

MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Jointly with the
PUBLIC AFFAIRS AND LEGISLATION COMMITTEE
October 18, 2010, 8:30 a.m.
Conference Room 101

Committee:

Director Hinman, Chairman
Director Clark
Director Dick

Staff: K. Hunt, K. Seckel, D. Cordero,
K. Davanaugh, D. Burke

Ex Officio Member: J. Finnegan

MWDOC Committee meetings are noticed and held as joint meetings of the Committee and the entire Board of Directors and all members of the Board of Directors may attend and participate in the discussion. Each Committee has designated Committee members, and other members of the Board are designated alternate committee members. If less than a quorum of the full Board is in attendance, the Board meeting will be adjourned for lack of a quorum and the meeting will proceed as a meeting of the Committee with those Committee members and alternate members in attendance acting as the Committee.

PUBLIC PARTICIPATION

Public comments on agenda items and items under the jurisdiction of the Committee should be made at this time.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED - Determine there is a need to take immediate action on item(s) and that the need for action came to the attention of the District subsequent to the posting of the Agenda. (Requires a unanimous vote of the Committee)

ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING -- Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the District's business office located at 18700 Ward Street, Fountain Valley, California 92708, during regular business hours. When practical, these public records will also be made available on the District's Internet Web site, accessible at <http://www.mwdoc.com>.

ACTION ITEMS

1. TRAVEL ON FEDERAL INITIATIVES THROUGH THE END OF 2010

DISCUSSION ITEMS

2. WATER POLICY FORM & DINNERS
 - a. WATER POLICY FORUM & DINNER HONORING METROPOLITAN CHAIRMAN-ELECT JACK FOLEY
 - b. NOVEMBER 4, 2010 WATER POLICY & FORUM DINNER

INFORMATION ITEMS - (THE FOLLOWING ITEMS ARE FOR INFORMATIONAL PURPOSES ONLY – BACKGROUND INFORMATION IS INCLUDED IN THE PACKET. DISCUSSION IS NOT NECESSARY UNLESS REQUESTED BY A DIRECTOR.)

3. WATER EDUCATION SCHOOL PROGRAM: ADDITIONAL FUNDING
4. WEBSITE REFRESH: PHASE TWO
5. LEGISLATIVE ACTIVITIES
 - a. Report on Federal Legislative Activities
 - b. Report on State Legislative Activities
 - c. Legislative Matrix
6. PUBLIC AFFAIRS ACTIVITIES REPORT

OTHER ITEMS

7. REVIEW ISSUES RELATED TO LEGISLATION, OUTREACH, PUBLIC INFORMATION ISSUES, AND MET

ADJOURNMENT

NOTE: At the discretion of the Committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated, and may be subject to action by the Committee. On those items designated for Board action, the Committee reviews the items and makes a recommendation for final action to the full Board of Directors; final action will be taken by the Board of Directors. Agendas for Committee and Board meetings may be obtained from the District Secretary. Members of the public are advised that the Board consideration process includes consideration of each agenda item by one or more Committees indicated on the Board Action Sheet. Attendance at Committee meetings and the Board meeting considering an item consequently is advised.

Accommodations for the Disabled. Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Maribeth Goldsby, District Secretary, at (714) 963-3058, or writing to Municipal Water District of Orange County at P.O. Box 20895, Fountain Valley, CA 92728. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.



ACTION ITEM
October 20, 2010

TO: Board of Directors

FROM: **Administration & Finance Committee**
(Directors Barbre, Royce, Finnegan)

Kevin Hunt
General Manager

Staff Contact: Karl Seckel

SUBJECT: Travel on Federal Initiatives Through the End of 2010

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize travel as outlined.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

The trip and travel cost count so far this year is as follows:

- One staff member and Director Barbre participated in the Washington DC February luncheon, which is typically allocated as an ACWA trip cost, although the primary function is to host the Legislative luncheon.
- Additional travel by Director Barbre on our Federal initiatives has included three additional trips so far this year.
- The total travel to date on Federal issues is approximately \$5700.

One more trip this year is anticipated to occur in the middle of November by Director Barbre. The purpose of the November trip is to finalize the funding requests during the lame duck session. Working closely with the CA SENATE and OC CONGRESSIONAL delegation post-election will ensure our funding requests are given top priority. Finally, key meetings have been scheduled with legislators and committee staff who will be shaping the policies for the newly organized Congress in January 2011.

Budgeted (Y/N): Yes	Budgeted amount: \$7,000
Action item amount: n/a	Line item: Staff and Board Travel
Fiscal Impact (explain if unbudgeted):	



DISCUSSION ITEM

October 18, 2010

TO: Public Affairs & Legislation Committee
(Directors Hinman, Dick, Finnegan)

FROM: Kevin Hunt
General Manager

Staff Contact: David Cordero

**SUBJECT: WATER POLICY FORUM & DINNER HONORING METROPOLITAN
CHAIRMAN-ELECT JACK FOLEY.**

STAFF RECOMMENDATION

Staff recommends the Board of Directors discuss and provide direction regarding the next MWDOC Water Policy Forum & Dinner honoring Metropolitan Chairman-Elect Jack Foley.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting):

SUMMARY

The MWDOC Water Policy Forum & Dinner has historically been the venue for the newly elected chairman of the Metropolitan Water District of Southern California to introduce himself to the Orange County water community and share his vision, goals and priorities for Metropolitan.

Staff recommends that the next MWDOC Water Policy Forum & Dinner be held in January 2011 and feature Metropolitan Chairman-Elect Jack Foley as the keynote speaker. This is an opportunity to celebrate his election and have him outline his agenda as chairman.

The event, as envisioned, would be held on a Wednesday or Thursday evening in January at either the Westin South Coast Plaza or the Fairmont Newport Beach. Staff is presently looking into availability and costs at both venues. Committee input would be helpful as staff moves forward with event planning.

Budgeted (Y/N): N/A	Budgeted amount:
Action item amount:	Line item:
Fiscal Impact (explain if unbudgeted):	



INFORMATION ITEM

October 18, 2010

TO: Public Affairs & Legislation Committee
(Directors Hinman, Dick, Finnegan)

FROM: Kevin Hunt
General Manager

Staff Contact: David Cordero

SUBJECT: WATER POLICY FORUM & DINNER (NOVEMBER 4, 2010)

STAFF RECOMMENDATION

Staff recommends the Board of Directors receive and file the staff report.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting):

SUMMARY

The MWDOC Water Policy Forum & Dinner is on Thursday, November 4, from 6 - 8:30 p.m. at the Westin South Coast Plaza Hotel in Costa Mesa. As of the writing of this staff report, there were approximately 70 guests registered for the event. This is well ahead of the pace of registrations received for past dinner events after only 10 days. Staff anticipates a steady flow of additional registrations in the final two weeks before the event.

As previously reported, newly appointed Santa Ana Regional Water Quality Control Board member and MWD Director Linda Ackerman will be the guest of honor at the pre-dinner reception beginning at 6 p.m. Dinner will follow at 7 p.m. with keynote speaker Gregory Wilkinson (Best Best & Krieger LLP) beginning his remarks around 7:45 p.m. Mr. Wilkinson is one of the lead attorneys in the Delta Smelt and salmon litigation currently before Judge Oliver Wanger. His presentation, "Litigation in the Delta: The Battle Over California's Water System Continues" will provide background and an update on the litigation being heard in U.S. District Court over the biological opinions and the protective measures that have been taken to protect these endangered fish.

Budgeted (Y/N): N/A	Budgeted amount:
Action item amount:	Line item:
Fiscal Impact (explain if unbudgeted):	



INFORMATION ITEM

October 18, 2010

TO: Public Affairs and Legislation Committee

FROM: Kevin Hunt
General Manager

Staff Contact: Jessica J. Hanley
Darcy M. Burke

SUBJECT: WATER EDUCATION SCHOOL PROGRAM: ADDITIONAL FUNDING

STAFF RECOMMENDATION

Staff recommends that the PAL Committee review the staff report and provide input.

COMMITTEE RECOMMENDATION

To be determined at PAL Committee Meeting

SUMMARY

Staff has been meeting individually with Discovery Science Center and the member agencies to discuss funding opportunities for increased participation in the 2010-11 Water Education School Program. To date, staff of MWDOC and DSC have met with thirteen member agencies (some agencies have declined to meet). As a result of these meetings, six agencies have committed to providing additional funding for the assembly program. This funding will result in an additional 8,112 students being served, bringing the total program participation number, including the three cities, to 65,596 students (50,962 students without the three cities).

DETAILED REPORT

The MWDOC budget for the 2010-11 Water Education School Program was decreased significantly from previous funding levels. During the 2009-10 school year, 87,125 students were served through the assembly program and 1,905 students were served through the water quality program. This year, the water quality portion of the program was eliminated entirely from the budget and funding for the assembly program was reduced from \$180,400 to \$126,407.50. This funding will allow us to serve only 42,850 students this year, as these numbers represent a nearly thirty percent decrease in funding and school program participation.

Budgeted (Y/N): Yes	Budgeted amount: \$126,407.50
Action item amount: \$0	Line item: 33-7040
Fiscal Impact (explain if unbudgeted): No fiscal impact. Any additional funding will be paid for by the member agencies.	

To expand program participation and raise it back up to previous levels, Jessica Hanley and Toby Gant of Discovery Science Center have been meeting individually with the member agencies to discuss additional funding options. During the meetings, staff provides an overview of the program changes, how the 'target' participation levels for each agency were set, and what opportunities exist for additional participation through member agency funding contributions.

To date, meetings with thirteen member agencies have taken place. (All agencies have been contacted to meet, but some have declined the request.) Below is a list of the thirteen agencies staff has met with, as well as a status update on their respective funding situations.

Member Agency

1. **City of Brea** – will fund additional students
 2. El Toro Water District – reviewing budget and funding options
 3. City of Fountain Valley – interested in possibly funding additional students
 4. City of Garden Grove – will not be able to provide funding
 5. **City of Huntington Beach** – will fund additional students
 6. City of La Palma – interested in possibly funding additional students
 7. **City of Newport Beach** – will fund additional students
 8. **City of Orange** – will fund additional students
 9. City of San Clemente – will not be able to provide funding
 10. City of San Juan Capistrano – reviewing budget and funding options
 11. Santa Margarita Water District – reviewing budget and funding options
 12. **South Coast Water District** – will fund additional students
 13. Trabuco Canyon Water District – may contract with DSC directly
- *****City of Tustin** (staff did not meet with in person) – will fund additional students

As a result of these meetings, six agencies have committed to provide a total of \$23,936.00 in funding for the water assembly program, bringing the total school program funding amount for the MWDOC service area up to \$150,343.50. Accordingly, our student participation target will rise from 42,850 to 50,962 students (65,596 students including the three cities) – an increase of 8,112 students. The chart below shows the additional funding amounts and corresponding number of additional students that will be served, by agency. Two additional agencies have expressed a strong interest in funding extra students, so these numbers could potentially increase. During the upcoming months, staff will continue to work with the member agencies to coordinate additional School Program funding while also continuing to explore water education grant opportunities.

School Program- Additional Funding		
Agency		
<u>Firm Commitments</u>	<u>Funding</u>	<u>Students</u>
City of Huntington Beach	\$ 12,000.00	4,067
South Coast Water District	\$ 2,407.20	816
City of Newport Beach	\$ 1,247.85	423
City of Brea	\$ 2,480.95	841
City of Tustin	\$ 3,500.00	1,186
City of Orange	\$ 2,300.00	779
Total	\$ 23,936.00	8,112
<u>Tentative Commitments</u>		
City of Fountain Valley		
City of La Palma		
<u>Totals</u>		
MWDOC Original Target	\$ 126,407.50	42,850
Three Cities Target		14,634
Additional Member Agency Funding	\$ 23,936.00	8,112
	Grand Total	65,596



INFORMATION ITEM

October 18, 2010

TO: Public Affairs and Legislation Committee

FROM: Kevin Hunt
General Manager

Staff Contact: Jessica J. Hanley
Darcy M. Burke

SUBJECT: WEBSITE REFRESH: PHASE TWO

STAFF RECOMMENDATION

Staff recommends that the PAL Committee review the staff report and provide input.

COMMITTEE RECOMMENDATION

To be determined at PAL Committee Meeting

SUMMARY

On July 1, 2010, phase one of the website refresh was completed and the new site was launched. Since then, staff and the website vendor – 34 North – have been working on phase two of the project. Phase two focuses on developing a platform that will allow for the integration of government-specific social media and web 2.0 enhancements. This includes the development of RSS feeds, streaming video, integration with social media sites (e.g., Facebook, Twitter), a secure member agency login, and a photo/video sharing library. All phase two work was complete as of October 1, 2010.

DETAILED REPORT

When phase one of the website refresh project was initially presented to the Public Affairs and Legislation Committee, staff was directed to implement both phases one and two of the project simultaneously. To fund this additional work, the Committee approved \$13,000 in funding for phase two, which is in addition to the \$10,000 which was budgeted for phase one. Through negotiations with the website contractor – 34 North – staff was able to reduce the phase two costs by more than \$3,000, bringing the total contracted amount for phase two down to \$9,945.

Budgeted (Y/N): Yes	Budgeted amount: \$10,000
Action item amount:	Line item:
Fiscal Impact (explain if unbudgeted): Phase one was budgeted at \$10,000; phase two, per PAL committee’s direction, was included for an additional \$9,945.	

Phase one of the website refresh was successfully launched on July 1, 2010, and since then, staff has received a tremendous amount of positive feedback regarding the new site and its ease of use.

Over the summer, staff and 34 North worked diligently to complete the phase two work of developing government-specific social media and web 2.0 enhancements. The following phase two elements were developed and completed by October 1, 2010:

- RSS news and information syndication (RSS feeds)
- Creation and integration of social media sites (YouTube channel, Facebook, Twitter)
- Online calendars
- Audio/video/multimedia sharing library
- Streaming video and video archive
- Photo sharing library
- Customer registration and accounts (secure member agency login)

While the District has not yet launched its social media campaign, all of the back-end technical elements have been developed. This will allow for seamless integration with our website once we go live with social media. Similarly, while the website platform now exists for elements like streaming video, this capability will not be utilized until the District decides to do so with a specific event in mind, such as the O.C. Water Summit.

During the upcoming months, staff will focus on building the audio/video/multimedia sharing library, adding content to the YouTube channel, developing the photo sharing library (for inspection trips, for example), and going live with the social media accounts.

Municipal Water District of Orange County, California
Washington Update
October 13, 2010

Note: Congress is currently in recess in order to campaign for the November 2, 2010 elections. Upon their return to Washington on November 15th, the major pieces of legislation left to pass before the end of year include whether to extend the Bush Tax Cuts (which expire on December 31, 2010) and to pass the various appropriations bills to fund the federal government for the 2011 Fiscal Year.

The Congress also intends to hold several oversight hearings on the growing foreclosure crisis in the country.

MWDOC has two federal funding requests pending before the Congress. Earlier this year, the House Agriculture Appropriations Committee provided funding for our SmarTimer Program for another year at \$134,000. Meanwhile, we are still waiting to hear from the Senate Interior Appropriations Committee as to whether or not we will receive a STAG Grant for our Ocean Water Desal Project which has been sponsored by Senator Boxer.

During September, Director Barbre and staff met with multiple offices in Washington regarding MWDOC's Washington Agenda and had productive meetings.

LEGISLATIVE REQUESTS FOR 2010			
<i>Potential Source of Funding</i>	<i>Description</i>	<i>Amount Requested</i>	<i>Status</i>
Natural Resources Conservation Service – NRCS-- US Dept of Agriculture	SmarTimer Irrigation Controller Installations	\$0.5M	The House Agriculture Appropriations Subcommittee met on June 30, 2010 and marked up its FY2011 Spending Bill. The Subcommittee allocated \$134,000 out of the Natural Resources Conservation Service (NRCS) Account for the MWDOC Irrigation Efficiency Program (SmarTimers). Congresswoman Loretta Sanchez was the sponsor of this Congressionally Directed Spending. Again, remember that none of the House Republicans from Orange County submitted any funding requests for any projects this year as part of the their one year moratorium on Congressionally Directed Spending.

			<p>To quickly review the importance of the program, once the program is fully implemented, there will be a significant annual reoccurring savings of some 30,000 acre feet of water. \$150,000 was received for this project for MWDOC for this fiscal year, FY2010.</p> <p>Senior Committee staff has advised us that this new funding should be accepted by the Senate.</p>
<p>South Orange Coastal Ocean Water Desalination Project</p>	<p>Federal Appropriations and an Authorization for Federal Funds for the Desalination Project</p>	<p>\$1.3 M</p>	<p><i>Appropriations:</i> To review, \$875,000 in federal funds were appropriated for a State and Tribal Assistance Grant (STAG Grant) for the Municipal Water District of Orange County for water infrastructure for the current fiscal year, FY2010. MWDOC is in the process of receiving these funds.</p> <p>MWDOC submitted a \$1.3 Million funding request with the Orange County Delegation and the two Senate Offices for federal funds for the South Orange Coastal Water Desalination Project. Senator Boxer has submitted this request to the Interior Appropriations Committee. While Senator Feinstein’s Office has continued to express support for our Desal Project, she did not submit a request for an appropriation to the Appropriations Committee.</p> <p>This funding is planned for the South Orange Coastal Ocean Water Desalination Project.</p> <p>An important note from earlier this year dealing with the Senate Energy and Water Appropriations Subcommittee, while Senator Feinstein requested funds for the WRDA Section 5039 Account this year, the Appropriations Subcommittee did not allocate any funds for this account.</p>

			<p>Authorizations: To review, Senator Feinstein submitted a request to the Senate Environment and Public Works Committee (EPW Committee) for a \$1,000,000 Authorization for the MWDOC Desal Project. This proposed authorization, which still needs passage by the Committee and the Congress, would be part of the Water Resources Development Act or “WRDA” bill. This type of authorization is considered an “authority” for the Army Corps of Engineers to perform the work for this vital project.</p> <p>Senator Boxer’s Office has still not announced what projects they are officially submitting for Senate consideration. Senate EPW Committee Staff have advised us that over 245 California Projects were submitted to Senator Boxer’s Office. Because Senator Boxer is Chairwoman of the Senate EPW Committee, she has asked that her Committee Staff review the merits of each submitted project. <i>She has also asked that the Army Corps of Engineers provide her with a report as to which projects are meritorious.</i> The Committee in turn has not announced the results of that review.</p> <p>There is a Senate EPW Committee Hearing on WRDA scheduled for November 17, 2010 at 10am.</p> <p>The Committee Staff does not know when they will be able to report which California Projects from the Boxer Office will be submitted to the Committee for inclusion in the WRDA Bill or when that announcement will be made.</p>
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		<p>Given that the lame duck session will likely only deal with “must pass” pieces of legislation, the chances of WRDA passing in the lame duck session are now next to zero. That said, should there be formal committee consideration of the bill in the Senate, it is still very important that the MWDOC Desalination Project be recommended for inclusion into the Bill this year, because that list will likely be the starting point for a bill next year.</p> <p>Meanwhile in the House, the House T&I Committee passed its version of the WRDA Bill during the last week of July. Republican Members of Congress were not able to include any projects in the bill due to the one year moratorium discussed earlier. Most observers believe the House and the Senate will launch a new WRDA Bill early next year in earnest.</p>
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GENERAL CONGRESSIONAL UPDATES

<p>Congressional Session Status</p>	<p>With the election some three weeks away most observers here in Washington are predicting a Republican landslide victory in the House of Representatives. The GOP needs 39 seats to take control of the House and it appears that will happen. On the Senate side, it is somewhat more difficult see the</p> <p>Senate flip. The Republicans control 41 seats. They need 51 seats to secure a majority. If the balance is 50-50, then Vice President Biden votes with the Democrats and he can break any tie vote.</p> <p>The Republican Members in the House from Orange County could very well be in line for some significant subcommittee chairmanships. Orange County will have more influence in a Republican controlled House of Representatives than under a Pelosi – Democratic led Congress. On the Senate side, the sense in Washington is that Republicans are expected to pick up a number of significant seats but are expected to fall short of a majority. Of course, given the nature of campaigns, things can change every week.s noted earlier, the Congress is now expected to return on November 15. In addition to the issues mentioned in the page one “Note”,</p>
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	<p>the Congress will likely also be considering an extension of the surface transportation (highways and transit programs) act. The President has also expressed support for a \$50 Billion Infrastructure program which may or may not be considered this fall. Importantly, should the House and or the Senate flip in terms of control, legislative gridlock during the lame duck session is only expected to intensify.</p>
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JCB 10-13-2010



M E M O R A N D U M

To: MWDOC Public Affairs and Legislative Committee

From: Christopher Townsend, President
Heather Dion Stratman, Senior Director
Casey Elliott, Senior Legislative Associate

Date: October 18, 2010

Subject: Activity Report

State Political Highlights/Budget:

After 100 days of stalemate on California's budget, the State Legislature worked all through the night to pass a budget at 8:25 a.m. Friday, October 8, 2010. After having to close a \$24.3 billion budget gap in 2008 and a gap of \$60 billion in 2009, the 2010 Budget Act closes a budget gap of \$19.3 billion – a three-year period in the state's fiscal history totaling budget solutions of \$103.6 billion. The 2010 Budget Act holds General Fund spending essentially flat compared to the prior year — \$86.6 billion in 2010-11 compared to \$86.3 billion in 2009-10. This level of General Fund spending is substantially lower than the level of spending in 2004-05, which was adjusted for inflation and population growth. It is also lower than the level that would have been allowed had a spending cap been in place since 1999.

Although there was strong debate between the Republicans and Democrats on spending cuts, the budget will attempt to reduce the \$19.3 billion deficit by implementing cuts to state workers, prisons, and social services. Below is a breakdown of highlights detailing specific actions by the Legislature related to the Rainy Day Fund, fees and assessment changes, as well as water and natural resources funding that may be of interest to MWDOC.

Rainy Day Deposits to the General Fund:

Three percent of current year revenues are required to be deposited in the Rainy Day Fund every September. The requirement to deposit funds can still be waived by the Governor until 2013-14. However, the requirement to deposit funds cannot be waived after 2012-13, except when a withdrawal would be allowed, or to the extent the deposit which would bring the balance to over 10 percent of General Fund revenues in the year of the transfer. Half of the deposited funds stay in the Rainy Day Fund and half goes into a subaccount to pay down Economic Recovery Bond Debt until a total of \$5 billion has been deposited or the bonds are retired.

Rainy Day Withdraws to the General Fund:

Withdrawals from the Rainy Day Fund are permitted only when revenues are not sufficient to fund the current services budget. Withdrawal amounts are limited to the lesser of the amount that when added to available revenues would fund the current services budget; half of the balance when a withdrawal has not occurred in the previous year; or, if withdrawals were made from the Rainy Day Fund in both of the previous two years, then the withdrawal amount is limited the amount that when added to available revenues would fund the current services budget. Withdrawals are permitted to fund the costs of responding to a declared emergency (e.g. natural disaster). However, the exception is in years when a transfer from the Rainy Day Fund to the General Fund is made, 1.5 percent of revenues is transferred from the Rainy Day Fund to an account, which must be used for reduction of debt and infrastructure spending.

Had these provisions been in place over the past decade, the state would have entered the recession with a \$10 billion Rainy Day Fund, which would be helping to balance the Budget this year and next year as well. Expenditures would have grown at a much steadier pace, without the unsustainable highs that were fueled by the dot-com and housing bubble revenue.

TAX REFORM

Approved TBL to raise federally deductible taxes (Personal Income Tax and Vehicle License Fee) and reduce the State Sales Tax that is not deductible on federal personal income tax forms. Under this tax reform proposal all income groups would, after deductibility, experience an overall net tax reduction. Total revenues raised by this tax reform would be approximately \$1.8 billion. This is slightly less than what is estimated to be returned to the taxpayers through reduced federal tax liability. The revenue is projected to grow slightly - approximately \$3.3 billion in future budget years.

Personal Income Tax

Under this proposal, the Personal Income Tax rate for each bracket, except the top bracket would be increased by 1 percent. This proposal would flatten the tax structure and, on the margin, would reduce personal income tax instability by shifting reliance away from the top income tax bracket. The current 0.25 Committee on Budget and Fiscal Review 70 percent surcharge would also be extended for all brackets. Approximately \$8.7 billion in additional Personal Income Tax would be raised under this proposal in the 2010-11 budget year.

Vehicle License Fee

Under this proposal, the Vehicle License Fee (VLF) would be increased from 1.15% to 1.65%. A portion of this increase would be dedicated to restructuring public safety programs that are currently funded at the state level and will now be shifted to the counties. The amount dedicated to restructuring public safety programs in 2011-12 would be approximately 0.5% of the VLF. A smaller portion of the increase will be dedicated to the counties in the budget year given the need to phase in the restructuring of the public safety programs.

State Sales Tax

Under this proposal, the State Sales Tax would be reduced by 1.75% in the budget year and an additional 0.75 percent in 2011-12. In total, the sales tax would be reduced a full
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2.5 percent in 2011-12 when compared with the current rate. This reduction would only impact the state sales tax and would have no impact on the local sales tax. Also, the proposal would hold harmless transit funding provided in the February 2010 Fuel Tax Swap. This sales tax reduction is independent of the state sales tax reduction under the “single flip”. The State Sales Tax would be cut by approximately \$8.4 billion in the budget year.

Impact to Taxpayers

Under this tax reform proposal, taxpayers across income groups could see a reduction in the overall state and federal taxes paid because the proposal would swap out taxes that are not deductible (sales tax) for taxes that are deductible when determining federal income tax owed. An average taxpayer in each tax bracket could see a tax cut that ranges from \$10 to over \$1,000 depending on their tax bracket and the percentage of their household budget spent on taxable goods. Furthermore, the reduction in sales tax may have the potential to spur additional consumer purchases and business investment in economic activity since approximately one-third of the sales tax is paid by businesses.

Additional Budget Items of Interest:

- Approved 15 positions and \$12.5 million (Proposition 84) over three-years (including \$5 million in FY 2010-11) for implementation of the Water Conservation Act of 2009 (Chapter 4, Statutes of 2009, **SBx7 7, Steinberg**).
- Denied, consistent with the Governor’s abandonment of the 2010 Water Bond, the Governor’s proposal to appropriate \$472 million to the department from the as-yet-to-be-approved 2010 Water Bond. However, provided \$6.5 million from Proposition 13 fund for the Red Bluff Diversion Dam Project (which the Governor has proposed from the Water Bond).
- Approved \$326,000 from the AB 32 Cost of Implementation Fund to ensure bond funds, specifically in the Integrated Regional Water Management grant program, are leveraged to support AB 32 goals related to water use and energy efficiency.
- Approved \$30.6 million from Proposition 84 (including new appropriations totaling \$16 million over the next three years; and reappropriation of approximately \$14.6 million originally appropriated in FY 2007-08), and three new positions to fund various multi-benefit water planning and feasibility studies activities.
- Approved reversion of \$6 million (Proposition 50) originally appropriated in FY 2008-09 that has gone unused due to the 2008 bond freeze, and a new appropriation of \$6 million, including \$3 million for the Water Use Efficiency Technical Assistance Program and \$3 million for the Program Science Evaluation.
- Approved: (1) \$794,000 (Proposition 50), to be reverted from funds originally appropriated in FY 2003-04, for water supply reliability projects; and (2) \$9.1 million (Proposition 84) to continue the Urban Streams Restoration Program.

Delta Stewardship Council

- Approved the transfer of \$47.6 million (including \$4.9 million GF) and 48 positions from former CALFED resources to support the new Delta Stewardship Council (Council) consistent with Chapter 5, Statutes of 2009, Seventh Extraordinary Session (**SBx7 1, Simitian**). Additionally, adopted trailer bill language requiring: (1) a zero-based budget in FY 2011-12 for all entities receiving former CALFED resources (including the Council and the Delta Conservancy); (2) the Governor to submit, as part of this 2011-12 Governor's Budget, a financing plan for the ongoing support of Delta activities; and (3) independence and oversight of various Council contracts.

State Water Resources Control Board

- Approved 4.5 positions and \$673,000 (Water Right Fund) to fund the Delta Watermaster and Delta flow criteria consistent with Chapter 5, Statutes of 2009, Seventh Extraordinary Session [**SBx7 1, Simitian**]
- Approved 2.5 limited-term positions and \$253,000 (Water Right Fund) to improve water diversion and use reporting information consistent with Chapter 5, Statutes of 2009, Seventh Extraordinary Session [**SBx7 8, Steinberg**].
- Denied the Governor's proposal to appropriate \$419 million to the State Water Resources Control Board from the as-yet-to-be-approved 2010 Water Bond.
- Approved two positions and \$535,000 (AB 32 Cost of Implementation Fund) to address water recycling and reuse in order to reduce greenhouse gas emissions associated with water conveyance, treatment, and discharge.

Department of Water Resources:

- The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Prop 84), an initiative bond act approved by the voters at the November 7, 2006, statewide general election, authorizes the issuance of bonds in the amount of \$5,388,000,000 for the purposes of financing a safe drinking water, water quality and supply, flood control, and resource protection program. Existing law appropriates \$522,000,000 from these bond acts for integrated regional water management and flood control and management.
- The budget bill would revert that \$522,000,000 appropriation to the originating funds and would reappropriate that money for those purposes as the bill would revise them.
- Existing law appropriates, from the proceeds of Prop 84, \$181,791,000 to the Department of Water Resources for integrated regional water management activities, including \$39,000,000 for planning grants, local groundwater assistance grants, and scientific research grants a specified consortium of state and federal agencies with management and regulatory responsibilities in CALFED.

Specific Activities for the Month:

- TPA is has been providing daily updates on budget highlights to keep MWDOC informed of activities.
- TPA has been assisting MWDOC with Department of Fish and Game permit issues related to Doheny State Beach. In addition, these efforts have extended to briefing Department of Parks and Recreation Director Ruth Coleman on the issue.
- TPA is in the process of beginning to schedule briefings with the Orange County State Delegation and the County on policy, legislative, and funding priorities related to MWDOC's agenda prior to kicking of the new legislative session in early December.



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
AB 155	Local Government: Bankruptcy Proceedings	6/14/2010	MWDOC	
Mendoza [D]	Provides that a local public entity may only file under federal bankruptcy law with the approval of the State Debt and Investment Advisory Commission. Provides an exception.	In SENATE. From third reading. To Inactive File.	Oppose (6/17/09)	
AB 1594	Sacramento-San Joaquin Delta: Peripheral Canal	4/27/2010	MWDOC	
Huber (D)	Prohibits the construction of a peripheral canal that conveys water from a diversion point in the Sacramento River to a location south of the Sacramento San Joaquin Delta, unless expressly authorized by the Legislature. Requires the Legislative Analyst's Office to complete an economic feasibility analysis prior to the enactment of a statute authorizing the construction of a peripheral canal. Prohibits such canal from diminishing or negatively affecting the water supplies or rights in the watershed.	In ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Held in committee.	Oppose (1/20/10)	MWD - Oppose
AB 1664	Metropolitan Water District	4/8/2010	MWDOC	
Swanson (D)	Amends the Metropolitan Water District Act which provides for the creation of metropolitan water districts, governed by a board of directors composed of at least one appointed representative of each member public agency. Requires that such representative be authorized to represent the appointing agency at all times. Prohibits the member agency from directing or instructing a board member to vote in a particular manner with respect to any question, order, resolution, or ordinance before the board.	To ASSEMBLY Committee on LOCAL GOVERNMENT.	Oppose (4/21/10)	MWD - Oppose
AB 1677	Public Resources Sacramento San Joaquin Delta	7/6/2010	MWDOC	
Caballero (D)	<i>Designates the Secretary of Commerce as the new appointing entity for membership on the Sacramento San Joaquin Delta Conservancy board. Makes a technical correction in the Johnston Baker Andal Boatwright Delta Protection Act of 1992 that creates the Delta Protection Commission to prepare and adopt a comprehensive long term resource management plan for specified areas within the Delta.</i>	Signed by GOVERNOR. Chaptered by Secretary of State	Support (5/19/10) Previous position removed following "gut and amend" of bill which has changed topics.	MWD - Support



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
AB 1774 Saldana (D)	Recycled Water: State Agency Landscape Irrigation. States legislative findings and declarations that the use of potable domestic water for the irrigation of landscaping generally is a waste or an unreasonable use of water if recycled water is available for such use. Authorizes a public agency, including local public agencies, to require a state agency whose property is located within the jurisdiction of the public agency to use recycled water for landscape irrigation or the property of that state agency if certain requirements are met.	6/22/2010 In SENATE Committee on NATURAL RESOURCES AND WATER: Not heard.		
AB 1780 Yamada (D)	Delta Stewardship Council: Certification Consistency Makes a technical, nonsubstantive change to existing law that requires the state or local public agency that proposes to undertake certain actions within the boundaries of the Sacramento-San Joaquin Delta or the Suisun Marsh to prepare, and submit to the Delta Stewardship Council, a specified written certification of consistency with a prescribed Delta Plan.	2/9/2010 INTRODUCED.		
AB 1793 Saldana (D)	Common Interest Developments: Artificial Turf Provides for creation and regulation of common interest developments. Provides for use of low water using plants as a group with a local water efficient landscaper ordinance or water conservation measure. Provides that a provision governing documents of a common interest development would be void and unenforceable if it prohibits the use of artificial turf or any other synthetic surface that resembles grass. Provides that the association can use rules and regulations in existing governing documents.	9/30/2010 Vetoed by Governor.	MWDOC Support (3/17/10)	MWD - Support
AB 1797 Berryhill B (R)	Water Resources Development System: Delta Plan Requires the Department of Water Resources to undertake an expedited evaluation and feasibility study with regard to the implementation of a specified Delta Corridors Plan as part of the State Water Resources Development System, a study of specified impacts and benefits of the plan and to include in the study an assessment of a specified fish demonstration project, and to include with any recommendations the construction of specified facilities. Provides funds for the study from a specified bond act.	5/28/2010 In ASSEMBLY Committee on APPROPRIATIONS : Held in committee.		MWD - Oppose



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
AB 1834 Solorio (D)	Rainwater Capture Act of 2010 Enacts the Rainwater Capture Act of 2010. Authorizes a landowner to install, maintain, and operate a rainwater capture system meeting specified requirements. Requires the Water Resources Control Board to initiate a process to develop recommendations for state and local agencies to encourage and facilitate the voluntary installation and use of such systems for nonpotable uses and place them on its Internet Web site. Relates to building code recommendations. Authorizes related landscape contractor contracts.	9/30/2010 Vetoed by Governor.	MWDOC Watch (5/19/10)	
AB 1843 Gilmore (R)	Water Supply Security: Reports Relates to the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002. Requires the Office of Homeland Security to submit confidential reports to the Legislature regarding the current security status of the state's existing drinking water systems and facilities, with a special focus on vulnerability to terrorist attacks and recommended actions necessary to correct the security status.	3/4/2010 To ASSEMBLY Committee on GOVERNMENTAL ORGANIZATION.		
AB 1886 Yamada (D)	Water Use: Sacramento-San Joaquin Delta Watershed Requires the Department of Water Resources, in preparing and updating the California Water Plan, to include a report on the progress toward meeting the goals for conservation, development, and use of the water resources of the state by reducing reliance on the Sacramento-San Joaquin Delta in meeting the state's future water supply needs.	5/28/2010 In ASSEMBLY Committee on APPROPRIATIONS : Held in committee.		
AB 1929 Hall (D)	Invasive Aquatic Species: Mussels Provides that an operator of water delivery and storage facilities, who has prepared, initiated and is in compliance with a plan to control and eradicate dreissenid mussels would not be subject to any civil or criminal liability for the introduction of dreissenid mussel species as a result of operations of those facilities.	8/18/2010 Signed by Governor. Chaptered.	MWDOC Support (4/21/10)	MWD & ACWA: Co-Sponsors



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
AB 1975 Fong (D)	Water Charges and Meters: Multiunit Residential Requires a water purveyor that provides water service to a multiunit residential structure or mixed use residential and commercial structure that is subject to specified building standards, to either adopt a general policy to require the installation of a water meter or a submeter, or to inform, on an individual basis, an applicant for new water service as to whether a water meter or submeter is required for each dwelling unit. Requires development of building standards requiring meters or submeters.	8/12/2010 In SENATE Committee on APPROPRIATIONS : Held in committee.		
AB 1978 Harkey (R)	Regional Water Quality Control Board: Communications Exempts from the provisions of the Administrative Procedure Act pertaining to prohibited communications, specified ex parte communications relating to proceedings of the regional water quality control boards. Establishes requirements for the disclosure of ex parte communications relating to a matter before a regional board.	4/13/2010 In ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Failed passage.		
AB 2003 Mendoza (D)	Legislative Bodies: Contracts and Appointments Provides that any contract entered into or appointment made by a legislative body of a local agency during the period after close of the polls on election day for an election involving that legislative body and before a new member of the legislative body is sworn in to take office shall not take effect until the legislative body, which includes the newly elected member, has reviewed and approved the contract or appointment. Provides an exception.	4/28/2010 In ASSEMBLY Committee on LOCAL GOVERNMENT: Not heard.		
AB 2049 Arambula (I)	Transfers Of Water: Agricultural Use To Municipal Use Prohibits the Department of Water Resources with respect to a contractual entitlement to water from the State Water Project, and the State Water Resources Control Board, with respect to any other transfer of water or water rights, from approving the transfer of surface water or water rights from agricultural use to municipal use for a specified period, unless the user provides an evaluation of the economic, social, and environmental effects of the transfer.	6/3/2010 In ASSEMBLY. Read third time. Failed to pass ASSEMBLY.		MWD - Oppose



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
AB 2092	Delta Plan: Financing	8/31/2010	MWDOC	
Huffman (D)	Requires the Delta Stewardship Council to develop a long term finance plan to pay for the costs of implementing the Delta Plan. Prohibits the council from adopting new fees for these purposes unless authorized by statute. Authorizes the council to seek to obtain early funding contributions from entities that may benefit from implementation of the plan and to track those contributions to provide credit against future funding requirements.	Senate Third Reading. Failed Passage.	Neutral (5/17/10) <i>Recent amendments have addressed initial concerns of Metropolitan and other agencies.</i> Oppose unless Amended (3/17/10)	MWD - Oppose unless Amended
AB 2277	Water Conservation: Urban Retail Water Suppliers	9/24/2010		
Fletcher (R)	Amends existing law that imposes various water use reduction requirements that apply to urban retail water suppliers and that requires an urban retail water supplier that supplies water to a United States Department of Defense military installation to consider specified requirements. Requires an urban retail water supplier that supplies water to that described military installation, for the purpose of preparing that implementation plan, to consider the conservation of that military installation.	Signed by Governor		
AB 2304	Groundwater Management Plans: Components	9/30/2010		
Huffman (D)	Requires a local agency, upon a written request, to provide a copy of a proposed groundwater management plan to an interested person. Requires the agency to provide each interested person with a specified notice prior to the commencement of a second public hearing to determine whether to adopt the plan. Authorizes such person to contact the Department of Water Resources regarding the plan. Adds to the list of components that are to be included in the plan for specified funding purposes a recharge areas map.	Vetoed by Governor.		



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
AB 2336	Delta Stewardship Council	6/29/2010		
Fuller (R)	Requires the Delta Stewardship Council, in developing and adopting the Delta Plan, to direct the Delta Independent Science Board to conduct an assessment of certain stressors and populations of native fish species in the delta, the Sacramento and San Joaquin rivers, and the tributaries to those rivers below the rim dams of the central valley, and recommend changes in statute and actions by state agencies to remedy the situation in as timely a manner as possible.	In SENATE Committee on NATURAL RESOURCES AND WATER: Not heard.		MWD, Modesto Irrigation, Kern County Water: Co-Sponsor
AB 2405	Delta Flood Protection	4/8/2010		
Buchanan (D)	Makes technical, nonsubstantive changes to the authority of the Department of Water Resources relative to the maintenance and improvement of levees in the Sacramento-San Joaquin Delta.	To ASSEMBLY Committee on WATER, PARKS AND WILDLIFE.		
AB 2407	Regional Water Quality Control Boards	4/20/2010	MWDOC	
Harkey (R)	Revises the description of the boundaries of the Santa Ana Regional Water Quality Control Board and the San Diego Regional Water Quality Control Board.	In ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: Not heard.	Support (4/21/10)	
AB 2409	Urban Water Suppliers: Water Shortage Contingency	7/6/2010		
Nestande (R)	Requires an urban water supplier, for purposes of developing a water shortage contingency analysis, to analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas.	Signed by GOVERNOR. Chapered by Secretary of State		



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
AB 2420 Huffman (D)	Protected Species: Incidental Take Amends the State Endangered Species Act that provides if a person obtains a federal incidental take permit for an endangered species, that no further authorization or approval is necessary under the state act if specified notification is made to the Director of Fish and Game. Requires the inclusion in that notice of specified additional information, including copy of the biological opinion along with an incidental take statement or a copy of the conservation plan with an incidental take permit.	3/24/2010 In ASSEMBLY. Read second time and amended. Re-referred to Committee on WATER, PARKS AND WILDLIFE.		
AB 2422 Berryhill T (R)	Urban Water Demand Management Requires the Department of Water Resources to convene an expert scientific panel to review, and provide recommendations for, updates to the model water efficient landscape ordinance and proposed rules, regulations, and guidelines relating to urban residential water demand management.	4/13/2010 In ASSEMBLY Committee on WATER, PARKS AND WILDLIFE: Failed passage.		
AB 2583 Hall (D)	Water Treatment: Hazardous Materials Requires the state Emergency Management Agency to adopt regulations to require a public water system or wastewater treatment plant that is a release stationary source and is required to prepare and submit a risk management plan to consider the use of safer technologies by the system or plant in the plan.	5/28/2010 In ASSEMBLY Committee on APPROPRIATIONS : Held in committee.	MWDOC Oppose unless Amended (5/19/10)	MWD - Oppose unless Amended
AB 2679 Eng (D)	Public Buildings: Energy and Water: Consumption Requires all state public buildings to conform to a specified compliance schedule to achieve reductions in energy and water consumption and to maintain specified water and energy reduction levels and all new buildings to have zero energy consumption or be grid neutral by a specified date. Requires each public entity operating a building to provide the Department of General Services an onsite assessment. Requires applicable public entities to adopt and implement processes in the Green Building Action Plan.	5/28/2010 In ASSEMBLY Committee on APPROPRIATIONS : Held in committee.		



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
AB 2775 Huffman (D)	Safe, Clean, and Reliable Drinking Water Supply Act Relates to the Safe, Clean, and Reliable Drinking Water Supply Act of 2010 which is to be on the 2010 general election ballot. Deletes the authorization for joint powers authorities to include nongovernmental partners in their membership. Prohibit the authorities from including in their membership any for-profit corporation or mutual water company whose shareholders and members include a for-profit corporation of any other private entity. Requires these changes be made to the bill submitted to the voters.	8/31/2010 Senate Third Reading File.		
AB 2776 Huffman (D)	Transfers of Water: Agricultural Use to Municipal Use Prohibits the Department of Water Resources from approving the transfer of surface water or water rights from agricultural use to municipal use for a specified time period, unless the water user provides the department or state Water Resources Control Board a evaluation of the economic, social, and environmental effects of the transfer upon the service area from which the water was transferred. Prohibits the replacement of surface water with groundwater unless the basin is monitored.	8/10/2010 From SENATE Committee on APPROPRIATIONS without further action pursuant to JR 62(a).	MWDOC Oppose (7/21/10)	
SB 565 Pavley (D)	Water Resources Relates to the exemption from the payment of fees for official services of the State Water Resources Board by the state, city, county, or district, state board water rights investigations and proceedings, the fine for water trespassing, the filing of a statement of water diversion and use with the state board, the civil penalties for violating a cease and desist order of the state board for unauthorized use of water, a schedule of penalties for small farm water violations.	8/30/2010 In ASSEMBLY. Placed on Inactive File		MWD - Watch



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
SB 613 Harman (R)	Irvine Ranch and Santa Margarita Water District Authorizes the Irvine Ranch Water District and the Santa Margarita Water District to form improvement districts and to pledge and apply all or part of the revenues of each district to the payment or security of any or all of the principal, redemption price, and purchase price of general obligation bonds for improvement districts and consolidated general obligation bonds for improvement districts, and the interest thereon, in accordance with specified requirements. Requires reports from the districts.	9/30/2010 Signed by Governor. Chaptered by Secretary of State. Chapter No. 624		IRWD: Co-Sponsor SMWD: Co-Sponsor
SB 808 Wolk (D)	Delta Levee Maintenance Relates to reimbursement to eligible local agencies for costs incurred in connection with the maintenance or improvement of levees in the Sacramento San Joaquin Delta. Provides for a decrease in the reimbursement rate after a specified date. Extends the operation of a provision of existing law that authorizes the allocation of funds in the form of an advance in a specified amount that does not exceed a certain percentage of the estimated state share.	6/3/2010 Signed by Governor. Chaptered by Secretary of State. Chapter No. 23		
SB 918 Pavley (D)	Water Recycling Requires the State Department of Public Health to develop and adopt uniform water recycling criteria for indirect potable water reuse for groundwater recharge, and develop and adopt uniform water recycling criteria for surface water augmentation, under a certain condition. Requires the department to investigate developing uniform water recycling criteria for such reuse. Requires funds from violations of water quality requirements for use in developing and adopting water recycling criteria.	9/30/2010 Chaptered by Secretary of State. Chapter No. 700		
SB 934 Cogdill (R)	Water Resource: California Water Plan Makes technical, nonsubstantive changes to existing law that specified the Department of Water Resources operation of the State Water Project and exercise of specified water planning functions. Requires the department to update the Water Plan, which is a plan for the conservation, development and use of water resources, every 5 years.	2/18/2010 To SENATE Committee on RULES.		



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
SB 972	Indemnity: Design Professionals	9/29/2010		
Wolk (D)	Amends an existing law relating to public contracts with design professional services and indemnity clauses in such contracts. Provides that all provisions, clauses, covenants, and agreements that purport to require the duty to defend under an indemnity agreement are unenforceable.	Signed by Governor. Chaptered by Secretary of State. Chapter No. 510		
SB 1173	Recycled Water	9/29/2010		
Wolk (D)	Defines rainwater and raw water under the Porter Cologne Water Quality Control Act. Declares the use of raw or potable domestic water for nonpotable municipal or industrial uses, irrigation of landscaping, floor trap priming, cooling towers, and air conditioning devices is a waste or unreasonable use of water if recycled water is available. Prohibits a person or public agency from using raw or potable water that is suitable for nonpotable municipal or industrial uses if suitable recycled water is available.	Vetoed by Governor.		
SB 1234	Water: Unreasonable Use	3/4/2010		
Kehoe (D)	State Water Resources Control Board requires the board to adopt regulations to identify unreasonable uses of water during various periods of water shortage set forth related legislative findings and declarations.	To SENATE Committee on NATURAL RESOURCES AND WATER.		MWD - Oppose
SB 1284	Water Quality	9/30/2010		
Ducheny (D)	Amends mandatory waste discharge requirements in accordance with the federal Clean Water Act and the state Porter-Cologne Water Quality Control Act. Provides that failure to file a discharge monitoring report is not a serious waste discharge violation if the discharger submits a specified statement. Specifies penalty assessment requirements. Provides an effluent limitation time schedule for compliance by waste dischargers. Authorizes a regional board to extend the time schedule. Requires a public hearing.	Signed by Governor. Chaptered by Secretary of State. Chapter No. 645		



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
SB 1334	Natural Community Conservation Plans	9/29/2010		
Wolk (D)	Amends the Natural Community Conservation Planning Act that authorizes the Department of Fish and Game to enter into agreements for the purpose of preparing a natural community conservation plan, in cooperation with a local agency and requires the department to approve a plan after making specified findings. Includes in the required finding that the plan has been developed consistent with the planning agreement process an additional finding of cooperation with a local agency that has permit authority.	Vetoed by Governor.		MWD - Oppose unless Amended
SB 1469	Sacramento-San Joaquin Delta: Water Quality	5/27/2010		
Simitian (D)	Requires the State Water Resources Control Board to identify all parties that benefit from waters originating in the Sacramento-San Joaquin Delta watershed and whose activities impact the watershed. Requires the board to develop a process for determining the degree of responsibility attributable to each of the identified parties for physical and environmental impacts. Requires the State Department of Water Resources to identify certain factors regarding the State Water Plan over the next 30 years.	In SENATE Committee on APPROPRIATIONS : Held in committee.		
SB 1478	Water conservation: urban water management	9/24/2010	MWDOC	
Senate Natural Resources and Water Committee	Grants the extension for adoption of an urban water management plan that is due in 2010 to an urban wholesale water supplier to permit coordination between an urban wholesale water supplier and urban retail water suppliers.	Signed by Governor.	Support (5/19/10)	MWD - Support



Municipal Water District of Orange County Priority State Legislation

BILL	SUMMARY	LATEST ACTION	MWDOC POSITION	OTHER POSITIONS
<u>FEDERAL LEGISLATION</u>				
H.R. 4349	Hoover Power Allocation Act of 2009	7/21/2010	MWDOC	
Napolitano	<i>A bill to further allocate and expand the availability of hydroelectric power generated at Hoover Dam.</i> The Hoover Power Allocation Act of 2009 would extend Metropolitan Water District of Southern California's contract for Hoover Power supplies, scheduled to sunset in 2017, for an additional 50 years. The Act provides 5% of the energy and capacity from Hoover to be made available to new parties, including tribal interests, starting in 2017.	Committee on Energy and Natural Resources. Ordered to be reported without amendment favorably.	Support	
H.R. 5088	America's Commitment to Clean Water Act	4/22/2010	MWDOC	
Oberstar	To amend the Federal Water Pollution Control Act to reaffirm the jurisdiction of the United States over waters of the United States.	Referred to the Subcommittee on Water Resources and Environment.	Oppose (6/16/10)	

Public Affairs Activities Report September 13, 2010 – October 17, 2010

Client Agency Relations	<p>Darcy attended Metropolitan's Public Information Officers meeting on September 16th, which was hosted by West Basin at their Edward Little Recycling Facility in El Segundo.</p> <p>Jessica attended Metropolitan's Education Coordinators meeting on September 30. Metropolitan will be piloting their new <i>Conservation Connection</i> middle school curriculum this fall. MWDOC will have one boat in the Solar Cup Program.</p> <p>Darcy presented information on the Water: Do More with Less Campaign and related strategies to the Communications Sub-Committee of Metropolitan's Blue Ribbon Committee.</p> <p>Jessica conducted the MWDOC Public Affairs Workgroup (PAW) meeting on September 28 with the help of the public affairs department staff. The meeting featured a presentation on the results of the PAW meeting survey and new improvements to the meeting structure/content, a discussion regarding public agencies and transparency, an overview of the Inspection Trip Program, a legislative update, a brief School Program demonstration by Discovery Science Center, and a new break out session format. 15 participants attended the meeting.</p> <p>Darcy met with John Arena from Metropolitan's Business Outreach Section to discuss ways to better coordinate messaging and events with the business community.</p> <p>Darcy and Eleanor Torres of OCWD have begun to work on the budget and logistics for the next OC Water Summit which will be held on May 20th at Disney's Grand Californian. Meetings for the committee are being scheduled with the Co-Chairs, Directors Thomas and Sheldon, in the upcoming weeks.</p> <p>Jessica met with Mike Howard of Operation Clean Slate and Mark Lewis, Andrew Perea, and Wendy Lee of the City of Fountain Valley to discuss the possibility of doing a water conservation mural in their city. The City is very excited about this possibility and is interested in having the mural – which will be funded through an MWD Community Partnering Program grant – painted on the street side of its drinking water reservoir. The reservoir is located at the Euclid Street freeway on/off ramp – immediately adjacent to the Orange County Sanitation District entrance. A proposal will be drafted and submitted to city council in the near future.</p> <p>Darcy and Jessica are coordinating with El Toro to have Ricki Raindrop make an appearance at their 50th anniversary event on</p>
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	<p>Saturday, October 16th.</p> <p>MWDOC and Irvine Ranch Water District will be sponsoring a boat in MWD's Solar Cup Program. The entrance fee is being funded by IRWD.</p> <p>Jessica developed a water use efficiency poster for the City of San Juan Capistrano. The poster utilized design elements and water saving tips from MWD's <i>Move the Needle</i> promotional materials.</p> <p>Jessica provided water use efficiency materials and literature to the following member agencies: Irvine Ranch Water District, City of Westminster, . Materials were also provided to the National Water Research Institute.</p> <p>David developed a resolution for Mesa Consolidated Water District's 50th anniversary. Jessica assisted with the resolution design and framing. The resolution will be presented by President Finnegan at MESA's 50th anniversary event on October 13. David and Jessica will join Kevin Hunt in representing MWDOC staff at the event.</p> <p>Darcy met with Linda Waade of Metropolitan on October 13 to ensure coordination of outreach and messaging as it pertains to Chairman Foley's term.</p>
<p>Community Relations</p>	<p>Darcy and Jessica attended a preliminary planning meeting with OCWD staff at the Grand Californian for the next OC Water Summit.</p> <p>Darcy and Richard Bell attended the Southern California Water Committee's Annual Dinner with Directors Hinman and Ackerman.</p> <p>Darcy and Tiffany Baca continue to work on finalizing the one-day inspection trip schedule and preparing for the season.</p> <p>Darcy met with Kevin Herglotz, President of HPA Strategies, the chief strategist for Jamba Juice, on how we can expand our partnership and increase our messaging.</p> <p>Darcy was invited to participate in the strategic planning session for the Urban Water Research Center. The session is scheduled for October 15th.</p> <p>Darcy and Tiffany Baca attended the Coro Luncheon featuring Phil Isenberg, on October 14, 2010.</p>
<p>School Program</p>	<p>To date, Discovery Science Center has booked 37,541 students in the water assembly program. During the month of September, 5,737 students were served. The total number of MWDOC-funded</p>

	<p>students for the 2010-11 school year is 42,850.</p> <p>Jessica and staff of Discovery Science Center continue to meet individually with the member agencies regarding additional funding for the School Program. As result of these meetings, six MWDOC member agencies have committed to funding an additional 8,112 students (total). When combined with the three cities' students, this brings the total number of students served through the program to 65,596. A more detailed report will be provided to the PAL committee in October.</p> <p>On September 22, Jessica and public affairs intern Tiffany Bui had a MWDOC School Program booth at Discovery Science Center's Educator's Evening of Science. The event was very well attended with more than 600 guests stopping by the booth.</p>
<p>Media Relations</p>	<p><u>Trinity Broadcasting Network</u>, Corrie Hickey, Public Affairs Director for the Network has invited Director Thomas back for another segment on water issues in Orange County. The segment will be filmed on October 27th. Darcy is scheduled to appear with Director Thomas.</p> <p><u>Orange County Register</u>, reporter Teri Sforza contacted Darcy Burke to ask some questions on the compensation information provided and to let us know she is now focusing on that story. A publishing date has not yet been scheduled.</p> <p>Jessica prepared and distributed a press release regarding the California Emergency Services Association's Emergency Management Award, which was awarded to Kelly Hubbard, WEROC Programs Manager received. The release received over 100 media hits through PitchEngine.</p> <p>Darcy and Jessica developed and distributed a press release regarding Colonel Foley's election as Board Chairman of the Metropolitan Water District of Southern California.</p>
<p>Special Projects</p>	<p>Darcy continues to work with Ed Means in developing MWDOC's strategic goals, strategies, objectives, tactics, and a scorecard. Darcy and David attended the Board Workshop on September 18th. Kevin presented the information at the Manager's meeting and Darcy presented it to the last all-staff meeting. In addition, Darcy presented the structural assessment findings to the leadership team. She is working on a summarizing a program evaluation to support the implementation phase of the strategic review process.</p> <p>Darcy assisted Director Ackerman with some preliminary information for the next SARWQCB meeting at the end of October.</p>

	<p>David and Jessica have developed the first issue of <i>O.C. Water Hero News!</i> – the electronic newsletter for O.C. Water Hero program participants.</p> <p>Staff is preparing for two small upcoming South Orange Coastal Ocean Desalination Project open houses. The open houses will be held October 28 for local university students and November 17 for the League of Women Voters.</p> <p>Jessica attended a crisis and risk communications workshop for public agency staff on October 14 at UCLA.</p> <p>Phase two of the website redesign is complete. All of the website structure has been developed to allow for integration with social media elements and many of the other web 2.0 features are ready to launch. A complete report will be provided to the PAL committee in October.</p>
<p>Water Use Efficiency Marketing</p>	<p>Jessica developed and distributed a survey of the monthly Orange County Water Use Efficiency Coordinators meeting participants. The goal of the survey is to gain feedback from attendees and improve the meeting content/structure. Survey results will be compiled in the next few weeks.</p> <p>On October 6, Jessica presented at the WaterSmart Innovations Conference in Nevada. The presentation, titled “Water: Do More with Less – Engaging Citizens in Water Awareness” was given under the Marketing and Outreach presentation track. Approximately 45 attendees were present during the presentation. The presentation was well received and there were several questions/comments from the audience.</p> <p>Water use efficiency staff and Jessica continue to work with Fortech to develop the landscape programs database. Staff is currently finalizing the design document and outlining the database structure.</p> <p>Jessica developed new ads for the California Friendly Landscape Training (CFLT) classes. The ads were coordinated with the hosting MWDOC member agency and ran in select community papers to promote the October 9 and 23 CFLT classes – hosted by the City of Huntington Beach and Trabuco Canyon Water District, respectively.</p> <p>Jessica attended the County of Orange Public Education Subcommittee meeting on September 29.</p> <p>Jessica participated in a marketing and outreach conference call for the SoCal WaterSmart residential rebate programs on October 13.</p>
<p>Legislative Affairs</p>	<p>David continues his participation on the conference calls of the Metropolitan Water District of Southern California’s Member Agency</p>

Legislative Coordinators and the Southern California Water Committee's Legislative Task Force. The recent calls focused on the just-concluded state legislative session and a discussion of the water-related bills still awaiting action by the governor. Metropolitan will conduct its annual legislative planning meeting on October 20 and the Southern California Water Committee will conduct its planning meeting later this year.

David provided end-of-session legislative reports to the Public Affairs Work Group; the Water Use Efficiency Working Group; the Water Advisory Committee of Orange County; and Independent Special Districts of Orange County.

David accompanied Director Hinman at a City Council Candidates' Reception hosted by the South Orange County Regional Chamber of Commerce. Incumbent council members seeking re-election and other council candidates from the cities of Aliso Viejo, Dana Point, Laguna Niguel, Laguna Hills, Lake Forest, Mission Viejo, Rancho Santa Margarita, and San Juan Capistrano were in attendance.

David met with ISDOC President-Elect Rich Freschi (Serrano Water District) and ISDOC Secretary Patty Quilizapa (McCormick, Kidman & Behrens) to discuss ISDOC-related administrative issues for the coming year.

David attended the CSDA Legislative Committee meeting where the committee had an end-of-session legislative recap as well as a discussion of the just-passed state budget. The committee also discussed the upcoming general election and legislative issues on the horizon for 2011. This was the final meeting of the 2010 committee and the appointments to the 2011 committee should be announced shortly.

David attended the Orange County Business Council Infrastructure Committee meeting which featured six representatives discussing supply chain policy issues, the future of goods movement through the ports of Los Angeles and Long Beach, and regional/nationwide good-related transportation issues.

David is scheduled to join Directors Dick and Hinman at the next meeting of the Orange County Division of the League of California Cities. The program will be a moderated pre-election roundtable featuring a panel of local officials and the county Republican and Democratic party chairmen.

