
WATER RESOURCE MANAGEMENT

Water Resource Management (WRM) plans, secures, and manages water resources that Metropolitan supplies to its member agencies in a reliable, cost-effective, and environmentally responsible manner.

PROGRAMS

Water Resource Management protects and optimally manages imported water quantity and quality; advances water-use efficiency; provides supply and demand forecasts that are the foundation for resource planning; and develops and implements timely resource planning, programs, and projects.

In addition, WRM assists member agencies in optimizing their use of local resources to benefit the entire Metropolitan service area and ensures Metropolitan receives a fair return on contractual investments in local and imported resources.

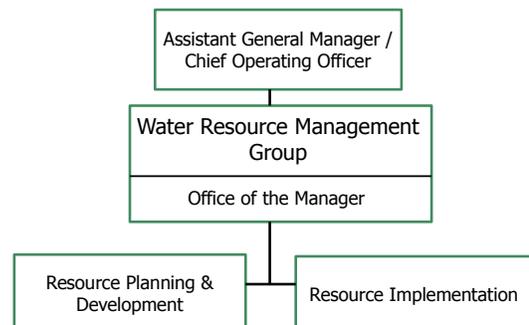
Water Resource Management accomplishes its mission through the following programs or sections:

Office of Manager directs the group's efforts in planning, securing, and managing Metropolitan's water resources; monitors and tracks the group's business plan, financial and budgetary initiatives; and provides administrative and business process support.

Resource Planning & Development is responsible for providing an integrated water supply and demand forecast that will meet the needs of member agencies and reflect their long-range planning efforts for local supplies which sets the foundation for Metropolitan's resource mix and local supplies needed to meet demands. This section also supports the development of resource programs, projects, and infrastructure to

meet projected resource targets; administers the planning process; defines strategies for meeting service area water needs including the Integrated Resource Plan (IRP) and Water Surplus and Drought Management (WSDM) plan; and develops resource options, such as groundwater conjunctive use, regional recycling and seawater desalination; as well as alternatives for short-range planning and implementation through joint action with Water System Operations.

Resource Implementation develops and administers water resource programs and contracts, and pursues application of new technologies and innovation for the Colorado River, State Water Project, water recycling, groundwater recovery, and conservation. This section also monitors and responds to regulatory, legislative, and operational activities that may influence Metropolitan's rights and benefits related to the quality, reliability and cost of water.



GOALS AND OBJECTIVES

In FY 2016/17 and FY 2017/18, WRM will focus on the following key issues:

Colorado River

Evaluate continuing challenges to the Quantification Settlement Agreement (QSA) and develop strategies to respond to changed conditions.

Protect Colorado River resources, Metropolitan's Colorado River rights, and optimize the use of available Colorado River water.

Facilitate salinity management projects and other actions that protect and improve source water quality.

Partner with other Colorado River water delivery contractors to develop new Metropolitan supplies, including cross-border water supply programs.

Administer Imperial Irrigation District (IID) and Palo Verde Irrigation District (PVID) agricultural conservation programs.

Work with representatives of the International Boundary and Water Commission and United States Bureau of Reclamation (USBR) to continue implementation of Minute 319 and coordinate emergency deliveries for Tijuana.

Continue administration of pilot system water projects that help keep Lake Mead levels above shortage triggers.

Develop strategy and tools for managing new agricultural land purchases in the Palo Verde Valley.

Groundwater Storage Program

Continue management of nine approved conjunctive use programs to store water for dry-year yield.

Continue facilitation of dialogue among agencies in groundwater management, recycled water production, and stormwater and flood management to enhance groundwater basin recharge.

Continue to monitor and inform member agencies and groundwater managers of proposed legislation and regulations that potentially affect groundwater recharge or management.

Legislative Review

Continue to review and provide comments on proposed state and federal legislation on water resources issues related to Metropolitan's mission and WRM functions.

Regional Resources and Water Conservation

Implement Long-Term Water Conservation Plan and new LRP initiatives to meet 20x2020 urban water use reduction target.

Pursue grant funding supplement implementation of regional water conservation program initiatives.

Participate in activities leading to expanded use of recycled water and increased water use efficiency.

Administer agreements that provide incentives for conservation, recycled water, recovered groundwater production, and support development of local resource development projects.

Conduct research to advance local resource and conservation program effectiveness.

Seawater Desalination

Continue to develop and actively participate in CalDesal and support its regulatory and legislative initiatives with the State's Ocean Plan and the Ocean Protection Council's draft Strategic Action Plan.

State Water Project

Renegotiate the SWP contract, extending the contract term, and adjust cost repayment provisions to reflect longer term supply and repayment needs.

Ensure accurate billings and influence sound financial decisions by DWR, including effective

DWR energy management practices with regard to renewable energy, emissions reductions, transmission strategies, and energy acquisitions.

Continue to discuss and resolve disputed charges for the SWP.

Protect SWP water, power, and financial positions under the Oroville Federal Energy Regulatory Commission (FERC) relicensing process as well as associated litigation and upcoming FERC relicensing and several DWR facilities in Southern California.

Support Metropolitan's interests in any SWP-related litigation.

Coordinate major rehabilitations and new SWP capital improvements to ensure cost-effective and reliable water supply, energy generation, and use.

Promote water quality monitoring and forecasting activities and raise awareness of potential water quality impacts from operational decisions.

Develop and implement strategies to access SWP conveyance facilities to optimize use of Metropolitan water transfer and banking programs in light of scheduled and forced infrastructure outages.

Continue participation in State Water Contractors, Inc., State Water Project Contractors Authority, and State and Federal Water Contractors Authority to coordinate activities at a statewide level.

Future Supply Actions

Staff will consider other future supply actions as deemed necessary.

Continue participation in the Southern California Water Committee Stormwater Task Force to identify opportunities and remove obstacles to increases in stormwater capture and infiltration for measurable groundwater yield.

Water Supply and System Planning

Complete annual progress reports on IRP implementation and Metropolitan's water supplies and achievements in conservation, recycling, and groundwater recharge (SB 60 report).

Complete the annual forecast of Metropolitan sales to support revenue requirements and budget process.

Explore potential partnerships with member agencies and other entities for development of regional seawater desalination, recycling, and groundwater replenishment facilities.

Upgrade and enhance planning tools, such as computer models for demand forecasting, resource program evaluation, and distribution system.

Continue work with the Water Utility Climate Alliance to perform case studies on climate data applications to water resources planning.

Water Transfers and Exchanges Program

Continue to manage existing water transfer, exchange, and storage programs along the California Aqueduct and Colorado River Aqueduct and implement approved water transfers.

Pursue additional water transfers and exchanges as needed.

Work with other State Water Contractors on a long-term water transfer permitting process.

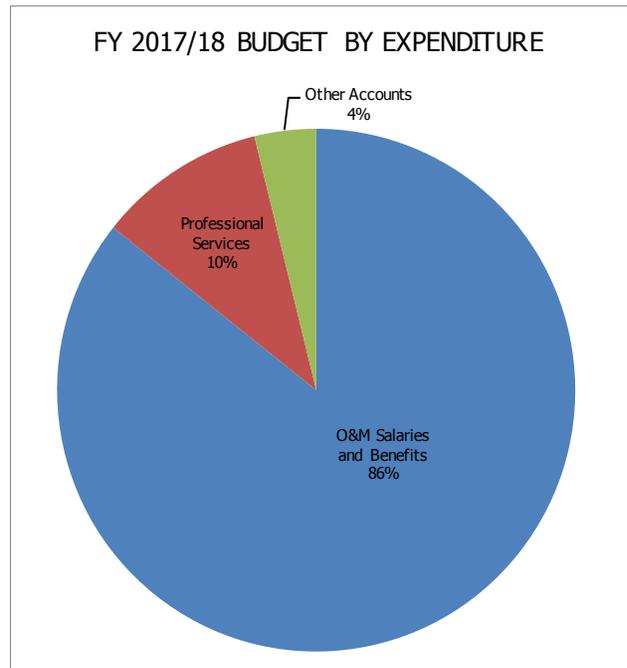
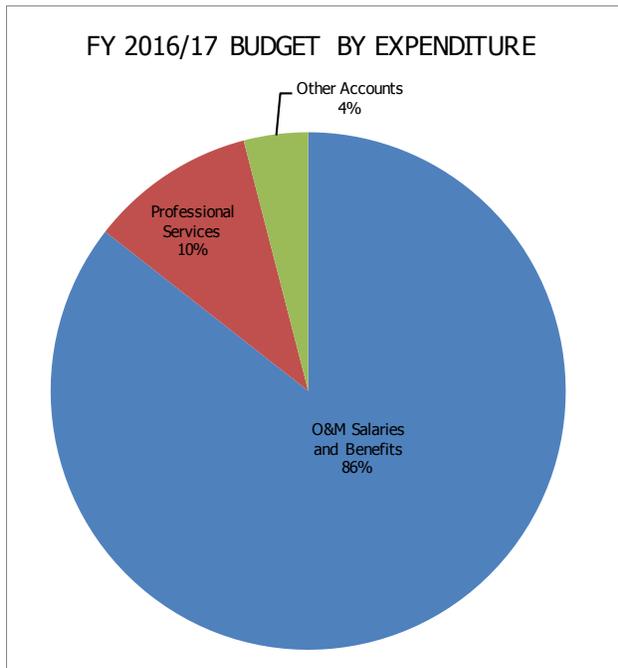
Workforce Development & Succession Planning

Continue to develop staff expertise in critical areas to prepare for future employee retirements or departures.

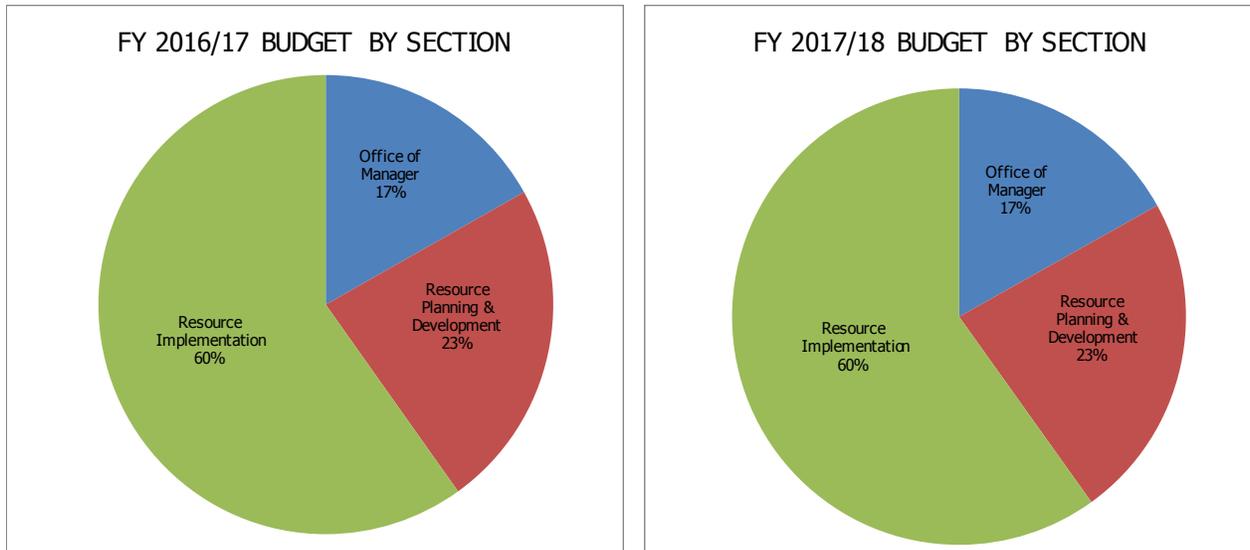
O&M FINANCIAL SUMMARY

	2014/15 Actual	2015/16 Budget	2016/17 Proposed	Change from 2015/16	2017/18 Proposed	Change from 2016/17
Total Salaries and Benefits	12,717,400	14,157,500	14,056,800	(100,700)	14,217,800	161,000
<i>Direct Charges to Capital</i>	<i>(2,000)</i>	—	—	—	—	—
O&M Salaries and Benefits	12,715,400	14,157,500	14,056,800	(100,700)	14,217,800	161,000
% Change		11.3%		(0.7%)		1.1%
Professional Services	1,322,100	2,113,200	1,710,000	(403,200)	1,740,000	30,000
Grant / Donation Expense	102,000	125,000	125,000	—	125,000	—
Graphics & Reprographics	11,200	79,900	35,700	(44,200)	25,700	(10,000)
Materials and Supplies	125,300	82,300	104,400	22,100	89,400	(15,000)
Memberships & Subscriptions	181,600	185,700	77,200	(108,500)	77,000	(200)
Rent & Leases	11,500	10,000	45,000	35,000	43,000	(2,000)
Training & Seminars Costs	10,700	46,000	36,200	(9,800)	36,200	—
Travel Expenses	139,200	156,500	126,000	(30,500)	126,100	100
Other Accounts	85,500	201,800	114,400	(87,400)	114,000	(400)
Total O&M	14,704,500	17,157,900	16,430,700	(727,200)	16,594,200	163,500
% Change		16.7%		(4.2%)		1.0%

Note – Totals may not foot due to rounding.



O&M BUDGET BY SECTION



	2015/16 Budget	2016/17 Proposed	Change from 2015/16	2017/18 Proposed	Change from 2016/17	Personnel Budget		
						15/16	16/17	17/18
Office of Manager	3,559,500	2,768,300	(791,200)	2,804,100	35,900	19	14	14
Resource Planning & Development	4,276,500	3,824,900	(451,500)	3,848,200	23,300	15	16	16
Resource Implementation	9,321,900	9,837,500	515,600	9,941,900	104,400	34	38	38
Total O&M	17,157,900	16,430,700	(727,100)	16,594,200	163,500	68	68	68

Note - Totals may not foot due to rounding.

PERSONNEL SUMMARY

	2014/15 Actual	2015/16 Budget	2016/17 Proposed	Change from 2015/16	2017/18 Proposed	Change from 2016/17
Regular	59	68	68	—	68	—
O&M	59	68	68	—	68	—
Capital	—	—	—	—	—	—
Temporary	—	—	—	—	—	—
O&M	—	—	—	—	—	—
Capital	—	—	—	—	—	—
Total Personnel	59	68	68	—	68	—
O&M	59	68	68	—	68	—
Capital	—	—	—	—	—	—

Note - Totals may not foot due to rounding.

BUDGET HIGHLIGHTS

WRM's biennial budget is \$16.4 million in FY 2016/17 and \$16.6 million in FY 2017/18, or a decrease of 4.2% and an increase of 1.0%, respectively from the prior budget years. WRM achieved the 4.2% decrease while taking on additional responsibilities related to Colorado River Program Desert Land Management. The decrease was primarily due to the following factors:

- The primary factor, professional services, has been decreased through the reduction or deferral of various conservation research studies, system analysis technical studies, supply and aqueduct modeling, and water use investigations. The reduction may limit the ability to provide timely responses to technical studies and update models for the water resource evaluation.
- Various memberships were also eliminated that may reduce the ability to collaborate with other boards or agencies on statewide and federal issues.

The following are the significant changes by budget year.

FY 2016/17

Personnel-related issues

Total personnel count remains flat with the FY-2015/16 budget. Salaries and Benefits budget reflects anticipated retirements and vacancies filled at lower level job classifications.

Professional Services

The budget reflects reduced technical services for Colorado River water use mapping and monitoring, conservation research studies, IRP, system analysis technical studies and eliminated SWP supply and aqueduct modeling support. These reductions were offset by professional services related to Colorado River Program Desert Land Management.

Memberships and Subscriptions

Budget reflects the elimination of memberships and subscriptions for Western Urban Water

Coalition, California Urban Water Agencies, and WaterReuse Foundation.

Other

The budget reflects reduced travel associated with SWP, CRA, conservation, and local resources program and a reduction in conservation marketing materials and IRP reports.

FY 2017/18

Personnel-related issues

Total personnel count remains flat with the FY-2016/17 budget. Salaries and Benefits budget reflects merit increases for qualified employees and an increase in retirement-related benefits costs.

Professional Services

The budget reflects an increase related to the State Water Contract audit.