

Integrated Resources Planning Committee

Item #3a

Subject: IRP – Overview of Historical Metropolitan Water Resource Policy
Development and Planning Processes

Purpose: Informational

IRP Committee/March 24, 2015

Integrated Resources Planning Committee

Item #3a

Summary: Overview of Historical Metropolitan Water Resource
Policy Development and Planning Processes



Historical Overview: Metropolitan Water Resource Policy Development and Planning Processes

Integrated Resources Planning Committee
March 24, 2015
Item 3a

Overview

- Review past Board actions that initiated water resource policy development and planning processes
- Will focus on the events that formed major water policies
 - Will not focus on implementation efforts from these policies
- Will be telling Metropolitan's story

WE WILL BE COVERING A LOT OF DETAILS ABOUT SPECIFIC BOARD ACTIVITIES AND ACTIONS FROM METROPOLITAN'S INCEPTION. WE WILL BE TELLING A STORY OF METROPOLITAN AND HOW PAST BOARDS HAVE SHAPED ITS POLICIES AND PLANNING PROCESSES THROUGH THE YEARS.

Historic Timeline



The Board has developed and adopted policies in response to changing circumstances

Today



The Beginning

These adopted policies of the past communicate to future boards



THROUGH THIS HISTORIC STORY, PAST METROPOLITAN BOARDS CAN COMMUNICATE WITH TODAY'S BOARD ON HOW METROPOLITAN, IN ITS CURRENT FORM, CAME TO BE.

MWD Act (1927)

“Metropolitan water districts may be organized for the purpose of developing, storing, and distributing water for domestic and municipal purposes and may provide, generate, and deliver electric power within or without the state for the purpose of developing, storing, and distributing water for such district.”

1927-28

2015

MWD Act signed



- The Metropolitan Water District Act was signed into law by the governor on May 10, 1927, and went into effect on July 29, 1927.
- This is Section 25, Purposes.
- Metropolitan incorporated with the State on December 6, 1928, followed by their first Board meeting on December 29, 1928 at Pasadena’s Huntington Hotel. This hotel is still in existence, later becoming The Ritz-Carlton Huntington Hotel, and now The Langham Huntington.

Statement of Policy (1931)

How the Board would fulfill its responsibilities under the MWD Act

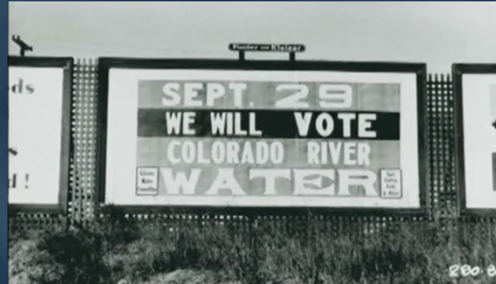
- Emphasized domestic use as being the dominant use, provided in the most effective and economical manner

MWD Act

1927

1931

2015



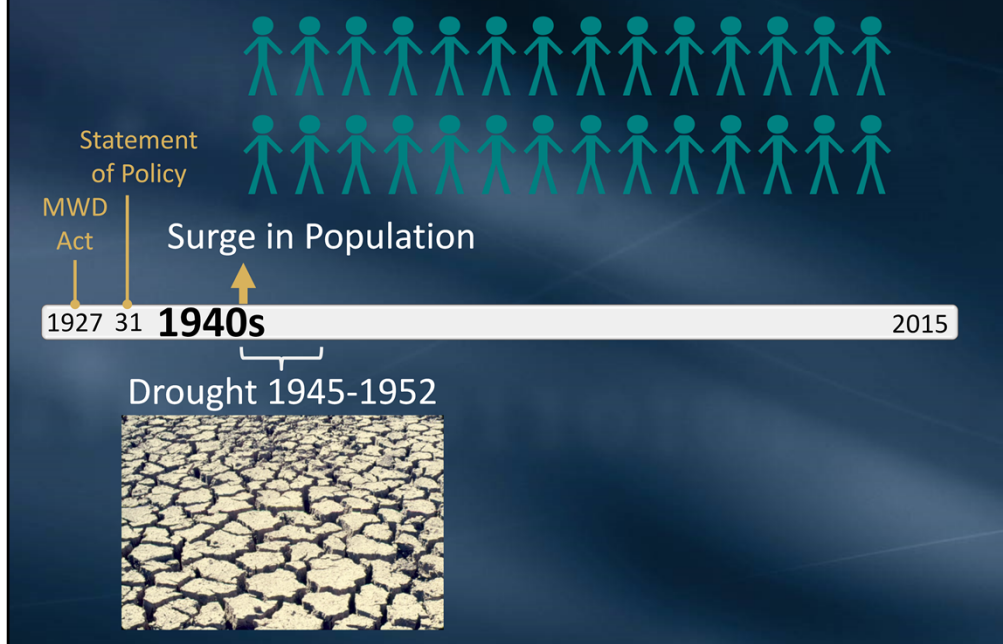
- January 9, 1931 Statement of Policy adopted.
- September 29, 1931: Voters approve \$220 million bond measure to build the CRA.

Historical Landscape (1930-50)



- 1933 – Construction of CRA commenced
- 1939 – Construction of CRA completed
- 1941 – CRA and regional distribution system operational
- 1940s: Post WWII surge in population
- By 1950, the population in Met service area had doubled in the first 20 years and the service area had tripled in the initial 10 years of operation of the CRA.
- The surge in population resulted in stresses on Metropolitan's system.
- 1945-52: Seven year drought hits Southland

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Laguna Declaration (1952)

(a) The District is prepared, with its existing governmental powers and its present and projected distribution facilities, to provide its service area with adequate supplies of water to meet expanding and increasing needs in the years ahead.

When and as additional water resources are required to meet increasing needs for domestic, industrial and municipal water, the District will be prepared to deliver such supplies.



- Hugely important statement.
- We might take it for granted that Metropolitan’s water supply role in Southern California was always understood since its incorporation. But that was not true.
- In 1952, the Board made this clear statement about what it viewed Metropolitan’s role for future generations and future boards.
- Strong statement about economic efficiency and the economies of scale in the development of Southern California’s water supply infrastructure.
- Reaffirmed Metropolitan’s intent to meet member agencies’ water supply demands
- Avoiding the development of overlapping and parallel government authorities and water distribution facilities

Laguna Declaration (1952)

(b) Taxpayers and water users residing within the District already have obligated themselves for the construction of an aqueduct supply and distribution system. This system has been designed and constructed in a manner that permits orderly and economic extensions and enlargements to deliver the District's full share of Colorado River water and State Project water as well as water from other sources as required in the years ahead...



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Laguna Declaration (1952)

Avoidance in District Service Area of Overlapping or Paralleling Governmental Authorities

(b) ...Establishment of overlapping and paralleling governmental authorities and water distribution facilities to service Southern California areas would place a wasteful and unnecessary financial burden upon all of the people of California, and particularly the residents of Southern California

MWD
Act

↓ Stmt of
Policy

1927 31

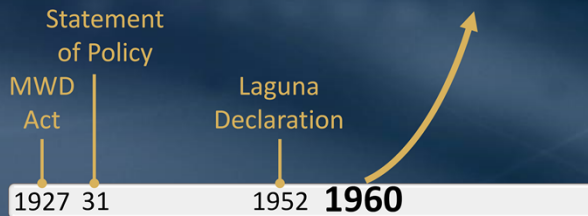
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1952

2015

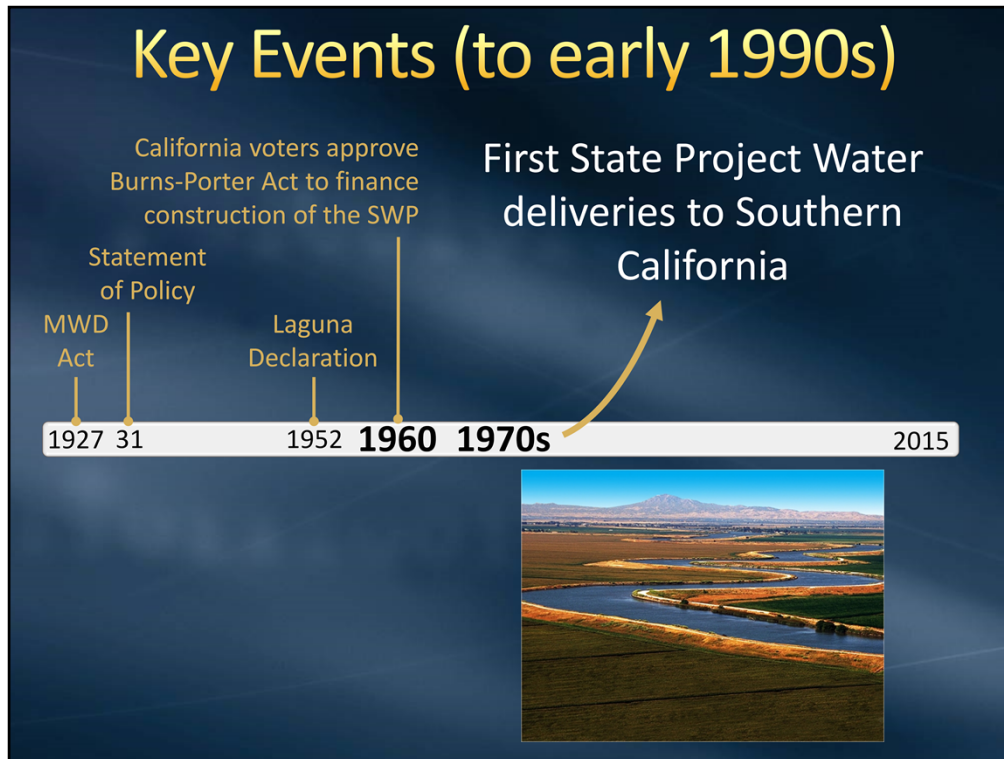
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Key Events (to early 1990s)

California voters approve Burns-Porter Act to finance construction of the SWP



- The Burns-Porter Act, formally known as the California Water Resources Development Bond Act, was placed on the November 1960 ballot. Also known as Proposition One, its chances for passage were unpredictable. Heated and continuous negotiations were still ongoing, with MWD withholding its endorsement until days before the election
- On October 8, 1971 Governor Ronald Reagan starts the first pump at A.D. Edmonston Pumping Plant, as part of a ceremony celebrating the first water deliveries to Southern California
- On November 8, the Burns-Porter Act was narrowly approved by the slim margin of 173,944 votes from about 5.8 million ballots counted
- By the 1970s, Metropolitan was contracting for imported water from DWR using the newly constructed SWP facilities
- 1982: Voters reject Proposition 9 (SB 200) to build a Peripheral Canal along the eastern edge of the Delta. (In 1977, DWR had proposed a combination of state-federal programs and facilities, including a 42-mile canal to bypass the Delta and more efficiently move water from the Sacramento River south to CVP and SWP pumping plants. These later evolved into Senate Bill 200)



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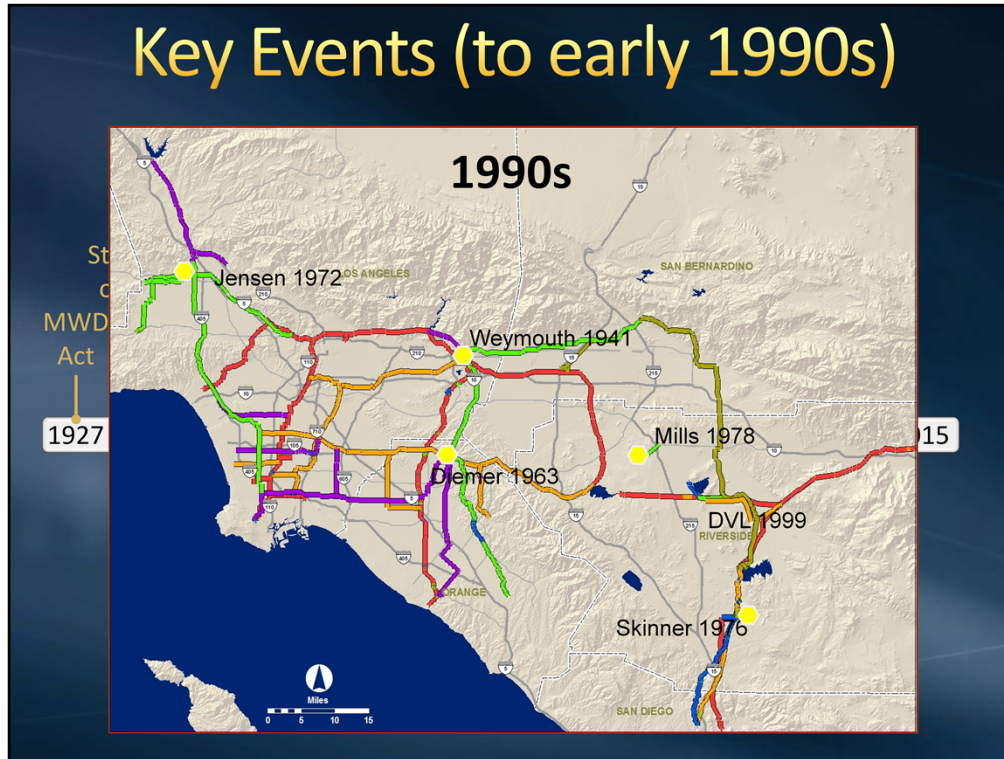
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Burns-Porter Act to finance
construction of the SWP

Voters reject
Peripheral Canal



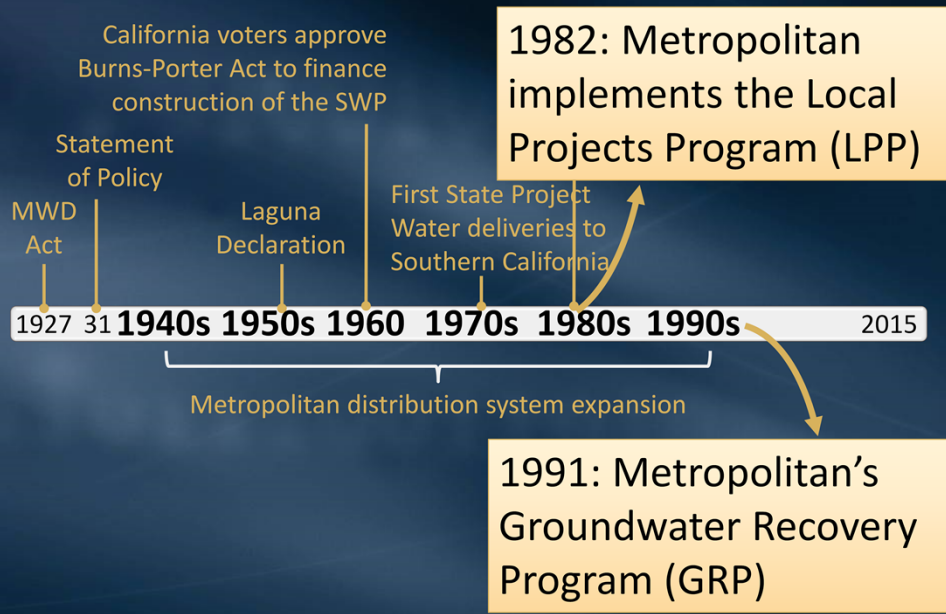
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Key Events (to early 1990s)



- 1956 – Southern California voters passed Proposition W water bond to allow Metropolitan to expand the CRA to full design capacity of 1.2 mafy.
- 1966 – Southern California voters passed Proposition W water bond to finance expansion of the system to receive SWP

Key Events (to early 1990s)



Key Events (to early 1990s)

California voters approve
Burns-Porter Act to finance
construction of the SWP

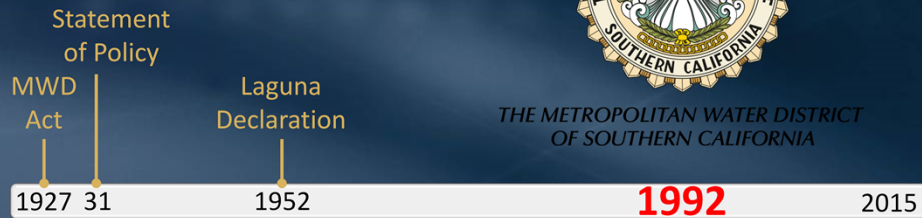
Drought
1987-1991
Voters reject
Peripheral Canal



Metropolitan distribution sy



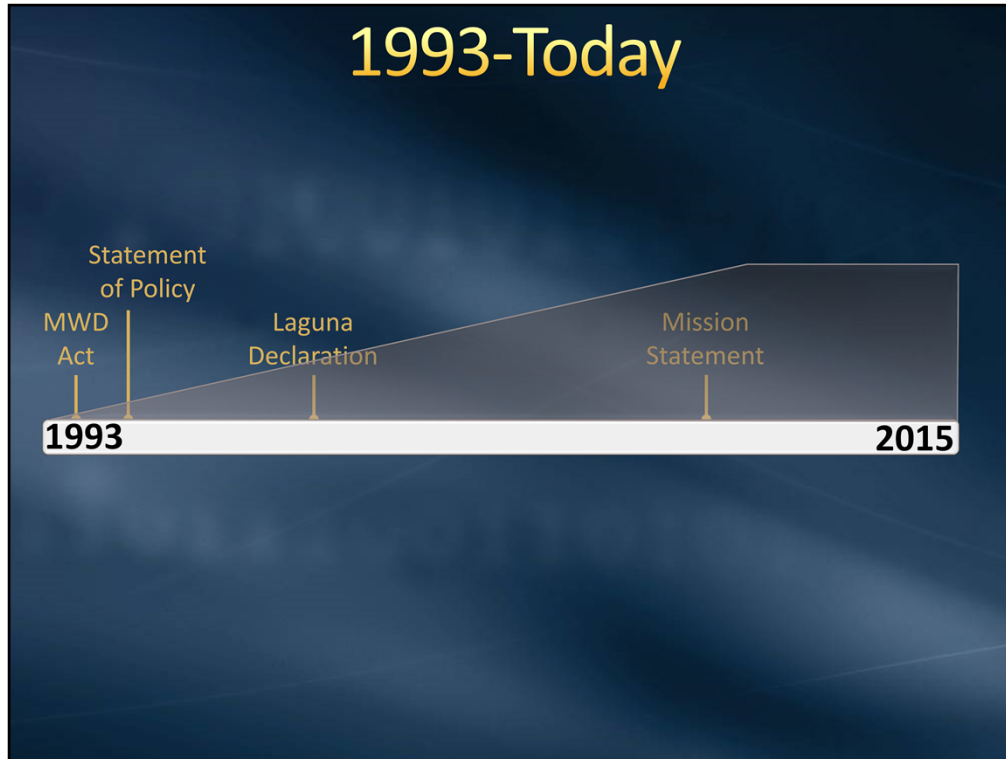
Mission Statement (1992)



“The mission of The Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high quality water to meet present and future needs in an environmentally and economically responsible way.”

- By the 1970s, Metropolitan was contracting for imported water from DWR using the newly constructed SWP facilities
- 1992: Board adopted the Mission Statement

1993-Today



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American Assembly Process



Eisenhower

Concept: Power of large groups to address issues of regional concerns and common interests

1993 '94 '95

2015



Strategic & IRP
Assembly

- 2007 Wanger Decision

1993 Strategic Assembly

Key Outcome

1993 '94 '95



- New revenue structure
- Selection criteria for resource evaluation
- Initial business practices and water management principles
- Commitment to resolve Delta issues
- Increasing use of local water resources and conjunctive use, emphasized a “partnership” to provide proactive leadership

- Starting the IRP process at the same time

1994 IRP Assembly

Key Outcome

- Intermediate resource mix
 - Emphasis on water conservation and development of new local water supplies
- Business principles to guide IRP implementation and resulting water management plans

1993 '94 '95



Strategic & IRP
Assembly

- Starting the IRP process at the same time

1995 IRP Assembly

Key Outcome: Adoption of “San Pedro Principles”

1993 '94 '95



- Endorsed “principles of partnership” among water suppliers
- No water supplier in So. California is an isolated, independent entity unto itself
- Metropolitan is So. California’s lead agency in regional water management
- Water suppliers at all levels have responsibility to promote a strong water ethic within water community and among public

- Starting the IRP process at the same time

1999 Strategic Plan



Board approved
policy principles to
guide strategic vision

1993

1999

2015

Key Outcome

Recommendation for a framework for a
revised rate structure that unbundled the full
service water rate

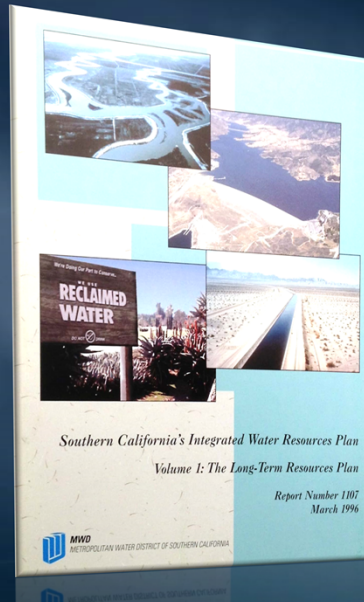
- 2007 Wanger Decision

Integrated Water Resources Plan



- 2007 Wanger Decision

Integrated Water Resources Plan 1996



- Established MWD's role as a regional water planner
- Introduced a diversified portfolio approach
- Established targets for major resource categories
- Established regional reliability goal:

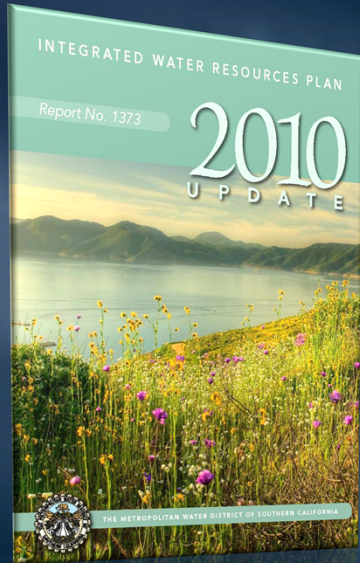
"Full-service demands at the retail level would be satisfied under all foreseeable hydrologic conditions"

Integrated Water Resources Plan 2004 Update



- Placed further emphasis on conservation and local resources development
- Introduced the concept of a “planning buffer”

Integrated Water Resources Plan 2010 Update



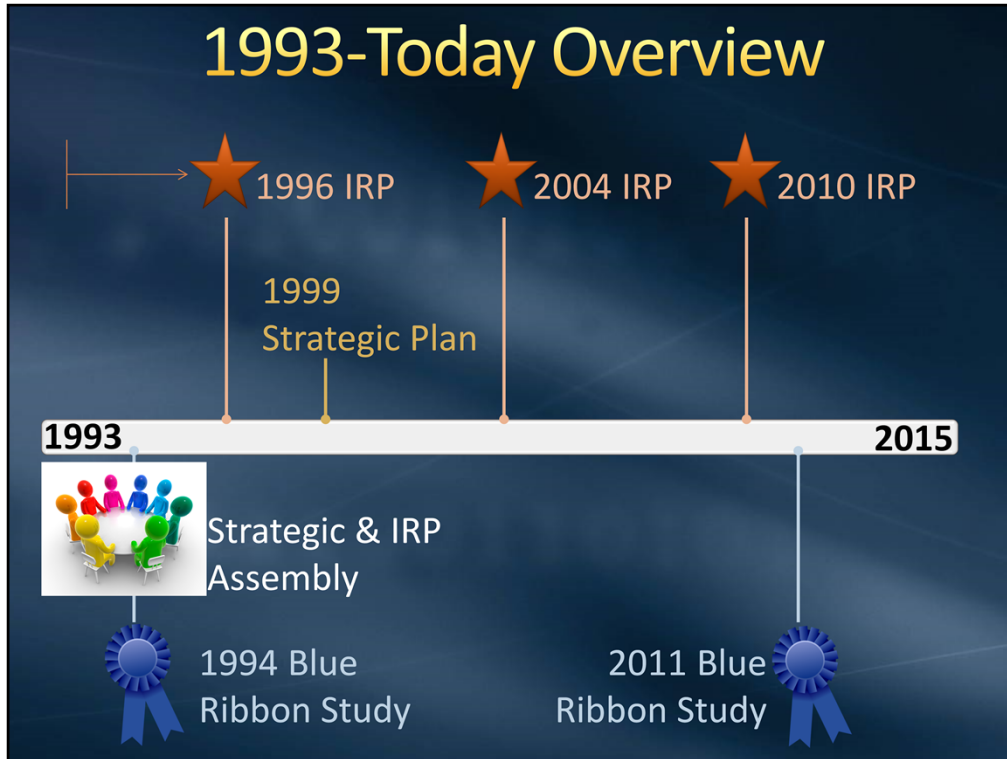
- Introduced an adaptive management approach
- Seeks to stabilize imported supplies and meet growth through water use efficiency and local resources

Blue Ribbon Studies

- Composed of private sector volunteers (1994) or Board selected experts (2011) to review Metropolitan's business practices
- Recommendations on the IRP, rate structure, and Metropolitan business model



- 2007 Wanger Decision



- 2007 Wanger Decision

Summary



The Board develops and adopts policies in response to changing circumstances

Today



1927-28

2015



The Beginning



