



**Memorandum**

**To:** Mayor and City Council

June 2, 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 meeting held on May 12, 2009. Specifically, I would like to focus on our discussions concerning water use efficiency principles and committee assignments.

**BACKGROUND INFORMATION:**

I wish to bring the following actions (attached) to the Council's attention.

**Report for  
Metropolitan Water District of Southern California  
Board Meeting  
May 12, 2009**

**WATER USE EFFICIENCY PRINCIPLES**

The board adopted policy principles that Metropolitan will use in addressing water use efficiency legislation designed to achieve a 20 percent reduction in water use by 2020. The board adopted the principles as detailed in the board letter 8-9, with the following amendments: 1) Clarify the credit for investment in direct use of recycled water and indirect potable use of recycled water for groundwater or reservoir augmentation; 2) Ensure that urban and agricultural water suppliers are not subject to dual reporting requirements; 3) Replace AB 1420 eligibility requirements for grants and loans; 4) All best management practices for commercial-industrial-institutional and agriculture should be technically and economically feasible; 5) Use a reasonable threshold for defining agricultural water supplier. (Agenda Item 8-9)

**NEW DIRECTOR**

David W. Fleming was seated as a member of the board, representing the city of Los Angeles. Fleming has chaired the Los Angeles Chamber of Commerce and numerous other area business and leadership groups and served on the boards of the Metropolitan Transportation Authority, California Transportation Commission and various foundations. The board unanimously approved Chairman Brick's nomination of Director Fleming to the Water Planning and Stewardship Committee, Communications and Legislation Committee, and Special Bay-Delta Committee. (Agenda Item 5C, 5F)

**DIRECTOR REAPPOINTMENT, SERVICE PIN**

Chairman Brick acknowledged the reappointment of Director Jesús Quiñonez for a term ending December 31, 2012, representing the city of Los Angeles, and presented a 10-year service pin to Director James T. Edwards, representing the Foothill Municipal Water District. (Agenda Items 5D, 5E)

**COMMITTEE APPOINTMENTS**

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

- Special Committee on Desalination and Recycling -- Bud Pocklington, Ed Little, Suja Lowenthal, John Morris and Robert Apocada
- Hoover Contract Issues Committee – John Morris
- Audit and Ethics Committee -- Ted Grandsen, James Edwards, Bill Wright and Peter Kavounas
- Real Property and Asset Management Committee – Angel Santiago
- Legal and Human Resources Committee – Gloria Gray

## GM REPORT

The board heard a general manager's report that staff will return in June with proposed revisions to Metropolitan's conservation rebate program. (Agenda Item 6A)

## STATE WATER PROJECT AUDIT

The board adopted the recommendation of the Audit and Ethics Committee and awarded a three-year contract to Richardson and Company in the amount of \$2.04 million for auditing Metropolitan's State Water Project charges. (Agenda Item 8-1)

## OTHER ACTIONS

In other actions, the board:

- Approved amendments to the Metropolitan Water District Administrative Code to amend ethics provisions (Agenda Item 7-1)
- Appropriated \$630,000 and authorized final design and pipe fabrication for repair of prestressed concrete cylinder pipe for the Lake Skinner Outlet Conduit (Agenda Item 7-2)
- Adopted a resolution supporting Metropolitan applications for \$30 million in American Recovery and Reinvestment Act grant funding (Agenda Item 7-3)
- Adopted a resolution to continue Metropolitan's Water Standby Charge for fiscal year 2009/10 (Agenda Item 8-2)
- Voted to express support and seek amendments to AB 234 (Huffman, D-San Rafael) – Energy: water use and energy efficiency projects, federal stimulus funds (Agenda Item 8-3)
- Expressed support for AB 1100 (Duvall, R-Brea) – Potable reuse demonstration water (Agenda Item 8-4)
- Expressed support for AB 1520 (Evans, D-Santa Rosa) – Statewide watershed program (Agenda Item 8-5)
- Voted to adopt the recommendation of the Communications and Legislation Committee and express opposition to SB 565 (Pavley, D-Santa Monica), – Water recycling (Agenda Item 8-6)
- Expressed support for SB 790 (Pavley, D-Santa Monica) — Resources: water quality, storm-water management. Directors Dick, Ackerman, Foley, Fleming and Hawkins voted no. (Agenda Item 8-7)
- Authorized settlement in the case of *Ghassan Souleman Bisharat v. James Dean Kostelecky, et al.* (Agenda Item 8-8)