAL USE

|                          | 22,138.5                   | 1,519.1               | 1,895.0                  | 1,609.7               | 1,787.4                           | 584.5 | 673.1 | 1,989.5 | 2,084.4 | 27,841.3 | 25,885.9 |

### PERCENT CHANGE

|                          | 14%                         | -20%                   | -10%                      | -13%                   | -5%                                | 8%   |

---

1. SLR water transfers were added as local supply sources beginning in December 2017, for Escondido and Vista I.D. only; Valley Center began in September 2019.
2. De Luz figures included in Fallbrook P.U.D. totals.
3. Brackish groundwater figures included in Groundwater figures.
4. Pendleton M.C.B. Imported Use includes South Coast Water District deliveries.
5. Poway’s recycled use is reported quarterly.
### JANUARY 2020

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad M.W.D.</td>
<td>1,239.5</td>
<td>1,024.1</td>
<td>69,608.2</td>
<td>82,031.7</td>
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<tr>
<td>Del Mar, City of</td>
<td>59.4</td>
<td>60.2</td>
<td>4,589.5</td>
<td>5,242.1</td>
</tr>
<tr>
<td>Escondido, City of</td>
<td>1,230.8</td>
<td>1,164.6</td>
<td>84,087.9</td>
<td>100,258.6</td>
</tr>
<tr>
<td>Fallbrook P.U.D.</td>
<td>374.2</td>
<td>424.8</td>
<td>31,019.0</td>
<td>39,426.4</td>
</tr>
<tr>
<td>Helix W.D.</td>
<td>1,908.2</td>
<td>2,164.3</td>
<td>133,803.9</td>
<td>161,462.7</td>
</tr>
<tr>
<td>Lakeside W.D.</td>
<td>218.1</td>
<td>234.3</td>
<td>15,988.4</td>
<td>19,799.1</td>
</tr>
<tr>
<td>Oceanside, City of</td>
<td>1,294.5</td>
<td>1,557.5</td>
<td>106,991.1</td>
<td>132,225.9</td>
</tr>
<tr>
<td>Olivenhain M.W.D.</td>
<td>923.5</td>
<td>980.7</td>
<td>81,619.3</td>
<td>98,201.6</td>
</tr>
<tr>
<td>Otay W.D.</td>
<td>1,642.3</td>
<td>1,816.9</td>
<td>128,752.6</td>
<td>150,978.8</td>
</tr>
<tr>
<td>Padre Dam M.W.D.</td>
<td>603.6</td>
<td>625.5</td>
<td>43,598.8</td>
<td>52,866.7</td>
</tr>
<tr>
<td>Pendleton M.C.B.</td>
<td>461.2</td>
<td>500.9</td>
<td>30,891.9</td>
<td>36,553.6</td>
</tr>
<tr>
<td>Poway, City of</td>
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<td>514.6</td>
<td>43,516.7</td>
<td>57,041.1</td>
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<tr>
<td>Rainbow M.W.D.</td>
<td>502.9</td>
<td>500.4</td>
<td>44,439.9</td>
<td>51,885.0</td>
</tr>
<tr>
<td>Ramona M.W.D.</td>
<td>222.8</td>
<td>303.5</td>
<td>16,615.8</td>
<td>22,656.9</td>
</tr>
<tr>
<td>Rincon Del Diablo M.W.D.</td>
<td>275.3</td>
<td>303.6</td>
<td>23,415.8</td>
<td>30,619.8</td>
</tr>
<tr>
<td>San Diego, City of</td>
<td>10,722.0</td>
<td>12,492.4</td>
<td>772,629.5</td>
<td>922,866.6</td>
</tr>
<tr>
<td>San Dieguito W.D.</td>
<td>370.7</td>
<td>366.6</td>
<td>26,429.9</td>
<td>30,663.8</td>
</tr>
<tr>
<td>Santa Fe I.D.</td>
<td>372.2</td>
<td>491.0</td>
<td>43,250.3</td>
<td>53,511.9</td>
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<tr>
<td>Sweetwater Authority</td>
<td>1,068.0</td>
<td>1,353.3</td>
<td>80,732.8</td>
<td>99,778.2</td>
</tr>
<tr>
<td>Vallecitos W.D.</td>
<td>811.9</td>
<td>885.4</td>
<td>64,201.9</td>
<td>75,453.0</td>
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<td>417.2</td>
<td>542.4</td>
<td>33,310.1</td>
<td>43,577.0</td>
</tr>
<tr>
<td>Vista I.D.</td>
<td>1,012.6</td>
<td>1,091.0</td>
<td>78,442.1</td>
<td>90,529.7</td>
</tr>
<tr>
<td>Yuima M.W.D.</td>
<td>395.3</td>
<td>508.4</td>
<td>31,655.5</td>
<td>45,323.6</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>26,734.9</strong></td>
<td><strong>29,906.4</strong></td>
<td><strong>1,989,590.9</strong></td>
<td><strong>2,402,953.8</strong></td>
</tr>
</tbody>
</table>

**PERCENT CHANGE**

-11% -17%

---

1. SWRCB emergency regulation went into effect June 2015.
2. The 2013 baseline is utilized to be consistent with the May 2015 SWRCB emergency drought regulation, which was partially rescinded on April 26, 2017. The conservation regulation expired completely on November 25, 2017. Agencies have continued to report to SWRCB beyond November.
3. Excludes recycled water use and Transitional Special Agricultural Water Rate program deliveries. TSAWR deliveries are estimated for months where agencies have not reported.
4. Baseline includes January-December 2013 four times, June through December 2013 once and January 2013 once, in order to establish a base period of 56 months.
5. Sweetwater Authority is comprised of member agencies city of National City and South Bay Irrigation District.

Generated:
2/24/20 9:24 AM
## MONTHLY WATER RESOURCES REPORT

### Reservoir Storage

#### (acre-feet)

**JANUARY 2020**

<table>
<thead>
<tr>
<th>Member Agency</th>
<th>Reservoir</th>
<th>Capacity</th>
<th>January 2020</th>
<th>% of</th>
<th>January 2019</th>
<th>% of</th>
<th>Change During Month</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>% of Capacity</td>
<td></td>
<td>% of Capacity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carlsbad M.W.D.</td>
<td>Maerkle</td>
<td>600</td>
<td>26 4%</td>
<td>1 0%</td>
<td>25</td>
<td>96</td>
<td></td>
</tr>
<tr>
<td>Escondido, City of</td>
<td>Dixon</td>
<td>2,606</td>
<td>2,537 97%</td>
<td>2,468 95%</td>
<td>96</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wohlford</td>
<td>2,783</td>
<td>2,362 85%</td>
<td>2,126 76%</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotals</td>
<td></td>
<td>5,389</td>
<td>4,899 91%</td>
<td>4,594 85%</td>
<td>96</td>
<td></td>
<td></td>
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<tr>
<td>Fallbrook P.U.D.</td>
<td>Red Mountain</td>
<td>1,335</td>
<td>479 36%</td>
<td>307 23%</td>
<td>7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Helix W.D.</td>
<td>Cuyamaca</td>
<td>8,195</td>
<td>896 11%</td>
<td>488 6%</td>
<td>11</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Jennings</td>
<td>9,790</td>
<td>8,893 91%</td>
<td>9,007 92%</td>
<td>(107)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotals</td>
<td></td>
<td>17,985</td>
<td>9,789 54%</td>
<td>9,496 53%</td>
<td>(96)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poway, City of</td>
<td>Poway</td>
<td>3,432</td>
<td>2,600 97%</td>
<td>2,468 95%</td>
<td>159</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rainbow M.W.D.</td>
<td>Morro Hill</td>
<td>465</td>
<td>270 58%</td>
<td>228 49%</td>
<td>(64)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ramona M.W.D.</td>
<td>Ramona</td>
<td>12,000</td>
<td>2,093 17%</td>
<td>2,317 19%</td>
<td>(17)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>San Diego, City of</td>
<td>Barrett</td>
<td>34,806</td>
<td>17,374 50%</td>
<td>11,136 32%</td>
<td>221</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>El Capitan</td>
<td>112,807</td>
<td>44,211 39%</td>
<td>26,433 23%</td>
<td>261</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hodges</td>
<td>4,652</td>
<td>3,201 69%</td>
<td>4,277 92%</td>
<td>(470)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lower Otay</td>
<td>47,067</td>
<td>36,429 77%</td>
<td>33,264 71%</td>
<td>373</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Miramar</td>
<td>6,882</td>
<td>5,780 87%</td>
<td>5,549 83%</td>
<td>545</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Morena</td>
<td>50,694</td>
<td>5,148 10%</td>
<td>3,032 6%</td>
<td>371</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Murray</td>
<td>4,684</td>
<td>4,075 87%</td>
<td>4,152 89%</td>
<td>65</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>San Vicente</td>
<td>1,612</td>
<td>1,612 100%</td>
<td>1,612 100%</td>
<td>1,405</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sutherland</td>
<td>29,508</td>
<td>6,792 23%</td>
<td>8,845 30%</td>
<td>199</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotals</td>
<td></td>
<td>382,595</td>
<td>184,231 48%</td>
<td>152,661 40%</td>
<td>3,028</td>
<td></td>
<td></td>
</tr>
<tr>
<td>San Dieguito WD / Santa Fe ID</td>
<td>San Dieguito</td>
<td>883</td>
<td>313 35%</td>
<td>363 41%</td>
<td>(112)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sweetwater Authority</td>
<td>Loveland</td>
<td>25,400</td>
<td>13,456 53%</td>
<td>13,428 53%</td>
<td>409</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sweetwater</td>
<td>28,079</td>
<td>8,320 30%</td>
<td>4,025 14%</td>
<td>(425)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotals</td>
<td></td>
<td>53,479</td>
<td>21,776 41%</td>
<td>17,453 33%</td>
<td>(16)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valley Center M.W.D.</td>
<td>Turner</td>
<td>1,612</td>
<td>1,612 100%</td>
<td>1,092 68%</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vista I.D.</td>
<td></td>
<td>51,774</td>
<td>5,083 10%</td>
<td>3,712 7%</td>
<td>32</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>531,549</td>
<td>233,721 44%</td>
<td>195,290 37%</td>
<td>3,044</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member Agency Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Authority Storage Accounts</td>
<td></td>
<td>191,186</td>
<td>168,113 88%</td>
<td>149,320 78%</td>
<td>4,850</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Authority Carrying</td>
<td>El Capitan</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Lower Otay</td>
<td>4,744</td>
<td>182</td>
<td>4</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sweetwater (Temporary)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotals</td>
<td></td>
<td>4,704</td>
<td>182</td>
<td>4</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Water In Storage</td>
<td></td>
<td>722,735</td>
<td>406,537 56%</td>
<td>344,791 48%</td>
<td>7,898</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**OTHER AGENCIES**

| Metropolitan Water District | Skinner | 44,264   | 40,812 92% | 39,282 89% | 2,306 |
|                            | Diamond Valley | 810,000   | 785,174 97% | 701,915 87% | (7,828) |
| State Water Project | Oroville | 3,537,577 | 2,204,293 62% | 1,043,938 30% | 124,848 |
| Total Other Water In Storage |            | 4,391,841 | 3,030,279 69% | 1,785,135 41% | 119,326 |

1 Excludes storage allocated to Escondido Mutual Water Co. or its rights to a portion of the unallocated water in Lake Henshaw.
2 Revised capacity volume accounts for lowered reservoir level at Lake Wohlford due to DWR Division of Safety of Dams safety issues.
3 Revised capacity volume accounts for lowered reservoir level at Lake Hodges due to DWR Division of Safety of Dams safety issues and are in accordance with the 1998 Emergency Storage Project Agreement for the Joint Use of Lake Hodges Dam and Reservoir.
4 Includes city’s supply and storage obligations to California American Mutual (Cal-Am) Water Company and San Diego WD / Santa Fe ID.
5 Includes allocated and unallocated water in Lake Henshaw.
6 Water Authority carryover, emergency and operating pools in San Vicente Reservoir were established in June 2015. City of San Diego presently states total capacity in San Vicente at 249,358 with the Water Authority portion being 157,663 AF and the remaining capacity, 91,695 AF, allocable to the city.
7 No defined capacities for storage accounts in El Capitan, Lower Otay and Sweetwater Authority reservoirs.
## MONTHLY WATER RESOURCES REPORT

**Tier 1 Estimated Deliveries to Member Agencies**
*(Figures in acre-feet)*

**Calendar Year 2020 (1 Month: January 2020)**

<table>
<thead>
<tr>
<th>Member Agency</th>
<th>CY2019 Tier 1 Threshold 1</th>
<th>CYTD Firm Deliveries 2</th>
<th>% of Tier 1 Threshold (Pre-QSA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad M.W.D.</td>
<td>12,376.0</td>
<td>822.8</td>
<td>6.6%</td>
</tr>
<tr>
<td>Del Mar, City of</td>
<td>935.0</td>
<td>59.4</td>
<td>6.4%</td>
</tr>
<tr>
<td>Escondido, City of</td>
<td>17,859.0</td>
<td>240.8</td>
<td>1.3%</td>
</tr>
<tr>
<td>Fallbrook P.U.D.</td>
<td>10,325.0</td>
<td>414.0</td>
<td>4.0%</td>
</tr>
<tr>
<td>Helix W.D.</td>
<td>25,519.0</td>
<td>1,166.7</td>
<td>4.6%</td>
</tr>
<tr>
<td>Lakeside M.W.D.</td>
<td>3,168.0</td>
<td>162.9</td>
<td>5.1%</td>
</tr>
<tr>
<td>Oceanside, City of</td>
<td>19,383.0</td>
<td>1,169.5</td>
<td>6.0%</td>
</tr>
<tr>
<td>Olivenhain M.W.D.</td>
<td>13,071.0</td>
<td>926.4</td>
<td>7.1%</td>
</tr>
<tr>
<td>Otay W.D.</td>
<td>21,390.0</td>
<td>1,642.3</td>
<td>7.7%</td>
</tr>
<tr>
<td>Padre Dam M.W.D.</td>
<td>9,939.0</td>
<td>604.2</td>
<td>6.1%</td>
</tr>
<tr>
<td>Pendleton M.C.B. / South Coast W.D.</td>
<td>758.0</td>
<td>11.2</td>
<td>1.5%</td>
</tr>
<tr>
<td>Poway, City of</td>
<td>9,348.0</td>
<td>537.4</td>
<td>5.7%</td>
</tr>
<tr>
<td>Rainbow M.W.D.</td>
<td>19,018.0</td>
<td>536.1</td>
<td>2.8%</td>
</tr>
<tr>
<td>Ramona M.W.D.</td>
<td>8,052.0</td>
<td>237.8</td>
<td>3.0%</td>
</tr>
<tr>
<td>Rincon Del Diablo M.W.D.</td>
<td>5,482.0</td>
<td>275.3</td>
<td>5.0%</td>
</tr>
<tr>
<td>San Diego, City of</td>
<td>144,555.0</td>
<td>10,012.0</td>
<td>6.9%</td>
</tr>
<tr>
<td>San Dieguito W.D.</td>
<td>3,116.0</td>
<td>242.4</td>
<td>7.8%</td>
</tr>
<tr>
<td>Santa Fe I.D.</td>
<td>5,226.0</td>
<td>201.7</td>
<td>3.9%</td>
</tr>
<tr>
<td>Sweetwater Authority</td>
<td>9,650.0</td>
<td>0.2</td>
<td>0.0%</td>
</tr>
<tr>
<td>Vallecitos W.D.</td>
<td>10,557.0</td>
<td>235.2</td>
<td>2.2%</td>
</tr>
<tr>
<td>Valley Center M.W.D.</td>
<td>29,774.0</td>
<td>697.2</td>
<td>2.3%</td>
</tr>
<tr>
<td>Vista I.D.</td>
<td>11,876.0</td>
<td>265.2</td>
<td>2.2%</td>
</tr>
<tr>
<td>Yuima M.W.D.</td>
<td>2,165.0</td>
<td>65.2</td>
<td>3.0%</td>
</tr>
<tr>
<td><strong>MEMBER AGENCY TOTALS</strong></td>
<td><strong>393,542.0</strong></td>
<td><strong>20,515.1</strong></td>
<td><strong>5.2%</strong></td>
</tr>
</tbody>
</table>

Less: QSA deliveries—calendar year 2020  
(22,516.7)

Deliveries to CWA storage—calendar year 2020  
8,188.5

MWD Under-10% Flows—calendar year 2020  
4.8

Deliveries from CWA storage—calendar year 2020  
(3,152.6)

Water Authority WPA desalination deliveries—calendar year 2020  
(3,079.7)

**Estimated Tier 1 deliveries calendar year to date**  
(40.6)

**Invoiced Tier 1 deliveries calendar year to date**  
1,663.2

---

1 Tier 1 threshold is 60% of a member agency's historic maximum year firm demand.
2 Carlsbad M.W.D. and Vallecitos W.D. deliveries exclude local desalination supply transported via Water Authority system.
3 Escondido and Vista I.D. deliveries exclude SLR water transfers.
4 Fallbrook P.U.D. excludes wheeled delivery of 206.8 AF in March 2019.
5 Sweetwater Authority is comprised of member agencies city of National City and South Bay Irrigation District.
6 Includes storage puts to San Vicente Reservoir, forced deliveries or deliveries to Olivenhain Reservoir directly off Water Authority's aqueduct.
7 Includes sales from Water Authority storage accounts, including Olivenhain Reservoir.
8 Estimated Tier 1 deliveries are based on member agency deliveries net of QSA deliveries, seawater desalination and storage puts/takes. Invoiced deliveries are as reported on Metropolitan’s invoice. Difference between Estimated and Invoiced Deliveries is explained by storage puts or takes of pre-deliveries in Twin Oaks Valley Water Treatment Plant (TOVWTP) or member agency treatment plants.
MONTHLY WATER RESOURCES REPORT
Summary of Water Authority Member Agency Operations
JANUARY 2020

Member Agency Deliveries (AF)

<table>
<thead>
<tr>
<th>January</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>21,010</td>
<td>18,295</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Trailing 12 Months</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>332,786</td>
<td>415,247</td>
<td></td>
</tr>
</tbody>
</table>

Member Agency Water Use

- **JANUARY 2020**
  - Local
  - Surface 6%
  - Well & Brackish Recovery 6%
  - Recycled, SLR water transfers & Local Desal 9%
- **Previous 12 Months**
  - Imported & Desal 73%
  - Well & Brackish Recovery 5%
  - Recycled, SLR water transfers & Local Desal 10%

Member Agency Storage (AF)

<table>
<thead>
<tr>
<th>January 2020</th>
<th>Trailing 12-Month Average 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>233,721</td>
<td>243,698</td>
</tr>
<tr>
<td>195,290</td>
<td>202,271</td>
</tr>
</tbody>
</table>

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