

MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Jointly with the  
**PUBLIC AFFAIRS AND LEGISLATION COMMITTEE**  
April 17, 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

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

**PUBLIC PARTICIPATION**

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
  - f. Metropolitan Legislative Matrix

**ACTION ITEMS**

2. CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) CALL FOR NOMINATIONS, SEAT C
3. AUTHORIZATION TO CONTRACT FOR SOCIAL MEDIA CONSULTING SERVICES FOR CA WATERFIX & ECORESTORE CAMPAIGN
4. ADOPT LEGISLATIVE POSITIONS
  - a. AB 1667 Friedman)
  - b. AB 869 (Rubio)
  - c. AB 732 (Frazier)
  - d. AB 791, 792, 793 (Frazier)
  - e. AB 574 (Quirk)
  - f. AB 968 (Rubio)
  - g. AB 1654 (Rubio)
5. ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) POLICY STATEMENT ON BAY-DELTA FLOW REQUIREMENTS
6. RESOLUTION FOR RETIRING MET DIRECTOR ROBERT WUNDERLICH

**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.)

7. EDUCATION REPORT
  - a. Elementary
  - b. High School
8. RECAP ON WATER POLICY DINNER (MARCH 30, 2017)
9. UPDATE ON WATER SUMMIT PLANNING (JUNE 16, 2017)
10. OC LAFCO UPDATE
11. PUBLIC AFFAIRS ACTIVITIES REPORT

**OTHER ITEMS**

12. 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](mailto:jimbarker@jcbdc.com)

Nicholas Crockett  
Alia Cardwell

*Municipal Water District of Orange County, California*  
*Washington Update*  
*April 9, 2017*

This report is being written as Congress and much of Washington begins a two week recess period, known as the Spring Recess.

Washington has seen a very busy schedule of activity with the Trump Administration trying to staff up its different federal agencies and with several key issues taking center stage.

There have been three issues that have sucked most of the oxygen out of Washington over the last month. One issue involves whether or not the Trump Campaign sought Russia's help during the campaign, another issue was the confirmation of Neil Gorsuch as a Supreme Court Justice and the other issue dealt with health care.

To provide some perspective, Congress was frozen for approximately two weeks during the middle of March as the House tried to pass "*The Repeal of Replace of Obama Care Health Care Bill*".

Ultimately, the House Republicans could not come together and resolve their differences on what approach to take with the *replacement portion* of the bill. Since that collapse, Vice President Pence has been meeting with various factions within the House Republican Caucus to try and find a set of guiding principles that Members of Congress could agree upon before a newly revised GOP bill is crafted. This strategy by Pence, a former Republican House Member himself, and the Trump Administration, is designed to bring this issue back to the House and Senate at some time in the future. This issue is far from being over.

***The Skinny Budget:***

On March 16th, the President released his so-called “Skinny Budget” with significant cuts proposed in domestic spending. The President recommended a 12% cut for the Department of Interior and a 31% cut for the Environmental Protection Agency.

To put this in some perspective, should these proposed cuts be adopted by the Congress during the consideration of the FY2018 Appropriations bills, EPA would lay off 25 percent of its employees and scrap 56 programs.

The Skinny Budget proposes increasing Defense Spending by 10%. Medicare and Social Security programs are not affected by the President’s Budget Proposal.

The full budget proposal, along with all of the budget related documents has still not been released. It is expected to be released sometime in May. We will have a better idea at that time how it will impact the Bureau of Reclamation, the Army Corps of Engineers, and WIFIA funding. Of note, the Skinny Budget did propose increasing EPA’s State Revolving Loan Fund by \$4 Million dollars over FY2017.

While the President’s budget proposal is for FY2018, the fiscal year that starts on October 1, 2017, Congress has still not finished funding the federal government for the fiscal year we are in right now—FY2017.

President Trump did ask that the FY2017 bills generally reflect his funding recommendations for FY2018—and Congress has responded by saying—that those bills are already “pretty much baked” and key Congressional Leaders are preparing to pass the FY17 spending bill(s) with slight increases over FY2016 levels—rejecting Trump’s recommendations.

Returning to the President’s “Skinny Budget Proposal”, remember that the President submits his recommendations for federal spending; but it is Congress that has the “power of the purse” and Congress that has the authority to determine how much money it appropriates for various federal programs.

Another funding note on the horizon, there needs to be federal debt limit extension passed by sometime later this summer/early fall so that the federal government can continue to borrow funds to operate. Look to see this issue in play when the final FY2018 bills are negotiated.

***Federal Appropriations Related Issues for MWDOC:***

Within the last month, MWDOC has advanced Appropriations Report Language requests with our Orange County Congressional Delegation Members. The Report Language Requests deals with directing the Army Corps of Engineers to spend some of the \$40 Million dollars of authorized environmental infrastructure funding in the State of California. This provision is a duly authorized section of the Water Resources Development Act and has not been “deauthorized”. Senator Boxer was the prime sponsor of this provision.

The following offices were supportive of this effort: Congresswoman Walters, Congressman Rohrabacher, Congressman Issa, Congressman Correa, and Congressman Lowenthal.

The Senate has yet to lay out its procedures for applying for items in the Appropriations FY2018 appropriations bills. We anticipate working with Senator Feinstein and Senator Harris on these matters.

The WIFIA Program has been launched and EPA is receiving “Letters of Interest” for its first round of funding. These letters are due by April 11<sup>th</sup>. WIFIA is a federal loan program where applicants can apply for low cost loans for up to 49% of the total project costs. More realistically, loans if ultimately approved, are more likely to be in the 25% range based upon any related precedents set with the companion “TIFIA” (Transportation) Loan Program--the program that WIFIA is patterned after. MWDOC was very active in getting language in the WIFIA legislation that allowed Ocean Water Desalination as a project purpose and getting language added that allowed municipal bond financing to occur with WIFIA financing.

***Activities in the House and Senate “Water and Power Subcommittees”***

While the House and Senate passed the California Drought Relief bill last December, there were many western states water related measures that did not pass and are expected to be considered this year.

The House is currently considering two hydroelectric related bills (Colorado and Alaska) and is also inclined to perform some oversight over the implementation of the California Drought Relief Bill.

Congressman McClintock (R-Ca) has introduced ***HR 1654, The Water Supply***

***Permitting Coordination Act***, which establishes the US Bureau of Reclamation as the lead agency for purposes of coordinating all reviews, analyses, opinions, statements, permits, licenses, or other approvals or decisions required under Federal law to construct qualifying projects.

On the Senate side, Senator Flake of Arizona has become to the new subcommittee chairman and by all accounts he intends to be active in his position. He hired a former Salt River Project lobbyist, Lane Dickson, as the Staff Director for this subcommittee. Lane has also previously worked for the House Water and Power Subcommittee. We are advised by Senate Staff that the Senate panel is very likely to look at how “water” can be part of an ultimate infrastructure bill, and whether a Trump Infrastructure bill will actually provide some “funding” for water projects. The Subcommittee also intends to look at the issues associated with how water projects are “financed and what barriers there are to financing”.


### Items of General Interest

*This article below is illustrative of what is going on throughout the various federal agencies in the Trump Administration. The President has failed to nominate any candidates for the top nine posts in the Department of Interior.*

## Secretary Zinke begins to tap top people at Interior

*Politico News 04/06/2017*

Interior Secretary Ryan Zinke is appointing two women, including a President Donald Trump's beachhead team member, to official positions in his office.

Zinke will today name Katharine MacGregor as deputy assistant secretary for land and minerals management, an Interior spokesman told POLITICO. Zinke is also appointing Aurelia Skipwith, co-founder of agricultural consulting firm AVC Global, as deputy assistant secretary for fish, wildlife and parks.

MacGregor was a staffer on the House Natural Resources' Energy and Mineral Resources Subcommittee, where she worked on issues involving oil and gas development and royalties as well as offshore renewable energy development. She also previously served as a legislative director for former House Republican Majority Leader Eric Cantor and as a legislative assistant for former Republican Rep. Thelma Drake of Virginia.

Skipworth previously worked at the Bureau for Food Security at the United States Agency for International Development and is a former USDA research intern.

The White House has yet to nominate candidates for any of the top political positions at Interior or its nine bureaus, but Zinke appears to be moving ahead with appointing political staffers who do not require Senate confirmation.

Zinke in March appointed Mike Nedd as acting director of the Bureau of Land Management. Nedd had been assistant director for energy, minerals and realty management since 2007.

*Jim Barker 4-9-17*





**BEST BEST & KRIEGER**  
ATTORNEYS AT LAW

Indian Wells  
(760) 568-2611

Irvine  
(949) 263-2600

Los Angeles  
(213) 617-8100

Ontario

500 Capitol Mall, Suite 1700, Sacramento, CA 95814

Riverside  
(951) 686-1450

San Diego  
(619) 525-1300

Walnut Creek  
(925) 977-3300

Washington, DC

## Memorandum

To: Municipal Water District of Orange County  
From: Syrus Devers and Deb Kollars, Best Best & Krieger  
Date: April 17, 2017  
Re: Monthly State Political Report

### Permanent Conservation Regulations

Three months after they were due, the Governor's plan for permanent conservation regulations have been released along with a legislative package centered on trailer bill language. Unfortunately, the package is exactly what we expected. The package includes a new Executive Order, the trailer bill language, and at least one legislative bill. The following is a brief summary prepared Deb Kollars:

- Legislation: Water Use Efficiency and Drought Planning. The trailer bill language released by the administration contains many new provisions. Key elements include:
  - Water Conservation Standards and Targets. The Governor's prior Executive Order called for developing new water use targets that build on existing requirements that the state achieve a 20 percent reduction in urban water usage by 2020. (SB 7X-7, 2009-2010.) The Governor's proposed legislation would provide new statutory authorities to the State Water Resources Control Board in determining how such water use targets are calculated.

In particular, under a proposed new Section 10609 of the Water Code, the Board, in consultation with the Department of Water Resources, would be required to "adopt long-term standards for urban water conservation and water use" by May 20, 2021. This would be done through regular rulemaking. According to the Plan, these standards then would be applied by urban water suppliers when calculating their unique local water conservation targets. In addition, the State Board would be able to set interim standards via emergency regulation to ensure progress starts before the final standards are in place.

- Water Shortage Contingency Planning. In preparing Urban Water Management Plans, urban water suppliers would be required to adopt a "Water Shortage Contingency Plan" (WSCP) (as opposed to the currently required water shortage contingency "analysis") and to conduct a "drought risk assessment" every five years. Among other changes, a new Section 10632 of the Water Code would be added (the existing Section 10632 would be repealed). Under this section, the WSCP would be required to include "six standard water shortage levels corresponding to progressive ranges of up to 10, 20, 30, 40 and 50 percent shortages and greater than 50 percent shortage. "Shortage response actions" for each shortage level would be required. An urban water

supplier would be required to declare a water shortage emergency in accord with Section 350 et seq. of the Water Code in the event of a water shortage level 4 or greater, or a catastrophic interruption to water supply.

Additionally, a WSCP would be required to contain procedures for conducting an annual “water budget forecast” with prescribed elements. Under a proposed new Water Code Section 10632.1, urban water suppliers would be required to submit, by May 10 of each year, an “annual water shortage assessment report” to DWR.

- State Water Board Regulations: Water Waste Prohibitions, Monthly Reporting. Under the Executive Order and final Plan, the State Water Board is expected to engage in a two-prong rulemaking process during 2017 to (a) establish permanent prohibitions on wasteful water practices, such as hosing off driveways, and (b) require continued monthly reporting by water suppliers on local water usage and conservation efforts.
- DWR and State Board Actions: Water Losses. The Executive Order contains provisions aimed at reducing water losses (leaks) in water systems. According to the Plan, this will be done through implementation of Senate Bill 555, with DWR adopting rules in 2017 for validated water loss audit reports, and the Water Board establishing water loss performance standards by July 1, 2020.
- State Water Board: End of Stress Tests. The new Executive Order calls for the State Board to rescind the portions of its existing emergency regulations that require a water supply “stress test” or mandatory conservation standard for urban water agencies. The Board likely will do this in May.
- State Water Board Task: Rate Structures. The new Executive Order also includes this provision: *“The Water Board is further directed to work with state agencies and water suppliers to identify mechanisms that would encourage and facilitate the adoption of rate structures and other pricing mechanisms that promote water conservation.”*

In addition to the provisions described above, the new Plan and proposed legislation contain many other elements, including descriptive and analytical requirements involving climate change and land-use planning, tie-ins to the Sustainable Groundwater Management Act, compliance and enforcement provisions, public notice and communications requirements, and separate requirements for agricultural water suppliers. The Administration’s proposed legislation would amend, add or repeal 42 Water Code sections.

### **Legislative Update**

Talking about other bills in the face of the Governor’s recent actions feels a bit like giving the weather report when the headline reads “Germany Invades Poland,” but here goes.

SCA 4/SB 231 (Hertzberg): SCA 4 has yet to be amended and ongoing discussions with AWCA hint at a possible parting of the ways. The majority of opinion within ACWA leans toward amending the language of Proposition 218. Senator Hertzberg, however, appears to be leaning toward amending Article X, which is what the place holder language indicates. In addition, there are agencies within ACWA, and MWDOC that feel the

transparency of Proposition 218 is a benefit, and not something to circumvent. SCAs are not subject to the same deadlines as regular legislation, and SCA 4 will not be set for a hearing until it is amended.

SB 231 passed out of the Governance and Finance Committee on April 5th on a party line vote, with Senators Nguyen and Moorlach voting against. It should be noted that the wording of SB 231 is somewhat cleverer than last year's bill. Instead of stating legislative intent that the word "sewer" always included storm water, SB 231 defines the word "sewer" as all of the real estate that is used for sewage water collection into the sanitary drain, which obviously includes storm water. Storm water is then listed as one of the types of waste the sewer is used for, along with the waste streams that have always been a part of the sanitary sewer system. Whether or not this can survive a legal challenge remains to be seen, but it is a more sophisticated approach.

Last month's rather lengthy Legislative Update has, as promised, turned into a rather lengthy list of action items. Consideration of those items will cover what would have otherwise been discussed in this section.

### **Administrative Update**

In addition to the actions related to the permanent conservations regulations, the administration also decided to quit pretending that there was a drought and lifted the Emergency Drought Declaration, but not before laying the groundwork to grant the SWRCB its own emergency powers.

### **Activity Update**

On March 24th, BBK organized a district meeting with Assembly Water, Parks & Wildlife Committee Chair Eduardo Garcia and three GM's from water agencies within his district that are BBK legal clients. The purpose of the meeting was to ask for the Chair's help in preventing trailer bill language on permanent conservation regulations from circumventing the jurisdiction of his committee. The GM's represented very diverse districts. The intent was to communicate the diversity of water interests within the region, and the harm that would result from a "top down" approach to regulation by the SWRCB in a district such as his. It was a very successful meeting, but it remains to be seen if that will translate into influence with legislative leadership.

# The County of Orange Report

April 11, 2017  
by Lewis Consulting Group

## NEW POLL

### **Delta Tunnels Plan Important to Californians**

The most recent survey by the PPIC, Public Policy Institute of California, provides encouragement to supporters of the Delta Tunnels Plan.

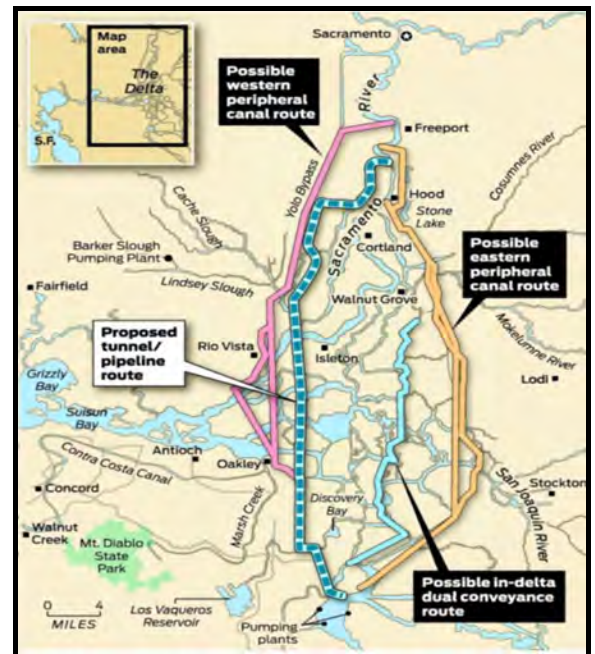
The following question was asked:

*“The Governor has proposed to improve the reliability of water supplies by building tunnels in the Sacramento-San Joaquin Delta. How important is that proposal for the future quality of life and economic vitality in California?”*

Very important	47%
Somewhat important	25%
Not too important	8%
Not at all important	9%
Undecided	11%

Another important policy question was explored testing support for Californians committed to High Speed Rail. 41% of Californians support the project. 37% oppose the project and another 17% oppose it unless costs are reduced. As drafted, the question failed to include the project’s total projected costs, an omission which certainly tilted the scales.

In other findings, the popularity of President Trump is 35% positive and 62% negative. Governor Brown’s 61% positive and 32% negative continues to confirm California’s status as a deep blue state. While Californians ratings of the U.S. Congress job performance is 27% favorable and 68% unfavorable; they give surprisingly high marks to the California legislature with 52% favorable and 38% unfavorable.



### **Off-Year Election Jockeying Heats Up**

Emboldened by Orange County’s changing demographics, declining Republican voter registration and the unfavorable ratings of President Trump, ambitious democrats are seemingly coming out of the woodwork run against three of Orange County’s four Republican Congressional incumbents.

*Congressman Darrell Issa* is heading towards a rematch with last year's Democrat nominee Doug Applegate. Applegate waged a surprisingly strong campaign and came within 1% of knocking off South Orange County's long time member of Congress.

*Congresswoman Mimi Walters* has so far drawn a trio of opponents: Kia Hamadaanchy, Katie Porta and Davin Min. UC Irvine's footprint in the district is helping fuel increasing Democrat sympathies and activism in this once impenetrable Republican seat.

*Congressman Dana Rohrabacher* is no stranger to controversy and his loyalty to President Trump, along with his outspoken support for promoting better U.S. ties with Russia has helped attract four Democrat opponents already. Laura Oatman, Harley Rouda, Boyd Robert and Tony Zarkadea have each entered the fray. It appears Harley Rouda is assembling a campaign team that makes him the most likely candidate to emerge and provide Rohrabacher with a stiff 2018 challenge.

Interestingly, *Ed Royce*, the Orange County candidate with the smallest GOP voter margin has yet to draw an opponent. Royce is a tireless campaigner in his district and his outreach and support in all of his numerous ethnic communities in his district; makes him a less appealing target than just numbers would indicate.



### Closer to Home. . .

With 4<sup>th</sup> District County Supervisor Shawn Nelson approaching his 2018 term limit, three strong candidates are already off and running to replace him. The three; former Assemblywoman Young Kim, La Habra City Councilman Tim Shaw and former Firefighter Union leader Joe Kerr promise to make the race interesting, to say the least. Kerr will have plenty of union support and it is likely he will make a "top two" November runoff. Republicans Kim and Shaw may well be battling for the right to oppose Kerr in November.

## **San Onofre Nuclear Waste May Be Moved**

The Southern California Edison Company, owner of the permanently closed San Onofre Nuclear Plant, filed a court request to postpone a major lawsuit with environmental groups until at least July to allow time to negotiate a plan for future removal of nuclear waste from the coastal site.

In 2015, the California Coastal Commission voted to allow Edison the ability to develop a storage facility within 100 feet of the shoreline. That controversial decision led to both the Coastal Commission and Edison being sued by the nonprofit Citizens Oversight.

Edison lost the first round in court when Judge Judith Hayes declined to dismiss the case leaving open the possibility of a judicial order requiring the Coastal Commission to reverse its permit approval.

Another factor may have been the recent study increasing the probability of a major quake along the California coast.

There are presently few options where the nuclear waste could be stored. One possible location would be at Arizona's Palo Verde nuclear plant site which is partially owned by Edison. Another site could be Nevada's Yucca Mountain Project. The Trump administration has breathed new life into that project with renewed funding.

San Onofre was closed in 2012 after a small radiation leak following the expenditure of \$680 million in a failed facility upgrade.

The California Public Utilities Commission approved an Edison plan to pass \$3.3 billion in decommissioning costs to Southern California ratepayers. After yet another lawsuit, Edison agreed to mediate the cost dispute.

## **County Set to Tackle Homeless Issue**

Calls for the county to do something to address Orange County's homeless issue have been getting louder and louder. For months, a parade of speakers have besieged County Supervisors during the public comments section of each meeting.

A long chain of tents along the Santa Ana Riverbed and encampments around the Santa Ana Civic Center remind people just how serious the problem is. One government study estimates that over some point in a year, 15,000 different people are homeless in the county and the recent point in time homeless count found nearly 5,000 people who were homeless one day in January.

The county has been making progress by opening a 400 bed center with showers and





restrooms in the Civic Center and will soon be opening a new facility in Anaheim with the first 100 beds ready later this month.

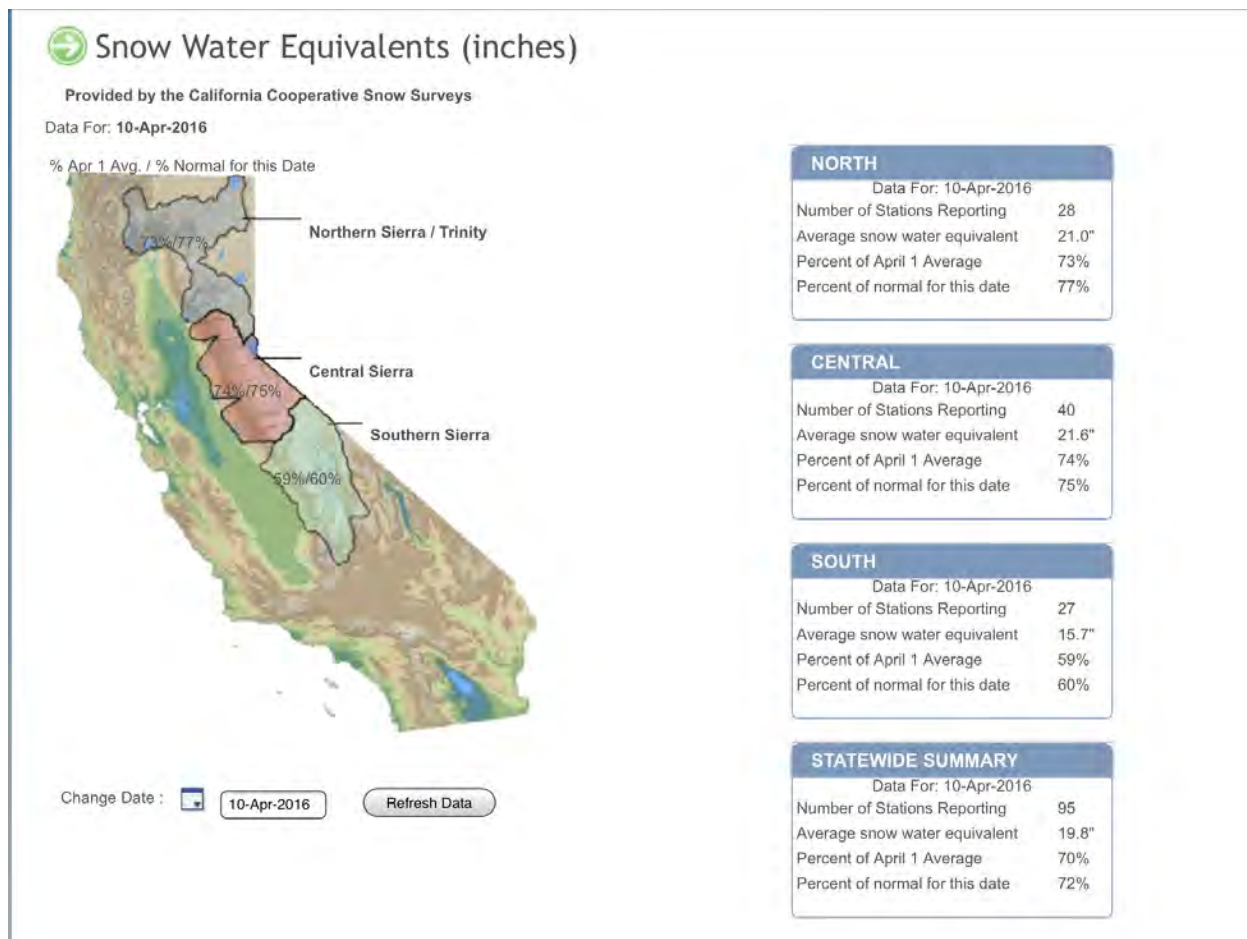
The festering issue has apparently made a big impact on Supervisor Shawn Nelson. At the most recent Board of Supervisors meeting, Nelson directed County CEO Frank Kim to immediately prepare a report listing all county properties including vacant lots that could provide sufficient room for tents and portable bathrooms. Supervisor Nelson set as a goal the ability to “at least figure out how to answer the question of how to have a bed for everyone that wants it”. Nelson noted that Marines do all kinds of things out of tents for a long period of time.

One unanswered question is whether or not these great intentions will have a magnet effect of attracting homeless from other locales to Orange County. The answer may not be known for a few years.

## California Snow Pack - What a Difference a Year Makes!

2016's snow pack and snow pack water content helped prolong California's drought for one additional year. However, 2017 brought drought busting amounts of the “white stuff” as the Department of Water Resources released water content figures for the Northern, Central and Southern Sierras, which measured 149%, 170% and 158% of normal respectively. Even Governor Brown finally took notice.

2016



## Snow Water Equivalents (inches)

Provided by the California Cooperative Snow Surveys

Data For: 10-Apr-2017

% Apr 1 Avg. / % Normal for this Date



Change Date :  10-Apr-2017

[Refresh Data](#)

### NORTH

Data For: 10-Apr-2017	
Number of Stations Reporting	27
Average snow water equivalent	42.0"
Percent of April 1 Average	149%
Percent of normal for this date	157%

### CENTRAL

Data For: 10-Apr-2017	
Number of Stations Reporting	41
Average snow water equivalent	51.1"
Percent of April 1 Average	177%
Percent of normal for this date	180%

### SOUTH

Data For: 10-Apr-2017	
Number of Stations Reporting	25
Average snow water equivalent	43.7"
Percent of April 1 Average	166%
Percent of normal for this date	170%

### STATEWIDE SUMMARY

Data For: 10-Apr-2017	
Number of Stations Reporting	93
Average snow water equivalent	46.4"
Percent of April 1 Average	166%
Percent of normal for this date	171%



# ACKERMAN CONSULTING

## Legal and Regulatory

April 17, 2017

1. **CalPERS and Water:** CalPERS, California's huge pension plan group, is investing in water to make some money. It has partnered with a private real estate group, CIM Group, to own the Willow Springs Water Bank. Willow Springs is an 1800 acre parcel in the Mojave Desert outside of Lancaster, near the junction of the California Aqueduct and the LA Aqueduct. It is an underground reservoir which can hold up to 500,000 acre feet of water. The Bank has been in operation for almost six years. Agencies with water rights take water from the California Aqueduct and transfer it via pipeline to Willow Springs. There it is percolated by ponds into the aquifer below. When the water is needed, it is retrieved by pumps and sent to its final destination. CalPERS has invested about \$30 millions of its \$300 plus billion fund. Total project cost is \$200 million. They are attempting to finance the balance from Prop 1 Bond proceeds or other sources. Again, their purpose is to make money for the fund from water world. They hope to double the capacity of the project to 1 million acre feet by adding wells, pumps, percolation ponds and infrastructure.
2. **Fine Rescinded:** Last year, the Central Valley Water Quality Control Board fined Morning Star Packing, one of California's top tomato processing companies, \$1.5 million for improperly disposing of its waste water in Williams, California. The waste allegedly polluted the ground water in the area. However, it was discovered during the hearing process that Morning Star had notified the Board of the waste water pool expansions. The Board originally claimed they did not learn of the issue until they received odor complaints from neighbors of the plant. The Board has rescinded the fine in exchange for Morning Star dropping their law suit.
3. **Downstream Oroville Issues:** The planned and unplanned releases from Oroville Dam and the heavy rainfall in the water shed have created huge problems along the Feather River in northern California. The unusually high levels of water are creating erosion all along the river bed. Rivers routes have substantially changed, pumps have collapsed, property has been washed away, fish have been killed, and sandbars have formed. As of now, the 80 miles of levees have stayed intact but most of them are not reinforced and face future danger. Floating debris and sediment are further issues.
4. **Asbestos Found in Oroville Dam Rock:** Asbestos has become an issue in the clean-up and repair of the Oroville Dam failure. Asbestos is a naturally occurring element and is found in 42 of California's 58 counties. The State Rock, serpentine, contains asbestos. The Butte

County Air Quality Management District is treating the construction area as a contaminated site because of the asbestos discovered in the rocks around the dam. Remedial procedures are required such as wetting the work areas, controlled drilling and reducing dirt accumulation on heavy equipment.

5. **El Nino Critters:** El Nino is still bringing unusual critters to the shores of California. UC Davis Marine Lab states that warmer ocean temperatures and changing currents, both caused by El Nino are responsible for the sightings. Pelagic red crabs, native to Mexico, have been spotted in Bodega Bay. Red crabs have been seen in masses on Orange County Beaches. Purple sea snails found in tropical waters have surfaced at Salmon Creek Beach (Bodega Bay). Next trip to the beach, look for El Nino fallout.
6. **Groundwater Fees:** The State Water Quality Control Board is considering a fee structure for everyone who extracts water from the ground. Under the Sustainable Groundwater Management Act, the Board is proposing fees for both managed and unmanaged groundwater basins. The base fee proposed is \$300 per well plus \$10 to \$55 per acre foot removed depending on various circumstances. This may be finalized this month.
7. **Floods Impact Veggies:** Our recent heavy rainfall will be affecting our shopping trips to the market quite soon. Hollister, Salinas and Watsonville have been hit very hard and the prospect of more rain in the future is not good for the vegetable growing area. Lettuce, kale, beets, carrots, strawberries, broccoli, cauliflower, greens and other specialty items will take a big hit, not just in California markets, but nationally. A levee breach near Hollister forced evacuation of many residents. The wet earth and equipment is a continuing problem as well as mold on some vegetables. Some of the organic farms have been hit with contamination from the rainwater making their products not saleable.
8. **San Jose Floods:** The finger pointing and blame game continues in San Jose after the recent flooding and delayed evacuation orders. However, it does appear that the Santa Clara Valley Water District did give adequate and timely notices and warning to City officials and that the City failed to act promptly. The National Weather Service and the California Nevada River Forecast Center both gave updates and flood warning for the four days before the event and 24 hours out also. While some of the individual water flow estimates for a particular channel may have been slightly low, they were within the margin of error when considering growth and sediment in the various channels. Both the City and the District did acknowledge that better coordination should have occurred. One issue that has to be resolved is whose responsibility is it for maintenance and clearing of the various channels that run through the city. The water District apparently has no ownership or legal responsibility for them. The City has some involvement but parts of the channels are privately owned. Hopefully, this issue will be resolved before the next flood.

9. **Ready for Snowmelt??:** The State has experienced an unusually high snow fall of late. This is good for the drought condition we have been experiencing. However, it may create a greater problem in certain areas when the snow starts to melt and runs off to lower areas. One area of concern is the Owens Valley. While this area has been very dry lately, it is changing and will continue to change at a rapid rate. The communities of Bishop, Lone Pine and Independence are already suffering. The high waters of the Owens River forced cancellation of an annual Trout Derby because of safety concerns. DWP is already bracing for potential flooding from the system that carries water from the Valley to LA. Mayor Garcetti has declared an emergency condition. Every conveyance facility and structure is being examined and prepared. Inyo, Kern and Mono Counties are expected to issue their own emergency declarations. Another danger area is Corcoran in the San Joaquin Valley. The presently mostly dry Tulare Lake used to be one of the largest lakes in the West. Corcoran is a small city with two prisons which was built in the old lake bed. An old levee currently protects Corcoran but it needs to be raised and reinforced. The snow melt will certainly flood the farmlands and could impact the city. Other areas in the Valley are also facing trouble as a result of the significant subsidence in the area resulting from over drafting the underground aquifers. The ground is not only much lower in elevation but unstable from the over drafting. This has also impacted the California Aqueduct which has sunk over two feet near Avenal in Fresno County. This repair cost is estimated to be from \$10 to \$100 million. Thus far water delivery has not been impacted but it most likely will be in the future.
10. **Hydropower Update:** As reported last month, our rain has caused a surge in hydropower. The California Independent System Operator (ISO) estimates an increase of 6000 to 8000 megawatts of additional power as a result of hydropower. Under contract terms based on flood control and other factors, the ISO must accept certain hydropower sources. This means a cutback in other renewable such as solar and wind. It could even mean a cutback in natural gas plants. This could have a significant financial impact on solar and wind facilities which are already not doing well in the marketplace.

# MWDOC

## PAL Committee

Prepared by Best Best & Kriger

April 17, 2017

### A. Priority Support/Oppose

#### AB 313

([Gray D](#)) Water.

Current Text: Introduced: 2/6/2017 [Text](#)

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
Watch	A. Priority Support/Oppose

#### AB 574

([Quirk D](#)) Potable reuse.

Current Text: Amended: 3/23/2017 [Text](#)

Current Analysis: 04/02/2017 [Assembly Environmental Safety And Toxic Materials \(text 3/23/2017\)](#)

Last Amend: 3/23/2017

Status: 4/5/2017-From committee: Do pass and re-refer to Com. on W.,P., & W. (Ayes 7. Noes 0.) (April 4).

Re-referred to Com. on 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, if a specified expert panel found that the criteria would adequately protect public health health. 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 “groundwater augmentation,” “reservoir augmentation,” “raw water augmentation,” and “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 Sections 13560.5 and 13561.2 to, the Water Code, relating to water.

Position	Priority
Watch	A. Priority Support/Oppose

Notes 1: Action item for April 17th PAL Committee.

[AB 732](#)*(Frazier D) Delta levee maintenance.**Current Text: Amended: 3/23/2017 [Text](#)**Last Amend: 3/23/2017**Status: 3/27/2017-Re-referred to Com. on W.,P., & W.**Is Urgency: N*

*Summary: Current law establishes a delta levee maintenance program pursuant to which a local agency may request reimbursement for costs incurred in connection with the maintenance or improvement of project or nonproject levees in the Sacramento-San Joaquin Delta. Current law declares legislative intent to reimburse eligible local agencies under this program, until July 1, 2018, in an amount not to exceed 75% of those costs that are incurred in excess of \$1,000 per mile of levee. Existing law, until July 1, 2018, authorizes the board to provide funds to an eligible local agency under this program in the form of an advance in an amount that does not exceed 75% of the estimated state share. This bill would extend indefinitely the operation of that declaration of legislative intent and the authorization to advance funds.*

*Laws: An act to amend Section 12987.5 of, and to amend and repeal Section 12986 of, the Water Code, relating to water.*

<i>Position</i>	<i>Priority</i>
<i>Watch</i>	<i>A. Priority</i>
	<i>Support/Oppose</i>

*Notes 1: Action item for April 17th PAL Committee.*

[AB 791](#)*(Frazier D) Sacramento-San Joaquin Delta: State Water Project and federal Central Valley Project: new conveyance facility.**Current Text: Amended: 3/21/2017 [Text](#)**Last Amend: 3/21/2017**Status: 3/30/2017-In committee: Set, first hearing. Hearing canceled at the request of author.**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 require, before a water contractor enters into a contract to pay for these costs, that the lead agency provide the breakdown of costs for each water contractor entering into a contract and what benefits each contractor will receive based on the proportion it has financed of the proposed conveyance project.*

*Laws: An act to amend Section 85089 of the Water Code, relating to the Sacramento-San Joaquin Delta.*

<i>Position</i>	<i>Priority</i>
<i>Watch</i>	<i>A. Priority</i>
	<i>Support/Oppose</i>

*Notes 1: Action item for April 17th PAL Committee.*

[AB 792](#)*(Frazier D) Sacramento-San Joaquin Delta: Delta Plan: certification of consistency.**Current Text: Amended: 3/28/2017 [Text](#)**Last Amend: 3/28/2017**Status: 3/30/2017-In committee: Set, first hearing. Hearing canceled at the request of author.**Is Urgency: N*

*Summary: The Sacramento-San Joaquin Delta Reform Act of 2009 establishes the Delta Stewardship Council and requires the council to develop, adopt, and commence implementation of a comprehensive management plan for the Delta, known as the Delta Plan. The act requires a state or local public agency that proposes to undertake a covered action to prepare and submit to the council a written certification of consistency with the Delta Plan before undertaking that action. This bill would prohibit the council from granting a certification of consistency with the Delta Plan until the board has completed its update of a specified water quality control plan.*

*Laws: An act to amend Section 85225 of the Water Code, relating to the Sacramento-San Joaquin Delta.*

<i>Position</i>	<i>Priority</i>
<i>Watch</i>	<i>A. Priority</i>
	<i>Support/Oppose</i>

Notes 1: Action item for April 17th PAL Committee.

[AB 793](#)

([Frazier](#) D) Sacramento-San Joaquin Delta: financing.

Current Text: Amended: 3/27/2017 [Text](#)

Last Amend: 3/27/2017

Status: 3/30/2017-In committee: Set, first hearing. Hearing canceled at the request of author.

Is Urgency: N

Summary: Would declare it to be state policy that the existing 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
Watch	A. Priority
	Support/Oppose

Notes 1: Action item for April 17th PAL Committee.

[AB 869](#)

([Rubio](#) D) Sustainable water use and demand reduction: recycled water.

Current Text: Amended: 3/28/2017 [Text](#)

Current Analysis: 04/02/2017 [Assembly Environmental Safety And Toxic Materials \(text 3/28/2017\)](#)

Last Amend: 3/28/2017

Status: 4/5/2017-From committee: Do pass and re-refer to Com. on W.,P., & W. (Ayes 6. Noes 0.) (April 4).

Re-referred to Com. on W.,P., & W.

Is Urgency: N

Summary: Current law imposes various water use reduction requirements that apply to urban retail water suppliers, including a requirement that the state achieve a 20% reduction in urban per capita water use by December 31, 2020. This bill would require recycled water delivered within the service area of an urban retail water supplier or its urban wholesale water supplier for either nonpotable or potable use or that replenishes a groundwater basin and supplements the groundwater supply available to an urban retail water supplier be excluded from the calculation of any urban water use target or reduction in urban per capita water use.

Laws: An act to amend Sections 10608.8 and 10608.12 of, and to add Section 13551.5 to, the Water Code, relating to water.

Position	Priority
Watch	A. Priority
	Support/Oppose

Notes 1: Action item for April 17th PAL Committee.

[AB 968](#)

([Rubio](#) D) Urban retail water use: water efficiency targets.

Current Text: Amended: 3/28/2017 [Text](#)

Last Amend: 3/28/2017

Status: 3/28/2017-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 require the Department of Water Resources to submit to the Legislature by December 31, 2018, a report that states preliminary water efficiency targets for 2025 for each of the state's hydrologic regions with per capita daily water use targets based on and considering specified factors. The bill would require the department to consult with a representative task force with members designated by the department by July 1, 2018.

Laws: An act to amend Section 10608 of, and to add and repeal Section 10608.45 of, the Water Code, relating to water.

Position	Priority
Watch	A. Priority
	Support/Oppose

Notes 1: Action item for April 17th PAL Committee.

[AB 1654](#)

([Cooper](#) D) Water shortage: urban water management planning.

Current Text: Amended: 3/28/2017 [Text](#)



*Last Amend: 3/28/2017*

*Status: 3/28/2017-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 require each urban retail water supplier to report annually by June 15 to the Department of Water Resources the status of its water supplies for that year and whether the supplies will be adequate to meet projected customer demand, as prescribed. The bill would require the urban retail water supplier to implement the appropriate responses as described in its water shortage contingency analysis if the urban retail water supplier reports that all available water supplies for the applicable water year will not be adequate to meet projected customer demand.*

*Laws: An act to amend Sections 10621, 10631, 10632, and 10635 of, to repeal Section 10631.7 of, to add Sections 10613.5 and 10658 to, and to add Part 2.56 (commencing with Section 10609) to Division 6 of, the Water Code, relating to water.*

<i>Position</i>	<i>Priority</i>
<i>Watch</i>	<i>A. Priority</i>
	<i>Support/Oppose</i>

*Notes 1: Action item for April 17th PAL Committee. CapitolTrack has not caught up to recent amendments. This bill is now a bill by Asm. Rubio.*

**AB 1667**

*(Friedman D) Urban water suppliers: landscape water meters.*

*Current Text: Introduced: 2/17/2017 [Text](#)*

*Status: 3/16/2017-Referred to Com. on W.,P., & W.*

*Is Urgency: N*

*Summary: Would require an urban water supplier to install dedicated landscape water meters on commercial, institutional, industrial, and multifamily service connections that are located in its service area on or before January 1, 2020, if the property has greater than 1,000 square feet of irrigated landscape, and on or before January 1, 2025, if the property has greater than 500, but less than 1,001, square feet of irrigated landscape.*

*Laws: An act to add Section 536 to the Water Code, relating to water meters.*

<i>Position</i>	<i>Priority</i>
<i>Watch</i>	<i>A. Priority</i>
	<i>Support/Oppose</i>

*Notes 1: Action item for April 17th PAL Committee.*

**SB 5**

*(De León D) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.*

*Current Text: Amended: 3/28/2017 [Text](#)*

*Current Analysis: 03/17/2017 [Senate Governance And Finance \(text 3/15/2017\)](#)*

*Last Amend: 3/28/2017*

*Status: 4/5/2017-Set for hearing April 17.*

*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 \$3,000,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program.*

*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.*

<i>Position</i>	<i>Priority</i>
<i>Out for Analysis</i>	<i>A. Priority</i>
	<i>Support/Oppose</i>

*Notes 1: Better of the two park bond bills. Possible future action item.*

**SB 778**

*(Hertzberg D) Water systems: consolidations: administrative and managerial services.*

*Current Text: Amended: 4/5/2017 [Text](#)*

*Last Amend: 4/5/2017*

*Status: 4/5/2017-From committee with author's amendments. Read second time and amended. Re-referred to Com. on EQ.*

*Is Urgency: N*

*Summary: Would require, on or before March 1, 2018, the State Water Resources Control Board to submit a report to the Legislature on voluntary and ordered consolidations of water systems, including the resulting outcomes of the consolidations and whether the consolidations have succeeded or failed in providing an adequate supply of safe drinking water to the communities served by the consolidated water systems. This bill contains other related provisions and other existing laws.*

*Laws: An act to amend Section 116682 of, and to add Chapter 4.1 (commencing with Section 116756) to Part 12 of Division 104 of, the Health and Safety Code, relating to drinking water, and making an appropriation therefor.*

<i>Position</i>	<i>Priority</i>
<i>Watch</i>	<i>A. Priority</i>
	<i>Support/Oppose</i>

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

#### SCA 4

*([Hertzberg D](#)) Water conservation.*

*Current Text: Introduced: 2/2/2017 [Text](#)*

*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.*

<i>Position</i>	<i>Priority</i>
<i>Watch</i>	<i>A. Priority</i>
	<i>Support/Oppose</i>

*Notes 1: Possible future action item depending on amendments.*

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## **B. Watch**

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#### AB 18

*([Garcia, Eduardo D](#)) California Clean Water, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.*

*Current Text: Amended: 2/23/2017 [Text](#)*

*Current Analysis: 03/09/2017 [Assembly Floor Analysis \(text 2/23/2017\)](#)*

*Last Amend: 2/23/2017*

*Status: 3/20/2017-Read third time. Urgency clause adopted. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment.*

*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.*

<i>Position</i>	<i>Priority</i>
<i>Out for Analysis</i>	<i>B. Watch</i>

*Notes 1: More park bond than water bond. The better vehicle is SB 5 (De Leon). Nothing to oppose, but not the bill to support if MWDOC were to consider a position.*



[AB 196](#)

([Bigelow](#) R) Greenhouse Gas Reduction Fund: water supply and wastewater systems.

Current Text: Amended: 3/6/2017 [Text](#)

Current Analysis: 03/17/2017 [Assembly Water, Parks And Wildlife \(text 3/6/2017\)](#)

Last Amend: 3/6/2017

Status: 3/21/2017-From committee: Do pass and re-refer to Com. on NAT. RES. (Ayes 14. Noes 0.) (March 21).

Re-referred to Com. on NAT. RES.

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

[AB 277](#)

([Mathis](#) R) Water and Wastewater Loan and Grant Program.

Current Text: Amended: 3/27/2017 [Text](#)

Current Analysis: 04/03/2017 [Assembly Appropriations \(text 3/27/2017\)](#)

Last Amend: 3/27/2017

Status: 4/5/2017-In committee: Set, first hearing. Referred to suspense file.

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

[AB 464](#)

([Gallagher](#) R) Local government reorganization.

Current Text: Amended: 3/14/2017 [Text](#)

Last Amend: 3/14/2017

Status: 3/15/2017-Re-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 Sections 56653 and 56857 of the Government Code, relating to local government.

Position	Priority
Watch	B. Watch

[AB 474](#)

([Garcia, Eduardo](#) D) Hazardous waste: spent brine solutions.

Current Text: Introduced: 2/13/2017 [Text](#)

Current Analysis: 04/03/2017 [Assembly Appropriations \(text 2/13/2017\)](#)

Status: 4/5/2017-In committee: Set, first hearing. Referred to suspense file.

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.*

<i>Position</i>	<i>Priority</i>
	<i>B. Watch</i>

*Notes 1: Possible bill to support.*

[AB 885](#)

*([Rubio D](#)) Pupil health: drinking water: lead.*

*Current Text: Amended: 3/20/2017 [Text](#)*

*Current Analysis: 04/03/2017 [Assembly Education \(text 3/20/2017\)](#)*

*Last Amend: 3/20/2017*

*Status: 4/5/2017-VOTE: Do pass as amended and be re-referred to the Committee on [Environmental Safety and Toxic Materials]*

*Is Urgency: N*

*Summary: Would require a school, defined to include a public elementary school, a public secondary school, a public preschool located on public school property, and a public day care facility located on public school property, to purchase and install, on or before April 1, 2018, certified water filters at all school faucets, fountains, and other outlets designated for drinking or cooking. The bill would require a school to replace all lead-bearing parts within the school's water delivery system, where feasible and cost effective, on or before January 1, 2020. The bill would require a school, on or before July 1, 2018, to develop and adopt a plan of action relating to these requirements.*

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

<i>Position</i>	<i>Priority</i>
<i>Watch</i>	<i>B. Watch</i>

[AB 1323](#)

*([Weber D](#)) Sustainable water use and demand reduction: stakeholder workgroup.*

*Current Text: Introduced: 2/17/2017 [Text](#)*

*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.*

<i>Position</i>	<i>Priority</i>
<i>Watch</i>	<i>B. Watch</i>

*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.*

[AB 1369](#)

*([Gray D](#)) Water quality and storage.*

*Current Text: Introduced: 2/17/2017 [Text](#)*

*Status: 3/30/2017-In committee: Set, first hearing. Hearing canceled at the request of author.*

*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.*

<i>Position</i>	<i>Priority</i>
<i>Out for Analysis</i>	<i>B. Watch</i>

[AB 1605](#)

([Caballero](#) D) Maximum contaminant level: nitrate: replacement water.

Current Text: Amended: 3/28/2017 [Text](#)

Current Analysis: 04/01/2017 [Assembly Environmental Safety And Toxic Materials \(text 3/28/2017\)](#)

Last Amend: 3/28/2017

Status: 4/4/2017-In committee: Set, first hearing. Hearing canceled at the request of author.

Is Urgency: N

Summary: The California Safe Drinking Water Act, requires the state board to administer provisions relating to the regulation of drinking water to protect public health and vests with the state board specified responsibilities. This bill would prohibit a person or entity providing replacement water, as defined, to address drinking water that exceeds the maximum contaminant level for nitrate in groundwater from being deemed to have caused pollution or a nuisance, or from being liable for negligence or trespass, if certain conditions are applicable.

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](#)

Current Analysis: 03/27/2017 [Senate Environmental Quality \(text 2/14/2017\)](#)

Last Amend: 2/14/2017

Status: 4/5/2017-Set for hearing April 17.

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 agency 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: protected species.

Current Text: Amended: 3/20/2017 [Text](#)

Current Analysis: 03/23/2017 [Senate Natural Resources And Water \(text 2/17/2017\)](#)

Last Amend: 3/20/2017

Status: 3/27/2017-March 28 set for second hearing canceled at the request of author.

Is Urgency: N

Summary: Under current law, the State Water Resources Control Board administers a water rights program pursuant to which the board grants permits and licenses to appropriate water. Current law prohibits the taking or possession of a fully protected fish, except as provided, and designates the unarmored threespine stickleback as a fully protected fish. This bill would prohibit the board from issuing on or after January 1, 2018, a new permit to appropriate water from any river or stream that has, or is reasonably expected to have, a population of unarmored threespine stickleback.

Laws: An act to add Section 1257.7 to the Water Code, relating to water resources.

Position	Priority
Watch	B. Watch

Notes 1: ACWA opposed

[SB 210](#)

([Leyva](#) D) Pupil health: drinking water.

Current Text: Amended: 3/15/2017 [Text](#)

Current Analysis: 04/03/2017 [Senate Environmental Quality \(text 3/15/2017\)](#)

Last Amend: 3/15/2017

Status: 4/5/2017-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (April 5). Re-referred to Com. on APPR.

Is Urgency: N

*Summary: Would require a school district that has drinking water fixtures with drinking water that does not meet the United States Environmental Protection Agency drinking water standards for lead or is above the California maximum contaminant level for any other contaminant, as specified, to close access to those drinking water fixtures, 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.*

*Laws: An act to add Section 32246 to, and to add Article 15 (commencing with Section 49595) 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: Amended: 4/5/2017    [Text](#)*

*Last Amend: 4/5/2017*

*Status: 4/5/2017-From committee with author's amendments. Read second time and amended. Re-referred to Com. on EQ.*

*Is Urgency: N*

*Summary: Would require the Office of Planning and Research, on or after January 1, 2018, at the time of the next review of the guidelines, to prepare, develop, and transmit to the secretary proposed changes or amendments to determine the baseline physical conditions by which a lead agency determines whether a project has a significant effect on the environment. The bill would require the office, in developing the recommendations to limit the consideration of modifications to the environment at the project site cause by certain actions. The bill would require the secretary to certify and adopt the recommended proposed changes or amendments.*

*Laws: An act to add Section 21083.02 to 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    [Text](#)*

*Current Analysis: 04/03/2017 [Senate Governance And Finance \(text 2/2/2017\)](#)*

*Status: 4/6/2017-Read second time. Ordered to third reading.*

*Is Urgency: N*

*Summary: Articles XIIIIC and XIID 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 XIIIIC and XIID 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*

**SB 252**

*([Dodd D](#)) Water wells.*

*Current Text: Amended: 3/13/2017    [Text](#)*

*Current Analysis: 03/28/2017 [Senate Natural Resources And Water \(text 3/13/2017\)](#)*

*Last Amend: 3/13/2017*

*Status: 3/28/2017-From committee: Do pass and re-refer to Com. on GOV. & F. (Ayes 7. Noes 2.) (March 28).*

*Re-referred to Com. on GOV. & F.*

*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.*

<i>Position</i>	<i>Priority</i>
<i>Out for Analysis</i>	<i>B. Watch</i>

**SB 623**

*([Monning D](#)) Safe and Affordable Drinking Water Fund.*

*Current Text: Amended: 3/30/2017 [Text](#)*

*Last Amend: 3/30/2017*

*Status: 3/30/2017-From committee with author's amendments. Read second time and amended. Re-referred to Com. on EQ.*

*Is Urgency: N*

*Summary: 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 Office of Sustainable Water Solutions. The bill would require the State Water Resources Control Board to administer the fund and authorize the board to provide for the deposit of federal contributions and voluntary contributions, gifts, grants, or bequests. The bill would require the board to expend moneys in the fund for grants, loans, contracts, or services to assist those without access to safe and affordable drinking water consistent with a fund implementation plan adopted annually by the board, as prescribed.*

*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.*

<i>Position</i>	<i>Priority</i>
<i>Out for Analysis</i>	<i>B. Watch</i>

**SB 740**

*([Wiener D](#)) Onsite treated water.*

*Current Text: Amended: 3/23/2017 [Text](#)*

*Current Analysis: 04/03/2017 [Senate Environmental Quality \(text 3/23/2017\)](#)*

*Last Amend: 3/23/2017*

*Status: 4/6/2017-Set for hearing April 19.*

*Is Urgency: N*

*Summary: Would, on or before December 1, 2018, 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 oversight and management programs for onsite treatment of water for nonpotable use.*

*The bill would require the framework 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. The bill would specify that a local jurisdiction is not required to adopt the practices set forth in the framework.*

*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.*

<i>Position</i>	<i>Priority</i>
<i>Out for Analysis</i>	<i>B. Watch</i>

**Total Measures: 30**

**Total Tracking Forms: 30**



**Metropolitan Water District of Southern California  
State Legislation Matrix 4/10/2017**

<b>Bill Number Author</b>	<b>Amended Date; Location</b>	<b>Title-Summary</b>	<b>MWD Position</b>	<b>Effects on Metropolitan</b>
<b>AB 574 Quirk (D)</b>  Sponsor: WateReuse California and California Coastkeeper Alliance	Amended 3/23/17  Assembly Appropriations Committee  Date of Hearing: 4/25/17	<b>Potable Reuse:</b> Promotes water recycling by categorizing potable reuse alternatives and by establishing a clear regulatory pathway and timeframe for raw water augmentation.	<b>SUPPORT AND SEEK AMENDMENTS</b> (3/14/17)	By continuing to advance regulatory criteria for various types of potable reuse, AB 574 may accelerate the deployment of recycled water projects throughout California. Metropolitan seeks one clarifying amendment regarding placement of recycled water into aqueducts feeding raw surface water reservoirs.
<b>AB 732 Frazier (D)</b>  Sponsor: Author	Amended 3/23/17  Assembly Water, Parks and Wildlife Committee  Date of Hearing: 4/25/17	<b>Delta Levee Maintenance:</b> Delta levee maintenance program has been established for reimbursement of costs incurred in connection with maintenance or improvement of projects or non-project levees in the Sacramento-San Joaquin Delta. AB 732 would declare legislative intent and authorize Central Valley Flood Protection Board to reimburse up to 75% of those costs incurred in any year for maintenance or improvement of levees in excess of \$1,000 per levee mile.	<b>OPPOSE UNLESS AMENDED</b> based upon prior opposition to SB 554 (Wolk) from 2016	AB 732 is contrary to “beneficiaries pay” principle as it seeks to permanently encumber state General Fund for levee maintenance responsibilities on private lands in Sacramento-San Joaquin Delta absent financial justification for such level of state investment. Amendments are necessary to direct Dept. of Water Resources to enlist outside entity to conduct affordability/beneficiaries assessment for Delta levee subventions program.

**Metropolitan Water District of Southern California  
State Legislation Matrix 4/10/2017**

<b>Bill Number Author</b>	<b>Amended Date; Location</b>	<b>Title-Summary</b>	<b>MWD Position</b>	<b>Effects on Metropolitan</b>
<b>AB 791 Frazier (D)</b>  Sponsor: Author	Amended 3/21/17  Assembly Water, Parks and Wildlife Committee  Date of Hearing: 4/25/17	<b>New Conveyance Facility:</b> Would impose new and unnecessary requirements on “lead agency” (presumably DWR) to provide certain information about costs and benefits of new water delivery system improvements on a water-contractor-by-water-contractor basis <i>before</i> any water contractor could enter any contracts to fund design, construction and mitigation.	<b>OPPOSE</b> based upon June 2007 Board-adopted Delta Action Plan	Could delay construction of California WaterFix by several years, with no added benefit to the public process or environment.
<b>AB 792 Frazier (D)</b>  Sponsor: Author	Amended 3/28/17  Assembly Water, Parks and Wildlife Committee  Date of Hearing: 4/25/17	<b>Delta Plan:</b> Would take unprecedented and unnecessary step of requiring Delta Stewardship Council to affirmatively “grant” a certification of consistency with the Delta Plan before construction of California WaterFix could begin. Council could not “grant” the certification until <u>after</u> State Water Resources Control Board adopts update to 2006 Bay-Delta Water Quality Control Plan.	<b>OPPOSE</b> based upon June 2007 Board-adopted Delta Action Plan	Delta Reform Act of 2009 recognized need for new Delta conveyance to address declines in water supply reliability and the Delta ecosystem. Likewise, the Governor’s California Water Action Plan calls for new Delta conveyance, among a suite of other measures, to further the coequal goals, and to restore water supply reliability to millions of Californians. AB 792 is at odds with both.

**Metropolitan Water District of Southern California  
State Legislation Matrix 4/10/2017**

<b>Bill Number Author</b>	<b>Amended Date; Location</b>	<b>Title-Summary</b>	<b>MWD Position</b>	<b>Effects on Metropolitan</b>
<b>AB 793 Frazier (D)</b>  Sponsor: Author	Amended 3/27/17  Assembly Water, Parks and Wildlife Committee  Date of Hearing: 4/25/17	<b>Sacramento-San Joaquin Delta – Financing:</b> Would declare it state policy that the <u>existing</u> Sacramento-San Joaquin Delta be recognized and defined as an integral component of California's water infrastructure. Would state also that the maintenance and repair of Delta are eligible for same forms of financing as other water collection and treatment infrastructure and specifies that eligible maintenance and repair activities be limited to certain cleanup-and-abatement-related restoration and conservation activities.	<b>OPPOSE</b> based upon June 2007 Board-adopted Delta Action Plan	Ignores the fact that the Delta, in its <u>current</u> state, has not been developed as a “water collection or treatment facility.” The current configuration of levees was largely completed in the early 20th century to reclaim swamp and overflow land for farming or other uses. Thus, the declaration of intent is contrary to reality and is not a sound basis for infrastructure financing.



**Metropolitan Water District of Southern California  
State Legislation Matrix 4/10/2017**

<b>Bill Number Author</b>	<b>Amended Date; Location</b>	<b>Title-Summary</b>	<b>MWD Position</b>	<b>Effects on Metropolitan</b>
<b>AB 1427</b> <b>Eggman (D)</b>  Sponsor: Stockton-East Water District	Amended 3/21/17  Assembly Water, Parks and Wildlife Committee  Date of Hearing: 4/25/17	<b>Water – Underground Storage:</b> Amends Water Code Section 1242 to declare that storing water underground, including diverting surface water for storage, for purposes including, but not limited to, protection of water quality or recovery of groundwater levels, are beneficial uses. Also states that existing forfeiture provisions for non-use of water for a period of longer than five years would not apply.	<p align="center"><b>OPPOSE UNLESS AMENDED</b></p> based upon prior opposition to AB 647 (Eggman) from 2015	Must include safeguards to ensure that permanent underground storage is implemented in reasonable manner. SWRCB must confirm that flows are not already otherwise appropriated or diverted at times when federal Central Valley Project and State Water Project are required to release supplemental project water to meet water quality objectives in Delta watershed. Additional amendments are necessary to ensure alignment with Groundwater Management Sustainability Act of 2014.



**ACTION ITEM**

April 19, 2017

**TO:** Board of Directors

**FROM:** **Public Affairs & Legislation Committee**  
(Directors Dick, Tamaribuchi, and Yoo Schneider)

Robert Hunter, General Manager

Staff Contact: Heather Baez

**SUBJECT: CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) BOARD OF DIRECTORS CALL FOR NOMINATIONS – SOUTHERN NETWORK REGION, SEAT C FOR THE 2018-2020 TERM**

**STAFF RECOMMENDATION**

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Staff recommends that the Committee discuss and determine if a member of the MWDOC Board of Directors would like to be nominated and run for the CSDA Board of Directors Southern Network, "Seat C."

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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CSDA is governed by an 18-member Board of Directors elected by mail ballots. The Board consists of three directors from each of the six networks (Northern, Sierra, Bay Area, Central, Coastal & Southern) throughout California. The Board meets bimonthly in Sacramento to guide the Association's legislative and member benefit programs.

Each CSDA member in good standing is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors), for election to the CSDA Board of Directors.

A copy of the member district's resolution and Candidate Information Sheet must accompany the nomination. **The deadline for receiving submissions is May 19, 2017.**

The incumbent running for reelection for Southern Network, Seat C is Arlene Schafer from the Costa Mesa Sanitary District.

Additional information from CSDA is attached.

<b>Budgeted (Y/N):</b> N/A	Budgeted amount: n/a	Core __	Choice __
<b>Action item amount:</b> none	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b>			



**California Special  
Districts Association**

*Districts Stronger Together*

**DATE:** February 17, 2017

**TO:** CSDA Voting Member Presidents and General Managers

**FROM:** CSDA Elections and Bylaws Committee

**SUBJECT: CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS  
SEAT C**

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The Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2018 - 2020 term.

The leadership of CSDA is elected from its six geographical networks. Each of the six networks has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA Regular member located within the geographic network that they seek to represent. (See attached Network Map)

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education and resources. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration. Serving on the Board requires one's interest in the issues confronting special districts statewide.

**Commitment and Expectations:**

- Attend all Board meetings, held every other month at the CSDA office in Sacramento.
- Participate on at least one committee, meets 3-5 times a year at the CSDA office in Sacramento.  
*(CSDA reimburses Directors for their related expenses for Board and committee meetings as outlined in Board policy).*
- Attend CSDA's two annual events: Special Districts Legislative Days - held in the spring, and the CSDA Annual Conference - held in the fall.
- Complete all four modules of CSDA's Special District Leadership Academy within 2 years.  
*(CSDA does not reimburse for expenses for the two conferences or the Academy classes even if a Board or committee meeting is held in conjunction with the events).*

**Nomination Procedures:** Any Regular Member in good standing is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors), for election to the CSDA Board of Directors. **A copy of the member district's resolution or minute action and Candidate Information Sheet must accompany the nomination. The deadline for receiving nominations is May 19, 2017.** Nominations and supporting documentation may be mailed or faxed.

Nominees will receive a Candidate's Packet in the mail. The packet will include campaign guidelines.

CSDA will mail ballots on June 2<sup>nd</sup>. The ballots must be received by CSDA no later than 5:00 p.m. August 4, 2017. The successful candidates will be notified no later than August 8, 2017. All selected Board Members will be introduced at the Annual Conference in Monterey, CA in September 2017.

### **Expiring Terms**

(See enclosed map for Network breakdown)

<b>Northern Network</b>	Seat C Fred Ryness, Burney Water District*
<b>Sierra Network</b>	Seat C Peter Kampa, Saddle Creek Community Services District*
<b>Bay Area Network</b>	Seat C Stanley Caldwell, Mt. View Sanitary District*
<b>Central Network</b>	Seat C Sandi Miller, Selma Cemetery District*
<b>Coastal Network</b>	Seat C Vincent Ferrante, Moss Landing Harbor District*
<b>Southern Network</b>	Seat C Arlene Schafer, Costa Mesa Sanitary District*

(\* = Incumbent is running for re-election)

If you have any questions, please contact Beth Hummel at 877-924-CSDA or [bethh@csda.net](mailto:bethh@csda.net).



**California Special  
Districts Association**  
*Districts Stronger Together*

## 2017 BOARD OF DIRECTORS NOMINATION FORM

Name of Candidate: \_\_\_\_\_

District: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Network: \_\_\_\_\_ (see map on back)

Telephone: \_\_\_\_\_

(PLEASE BE SURE THE PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE)

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Nominated by (optional): \_\_\_\_\_

Return this **form and a Board resolution/minute action supporting the candidate  
and Candidate Information Sheet** by fax or mail to:

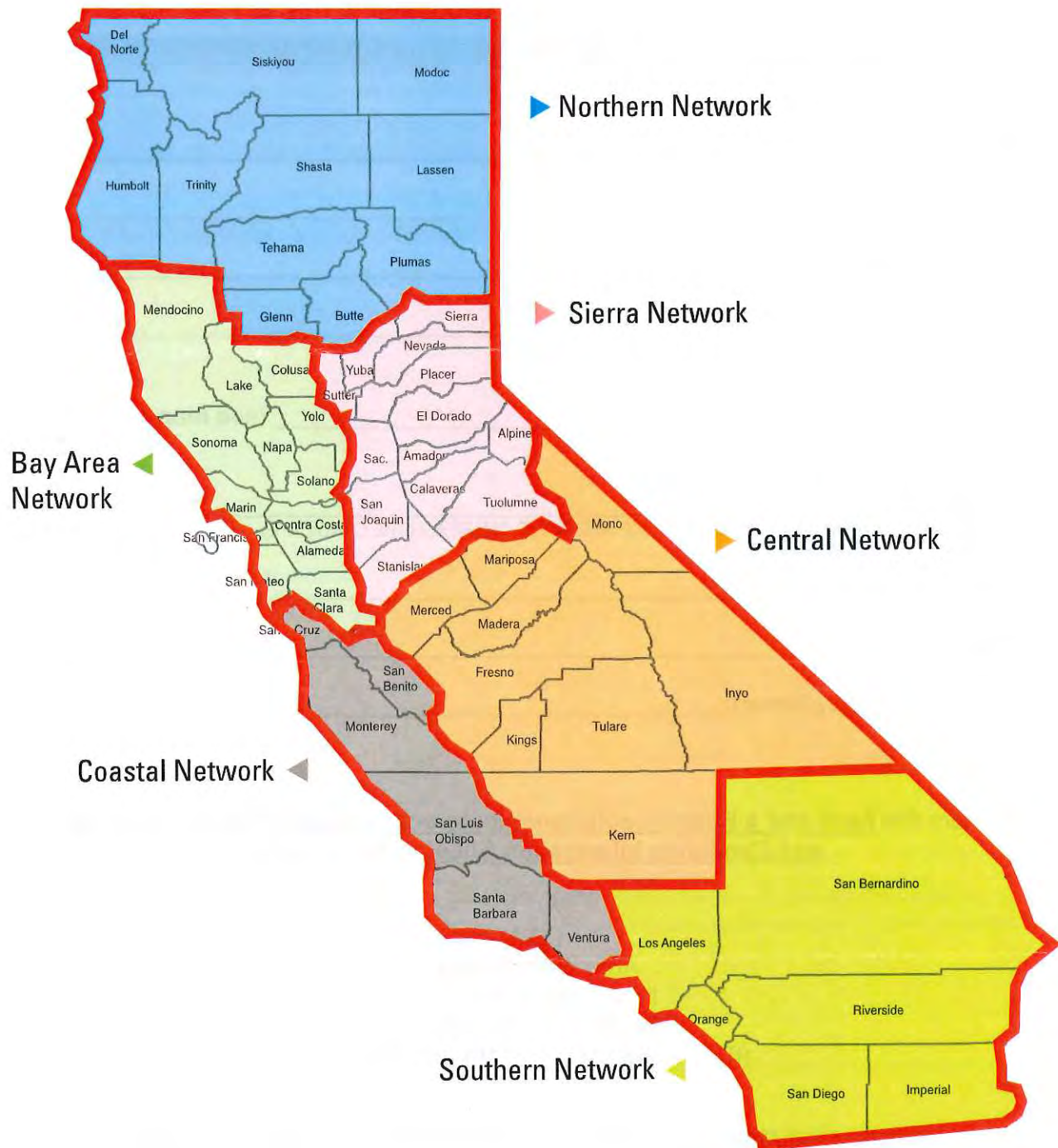
CSDA  
Attn: Beth Hummel  
1112 I Street, Suite 200  
Sacramento, CA 95814  
(877) 924-2732      (916) 442-7889 fax

***DEADLINE FOR RECEIVING NOMINATIONS – May 19, 2017***



California Special Districts Association

## DISTRICT NETWORKS





**California Special  
Districts Association**  
*Districts Stronger Together*

## 2017 BOARD OF DIRECTORS NOMINATION FORM

Name of Candidate: \_\_\_\_\_

District: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

Network: \_\_\_\_\_ (see map on back)

Telephone: \_\_\_\_\_

(PLEASE BE SURE THE PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE)

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Nominated by (optional): \_\_\_\_\_

Return this **form and a Board resolution/minute action supporting the candidate  
and Candidate Information Sheet** by fax or mail to:

CSDA  
Attn: Beth Hummel  
1112 I Street, Suite 200  
Sacramento, CA 95814  
(877) 924-2732 (916) 442-7889 fax

***DEADLINE FOR RECEIVING NOMINATIONS – May 19, 2017***

**ACTION ITEM**

April 19, 2017

**TO:** Board of Directors**FROM:** **Public Affairs & Legislation Committee**  
(Directors Dick, Tamaribuchi, Yoo Schneider)Robert Hunter  
General Manager

Staff Contact: Damon Micalizzi

**SUBJECT: Authorization to Contract for Social Media Consulting Services for CA WaterFix & EcoRestore Campaign****STAFF RECOMMENDATION**

Staff recommends the Board of Directors authorize entering into a contract with HashtagPinpoint Corporation for strategic social media consulting services for the Municipal Water District of Orange County (MWDOC) California WaterFix & EcoRestore Outreach Campaign at a base cost of \$5,000 per month for three months.

**COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

On December 5, 2016, the MWDOC Board of Directors unanimously approved a resolution to support the California WaterFix and EcoRestore. Greater public awareness is necessary to further move the needle and elevate the importance of the WaterFix amongst policy makers.

With MWDOC and its Member Agencies looking to grow their social media outreach, staff is proposing a three month contract with Social Media Consultant: HashtagPinpoint Corporation, Editors of the California Drought Monitor, to pilot a WaterFix Social Media Campaign.

Budgeted (Y/N): Yes	Budgeted amount: \$15,000	Core X	Choice __
Action item amount: \$15,000		Line item: 32-7040	
Fiscal Impact (explain if unbudgeted):			



## DETAILED REPORT

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On December 5, 2016, the MWDOC Board of Directors unanimously approved a resolution to support the California WaterFix and EcoRestore after the MWDOC Orange County Water Reliability Study determined the WaterFix to be the single most cost effective project to achieve reliable water supply for the region into the future. At the time of this report, about a dozen MWDOC Member Agencies and Cities have adopted support positions for the WaterFix. Greater public awareness is necessary to further move the needle and elevate the importance of the WaterFix amongst policy makers.

In January, during MWDOC's regularly scheduled Public Affairs Workgroup (PAW) meeting, agency representatives in attendance were asked what they would like MWDOC to facilitate in the ways of future PAW Meeting sessions. Nearly all in attendance indicated they would like to learn how to more effectively utilize their social media platforms and grow their audiences.

At the following PAW on March 23, 2017, most member agency representatives in attendance indicated that their agency was already supportive of the CA WaterFix or leaning in that direction. Furthermore, those in attendance were supportive of MWDOC promoting the WaterFix as most do not have the time or resources to do so beyond adopting a support position. A subsequent e-mail was sent out to member agencies who were not at the meetings to gauge their positions toward the WaterFix and a MWDOC led WaterFix social media campaign. No opposition was received.

With MWDOC and its Member Agencies looking to grow their social media outreach, after researching and interviewing several firms, staff is proposing a three month contract with Social Media Consultant: HashtagPinpoint Corporation, Editors of the California Drought Monitor, (referenced by multiple news outlets, retweeted by water industry professionals, including MWD General Manager Jeffrey Kightlinger) to pilot a WaterFix Social Media Campaign for three months.

***A proposed scope of work is attached.***

## **STANDARD AGREEMENT FOR CONSULTANT SERVICES**

### **Strategic Communications Social Media Consulting**

This **AGREEMENT** for consulting services, which includes all exhibits and attachments hereto, "**AGREEMENT**" is made on the last day executed below by and between **MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**, hereinafter referred to as "**DISTRICT**," and, **HASHTAGPINPOINT CORPORATION** hereinafter referred to as "**CONSULTANT**" for **STRATEGIC ISSUE CONSULTING**, hereinafter referred to as "**SERVICES**."<sup>1</sup> **DISTRICT** and **CONSULTANT** are also referred to collectively herein as the "**PARTIES**" and individually as "**PARTY**." The **PARTIES** agree as follows:

#### **I      PURPOSE AND SCOPE OF WORK**

##### **A.      Consulting Work.**

**DISTRICT** hereby contracts with **CONSULTANT** to provide general or special **SERVICES** as more specifically set forth in **Exhibit "B"** attached hereto and incorporated herein. Tasks other than those specifically described therein shall not be performed without prior written approval of **DISTRICT's** General Manager.

##### **B.      Independent Contractor.**

**CONSULTANT** is retained as an independent contractor for the sole purpose of rendering professional and/or special **SERVICES** described herein and is not an agent or employee of **DISTRICT**. **CONSULTANT** shall be solely responsible for the payment of all federal, state and local income tax, social security tax, Workers' Compensation insurance, state disability insurance, and any other taxes or insurance **CONSULTANT**, as an independent contractor, is responsible for paying under federal, state or local law. **CONSULTANT** is thus not eligible to receive workers' compensation, medical, indemnity or retirement benefits, including but not limited to enrollment in CalPERS. Unless, expressly provided herein, **CONSULTANT** is not eligible to receive overtime, vacation or sick pay. **CONSULTANT** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **DISTRICT**. **CONSULTANT** shall have the sole and absolute discretion in determining the methods, details and means of performing the **SERVICES** required by **DISTRICT**. **CONSULTANT** shall furnish, at his/her own expense, all labor, materials, equipment and transportation necessary for the successful completion of the **SERVICES** to be performed under this **AGREEMENT**. **DISTRICT** shall not have any right to direct the methods, details and means of the **SERVICES**; however, **CONSULTANT** must receive prior written approval from **DISTRICT** before using any sub-consultants for **SERVICES** under this **AGREEMENT**.

##### **C.      Changes in Scope of Work**

If **DISTRICT** requires changes in the tasks or scope of work shown in **Exhibit "B"** or additional work not specified therein, **DISTRICT** shall prepare a written change order. If **CONSULTANT** believes work or materials are required outside the tasks or scope of work described in **Exhibit "B,"** it shall submit a written request for a change order to the **DISTRICT**. A change order must be approved and signed by the **PARTIES** before **CONSULTANT** performs any work outside the scope of work shown in **Exhibit "B."** **DISTRICT** shall have no

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<sup>1</sup> Pursuant to Section 8002 of the District's Administrative Code, the District's "Ethics Policy" set forth at sections 7100-7111 of the Administrative Code is attached hereto as Exhibit "A" and incorporated herein by this reference.

responsibility to compensate **CONSULTANT** for such work without an approved and signed change order. Change orders shall specify the change in the budgeted amount for **SERVICES**.

## **II TERM**

This **AGREEMENT** shall commence upon the date of its execution and shall extend thereafter for the period specified in **Exhibit "B"** or, if no time is specified, until terminated on thirty (30) days notice as provided herein.

## **III BUDGET, FEES, COSTS, BILLING, PAYMENT AND RECORDS**

### **A. Budgeted Amount for SERVICES**

**CONSULTANT** is expected to complete all **SERVICES** within the Budgeted Amount set forth on **Exhibit "B."** The total compensation for the **SERVICES** to be performed under this **AGREEMENT** shall not exceed the Budgeted Amount unless modified as provided herein. Upon invoicing the **DISTRICT** 80% of the Budgeted Amount, **CONSULTANT** shall prepare and provide to **DISTRICT** a "cost to complete" estimate for the remaining **SERVICES**. The **PARTIES** shall work together to complete the project within the agreed-upon Budgeted Amount, but the obligation to complete the **SERVICES** within the Budgeted Amount lies with the **CONSULTANT**.

### **B. Fees**

Fees shall be billed per the terms and conditions and at the rates set forth on **Exhibit "B"** for the term of the **AGREEMENT**. Should the term of the **AGREEMENT** extend beyond the period for which the rates are effective, the rates specified in **Exhibit "B"** shall continue to apply unless and until modified by consent of the **PARTIES**.

### **C. Notification Clause**

Formal notices, demands and communications to be given hereunder by either **PARTY** shall be made in writing and may be effected by personal delivery or by registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing. If the name or address of the person to whom notices, demands or communication shall be given changes, written notice of such change shall be given, in accordance with this section, within five(5) working days.

**Notices shall be made as follows:**

Municipal Water District of O.C.  
Robert J. Hunter  
General Manager  
10500 Ellis Avenue POB 20895  
Fountain Valley, CA 92708

HASHTAGPINPOINT CORPORATION, LLC  
Kevin Perkins  
Chief Operating Officer  
806 E. Avenida Pico Suite I – 196  
San Clemente, CA 92673

### **D. Billing and Payment**

**CONSULTANT's** fees shall be billed by the 10th day of the month and paid by **DISTRICT** on or before the 10th of the following month. Invoices shall reference the Purchase Order number from the **DISTRICT**.

**DISTRICT** shall review and approve all invoices prior to payment. **CONSULTANT** agrees to submit additional supporting documentation to support the invoice if requested by **DISTRICT**. If **DISTRICT** does not approve an invoice, **DISTRICT** shall send a notice to **CONSULTANT** setting forth the reason(s) the invoice was not approved. **CONSULTANT** may re-invoice **DISTRICT** to cure the defects identified in the **DISTRICT** notice. The revised invoice will be treated as a new submittal. If **DISTRICT** contests all or any portion of an invoice, **DISTRICT** and **CONSULTANT** shall use their best efforts to resolve the contested portion of the invoice.

#### E. Billing Records

**CONSULTANT** shall keep records of all **SERVICES** and costs billed pursuant to this **AGREEMENT** for at least a period of seven (7) years and shall make them available for review and audit if requested by **DISTRICT**.

### IV DOCUMENTS

All **MATERIALS** as defined in Paragraph XI below, related to **SERVICES** performed under this **AGREEMENT** shall be furnished to **DISTRICT** upon completion or termination of this **AGREEMENT**, or upon request by **DISTRICT**, and are the property of **DISTRICT**.

### V TERMINATION

Each **PARTY** may terminate this **AGREEMENT** at any time upon thirty (30) days written notice to the other **PARTY**, except as provided otherwise in **Exhibit "B."** In the event of termination: (1) all work product prepared by or in custody of **CONSULTANT** shall be promptly delivered to **DISTRICT**; (2) **DISTRICT** shall pay **CONSULTANT** all payments due under this **AGREEMENT** at the effective date of termination; (3) **CONSULTANT** shall promptly submit a final invoice to the **DISTRICT**, which shall include any and all non-cancelable obligations owed by **CONSULTANT** at the time of termination, (4) neither **PARTY** waives any claim of any nature whatsoever against the other for any breach of this **AGREEMENT**; (5) **DISTRICT** may withhold 125 percent of the estimated value of any disputed amount pending resolution of the dispute, consistent with the provisions of section III D above, and; (6) **DISTRICT** and **CONSULTANT** agree to exert their best efforts to expeditiously resolve any dispute between the **PARTIES**.

### VI INSURANCE REQUIREMENTS

**CONSULTANT** shall obtain prior to commencing work and maintain in force and effect throughout the term of this **AGREEMENT**, all insurance set forth below.

#### A. Workers' Compensation Insurance

By his/her signature hereunder, **CONSULTANT** certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that **CONSULTANT** will comply with such provisions before commencing the performance of the **SERVICES** under this **AGREEMENT**.

**CONSULTANT** and sub-consultant will keep workers' compensation insurance for their employees in effect during all work covered by this **AGREEMENT**. An ACORD certificate of insurance or other certificate of insurance satisfactory to **DISTRICT**, evidencing such coverage

must be provided (1) by **CONSULTANT** and (2) by sub-consultant's upon request by **DISTRICT**.

#### **B. Professional Liability Insurance**

**CONSULTANT** shall file with **DISTRICT**, before beginning professional **SERVICES**, an ACORD certificate of insurance, or any other certificate of insurance satisfactory to **DISTRICT**, evidencing professional liability coverage of not less than \$1,000,000 per claim and \$1,000,000 aggregate, requiring 30 days notice of cancellation (10 days for non-payment of premium) to **DISTRICT**.

Such coverage shall be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalent. The retroactive date (if any) of such insurance coverage shall be no later than the effective date of this **AGREEMENT**. In the event that the **CONSULTANT** employs sub-consultants as part of the **SERVICES** covered by this **AGREEMENT**, **CONSULTANT** shall be responsible for requiring and confirming that each sub-consultant meets the minimum insurance requirements specified herein.

#### **C. Other Insurance**

**CONSULTANT** will file with **DISTRICT**, before beginning professional **SERVICES**, ACORD certificates of insurance, or other certificates of insurance satisfactory to **DISTRICT**, evidencing general liability coverage of not less than \$1,000,000 per occurrence for bodily injury, personal injury and property damage; automobile liability (owned, scheduled, non-owned or hired) of at least \$1,000,000 for bodily injury and property damage each accident limit; workers' compensation (statutory limits) and employer's liability (\$1,000,000) (if applicable); requiring 30 days (10 days for non payment of premium) notice of cancellation to **DISTRICT**. For the coverage required under this paragraph, the insurer(s) shall waive all rights of subrogation against **DISTRICT**, and its directors, officers, agents, employees, attorneys, consultants or volunteers. **CONSULTANT's** insurance coverage shall be primary insurance as respects **DISTRICT**, its directors, officers, agents, employees, attorneys, consultants and volunteers for all liability arising out of the activities performed by or on behalf of the **CONSULTANT**. Any insurance pool coverage, or self-insurance maintained by **DISTRICT**, and its directors, officers, agents, employees, attorneys, consultants or volunteers shall be excess of the **CONSULTANT's** insurance and shall not contribute to it.

The general liability coverage shall give **DISTRICT**, its directors, officers, agents, employees, attorneys, consultants and authorized volunteers additional insured status using ISO endorsement CG2010, CG2033, or equivalent. Coverage shall be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalents. In the event that the **CONSULTANT** employs sub-consultant as part of the work covered by the **AGREEMENT**, it shall be the **CONSULTANT's** responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified herein.

#### **D. Expiration of Coverage**

If any of the required coverages expire during the term of the **AGREEMENT**, **CONSULTANT** shall deliver the renewal certificate(s) including the general liability additional insured endorsement to **DISTRICT** at least ten (10) days prior to the expiration date.

## **VII     INDEMNIFICATION**

To the fullest extent permitted by applicable law, **CONSULTANT** shall indemnify, defend and hold harmless **DISTRICT**, its officers, Directors and employees and authorized volunteers, and each of them from and against:

- a. When the law establishes a professional standard of care for the **CONSULTANT's** services, all claims and demands of all persons that arise out of, pertain to, or relate to the **CONSULTANT's** negligence, recklessness or willful misconduct in the performance (or actual or alleged non-performance) of the work under this agreement. **CONSULTANT** shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of **CONSULTANT's** performance or non-performance of the work hereunder, and shall not tender such claims to **DISTRICT** nor its directors, officers, employees, or authorized volunteers, for defense or indemnity.
- b. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of **CONSULTANT**.
- c. Any and all losses, expenses, damages (including damages to the work itself), attorney's fees and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of **CONSULTANT** to faithfully perform the work and all of the **CONSULTANT's** obligations under the agreement. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.

**CONSULTANT** shall defend, at **CONSULTANT's** own cost, expense and risk, any and all such aforesaid suits, actions, or other legal proceedings of very kind that may be brought or instituted against **DISTRICT** or its directors, officers, employees, or authorized volunteers with legal counsel reasonably acceptable to **DISTRICT**.

**CONSULTANT** shall pay and satisfy any judgment, award or decree that may be rendered against **DISTRICT** or its directors, officers, employees, or authorized volunteers, in any and all such suits, actions, or other legal proceedings.

**CONSULTANT** shall reimburse **DISTRICT** or its directors, officers, employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing indemnity herein provided.

**CONSULTANT's** obligation to indemnify shall not be restricted to insurance proceeds, if any, received by **DISTRICT**, or its directors, officers, employees, or authorized volunteers.

## **VIII    FINANCIAL DISCLOSURE AND CONFLICTS OF INTEREST**

Although **CONSULTANT** is retained as an independent contractor, **CONSULTANT** may still be required, under the California Political Reform Act and **DISTRICT's** Administrative Code, to file annual disclosure reports. **CONSULTANT** agrees to file such financial disclosure reports upon request by **DISTRICT**. Further, **CONSULTANT** shall file the annual summary of gifts required by Section 7105 of the **DISTRICT's** Ethics Policy, attached hereto as **Exhibit "A."**

Failure to file financial disclosure reports upon request and failure to file the required gift summary are grounds for termination of this **AGREEMENT**. Any action by **CONSULTANT** that is inconsistent with **DISTRICT's** Ethic's Policy current at the time of the action is grounds for termination of this **AGREEMENT**. The Ethics Policy as of the date of this **AGREEMENT** is attached hereto as **Exhibit "A."**

## **IX     PERMITS AND LICENSES**

**CONSULTANT** shall procure and maintain all permits, licenses and other government-required certification necessary for the performance of its **SERVICES**, all at the sole cost of **CONSULTANT**. None of the items referenced in this section shall be reimbursable to **CONSULTANT** under the **AGREEMENT**. **CONSULTANT** shall comply with any and all applicable local, state, and federal regulations and statutes including Cal/OSHA requirements.

## **X      LABOR AND MATERIALS**

**CONSULTANT** shall furnish, at its own expense, all labor, materials, equipment, tools, transportation and other items or services necessary for the successful completion of the **SERVICES** to be performed under this **AGREEMENT**. **CONSULTANT** shall give its full attention and supervision to the fulfillment of the provisions of this **AGREEMENT** by its employees and sub-consultant and shall be responsible for the timely performance of the **SERVICES** required by this **AGREEMENT**. All compensation for **CONSULTANT's SERVICES** under this **AGREEMENT** shall be pursuant to **Exhibit "B"** to the **AGREEMENT**.

Only those **SERVICES**, materials, administrative, overhead and travel expenses specifically listed in **Exhibit "B"** will be charged and paid. No other costs will be paid. **CONSULTANT** agrees not to invoice **DISTRICT** for any administrative expenses, overhead or travel time in connection with the **SERVICES**, unless agreed upon and listed in **Exhibit "B"**.

## **XI     CONFIDENTIALITY AND RESTRICTIONS ON DISCLOSURE**

### **A.     Confidential Nature of Materials**

**CONSULTANT** understands that all documents, records, reports, data, or other materials (collectively "**MATERIALS**") provided by **DISTRICT** to **CONSULTANT** pursuant to the **AGREEMENT**, including but not limited to draft reports, final report(s) and all data, information, documents, graphic displays and other items that are not proprietary to **CONSULTANT** and that are utilized or produced by **CONSULTANT** pursuant to the **AGREEMENT** are to be considered confidential for all purposes.

### **B.     No Disclosure of Confidential Materials**

**CONSULTANT** shall be responsible for protecting the confidentiality and maintaining the security of **DISTRICT MATERIALS** and records in its possession. All **MATERIALS** shall be deemed confidential and shall remain the property of **DISTRICT**. **CONSULTANT** understands the sensitive nature of the above and agrees that neither its officers, partners, employees, agents or sub-consultants will release, disseminate, or otherwise publish said reports or other such data, information, documents, graphic displays, or other materials except as provided herein or as authorized, in writing, by **DISTRICT's** representative. **CONSULTANT** agrees not to make use of such **MATERIALS** for any purpose not related to the performance of the **SERVICES** under



the **AGREEMENT**. **CONSULTANT** shall not make written or oral disclosures thereof, other than as necessary for its performance of the **SERVICES** hereunder, without the prior written approval of **DISTRICT**. Disclosure of confidential **MATERIALS** shall not be made to any individual, agency, or organization except as provided for in the **AGREEMENT** or as provided for by law.

### **C. Protections to Ensure Control Over Materials**

All confidential **MATERIALS** saved or stored by **CONSULTANT** in an electronic form shall be protected by adequate security measures to ensure that such confidential **MATERIALS** are safe from theft, loss, destruction, erasure, alteration, and any unauthorized viewing, duplication, or use. Such security measures shall include, but not be limited to, the use of current virus protection software, firewalls, data backup, passwords, and internet controls.

The provisions of this section survive the termination or completion of the **AGREEMENT**.

## **XII OWNERSHIP OF DOCUMENTS AND DISPLAYS**

All original written or recorded data, documents, graphic displays, reports or other **MATERIALS** which contain information relating to **CONSULTANT's** performance hereunder and which are originated and prepared for **DISTRICT** pursuant to the **AGREEMENT** are instruments of service and shall become the property of **DISTRICT** upon completion or termination of the Project. **CONSULTANT** hereby assigns all of its right, title and interest therein to **DISTRICT**, including but not limited to any copyright interest. In addition, **DISTRICT** reserves the right to use, duplicate and disclose in whole, or in part, in any manner and for any purpose whatsoever all such data, documents, graphic displays, reports or other **MATERIALS** delivered to **DISTRICT** pursuant to this **AGREEMENT** and to authorize others to do so.

To the extent that **CONSULTANT** utilizes any of its property (including, without limitation, any hardware or software of **CONSULTANT** or any proprietary or confidential information of **CONSULTANT** or any trade secrets of **CONSULTANT**) in performing **SERVICES** hereunder, such property shall remain the property of **CONSULTANT**, and **DISTRICT** shall acquire no right or interest in such property.

## **XIII EQUAL OPPORTUNITY**

**DISTRICT** is committed to a policy of equal opportunity for all and to providing a work environment that is free of unlawful discrimination and harassment. In keeping with this commitment, **DISTRICT** maintains a policy prohibiting unlawful discrimination and harassment in any form based on race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, pregnancy or childbirth, marital status, gender, sex, sexual orientation, veteran status or age by officials, employees and non-employees (vendors, contractors, etc.).

This policy applies to all employees, consultants and contractors of the **DISTRICT** whom the **DISTRICT** knows or has reason to know are violating this policy. Appropriate corrective action will be taken against all offenders, up to and including immediate discharge or termination of this **AGREEMENT**. During, and in conjunction with, the performance of this **AGREEMENT**, **CONSULTANT** shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, marital status or national origin.

## **XIV INTEGRATION OF ALL OTHER AGREEMENTS**

This **AGREEMENT**, including any Exhibits and Addenda, contains the entire understanding of the **PARTIES**, and there are no further or other agreements or understandings, written or oral, in effect between the **PARTIES** hereto relating to the subject matter hereof. Any prior understanding or agreement of the **PARTIES** shall not be binding unless expressly set forth herein and, except to the extent expressly provided for herein, no changes of this **AGREEMENT** may be made without the written consent of both **PARTIES**.

#### **XV ATTORNEYS' FEES**

In any action at law or in equity to enforce any of the provisions or rights under this **AGREEMENT**, the prevailing **PARTY** shall be entitled to recover from the unsuccessful **PARTY** all costs, expenses and reasonable attorney's fees incurred therein by the prevailing **PARTY** (including, without limitations, such costs, expense and fees on any appeals), and if such prevailing **PARTY** shall recover judgment in any such action or proceeding, such costs, expenses, including those of expert witnesses and attorneys' fees, shall be included as part of this judgment.

#### **XVI JURISDICTION AND VENUE SELECTION**

In all matters concerning the validity, interpretation, performance, or effect of this **AGREEMENT**, the laws of the State of California shall govern and be applicable. The **PARTIES** hereby agree and consent to the exclusive jurisdiction of the courts of the State of California and that venue of any action brought hereunder shall be in Orange County, California.

**IN WITNESS WHEREOF**, the **PARTIES** have hereunto affixed their names as of the day and year thereafter, which shall be and is the effective date of this **AGREEMENT**.

**APPROVED BY:**

**CONSULTANT ACCEPTANCE:**

\_\_\_\_\_  
Date \_\_\_\_\_  
Robert Hunter, General Manager  
Municipal Water District of Orange County  
10500 Ellis Avenue, POB 20895  
Fountain Valley, CA 92708  
714/963-3058

\_\_\_\_\_  
Date \_\_\_\_\_  
Kevin Perkins, Chief Operating Officer  
HASHTAGPINPOINT CORPORATION  
806 E. Avenida Pico  
Suite I – 196  
San Clemente, CA 92673  
Phone: (949) 370-6924  
Tax I.D. # 47-2288888

Internal Use Only:	
Program No.	_____
Line Item:	_____
Funding Year:	_____
Contract Amt.:	_____
Purchase Order #	_____

**EXHIBIT "A"**

<b>ETHICS POLICY</b>	<b>§7100-§7111</b>
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**§7100 PURPOSE**

The policy of MWDOC is to maintain the highest standards of ethics from its Board members, officers and employees (all shall be referred to as employees for the purposes of this section). The proper operation of MWDOC requires decisions and policy to be made in the proper manner, that public office not be used for personal gain, and that all individuals associated with MWDOC remain impartial and responsible toward the public. Accordingly, all employees are expected to abide by the highest ethical standards and integrity when dealing on behalf of MWDOC with fellow Board members or employees, vendors, contractors, customers, and other members of the public.

**§7101 RESPONSIBILITIES OF BOARD MEMBERS**

Board members are obliged to uphold the Constitution of the United States and the Constitution of the State of California and shall comply with all applicable laws regulating Board member conduct, including conflicts of interest and financial disclosure laws. No Board member or officer shall grant any special consideration, treatment, or advantage to any person or group beyond that which is available to every other person or group in the same circumstances.

**§7102 PROPER USE OF MWDOC PROPERTY AND RESOURCES**

Except as specifically authorized, no employee shall use or remove or permit the use or removal of MWDOC property, including MWDOC vehicles, equipment, telephones, office supplies, and materials for personal convenience or profit. No employee shall require another MWDOC employee to perform services for the personal convenience or profit of another employee. Each employee must protect and properly use any MWDOC asset within his/her control, including information recorded on paper or in electronic form. Employees shall safeguard MWDOC property, equipment, monies, and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.

Employees are responsible for maintaining written records, including expense reports, in sufficient detail to reflect accurately and completely all transactions and expenditures made on MWDOC's behalf. Creating a document with misleading or false information is prohibited.

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Motion - 1/17/96;

**§7103 CONFLICT OF INTEREST**

All MWDOC Directors, officers, and employees at every level shall comply with the requirements of Section 1090 of the California Government Code which prohibits such persons from being financially interested in any contract made by them in their official capacity, or by any body or board of which they are members, or from being a purchaser at any sale or a vendor at any purchase made by them in their official capacity.

All Directors and employees designated under MWDOC's Conflict of Interest Code ("designated employees") and employees required to report under Chapter 7, Article 2 of the Political Reform Act (Government Code Section 7300 et seq.) shall promptly and fully comply with all requirements thereof.

MWDOC employees who are not designated employees under MWDOC's Conflict of Interest Code shall refrain from participating in, making a recommendation, or otherwise attempting to influence MWDOC's selection of a contractor, consultant, product, or source of supply if the non-designated employee, or an immediate family member, has a direct or indirect financial interest in the outcome of the selection process. No employee shall use his/her position with MWDOC in any manner for the purpose of obtaining personal favors, advantages or benefits for him/herself or an immediate family member from a person or entity doing business or seeking to do business with MWDOC. Such favors, advantages, or benefits would include, but are not limited to: 1) offers of employment; 2) free or discounted goods or services; or 3) gifts.

## **§7104 GIFTS**

No employee shall accept, directly or indirectly, any compensation, reward or gift from any source except from MWDOC, for any action related to the conduct of MWDOC business, except as set forth below:

1. Acceptance of food and refreshments of nominal value on infrequent occasions in the ordinary course of a breakfast, luncheon or dinner meeting or other meeting or on an inspection tour where the arrangements are consistent with the transaction of official business.\*
2. Acceptance of transportation, lodging, meals or refreshments, in connection with attendance at widely attended gatherings sponsored by industrial, technical or professional organizations; or in connection with attendance at public ceremonies or similar activities financed by nongovernmental sources where the employee's participation on behalf of MWDOC is the result of an invitation addressed to him or her in his/her official capacity, and the transportation, lodging, meals or refreshment accepted is related to, and is in keeping with, his/her official participation.\*
3. Acceptance of unsolicited advertising or promotional materials such as pens, pencils, note pads, calendars, or other items of nominal value.\*
4. Acceptance of plaques and commemorative mementoes, of nominal value, or of value only to the recipient, such as service pins, recognition awards, retirement mementoes.
5. Acceptance of incidental transportation from a private organization provided it is furnished in connection with an employee's official duties and is of the type customarily provided by the private organization.

\* Nothing herein shall be deemed to relieve any Director or designated employee from reporting the value of such meals, transportation, lodging or gifts and abstaining from participation in any decision of MWDOC which could foreseeably have a material financial effect on the donor when the value of such gifts reaches the limits set forth in MWDOC's Conflict of Interest Code and the Political Reform Act.

In no event shall any employee accept gifts from any single source, the cumulative value of which exceeds the applicable gift limit under California law.

A gift or gratuity, the receipt of which is prohibited under this section, shall be returned to the donor. If return is not possible, the gift or gratuity shall be turned over to a public or charitable institution without being claimed as a charitable deduction and a report of such action and the reasons why return was not feasible shall be made on MWDOC records. When possible, the donor also shall be informed of this action.

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Motion - 1/17/96;

## **§7105 PERSONS OR COMPANIES REPORTING GIFTS**

All persons and companies doing business with MWDOC, with the exception of public agencies, shall submit a summary, by January 31 of each calendar year, of all gifts claimed for internal vendor audits (including meals) made to, or on behalf of, employees or Directors of MWDOC, or their immediate family members, that have occurred in the normal course of business during the previous calendar year. Failure to provide this information to MWDOC may result in the termination of MWDOC business with that person or company.

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Motion - 7/21/93; Motion - 8/18/93;

## **§7106 USE OF CONFIDENTIAL INFORMATION**

Confidential information (i.e., information which is exempt from disclosure under the California Public Records Act) shall not be released to unauthorized persons unless the disclosure is approved by the Board, President of the Board, or General Manager. Employees are prohibited from using any confidential information for personal advantage or profit.

## **§7107 POLITICAL ACTIVITIES**

Employees are free to endorse, advocate, contribute to, or otherwise support any political party, candidate, or cause they may choose; however, employees are prohibited from soliciting political funds or contributions at MWDOC facilities. In any personal political activity an employee may be involved in, it shall be made clear that the employee is acting personally and not for MWDOC.

## **§7108 IMPROPER ACTIVITIES**

Employees shall not interfere with the proper performance of the official duties of others, but are strongly encouraged to fulfill their own moral obligations to the public, MWDOC, and its member agencies by disclosing, to the extent not expressly prohibited by law, improper activities within their knowledge. No employee shall directly or indirectly use or attempt to use the authority or influence of his/her position for the purpose of intimidating, threatening, coercing, commanding, or influencing any person with the intent of interfering with that person's duty to disclose improper activity.

## **§7109 VIOLATION OF POLICY – STAFF AND STAFF OFFICERS**

If an employee is reported to have violated MWDOC's Ethics Policy, the matter shall be referred to the General Manager for investigation and consideration of any appropriate action warranted which may include employment action such as demotion, reduction in salary, or termination. If a Board appointed officer (Secretary, Treasurer or General Manager) is reported to have violated MWDOC's Ethics Policy, the matter shall be referred to the Executive Committee for investigation and consideration of any appropriate action.

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Motion - 1/17/96;

## **§7110 VIOLATION OF POLICY -- DIRECTORS**

A perceived violation of this policy by a Director should be referred to the President of the Board or the full Board of Directors for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to MWDOC, including, but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Director who has violated this policy, (b) injunctive relief, or (c) referral of the violation to MWDOC Legal Counsel and/or the Grand Jury.

## **§7111 PERIODIC REVIEW OF CONFLICT OF INTEREST AND ADMINISTRATIVE GUIDELINES**

During the first quarter of the year immediately following an election (every two years), the Board shall meet to review and/or receive a presentation that addresses principles relating to reporting guidelines on compensation, conflict of interest issues, and standards for rules of conduct.



**Please note** If using Consultant's proposal as Exhibit "B" to supplement or the standard Exhibit "B" Form below, BOTH Parties must verify that all sections of this form are FULLY ADDRESSED and the appropriate Exhibit is attached and labeled accordingly

## EXHIBIT "B"

### SCOPE OF WORK, TERMS OF AGREEMENT AND TERMS AND CONDITIONS FOR BILLING

<b>Company: HASHTAGPINPOINT CORPORATION</b> <b>Name: Kevin Perkins</b> <b>806 E. Avenida Pico Suite I – 196</b> <b>San Clemente, CA 92673</b> <b>Phone: 714/937-1005</b> <b>Tax I.D. # 47-2288888</b>
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1. **Term** – Commencement April 25, 2017 Termination June 25, 2017.
2. **Fees/Rates** to be billed - \$5,000/month
3. **Budgeted Amount** – Compensation is to be on a "time and material" basis, not to exceed \$15,000. **CONSULTANT's** fees shall be billed by the 25<sup>th</sup> day of the month and paid by the **DISTRICT** on or before the 15<sup>th</sup> of the following month. Invoices shall reference the Purchase Order number from the **DISTRICT**.
4. Upon invoicing **DISTRICT** 80% of the contract amount, **CONSULTANT** shall prepare and provide to **DISTRICT** a "cost to complete" estimate for the remaining work.
5. **Scope of Work/Services** – *See Attached Proposal*
6. **Consultant Representatives:** KEVIN PERKINS & PASQUALE TALARICO

# HashtagPinpoint™

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Damon Micalizzi,  
Director of Public Affairs  
Municipal Water District of Orange County (MWDOC)  
18700 Ward Street  
Fountain Valley, CA 92708  
Phone: 714-593-5014  
E-Mail: dmicalizzi@mwdoc.com

Dear Damon,

Thank you for your interest in **#P**. We are grateful for the opportunity to bid on your project. Below is a proposal of the services we would offer for your projects.

If you have any questions, please advise—thanks!

Sincerely,



Co-Founder & COO  
M: 949-370-6924  
E: kevin@hashtagpinpoint.com

# HashtagPinpoint™

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## CA Water Fix Awareness Pilot

### Objective

- Create social advocacy messaging for the *California WaterFix* project

### Details

- **Audience Development** – Using our algorithm, the FB Graph, and external lists/sources, #P will develop segmented audiences that will allow us to push targeted messages to specific groups about specific issues within specific areas
- **Strategy** – #P will work with client to: a) build social media messaging strategy, b) adapt the strategy as it is impacted by events, c) set realistic goals or objectives for the messaging
- **Messaging** – #P will produce social media messages (proper content length, attention-grabbing headlines, images, videos, etc) using best/effective practices
- **Analytics** – #P will provide ad metrics to measure reach and gauge effectiveness
- **Social Listening** – #P will listen, obtain, and analyze Twitter data based on specific queries or questions
- **Social Advocacy Network** – As appropriate, #P will provide additional distribution into water-related advocacy pages within its network (CA Drought Monitor, CA Agg Monitor, et al)

### Engagement

- A (3) month pilot; \$5,000 per month, includes:
  - Establish baseline audiences, identify opportunities, provide metrics
  - Develop FB strategy, messaging & tactics
  - Produce FB content: post organic stories, manage reputation/comments, link to influencers, create promercials/oppomercials
  - Advertise 12 posts per month, independent of existing MWDOC social activity
    - Listening objective = (2) posts
    - Video posts = (3) posts
  - Media buys included

### Notes

- This proposal includes Facebook-only content; a separate order is required for mirrored content on Twitter
- Other standard digital agency services are available (SEO optimization, website creation/maintenance, mobile app development, etc); please inquire as needed

**ACTION ITEM**

April 19, 2017

**TO:** Board of Directors**FROM:** **Public Affairs & Legislation Committee**  
(Directors Dick, Tamaribuchi and Yoo Schneider)Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: AB 1667 (Friedman) – Urban Water Suppliers: Landscape Water Meters****STAFF RECOMMENDATION**

Staff recommends the Board of Directors vote to adopt an oppose position on AB 1667 (Friedman).

**COMMITTEE RECOMMENDATION**

Committee recommends (To be determined by committee)

**SUMMARY**

AB 1667 would require an urban water supplier to install dedicated landscape water meters on commercial, institutional, industrial, and multifamily service connections that are located in its service area on or before January 1, 2020, if the property has greater than 1,000 square feet of irrigated landscape, and on or before January 1, 2025, if the property has greater than 500, but less than 1,001, square feet of irrigated landscape. The bill would require an urban water supplier to install dedicated landscape water meters on single-family residential service connections that are located in its service area on or before January 1, 2030, if the property has greater than 5,000 square feet of irrigated landscape.

The bill would authorize an urban water supplier to waive these requirements for a customer that, before January 1, 2018, has installed one or more separate submeters that exclusively measure all water usage for irrigated landscape and that agrees to provide water consumption data recorded by the submeter at least annually to the urban water supplier.

<b>Budgeted (Y/N):</b> n/a	Budgeted amount: n/a	Core x	Choice ____
<b>Action Item Amount:</b> None			
<b>Fiscal Impact (explain if unbudgeted):</b>			

This bill would exempt from these requirements a service connection where a separate water meter for landscape purposes is required by existing law as a condition of new retail water service.

## **ARGUMENTS IN SUPPORT**

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AB 1667 was introduced in response to Governor Brown's extended mandatory urban water-use conservation orders through Executive Order (EO) B-37-16. The Executive Order requires the State Water Resources Control Board and Department of Water Resources, in consultation with other state agencies, to develop a proposal to achieve a mandatory reduction in potable water usage that builds on the mandatory twenty-five percent reduction called for in EO B-29-15, California's first mandatory water-use conservation requirements, and lessons learned in 2016.

The 2017 legislative session has seen an introduction of a number of bills that seek to implement the draft report and the Governor's vision in EO B-37-16. Though the draft report makes no direct recommendation to install meters as specified in AB 1667, this bill may assist California in meeting the next iteration of long-term water use efficiency targets.

## **ARGUMENTS IN OPPOSITION**

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AB 1667 would require the installation of thousands of dedicated landscape meters, despite compliance by many of these landscapes with California's Model Water Efficient Landscaping Ordinance. In many cases, the installation of dedicated landscape meters would require retrofitting the onsite plumbing to completely separate and isolate the indoor and outdoor plumbing, passing the costs of this bill beyond the meter.

While well intentioned, this measure will be very costly to water providers and their customers who would require the installation and on-going costs of an additional meter.

## **COMMENTS**

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AB 1667 is scheduled to be heard in the Assembly Water, Parks and Wildlife Committee on April 25, 2017.

## **DETAILED REPORT**

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The full text of AB 1667 is attached.

**ASSEMBLY BILL**

**No. 1667**

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**Introduced by Assembly Member Friedman**

February 17, 2017

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An act to add Section 536 to the Water Code, relating to water meters.

LEGISLATIVE COUNSEL'S DIGEST

AB 1667, as introduced, Friedman. Urban water suppliers: landscape water meters.

Existing law, the Water Measurement Law, generally requires the installation of a water meter as a condition of new water service on and after January 1, 1992. The law, with certain exceptions, requires an urban water supplier to install water meters on all municipal and industrial service connections that are located in its service area on or before January 1, 2025. Existing law requires a water purveyor to require as a condition of new retail water service on and after January 1, 2008, the installation of separate water meters to measure the volume of water used exclusively for landscape purposes, as prescribed.

This bill would require an urban water supplier to install dedicated landscape water meters on commercial, institutional, industrial, and multifamily service connections that are located in its service area on or before January 1, 2020, if the property has greater than 1,000 square feet of irrigated landscape, and on or before January 1, 2025, if the property has greater than 500, but less than 1,001, square feet of irrigated landscape. The bill would require an urban water supplier to install dedicated landscape water meters on single-family residential service connections that are located in its service area on or before January 1, 2030, if the property has greater than 5,000 square feet of irrigated landscape. The bill would authorize an urban water supplier to waive

these requirements for a customer that, before January 1, 2018, has installed one or more separate submeters that exclusively measure all water usage for irrigated landscape and that agrees to provide water consumption data recorded by the submeter at least annually to the urban water supplier. This bill would exempt from these requirements a service connection where a separate water meter for landscape purposes is required by existing law as a condition of new retail water service.

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

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

- 1     SECTION 1. Section 536 is added to the Water Code, to read:  
2     536. (a) An urban water supplier shall install dedicated  
3     landscape water meters on service connections located within its  
4     service area as follows:  
5     (1) On or before January 1, 2020, on all commercial,  
6     institutional, industrial, and multifamily service connections that  
7     serve property with greater than 1,000 square feet of irrigated  
8     landscape.  
9     (2) On or before January 1, 2025, on all commercial,  
10    institutional, industrial, and multifamily service connections that  
11    serve property with greater than 500, but less than 1,001, square  
12    feet of irrigated landscape.  
13    (3) On or before January 1, 2030, on all single family residential  
14    service connections that serve property with greater than 5,000  
15    square feet of irrigated landscape.  
16    (b) A water purveyor, including an urban water supplier, may  
17    recover the cost of providing services related to the purchase,  
18    installation, and operation of a water meter from rates, fees, or  
19    charges.  
20    (c) An urban water supplier may waive the requirements of this  
21    section for a customer that meets both of the following conditions:  
22    (1) Before January 1, 2018, has installed one or more separate  
23    submeters that exclusively measure all water usage for irrigated  
24    landscape.  
25    (2) Agrees to provide water consumption data recorded by the  
26    submeter at least annually to the urban water supplier.

- 1 (d) This section does not apply to a service connection with a
- 2 separate water meter installed to measure the volume of water used
- 3 exclusively for landscape purposes pursuant to Section 535.

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**ACTION ITEM**

April 19, 2017

**TO:** Board of Directors**FROM:** **Public Affairs & Legislation Committee**  
(Directors Dick, Tamaribuchi and Yoo Schneider)Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: AB 869 (Rubio) – Recycled Water Statutory Protections****STAFF RECOMMENDATION**

Staff recommends the Board of Directors vote to adopt a support position on AB 869 (Rubio).

**COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

This bill declares that recycled water is an efficient use of water, equivalent to other water use efficiency measures. It redefines recycled water to include recycled water that is used to offset potable demand, including recycled water supplied for nonpotable uses and recycled water supplied for potable reuse. The bill defines “potable reuse” as the “planned use of municipal wastewater that has gone through multiple barrier treatment processes to produce or supplement a drinking water supply that has an equivalent level of public health protection as other sources of water supply permitted under the California Safe Drinking Water Act.”

Significantly, the bill excludes from the calculation of any urban water use target or reduction in urban per capita water use recycled water delivered within the service area of an urban retail water supplier or its urban wholesale water supplier for either nonpotable or

Budgeted (Y/N): n/a	Budgeted amount: n/a	Core x	Choice __
Action Item Amount: None	Line Item:		
Fiscal Impact (explain if unbudgeted):			

potable use or that replenishes a groundwater basin and supplements the groundwater supply available to an urban retail water supplier. Additionally, it would prohibit an urban retail water supplier from being required by a regulation to reduce the amount of recycled water it produces, sells, or distributes for beneficial potable or nonpotable uses at any time, including, but not limited to, during a period for which the Governor has issued a proclamation of a state of emergency under the California Emergency Services Act based on statewide or local drought conditions and during a water emergency condition pursuant to Water Code Section 350 et. seq.

## **BACKGROUND**

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Currently, legislation is being formulated by the Governor's Office to implement the draft long-term framework for water conservation that was developed by five state agencies, including the Department of Water Resources and the State Water Resources Control Board. The draft framework was released on Nov. 30, 2016, in response to the Governor's Executive Order B-37-16, which calls for making water conservation "a way of life" in California. Among the Executive Order's mandates is a requirement that DWR work with the State Board to develop new and tougher water use targets that build upon the existing requirement that the state achieve a 20 percent reduction in urban water usage by 2020. (SB 7X-7, 2009-2010.)

During the formulation of the draft framework, urban water agencies emphasized that recycling and reuse of water should be considered an efficient use of supplies and should not be "disincentivized" by including recycled water in new water use targets or in any future regulatory measures used as a drought response. The agencies consistently urged that recycled water be excluded from such calculations and measures.

It remains unclear whether this protection for recycled water will be included in legislation that is expected from the Governor's Office to implement Executive Order B-37-16. Initially, the agencies indicated the Governor's Office would initiate such legislation in February. Three spot bills have been identified as the vehicles for such legislation, but so far they have not been amended, which is consistent with the prevailing view that the language will take the form of a last-minute budget trailer bill.

Therefore, preemptive legislation is being developed, as well as a record of support for such legislation, and will be an important means of protecting the interests of urban water suppliers in preserving recycled water supplies.

## **ARGUMENTS IN SUPPORT**

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According to the author, AB 869 is needed to provide statutory protections for recycled water in the face of new long-term water conservation mandates. The bill was introduced as a preemptive measure to preserve investments made for recycled water usage. It is needed to ensure that recycled water is not subject to restrictions imposed for water use budgeting targets or to mitigate emergency drought conditions.

Potable reuse projects, whether through groundwater recharge or reservoir augmentation, are expensive but necessary to increase local drought-resilient supplies. In times of drought, ratepayers have the right to expect that they will be able to access and use their

local water supply. Without the statutory reassurances this bill would provide, local agencies are likely to question the wisdom of raising rates to pay for local supply, which could lead to continued reliance on outside supplies such as the Colorado River or the State Water Project. The redefinition of recycled water to include potable reuse is consistent with other changes in law recognizing both outdoor and indoor uses for recycled water.

- AB 869 protects and encourages the use of recycled water.
- The bill ensures that recycled water will be considered equivalent to other water use efficiency measures, such as conservation, when long-term water use efficiency standards and targets are developed. It ensures that if more stringent long-term water conservation targets are established for 2025 through statute or regulation, recycled water would be protected from such restrictions.
- Local agencies have invested heavily in recycled water systems, including infrastructure, to ensure the availability of this local water supply. Such supply development strengthens local drought resilience. AB 869 is necessary to protect these investments because mandatory reductions in usage would prevent agencies and ratepayers from receiving the benefits of such investments. Additionally, if ratepayers know that recycled supplies could be subject to future restriction, it would erode ratepayer willingness to invest in local recycled water projects.
- For coastal agencies, reduced recycled water use would result in increased ocean discharges. For inland agencies, if there is no place to discharge recycled water, costly new facilities may be required to prevent the waste of this resource through an outfall connection.
- The bill is in harmony with California's 2016 Water Action Update, which calls for the increased use of recycled water.
- The bill is in harmony with SBX7-7, the 2009 legislation that established the "20 by 2020" water use reduction requirement and specifically did not include recycled water. Why change course after years of investment and effort by public agencies?
- Recycled water is the ultimate form of water conservation because it decreases demand on potable water.

## **ARGUMENTS IN OPPOSITION**

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The analysis prepared before an April 4 hearing of the Assembly Committee on Environmental Safety and Toxic Materials cautioned that the bill represents a "blanket exemption" that could "tie the Governor's hands" in the event of a declared emergency during which the Governor might wish to order the reduction in the use of recycled water. The bill analysis suggests consideration of whether this prohibition is necessary and whether there are certain conditions that should be "called out as opposed to a blanket exemption."

Although opposition has been registered, specific comments were not available at the time this report was prepared.

## COMMENTS

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AB 869 was unanimously approved in the Assembly Environmental Safety and Toxic Materials Committee on April 5, 2017. It will next be heard in the Assembly Water, Parks and Wildlife Committee.

Support on File: Carlsbad Municipal Water District, City of Oceanside, City of Poway, Leucadia Wastewater District, North San Diego Water Reuse Coalition (coalition of 10 northern San Diego County water and wastewater agencies), Sycuan, Valley Center Municipal Water District, Vista Irrigation District.

Opposition on File: California Coastkeeper Alliance, Climate Resolve, Community Water Center, Environmental Justice Coalition for Water, Pacific Institute, National Resources Defense Council.

## DETAILED REPORT

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The full text of AB 869 is attached.

AMENDED IN ASSEMBLY MARCH 28, 2017

AMENDED IN ASSEMBLY MARCH 23, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

## ASSEMBLY BILL

**No. 869**

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**Introduced by Assembly Member Rubio**

February 16, 2017

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An act to amend ~~Section~~ *Sections 10608.8 and 10608.12* of, and to add Section ~~10608.18~~ *13551.5* to, the Water Code, relating to water.

### LEGISLATIVE COUNSEL'S DIGEST

AB 869, as amended, Rubio. Sustainable water use and demand reduction: recycled water.

(1) Existing law imposes various water use reduction requirements that apply to urban retail water suppliers, including a requirement that the state achieve a 20% reduction in urban per capita water use by December 31, 2020.

This bill would require recycled water delivered within the service area of an urban retail water supplier or its urban wholesale water supplier for either nonpotable or potable use or that replenishes a groundwater basin and supplements the groundwater supply available to an urban retail water supplier be excluded from ~~the calculation of any water use or water efficiency target established after 2020; the calculation of any urban water use target or reduction in urban per capita water use. The bill would state that for these purposes recycled water use is an efficient use of water and would require recycled water use to be considered equivalent to other water use efficiency measures.~~

(2) Existing 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. Existing law declares that the use of potable domestic water for certain nonpotable uses is a waste or an unreasonable use of water if recycled water is available, as determined by the State Water Resources Control Board, and other requirements are met.*

*This bill would prohibit an urban retail water supplier from being required by a regulation to reduce the amount of recycled water it produces, sells, or distributes for beneficial potable or nonpotable uses at any time.*

(2)

(3) Existing law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as The California Water Plan. Existing law requires the department, in consultation with the State Water Resources Control Board and with public input, no later than January 1, 2011, and updated as part of The California Water Plan, to propose new statewide targets, or review and update existing targets, for regional water resource management practices, including recycled water.

Existing law requires each agricultural water supplier to implement certain efficient water management practices if the measure is locally cost effective and technically feasible, including to facilitate the use of available recycled water that would otherwise not be used beneficially, that meets all health and safety criteria, and that does not harm crops or soils.

Existing law defines “recycled water,” for the above-described purposes and purposes under (1), as recycled water that is used to offset potable demand, including recycled water supplied for direct use and indirect potable reuse, that meets certain requirements.

This bill would redefine “recycled water” to also include recycled water supplied for nonpotable uses. The bill would define “potable reuse” for these purposes.

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

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

1     **SECTION 1.** *Section 10608.8 of the Water Code is amended*  
2 *to read:*

3     10608.8. (a) (1) Water use efficiency measures adopted and  
4 implemented pursuant to this part or Part 2.8 (commencing with  
5 Section 10800) are water conservation measures subject to the  
6 protections provided under Section 1011.

7     (2) Because an urban agency is not required to meet its urban  
8 water use target until 2020 pursuant to subdivision (b) of Section  
9 10608.24, an urban retail water supplier's failure to meet those  
10 targets shall not establish a violation of law for purposes of any  
11 state administrative or judicial proceeding prior to January 1, 2021.  
12 Nothing in this paragraph limits the use of data reported to the  
13 department or the board in litigation or an administrative  
14 proceeding. This paragraph shall become inoperative on January  
15 1, 2021.

16     (3) To the extent feasible, the department and the board shall  
17 provide for the use of water conservation reports required under  
18 this part to meet the requirements of Section 1011 for water  
19 conservation reporting.

20     (b) This part does not limit or otherwise affect the application  
21 of Chapter 3.5 (commencing with Section 11340), Chapter 4  
22 (commencing with Section 11370), Chapter 4.5 (commencing with  
23 Section 11400), and Chapter 5 (commencing with Section 11500)  
24 of Part 1 of Division 3 of Title 2 of the Government Code.

25     (c) This part does not require a reduction in the total water used  
26 in the agricultural or urban sectors, because other factors, including,  
27 but not limited to, changes in agricultural economics or population  
28 growth may have greater effects on water use. This part does not  
29 limit the economic productivity of California's agricultural,  
30 commercial, or industrial sectors.

31     (d) The requirements of this part do not apply to an agricultural  
32 water supplier that is a party to the Quantification Settlement  
33 Agreement, as defined in subdivision (a) of Section 1 of Chapter  
34 617 of the Statutes of 2002, during the period within which the  
35 Quantification Settlement Agreement remains in effect. After the  
36 expiration of the Quantification Settlement Agreement, to the  
37 extent conservation water projects implemented as part of the  
38 Quantification Settlement Agreement remain in effect, the

1 conserved water created as part of those projects shall be credited  
2 against the obligations of the agricultural water supplier pursuant  
3 to this part.

4 *(e) For this part, recycled water use is an efficient use of water*  
5 *and shall be considered equivalent to other water use efficiency*  
6 *measures.*

7 *(f) This part shall exclude recycled water delivered within the*  
8 *service area of an urban retail water supplier or its urban*  
9 *wholesale water supplier for either nonpotable or potable use or*  
10 *that replenishes a groundwater basin and supplements the*  
11 *groundwater supply available to an urban retail water supplier*  
12 *from the calculation of any urban water use target or reduction*  
13 *in urban per capita water use.*

14 **SECTION 1.**

15 **SEC. 2.** Section 10608.12 of the Water Code is amended to  
16 read:

17 10608.12. Unless the context otherwise requires, the following  
18 definitions govern the construction of this part:

19 (a) “Agricultural water supplier” means a water supplier, either  
20 publicly or privately owned, providing water to 10,000 or more  
21 irrigated acres, excluding recycled water. “Agricultural water  
22 supplier” includes a supplier or contractor for water, regardless of  
23 the basis of right, that distributes or sells water for ultimate resale  
24 to customers. “Agricultural water supplier” does not include the  
25 department.

26 (b) “Base daily per capita water use” means at least one of the  
27 following:

28 (1) The urban retail water supplier’s estimate of its average  
29 gross water use, reported in gallons per capita per day and  
30 calculated over a continuous 10-year period ending no earlier than  
31 December 31, 2004, and no later than December 31, 2010.

32 (2) For an urban retail water supplier that meets at least 10  
33 percent of its 2008 measured retail water demand through recycled  
34 water that is delivered within the service area of an urban retail  
35 water supplier or its urban wholesale water supplier, the urban  
36 retail water supplier may extend the calculation described in  
37 paragraph (1) up to an additional five years to a maximum of a  
38 continuous 15-year period ending no earlier than December 31,  
39 2004, and no later than December 31, 2010.



(3) For the purposes of Section 10608.22, the urban retail water supplier's estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous five-year period ending no earlier than December 31, 2007, and no later than December 31, 2010.

(c) "Baseline commercial, industrial, and institutional water use" means an urban retail water supplier's base daily per capita water use for commercial, industrial, and institutional users.

(d) "Commercial water user" means a water user that provides or distributes a product or service.

(e) "Compliance daily per capita water use" means the gross water use during the final year of the reporting period, reported in gallons per capita per day.

(f) "Disadvantaged community" means a community with an annual median household income that is less than 80 percent of the statewide annual median household income.

(g) "Gross water use" means the total volume of water, whether treated or untreated, entering the distribution system of an urban retail water supplier, excluding all of the following:

(1) Recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier.

(2) The net volume of water that the urban retail water supplier places into long-term storage.

(3) The volume of water the urban retail water supplier conveys for use by another urban water supplier.

(4) The volume of water delivered for agricultural use, except as otherwise provided in subdivision (f) of Section 10608.24.

(h) "Industrial water user" means a water user that is primarily a manufacturer or processor of materials as defined by the North American Industry Classification System code sectors 31 to 33, inclusive, or an entity that is a water user primarily engaged in research and development.

(i) "Institutional water user" means a water user dedicated to public service. This type of user includes, among other users, higher education institutions, schools, courts, churches, hospitals, government facilities, and nonprofit research institutions.

(j) "Interim urban water use target" means the midpoint between the urban retail water supplier's base daily per capita water use and the urban retail water supplier's urban water use target for 2020.

1 (k) “Locally cost effective” means that the present value of the  
2 local benefits of implementing an agricultural efficiency water  
3 management practice is greater than or equal to the present value  
4 of the local cost of implementing that measure.

5 (l) “Process water” means water used for producing a product  
6 or product content or water used for research and development,  
7 including, but not limited to, continuous manufacturing processes,  
8 water used for testing and maintaining equipment used in producing  
9 a product or product content, and water used in combined heat and  
10 power facilities used in producing a product or product content.  
11 Process water does not mean incidental water uses not related to  
12 the production of a product or product content, including, but not  
13 limited to, water used for restrooms, landscaping, air-conditioning,  
14 heating, kitchens, and laundry.

15 (m) “Recycled water” means recycled water, as defined in  
16 subdivision (n) of Section 13050, that is used to offset potable  
17 demand, including recycled water supplied for nonpotable uses  
18 and recycled water supplied for potable reuse. “Potable reuse”  
19 means the planned use of municipal wastewater that has gone  
20 through multiple barrier treatment processes to produce or  
21 supplement a drinking water supply that has an equivalent level  
22 of public health protection as other sources of water supply  
23 permitted under the California Safe Drinking Water Act (Chapter  
24 4 (commencing with Section 116270) of Part 12 of Division 104  
25 of the Health and Safety Code).

26 (n) “Regional water resources management” means sources of  
27 supply resulting from watershed-based planning for sustainable  
28 local water reliability or any of the following alternative sources  
29 of water:

- 30 (1) The capture and reuse of stormwater or rainwater.  
31 (2) The use of recycled water.  
32 (3) The desalination of brackish groundwater.  
33 (4) The conjunctive use of surface water and groundwater in a  
34 manner that is consistent with the safe yield of the groundwater  
35 basin.

36 (o) “Reporting period” means the years for which an urban retail  
37 water supplier reports compliance with the urban water use targets.

38 (p) “Urban retail water supplier” means a water supplier, either  
39 publicly or privately owned, that directly provides potable  
40 municipal water to more than 3,000 end users or that supplies more

1 than 3,000 acre-feet of potable water annually at retail for  
2 municipal purposes.

3 (q) "Urban water use target" means the urban retail water  
4 supplier's targeted future daily per capita water use.

5 (r) "Urban wholesale water supplier," means a water supplier,  
6 either publicly or privately owned, that provides more than 3,000  
7 acre-feet of water annually at wholesale for potable municipal  
8 purposes.

9 ~~SEC. 2. Section 10608.18 is added to the Water Code, to read:~~

10 ~~10608.18. Notwithstanding any other provision of this part,~~  
11 ~~recycled water delivered within the service area of an urban retail~~  
12 ~~water supplier or its urban wholesale water supplier for either~~  
13 ~~nonpotable or potable use or that replenishes a groundwater basin~~  
14 ~~and supplements the groundwater supply available to an urban~~  
15 ~~retail water supplier shall be excluded from the calculation of any~~  
16 ~~water use or efficiency target established for 2020 or beyond.~~

17 *SEC. 3. Section 13551.5 is added to the Water Code, to read:*

18 *13551.5. (a) It is the intent of the Legislature in enacting this*  
19 *section to do all of the following:*

20 *(1) Encourage continued investment in water reuse as a means*  
21 *to increase water supply reliability and diversification within the*  
22 *state.*

23 *(2) Encourage new investment and protect existing local*  
24 *investments made by urban water suppliers in drought resiliency*  
25 *and drought resilient supplies, including recycled water and*  
26 *potable reuse, in order to better prepare local communities and*  
27 *the state for periods of drought and shortage.*

28 *(3) Expand the volume of water recycled to put to beneficial*  
29 *use in the state through new investments in water recycling.*

30 *(4) Recognize that federal and state regulation of recycled water*  
31 *requires efficient use of recycled water and prohibits overuse.*

32 *(5) Encourage local agencies to take steps to prepare for the*  
33 *effects of climate change.*

34 *(b) An urban retail water supplier shall not be required by a*  
35 *regulation to reduce the amount of recycled water it produces,*  
36 *sells, or distributes for beneficial potable or nonpotable uses at*  
37 *any time, including, but not limited to, during a period for which*  
38 *the Governor has issued a proclamation of a state of emergency*  
39 *under the California Emergency Services Act (Chapter 7*  
40 *(commencing with Section 8550) of Division 1 of Title 2 of the*

1 *Government Code) based on statewide or local drought conditions*  
2 *pursuant to Chapter 3.3 (commencing with Section 365) of Division*  
3 *1 and during a water shortage emergency condition pursuant to*  
4 *Chapter 3 (commencing with Section 350) of Division 1.*  
5 *(c) For purposes of this section, “urban retail water supplier”*  
6 *and “recycled water” have the same meanings as provided in*  
7 *Section 10608.12.*

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**ACTION ITEM**

April 19, 2017

**TO:** Board of Directors**FROM:** **Public Affairs & Legislation Committee**  
(Directors Dick, Tamaribuchi and Yoo Schneider)Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: AB 732 (Frazier) – Delta Levee Maintenance****STAFF RECOMMENDATION**

Staff recommends the Board of Directors vote to adopt an oppose position on AB 732 (Frazier).

**COMMITTEE RECOMMENDATION**

Committee recommends (To be determined by committee)

**SUMMARY**

AB 732 would make permanent the current 75% reimbursement rate for Sacramento-San Joaquin Delta (Delta) levee maintenance costs in excess of \$1,000 per mile. Specifically, this bill:

- 1) Eliminates the July 1, 2018, sunset on the current authorization of a 75% state cost-share in the Delta levee maintenance or improvement program.
- 2) Eliminates the effective date for returning to a 50% state cost-share.
- 3) Eliminates the July 1, 2018, sunset on advance reimbursement.

**ARGUMENTS IN SUPPORT**

By continuing the current cost share formula, AB 732 ensures that Delta reclamation districts can afford to maintain and improve Delta levees. Maintenance of the Delta levees

<b>Budgeted (Y/N):</b> n/a	Budgeted amount: n/a	Core x	Choice __
<b>Action Item Amount:</b> none		Line Item:	
<b>Fiscal Impact (explain if unbudgeted):</b>			

is important to reduce flood risk and ensure the Delta can continue to serve its many valuable uses – as fertile farmland, a water conveyance, and a rich estuary ecosystem.

## **ARGUMENTS IN OPPOSITION**

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Like SB 554 (Wolk) from last year, AB 732 is an inappropriate attempt to permanently encumber the state general fund for levee maintenance responsibilities on private lands in the Sacramento-San Joaquin Delta. Of the 1,100 levee miles in the Delta, 730 miles are privately owned.

The Delta Levees Maintenance Subventions Program dates back to the 1990s. The Legislature's clear intent was to reduce the state's financial exposure on this program from 75 percent to 50 percent within 10 years. Various reasons have been advanced in since the enactment of the program, including AB 732 and others before it, to temporarily extend the subsidy level to 75 percent. In 2006, it was the Delta Risk Management Study that was not yet completed which called for an extension of the subsidy.

In 2012, it was the Delta Plan that was not yet completed (the Delta Stewardship Council's levee prioritization study still is unfinished) which was the justification for transitioning to the 50 percent subsidy in 2018. Now AB 732 seeks to extend the higher level of subsidy in perpetuity, in contradiction to the enacting legislation and rationales of previous temporary extensions.

## **COMMENTS**

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AB 732 is identical to SB 554 (Wolk) from 2016 without the 2020 sunset, which was passed by the Legislature and ultimately vetoed by Governor Brown. MWDOC, along with a number of other water districts opposed the Wolk bill last year.

This measure will be heard in the Assembly Water, Parks and Wildlife Committee on April 25, 2017.

## **DETAILED REPORT**

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The full text of AB 732 is attached.

AMENDED IN ASSEMBLY MARCH 23, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

## ASSEMBLY BILL

No. 732

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**Introduced by Assembly Member Frazier**

February 15, 2017

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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, Section 12987.5 of, and to amend and repeal Section 12986 of,~~ the Water Code, relating to water.

### LEGISLATIVE COUNSEL'S DIGEST

AB 732, as amended, Frazier. ~~Delta Flood Protection Fund. levee maintenance.~~

*Existing law establishes a delta levee maintenance program pursuant to which a local agency may request reimbursement for costs incurred in connection with the maintenance or improvement of project or nonproject levees in the Sacramento-San Joaquin Delta. Existing law declares legislative intent to reimburse eligible local agencies under this program, until July 1, 2018, in an amount not to exceed 75% of those costs that are incurred in excess of \$1,000 per mile of levee. Existing law, until July 1, 2018, authorizes the board to provide funds to an eligible local agency under this program in the form of an advance in an amount that does not exceed 75% of the estimated state share.*

*This bill would extend indefinitely the operation of that declaration of legislative intent and the authorization to advance funds.*

*Existing law, on and after July 1, 2018, declares the intent of the Legislature to reimburse eligible local agencies under this program in an amount not to exceed 50% of those costs that are incurred in excess*

*of \$1,000 per mile of levee in any year for the maintenance and improvement of levees. Existing law, on and after July 1, 2018, declares the intent of the Legislature that the maximum total reimbursement under the program shall not exceed \$2,000,000 annually.*

*This bill would repeal these provisions.*

~~Existing 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. Existing 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 existing law.~~

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

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

1     SECTION 1. Section 12986 of the Water Code, as amended by  
2     Section 3 of Chapter 549 of the Statutes of 2012, is amended to  
3     read:

4     12986. (a) It is the intent of the Legislature to reimburse an  
5     eligible local agency pursuant to this part for costs incurred in any  
6     year for the maintenance or improvement of project or nonproject  
7     levees as follows:

8     (1) No costs incurred shall be reimbursed if the entire cost  
9     incurred per mile of project or nonproject levee is one thousand  
10    dollars (\$1,000) or less.

11    (2) Not more than 75 percent of any costs incurred in excess of  
12    one thousand dollars (\$1,000) per mile of project or nonproject  
13    levee shall be reimbursed.

14    (3) (A) As part of the project plans approved by the board, the  
15    department shall require the local agency or an independent  
16    financial consultant to provide information regarding the agency's  
17    ability to pay for the cost of levee maintenance or improvement.  
18    Based on that information, the department may require the local  
19    agency or an independent financial consultant to prepare a  
20    comprehensive study on the agency's ability to pay.

21    (B) The information or comprehensive study of the agency's  
22    ability to pay shall be the basis for determining the maximum



allowable reimbursement eligible under this part. Nothing in this paragraph shall be interpreted to increase the maximum reimbursement allowed under paragraph (2).

(4) Reimbursements made to the local agency in excess of the maximum allowable reimbursement shall be returned to the department.

(5) The department may recover, retroactively, excess reimbursements paid to the local agency from any time after January 1, 1997, based on an updated study of the agency's ability to pay.

(6) All final costs allocated or reimbursed under a plan shall be approved by the Central Valley Flood Protection Board for project and nonproject levee work.

(7) Costs incurred pursuant to this part that are eligible for reimbursement include construction costs and associated engineering services, financial or economic analyses, environmental costs, mitigation costs, and habitat improvement costs.

(b) Upon completion of its evaluation pursuant to Sections 139.2 and 139.4, by January 1, 2008, the department shall recommend to the Legislature and the Governor priorities for funding under this section.

(c) Reimbursements made pursuant to this section shall reflect the priorities of, and be consistent with, the Delta Plan established pursuant to Chapter 1 (commencing with Section 85300) of Part 4 of Division 35.

~~(d) This section shall become inoperative on July 1, 2018, and, as of January 1, 2019, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2019, deletes or extends the dates on which it becomes inoperative and is repealed.~~

*SEC. 2. Section 12986 of the Water Code, as amended by Section 2 of Chapter 549 of the Statutes of 2012, is repealed.*

~~12986. (a) It is the intent of the Legislature to reimburse from the General Fund an eligible local agency pursuant to this part for costs incurred in any year for the maintenance or improvement of project or nonproject levees as follows:~~

~~(1) No costs incurred shall be reimbursed if the entire cost incurred per mile of levee is one thousand dollars (\$1,000) or less.~~

~~(2) Fifty percent of any costs incurred in excess of one thousand dollars (\$1,000) per mile of levee shall be reimbursed.~~

~~(3) The maximum total reimbursement from the General Fund shall not exceed two million dollars (\$2,000,000) annually.~~

~~(b) This section shall become operative on July 1, 2018.~~

*SEC. 3. Section 12987.5 of the Water Code is amended to read:*

12987.5. (a) In an agreement entered into under Section 12987, the board may provide for an advance to the applicant in an amount not to exceed 75 percent of the estimated state share. The agreement shall provide that no advance shall be made until the applicant has incurred costs averaging one thousand dollars (\$1,000) per mile of levee.

(b) Advances made under subdivision (a) shall be subtracted from amounts to be reimbursed after the work has been performed. If the department finds that work has not been satisfactorily performed or where advances made actually exceed reimbursable costs, the local agency shall promptly remit to the state all amounts advanced in excess of reimbursable costs. If advances are sought, the board may require a bond to be posted to ensure the faithful performance of the work set forth in the agreement.

~~(c) This section shall become inoperative on July 1, 2018, and, as of January 1, 2019, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2019, deletes or extends the dates on which it becomes inoperative and is repealed.~~

~~SECTION 1. Chapter 1 (commencing with Section 12300) of Part 4.8 of Division 6 of the Water Code is repealed.~~

~~SEC. 2. The heading of Chapter 1.5 (commencing with Section 12306) of Part 4.8 of Division 6 of the Water Code is amended and renumbered to read:~~

#### CHAPTER 1. GENERAL PROVISIONS

~~SEC. 3. Section 12929.12 of the Water Code is amended to read:~~

12929.12. (a) It is the intent of the Legislature that sixty-five million dollars (\$65,000,000) of the funds that may be transferred, pursuant to paragraph (3) of subdivision (b) of Section 12937, to the California Water Fund from the California Water Resources Development Bond Fund, shall be appropriated to the Environmental Water Fund. It is the intent of the Legislature, subject to subdivision (b), to appropriate to the Environmental Water Fund one million dollars (\$1,000,000) in the 1990–91 fiscal

1 year and eight million dollars (\$8,000,000) per year in fiscal years  
2 1991-92 to 1998-99, inclusive. However, the director, in  
3 consultation with the Department of Finance, may accelerate  
4 payments to the California Water Fund for appropriation to the  
5 Environmental Water Fund if the director deems it appropriate to  
6 do so.

7 (b) It is the further intent of the Legislature that if the director  
8 determines that all or any portion of the amount that would  
9 otherwise be appropriated in any fiscal year to the Environmental  
10 Water Fund in accordance with subdivision (a) is required for  
11 continued construction of the State Water Resources Development  
12 System pursuant to Section 12938, the entire amount that would  
13 otherwise be appropriated to the Environmental Water Fund for  
14 that fiscal year shall be reduced accordingly. It is also the intent  
15 of the Legislature that any reduction in funds appropriated to the  
16 Environmental Water Fund pursuant to this subdivision be made  
17 up from funds transferred to the California Water Fund pursuant  
18 to paragraph (3) of subdivision (b) of Section 12937 in subsequent  
19 fiscal years.

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**ACTION ITEM**

April 19, 2017

**TO:** Board of Directors**FROM:** **Public Affairs & Legislation Committee**  
(Directors Dick, Tamaribuchi and Yoo Schneider)Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: AB 791, AB 792 and AB 793 (Frazier) – Delta Region Measures****STAFF RECOMMENDATION**

Staff recommends the Board of Directors vote to adopt an oppose position on AB 791, 792 and 793 (Frazier).

**COMMITTEE RECOMMENDATION**

Committee recommends (To be determined by committee)

**SUMMARY**

These bills are presented as a package as they all have the same focus and have been packaged together by the supporters and opponents alike.

AB 791 would impose new requirements on the “lead agency” (presumably the CA Department of Resources (DWR), as the lead agency under the California Environmental Quality Act) to provide certain information about the costs and benefits of the new water delivery system improvements on a water-contractor-by-water-contractor basis before any water contractor could enter any contracts to fund design, construction and mitigation.

AB 792 would prohibit the Delta Stewardship Council from granting a “certification of consistency” with the Delta Plan until the State Water Resources Control Board (SWRCB) has completed its update of the Water Quality Control Plan for the Bay-Delta Estuary.

<b>Budgeted (Y/N):</b> n/a	Budgeted amount: n/a	Core x	Choice __
<b>Action Item Amount:</b> None		Line Item:	
<b>Fiscal Impact (explain if unbudgeted):</b>			

AB 793 would declare it to be state policy that the “existing state” of the Sacramento-San Joaquin Delta is recognized and defined as an integral component of California’s water infrastructure.

## **ARGUMENTS IN SUPPORT**

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Legislators in the Delta region are working to maintain a united voice on important issues affecting the area. Announcing the formation of the Delta Caucus, Senator Bill Dodd said, “Ensuring a vibrant and sustainable Delta is critical for our region and the entire state. We will be fighting to protect this precious resource and region for our residents, visitors and wildlife.” This suite of bills works toward that goal.

## **ARGUMENTS IN OPPOSITION**

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AB 791 and AB 792 could delay the construction of the California WaterFix by several years with no added benefit to the public process or environment. AB 791 is unnecessary as existing law states that such contracts or other arrangements to pay for new Delta conveyance infrastructure are a prerequisite to start construction. In addition, each public water agency that will fund the WaterFix has every incentive to determine the costs and benefits to its members or ratepayers and reach decisions in light of those analyses. Those agencies should each make their own decisions based on their particular customer needs and risk assessment, not the “lead agency” or DWR.

AB 792 transforms the Delta Stewardship Council into a permitting agency for the California WaterFix – something the Legislature specifically declined to do when it passed the Delta Reform Act of 2009.

AB 793 does not define the “existing state” of the Delta. If there is a natural disaster and the current existing state of the Delta changes, do we change it back or is that the new “existing state?” Establishing this vague terminology in statute that the Sacramento-San Joaquin Delta is an integral component of California’s water infrastructure and recognizing the importance of protection the water quality for multiple uses with benefits throughout the state sets a dangerous precedent. In addition, it is unclear what financing would be available for water collection or water treatment “infrastructure” that is not available to any other infrastructure. The intent of this bill may be to enable the state to charge a “Delta User Fee” because the Delta as a whole would be considered a “water collection facility.”

## **COMMENTS**

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All three bills were scheduled for a hearing in the Assembly Water, Parks and Wildlife Committee on March 30, however were pulled by the author. They are now scheduled to be heard on April 25, 2017.

## **DETAILED REPORT**

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The full text of AB 791, 792 and 793 is attached.

AMENDED IN ASSEMBLY MARCH 21, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

## ASSEMBLY BILL

**No. 791**

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**Introduced by Assembly Member Frazier**

February 15, 2017

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An act to amend Section 85089 of the Water Code, relating to the Sacramento-San Joaquin Delta.

### LEGISLATIVE COUNSEL'S DIGEST

AB 791, as amended, Frazier. Sacramento-San Joaquin Delta: State Water Project and federal Central Valley Project: new conveyance facility.

Existing law, 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:~~ *require, before a water contractor enters into a contract to pay for these costs, that the lead agency provide the breakdown of costs for each water contractor entering into a contract and what benefits each contractor will receive based on the proportion it has financed of the proposed conveyance project.*

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

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

SECTION 1. Section 85089 of the Water Code is amended to read:

85089. (a) Construction of a new Delta conveyance facility shall not be 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 both of the following:

(1) The costs of the environmental review, planning, design, construction, and mitigation, including mitigation required pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code, required for the construction, operation, and maintenance of any new Delta water conveyance facility.

(2) Full mitigation of property tax or assessments levied by local governments or special districts for land used in the construction, location, mitigation, or operation of new Delta conveyance facilities.

*(b) Before a water contractor enters into a contract to pay for the costs described in subdivision (a), the lead agency shall provide both of the following:*

*(1) The breakdown of costs for each water contractor entering into a contract.*

*(2) What benefits each contractor will receive based on the proportion the contractor has financed of the new Delta conveyance facility.*

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AMENDED IN ASSEMBLY MARCH 28, 2017

AMENDED IN ASSEMBLY MARCH 21, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

## ASSEMBLY BILL

**No. 792**

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**Introduced by Assembly Member Frazier**

February 15, 2017

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An act to amend Section ~~85088~~ 85225 of the Water Code, relating to the Sacramento-San Joaquin Delta.

### LEGISLATIVE COUNSEL'S DIGEST

AB 792, as amended, Frazier. Sacramento-San Joaquin Delta: ~~State Water Project and federal Central Valley Project: change in the point of diversion.~~ *Delta Plan: certification of consistency.*

Existing law, the Sacramento-San Joaquin Delta Reform Act of 2009, establishes the Delta Stewardship Council and requires the council to develop, adopt, and commence implementation of a comprehensive management plan for the Delta, known as the Delta Plan. The act requires a state or local public agency that proposes to undertake a covered action to prepare and submit to the council a written certification of consistency with the Delta Plan before undertaking that action.

~~Under the act, 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 prohibit the ~~department from commencing construction until the board issues an order approving a change in or a new point of diversion of the projects, as specified, and the council issues a certification of consistency with the Delta Plan. The bill would prohibit the council from granting a certification of consistency with the Delta Plan until the board has completed its update of a specified water quality control plan in order to ensure protection of fish and wildlife and in-Delta beneficial uses of the San Francisco Bay/Sacramento-San Joaquin Delta Estuary's waters.~~ plan.

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

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

1     SECTION 1. Section 85225 of the Water Code is amended to  
2     read:

3     85225. A state or local public agency that proposes to undertake  
4     a covered action, prior to initiating the implementation of that  
5     covered action, shall prepare a written certification of consistency  
6     with detailed findings as to whether the covered action is consistent  
7     with the Delta Plan and shall submit that certification to the council.  
8     *The council shall not grant a certification of consistency with the*  
9     *Delta Plan until the board has completed its update of the 2006*  
10    *Water Quality Control Plan for the Bay-Delta Estuary that was*  
11    *initiated with a notice of preparation in 2009.*

12    SECTION 1. ~~Section 85088 of the Water Code is amended to~~  
13    read:

14    85088. ~~Until the board issues an order approving a change in~~  
15    ~~or a new point of diversion of the State Water Project and the~~  
16    ~~federal Central Valley Project from the southern Delta to a point~~  
17    ~~on the Sacramento River as specified in subdivision (c) of Section~~  
18    ~~85086, and the council issues a certification of consistency with~~  
19    ~~the Delta Plan, the department shall not commence construction~~  
20    ~~of any diversion, conveyance, or other facility necessary to divert~~  
21    ~~and convey water pursuant to the change in the point of diversion.~~  
22    ~~In order to ensure protection of fish and wildlife and in-Delta~~  
23    ~~beneficial uses of the San Francisco Bay/Sacramento-San Joaquin~~  
24    ~~Delta Estuary's waters, the council shall not grant a certification~~  
25    ~~of consistency with the Delta Plan until the board has completed~~

- 1 its update of the 2006 Water Quality Control Plan for the Bay-Delta
- 2 Estuary that was initiated with a notice of preparation in 2009.

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AMENDED IN ASSEMBLY MARCH 27, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

**ASSEMBLY BILL**

**No. 793**

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**Introduced by Assembly Member Frazier**

February 15, 2017

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

LEGISLATIVE COUNSEL'S DIGEST

AB 793, as amended, Frazier. Sacramento-San Joaquin Delta: financing.

Existing law establishes various state water policies, including the policy that source watersheds are recognized and defined as integral components of California's water infrastructure.

This bill would declare it to be state policy that the ~~natural~~ existing 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.

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

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

1 SECTION 1. Section 108.7 is added to the Water Code, to  
2 read:

1 108.7. (a) It is hereby declared to be the established policy of  
2 the state that the ~~natural~~ *existing* state of the Sacramento-San  
3 Joaquin Delta is recognized and defined as an integral component  
4 of California's water infrastructure.

5 (b) (1) As climate change and other stressors on the Delta  
6 intensify, the Delta will continue to serve as a critically important  
7 natural resource that provides countless benefits to local  
8 communities and the state.

9 (2) Recognizing the critical role of the Delta in providing water  
10 supply reliability, the maintenance and repair of the Delta is eligible  
11 for the same forms of financing as other water collection and  
12 treatment infrastructure.

13 (3) Nothing in this section is intended to constrain financing for  
14 the Delta as it supplies local, state, or federal water systems.

15 (4) Nothing in this section is intended to supersede federal  
16 eligibility requirements or alter any of the following:

17 (A) Funding criteria or guidelines established for a bond or other  
18 measure enacted by the voters.

19 (B) Funding programs related to pollution control, cleanup, or  
20 abatement.

21 (C) Funding programs for addressing public health emergencies.

22 (c) Eligible maintenance and repair activities pursuant to this  
23 section are limited to the following cleanup and abatement related  
24 restoration and conservation activities:

25 (1) Cleanup and abatement of toxic or hazardous waste spilled  
26 into or exposed in any way to the Delta's recognized waters or  
27 hydrology.

28 (2) Cleanup and abatement of marine debris, solid waste, and  
29 abandoned vessels of any kind.

30 (3) Habitat restoration or conservation in addition to, but not  
31 exclusive of, any other habitat conservation plan.

32 (4) Water quality improvement projects that protect or enhance  
33 the quality of water in the Delta for human and environmental  
34 purposes, reduce salinity, prevent seawater intrusion into the Delta,  
35 or improve freshwater flows into the Delta.

36 (5) Projects with a demonstrated likelihood of improving  
37 conditions of the water and ecosystems in the Delta for the benefit  
38 of humans and the environment.

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**ACTION ITEM**

April 19, 2017

**TO:** Board of Directors**FROM:** **Public Affairs & Legislation Committee**  
(Directors Dick, Tamaribuchi and Yoo Schneider)Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: AB 574 (Quirk) – Recycled Water****STAFF RECOMMENDATION**

Staff recommends the Board of Directors vote to adopt a support position on AB 574 (Quirk).

**COMMITTEE RECOMMENDATION**

Committee recommends (To be determined by committee)

**SUMMARY**

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 “groundwater augmentation,” “reservoir augmentation,” “raw water augmentation,” and “treated water augmentation.”

The bill would require the state board, on or December 31, 2021, to adopt uniform water recycling criteria for potable reuse through raw water augmentation, as specified, and would allow the board to extend this date if certain criteria is met. The bill would permit the state board to adopt the uniform water recycling criteria as emergency regulations, as specified. This bill would make certain findings and declarations relating to potable reuse, including a finding that the state board, on or before June 1, 2018, should establish a framework for the regulation of potable reuse projects.

<b>Budgeted (Y/N):</b> n/a	Budgeted amount: n/a	Core x	Choice __
<b>Action Item Amount:</b> none		Line Item:	
<b>Fiscal Impact (explain if unbudgeted):</b>			

## BACKGROUND

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Currently, no regulations exist in the United States, at the federal or state level, for direct potable reuse. In order to meet future demands, California will need to increase and expand its use of recycled water, especially as a source of drinking water.

Given the various possible types of direct potable reuse projects, a common framework will be needed to provide guidance for the safe use of direct potable reuse.

## ARGUMENTS IN SUPPORT

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AB 574 would help California maximize potable water reuse and achieve statewide water recycling goals. The Water Recycling Act of 1991 created a statewide goal to recycle a total of 700,000 acre-feet of water per year by 2000 and 1,000,000 acre-feet of water per year by 2010. Additionally, in February 2009, the State Water Board adopted Resolution 2009-0011 which mandates increasing the use of recycled water by 200,000 acre-feet per year by 2020 and an additional 300,000 acre-feet per year by 2030 over 2009 recycled water use levels. California has not met these goals, but this bill would make a legislative finding that a 2014 report by the WaterReuse Research Foundation found that potable reuse could provide up to 1.1 million acre-feet per year of new drinking water supplies for California, enough to serve more than 8 million Californians or one-fifth of the state's population by 2020.

This bill will help advance projects like GWRS by eliminating the confusing statutory definitions for "indirect" and "direct" potable reuse, establishing a framework for the regulation of potable reuse projects, and developing uniform water recycling criteria for potable reuse through raw water augmentation.

## ARGUMENTS IN OPPOSITION

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None on file.

## COMMENTS

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Support on file:

California Coastkeeper Alliance (sponsor)  
 Watereuse California (sponsor)  
 Association of California Water Agencies  
 Azul  
 CalDesal  
 California Association of Sanitation Agencies  
 California Coastal Protection Network  
 California League of Conservation Voters  
 City of Santa Barbara  
 Clean Water Action  
 Clean Water Fund  
 Coastal Environmental Rights Foundation  
 Delta Diablo  
 Dublin San Ramon Services District

East Bay Municipal Utility District  
Eastern Municipal Water District  
Ecological Rights Foundation  
Heal the Bay  
Inland Empire Utilities Agency  
Inland Empire Waterkeeper  
Las Gallinas Valley Sanitary District  
Las Virgenes Triunfo Joint Powers Authority  
Leucadia Wastewater District  
Los Angeles Waterkeeper  
Metropolitan Water District of Southern California  
Monterey Regional Water Pollution Control Agency  
Natural Resources Defense Council  
North Bay Water Reuse Authority  
Olivenhain Municipal Water District  
Orange County Coastkeeper  
Orange County Water District  
Residents for Responsible Desalination  
Rincon del Diablo Municipal Water District  
San Diego Coastkeeper  
Sanitation Districts of Los Angeles County  
Santa Barbara Channelkeeper  
Seventh Generation Advisors  
Southern California Watershed Alliance & Desal Response Group  
Surfrider Foundation  
U.S. Green Building Council  
West Basin Municipal Water District  
Wholly H2O  
Wildcoast

This measure was unanimously approved by the Assembly Environmental Safety and Toxic Materials Committee on April 4, and will next be heard in the Assembly Water, Parks and Wildlife Committee on April 25, 2017.

## **DETAILED REPORT**

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The full text of AB 574 is attached along with a potable reuse chart for your information.

AMENDED IN ASSEMBLY MARCH 23, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

## ASSEMBLY BILL

**No. 574**

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**Introduced by Assembly Member Quirk**

February 14, 2017

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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~~ *Sections 13560.5 and 13561.2* to, the Water Code, relating to water.

### LEGISLATIVE COUNSEL'S DIGEST

AB 574, as amended, Quirk. Potable reuse.

Existing law establishes the State Water Resources Control Board and the California regional water quality control boards as the principal state agencies with authority over matters relating to water quality. Existing law required the State Department of Public Health to, on or before December 31, 2013, adopt uniform water recycling criteria for indirect potable reuse for groundwater recharge. Existing law also required the department to develop and adopt uniform water recycling criteria for surface water augmentation, as defined, by December 31, 2016, if a specified expert panel found that the criteria would adequately protect public ~~health~~ *health*, and required the department to investigate the feasibility of developing uniform water recycling criteria for direct potable reuse and to provide a final report on that investigation to the Legislature by December 31, 2016. Existing law defined the terms “direct potable reuse,” “indirect potable reuse for groundwater recharge,” and “surface water augmentation” for these purposes. Existing law transferred these powers and responsibilities to the State Water Resources Control Board on July 1, 2014.



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.”~~ “groundwater augmentation,” “reservoir augmentation,” “raw water augmentation,” and “treated water augmentation.”

The bill would require the state board, on or before ~~June 1, 2018,~~ to establish a framework for the regulation of potable reuse projects that includes specified elements. ~~The bill would require the state board, on or before December 31, 2021, to adopt uniform water recycling criteria for potable reuse through raw water augmentation, as specified, and would allow the board to extend this date if certain criteria is met. The bill would permit the state board to adopt the uniform water recycling criteria as emergency regulations, as specified.~~

This bill would make certain findings and declarations relating to ~~potable reuse:~~ reuse, including a finding that the state board, on or before June 1, 2018, should establish a framework for the regulation of potable reuse projects.

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

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

1 SECTION 1. The heading of Chapter 7.3 (commencing with  
2 Section 13560) of Division 7 of the Water Code is amended to  
3 read:

4  
5 CHAPTER 7.3. POTABLE REUSE

6  
7 SEC. 2. Section 13560 of the Water Code is amended to read:  
8 13560. The Legislature finds and declares the following:

9 (a) In February 2009, the state board unanimously adopted, as  
10 Resolution No. 2009-0011, an updated water recycling policy,  
11 which includes the goal of increasing the use of recycled water in  
12 the state over 2002 levels by at least 1,000,000 acre-feet per year  
13 by 2020 and by at least 2,000,000 acre-feet per year by 2030.

1 (b) Section 13521 requires the department to establish uniform  
2 statewide recycling criteria for each varying type of use of recycled  
3 water where the use involves the protection of public health.

4 (c) Achievement of the state's goals depends on the timely  
5 development of uniform statewide recycling criteria for potable  
6 water reuse and of a clear pathway for approval of potable reuse  
7 projects.

8 (d) This chapter is not intended to delay, invalidate, or reverse  
9 any study or project, or development of regulations by the  
10 department, the state board, or the regional boards regarding the  
11 use of recycled water for potable reuse.

12 (e) This chapter shall not be construed to delay, invalidate, or  
13 reverse the state board's ongoing review of projects consistent  
14 with Section 116551 of the Health and Safety Code.

15 (f) The water recycling goals of 700,000 acre-feet of water per  
16 year by the year 2000 and 1,000,000 acre-feet of water per year  
17 by the year 2010, established in Section 13577, have not been met.

18 (g) It is the intent of the Legislature to encourage the  
19 development of potable reuse to mitigate the impact of long-term  
20 drought and climate change.

21 (h) A 2014 report by the WaterReuse Research Foundation, "The  
22 Opportunities and Economics of Direct Potable Reuse" found that  
23 potable reuse could provide up to 1.1 million acre-feet per year of  
24 new drinking water supplies for California.

25 (i) The state board adopted uniform water recycling criteria for  
26 the replenishment of groundwater basins in June 2014 and is  
27 developing uniform water recycling criteria for the augmentation  
28 of surface water reservoirs pursuant to Section 13562.

29 (j) The state board report to the ~~Legislature~~ titled, *Legislature*,  
30 "Investigation on the Feasibility of Developing Uniform Water  
31 Recycling Criteria for Direct Potable ~~Reuse~~" *Reuse*," found that  
32 it is feasible to develop uniform water recycling criteria for direct  
33 potable reuse that is protective of public health.

34 (k) The state board report to the Legislature stated that the state  
35 board should develop a common framework across various types  
36 of direct potable reuse projects to help avoid discontinuities in the  
37 risk assessment and then sequentially develop uniform water  
38 recycling criteria.

39 *SEC. 3. Section 13560.5 is added to the Water Code, to read:*

1 13560.5. *The Legislature finds and declares that on or before*  
2 *June 1, 2018, the state board should establish a framework for the*  
3 *regulation of potable reuse projects. When establishing the*  
4 *framework, the state board should include all of the following:*

5 (a) *The consideration of recommendations provided in the state*  
6 *board’s “Investigation on the Feasibility of Developing Uniform*  
7 *Water Recycling Criteria for Direct Potable Reuse.”*

8 (b) *A schedule for completing the recommended research*  
9 *described in “Investigation on the Feasibility of Developing*  
10 *Uniform Water Recycling Criteria for Direct Potable Reuse.”*

11 (c) *A regulatory framework for potable reuse projects that will*  
12 *be protective of public health.*

13 (d) *A process and timeline for updating, if necessary, uniform*  
14 *water recycling criteria for potable reuse through reservoir*  
15 *augmentation.*

16 ~~SEC. 3.~~

17 SEC. 4. Section 13561 of the Water Code is amended to read:

18 13561. For purposes of this chapter, the following terms have  
19 the following meanings:

20 (a) “Department” or “state board” means the State Water  
21 Resources Control Board.

22 (b) “Potable reuse” means the planned—~~treatment~~ *use* of  
23 municipal wastewater that has gone through multiple barrier  
24 treatment processes to produce or supplement a drinking water  
25 supply that has *at least* an equivalent level of public health  
26 protection as other sources of water supply permitted under the  
27 California Safe Drinking Water Act (Chapter 4 (commencing with  
28 Section 116270) of Part 12 of Division 104 of the Health and Safety  
29 Code). A potable reuse project is any one of the following:

30 (1) ~~“Potable reuse through groundwater”~~ “Groundwater  
31 augmentation” means the planned—~~use~~ *placement* of recycled water  
32 for replenishment of a groundwater basin or an aquifer that has  
33 been designated as the source of water supply for a public water  
34 system, as defined in Section 116275 of the Health and Safety  
35 Code.

36 (2) ~~“Potable reuse through reservoir”~~ “Reservoir augmentation”  
37 means the planned placement of recycled water into a raw surface  
38 water reservoir used as a source of domestic drinking water supply  
39 for a public water system, as defined in Section 116275 of the  
40 Health and Safety Code.

1     ~~(3) “Potable reuse through raw water augmentation” means the~~  
2 ~~planned placement of recycled water into a raw or untreated water~~  
3 ~~distribution system serving a public water system, as defined in~~  
4 ~~Section 116275 of the Health and Safety Code, upstream of a~~  
5 ~~drinking water treatment plant.~~

6     ~~(3) “Raw water augmentation” means the planned placement~~  
7 ~~of recycled water into a system of pipelines or aqueducts that~~  
8 ~~deliver raw water to a drinking water treatment plan that provides~~  
9 ~~water to a public water system, as defined in Section 116275 of~~  
10 ~~the Health and Safety Code.~~

11     ~~(4) “Potable reuse through treated “Treated water augmentation”~~  
12 ~~means the planned introduction placement of recycled water into~~  
13 ~~the treated water distribution system of a public water system, as~~  
14 ~~defined in Section 116275 of the Health and Safety Code.~~

15     ~~(c) “Uniform water recycling criteria” has the same meaning~~  
16 ~~as in Section 13521.~~

17     ~~SEC. 4.~~

18     ~~SEC. 5.~~ Section 13561.2 is added to the Water Code, to read:

19     ~~13561.2. (a) On or before June 1, 2018, the state board shall~~  
20 ~~establish a framework for the regulation of potable reuse projects.~~  
21 ~~When establishing the framework, the state board shall include all~~  
22 ~~of the following:~~

23     ~~(1) The consideration of the recommendations in the state~~  
24 ~~board’s “Investigation on the Feasibility of Developing Uniform~~  
25 ~~Water Recycling Criteria for Direct Potable Reuse.”~~

26     ~~(2) A schedule for completing the recommended research~~  
27 ~~described in the state board’s report, “Investigation on the~~  
28 ~~Feasibility of Developing Uniform Water Recycling Criteria for~~  
29 ~~Direct Potable Reuse.”~~

30     ~~(3) A regulatory framework for potable reuse projects that will~~  
31 ~~be protective of public health.~~

32     ~~(4) A process and timeline for updating, if necessary, uniform~~  
33 ~~water recycling criteria for potable reuse through reservoir~~  
34 ~~augmentation.~~

35     ~~(5) A declaration of the state board’s authority to permit potable~~  
36 ~~reuse projects pursuant to Section 116550 of the Health and Safety~~  
37 ~~Code before the adoption of uniform recycling criteria pursuant~~  
38 ~~to subdivision (b).~~

39     ~~(b)~~

1 13561.2. (a) (1) On or before December 31, 2021, the state  
2 board shall adopt uniform water recycling criteria for potable reuse  
3 through raw water augmentation. The state board shall develop  
4 the uniform water recycling criteria after soliciting stakeholder  
5 input from water agencies, wastewater agencies, local public health  
6 officers, environmental organizations, environmental justice  
7 organizations, public health nongovernmental organizations, and  
8 the business community.

9 (2) If the state board finds that the recommended research  
10 described in ~~paragraph (2) of subdivision (a)~~ *(b) of Section 13560.5*  
11 is insufficient to adopt the uniform water recycling criteria by  
12 December 31, 2021, the state board may, by June 30, 2021, extend  
13 the uniform water recycling criteria deadline by up to 18 months.

14 (3) If the state board finds that it needs longer than the date  
15 specified in paragraph (2), the state board shall do both of the  
16 following:

17 (A) Consult with an independent expert review panel to  
18 determine why the additional 18-month extension cannot be met.  
19 The review panel shall also make the following determinations:

20 (i) The outstanding tasks necessary for the state board to  
21 complete the uniform water recycling criteria.

22 (ii) A revised completion date for the state board to complete  
23 the uniform water recycling criteria.

24 (B) No later than December 31, 2021, submit to the Legislature  
25 the findings and determinations made by the independent expert  
26 review panel under subparagraph (A).

27 *(b) Nothing in this section shall prohibit the state board from*  
28 *using its existing authority to permit potable reuse projects*  
29 *pursuant to Section 116550 of the Health and Safety Code before*  
30 *the adoption of uniform recycling criteria pursuant to this section.*

31 *(c) Regulations adopted by the state board pursuant to this*  
32 *section, and any amendment thereto, shall be adopted as*  
33 *emergency regulations in accordance with Chapter 3.5*  
34 *(commencing with Section 11340) of Part 1 of Division 3 of Title*  
35 *2 of the Government Code. The adoption of these regulations is*  
36 *an emergency and shall be considered by the Office of*  
37 *Administrative Law as necessary for the immediate preservation*  
38 *of the public peace, health, safety, and general welfare.*  
39 *Notwithstanding Chapter 3.5 (commencing with Section 11340)*  
40 *of Part 1 of Division 3 of Title 2 of the Government Code, any*

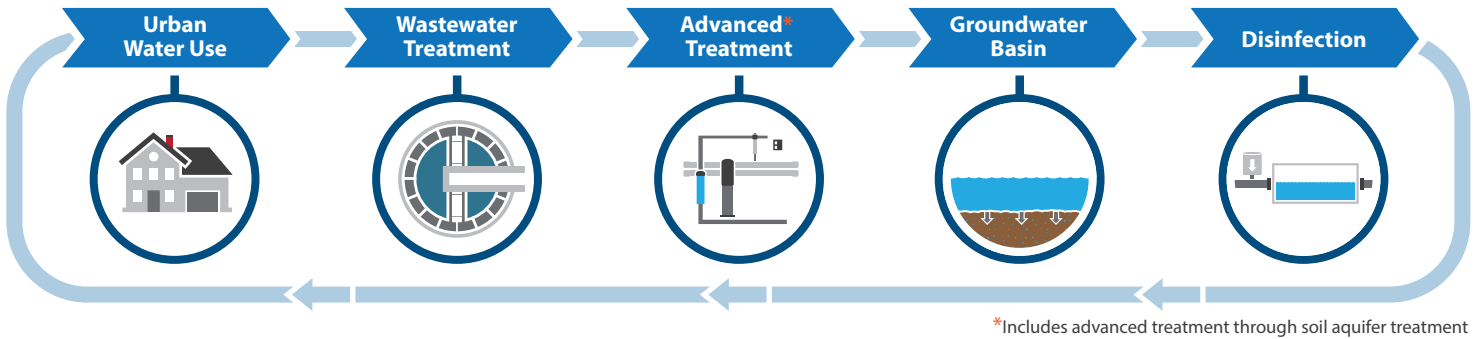
1 *emergency regulations adopted by the state board shall remain in*  
2 *effect until revised by the state board. Before adopting the*  
3 *regulations under this section, the state board shall allow for*  
4 *public comment and hearing. The state board shall provide an*  
5 *opportunity for public review and comment on the proposed*  
6 *regulations for at least 60 days and shall consider public comments*  
7 *before adopting the regulations.*

O

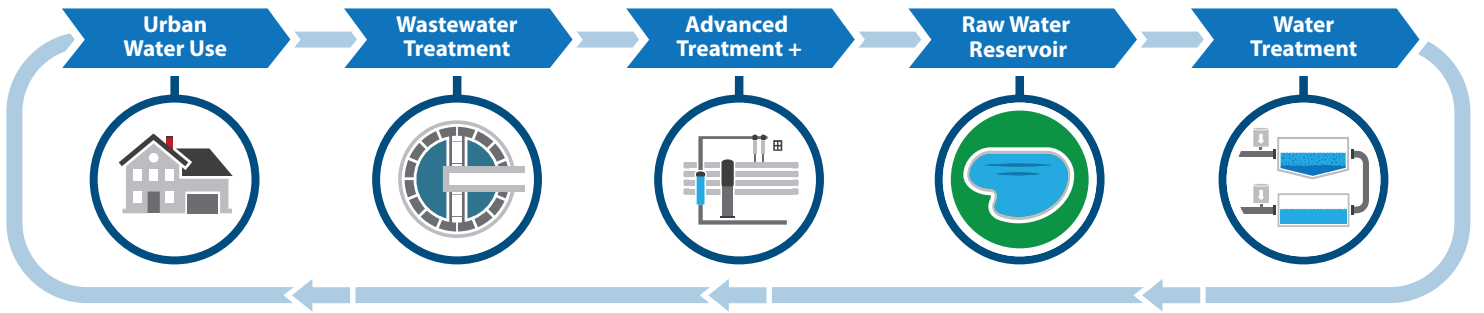
# POTABLE REUSE

## Newly Defined Types

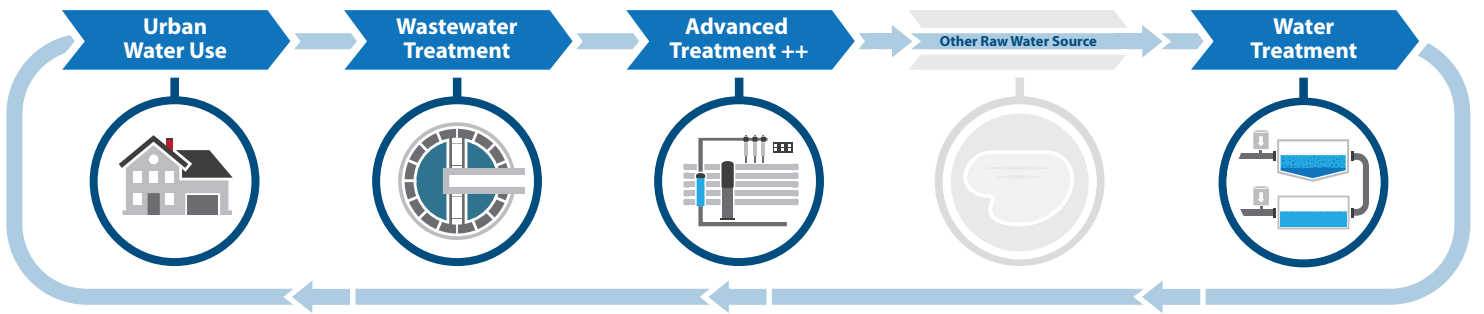
### 1. Groundwater Augmentation



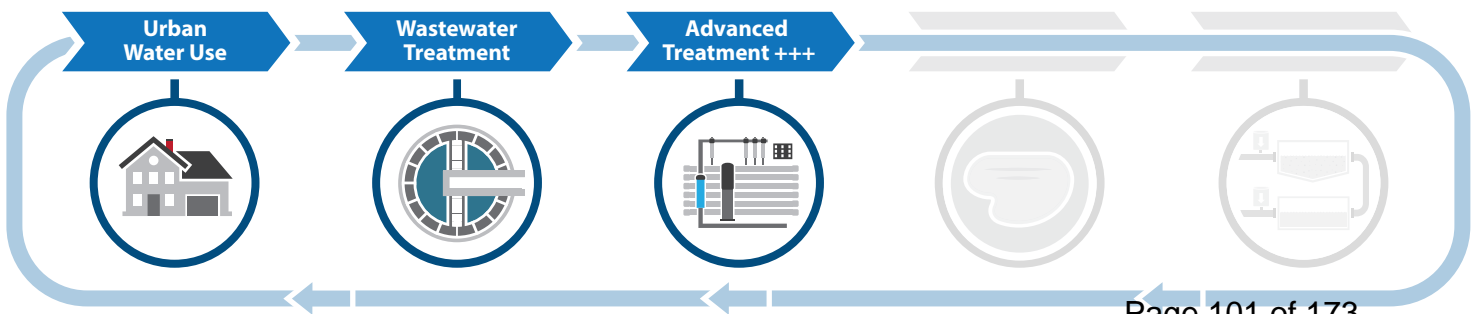
### 2. Reservoir Water Augmentation



### 3. Raw Water Augmentation



### 4. Treated Water Augmentation



**ACTION ITEM**

April 19, 2017

**TO:** Board of Directors**FROM:** **Public Affairs & Legislation Committee**  
(Directors Dick, Tamaribuchi, and Yoo Schneider)Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: AB 968 (Rubio) – Long-Term Water Use Efficiency****STAFF RECOMMENDATION**

Staff recommends the Board of Directors vote to consider adopting a conditional support position on AB 968 (Rubio) as it is still in draft form.

**COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

AB 968 is a spot bill that will respond to the Governor's Executive Order issued in May 2016 (EO B-37-16) requiring new water use targets that build on the existing 20 percent reduction in urban water usage by 2020 (SB-X7-7, 2009-2010). Under the Executive Order, the targets must be customized to the unique conditions of each water agency and be based on strengthened standards for: indoor residential per capita water use; outdoor irrigation; commercial, industrial and institutional water use; and water lost through leaks.

ACWA's State Legislative Committee has developed language to address this issue. The bill is expected to be amended to include this language at some point in the near future. (The Committee's language for another element of the Executive Order – water shortage planning – was amended into another spot bill, AB 1654, on March 28. AB 968 is a companion piece with AB 1654.)

<b>Budgeted (Y/N):</b> n/a	Budgeted amount: n/a	Core x	Choice ____
<b>Action Item Amount:</b> none		Line Item:	
<b>Fiscal Impact (explain if unbudgeted):</b>			



### Water Use Efficiency Targets

AB 968, as amended, would retain the Legislature's existing authority to establish or change long-term targets or standards, and would establish a long-term framework for urban water use efficiency. It would provide that urban retail water suppliers would retain authority for setting their own water use efficiency targets for 2025 in their 2020 UWMP, based on methods prescribed in the statute. Such targets could be determined on a fiscal or calendar year basis, and a supplier would be able to adjust and update the target based on population growth, changes in irrigable landscape area, and other changes affecting water use.

### Compliance

Under the amended bill, suppliers would be required to meet their water use efficiency targets by December 31, 2025, unless economic or hydrologic conditions beyond the supplier's control renders it impossible. Urban retail water suppliers could report progress toward achieving targets on an individual or regional basis. They would be required to report on their compliance in their 2025 UWMP. Calculations for determining compliance would be included in the statute. DWR would be required to develop, in consultation with the Urban Stakeholder Committee, standardized variance methodologies for livestock, swamp coolers, significant transient population increases, construction water for soil compaction and dust control, and other factors. (The bill contains provisions regarding how the Urban Stakeholder Committee would function.)

### Commercial, Industrial and Institutional Sectors

To address commercial, industrial and institutional sectors, the proposed language calls for DWR to be required to convene a task force including urban retail water suppliers, urban wholesale water suppliers, and others. The objective would be to recommend appropriate water efficiency measures for various segments of these three water use sectors. The task force, in consultation with DWR and the Water Board, would be required to submit a report to the Legislature about the recommendations by December 31, 2019.

### Irrigable Areas

Regarding irrigable areas, the bill as amended would contain provisions governing the use of aerial imagery to determine the extent of such areas, and DWR's maintenance of a database related to this information. It would allow an urban retail water supplier to use its own database of validated aerial imagery, measured irrigable area and date of parcel development for properties within its service areas if the supplier certifies it is of comparable or better quality than DWR's database.

### Other Provisions

The proposed language includes many other provisions. For example, the bill, as amended, would establish that recycled water, as defined, would be excluded from the "gross water use" volume used to calculate targets under one of the prescribed calculation methods. Additionally, the proposed language declares that existing water rights law would not be disturbed by the bill and that the State Water Board would not be authorized or have enhanced authority to alter any existing water rights beyond the Board's power to do so prior to enactment.

## **ARGUMENTS IN SUPPORT**

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Legislation has been developed by the Governor's Office to implement the new "Making Water Conservation a California Way of Life" plan, released by the Administration in final form on April 7 in response to the Governor's Executive Order B-37-16. The proposed legislation by the Administration is in the form of budget trailer bill language. It is widely viewed within the water community as taking away local control from water agencies, vesting the State Water Resources Control Board with too much authority, and placing significant and permanent new burdens on local water suppliers.

AB 968 will be the vehicle to carry the water use efficiency targets language developed by ACWA's State Legislative Committee in response to the Governor's Executive Order B-37-16 and the state's new water conservation framework. Bill language has been drafted by the ACWA Urban Long-Term Conservation Work Group, comprised of more than 50 ACWA member agency representatives.

## **ARGUMENTS IN OPPOSITION**

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No formal opposition has been registered at this point.

## **COMMENTS**

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Many water suppliers are expected to take actions of support (some have already put these actions in motion), in part because of concerns about the Governor's budget trailer bill legislation.

## **DETAILED REPORT**

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The proposed text of AB 968 is attached.

AMENDMENTS TO ASSEMBLY BILL NO. 968  
AS AMENDED IN ASSEMBLY MARCH 28, 2017

## Amendment 1

In the title, in line 1, strike out "Section 10608 of," and insert:

Sections 10608, 10608.4, 10608.8, 10608.12, 10608.20, 10608.24 of, to add Sections 10608.25, 10608.46, and 10608.47 to,

## Amendment 2

On page 2, in line 17, strike out "to increase efficiency of water use"

## Amendment 3

On page 3, in line 1, strike out "weather," and insert:

climate,

## Amendment 4

On page 3, in line 3, after "to" insert:

plan for and

## Amendment 5

On page 3, in line 6, strike out "shortage contingency"

## Amendment 6

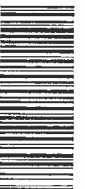
On page 3, in lines 8 and 9, strike out "a water provider's" and insert:

an urban water supplier's

## Amendment 7

On page 3, in line 9, strike out "reduce urban water use" and insert:

improve water use efficiency



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## Amendment 8

On page 3, in line 12, strike out "weather," and insert:

climate,

## Amendment 9

On page 3, strike out lines 16 to 40, inclusive, strike out page 4 and insert:

SEC. 2. Section 10608.4 of the Water Code is amended to read:

10608.4. It is the intent of the Legislature, by the enactment of this part, to do all of the following:

(a) Require all water suppliers to ~~increase the efficiency of~~ promote the efficient use of this essential resource.

(b) Establish a long-term framework ~~to meet the state targets for urban water conservation identified in this part and called for by the Governor.~~ use efficiency.

~~(c) Measure increased efficiency of urban water use on a per capita basis.~~

~~(d) Establish a method or methods for urban retail water suppliers to determine targets for achieving increased water use efficiency by the year 2020, in accordance with the Governor's goal of a 20-percent reduction.~~

~~(e)~~

~~(c)~~ Establish consistent water use efficiency planning and implementation standards for urban water suppliers and agricultural water suppliers.

~~(f)~~

~~(d)~~ Promote urban water conservation standards that are use efficiency that is consistent with the California Urban Water Conservation Council's adopted best management practices and the requirements for demand management in Section 10631.

~~(g)~~

~~(e)~~ Establish standards that recognize and provide credit to water suppliers that made substantial capital investments in urban water ~~conservation~~ use efficiency, sustainable drought resilient supplies, and emergency supplies since the drought of the early 1990s.

~~(h)~~

~~(f)~~ Recognize and account for the investment of urban retail water suppliers in providing recycled water for ~~beneficial uses, both potable and nonpotable beneficial uses, and the need for greater investment in water recycling and other sustainable drought-resilient supplies.~~

~~(g)~~ Recognize that water recycling is an efficient use of water and the application of recycled water in landscape irrigation is extensively regulated, which ensures its efficient use.

~~(i)~~

~~(h)~~ Require implementation of specified efficient water management practices for agricultural water suppliers.

~~(j)~~

~~(i)~~ Support the economic productivity of California's agricultural, commercial, and industrial sectors.

(k)

(j) Advance regional water resources management.

(k) Empower water suppliers to utilize local and regional water use efficiency measures that reflect their unique water supply and demand circumstances that best meet the needs of their individual communities.

(l) Ensure that a water supplier retains the same legal access to its water supplies as the water supplier possessed before January 1, 2018, as provided under law to enhance local and regional water supply reliability and drought resilience as well as to voluntarily contribute to water supply reliability in other regions of the state, as appropriate under law.

SEC. 3. Section 10608.8 of the Water Code is amended to read:

10608.8. (a) (1) Nothing in this part alters existing water rights law or authorizes or enhances the authority of the board to alter any existing water rights beyond its powers to do so before January 1, 2018.

(2) Water use efficiency measures adopted and implemented pursuant to this part or Part 2.8 (commencing with Section 10800) are water conservation measures subject to the protections provided under Section 1011.

(2)

(3) Because an urban agency is not required to meet its urban water use target until 2020 pursuant to subdivision (b) of Section 10608.24, an urban retail water supplier's failure to meet those targets shall not establish a violation of law for purposes of any state administrative or judicial proceeding prior to January 1, 2021. Nothing in this paragraph limits the use of data reported to the department or the board in litigation or an administrative proceeding. This paragraph shall become inoperative on January 1, 2021.

(4) Because an urban agency is not required to meet its urban water efficiency target until 2025 pursuant to subdivision (d) of Section 10608.25, an urban retail water supplier's failure to meet that target shall not establish a violation of law for purposes of any state administrative or judicial proceeding before January 1, 2026. Nothing in this paragraph limits the use of data reported to the department or the board in litigation or an administrative proceeding.

(3)

(5) To the extent feasible, the department and the board shall provide for the use of water conservation reports required under this part to meet the requirements of Section 1011 for water conservation reporting.

(b) This part does not limit or otherwise affect the application of Chapter 3.5 (commencing with Section 11340), Chapter 4 (commencing with Section 11370), Chapter 4.5 (commencing with Section 11400), and Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) This part does not require a reduction in the total water used in the agricultural or urban sectors, because other factors, including, but not limited to, changes in agricultural economics or population growth may have greater effects on water use. This part does not limit the economic productivity of California's agricultural, commercial, or industrial sectors.

(d) The requirements of this part do not apply to an agricultural water supplier that is a party to the Quantification Settlement Agreement, as defined in subdivision (a) of Section 1 of Chapter 617 of the Statutes of 2002, during the period within which

the Quantification Settlement Agreement remains in effect. After the expiration of the Quantification Settlement Agreement, to the extent conservation water projects implemented as part of the Quantification Settlement Agreement remain in effect, the conserved water created as part of those projects shall be credited against the obligations of the agricultural water supplier pursuant to this part.

SEC. 4. Section 10608.12 of the Water Code is amended to read:

10608.12. Unless the context otherwise requires, the following definitions govern the construction of this part:

(a) "Agricultural water supplier" means a water supplier, either publicly or privately owned, providing water to 10,000 or more irrigated acres, excluding recycled water. "Agricultural water supplier" includes a supplier or contractor for water, regardless of the basis of right, that distributes or sells water for ultimate resale to customers. "Agricultural water supplier" does not include the department.

(b) "Base daily per capita water use" means any of the following:

(1) The urban retail water supplier's estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous 10-year period ending no earlier than December 31, 2004, and no later than December 31, 2010.

(2) For an urban retail water supplier that meets at least 10 percent of its 2008 measured retail water demand through recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier, the urban retail water supplier may extend the calculation described in paragraph (1) up to an additional five years to a maximum of a continuous 15-year period ending no earlier than December 31, 2004, and no later than December 31, 2010.

(3) For the purposes of Section 10608.22, the urban retail water supplier's estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous five-year period ending no earlier than December 31, 2007, and no later than December 31, 2010.

(c) "Baseline commercial, industrial, and institutional water use" means an urban retail water supplier's base daily per capita water use for commercial, industrial, and institutional users.

(d) "Commercial water user" means a water user that provides or distributes a product or service.

(e) "Compliance daily per capita water use" means the gross water use during the final year of the reporting period, reported in gallons per capita per day.

(f) "Disadvantaged community" means a community with an annual median household income that is less than 80 percent of the statewide annual median household income.

(g) "Gross water use" means the total volume of water, whether treated or untreated, entering the distribution system of an urban retail water supplier, as the distribution system is defined by the urban retail water supplier, excluding all of the following:

(1) Recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier, supplier, or recycled water used to augment water supplies, including, but not limited to, recycled water used to augment a surface water reservoir or recycled water percolated or injected into a groundwater basin for the purposes of augmenting the common groundwater supply and then extracted by an urban retail water supplier.

(2) The net volume of water that the urban retail water supplier places into long-term storage.

(3) The volume of water the urban retail water supplier conveys for use by another urban water supplier.

(4) The volume of water ~~delivered for agricultural use~~, the urban retail water supplier delivers for commercial or noncommercial agricultural purposes, except as otherwise provided in subdivision (f) of Section 10608.24.

(h) "Industrial water user" means a water user that is primarily a manufacturer or processor of materials as defined by the North American Industry Classification System code sectors 31 to 33, inclusive, or an entity that is a water user primarily engaged in research and development.

(i) "Institutional water user" means a water user dedicated to public service. This type of user includes, among other users, higher education institutions, schools, courts, churches, hospitals, government facilities, and nonprofit research institutions.

(j) "Interim urban water use target" means the midpoint between the urban retail water supplier's base daily per capita water use and the urban retail water supplier's urban water use target for 2020.

(k) "Locally cost effective" means that the present value of the local benefits of implementing an agricultural efficiency water management practice is greater than or equal to the present value of the local cost of implementing that measure.

(l) "Performance measures" means best management practices that improve the efficiency of water use within the commercial, industrial, and institutional sector, including the use of new technologies and improvements in water management as identified in the report developed pursuant to subdivision (b) of Section 10608.45.

~~(l)~~

(m) "Process water" means water used for producing a product or product content or water used for research and development, including, but not limited to, continuous manufacturing processes, water used for testing and maintaining equipment used in producing a product or product content, and water used in combined heat and power facilities used in producing a product or product content. Process water does not mean incidental water uses not related to the production of a product or product content, including, but not limited to, water used for restrooms, landscaping, air conditioning, heating, kitchens, and laundry.

~~(m)~~

(n) "Recycled water" means recycled water, as defined in subdivision (n) of Section 13050, that is used to offset potable demand, ~~including~~ including, but not limited to, recycled water supplied for nonpotable reuse, recycled water supplied for the uses identified and defined in Section 13561, or recycled water supplied for direct use and indirect potable reuse, ~~that that, where applicable,~~ meets the following requirements, ~~where applicable:~~ for reservoir augmentation and groundwater recharge, including recharge through spreading basins or injections:

(1) For groundwater recharge, including recharge through spreading basins, water supplies that are all of the following:

(A) Metered.

(1) The use of the water supply is metered.

~~(B)~~

(2) Developed through planned investment by the urban water ~~supplier~~ supplier, a water replenishment district, or a wastewater treatment agency.

~~(C)~~

(3) Treated to a minimum tertiary level.

~~(D)~~

(4) Delivered within the service area of an urban retail water supplier or its urban wholesale water supplier that helps an urban retail water supplier meet its urban water use target.

~~(2) For reservoir augmentation, water supplies that meet the criteria of paragraph (1) and are conveyed through a distribution system constructed specifically for recycled water.~~

~~(n)~~

(o) "Regional water resources management" means sources of supply resulting from watershed-based planning for sustainable local water reliability or any of the following alternative sources of water:

(1) The capture and reuse of stormwater or rainwater.

(2) The use of recycled water.

(3) The desalination of brackish groundwater.

(4) The conjunctive use of surface water and groundwater in a manner that is consistent with the safe yield of the groundwater basin.

~~(o)~~

(p) "Reporting period" means the years for which an urban retail water supplier reports compliance with the urban water use targets.

~~(p)~~

(q) "Urban retail water supplier" means a water supplier, either publicly or privately owned, that directly provides potable municipal water to more than 3,000 end users or that supplies more than 3,000 acre-feet of potable water annually at retail for municipal purposes.

~~(q)~~

(r) "Urban water use target" means the urban retail water supplier's targeted future daily per capita water use.

~~(r)~~

(s) "Urban wholesale water supplier," means a water supplier, either publicly or privately owned, that provides more than 3,000 acre-feet of water annually at wholesale for potable municipal purposes.

(t) "Water efficiency target" means the target established by an urban retail water supplier pursuant to Section 10608.25.

(u) "Water loss" means the difference between the potable distribution system input volume and authorized consumption as consistent with the American Water Works Association's third edition of Water Audits and Loss Control Programs, Manual M36 and subsequent editions in accordance with Section 10608.34.

SEC. 5. Section 10608.20 of the Water Code is amended to read:

10608.20. (a) (1) Each urban retail water supplier shall develop urban water use targets and an interim urban water use target by July 1, 2011. Urban retail water suppliers may elect to determine and report progress toward achieving these targets on an individual or regional basis, as provided in subdivision (a) of Section 10608.28, and may determine the targets on a fiscal year or calendar year basis.



(2) It is the intent of the Legislature that the urban water use targets described in paragraph (1) cumulatively result in a 20-percent reduction from the baseline daily per capita water use by December 31, 2020.

(b) An urban retail water supplier shall adopt one of the following methods for determining its 2020 urban water use target pursuant to subdivision (a):

(1) Eighty percent of the urban retail water supplier's ~~baseline~~ base per capita daily water use.

(2) The per capita daily water use that is estimated using the sum of the following performance standards:

(A) For indoor residential water use, 55 gallons per capita daily water use as a provisional standard. Upon completion of the department's 2016 report to the Legislature pursuant to Section 10608.42, this standard may be adjusted by the Legislature by statute.

(B) For landscape irrigated through dedicated or residential meters or connections, water efficiency equivalent to the standards of the Model Water Efficient Landscape Ordinance set forth in Chapter 2.7 (commencing with Section 490) of Division 2 of Title 23 of the California Code of Regulations, as in effect the later of the year of the landscape's installation or 1992. An urban retail water supplier using the approach specified in this subparagraph shall use satellite imagery, site visits, or other best available technology to develop an accurate estimate of landscaped areas.

(C) For commercial, industrial, and institutional uses, a 10-percent reduction in water use from the baseline commercial, industrial, and institutional water use by 2020.

(3) Ninety-five percent of the applicable state hydrologic region target, as set forth in the state's draft 20x2020 Water Conservation Plan (dated April 30, 2009). If the service area of an urban water supplier includes more than one hydrologic region, the supplier shall apportion its service area to each region based on population or area.

(4) A method that shall be identified and developed by the department, through a public process, and reported to the Legislature no later than December 31, 2010. The method developed by the department shall identify per capita targets that cumulatively result in a statewide 20-percent reduction in urban daily per capita water use by December 31, 2020. In developing urban daily per capita 2020 water use targets, the department shall do all of the following:

(A) Consider climatic differences within the state.

(B) Consider population density differences within the state.

(C) Provide flexibility to communities and regions in meeting the targets.

(D) Consider different levels of per capita water use according to plant water needs in different regions.

(E) Consider different levels of commercial, industrial, and institutional water use in different regions of the state.

(F) Avoid placing an undue hardship on communities that have implemented conservation measures or taken actions to keep per capita water use low.

(c) If the department adopts a regulation pursuant to paragraph (4) of subdivision (b) that results in a requirement that an urban retail water supplier achieve a reduction in daily per capita water use that is greater than 20 percent by December 31, 2020, an urban retail water supplier that adopted the method described in paragraph (4) of subdivision (b) may limit its urban water use target to a reduction of not more than 20

percent by December 31, 2020, by adopting the method described in paragraph (1) of subdivision (b).

(d) The department shall update the method described in paragraph (4) of subdivision (b) and report to the Legislature by December 31, 2014. An urban retail water supplier that adopted the method described in paragraph (4) of subdivision (b) may adopt a new urban daily per capita water use target pursuant to this updated method.

(e) An urban retail water supplier shall include in its urban water management plan due in 2010 pursuant to Part 2.6 (commencing with Section 10610) the baseline daily per capita water use, urban water use target, interim urban water use target, and compliance daily per capita water use, along with the bases for determining those estimates, including references to supporting data.

(f) When calculating per capita values for the purposes of this chapter, an urban retail water supplier shall determine population using a combination of federal, state, and local population reports and projections.

(g) An urban retail water supplier may update its 2020 urban water use target in its 2015 urban water management plan required pursuant to Part 2.6 (commencing with Section 10610).

(h) (1) The department, through a public process and in consultation with the California Urban Water Conservation Council, shall develop technical methodologies and criteria for the consistent implementation of this part, including, but not limited to, both of the following:

(A) Methodologies for calculating base daily per capita water use, baseline commercial, industrial, and institutional water use, compliance daily per capita water use, gross water use, service area population, indoor residential water use, and landscaped area water use.

(B) Criteria for adjustments pursuant to subdivisions (d) and (e) of Section 10608.24.

(2) The department shall post the methodologies and criteria developed pursuant to this subdivision on its Internet Web site, and make written copies available, by October 1, 2010. An urban retail water supplier shall use the methods developed by the department in compliance with this part.

(i) (1) The department shall adopt regulations for implementation of the provisions relating to process water in accordance with subdivision (1) of Section 10608.12, subdivision (e) of Section 10608.24, and subdivision (d) of Section 10608.26.

(2) The initial adoption of a regulation authorized by this subdivision is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted for that purpose from the requirements of subdivision (b) of Section 11346.1 of the Government Code. After the initial adoption of an emergency regulation pursuant to this subdivision, the department shall not request approval from the Office of Administrative Law to readopt the regulation as an emergency regulation pursuant to Section 11346.1 of the Government Code.

(j) (1) An urban retail water supplier is granted an extension to July 1, 2011, for adoption of an urban water management plan pursuant to Part 2.6 (commencing with Section 10610) due in 2010 to allow the use of technical methodologies developed by the department pursuant to paragraph (4) of subdivision (b) and subdivision (h). An urban retail water supplier that adopts an urban water management plan due in 2010

that does not use the methodologies developed by the department pursuant to subdivision (h) shall amend the plan by July 1, 2011, to comply with this part.

(2) An urban wholesale water supplier whose urban water management plan prepared pursuant to Part 2.6 (commencing with Section 10610) was due and not submitted in 2010 is granted an extension to July 1, 2011, to permit coordination between an urban wholesale water supplier and urban retail water suppliers.

SEC. 6. Section 10608.24 of the Water Code is amended to read:

10608.24. (a) Each urban retail water supplier shall meet its interim urban water use target by December 31, 2015.

(b) Each urban retail water supplier shall meet its 2020 urban water use target by December 31, 2020.

(c) An urban retail water supplier's compliance daily per capita water use shall be the measure of progress toward achievement of its 2020 urban water use target.

(d) (1) When determining compliance daily per capita water use, an urban retail water supplier may consider the following factors:

(A) Differences in evapotranspiration and rainfall in the baseline period compared to the compliance reporting period.

(B) Substantial changes to commercial or industrial water use resulting from increased business output and economic development that have occurred during the reporting period.

(C) Substantial changes to institutional water use resulting from fire suppression services or other extraordinary events, or from new or expanded operations, that have occurred during the reporting period.

(2) If the urban retail water supplier elects to adjust its estimate of compliance daily per capita water use due to one or more of the factors described in paragraph (1), it shall provide the basis for, and data supporting, the adjustment in the report required by Section 10608.40.

(e) When developing the 2020 urban water use target pursuant to Section 10608.20, an urban retail water supplier that has a substantial percentage of industrial water use in its service area may exclude process water from the calculation of gross water use to avoid a disproportionate burden on another customer sector.

(f) (1) An urban retail water supplier that includes agricultural water use in an urban water management plan pursuant to Part 2.6 (commencing with Section 10610) may include the agricultural water use in determining gross water use. An urban retail water supplier that includes agricultural water use in determining gross water use and develops its urban water use target pursuant to paragraph (2) of subdivision (b) of Section 10608.20 shall use a water efficient standard for agricultural irrigation of 100 percent of reference evapotranspiration multiplied by the crop coefficient for irrigated acres.

(2) An urban retail water supplier, that is also an agricultural water supplier, is not subject to the requirements of Chapter 4 (commencing with Section 10608.48), if the agricultural water use is incorporated into its urban water use target pursuant to paragraph (1).

SEC. 7. Section 10608.25 is added to the Water Code, to read:

10608.25. (a) After December 31, 2020, an urban retail water supplier shall achieve a water efficiency target as provided for in this section.

(b) Each urban retail water supplier shall develop a water efficiency target for 2025 in its 2020 urban water management plan required to be submitted by July 1, 2021, pursuant to Section 10621. An urban retail water supplier may determine the water efficiency target on a fiscal year or calendar year basis. An urban retail water supplier may adjust and update the water efficiency target, as appropriate, based upon population growth, changes in irrigable landscape acreage, and other changes that affect water use when the supplier reports its compliance in achieving the water efficiency targets and its implementation of the identified performance measures in its 2025 urban water management plan required to be submitted by July 1, 2026, pursuant to Section 10621.

(c) An urban retail water supplier shall adopt one of the following methods for determining its water efficiency target pursuant to subdivision (b):

(1) Seventy-five percent of the urban retail water supplier's base daily per capita water use calculated using the methodology developed by the department pursuant to Section 10608.20.

(2) (A) Establishment of a retail-level water efficiency target that is the sum of the following:

(i) The residential population multiplied by 55 gallons of water use per person per day.

(ii) For irrigable landscape served by a residential or dedicated irrigation meter, an estimate of total irrigation demands within the supplier's service area, based on the following factors:

(I) Evapotranspiration adjustment factor of 1.0 for parcels developed before 1992 and for special landscape areas.

(II) Evapotranspiration adjustment factor of 0.8 for parcels developed between January 1, 1992, and December 31, 2009.

(III) Evapotranspiration adjustment factor of 0.7 for parcels developed between January 1, 2010, and December 31, 2015.

(IV) Evapotranspiration adjustment factor of 0.55 for residential parcels developed after January 1, 2016.

(V) evapotranspiration adjustment factor of 0.45 for commercial parcels developed after January 1, 2016.

(VI) Parcels in commercial or noncommercial agricultural use may be included by the urban retail water supplier, at its sole discretion, using an evapotranspiration factor of 1.0 in the calculation of the water use efficiency target or in the calculation for compliance of the target.

(iii) A volume of water to account for the variances taken by the water supplier due to unique situations within the water supplier's service area and developed pursuant to subdivision (f).

(B) An urban retail water supplier that adopts the method described in subparagraph (A) for determining its water efficiency target shall identify proposed performance measures, as appropriate, for efficient water use by its commercial, industrial, and institutional customers consistent with the recommendations identified in the report required pursuant to subdivision (b) of Section 10608.45 in the water supplier's 2020 urban water management plan.

(3) Ninety percent of the applicable hydrologic region target, as set forth in the state's 20x2020 Water Conservation Plan, dated February 2010. If the service area of

an urban retail water supplier includes more than one hydrologic region, the supplier shall apportion its service area to each region based on population or area.

(d) Each urban retail water supplier shall meet its adjusted 2025 water efficiency targets by December 31, 2025, unless the supplier reports to the department that economic or hydrologic conditions beyond the water supplier's control rendered it impossible for the water supplier to do so. An urban retail water supplier may elect to determine and report progress toward achieving its 2025 water efficiency target on an individual or regional basis, as provided in subdivision (a) of Section 10608.28. An urban retail water supplier shall report on its compliance with this section in its 2025 urban water management plan required to be submitted by July 1, 2026, pursuant to Section 10621.

(e) An urban retail water supplier shall base its adjusted water efficiency target and compliance with that adjusted target on the best available information concerning population, irrigable landscape acreage, and other factors that affect water use within its service area. An urban retail water supplier shall calculate its compliance with subdivision (d) based on the method by which it set its water efficiency target, as follows:

(1) An urban retail water supplier with a water efficiency target determined pursuant to paragraph (1) of subdivision (c) shall calculate its compliance with subdivision (d) by comparing the adjusted water efficiency target with the urban retail water supplier's compliance daily per capita water use.

(2) An urban retail water supplier with a water efficiency target determined pursuant to paragraph (2) of subdivision (c) shall calculate its compliance with subdivision (d) by comparing the water efficiency target with the total volume of gross water use measured through residential and dedicated irrigation meters during the final year of the reporting period. The urban retail water supplier shall include in its report on compliance with subdivision (d) a report on the urban retail water supplier's implementation of the performance measures for efficiency commercial, industrial, and institutional water use identified in its urban water management plan. If an urban retail water supplier includes parcels in agricultural use in its water efficiency target, the urban retail water supplier shall include water use for those parcels in its compliance calculation.

(3) An urban retail water supplier with a water efficiency target determined pursuant to paragraph (3) of subdivision (c) shall calculate its compliance with subdivision (d) by comparing the adjusted water efficiency target with the urban retail water supplier's compliance daily per capita water use.

(4) Water use or loss caused by conditions of disaster or extreme peril to the safety of persons and property, including, but not limited to, conditions, whether natural or human caused, of fire, flood, storm, drought, epidemic, riot, earthquake, or other condition, shall be excluded from the calculation of compliance with the water efficiency target.

(5) The deadline for an urban retail water supplier to submit its plan pursuant to subdivision (e) of Section 10621 shall be extended if the department does not release the final database pursuant to Section 10608.47 on or before July 1, 2019. The extension shall equal the length of time between July 1, 2019 and the date of the department's release of the final database.

(6) Each urban retail water supplier shall have the discretion to achieve its water efficiency target under this section and to design and utilize any rate structure in any manner consistent with that supplier's legal authority.

(7) Each urban retail water supplier shall have the discretion to measure progress toward achieving its water efficiency target under this section by considering the factors described in subdivisions (d) to (f), inclusive, of Section 10608.24.

(8) Notwithstanding the method used by an urban retail water supplier to calculate compliance with subdivision (c), each urban retail water supplier shall address water loss within its service area pursuant to Section 10608.34.

(f) The department, in consultation with the Urban Stakeholder Committee, shall develop all of the following and any other factors as may be identified by the committee:

(1) Standardized variance methodologies for all of the following:

(A) Livestock.

(B) Swamp coolers.

(C) Significant transient population increases.

(D) Construction water for soil compaction and dust control.

(E) Potable water use to supplement ponds and lakes to sustain wildlife.

(F) Vegetation irrigated for fire protection.

(G) Landscapes irrigated with recycled water having high levels of total dissolved solids.

(H) Other water quality concerns.

(2) A methodology to calculate the irrigable area associated with special landscape areas by aerial imagery or date of parcel establishment so that an urban retail water supplier may develop appropriate water efficiency targets as described in paragraph (2) of subdivision (c).

(3) A process for the submission of supporting documentation for other variances that shall be included into the calculation of the urban retail water supplier's water efficiency target as described in paragraph (2) of subdivision (c).

(g) For purposes of this section, "special landscape area" means an area of the landscape dedicated solely to edible plants, recreational areas, areas irrigated with recycled water, or water features using recycled water designed within and having the same evapotranspiration adjustment factor as contained in the model water efficient landscape ordinance set forth in Chapter 2.7 (commencing with Section 490) of Division 2 of Title 23 of the California Code of Regulations, adopted on September 15, 2015.

SEC. 8. Section 10608.45 is added to the Water Code, to read:

10608.45. (a) By July 1, 2018, the department, in consultation with the board, shall convene a commercial, industrial, and institutional water use efficiency task force to recommend appropriate water efficiency measures for various segments of the commercial, industrial, and institutional water use sector. The task force shall consist of all of the following:

(1) Urban retail water suppliers, including a broad spectrum of commercial, industrial, and institutional customers throughout the state and the representation of combined retail water and wastewater agencies.

(2) Urban wholesale water suppliers.

(3) Academic experts.

(4) Economic development interests.

(5) Business community representatives.

(6) Environmental organizations.

(7) Commercial water users.

(8) Industrial water users.

(9) Institutional water users.

(b) By December 31, 2019, the task force, in consultation with the department and the board, shall submit a report to the Legislature that shall include, but is not limited to, all of the following:

(1) Recommendations of appropriate performance measures for commercial, industrial, or institutional water use that shall rely, to the extent appropriate, on the 2013 report to the Legislature by the CII Task Force entitled "Water Use Best Management Practices" and support the economic productivity of California's commercial, industrial, and institutional sectors.

(2) Appropriate commercial, industrial, and institutional classifications that address significant uses of water and are consistent with the classifications and standards developed by the North American Industry Classification System published by the United States Office of Management and Budget.

(3) Recommendations for appropriate thresholds by which urban water suppliers could require commercial, industrial, and institutional water users to participate in audits and the development of water management plans.

(4) An evaluation of feasibility criteria and cost-effectiveness of separating mixed-use meters and equivalent technologies and recommendations on when separating mixed-use meters should not be required.

(c) Using available funds, the department shall provide technical and financial assistance to the task force to enable the completion of the report within the required time frame and to assist water suppliers and water users to comply with any new requirements resulting from implementation of the report recommendations.

(d) (1) A report to be submitted pursuant to subdivision (b) shall be submitted in compliance with Section 9795 of the Government Code.

(2) Pursuant to Section 10231.5 of the Government Code, this section is repealed on January 1, 2024.

SEC. 9. Section 10608.46 is added to the Water Code, to read:

10608.46. (a) The department shall reconvene its Urban Stakeholder Committee by April 1, 2018. The committee shall consist of a mix of small, medium, and large urban retail water suppliers from throughout the state, including at least one representative from each hydrologic region. The committee shall also include academic experts, urban wholesale water suppliers, business organizations, as well as representation of combined retail water and wastewater agencies.

(b) By July 1, 2019, the department shall consult with the committee to develop the methodologies required by subdivision (f) of Section 10608.25.

(c) By January 1, 2020, and every five years thereafter, the committee shall develop a report to provide information and recommendations to the department and the Legislature about new demand management measures, technologies, and approaches. The department shall review the committee report and include in the final report to the Legislature the department's recommendations and comments regarding the committee process and the committee's recommendations.

(d) By December 31, 2025, the committee, in consultation with the department and the board, shall submit a report to the Legislature recommending for potential

adjustments to water efficiency targets and commercial, industrial, and institutional performance measures, consistent with the report provided to the Legislature pursuant to subdivision (b) of Section 10608.45, for implementation no sooner than 2030. If the committee recommends a change in the water efficiency targets or performance measures, the report shall do both of the following:

(1) State the technical changes or scientific basis that justifies a change in the targets or performance measures.

(2) Evaluate potential unintended consequences created by the proposed changes that could negatively impact California's economy, wastewater infrastructure, or local investments in water infrastructure and supplies, including specific impacts to the amount of recycled water or desalinated water available within the state.

(e) Using available funds, the department shall provide technical and financial assistance to the committee to enable the completion of the reports pursuant to this section within the required time frame and assist water suppliers to comply with any new requirements resulting from implementation of the report recommendations.

(f) Nothing in this section authorizes any state agency to establish, change, or otherwise modify the water efficiency targets and commercial, industrial, and institutional performance measures established under this chapter.

(g) A report to be submitted pursuant to subdivision (c) or (d) shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 10. Section 10608.47 is added to the Water Code, to read:

10608.47. (a) By July 1, 2019, the department shall provide to urban retail water suppliers, in electronic form, a database of validated aerial imagery and measured irrigable area for all residential, commercial, industrial, and institutional areas within each water supplier's service area. The database shall correlate the relevant irrigable areas with assessor parcels within each water supplier's service area and shall state the year of parcel development. The database shall contain downloadable reference evapotranspiration data with representative climate zones for all urban retail water suppliers. The database's aerial imagery data shall be suitable for determining the appropriate amount of irrigation for a variety of vegetation, including, but not limited to, large trees and irrigable area under native tree canopy. The department shall update the database by December 31, 2025, and every five years thereafter.

(b) To the extent consistent with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code), the department and all urban retail water suppliers shall maintain the confidentiality of the information in the department's database.

(c) Before providing the database to urban retail water suppliers, the department shall conduct a statistically valid review of the accuracy of the information in the database. In conducting this review, the department shall consult with a representative sample of urban retail water suppliers representing each of the state's hydrologic regions.

(d) An urban retail water supplier may use its own database of validated aerial imagery, measured irrigable area, and date of parcel development for properties within its service areas for purposes of paragraph (2) of subdivision (c) of Section 10608.25,



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if the water supplier certifies that its database is of comparable or better quality than the relevant information included in the department's database.

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**ACTION ITEM**

April 19, 2017

**TO:** Board of Directors**FROM:** **Public Affairs & Legislation Committee**  
(Directors Dick, Tamaribuchi and Yoo Schneider)Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: AB 1654 (Rubio) – Water Shortage: Urban Water Management Planning****STAFF RECOMMENDATION**

Staff recommends the Board of Directors vote to adopt a support position on AB 1654 (Rubio).

**COMMITTEE RECOMMENDATION**

Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

AB 1654 responds to the Governor's Executive Order issued in May 2016 (EO B-37-16) requiring strengthened requirements for urban Water Shortage Contingency Plans, including actions to respond to severe droughts. The bill's key provisions include:

Urban Water Management Demand Reduction Measures

- A new Part 2.56 would be added to Water Code Division 6 involving urban water management demand reduction measures. By June of each year, an urban retail water supplier would be required to report to DWR an annual supply and demand assessment.

<b>Budgeted (Y/N):</b> n/a	Budgeted amount: n/a	Core x	Choice __
<b>Action Item Amount:</b> none		Line Item:	
<b>Fiscal Impact (explain if unbudgeted):</b>			

- If an urban retail water supplier determines it cannot meet demands with available supplies and it will be necessary to implement mandatory water demand reduction measures, the supplier must:
  - Continue to implement the mandatory demand reduction measures until conditions change to the point the supplier will be able to meet demand over the next 12 months without the measures, and
  - File a monthly report with DWR describing how the measures are being implemented for the duration of time the measures are in place.
- An urban retail water supplier would retain discretion to declare any stage of its water shortage contingency analysis to balance supply and demand through supply augmentation or to encourage water demand reduction measures. If a supplier declares a water shortage stage, the supplier would not be obligated to report to DWR on plan implementation.
- An urban wholesale water supplier would be required to provide its retail agencies with information on the wholesaler's supplies annually so that the retailers that rely on the wholesale supplies have sufficient data to comply with the annual reports to DWR.

#### Urban Water Management Planning Amendments

- UWMP to be updated at least once every five years on or before July 1 in years ending in one and six.
- Requirement for five-year drought cycle planning, rather than current three-year cycle
- Clarifies that the requirement to quantify past, current and projected water use for distribution system water losses only applies to a potable distribution system.
- Retains local authority to identify water supply shortage stages
- In addition to existing requirements, water shortage contingency analysis must include:
  - Public communications strategies.
  - Anticipated actions tied to water supply shortage stages.
  - Anticipated processes for monitoring and ensuring compliance by customers with any mandatory water use practices, and enforcement mechanisms.
- Instead of requiring a water shortage contingency resolution or ordinance, the amended language calls for a description of the water supplier's source of authority for implementing water shortage actions.
- During a statewide drought, local drought or water shortage, an urban water supplier would not be required to reduce use or reliance on any water supply available for its use and identified in its UWMP, nor be required to take any additional actions beyond those specified in its water shortage contingency analysis for any shortage level.
- The bill states that the Legislature intends to encourage continued investment in water supply reliability and diversification, including incentivizing new local investments in water recycling and potable reuse and protecting such existing investments.

## **ARGUMENTS IN SUPPORT**

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Trailer Bill Language has been developed by the Governor's Office to implement the new "Making Water Conservation a California Way of Life" plan, released by the Administration in final form on April 7 in response to the Governor's Executive Order B-37-16. The proposed legislation by the Administration is in the form of budget trailer bill language. It is widely viewed within the water community as taking away local control from water agencies, vesting the State Water Resources Control Board with too much authority, and placing significant and permanent new burdens to local water suppliers.

AB 1654 is serving as the vehicle to carry the UWMP amendment language developed by ACWA's State Legislative Committee in response to the Governor's Executive Order B-37-16 and the state's new water conservation framework. The bill language was drafted by the ACWA Urban Long-Term Conservation Work Group, comprised of more than 50 ACWA member agency representatives and includes the language developed by the ACWA State Legislative Committee.

This measure offers water retailers flexibility AND includes credit for recycled water. It is currently the most attractive proposal that has been introduced and why many in the water industry are backing it.

## **ARGUMENTS IN OPPOSITION**

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No formal arguments in opposition have been registered at this time.

## **COMMENTS**

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Many water suppliers are expected to take actions of support, in part because of concerns about the Governor's budget trailer bill language that was released on April 7, 2017.

## **DETAILED REPORT**

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The full text of AB 1654 is attached.

AMENDED IN ASSEMBLY MARCH 28, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1654**

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**Introduced by Assembly Member ~~Cooper~~ Rubio**

February 17, 2017

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An act to amend ~~Section 10608 of~~ Sections 10621, 10631, 10632, and 10635 of, to repeal Section 10631.7 of, to add Sections 10613.5 and 10658 to, and to add Part 2.56 (commencing with Section 10609) to Division 6 of, the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 1654, as amended, ~~Cooper~~ Rubio. Water conservation: shortage: urban water management planning.

(1) Existing 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 require the update of a plan on or before July 1, in years ending in one and 6. The bill would require each urban retail water supplier to report annually by June 15 to the Department of Water Resources the status of its water supplies for that year and whether the supplies will be adequate to meet projected customer demand, as prescribed. The bill would require the urban retail water supplier to implement the appropriate responses as described in its water shortage contingency analysis if the urban retail water supplier reports that all available water supplies for the applicable water year will not be adequate to meet projected customer demand. The bill would require

*the urban retail water supplier to continue to implement the mandatory demand reduction measures described in its water shortage contingency analysis until certain conditions have changed to the point that the urban retail water supplier finds that it is able to meet projected customer demand over the next 12 months without continued implementation of the measures. The bill would require an urban retail water supplier to file a certain report with the department by the 15th day of each month during a period that the urban retail water supplier is implementing mandatory demand reduction measures. The bill would require the department to establish an electronic portal through which an urban retail water supplier is required to provide these reports to the department and would require the department to provide the State Water Resources Control Board with access to the reports and data.*

*(2) The act requires an adopted plan to include certain components, including, among other things, an identification and quantification of the existing and planned sources of water available to the supplier over 5-year increments, a description of the reliability of the water supply and vulnerability to seasonal or climatic shortage for an average water year, single-dry water year, and multiple-dry water years, and quantification of distribution system water loss for each of the 5 years preceding the plan update.*

*This bill would add to the requirements of a plan a description of how an emergency supply has been established to increase water supply reliability during times of shortage and how the supply is in addition to the supplies that the agency draws upon during nonshortage times, if an emergency supply, as defined, is identified as an existing or planned source of water available to the urban retail water supplier. The bill would require a description of the reliability and vulnerability for 5 consecutive years consisting of a repeat of the 5 consecutive historic driest years experienced by the urban retail water supplier, except as provided, rather than multiple-dry water years. The bill would specify that distribution system water loss to be included in the plan is potable distribution system water loss.*

*(3) The act requires the department, in consultation with the California Urban Water Conservation Council, to convene an independent technical panel to provide information and recommendations to the department and the Legislature on new demand management measures, technologies, and approaches. The act requires the panel to report to the Legislature no later than January 1, 2010, and every 5 years thereafter, and requires the department to review the*

*report and include in the final report to the Legislature recommendations and comments. The act deems an urban water supplier that is a member of the council and in compliance with the provisions of a certain memorandum to be in compliance with certain requirements relating to including water demand management measures in a plan.*

*This bill would delete these provisions.*

*(4) The act requires that the plan provide an urban water shortage contingency analysis that includes certain elements, including an estimate of the minimum water supply available during each of the following 3 water years based on the driest 3-year historic sequence for the agency's water supply.*

*This bill would revise the elements included within an analysis.*

*(5) The California Constitution declares 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 such 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. Existing law requires the department and the board to take all appropriate proceedings or actions to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water in this state.*

*This bill would prohibit an urban water supplier, during a statewide drought, local drought, or water shortage, from being required to reduce its use or reliance on any water supply available for its use and identified in its plan or from being required to take additional actions beyond those specified in its water shortage contingency analysis for the level of water shortage, as specified.*

~~Existing law requires the state to achieve a 20% reduction in urban per capita water use in California by December 31, 2020. Existing 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. Existing law sets forth various findings and declarations related to water conservation.~~

~~This bill would make a nonsubstantive change in those findings and declarations.~~

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

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

1     *SECTION 1. Part 2.56 (commencing with Section 10609) is*  
2     *added to Division 6 of the Water Code, to read:*

3  
4     *PART 2.56. URBAN WATER MANAGEMENT DEMAND*  
5     *REDUCTION MEASURES*

6  
7     *10609. The following definitions govern the construction of*  
8     *this part:*

9     *(a) "Water shortage contingency analysis" means the*  
10    *component of an urban water management plan described in*  
11    *Section 10632.*

12    *(b) "Urban retail water supplier" has the meaning provided in*  
13    *Section 10608.12.*

14    *(c) "Urban water supplier" has the meaning provided in Section*  
15    *10617.*

16    *(d) "Urban wholesale water supplier" has the meaning provided*  
17    *in Section 10608.12.*

18    *10609.5 (a) In addition to and separate from the urban water*  
19    *management plans required pursuant to Part 2.6 (commencing*  
20    *with Section 10610), by June 15 of each year an urban retail water*  
21    *supplier shall report to the department the status of its water*  
22    *supplies for that year and whether the supplies will be adequate*  
23    *to meet projected customer demand.*

24    *(b) (1) If an urban retail water supplier reports pursuant to*  
25    *subdivision (a) that all available water supplies for the applicable*  
26    *water year will not be adequate to meet projected customer*  
27    *demand, the urban retail water supplier shall implement the*  
28    *appropriate responses as described in its water shortage*  
29    *contingency analysis. If demand is projected to exceed all available*  
30    *supply sources and mandatory water demand reduction measures*  
31    *are required, the annual report shall describe the water supply*  
32    *shortage stage and the measures that the supplier will take to*  
33    *reduce water demand consistent with its water shortage*  
34    *contingency analysis.*

35    *(2) If an urban retail water supplier determines that it cannot*  
36    *meet demands with all available water suppliers and is required*  
37    *to implement mandatory water demand reduction measures as*  
38    *described in its water shortage contingency analysis pursuant to*



1 *paragraph (1), the urban retail water supplier shall do both of the*  
2 *following:*

3 *(A) Continue to implement the mandatory demand reduction*  
4 *measures as described in its water shortage contingency analysis*  
5 *until hydrologic, water supply, or other conditions have changed*  
6 *to the point that the supplier finds that it will be able to meet*  
7 *projected customer demand over the next 12 months without*  
8 *continued implementation of the mandatory demand reduction*  
9 *measures.*

10 *(B) During the period that the urban retail water supplier is*  
11 *implementing the mandatory demand reductions measures*  
12 *described in its water shortage contingency analysis, the supplier*  
13 *shall file a report with the department by the 15th day of each*  
14 *month that describes how the supplier is implementing the*  
15 *measures.*

16 *(3) If an urban retail water supplier reports pursuant to*  
17 *subdivision (a) that supplies are adequate to meet projected*  
18 *customer demand, the urban retail water supplier, at its sole*  
19 *discretion, may declare any stage of its water shortage contingency*  
20 *analysis to balance supply and demand through the augmentation*  
21 *of supplies or to encourage water demand reduction as a*  
22 *precautionary measure. If an urban retail water supplier declares*  
23 *a stage of its water shortage contingency analysis pursuant to this*  
24 *paragraph, the urban retail water supplier shall not have an*  
25 *additional obligation to report to the department on the*  
26 *implementation of its plan.*

27 *(c) Multiple urban retail water suppliers within the same*  
28 *hydrologic region may file a joint report with the department if*  
29 *those urban retail water suppliers' water supplies are interrelated*  
30 *and if each urban retail water supplier determines that a joint*  
31 *report most accurately reflects the condition of their respective*  
32 *water supplies. Regardless of whether a joint report is submitted,*  
33 *an urban retail water supplier may submit an individual report to*  
34 *the department.*

35 *(d) An urban wholesale water supplier shall provide its retail*  
36 *agencies with information on the status of the urban wholesale*  
37 *water supplier's water supplies annually so that an urban retail*  
38 *water supplier reliant on the wholesale supply has sufficient data*  
39 *to comply with subdivision (a). An urban retail water supplier*  
40 *shall provide an urban wholesale water supplier with information*

1 regarding its estimated annual demand for water from each  
2 wholesaler annually. An urban retail water supplier and its urban  
3 wholesale water suppliers shall meet and determine the process  
4 and dates by which they will comply with the requirements of this  
5 subdivision.

6 (e) An urban water supplier shall not be required to comply  
7 with any requirement in Part 2.6 (commencing with Section 10610)  
8 for any action taken or report made pursuant to this section. An  
9 action taken or report made pursuant to this section shall not be  
10 considered part of, amendments to, or changes to, an urban water  
11 management plan.

12 (f) The department shall establish an electronic portal through  
13 which suppliers shall provide the reports required by this section.  
14 The department shall provide the board with access to the reports  
15 and data submitted through the portal.

16 SEC. 2. Section 10613.5 is added to the Water Code, to read:

17 10613.5. "Emergency supply" means a water supply identified  
18 in the urban water management plan of an urban water supplier  
19 that has been developed to increase an urban water supplier's  
20 water supply reliability during times of shortage, including, but  
21 not limited to, unplanned service disruptions, and is in addition  
22 to the water supplies that the agency draws upon during  
23 nonshortage times to meet water demands within its service area.

24 SEC. 3. Section 10621 of the Water Code is amended to read:

25 10621. (a) Each urban water supplier shall update its plan at  
26 least once every five years on or before ~~December 31~~, July 1, in  
27 years ending in ~~five and zero~~, except as provided in subdivisions  
28 ~~(d) and (e)~~: one and six.

29 (b) Every urban water supplier required to prepare a plan  
30 pursuant to this part shall, at least 60 days before the public hearing  
31 on the plan required by Section 10642, notify any city or county  
32 within which the supplier provides water supplies that the urban  
33 water supplier will be reviewing the plan and considering  
34 amendments or changes to the plan. The urban water supplier may  
35 consult with, and obtain comments from, any city or county that  
36 receives notice pursuant to this subdivision.

37 (c) The amendments to, or changes in, the plan shall be adopted  
38 and filed in the manner set forth in Article 3 (commencing with  
39 Section 10640).

1 ~~(d) Each urban water supplier shall update and submit its 2015~~  
2 ~~plan to the department by July 1, 2016.~~

3 ~~(e) Each urban water supplier shall update and submit its 2020~~  
4 ~~plan to the department by July 1, 2021.~~

5 *SEC. 4. Section 10631 of the Water Code is amended to read:*

6 10631. A plan shall be adopted in accordance with this chapter  
7 that shall do all of the following:

8 (a) Describe the service area of the supplier, including current  
9 and projected population, climate, and other demographic factors  
10 affecting the supplier's water management planning. The projected  
11 population estimates shall be based upon data from the state,  
12 regional, or local service agency population projections within the  
13 service area of the urban water supplier and shall be in five-year  
14 increments to 20 years or as far as data is available.

15 (b) Identify and quantify, to the extent practicable, the existing  
16 and planned sources of water available to the supplier over the  
17 same five-year increments described in subdivision (a). ~~If~~

18 (1) *If* groundwater is identified as an existing or planned source  
19 of water available to the supplier, all of the following information  
20 shall be included in the plan:

21 ~~(1)~~

22 (A) A copy of any groundwater management plan adopted by  
23 the urban water supplier, including plans adopted pursuant to Part  
24 2.75 (commencing with Section 10750), or any other specific  
25 authorization for groundwater management.

26 ~~(2)~~

27 (B) A description of any groundwater basin or basins from which  
28 the urban water supplier pumps groundwater. For basins that a  
29 court or the board has adjudicated the rights to pump groundwater,  
30 a copy of the order or decree adopted by the court or the board and  
31 a description of the amount of groundwater the urban water supplier  
32 has the legal right to pump under the order or decree. For basins  
33 that have not been adjudicated, information as to whether the  
34 department has identified the basin or basins as overdrafted or has  
35 projected that the basin will become overdrafted if present  
36 management conditions continue, in the most current official  
37 departmental bulletin that characterizes the condition of the  
38 groundwater basin, and a detailed description of the efforts being  
39 undertaken by the urban water supplier to eliminate the long-term  
40 overdraft condition.

1     ~~(3)~~

2     (C) A detailed description and analysis of the location, amount,  
3 and sufficiency of groundwater pumped by the urban water supplier  
4 for the past five years. The description and analysis shall be based  
5 on information that is reasonably available, including, but not  
6 limited to, historic use records.

7     ~~(4)~~

8     (D) A detailed description and analysis of the amount and  
9 location of groundwater that is projected to be pumped by the  
10 urban water supplier. The description and analysis shall be based  
11 on information that is reasonably available, including, but not  
12 limited to, historic use records.

13     (2) *If an emergency supply is identified as an existing or planned*  
14 *source of water available to the supplier, the supplier shall*  
15 *describe how the supply has been established to increase water*  
16 *supply reliability during times of shortage and how the supply is*  
17 *in addition to the supplies that the agency draws upon during*  
18 *nonshortage times to meet water demands within its service area.*

19     (c) (1) Describe the reliability of the water supply and  
20 vulnerability to seasonal or climatic shortage, to the extent  
21 practicable, and provide data for each of the following:

22     (A) An average water year.

23     (B) A single-dry water year.

24     ~~(C) Multiple-dry water years.~~

25     (C) *Five consecutive dry years consisting of a repeat of the five*  
26 *consecutive historic driest years that the urban water supplier has*  
27 *experienced, unless the urban water supplier finds that a shorter*  
28 *multiple-year dry period would more severely impact its water*  
29 *supplies, in which case the urban water supplier shall use that*  
30 *shorter period.*

31     (2) For any water source that may not be available at a consistent  
32 level of use, given specific legal, environmental, water quality, or  
33 climatic factors, describe plans to supplement or replace that source  
34 with alternative sources or water demand management measures,  
35 to the extent practicable.

36     (d) Describe the opportunities for exchanges or transfers of  
37 water on a short-term or long-term basis.

38     (e) (1) Quantify, to the extent records are available, past and  
39 current water use, over the same five-year increments described  
40 in subdivision (a), and projected water use, identifying the uses

1 among water use sectors, including, but not necessarily limited to,  
2 all of the following uses:

- 3 (A) Single-family residential.
- 4 (B) Multifamily.
- 5 (C) Commercial.
- 6 (D) Industrial.
- 7 (E) Institutional and governmental.
- 8 (F) Landscape.
- 9 (G) Sales to other agencies.
- 10 (H) Saline water intrusion barriers, groundwater recharge, or
- 11 conjunctive use, or any combination thereof.
- 12 (I) Agricultural.
- 13 (J) ~~Distribution~~ *Potable distribution* system water loss.

14 (2) The water use projections shall be in the same five-year  
15 increments described in subdivision (a).

16 (3) (A) ~~For the 2015 urban water management plan update, the~~  
17 ~~distribution system water loss shall be quantified for the most~~  
18 ~~recent 12-month period available. For all subsequent updates, the~~  
19 *The potable* distribution system water loss shall be quantified for  
20 each of the five years preceding the plan update.

21 (B) The *potable* distribution system water loss quantification  
22 shall be reported in accordance with a worksheet approved or  
23 developed by the department through a public process. The water  
24 loss quantification worksheet shall be based on the water system  
25 balance methodology developed by the American Water Works  
26 Association.

27 (4) (A) If available and applicable to an urban water supplier,  
28 water use projections may display and account for the water savings  
29 estimated to result from adopted codes, standards, ordinances, or  
30 transportation and land use plans identified by the urban water  
31 supplier, as applicable to the service area.

32 (B) To the extent that an urban water supplier reports the  
33 information described in subparagraph (A), an urban water supplier  
34 shall do both of the following:

35 (i) Provide citations of the various codes, standards, ordinances,  
36 or transportation and land use plans utilized in making the  
37 projections.

38 (ii) Indicate the extent that the water use projections consider  
39 savings from codes, standards, ordinances, or transportation and

land use plans. Water use projections that do not account for these water savings shall be noted of that fact.

(f) Provide a description of the supplier's water demand management measures. This description shall include all of the following:

(1) (A) For an urban retail water supplier, as defined in Section 10608.12, a narrative description that addresses the nature and extent of each water demand management measure implemented over the past five years. The narrative shall describe the water demand management measures that the supplier plans to implement to achieve its water use targets pursuant to Section 10608.20.

(B) The narrative pursuant to this paragraph shall include descriptions of the following water demand management measures:

(i) Water waste prevention ordinances.

(ii) Metering.

(iii) Conservation pricing.

(iv) Public education and outreach.

(v) Programs to assess and manage *potable* distribution system real loss.

(vi) Water conservation program coordination and staffing support.

(vii) Other demand management measures that have a significant impact on water use as measured in gallons per capita per day, including innovative measures, if implemented.

(2) For an urban wholesale water supplier, as defined in Section 10608.12, a narrative description of the items in clauses (ii), (iv), (vi), and (vii) of subparagraph (B) of paragraph (1), and a narrative description of its distribution system asset management and wholesale supplier assistance programs.

(g) Include a description of all water supply projects and water supply programs that may be undertaken by the urban water supplier to meet the total projected water use, as established pursuant to subdivision (a) of Section 10635. The urban water supplier shall include a detailed description of expected future projects and programs that the urban water supplier may implement to increase the amount of the water supply available to the urban water supplier in average, single-dry, and multiple-dry water years. The description shall identify specific projects and include a description of the increase in water supply that is expected to be available from each project. The description shall include an

1 estimate with regard to the implementation timeline for each project  
2 or program.

3 (h) Describe the opportunities for development of desalinated  
4 water, including, but not limited to, ocean water, brackish water,  
5 and groundwater, as a long-term supply.

6 ~~(i) For purposes of this part, urban water suppliers that are~~  
7 ~~members of the California Urban Water Conservation Council~~  
8 ~~shall be deemed in compliance with the requirements of subdivision~~  
9 ~~(f) by complying with all the provisions of the “Memorandum of~~  
10 ~~Understanding Regarding Urban Water Conservation in~~  
11 ~~California,” dated December 10, 2008, as it may be amended, and~~  
12 ~~by submitting the annual reports required by Section 6.2 of that~~  
13 ~~memorandum.~~

14 ~~(j)~~  
15 (i) An urban water supplier that relies upon a wholesale agency  
16 for a source of water shall provide the wholesale agency with water  
17 use projections from that agency for that source of water in  
18 five-year increments to 20 years or as far as data is available. The  
19 wholesale agency shall provide information to the urban water  
20 supplier for inclusion in the urban water supplier’s plan that  
21 identifies and quantifies, to the extent practicable, the existing and  
22 planned sources of water as required by subdivision (b), available  
23 from the wholesale agency to the urban water supplier over the  
24 same five-year increments, and during various water-year types  
25 in accordance with subdivision (c). An urban water supplier may  
26 rely upon water supply information provided by the wholesale  
27 agency in fulfilling the plan informational requirements of  
28 subdivisions (b) and (c).

29 *SEC. 5. Section 10631.7 of the Water Code is repealed.*

30 ~~10631.7. The department, in consultation with the California~~  
31 ~~Urban Water Conservation Council, shall convene an independent~~  
32 ~~technical panel to provide information and recommendations to~~  
33 ~~the department and the Legislature on new demand management~~  
34 ~~measures, technologies, and approaches. The panel shall consist~~  
35 ~~of no more than seven members, who shall be selected by the~~  
36 ~~department to reflect a balanced representation of experts. The~~  
37 ~~panel shall have at least one, but no more than two, representatives~~  
38 ~~from each of the following: retail water suppliers, environmental~~  
39 ~~organizations, the business community, wholesale water suppliers,~~  
40 ~~and academia. The panel shall be convened by January 1, 2009,~~

1 and shall report to the Legislature no later than January 1, 2010,  
2 and every five years thereafter. The department shall review the  
3 panel report and include in the final report to the Legislature the  
4 department's recommendations and comments regarding the panel  
5 process and the panel's recommendations.

6 *SEC. 6. Section 10632 of the Water Code is amended to read:*

7 10632. (a) The plan shall provide an urban water shortage  
8 contingency analysis that includes each of the following elements  
9 that are within the authority of the urban water supplier:

10 (1) ~~Stages~~

11 (a) *Anticipated stages* of action to be undertaken by the urban  
12 water supplier in response to water supply shortages, including up  
13 to a 50 percent reduction in water supply, and an outline of specific  
14 water supply conditions that ~~are applicable to~~ *would trigger* each  
15 stage.

16 (2) ~~An estimate of the minimum water supply available during~~  
17 ~~each of the next three water years based on the driest three-year~~  
18 ~~historic sequence for the agency's water supply.~~

19 (b) *Communications strategies to inform customers, state*  
20 *agencies, elected officials, and others whenever water supply*  
21 *shortage conditions require the implementation of the stages of*  
22 *action described in subdivision (a).*

23 (3) ~~Actions~~

24 (c) *Anticipated actions* to be undertaken by the urban water  
25 supplier to prepare for, and implement during, a catastrophic  
26 interruption of water supplies including, but not limited to, a  
27 regional power outage, an earthquake, or other disaster.

28 (4) ~~Additional, mandatory prohibitions against specific water~~  
29 ~~use practices during water shortages, including, but not limited to,~~  
30 ~~prohibiting the use of potable water for street cleaning.~~

31 (5) ~~Consumption reduction methods in the most restrictive~~  
32 ~~stages. Each urban water supplier may use any type of consumption~~  
33 ~~reduction methods in its water shortage contingency analysis that~~  
34 ~~would reduce water use, are appropriate for its area, and have the~~  
35 ~~ability to achieve a water use reduction consistent with up to a 50~~  
36 ~~percent reduction in water supply.~~

37 (6) ~~Penalties or charges for excessive use, where applicable.~~

38 (d) *Additional anticipated mandatory prohibitions against*  
39 *specific water use practices during water shortages.*



(e) Anticipated actions to balance water supply and demand for each water supply shortage stage, including the use of emergency supplies, demand reduction methods, reoperation, or any combination of these actions. Each urban water supplier may use any type of consumption reduction, reoperation approach, or supply augmentation methods in its water shortage contingency analysis that would balance supply and demand, are appropriate for its area, and have the ability to successfully respond to each water supply shortage stage. If an urban water supplier has established an emergency supply, the supplier shall include in the description of actions to be taken when the emergency supply will be used to balance water supply and demand, and the quantity of water from the emergency supply that is planned to be used. An emergency supply designated for use during a water supply shortage shall be fully available for use by the supplier during a shortage and its use shall be at the sole discretion of the urban water supplier.

(f) Anticipated processes for monitoring and ensuring compliance by customers with mandatory prohibitions against specific water use practices and mechanisms to enforce compliance. The analysis shall include a description of the urban water supplier's established method to identify and discourage excessive water use as required by Sections 366 and 367.

~~(7)~~

(g) An analysis of the impacts of each of the actions and conditions described in ~~paragraphs (1) to (6)~~, subdivisions (a) to (f), inclusive, on the revenues and expenditures of the urban water supplier, and proposed measures to overcome those impacts, such as the development of reserves and rate adjustments.

~~(8) A draft water shortage contingency resolution or ordinance.~~

(h) A description of the water supplier's source of authority for implementing the water shortage actions, as identified in subdivision (e), including any adopted resolutions or ordinances.

~~(9) A mechanism for determining actual reductions in water use pursuant to the urban water shortage contingency analysis.~~

~~(b) Commencing with the urban water management plan update due July 1, 2016, for purposes of developing the water shortage contingency analysis pursuant to subdivision (a), the urban water supplier shall analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and~~

~~fountains, separately from swimming pools and spas, as defined in subdivision (a) of Section 115921 of the Health and Safety Code.~~

*SEC. 7. Section 10635 of the Water Code is amended to read:*

10635. (a) Every urban water supplier shall include, as part of its urban water management plan, an assessment of the reliability of its water service to its customers during normal, dry, and multiple dry water years. This water supply and demand assessment shall compare the total water supply sources available to the water supplier with the total projected water use over the next 20 years, in five-year increments, for a normal water year, a single dry water year, ~~and multiple dry water years.~~ *and, in accordance with subparagraph (C) of paragraph (1) of subdivision (c) of Section 10631, five consecutive dry years or a shorter multiple-year dry period.* The water service reliability assessment shall be based upon the information compiled pursuant to Section 10631, including available data from state, regional, or local agency population projections within the service area of the urban water supplier.

(b) The urban water supplier shall provide that portion of its urban water management plan prepared pursuant to this article to any city or county within which it provides water supplies no later than 60 days after the submission of its urban water management plan.

(c) Nothing in this article is intended to create a right or entitlement to water service or any specific level of water service.

(d) Nothing in this article is intended to change existing law concerning an urban water supplier's obligation to provide water service to its existing customers or to any potential future customers.

*SEC. 8. Section 10658 is added to the Water Code, to read:*

10658. (a) *It is the intent of the Legislature in enacting this section to do all of the following:*

(1) *Encourage continued investment in water supply reliability and diversification.*

(2) *Incentivize new and protect existing local investments made by urban water suppliers in drought resiliency and drought resilient supplies in order to better prepare local communities and the state for drought and times of shortage.*

(3) *Incentivize new and protect existing local investments in water recycling and potable reuse.*

1 (4) Encourage local agencies to develop emergency supplies,  
2 including storage of flood flows in water banks throughout the  
3 state, to better protect California from the effects of drought.

4 (5) Encourage local agencies to take steps to prepare for the  
5 effects of climate change.

6 (6) Ensure that urban water suppliers have adequate supplies  
7 or take appropriate measures to reduce demand during times of  
8 drought.

9 (b) During a statewide drought, local drought, or water  
10 shortage, an urban water supplier shall not be required to reduce  
11 its use or reliance on any water supply available for its use and  
12 identified in its urban water management plan, or be required to  
13 take additional actions beyond those specified in its water shortage  
14 contingency analysis for the level of shortage that is anticipated  
15 in the annual report required by Section 10609 or the level of  
16 shortage that it is currently experiencing, whichever is greater.

17 SECTION 1. ~~Section 10608 of the Water Code is amended to~~  
18 ~~read:~~

19 ~~10608. The Legislature finds and declares all of the following:~~

20 ~~(a) Water is a public resource that the California Constitution~~  
21 ~~protects against waste and unreasonable use.~~

22 ~~(b) A growing population, climate change, and the need to~~  
23 ~~protect and grow California's economy while protecting and~~  
24 ~~restoring our fish and wildlife habitats make it essential that the~~  
25 ~~state manage its water resources as efficiently as possible.~~

26 ~~(c) Diverse regional water supply portfolios will increase water~~  
27 ~~supply reliability and reduce dependence on the Delta.~~

28 ~~(d) Reduced water use through conservation provides significant~~  
29 ~~energy and environmental benefits, and can help protect water~~  
30 ~~quality, improve streamflows, and reduce greenhouse gas~~  
31 ~~emissions.~~

32 ~~(e) The success of state and local water conservation programs~~  
33 ~~to increase efficiency of water use is best determined on the basis~~  
34 ~~of measurable outcomes related to water use or efficiency.~~

35 ~~(f) Improvements in technology and management practices offer~~  
36 ~~the potential for increasing water efficiency in California over~~  
37 ~~time, providing an essential water management tool to meet the~~  
38 ~~need for water for urban, agricultural, and environmental uses.~~

39 ~~(g) The Governor has called for a 20 percent per capita reduction~~  
40 ~~in urban water use statewide by 2020.~~

1     (h) ~~The factors used to formulate water use efficiency targets~~  
2     ~~can vary significantly from location to location based on factors~~  
3     ~~including weather, patterns of urban and suburban development,~~  
4     ~~and past efforts to enhance water use efficiency.~~

5     (i) ~~Per capita water use is a valid measure of a water provider's~~  
6     ~~efforts to reduce urban water use within its service area. However,~~  
7     ~~per capita water use is less useful for measuring relative water use~~  
8     ~~efficiency between different water providers. Differences in~~  
9     ~~weather, historical patterns of urban and suburban development,~~  
10    ~~and density of housing in a particular location need to be~~  
11    ~~considered when assessing per capita water use as a measure of~~  
12    ~~efficiency.~~

O

Comparison Among AB 968, AB 1654 and Administration Trailer Bill

Version 4

4/10/2017

Item	AB 968	Change from current require-ments	AB 1654	Change from current require-ments	Trailer Bill 810	Change from current require-ments
Urban Water Management Plans	N/A	N/A	Requires planning for 5-year drought cycle	Good - adds two years to drought planning	Requires planning for 5-year drought cycle	Good - adds two years to drought planning
Water Shortage Contingency Plans - elements	N/A	N/A	Adds requirements to define authority, communications plan, enforcement provisions, review process	Good - adds various improve-ments	Adds requirements to define authority, communications plan, enforcement provisions, review process	Good - adds various improve-ments
Water shortage stages	N/A	N/A	Shortage stages defined by water supplier, but must include 50% shortage	Good - maintains existing requirement	Requires six shortage levels in plan	Bad - overly prescriptive scheme that may not match local situation
Water shortage declaration	N/A	N/A	Shortage is declared at the discretion of the water supplier	Good - maintains existing requirement	Shortage emergency declaration is required at level 4 shortage (which is not defined)	Bad - trailer bill language is not clear, and the authority for shortage declarations should rest with the water supplier
Annual supply and demand assessment	N/A	N/A	Requires suppliers to develop and report	Good - adds reporting process	Requires suppliers to develop and report	Good - adds reporting process

Annual report summary by DWR	N/A	N/A	No requirement	Good - same as existing	DWR prepares annual report and submits to Water Board for determination of noncompliance and potential enforcement	Bad - noncompliance is not defined , nor is Water Board enforcement authority
Authority to develop and implement water shortage contingency plans	N/A	N/A	Authority held by water supplier	Good - same as existing	Authority held by water supplier	Good - same as existing
Authority to establish or change long-term goals, targets or standards	Authority held by Legislature	Good - same as existing	N/A	N/A	Authority given to State Water Resources Control Board, implemented via rulemaking that is exempt from CEQA	Bad - no legislative oversight, rulemaking is exempt from CEQA
Authority to establish interim goals, targets and standards	Authority exerted by Legislature in SB x7-7 - targets in place for 2020	Good - same as existing	N/A	N/A	Authority given to State Water Resources Control Board for 2018-2021 period, implemented via emergency rulemaking that is exempt from CEQA, and which remains in effect until revised by the Board	Bad - no legislative oversight, rulemaking is exempt from CEQA, pre-empts existing requirements, regulations could be in place permanently

Application of goals, standards and targets to water rights	Maintains WC Section 1011 protection of right to conserved water; reiterates that water rights law is not affected	Good - same as existing	N/A	N/A	Specifies that efficiency standards supercede water rights	Bad - completely undermines the water rights legal structure
Applicability of cease and desist order enforcement and penalty provisions to goals, standards and targets	No cease and desist order requirements imposed - same as existing	Good - same as existing	N/A	N/A	Applies cease and desist order and penalty provisions to efficiency standards - and ALL regulations adopted by the Water Board	Bad - establishes universal applicability of cease and desist order and penalty provisions to any activity covered by Water Board regulations - including water use efficiency
Compliance methods	Allows for multiple compliance methods	Good - maintains existing flexibility and ability to be tailored to local conditions	N/A	N/A	Only allows a single method, based on categorical standards	Bad - fewer options

Data/imagery requirements	Only required if standards-based method is used	Good - same as existing	N/A	N/A	Required for compliance - responsibility is imposed on water suppliers	Bad - major cost and data management burden for water suppliers
Enforcement/penalties	Maintains same sanction - ineligibility of water supplier for grant funding	Good - same as existing	N/A	N/A	Establishes failure by water supplier to comply with efficiency standards to be a misdemeanor - \$10,000 each for 1st and 2nd month of violations, plus \$500/day	Bad - imposes penalties significantly out of synch with mandates for water supply planning
Impacts on residential customers - water shortages	None	Good - same as existing	N/A	N/A	None	Good - same as existing
Impacts on commercial customers - water shortages	None	Good - same as existing	N/A	N/A	None	Good - same as existing
Cost impacts on water suppliers - water shortages	Minor additional costs for preparing new plan sections	Good - minor additional requirements	N/A	N/A	Minor additional costs for preparing new plan sections, potential significant costs associated with Water Board enforcement	Bad - could have major compliance costs
Impacts on residential customers - water use efficiency	N/A	N/A	Additional efficiency requirements	Good - achievable efficiency requirements defined by water supplier	Could have significant impact on availability of water supply to customers	Bad - inflexible approach that could have major impacts



Impacts on commercial customers - water use efficiency	N/A	N/A	Additional efficiency requirements	Good - achievable efficiency requirements defined by water supplier	Could have significant impact on availability of water supply to customers	Bad - inflexible approach that could have major impacts
Cost impacts on water suppliers - water use efficiency	N/A	N/A	Minor additional costs	Good - manageable costs	Could have significant cost implications for data development and management, and penalties for non-compliance	Bad - major potential costs



**ACTION ITEM**

April 19, 2017

**TO:** Board of Directors

**FROM:** **Public Affairs & Legislation Committee**  
(Directors Dick, Tamaribuchi, and Yoo Schneider)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) POLICY  
STATEMENT ON BAY-DELTA FLOW REQUIREMENTS**

**STAFF RECOMMENDATION**

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Staff recommends that the Board adopt the attached resolution in support of ACWA's policy statement on Bay-Delta flow requirements.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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ACWA's Board of Directors has adopted a strong policy statement urging the State Water Resources Control Board to set aside its problematic "unimpaired flow" approach to setting new water quality objectives in the Bay-Delta watershed.

The statement calls on the State Water Board to heed Governor Brown's call for negotiated agreements, which have been proven successful in achieving positive ecological outcomes while maintaining water supply reliability. ACWA believes the state's policy on flows should embrace a collaborative, comprehensive approach that protects and promotes both water supply reliability and ecosystem health.

The State Water Board staff proposal to base new water quality objectives on a "percentage of unimpaired flow" could lead to widespread following of agricultural land and negatively

<b>Budgeted (Y/N):</b> n/a	Budgeted amount: n/a	Core __	Choice __
<b>Action item amount:</b> none		Line item:	
<b>Fiscal Impact (explain if unbudgeted):</b>			

affect water reliability for much of the state's population. The singular focus on unimpaired flow is incompatible with the state's policy of coequal goals and other broader policy commitments in the Brown Administration's California Water Action Plan.

This proposal would undermine investments in storage, adversely impact the drinking water quality of disadvantaged communities, increase groundwater overdraft in a part of the state where groundwater basins are already out of balance, and put large amounts of agricultural land out of production.

The draft resolution and ACWA's policy statement on the Bay-Delta Flow requirements is attached.

## Resolution No. XXXXXXX

### Resolution of the Board of Directors The Municipal Water District of Orange County In Support of the Association of California Water Agencies' Policy Statement on Bay-Delta Flow Requirements

**WHEREAS**, it is the adopted policy of the Municipal Water District of Orange county to facilitate the implementation of the California WaterFix and EcoRestore, the co- equal goals of reliable water supply and ecosystem restoration, and related policies that provide long term, comprehensive solutions for the San Francisco Bay/Sacramento-San Joaquin River Delta that: provides reliable water supplies to meet California's short- and long- term needs; improves the ability to transport water across the Delta either for, or in supplement to, State Water Project deliveries; improves the quality of water delivered from the Delta; enhances the Bay-Delta's ecological health in a balanced manner that takes into account all factors that have contributed to its degradation; and employs sound scientific research and evaluation to advance the co-equal goals of improved water supply and ecosystem sustainability; and

**WHEREAS**, California is facing a defining moment in water policy that will be substantially impacted by the State Water Resources Control Board's approach to water quality objectives under the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta; and

**WHEREAS**, the State Water Board has the responsibility for updating the Bay-Delta Plan in a manner that establishes water quality objectives that ensure the reasonable protection of all beneficial uses of water in a way that is consistent with the coequals goals of improving water supply reliability and protecting, restoring and enhancing the Delta ecosystem and with respect to the commitments made in the California Water Action Plan; and

**WHEREAS**, the State Water Board staff's current proposal, which focuses singularly on an "unimpaired flow" approach, is irreconcilable with a policy of coequal goals of improving both water supply reliability and ecosystem health; it is also inconsistent with the broader water policy objectives of the Brown Administration; and

**WHEREAS**, the ACWA Board of Directors has unanimously adopted a strong policy statement calls for a better approach that can more effectively achieve ecological objectives while maintaining water supply reliability. The statement calls on the State Water Board to set aside its "unimpaired flow" approach and heed Gov. Jerry Brown's call for negotiated agreements, which have been successful on many rivers and tributaries in California.

**WHEREAS**, the ACWA statement notes that to be successful, the state's flow policy must be consistent with the principles of collaboration, comprehensive solutions, science, functional flows, economic considerations, consistency with state policy, and leadership; and

**WHEREAS,** California's local urban and agricultural water managers are united in their vision for a future that includes a vibrant California economy as well as healthy ecosystems and fish populations, and believe that vision is best achieved through a comprehensive, collaborative approaches;

**NOW, THEREFORE, BE IT RESOLVED,** that the Board of Directors of the Municipal Water District of Orange County hereby supports ACWA's Policy Statement on Bay-Delta Flows and encourages the State Water Resources Control Board to embrace the approach articulated in ACWA's policy statement.



# ACWA POLICY STATEMENT ON BAY-DELTA FLOW REQUIREMENTS

## COLLABORATIVE APPROACH IS KEY TO CALIFORNIA'S FUTURE

California is facing a defining moment in water policy. A staff proposal under consideration by the State Water Resources Control Board presents a decision point about the future we want for California and its communities, farms, businesses and ecosystems. The State Water Board's staff proposal to base new water quality objectives on a "percentage of unimpaired flow" would have impacts that ripple far beyond water for fish.

The proposal could lead to widespread fallowing of agricultural land, undercut the state's groundwater sustainability goals, cripple implementation of the Brown Administration's California Water Action Plan, negatively affect water reliability for much of the state's population and impact access to surface water for some disadvantaged communities that do not have safe drinking water. These effects are not in the public's interest.

Local water managers overwhelmingly believe the proposal's singular focus on "unimpaired flow" is the wrong choice for the state's future. California's urban and agricultural water managers are united in their vision for a future that includes a healthy economy as well as healthy ecosystems and fish populations. That vision is best achieved through comprehensive, collaborative approaches that include "functional" flows as well as non-flow solutions that contribute real benefits to ecosystem recovery.

On behalf of its more than 430 member public agencies serving urban and agricultural customers throughout the state, the Association of California Water Agencies (ACWA) adopts the following policy statement regarding the State Water Board's proposed approach to updating the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta.

## LOCAL SUCCESS STORIES

Collaborative efforts have been successful on many rivers in the Bay-Delta watershed.

**Lower Yuba River:** A voluntary, collaborative settlement among Yuba County Water Agency, California Department of Fish and Wildlife, National Marine Fisheries Service, PG&E and conservation groups resolved 20 years of controversy and resulted in a continuing program to improve 24 miles of salmon and steelhead habitat while protecting water rights and the needs of local communities. State Water Board members have specifically recognized the value of the agreement, which was formally implemented in 2008.

**Lower American River:** A broad representation of water suppliers, environmental groups, local governments and others negotiated an historic agreement that led to a flow management standard that was successfully incorporated into a 2009 biological opinion issued by the National Marine Fisheries Service.

**Feather River:** Six years of negotiations among water users, fisheries agencies and environmental groups yielded a comprehensive agreement that includes a habitat improvement program with specific flow and temperature requirements to accommodate spawning salmon and steelhead. The State Water Board adopted the agreement, with some modification, in 2010 as a water quality certification under the federal Clean Water Act.

## CHOOSING OUR VISION FOR CALIFORNIA'S WATER FUTURE

Since 2009, state law has required water resources to be managed in a way that achieves the coequal goals of improving water supply reliability for California and protecting, restoring and enhancing the Delta ecosystem. ACWA and its public water agency members believe that policy requires a commitment from state agencies and stakeholders to advance both water supply and environmental goals together. ACWA and its members further believe that effective implementation of the coequal goals requires transparent, collaborative processes and comprehensive solutions.

In 2014, the Brown Administration released its California Water Action Plan outlining priority actions addressing water-use efficiency, groundwater sustainability, ecological restoration, Delta conveyance solutions, water storage, safe drinking water and more. Embedded in the plan is the Brown Administration's commitment that planned actions "will move California toward more sustainable water management *by providing a more reliable water supply for our farms and communities*, restoring important wildlife habitat and species, and helping the state's water systems and environment become more resilient."

ACWA believes the policy of coequal goals and the commitment embedded in the California Water Action Plan have the potential to put California on a path that includes a vibrant agricultural and urban economy and a healthy ecosystem.

ACWA and its members believe the unimpaired flow approach proposed by State Water Board staff undercuts and threatens that potential and cannot lead us to the future we want for California. Simply put, any strategy that would result in vast amounts of agricultural land going out of production and ultimately reduce water supply reliability for the majority of Californians is irreconcilable with a policy of coequal goals and blatantly inconsistent with the water policy objectives of the Brown Administration.

ACWA strongly supports the collaborative approach called for by Governor Jerry Brown to move these important decisions out of adversarial processes and into negotiated, comprehensive agreements. The following principles can assure success in that endeavor.



## A BETTER PATH TO THE FUTURE

The State Water Board is responsible for updating the Bay-Delta Plan in a manner that establishes water quality objectives that ensure the reasonable protection of all beneficial uses of water (including domestic, municipal, agricultural and industrial supply; power generation; recreation; aesthetic enjoyment; navigation; and preservation and enhancement of fish, wildlife, and other aquatic resources) while considering past, present and probable future beneficial uses, environmental characteristics, water quality conditions and economic considerations, among other things. (See California Water Code Section 13241.) It also has a responsibility to update the plan in a way that is consistent with the coequal goals and respects and implements the commitments made in the California Water Action Plan.

ACWA and its members urge the State Water Board to set aside the unimpaired flow approach and heed Governor Brown's call for negotiated agreements. ACWA believes that a successful flows policy must be consistent with the following principles:

- **Collaboration:** The governor has called for work on a comprehensive agreement on environmental flows in both the San Joaquin and Sacramento River basins. He has asked that State Water Board members and staff prioritize analysis and implementation of voluntary agreements. Further, the Brown Administration committed in the California Water Action Plan that the State Water Board and the California Natural Resources Agency will work with stakeholders to encourage negotiated implementation of protective Delta standards. ACWA strongly supports the collaborative approach called for by the governor because it is the least contentious, most effective way to achieve the coequal goals. Negotiated agreements have been demonstrably successful at achieving outcomes and widespread support for appropriate environmental flows; forced

regulations have not yielded the same track record. The State Water Board should wholly embrace this approach and allow enough time for it to work.

- **Comprehensive Solutions:** A successful collaborative approach will require comprehensive solutions for both water supply and ecosystem management. Water users will need to continue and build on their commitment to integrated resources management in order to maintain reliability without undue impacts on the ecosystem. Similarly, ecosystem managers will need to focus on the entire life cycle of affected species and multiple variables, such as predation, food, and habitat availability to develop integrated management portfolios that accomplish ecosystem goals without undue impacts on water supply. Utilizing the single variable proposed in the "percentage of unimpaired flow" approach will not achieve the desired ecological outcomes and is, by far, the most destructive policy approach from the perspective of protecting and improving water supply. ACWA firmly believes the ecological outcomes can be achieved with even better results through a comprehensive approach that considers multiple solutions and benefits.
- **Science:** The State Water Board needs to incorporate the best available science to inform its work and assist with the development of voluntary settlement agreements. The unimpaired flow approach, in which flow objectives are not tied to any specific ecological outcome, fails to incorporate the best available science. As noted above, the updated plan needs to focus on the entire life cycle of affected species and multiple variables, such as predation, food, and habitat availability, and incorporate relevant current scientific information. Science alone cannot identify the best policy choice, but it can inform us about the policy tradeoffs we confront and help structure integrated solutions that provide ecosystem benefits with far less impact on water supply, the California economy and the public interest.



## FUNCTIONAL FLOWS: A BETTER APPROACH

**Sacramento Valley:** Sacramento Valley water users and conservation partners are working together to advance a new generation of innovative projects to promote salmon recovery.

Over the past two and a half years, 12 projects have been completed through the Sacramento Valley Salmon Recovery Program to address fish passage, improve the timing of flows and increase habitat for salmon and other species. Priority projects have included removal of structural barriers to fish passage, modifying riffles, eliminating predator habitat, restoring floodplains and creating side channel spawning and rearing areas.

In addition, program partners are exploring creative ways to reconnect water with the land in floodplains and agricultural areas to enhance habitat and food production and create rearing habitat in rice fields.

While each of these collaborative projects provides independent value, implementation of the entire comprehensive suite is generating unique benefits that can significantly improve ecological outcomes for salmon in the Sacramento Valley.

**Merced River:** Merced Irrigation District has spent millions of dollars and decades undertaking intense and in-depth scientific research on the Merced River. This research has included analysis of flows, temperatures, biological resources and habitat. MID is poised to put this research into action through its Merced S.A.F.E. Plan (Salmon, Agriculture, Flows, and Environment) to provide certainty for both the environment and local water supply in Eastern Merced County.

The plan would provide increased flows using science to dictate the amounts and timing, restore critical sections of habitat for spawning and rearing juvenile salmon, protect local drinking water quality, upgrade an existing salmon hatchery with state-of-the-art facilities and reduce predation.

Based on in-depth science and technologically advanced computer modeling, MID seeks to take immediate action and dramatically benefit salmon on the Merced River.

- **Functional Flows:** Science shows that functional flows have very promising benefits for fish as well agricultural and urban water users. Timed and tailored for specific purposes, functional flows can benefit species in ways that unimpaired flow requirements cannot. Examples abound of collaborative, innovative projects currently underway by local water agencies and stakeholders that include functional flows and non-flow solutions that reconnect land and water to restore habitat and address the full life cycle of species needs. These efforts contribute real benefits to ecosystem recovery while maintaining water supply reliability.
- **Economic Considerations:** The State Water Board has a statutory obligation to consider economic impacts when establishing water quality objectives that reasonably protect all beneficial uses of water. Having a robust economic analysis is critical. The board also has a policy obligation under the coequal goals to ensure its actions related to a revised Bay-Delta Plan increase water supply reliability and thereby allow for a healthy, growing agricultural and urban economy in California.
- **Consistency with State Policy:** ACWA urges the State Water Board to heed the governor's direction and recognize that achieving the coequal goals will lead to a more reliable water supply and healthy ecosystem. Pursuing the coequal goals should be a guiding principle for the board's decisions related to adopting a revised Bay-Delta Plan. The State Water Board also should ensure that its decisions on the Bay-Delta Plan enable, rather than obstruct, the implementation of the California Water Action Plan.
- **Leadership:** The best policy choice will come through the give and take of the negotiating process and the enlightened leadership of the State Water Board members. Ultimately, the board must establish water quality objectives that ensure the reasonable protection of all beneficial uses of water as it implements negotiated solutions. The State Water Board should actively engage in this work and lead in a manner that is grounded in an awareness of how its actions can affect the implementation of the California Water Action Plan and the achievement of the coequal goals.

ACWA and its members have taken a strong policy position in support of comprehensive solutions such as those outlined in the California Water Action Plan. We stand ready to work with the Brown Administration to pursue the collaborative and comprehensive approaches needed to ensure a future for California that includes a vibrant agricultural and urban economy and a healthy ecosystem.

**ACTION ITEM**

April 19, 2017

**TO:** Board of Directors**FROM:** **Public Affairs Legislative Committee**  
(Directors Tamaribuchi, Dick and Yoo Schneider)Robert Hunter  
General Manager

Staff Contact: Jonathan Volzke/Laura Loewen

**SUBJECT: Resolution for retiring MET Director Robert Wunderlich****STAFF RECOMMENDATION**


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Staff recommends the Board of Directors consider a Resolution for retiring MET Director Robert Wunderlich.

**COMMITTEE RECOMMENDATION**


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Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**


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Robert Wunderlich represented the City of Beverly Hills on the Metropolitan Water District of Southern California Board of Directors since 2007, but is resigning his seat because he was elected to the Beverly Hills City Council in November.

Mr. Wunderlich developed a reputation on the Board as being fiscally conservative while working for a sustainable reliable water supply. During his tenure, he served as Chair of the Audit Committee, Chair of the Personnel and Technology Committee, Chair of the Legal Committee, and Vice Chair of the Finance Committee;

(attachment: Wunderlich resolution)

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

## RESOLUTION

### OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

...

### HONORING ROBERT WUNDERLICH FOR HIS SERVICE TO THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

WHEREAS, Mr. Robert “Bob” Wunderlich represented the City of Beverly Hills from 2007 to 2017 as a Director of the Metropolitan Water District of Southern California;

WHEREAS, Much of the time that Bob served was marked by difficult decisions and hard choices as California suffered through one the worst droughts in state history, as well as the first-ever state mandated conservation standards;

WHEREAS, Bob was highly qualified to meet the challenges as a Metropolitan Director, with an MBA from the UCLA Anderson School of Management, as well as a Ph.D. in Chemical Physics and an MA in Physics from Harvard University and a BA in Chemistry from Columbia University, as well as being Registered Professional Chemical Engineer;

WHEREAS, Bob was an active Director during his tenure at Metropolitan, serving as Chair of the Audit Committee, Chair of the Personnel and Technology Committee, Chair of the Legal Committee, and Vice Chair of the Finance Committee;

WHEREAS, Bob dedicated his time and expertise to ensure the residents of Beverly Hills and all of the 19 million residents in the Metropolitan service area had a reliable and sustainable water supply despite the historic drought and other challenges;

WHEREAS, An expert on budgets and finance, Bob was always mindful that *“It is other people’s money that I am spending when I act on behalf of the public;”*

WHEREAS, Bob served the community outside of his duties on Metropolitan as well, as an active supporter of Bet Tzedek, a provider of free legal assistance to more than 10,000 people of every racial and religious background;

WHEREAS, It was, ironically, that desire to serve his community that led Bob to step down from his role as a Metropolitan Director: In November, he was elected to a seat on the Beverly Hills City Council;

NOW, THEREFORE, BE IT RESOLVED: The Board of Directors of the Municipal Water District of Orange County wishes to thank Bob for his service to the Metropolitan District of Southern California and wish him well in his endeavors on the Beverly Hills City Council and beyond.

ADOPTED, SIGNED AND APPROVED this 19th day of April, 2017.

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President  
Wayne S. Osborne  
and of the Board of Directors thereof

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Secretary  
Maribeth Goldsby  
and of the Board of Directors thereof

SAMPLE



## INFORMATION ITEM

April 17, 2017

**TO:** Board of Directors

**FROM:** **Public Affairs Legislative Committee**  
(Directors Tamaribuchi, Dick and Yoo Schneider)

Robert Hunter  
General Manager

Staff Contact: Jonathan Volzke/Laura Loewen

**SUBJECT: Education Report**

### STAFF RECOMMENDATION

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Staff recommends the Board of Directors receive and file report.

### COMMITTEE RECOMMENDATION

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Committee recommends (To be determined at Committee Meeting)

### DETAILED REPORT

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Staff from Inside the Outdoors (ITO) have completed the "What About Water" first visit in 17 of the selected schools. In addition, they have completed the second visit program in 13 of the selected schools. The initial visit at Tesoro High School is tomorrow, April 18. Efforts to schedule the program at the remaining five schools continues.

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.

To date, staff and elected officials from the City of Anaheim, City of San Clemente, 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. Staff from member agencies are

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

invited to address the students during the first visit, discussing careers in the water industry or other agency-specific topics. MWDOC staff has also supported the member agencies' staff at these visits.

MWDOC staff had the opportunity to host Sue Sims, Metropolitan Water District of Southern California's Group Manager of External Affairs, at the Los Alamitos second visit on March 22. 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, Ms. Sims offered her comments and suggestions for improvement to the ITO instructors.

To date, six school-wide Expos have been taken place. Most recently, Jonathan Volzke attended the Expo at El Toro High School, which took place during Open House. Member agency staff have also attended these Expos to speak with the students and pass out Agency-branded promotional items.

Inside the Outdoors conducted a teachers' training on March 11. In addition, they hosted two Student Summits in April. At these workshops, Orange county teachers and students learn about local OC habitat and why native plants survive during drought conditions. They participated in hands-on activities to learn about native plants and their adaptations and how their personal direct and indirect water use impacts their water footprint.

## Elementary Schools Assemblies - May

Agency	School Name	Presentation Date
Yorba Linda Water District	Rose Drive	5/1/2017
Tustin, City of	Loma Vista	5/2/2017
Moulton Niguel Water District	Orange County Academy of Science and Art	5/3/2017
Anaheim, City of	Islamic Elementary School	5/3/2017
Santa Ana, City of	Calvary Christian School	5/9/2017
Huntington Beach, City of	Oka Elementary School	5/11/2017
Garden Grove, City of	Violette Elementary School	5/16/2017
Moulton Niguel Water District	Moulton Elementary School	5/23/2017
Westminster, City of	Eastwood Elementary	5/25/2017
Yorba Linda Water District	Bryant Ranch Elementary School	5/26/2017
Anaheim, City of	Anaheim Hills Elementary School	5/26/2017
Golden State Water	Glenknoll Elementary School	5/30/2017

## 2016-17 Water Education School Program

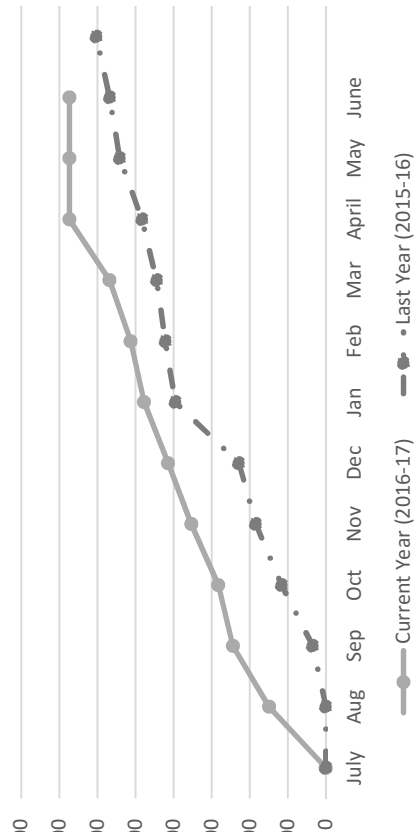
### # of Students Booked

	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	56,836	67,361	67,361	67,361	67,361

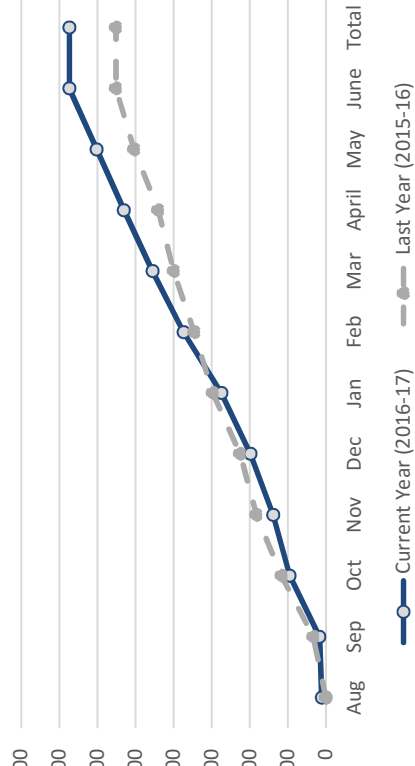
### # of Students Taught

	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	45,530	53,026	60,194	67,361	67,361

# of Students Booked



# of Students Taught





**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	2,850		Lunchtime Expo
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	717		Lunchtime Expo
City of San Clemente	San Clemente High School	4/10/17		4/24/17		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								
East Orange WD	Foothill High School	12/12/16	50	2/9/17	44	3/17/17			Lunchtime Expo
El Toro	El Toro High School	2/24/17	157	3/17/17	153	4/6/17			School Open House Expo
El Toro	Los Alisos Junior High								New administration, Sheri is assisting
Garden Grove	Pacifica High School								Sent correspondence to Principa
Golden State	Valencia High School	2/2/17	162	2/14/17	162	2/28/17			Lunchtime Expo
Golden State	Los Alamitos High School	1/31/17	29	3/22/17	28	5/19/17			Confirmed
Mesa Water	Costa Mesa High School	11/9/16	53	11/18 & 1/25	72	4/24/17			Lunchtime Expo
Moulton Niguel	Aliso Niguel High School								possible Eco Club
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	79	4/17/17			Lunchtime Expo
Moulton Niguel /Santa Margarita WD	Mission Viejo High School	1/18/17	69	2/1/17	70	2/23/17	102		AP Student Project Expo
Santa Ana	Santa Ana High School	3/22/17	56	4/13/17		5/11/17			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	59	5/18/17			Confirmed
<b>Total</b>			<b>1,227</b>		<b>1118</b>		<b>3,669</b>	<b>0</b>	
Teacher Workshops	MET @ OCDE	12/10/16	22						
	Teachers on Trails	3/11/2017	17					<b>Total</b>	
	OCDE Teacher Workshop	4/5/2017	63					<b>102</b>	
Student Summits	Friday Night Live HS students @ ITO	4/7/17							
	Foothill and local HS	4/15/17							
	Friday Night Live middle school students @ ITO	4/29/17						<b>Total</b>	
	HOLD-Girl Scout - High School	6/10/17						<b>0</b>	
tbd = verbal confirmation, pending calendar dates									



**INFORMATION ITEM**

April 17, 2017

**TO: Public Affairs & Legislation Committee**  
(Directors Dick, Schneider, Tamaribuchi)

**FROM: Robert Hunter, General Manager**  
Staff Contact: Tiffany Baca

**SUBJECT: RECAP OF MARCH 30 WATER POLICY DINNER**

**STAFF RECOMMENDATION**

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Staff recommends the Public Affairs & Legislation Committee receive and file the staff report.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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On Thursday, March 30, the Municipal Water District of Orange County (MWDOC) hosted a Water Policy Forum & Dinner at the Great Wolf Lodge, located in the city of Garden Grove. Jeffrey Kightlinger, General Manager and Chief Executive Officer of The Metropolitan Water District of Southern California (MWD), was the guest speaker. A total of 225 guests registered for the event, 195 guests attended.

The preliminary financial report developed by accounting staff shows a net revenue of \$382.71 to the district and the results of the participant satisfaction survey are extremely positive.

**DETAILED REPORT**

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<b>Budgeted (Y/N):</b>	Budgeted amount:	Core X	Choice __
<b>Action item amount:</b>	Line item: 31-7670		
<b>Fiscal Impact (explain if unbudgeted):</b>			

## DETAILED REPORT

Page 2

The event began at 5:30 p.m. with a pre-dinner reception. At 6:20 p.m., Director Larry Dick delivered opening remarks. At 6:30 p.m. MWDOC presented a proclamation to Russell Behrens, Partner at Best Best & Krieger, and at 6:40 p.m. Great Wolf Lodge General Manager, Phillip Cunningham, provided a few remarks about the hotel and their commitment to water use efficiency best practices. Great Wolf Lodge's own Chef Hany, introduced dinner at 6:45 p.m., and the program featuring Jeffrey Kightlinger, began at 7:00 p.m. The event concluded at approximately 8:20 p.m.

### Preliminary Financial Report

Public Affairs staff worked with the Accounting department to compile a preliminary financial report (see attached) for this event. Several guest payments are still pending, but a net revenue to the district of \$382.71 is projected. ***Please see preliminary financial report attached.***

### Preliminary Results of Participant Satisfaction Survey

The Participant Satisfaction Survey was distributed on March 31, and a total of 28 attendees have completed the survey. ***Please see preliminary survey results attached.***

Preliminary survey results indicate that participants were very satisfied with the overall event as well as the keynote address, location, date, and time. Respondents rated each of these items an average of 4.5 out of 5. Survey results show participants were satisfied with the pre-dinner reception, food/beverage, and price (given overall value). Respondents rated each of these items an average of 4.5 out of 5.

**Municipal Water District of Orange County  
Recap of Revenues and Expenses for Water Policy Forum & Dinner  
Event Date: March 30, 2017**

Preliminary Reconciliation as of: 4/11/2017

**Registrants**

203	Registered guests @ \$80.00 each	\$ 16,240.00
22	Registered guests @ \$90.00 each	\$ 1,980.00
5	Less: Complimentary dinner guests @ \$80.00 each	(400.00)
20	Less: Dinners for MWD OC Directors and staff @ \$80.00 each	(1,600.00)

<b>Total Registration Fees</b>	<b>\$ 16,220.00</b>
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**Revenues**

65	Paid via check & cash @ \$80.00 each	5,200.00
1	Paid via check & cash @ \$90.00 each	90.00
105	Paid via PayPal & Square @ \$80.00 each	8,400.00
21	Paid via PayPal & Square @ \$90.00 each	1,890.00
2	Budgeted legislative guests @ \$80.00 each	160.00
6	Unpaid registered guests @ \$80.00 each	480.00
0	Unpaid registered guests @ \$90.00 each	-

**Payments**

<b>Anticipated Revenues</b>	<b>\$ 16,220.00</b>
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**Expenses**

201	Dinner costs for guests @ \$45.6 per person	\$ 9,165.60
	Audio-visual equipment rental	2,480.84
138	Parking @ \$5 each	690.00
	Sales tax and service charges on dinner	2,893.94
	Tip for hotel staff	-
	Event Advertising	100.00
	Reception & speaker gifts	170.04
	Supplies (decorations)	15.09
	PayPal & Square credit card processing fees	321.78

<b>Total Expenses</b>	<b>\$ 15,837.29</b>
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<b>Anticipated Cost (Revenue) to the District</b>	<b>\$ (382.71)</b>
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## Constant Contact Survey Results

**Survey Name:** March 30 Water Policy Forum Satisfaction Survey- Speaker Jeffrey Kightlinger

**Filter:** None

4/10/2017 2:49 PM PDT

What was your primary reason(s) for attending the MWDOC Water Policy Forum & Dinner?

Answer	0%	100%	Number of Response(s)	Response Ratio
Interest in topic/keynote speaker: Jeffrey Kightlinger, General Manager & Chief Executive Officer, The Metropolitan Water District of Southern California	<div></div>		25	89.2 %
Networking / Business development	<div></div>		17	60.7 %
General interest in learning more about water	<div></div>		4	14.2 %
Other			0	0.0 %
Totals			28	100%

Please rate your satisfaction with the following.

1 = Very dissatisfied, 2 = Somewhat dissatisfied, 3 = Neutral, 4 = Somewhat satisfied, 5 = Very satisfied

Answer	1	2	3	4	5	Number of Response(s)	Rating Score*
Pre-dinner reception	<div></div>					28	4.5
Program (Jeffrey Kightlinger)	<div></div>					28	4.6
Program format (conversational style, video projection on screen)	<div></div>					28	4.5
Event Location (Great Wolf Lodge Southern California)	<div></div>					28	4.5
Time (5:30 p.m. to 8:00 p.m.)	<div></div>					28	4.5
Food and beverage	<div></div>					28	4.5
Price (given overall value)	<div></div>					25	4.4

\*The Rating Score is the weighted average calculated by dividing the sum of all weighted ratings by the number of total responses.

How likely are you to attend future MWDOC Water Policy Forum & Dinner events?

1 = Very unlikely, 2 = Somewhat unlikely, 3 = Neutral, 4 = Somewhat likely, 5 = Very likely

	1	2	3	4	5	Number of Response(s)	Rating Score*
						28	4.7

\*The Rating Score is the weighted average calculated by dividing the sum of all weighted ratings by the number of total responses.

Are there specific topics or speakers you would like see for future events?

9 Response(s)

- Evaluation of the vulnerability of the State Water Project
- NASA- atmospheric conditions and Toilet to Tap
- Someone from the Trump administration
- Dr. Roy Spencer
- The Governor
- The U.S. Secretary of the Interior
- Water recycling and potable use
- A northern California policy leader's perspective
- Recipes using Delta Smelt
- State Officials and Met Officials



## INFORMATION ITEM

April 17, 2017

**TO:** Board of Directors

**FROM:** **Public Affairs Legislative Committee**  
(Directors Dick, Tamaribuchi, and Yoo Schneider)

Robert Hunter  
General Manager

Staff Contact: Jonathan Volzke

**SUBJECT: UPDATE ON WATER SUMMIT PLANNING**

### STAFF RECOMMENDATION

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Staff recommends the Board of Directors receive and file.

### COMMITTEE RECOMMENDATION

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Committee recommends (To be determined at Committee Meeting)

### REPORT

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Registration is now open at [www.ocwatersummit.com](http://www.ocwatersummit.com) for the 10<sup>th</sup> Annual OC Water Summit, which will be held at the Disneyland Grand Californian Hotel on June 16, 2017.

With strong presenters already in place such as David Sedlak, Malozemoff Professor at UC Berkeley, Co-director of Berkeley Water Center, David Stoldt, GM of Monterey Peninsula Water Management District, Helene Schneider, Mayor of Santa Barbara, Marcie Edwards and Metropolitan GM Jeff Kightlinger, staff and Directors on the committee are reaching out to state and federal leaders as potential panelists.

The theme of this year's event is "Finding Water," based on Disney's "Finding Nemo."

NBC4 weathercaster Fritz Coleman will emcee the event; the committee is reaching out to Mr. Coleman to see if he will assemble "man on the street" videos that can run between panels.

<b>Budgeted (Y/N):</b> n/a	Budgeted amount: n/a	Core X	Choice
<b>Action item amount:</b> None	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b>			

Staff continues 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.

President Osborne, Vice President Barbre and Director Thomas represent 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 April 24.



**INFORMATION ITEM**

April 17, 2017

**TO:** Board of Directors**FROM:** **Public Affairs Legislative Committee**  
(Directors Dick, Tamaribuchi, and Yoo Schneider)Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: OC LAFCO UPDATE****STAFF RECOMMENDATION**

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

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**REPORT**

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As reported last month, OC LAFCO did not have a March business meeting, instead scheduled a strategic planning session for March 31, 2017. That was canceled and rescheduled for April 12, immediately following the regularly scheduled board meeting. Due to timing and meeting the Brown Act requirements, a written report could not be submitted. Instead, an oral report will be provided to the committee.

<b>Budgeted (Y/N):</b> n/a	Budgeted amount: n/a	Core X	Choice
<b>Action item amount:</b> None	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b>			

## Public Affairs Activities Report March 9, 2017 – April 17, 2017

<b>Member Agency Relations</b>	<p>The Public Affairs staff coordinated and hosted a Public Affairs Workshop for member agencies.</p> <p>Laura designed and printed bill inserts for Member Agencies featuring rebates for smart irrigation timers, nozzles, rain barrels, and turf.</p> <p>Laura designed a flyer for the Water Loss Control Workshop featuring AMI.</p> <p>Ivan and Jonathan, Sarah Rae and Jessica Liew from Water Use Efficiency and Leah Frasier worked the Children's Water Festival at UCI.</p> <p>Jonathan attended the Water Use Efficiency Workgroup meeting.</p> <p>Heather created a survey for the member agency managers to gather feedback on two budget items – federal grants assistance and federal affairs.</p> <p>Damon, Tiffany and Jonathan attended the Metropolitan PIO meeting.</p> <p>Ivan and Bryce brought Ricki Raindrop to the City of Westminster's 2017 Spring Festival.</p>
<b>Community Relations</b>	<p>Jonathan and Joe Berg attended the ACC-OC Infrastructure Tour of housing in OC.</p> <p>Jonathan attended the South OC Economic Coalition meeting, with Charles Busslinger and Director Larry Dick.</p> <p>Heather and Rob met with Brandon Ida and Tiffany Giammona from ACWA to discuss how MWDOC can be more engaged in ACWA's overall efforts. The ACWA staff members also briefed us on their efforts to gather support for their Bay-Delta Flows resolution.</p> <p>Tiffany and Bryce attended Curt Pringle's annual Spring Forward, Give Back event.</p>

## Item 11

<b>Education</b>	<p>Jonathan and Laura hosted Sue Sims, Metropolitan staff, at a Los Alamitos high school visit.</p> <p>Jonathan and Laura met with Monica McDade and Bradley Wedekind-Flores, Girl Scouts of Orange County, to brainstorm ways to develop a Scout program.</p> <p>Damon and Jonathan attended a meeting with Directors Yoo-Schneider and Tamaribuchi and the OCDE contractors to discuss the countywide education campaign.</p> <p>Jonathan attended the El Toro High School Water Expo with representatives from El Toro Water District and OC Department of Education.</p>
<b>Media Relations</b>	<p>Jonathan and Rob met with a writer from the OC Register for the CHOICE magazine article.</p> <p>Jonathan coordinated a national NPR report that included GM Rob Hunter.</p> <p>Jonathan, Bryce and Tiffany posted to Facebook and Twitter as appropriate with water-related messages that further MWDOC goals.</p>
<b>Special Projects</b>	<p>Jonathan and Laura met with Curran &amp; Connors to discuss potential future marketing projects.</p> <p>Bryce created and published a Facebook advertisement for the Water Use Efficiency team.</p> <p>Bryce, Jonathan and Laura met with Sparkhouse to discuss future video projects.</p> <p>Laura attended the NPDES Sub-Committee meeting at the County of Orange.</p> <p>Laura sent out the weekly California Sprinkler Adjustment Notification System (CSANS) notification emails.</p> <p>Laura had a conference call with Lalaine Castillo, VP of Marketing &amp; Communications with Pacific West Association of REALTORS, to discuss the water conservation door hanger program. She also designed a Flyer about the program which will go out to PWR REALTORS. The flyer will be distributed to their members within the next week.</p>

	<p>Ivan, Jonathan and Sarah Rae and Matthew Conway from Water Use Efficiency worked as counselors at a Boy Scout Merit Badge Clinic at IRWD on April 1. More than 70 Scouts earned their Soil &amp; Water Conservation merit badges. Laura handled advanced registration and sent an after-event survey.</p> <p>Bryce, Damon, Jonathan and Joe Berg and Charles Busslinger met with representatives from Water: UCI on potential internships and special projects.</p> <p>Jonathan coordinated the one-on-one meetings between Stetson Engineering and the participating agencies for the 2016 Consumer Confidence (water quality) Reports.</p> <p>Heather and Laura sent out the ISDOC Quarterly Luncheon invitation, coordinated for the member spotlights, and managed the registration. Heather staffed the event.</p> <p>Laura staffed the monthly ISDOC Executive Committee Meeting.</p> <p>Heather and Laura participated in conference calls with Director Jim Fislser and Marnie Primmer, Executive Director for OCCOG, to discuss continued membership.</p> <p>Laura completed and distributed the 2017 ISDOC Directory.</p> <p>Heather staffed the WACO Planning meeting and the April WACO meeting featuring guest speaker Greg Woodside from OCWD who updated the group on the Prado Dam.</p> <p>Heather participated in the ACWA Bay-Delta Flow Policy Webinar.</p> <p>Tiffany and Bryce are currently working on itineraries, trip logistics, guest and Director requirements for the following inspection trips:</p> <ol style="list-style-type: none"><li>1. May 5, Director McKenney, Diamond Valley Lake</li><li>2. June 23-25, Director Ackerman, CRA/Hoover</li></ol> <p>Tiffany staffed Director Barbre's April 7-9 tour of the Hoover Dam and Colorado River Aqueduct.</p> <p>Tiffany and Bryce attended an Inspection Trip Coordinators meeting at Metropolitan. Items discussed included 2015-16</p>
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	<p>program highlights, tour preparation and execution best practices, increasing educational value on the trips and 2017-18 Director trip requests package.</p> <p>Tiffany and Bryce have been working with Metropolitan staff and the MWDOC/Metropolitan Directors to submit inspection trip requests for the 2017-18 inspection trip season.</p> <p>Damon and Tiffany attended a Metropolitan sub-group meeting on building/rebuilding websites. The group consists of representatives from Metropolitan, MWDOC, Central Basin MWD, the City of Glendale, Upper San Gabriel Valley WD, Las Virgenes MWD and the City of Long Beach. Tiffany provided a presentation to the group on the process to-date of the MWDOC website rebuild project.</p> <p>MWDOC hosted a Water Policy Forum &amp; Dinner featuring guest speaker Jeffrey Kightlinger, General Manager and Chief Executive Officer of the Metropolitan Water District of Southern California. Some 225 guests registered for the event, 195 guests attended. This was the first event MWDOC has hosted at the Great Wolf Lodge. The Public Affairs Team coordinated the event including hotel and speaker logistics, registration and guest and reserved table needs. Several email invitations were developed and emailed to potential attendees, and a post-event survey was distributed following the event. Graphic materials such as programs and table tents were created by staff and social media outreach was posted to Facebook and Twitter. An etched "OC Tap Water" bottle was presented to the speaker at the conclusion of the event.</p> <p>Tiffany and Bryce met with Josh Ivey at A Premiums to provide an outline of events and activities which MWDOC provides promotional items for. Mr. Ivey and his team are preparing a recommendation for promotional items this fiscal year as well as next, which has been developed to best meet our events/activities needs within our budget parameters.</p> <p>Tiffany, Bryce and Matthew Conway participated on a conference call with LA Design Studio to discuss the direction of the Landscape Assistance Program on the new MWDOC website.</p> <p>Tiffany and Bryce continue to work with MWDOC department representatives and LA Design Studio on developing material and providing direction and content for the new MWDOC website.</p>
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	<p>Bryce has been working with several vendors to provide quotes for a MWDOC entryway concept. Two vendors out of eight contacted meet the criteria preferred for the selected vendor. Tiffany met with one vendor to provide additional details on layout, style guide, colors, materials and lighting.</p>
<b>Legislative Affairs</b>	<p>Heather participated in the CalDesal Legislative conference call.</p> <p>Heather and Director Tamaribuchi attended OCBC's Sacramento Advocacy trip on March 13-14. Highlights include briefings from: CA State Transportation Secretary Brian Kelly, CalEPA Secretary Matthew Rodriguez, Senator Jim Beall, State Controller Betty Yee, Assemblyman Kansen Chu's chief-of-staff, Senator Toni Atkins, Assemblyman Chad Mayes, and State Treasurer John Chiang. Kathy Cole from Metropolitan also provided an update and briefing on the California WaterFix. OCBC and ACC-OC co-hosted a dinner with the Orange County Delegation and included Speaker Anthony Rendon as well.</p> <p>Heather participated in two conference calls in response to the Little Hoover Commission's draft report on special districts. One led by CSDA and the other for ACWA members. Outreach to the commission members has begun with MWDOC assisting those efforts.</p> <p>Heather and Melissa participated in the MWD/Member Agency Legislative Coordinators Conference calls.</p> <p>Heather met with Lana Haddad from Long Beach Water Department to discuss pending legislation.</p> <p>Heather met with Jessica Witt, who has a new position at the County of Orange - Director, Government &amp; Community Relations.</p> <p>Heather participated in the ACWA Region 10 conference call in advance of the March ACWA State Legislative Committee meeting.</p> <p>Heather and Melissa participated in a Met coordinated conference call with Senator Hertzberg's staff and staff from the CA Water Foundation, re: SB 231.</p>

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	<p>Heather attended the ACWA State Legislative Committee meeting in Sacramento.</p> <p>Heather participated in the Southern California Water Committee Legislative Task Force conference call.</p> <p>Heather attended the CSDA Legislative Committee meeting in Sacramento.</p>
<b>Water Summit</b>	<p>Damon, Jonathan, Tiffany and Vice President Barbre and Director Thomas represented MWDOC at the Water Summit Committee meeting.</p>