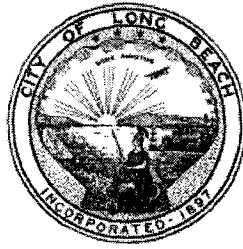


City of Long Beach  
Working Together to Serve



**R-16**  
Suja Lowenthal  
Councilmember, 2<sup>nd</sup> District

**Memorandum**

**To:** Mayor and City Council

February 17, 2009

**From:** Suja Lowenthal, Second District *SL*

**Subject:** Metropolitan Water District (MWD) Monthly Update

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**REQUESTED ACTION:**

Receive and file report on the actions taken at the Metropolitan Water District Board meetings held on January 13<sup>th</sup> and February 10<sup>th</sup>.

**BACKGROUND INFORMATION:**

I wish to bring the following actions (attached) to the Council's attention. Specifically, I wish to highlight the conservation ordinance and procedures for participation by the public sector in Metropolitan's water conservation program funding.

**Report for  
Metropolitan Water District of Southern California  
Board Meeting  
Jan. 13, 2009**

**DELTA VISION**

The board unanimously expressed Metropolitan's support for the recommendations contained in the implementation report of Gov. Schwarzenegger's Delta Vision Committee. The report recommends a comprehensive solution that includes habitat improvements; a statewide commitment to water-use reductions and local resource development; additional groundwater storage; completion of surface storage investigations; and construction of a dual conveyance system in the Delta, beginning in 2011. (Agenda Item 8-7)

**REVENUES AND RATES**

The board set a March public hearing of the Business and Finance Committee at which interested parties may present their views regarding the General Manager's recommendation for rates and charges to be effective January 1, 2010. The board also agreed that the determination of water revenue requirements for fiscal year 2009/10 should take place after the completion of budget workshops. (Agenda Item 8-1)

**CONSERVATION ORDINANCE**

The board established conservation ordinance prerequisite procedures for participation in the Phase II Public Sector, Turf Removal and Enhanced Conservation programs. Under the procedures, Metropolitan member agencies applying for program funds would need to have a water conservation ordinance in place or make a written pledge that they would adopt a water conservation ordinance by July 1, 2009. Funding priority will be granted to member agencies that already have water conservation ordinances in place. The board also asked staff to report back later this year on the feasibility of using a revolving loan program to fund conservation incentives. (Agenda Item 9-4)

**WATER TRANSFER**

The board authorized executing a one-year water transfer agreement with Delta Wetlands Properties that could produce up to 18,000 acre-feet of new supply before conveyance losses. The transfer would be made available through land fallowing and crop shifting. (Agenda Item 8-4)

**WATER RECYCLING**

The board authorized the General Manager to enter into a Local Resources Program agreement with the Los Angeles Department of Water and Power for the Taylor Yard Park Water Recycling

Project. Costs are projected at \$937,500 for 3,750 acre-feet of recycled water over 25 years. (Agenda Item 7-3)

### **AUSTRALIAN WATER MINISTER**

The board heard remarks from Tim Holding, the Water Minister for the state of Victoria in Australia, about how Victoria has handled a 12-year drought that is the worst in Victoria's history, through a combination of conservation, desalination, water recycling, irrigation and pipeline improvements, and water use restrictions. (Agenda Item 4)

### **BOARD ACKNOWLEDGES HELEN Z. HANSEN**

Timothy Brick, board chairman, presented a commendatory resolution to former Director Helen Hansen, recognizing her years of service on Metropolitan's board and for her dedication and contributions to water supply reliability for the city of Long Beach, the region and the state. Ms. Hansen served on the board from August 1997 through May 2008. (Agenda Item 5C)

### **COMMITTEE CHAIR APPOINTMENT**

Chairman Brick appointed James Barrett of the San Diego County Water Authority as chair of the Water Planning and Stewardship Committee (Agenda Item 5D)

### **OTHER ACTION:**

In other action, the board:

- Authorized an increase of \$256,000 to an existing agreement with Commuter Check Services Corporation for public transit vouchers for Metropolitan's Rideshare Program (Agenda Item 7-1)
- Appropriated \$190,000 and authorized preliminary design of the Weir Gate and Filter Valve Rehabilitation project at the Henry J. Mills plant (Agenda Item 7-2)
- Authorized an agreement with Ritchie Bros. Auctioneers to sell surplus materials and equipment from the Inland Feeder Arrowhead Tunnels Project, generating revenue anticipated to be in a range of \$1.5 million to \$3.5 million, less commissions (Agenda Item 8-3)
- Authorized initiation of litigation against defendants including, but not limited to, General Reinsurance Company, to recover damages and secure other judicial relief (Agenda Item 8-5)
- Authorized staff to proceed with recommended actions regarding the Delta smelt biological opinion (Agenda Item 8-6)

**Report for  
Metropolitan Water District of Southern California  
Board Meeting  
February 10, 2009**

**R-16**

**STATE WATER PROJECT**

The board authorized payments up to \$561 million for calendar year 2009 charges from the State Water Project under terms of water supply contracts with the Department of Water Resources. This amount represents charges to be incurred for up to 1.1 million acre-feet of State Water Project deliveries. (Agenda Item 8-1)

**DROUGHT WATER BANK**

The board authorized an agreement with the California Department of Water Resources to pursue up to 300,000 acre-feet of Central Valley water transfer agreements under the Governor's 2009 Drought Water Bank, and payment of initial administrative fees and water purchase deposits. (Agenda Item 8-4)

**CONSERVATION INCENTIVES**

The board authorized a \$20 million increase to the Conservation Credits Program for fiscal year 2008/09 to address increased participation in several incentive funding programs including turf removal, residential rebates and public sector conservation. The board also voted to retain authority to make further changes, and to restore an extra incentive of \$50-per-unit for high-efficiency clothes washers if state grant funding for the program is restored. (Agenda Item 8-7)

**FOUR NEW DIRECTORS**

The board inducted four new directors into office: R. William "Bill" Robinson from the Upper San Gabriel Valley Municipal Water District (succeeding Anthony R. Fellow); Angel Santiago from the Inland Empire Utilities Agency (succeeding Gene Koopman); Keith Lewinger (succeeding Jim Bond) and Fern Steiner (succeeding Joseph Parker), both from the San Diego County Water Authority. (Agenda Items 5C, 5D and 5E)

**COMMITTEE ASSIGNMENTS**

Chairman Brick made the following committee assignments which the board approved:

- Marcie L. Edwards, First Vice Chair (of the Board)
- John W. Murray, Jr., Vice Chair (of the Board)
- Business and Finance Committee — Aaron Grunfeld (Chair), Keith Lewinger, Angel Santiago, Bill Robinson
- Legal and Human Resources Committee — Fern Steiner, Bill Robinson
- Water Planning and Stewardship Committee — Keith Lewinger

- Communications and Legislation Committee — Fern Steiner, Angel Santiago
- Special Committee on Bay-Delta — Fern Steiner
- Real Property and Asset Management Committee — Aaron Grunfeld, Robert Wunderlich, Sylvia Ballin

### **ECONOMIC STIMULUS PACKAGE**

Staff provided an update on Metropolitan’s “shovel-ready” projects being submitted for possible inclusion in the federal economic stimulus package. The list includes \$3.6 billion of water-related projects that would generate an estimated annual yield of 800,000 acre-feet and create approximately 46,000 jobs. (Agenda Item 5I)

### **HAYFIELD PROJECT**

The board authorized installation of a prototype well for hydrogeologic investigations of the Hayfield Groundwater Extraction Project, and amended an existing agreement with Kennedy/Jenks Consultants. (Agenda Item 8-2)

### **ORANGE COUNTY RELIABILITY PROJECTS**

The board authorized approval of service connection and operating agreements with the Municipal Water District of Orange County to allow implementation of two Orange County reliability projects involving the Allen-McColloch Pipeline and the jointly-owned South County Pipeline. A third project involving the Baker Water Treatment Plant will be brought back to the board for future consideration. (Agenda Item 8-3)

### **SAN MANUEL SETTLEMENT**

The board authorized entering into a settlement agreement with the San Manuel Band of Serrano Mission Indians for reimbursement of costs incurred relating to the Arrowhead Tunnels in an amount not to exceed \$7 million. (Agenda Item 8-6)

### **OTHER ACTION:**

In other action, the board:

- Heard a presentation from the Los Angeles Area Chamber of Commerce as it honored Metropolitan Chief Administrative Officer Gilbert Ivey as the Chamber’s 2008 Board Member of the Year (Agenda Item 4)
- Presented a 10-year service pin to Director Willard H. Murray, Jr. of Central Basin Municipal Water District (Agenda Item 5F)
- Authorized execution of the Fifth Amendment to the District-Edison Service and Interchange Agreement (Agenda Item 7-1)
- Received a report on the status of the board-adopted Water Supply Allocation Plan (Agenda Item 9-2)