# MEETING OF THE BOARD OF DIRECTORS OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Jointly with the

## **PUBLIC AFFAIRS AND LEGISLATION COMMITTEE**

March 20, 2017, 8:30 a.m. Conference Room 101

#### Committee:

Director Tamaribuchi, Chairman Director Dick Director Yoo Schneider Staff: R. Hunter, K. Seckel, J. Volzke,

P. Meszaros, H. Baez

Ex Officio Member: W. Osborne

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.

#### **DISCUSSION ITEMS**

- 1. LEGISLATIVE ACTIVITIES
  - a. Federal Legislative Report (Barker)
  - b. State Legislative Report (BBK)
  - c. County Legislative Report (Lewis)
  - d. Legal and Regulatory Report (Ackerman)
  - e. MWDOC Legislative Matrix
- 2. UPDATE ON REQUEST FOR MWDOC TO CONVENE A WORKING GROUP TO OBTAIN FEDERAL FUNDING

3. UPDATE ON THE CALIFORNIA COUNCIL FOR ENVIRONMENTAL AND ECONOMIC BALANCE (CCEEB) AND THE ASSOCIATION OF METROPOLITAN WATER AGENCIES (AMWA) MEMBERSHIPS

## **ACTION ITEM**

4. H.R. 1269 (LAMALFA, R-CA) – SACRAMENTO VALLEY WATER STORAGE AND RESTORATION ACT

**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.)

- LITTLE HOOVER COMMISSION HEARING ON SPECIAL DISTRICTS
- BOY SCOUT MERIT BADGE SPONSORSHIP
- EDUCATION REPORT
  - a. Elementary
  - b. High School
- 8. SAN JUAN CAPISTRANO UTILITIES CONSOLIDATION UPDATE
- 9. MARCH 30 WATER POLICY DINNER
- 10. UPDATE ON WATER SUMMIT PLANNING (JUNE 16, 2017)
- OC LAFCO UPDATE
- 12. PUBLIC AFFAIRS ACTIVITIES REPORT

## **OTHER ITEMS**

13. 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.

## JAMES C. BARKER, PC

Attorney and Counselor at Law Fifth Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007 (202) 293-4064 jimbarker@jcbdc.com

Nicholas Crockett Alia Cardwell

## Municipal Water District of Orange County, California Washington Update March 14, 2017

The Trump Administration has largely finished filling out the President's Cabinet but due to a "slow walk" or a filibustering process in the US Senate, Senate Democrats are taking advantage of every opportunity to slow down President Trump's ability to appoint key senior political appointees throughout the various federal departments.

The delay in appointing and installing these key appointees, who sign off on a lion's share of the work, makes it difficult for the Trump Administration to move forward with the mechanics of governing at the Federal Department level—regardless of the Federal Agency. The President is able to hire some 4,000 political appointees, hundreds of these individuals—and for the most part—the most senior ones—need Senate Confirmation. Right now, the Trump Administration is approximately one month behind the schedule of previous Presidents in filling out his Administration. We are starting to see some improvement in the number of appointees being approved and installed but the fact that the Democrats have slowed down so many of the President's appointees has created a very toxic atmosphere here.

As an example of one of the problems associated with the delay of appointing key officials throughout the government, President Trump's "FY2018 Budget"—for the budget year that begins on October 1, 2017, is now likely to be released on Thursday, March 16<sup>th</sup> and it will lack much of the traditional background materials associated with a budget. Its release is approximately two to three weeks late.

As a result, the President's Budget is now being referred to as the "Skinny Budget". Of note, it is predicted that the President will increase defense spending by 9% and seek to reduce decrease discretionary spending by 11%. Social Security and Medicare Programs should not be reduced and are likely to see slight inflationary increases.

Water programs however come out of the discretionary portion of the budget. Both Scott Pruitt, the EPA Administrator and Ryan Zinke, the Secretary of Interior, have vowed to fight for their programs and the EPA Administrator has specifically indicated his desire to maintain strong funding for the State Revolving Loan Fund program and other water grant programs.

We are monitoring this process closely and plan to support ongoing federal water grant funding programs and specifically seek Army Corps of Engineers funding in the Appropriations Process this spring.

Meanwhile, the Congress has still not fully funded the fiscal year that ends on September 30, 2017. The current funding resolution, called "The Continuing Resolution" or "CR" expires on April 28<sup>th</sup>. Congress needs to pass another funding bill that will carry federal programs through the end of September. For the first seven months of this fiscal year, federal funding has been held at last year's levels—so there are many here who are hopeful that an Omnibus Bill can pass the Congress, with some inflationary increases—if not, our federal government will likely continue to be funded at last year's levels.

## Issue Updates:

Clearly the most significant issue debated to date has been the Repeal and Replace of the Obama Health Care Law. It is not yet clear if the House and Senate Republicans have the votes to move forward with first phase of the three part Repeal and Replace process. The CBO just provided a "score" which indicated some 24 million fewer Americans would be insured under the new GOP Plan.

Other hot button issues that continue to get major Congressional attention include the Travel Ban and the issues associated with the alleged Russian involvement in the Presidential Election and most recently, the President's comments about President Obama's "wiretapping" the Trump Tower.

The topic of Tax Reform is widely discussed; but it is widely viewed as an issue that will be addressed after the Obama Care Repeal and Replace issues are finalized and after the Appropriations bills for FY2017 have been passed.

President Trump signed an executive order on February 28<sup>th</sup> calling for the EPA to overhaul one of the Obama Administration's most controversial regulations, a rule that

defined the rivers, streams and wetlands protected by the Clean Water Act. The order starts the process to either review or rescind the "Waters" regulation. This process is likely take years to resolve.

The Oroville Dam crisis garnered a fair amount of attention here in Washington. Both the House and the Senate held Congressional Hearings in Washington on water management issues and touched on the subject of the Oroville Dam nearly failing. The House in particular is looking into a number of hearings dealing with how Congress can help facilitate water and hydropower infrastructure projects.

Another issue of great importance to state and local governments deals with Pension Plan Reforms.

The House of Representatives plans to use the Congressional Review Act (CRA) to overturn state and local retirement plan rules, which allow government run auto IRA's managed by the states and certain municipalities to be exempt from longstanding accountability measures—which are contained in the ERISA Law. The changes are aimed at forcing state and local governments to run their pension plans like private sector plans.

According to the House Majority Leader, California has managed its public pension system to a \$281.5 billion hole. Illinois has a \$130 Billion pension debt. Many state and local government pensions around the country are underfunded. This is considered a very serious issue to many Congressmen. Look to see some legislation moving in this area in the coming months.

## Successful Washington Luncheon on March 1, 2017

MWDOC, along with other Southern California Water Districts, hosted a water luncheon for Congressmen and their staffers on March 1<sup>st</sup>. The following Members of Congress attended: Reps. Royce, Calvert, Rohrabacher, Correa, Issa, and Lowenthal. In addition to these Members, there were numerous legislative staffers who attended.

## Update on Funding Related Issues for the Municipal Water District of Orange County:

There is a Funding Scorecard attached to this Report. It provides a listing of current federal grants available that may be of interest to MWDOC's Member Agencies at the present time that works electronically. The Scorecard contains a listing of current

grants and grants that have expired—the purpose of showing the expired grants is to allow water districts to see what federal grants may be on the horizon based upon last year's grants. In many cases, these competitive grants often, but not always repeat, for the next year.

## Items of General Interest

The following article has been provided for your review. It provides an excellent backgrounder on the Delta Tunnels Issue.

## About that \$17 Billion Water Project: Delta Tunnels 101

By Lauren Sommer, KQED Science, July 25, 2016

#### What are the Delta water tunnels?

They're two, 30-mile water tunnels that would be built in the Sacramento-San Joaquin Delta, east of the San Francisco Bay Area. Each tunnel would be 40 feet in diameter, larger than the tunnels that carry BART trains under San Francisco Bay. The project, dubbed "California WaterFix," would be buried 150 feet below ground.

## What's the California Delta, again?

It's a <u>huge, inland estuary</u> where Northern California's major rivers converge before the water flows out to San Francisco Bay. It used to be mostly wetlands and marshes, but much of the land was converted to farming.

## Who would get water from the tunnels?

The tunnels would be part of the state's <u>major water system</u> that serves about 25 million Californians, from the Bay Area to San Diego. Built more than 50 years ago, the network of reservoirs, canals and aqueducts stretches hundreds of miles.

It's designed to fix a tricky problem that state planners ran into a century ago. Most of the rain and snow falls in Northern California, but most of the state's population (and many farms) reside in Central and Southern California.

Huge underground project would divert water from the Sacramento River for export to Central and Southern California.

## Why Does the Brown Administration want to build them?

The recent drought may have brought water battles to the forefront, but those battles are a perennial feature of California politics. That's because the central hub of this water system, the Sacramento-San Joaquin Delta, is in bad shape.

Water is drawn from the Delta by two massive pumping facilities that can move millions of gallon per minute. They're so powerful that they've been shown to entrap endangered fish, like Chinook salmon and Delta smelt. When those species are at greatest risk, regulations require slowing down the pumps, potentially limiting how much water reaches cities and farms.

The twin tunnels would take water from farther north near the Sacramento River, and deliver it to the pumping facilities. State officials say that would make the water system more reliable, because the pumps would be used less, avoiding the impacts on endangered species.

## How much would the tunnels cost and who would pay for them?

They aren't cheap. Construction could cost \$14.9 billion. Add in mitigation costs for construction impacts, operations and maintenance and the tab runs to about \$17 billion over 50 years — and that doesn't count paying off the bonds that would finance the project.

Ostensibly, it would be paid for by the water agencies that get the water, including urban water districts in the southern Bay Area and Southern California, as well as agricultural water districts in the Central Valley. Those agencies would have to raise water rates or possibly property taxes to cover the cost.

## Who is against building the tunnels?

A lot of people. <u>Residents</u> that live in the Sacramento-San Joaquin Delta don't want a major construction project in their backyard and are concerned it could affect their water quality.

Some <u>environmental groups</u> say the tunnels, as they're designed now, could make things worse for endangered salmon and other fish as too much fresh water is removed from the ecosystem, though there are other issues as well, like habitat loss and invasive species. Environmentalists say that the tunnels would simply continue the trend of removing too much fresh water.

#### So how much water will the tunnels take out of the Delta?

Hmm, good question. State officials have proposed a range of scenarios. At one end of the range, water users could see more water delivered to them. At the other end, they'd get less, but more would be left in the ecosystem.

But here's the hitch: several of the water agencies that would pay to construct the tunnels have said

they can't justify the costs if there's a chance they'll end up with less water.

## So, why should I care about this?

California's <u>water problems aren't going away</u>. There will be more droughts, more conservation rules and more challenges ahead, especially with climate change.

The state's water system, as ambitious as it was a half-century ago, can't keep up with current (let alone future) demands. So whether fixing that problem involves massive water tunnels, or simply finding ways to do more with less water, Californians are going to have to do something.

## Who will decide if the tunnels get built?

Now it's up to state and federal agencies. The State Water Resources Control Board is beginning hearings to answer two questions: will the tunnels impinge on anyone else's right to use water and will they harm endangered species? Those hearings could go on for quite a while, maybe until mid-2017.

State and federal wildlife agencies will look at whether the project will harm endangered salmon and Delta smelt, as well as other species. And in their review, they will determine how much water the Delta tunnels can deliver in order to ensure that species don't go extinct.

That decision could determine whether water agencies are in or out, ultimately deciding the fate of the project. Oh yeah, and the whole thing is likely to end up in court, no matter what the decision.

## What about a public vote? There's a November ballot measure that would require votes for big infrastructure projects.

True. If passed, Proposition 53 would require a public vote on projects backed by state-issued revenue bonds over \$2 billion, including this one.

If the bonds to pay for the tunnels are issued by the water agencies, not the state, then a public vote might not be required under Prop 53. But some analysts say the individual agencies, even banding together, would have a tough time floating bonds for the project on their own.

Jim Barker 3-14-2017b

		FY 2017 FUNDING OPPORTUNITIES for MWDOC (updated 3-9-17)	$\mathbf{C}$ (updated 3-9-17	6		
No.	Program No./ SolicitationNo.	OPPORTUNITY TITLE*	AGENCY	Applic. Available	Deadline	STATUS
1	BOR-DO-17-F014	WaterSMART Grants: Water Marketing Strategy Grants for Fiscal Year 2017	DOI-BOR	Yes	04/19/17	Open
2	G17AS00032	2017 Water Use Data and Research	DOI-USGS1	Yes	04/18/17	Open
3	BOR-LC-17-F003	Lower Colorado Region Water Conservation Field Services Program Grant Program for FY 2017	DOI-BOR	Yes	04/03/17	Open
4	P17AS00112	Land and Water Conservation Fund State and Local Assistance Program	SAN-IOQ	Yes	04/28/17	Open
2	PD-17-7643	Environmental Sustainability	NSF	Yes	10/20/11	Open
9	M17AS00006	BOEM FY 2017 Environmental Studies Program	DOI-MMS	Yes	04/03/17	Open
7	EPA-R1-HC-2017	2017 HEALTHY COMMUNITIES GRANT PROGRAM	EPA	Yes	04/07/17	Open
8	BOR-DO-NOI-015	Determining Impacts of Long Term Use of RO Concentrate on Atriplex Species, Soil  Characteristics and Microbial Habitats	DOI-BOR	Yes	03/23/17	Open
6	F17AS00108	National Coastal Wetlands Conservation Grant Program	DOI-FWS	Yes	06/30/17	Open
10	M17AS00007	BOEM FY 2017 Environmental Studies Program	DOI-MMS	Yes	03/20/17	Open
11	L17AS00034	BLM CA Headwaters Forest Reserve Watershed Restoration	DOI-BLM	Yes	04/24/17	Open
12	NOAA-NMFS-HCPO-2017-2005156	Community-based Restoration Program Coastal and Marine Habitat Restoration Grants	DOC	Yes	03/23/17	Open
13	NOAA-NOS-NRPO-2017-2005159	FY 2017 NOAA Coastal Resilience Grants Program	DOC	Yes	03/15/17	Open
14	F17AS00096	Cooperative Endangered Species Conservation Fund	DOI-FWS	Yes	03/17/17	Open
15	BOR-DO-17-F011	WaterSMART Grants: Small-Scale Water Efficiency Projects for Fiscal Year 2017	DOI-BOR	Yes	04/27/17	Open
		RECENTLY CLOSED GRANT OPPORTUNITIES				
	RDRUS-17-01-HWWS	Household Water Well Grant Program	USDA-RUS	Yes	02/06/17	Closed
	RDRUS-17-RFP	Revolving Fund Program	USDA-RUS	Yes	02/06/17	Closed
	M17AS00005	BOEM FY 2017 Environmental Studies Program	DOI-MMS	Yes	02/09/17	Closed
	NOAA-NMFS-HCPO-2017-2005146	DARRP Restoration Implementation Grants	DOC	Yes	03/06/17	Closed

		FY 2017 FUNDING OPPORTUNITIES for MWDOC (updated 3-9-17)	(updated 3-9-17	(		
	BOR-DO-17-F013	WaterSMART Cooperative Watershed Management Program Phase II Grants for Fiscal Year 2017	DOI-BOR	Yes	02/15/17	Closed
	DE-FOA-0001663	Marine and Hydrokinetic Technology Development and Advancement	DOE-GFO	Yes	03/01/17	Closed
	BOR-MP-17-F001	Bay-Delta Restoration Program: CALFED Water Use Efficiency Grants	DOI-BOR	Yes	02/28/17	Closed
	P17AS00035	Land and Water Conservation Fund State and Local Assistance Program	DOI-NPS	Yes	02/03/17	Closed
	17-530	Innovations at the Nexus of Food, Energy and Water Systems	NSF	Yes	03/06/17	Closed
	BOR-MP-17-F002	Agricultural Water Conservation and Efficiency Grants	DOI-BOR	Yes	02/14/17	Closed
	BOR-DO-17-F010	<u>Drought Resiliency Projects for Fiscal Year 2017</u>	DOI-BOR	Yes	02/14/17	Closed
	BOR-DO-17-F009	Drought Response Program: Drought Contingency Planning Grants for Fiscal Year 2017	DOI-BOR	Yes	02/14/17	Closed
	BOR-DO-17-F004	WaterSMART: Water Recycling and Reuse Research under the Title XVI Water Reclamation and Reuse Program for Fiscal Year 2017	DOI-BOR	Yes	02/06/17	Closed
	G17AS00009	2017 Groundwater and Streamflow Information Program National Ground-Water Monitoring.  Network	DOI-USGS1	Yes	01/27/17	Closed
	BOR-UC-17-F001	Water Conservation Field Services Program	DOI-BOR	Yes	01/18/17	Closed
	BOR-DO-17-F012	WaterSMART Grants: Water and Energy Efficiency Grants for Fiscal Year 2017	DOI-BOR	Yes	01/18/17	Closed
	BOR-LC-17-001	Water Conservation Field Services Program Program	DOI-BOR	Yes	01/23/17	Closed
	BOR-DO-17-F003	WaterSMART: Development of Feasibility Studies under the Title XVI Water Reclamation and Reuse Program (FY) 2017	DOI-BOR	Yes	11/02/12	Closed
	BOR-DO-17-F002	WaterSMART: Title XVI Water Reclamation and Reuse Program Funding for Fiscal Year (FY) 2017	DOI-BOR	Yes	12/15/16	Closed
	BOR-DO-17-F006	Desalination and Water Purification Research (DWPR) Program Fiscal Year 2017 Pilot Scale_ Testing Projects	DOI-BOR	Yes	01/12/17	Closed
	BOR-DO-17-F007	Desalination and Water Purification Research Program Fiscal Year 2017 Full Scale Testing <u>Projects</u>	DOI-BOR	Yes	01/12/17	Closed
	BOR-DO-17-F005	Desalination and Water Purification Research ProgramFiscal Year 2017 Research & Laboratory  Scale Projects	DOI-BOR	Yes	01/18/17	Closed
US	USDA-NRCS-NHQ-CIG-17-01	2017 National Conservation Innovation Grants APF	USDA-NRCS	Yes	01/09/17	Closed
	G17AS00007	Long Term Resource Monitoring Program FY 2017	DOI-USGS1	Yes	01/15/17	Closed
	*Please "click"	*Please "click" on a particular "Opportunity Title" to access the corresponding solicitation and application, if available, and other relevant information.	f available, and other	r relevant	information.	

NOTICE: The above list of federal funding opportunities may not represent a complete or exhaustive list of the grants that MWDOC may be eligible for and/or interested in pursuing. This list is periodically updated and is not intended to be exclusively relied on. This list is intended to be a helpful tool. Federal grants are continually released and reported across many different platforms. Potential grantees should themselves continually monitor for federal funding opportunities. Hyperlinks for closed grants may expire.



## Memorandum

To: Municipal Water District of Orange County

From: Syrus Devers, Best Best & Krieger

Date: March 20, 2017

Re: Monthly State Political Report

## **Permanent Conservation Regulations**

There is no new information on what legislation, if any, the administration will pursue, which virtually guarantees that there will be trailer bill language. This makes the water industry's effort to craft alternative language even more important. For this reason, the majority of this month's report is devoted to industry's effort to reach consensus on bill language. The goal is to have language that has been vetted by the policy committees in circulation before the administration's trailer bill language surfaces.

## Legislative Update

Over the last six weeks, ACWA has organized and hosted stakeholder meetings covering urban users, agricultural users, and long-term water use efficiency. The goal was to prepare the industry's proposal for meeting the criteria of the long-term conservation regulatory framework. The language for amendments to the Urban Water Management Plan process have now been approved by the State Legislative Committee (SLC), and it will go into AB 968. SLC will consider the long-term water use efficiency language, which is destined for AB 1654, on Friday, March 24th. Both are summarized below.

## Water Conservation bill package:

AB 968 (Rubio). Currently a spot bill. To be used for the ACWA sponsored bill on Urban Water Management Plan legislation. The following comments, therefore, reflect future amendments.

• Adds new Part 2.56, Section 10609 to Water Code. This would require new annual reports by urban retail water suppliers to DWR documenting adequacy of supply to meet demand. If demand will exceed supply, supplier must implement the response that is appropriate from its Water Shortage Contingency Analysis. During the period a supplier is implementing any mandatory demand reduction measures, monthly reports to DWR would be required.



- New language in Section 10632, which addresses Urban Water Shortage Contingency Analysis in UWMPs, would shift emphasis on "water use reduction" actions by urban water suppliers to actions that will "balance supply and demand." Penalty language in this section would be removed.
- New Section 10613.5 and new provisions in Sections 10631 and 10632 provide for "Emergency Supply" development by urban water suppliers. Suppliers would be able to include the use of such emergency supplies in their anticipated actions to balance water supply and demand.
- Section 10631 replaces "multiple dry year" language with "five consecutive dry years" analysis for water supply reliability, but adds flexibility for a shorter dry year period that would more severely impact supplies. Water loss quantification requirements are limited to potable distribution systems.
- A new Section 10658 adds intent language by the Legislature and also appears to include an express limitation that would prevent future mandatory water cutbacks such as those imposed by the State Board in recent years: "During a statewide or local drought or water shortage, an urban water supplier shall not be required to reduce its use or reliance on any water supply available for its use and identified in its Urban Water Management Plan, or be required to take additional actions beyond those specified in its water shortage contingency analysis for the level of shortage that is anticipated in the annual report required by section 10609 or the level of shortage that it is currently experiencing, whichever is greater."

AB 1654 (Cooper) Currently a spot bill. To become a Rubio bill and be used for ACWA sponsored long-term water use efficiency legislation. To be amended, pending further discussions, to include:

- Existing Section 10608.4 would include new provisions recognizing "both potable and nonpotable beneficial use" and "the need for greater investment in water recycling and other sustainable drought-resilient supplies." This section also adds a provision recognizing that water recycling, including application to landscape irrigation, is an efficient and regulated use of water. New provisions also emphasize local decision-making and assurance that legal access to water will not be disturbed.
- In Section 10608.12 "Definitions," the recycled water definition would be amended to include water supplied for "non-potable uses and recycled water supplied for potable reuse" as defined in section 13561. This amended definition also drops existing language limiting what constitutes recycled water.



- New Section 10608.25 requires urban retail water suppliers to include <u>preliminary</u> water efficiency targets and performance measures for CII water use in their 2020 UWMPs. These must be adjusted and updated based on growth, changes in irrigable landscape acreage and other changes affecting water use when the supplier reports its progress in its 2025 UWMP and later UWMPs.
- O This new section would provide for three optional methods to establish retail-level water efficiency targets. (1) 75% of base per capita daily use, or (2) 55 GPCD residential + irrigable landscape formula based on existing SBX7-7 standards + a volume tied to new variance methodologies (NOTE: This does not include CII or water losses in the formula and has been the method with the most debate about specifics) or (3) 90% of applicable hydrologic region target.
- New Section 10608.25 would require urban retail water suppliers to meet the preliminary targets by Dec. 31, 2025, with an "out" for economic or hydrologic conditions beyond supplier control that makes it impossible. This new section has new reporting provisions. It requires DWR in consultation with the Urban Stakeholder Committee to develop the following: (Note: further provisions are included in a new Section 10608.46.)
- o Standardized variance methodologies for livestock, swamp coolers, etc.
- Methodology for suppliers to receive credit for landscapes supplied by recycled or potable reuse water
- New Section 10608.45 calls for a Commercial, Industrial and Industrial water use efficiency task force to submit a report to the Legislature identifying appropriate performance measures for these sectors. (This avoids a volumetric target for CII.)
- New Section 10608.47 would require DWR to make its database of validated aerial imagery and measured irrigable area for all residential and CII areas available to urban retail water suppliers. (and other related provisions). This includes a provision allowing a water supplier to use its own database of validated aerial imagery and measured irrigable area within its service area if the supplier certifies it is of comparable or better quality than DWR's database.
- New Section 10608.48 would require DWR to submit a report to the Legislature stating preliminary water efficiency targets for 2025 for each hydrologic region.



## Other bills of interest:

BB&K would like to bring the committee's attention to the following bills for discussion to guidance for future recommendations.

SCA 4/SB 231 (Hertzberg): This is the new iteration of the effort to amend Art. X of the State Constitution to allow water districts to provide demand-based pricing and lifeline water rates. ACWA agreed to sponsor the bill after Sen. Hertzberg agreed that the provisions in the bill would be strictly voluntary. The committee may recall from last year that the effort fell apart over the damaging title and summary language from the Attorney General when the bill included stormwater. For that reason, the stormwater piece is in a separate bill, SB 231, which would "clarify" that "sewer" always included stormwater.

**AB 474** (E. Garcia). This bill would exempt spent brine solution from the definition of hazardous waste if transferred to a lined impoundment for dewatering. This is part of a larger effort to address Salton Sea remediation, which is the top priority for Assm. Garcia. While not directly related to desalinization, if the process authorized by this bill is successful, it could have indirect benefits in the debate over desalinization.

**AB 574** (Quirk). Eliminates from the definition of potable reuse the terms "indirect" and "direct," and replaces those terms with for types of potable reuse: Potable reuse through, 1) groundwater augmentation, 2) reservoir augmentation, 3) raw water augmentation, and 4) treated water augmentation. The purpose is to foreclose efforts to impede progress on reuse through opposition to "direct" reuse by compromising on "indirect" reuse, even though the distinction between the two may be irrelevant.

**AB 869** (Rubio) – Currently a spot bill. To be used for water recycling bill sponsored by WateReuse. If the effort is successful, this bill may be merged with the ACWA sponsored legislation.

#### **Administration Update**

The crisis at Oroville Dam appears to be consuming the majority of the administration's resources.

## **Activity Report**

- BB&K attended numerous water conservation and long-term efficiency drafting sessions on behalf of MWDOC.
- Sponsored and attended the Inland Empire and Orange County State Legislative Reception in Sacramento on March 7th.
- Attended ACWA's State Legislative Committee meetings and lobbyist meetings.

## The County of Orange Report

March 14, 2017 by Lewis Consulting Group

## The Blueing of Orange County

In 1990, the Orange County Republican Party was at its zenith, dominating elections across the county and basking in an electorate that was over 55% GOP. Oh how times have changed! By early December 2015, that percentage had plummeted and for the first time the GOP share of the electorate dipped below 40%. The reversal of fortune has continued and now only 37.5% of Orange County voters choose to be affiliated with the Grand Old Party.

The political repercussions are plentiful. Of the 23 Congressional Districts across the country represented by a Republican, but which voted for Hillary Clinton, four are in Orange County. While these four GOP incumbents: Royce, Issa, Walters and Rohrabacher will be advantaged by the lower turnout expected in the 2018 gubernatorial cycle, national democrats smell blood and are targeting these districts, long considered safe republican seats.

Locally, all five members of the non-partisan Board of Supervisors are Republican. However, in two of the five districts Democrats hold a significant electoral advantage. In Andrew Do's 1st Supervisorial District, Democrats now hold a 40,000 registered voter edge and in Supervisor Nelson's 4th District, the Democrats edge is now 21,000 registered voters. Supervisor Do eked out a narrow victory last November postponing the Democrats' best chance to crack the Hall of Administration all Republican flavor. However, expect the Democrats to launch a major effort to win the 4th Supervisorial District in 2018 as Supervisor Nelson faces his term limit.

The blueing of Orange County will have a significant effect on local elections as well as former Republican strongholds have tipped in favor of Democrats. The party of blue now enjoys a 15,000 voter edge in Anaheim; a 900 voter edge in Fullerton and a 8,000 vote edge in the City of Irvine.

## **LAFCO Sets Strategic Planning Meeting**

Members of the public are encouraged to attend the upcoming Strategic Planning Session for Orange County LAFCO - *Friday, March 31, 2017 at 9:00 a.m.* The meeting's location has been changed to the Santa Ana Police Department Community Room, located at 60 Civic Center Plaza in downtown Santa Ana. Of particular interest will be dialogue regarding the implementation of SB 1266, a new law giving LAFCO's new over-site power regarding JPA's entered into by counties, cities or special districts providing municipal services. The definition of municipal services is left to the discretion of each local LAFCO.

## **Losing Bidder Accuses Supervisors**



After a tedious and controversial process, the Orange County Board of Supervisors on a 4-1 vote, replaced 20 year airport contractor Signature Flight Support with ACI Jet.

The lucrative contract is for running the general aviation services at the SNA airport which includes propellor planes and corporate jets.

Usually, losing bidders don't follow a "scorched earth" path, but not in this case. Signature Flight Support has retained two powerful law firms, including past FAA officials, is filing lawsuits and a bid procedure complaint to the FAA.

Signature Flight Support has every right to be keenly disappointed. After answering a county RFP, staff scores awarded them the highest score out of six competitors. The eventual winner, ACI Jet, was ranked fifth. However, Supervisors had subsequently heard from a number of customers that Signature Flight Support overcharged on fuel prices, a charge Signature Flight Support vehemently denies.

It is not unheard of for Supervisors to utilize their independent judgement and override staff recommendations. Although in this case, leapfrogging numerous firms to choose ACI Jet, was more unusual.

Signature Flight Support's complaint to the FAA centers on two points. First that the Supervisor's actions were influenced by campaign contributions and secondly there was an improper bias towards selecting a local firm like ACI Jet. Orange County Counsel has advised the Board of Supervisors that the complaint is without merit. However, should the FAA ultimately rule against the county, they could threaten to withhold federal airport funds until corrective action is taken.

We are hard pressed to remember a contract process as controversial and drawn out as this one.

## **Earthquakes and Droughts - OH MY!**

In New England and eastern part of the country, residents have been digging themselves out of a ferocious snow storm, the worst, in the month of March since 1993.

While they have been buying salt and snow shovels, we have been basking in idyllic warm weather. But there is a price we pay for living the good life, the knowledge we live

in a mostly dry climate subject to occasional long spells of drought along with the fear of living with "THE BIG ONE".

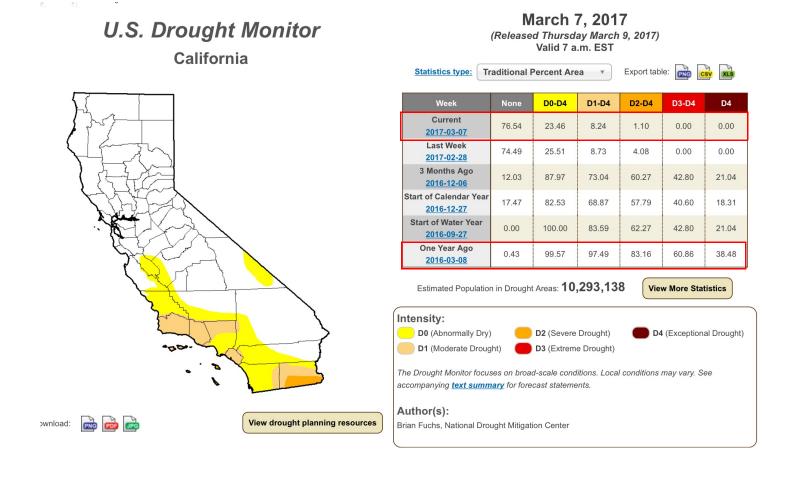
The most recent prediction model of the United States Geological Survey concludes that there is a 19% chance of a 6.7 or greater quake occurring on the San Andreas fault within the next 30 years.

However, a new study by Scripps Institute of Oceanography concludes that two previous believed separate fault lines, the Newport-Inglewood and the Rose Canyon faults, are actually one fault separated by three horizontal breaks called stepovers, which are less than two kilometers wide. The bottom line is there is no increase in likelihood of a large quake on this fault, but should the "big one" hit, the new potential is for a quake measuring as high as 7.4 on the Richter scale. In 1933 this fault triggered the Long Beach earthquake, causing 115 fatalities.



Source - Scripps Institute of Oceanography U.C. San Diego

## Meanwhile, on the "good news" front. . .



## **ACKERMAN CONSULTING**

## **Legal and Regulatory**

March 20, 2017

- 1. **Drought/Rain vs Oysters:** The significant rains California has been receiving are good for almost everyone in the State, except the oyster farmers. The excessive river and land runoff into the ocean has been delivering water with increased pollutant levels into the water where the oysters are being grown. In normal years, these farms are closed a few days a year, but this winter one farm was closed over 90 days in just one season. Many of these farms are also downstream or downhill from dairy or poultry farms. Also, too much fresh water can actually kill oysters or changes their size and taste. Even though dairy farms are using more animal waste measures to reduce harmful pollutants, the overall level of even treated waste can be harmful to the oyster crop. The old saying about not eating oysters in months with "r's" is not useful anymore. Other factors such as warm weather and excessive storm runoff now dictate safety concerns.
- 2. **Comeback of El Nino?:** Forecasters are predicting more rainfall for California this year. They give a 50% chance for a significant El Nino which will bring more rain with it. With the Drought Monitor currently registering at about 8%, this event could surely put us in the positive mode. The weak La Nina we experienced could happen again. Scientists admit that they do not have a good explanation.
- 3. Why So Much Rain: Researchers from UC San Diego, UCLA and UC Irvine are working on answers as to why California has received so much rain this cycle. In a normal year, California gets 10-15 atmospheric rivers. This season we have seen 30 such rivers and winter is not yet over. These rivers are sometimes referred to as Pineapple Express storms and no one has a good explanation as to why we are seeing so many. Usually, there is a high-pressure system hanging off the West Coast that moves many of these storms north from California to Canada. This season that high pressure system is gone and there is nothing to divert these storms away from California. That condition also influences El Nino and La Nina and has disrupted their normal patterns. California does have a history of extreme weather conditions over time with no good explanation. The scientists do agree that there is insufficient evidence to say that climate change is responsible for the dramatic increase in atmospheric rivers. They also acknowledge that the drought is probably over but recognize the problem with the groundwater table and the difficulty in replenishing those aquifers.
- 4. **Increased Hydropower:** Our rainy weather is putting hydropower back in play big time. The extended drought has reduced our supply of cheap energy but now our heavy rains are turning this around. In a typical wet year, about 18% of our power comes from hydro and 45% from natural gas. In our prior dry years, hydro was 6% and natural gas 60%. The difference in both cases is made up from renewable and out of state sources. It is estimated that the additional costs to ratepayers during the drought years for electricity is over \$2 billion. The advantage of hydro over natural gas is not only price (almost half the cost) but also less air pollution. This is also important for California's economy since we have the fourth highest retail price for electricity in the US.

- 5. **Salmon Count Low:** Even though we have had a very wet winter, the salmon count is substantially down from prior years, by over 70,000. This is due primarily to the drought conditions we have experienced for the past four or five years. During those years, the water levels in rivers and reservoirs have been drastically low and therefore the spawning population was reduced. Many fish were stranded downstream in various areas due to low water flows and levels. It may take a couple of good rainy seasons for the fish population to recover.
- 6. Lake Cachuma Revived: Up until recently, the one area of the State that continued to experience severe drought was Santa Barbara and in particular Lake Cachuma. The Lake was at historical low levels (7% capacity) and threatened the entire water supply system for the region. The main reason for the Lake problem was topography. The Lake is located in the rain shadow area of the mountain range. In normal conditions, the rain falls on the coastal side of the mountains with nothing left to drop on the other side where the Lake is located. However, in the past few weeks, the area was slammed with rain and the Lake is now at 45% capacity and vendors were worrying about their rental boats sinking. In the past, the Lake has provided about 85% of the areas residential and farming needs. Last September, the Lake was providing about 3% and the City is about to reopen its closed desal plant.
- 7. **Shasta Gates Open:** As a result of the heavy rains, Lake Shasta opened the top gates of the dam for a test run last month. This was the first such action in over 20 years. The lake rose from 2.7 acre feet to 4.2 acre feet in the last year. At one point the Lake rose 3 feet in 3 days. Shasta being the State's largest reservoir wanted to be ready for all contingencies and not become another Oroville incident.
- 8. Greenland Meltdown: Scientists have been studying the Greenland Ice Sheet, the largest chunk of ice in the world, for many years. They are trying to explain the increased melting and have made some interesting discoveries. Historically, the Sheet has been slowly reducing in size as a result of the Sheet calving, a normal process for ice and glaciers. However, during the last five or so years, there has been an increased loss of size due to melting instead of calving. This cannot be blamed on increased temperatures, so they looked for and found other causes. One such cause was the increased growth of microbes and algae. This was first noted more than 150 years ago by a Finnish-Swedish explorer who noticed small holes or pockets in the ice that were inhabited by algae or bacteria. These critters were generally dark in color causing the area to absorb heat and create little pools of water that did not freeze. This activity has been increased over time making the Sheet less ice and more water and therefore more susceptible to melting as opposed to calving in nature's process. The other phenomenon discovered was the increase of dirt, dust and other airborne particles from far away factories and wildfires in the ice Sheet. Again, these conditions produced dark particles on the ice which absorbed heat and produced water conditions as opposed to ice. Again, this leads to more melting conditions than calving. Also, weather conditions change around the world and impact solar energy, high and low pressure areas and resulting outcomes as we have seen right here in California. Topography is also a factor as solar heat reacts differently on ice in flat areas versus the steep angle of mountain.
- 9. **San Jose Flood:** Officials are still investigating the cause of the flooding that occurred near Coyote Creek in San Jose. The creek has been dry for some time and there was vegetation growing the bed. Normal

rains had not occurred for many years that would have normally washed out the bed and allowed for more free flow. There was significant debris in the creek bed but that has not been established as a primary cause yet. A flood capacity had been established for the Creek at 7400 cubic water per second before flooding was to occur. But the flooding occurred and the river overflowed at a much lower number. Notices were not given earlier since the flow rate had not been reached. The City does acknowledge that communication between departments was not adequate as many folks were stranded when the flooding occurred. It all started when Santa Clara County's largest reservoir filled up and started releasing water into among others Coyote Creek. At this time, the Creek was already being pushed to its limits due to extensive rain. Local scientists admit they were surprised at how much the Creek was impacted, eventually cresting at 4 feet above flood state. The water flow rate through all adjoining water ways was much above expected rates. The study will continue.

10. More Tree Trouble: Harsh wet weather and strong winds are doing more damage to the California tree population. We have already lost millions of trees because of the extended drought and now our weather conditions are expanding that number. Trees are in a weakened condition from the drought. The lack of water has caused the root systems to develop a shallow pattern as opposed to the deep roots system of healthy trees. The shallow system is more susceptible to fungi and disease further weakening the trees. Add to this our current saturated soil condition and strong winds and we are experiencing trees going down in greater numbers. The most impacted varieties are oak, pine and eucalyptus.

## **MWDOC PAL Committee**

Prepared by Best Best & Krieger March 20, 2017

## A. Priority Support/Oppose

(Garcia, Eduardo D) California Clean Water, Climate, Coastal Protection, and Outdoor Access For All Act of <u>AB 18</u>

2018.

Current Text: Amended: 2/23/2017

Current Analysis: 03/09/2017 Assembly Floor Analysis (text 2/23/2017)

Last Amend: 2/23/2017

Status: 3/8/2017-Coauthors revised.

Is Urgency: Y

Summary: Would enact the California Clean Water, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,105,000,000 pursuant to the State General Obligation Bond Law to finance a clean water, climate, coastal protection, and outdoor access for all program. This bill contains other related provisions.

Laws: An act to add Chapter 14 (commencing with Section 5880) to Division 5 of the Public Resources Code, relating to a clean water, climate, coastal protection, and outdoor access for all program, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

> **Position Priority** A. Priority Out for Analysis Support/Oppose

Notes 1: More park bond than water bond.

(Gray D) AB 313 Water.

Current Text: Introduced: 2/6/2017

Status: 2/21/2017-Referred to Com. on W.,P., & W.

Is Urgency: N

Summary: Current law establishes the State Water Resources Control Board in the California Environmental Protection Agency consisting of 5 members appointed by the Governor, including one member required to be an attorney admitted to practice law in this state who is qualified in the fields of water supply and water rights and one registered civil engineer under the laws of this state qualified in the fields of water supply and water rights. This bill would revise the qualifications for the membership to the board by eliminating those requirements for qualification in the field of water rights.

Laws: An act to add Article 2.5 (commencing with Section 11375) to Chapter 4 of Part 1 of Division 3 of Title 2 of the Government Code, and to amend, repeal, and add Sections 174, 175, 275, 1055, 1525, and 1552 of, to add Section 123.5 to, to add Article 5 (commencing with Section 191) to Chapter 2 of Division 1 of, to add Article 6 (commencing with Section 1110) to Chapter 3 of Part 1 of Division 2 of, to add Article 4 (commencing with Section 1130) to Chapter 4 of Part 1 of Division 2 of, and to repeal Chapter 3 (commencing with Section 1075) and Chapter 4 (commencing with Section 1120) of Part 1 of Division 2 of, the Water Code, relating to water.

> **Position Priority** A. Priority Out for Analysis Support/Oppose

Current Text: Introduced: 2/13/2017 <u>Text</u>
Status: 2/27/2017-Referred to Com. on E.S. & T.M.

Is Urgency: N

Summary: Current law exempts from certain requirements of the Hazardous Waste Control Law wastes from the extraction, beneficiation, or processing of ores and minerals that are not subject to regulation under the federal Resource Conservation and Recovery Act of 1976, including spent brine solutions used to produce geothermal energy that meet specified requirements. This bill would exempt spent brine solutions that are byproducts of the treatment of groundwater to meet California drinking water standards from those same requirements if certain conditions are met, including that the spent brine solutions are transferred for dewatering via a closed piping system to lined surface impoundments regulated by the California regional water quality control boards.

Laws: An act to add Section 25143.6 to the Health and Safety Code, relating to hazardous waste.

Position Priority
Out for Analysis A. Priority
Support/Oppose

Notes 1: Support recommended

## AB 574 (Quirk D) Potable reuse.

Status: 2/27/2017-Referred to Coms. on E.S. & T.M. and W.,P., & W.

Is Urgency: N

Summary: Current law required the State Department of Public Health to develop and adopt uniform water recycling criteria for surface water augmentation, as defined, by December 31, 2016. Current law defined the terms "direct potable reuse," "indirect potable reuse for groundwater recharge," and "surface water augmentation" for these purposes. This bill would remove certain references to "direct potable reuse," "indirect potable reuse for groundwater recharge," and "surface water augmentation," and would instead specify the four different types of potable reuse projects as "potable reuse through groundwater augmentation," "potable reuse through reservoir augmentation," "potable reuse through raw water augmentation," and "potable reuse through treated water augmentation." Laws: An act to amend Sections 13560 and 13561 of, to amend the heading of Chapter 7.3 (commencing with Section 13560) of Division 7 of, and to add Section 13561.2 to, the Water Code, relating to water.

Position Priority
Out for Analysis A. Priority
Support/Oppose

#### AB 732 (Frazier D) Delta Flood Protection Fund.

Current Text: Introduced: 2/15/2017 Text

Status: 2/16/2017-From printer. May be heard in committee March 18.

Is Urgency: N

Summary: Current law established the Delta Flood Protection Fund in the State Treasury and states the intent of the Legislature to annually appropriate specified amounts of money in the fund to the Department of Water Resources for delta levee maintenance and delta flood protection projects. Current law abolished the Delta Flood Protection Fund on July 1, 2010. This bill would repeal obsolete provisions establishing the Delta Flood Protection Fund and would make conforming changes to current law.

Laws: An act to amend Section 12929.12 of, to amend and renumber the heading of Chapter 1.5 (commencing with Section 12306) of Part 4.8 of Division 6 of, and to repeal Chapter 1 (commencing with Section 12300) of Part 4.8 of Division 6 of, the Water Code, relating to water.

Position Priority

Watch A. Priority

Support/Oppose

Notes 1: Although a spot bill at this time, this is a priority watch bill due to the author's past history of opposing the Water Fix.

## (Frazier D) Sacramento-San Joaquin Delta: State Water Project and federal Central Valley Project: new conveyance facility.

Status: 2/16/2017-From printer. May be heard in committee March 18.

Is Urgency: N

Summary: The Sacramento-San Joaquin Delta Reform Act of 2009 prohibits construction of a new Delta conveyance facility from being initiated until the persons or entities that contract to receive water from the State Water Project and the federal Central Valley Project or a joint powers authority representing those entities have made arrangements or entered into contracts to pay for certain costs required for the construction, operation, and maintenance of the facility and full mitigation of property tax or assessments levied for land used in the construction, location,

mitigation, or operation of the facility. This bill would make nonsubstantive changes in these provisions. Laws: An act to amend Section 85089 of the Water Code, relating to the Sacramento-San Joaquin Delta.

Position Priority
Watch A. Priority
Support/Oppose

Notes 1: Spot bill--but priority watch due to author's past opposition to WaterFix.

(<u>Frazier</u> D) Sacramento-San Joaquin Delta: State Water Project and federal Central Valley Project: change in the point of diversion.

Current Text: Introduced: 2/15/2017 Text

Status: 2/16/2017-From printer. May be heard in committee March 18.

Is Urgency: N

Summary: Under the Sacramento-San Joaquin Delta Reform Act of 2009, until the State Water Resources Control Board issues an order approving a change in the point of diversion of the State Water Project and the federal Central Valley Project from the southern Delta to a certain point on the Sacramento River, the Department of Water Resources is prohibited from commencing construction of any diversion, conveyance, or other facility necessary to divert and convey water pursuant to the change in the point of diversion. This bill would make a nonsubstantive change in these provisions.

Laws: An act to amend Section 85088 of the Water Code, relating to the Sacramento-San Joaquin Delta.

Position Priority

A. Priority

Support/Oppose

Notes 1: Spot bill--priority watch due to author's past opposition to WaterFix.

<u>AB 968</u> (<u>Rubio</u> D) Urban water management planning. Current Text: Introduced: 2/16/2017 Text

Status: 2/17/2017-From printer. May be heard in committee March 19.

Is Urgency: N

Summary: Current law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan and to update its plan once every 5 years on or before December 31 in years ending in 5 and zero, except as specified. This bill would make nonsubstantive changes in these provisions.

Laws: An act to amend Section 10610 of the Water Code, relating to water.

Position Priority
Watch A. Priority
Support/Oppose

Notes 1: Vehicle for ACWA's UWMP proposal.

<u>AB 1654</u> (<u>Cooper</u> D) Water conservation.

Current Text: Introduced: 2/17/2017 Text

Status: 2/19/2017-From printer. May be heard in committee March 21.

Is Urgency: N

Summary: Current law requires the state to achieve a 20% reduction in urban per capita water use in California by December 31, 2020. Current law requires agricultural water suppliers to prepare and adopt agricultural water management plans with specified components on or before December 31, 2012, and to update those plans on or before December 31, 2015, and on or before December 31 every 5 years thereafter. Current law sets forth various findings and declarations related to water conservation. This bill would make a nonsubstantive change in those findings and declarations.

Laws: An act to amend Section 10608 of the Water Code, relating to water.

Position Priority

Watch A. Priority

Support/Oppose

Notes 1: Rubio to take over. Vehicle for ACWA's long-term conservation framework legislation.

<u>SB 5</u> (<u>De León</u> D) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.

Current Text: Amended: 2/23/2017 <u>Text</u>

Current Analysis: 03/03/2017 Senate Natural Resources And Water (text 2/23/2017)

Last Amend: 2/23/2017

Status: 3/7/2017-VOTE: Do pass as amended, but first amend, and re-refer to the Committee on [Governance and

Finance]
Is Urgency: Y

Summary: Would enact the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,500,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program. This bill contains other related provisions.

Laws: An act to add Division 45 (commencing with Section 80000) to the Public Resources Code, relating to a drought, water, parks, climate, coastal protection, and outdoor access for all program, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

Position Priority
Out for Analysis A. Priority
Support/Oppose

Notes 1: Really more of a park bond than a water bond at this point.

<u>SB 778</u> (<u>Hertzberg</u> D) Safe drinking water.

Current Text: Introduced: 2/17/2017 <u>Text</u> Status: 3/9/2017-Referred to Com. on RLS.

Is Urgency: N

Summary: Under current law, it is the policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. This bill would declare the intent of the Legislature to enact subsequent legislation that would impose a charge, moneys from which would assist the state in providing safe drinking water to the residents of California.

Laws: An act relating to drinking water.

Position Priority

Watch Priority
Support/Oppose

Notes 1: Flagged for possible vehicle for public goods charge.

<u>SCA 4</u> (<u>Hertzberg</u> D) Water conservation.

Current Text: Introduced: 2/2/2017 <u>Text</u> Status: 2/16/2017-Referred to Com. on RLS.

Is Urgency:

Summary: The California Constitution requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that the waste or unreasonable use or unreasonable method of use of water be prevented. This measure would declare the intent of the Legislature to amend the California Constitution to provide a program that would ensure that affordable water is available to all Californians and to ensure that water conservation is given a permanent role in California's future.

Laws: A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding Article X C thereto, relating to water.

Position Priority
Watch Priority
Support/Oppose

Notes 1: This is a spot bill. It's marked as a priority due to the subject matter.

## B. Watch

AB 196 (Bigelow R) Greenhouse Gas Reduction Fund: water supply and wastewater systems.

Current Text: Amended: 3/6/2017 Text

Last Amend: 3/6/2017

Status: 3/7/2017-Re-referred to Com. on W.,P., & W.

Is Urgency: N

Summary: Current law requires moneys from the Greenhouse Gas Reduction Fund to be allocated for the purpose of reducing greenhouse gas emissions in this state and satisfying other purposes. Current law authorizes specified investments, including water use and supply, if the investment furthers the regulatory purposes of the California Global Warming Solutions Act of 2006 and is consistent with law. This bill would authorize the use of the moneys in the fund for electric pump efficiency, water and wastewater systems, pump and pump motor efficiency improvements, and drinking water transmission and distribution systems' water loss if the investment furthers the regulatory purposes of the act and is consistent with law.

Laws: An act to amend Section 39712 of the Health and Safety Code, relating to greenhouse gases.

Position Priority
Watch B. Watch

<u>AB 277</u> (<u>Mathis</u> R) Water and Wastewater Loan and Grant Program.

Current Text: Amended: 3/13/2017 <u>Text</u>

Last Amend: 3/13/2017

Status: 3/13/2017-From committee chair, with author's amendments: Amend, and re-refer to Com. on W.,P., & W.

Read second time and amended.

Is Urgency: N

Summary: Would, to the extent funding is made available, authorize the State Water Resources Control Board to establish the Water and Wastewater Loan and Grant Program to provide funding to eligible applicants for specified purposes relating to drinking water and wastewater treatment. This bill would authorize a county or qualified nonprofit organization to apply to the board for a grant to award loans or grants, or both, to an eligible applicant. The bill would authorize the board to use a funding source that is authorized for and consistent with the purposes of the program.

Laws: An act to add Chapter 6.6 (commencing with Section 13486) to Division 7 of the Water Code, relating to water.

Position Priority
Watch B. Watch

<u>AB 464</u> (<u>Gallagher</u> R) Local government reorganization.

Current Text: Introduced: 2/13/2017 <u>Text</u> Status: 2/27/2017-Referred to Com. on L. GOV.

Is Urgency: N

Summary: Under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, current law requires that an applicant seeking a change of organization or reorganization submit a plan for providing services within the affected territory that includes, among other requirements, an enumeration and description of the services to be extended to the affected territory and an indication of when those services can feasibly be extended. This bill would specify that the plan is required to also include specific information regarding services currently provided to the affected territory, as applicable, and make related changes.

Laws: An act to amend Section 56653 of the Government Code, relating to local government.

Position Priority
Watch B. Watch

AB 793 (Frazier D) Sacramento-San Joaquin Delta: financing.

Current Text: Introduced: 2/15/2017 <u>Text</u> Status: 3/2/2017-Referred to Com. on W.,P., & W.

Is Urgency: N

Summary: Would declare it to be state policy that the natural state of the Sacramento-San Joaquin Delta is recognized and defined as an integral component of California's water infrastructure. The bill would state that the maintenance and repair of the Delta are eligible for the same forms of financing as other water collection and treatment infrastructure and would specify the maintenance and repair activities that are eligible are limited to certain cleanup and abatement-related restoration and conservation activities.

Laws: An act to add Section 108.7 to the Water Code, relating to water.

Position Priority
Out for Analysis B. Watch

<u>AB 885</u> (<u>Rubio</u> D) Pupil health: drinking water: lead. Current Text: Introduced: 2/16/2017 <u>Text</u>

Status: 3/2/2017-Referred to Coms. on ED. and E.S. & T.M.

Is Urgency: N

Summary: Would require a public or private school to ensure that drinking water is provided at the school that meets the United States Environmental Protection Agency drinking water standards for lead. The bill would require a

public or private school, on or before February 1, 2018, to request water quality testing, including lead testing, from the State Water Resources Control Board, and would require the state board to perform or provide for the performance of the requested testing on or before November 1, 2019.

Laws: An act to add Section 32247 to the Education Code, relating to pupil health.

Position Priority
Watch B. Watch

<u>AB 1323</u> (<u>Weber</u> D) Sustainable water use and demand reduction: stakeholder workgroup.

Current Text: Introduced: 2/17/2017 <u>Text</u> Status: 3/13/2017-Referred to Com. on W.,P., & W.

Is Urgency: N

Summary: Would require the Department of Water Resources to convene a stakeholder workgroup with prescribed representatives invited to participate, including, among others, representatives of the department and the State Water Resources Control Board, no later than February 1, 2018. The bill would require the stakeholder workgroup to develop, evaluate, and recommend proposals for establishing new water use targets for urban water suppliers and to examine and report to the Governor and the Legislature by December 31, 2018, as specified.

Laws: An act to add and repeal Section 10608.9 of the Water Code, relating to water.

Position Priority
Out for Analysis B. Watch

Notes 1: This may duplicate the stakeholder process that was just completed for the long-term conservation framework. Unsure at this time if that's good or bad.

<u>AB 1369</u> (Gray D) Water quality and storage.

Current Text: Introduced: 2/17/2017 <u>Text</u>

Status: 2/19/2017-From printer. May be heard in committee March 21.

Is Urgency: N

Summary: Current law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions to be deposited in the Greenhouse Gas Reduction Fund. This bill would require the Department of Water Resources to increase statewide water storage capacity by 25% by January 1, 2025, and 50% by January 1, 2050, as specified.

Laws: An act to amend Section 39719 of the Health and Safety Code, and to add Section 13145.5 to, and to add Chapter 4.5 (commencing with Section 430) to Division 1 of, the Water Code, relating to water, and making an appropriation therefor.

Position Priority
Out for Analysis B. Watch

AB 1605 (Caballero D) Maximum contaminant levels: nitrate: replacement water.

Current Text: Introduced: 2/17/2017 <u>Text</u>

Status: 2/19/2017-From printer. May be heard in committee March 21.

Is Urgency:

Summary: Would deem a person that causes or permits, or threatens to cause or permit, any waste to be discharged that contributes to the exceedance of the maximum contaminant level for nitrate in drinking water to not have caused pollution or a nuisance or to not be liable for negligence or trespass, as specified, if the person or entity takes certain actions relating to replacement water until the maximum contaminant level for nitrate is no longer exceeded. Laws: An act to add Chapter 5.1 (commencing with Section 13366) to Division 7 of the Water Code, relating to water quality.

Position Priority
Out for Analysis B. Watch

SB 80 (Wieckowski D) California Environmental Quality Act: notices.

Current Text: Amended: 2/14/2017 Text

Last Amend: 2/14/2017

Status: 3/9/2017-Set for hearing March 29.

Is Urgency: N

Summary: The California Environmental Quality Act requires the lead agency to mail certain notices to persons who have filed a written request for notices. The act provides that if the agencys offer to provide the notices by email, upon filing a written request for notices, a person may request that the notices be provided to him or her by email. This bill would require the lead agency to post those notices on the agency's Internet Web site. The bill would require the agency to offer to provide those notices by email. Because this bill would increase the level of service provided by a

local agency, this bill would impose a state-mandated local program.

Laws: An act to amend Sections 21092.2, 21092.3, 21108, and 21152 of the Public Resources Code, relating to environmental quality.

Position Priority
Out for Analysis B. Watch

**SB** 146 (Wilk R) Water resources: permit to appropriate: application procedure.

Current Text: Amended: 2/17/2017 <u>Text</u>

Last Amend: 2/17/2017

Status: 3/7/2017-Set for hearing March 28.

Is Urgency: N

Summary: Current law allows interested persons to file a written protest with regard to an application to appropriate water and requires the protestant to set forth the objections to the application. Current law declares that no hearing is necessary to issue a permit in connection with an unprotested application, or if the undisputed facts support the issuance of the permit and there is no disputed issue of material fact, unless the board elects to hold a hearing. This bill, if the State Water Resources Control Board has not rendered a final determination on an application for a permit to appropriate water within 25 years from the date the application was filed, would require the board to issue a notice and provide an opportunity for protests before rendering a final determination, with specified exceptions.

Laws: An act to add Section 1305 to the Water Code, relating to water resources.

Position Priority
Watch B. Watch

Notes 1: ACWA opposed

<u>SB 210</u> (<u>Leyva</u> D) Pupil health: drinking water. Current Text: Introduced: 2/1/2017 Text

Current Analysis: 03/08/2017 Senate Education (text 2/1/2017)

Status: 3/8/2017-VOTE: Do pass as amended, but first amend, and re-refer to the Committee on [Environmental

Quality]
Is Urgency: N

Summary: Would require a school district that has drinking water sources with drinking water that does not meet the United States Environmental Protection Agency drinking water standards for lead or any other contaminant to close access to those drinking water sources, to provide alternative drinking water sources, as specified, and to notify specified persons if the school district is required to provide those alternative drinking water sources. By imposing additional duties on pupil schools and school districts, this bill would impose a state-mandated local program. Laws: An act to add Section 32246 to, and to add Article 13 (commencing with Section 49580) to Chapter 9 of Part 27 of Division 4 of Title 2 of, the Education Code, and to amend Section 116276 of the Health and Safety Code, relating to public health.

Position Priority
B. Watch

SB 224 (Jackson D) California Environmental Quality Act: baseline conditions.

Current Text: Introduced: 2/2/2017 <u>Text</u> Status: 2/16/2017-Referred to Com. on EQ.

Is Urgency: N

Summary: Would prohibit the lead agency, in determining the baseline physical conditions by which a lead agency determines whether a project has a significant effect on the environment, from considering the effects of certain actions on the environment.

Laws: An act to amend Sections 21080, 21100, and 21151 of the Public Resources Code, relating to environmental quality.

Position Priority
Out for Analysis B. Watch

SB 231 (Hertzberg D) Local government: fees and charges.

Current Text: Introduced: 2/2/2017 <u>Text</u> Status: 3/8/2017-Set for hearing April 5.

Is Urgency: N

Summary: Articles XIIIC and XIIID of the California Constitution generally require that assessments, fees, and charges be submitted to property owners for approval or rejection after the provision of written notice and the holding of a public hearing. Current law, the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with Articles XIIIC and XIIID of the California Constitution and

defines terms for these purposes. This bill would define the term "sewer" for these purposes. The bill would also make findings and declarations relating to the definition of the term "sewer" for these purposes.

Laws: An act to amend Section 53750 of, and to add Section 53751 to, the Government Code, relating to local government finance.

Position Priority
Watch B. Watch

<u>SB 252</u> (<u>Dodd</u> D) Water wells.

Current Text: Amended: 3/13/2017 Text

Last Amend: 3/13/2017

Status: 3/13/2017-From committee with author's amendments. Read second time and amended. Re-referred to Com.

on N.R. & W. Is Urgency: N

Summary: Current provisions of the California Constitution declare the policy that the water resources of the state be put to beneficial use to the fullest extent of which they are capable, that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of these waters is to be exercised with a view to the reasonable and beneficial use of the waters in the interest of the people and for the public welfare. Current law establishes various state water policies, including the policy that the use of water for domestic purposes is the highest use of water. This bill would require, in an action alleging liability for interference with a well used primarily for domestic use, reasonableness of each party's beneficial use of water to be determined through consideration of specified factors.

Laws: An act to amend Section 13751 of, to add Sections 106.1 and 10729.4 to, and to add Article 5 (commencing with Section 13807) to Chapter 10 of Division 7 of, the Water Code, relating to groundwater.

Position Priority
Out for Analysis B. Watch

<u>SB 623</u> (<u>Monning</u> D) Safe and Affordable Drinking Water Fund.

Current Text: Introduced: 2/17/2017 <u>Text</u> Status: 3/2/2017-Referred to Com. on EQ.

Is Urgency: N

Summary: Current law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the board. By creating a new continuously appropriated fund, this bill would make an appropriation.

Laws: An act to add Chapter 4.6 (commencing with Section 116765) to Part 12 of Division 104 of the Health and Safety Code, relating to drinking water, and making an appropriation therefor.

Position Priority
Out for Analysis B. Watch

SB 740 (Wiener D) Onsite treated water.

Current Text: Introduced: 2/17/2017 <u>Text</u> Status: 3/9/2017-Referred to Com. on EQ.

Is Urgency: N

Summary: Would require the State Water Resources Control Board, in consultation with other state agencies, to adopt regulations, as specified, for a comprehensive risk-based framework to assist local jurisdictions in developing a program for the oversight and management of onsite treatment of water for nonpotable use. The bill would require the regulations to be flexible to adapt to new water sources, end uses, and advances in approaches and methodologies to estimate the risk of onsite water treatment to public health.

Laws: An act to add Article 8 (commencing with Section 13558) to Chapter 7 of Division 7 of the Water Code, relating to water quality.

Position Priority
Out for Analysis B. Watch

Total Measures: 28

Total Tracking Forms: 28



#### **DISCUSSION ITEM**

March 20, 2017

**TO:** Board of Directors

FROM: Public Affairs & Legislation Committee

(Directors Dick, Tamaribuchi and Yoo Schneider)

Robert Hunter Staff Contact: Heather Baez

General Manager

SUBJECT: UPDATE ON REQUEST FOR MWDOC TO CONVENE A WORKING

**GROUP TO OBTAIN FEDERAL FUNDING** 

#### STAFF RECOMMENDATION

Staff recommends the Directors review and discuss the proposal as presented and direct staff to next steps as required.

## **COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

#### **BACKGROUND**

At last month's PAL meeting, Chuck Gibson, President of the Board of Directors at Santa Margarita Water District recommended to the MWDOC Board for MWDOC to work collaboratively with its member agencies, with MWDOC taking the lead in providing a person or persons of expertise in the area of obtaining federal grants and low interest loans for the various programs available as part of the Water Infrastructure Improvements for the Nation (WIIN) passed December 5, 2016. Within WIIN are several opportunities for agencies looking to obtain federal funds for local and regional infrastructure projects specifically;

- Water Resources Development Act (WRDA) of 2016 (Title I),
- Water and Waste Act of 2016 (Title II)
- Natural Resources (Title III)
- Water Infrastructure Finance and Innovation Act (WIFIA, Title IV).

Budgeted (Y/N): No	Budgeted Amount: None in FY 16/17		Core	Choice		
Action item amount:		Line item:				
Fiscal Impact (explain if unbudgeted): Unknown at this time						

The Board directed staff to explore various options and return to the Board.

#### PROGRESS FROM LAST MONTH

At last month's PAL meeting, the Board had an open discussion reviewing the current status of obtaining grant funds and exploring options moving forward.

It was noted by SMWD Director Chuck Gibson that South Orange County is in a different situation as they rely heavily on imported water and are consistently looking for new sources of water supply. Because of this, he believes that MWDOC member agencies need someone to assist in facilitating a working group with agencies interested in pursuing local, state, and federal loans and grants that would fund projects for new local water sources to supply the region. In addition, he would like MWDOC's member agencies to work together more collaboratively – coordinating on federal issues and have MWDOC work as a "clearinghouse" function to share what its member agencies are doing in Washington D.C. so that we are all working together to promote and advance the needs of the region as a whole.

Last month, MWDOC staff presented two options for the Board to consider: hiring an inhouse staff person to be a grants coordinator, or hiring an outside firm. While no decision was made, direction was given to staff to explore hiring an outside firm that specializes in grant funding. Two initial proposals have been solicited by staff so that estimated costs can be worked into the budget process.

The decision of hiring an outside grants firm, and an additional MWDOC staff person to help coordinate D.C. issues, or both, is now part of the budget process and was discussed at the most recent A&F Committee. In addition, this proposal will be included in the budget discussion at the MWDOC member agency general managers meeting in March.



## **DISCUSSION ITEM**

March 20, 2017

TO: Board of Directors

FROM: Public Affairs & Legislation (PAL) Committee

(Directors Tamaribuchi, Dick & Yoo Schneider)

Robert Hunter Staff Contact(s): Hilary Chumpitazi

**General Manager** 

**SUBJECT: Update on the California Council for Environmental and Economic** 

Balance (CCEEB) and the Association of Metropolitan Water Agencies

(AMWA) Memberships

#### STAFF RECOMMENDATION

Staff recommends to the Board of Directors that MWDOC continue the memberships and active participation in both the California Council for Environmental and Economic Balance (CCEEB) and the Association of Metropolitan Water Agencies (AMWA).

## **COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

## **REPORT**

MWDOC subscribes to 35 organizations on an annual basis at a proposed subscription cost of \$142,682 (FY2017-18 First Draft Budget, Exhibit D – Proposed District Participation Costs). Two organizations account for approximately one-third of this proposed budget total: CCEEB and AMWA. As part of the budget process the Board of Directors has requested an update on MWDOC's participation in both organizations which differ significantly in their organization, mission and operation.

## **CCEEB**

The California Council for Environmental and Economic Balance is a non-profit, non-partisan coalition of industry, labor and public leaders with the mission to make economic-environmental balance a reality inn California. CCEEB works through a series of projects

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

and MWDOC participates in the California Environmental Dialogue (CED) group and in particular the Long View Committee. This committee meets bi-monthly and works through sustained, confidential dialogue with the state's top environmental leaders and regulators to develop innovative policy solutions. For example the February meeting focused on the upcoming state permanent water efficiency regulations with participation by senior State Water Board and Department of Water Resources staff. CCEEB committee members include representatives of major corporations, utilities, university and research institutions and environmental groups. MWDOC has been working with CCEEB and CED staff to initiate discussion and ultimately a support position for the California WaterFix and California EcoRestore programs. Active discussion of these two critical programs are expected to begin in the next few months and continue throughout the next fiscal year. This activity is an important component of MWDOC's overall effort to advance these programs which are critical for Southern California and Orange County.

## **AMWA**

The Association of Metropolitan Water Agencies is a Washington, DC based organization focused on national legislative and regulatory policy and development with a fulltime professional staff of eight. AMWA's staff is actively engaged on a daily basis with the management and staff of the different water-related regulatory agencies (e.g., U.S. Environmental Protection Agency, U.S. Army Corps of Engineers, U.S. Department of the Interior) and the members, staff and committees of both the U.S. House of Representatives and Senate. AMWA also has standing appointments on a number of the national working groups which propose, review, and advise these agencies on developing and proposed regulations. AMWA represents the largest publicly owned drinking water systems in the United States. Member representatives are the general managers and CEOs of these large water systems. AMWA is governed by a 20-member Board of Directors which includes MWDOC GM Hunter. AMWA typically has four meetings per year which include three board meetings. In addition to these quarterly meetings, AMWA provides valuable communication with its members through weekly, monthly and bi-monthly briefings, newsletters and reports including the Monday Morning Briefing, the Water Utility Executive newsletter, the Congressional Report, the Regulatory Report and the Sustainability & Security Report. AMWA also manages the Water Information Sharing and Analysis Center (WaterISAC) system for the U.S. Environmental Protection Agency. WaterISAC was authorized by Congress in 2002 and was created to keep drinking water and wastewater utility managers informed about potential threat and risks to the nation's water infrastructure from all hazards, such as intentional contamination, terrorism and cyber-crime, and to provide knowledge about response, mitigation and resilience. MWDOC's active participation in AMWA has facilitated an "insiders" involvement in critical developments such as the WIFIA, WINN and State Revolving Fund Programs. There will be a large number and wide range of issues this fiscal year including possible and fundamental changes to regulatory programs and funding for EPA, legislative proposals to overhaul science-based procedures, tax deduction aspects of municipal bonds, Endangered Species Act and fishery agency modifications, "Buy American" rules, and drinking water regulations for new contaminants. Participation in AMWA provides MWDOC with relevant, current water utility specific information, full access to a water-dedicated staff in Washington, DC, and inside access to regulatory and legislative activities and staff.

#### SAMPLE REPORTS ATTACHED



## Monday Morning Briefing: March 13, 2017

## Drones, Lead and Energy Efficiency Among New Topics at Policy Conference

The program of AMWA's 2017 <u>Water Policy Conference</u> continues to expand with timely issues of concern to drinking water systems. Reps. Dan Kildee (D-Mich.) and Jerry McNerney (D-Calif.) join a host of lawmakers confirmed to address the meeting, to be held March 26-29 in Washington, D.C. A panel focusing on the threat to water system assets from unmanned aerial vehicles is also on tap.

Rep. Kildee represents Flint, Michigan in Congress, and last year he helped secure \$100 million in federal infrastructure assistance to aid Flint's recovery from its water crisis. He also helped shape a new law that strengthened rules requiring prompt public notification when communities become aware of serious public health risks related to lead in drinking water.

Rep. McNerney, a member of the House Environment Subcommittee, has supported legislation that seeks to improve the energy efficiency of water and wastewater systems, and recently joined the House Climate Solutions Caucus, a bipartisan group of lawmakers dedicated to finding common ground on how to respond to global climate change.

An expert panel will discuss possible threats to water assets from drones, also known as unmanned aerial vehicles (UAVs). Water suppliers are increasingly concerned about risks of contamination, surveillance and sabotage delivered

by UAVs. The panel will include DC Water's Patti Lamb and representatives of Federal Aviation Administration, the Department of Homeland Security and the Washington Regional Threat Analysis Center. Panelists will address UAV detection and countermeasures as well as flight exclusion zones, such as those planned for five U.S. dams.

The conference is less than two weeks out, so make your plans and <u>register</u> today.

## Senator Offers Subseasonal Forecasting Bill

Legislation introduced in the Senate last week aims to improve seasonal and subseasonal weather forecasts from the National Oceanic and Atmospheric Administration (NOAA). S. 570, the Weather Research and Forecasting Innovation Act, is virtually identical to a bill approved in January by the House of Representatives (H.R. 353).

Sponsored by Senate Commerce, Science and Transportation Committee Chairman John Thune (R-S.D.), the bill would:

- Authorize \$26.5 million for use by NOAA and the National Weather
   Service to create "usable, reliable, and timely subseasonal and seasonal forecasts":
- Establish collaboration programs through which the Weather Service will work with private sector and academic partners to improve tornado warnings and hurricane forecasts; and
- Reform NOAA's satellite procurement efforts and require the agency to assess the private sector's capabilities to provide weather data.

The House version of the bill unanimously passed that chamber in January – a good omen suggesting that the Senate bill could receive similar bipartisan support. Sen. Thune's position as chair of the Commerce Committee also suggests the bill could be placed on a fast track for passage in the Senate.

## GOP Advances Bills to Overhaul EPA Science Procedures

The House Science and Technology Committee last week approved a pair of bills that would revamp EPA's handling and evaluation of the scientific re-

search that forms the basis of agency regulations, putting the proposals on track for consideration by the full House of Representatives in the coming weeks.

Each proposal passed the committee largely along party lines, with Republicans <u>praising</u> heightened scrutiny for EPA's scientific methods and Democrats <u>criticizing</u> what they see as "misguided" proposals that will hamstring EPA's ability to develop new regulations.

H.R. 1430, the Honest and Open New EPA Science Treatment (HONEST) Act, would prohibit EPA from proposing or making final any regulation that is not based on science determined to be "transparent or reproducible." To meet this test, EPA would have to make all underlying data available online for "independent analysis and substantial reproduction of research results."

The second bill (H.R. 1431, the EPA Science Advisory Board Reform Act) would overhaul membership requirements for EPA's Science Advisory Board. The bill would mandate that at least ten percent of the Board's membership come from state, local or tribal governments and would allow corporate interests to serve on the Board after disclosing possible conflicts of interests. Any current recipient of an EPA grant would be ineligible for the Board.

Similar versions of both measures won House approval in 2014 and 2015 before dying in the Senate. While House passage of both is likely again this year, the measures would still face a likely Democratic filibuster in the upper chamber.

# Illinois' Duckworth Named Top Democrat on Senate Water Subcommittee

Freshman Illinois Senator Tammy Duckworth will serve as the ranking Democrat on the Senate <u>Fisheries</u>, <u>Water</u>, and <u>Wildlife Subcommittee</u>, the subpanel of the Environment and Public Works (EPW) committee with direct oversight of the Safe Drinking Water Act and the Clean Water Act.

The announcement came earlier this month when Senate Democratic leaders unveiled their full roster of EPW subcommittee members. Joining Duckworth on the Water Subcommittee are fellow Democratic Sens. Ben Cardin (Md.), Sheldon Whitehouse (R.I.), Jeff Merkley (Ore.), Kirsten Gillibrand (N.Y.), Cory

Booker (N.J.) and Ed Markey (Mass.). Senate Republicans <u>released</u> their full EPW subcommittee rosters in February.

A former member of the House of Representatives, Duckworth was elected to the Senate in November. As a member of the House Duckworth <u>proposed</u> legislation last year that would have established a new federal grant program requiring public water systems to monitor water in schools for lead, while also offering funds to help schools offset costs associated the replacement of lead pipes and plumbing fixtures with lead-free alternatives.

Sen. Duckworth plans to continue combating lead in drinking water as the top Democrat on the Fisheries, Water, and Wildlife Subcommittee.

"We have a moral obligation to make sure our children's drinking water is clean and safe," Duckworth said in a <u>statement</u>. "I will do everything I can to ensure our water systems aren't poisoning our children."

# Next Installment of Water Resources Dashboard Webinar Series to Highlight Precipitation Data

NOAA will host a webinar on March 29 to provide an overview of a component of the <u>Water Resources Dashboard</u>. The dashboard and the related webinar series are the products of collaboration by AMWA, NOAA, and several water sector organizations.

The March 29 webinar, titled "Precipitation 'B': Model Analysis and Guidance," will run from 1:00 to 1:30 p.m. EDT and will focus on the precipitation data available through the Model Analysis and Guidance data set. NOAA staff will explain the tool and a representative from Sanitation District 1 of Northern Kentucky will discuss how the data is used at the utility level. Interested individuals can register online.

## This Week In Congress

The White House is expected to send President Trump's first budget request to Capitol Hill this week, a move that will formally kick off the FY18 budget process. For weeks rumors have circulated about reports that the budget will call for more than \$50 billion cuts to nondefense domestic discretionary spending – which could translate into an EPA funding cut of as much as 25

percent. Congress and the public will get their first look at the details of President Trump's plan on Thursday.

Also on Thursday, a House subcommittee will hold a <u>hearing</u> on investment in the nation's drinking water. Baltimore Department of Public Works Director Rudy Chow is scheduled to testify on behalf of AMWA. Additionally, the full House is scheduled to consider a pair of Veterans' Affairs reform bills, while the Senate will vote on President Trump's nominee for administrator of the Centers for Medicare and Medicaid Services.

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<u>info@amwa.net</u> | <u>privacy policy</u>



The WIFIA program accelerates investment in our nation's water infrastructure by providing long-term, low cost supplemental loans for regionally and nationally significant projects. The WIFIA program was established by the Water Infrastructure Finance and Innovation Act of 2014.

#### ELIGIBILITY

#### Eligible borrowers

- · Local, state, tribal, and federal government entities
- · Partnerships and joint ventures
- Corporations and trusts
- Clean Water and Drinking Water State Revolving Fund (SRF) programs

# WIFIA can fund development and implementation activities for eligible projects

- Wastewater conveyance and treatment projects
- Drinking water treatment and distribution projects
- Enhanced energy efficiency projects at drinking water and wastewater facilities
- Desalination, aquifer recharge, and water recycling projects
- Acquisition of property if it is integral to the project or will mitigate the environmental impact of a project
- A combination of eligible projects secured by a common security pledge or submitted under one application by an SRF program

#### FUNDING AVAILABILITY

EPA announces WIFIA funding availability and application process details in the Federal Register and on its website.

#### IMPORTANT PROGRAM FEATURES

\$20 MIL

Minimum project size for large communities.

\$5 MIL

Minimum project size for small communities (population of 25,000 or less).

49%

Maximum portion of eligible project costs that WIFIA can fund.

35 YEARS

Maximum final maturity date from substantial completion.

5 YEARS

Maximum time that repayment may be deferred after substantial completion of the project.



Interest rate will be equal or greater to the US Treasury rate of a similar maturity.



Projects must be creditworthy.

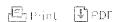


NEPA, Davis-Bacon, American Iron and Steel, and all federal cross-cutter provisions apply.

<b>\$EPA</b>		STAY IN TOUCH			
	0	WEBSITE: www.epa.gov/wifia	~	EMAIL: wifia@epa.gov	
		To sign-up for announcements about the WIFIA program, visit https://public.govdelivery.com/accounts/USAEPAOW/subscriber/new			
		and select "Finance and Funding."		Page 40 of 101	



Home » Water Utility Executive » Water Utility Executive: January-February 2017



## Water Utility Executive: January-February 2017

UFI Renamed INSIGHT: Record Participation Yields Robust Database February introduction of results includes dashboard, webinar. READ FULL ARTICLE

AMWA Welcomes New Members
Utilities in California, North Carolina join association.
READ FULL ARTICLE

AMWA Launches 2017 Awards Program with Updated Criteria

June deadlines announced for three management recognition programs.

**READ FULL ARTICLE** 

Updated EUM Primer Released

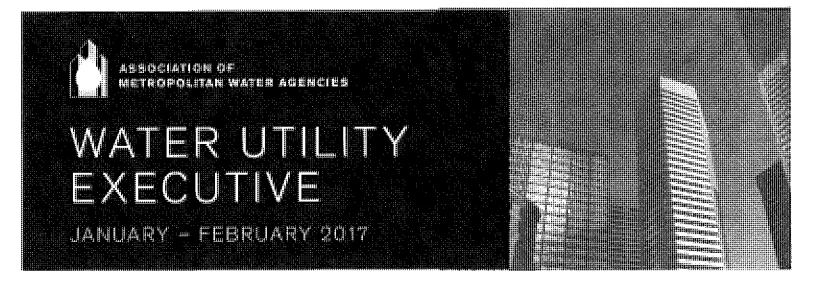
Handbook reflects 2016 changes to popular management framework.

READ FULL ARTICLE

Politico "Founding Father" Mike Allen to Open AMWA Policy Conference

Administration officials, Congressional leaders also confirmed as speakers.

READ FULL ARTICLE



# Special Edition: 2016 Financial Survey Results

# UFI Renamed INSIGHT: Record Participation Yields Robust Database

decade after its inception, AMWA's Utility
Financial Information (UFI) initiative has a new
name: INSIGHT. The rebranding comes with
the release of the data and analyses of the 2016 UFI
survey, which attracted record participation by AMWA
members.



INSIGHT
was designed
specifically for the
largest drinking
water utilities
across the United
States to provide
comparable data
on a wide range
of financial topics.

This fifth biennial survey was conducted between September and December 2016 and officially closed with 117 utilities taking part, an increase of 15 percent over the 2014 survey.

Raftelis Financial Consultants, Inc. (RFC) assisted in executing the survey and has analyzed the raw data. Several key analyses are provided in this issue. RFC notes that trending analyses presented are not based on the same group of utilities from survey to survey, but their intent is to indicate potential trends for the industry as a whole.

These selected snapshots demonstrate the breadth and depth of possible analyses and represent a wide variety of data for comparison. It is, however, only a small fraction of the analyses possible. The full INSIGHT database was released on February 16 for use by all 2016 survey participants and is available for download from the AMWA website.

AMWA also launched a new INSIGHT dashboard to make the utility financial information more accessible to members. This innovative visualization application was created to help utility executives more quickly access and better understand the wealth of intelligence in the INSIGHT database.

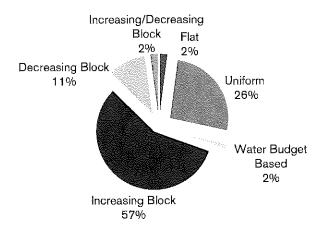
And, on February 23 at 2:00 p.m. ET, AMWA will host a webinar featuring RFC representatives who will present key findings and trends from the 2016 data and will demonstrate how the dashboard can be a valuable management tool for water executives. The webinar will be recorded and made available on AMWA's INSIGHT webpage.

### Data Analyses

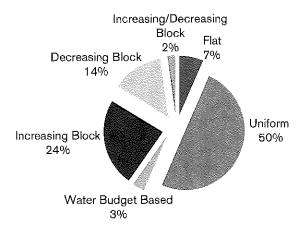
## 1. Utility Rate Structure

The majority of responding utilities use increasing block rate structures (57%) for residential customers, with uniform structures (26%) being the second most common structure. For those responding utilities with distinct charges for commercial customers, uniform rates were most common (50%) followed by increasing block structures (24%).

#### Residential Rate Structure



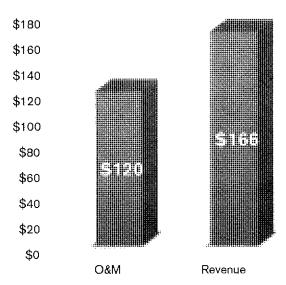
#### **Commercial Rate Structure**



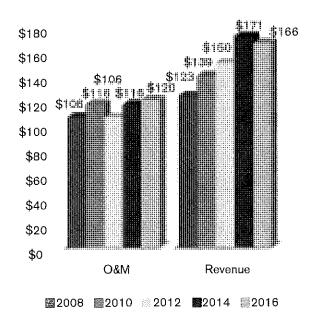
# 2. Operating Costs and Revenue

For the responding utilities, revenue per capita declined slightly from 2014 and O&M costs per capita increased slightly. Overall, the results were very similar to 2014 results. These results may indicate that utilities are experiencing growth in their services areas, as many utilities have had to increase their operating expenses, rates and overall revenue recovery during the past two years to continue providing sustainable service. Thus, to keep these metrics at similar levels, the denominator, or total customers, must also have increased.

# Median Operating Costs and Revenue per Capita

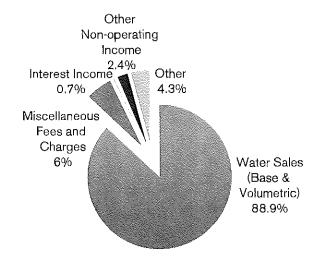


# Median Operating Costs and Revenue per Capita



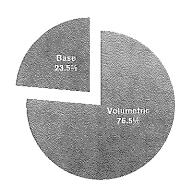
### 3. Water Revenue

#### Average Percentages of Water Revenue



Nearly 89% of a utility's water revenue is generated from base and volume charges while approximately 6% is collected from miscellaneous charges, interest income, etc. Also of interest are the proportions of water sales, which are recovered from base and volumetric charges. Generally, base charges provide more stable revenues but afford the customer less control over their bill, whereas volumetric revenues are often more volatile yet provide the customer incentive to consider the impacts of their usage. For the utilities that responded to this question, the average breakdown of total water sales revenue is 76.5% from volumetric and 23.5% from base, or fixed, charges.

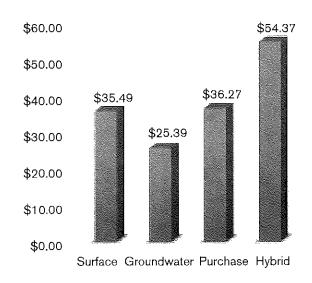
#### Average Breakdown of Water Sales Revenue



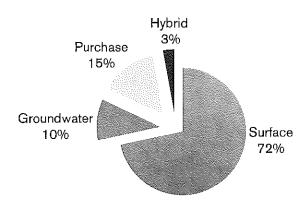
## 4. Water Source

In 2016, when considering water sources and median customer bills, utilities using a hybrid approach yielded the highest customer bill, whereas utilities utilizing more groundwater tended to produce lower customer bills. The median monthly bill is based on 10 hundred cubic feet (Ccf) or approximately 7,480 gallons. To classify utilities, it was assumed the utility must obtain over 75% of its water from the particular source to fall in the respective category. If there is no predominant source, the utility is classified as hybrid.

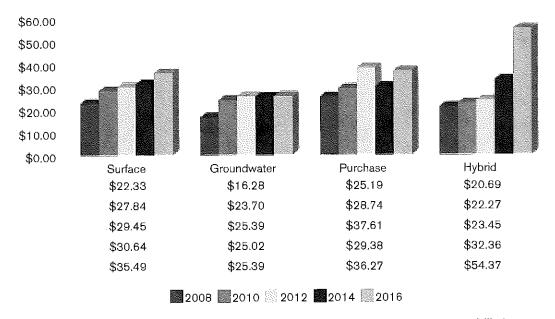
#### Impact of Water Source on Median Customer Bill



#### Percentage of Utilities by Water Source



#### Impact of Water Source on Median Customer Bill

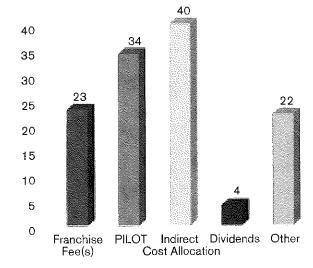


The results of the trending analysis for the impact of water source on the median customer bill show consistent or stable customer bills from 2010 for utilities on groundwater. For utilities using surface, purchased and hybrid water sources, utilities experienced significant increases in residential customer bills from 2014 to 2016.

# 5. Budgeted Transfers

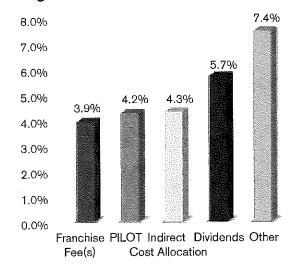
Many utilities must include transfers to governing municipalities in their overall revenue requirements. PILOTs (payments in lieu of taxes) and indirect cost allocations are the most prevalent types of transfers.

Number of Utilities with Type of Transfer



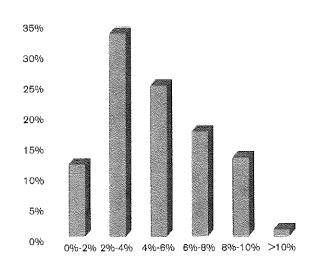
While dividends appear to be the second most sizeable type of transfer, only four responding utilities included dividend payments. Consequently, though not insignificant, this type of transfer is less representative of the responding utilities.

#### Average % of Transfers of Total O&M



### 6. Previous Rate Increases

#### Percentage of Utilities with Average Annualized Rate Increases Since 2006



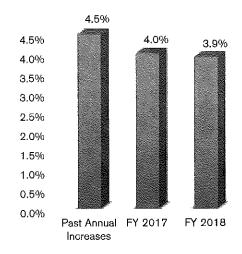
#### Median Average Annualized Rate Increase = 4.5%

The chart indicates the distribution of the average annual rate increases experienced by utilities from 2006 to 2016. Note that the responses were collected as the cumulative increases over this time period and for this analysis, the average annualized increases were calculated for the ten-year period. The distribution centers on 2 to 4% per year increases with the modal response indicating the increase in the 4 to 6% range. While the typical annual increases have been in the 2 to 4% range, there is a significant amount of variability from year to year. Some utilities may have no increase for five years and then increase rates 15%, while others may consistently increase rates 3% per year over that same five-year period.

## 7. Previous and Projected Future Rate Increases

In the 2016 survey, responding utilities indicated enacted rate increases that were less than past annual increases. This is similar to the trend observed in the 2014 survey.

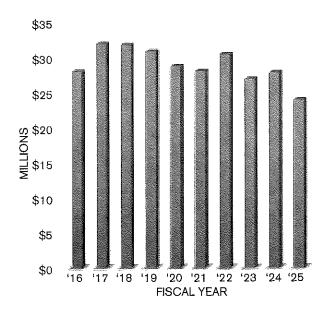
#### Median Past vs. Median Future Rate Increases



## 8. Capital Improvement Costs

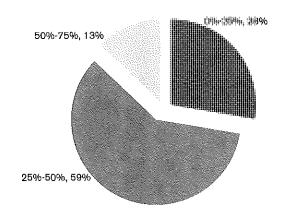
This chart indicates consistency in projected capital improvement program (CIP) expenditures in the nearterm, but increasing volatility in the long-term, as forecasting becomes less comprehensive. Note that the median utility is projected to spend around \$27 million per year or \$270 million over the 10-year period, which is \$2 million per year higher than the 2014 results. This indicates that utilities may be forecasting higher future CIP budgets.

#### Trend of Median Projected CIP Costs



# Ratio of Capital Cost to Total Budgeted Costs

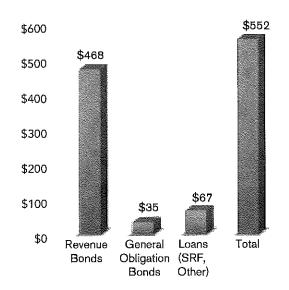
#### Capital Spending % of Total Budget



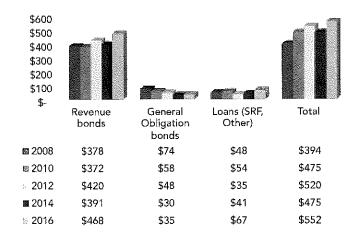
This data shows that more than half of the utilities that responded earmarked 25 to 50% of their budget for capital projects or payments.

## 10. Utility Debt

#### Median Debt per Capita



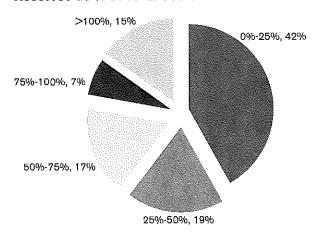
#### Median Debt per Capita (by Survey Year)



Revenue bonds are the primary means of funding for capital projects. General obligation bonds and loans account for only a small percentage of capital funding used by utilities. In general, median debt per capita appears to be increasing, and that trend continues in 2016.

# 11. Utility Unrestricted Reserves

#### **Reserves as % of Total Costs**

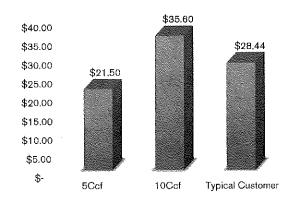


Median % = 29%

Half the utilities responded as having 29% or less of their total annual costs in unrestricted reserves. This is lower than 2014, decreased from 47%. The most common range reported was 25% or less. Though the circumstances which drive reserve policies are particular to individual utilities, 25% is generally a minimum reserve level targeted by utilities.

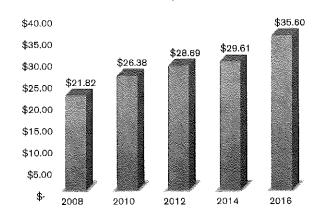
## 12. Customer Monthly Bills

#### Median Customer Monthly Bill



Utilities were asked to provide the monthly bill at the level of consumption for their typical customer. The median bill at this level of consumption along with the median monthly bill at 5 Ccf and 10 Ccf are shown. The median typical customer bill implies that the median typical customer consumption is likely between 5 and 10 Ccf. The median bill at 10 Ccf has steadily increased over the past five surveys as depicted below.

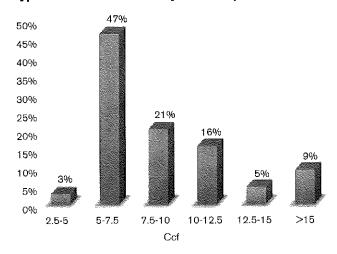
#### Median Customer Monthly Bill (10 Ccf)



# 13. Typical Customer Consumption

While 10 Ccf (7,480 gallons) is an often-used level of consumption to represent the typical customer within the industry, the reality is that the "typical" customer and their respective level of consumption vary from utility to utility. Pricing, local conservation efforts, availability of water and many other factors influence the customers' consumption. The results of the survey show that the median level of consumption among typical customers is 7.5 Ccf (5,610 gallons), and that 68% of utilities have typical customer consumptions between 5 and 10 Ccf.

#### Typical Customer Monthly Consumption



At www.amwa.net/insight, utilities that participated in the 2016 survey can access the new INSIGHT database and dashboard.

### AMWA Welcomes New Members

AMWA is pleased to welcome as new members Santa Margarita Water District of Rancho Santa Margarita, Calif., represented by General Manager Daniel R. Ferons, and Cape Fear Public Utility Authority of Wilmington, N.C., represented by Executive Director James R. Flechtner.

## WATER UTILITY EXECUTIVE

# AMWA Launches 2017 Awards Program with Updated Criteria

n February, all eligible AMWA members were invited to apply for recognition in the association's 2017 awards programs: the Gold Award for Exceptional Utility Performance, the Platinum Award for Utility Excellence and the Sustainable Water Utility Management Award. The application forms for the Gold and Platinum Awards were updated this year to reflect changes made in 2016 to the Effective Utility Management (EUM) framework on which the awards criteria are based.

Winners will be recognized at AMWA's 2017 Executive Management Conference in St. Simons, Georgia, October 15-18. The deadline for submitting Gold Award applications is June 16, the Platinum Award deadline is June 23 and Sustainability Award applications are due by June 30, 2017.

Additional information is available online at www.amwa.net/awards.

# Updated EUM Primer Released

In January, an update to the popular and widely used Effective Utility Management (EUM) Primer was issued by EPA, AMWA and other EUM collaborating organizations. The updated Primer incorporates changes made to the EUM framework in 2016 to reflect developments in the operating context of water sector utilities in the past decade. It provides water leaders with a common sense, replicable and proactive way to meet a broad range of complex challenges facing water utilities today. The utility leadership group that undertook the update included AMWA members John Sullivan of Boston Water and Sewer Commission, Kathryn Sorensen of Phoenix Water, Barry Gullet of Charlotte Water and Frank Roth of Albuquerque Bernalillo County Water Utility Authority.

The EUM Primer is found online at www.amwa.net/effective-utility-management.

# Politico "Founding Father" Mike Allen to Open AMWA Policy Conference



Mike Allen Executive Editor Axios

Water utility leaders attending AMWA's 2017 Water Policy Conference in Washington, D.C. March 26-29 will benefit from the insights of one of the nation's top political insiders. **Mike Allen** – former Chief Political Correspondent of Politico and now Executive Editor of the new national media company Axios – will be the opening speaker for the event.

Administration officials will provide perspectives on the progress of key agencies, including EPA, the U.S. Army Corps of Engineers, the Bureau of Reclamation and the Department of Homeland Security. **Peter Grevatt**, Director of EPA's Office of Ground Water and Drinking Water, will share the latest information on the agency's drinking water programs and timetables, and a panel of top WIFIA staff members will provide an overview on implementation of the Water Infrastructure Finance and Innovation Act.

On hand to share their views and plans on the national legislative agenda will be members of Congress including **Sen. Ben Cardin** (D-Md.) of the Senate Environment and Public Works Committee, as well as **Reps. John Shimkus** (R-III.) and **Paul Tonko** (D-N.Y.), leaders of the House Energy and Commerce Subcommittee on the Environment, and **Rep. Robert Gibbs** (R-Ohio) of the House Subcommittee on Water Resources and the Environment.

Register online at www.amwa.net/2017WPC.



LEADERS IN WATER

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#### Home » Water Utility Executive

The Water Utility Executive is AMWA's bimonthly publication about utility management issues, as well as trends from both inside and outside the water sector that impact or influence water management and executive leadership.

Water Utility Executive: January-February 2017

- Special Edition: 2016 Financial Survey Results
- · AMWA Welcomes New Member
- Updated EUM Primer Released
- Politico "Founding Father" Mike Allen to Open AMWA Policy Conference

#### **READ FULL ISSUE**

Water Utility Executive: November-December 2016

- Inspiration, Insights Are Key Takeaways from Management Conference
- AMWA Officers and Board Members Elected
- Deadline Nears for AMWA 2016 Financial Survey
- Water Utilities, Industry Leaders Honored in Award Ceremonies
- DC Water Issues Nation's First Environmental Impact Bond
- Water Utility Challenges of Declining Populations
- Public Participation Guide
- AMWA Welcomes New Member

#### READ FULL ISSUE

Water Utility Executive: September-October 2016

- AMWA Launches 2016 UFI Survey, Plans Dashboard for New Database
- · 2017 Leadership Center Dates Confirmed, New Location Set
- Member Inquiry Results Available in New Format

- U.S. Homeowners' Liability from Sea Level Rise Estimated at \$882B
- Companies Respond to Water Risk at Data Centers
- Crumbling Infrastructure, Lead Problems Cited as Bottled Water Looks to Outsell Soda in 2016
- NOAA Administrator To Keynote Management Conference

#### READ FULL ISSUE

#### Water Utility Executive: July-August 2016

- Water Leaders to Convene in Scottsdale
- 2016 UFI Survey Updated for September Launch
- Join Second Annual Value of Water Advocacy Day
- WaterSense Celebrates 10 Years with 1.5 Trillion Gallons of Water Savings
- ASCE Report Estimates Cost of Lagging Infrastructure Investment
- WRF Offers Rate Change Communication Resources
- DoE Reports on Integrated Management for the Water-Energy Nexus
- Forecast: Municipal Utilities Will Invest \$532 Billion in Water Infrastructure by 2025
- · AMWA Welcomes New Member and Subscriber

#### **READ FULL ISSUE**

#### Water Utility Executive: May-June 2016

- EPA Spotlights Water Utility Customer Assistance Programs
- Save the Date: 2016 Executive Management Conference: October 16-19, 2016
- EPA's McCarthy Sees "Second Wave" for Public Health and Environment
- Proposed SRF Investment Would Create 500,000 Jobs: WEF/WateReuse
- San Francisco PUC Issues Certified Climate Bond
- EPA Outlines Proposed WIFIA Loan Application
- Steps Outlined for National Drinking Water Action Plan
- WRF Updates Residential End Use Study
- AMWA Welcomes New Member

#### **READ FULL ISSUE**

#### Water Utility Executive: March-April 2016

- White House Recognizes AMWA for Work on Important Water Initiatives
- Spotlight on Infrastructure Funding, Lead Solutions at Water Policy Conference
- Review Panel Identifies EUM Framework Updates
- Value of Water Coalition Releases National Poll, Plans Infrastructure Week
- It's Time to Start Your Application for AMWA's 2016 Management Awards
- UIM to Host Water Finance Conference in Denver
- AMWA 2016 Financial Survey Planned for Fall
- AMWA Welcomes Subscribers

#### **READ FULL ISSUE**

#### Water Utility Executive: January-February 2016

- Rothenberg to Open 2016 Water Policy Conference
- International Forum Celebrates Water/Climate Progress, Envisions Future
- · White House Launches Water Innovation Strategy
- Nation's Largest Seawater Desal Plant Dedicated
- WIFIA Fix Could Lower Borrowing Costs for Utilities
- · Fed Rate Hike Impact on Municipal Bond Market
- AMWA Welcomes New Members

#### READ FULL ISSUE

#### Water Utility Executive: November - December 2015

- Nashville's Potter Chosen to Lead AMWA
- Water Leaders Convene for AMWA Conference
- Drinking Water Utilities Recognized For Management Excellence
- International Forum Takes Resiliency to a New Level
- Applications Due for 2016 Leadership Center
- · AMWA Welcomes New Member

#### **READ FULL ISSUE**

Water Utility Executive: Special Edition: Climate Change: September - October 2015

- · Administration's Climate Action Plan Aims for International Leadership
- International Water Forum Spotlights Progress on Climate Adaptation and Mitigation
- Stakes Are High for UN Climate Conference
- Climate Toolkit Is a Growing Online Resource
- · AMWA Welcomes New Member and Subscribers
- · Water Utilities Invited to Provide Ideas to Update EUM Framework
- Join Your Colleagues in Savannah

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Water Utility Executive: July - August 2015

- Utilities Join National Campaign: Imagine a Day Without Water
- Utility Management Solutions Are Central to Conference Agenda
- WaterSense Hits One Trillion in Water Savings
- ASCE Issues "Game Changers" Report on Infrastructure Innovation
- · Green Bond Sales Slow
- Industry Survey Identifies Top Water Issues
- · AMWA Welcomes New Members
- · Value of Water Coalition Unveils New Toolkit
- · GE Issues Policy Paper on Recycling, Reusing Water

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### Congressional Report: February 2017

New Report Details Value of Tax-Exempt Municipal Bonds

AMWA-NACWA study indicates billion of dollars in savings nationwide for water systems.

**READ FULL ARTICLE** 

Bills Propose Permanent "Buy American" Rules for DWSRF

Democratic lawmakers suggest permanent iron and steel restrictions for drinking water projects.

READ FULL ARTICLE

Lawmaker Targets EPA's Risk Management Plan Revisions for Repeal

Congressional Review Act could invalidate new rules for chemical storage facilities.

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Pair of GOP Bills Propose Dismantling EPA

Proposals lack paths forward even with Republicans in control of Congress.

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Energy and Commerce Committee Aims to Eliminate Waste, Promote Growth

Oversight plan calls for examination of SDWA health advisories. READ FULL ARTICLE

House Democrats Identify SDWA Reform Priorities

Expanded regulatory authority, IST reviews form wide-ranging proposal.

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House Lawmaker Offers DWSRF Reauthorization Proposal

Measure promises billions for water infrastructure, lead replacement.

READ FULL ARTICLE

Congressman Prods EPA on Chromium-6

Nonbinding resolution calls for new standards, tax breaks for affected persons.

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Senate EPW Panel Fills In Subcommittee Assignments

Sen. Boozman of Arkansas to chair panel with drinking water oversight.

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Home » Congressional Report » Congressional Report: February 2017 » New Report Details Value of Tax-Exempt Municipal Bonds

# New Report Details Value of Tax-Exempt Municipal Bonds



Congressional Report: February 2017

Eliminating tax-exempt municipal bonds would increase water and wastewater infrastructure financing costs by \$16 billion nationwide over a typical 30-year repayment period, according to a new estimate developed by AMWA and the National Association of Clean Water Agencies (NACWA).

The latest figures represent an update to a report on the value of tax-exempt municipal bonds that AMWA and NACWA originally developed in 2013. The newly updated data goes into greater depth by estimating not only nationwide financing cost increases in the absence of tax-exempt municipal bonds, but also the expected cost increases for each state where tax-exempt bonds were issued to fund water or wastewater infrastructure improvements in 2016 or another recent year.

According to the latest findings, communities nationwide issued nearly \$38 billion worth of tax-exempt municipal bonds to finance the cost of water, sewer and sanitation infrastructure projects in 2016. Standardizing these issuances by assuming uniform \$50 million projects with 30-year loan maturities and "AA" credit ratings, fully taxing municipal bond interest would increase communities total debt service costs by \$16 billion – an increase of 25 percent over the expected debt service costs with tax-exempt municipal bond interest.

AMWA and NACWA developed these figures ahead of an anticipated congressional debate this year on comprehensive tax reform. Congressional leaders have indicated a desire to "flatten" the tax code by reducing or eliminating a range of tax breaks and exemptions – a policy that could put tax-exempt municipal bond interest at risk.

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#### **Latest News**

- Senators Call for Drinking Water Regulations for Four Contaminants Mar 7,
   2017
- EPW Democrats Set Subcommittee Rosters Mar 7, 2017
- GOP Lawmaker Seeks to Narrow "WOTUS" Definition Mar 2, 2017
- AMWA Signs Letter to Congress Supporting Municipal Bonds Mar 1, 2017

#### Congressional Report: February 2017

- New Report Details Value of Tax-Exempt Municipal Bonds
- · Bills Propose Permanent "Buy American" Rules for DWSRF
- Lawmaker Targets EPA's Risk Management Program Revisions for Repeal
- · Pair of GOP Bills Propose Dismantling EPA
- · Energy and Commerce Committee Aims to Eliminate Waste, Promote Growth
- Congressman Prods EPA on Chromium-6
- · House Democrats Identify SDWA Reform Priorities
- Senate EPW Panel Fills In Subcommittee Assignments

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#### Congressional Report: January 2017

- 115th Congress Convenes in Washington
- Bill Would Apply "Buy American" to All Federal Infrastructure Spending
- Senate Democrats Propose \$110 Billion in New Water and Wastewater Funding

- · Senators Round Out EPW Committee Roster
- · Reps. Shimkus, Tonko Return at Helm of Environment Subcommittee
- House Approves NOAA Research Bill
- House Legislation Proposes Streamlining Reclamation Environmental Reviews

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- 114th Congress Concludes with Passage of WRDA, Funding Extension
- WRDA Deal Authorizes LSL Grants, Allows WIFIA Application Fee Financing
- · Southeastern Water Dispute Sidetracks Weather Forecasting Bill
- Conservative Lawmaker Seeks Repeal of Obama Rules

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Congressional Report: November 2016

- Trump, Congress Could Cooperate on Water Infrastructure
- Elections Bring Only Minor Changes to Capitol Hill
- GOP Leaders Punt FY17 Spending Decisions to Spring
- Fate of WRDA Uncertain As Congress Heads into Final Stretch
- · Lawmakers Offer Two New Lead Bills

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Congressional Report: October 2016

- AMWA Calls For WIFIA Funding in Final WRDA Bill
- House Panel Releases New Video Touting Tax Reform Plan
- EPA to Continue WIFIA Information Sessions Through Mid-November
- · Reviewers Sought for Draft State Affordability Guides
- Democrats Poised for Election Day Gains

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#### Congressional Report: September 2016

- · Congress Extends Government Funding, Departs for Campaign Trail
- · Senate Approves WRDA Bill with WIFIA Funds, Lead Provisions
- WRDA Provision Would Allow Utilities to Finance WIFIA Application Fee
- House Passes WRDA Bill After Reaching Flint Deal
- House Panel Reverses Course on WIFIA Fee Amendment
- SDWA Overhaul Legislation Offers Easier Path to Contaminant Regulation, Expanded Vulnerability Assessments for Utilities
- House Bill Offers Funding to Promote School Water Testing

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#### Congressional Report: August 2016

- Competing Visions Separate Two Party Platforms
- · AMWA Urges No WaterSense Eligibility for Water Softeners
- · Senate Eyes Mid-September for WRDA Vote
- Decisions Ahead on FY17 Spending Plans

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#### Congressional Report: July 2016

- Much Work Undone as Congress Departs for Summer Break
- AMWA Requests Preservation of Tax-Exempt Municipal Bonds
- House Approves EPA Spending Bill With DWSRF, WIFIA Increases
- House Democrats Call For SDWA Reforms
- Senate Bill would Permanently Apply "Buy American" Rules to DWSRF
- New Bills Aim to Help Schools Address High Lead Levels
- · Lead in Water Fears Hit Capitol Hill

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#### Congressional Report: June 2016

- House Committee Approves EPA Spending Bill with DWSRF, WIFIA Increases
- Senate Panel Approves EPA Spending Bill with DWSRF Boost, Near-Level CWSRF Funding

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- FY17 Water Infrastructure Funding Summary
- AMWA Urges Senate Vote on WRDA Bill
- Tax Reform Blueprint Hints at Muni Bond Changes
- Senators Seek Moratorium on Water Conservation Rebate Taxes
- Congress Approves TSCA Reform Legislation

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#### Congressional Report: May 2016

- Senate Panel Backs WRDA Bill With New Lead Programs, Flint Aid Package
- DWSRF, WIFIA Receive Boost in FY17 Spending Bill
- House Democrats Request Faster Action on Lead and Copper Revisions
- House Bill Would Lower Lead Action Level to 5 PPB
- New Water Trust Fund Proposal Takes Aim at International Business Profits
- · House Approves Cyber Preparedness Bill
- · House Republicans Add Drought Relief Bill to Energy Legislation
- Water Sector Urges Coordination Between Army Corps and Local Communities
- Pesticide Permitting Bill Passes House on Second Try

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#### **Robert Hunter**

From: AMWA National Office <info@amwa.net>

**Sent:** Tuesday, March 07, 2017 7:36 AM

To: Robert Hunter

Subject: AMWA's Regulatory Report: January - February 2017

Importance: Low



### January - February 2017

Reminder: AMWA posts new sustainability, security, legislative and regulatory articles online throughout the month. Be sure to login often to <a href="https://www.amwa.net">www.amwa.net</a> to see the most current articles.

## Executive Order Establishes New Regulatory Reform Task Forces

A February 24 Executive Order (EO) from President Trump directs federal regulatory agencies to designate a Regulatory Reform Officer (RRO) to establish and oversee Regulatory Review Task Forces to...

## Stream Protection Rule Blocked

In what is widely regarded as a nod to coal state supporters and a loss for source water protection, President Trump signed legislation repealing the Stream Protection Rule on February 16. The...

# Iowa Supreme Court Rules Against Des Moines Water Works in Agricultural Runoff Case

The Des Moines Water Works (DMWW) was dealt a setback in its pursuit to hold agricultural drainage districts liable for costs associated with removal of nitrates and other pollutants found in runoff...

### Action on Flint Class Action Lawsuits Continues at Fast Pace

On January 30, over 1,700 Flint, Michigan residents filed a new lawsuit in the U.S. District Court in Michigan seeking class action status to recover damages stemming from lead contamination in Flint...

## **Executive Order Aims to Limit Regulatory Costs**

A new Executive Order , signed by President Trump on January 30 seeks to establish a zero net cost threshold for the promulgation of any new federal regulations. To achieve this goal, the Order...

### And More...

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#### LEADERS IN WATER

Association of Metropolitan Water Agencies 1620 I Street, NW, Suite 500, Washington, DC 20006 202.331.2820, amwa.net © 2017 AMWA



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Home » Regulatory Report » Regulatory Report: January - February 2017 » Executive Order Aims to Limit Regulatory Costs

# Executive Order Aims to Limit Regulatory Costs

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Regulatory Report: January - February 2017

A new Executive Order, signed by President Trump on January 30 seeks to establish a zero net cost threshold for the promulgation of any new federal regulations. To achieve this goal, the Order requires that "Unless prohibited by law, whenever an executive department or agency (agency) publicly proposes for notice and comment or otherwise promulgates a new regulation, it shall identify at least two existing regulations to be repealed."

While the overall intent of the Order is clear and in line with the Trump administration's promises to curtail the cost and impact of regulations from the full spectrum of federal agencies, many details of its applicability and implementation are less certain. As part of the order, the Director of the Office of Management and Budget is tasked with developing guidance that will establish the actions qualifying as new and offsetting regulations as well as processes for estimating and comparing regulatory costs. AMWA staff will continue to monitor the implementation of the Order as well as the guidance development process to get further clarity on potential impacts on specific drinking water regulatory processes.

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#### Latest News

Clean Water Rule Blocked by Executive Order - Mar 1, 2017

Regulatory Report: January - February 2017

- Executive Order Establishes New Regulatory Reform Task Forces
- Stream Protection Rule Blocked
- Iowa Supreme Court Rules Against Des Moines Water Works in Agricultural Runoff Case
- Action on Flint Class Action Lawsuits Continues at Fast Pace
- Executive Order Aims to Limit Regulatory Costs
- EPA Updates Human Health Benchmarks for Pesticides
- Executive Order Calls for Expedited Environmental Reviews
- EPA Initiates Peer Review of Lead Modeling Approaches
- EPA Updates Drinking Water Section of Protective Action Guide Manual
- Lead Service Line Replacement Collaborative Launches Website, Toolkit
- Lead Free Requirements Rule Proposed by EPA

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Regulatory Report: November - December 2016

- EPA Office of Water Closes Out New Year with Release of Risk Management Plan Rule, Six-Year Review Revisions
- EPA Administrator Signs Final UCMR4 Pre-Publication Version Posted
- Trump Selects Scott Pruitt to Head EPA
- NDWAC Meets in Washington, D.C.
- White House Unveils Recommendations on Science and Technology for Safe Drinking Water

- EPA Issues Final Drinking Water Action Plan
- EPA Finalizes Fourth Contaminant Candidate List
- EPA Issues Clarification on PFOA/PFOS Health Advisories
- EPA Releases New Tools and Resources Targeting Cyanotoxins
- Waterkeeper Alliance Files Notice of Intent to File Lawsuit Under SDWA
- EPA Releases EJ 2020 Action Agenda

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#### Regulatory Report: August - October 2016

- EPA Releases New White Paper Outlining Potential LCR Revisions
- District Court Approves Perchlorate Consent Decree
- GAO Report Looks at Water Utility Challenges in the Face of Declining Populations
- New EPA Memorandum Provides Additional Clarifications on LCR Interpretation
- EPA Office of Inspector General Issues Management Alert on Emergency Orders
- New Website Launched to Evaluate Drinking Water Compliance Data
- EPA Launches New Drinking Water Data Reporting Portal
- · EPA Issues Technical Advisory for PFOA Analysis
- Call to Action Asks States to Renew Emphasis on Water Quality
- EPA Seeks Comment on Revised Perchlorate Model
- EPA Releases Scientific Literature Review of Legionella Control Technologies
- New Environmental Working Group Report Puts Chromium-6 Back in the Spotlight

#### **READ FULL ISSUE**

#### Regulatory Report: June - July 2016

- American Academy of Pediatrics Releases Policy Statement on Lead
- EPA Posts Primacy Agencies' Letters on LCR Compliance
- CDC Launches New System for Tracking Harmful Algal Blooms
- EPA Releases Proposed Protective Action Guide for Drinking Water Following Radiological Incidents
- AMWA Meets with Top EPA Officials to Discuss More Efficient SDWA Implementation
- USGS Releases New Interactive Mapping Tool to Assess Long-Term Water Quality Trends

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#### Regulatory Report: April - May 2016

- Health Advisory Levels Established for PFOA and PFOS
- AMWA Raises Questions on Risk Management Program Rule Revisions
- Summary of WPC Lead Roundtable Discussion
- AMWA Commits Support for Reducing Exposure to Lead in Drinking Water
- Source Water Collaborative Releases New Online Tool: Source to Tap
- AMWA Joins Coalition in Calling for Full Funding for Water Monitoring Efforts

#### **READ FULL ISSUE**

#### Regulatory Report: February - March 2016

- EPA Releases Updated OCCT Recommendations
- Flint Water Advisory Task Force Issues Final Report
- EPA Releases Updated National Rivers and Streams Assessment
- Governors Urge Increased Action on PFOA Concerns
- AMWA Sends Letter to EPA on Lead Recommendations
- EPA Proposes Risk Management Program Updates
- New Study Shows Impacts of Discontinuing Flouridation
- Water Groups Speak Out on Flint Emergency
- EPA Releases DWMAPS A New Online Mapping Tool
- NRDC Files Perchlorate Lawsuit

#### **READ FULL ISSUE**

#### Regulatory Report: December 2015 - January 2016

- · White House, EPA Boost Federal Response for Combatting Lead in Flint
- AMWA Endorses Better Federal Messaging on Household Medication Disposal
- EPA Delays Final Regulatory Determination for Strontium
- NRDC Gives Notice of Perchlorate Lawsuit
- UCMR4 Proposal Published in Federal Register

#### **READ FULL ISSUE**

#### Regulatory Report: October - November 2015

- EPA Administrator Signs UCMR4 Proposal
- NDWAC Set to Send Lead and Copper Recommendations to EPA Administrator
- EPA Releases Algal Toxin Strategic Plan
- New Leadership for EPA's Office of Water
- EPA Releases Draft Legionella Literature Review
- Sixth Circuit Grants Stay of Clean Water Rule Nationwide
- · EPA Finalizes Effluent Limitation Guidelines For Power Plants

#### READ FULL ISSUE

#### Regulatory Report: August - September 2015

- · Clean Water Rule Court Battles Continue
- EPA Administrator Signs Proposed Pharmaceutical Waste Rule
- AMWA Offers Comments at EPA Algal Toxin Listening Session
- EPA Finalizes Rule Updating NPDES Discharge Reporting Requirements
- EPA Publishes Final 2014 Effluent Guidelines Program Plan

#### **READ FULL ISSUE**

#### Regulatory Report: June - July 2015

- Final Clean Water Rule Published, Legal Challenges Begin
- NDWAC Lead and Copper Working Group Holds Final In-Person Meeting
- Revised Underground Storage Tank Regulations Finalized
- EPA Finalizes Health Advisories and Guidance for Cyanotoxins
- Draft Assessment of Fracking Impacts on Drinking Water Resources Released
- EPA Finalizes Environmental Justice Guidance

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## Sustainability & Security Report: February 2017

**EPA Publishes New Sampling Guidance** 

New guidance document addresses utilities, responders and laboratories.

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**DHS Highlights Threats From Drones** 

New webpage provides overview of aerial threats to critical infrastructure.

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**DHS Offers Active Shooter Workshops** 

March workshops train employees to promote survival.

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Power Losses Impeded Gatlinburg Wildfire Response

Outages at pumping stations contributed to intermittent water supplies.

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FEMA Seeks National Advisory Council Members
FEMA searches for outside experts to advise agency.
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Republican Elder Statesmen Offer Carbon Tax Plan at White House Meeting
Opponents request their own White House audience.
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Researchers Simulate Ransomware Attack on Water Sector (UPDATED)

Georgia Tech researchers develop malware to target PLCs.

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NOAA Releases New Sea Level Rise Projections
Updated projections reflect regional factors.
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EPA Releases Smart Growth Guide

New document provides guidance on green infrastructure and planning policies.

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EPA's Adaptation Resource Center Available Online Web-based tool helps communities develop adaptation plans.

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AMWA Comments on Global Change Report

AMWA offers feedback on climate science most relevant to members.

#### **READ FULL ARTICLE**

AMWA Members Receive National Recognition

Members from Washington and Colorado Honored By Harvard's

John F. Kennedy School of Government.

READ FULL ARTICLE

Research Brings Green Bond Market Into Focus
Opportunities Exist But Must Be Approached Carefully.
READ FULL ARTICLE

Energy Subcommittee Holds Hearing on Cyber Threats "Human frailties" remain a persistent vulnerability for systems.

READ FULL ARTICLE

Executive Order Calls for Expedited Environmental Reviews

President's order applies to "high priority infrastructure projects." READ FULL ARTICLE



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Contact

# **Executive Order Calls for Expedited Environmental Reviews**

Dariet Pept

Sustainability & Security Report: February 2017

A January 24 Executive Order from the White House calls for expedited environmental reviews of infrastructure projects subject to federal review or approval. To qualify for an expedited review, the project must qualify as "high priority" based on review by the Chairman of the White House Council on Environmental Quality (CEQ). A review can be initiated by the Chairman or by the request of either an executive department head or a governor.

Evaluation criteria include "importance to the general welfare, value to the Nation, environmental benefits, and such other factors as the Chairman deems relevant." Once a project is identified as high priority, the CEQ Chairman is tasked with coordinating efforts with the reviewing agencies to ensure it is given the highest priority and meets all applicable deadlines.

Drinking and wastewater infrastructure projects are not specifically named as examples that could qualify for expedited reviews under the Executive Order. However, it appears that such projects could qualify under the listed evaluation criteria, as it applies to "all infrastructure projects." The Executive Order was officially published in the Federal Register on January 30.

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# **Latest News**

- AMWA Kicks Off Innovation Series Mar 3, 2017
- New Cybersecurity Report Based on Hacker Input Mar 2, 2017

# Sustainability & Security Report: February 2017

- EPA Publishes New Sampling Guidance
- · DHS Highlights Threats From Drones
- DHS Offers Active Shooter Workshops
- Power Losses Impeded Gatlinburg Wildfire Response
- FEMA Seeks National Advisory Council Members
- Republican Elder Statesmen Offer Carbon Tax Plan at White House Meeting
- Researchers Simulate Ransomware Attack on Water Sector (UPDATED)
- NOAA Releases New Sea Level Rise Projections
- EPA Releases Smart Growth Guide
- EPA's Adaptation Resource Center Available Online
- AMWA Comments on Global Change Report
- AMWA Members Receive National Recognition
- · Research Brings Green Bond Market Into Focus
- Energy Subcommittee Holds Hearing on Cyber Threats
- Executive Order Calls for Expedited Environmental Reviews

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# Sustainability & Security Report: January 2017

NIST Releases Updated Cybersecurity Framework Draft

- Confirmation Hearing Held for DHS Nominee General John Kelly
- · Groups Offer Boards Recommendations for Cyber Risk Oversight
- Blueprint for One Water Released
- · U.S. EPA Amends Risk Management Plan Rule
- City of Boston Releases Climate Readiness Report
- Pruitt, Zinke Have Confirmation Hearings
- EPA Publishes Drinking Water Contamination Thresholds for Radiological Emergencies
- EPA Releases Guidance for Emergency Sampling and Analysis
- "No Evidence" of Chemical Attack Plot Against German Water Infrastructure

# **READ FULL ISSUE**

# Sustainability & Security Report: December 2016

- In Report Update, Federal Agencies Reaffirm Commitment to Strengthen Climate Resilience
- NOAA Releases Water Initiative Five Year Plan
- DHS Publishes Guidance for Dams Sector Cybersecurity
- Roadmap Urges Federal Actions to Support Local Climate Resilience
- FEMA Region IX and Nevada to Host February Workshop on Disaster Prep and Recovery
- Report Addresses Post-Disaster Private Sector Access Issues
- Lessons Learned from the Rebuild by Design Program
- Kresge Foundation Publishes Report on State of Practice of Climate Adaptation in U.S. Communities

#### **READ FULL ISSUE**

# Sustainability & Security Report: November 2016

- "Climate Mayors" Ask President-elect to Embrace Climate Action
- EPA's Regional Water Teams Support States and Utilities During Emergencies
- Webinar: Strengthening Flood Resilience through Integrated Water Management
- OMB Report Assesses Fiscal Risks of Climate Change
- NASA Launches NOAA Satellite That Will "Revolutionize" Weather Forecasting
- DHS Paper Provides Recommendations for Securing the Internet of Things
- White House Announces Resilience Opportunities Report

- AMWA Urges FEMA to Coordinate in Implementing the Federal Flood Risk Management Standards
- EPA to Host Webinar Series on Financing Disaster Recovery and Resilience Mitigation

# **READ FULL ISSUE**

# Sustainability & Security Report: October 2016

- Bureau of Reclamation Submits 2016 SECURE Water Act Report to Congress
- Synthesis Report on Conversations of Integrated Information and Services for US Water Information Released
- President Signs Executive Order to Prepare the Nation for Space Weather
- Climate Bonds Initiative Releases Water Climate Bonds Standard Criteria
- EPA Webinar to Feature Resilience Preparedness Tools
- Report Highlights Cities' Work on Climate Adaptation and Mitigation
- Paris Climate Agreement Ratified By International Community

#### **READ FULL ISSUE**

# Sustainability & Security Report: September 2016

- White House Announces Partnership for Resilience and Preparedness (PREP)
- New Presidential Memorandum Requires Climate Change Consideration in National Security Activities
- National Academies Seeks Nominations for Committee To Review Special Report on Climate Change Science
- EPA Publication Highlights Case Studies in Green Infrastructure
- FEMA Proposes Rule to Implement Federal Flood Risk Management Standard
- U.S. EPA Releases Communication System Design Guidance for Water Quality Surveillance and Response Systems

#### **READ FULL ISSUE**

# Sustainability & Security Report: August 2016

- Water Loss Control Workshop for the Great Lakes Region Scheduled for September 22
- AMWA to Host Discussion On the Green Bond Market at Fall Conference
- EPA Offers Webinar on Community Preparedness for a Loss of Water and Wastewater Services
- Starter Guide on Natural Disaster Hazard Mitigation Available from EPA
- New National Water Model "A Game-Changer" for Predicting Floods, Says NOAA
- USGS Announces Availability of New Downscaled Climate Model Dataset
- CREAT Climate Scenarios Projections Map Updated
- EPA Creates Streamlined Climate Resilience Awareness Tool With CREAT
   3.0
- EPA Releases Climate Change Indicators Report
- State of the Climate Report Says 2015 Was Another Record-Breaking Year
- WARN Program Updates and Accomplishments Report Available
- Study Identifies Sections of the Grid Vulnerable to High Temperatures and Population Change
- White House Releases Final Guidance for Considering GHG and Climate Change Impacts in NEPA Reviews
- Public Health Surveillance Resources for Contamination Detection Available
- · Sea Level Rise a Danger for Norfolk, Va. Area

#### READ FULL ISSUE

## Sustainability & Security Report: July 2016

- AMWA Comments on EPA's Multi-Sector Urban Resilience Tool
- AMWA Urges USGCRP to Continue with Subregional and Cross-Sector Analyses in Next National Climate Change Assessment
- Water Resources Dashboard Webinar Scheduled For August 10
- Annotated Outline for Next National Climate Assessment Released for Comment
- Impact of Population Shifts on Critical Infrastructure: Summary Report from DHS
- AMWA Submits Comments on Proposed Update of National Action Plan for Managing Freshwater Resources in a Changing Climate
- Presidential Panel Advises Government on Improving Water Sector Resilience
- National Academies' Water Science and Technology Board Releases
   Study on Beneficial Use of Graywater and Stormwater

#### **READ FULL ISSUE**

# Sustainabililty & Security Report: June 2016

- FEMA Releases Updated National Planning Frameworks
- DHS, Police Chiefs Release Bomb Threat Training Video
- White House, Canada, Mexico Announce North American Climate, Clean Energy, and Environment Partnership
- WaterISAC to Host Webinar on Defending Against Network Attacks with the Cyber Kill Chain
- National Hurricane Center Will Issue Potential Storm Surge Flooding Maps During 2016 Storm Season
- EPA Announces Application Period for Climate Leadership Awards
- EPA Publishes Brief on Agency's Drought Resilience and Water Conservation Initiatives
- In Comments to EPA, AMWA Recommends Overhaul of Draft Hydraulic Alteration Document
- DHS Releases Updated National Threat Advisory
- WaterISAC Completes Two-Part Webinar on Workplace Attacks and Active Shooter Preparedness
- · EPA Launches Online Adaptation Case Study Information Exchange
- DHS Estimates Damages from Future Earthquake Along the Hayward Fault
- EPA Tool Helps Utilities Estimate Costs and Consequences of a Water Emergency
- Report Says Costs Associated With Hurricane Damage Will Rise, Impacting Federal Budget
- 37 Cities Announced as Final Additions to 100 Resilient Cities Program

#### READ FULL ISSUE

# Sustainability & Security Report: May 2016

- Workplace Attacks Webinar by WaterISAC June 8 and 15
- Federal Agencies Update National Action Plan for Managing Freshwater Resources in a Changing Climate
- DOD Sea Level Rise Report Analyzes Threat to Military Sites Worldwide
- · Ransomware Mitigation: Preparation, Prevention and Response
- FBI and DHS Publish Information on Ransomware Attacks
- DHS Identifies Top 30 High Risk Cyber Vulnerabilities
- FEMA Shares 2016 Hurricane Seasonal Preparedness Digital Toolkit
- DHS Releases Reference Guide and Potential Impacts to Critical Infrastructure from Wildfires in 2016

- Updated Water Sector Plan on Security and Resilience Released
- California Updates Drought Regulations to Acknowledge Continuing Drought and Conservation Ethic
- Purchasers' Guide to Cyber Insurance Provides Overview of Products and Market
- EPA Webinar to Explain Purpose of Draft Report, Protecting Aquatic Life from Effects of Hydrologic Alteration

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# **ACTION ITEM**

April 19, 2017

**TO:** Board of Directors

FROM: Public Affairs Legislative Committee

(Directors Dick, Tamaribuchi and Yoo-Schneider)

Robert Hunter Staff Contact: Heather Baez

General Manager

SUBJECT: H.R. 1269 (LaMalfa, R-CA) – Sacramento Valley Water Storage and

**Restoration Act** 

#### STAFF RECOMMENDATION

Staff recommends the Board of Directors take a support position on H.R. 1269 and send a letter to the bill's author(s) and members of the Orange County Congressional delegation.

# **COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

#### **BACKGROUND**

H.R. 1269, introduced on March 1, 2017, would direct the Secretary of the Interior to take actions to support non-Federal investments in water infrastructure improvements in the Sacramento Valley – specifically the Sites Reservoir. The bill authorizes the federal government to be involved in construction of the project should it be found feasible.

In addition, H.R. 1269 authorizes the Secretary of the Interior to execute and implement a long-term agreement between the United States and the Sites Project Authority to provide for the coordination of operations of the Central Valley Project and the Sites Project to:

- help meet any unmet needs for Sacramento Valley in-basin water uses;
- help meet any unmet needs of existing Central Valley Project repayment and water service contracts; and

Budgeted (Y/N):	Budgeted a	mount:	Core	Choice _
Action item amount:		Line item:		
Fiscal Impact (explain if	unbudgeted	i):		

 ensure that any surplus water supplies from the Sites Project are put to full and beneficial use.

#### **ARGUMENTS IN SUPPORT**

According to the author, "The recent incident involving the Oroville Dam is testament to the fact that California needs better water infrastructure. Sites Reservoir will provide more storage per dollar invested than any other proposed project in the state. This will help to ensure that we have adequate storage to capture more water during the wet season and allow us to use that water effectively during times of future drought. Congressman Garamendi and I have long fought to secure funding for Sites Reservoir and I believe we are now closer than ever to seeing it happen."

Sites Reservoir, which would be located in Colusa and Glenn counties, is an off-stream reservoir project that will create 500,000 acre-feet of new water each year. This new water could:

- Restore operational flexibility to the entire State's water system.
- Meet the co-equal goals identified in the 2009 Delta Reform Act.
- Dedicate water for fishery and flow purposes.
- Contribute flows for Delta water quality purposes.
- Mitigate the effects of climate change.
- Contribute to the State's renewable energy goals.

#### **ARGUMENTS IN OPPOSITION**

None on file

#### **COMMENTS**

H.R 1269 is co-sponsored by Congressman John Garamendi (D-CA-3)

Full text of the bill can be found by clicking here:

https://www.congress.gov/115/bills/hr1269/BILLS-115hr1269ih.pdf)



March 20, 2017

**TO:** Board of Directors

FROM: Public Affairs and Legislation Committee

(Directors Dick, Tamaribuchi, and Yoo Schneider)

Robert Hunter Staff Contact: Heather Baez

General Manager

SUBJECT: LITTLE HOOVER COMMISSION HEARING ON SPECIAL DISTRICTS

#### STAFF RECOMMENDATION

Staff recommends the Board of Directors receive and file report.

# **COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

#### **BACKGROUND**

As reported to this Committee last year, the Little Hoover Commission is conducting a study on special districts. They held two public hearings on August 25, 2016 and October 27, 2016 and one advisory committee meeting on November 16, 2016. The August hearing provided an overview of special districts and their role in the state. The October hearing focused on special districts' climate change adaptation efforts. The November advisory committee meeting focused on how healthcare districts are rethinking their roles and relevance in an era that has favored preventative care over traditional hospital care –the original reason for the existence of California healthcare districts.

The findings of the study on special districts and final published report was expected to be published in spring 2017.

Budgeted (Y/N): n/a	Budgeted a	mount: n/a	Core X	Choice
Action item amount: No	ne	Line item:		
Fiscal Impact (explain if	unbudgeted	I):		

#### **DESCRIPTION OF THE STUDY SCOPE**

The Little Hoover Commission's website provided the description below to explain the intent of the study and a brief background:

The Little Hoover Commission is reviewing California's vast network of local governing agencies known as special districts. State government has oversight responsibilities for the formation of new districts and the operations of more than 4,500 existing local and regional districts which operate airports, harbors, cemeteries, hospitals, libraries and parks, while also providing fire-fighting and paramedic services, flood control and water delivery throughout California.

The Commission previously studied special districts in 1999 and issued a 2000 report titled <u>Special Districts: Relics of the Past or Resources for the Future?</u> The Commission's recommendations included empowering Local Agency Formation Commissions to help consolidate districts, finding ways to make special districts more transparent and accountable to the public, requiring more prudent management of their considerable financial reserves and making it tougher for special districts to simultaneously collect fees and property taxes.

The State Controller in 2014 counted 2,993 independent special districts in California run typically by elected or appointed boards with assistance of professional staffs. In 2014, these districts employed 143,180 people and paid approximately \$9.5 billion in salaries and benefits. The Controller also tallied 1,500 county-run dependent special districts, which included more than 800 county service areas, to provide fire protection, flood control, highway lighting, road maintenance and other services. The Controller reported that another 254 city-run dependent special districts provided similar specialized functions. Collectively, these districts have issued \$5.7 billion in debt since June 2015, according to the State Treasurer's office.

This proliferation of more than 4,500 limited-purpose special districts, created to provide specific services in rural and urban areas as the state grew in population and developed infrastructure during recent decades, makes special districts the most common form of government in California. In contrast, 58 counties and 482 cities provide general-purpose government throughout the state.

While the strengths of special districts include their ability to provide specific, customized services and be responsive to local customers, their challenges include low civic visibility and limited oversight.

#### RECENT ACTIVITY

Below is a report from the California Special Districts Association (CSDA) who attended the February 23, 2017 business meeting. The draft report on special districts was on the agenda for discussion, however it has not yet been released to the public.

During the Little Hoover Commission's February 23, 2017 business meeting, Commissioner Scott Barnett suggested special districts should have a sunset date.

He suggested districts should be required to hold an election every 10 years to reauthorize their existence.

The Little Hoover Commission held its business meeting in part to review a draft report on special districts, written by Commission staff following three public hearings in 2016. Commissioner Barnett participated via conference call along with Commissioners Janna Sidley and Don Perata. Commissioners attending in person included Commission Chair Pedro Nava and Vice-Chair Jack Flanigan, along with Commissioners Helen Iris Torres and Sean Varner.

Although the draft report is not available for public review, it was evident based on the discussion that Commissioner Barnett's suggestion was not included in the draft report. Commissioner Barnett made it clear that his idea was one of a "menu of options" he felt the Commission should consider. Nonetheless, he made it apparent that he would "like to start on the extreme," saying to his fellow Commissioners, "let's do something more radical."

Prior to the February 23 meeting, it was expected the Commission would take up a final report on special districts in the spring, likely at its scheduled March 23 meeting. However, following discussion by Commissioners, staff was directed to table the report and consider holding a fourth hearing on special districts in the fall.

Commissioner Barnett cited two special districts in San Diego County as reasoning for his idea, including a resource conservation district that he referred to as a "Dust Bowl" era agency and a healthcare district that now leases its hospital.

In response to Commissioner Barnett's idea, other Commissioners shared their own questions and comments relative to the potential consequences of such a proposal. It was questioned whether voters could effectively evaluate such complex decisions; and it was suggested that perhaps local oversight boards, similar to the redevelopment agency (RDA) oversight boards created to facilitate the dissolution of RDAs, could be the answer. Commissioners also questioned what the impact would be on the ability of special districts to secure and pay-down bonds for infrastructure investments. Eventually, Commissioner Torres summed up the discussion by stating, "I think we can all agree that no one is for the status quo."

#### **NEXT STEPS**

Up until the February 23 meeting, there was no indication from the Little Hoover Commission that there would be any cause for alarm for special districts – including water districts. However, in light of this revelation from the Commissioners, CSDA has set up an informational meeting to work with its members on how to best move forward. ACWA will be hosting a similar meeting/call immediately following.

The next Little Hoover Commission meeting will not be held until August or September which will give stakeholders an opportunity to consider the issues raised by the Commission and work towards a solution.



March 20, 2017

**TO:** Board of Directors

FROM: Public Affairs Legislative Committee

(Directors Dick, Tamaribuchi, and Yoo Schneider)

Robert Hunter Staff Contact: Jonathan Volzke

General Manager

SUBJECT: BOY SCOUT MERIT BADGE SPONSORSHIP

#### STAFF RECOMMENDATION

Staff recommends the Board of Directors receive and file.

#### **COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

#### **REPORT**

Directors of the Municipal Water District of Orange County (MWDOC) approved \$5,000 in the current budget to sponsor the Boy Scouts of America Soil & Water Conservation Merit Badge.

Working with the Boy Scouts Orange County Council, MWDOC staff has organized two merit-badge clinics, the first at El Toro Water District (ETWD) and the second at Orange County Water District (OCWD). According to badge requirements, Scouts must visit a water treatment or recycling center, providing an excellent opportunity for MWDOC to partner with member agencies on the merit-badge clinics.

Additional requirements including knowledge of the water cycle, water recycling and watersheds. The MWDOC program adds information about sources of water in Orange County and the importance of the California Delta/California WaterFix.

re X	Choice

The ETWD resulted in 73 Scouts earning their badges; an additional 57 Scouts earned badges at the OCWD clinic.

The next clinic – which takes about four hours – is April 1 at Irvine Ranch Water District, with a fourth scheduled for August 26 at Santa Margarita Water District. The April 1 event has 74 Scouts registered, while 83 are signed up for the August 26 clinic. An additional 112 Scouts remain on a waiting list as MWDOC works with member agencies to schedule a fifth clinic.

In a post-event survey, 73 percent of the responding participants said they would not have sought to earn the Soil & Water Conservation Merit Badge if the MWDOC badge clinic was not available.

The sponsorship has also afforded MWDOC an additional opportunity to partner with member agencies: the OC Boy Scout Council requires an adult counselor in attendance for every eight Scouts. Those counselors undergo a short training, background exam and online course.

In addition to MWDOC, OCWD, Moulton Niguel Water District, the City of San Juan Capistrano and El Toro Water District have provided merit-badge counselors for the clinics.

The Metropolitan Water District of Southern California requested a presentation on the MWDOC program earlier this year and other member agencies have requested information to sponsor the Soil & Water Conservation badge in their counties.



March 20, 2017

**TO:** Board of Directors

FROM: Public Affairs Legislative Committee

(Directors Barbre and Tamaribuchi)

Robert Hunter Staff Contact: Jonathan Volzke/Laura Loewen

General Manager

SUBJECT: Education Report

#### STAFF RECOMMENDATION

Staff recommends the Board of Directors receive and file report.

#### **COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

#### **DETAILED REPORT**

The "What About Water" high school program consists of two in class visits with a traveling scientist and a school wide Expo. The first visit covers topics including where our water comes from and water use efficiency practices. The second visit focuses on the California WaterFix. The Expo features topics as the Water Trivia Wheel, water foot printing, and water conservation pledges. The funding Agency also participates with a booth at the Expo.

Staff from Inside the Outdoors have completed the "What About Water" first visit in 13 of the selected schools. In addition, they have completed the second visit program in nine of the selected schools.

To date, staff and elected officials from the City of Anaheim, East Orange County Water District, Golden State, Moulton Niguel Water District, Santa Margarita Water District, South Coast Water District, El Toro Water District and Mesa Water District have attended the program at their respective high school. MWDOC staff has also supported the member agencies' staff at these visits.

Budgeted (Y/N):	Budgeted a	mount:	Core	Choice _
Action item amount:		Line item:		
Fiscal Impact (explain if	unbudgeted	i):		

Staff from member agencies has the opportunity to address the students during the first visit, discussing careers in the water industry or other agency-specific topics.

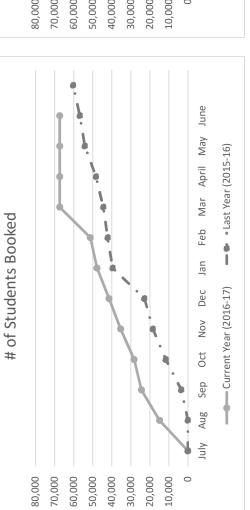
MWDOC staff had the opportunity to host staff from Metropolitan Water District of Southern California, Yvette Martinez and Adrian Hightower, at the Laguna Hills High School second visit on February 28th. Staff from Moulton Niguel WD also attended attendance. As Metropolitan staff works to publish their WaterFix curriculum, they wanted to see how the subject is taught in a classroom. They observed the Inside the Outdoors' instructors teaching the students about the WaterFix, and then the students debating the issues surrounding the project. After the program, Mrs. Martinez and Mr. Hightower offered their comments and suggestions for improvement to the ITO instructors. MWDOC staff also met with them after the visit to go over the high school water education program.

Metropolitan's Group Manager of External Affairs, Sue Sims, is scheduled to attend the program at Los Alamitos High School on March 22.

2016-17 Water Education School Program

# of Students Booked	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	Target
Last Year (2015-16)	0	0	3,446	11,640	18,417	22,873	39,556	42,137	44,405	48,304	54,149	56,782	60,274
Current Year (2016-17)	0	14,904	24,401	28,237	35,348	41,436	47,748	51,291	67,361	67,361	67,361	67,361	67,361
# of Students Taught	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	Total
Last Year (2015-16)	0	0	3,304	11,641	18,247	22,534	29,725	34,583	39,950	44,063	50,397	55,122	55,122
Current Year (2016-17)	0	1,080	1,681	9,521	13,856	19,810	27,441	37,371	45,858	53,026	60,194	67,361	67,361





# **Elementary Schools Assemblies - April**

Agency	School Name	<b>Presentation Date</b>
Huntington Beach, City of	Golden View Elementary School	4/3/2017
Moulton Niguel	Saint Anne School Laguna Niguel	4/6/2017
Garden Grove, City of	Morningside Elementary School	4/7/2017
Orange, City of	Taft Elementary	4/14/2017
Anaheim, City of	Mann Elementary School	4/17/2017, 4/18/2017
Golden State Water Company	Morris Elementary School	4/19/2017, 4/28/2017
South Coast Water District	Saint Catherine of Siena Parish	4/24/2017
San Juan Capistrano, City of	Saddleback Valley Christian School	4/27/2017
Tustin, City of	Red Hill Luterhan School	4/27/2017

What About Water? - Inside the Outdoors School Visits  Year 2 - 2016/2017									
Agency	High School	1st Visit - student	1st Visit Enrollment	2nd Visit - student	2nd Visit Enrollment	School Expo	Expo School Enrollment	Total Students	Notes
Anaheim	Anaheim High School	1/9/17	57	2/6/17	59	3/8/17			Confirmed
City of Brea	Brea Olinda High School	5/15/17		5/22/17		6/6/17			Confirmed
City of Buena Park	Buena Park High School	4/3/17		5/9/17		tbd			Confirmed
City of Fountain Valley	Harbor Learning Center	3/16/17		5/4/17					Confirmed
City of Huntington Beach	Talbert Middle School	1/11/17	241	2/24/17	242	4/7/17			Confirmed
City of San Clemente	San Clemente High School	4/10/17		4/25/17		5/3/17			Confirmed
City of San Juan Capistrano	San Juan Hills High School								Jonathan working with teacher
City of Tustin	Columbus Middle School	12/9/16	187	1/13/17	130	tbd			Confirmed
East Orange WD	Tustin High School								Foothill High teacher assisting
East Orange WD	Foothill High School	12/12/16	50	2/9/17	44	3/17/17			Confirmed
El Toro	El Toro High School	2/24/17	157	3/17/17		4/6/17			Confirmed
El Toro	Los Alisos Junior High								New administration, Sherri is assiting
Garden Grove	Pacifica High School								Sent corespondance to Principal
Golden State	Valencia High School	2/2/17	162	2/14/17	162	2/28/17			Confirmed
Golden State	Los Alamitos High School	1/31/17	29	3/22/17		tbd			Expos will be scheduled with their STEM fair
Mesa Water	Costa Mesa High School	11/9/16	53	11/18 & 1/25	72	4/24/17			Confirmed
Moulton Niguel	Aliso Niguel High School								Capo Valley teacher assisting
Moulton Niguel	Laguna Hills High School	2/21/17	20	2/28/17	20	tbd			Confirmed
Moulton Niguel	Capistrano Valley High School	2/27/17	80	3/20/17		4/17/17			Confirmed
Moulton Niguel /Santa Margarita WD	Mission Viejo High School	1/18/17	69	2/1/17	70	tbd			Confirmed
Santa Ana	Santa Ana High School	3/22/17		4/13/17		tbd			Confirmed
Santa Margarita WD	Tesoro High School	4/18/17		5/2/17		5/16/17			Confirmed
South Coast WD	Dana Hills High School	12/1/16	66	3/27/17		tbd			Confirmed
Total			1,171		799		0	0	
Teacher Workshops	MET @ OCDE	12/10/16	22					Total	
	OCDE Teacher Workshop	4/5/2017							
Student Summits	Friday Night Live HS students @ ITO	3/24/17						Total	
	Foothill and local HS	4/15/17							
	Friday Night Live middle school students @ ITO	4/29/17							
	HOLD-Girl Scout - High School	6/10/17							
						t	bd = verbal conf	irmation, pend	ing calendar dates



March 20, 2017

**TO:** Board of Directors

FROM: Public Affairs Legislative Committee

(Directors Dick, Tamaribuchi, and Yoo Schneider)

Robert Hunter Staff Contact: Jonathan Volzke

General Manager

SUBJECT: SAN JUAN CAPISTRANO UTILITIES CONSOLIDATION UPDATE

#### STAFF RECOMMENDATION

Staff recommends the Board of Directors receive and file.

#### **COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

#### **REPORT**

The City of San Juan Capistrano on February 22 withdrew from the Local Agency Formation Commission (LAFCO) Focused Municipal Services Review proceedings to turn over its water operations to another agency.

LAFCO Executive Director Carolyn Emery said the City and Santa Margarita Water District are studying operations of the City's Groundwater Recovery Plant.

Emery said she expects the consolidation issue to return to LAFCO at some point, although she did not have an estimate as to when that may occur.

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March 20, 2017

**TO:** Board of Directors

FROM: Public Affairs Legislative Committee

(Directors Dick, Tamaribuchi, and Yoo Schneider)

Robert Hunter Staff Contact: Jonathan Volzke

General Manager

SUBJECT: MARCH 30 WATER POLICY DINNER

#### STAFF RECOMMENDATION

Staff recommends the Board of Directors receive and file.

#### **COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

#### **REPORT**

Metropolitan Water District of Southern California General Manager and Chief Executive Officer Jeffrey Kightlinger is the speaker for the March 30 Water Policy Dinner, which for the first time will be held at the Great Wolf Lodge in Garden Grove.

As of March 14, 122 people had registered to attend the event. The event budget is \$20,700, with revenues expected to more than cover expenses.

The first invitation was sent out on February 17, and a reminder invitation went out on March 13.

At the event, MWDOC will also present a proclamation honoring MWDOC legal counsel Russ Behrens of Best, Best and Krieger for his years of service.

re X	Choice



March 20, 2017

**TO:** Board of Directors

FROM: Public Affairs Legislative Committee

(Directors Dick, Tamaribuchi, and Yoo Schneider)

Robert Hunter Staff Contact: Jonathan Volzke

General Manager

SUBJECT: UPDATE ON WATER SUMMIT PLANNING

#### STAFF RECOMMENDATION

Staff recommends the Board of Directors receive and file.

#### **COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

# **REPORT**

MWDOC staff continues to work with Orange County Water District on planning the June 16 OC Water Summit.

The planning committee recently signed off on the large banners that will go on stage and around the Grand Californian meeting room, highlighting the theme "Finding Water."

Confirmed speakers include:

- Fritz Coleman, NBC4 Weathercaster (emcee)
- David Sedlak, Malozemoff Professor at UC Berkeley, Co-director of Berkeley Water Center (panelist – water management)
- David Stoldt, GM of Monterey Peninsula Water Management District (panelist desal)
- Helene Schneider, Mayor of Santa Barbara (panelist desal)
- Marcie Edwards (panelist leadership)
- Jeff Kightlinger (panelist State Water Project)

Budgeted (Y/N): n/a	Budgeted a	mount: n/a	Core X	Choice
Action item amount: No	ne	Line item:		
Fiscal Impact (explain if	unbudgeted	I):		

Staff is beginning to reach out to sponsors to underwrite the cost of the Summit. The preliminary budget for the 2017 event is \$75,950. The 2016 actuals were \$68,193. The committee intends to underwrite the entire cost of the event through sponsorships.

Vice President Barbre is set to join President Osborne and Director Thomas representing MWDOC at monthly Summit planning meetings with directors and staff at OCWD, which is the lead agency for the 2017 event. The next subcommittee meeting is at 8:30 a.m. on March 27.



March 20, 2017

**TO:** Board of Directors

FROM: Public Affairs Legislative Committee

(Directors Dick, Tamaribuchi, and Yoo Schneider)

Robert Hunter Staff Contact: Heather Baez

General Manager

SUBJECT: OC LAFCO UPDATE

#### STAFF RECOMMENDATION

Staff recommends the Board of Directors receive and file.

#### **COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

#### **REPORT**

There is no regularly monthly meeting for OC LAFCO for March 2017. Instead, they will be holding a Strategic Planning Session, which is a public meeting at the Santa Ana Police Community Room from 9:00A - 1:00P on Friday, March 31, 2017. MWDOC staff will provide a summary of the planning session in April.

Budgeted (Y/N): n/a	Budgeted a	mount: n/a	Core X	Choice
Action item amount: No	ne	Line item:		
Fiscal Impact (explain if	unbudgeted	i):		

# Public Affairs Activities Report February 9, 2017 – March 8, 2017

Member Agency Relations	Heather attended the MWDOC Member Agency Managers meeting and provided a quick update on the SWRCB's decision to extend the emergency drought declaration an additional 270 days. She also provided an update on the SWRCB's regulation for retail water agencies to provide lead testing to schools that request it.
	Heather met with Jim Leach from Santa Margarita Water District to discuss upcoming legislative issues and events.
	Laura attended two OC Garden Friendly preparation meetings.
	Laura and Tiffany attended the Water Use Efficiency Workgroup meeting. Laura gave an update on Public Affairs activities. Tiffany gave a brief presentation on the Wyland Mayor's Challenge and MWDOC's break-away challenge award of a water-efficient pocket park.
	Jonathan and Laura met with MWDOC education contractors and staff from the City of San Clemente to discuss the MWDOC education programs.
	Jonathan and Laura and MWDOC education contractors made a presentation about the education programs to the South Coast Water District Board of Directors.
	Jonathan worked with Huntington Beach and Rob in preparation for Rob's presentation to the City Council to gain support for the California WaterFix. Eight agencies have endorsed the project.
	Ivan coordinated Ricki Raindrops appearance in support of South Coast Water District at the Dana Point Festival of Whales. Bryce and Ivan staffed the event.
Community Relations	Heather and Tiffany attended the Women in Water Breakfast hosted by East Orange County Water District at the Discovery Cube. The guest speaker was MWDOC Director Megan Yoo Schneider.

	Heather attended the ACC-OC Water Committee meeting with a panel that provided different views and insight on the Governor's long-term conservation framework. MWDOC's Joe Berg was one of the panelists.  Heather attended the South Orange County Economic Coalition meeting where Karl and Director McKenney were the guest speakers providing a 2017 "Drought Update."  Jonathan met with ACC-OC Executive Director Heather Stratman to discuss joint projects.
Education	Jonathan and Laura staffed the Boy Scout Soil and Water Conservation Merit Badge Clinic at OCWD. 57 Scouts earned their merit badge. Laura sent out a post-survey to the Scouts. They are also taking registration and coordinating for the April 1st clinic at IRWD.  Damon, Jonathan and Laura met with Directors Tamaribuchi
	and Yoo Schneider to discuss the proposed countywide water education program.  Jonathan and Laura hosted Yvette Martinez and Adrian Hightower, Metropolitan staff, and MNWD staff at a Laguna
	Hills high school visit.  Laura attended the Mission Viejo HS Expo with staff from MNWD and SMWD.
	Laura attended the Anaheim HS Expo with staff from Anaheim Public Utilities.
	Bryce wrote a letter of congratulations for Janet Yamaguchi, Director of Education at the Discovery Cube. Ms. Yamaguchi was awarded the National Science Teachers Association Distinguished Informal Science Education Award.
Media Relations	Jonathan wrote an article about MWDOC and OC water for the OC REALTOR magazine.
Special Projects	Bryce launched a Facebook advertising campaign for two Water Use Efficiency programs. The ads have reached over 20,000 people and sent over 600 people to the ocwatersmart.com rebates page.

Laura sent out invitations and organized the kick-off meeting for the Consumer Confidence (Water Quality) Reports.

Jonathan, Damon, Tiffany, and Bryce worked on a California WaterFix toolkit, which can be used by MWDOCs partners when discussing the WaterFix.

Bryce worked with Director Schneider to write her bio for the MWDOC Director page.

Bryce and Tiffany had conference calls with potential vendors for the MWDOC hallway display.

Jonathan shepherded the contract for Stetson Engineering to complete the CCR reports through the approval process and hosted the kick-off meeting with Laura.

Heather, Karl and John Lewis met with Supervisor Andrew Do's new Chief of Staff, Chris Wangsaporn to brief him on the OCFCD's proposed utility license fee. They also met with Supervisor Todd Spitzer's Chief of Staff, Melanie Eustice, to discuss the issue with her.

Heather staffed the WACO Planning meeting and coordinated the March WACO speaker, Jim Green from MET who gave an update on the Oroville Dam.

Heather and Laura staffed the ISDOC Executive Committee meeting.

Tiffany and Bryce are currently working on itineraries, trip logistics, guest and Director requirements for the following inspection trips:

- 1. April 7-9, Director Barbre, CRA/Hoover
- 2. May 5, Director McKenney, Diamond Valley Lake
- 3. June 23-25, Director Ackerman, CRA/Hoover

Tiffany, Bryce and Damon met with Metropolitan staff and Director Barbre for an April 7-9 CRA/Hoover trip planning meeting.

Bryce and Tiffany worked with Met on the March 5 & 6 San Jacinto Tunnel tours. Seven MWDOC guests toured the tunnel over the course of two days.

Tiffany and Damon staffed Director Barbre's February 23-25 tour of the State Water Project. The trip was a shared with Director Beard of the city of Fullerton.

Laura sent out the invitation for the ISDOC Quarterly Luncheon, and assisted in the coordination of the program.

Laura facilitated a pre-planning CCR meeting for OCWD and Stetson engineering.

Laura attended the NPDES Sub-Committee Meeting.

Laura created a Flyer for the Water Use Control Workgroup Meeting.

Laura completed and distributed the 2017 Annual Orange County Cities and Water Agencies' Directory. She is also working on the 2017 ISDOC Directory.

Tiffany and Damon met with staff at the Great Wolf Lodge to tour event facilities and discuss AV options for the March 30 Water Policy Dinner.

Tiffany and Damon participated in a conference call with Great Wolf Lodge General Manager Phil Cunningham. The discussion was focused on Mr. Cunningham speaking at the Water Policy Forum & Dinner prior to the main program, about the water-efficient accomplishments of the hotel.

Tiffany participated in a Save Our Water partner webinar.

Tiffany and Bryce participated on a conference call with LA Design Studio to discuss wireframe recommendations and navigation structure for the new website.

Tiffany and Bryce met with Matthew Conway to discuss the direction of the Landscape Assistance Program on the new MWDOC website.

Tiffany is in the process of updating the Water Reliability Study briefing paper.

Tiffany coordinated and co-led a conference call with Wyland Foundation and MWDOC member agency representatives, to discuss logistics and program participation for the 2017 Wyland National Mayor's Challenge. Also discussed was the break-away challenge in which one winning city would be

presented a pocket park by MWDOC, the Wyland Foundation and their partners. Tiffany also prepared a promotional flyer, contacted all OC Mayors and their city managers and prepared and sent a news release to MWDOC database contacts to include elected officials, PAW group and member agency general managers. Jonathan sent the news release to local media groups and Bryce posted the flyer on our social media pages.

# **Legislative Affairs**

Heather participated in the ACWA Region 10 State Legislative Committee pre-meeting call to discuss any thoughts or issues the region members may have with upcoming bills.

Heather attended the ACWA State Legislative Committee meeting in Sacramento on Feb. 10<sup>th</sup> and March 3<sup>rd</sup>.

Heather participated in MWD's Legislative Coordinators' Conference Call.

Heather, Bryce, Ivan, Laura and Tiffany made the final arrangements for the Southern California Water Issues Briefing Luncheon MWDOC co-hosts in Washington D.C. Heather ordered the food and collected the final RSVPs. Laura made all of the name tags; Tiffany designed and updated the event program, with assistance from Bryce and Ivan. It was a true team effort.

Heather attended the ACWA D.C. Legislative Conference in Washington D.C. The first panel featured policy makers: Kiel Weaver, Staff Director, House Water, Power and Oceans subcommittee, Joaquin Esquivel, Assistant Secretary for Federal Water Policy, Gov. Jerry Brown, and John Watts, Legislative Director to Sen. Dianne Feinstein. The second panel was comprised of water journalists: Reid Wilson, The Hill; Samantha Page, Center for American Progress; Ariel Wittenberg, E&E Daily, and Michael Doyle, McClatchy Newspapers. Director Tamaribuchi also attended.

Jonathan worked with contractors on the CHOICE magazine program and whiteboards, finalizing scripts and meeting with writers with Rob and Karl.

MWDOC co-hosted their annual Southern California Water Issues Briefing Luncheon with partners Eastern Municipal Water District, Inland Empire Utilities Agency, Long Beach Water Department and Western Municipal Water District.

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	Congress members Ken Calvert, Alan Lowenthal, Ed Royce, Dana Rohrabacher, and Darrell Issa attended, along with staff from Congresswoman Norma Torres's office and Congressman Raul Ruiz's office. Approximately 60 guests total attended the luncheon. The luncheon was emceed by Director Barbre with Directors Yoo Schneider and Tamaribuchi also attending.
	Heather attended ACWA's afternoon session included guests Senator Dianne Feinstein, Congressman Kevin McCarthy, Congressman John Garamendi, Congressman Doug LaMalfa, Congresswoman Nanette Barragan, Congressman Jeff Denham, Congressman Ken Calvert, and Congressman Jim Costa. Director Tamaribuchi also attended.
	Jonathan attended seminars on social media, communications tools and media at a Public Relations Society conference in Riverside.
Water Summit	Damon and Director Osborne participated in a Water Summit committee meeting with Orange County Water District representatives. Items discussed included program structure and speakers, sponsorships and budget.