



**State Water Project Briefing:
Meeting the Financial and Logistical Challenges Associated with a Changing Climate**

Introduction

The second State Water Project (SWP) briefing of 2022 will continue to explore this year's theme of preparing for climate extremes – ensuring a reliable State Water Project to meet the challenges of drought, flood, and wildfire. The Commission will receive two presentations: a briefing on SWP budgeting, planning, and asset management, and a briefing on staffing changes to address aging infrastructure.

SWP Annual Budget and Multi-year Cost Planning

The SWP annually plans its budget for operation, maintenance, and environmental compliance costs. The process is a multi-year planning process which involves reviewing annual programs, extraordinary activities, and projection of the capital projects. Costs are allocated among the 29 SWP Contractors. This briefing will provide an overview of the annual SWP budget review and multi-year cost planning, and will highlight programs and capital projects planned to secure reliable operation of the system as it addresses the impacts of climate change.

Asset Management and Aging Infrastructure Staffing Changes

The SWP Division of Operations and Maintenance (O&M) Asset Management Program is responsible for developing and implementing asset management policies, strategies, and objectives for operations, maintenance, repair, and replacement of SWP equipment and infrastructure. Prioritization of capital and extraordinary O&M projects for the repair, refurbishment, and replacement of SWP infrastructure is a key component of the Asset Management Program. This presentation will provide an overview of O&M's workplan to proactively manage SWP assets while preparing for climate extremes.

In 2021, the SWP received Legislative authorization to recruit 150 positions to refurbish, repair, and replace aging SWP infrastructure. These positions will be phased in over four years and funded entirely by the SWP. This presentation will provide an overview of the SWP's efforts to recruit talent to these positions.

Background

The California State Water Project, consisting of 36 water storage facilities and 700 miles of rivers, pipelines, and canals, supplies water to 27 million people and irrigates 750,000 acres of farmland. The system includes 21 pumping plants, powered by a system of power-generation and power-recovery plants. DWR also operates the world's tallest water lift – the Edmonston Pumping Plant – which pumps water more than 1,900 feet up and over the Tehachapi Mountains into Southern California.

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Goal Two of the Commission's Strategic Plan directs the Commission to remain apprised of the operations and construction activities of the State Water Project, focusing on how the SWP adapts and responds to hydrological extremes expected with climate change, restores critical ecosystems, and addresses aging infrastructure. As required by Water Code section 165, the Commission conducts an annual review on the progress of the construction and operation of the SWP and reports its findings and recommendations to the Department and the Legislature. This series of briefings will inform the Commission of SWP activities in preparation for the Commission's 2022 annual review.

Meeting Overview

At the May meeting, SWP Deputy Director Ted Craddock will offer opening remarks. SWP Financial Manager Hong Lin and Division of O&M Manager David Duval will provide an overview of the annual SWP budget review and multi-year cost planning, and Mr. Duval will highlight SWP's Asset Management Program. Mr. Duval will also brief the Commission on SWP's staffing changes associated with the implementation of new funding to address aging infrastructure.

This is an informational item.

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