

ADJOURNED MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Jointly with the  
**PUBLIC AFFAIRS/MET OVERSIGHT COMMITTEE**  
August 22, 2005, 8:30 a.m.  
MWDOC Conference Room 101

**Committee:**

Director Barbre, Chairman  
Director Finnegan  
Director Hinman

Staff: K. Hunt, K. Seckel, M. Stone, R. Bell  
D. Cordero, K. Davanaugh, M. Tuchman  
Deven Upadhyay

Ex Officio Member: Ed Royce, Sr.

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**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**

**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.)

**ACTION ITEMS**

1. PRIORITY LEGISLATION
2. PRODUCTION OF 2005-06 ACADEMIC YEAR SCHOOL CALENDAR
3. 2006/2007 ACWA COMMITTEE APPOINTMENTS
4. SUPPORT FOR CALIFORNIA'S WATER FUTURE COALITION

**DISCUSSION ITEMS**

5. DESALINATION SITES RESOLUTION (ACR 84)

6. LEGISLATIVE ACTIVITIES
  - a. Report on State Legislative Activities by Townsend Public Affairs, Inc.
  - b. Report on Federal Legislative Activities by James Barker
  - c. Legislation Matrix

### **INFORMATION ITEMS**

(The following items are for informational purposes only – background information is included in the packet. Discussion is not necessary unless a Director requests.)

7. PUBLIC AFFAIRS ACTIVITIES REPORT

### **OTHER ITEMS**

8. REVIEW ISSUES RELATED TO LEGISLATION, OUTREACH, PUBLIC INFORMATION ISSUES, AND MET
9. GENERAL MANAGER'S / DIRECTORS' REPORT

### **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.



(PHG) for perchlorate was issued at 6 ppb. The state board subsequently restricted the regional board's ability to order replacement water for water supplies with contaminant levels below the PHG. While current law gives the regional and state boards the authority to order replacement water in the event of a clean up and abatement order, this bill would effectively negate the state board's ruling on the Olin Case and open the door to potentially allow the regional boards to order replacement water for anything above background water quality levels, even if the water meets drinking water standards.

The following are some of the unintended consequences of AB 1421:

1. Because regional boards would have the authority to issue abatement orders and require replacement water, groundwater recharge agencies and/or the agencies that provide water for recharge could be found to be violating water quality standards if the recharge water is not "comparable" to the background water quality levels of the water it is replacing, even if it still meets all safe drinking water standards.
2. Statewide efforts to develop an anti-degradation policy and a water quality threshold with the State Water Resources Control Board would be undermined. Increases of a constituent above background levels could trigger a replacement water order, even if the water quality fell within the state board's anti-degradation policy.
3. The broad definition of "affected" waters is problematic and it does not specify what constitutes a "threat" "Waters are affected if a discharge, release, leak or spill has caused, or threatens to cause a pollutant or constituent to exist of be elevated above its background water quality condition."
4. The broad definition of "background water quality condition" as "the constituent or water quality parameter level or concentration that existed prior to a specific waste discharge, pollution leak or spill" could theoretically affect water reclamation and recycling efforts, as water quality levels would be altered through the treatment process.
5. The use of water from the Colorado River or State Water Project may not be suitable as replacement water because the bill requires that the replacement water quality be comparable to well water prior to the discharge.
6. Despite the fact that the bill is intended to apply only in circumstances where a cleanup and abatement order has been issued, depending on the interpretation of the bill, a replacement water order could theoretically be issued any time there is an increased constituent level caused by any discharge.

**Notes:** It is the author's intent that AB 1421 holds accountable polluters of our state's water resources, but the number of unintended consequences in the bill have raised considerable concern among water agencies within the Metropolitan service area. The author's staff has indicated his intent to move the bill forward before the Legislature's interim recess begins in mid-September, so the water agencies have been scrambling to express their concerns and submit rough amendments to staff. The limited timeframe with which the author has to work has made it difficult for industry concerns to be fully discussed and bill amendments to be negotiated in a meaningful manner. The agencies would like to slow the process down and work with the author on bill amendments when the Legislature reconvenes in January. If this

request is denied by the author, some of the agencies are prepared to oppose the bill this year.

**Status:** This bill is presently in the Senate Environmental Quality Committee but has not yet been scheduled for a hearing. Because the bill was recently gutted and amended, policy committee hearings and floor votes would be necessary in both the Assembly and Senate before the interim legislative recess in mid-September. This would require a number of rule waivers, since the legislative calendar does not allow bills to be heard in committee after August 26. It is uncertain whether the author would be successful in securing the waivers.

**Recommended position:** OPPOSE

AMENDED IN SENATE JUNE 27, 2005

AMENDED IN ASSEMBLY APRIL 18, 2005

CALIFORNIA LEGISLATURE—2005—06 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1421**

**Introduced by Assembly Member Laird  
(Coauthor: Assembly Member Salinas)**

February 22, 2005

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An act to ~~add Section 115 to~~ *amend Section 13304 of the Water Code*, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 1421, as amended, Laird. Water: *discharge permits*~~supply projects: Monterey Peninsula Water Management District.~~

~~(1) The Monterey Peninsula Water Management District Law establishes the Monterey Peninsula Water Management District and provides for its powers and purposes. Existing law authorizes the appropriation of various funds for water supply projects.~~

~~This bill, except as specified, would prohibit a state agency with authority over the planning or permitting of, or the granting of funds for, a water project, from approving or providing funds for a water project that would provide 750 acre-feet or more of new water supplies within the boundaries of the district, unless at least 750 acre-feet of that water is reserved and made available by the project for allocation to affordable housing, as defined, and will be used to meet the affordable housing needs, as defined, of each jurisdiction within the district's boundaries. The bill, except as specified, would prohibit such a state agency, if a water project would provide less than 750 acre-feet of new water supplies within the boundaries of the district, from approving or providing funds for that water project~~

~~unless the jurisdiction developing or being served by the water project makes available at least 20% of the water provided to meet the affordable housing needs of the jurisdiction. The bill would provide that its provisions shall become inoperative when the affordable housing needs of the district are met.~~

~~(2) The bill would make a finding and declaration of the Legislature regarding the inapplicability of a general statute within the meaning of Section 16 of Article IV of the California Constitution.~~

*Existing law, the Porter-Cologne Water Quality Control Act, requires a person who discharges waste into the waters of the state in violation of waste discharge requirements, or other order or prohibition issues by a California regional water quality control board or the State Water Resources Control Board, upon the order of that regional board or the state board, to clean up the waste or to abate the effects of the waste. The act subjects a person who violates a cleanup or abatement order to civil penalties. The act authorizes state board or a regional board to issue a cleanup or abatement order that may require, among other things, the provision of replacement water service, which may include wellhead treatment, to each affected public water supplier or private well owner.*

*This bill would define the terms “affected” and “background water quality condition,” for purposes of the act. The bill would also authorize the state board or a regional board to require replacement water for groundwater or surface water, where water quality has been degraded or otherwise impacted above background water quality conditions, and would provide that nothing in those provisions shall limit the authority of the state board or a regional board to require complete cleanup of all waste discharged and restoration of affected water to background water quality.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 13304 of the Water Code is amended to  
2     read:  
3     13304. (a) Any person who has discharged or discharges  
4     waste into the waters of this state in violation of any waste  
5     discharge requirement or other order or prohibition issued by a  
6     regional board or the state board, or who has caused or permitted,

1 causes or permits, or threatens to cause or permit any waste to be  
2 discharged or deposited where it is, or probably will be,  
3 discharged into the waters of the state and creates, or threatens to  
4 create, a condition of pollution or nuisance, shall upon order of  
5 the regional board, clean up the waste or abate the effects of the  
6 waste, or, in the case of threatened pollution or nuisance, take  
7 other necessary remedial action, including, but not limited to,  
8 overseeing cleanup and abatement efforts. A cleanup and  
9 abatement order issued by the state board or a regional board  
10 may require the provision of, or payment for, uninterrupted  
11 replacement water service, which may include wellhead  
12 treatment, to each affected public water supplier or private well  
13 owner. Upon failure of any person to comply with the cleanup or  
14 abatement order, the Attorney General, at the request of the  
15 board, shall petition the superior court for that county for the  
16 issuance of an injunction requiring the person to comply with the  
17 order. In the suit, the court shall have jurisdiction to grant a  
18 prohibitory or mandatory injunction, either preliminary or  
19 permanent, as the facts may warrant.

20 (b) (1) The regional board may expend available money to  
21 perform any cleanup, abatement, or remedial work required  
22 under the circumstances set forth in subdivision (a), including,  
23 but not limited to, supervision of cleanup and abatement  
24 activities that, in its judgment, is required by the magnitude of  
25 the endeavor or the urgency for prompt action to prevent  
26 substantial pollution, nuisance, or injury to any waters of the  
27 state. The action may be taken in default of, or in addition to,  
28 remedial work by the waste discharger or other persons, and  
29 regardless of whether injunctive relief is being sought.

30 (2) The regional board may perform the work itself, or with  
31 the cooperation of any other governmental agency, and may use  
32 rented tools or equipment, either with operators furnished or  
33 unoperated. Notwithstanding any other provisions of law, the  
34 regional board may enter into oral contracts for the work, and the  
35 contracts, whether written or oral, may include provisions for  
36 equipment rental and in addition the furnishing of labor and  
37 materials necessary to accomplish the work. The contracts are  
38 not subject to approval by the Department of General Services.

39 (3) The regional board shall be permitted reasonable access to  
40 the affected property as necessary to perform any cleanup,

1 abatement, or other remedial work. The access shall be obtained  
2 with the consent of the owner or possessor of the property or, if  
3 the consent is withheld, with a warrant duly issued pursuant to  
4 the procedure described in Title 13 (commencing with Section  
5 1822.50) of Part 3 of the Code of Civil Procedure. However, in  
6 the event of an emergency affecting public health or safety, the  
7 regional board may enter the property without consent or the  
8 issuance of a warrant.

9 (4) The regional board may contract with a water agency to  
10 perform, under the direction of the regional board, investigations  
11 of existing or threatened groundwater pollution or nuisance. The  
12 agency's cost of performing the contracted services shall be  
13 reimbursed by the regional board from the first available funds  
14 obtained from cost recovery actions for the specific site. The  
15 authority of a regional board to contract with a water agency is  
16 limited to a water agency that draws groundwater from the  
17 affected aquifer, a metropolitan water district, or a local public  
18 agency responsible for water supply or water quality in a  
19 groundwater basin.

20 (c) (1) If the waste is cleaned up or the effects of the waste are  
21 abated, or, in the case of threatened pollution or nuisance, other  
22 necessary remedial action is taken by any governmental agency,  
23 the person or persons who discharged the waste, discharges the  
24 waste, or threatened to cause or permit the discharge of the waste  
25 within the meaning of subdivision (a), are liable to that  
26 governmental agency to the extent of the reasonable costs  
27 actually incurred in cleaning up the waste, abating the effects of  
28 the waste, supervising cleanup or abatement activities, or taking  
29 other remedial action. The amount of the costs is recoverable in a  
30 civil action by, and paid to, the governmental agency and the  
31 state board to the extent of the latter's contribution to the cleanup  
32 costs from the State Water Pollution Cleanup and Abatement  
33 Account or other available funds.

34 (2) The amount of the costs constitutes a lien on the affected  
35 property upon service of a copy of the notice of lien on the owner  
36 and upon the recordation of a notice of lien, that identifies the  
37 property on which the condition was abated, the amount of the  
38 lien, and the owner of record of the property, in the office of the  
39 county recorder of the county in which the property is located.  
40 Upon recordation, the lien has the same force, effect, and priority

1 as a judgment lien, except that it attaches only to the property  
2 posted and described in the notice of lien, and shall continue for  
3 10 years from the time of the recording of the notice, unless  
4 sooner released or otherwise discharged. Not later than 45 days  
5 after receiving a notice of lien, the owner may petition the court  
6 for an order releasing the property from the lien or reducing the  
7 amount of the lien. In this court action, the governmental agency  
8 that incurred the cleanup costs shall establish that the costs were  
9 reasonable and necessary. The lien may be foreclosed by an  
10 action brought by the state board on behalf of the regional board  
11 for a money judgment. Money recovered by a judgment in favor  
12 of the state board shall be deposited in the State Water Pollution  
13 Cleanup and Abatement Account.

14 (d) If, despite reasonable effort by the regional board to  
15 identify the person responsible for the discharge of waste or the  
16 condition of pollution or nuisance, the person is not identified at  
17 the time cleanup, abatement, or remedial work is required to be  
18 performed, the regional board is not required to issue an order  
19 under this section.

20 (e) “Threaten,” for purposes of this section, means a condition  
21 creating a substantial probability of harm, when the probability  
22 and potential extent of harm make it reasonably necessary to take  
23 immediate action to prevent, reduce, or mitigate damages to  
24 persons, property, or natural resources.

25 (f) Replacement water provided pursuant to subdivision (a)  
26 shall meet all applicable federal, state, and local drinking water  
27 standards, and shall have comparable quality to that pumped by  
28 the public water system or private well owner prior to the  
29 discharge of waste. *The state board or a regional board may*  
30 *require replacement water for groundwater or surface water,*  
31 *where water quality has been degraded or otherwise impacted*  
32 *above background water quality conditions.*

33 (g) *Nothing in this section shall limit the authority of the state*  
34 *board or a regional board to require a complete cleanup of all*  
35 *waste discharged and restoration of affected water to*  
36 *background water quality.*

37 ~~(g)~~

38 (h) (1) Any public water supplier or private well owner  
39 receiving replacement water by reason of an order issued  
40 pursuant to subdivision (a), or any person or entity who is

1 ordered to provide replacement water pursuant to subdivision (a),  
2 may request nonbinding mediation of all replacement water  
3 claims.

4 (2) If so requested, the public water suppliers receiving the  
5 replacement water and the persons or entities ordered to provide  
6 the replacement water, within 30 days of the submittal of a water  
7 replacement plan, shall engage in at least one confidential  
8 settlement discussion before a mutually acceptable mediator.

9 (3) Any agreement between parties regarding replacement  
10 water claims resulting from participation in the nonbinding  
11 mediation process shall be consistent with the requirements of  
12 any cleanup and abatement order.

13 (4) A regional board or the state board is not required to  
14 participate in any nonbinding mediation requested pursuant to  
15 paragraph (1).

16 (5) The party or parties requesting the mediation shall pay for  
17 the costs of the mediation.

18 ~~(h)~~

19 (i) As part of any cleanup and abatement order that requires  
20 the provision of replacement water, a regional board or the state  
21 board shall request a water replacement plan from the discharger  
22 in cases where replacement water is to be provided for more than  
23 30 days. The water replacement plan is subject to the approval of  
24 the regional board or the state board prior to its implementation.

25 ~~(i)~~

26 (j) (1) A “water replacement plan” means a plan pursuant to  
27 which the discharger will provide replacement water in  
28 accordance with a cleanup and abatement order.

29 ~~(j)~~

30 (2) *“Affected” applies to waters, or people, of the state, whose*  
31 *groundwaters or surfacewaters have been degraded or impacted*  
32 *by a waste discharge, release, leak, or unintentional or*  
33 *intentional spill. Waters are affected if a discharge, release, leak*  
34 *or spill has caused, or threatens to cause a pollutant or*  
35 *constituent to exist or be elevated above its background water*  
36 *quality condition.*

37 (3) *“Background water quality condition” is the constituent or*  
38 *water quality parameter level or concentration that existed prior*  
39 *to a specific waste discharge, pollution release, leak, or spill.*

1 (k) This section does not impose any new liability for acts  
2 occurring before January 1, 1981, if the acts were not in violation  
3 of existing laws or regulations at the time they occurred.

4 ~~(k)~~

5 (l) Nothing in this section limits the authority of any state  
6 agency under any other law or regulation to enforce or administer  
7 any cleanup or abatement activity.

8 ~~(l)~~

9 (m) The Legislature declares that the amendments made to  
10 subdivision (a) of this section by ~~Senate Bill 1004 of the 2003-04~~  
11 ~~Regular Session Chapter 614 of the Statutes of 2003~~ do not  
12 constitute a change in, but are declaratory of, existing law.

13 SECTION 1. ~~Section 115 is added to the Water Code, to read:~~

14 115. ~~(a) (1) A state agency with authority over the planning~~  
15 ~~or permitting of, or the granting of funds for, a water project,~~  
16 ~~shall not approve or provide funds for a water project that would~~  
17 ~~provide 750 acre-feet or more of new water supplies within the~~  
18 ~~boundaries of the Monterey Peninsula Water Management~~  
19 ~~District, unless at least 750 acre-feet of that water is reserved and~~  
20 ~~made available by the project for allocation to affordable~~  
21 ~~housing, and will be used to meet the affordable housing needs of~~  
22 ~~each jurisdiction within the district's boundaries.~~

23 ~~(2) If the water project would provide less than 750 acre-feet~~  
24 ~~of new water supplies within the boundaries of the Monterey~~  
25 ~~Peninsula Water Management District, a state agency with~~  
26 ~~authority over the planning or permitting of, or the granting of~~  
27 ~~funds for, the water project shall not approve or provide funds for~~  
28 ~~that water project unless the jurisdiction developing or being~~  
29 ~~served by the water project makes available at least 20 percent of~~  
30 ~~the water provided to meet the affordable housing needs of the~~  
31 ~~jurisdiction.~~

32 ~~(b) For the purposes of this section, "affordable housing"~~  
33 ~~means housing that is occupied by persons and families of low or~~  
34 ~~moderate income as defined by Section 50093 of the Health and~~  
35 ~~Safety Code.~~

36 ~~(c) For the purposes of this section, "affordable housing~~  
37 ~~needs" means housing units for jurisdictions within the Monterey~~  
38 ~~Peninsula Water Management District, as defined by the~~  
39 ~~Regional Housing Needs Plan published by the Association of~~

1 ~~Monterey Bay Area Governments and in effect as of January 1,~~  
2 ~~2006.~~

3 ~~(d) This section does not apply to a water project that received~~  
4 ~~the approval of the California Coastal Commission before~~  
5 ~~January 1, 2006.~~

6 ~~(e) This section shall become inoperative when the affordable~~  
7 ~~housing needs, as defined in subdivision (c), of the Monterey~~  
8 ~~Peninsula Water Management District are met.~~

9 ~~SEC. 2. The Legislature finds and declares that this act,~~  
10 ~~which is applicable only to the Monterey Peninsula Water~~  
11 ~~Management District, is necessary because of the unique and~~  
12 ~~special water supply and housing problems in the area included~~  
13 ~~in the district. It is, therefore, hereby declared that a general law~~  
14 ~~within the meaning of Section 16 of Article IV of the California~~  
15 ~~Constitution cannot be made applicable to the district and the~~  
16 ~~enactment of this special law is necessary for the conservation,~~  
17 ~~development, control, and use of that water for the public good.~~



**ACTION ITEM**

August 22, 2005

**TO:** Board of Directors

**FROM:** **Public Affairs/MET Oversight Committee**  
(Directors Barbre, Finnegan, Hinman)

Kevin Hunt  
General Manager

Staff Contact: Michelle Tuchman

**SUBJECT: PRODUCTION OF 2005-06 ACADEMIC YEAR SCHOOL CALENDAR**

**STAFF RECOMMENDATION**

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Staff recommends the Committee authorize the General Manager to enter into an agreement with the lowest responsive bidder, at a cost not to exceed \$20,000 for the printing of 15,000 school calendars.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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Over the years, our school wall calendars have become popular components of our community-education program. Produced and distributed to school administrators and teachers, the calendars hang in classrooms throughout Orange County and provide continued awareness of the Municipal Water District of Orange County and our efforts to ensure water reliability. The calendars, which feature the artwork and slogans of the winners in the District's annual Poster/Slogan Contest, are also constant reminders to use water wisely and the need to protect this vital resource.

Printing estimates are currently being received and, at this time, additional responses are anticipated. A review of all responses received, along with a recommendation from staff, will be sent to Directors prior to the meeting and in sufficient time for evaluation and assessment.

<b>Budgeted (Y/N): Y</b>	Budgeted amount: \$20,000
<b>Action item amount: NTE \$20,000</b>	Line item: 3510-7360
<b>Fiscal Impact (explain if unbudgeted):</b>	



**ACTION ITEM**  
September 21, 2005

**TO:** Board of Directors

**FROM:** **Public Affairs/MET Oversight Committee**  
(Directors Barbre, Finnegan, Hinman)

Kevin Hunt  
General Manager

**SUBJECT: 2006/2007 ACWA COMMITTEE APPOINTMENTS**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors: Review the ACWA Committee nomination information and make recommendations for submission to ACWA by September 26, 2005.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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Attached is the packet received from ACWA regarding the 2006-07 Committee appointments. The nominations for each ACWA Committee need to be returned to ACWA no later than September 26, 2005. (Please note that the District is responsible for all costs associated with the participation on the Committees).

The attached summary page indicates the District's current committee members and positions; and we have included detailed sheets outlining attendance records, as well as the duties, purpose and responsibilities of each Committee.

An important part in helping the ACWA Committees to be as effective as possible is attendance; therefore ACWA's bylaws state "two consecutive, unexcused absences from an ACWA limited Committee shall constitute a resignation and a replacement will be named as soon as possible." Also, those with a record of repeated, excused absences will be reviewed and considered for replacement.

Please review this information and let staff know your Committee preferences at the Public Affairs/MET Oversight Committee meeting on August 22, 2005.

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



- Dredging in selected Delta channels to improve conveyance and access by irrigators.
- Increasing permitted State Water Project pumping capacity from 6,700 cfs to 8,500 cfs, which will increase annual average water exports from the Delta by 1-3 percent.

In coordination with the Metropolitan Water District of Southern California and its member agencies, the District recently submitted a letter to the Schwarzenegger Administration (see attached) encouraging the release of the South Delta Improvement Program Draft EIR/EIS. A movement within the environmental community had been pressuring the administration not to release the document.

California's Water Future is in the process of coordinating communications and coalition building efforts in support of the SDIP. It is encouraging water agencies to not only submit letters of support for the SDIP but also join the coalition. There is no financial commitment for agencies that wish to join CWF. All that is requested is a commitment to assist in the advocacy efforts.

Staff recommends that the District join the coalition and work with it to support the South Delta Improvement Program.

**Attachments:**

- SDIP EIR/EIS Support Letter to Governor Schwarzenegger
- CWF Correspondence

**Additional Information:**

**From:** Ann Newton [anewton@redgatecommunications.com]  
**Sent:** Monday, August 15, 2005 10:33 AM  
**To:** Ann Newton  
**Subject:** California's Water Future - Coalition Update

**Dear CWF Coalition Members and Interested Parties,**

First, thank you for your continued support and interest over the past year as **California's Water Future** mobilized an active and broad coalition to support the CalFed Bay-Delta Program (CalFed). As many of you know, the coalition was formed to educate and support the Delta Improvements Package, a series of efforts to improve water supply reliability, water quality, eco-system restoration and levee stability for local Delta users and the broader statewide community. Collectively, it is the first major implementation package of statewide significance within the CalFed program...moving a series of statewide water and environmental projects from planning to actual implementation.

Important progress has been made, but the remainder of 2005 will be a very critical period for business, water, agricultural and local planning interests. **California's Water Future** is remobilizing now to support a critical CalFed element that is moving now and we need your help.

Here is a rundown of important upcoming issues and priorities for the **California's Water Future** coalition.

***SDIP Ready To Launch...***

In the coming weeks, the California Department of Water Resources (DWR) and the U.S. Bureau of Reclamation (Bureau) will launch the public review process for the South Delta Improvements Program, releasing a Draft Environmental Impact Report/Environmental Impact Statement. As many of you know, SDIP is a critical element of the umbrella Delta Improvements Package and release of the DEIR/EIS has been delayed for nearly 3 years. Given its significance, SDIP is one of the featured recommendations contained within the Association of California Water Agencies' recently published "Blueprint for California Water", which sought to collectively put together a forward-looking action plan for meeting California's future water needs. Core components of SDIP include:

- Constructing permanent gates to improve water levels and circulation patterns - and to protect fish species - in the Delta.
- Dredging in selected Delta channels to improve conveyance and access by irrigators.
- Increasing State Water Project pumping from 6,700 cfs to 8,500 cfs, which increases water exports from the Delta by 1-3% on an annual average basis.

***Emerging Issues...***

Many of you have already mobilized in the past few weeks, generating letters of support that have been delivered to Governor Schwarzenegger's office and we thank you for your efforts. Unfortunately, a small, but vocal, group of opponents will continue to mount an aggressive campaign against this much-needed program, despite the fact that SDIP has always been an approved element of the CalFed program.

All of this has been complicated by a recent, unexplained decline in certain fish species within the Delta, which has been reported extensively by regional newspapers. Concurrent with the release of the DEIR/EIS, federal and state fish agencies are conducting an extensive, in-depth study of the Delta fish species, documenting the success stories (salmon populations are rebounding) and also trying to determine the problems with certain species. All emerging information from these studies will be an important and integral part of the public review process for the SDIP DEIR/EIS. Unfortunately, however, the news media and opponents have only fixated on one potential cause of the fish decline (increased pumping from the Delta), rather than looking at the situation and the scientific evidence in broader context. In fact, the state and federal agencies have said that the lack of availability of food for the fish and potential toxins in the water may be factors in the fish decline.

***Legislative Hearings Scheduled...***

Legislative hearings on the status of Delta fish species are now scheduled for August 18th (Assembly Water, Parks & Wildlife) and August 23rd (Senate Natural Resources & Water). It is imperative that an unbiased examination of the facts is presented to the committee members and the news media that attend. Your help may be required to help spread the word.

***Responsible Planning Must Move Forward...***

Water is the lifeblood of California - critical to our families, farms and businesses. It is our state's responsibility to plan for the future; to explore all options for ensuring California's future water supplies. Accordingly, DWR and the Bureau will advance the environmental review process for SDIP in a responsible and appropriate manner. All information about fish populations must be and will be taken into account, closely studied by experts and made part of the ultimate decision-making process. It is imperative that our state leaders have a plan in place - a balanced approach to addressing our water resource needs that considers all of California's diverse, often competing, interests.

***Join Our Coalition...***

Your organization's support will be critical in the coming weeks as the public comment period for the SDIP DEIR/EIS gets formally underway. **California's Water Future** will take an active role in coordinating communications and coalition-building efforts to support SDIP and we will be contacting you in the near future to enlist your help.

In the interim, we request that you either confirm your organization's continued support for SDIP or enroll your organization as a new member. Please email our coalition team by Wednesday, August 17th and let us know your organization is a continued supporter

of SDIP and ensuring California's water future. We will need to publish this list for the upcoming legislative hearings.

Thank you and we look forward to hearing from you.

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The Association of California Water Agencies (ACWA) Water Management Committee also discussed the resolution, provided suggested amendments, and provided its endorsement. It was then brought to the ACWA Board of Directors and officially supported by the association.

Staff has since communicated with the Northern California Salinity Coalition and provided it with an update as well. The District had initially provided a briefing to the coalition during the ACWA spring conference in San Jose. The feedback received at that time was used to revise the resolution before sending it back to legislative counsel.

As indicated in the State Legislative Report by Townsend Public Affairs, Metropolitan will be facilitating meetings for the District with different environmental interest groups, so they too can be briefed on the resolution and have their concerns addressed. Staff is also working to communicate with some local interest groups that the District believes would appreciate being kept up to date on this issue.

**Attachments:**

- ACR 84 (Walters): Ocean water desalination
- Summary of ACR 84 (Walters) – Prepared by Townsend Public Affairs
- Talking Points for ACR 84 (Walters) – Prepared by Townsend Public Affairs

## **Summary of ACR 84 (Walters) Regarding Potential Development of Desalination Projects in California**

### ***Background***

California boasts a rich history of long-term water resource planning that looks well into the future to plan for our water needs in the most prudent, resource-efficient manner possible. From the grand vision of the Colorado River Aqueduct and the State Water Project to the technological advances that have significantly expanded water conservation, a proactive, long-term planning perspective is the best approach to meeting the water supply, quality and security needs of our residents, businesses, farmers and ecosystems.

Over the past few years, the process of desalination, both for brackish and ocean waters, has emerged as an economically and environmentally appropriate part of our state's water supply portfolio. While there is certainly much to learn as work continues on a variety of potential ocean and brackish water desalination projects, it has become quite clear that desalination can play a role in our long-term water supply picture and that the technology presents unique opportunities not found in other water supply sources.

ACR 84 by Assemblywoman Mimi Walters is intended to serve two purposes:

1. Memorialize the importance of desalination, where economically and environmentally appropriate, to California's long-term water supply portfolio, as previously expressed in legislation and a wide variety of official documents and reports.
2. Strongly encourage the development of state policy that ensures that state agencies having jurisdiction over potential desalination sites and facilities consider the impacts on desalination as they decide on the disposition of those resources.

This resolution:

- **Reaffirms the state's support for the development of desalination** where environmentally and economically appropriate.
- **Encourages the wisest possible use of existing resources** by ensuring full consideration of the impacts on future projects.
- **Seeks to limit potential environment impacts** from future project development by using existing facilities where appropriate.

This resolution does **NOT**:

- **Guarantee or even encourage particular outcomes for ANY state agency.** State agencies would maintain their jurisdiction in its entirety.
- **Circumvent ANY environmental protections or any other regulations.** As stated, all existing regulations would remain in place as they are today.
- **"Preserve" any potential desal sites or facilities.** The resolution only encourages state policy that would ensure CONSIDERATION of potential impacts; it would not seek to "set aside" any particular site, facility or resource.

In short, this resolution represents a positive step toward a resource planning process with regard to desalination that acknowledges the long-term planning horizon necessary to make desalination an economically and environmentally appropriate part of California's water resource portfolio.

### **Talking Points for ACR 84 (Walters) Regarding Potential Development of Desalination Projects in California**

- California boasts a rich history of water resource planning that requires a longer term strategic horizon when state agencies are considering issues related to these sites and facilities.
- During this long-term planning process, it is prudent to consider carefully the disposition of sites and facilities today which could facilitate efficient and cost-effective desalination development in the future, if only to ensure that we do not eliminate any possible chance for a new economically and environmentally appropriate water source.
- Based on developments in technology over the past few years, desalination is now a MUCH more viable economic option as a water supply source than it was a few years ago.
- That said, there are certainly environmental hurdles to address and the water community is working hard to address them. In that regard, desalination is like any other water project.
- The process of integrating desalination into the existing regulatory framework should proceed and we look forward to participating in an active, productive dialogue on issues of concern.
- In the meantime, we should not unwittingly limit our future opportunities for desalination development, if possible.
- The two main points of the resolution are POLICY and PROCESS:
  - The policy portion memorializes the state's support for desalination
  - The process portion encourages the most efficient planning process possible.

This resolution:

- **Reaffirms the state's support for the development of desalination** where environmentally and economically appropriate.
- **Encourages the wisest possible use of existing resources** by ensuring full consideration of the impacts of near term decisions on future projects.
- **Seeks to limit potential environment impacts** from future project development by using existing facilities where appropriate.

This resolution does **NOT**:

- **Guarantee or even encourage particular outcomes for ANY state agency.** State agencies would maintain their jurisdiction in its entirety.
- **Circumvent ANY environmental protections or any other regulations.** As stated, all existing regulations would remain in place as they are today.
- **"Preserve" any potential desalination sites or facilities.** The resolution only encourages state policy that would ensure CONSIDERATION of potential impacts; it would not mandate the State to "set aside" any particular site, facility or resource.



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**M E M O R A N D U M**

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**To:** Public Affairs/ Met Oversight Committee  
Municipal Water District of Orange County

**From:** Christopher Townsend, President  
Sean Fitzgerald, Client Manager

**Date:** August 22, 2005

**Subject:** Monthly Activity Report

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**Desal Sites/Facilities Protection**

Assembly Concurrent Resolution 84 (Walters) is the official numerical designation assigned to this resolution, which was not on the legislative websites as of this report, but will definitely be distributed at or before the PAMO meeting. While there may be additional tweaks to the language as we move through the legislative process, this version enjoys widespread support from the agencies, legislators and other interested groups we have contacted thus far.

In addition to finalizing the language, TPA has worked extensively with MWDOC staff over the past few weeks on communications related to the resolution. We have developed a one-page summary that highlights the background of the issue, as well as the important aspects of the resolution itself. We have also developed talking points that supplement the information in the summary and assist in the answering of anticipated questions/concerns about the resolution. Moving forward, we look forward to working closely with MWDOC, both Board and staff, in advancing the resolution.

Among the activities in process (or planned for the very near future):

- Conduct an informal meeting with representatives of select environmental advocacy groups to explain the resolution and its intent. MWD will facilitate this meeting, which should be held near the end of the month.
- Re-approach members of the Orange County legislative delegation to seek co-authorship (in process).
- Seek letters of support from sister agencies and supporting organizations such as the Salinity Coalition (in process).
- Re-approach key members of relevant state agencies, including DWR and DPR.
- Provide an update to Dan Skopec, Deputy Cabinet Secretary for Gov. Schwarzenegger.

**Meeting with Department of Parks & Recreation**

## **Item 6a**

Along with Kevin Hunt and Richard Bell, Christopher Townsend and Sean Fitzgerald attended a meeting in Sacramento with Department of Parks & Recreation Director Ruth Coleman and key members of her staff with regard to the ongoing and potential future activities of MWDOC at the Doheny State Beach site. Working from an excellent, detailed presentation, staff presented a summary of the phases of the potential desalination project, and discussed with DPR staff the possible impacts and mitigation that could result. Most important, the message was clearly delivered that MWDOC is intent on establishing a productive working relationship with DPR moving forward.

Meeting participants included:

Ruth Coleman, Director, Department of Parks & Recreation

Ted Jackson, Deputy Director, Park Operations

Noah Tilghman, Senior Park and Recreation Specialist

Rosario Cortes, Assistant Director, Legislation

Richard Rozell, Acting District Superintendent, Orange County District

### **Proposition 50 Water Security Grant**

The Department of Health Services has, at long last, released their priority ranking list for the first phase of their Prop. 50 grant programs. Under Chapter 3, Water Security, the application submitted by Santa Margarita Water District, Irvine Ranch Water District and MWDOC was the top-rated project. According to the process laid out by DHS, the project's supporters would now be invited to submit a full proposal for funding consideration.

**Summary of ACR 84 (Walters)  
Regarding Potential Development of Desalination Projects in California**

***Background***

California boasts a rich history of long-term water resource planning that looks well into the future to plan for our water needs in the most prudent, resource-efficient manner possible. From the grand vision of the Colorado River Aqueduct and the State Water Project to the technological advances that have drastically expanded water conservation, a proactive, long-term planning perspective is the best approach to meeting the water supply, quality and security needs of our residents, businesses, farmers and ecosystems.

Over the past few years, the process of desalination, both for brackish and ocean waters, has emerged as a potentially economically and environmentally appropriate part of our state's water portfolio. While there is certainly much to learn as work continues on a variety of potential ocean and brackish water desalination projects, it has become quite clear that desalination can play a role in our long-term water supply picture and that the technology presents unique opportunities not found in other water supply sources.

ACR 84, authored by Assemblywoman Mimi Walters, is intended to serve two purposes:

1. Memorialize the importance of desalination, where economically and environmentally appropriate, to California's long-term water supply portfolio, as previously expressed in legislation and a wide variety of official documents and reports.
2. Strongly encourage the development of state policy that ensures that state agencies having jurisdiction over potential desalination sites and facilities consider the impacts on desalination as they decide on the disposition of those resources.

This resolution:

- **Reaffirms the state's support for the development of desalination** where environmentally and economically appropriate.
- **Encourages the wisest possible use of existing resources** by ensuring full consideration of the impacts on future projects.
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This resolution does **NOT**:

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- **"Preserve" any potential desal sites or facilities.** The resolution only encourages state policy that would ensure CONSIDERATION of potential impacts; it would not seek to "set aside" any particular site, facility or resource.

In short, this resolution represents a positive step toward a resource planning process with regard to desalination that acknowledges the long-term planning horizon necessary

**Item 6a**

to make desalination an economically and environmentally appropriate part of California's water resource portfolio.

**Talking Points for ACR 84 (Walters)  
Regarding Potential Development of Desalination Projects in California**

- California boasts a rich history of long-term water resource planning that requires a planning horizon that does not align well with the “fix the current problem” approach taken by agencies considering issues related to these sites and facilities.
- During this long-term planning process, it is prudent to consider carefully the disposition of future sites and facilities on which desal might rely, **IF ONLY TO ENSURE THAT WE DO NOT ELIMINATE ANY POSSIBLE CHANCE FOR A NEW ECONOMICALLY AND ENVIRONMENTALLY APPROPRIATE WATER SOURCE!**
- Based on the developments in technology over the past few years, desal is now a MUCH more viable economic option as a water supply source than it was a few years ago.
- That said, there are certainly environmental hurdles to address and the water community is working hard to address them.
- The process of integrating desalination into the existing regulatory framework should proceed and we look forward to participating in an active, productive dialogue on issues of concern.
- In the meantime, we should not unwittingly limit our future opportunities for desal development, if possible.
- The two main points of the resolution are POLICY and PROCESS:
  - The policy portion memorializes the state’s support for desal
  - The process portion encourages the most efficient planning process possible.

This resolution:

- **Reaffirms the state’s support for the development of desalination** where environmentally and economically appropriate.
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<p><b><u>Congressional Session Status</u></b></p>	<p>Shortly before the August Congressional Recess started there were two major pieces of legislation passed, in addition to a number of key appropriations bills which progressed toward passage. Among other key bills, the Reauthorization of the Highway/Transportation program and the National Energy Bill were passed. As noted earlier, the month of August is usually spent as a “summer recess or home state/district work period”. It is undetermined at this point in time exactly how much time the Senate will spend on the President’s nominee to replace Sandra Day O’Connor. It is possible a protracted debate could slow down key funding bills this coming fall if Senate Democrats decide to take such a step.</p>
<p><b><u>CalFed</u></b></p>	<p>The Energy and Water Appropriations Bill is in a House/Senate Conference Committee where funding for the CalFed program resides. The House approved (on 5/24/05) \$35 million in funding; while the Senate approved (on 6/30/05) \$37 million.</p>
<p><b><u>Federal Funds for MWDOC</u></b></p>	<p>MWDOC is seeking two separate earmarks this year:</p> <ol style="list-style-type: none"><li>1) Agriculture Appropriations: MWDOC has received a \$200,000 earmark in the Senate Agriculture Appropriations Committee this past month. The House Agriculture Appropriations Committee did not include a MWDOC earmark. MWDOC should receive significant funding out of a House Senate Conference Committee.</li><li>2) EPA Appropriations: Nationally, the STAG Program received a substantial cut in funding this year and MWDOC did not receive any STAG funds in the FY06 funding cycle. Congressman Ed Royce had submitted the request on the House side. Senator Feinstein submitted the request on the Senate side.</li></ol>

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	<p>3) We had previously assumed that the Senate would be the responsible party for the Ag Appropriations earmark, while the House would take the lead on the STAG request.</p> <p>4) Bottom line: We will receive at or near \$200,000 from the Agriculture Appropriations Committee for our Irrigation Controller program when this bill passes this year.</p> <p>Appropriation Notes:</p> <ol style="list-style-type: none"> <li>i. Based upon recent patterns in the appropriations process, we should receive some "credit" or an improved place in line for a STAG request next year due to the fact that our request was denied this year.</li> </ol>
<p style="text-align: center;"><b><u>Administration's Request to increase public power rates</u></b></p>	<p>We have talked with the leading public power association regarding the Bush Administration's requests and have received some clarifying information on this issue.</p> <p>The American Public Power Association is advising us that it has continued to urge leaders of the House and Senate Committees to reject three proposals that would raise electricity costs or impinge on the availability of tax-exempt financing for construction of essential utility infrastructure. In March 8 letters, APPA President &amp; CEO Alan Richardson called on the Budget Committee leaders to take no action on three specific proposals:</p> <ul style="list-style-type: none"> <li>• The administration's plan to raise the rates charged by the federal power marketing administrations;</li> <li>• The recommendation in a Jan. 27 report of the Joint Committee on Taxation to eliminate the ability to advance refund tax-exempt bonds; and</li> <li>• The Congressional Budget Office suggestion (in "Budget Options for February 2005") to tax the "income" earned by public power utilities.</li> </ul>

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**Administration's**  
**Request to increase**  
**public power rates**  
**(cont.)**

Each of these proposals would result in an unwarranted increase in electricity rates for millions of consumers and, taken collectively, would have a disastrous economic impact on hundreds of cities and towns that are already struggling under negative economic conditions, and each of these ideas has been advanced in the past and has been soundly and appropriately rejected by Congress.

The House and Senate Budget committees reported out budget resolutions last week that did not explicitly include the PMA rate increase proposal. However, the budget resolutions did direct the congressional authorizing committees with coming up with savings without specifying where the money is to come from.

The ability to advance-refund tax-exempt bonds has saved public power customers millions of dollars over the past few years by allowing public power utilities to take advantage of lower interest rates. Elimination of this ability would result in significant new costs for public power systems, costs that would have to be recovered in rates. As to taxing the "income" of public power utilities, they operate on a not-for-profit basis, therefore, there is no income to be taxed. The CBO (using material from the Joint Committee on Taxation) justified its proposal in part by citing the tax treatment of investor-owned utilities, but this is a false comparison since private utilities pay income taxes only on their profits, not on their gross revenues.

Richardson rebutted the assertion by CBO and the Joint Committee on Taxation that the major argument for public power utilities paying "income" taxes is its recognition that the changes that have occurred in the electricity market cast doubt on the benefits that society receives from the public sector's involvement in providing electricity.

According to senior lobbyists at APPA, the premiere public power trade group, there has been

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	<p>little to no success for these Administration proposals this year, but, due to the August recess, we have been unable to confirm this independently with key congressional staff at printing time.</p>
<p><b><u>Perchlorate/Department of Defense</u></b></p>	<p>There were federal funds provided in the appropriations process for perchlorate clean up/research related activities. Senator Feinstein is trying to recruit cosponsors for her clean up bill which is national in its scope.</p>
<p><b><u>Army Corps of Engineers</u></b></p>	<p>The House passed it version of the Water Resources Development Act (WRDA) legislation in July and the Senate has yet to consider it at the Senate Floor stage. This legislation contains authorizations for the Army Corps of Engineers.</p>

Jim Barker  
8/15/05

## MWDOC Priority Legislation Matrix

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Bill # (Author)	Title	Status	Analysis/Notes	MWDOC Position	Other Agencies Positions
<b>AB 492 (Baca)</b>	Hazardous waste: perchlorate: business plans	In Senate. Assigned to Senate EQ Committee (6/9/05); From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 5. Noes 2.). In Sen APPR Comm. From committee: Be placed on second reading file pursuant to Senate Rule 28.8. (07/11/05).; <b>To inactive file on motion of Senator Soto. (08/15/05)</b>	Requires any business to include, as part of its business plan and any updates to that business plan, information detailing the manner in which perchlorate waste generated onsite is disposed or otherwise handled.	<b>Watch (3/05)</b>	<b>OCWD:</b> No Position <b>MWD:</b> Watch <b>ACWA:</b> Watch
<b>AB 672 (Klehs)</b>	Reservoirs with water intended for domestic use: recreational use and environmental management activities.	In Senate. Read first time. To Com. on RLS. for assignment. (06/10/05); Referred to Sen EQ Comm (06/28/05); From committee chair, with author's amendments: Amend, and re-refer to committee (06/23/05). Read second time, amended, and re-referred to Sen EQ. From committee: Do pass as amended, and re-refer to the Com on APPR. (Ayes: 7. Noes 0); (06/27/05); <b>Read second time, amended, and re APPR. (08/15/05)</b>	Expands recreational opportunities at government-owned, domestic use reservoirs and adjacent lands..... AB 672 requires a public agency, by January 1, 2010, to adopt a watershed management plan with an additional section addressing recreation, or a watershed or recreation master plan, or an equivalent planning document. The plan must address certain matters, various public participation requirements are specified, and certain exemptions are provided. This bill also provides that, notwithstanding any other provision of law, bodily contact restrictions do not prohibit trail access, shoreline fishing, or the use of nonmotorized boats as determined by the public agency as part of policy determinations made in adopting the plan.	<b>Oppose (5/18/05)</b>	<b>OCWD:</b> No Position <b>MWD:</b> Oppose Unless Amended <b>ACWA:</b> Not Favor
<b>AB 1003 (Nava)</b>	Water Conservation	Read third time, passed Senate, back to Assembly (07/11/05); <b>Vetoed by Governor. VETOED (08/15/05)</b>	This bill authorizes the Ventura County Watershed Protection District to levy a fee on taxable real property both districtwide and by zone.	<b>Watch (3/05)</b>	<b>OCWD:</b> No Position <b>MWD:</b> No Position <b>ACWA:</b> Watch

\*Bills shaded in gray are dead/inactive or two-year bills.

## MWDOC Priority Legislation Matrix

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<p><b>AB 1168</b> <b>(Saldana)</b></p>	<p>Drinking water standards.</p>	<p>In Asm. APPR Committee: Set, first hearing. Referred to APPR. suspense file. In committee: Set, first hearing. Referred to APPR. suspense file. (05/26/05); From committee: Do pass, and re-refer to Com. on E.Q. Re-referred. (Ayes 7. Noes 3.). (06/16/05); In Senate Environmental Quality; From committee: Do pass and re-refer to Sen APPR Comm. (Ayes 5. Noes 2.). (06/28/05); <b>From committee chair, with author and re-refer to committee. Read second time, amended, and re-referred to Com. on APPR. (08/16/05)</b></p>	<p>This bill specifically directs DHS to evaluate potential contaminants and constituents for intake water sources at desalination plants, and to ensure that such evaluations are fully considered as part of the application for a water system operating permit for a ground water or ocean water desalination project. Requires DHS to 1) identify potential sources of contamination, including specified sources (e.g., waste discharges, runoff) for water desalination projects; 2) Identify contaminants that may pose a potential health risk, including specified constituents (e.g., viruses, endocrine disruptors; 3) Evaluate proposed treatment processes to ensure that specific contaminants will be removed to safe levels; 4) Evaluate the proposed means to ensure the reliability and security of treatment processes; 6) Include in any public water system operating permit, measures that will ensure the reliability and security of the treatment processes; and 7) Authorizes DHS to adopt necessary regulations for the implementation of this act.</p>	<p><b>Oppose unless amended (3/05)</b></p>	<p><b>OCWD:</b> Oppose <b>MWD:</b> No Position <b>ACWA:</b> Oppose</p>
<p><b>AB 1234</b> <b>(Salinas)</b></p>	<p>Local agencies: Compensation and Ethics</p>	<p>Passed Assembly (04/21/05). In Senate. Assigned to Sen. L Govt. Committee (05/05/05). From committee: Amend, do pass as amended, and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (06/20/05). Assembly Second Reading and re-referred to Sen. APPR Comm. (06/21/05). From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on APPR. (06/29/05). From committee: Be placed on second reading file pursuant to Senate Rule 28.8 and be amended. (07/11/05).; <b>Read third time, amended. To second reading. (08/15/05)</b></p>	<p>This bill would require a local agency that provides reimbursement for expenses to members of its legislative body to adopt a written policy on the duties for which legislative body members may receive compensation. The bill would also require adoption of a written policy on what qualifies a member to receive travel, meal, and lodging reimbursement along with adherence to specified procedures. Ethics training would also be required for local agency officials whose agency provides them with any type of compensation, salary, stipend, or reimburses of expenses.</p>	<p><b>Support (3/05) -- Letters sent 4/8/05, 4/19/05</b></p>	<p><b>OCWD:</b> Support <b>MWD:</b> Support <b>ACWA:</b> Support if Amended</p>

## MWDOC Priority Legislation Matrix

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<b>AB 1244 (Wolk)</b>	CALFED Bay-Delta Program	In Asm. APPR Committee. (05/11/05)From committee: Do pass. (Ayes 13. Noes 5.) (May 25). (05/26/05); To inactive file on motion of Assembly Member Wolk. (06/13/05); <b>To inactive file on motion of Assembly Member Wolk. (08/15/05)</b>	Conforms authorizing statute for California Bay-Delta Authority (CBDA) with federal statute enacted in 2004.	<b>Watch (4/05)</b>	<b>OCWD:</b> No Position <b>MWD:</b> Watch <b>ACWA:</b> Watch
<b>AB 1245 (Wolk)</b>	CALFED Bay-Delta Program	Passed Assembly (05/31/05). In Senate. Assigned to Sen. N.R. & W Committee (06/09/05). Hearing Postponed (06/14/05).	Creates the Environmental Water Account fund in the State Treasury, for management of EWA funds.	<b>Support if Amended (4/05)</b>	<b>OCWD:</b> No Position <b>MWD:</b> Support if Amended <b>ACWA:</b> Watch
<b>SB 8 (Soto)</b>	Political Reform Act of 1974: conflicts of interest	Passed Senate (05/31/05). In Assembly. Assigned to Asm. E. & R. Committee (06/13/05). From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 4. Noes 1.) (07/11/05). Read second time. Amended. Re-referred to Com. on APPR. (07/12/05); <b>From committee with author time. Amended. Re-referred to committee. (08/15/05)</b>	Prohibits an elected official of a county, city, or district, a chief administrative officer of a county, a city manager or administrator, or a general manager or chief administrator of a special district from lobbying the local government agency with which he or she was employed, for a period of one year after leaving that position.	<b>Watch (3/05)</b>	<b>OCWD:</b> No Position <b>MWD:</b> No Position <b>ACWA:</b> Watch
<b>SB 153 (Chesbro)</b>	California Clean Water, Safe Neighborhood Parks, and Coastal Protection Act of 2006.6	Passed Senate (06/02/05). In Assembly. Assigned to Asm. Committees on NAT. RES., E.S. & T.M., and APPR., (06/20/05). From committee with author's amendments. Read second time. Amended. Re-referred to committee. (06/27/05); From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 7. Noes 2.) (07/07/05). Read second time. Amended. Re-referred to Asm APPR Comm. (07/11/05); <b>Read second time. Amended. Rereferred to APPR. (08/15/05)</b>	This bill enacts the California Clean Water, Safe Neighborhoods and Coastal Protection Act of 2006 (Act), which would provide for the sale of bonds for air and water quality, coastal protection and parks programs.	<b>Watch (3/05)</b>	<b>OCWD:</b> Watch <b>MWD:</b> No Position <b>ACWA:</b> Watch

## MWDOC Priority Legislation Matrix

Item 6c

<p><b>SB 274</b> <b>(Romero)</b></p>	<p>Incompatible Offices: elected and appointed positions</p>	<p>Passed Senate (04/21/05). In Assembly. Assigned to Asm. Committees on L Govt. and Jud (06/20/05); From committee with author's amendments. Read second time. Amended. Re-referred to committee. (06/20/05); From L Govt. Committee: Do pass, but first be re-referred to Jud Comm. (Ayes 7. Noes 0.); Re-referred to Com. on JUD. (06/30/05); From Jud Comm: Do pass as amended. (Ayes 8. Noes 0.) (07/11/05); Read second time. Amended. To second reading. (07/12/05); <b>Read second time. To third reading. (08/15/05)</b></p>	<p>The bill attempts to "codify Common Law doctrine" regarding the prohibition of public officers holding incompatible offices. This bill was introduced by Sen. Romero in response to a situation in her district in which a local school board member also holds a water board seat, which is viewed as incompatible.</p>	<p><b>Watch (4/05)</b></p>	<p><b>OCWD:</b> Oppose Unless Amended <b>MWD:</b> Watch <b>ACWA:</b> Watch</p>
<p><b>SB 543</b> <b>(Margett)</b></p>	<p>State Water Project: Rights of Way</p>	<p>Passed Senate (05/31/05). In Assembly. Assigned to Asm. Committees on WP&amp;W and Jud (06/20/05). From committee: Do pass, but first be re-referred to Com. on JUD. (Ayes 13. Noes 0.) (06/28/05); From Jud committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (AYES 9. NOES 0.) (07/07/05); Read second time. Amended. Re-referred to Com. on APPR. (07/11/05); <b>From committee with author time. Amended. Re-referred to committee. (08/15/05)</b></p>	<p>Provides the Department of Water Resources (DWR) with enforcement mechanisms to protect State Water Project (SWP) facilities and rights-of-way.</p>	<p><b>Support (4/05)</b></p>	<p><b>OCWD:</b> No Position <b>MWD:</b> Support if Amended <b>ACWA:</b> Support if Amended</p>
<p><b>SB 568</b> <b>(Kehoe)</b></p>	<p>Property Tax Revenue Allocations: Enterprise special districts</p>	<p>Passed Senate (06/02/05). In Assembly. Assigned to Asm. Committee on L. GOV. (06/13/05); From committee: Do pass, but first be re-referred to Asm APPR Com. (Ayes 7. Noes 0.). (06/29/05). Re-referred to Com. on APPR. Referred to APPR Suspense File (07/13/05); <b>Placed on APPR. suspense file. (08/01/05)</b></p>	<p>This bill exempts non-enterprise healthcare districts from the shift of property tax revenues to the Educational Revenue Augmentation Fund (ERAF) in each county for the 2005-06 fiscal year.</p>	<p><b>Watch (4/05)</b></p>	<p><b>OCWD:</b> Watch <b>MWD:</b> No Position <b>ACWA:</b> Watch</p>

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<p><b>SB 820</b> <b>(Kuehl)</b></p>	<p>Water</p>	<p>Passed Senate (05/31/05). In Assembly. Assigned to Asm. Committee on W.,P. &amp; W. (06/13/05); From committee with author's amendments. Read second time. Amended. Re-referred to committee. (06/21/05); From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 8. Noes 2.) Re-referred to Com. on APPR. (06/28/05); <b>From committee with author time. Amended. Re-referred to committee. (08/15/05)</b></p>	<p>This bill 1) Codifies settlement provision arising out of 1994 "Monterey Agreement" litigation requiring the Department of Water Resources (DWR) to estimate then-existing overall State Water Project (SWP) delivery capability under a range of hydrologic conditions, and deliver such estimates to various local agencies; 2) Expands the application of groundwater reporting requirements, including penalties, from four counties in Southern California (Riverside, San Bernardino, Los Angeles and Ventura) to all defined groundwater basins or subbasins, effective January 1, 2007; 3) Establishes consequences for failing to file statements of annual diversion or use for any surface water diversion or use occurring on or after January 1, 2006; 4) Adds requirements for already-required urban water management plans; and 5) Requires agricultural water suppliers to prepare agricultural water management plans.</p>	<p><b>Support if Amended (4/05)</b> <b>-- Letter Sent 6/27/05</b></p>	<p><b>OCWD:</b> Support if Amended <b>MWD:</b> Support(6/21/2005) <b>ACWA:</b> Oppose unless Amended</p>
<p><b>SB 1067</b> <b>(Kehoe)</b></p>	<p>Drinking Water</p>	<p>Passed Senate (05/31/05). In Assembly. Assigned to Asm. Committee on Environmental Safety and Toxic Materials (06/09/05); From committee with author's amendments. Read second time. Amended. Re-referred to committee (06/20/05); From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 5. Noes 1.) Re-referred to Com. on APPR. (06/29/05); From committee with author's amendments. Read second time. Amended. Re-referred to committee. (07/05/05). Passed Committee (Ayes: 13, Noes: 5) (07/13/05).; <b>From committee: Do pass. (08/15/05)</b></p>	<p>This bill 1) requires the Office of Environmental Health Hazard Assessment (OEHHA) to adopt, by a specific date, a public health goal (PHG) for total trihalomethanes (TTHMs) and total haloacetic acids (HAA5) as contaminants in drinking water; 2) requires the Department of Health Services (DHS), by a specific date, to adopt regulations governing when a public water system must notify its customers of public health risks posed by these contaminants; and 3) Requires a public water system that has at least two detections of these contaminants at a peak, rather than average, level above the maximum contaminant level (MCL) to include a notice in its next consumer confidence report on associated health risks of long-term consumption of water contaminated with these compounds.</p>	<p><b>Oppose unless Amended (5/18/05)</b></p>	<p><b>OCWD:</b> Support <b>MWD:</b> Oppose <b>ACWA:</b> Watch</p>

## MWDOC Priority Legislation Matrix

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<p><b>SB 1087 (Florez)</b></p>	<p>Housing elements: services.</p>	<p>Passed Senate (06/02/05). In Assembly. Assigned to Asm. W,P &amp; W and H &amp; CD Committees (06/20/05). From committee with author's amendments. Read second time. Amended. Re-referred to committee (06/23/05); From committee: Do pass, but first be re-referred to Com. on H. &amp; C.D. (Ayes 9. Noes 4.) Re-referred to Com. on H. &amp; C.D (06/28/05); From committee with author's amendments. Read second time. Amended. Re-referred to committee. (07/01/05); From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 6. Noes 0.) (07/11/05). Read second time. Amended. Re-referred to Com. on APPR. (07/12/05).</p>	<p>This bill would require that adopted housing element and any amendments be delivered immediately to all public agencies or private entities that provide water services or connections at retail or sewer services or connections, as specified, would apply these provisions to proposed developments that include housing units affordable to lower income households, and would require, on or before July 1, 2006, that these public agencies or private entities adopt a written policy with specific objective standards for the allocation of these services in conformance with these provisions if these public agencies or private entities operate under a policy or legislative action that limits the amount of services or connections available in any given period.</p> <p>This bill would also provide that a provider of water or sewer services or connections may not deny or condition the approval of an application for services or connections, or reduce the amount of the services or connections applied for, if the proposed development includes housing affordable to lower income households.</p>	<p><b>Oppose (6/20/05) -- Letter sent 6/27/05</b></p>	<p><b>OCWD: No Position MWD: No Position ACWA: Oppose</b></p>
<p><b>H.R. 1071 (Davis)</b></p>	<p>Desalination Water Supply Shortage Prevention Act of 2005</p>	<p>In House Resources Committee: Referred to Subcommittee on Water and Power. Subcommittee hearing held on 05/24/05.</p>	<p>Desalination Drought Protection Act of 2005 - Requires the Secretary of Energy to: (1) make specified incentive payments to the owners or operators of qualified desalination facilities (facilities first used to produce desalinated water after enactment of this Act) for up to ten years to partially offset the cost of electrical energy required to operate such facilities; and (2) support research and development of promising novel technology approaches for the cost-effective desalination of water.</p>	<p><b>Support (5/18/05)</b></p>	

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<b>S. 1016 (Martinez)</b>	Desalination Water Supply Shortage Prevention Act of 2005	In Senate. Read twice and referred to the Committee on Energy and Natural Resources (05/15/05).	Desalination Drought Protection Act of 2005 - Requires the Secretary of Energy to: (1) make specified incentive payments to the owners or operators of qualified desalination facilities (facilities first used to produce desalinated water after enactment of this Act) for up to ten years to partially offset the cost of electrical energy required to operate such facilities; and (2) support research and development of promising novel technology approaches for the cost-effective desalination of water.	<b>Support (5/18/05)</b>	
<b>AB 1466 (Laird)</b>	Colorado River: Tamarisk plant control	In Senate. Read first time. To Com. on RLS. for assignment (06/02/05); Referred to Com. on N.R. & W. (06/09/05); From committee: Amend, do pass as amended, and re-refer to Com. on APPR.(Ayes 8. Noes 3.) (06/27/05); Read second time, amended, and re-referred to Com. on APPR. (06/28/05)	Would establish a tamarisk control program in the Department of Water Resources (DWR) for the Colorado River watershed. As the lead agency, DWR would work with the Department of Food and Agriculture, Department of Fish and Game, and the Colorado River Board in developing the eradication program. The program would also focus on the reestablishment of native vegetation in the watershed.	<b>Support (5/18/05)</b>	<b>OCWD: MWD:</b> Support if Amended <b>ACWA:</b>
<b>AB 194 (Dymally)</b>	Brown act violation	In Asm LG Committee: Set, first hearing. Hearing canceled at the request of author. (05/05/05)	Permits a district attorney or any interested person to commence an action to obtain a judicial determination that an action taken by a local legislative body is in violation of the Ralph M. Brown Act (Brown Act) and reduces the time period that the district attorney or interested person has to make a written demand for cure or correction.	<b>Oppose (5/18/05)</b>	<b>OCWD: No position MWD: No position ACWA: Oppose</b>
<b>AB 214 (Richman)</b>	Retirement: Final Compensation	Referred to Asm. P.E.,R. & S.S. Committee on 2/15/05 (04/20/05); In committee: Set, first hearing. Failed passage. (06/09/05)From committee without further action pursuant to Joint Rule 62(a). (06/21/05)	47 other states utilize either 3 or 5 year averages to determine "final compensation" for PERS benefit determination. This bill would change CA's system from 6-12 months to a 3-year average.	<b>Watch (3/05)</b>	<b>OCWD: Support MWD: No position ACWA: Watch</b>
<b>AB 340 (Parra)</b>	Drinking Water: arsenic levels	In Asm ES/TM Committee: Hearing postponed by committee. (04/26/05)	Asm. Parra has established a Select Committee that will hold hearings on the naturally occurring arsenic issue present in a groundwater source within her district. Those hearings will provide the eventual substance of this bill.	<b>Watch (3/05)</b>	<b>OCWD: No Position MWD: No position ACWA: Watch</b>

\*Bills shaded in gray are dead/inactive or two-year bills.

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<b>AB 511 (Richman)</b>	Public employees retirement	In Asm. P.E.,R. & S.S Committee: Set, first hearing. Hearing canceled at the request of author. (04/20/05); In committee: Set, first hearing. Hearing canceled at the request of author. (06/08/05)	Places limits on public agency contributions to employees' defined contribution plan. Limits could be exceeded with respect to local public agencies comprised of directly elected public officials upon a 2/3 vote of the electorate of that agency. Would specify required matching employee contributions. The bill would condition its operation upon the approval of a specified constitutional amendment, which would permit new employees of public agencies, on and after July 1, 2007, to enroll only in defined contribution plans.	<b>Watch (3/05)</b>	<b>OCWD: No Position MWD: No Position ACWA: Watch</b>
<b>AB 514 (Richman)</b>	Public employees: benefits	Referred to Coms. on INS. and P.E.,R. & S.S. (04/13/05); Assembly Insurance	Limits the amount that a retired public employee who is receiving disability retirement benefits may receive in connection with a workers' compensation claim.	<b>Watch (3/05)</b>	<b>OCWD: No Position MWD: No Position ACWA: Favor</b>
<b>AB 1033 (Daucher)</b>	Property Tax Revenue Allocations	In committee: Set, first hearing. Referred to APPR. suspense file. (05/26/05)	This bill would help address the "county equity" formulas that account for Orange County recouping among the smallest portions of property tax of any county in the state.	<b>Watch (3/05)</b>	<b>OCWD: No Position MWD: No Position ACWA: Watch</b>
<b>AB 1259 (Daucher)</b>	Property Tax Revenue Allocation	Asm LG Committee: Set, first hearing. Hearing canceled at the request of author. In committee: Hearing postponed. (04/18/05)	Would reward cities and counties that exceed 80% of their Regional Housing Need Assessment (RHNA) goals over a 5-year period, with an increased share of the annual tax increment that is allocated among local agencies in a county.	<b>Watch (4/05)</b>	<b>OCWD: Oppose MWD: No Position ACWA: Oppose</b>
<b>AB 1354 (Baca)</b>	Drinking Water : Perchlorate Levels	In Asm. ES/TM Committee: Hearing postponed by committee. (04/26/05)	Would establish, through legislation, a maximum contaminant level for perchlorate at 6 ppb. This would circumvent the DHS process for setting such standards.	<b>Oppose (3/05) -- Letter sent 4/20/05</b>	<b>OCWD: Oppose MWD: Oppose ACWA: Opose</b>
<b>AB 1423 (Bogh)</b>	MWDs Utilization of Budgets	From printer. May be heard in committee March 25. (02/23/05)	Would declare the intent of the Legislature to enact legislation relating to the purposes for which the budgets of metropolitan water districts, formed under the Metropolitan Water District Act, may be utilized.	<b>Watch (3/05)</b>	<b>OCWD: No Position MWD: No Position ACWA: Watch</b>

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<b>AB 1453 (Daucher)</b>	Superior courts: adjudication of rights to produce groundwater.	In Asm. Judiciary Committee: Set, first hearing. Hearing canceled at the request of author. (04/27/05);	Would establish specialized judges to hear cases involving groundwater management, acknowledging the depth of the issues involved and the intricacies that are often not understood in typical legal proceedings.	<b>Support (5/18/05)</b>	<b>OCWD:</b> No Position <b>MWD:</b> Support <b>ACWA:</b> Watch
<b>SB 393 (Ortiz)</b>	Special districts.	In Sen. APPR. Committee. ; Senate Appropriations; Set, first hearing. Held in committee and under submission. (05/31/05)	Re-introduction of SB 1272 from last year, with some changes; per meeting compensation now capped at \$150 per meeting, savings resulting from "reforms" now directed to pay state costs for auditing controls.	<b>Oppose unless Amended (4/05) -- Letters Sent 3/30/05, 5/19/05</b>	<b>OCWD:</b> Oppose <b>MWD:</b> Oppose <b>ACWA:</b> Oppose unless amended
<b>SB 554 (Alarcon)</b>	Local Agency Financing	In. Sen. RLS. Committee (03/14/05);	Would state the intent of the Legislature to enact legislation that would provide a clearer definition of the term "surplus" with respect to local government financing and budgets.	<b>Watch (3/05)</b>	<b>OCWD:</b> No Position <b>MWD:</b> No Position <b>ACWA:</b> Watch
<b>SB 866 (Kehoe)</b>	Water Use measurement information	In Sen. NR&W Committee. Set, second hearing. Hearing canceled at the request of author. (04/26/05)	Requires DWR to develop & implement the use of a coordinated water use database through a standardized reporting system; agricultural water suppliers to report aggregated farm-gate delivery data through a standardized system; reporting of any diversion of surface water through a standardized system.	<b>Support (3/05)</b>	<b>OCWD:</b> No Position <b>MWD:</b> Support <b>ACWA:</b> Watch

**Public Affairs Activities Report  
July 12 – August 11, 2005**

<p><b>Special Projects</b></p>	<p>Karl, Richard and Michelle on July 13 updated Rick Wilson of the Surfrider Foundation on our desal studies in Dana Point. Rick is based at Surfrider national headquarters in San Clemente and reports on desal projects for the organization.</p> <p>Our second Urban Water Management Plan Community Information Meeting will be held on Thursday, Aug. 18, from 6-8 p.m. in the Boardroom. I-Wen and Michelle are planning the meeting. Invitations have been sent to interested residents, the environmental community, business owners and elected officials. The first UWMP Community Information Meeting was held in May and drew 20 attendees.</p>
<p><b>Member Agency Relations</b></p>	<p>Michelle joined Linda Holmscheid, South Coast Water District, and Elizabeth Clatfelter, San Juan Capistrano, for a very productive meeting with Discovery Science Center's Janet Yamaguchi on July 14. Discussed were ways of better reaching specific South County schools and how water providers could assist in this effort. As a further result of the meeting, all member agencies are invited to submit information about their individual operations, which will be incorporated into the curriculum taught at schools in the agency's service area. Incorporating this information will help customize the School Program for specific areas while, at the same time, reinforce the role of individual water providers. Member agencies should submit their information to Michelle, who will, in turn, work with Janet.</p> <p>Representatives from 16 member agencies attended the July Public Affairs Workgroup meeting, which was held at Irvine Ranch Water District.</p>
<p><b>Community Relations</b></p>	<p>The July edition of <i>Currents</i> was distributed.</p> <p>Directors have received copies of a letter from Assemblywoman Mimi Walters to President Royce congratulating the District on being awarded nearly \$1.5 million in Prop 50 grants. Assemblywoman Walters stated that she learned about the awards in the June edition of <i>Currents</i>.</p> <p>Director Hinman has been invited to speak on Aug. 18 before the Noon Time Rotary Club in San Clemente. The</p>

## Item 7

	<p>organization has requested specific information on South County's water situation and our preliminary desal feasibility studies in Dana Point. Michelle will accompany Director Hinman.</p>
<b>Media Relations</b>	<p>Kevin was quoted in the July 14 edition of the <i>Huntington Beach Wave</i> about the District's previous discussions with Poseidon Resources and the company's plans to build a desal plant in Huntington Beach. The article detailed Poseidon's experience in Tampa, FL, and its efforts in Huntington Beach.</p> <p>The BIA's July 23 Community Connection column in the <i>Orange County Register</i> was devoted to the SmartTimer Rebate Program. Michelle and Joe Berg had been interviewed earlier in the month by the BIA – Orange County Chapter.</p> <p>Kevin was interviewed by the <i>Daily Pilot</i> regarding the Public Policy Institute's study on <i>Water for Growth: California's New Frontier</i> and the long-term availability of imported water.</p>
<b>Legislative Affairs</b>	<p>Staff has been actively engaged in meetings and discussions with Met and the Met desal agencies, ACWA, the Northern California Salinity Coalition, and others about the Desal resolution, which is presently scheduled for introduction before the Legislative recess in mid-September. To date, Metropolitan's Desalination and Reclamation Committee has blessed the resolution, the ACWA Board of Directors has taken a support position, and the Northern California Salinity Coalition is reviewing the information. Outreach efforts are presently being coordinated with these agencies to secure state legislative support. Staff will provide a more detailed report at the Public Affairs/Met Oversight (PAMO) Committee meeting on August 22.</p> <p>Staff has participated in recent conference calls on AB 1421 (Laird), which would give Regional Water Quality Control Boards the authority to require replacement water for groundwater or surface water where water quality has been degraded or otherwise impacted above background water quality conditions, in the event of a cleanup and abatement order. There have been a number of technical and policy concerns with the bill among water agencies, especially with regard to potential liability issues for groundwater agencies and/or agencies engaged in water reclamation/recycling, application of water quality standards, etc. While MWDOC has not yet taken a position on this bill, staff has been monitoring it because of its potential affect on water agencies</p>

that might provide replacement water. Additional information will be provided at the Public Affairs/MET Oversight (PAMO) Committee meeting on August 22.

Staff also participated in a conference call with OCWD and ACWA staff, and with Townsend Public Affairs (TPA) to discuss unsubstantiated rumors that another state raid on special district property taxes may be in the works for next year. Based on ACWA's interpretation of Prop 1A, it does not appear that the state will be eligible to redirect special district property taxes next year. Both Staff and TPA will continue to monitor this issue and provide new information as it becomes available.

MWDOC continues to host planning conference calls for the ACWA Region 10 representatives appointed to the ACWA State Legislative Committee. Interested Region 10 agencies also participate on the call. The purpose of the calls is to facilitate coordination among the committee representatives before the meetings and to ensure that the participating agencies can share their views and concerns with the committee members. The next conference call will be scheduled a few days before the August 26 Committee meeting.

David filled in for Director Barbre at a meeting with Sen. Bob Margett. The district office meeting in Glendora was coordinated by Metropolitan for Directors Bannister, DeJesus, Fellow and Edwards. Three Valleys MWD General Manager Richard Hansen also attended. The following issues were discussed with Senator Margett: SB 820 (Kuehl); AB 1234 (Salinas); and the South Delta Improvement Package.

David accompanied Director Royce at the July meeting of the Southern California Water Dialogue Group. The keynote speaker was Joe Grindstaff (Interim CALFED Director) who provided an update on the CALFED program and the various challenges currently being addressed.

David accompanied Director Dick at the Orange County Public Affairs Association's (OCPAA) 5<sup>th</sup> Annual Legislative Aides' Reception and Luncheon. The event presented an opportunity to interface with the staff of many of Orange County legislators, discuss water issues, and offer educational opportunities to them via Metropolitan's water inspection trips.

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David continues to provide administrative and management support to WACO. Brad Hiltcher, Metropolitan's Executive Legislative Representative in Washington, D.C. provided a federal legislative update. Larry McKenney, Manager of the Resources & Development Management Department, Watershed & Coastal Resources Division, for the County of Orange also spoke and provided an update on county efforts to "Coordinate Water Quality Efforts Beyond Jurisdictional Boundaries..." Speakers currently scheduled for the next meeting on September 9 are Kelly Hubbard (WEROC), discussing emergency preparedness and the role of special districts as emergency responders, and Joe Berg (MWDOC), providing an update on water use efficiency activities at the state and local levels.

As the administrative support staff to ISDOC, David has been working to ensure that Orange County's 28 special districts cast their vote for the continued use of the special district alternative funding formula for LAFCO. To date, 14 special districts have submitted resolutions supporting this formula and two opposing it. Only one additional affirmative vote is needed to continue use of the alternative formula. Additional resolutions are expected to be received throughout August. The next ISDOC Quarterly Meeting has been scheduled for Friday, October 28, from 11:30 a.m. – 1:00 p.m. at the Orange County Sanitation District. Staff is presently contacting potential speakers for the meeting to check availability.