

MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Jointly with the  
**PUBLIC AFFAIRS AND LEGISLATION COMMITTEE**  
February 16, 2016, 8:30 a.m.  
Conference Room 101

**Committee:**

Director Barbre, Chairman  
Director Tamaribuchi  
Director Hinman

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
  
2. SOUTHERN CALIFORNIA WATER ISSUES CONGRESSIONAL DELEGATION BRIEFING LUNCHEON (DC)

3. SOUTHERN CALIFORNIA CALL TO ACTION FOR THE CALIFORNIA WATER FIX
4. PUBLISHING COSTS FOR THE OC CITIES & WATER AGENCIES DIRECTORIES
5. PUBLISHING COSTS FOR THE ISDOC DIRECTORIES

**ACTION ITEMS**

6. AUTHORIZE ATTENDANCE AT CALIFORNIA SPECIAL DISTRICTS ASSOCIATION LEGISLATIVE DAYS, MAY 17-18, 2016, SACRAMENTO
7. ADOPT "SUPPORT IF AMENDED" POSITION ON SB 163 (HERTZBERG)
8. AB 1713 (EGGMAN) – SACRAMENTO SAN JOAQUIN DELTA, PERIPHERAL CANAL
9. SB 814 (HILL) – DROUGHT: EXCESSIVE WATER USE: URBAN RETAIL WATER SUPPLIERS
10. RESOLUTION FOR EAST ORANGE COUNTY WATER DISTRICT DIRECTOR VANDERWERFF

**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.)

11. SCHEDULE FOR COMPLETION OF CONSUMER CONFIDENCE REPORTS
12. UPDATE ON THE TRANSFER OF ORANGE COUNTY SANITATION DISTRICT AREA 7
13. UPDATE ON POTENTIAL CONSOLIDATION OF SAN JUAN CAPISTRANO UTILITIES
14. UPDATE ON WATER SUMMIT (MAY 20, 2016)
15. RECAP REGARDING WATER POLICY DINNER (JANUARY 22, 2016)
16. PUBLIC AFFAIRS ACTIVITIES REPORT
17. SCHOOL PROGRAM PARTICIPATION REPORT

**OTHER ITEMS**

18. 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.

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Nicholas Crockett  
Alia Cardwell

*Municipal Water District of Orange County, California*  
*Washington Update*  
*February 9, 2016*

Earlier today the President released his federal budget for the coming year. This will be the last budget that President Obama presents to the Congress and much of it will be managed by the next Administration -- as the new fiscal year begins on October 1, 2016.

This year, more than in years past, there has been some recognition in the President's budget for drought related activities.

***For the U.S. Bureau of Reclamation:***

With large swaths of the West gripped by an intense, multi-year drought, the president's budget would give a significant boost to its two-pronged strategy on water innovation.

The effort, launched by the White House and Interior Department in December, first aims to encourage farmers and cities to use water efficient technologies. To this end, the Obama administration's budget blueprint would spend \$98.6 million on the Bureau of Reclamation's popular WaterSMART program - an increase of \$10.3 million over 2016. It would also offer \$4 million in new funding for real-time monitoring of water usage by the U.S. Geological Survey.

The second focus of the administration's effort - investing in research and technologies to expand water supply and improve usage - would also see big boosts under the Obama budget. The administration is proposing an \$8.6 million increase to the Bureau of Reclamation's research on desalination and purification. The budget proposal would also send \$25 million in new funding to the Department of Energy to launch a hub focused on cutting the amount of energy needed to desalinate water - a program that could have cross-over implications for other energy technologies. And the budget would give a \$15 million increase to the Department of Agriculture's work investigating practices that conserve water and build healthy soils to retain water.

We will be tracking these grant programs in the future.

***For the U.S. Army Corps of Engineers:***

Following the trend from previous budget years, the Obama administration's budget blueprint would slash the Army Corps of Engineers' budget by 22 percent - a proposal sure to draw cries of protest

from Congress in what has become an annual ritual.

The proposal follows in the steps of previous budget requests from both Democratic and Republican administrations that low-balled their funding requests for the Army Corps knowing members of Congress, each with their own pet water resources project, would replenish the funds.

The White House budget proposal would give the country's builder of locks, dams, levees and wetlands restoration projects \$4.6 billion, down from the \$5.6 billion Congress appropriated this fiscal year. It would level a 14 percent cut to the Army Corps' workhorse operations and maintenance account, bringing it down to \$2.7 billion. And the budget would slash the agency's construction account - a source of much competition - from \$1.86 billion to just under \$1.1 billion. The Obama administration's budget documents said the cuts would be targeted to "lower priority" studies and construction.

***Updates on the Federal Drought Legislation:***

Senator Feinstein has updated her previously introduced Drought Bill, S. 1894. She circulated a new draft of her legislation in late January. She intends to introduce this bill in the very near future.

It builds on her previous legislation from the summer period. Most notably, the legislation directs federal agencies to maximize water flows, to the extent possible under current law, through the Delta to the Central Valley and to Southern California.

To provide some context for the new Senator Feinstein legislation, during the final negotiations in November of 2015 between the House and the Senate, there were efforts made to quantify the actual flows through the Delta. Such water amounts were approved by the Obama Administration—but still the legislation fell apart in the waning days of the last session.

A summary of her newly released legislation is contained at the end of this report. It is an approximate 100 page bill, provides for \$1.3 Billion in federal authorizations, most notably, \$600 Million for water storage and other federal authorizations for water smart programs and ocean water desalination, among others.

Of particular interest, our own Desalination Project is listed twice under two slightly different names in the Feinstein bill, an interesting side note.

Another footnote regarding the Feinstein Draft Bill. It authorizes many new federal programs, and grant programs—into the hundreds of millions of dollars. It remains to be seen if the Congress—though it may pass authorizations for such new or reformed programs—*will in the future—follow up and actually fund the programs through the annual appropriations process*. On the federal level, there is the two stage funding process—first the “authorization” and then, second, the “appropriation”. The Feinstein bill provides the authorization to fund \$1.3B in water programs but Congress would still need to appropriate the federal monies for the programs in the future.

***How the Drought is affecting parts of the Central Valley and how that might affect Southern California:***

The effects of the drought are having a major impact on the work force in the Central Valley of California. In an economic analysis released in August of 2015 by the University of California, Davis, the study estimates the drought led to the loss of more than 10,000 seasonal farm jobs this year – about 5 percent – and 21,000 total job losses throughout the state.

According to the Sacramento Bee, a five percent decrease might not seem like much, but one-fourth of that loss is concentrated in Fresno area. Most workers are hired by farm labor contractors instead of by farms.

Farmworkers are also earning less. The average farmworker earns about \$20,000 in California.

Also noteworthy, the US Department of Labor survey shows 60 percent of crop farmworkers in California are undocumented. Many believe that due to the unstable work environment in agriculture, some farmworkers have moved south, to Southern California or elsewhere.

***Other Water Related Matters:***

We are monitoring the IRS Tax implications on various water conservation programs—including the turf removal program. Southern California water providers have issued more than \$131 million in conservation rebates. As an example, these rebates have paid for the removal for as much as 50 million square feet of turf. As a result of these rebates, there has been some uncertainty as to whether these rebates are “taxable events for our individual constituents”. In the Budget documents released this week and next week, we are expecting to see language in the documents as to how these water conservation programs should be treated for tax purposes.

We will also be monitoring and trying to assist the EPA and other federal agencies as they develop their guidelines regarding the new WIFIA rules—which allow water entities to use tax free municipal bond financing and federal WIFIA loans to construct water facilities.

***Senator Feinstein’s Drought Legislation:***

I have included in this month’s report the Statement that Senator Feinstein issued when she released her discussion draft of her newly revised California Water Bill, which has also been called Senator’s Feinstein’s new drought bill. The official name and description of her bill is:

***“California Long-Term Provisions for Water Supply and Short-Term Provisions for Emergency Drought Relief Act***, a bill to help California deal with the drought emergency as well as future long-term effects of climate change.”

The legislation includes a wide range of provisions to address both long-term water supply needs (storage, desalination, recycling) as well as short-term, temporary solutions to make the water-delivery system more efficient during this drought.

Senator Feinstein released the following statement about the bill:

“In my 23 years in the Senate, this has been the most difficult bill to put together. The maxim that whiskey’s for drinking and water’s for fighting is alive and well in California.

Federal and state input

Over the past several months we’ve gone through an extensive consultation process with state and federal agencies to ensure the bill’s short-term provisions allow both the state and federal water systems to work efficiently to store water during high flows while operating within environmental laws and biological opinions. We worked through every proposal or suggestion we received from these experts and all of them are incorporated into this version of the bill.

On the federal side we worked with the Department of the Interior, the Department of Commerce, the Bureau of Reclamation, the Fish and Wildlife Service and the White House’s Council on Environmental Quality. And on the state side we worked with the California Natural Resources Agency, the California Department of Water Resources and the California Department of Fish and Wildlife.

I believe the bill being circulated is totally consistent with the Endangered Species Act, the Clean Water Act and biological opinions.

In addition to integrating proposals from state and federal agencies, the bill also reflects input from environmental groups, water districts, wildlife advocates and both Democratic and Republican congressional offices.

It’s not possible to quantify the amount of additional water that will be generated by the bill’s short-term provisions. You can’t produce water without rain and snow, which is difficult to predict. But it’s critically important that we move this bill so we can collect and store what may well be significant amounts of water during this year’s robust El Niño.

No mandate on pumping levels

It’s important to know what the bill does not do. The bill does not mandate how much water must be pumped. Those decisions will continue to be made by federal and state agencies.

Removing mandates from earlier drafts and leaving pumping decisions with federal and state agencies should alleviate concerns that the bill may somehow violate environmental laws or biological opinions.

Pumping levels must, however, be determined using the best available science to help protect fish. This means daily monitoring of water turbidity (the cloudiness that attracts fish to pumps) as well as daily monitoring of fish populations by boat when turbidity is high. This careful monitoring will allow more water to be moved when fish won’t be harmed and for pumping levels to be quickly reduced when fish are nearby.

Short-term provisions

The bill includes several short-term, temporary provisions to allow for more efficient operation of the federal and state water systems during this drought. The temporary provisions are fully compliant with environmental laws and biological opinions and will sunset two years after the date of enactment or when the governor’s drought declaration ends, whichever is later.

The current El Niño looks like it will be robust, providing a significant amount of precipitation. Already the snowpack is significantly higher in height and water content than the last few years, and water flows are high. But that water will be wasted if we’re unable to capture and store it.

The bill has four key provisions that will allow for water to be captured and stored:

- Winter storms and “payback.” The revised bill authorizes agencies to increase pumping during winter storms using their best judgment to determine the level of outflow that is the appropriate trigger for increased pumping. Once the storms end, the agencies would no longer be required to “payback” water already pumped unless there was an environmental reason, such as harm to fish. Currently, the “payback” means agencies must reduce subsequent water pumping by an equal amount of water as was captured during the storms, which would mean the loss of thousands of acre-feet of water that could instead be stored or transferred.
- 1:1 transfer ratio. The strong El Niño means more water is likely to be available for voluntary transfers from users with extra water to users downstream who need water. This provision helps facilitate those transfers in April and May by allowing a 1:1 transfer ratio. In past years, agencies have reduced the likelihood of transfers by requiring water users to send more water downstream than can be pumped out (up to a 4:1 ratio). By allowing for a 1:1 ratio—while adhering to environmental law and biological opinions—more water transfers can be accomplished, providing water to users who truly need it.
- Extending the time period for water transfers. The bill extends by five months the time period when transfers may take place. The current transfer window of July through September is extended to April through November. All transfers must remain consistent with the biological opinions.
- Delta Cross-Channel Gates. The bill requires the Secretary of the Interior and the Secretary of Commerce to take steps to ensure the gates remain open as long as possible. These gates are critically important for controlling salinity in the Delta. When the gates are closed, water that would otherwise be pumped or stored is instead used to flush salty water out through the Delta. Keeping the gates open longer will help reduce salinity and avoid releasing water unnecessarily.

All of these short-term provisions are temporary and will sunset two years after enactment of the bill or when the governor’s drought emergency expires, whichever is later.

Long-term provisions

I believe this bill's great strength can be found in the long-term provisions to provide new sources of water and new ways to store water. These provisions—which authorize a total of \$1.3 billion (which is offset)—include desalination, storage and water recycling projects as well as assistance for drought-stricken communities. This bill also puts the federal government in line with California's \$7.5 billion state water bond. These federal funds can also be used by other Western states.

The bill focuses on five areas to help communities and improve long-term drought resiliency:

- Assistance for drought-stricken communities. The bill increases the WaterSMART authorization by \$150 million, some of which can now be used for a new Bureau of Reclamation program to help rural and disadvantaged communities that are running out of water. These grants can be used for short-term solutions like emergency bottled water and long-term solutions like water treatment facilities. Additionally, the bill prioritizes money from the State Revolving Fund in California—which can be used for a variety of water infrastructure projects—for drought-stricken communities. The state received \$183 million from this pot of money last year.
- Helping communities fund water projects. The bill authorizes \$200 million for the *Reclamation Infrastructure Finance and Innovation Act*, known as RIFIA. This loan-guarantee program will help water districts and municipalities fund long-term solutions to store water and provide clean water. The bill also authorizes \$10 million through 2019 for EPA's WaterSense program to provide information on water-efficient products that reduce household water use.
- Water storage projects. The bill authorizes \$600 million for water storage projects in California and other Western states. These funds may be used on federal projects like Shasta as well as non-federal projects like Sites, Temperance Flat and Los Vaqueros. The bill also establishes deadlines for the Bureau of Reclamation to complete feasibility studies to build or raise dams. These funds run through 2025.
- Water desalination projects. The bill identifies 27 desalination projects in California—which could produce more than 330,000 acre-feet of water—that the Secretary of the Interior must consider funding in addition to other qualifying projects. The list was primarily drawn from the California Water Plan. The bill also reauthorizes the *Desalination Act* and authorizes \$100 million for feasibility studies and project design as well as desalination research to improve reverse osmosis and membrane technology. These funds run through 2020.
- Water recycling projects. The bill identifies 105 water recycling projects—which could produce more than 850,000 acre-feet of water—that the Secretary of the Interior must consider funding in addition to other qualifying projects. The list was compiled by the Association of California Water Agencies, the National Association of Clean Water Agencies, the Water Reuse Association, the Western Recycled Water Coalition and the California Association of Sanitation Agencies. The bill authorizes \$200 million for the Bureau of Reclamation's Title XVI water recycling program and streamlines the program by eliminating

the hurdle of congressional authorization for individual projects. The bill also increases the authorization of the Bureau of Reclamation's WaterSMART program by \$150 million (from \$350 million to \$500 million) for long-term water conservation, reclamation and recycling projects.

Conclusion

This bill will not satisfy every water interest in the state, but we have tried mightily to listen and absorb commentary from interested parties. We have worked hard with state and federal technical staff and believe these provisions will place California on a long-term path to improve its water infrastructure and provide short-term improvements to water-system operations so we can store more water at the times of peak outflow during the period of the governor's emergency drought declaration.

The bill reflects many meetings between Democrats and Republicans, water districts, cities, rural communities, farmers, fishermen and a number of environmental groups. This is a bill that offers real help to California while adhering to the laws and biological opinions that protect fish and wildlife.

I'm holding meetings over the next several days with environmental groups, water districts and farmers to discuss these provisions with them, and I will also meet with those House members who have indicated a desire to discuss the bill when they return to Washington early next week.

(Editor's note: again, quoting Senator Feinstein from here press release) I think we've come up with a bill that stands a real chance of being approved by both parties and signed into law. I believe this bill is the best we can do and I look forward to working with my colleagues to move it through Congress.

## General News Items and Political Updates of Interest

### *Presidential Nomination Updates:*

Since our last report, here are the latest polling numbers per “*Real Clear Politics Media*”\*: Today, Feb. 9, 2016, is the New Hampshire Primary Election today and so these numbers below are very likely to change overnight:

#### *Nationally*

Clinton 49%

Sanders 36

#### *In New Hampshire (first primary state)*

Sanders 53%

Clinton 44

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### *For the Republican Nomination:*

#### *Nationally*

Trump 30%

Cruz 21

Rubio 18

Carson 8

Bush 4

Kasich 4

Christy 3

#### *New Hampshire (First Primary State)*

Trump 33%

Rubio 14

Kasich 17

Cruz 10

Bush 9

*\*Real Clear Politics takes polling averages from different respected polling organizations over a common period of time in recent days/weeks—*

JCB 2-9-16



**BEST BEST & KRIEGER**  
ATTORNEYS AT LAW

**Memorandum**

**To:** Municipal Water District of Orange County  
**From:** Best Best & Krieger  
**Date:** February 16, 2016  
**Re:** Monthly State Political Report

**LEGISLATIVE UPDATE**

**Legislation:**

SB 163 (Hertzberg) which would declare ocean outfalls by water treatment facilities a waste unless done in accordance with the bill's provisions. The California Association of Sanitation Agencies (CASA) convened a stakeholder meeting in Sacramento to organize opposition of the bill. While some agencies urged taking an oppose position right away, CASA will work on an alternative approach to offer to Sen. Hertzberg that may involve a task force to examine the issue or a feasibility study. In the short term, CASA has asked Hertzberg to introduce new legislation rather than continue to push SB 163.

SB 814 (Hill) which would require each urban water retail agency to define "excessive water use" and impose fines for violations. ACWA has taken an oppose unless amended position and is asking members to weigh in.

AB 1713 (Eggman) which would require voter approval for the delta tunnels. MWD is asking for help with opposition.

At the ACWA lobbyist meeting on 2/8 the Orange County Water District, Orange Co. Sanitation Dist., and WaterReuse discussed cosponsored legislation for a demonstration project to bottle recycled water. Assm. Rich Gordon will be the author.

Water transfers: Significant attention will be on water transfer legislation this year. Assm. Dodd introduced AB 1755 which seeks to implement recommendations of the Delta Stewardship Council relating to transparency and access to data, Assm. Marc Levine has indicated an interest in various Environmental Defense Fund proposals, and ACWA is restarting its working group on water transfer policy to track and make recommendations on legislative proposals.

Sen. Hertzberg also intends to introduce legislation updating the water efficiency standards for plumbing fixtures.

Prop. 218 amendment: ACWA recently submitted edits to the initiative they are sponsoring. The Legislative Analyst Office (LAO) recently submitted its fiscal analysis to the A.G. where it opined that the fiscal impact would depend on how local agencies used the provisions of the initiative, but it noted that since the estimated need for flood control and storm water



**BEST BEST & KRIEGER**  
ATTORNEYS AT LAW

management programs to be between \$1.3 billion and \$1.8 billion, that the impact of the initiative on project funding “could be major.” Most of those involved with the effort favor running legislation to put an initiative on the ballot as opposed to signature gathering.

Bill introduction deadline: All new legislation must be introduced by February 19th.

Legislature:

On 2/2 the Assembly Water Park and Wildlife Committee and the Budget Subcommittee for Resources held a joint oversight hearing on Prop. 1 funding progress. Highlights included questions from members about the feasibility of capturing El Nino runoff and whether or not there was an attempt to use Prop 1 funds to support the delta tunnels.

Agency update:

SWRCB met on Feb. 2nd to extend the emergency drought regulations. After almost 6 hours of critical comments, including opposition from MWDOC, the regulations were adopted with very little change.

Looking Forward:

The Senate and Assembly water policy committees will hold a joint informational hearing on the Sustainable Groundwater Management Act on 2/23.

# The County of Orange Report

February 9, 2016  
by Lewis Consulting Group



## **Statewide Survey Shows General Contentment**

The most recent California survey released by the Public Policy Institute of California [PPIC], shows most Californians generally approve of how things are going in California. By a 54%-41% margin, respondents believe things in the Golden State are headed in the right direction.

California is a bastion for liberal political thought and Democrat politics. A full 62% of those polled have a favorable job approval of President Obama. 58% give a favorable job approval to Governor Jerry brown as well.

Republican Presidential candidates did not fair so well, with each of them registering over 50% disapproval. Candidate Donald Trump has the dubious distinction of leading in the category with a full 74% of Californians having an unfavorable opinion of him.

When participants were asked to name the most important issues for the Governor and the Legislature to work on, the answers were 17% water/drought; 16% jobs/economy; 9% education; 9% legal/illegal immigration. No other topics reached 5%. Of the five regions that were tabulated in this survey, the keenest concern about water was 27% in the Central Valley; Orange County registered at 16% in their concern about water.

The survey was conducted January 10-19, 2016 and the poll of 1,394 registered voters yield a margin of error of +/- 3.8%.

## **Controversy Returns to Cal-Optima**

Perhaps it's because of the sheer size of the \$3 billion agency that serves 770,000 low income and disabled Orange County residents. Once again the mammoth non-profit funded by State and Federal coffers, is the subject of a heated debate between the Orange County Board of Supervisors. Roughly one half of the Cal-Optima clients live in Orange County's First Supervisorial District, represented by Andrew Do. That fact has led Supervisor Do to propose that the First District Supervisor have a permanent seat on the Cal-Optima Board.

There was a lengthy and occasionally bitter debate on the topic as Supervisors Shawn Nelson and Todd Spitzer argued against a carved out permanent appointment. New chairman Lisa Bartlett chimed in and seemed swayed by the arguments posed by Nelson and Spitzer. Supervisor Do was visibly frustrated.

Supervisor Do did persuade his colleagues to give him more time to work on the issue.

## **Supervisors Appointment Are Still Not Public**

At the January 2016 PAL meeting, board member Larry Dick requested a timely update of the re-shuffled Orange County Board of Supervisor appointments. Unfortunately none have yet been forthcoming. Our latest guess is they will probably appear on the agenda for the February 23, 2016 Board of Supervisors meeting.

### **It's That Time of Year! Political Potpourri!**

#### *ι Congressman Rohrabacher's Campaign Stung by Embezzlement*

For the second time in the last two years a campaign treasurer is accused of pilfering campaign funds. Newport Beach resident Jack Wu, a volunteer campaign treasurer for Congressman Dana Rohrabacher since 2004, is accused of embezzling \$238,000 from the Congressman's campaign account. Wu has been charged with 24 felonies.

#### *ι Correa and Dunn Duke It Out*

The two presumed frontrunners to succeed Congresswoman Loretta Sanchez - Lou Correa and Joe Dunn - are proving just why each of them are considered to be at the top of the political heap running for central Orange County's 46<sup>th</sup> Congressional seat. Through the end of 2015 both had great success in raising funds for the 2016 June primary. Correa led the way with an early cash on hand figure of over \$251,000. Former State Senator Dunn followed with a very respectable \$175,000 as of December 31, 2015. The race continues to be one of Orange County's hottest political battles.



#### *ι A Norby Comeback?*

Former Orange County Supervisor, Assemblyman and Fullerton City Councilman Chris Norby has surprised political observers by tossing his hat in the ring for the Orange County Board of Education. Norby is challenging incumbent and fellow Republican Jack Bedell for the 4<sup>th</sup> District seat. The district closely resembles the Supervisor District that Norby represented for six years.

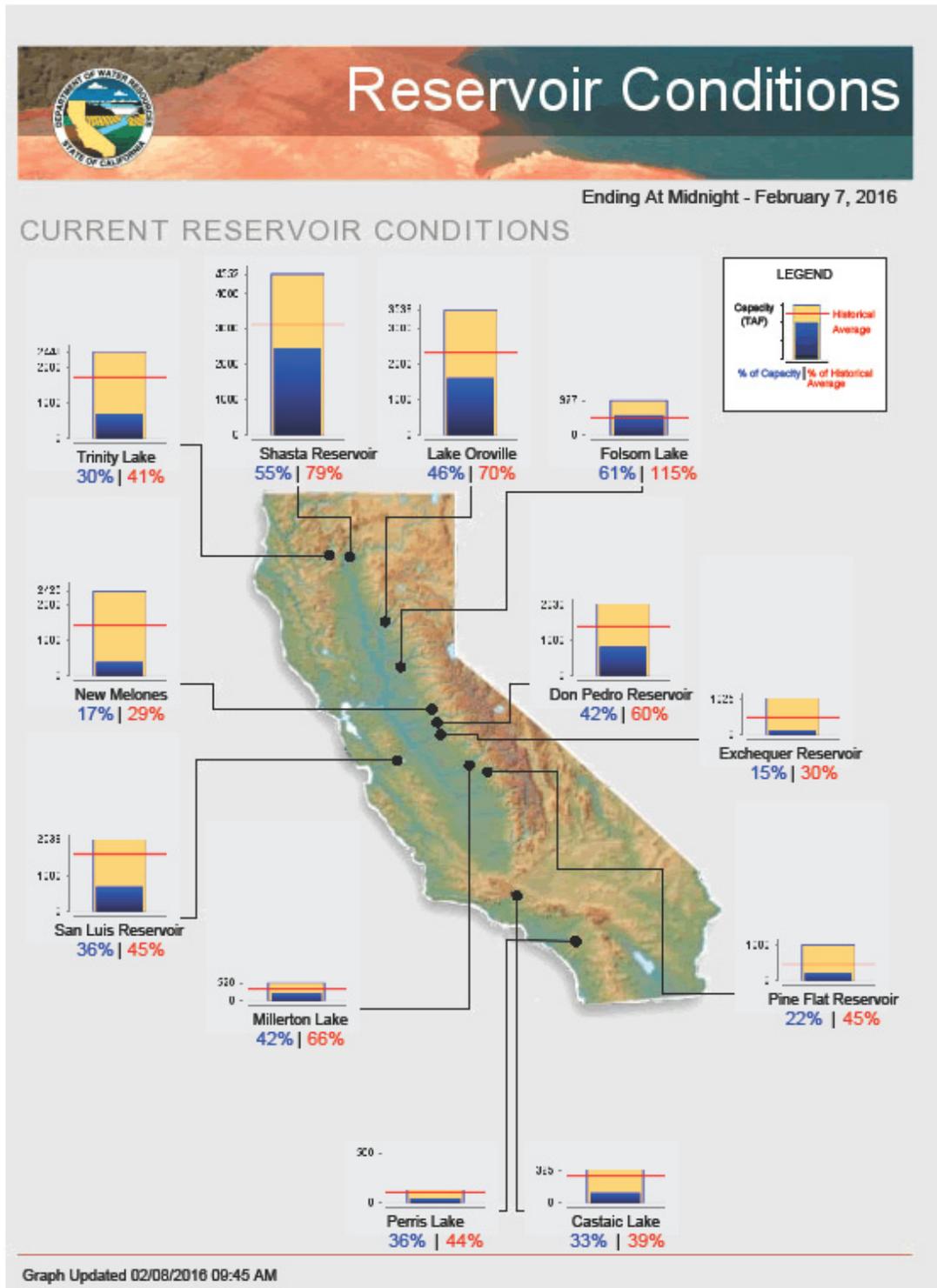
#### *ι A Donor Gets Convicted*

Son Truong Nguyen of Fountain Valley pled guilty to laundering \$13,000 in campaign funds to State Senator Janet Nguyen's re-election campaign for Supervisor in 2012. The scheme was uncovered after the State's Fair Political Practice Commission subpoenaed numerous witnesses. The FPPC commented that there was no indication that Senator Nguyen was aware of the scheme.

**El Niño Going Out With a Whimper?**

The long anticipated drought relief from the current El Niño has materialized but not to the extent we had hoped. The power of the El Niño is already dissipating with key water temperatures declining nearly one-half degree from the 2.5 degree higher than average temperature of Pacific tropical waters. However, even though the most powerful part of El Niño

passed to our North, local reservoirs are approaching more normal water levels . . . and perhaps a solid snow melt will get us there.



# ACKERMAN CONSULTING

## Legal and Regulatory

February 16, 2016

- 1. Feds Increase Release from Folsom:** The last few month's rains have dramatically increased the level of Folsom Lake near Sacramento. Two months ago, the Lake was at historically low levels and now the Federal Government is scheduling releases for flood control. The Feds have a formula based on the time of year that requires releases from the Lake into the American River to prevent flooding later in the season. They must maintain reserve storage for the spring runoff from the mountains to avoid flood conditions. Wouldn't it be nice if we had storage facilities to capture this water that is being released and finding its way to the Pacific Ocean?! Commenting on the situation, State regulators added to the discussion as to when the drought is over. They stated that one of three things needed to happen to declare the drought over: (1) State reservoirs would have to be at 90% of average levels, (2) runoff projections from the snowpack from October through September would have to be 110% of average or (3) reservoirs on the 4 major Sacramento rivers would have to attain flood control levels. As we noted last month, if the rain and snow continues, state and federal regulators will be pressed for a more definite formula for definition of the droughts end.
- 2. Droughts Harm to Forests:** The US Forest Service in a recent report concludes that the impact of the drought on our forests is much more severe than originally thought. The original estimate of 12 million trees killed or severely damages has been increased to 58 million. The main causes, brought about by less rain, are insect infestation, increase in invasive plants and exposure to wildfires. Of course some are dying just from lack of water. This condition is not unique to California as Arizona, Texas and Canada are experiencing similar results.
- 3. Wet in Sonoma:** Sonoma County has experienced the wettest January in six years. El Nino which was supposed to hit southern Cal the most has been hitting northern Cal instead. The weather service predicts that it will continue for a few more months. Lake Mendocino is at 100% capacity and the larger Lake Sonoma is at 94%.
- 4. El Nino and Landslide Scientists:** While everyone is encouraged by the rain and snow being produced by El Nino, one of the negatives associated with these weather patterns is landslides. However, there is good news with the slides, just ask US Geological Survey scientists. Research on landslides is very difficult and hard to model. While slides can

be very devastating, researchers have had problems because Mother Nature does not usually give them enough data to study. El Nino to the rescue. In the Bay Area alone, there have been over 18,000 slides. There are two types of slides, shallow and deep. Most are of the shallow variety but the deep ones can cause the most severe damage. El Nino is providing the scientists much needed data to predict when and where a landslide will occur. This can help us prevent them in the future which will save everyone millions of dollars. CalTrans is paying close attention to these studies as many landslides close their roads on a regular basis.

5. **East Bay Guzzler List Questioned:** While many water districts are trying to fine or shame water guzzlers into reducing their water usage, some have been wrongly accused. East Bay MUD who has been a leader in the shaming game has acknowledged that in a recent report 2 of the top five folks should not have been called out. It came to light that faulty meter reading and reporting calculations have caused two people in their service area to be declared innocent of guzzling. As you may have guessed, these people are not real happy about the negative publicity. The District is examining ways to make sure this does not happen again. Jack Coleman, an East Bay MUD Director and former ACWA President, has been very critical of the District and has led the charge to reconsider their policy.
6. **To Meter or Not to Meter:** Currently about 12,000 farmers, ranchers and utilities have senior water rights and have not had to monitor or report their water usage. State water officials are now requiring these people to monitor and report water taken from rivers. The requirement applies to anyone who takes more than 10 acre feet from a river or creek annually. The problem is that metering is not cheap. Couple that with the cost and practicality of running electricity to remote locations and you have many unhappy citizens. One small operator estimated his cost to be \$15,000 to comply with the new regulation. While most acknowledge that his information is necessary and useful for state management of our water system, the Board may have misjudged the feasibility of compliance.
7. **Aquifer Restoration Experiments:** Not every area is as fortunate as Orange County when it comes to natural and manmade conditions to replenish underground aquifers. Central Valley farmers and residents have seriously depleted or reduced levels in their aquifers and do not have, at least for now, the capability to refill in a timely manner. In Modesto, UC Davis research team is experimenting by flooding a 5 acre almond orchard with 6 inches of water to attempt to recharge the aquifer beneath the orchard. They will be measuring how much water actually gets through and also any damage to tree roots, next year's almond production, change in soil chemistry. Other areas are testing percolation ponds, levee setbacks and increased flood plains. The Davis scientists are

looking for alternative ways to recharge the aquifers since Mother Nature will need some help with this one.

8. **Smelt Wins Again:** Despite increased rainfall and increases in reservoir levels, the Feds are reducing deliveries to farmers and people in an effort to protect the Delta smelt. The added water flow from the recent rains has produced muddy water which forces the smelt off course. The move is supposed to be temporary but we will see. Farm representatives are concerned that, again, we are losing water that could be used by people to protect the fish.
  
9. **Groundwater Pumping vs Prop 218:** The question has been raised in California whether or not groundwater pumping fees or charges are subject to Proposition 218. Two District Courts of Appeals in the state have come to different conclusions. One court said that 218 applies and the other court said it did not. The Supreme Court has agreed to hear the case which should happen sometime this year. Clearly this will impact how groundwater will be handled. Legal authorities believe this may not be an all or nothing situation. The Court may find that 218 applies to certain aspects of groundwater management and sales but not to others.
  
10. **Oilfield Wastewater for Irrigation:** All businesses are attempting to be better water stewards including the oil industry. Chevron and Occidental are currently using treated wastewater for irrigation in the Central Valley. Testing is being done to determine if there is any long term toxicity in this operation. Thus far none has been discovered but testing will continue. If this proves successful it would be a giant source of water for agriculture. In 2013 one company who produced 150 million barrels of oil has as a byproduct 2 billion gallons of wastewater.



**BEST BEST & KRIEGER** LLP

ATTORNEYS AT LAW

Prepared for Municipal Water District of Orange County  
2/16/16

## A. Priority Support/Oppose

[AB 1713](#)

[\(Eggman D\)](#) Sacramento-San Joaquin Delta: peripheral canal.

Current Text: Introduced: 1/26/2016 [pdf](#) [html](#)

Status: 1/27/2016-From printer. May be heard in committee February 26.

Location: 1/26/2016-A. PRINT

Summary: Current law requires various state agencies to administer programs relating to water supply, water quality, and flood management in the Sacramento-San Joaquin Delta. The bill would prohibit the construction of a peripheral canal, as defined, unless expressly authorized by an initiative voted on by the voters of California on or after January 1, 2017, and would require the Legislative Analyst's Office to complete a prescribed economic feasibility analysis prior to a vote authorizing the construction of a peripheral canal.

Position	Priority	Subject
Opposition	A. Priority Support/Oppose	

[SB 163](#)

[\(Hertzberg D\)](#) Wastewater treatment: recycled water.

Current Text: Amended: 9/3/2015 [pdf](#) [html](#)

Status: 9/11/2015-Failed Deadline pursuant to Rule 61(a)(14). (Last location was RLS. on 9/8/2015)

Location: 9/11/2015-A. 2 YEAR

Summary: Would declare that the discharge of treated wastewater from ocean outfalls, except in compliance with the bill's provisions, is a waste and unreasonable use of water in light of the cost-effective opportunities to recycle this water for further beneficial use. This bill, on or before January 1, 2026, would require a wastewater treatment facility discharging through an ocean outfall to achieve at least 50% reuse of the facility's actual annual flow, as defined, for beneficial purposes.

Position	Priority	Subject
Out for Analysis	A. Priority Support/Oppose	

Notes 2: Not specifically relevant to MWDOC, but, could have far reaching impacts on all water agencies. May want to consider "(support/oppose) if amended."

[SB 814](#)

[\(Hill D\)](#) Drought: excessive water use: urban retail water suppliers.

Current Text: Introduced: 1/4/2016 [pdf](#) [html](#)

Status: 1/28/2016-Referred to Coms. on N.R. & W. and JUD.

Location: 1/28/2016-S. N.R. & W.

Summary: Would declare that excessive water use, as defined by each urban retail water supplier, is a waste or unreasonable use of water. This bill would prohibit excessive water use by a residential customer and would make a violation of this prohibition an infraction punishable by a fine of at least \$500 per 100 cubic feet of water used above the excessive water use definition in a billing cycle. By creating a new infraction, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position	Priority	Subject
Oppose unless amended	A. Priority Support/Oppose	

Notes 2: May be relevant as it affects member agencies. Possible "(support/oppose) if amended."

# B. Watch

## [AB 647](#)

**(Eggman D)** Beneficial use: storing of water underground.

Current Text: Amended: 6/30/2015 [pdf](#) [html](#)

Status: 7/17/2015-Failed Deadline pursuant to Rule 61(a)(10). (Last location was N.R. & W. on 6/30/2015)

Location: 7/17/2015-S. 2 YEAR

Summary: Current law declares that the storing of water underground, and related diversions for that purpose, constitute a beneficial use of water if the stored water is thereafter applied to the beneficial purposes for which the appropriation for storage was made. This bill would repeal that declaration and instead declare that the diversion of water to underground storage constitutes a beneficial use of water if the water so stored is thereafter applied to the beneficial purposes for which the appropriation for storage was made, or if the water is so stored consistent with a sustainable groundwater management plan, statutory authority to conduct groundwater recharge, or a judicial decree and is for specified purposes.

Position	Priority	Subject
Out for Analysis	B. Watch	

Notes 2: May affect member agencies.

## [AB 938](#)

**(Salas D)** Groundwater: basin reprioritization: establishment of groundwater sustainability agency.

Current Text: Introduced: 2/26/2015 [pdf](#) [html](#)

Status: 7/17/2015-Failed Deadline pursuant to Rule 61(a)(10). (Last location was N.R. & W. on 5/7/2015)

Location: 7/17/2015-S. 2 YEAR

Summary: The Sustainable Groundwater Management Act requires a local agency, any time the Department of Water Resources changes basin priorities and elevates a basin to a medium- or high-priority basin after January 31, 2015, to either establish a groundwater sustainability agency within 2 years of reprioritization and adopt a groundwater sustainability plan within 5 years of reprioritization, or to submit an alternative to the department that the local agency believes satisfies the objectives of these provisions within 2 years of reprioritization. This bill would impose the requirement to establish a groundwater sustainability agency or submit an alternative after reprioritization on a local agency or combination of local agencies overlying a groundwater basin.

Position	Priority	Subject
Out for Analysis	B. Watch	

Notes 2: Maybe relevant as it could affect member agencies.

## [AB 1587](#)

**(Mathis R)** Water Quality, Supply, and Infrastructure Improvement Act of 2014: groundwater: recharge basins.

Current Text: Introduced: 1/6/2016 [pdf](#) [html](#)

Status: 2/1/2016-Referred to Com. on W., P., & W.

Location: 2/1/2016-A. W.,P. & W.

Summary: The Water Quality, Supply, and Infrastructure Improvement Act of 2014 authorizes the use of \$100,000,000 of those funds for competitive grants for projects that develop and implement groundwater planning requirements. This bill, in implementing the competitive grants for those projects that develop and implement groundwater planning requirements, would require special consideration be given to those projects that would create groundwater recharge basins in areas of fallow farmland. This bill would appropriate \$50,000,000 from the proceeds of the bond act for the purpose of that competitive grant program.

Position	Priority	Subject
Out for Analysis	B. Watch	

## [AB 1588](#)

**(Mathis R)** Water and Wastewater Loan and Grant Program.

Current Text: Introduced: 1/6/2016 [pdf](#) [html](#)

Status: 2/1/2016-Referred to Com. on W., P., & W.

Location: 2/1/2016-A. W.,P. & W.

Summary: Would require the State Water Resources Control Board to establish a program to provide low-interest loans and grants to local agencies for low-interest loans and grants to eligible applicants for specified purposes relating to drinking water and wastewater treatment. This bill would create the Water and Wastewater Loan and Grant Fund and provide that the moneys in this fund are available, upon appropriation by the Legislature, to the board for expenditure for the program. This bill would transfer to the Water and Wastewater Loan and Grant Fund \$20,000,000 from the General Fund. This bill contains other related provisions.

Position	Priority	Subject
Out for Analysis	B. Watch	

[AB 1755](#)

([Dodd D](#)) The Open and Transparent Water Data Act.

Current Text: Introduced: 2/2/2016 [pdf](#) [html](#)

Status: 2/3/2016-From printer. May be heard in committee March 4.

Location: 2/2/2016-A. PRINT

Summary: Would enact the Open and Transparent Water Data Act. The act would require the department to establish a public benefit corporation that would create and manage a statewide water information accounting system to improve the ability of the state to meet the growing demand for water supply reliability and healthy ecosystems and an online water transfer information clearinghouse for water transfer information that would include, among other things, a database of historic water transfers and transfers pending responsible agency approval and a public forum to exchange information on water market issues.

Position	Priority	Subject
Out for Analysis	B. Watch	

[SB 20](#)

([Pavley D](#)) California Water Resiliency Investment Act.

Current Text: Amended: 8/26/2015 [pdf](#) [html](#)

Status: 8/28/2015-Failed Deadline pursuant to Rule 61(a)(11). (Last location was W.,P. & W. on 8/26/2015)

Location: 8/28/2015-A. 2 YEAR

Summary: Under current law, various measures provide funding for water resources projects, facilities, and programs. This bill would create the California Water Resiliency Investment Fund in the State Treasury and provide that moneys in the fund are available, upon appropriation by the Legislature, for the purpose of providing a more dependable water supply for California. This bill would create various accounts within the fund for prescribed purposes.

Position	Priority	Subject
Out for Analysis	B. Watch	

Notes 2: Could affect potential funding sources for water infrastructure projects.

ACWA is opposed.

**Total Measures: 9**

**Total Tracking Forms: 9**

**Metropolitan Water District of Southern California  
State Legislation Matrix 2/08/2016**

<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 291 Medina (D)</b>  Sponsor: ACWA and McGeorge Law School Policy and Legislative Clinic	Amended 6/10/15  Senate Environmental Quality Committee	<b>CEQA: Local Agencies: Notice of Determination:</b> Amends CEQA to authorize local agency for multi-county water transfers to file notice of determination with county clerk in county of local agency's principal office and with Office of Planning and Research.	<b>SUPPORT</b> (based upon April 2013 board-adopted CEQA policy principles)	Would streamline filing of CEQA notices of determination for multi-county water transfers and improve public access to those notices. Notice of multi-county water transfers would be made available on CEQAnet for broader public access.
<b>AB 501 Levine (D)</b>  Sponsor: Author	Amended 1/25/16  Senate Natural Resources and Water Committee	<b>Resources: Delta Research:</b> Requires that state-funded environmental research in San Francisco Bay/Sacramento-San Joaquin Delta Estuary be shareable and made available to Delta Science Program.	<b>REVIEW PENDING</b>	Seeks to foster communication and transparency among Delta researchers and provide Delta Science Program with open access to research data.
<b>AB 647 Eggman (D)</b>  Sponsor: Author	Amended 6/30/15  Senate Natural Resources and Water Committee	<b>Beneficial Use: Storing of Water</b> <b>Underground:</b> Would amend California Water Code to state that diversion of water underground to protect water quality, prevent land subsidence or prevent or remediate chronic lowering of groundwater levels is a beneficial use. Also states that existing forfeiture provisions for non-use of water for period of longer than five years would not apply to water being beneficially used for these specific purposes.	<b>SUPPORT (PENDING)</b>	Recent amendment includes safeguards to ensure that permanent underground storage is implemented in reasonable manner. Amendments provide that SWRCB must confirm that flows are not already appropriated or diverted at times when federal Central Valley Project, State Water Project or other permitted reservoir releases are required to release supplemental project water to meet water quality objectives in Delta watershed.

**Metropolitan Water District of Southern California  
State Legislation Matrix 2/08/2016**

<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 935 Salas (D)</b>  Sponsor: Author	Amended 9/4/15  Senate Inactive File	<b>Water Projects:</b> Requires DWR to fund two specified projects on Friant-Kern Canal and San Joaquin River, under certain conditions. Funding shall not exceed \$75 million and is subject to future appropriation by Legislature.	<b>OPPOSE UNLESS AMENDED</b> (based upon June 2007 board-adopted Delta Action Plan)	Projects named in bill have potential to negatively impact State Water Project's ability to deliver water supply through Delta due to potential effects on hydrology, hydrodynamics, water quality, fisheries and other aquatic resources in the Delta. Measure contains no best available science requirement or any public hearing prerequisite to give potentially impacted parties a chance to weigh in before projects move forward.
<b>AB 1201 Salas (D)</b>  Sponsor: Author	Amended 8/17/15  Senate Appropriations Committee	<b>Delta: Predation:</b> Directs Department of Fish and Wildlife to develop science-based approach that addresses predation in the Delta.	<b>SUPPORT</b> (based upon June 2007 board-adopted Delta Action Plan)	Aligns with Metropolitan's broader efforts to base management decisions in Delta on science. Places responsibility on appropriate state agency to manage statewide problem.
<b>AB 1713 Eggman (D)</b>  Sponsor: Author	Introduced 1/26/16	<b>Delta: Peripheral Canal:</b> Prohibits construction of a Peripheral Canal unless authorized by initiative vote of all California voters on or after January 1, 2017. "Peripheral Canal," as defined in bill, only pertains to new conveyance improvements envisioned under CA Water Fix.	<b>OPPOSE</b> (based upon June 2007 board-adopted Delta Action Plan)	Creates dangerous precedent for major infrastructure investments that are critical to supporting state's economy. Would subvert historic agreement and progress of 2009 Delta Reform Act to achieve equal goals of providing reliable water supplies for California and restoration of Delta ecosystem.

**Metropolitan Water District of Southern California  
State Legislation Matrix 2/08/2016**

<b>Bill Number Author</b>	<b>Amended Date; Location</b>	<b>Title-Summary</b>	<b>MWD Position</b>	<b>Effects on Metropolitan</b>
<p><b>SB 20 Pavley (D)</b></p> <p>Sponsor: California Water Foundation</p>	<p>Amended 8/26/15</p> <p>Assembly Water, Parks and Wildlife Committee</p>	<p><b>California Water Resiliency Investment Act:</b> Would create California Water Resiliency Investment Fund for funding “orphan” water infrastructure investments, including: 1) emergency drought response to protect vulnerable populations; 2) matching grants to local and regional agencies to increase regional self-reliance; 3) planning, construction, operation and maintenance of drinking water systems for disadvantaged communities; 4) restoration and protection of fish and wildlife to avoid or reduce conflicts with water management systems; and 5) to support improved data and information systems.</p>	<p><b>WATCH</b> (based upon board-adopted Legislative Priorities for 2016)</p>	<p>Contains no specific funding source. Creates only a policy “framework” for initiating dialogue on sustainable funding options to fill gaps that reportedly exist for state and local water infrastructure financing and operations.</p>
<p><b>SB 471 Pavley (D)</b></p> <p>Sponsor: Author</p>	<p>Amended 8/17/15</p> <p>Assembly Appropriations Committee</p>	<p><b>Water, Energy and Reduction of Greenhouse Gas Emissions (GHG):</b> Would authorize SWRCB, in cooperation with the CEC, CARB, PUC and DWR to establish grant and loan program for water projects that result in net reduction of water-related GHGs. Also directs CEC, in cooperation with SWRCB, CARB, PUC and DWR, to conduct study of water-related energy use in California.</p>	<p><b>SUPPORT AND SEEK AMENDMENTS</b> (based upon August 2008 board-adopted energy policy principles)</p>	<p>While energy use has always been key factor in water resource planning, measure would provide new opportunities for accessing funding for projects that reduce water-related GHG emissions.</p>



**DISCUSSION ITEM**  
February 16, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs & Legislation Committee**  
(Directors Barbre, Hinman, and Tamaribuchi)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: SOUTHERN CALIFORNIA WATER ISSUES CONGRESSIONAL DELEGATION BRIEFING LUNCHEON**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors receives and files the report.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**

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**CONGRESSIONAL BRIEFING**

As customary, MWDOC co-hosts a luncheon during the ACWA conference in Washington D.C. and has once again partnered with regional neighbors, Eastern Municipal Water District, Inland Empire Utilities Agency, and Western Municipal Water District. The luncheon is scheduled for Wednesday, February 24<sup>th</sup>. ACWA is planning a Capitol tour and boxed lunch for conference attendees at that time.

<b>Budgeted (Y/N): Yes</b>	Anticipated expenses for 2 staff & 1 director = \$8,000. Includes conference registration, travel, luncheon & other expenses.	Core <input checked="" type="checkbox"/>	Choice <input type="checkbox"/>
<b>Action item amount:</b>	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b> Registration & travel costs are budgeted under ACWA conferences			

The ACWA Washington D.C. conference is scheduled for Tuesday, 02/23/2016 - Thursday, 02/25/2015 at the Mayflower Hotel.

From ACWA:

Why Attend?

Learn firsthand the priorities of Congress and the Obama Administration. Get the latest on the budget and funding for your programs of interest. Meet and join fellow Water Agencies to show the importance of California water issues. Be there right from the start to better develop your federal legislative and regulatory strategies.

What Can You Expect?

Hear from Congressional leaders, top officials at EPA, Army Corps, Bureau of Reclamation and Department of Justice. Learn the 2016 agendas of members of the California Congressional Delegation. Hear from 'DC Insiders' about the 2016 elections.

### **MWDOC'S PARTICIPATION**

As we did last year, MWDOC is co-hosting a Southern California Water Issues Congressional Delegation Briefing with Eastern Municipal Water District (EMWD), Inland Empire Utilities Agency (IEUA), and Western Municipal Water District (WMWD).

Save the Date cards were hand delivered in November to all congressional offices within the hosting agencies service area. Invitations have been delivered to all members of the Orange County and Inland Empire delegations; and follow-up calls are being made to encourage attendance and collect RSVPs. Both Jim Barker and Heather Baez are reaching out to offices on behalf of MWDOC. Our partnering agencies are doing the same to reach out to their delegation.

Staff from MWDOC, EMWD, IEUA, and WMWD have begun updating the briefing book and program for the event. The briefing book – which includes a brief background on the four presenting agencies – will highlight the investments and importance of reliability. All pages have been submitted and are currently being assembled.

MWDOC member agencies Irvine Ranch Water District, Mesa Water District, Santa Margarita Water District, Moulton Niguel Water District, and South Coast Water District (in conjunction with MWDOC for the Doheny Project) have submitted pages for the 2016 briefing book.

Currently we have received RSVPs from the following offices: Congressman Royce, Congressman Lowenthal, Congresswoman Walters, and Congressman Calvert. We also have RSVPs from staff in the following offices: Congressman Rohrabacher, Congressman Issa, and Congresswoman Loretta Sanchez. Follow up calls and emails are being made. In addition, we have received RSVPs from the following member agencies who will have staff and/or Boardmembers attending the luncheon: Irvine Ranch Water District, Orange County Water District, and Santa Margarita Water District. Staff from the Metropolitan Water District of Southern California will also be in attendance.

Staff from MWDOC and the three partnering agencies are meeting weekly to touch base, stay on schedule, and work on outstanding issues to ensure all deadlines are met and details are being worked out.



**DISCUSSION ITEM**  
February 16, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs & Legislation Committee**  
(Directors Barbre, Hinman, and Tamaribuchi)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: SOUTHERN CALIFORNIA CALL TO ACTION FOR THE CA WATER FIX**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors receives and files the report.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**

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Issue:

What can MWDOC do to build support for the California Water Fix?

The California Water Fix is vital to Southern California’s water supply reliability, yet few in the region seems to understand what is at stake. The Board asked for recommendations for building support for the plan.

Recommendations:

The most relevant audience for outreach by MWDOC are water districts in So. California who will bear a proportionate share of the cost of the plan. MWDOC can play an important role by taking responsibility for reaching out to member agencies that currently do not have a government affairs office that interacts with the legislature in Sacramento. The outreach

<b>Budgeted (Y/N):</b> n/a		Core <input checked="" type="checkbox"/>	Choice <input type="checkbox"/>
<b>Action item amount:</b>	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b>			

effort would also serve MWDOC's goal of being a regional voice in policy matters affecting Orange County.

Part of the challenge is that the opponents of the Water Fix have a simple message and natural allies that include environmental organizations and delta interests. Proponents of the Water Fix are burdened with a complex argument that requires substantial background information to be understood. Opponents, therefore, have an advantage in executing a public relations campaign. One way to counter this advantage is to focus on the key decision makers at the affected water agencies, as opposed to appeals to the general public, and by putting effort into face-to-face communication with individual officers and key staff. The purpose is to develop opinion leaders in each area who can act as points of contact for media and their customers.

Such an outreach plan assumes that there are already effective educational materials that could be utilized, but this is not the case. Most of the public relations material prepared to date are written for consumption by the general public. What is needed is a focused message relevant to the issues that water policy decision makers care about. For example, most water policy stakeholders in Southern California do not need a history lesson in the development of the State Water Project, nor extensive information on the environmental restoration projects underway or contemplated in the delta. They need to understand why the Water Fix is necessary to ensure reliability, and they need simple talking points to counter the messaging of the opponents.

Staff is recommending a two-step approach:

Part one involves working with MWD to developed targeted presentation materials specifically for people who already have general subject matter knowledge of water supply in Southern California.

Part two is identifying which districts within the MWDOC service territory would be the best candidates for the outreach effort, and then identify specific individuals who could potentially act as opinion leaders with their districts.

If the board approves, staff would begin working with MWD over the next 60 days to develop the needed materials, and develop a list of key individuals and a tentative schedule of meetings that could realistically be accomplished by the end of the year.



**DISCUSSION ITEM**  
February 16, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs & Legislation Committee**  
(Directors Barbre, Hinman, and Tamaribuchi)

Robert Hunter, General Manager                      Staff Contact: Jonathan Volzke

**SUBJECT: PUBLISHING COSTS FOR THE OC CITIES & WATER AGENCIES DIRECTORY**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors receives and files the report and provide staff direction whether to print copies of the OC Cities & Water Agencies directory.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**

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Each year MWDOC staff updates the Orange County Cities & Water Agencies Directory, which typically is more than 95 pages.

The Directory is available online and emailed to member agencies.

At the direction of the Board of Directors, a bid was obtained from a known commercial printer that consistently provides low-cost, high-quality work.

Printing and binding 1,000 copies of the directory (which would allow distribution of roughly 20 copies to each agency) would cost \$4,183 for black-and-white, and \$9,100 for color. The binding would be a saddle stitch, similar to staples, which is the most cost effective.

The selected paper is also economical, with the directory's 1-year shelf life in mind.

<b>Budgeted (Y/N):</b> N		Core	Choice
<b>Action item amount:</b>	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b> Publishing costs for the ISDOC Directory would be paid for from the ISDOC budget, not MWDOC's.			



February 8, 2016

Estimate #: **E32757**

To: **Jonathan Volzke**  
**Municipal Water District of Orange County**

From: Karen Drozda

Thank you for the opportunity to quote your printing needs. The following is based on your specifications:

**Municipal Water District of OC Directory**

**Municipal Water District of OC Directory**

Size: 8.5 x 11 (96 page+Cover)

Cover

Ink: 4/0 process

Stock: 80# Dull Cover

Text

Ink: 1/1 Black

Stock: 70# Opaque offset

Perp: PDF proof

Bindery: Trim, Fold, Stitch, Carton,  
Deliver, (Delivery Additional)

**ESTIMATE TOTALS**

<b>Quantity</b>	<b>1,000</b>
<b>Project Total :</b>	<b>\$ 4,183</b>

Customer Approval (Signature) : \_\_\_\_\_ Quantity: \_\_\_\_\_

By (Please Print Name) : \_\_\_\_\_ P.O. #: \_\_\_\_\_

NOTE: The above prices do NOT include sales tax. Delivery of +/- 10% of the quantity ordered is considered acceptable and will be billed accordingly. The prices above include one local delivery unless specified otherwise. This is an estimate only, any changes to specifications will result in different costs. This estimate is valid until 3/9/2016 and is subject to Westamerica Graphics Terms and Conditions.



February 8, 2016

Estimate #: **E32752**

To: **Jonathan Volzke**  
**Municipal Water District of Orange County**

From: Karen Drozda

Thank you for the opportunity to quote your printing needs. The following is based on your specifications:

**Municipal Water District of OC Directory**

**Municipal Water District of OC Directory**

Size: 8.5 x 11 (96 page+Cover)

Cover

Ink: 4/4 process

Stock: 80# Dull Cover

Text

Ink: 4/4 process

Stock: 70# Opaque offset

Perp: PDF proof

Bindery: Trim, Fold, Stitch, Carton,  
(Delivery Additional)

**ESTIMATE TOTALS**

<b>Quantity</b>	<b>1,000</b>
<b>Project Total :</b>	<b>\$ 9,498</b>

Customer Approval (Signature) : \_\_\_\_\_ Quantity: \_\_\_\_\_

By (Please Print Name) : \_\_\_\_\_ P.O. #: \_\_\_\_\_

NOTE: The above prices do NOT include sales tax. Delivery of +/- 10% of the quantity ordered is considered acceptable and will be billed accordingly. The prices above include one local delivery unless specified otherwise. This is an estimate only, any changes to specifications will result in different costs. This estimate is valid until 3/9/2016 and is subject to Westamerica Graphics Terms and Conditions.



**DISCUSSION ITEM**  
February 16, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs & Legislation Committee**  
(Directors Barbre, Hinman, and Tamaribuchi)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: PUBLISHING COSTS FOR THE ISDOC DIRECTORY**

**STAFF RECOMMENDATION**

---

Staff recommends the Board of Directors receives and files the report.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**

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Each year MWDOC staff updates the ISDOC membership directory and makes it available to all members via email and online. In an effort to save money and go digital, the directory has not been printed and distributed in a couple of years.

**History**

In June 2013, the ISDOC Executive Board voted to have the directories emailed with a note that they will be printed only if requested by an agency at their expense. In May 2014, the ISDOC directory was emailed to members. It was noted that printing costs would be \$20 per directory. The committee voted unanimously not to provide printed copies. In March 2015, the directory was emailed to the ISDOC membership as had been customary from the previous two years. (Information regarding printing costs of the ISDOC directory could not be found for 2010, 2011 or 2012.)

<b>Budgeted (Y/N):</b> n/a		Core	Choice
<b>Action item amount:</b>	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b> Publishing costs for the ISDOC Directory would be paid for from the ISDOC budget, not MWDOC's.			

**2016 Directory**

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The ISDOC directory for 2016 is 50 pages. Below are various cost breakdowns:

**Office Depot:**

COLOR:

\$19.12/each

Spiral bound, doubled sided printing, clear front cover, black linen back cover

\$16.42/each if 40 copies are ordered (27 members, plus associate members) = \$656.80

\$15.92/each if 60 copies ordered (all members, associates & OC delegation) = \$955.20

BLACK & WHITE:

\$7.12/each

Spiral bound, double sided printing, clear front cover, black linen back cover

\$5.92/each for 40 copies = \$236.80

\$5.42/each for 60 copies = \$325.20

MAILING COSTS:

\$2.08/each for postage, plus cost of envelopes, mailing & return address labels

TOTAL ESTIMATED COST:

Includes printing & labor, postage, envelopes & labels

40 copies = \$750 (color)

\$340 (black & white)

60 copies = \$1,100 (color)

\$475 (black & white)

**Westamerica Communications**

COLOR:

Clear acetate front cover & black backer

100 copies (minimum) = \$1,178

MAILING COSTS:

\$2.08/each for postage, plus cost of envelopes, mailing & return address labels

Note – the ISDOC directory is not widely distributed because it is considered one of the benefits of membership. In addition, it contains sensitive information such as home addresses and phone numbers for many of the board members.



**ACTION ITEM**  
February 17, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs & Legislation Committee**  
(Directors Barbre, Hinman, and Tamaribuchi)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: AUTHORIZE ATTENDANCE AT CALIFORNIA SPECIAL DISTRICTS ASSOCIATION LEGISLATIVE DAYS, MAY 17-18, 2016 - SACRAMENTO**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors authorize attendance for one staff member and one Board member to attend CSDA’s Legislative Days on May 17-18, 2016.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**

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From CSDA’s website:

Gain the edge on policy changes impacting your agency at the 2016 Special Districts Legislative Days, an interactive and informative two-day legislative conference in our State’s Capitol. Representatives from all types of districts attend Legislative Days to exchange ideas with California’s top decision-makers and discuss priority legislative issues at pre-arranged Capitol office visits and a private reception.

Hear directly from state leadership on hot topics affecting local services and infrastructure.

<b>Budgeted (Y/N):</b> No		Core <input checked="" type="checkbox"/>	Choice <input type="checkbox"/>
<b>Action item amount:</b>	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b> \$175 registration, plus \$650/travel costs for each attendee.			

Get your questions answered at issue-focused, industry-specific roundtable sessions. Explore how decisions are really made in the Capitol and help shape their outcome.

The legislative conference is held at the Sacramento Convention Center and includes panel discussions, roundtable discussions, and a luncheon keynote speaker.

Cost:

Early-On or Before 04/15/16: \$175 CSDA Member, \$265 Non-Member

Regular-After 04/15/16: \$225 CSDA Member, \$340 Non-Member



**ACTION ITEM**  
February 17, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs & Legislation Committee**  
(Directors Barbre, Hinman, Tamaribuchi)

Robert Hunter, General Manager                      Staff Contact: Heather Baez

**SUBJECT: SB 163 (Hertzberg) – Wastewater Treatment, Recycled Water**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors vote to adopt a “Support if Amended” position asking the author to amend the bill into a study.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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SB 163 would declare that the discharge of treated water through ocean outfalls constitutes a waste and unreasonable use of water, and would require wastewater facilities to phase out this practice over the next two decades before achieving 100% reuse by 2036 and eliminating discharge through ocean outfalls.

In declaring the discharge of treated wastewater through ocean outfalls a waste and unreasonable use of water, this bill would require a NPDES permit holder (permit holder) authorized for the discharge of wastewater through an ocean outfall as of January 1, 2016, to submit a compliance plan to meet the following provisions to the executive director of the Water Board by 1/1/2020:

- 1) Achieve 50% reuse of the facility’s actual annual flow for beneficial purposes by January 1, 2026. (For all purposes of this measure, “actual annual flow” is defined the annual average flow of treated wastewater discharging through a facility’s ocean outfall as determined by the Water Board using monitoring data available for calendar years 2009 to 2014.)

<b>Budgeted (Y/N):</b> n/a	Budgeted amount:	Core x	Choice __
<b>Fiscal Impact (explain if unbudgeted):</b>			

2) Eliminate all discharge of treated wastewater through ocean outfalls, except as backup discharge (i.e. during storms or wet periods when there is little demand for reclaimed water), by 1/1/2036.

3) Achieve 100% reuse of the facility's actual annual flow for beneficial purposes by 1/1/2036.

## **ARGUMENTS IN SUPPORT**

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While the underlying policy of this bill is laudable, issues such as cost, feasibility, or barriers to direct potable reuse need to be resolved before a state-imposed mandate may even be considered. Nonetheless, Sen. Hertzberg has gone out of his way to signal that he wants to work cooperatively with stakeholders. The Cal. Assoc. of Sanitation Agencies (CASA) is drafting a letter of concern that asks the author to start with a new bill to allow for more negotiation, and to convene a taskforce.

Senator Hertzberg continues to meet with stakeholders and has not amended the bills since the initial gut & amend in September. The bill could still be taken in another direction.

## **COMMENTS**

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ACWA supports the robust development of water reuse projects as part of a comprehensive framework to secure California's water reliability. However, ACWA maintains that this objective would be met most effectively through independent initiatives at the local level, not a top-down statewide-driven approach. WaterReuse California has identified and communicated a number of regulatory, financial, and public acceptance barriers to the author, including a lack of statewide regulations for surface water augmentation and direct potable reuse and the infeasibility of expanding non-potable "purple pipe" projects to accommodate the volume of water this measure aims to incorporate. Moreover, this measure would impose enormous costs on wastewater facilities while offering no monetary support. The advancements and expansions to water treatment plants this bill would require would necessitate billions of dollars in spending at the local level. (ACWA State Legislative Committee took a "Not Favor" position on SB 163 at the January 22, 2016 meeting.)

## **DETAILED REPORT**

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The full text of SB 163 is attached.



## Senate Bill 163 – Recycled Water Supply

### SUMMARY

Senate Bill 163 declares that dumping treated wastewater into the ocean is an unreasonable use of water in the state of California. The bill sets timelines for sanitation facilities to meet standards for 50 percent beneficial reuse by 2026 and 100 percent reuse of treated water by 2036. The reuse standards would allow for backup discharges from treatment facilities for purposes such as irrigating crops, groundwater recharge, sea water barriers and watering public lands.

### ISSUE

Over the last several years, California has watched as water supplies have dwindled with less snow and fewer significant rain events. The severe drought conditions that grip more than 90 percent of the state have brought the issue of water conservation to the forefront of political discussions and policymaking.

However, we in California continue to let millions of gallons of treated wastewater – water that is useable and valuable – pour into the ocean every day. It is estimated that the state of California lets more than 1.5 billion gallons of treated fresh water go out to the ocean per day. The Los Angeles area alone is responsible for some 650 million gallons per day going out to the ocean. Even in a drought, we are letting enormous quantities of highly treated fresh water flow into the ocean.

We know that as climate change continues to shape California’s landscape, water will become an increasingly precious resource. This state must look beyond the current drought and address the totality of California’s fresh water situation. By prohibiting treated wastewater from being dumped into the ocean and instead encouraging its use for irrigating public land or groundwater recharge, California can more wisely use every gallon of this state’s precious fresh water.

In 2013, the California State Water Resources Control Board adopted objectives for water recycling across the state. The Board established a mandate to increase the use of recycled water by 200,000 acre-feet per year by 2020 and to substitute “as much recycled water for potable water as possible by 2030.” Senate Bill 163 sets a course for California’s future and for a sustainable water supply for the state.

### **SB 163 (HERTZBERG)**

This bill would require wastewater treatment facilities to reuse 50 percent of treated wastewater for beneficial purposes by 2026 and 100 percent of treated wastewater by 2036. It allows the federal National Pollutant Discharge Elimination System (NPDES) permit holders to apply to the state water board for partial exemptions from the reuse requirements provided they have a detailed plan, including infrastructure needs and financing, for meeting the reuse requirements in the future.

AMENDED IN ASSEMBLY SEPTEMBER 3, 2015

AMENDED IN SENATE JUNE 2, 2015

**SENATE BILL**

**No. 163**

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**Introduced by Senator Hertzberg**

February 4, 2015

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~~An act to add Section 3000.5 to the Elections Code, relating to elections.~~ *An act to add Section 13557.5 to the Water Code, relating to water.*

LEGISLATIVE COUNSEL'S DIGEST

SB 163, as amended, Hertzberg. ~~Elections: vote by mail ballot.~~  
*Wastewater treatment: recycled water.*

*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. 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.*

*Under existing law, the state board and the 9 California regional water quality control boards prescribe waste discharge requirements in accordance with the federal national pollutant discharge elimination system (NPDES) permit program established by the federal Clean Water Act and the Porter-Cologne Water Quality Control Act.*

*This bill would declare that the discharge of treated wastewater from ocean outfalls, except in compliance with the bill's provisions, is a waste and unreasonable use of water in light of the cost-effective opportunities to recycle this water for further beneficial use. This bill,*

*on or before January 1, 2026, would require a wastewater treatment facility discharging through an ocean outfall to achieve at least 50% reuse of the facility's actual annual flow, as defined, for beneficial purposes. This bill, on and after January 1, 2036, would prohibit the discharge of treated wastewater through ocean outfalls, except as backup discharge, as defined, and would require a wastewater treatment facility to achieve 100% reuse of the facility's actual annual flow for beneficial purposes. This bill, on and after January 1, 2022, would authorize a NPDES permit holder subject to these requirements to petition the state board for a partial exemption to the above-described requirements. This bill would require the state board to determine, after notice and opportunity for comment, whether the petition demonstrates that the NPDES permit holder cannot comply with these reuse requirements and would provide that an exemption from these reuse requirements is valid for a period of no more than 5 years, at which point the NPDES permit holder is required to reapply for an exemption or comply with these reuse requirements. This bill would prohibit a NPDES permit holder subject to these provisions from being eligible for state grants or loans if they receive a partial exemption to these reuse requirements, unless the state grant or loan is solely for the purpose of achieving compliance with these reuse requirements.*

*This bill would require a holder of a NPDES permit authorizing the discharge of wastewater through an ocean outfall as of January 1, 2016, to submit, on or before July 1, 2020, a prescribed plan to meet these provisions, directly or by contract, to the executive director of the state board and would require the plan to be updated on or before January 1, 2024. This bill, on or before January 1, 2017, and by January 1 every 5 years thereafter, would require the holder of a NPDES permit authorizing the discharge of wastewater through an ocean outfall to submit a report to the executive director of the state board summarizing the actions accomplished to date and the actions remaining and proposed to meet the requirements of these provisions. This bill would require the state board to submit a report to the Governor and the Legislature on the implementation of these provisions on or before July 1, 2021, and by July 1 every 5 years thereafter.*

~~Existing law requires the vote by mail ballot to be available to any registered voter and requires an application for a vote by mail voter's ballot to be made in writing to the elections official having jurisdiction over the election between certain days before the election.~~

~~This bill would establish, until January 1, 2019, a vote by mail pilot program in the County of Los Angeles for statewide elections. The bill would require, as part of the pilot program, that the county elections official issue a vote by mail ballot to each registered voter for a qualifying election. The bill would also require the elections official, among other things, to engage in voter education efforts to increase voter awareness of the pilot program and to report on the voter turnout for qualifying elections to the Secretary of State and the Legislature on or before December 31, 2018.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.~~

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

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

1     *SECTION 1. The Legislature finds and declares all of the*  
2     *following:*

3     *(a) Severe drought conditions have persisted for the last three*  
4     *years in California, and 2013 was the state's driest calendar year*  
5     *on record.*

6     *(b) California's water supplies have dipped to alarmingly low*  
7     *levels indicated by the very limited snowpack in the Sierra Nevada*  
8     *Mountains, declining water levels in the state's largest water*  
9     *reservoirs, reduced surface water flows in major river systems,*  
10    *and historically low groundwater levels. These water supplies*  
11    *continue to be severely depleted despite a limited amount of winter*  
12    *precipitation in 2014.*

13    *(c) The duration of the drought is unknown, but based on the*  
14    *projected impact of climate change on California's snowpack,*  
15    *extremely dry conditions will likely continue beyond this year and*  
16    *occur more regularly in the future.*

17    *(d) Continuous severe drought conditions present urgent*  
18    *challenges across the state, including, but not limited to, water*  
19    *shortages in communities and for agricultural production,*

1 *increased risk of wildfires, degraded habitat for fish and wildlife,*  
2 *and threat of saltwater contamination in large fresh water supplies.*

3 *(e) Water reuse is one of the most efficient and cost-effective*  
4 *ways to improve the drought resilience of California communities.*

5 *(f) The State Water Resources Control Board has established*  
6 *goals of recycling 1,500,000 acre-feet of wastewater by 2020 and*  
7 *2,500,000 acre-feet of wastewater by 2030. However, California*  
8 *is not on track to meet the board's goals.*

9 *(g) The discharge of treated wastewater from ocean outfalls*  
10 *constitutes waste and unreasonable use of water within the*  
11 *meaning of Section 2 of Article X of the California Constitution,*  
12 *in light of the opportunities to recycle this water for further*  
13 *beneficial use.*

14 *(h) By prohibiting ocean discharges from wastewater treatment*  
15 *plants, California could dramatically accelerate the adoption of*  
16 *water recycling and thus increase water supply available for*  
17 *beneficial use.*

18 *(i) Water recycling can reduce California's dependence on*  
19 *diversions from surface rivers and streams that are subject to*  
20 *variable climate and regulatory conditions.*

21 *(j) In addition to water supply benefits, requiring water recycling*  
22 *for further beneficial use eliminates ocean wastewater discharges,*  
23 *decreasing pollutant loadings to ocean waters and improving*  
24 *coastal water quality, thereby benefitting the aquatic environment*  
25 *and local economies that depend on those coastal resources.*

26 *SEC. 2. Section 13557.5 is added to the Water Code, to read:*

27 *13557.5. (a) The Legislature hereby finds and declares that*  
28 *the discharge of treated wastewater from ocean outfalls, except*  
29 *in compliance with the provisions of this section, is a waste and*  
30 *unreasonable use of water within the meaning of Section 2 of*  
31 *Article X of the California Constitution in light of the cost-effective*  
32 *opportunities to recycle this water for further beneficial use,*  
33 *including both potable and nonpotable uses.*

34 *(b) On or before January 1, 2026, each wastewater treatment*  
35 *facility that discharges through an ocean outfall shall achieve at*  
36 *least 50 percent reuse of the facility's actual annual flow for*  
37 *beneficial purposes.*

38 *(c) On and after January 1, 2036:*

39 *(1) A wastewater treatment facility shall not discharge treated*  
40 *wastewater through ocean outfalls, except as a backup discharge.*

1 *A backup discharge may occur only during periods of reduced*  
2 *demand for reclaimed water in the reuse system, such as a period*  
3 *of wet weather.*

4 *(2) Each wastewater treatment facility shall achieve 100 percent*  
5 *reuse of the facility's actual annual flow for further beneficial use.*

6 *(d) (1) A holder of a NPDES permit authorizing the discharge*  
7 *of wastewater through an ocean outfall as of January 1, 2016,*  
8 *shall submit, on or before July 1, 2020, a plan to meet the*  
9 *requirements of this section, directly or by contract, to the executive*  
10 *director of the state board that contains all of the following:*

11 *(A) An identification of all land acquisition and facilities*  
12 *necessary to provide for treatment, transport, and reuse of treated*  
13 *wastewater.*

14 *(B) An analysis of the costs to meet the requirements of this*  
15 *section.*

16 *(C) A financing plan for meeting the requirements of this section,*  
17 *including identifying any actions necessary to implement the*  
18 *financing plan, such as bond issuance or other borrowing,*  
19 *assessments, rate increases, fees, charges, or other financing*  
20 *mechanisms.*

21 *(D) A detailed schedule for the completion of all necessary*  
22 *actions.*

23 *(E) Supporting data and other documentation accompanying*  
24 *the plan.*

25 *(2) On or before January 1, 2024, the plan described in*  
26 *paragraph (1) shall be updated and submitted to the executive*  
27 *director of the state board by the permit holder to include any*  
28 *refinements or changes in the costs, actions, or financing necessary*  
29 *to achieve full recycling of all wastewater and thereby eliminate*  
30 *the ocean outfall discharge in accordance with this section or a*  
31 *written statement that the plan is current and accurate.*

32 *(e) On or before January 1, 2017, and by January 1 every five*  
33 *years thereafter, the holder of a NPDES permit authorizing the*  
34 *discharge of wastewater through an ocean outfall shall submit to*  
35 *the executive director of the state board a report summarizing the*  
36 *actions accomplished to date and the actions remaining and*  
37 *proposed to meet the requirements of this section. The report shall*  
38 *include progress toward meeting the deadlines set forth in*  
39 *subdivisions (b) to (d), inclusive, and specifically include the*  
40 *detailed schedule for, and status of, the following:*

- 1 (1) *Evaluation of reuse and disposal options.*
- 2 (2) *Preparation of preliminary design reports.*
- 3 (3) *Preparation and submission of permit applications.*
- 4 (4) *Construction initiation.*
- 5 (5) *Construction progress milestones.*
- 6 (6) *Construction completion.*
- 7 (7) *Initiation of operation.*
- 8 (8) *Continuing operation and maintenance.*

9 (f) (1) *On or before July 1, 2021, and by July 1 every five years*  
10 *thereafter, the state board shall submit a report to the Governor*  
11 *and the Legislature on the implementation of this section. The*  
12 *report shall summarize the progress up to date, including the*  
13 *increased amount of reclaimed water provided and potable water*  
14 *offsets achieved, and shall identify any obstacles to continued*  
15 *progress, including all instances of substantial noncompliance.*

16 (2) *A report to be submitted pursuant to paragraph (1) shall be*  
17 *submitted in compliance with Section 9795 of the Government*  
18 *Code.*

19 (g) (1) *On and after January 1, 2022, a NPDES permitholder*  
20 *subject to the requirements of this section, may petition the state*  
21 *board for a partial exemption to the requirements of this section.*  
22 *The petition shall include the information required in subdivisions*  
23 *(d) and (e), and shall demonstrate that the NPDES permitholder*  
24 *cannot comply with the requirements of this section for one of the*  
25 *following reasons:*

26 (A) *The state board has failed to adopt regulations that approve*  
27 *the indirect potable reuse of wastewater.*

28 (B) *Upgrading the wastewater treatment plant to achieve*  
29 *recycled water standards produces recycled water that costs more*  
30 *than twice the cost per-acre foot as compared with other new*  
31 *surface and groundwater supplies.*

32 (C) *The wastewater treatment plant has achieved water quality*  
33 *standards for recycled water, but there is not sufficient demand*  
34 *for this water within the region.*

35 (2) *The state board shall determine, after notice and opportunity*  
36 *for comment, whether the petition demonstrates that the NPDES*  
37 *permitholder cannot comply with the requirements of this section*  
38 *pursuant to paragraph (1). If the state board approves the partial*  
39 *exemption to the requirements of this section, that exemption shall*  
40 *be valid for a period of no more than five years, at which point*

1 *the NPDES permit holder shall reapply for an exemption or comply*  
 2 *with the requirements of this section.*

3 *(3) A NPDES permit holder subject to the requirements of this*  
 4 *section shall not be eligible for state grants or loans if they receive*  
 5 *a partial exemption to the requirements of this section pursuant*  
 6 *to this subdivision, unless the state grant or loan is solely for the*  
 7 *purpose of achieving compliance with the requirements of this*  
 8 *section.*

9 *(h) As used in this section:*

10 *(1) "Actual annual flow" means the annual average flow of*  
 11 *treated wastewater discharging through a facility's ocean outfall*  
 12 *as determined by the state board using monitoring data available*  
 13 *for calendar years 2009 to 2014, inclusive.*

14 *(2) "Backup discharge" means a surface water discharge that*  
 15 *occurs as part of a functioning reuse system that has been*  
 16 *permitted in accordance with the rules of the state board and that*  
 17 *provides reclaimed water for irrigation or public access areas,*  
 18 *residential properties, edible food crops, sea water barrier*  
 19 *injection to protect groundwater resources, groundwater*  
 20 *replenishment, industrial cooling, or other acceptable reuse*  
 21 *purposes. "Backup discharge" may also include releases to the*  
 22 *ocean on an emergency basis, as approved by a regional board,*  
 23 *for a duration not to exceed 90 days and only in the quantities as*  
 24 *are necessary in the event of a storm or other cause that impedes*  
 25 *groundwater replenishment.*

26 ~~SECTION 1. Section 3000.5 is added to the Elections Code,~~  
 27 ~~to read:~~

28 ~~3000.5. (a) A vote by mail pilot program shall be established~~  
 29 ~~in the County of Los Angeles for any statewide election held~~  
 30 ~~between January 1, 2017, and December 31, 2018, inclusive.~~

31 ~~(b) Notwithstanding Section 3001, the elections official for the~~  
 32 ~~County of Los Angeles, in conjunction with the Secretary of State,~~  
 33 ~~shall issue a vote by mail ballot to each registered voter in that~~  
 34 ~~county for any statewide election held during the period specified~~  
 35 ~~in subdivision (a).~~

36 ~~(c) Notwithstanding any other law, each of the following shall~~  
 37 ~~apply to the vote by mail pilot program with respect to a statewide~~  
 38 ~~election held during the period specified in subdivision (a):~~

1 ~~(1) The elections official is authorized to mail the vote by mail~~  
2 ~~ballots together with other election materials issued by the county~~  
3 ~~to reduce overall mailing expenses.~~

4 ~~(2) The elections official shall consider reducing or consolidating~~  
5 ~~precincts in anticipation of a reduction in the number of voters~~  
6 ~~who vote at precinct polling places, subject to the requirements of~~  
7 ~~Sections 12223 and 12241.~~

8 ~~(3) The elections official is deemed to comply with the~~  
9 ~~requirements of Section 14102 if the number of official ballots~~  
10 ~~provided to each precinct is not less than 50 percent of registered~~  
11 ~~voters in the precinct.~~

12 ~~(4) The elections official shall engage in voter education efforts~~  
13 ~~to increase voter awareness of the vote by mail pilot program. As~~  
14 ~~part of the voter education efforts, voters shall be encouraged, if~~  
15 ~~they intend to vote at a polling place, to bring their vote by mail~~  
16 ~~ballot to the polling place to streamline their voting process.~~

17 ~~(5) In addition to any other reporting requirements required by~~  
18 ~~law, the elections official shall report on the voter turnout for the~~  
19 ~~County of Los Angeles for any qualifying statewide election~~  
20 ~~described in subdivision (a) to the Secretary of State and to the~~  
21 ~~Legislature, in the manner provided by Section 9795 of the~~  
22 ~~Government Code, on or before December 31, 2018.~~

23 ~~(d) This section shall remain in effect only until January 1, 2019,~~  
24 ~~and as of that date is repealed, unless a later enacted statute, that~~  
25 ~~is enacted before January 1, 2019, deletes or extends that date.~~

26 ~~SEC. 2. If the Commission on State Mandates determines that~~  
27 ~~this act contains costs mandated by the state, reimbursement to~~  
28 ~~local agencies and school districts for those costs shall be made~~  
29 ~~pursuant to Part 7 (commencing with Section 17500) of Division~~  
30 ~~4 of Title 2 of the Government Code.~~



**ACTION ITEM**  
February 17, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs & Legislation Committee**  
(Directors Barbre, Hinman, Tamaribuchi)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: AB 1713 (Eggman) – Sacramento San Joaquin Delta, Peripheral Canal**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors vote to oppose AB 1713 (Eggman), sign on to Metropolitan Water District’s coalition letter, and send a separate letter to the author and members of the Orange County delegation indicating our opposition.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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AB 1713 would prohibit the construction of a peripheral canal, as defined, unless expressly authorized by an initiative voted on by the voters of California on or after January 1, 2017, and would require the Legislative Analyst’s Office to complete a prescribed economic feasibility analysis prior to a vote authorizing the construction of a peripheral canal.

**ARGUMENTS IN SUPPORT**

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According to the author’s office, “California’s taxpayers and ratepayers should have the opportunity to weigh in on whether to commit billions of dollars to a project that economists say isn’t a good investment, scientists say is a disaster for the Delta’s ecosystem, and the

<b>Budgeted (Y/N):</b> n/a	Budgeted amount:	Core x	Choice __
<b>Fiscal Impact (explain if unbudgeted):</b>			

water exporters' own studies show will not produce a single drop of new water supply. "The proposed tunnels are the most expensive, most controversial water project proposed in half a century with the potential to permanently destroy the Delta's ecosystem and community. Californians have the right to look at the facts and decide whether the tunnels are good for California, or whether we should drop this plan once and for all."

## **ARGUMENTS IN OPPOSITION**

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### WaterFix process to make progress happen.

- State and federal agencies have been working toward a plan for 10 years
- Water agencies like Metropolitan have spent nearly a quarter billion dollars on planning
- This is the last year of the Obama Administration
- California WaterFix must come together this year

### Reliable water from the Delta is essential for making the statewide water system work.

- The Delta is the bottleneck in our statewide water system
- Southern California must be able to capture water from Northern California in wet periods to prepare for drought
- High quality water from the north is essential to making local projects like recycling work year in and year out
- We fully support more conservation and more local supplies
- But we must take action on all fronts to prepare for our water future

### Some legislators are now trying to thwart water progress in California. The ballot box is not for designing California infrastructure.

- AB 1713 by Assembly Member Susan Eggman, and co-authored by eight members of the Assembly and Senate, is being advanced by legislators long opposed to modernizing the Delta water system
- They are now seeking to impose new road blocks at the eleventh hour
- AB 1713 is the wrong approach
- We very much support the Legislature providing policy direction
- The Legislature did so in the 2009 with the passage of a historic water package which formalized an approach to reform the Delta through a robust public process
- AB 1713 is an attempt to carve out pieces of that approach and subject the new Delta improvements to another public vote to appease opponents who are steadfast in their opposition to improvements to the backbone water infrastructure that runs our statewide economy
- AB 1713 creates a double standard for a single important infrastructure project

## **COMMENTS**

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Principal coauthors:

Assembly Members Catherine Baker (R-Dublin), Susan Bonilla (D-Concord), Ken Cooley (D-Rancho Cordova), Jim Frazier (D-Oakley), Kevin McCarty (D-Sacramento), and Kristin Olsen (R-Modesto).

Principal coauthor: Senator Lois Wolk (D-Davis)

The Metropolitan Water District of Southern California is crafting a coalition letter on behalf of all Southern California water districts. The letter is still being revised at this time. To date, the following MWDOC member agencies have agreed to sign on: East Orange County Water District, Mesa Water District & Yorba Linda Water District.

## **DETAILED REPORT**

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The full text of AB 1713 is attached.

**ASSEMBLY BILL**

**No. 1713**

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**Introduced by Assembly Member Eggman**  
**(Principal coauthors: Assembly Members Baker, Bonilla, Cooley,**  
**Cooper, Frazier, McCarty, and Olsen)**  
(Principal coauthor: Senator Wolk)

January 26, 2016

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An act to add Chapter 1.5 (commencing with Section 115) to Division 1 of the Water Code, relating to the Sacramento-San Joaquin Delta.

LEGISLATIVE COUNSEL'S DIGEST

AB 1713, as introduced, Eggman. Sacramento-San Joaquin Delta: peripheral canal.

Existing law requires various state agencies to administer programs relating to water supply, water quality, and flood management in the Sacramento-San Joaquin Delta.

The bill would prohibit the construction of a peripheral canal, as defined, unless expressly authorized by an initiative voted on by the voters of California on or after January 1, 2017, and would require the Legislative Analyst's Office to complete a prescribed economic feasibility analysis prior to a vote authorizing the construction of a peripheral canal.

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. Chapter 1.5 (commencing with Section 115) is  
2 added to Division 1 of the Water Code, to read:

CHAPTER 1.5. PERIPHERAL CANAL

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115. As used in this chapter, the following terms have the following meanings:

(a) "Delta" means the Sacramento-San Joaquin Delta, as defined in Section 12220.

(b) "Peripheral canal" means a facility or structure that conveys water directly from a diversion point in the Sacramento River to pumping facilities of the State Water Project or the federal Central Valley Project south of the Delta.

116. (a) Notwithstanding any other law, a peripheral canal shall not be constructed unless expressly authorized by an initiative voted on by the voters of California on or after January 1, 2017.

(b) If an initiative described in subdivision (a) is placed on the ballot, prior to the election, the Legislative Analyst's Office shall complete an economic feasibility analysis that includes both of the following:

- (1) The total cost of the project.
- (2) Expected impacts of the project on taxpayers, water ratepayers, and the General Fund.

117. Notwithstanding any other law, the construction and operation of a peripheral canal shall not diminish or otherwise negatively affect the water supply, water rights, or water quality for water users within the Delta watershed.

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**ACTION ITEM**  
February 17, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs & Legislation Committee**  
(Directors Barbre, Hinman, Tamaribuchi)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: SB 814 (Hill) – Drought: excessive water use: urban retail water suppliers.**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors vote to adopt an “Oppose unless Amended” position.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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SB 814 would require each urban retail water supplier to establish a local definition of excessive water use. This bill would prohibit excessive water use under the local definition by a residential customer and would make a violation of this prohibition an infraction punishable by a fine of at least \$500 per 100 cubic feet of water used above the excessive water use definition in a billing cycle. It would provide that these provisions apply when emergency regulations based on drought are in effect.

In addition, SB 814 would require information about residential customers that violate the prohibition on excessive water use to be made available under the CPRA upon request.

It would also require each urban retail water supplier to establish a process for nonpayment through a fine that is consistent with the water supplier’s existing process for nonpayment of

<b>Budgeted (Y/N):</b> n/a	Budgeted amount:	Core x	Choice __
<b>Fiscal Impact (explain if unbudgeted):</b>			

a water bill. This bill would state that a water user with a demonstrable water leak, and where a fix to the leak is underway, is not to be charged for a violation of the excessive water use definition.

## **ARGUMENTS IN SUPPORT**

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According to the author's office, "SB 814 is about making sure all Californians share in the efforts to conserve water during California's worst drought in recorded history." This bill idea was submitted by a resident of San Mateo as a part of Senator Jerry Hill's annual "Oughta Be a Law...Or Not" contest. The resident was inspired to submit their idea after reading news stories of some California households using 20 times the average daily household water use during the drought, including a retired oil executive, a venture capitalist, and a Major League Baseball team executive.

The author's attempts to preserve retail water supplier's individual authority to establish an excessive use definition that considers local factors. Though not limited to the following, urban retail water suppliers would be required to consider: 1) average daily use; 2) full-time occupancy of households; 3) amount of landscaped land on a property; 4) rate of evapotranspiration; and 5) seasonal weather changes when setting their excessive use definition.

SB 814 could provide more flexibility in establishing an excessive use ordinance through legislative means like those proposed in this bill, than should a similar idea be introduced by a regulatory agency to address the problem.

## **ARGUMENTS IN OPPOSITION**

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Some water agencies have already implemented water conservation measures similar to what this bill would mandate. EBMUD adopted a penalty for customers who use more than four times the average household water use in a billing cycle, charging \$2 per unit over the threshold.

As this bill would require the creation of a new local ordinance, existing law, under the California Public Records Act (CPRA), would require that the name, utility usage data, and home address of a customer who violates the ordinance be available to the public which could be a privacy and/or safety risk. The author's proposed amendment to the CPRA is unnecessary. However, Hill's office is proposing to state this requirement explicitly through an amendment to the Public Records Act to prevent alternative interpretations of existing law.

## **COMMENTS**

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ACWA's State Legislative Committee adopted an "Oppose Unless Amended" position on January 22, 2016.

Some Southern California ACWA members favor the concept in this bill as a tool to address a high-profile problem. Other ACWA members are opposed to the State mandating a tool

that could stress the relationship between a customer and their water supplier and potentially target low-income customers who cannot afford to repair water leaks.

ACWA staff has identified a lack of clarity in the bill around an implementation timeline. The bill states that urban retail water suppliers would be required to have an active excessive use definition only during a declared state of emergency, but does not provide a more specific date for implementation from the time at which an emergency is declared, nor a sunset date. Senator Hill's office has expressed an eagerness to work with ACWA staff on necessary amendments to the bill, including the issue of an implementation timeline.

## **DETAILED REPORT**

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The full text of SB 814 is attached.



## IN BRIEF

SB 814 is about making sure all Californians share in the efforts to conserve water during California’s worst drought in recorded history.

## THE PROBLEM

Under the State Water Resources Control Board’s (the “Board”) emergency regulations, water use restrictions may vary slightly among the 411 water supplier territories throughout the state. But in general, residential water users can be – and are – fined \$500 a day for the following:

- Using a hose to wash a car without an automatic shutoff valve
- Washing down a driveway or sidewalk
- Watering outdoor landscaped areas within 48 hours of it raining
- Watering outdoor landscapes on the wrong day or during the wrong period of the day, as established by local rules

However, while \$500 fines can be assessed for these infractions, residential water users in California that use an excessive amount of water are not subject to any fines. The great majority of Californians are making sacrifices to conserve water and meet the mandatory statewide water conservation goal of 25%, but there is a segment of residential water users appear to be using as much water as they want, whenever they want. This is a clear inequity in California’s efforts to conserve water during the state’s worst drought in recorded history.

It’s unknown how many residential water users have been fined, but according to data collected by the Board, between June and November 2015, water suppliers issued at least 5,500 penalties for water waste or not meeting conservation goals. This number also includes drought surcharges. The only known water supplier that assesses penalties on excessive water users is East Bay MUD because the state currently doesn’t compel water suppliers to have an excessive water use policy.

In the face of such a severe drought, all Californians should have to cut back water use. By not publicly identifying and taking enforcement actions against excessive water users, the state’s water suppliers aren’t meeting Governor Brown’s 2014 Executive Order to “bring enforcement actions against illegal diverters and those engaging in the wasteful and unreasonable use of water.”

## BACKGROUND

California is experiencing the worst drought in modern history. According to the Public Policy Institute of California, “the three-year period between fall 2011 and fall 2014 was the driest since recordkeeping began in 1895.” In response, in April 2015, Governor Brown declared a state of emergency, requiring a 25% reduction of water use statewide. To meet this goal, the State Water Resources Control Board issued emergency regulations in May 2015. The regulations require each individual water supplier to reduce its water use by varying water conservation rates, ranging from 4% to 36%. Each of the state’s 411 water suppliers must report monthly conservation data enforcement statistics to the Board every month. Any water supplier that doesn’t meet its established conservation threshold can be fined by the Board up to \$500 per day.

Under the Board’s emergency drought regulations, residential water users are prohibited to hose down driveways, to cause water runoff, to use hoses without shutoff nozzles, and more. Any person who breaks these rules can result in a fine of up to \$500 per day, assessed by the local water supplier. In addition, the California Public Utilities Commission (CPUC) oversees Investor Owned Utility (IOU) water suppliers, which deliver water to about 16% of the state. The CPUC has ordered all IOU water suppliers to implement similar measures to comply with the 25% water reduction mandate.

The Board’s emergency regulations don’t preclude a local water supplier from adopting more stringent conservation measures and local suppliers retain overall enforcement discretion in enforcing the emergency regulations to conserve water. It’s up to each local water supplier to decide if and when to issue fines. The Board has encouraged water suppliers to

develop their own progressive enforcement practices to promote conservation.

The \$500 fines are typically assessed on average residential water users, people living in households that use about 11,700 (based on the Board's reported average daily household use for September 2015 of 97 gallons per day) gallons per month. At the same time, excessive water users – households that in some cases are using more than 80,000 gallons per month, or 8 times as much as average user – are not fined for their unreasonable and wasteful use of water. Although it's not known exactly how many excessive water users there are across the state, the Center for Investigative Reporting, in its reporting, has been able to determine that there at least 365 households in the state that use over 1 million gallons of water a year.

According to the data collected by the Center for Investigative Reporting, in Los Angeles alone, at least 92 households used 4.2 million gallons in one year, an amount that could supply enough water for at least 30 families. At least 73 households used more than 3 million gallons in a year and 14 households used more than 6 million gallons in a year. One household used over 12 million gallons in one year. While current law shields the identity of these excessive water users, protecting them from the state's and local water supplier's efforts to encourage people to use less water, it's known that most are located in affluent areas such as Beverly Hills and Brentwood in Los Angeles, La Jolla in San Diego, and Lafayette and Danville in the Bay Area.

Most water suppliers and their residents have been able to meet their established water conservation goals and as a result, the 25% statewide water use reduction goal has been met for four straight months. But while the state has so far achieved its conservation goal, only one local water supplier – the East Bay Municipal Utility District (EBMUD) – has established a policy to go after excessive water users. EBMUD has identified over 1,000 homes that meet their definition of excessive water use, which is about 1,000 gallons per day, four times the average use EBMUD's service area. EBMUD imposes fines for exceeding the limit and, in accordance with existing law, also publicly discloses who the excessive users are. The highest excessive use residential water user in EBMUD's service territory used over 11,000 gallons a day.

The policy seems to be working. According to EBMUD, 2/3 of homes initially identified as excessive users have since cut their water use by about 20%. In some instances, the identification of excessive users helped those users identify leaks that were previously undetected. EBMUD noted that other factors, such as cooler weather, may have contributed to the water use reduction.

## **THE SOLUTION**

During the worst drought in recorded history, SB 814 is intended to prevent the unreasonable use or the waste of water to protect water resources in the interest of the people and for the public welfare. SB 814 will require both public and private urban retail water suppliers – agencies that directly provide potable municipal water to more than 3,000 users – to levy fines against excessive water users. Specifically:

- The bill prohibits excessive water use and requires water suppliers to assess a penalty of at least \$500 on residential water customers for every hundred cubic feet (748 gallons) used above the excessive use definition.
- Urban retail water suppliers will be required to establish an ordinance or rule (or amend an existing ordinance or rule), to create a definition of excessive use based on local conditions, including, but not limited to, average daily water use, full-time occupancy of residences, amount of landscaped land on a property, the evapotranspiration rate, and seasonal changes in the weather.
- The fines will be assessed on a residential customer's regular bill. Each water supplier will be required to have a process for non-payment that must be consistent with each water supplier's existing process for customer non-payment, including, but not limited to, past due penalties, discontinuing water service, or placing a lien on a customer's property.
- Every water supplier will be required to have an appeal process for assessed fines. In order to be considered for an appeal, a customer must demonstrate that their use of water did not violate the excessive use ordinance or rule, or that there was a demonstrable leak, that the water was used for a bona fide medical reason, or for any other reasons that a water supplier might decide are

reasonable considerations for the basis of an appeal.

- Users who are deemed to be using water to excess will have their usage information publicly disclosed by their water supplier, consistent with the state's efforts to identify people who violate water conservation rules.
- The bill will only take effect when the Governor has declared a state of emergency based on drought conditions.

## **SUPPORT**

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### **FOR MORE INFORMATION**

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Patrick Welch – 651-4013 – [patrick.welch@sen.ca.gov](mailto:patrick.welch@sen.ca.gov)

**Introduced by Senator Hill**January 4, 2016

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An act to amend Section 6254.16 of the Government Code, and to add Chapter 3.3 (commencing with Section 365) to Division 1 of the Water Code, relating to water.

## LEGISLATIVE COUNSEL'S DIGEST

SB 814, as introduced, Hill. Drought: excessive water use: urban retail water suppliers.

The California Constitution requires the reasonable and beneficial use of water. Existing law requires the Department of Water Resources and the State Water Resources Control 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. Existing law authorizes any public entity, as defined, that supplies water at retail or wholesale for the benefit of persons within the service area or area of jurisdiction of the public entity to, by ordinance or resolution, adopt and enforce a water conservation program to reduce the quantity of water used for the purpose of conserving the water supplies of the public entity. Existing law provides that a violation of a requirement of a water conservation program is a misdemeanor punishable by imprisonment in the county jail for not more than 30 days, or by fine not exceeding \$1,000, or both.

This bill would declare that excessive water use, as defined by each urban retail water supplier, is a waste or unreasonable use of water. This bill would prohibit excessive water use by a residential customer and would make a violation of this prohibition an infraction punishable by a fine of at least \$500 per 100 cubic feet of water used above the

excessive water use definition in a billing cycle. By creating a new infraction, this bill would impose a state-mandated local program.

This bill would provide that these provisions apply only during a period for which the Governor has issued a proclamation of a state of emergency based on drought conditions.

The California Public Records Act requires that public records, as defined, be open to inspection at all times during the hours of a state or local agency and that every person has a right to inspect any public record, with specified exceptions. Existing law prohibits the act from being construed to require the disclosure of certain information concerning utility customers of local agencies, with specified exceptions.

This bill would require certain information about residential customers that violate the prohibition on excessive water use to be made available under the act upon request. By increasing the duties of local officials, the bill would impose a state-mandated local program.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings if that enactment contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

1 SECTION 1. Section 6254.16 of the Government Code is  
2 amended to read:  
3 6254.16. Nothing in this chapter shall be construed to require  
4 the disclosure of the name, credit history, utility usage data, home  
5 address, or telephone number of utility customers of local agencies,  
6 except that disclosure of name, utility usage data, and the home

1 address of utility customers of local agencies shall be made  
2 available upon request as follows:

3 (a) To an agent or authorized family member of the person to  
4 whom the information pertains.

5 (b) To an officer or employee of another governmental agency  
6 when necessary for the performance of its official duties.

7 (c) Upon court order or the request of a law enforcement agency  
8 relative to an ongoing investigation.

9 (d) Upon determination by the local agency that the utility  
10 customer who is the subject of the request has used utility services  
11 in a manner inconsistent with applicable local utility usage policies.

12 (e) Upon determination by the local agency that the utility  
13 customer who is the subject of the request is an elected or appointed  
14 official with authority to determine the utility usage policies of the  
15 local agency, provided that the home address of an appointed  
16 official shall not be disclosed without his or her consent.

17 (f) Upon determination by the local agency that the public  
18 interest in disclosure of the information clearly outweighs the  
19 public interest in nondisclosure.

20 (g) *Regarding residential customers that violate the prohibition*  
21 *on excessive water use described in Section 367 of the Water Code.*

22 SEC. 2. Chapter 3.3 (commencing with Section 365) is added  
23 to Division 1 of the Water Code, to read:

24

25 CHAPTER 3.3. EXCESSIVE RESIDENTIAL WATER USE DURING  
26 DROUGHT

27

28 365. (a) The Legislature finds and declares that this chapter  
29 is in furtherance of Section 2 of Article X of the California  
30 Constitution as intended to prevent the unreasonable use or the  
31 waste of water and to protect water resources in the interest of the  
32 people and for the public welfare.

33 (b) For the purposes of this chapter, “urban retail water supplier”  
34 has the same meaning as provided in Section 10608.12.

35 366. (a) (1) Each urban retail water supplier shall establish a  
36 definition of excessive water use by a customer of the urban retail  
37 water supplier that considers, but is not necessarily limited to  
38 addressing, all of the following factors:

39 (A) Average daily use.

40 (B) Full-time occupancy of households.

1 (C) Amount of landscaped land on a property.

2 (D) Rate of evapotranspiration.

3 (2) An urban retail water supplier may also consider seasonal  
4 weather changes when establishing a definition of excessive water  
5 use by a customer of the urban retail water supplier.

6 (b) An urban retail water supplier shall define and measure  
7 excessive water use in terms of hundreds of cubic feet of water  
8 used during the water supplier's regular billing cycle.

9 (c) An urban retail water supplier shall adopt the definition of  
10 excessive water use and make any other changes necessary to  
11 implement this chapter by adopting a new rule or ordinance or by  
12 amending an existing rule or ordinance relating to drought or water  
13 conservation.

14 367. (a) Excessive water use is a waste or unreasonable use  
15 of water.

16 (b) Excessive water use by a residential customer is prohibited.

17 (c) A violation of subdivision (b) is an infraction punishable by  
18 a fine of at least five hundred dollars (\$500) per hundred cubic  
19 feet of water used above the excessive water use definition in a  
20 billing cycle. Any fine imposed pursuant to this subdivision shall  
21 be added to the customer's water bill and is due and payable with  
22 that water bill. Each urban retail water supplier shall have a process  
23 for nonpayment of the fine, which shall be consistent with the  
24 water supplier's existing process for nonpayment of a water bill.  
25 That process may include, but is not necessarily limited to, the  
26 imposition of nonpayment penalties, interruption of water service,  
27 and placing of a lien on the customer's real property.

28 (d) A violation of subdivision (b) where a demonstrable water  
29 leak at the residence occurred and a fix to that leak is underway  
30 shall not be punishable pursuant to subdivision (c). Other  
31 reasonable justifications for excessive water use shall be considered  
32 consistent with subdivision (e).

33 (e) (1) An urban retail water supplier shall establish a process  
34 for the appeal of a violation of subdivision (b) whereby the  
35 customer may contest the imposition of any fine or penalty for  
36 excessive water use.

37 (2) As part of the appeal process, the customer shall be provided  
38 with an opportunity to provide evidence of a bona fide reason for  
39 the excessive water use, including evidence of a water leak meeting

1 the requirements of subdivision (d), a medical reason, or any other  
2 reasonable justification for the water use.

3 368. This chapter applies only during a period for which the  
4 Governor has issued a proclamation of a state of emergency under  
5 the California Emergency Services Act (Chapter 7 (commencing  
6 with Section 8550) of Division 1 of Title 2 of the Government  
7 Code) based on drought conditions.

8 SEC. 3. The Legislature finds and declares that Section 1 of  
9 this act, which amends Section 6254.16 of the Government Code,  
10 furthers, within the meaning of paragraph (7) of subdivision (b)  
11 of Section 3 of Article I of the California Constitution, the purposes  
12 of that constitutional section as it relates to the right of public  
13 access to the meetings of local public bodies or the writings of  
14 local public officials and local agencies. Pursuant to paragraph (7)  
15 of subdivision (b) of Section 3 of Article I of the California  
16 Constitution, the Legislature makes the following findings:

17 The Legislature finds that it is in the public's interest to be made  
18 aware of excessive water use during a drought in order to help  
19 prevent the unreasonable use or waste of water to protect water  
20 resources in the interest of the people and for the public welfare.

21 SEC. 4. No reimbursement is required by this act pursuant to  
22 Section 6 of Article XIII B of the California Constitution because  
23 the costs that may be incurred by a local agency or school district  
24 under this act would result from a legislative mandate that is within  
25 the scope of paragraph (7) of subdivision (b) of Section 3 of Article  
26 I of the California Constitution or because the costs that may be  
27 incurred by a local agency or school district will be incurred  
28 because this act creates a new crime or infraction, eliminates a  
29 crime or infraction, or changes the penalty for a crime or infraction,  
30 within the meaning of Section 17556 of the Government Code, or  
31 changes the definition of a crime within the meaning of Section 6  
32 of Article XIII B of the California Constitution.



**ACTION ITEM**  
February 17, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs Legislative Committee**  
(Directors Barbre, Tamaribuchi and Hinman)

Robert Hunter  
General Manager

Staff Contact: Jonathan Volzke

**SUBJECT:** **Resolution for East Orange County Water District Director William Vanderwerff**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors approve a resolution honoring Director William Vanderwerff for his service to the OC water community.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**

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After 33 years, William Vanderwerff has retired from the Board of Directors of the East Orange County Water District.

Director Vanderwerff served many terms as President during his tenure.

Among the most significant and long-lasting contributions Director Vanderwerff made to East Orange County Water District was his leadership in the acquisition, rehabilitation and sustainable financing of the District's Retail Zone operations and maintenance and capital requirements. District officials credit him with helping take the fragile and financially stressed Retail Zone to robust reliability with over \$2.2 million in reserve funds.

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

RESOLUTION NO. \_\_\_\_  
RESOLUTION OF THE BOARD OF DIRECTORS  
OF MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
EXPRESSING APPRECIATION FOR THE DEDICATED PUBLIC SERVICE OF  
**WILLIAM L. VANDERWERFF**

AS A MEMBER OF THE EAST ORANGE COUNTY WATER DISTRICT BOARD OF DIRECTORS

**WHEREAS**, WILLIAM L. VANDERWERFF was appointed to the Board of Directors of the East Orange County Water District on July 21, 1983; and

**WHEREAS**, following his initial appointment, WILLIAM L. VANDERWERFF was subsequently elected and reelected to that office for succeeding four-year terms through and including the election of November 6, 2012; and

**WHEREAS**, WILLIAM L. VANDERWERFF was also elected by his board colleagues on January 17, 1991 to serve the first of many terms as President of the East Orange County Water District Board of Directors; and

**WHEREAS**, in his role as president, WILLIAM L. VANDERWERFF provided consistency, leadership and direction on key policy matters, including fiscal and investment strategies, water supply management and planning, and the development, maintenance, operation and replacement of essential facilities for East Orange County Water District's Wholesale and Retail Zones; and

**WHEREAS**, WILLIAM L. VANDERWERFF also provided East Orange County Water District's Wholesale and Retail Zone customers with immeasurable benefits over the years thanks to his extensive knowledge of the District's systems and his commitment to ensuring the District operated in an efficient, cost-effective, fiscally disciplined manner, and maintained a culture of excellent customer service, public transparency, accessibility and accountability; and

**WHEREAS**, among the most significant and long-lasting contributions WILLIAM L. VANDERWERFF made to East Orange County Water District was his vision and leadership in the acquisition, rehabilitation and sustainable financing of the District's Retail Zone operations, maintenance and capital requirements; helping take the fragile and financially stressed Retail Zone to robust reliability with over \$2.2 million in reserve funds; and

**WHEREAS**, WILLIAM L. VANDERWERFF determined that December 31, 2015 was the right time to retire from the East Orange County Water District Board of Directors and bring to a close nearly 33 years of dedicated, professional, and outstanding service to the District, its customers and the communities that it serves.

**NOW, THEREFORE, BE IT RESOLVED** that Municipal Water District of Orange County expresses its deepest appreciation to WILLIAM L. VANDERWERFF for his exemplary service to East Orange County Water District and his efforts to ensure water reliability, sustainability, and affordability.

**AND, BE IT FURTHER RESOLVED**, that Municipal Water District of Orange County appreciates the positive, productive and long-standing relationship it has enjoyed with WILLIAM L. VANDERWERFF over the years and wishes him health, happiness and satisfaction in retirement and in all of his future endeavors.

ADOPTED, SIGNED AND APPROVED this \_\_\_ day of \_\_\_\_\_, 2016.



**INFORMATION ITEM**

February 16, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs Legislative Committee**  
(Directors Barbre, Tamaribuchi and Hinman)

Robert Hunter  
General Manager

Staff Contact: Jonathan Volzke

**SUBJECT: Schedule for Consumer Confidence Reports**

**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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MWDOC is again offering preparation of the technical data for the mandatory Consumer Confidence Reports/Water Quality Reports.

After planning meetings with the consultant, Stetson Engineering, and the Orange County Water District, a kick-off meeting for participating agencies was held in the MWDOC Board Room on January 27.

More than 30 representatives from 22 agencies attended. Two non-member agencies, Fullerton and Santa Ana this year, are also relying on the MWDOC consultant and will be billed by MWDOC for the services.

The deadline for consumers to receive the reports is July 1. The 2016 schedule (attached) calls for delivery to the printer/mail house by June 1.

<b>Budgeted (Y/N): Y</b>	Budgeted amount: \$35,000	Core X	Choice _
<b>Action item amount:</b>		Line item:	
<b>Fiscal Impact (explain if unbudgeted):</b>			

## 2015 Consumer Confidence Report Production Schedule

January 27, 2016 3:00 p.m. – 4:00 p.m.	CCR Planning Meeting with MWDOC and OCWD Staff, Technical Consultant
February 2, 2016 3:00 p.m. – 4:00 p.m.	CCR Kickoff Meeting with Agencies (MWDOC/OCWD Board Room) Changes in DDW Reporting Regulations; Data table template to agencies; Coordination on Graphic Design/Printing/Mailing.
February 19, 2016	OCWD groundwater tables to Consultant
February 22-26, 2016	Consultant prepares groundwater data tables, report text, conducts agency site visits as needed
February 29, 2016	Agencies provide distribution system data to Consultant
February 29-March 11, 2016	Consultant prepares distribution system data tables/text for agencies
March 14, 2016	MWD system data to Consultant ( <i>tentative</i> )
March 14-28, 2016	Consultant to email draft data tables to agencies
April 5-6, 2016	Consultant to meet with agencies to review data tables/text (30 minute meetings)
April 7-11, 2016	Consultant to finalize agency data tables/text
April 11-15, 2016	Consultant to email completed data tables/text to agency and its selected graphic designer
April 11-15, 2016	Agency graphic designer to generate agency report
April 18-22, 2016	1 <sup>st</sup> proof of individual agency reports for review (Consultant to review 1 <sup>st</sup> proof)
April 25-29, 2016	2 <sup>nd</sup> proof of individual agency reports for review
May 10-11, 2016	Graphic designer/printer to provide agency with blue-line proof for final approval before printing
May 13, 2016	Reports go to press
June 1, 2016	Reports delivered to mail house for processing
July 1, 2016	Deadline for reports to arrive in customer mailboxes



**INFORMATION ITEM**  
February 16, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs & Legislation Committee**  
(Directors Barbre, Hinman & Tamaribuchi)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT:** **Update on the transfer of Orange County Sanitation District Area 7**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors receive and file report.

**COMMITTEE RECOMMENDATION**

---

Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**

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For the past several months, the proposed EOCWD and IRWD applications to assume local sewer service for OCSD Service Area 7 have been discussed in great length by the OCLAFCO (Commission).

The Commission met on February 10, 2016, however this issue was not on the agenda. It is not known at this time when the item will be agendized again. Likely sometime this spring when county tax documents haven been received.

There have been no updates on this matter since the December 21, 2015 PAL meeting.

<b>Budgeted (Y/N):</b> n/a	Budgeted amount:	Core x	Choice __
<b>Fiscal Impact (explain if unbudgeted):</b>			



**INFORMATION ITEM**

February 16, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs Legislative Committee**  
(Directors Barbre, Tamaribuchi and Hinman)

Robert Hunter  
General Manager

Staff Contact: Jonathan Volzke

**SUBJECT: Update on Potential SJC Utilities Consolidation**

**STAFF RECOMMENDATION**

---

Staff recommends the Board of Directors receive and file report.

**COMMITTEE RECOMMENDATION**

---

Committee recommends (To be determined at Committee Meeting)

**DETAILED REPORT**

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Consultants for The City of San Juan Capistrano continue to study the potential consolidation of the City's water utilities.

The City is studying whether to contract with another public agency to provide water, wastewater and storm drain services, or whether to sell those operations outright.

The City Council on February 2 was scheduled to consider authorizing an additional \$79,950 for the consultants. That additional funding would have raised the amount spent on the studies thus far to \$480,650.

The request was on the Council's consent calendar, but because of other issues on the agenda that evening, the City Council moved the entire contents of the consent calendar to its February 16 meeting.

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

The City's Water Enterprise Fund, which would pay for the majority of the additional cost, is currently at a deficit of \$5.26 million.

The Orange County office of the Local Agency Formation Commission (OCLAFCO) said on February 9 they had received various inquiries from City staff, but have not received any formal applications from the City of San Juan Capistrano.



## City of San Juan Capistrano Agenda Report

TO: Honorable Mayor and Members of the City Council

FROM: Keith Till, Interim City Manager

DATE: February 2, 2016

SUBJECT: Update on Costs for the Work Plan for the Potential Change in the Organization of the City's Water, Sewer and Stormwater Utility; Approve an Amendment to the Agreement with Brownstein Hyatt Farber Schreck; and Appropriation of Funds

### RECOMMENDATION:

By motion and based on direction provided at the October 20, 2015, City Council Meeting:

1. Provide the following authorization related to the pursuing options for potential changes in the organization of the City's water and sewer utilities as authorized on October 20, 2015,
  - a. Authorize the Mayor to execute an Amendment to the Agreement with Brownstein Hyatt Farber Schreck, for a total amount not to exceed \$260,000 for Phases 1, 2, 3 and 4 of the Work Plan; and,
  - b. Authorize Brownstein Hyatt Farber Schreck to amend its Agreement with HDR Engineering for engineering and technical services associated with Phases 3 and 4 for a total amount not to exceed \$137,650; and,
2. Approve an appropriation of \$55,207 from the Water Enterprise Operations Fund Reserve and \$9,743 from the Sewer Enterprise Operations Fund Reserve for the cost of the amendments.

### EXECUTIVE SUMMARY:

Brownstein Hyatt Farber Schreck (BHFS) provided a presentation on October 20, 2015, regarding options for the next steps related to the potential change in the organization of the City's Water, Sewer and Stormwater Utility. The City Council authorized the Interim City Manager, with the assistance of the consultant team, to further pursue potential changes in the organization of the City's water and wastewater (sewer) utilities and report back to the City Council. Based on this direction, BHFS and HDR Engineering

proposed amendments to the scope of work for Phase 4, which includes an additional cost of \$45,000 and \$19,950, respectively for a total of \$64,950 to complete this work. Additionally, the City was notified for this project by its Bond Counsel after the October 20, 2015, City Council meeting that the additional cost to complete its work through Phase 4 is \$15,000.

FISCAL IMPACT:

The following is a summary of the cost authorized to date and the additional budget requested to complete Phase 4, including additional scope of work proposed by BHFS and HDR Engineering:

Consultant	Fees/Costs Authorized to date	Additional Budget Requested to Complete Phase 4	Total to Date
BHFS	\$215,000	\$45,000	\$260,000
HDR Engineering	117,700	19,950	137,650
Laer Pearce & Associates	58,000		58,000
Bond Counsel - Orrick, Herrington & Sutcliffe, LLP	10,000	15,000	25,000
<b>Total</b>	<b>\$400,700</b>	<b>\$79,950</b>	<b>\$480,650</b>

Fees/Costs of up to \$15,000 were identified by Bond Counsel after the October 20, 2015, City Council Status Update Report. These costs are covered under the City's existing agreement for bond counsel service and the adjustment for this cost is already included in the City's Second Quarter Financial Report adjustments. The funding for the amendment for the additional Phase 4 work for BHFS and HDR Engineering related to the water and sewer utility is \$64,950 and would be funded as follows:

Water Enterprise Operations Fund	\$55,207
Sewer Enterprise Operations Fund	\$9,743
<b>Total</b>	<b>\$64,950</b>

These costs will increase the Water Enterprise Operations Funds projected deficit from \$5.266 million (based on the Fiscal Year 2015-2016 Second Quarter Financial Report proposed adjustments which includes the \$3.6 million due to the Sewer Enterprise Fund) to \$5.321 million as of June 30, 2016. The Sewer Enterprise Fund and General Fund have sufficient reserves to fund these amounts and meet the City Council contingency reserve policy of 25%-50% of operating expenses.

ENVIRONMENTAL IMPACT:

Not applicable.

PRIOR CITY COUNCIL REVIEW:

- On March 3, 2015, the City Council approved an Agreement with Brownstein Hyatt Farber Schreck for Phase 1 and Phase 2 of the proposed work plan for investigating a potential change in the organization of the City's water, sewer and stormwater utility.
- On June 2, 2015, the City Council the City Council authorized Brownstein Hyatt Farber Schreck to retain HDR Engineering for engineering and technical services associated with Phase 3; retain Laer Pearce & Associates to assist with public relations services associated with Phase 2; and authorized the Interim City Manager to retain additional legal counsel expertise on municipal bond and finance matters.
- On August 4, 2015, the City Council authorized commencement of Phase 3 of the Work Plan.
- On September 15, 2015, the City Council authorized commencement of Phase 4 of the Work Plan; and authorized for Phases 3 and 4, amendments to the agreements with Brownstein Hyatt Farber Schreck and HDR Engineering for engineering and technical services, and Laer Pearce & Associates to assist with public relations services.
- On October 20, 2015, the City Council authorized the Interim City Manager, with the assistance of consultant team, to further pursue potential change in the organization for the City's water and wastewater utilities described as Options 1 through 3 in the PowerPoint presentation (Option 1: sale/transfer to public entity; Option 2: creation of new special district; Option 3: contract service by public entity) and report back to the City Council with the recommended next steps for undertaking the process, including any recommended outreach with the Local Agency Formation Commission (LAFCO) and the public.

COMMISSION/COMMITTEE/BOARD REVIEW AND RECOMMENDATIONS:

This item has not been reviewed by the Utilities Commission.

NOTIFICATION:

Utilities and Customer Service Finance Staff  
Utilities Commission

ATTACHMENTS:

- Attachment 1 – October 20, 2015, City Council Meeting Minutes
- Attachment 2 – Amendment – Brownstein Hyatt Farber Schreck
- Attachment 3 – Amendment – HDR Engineering
- Attachment 4 – October 20, 2015, City Council Agenda Report, which included as attachments the March 3, 2015, City Council Agenda Report, the June 2, 2015, City Council Agenda Report, the August 4, 2015, Agenda Report, and the September 15, 2015, Agenda Report

Stephanie Osler Hastings  
Attorney at Law  
805.882.1415 tel  
805.965.4333 fax  
SHastings@bhfs.com

## **Memorandum**

**DATE:** November 24, 2015  
**TO:** Keith Till, Interim City Manager  
**FROM:** Stephanie Osler Hastings and Dylan Johnson  
**RE:** Status Report on Utility Reorganization Work Plan; Request for Further Authorization

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### **I. INTRODUCTION**

This memorandum provides Brownstein Hyatt Farber Schreck's (BHFS) update on implementation of the City's Utility Reorganization Work Plan ("Work Plan") and amendment of BHFS's budget. The Work Plan is described in detail in BHFS's February 25, 2015 memorandum to the City Manager which is attached to Agenda Report D10 for the March 3, 2015 City Council Meeting.

### **II. REQUESTED AMENDMENT OF BUDGET**

1. BHFS requests amendment of BHFS's budget to an amount not to exceed \$ 260,000 (an increase of \$45,000) for completion of Phase 4.
2. Approval of HDR budget for completion of Phase 4 (see attached memorandum).

### **III. BACKGROUND**

On March 3, 2015, the City Council authorized Phases 1 and 2 of the Work Plan, including an appropriation of funds not to exceed \$45,000 for BHFS's legal services associated with implementation of Phases 1 and 2 of the Work Plan.

On June 2, 2015, the City Council authorized:

- (a) BHFS to retain HDR Engineering for engineering and technical services associated with Phase 2 for an amount not to exceed \$65,000;
- (b) BHFS to retain Laer Pearce & Assoc. to assist with public relations services associated with Phase 2 for an amount not to exceed \$10,000; and
- (c) The City Manager to retain additional legal counsel expertise on municipal bond and finance matters, for an amount not to exceed \$10,000.

On August 4, 2015, the City Council authorized BHFS to commence Phase 3 and authorized an increase in BHFS's budget to \$120,000 for Phases 1-3.

1020 State Street  
Santa Barbara, CA 93101-2711  
main 805.963.7000

On September 15, the City Council authorized BHFS to commence Phase 4 and authorized an increase in BHFS's budget to \$215,000 for Phases 1-4.

#### **IV. STATUS REPORT**

BHFS continues to serve as the project manager for implementation of the City's Work Plan, including communication with individual City Council members, executive management and staff and coordination of all tasks and activities by all consultants. BHFS provides regular briefings of the City's executive management and staff. BHFS hosts standing weekly calls with the consultant team to facilitate information sharing among consultants, to answer questions, provide direction, and to identify outstanding tasks and issues to be addressed.

On October 20, 2015, following a presentation by the consultant team regarding six potential changes in organization available to the City for its consideration, the City Council directed the City Manager, with the assistance of the consultant team, to pursue further consideration of only those options involving the delivery of utility services by a public agency ("public agency options").

To carry out the City Council's direction, BHFS has proposed amendment of its scope of work for Phase 4 that includes:

1. continued coordination of the consultant team for this study, including coordination with bond and labor counsel;
2. continued regular weekly reporting to the City Manager;
3. continued briefing of individual Council members as requested;
4. additional legal and technical due diligence re. the implementation of each of the three public agency options,
5. meetings with LAFCO representatives to discuss applicable procedural requirements, timing, and costs associated with each of the three public agency options;
6. preparation of summary reports of the City's water and wastewater utilities for use in briefing other local public agencies and the public;
7. individual meetings with other local public agencies to gauge interest and test the feasibility of each of the public agency options;
8. preparation of a written report to the City Council regarding the results of these further Phase 4 activities.

#### **V. BUDGET**

BHFS's existing budget is not sufficient to complete these additional tasks.

Based on BHFS's anticipated legal services associated with the City's continued investigation of a possible change in organization of the City's water and wastewater utilities, BHFS requests that the City Council increase BHFS's budget for the Work Plan to an amount not to exceed \$260,000 for BHFS legal services associated with Phase 4, an increase of \$45,000 over the previously authorized budget.

# Memorandum

**DATE:** November 20, 2015

**TO:** Stephanie Hastings, BHFS

**FROM:** Dean Gipson, HDR

**RE:** Reorganization Project Amendment Request –Proposed Scope of Work and Fee Estimate for Additional Phase 4 Support

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The City of San Juan Capistrano (City) is investigating alternatives for the operation and organization of the City's water, sewer and stormwater utility. With the assistance of Brownstein Hyatt Farber Schreck (BHFS), the City developed a five phase work plan to achieve this goal. HDR assisted with Phase 2, Phase 3 and portions of Phase 4 which developed a preliminary understanding of the City's utility assets and identified a path to gather necessary information for determining whether a particular change in organization is beneficial to the City.

Consistent with the City Council's direction provided on October 20, 2015, HDR outlines our scope necessary to complete the additional tasks identified at the meeting:

- Refine the draft level of service (LOS) criteria by incorporating City comments to create a reference document that will inform the discussions with public utilities that the City will meet with for consideration of acquiring the City's utilities;
- Prepare for and attend three (3) meetings with public utilities who are potential candidates to acquire the City's utilities; effort may include attending a preparation meeting with City staff prior to meeting with the utilities, preparing bulleted minutes and debriefing with City staff;
- Prepare the GIS asset registry database, used to develop the estimated values of each utility, for transfer to the City's GIS team; provide additional coordination and technical support as the data is incorporated into the City's GIS system;
- Prepare for and participate in the following meetings:
  - One (1) City Council meeting to present findings of Phase 4, the meeting will likely include a closed session briefing and a public session briefing; the meeting is anticipated to occur in December 2015 or January 2016;
  - Two (2) meetings to meet with various City staff, or council members or water commissioners; and
  - Four (4) coordination meetings with the BHFS team and various stakeholders; each meeting is anticipated to be one (1) hour long and be conducted over the telephone.

Compensation for HDR's participation for this amendment is for a not to exceed amount of **\$19,950** which includes an estimated 78 hours of labor plus expenses.



**INFORMATION ITEM**

February 16, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs Legislative Committee**  
(Directors Barbre, Tamaribuchi and Hinman)

Robert Hunter  
General Manager

Staff Contacts: J. Volzke, T. Baca

**SUBJECT: 2016 Water Summit Update**

**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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The 2016 OC Water Summit will be held May 20 at the Westin South Coast Plaza Hotel (Costa Mesa). The hotel has been booked and staff is negotiating for better rates and reviewing bids for the required audio-visual services.

MWDOC staff is working with OCWD staff to finalize the theme, which will relate to reliability. Panels and speakers are being selected with the goal of attracting city, community and business leaders.

MWDOC Public Affairs Supervisor Tiffany Baca has taken on graphic-arts responsibilities for this year’s event and has created artwork that includes an umbrella, which symbolizes protection and reliability.

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

The lunch speaker likely will be Richard Wilson, author of “The Death of a Water District,” who will offer leaders a cautionary tale in rate-setting and community partnership.

Other speakers under consideration include USGS Seismologist Dr. Lucy Jones, who would speak about threats to infrastructure, retired DWP administrator Jim McDaniel, who would speak about proper utility management, and Kelly Salt of BKK to speak on Prop. 218 and utility/municipal funding. Staff will also contact JPL to solicit a viable speaker on current missions, and technologies under development, which focus on drought related threats to supply.

On February 8 the Summit Committee agreed to the sponsorship schedule. Opportunity letters will be sent to previous sponsors. C.J. Segerstrom, The Irvine Company and Rancho Mission Viejo have been contacted about potential sponsorship.

Fritz Coleman, Christina Pasquchi and Bill Nye are being contacted as potential emcees.

From this point on, staff from both agencies will be meeting weekly to finalize event details, prepare necessary materials, and assign checklist items to ensure the event exceeds expectations.



**INFORMATION ITEM**  
February 16, 2016

**TO: Public Affairs & Legislation Committee**  
(Directors Barbre, Tamaribuchi & Hinman)

**FROM: Robert Hunter, General Manager**

Staff Contact: Tiffany Baca

**SUBJECT: RECAP OF JANUARY 22, 2016 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 Friday, January 22, MWDOC hosted a quarterly Water Policy Forum & Dinner at the Westin South Coast Plaza Hotel (Costa Mesa) featuring guest speaker Felicia Marcus, Chair of the State Water Resources Control Board. MWDOC was fortunate to welcome Ms. Marcus back to Orange County prior to the SWRCB's adoption of the extended emergency regulations (Feb. 2). During the event planning process, SWRCB staff was able to identify only one available date from the first of December to late-February. Staff accepted the Friday date to ensure Ms. Marcus's attendance was timely and relevant. A total of 231 guests registered for the event, 185 guests attended.

The preliminary financial report developed by accounting staff shows a net loss of \$1017.84 to the district. The bulk of that was a last minute cancellation of a reserved table of 10 which would have added \$800 to the revenue total. Expecting lower attendance for a Friday night event, the event budget was developed with a conservative projection of 230 paid

<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

attendees, nearly 70 less than the previous dinner. Due, to the timeliness of the speaker and the topic, more staff than anticipated attended the dinner which also increased this budget expense slightly. It was also discussed, several weeks in advance, that changing the program format would add interest to the overall event experience and allow more Q & A time with the speaker (as requested on prior satisfaction surveys). This new format was adopted which increased the expense of AV and videography.

Staff has identified several areas in the usual event planning process that will need to be adjusted. The event refund policy (one week prior) will be reviewed and reasonable adjustments to the policy will be made. If it can be avoided, events will not be held on a Friday night. Typically, the dinner expense for staff either attending or working the event is charged to the dinner budget. This policy will be reviewed and determined if the expense would make more sense coming out of individual department budgets. The total expense for staff and Directors (at cost) for this event is \$209.70. Total expense for staff (at cost) is \$908.70.

*Important to note, \$572.26 received in revenue by the District from the previous Water Policy Forum & Dinner. This revenue will help offset the overall dinner budget for the year.*

The results of the participant satisfaction survey are positive overall. The event video has been posted on the MWDOC website and has been shared with our Member Agencies.

## DETAILED REPORT

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The event began at 5:30 p.m. with a pre-dinner reception. At 6:30 p.m., President Larry Dick delivered opening remarks and dinner was served. Immediately following dinner, Felicia Marcus and Director Dick engaged in an interview style format which included Q&A from the audience. The event concluded at approximately 8:15 p.m.

### Preliminary Financial Report

The Accounting department has compiled a preliminary financial report (see attached) for this event. Several guest payments are still pending, but a net loss to the district of \$1017.84 is projected. ***Please see preliminary financial report attached.***

### Preliminary Results of Participant Satisfaction Survey

The Participant Satisfaction Survey was distributed on Monday, January 25. 21 participants have completed the survey. ***Please see survey results attached.***

Survey results indicate that participants were satisfied with the event overall as well as the program, location, date, and time. Respondents rated each of these items an average of 4.1 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 4.2 out of 5.

**Municipal Water District of Orange County**  
**Recap of Revenues and Expenses for Water Policy Forum & Dinner**  
**Event Date: January 22, 2016**

Preliminary Reconciliation as of: 2/5/2016

**Registrants**

207	Registered guests @ \$80.00 each	\$	16,560.00
19	Registered guests @ \$90.00 each	\$	1,710.00
1	Less: Complimentary dinner guests @ \$80.00 each		(80.00)
19	Less: Dinners for MWDOC Directors and staff @ \$80.00 each		(1,520.00)

<b>Total Registration Fees</b>	<b>\$</b>	<b>16,670.00</b>
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**Revenues**

1	Paid via check & cash @ \$75.00 each		75.00
58	Paid via check & cash @ \$80.00 each		4,640.00
6	Paid via check & cash @ \$90.00 each		540.00
106	Paid via PayPal @ \$80.00 each		8,480.00
9	Paid via PayPal @ \$90.00 each		810.00
7	Budgeted legislative guests @ \$80.00 each		560.00
16	Unpaid registered guests @ \$80.00 each		1,280.00
4	Unpaid registered guests @ \$90.00 each		360.00

**Payments**

<b>Anticipated Revenues</b>	<b>\$</b>	<b>16,670.00</b>
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**Expenses**

191	Dinner costs for guests @ \$48.50 per person	\$	9,263.50
	Audio-visual equipment rental		2,912.60
146	Parking @ \$6 each		876.00
	Sales tax and service charges on dinner		2,942.09
	Tip for hotel staff		230.00
	Videography services		1,135.00
	Reception & speaker gifts		30.00
	Supplies (decorations)		12.44
	PayPal fees		286.21

<b>Total Expenses</b>	<b>\$</b>	<b>17,687.84</b>
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<b>Anticipated Cost (Revenue) to the District</b>	<b>\$</b>	<b>1,017.84</b>
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### Constant Contact Survey Results

**Survey Name:** January 22 Water Policy Forum Satisfaction Survey- guest speaker Felicia Marcus

**Response Status:** Partial & Completed

**Filter:** None

2/8/2016 4:05 PM PST

#### What was your primary reason(s) for attending the Water Policy Forum & Dinner?

Answer	0%	100%	Number of Response(s)	Response Ratio
Interest in topic/keynote speaker: Felicia Marcus, Chair, State Water Resources Control Board			17	80.9 %
Networking / Business development			10	47.6 %
General interest in learning more about water			1	4.7 %
Other			0	0.0 %
<b>Totals</b>			<b>21</b>	<b>100%</b>

#### Overall, how satisfied were you with the Water Policy Forum & Dinner?

1 = Very dissatisfied, 2 = Somewhat dissatisfied, 3 = Neutral, 4 = Somewhat satisfied, 5 = Very satisfied

	1	2	3	4	5	Number of Response(s)	Rating Score*
						21	4.0

\*The Rating Score is the weighted average calculated by dividing the sum of all weighted ratings by the number of total responses.

7 Response(s)

- Not much new
- The speaker didn't provide any value. And answers were lame.
- Like all previous MWDOC dinners, this one was well planned, well presented and enjoyable. I wish Ms. Marcus was more forthright in answering the questions
- The speaker was so boring. Not only did she take forever to answer a question, I'm not sure she actually answered anything directly
- Did not learn much from the speaker in terms of new and/or timely policy information regarding the dinner topic
- The speaker did not directly answer even one question. Each answer rambled on. More direct questions from the audience would have been beneficial.
- Program lasted too long, the Q&A was not what I had hoped for. Answers were waaaaaaayyyyyyy too long.
- Topic good but no answers

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						19	4.5
Program (Felicia Marcus)						20	3.5
Program format (conversational style, video projection on screen)						20	3.9
Location (Westin South Coast Plaza Hotel)						20	4.6
Time (5:30 p.m. to 8:00 p.m.)						20	4.1
Food and beverage						20	4.3
Price (given overall value)						19	3.8

\*The Rating Score is the weighted average calculated by dividing the sum of all weighted ratings by the number of total responses.

8 Response(s)

- Pre dinner was a little too long
- Friday night! Why?
- **Speaker was uninteresting, answered few questions and some non completed.** Dinner prefer having some day other than Friday.
- The format for the dinner this time was great. It keeps the dinner moving along and the conversation flowing with the questions submitted prior to the dinner.
- Getting Ms. Marcus here is an accomplishment, in spite of her reluctance to say anything of substance. Mr. Dick was entertaining and did a good job of moderating. outstanding.
- Scheduling the dinner on a Friday night was really inconvenient. And, the speakers opening remarks indicated apparent "surprise" with the day of the week selected for the appearance. Also, the speaker did not appear to bring much new information to the table. This was evident by the way the speaker "side-stepped" many of the policy questions posed by the program host.....
- Don't do it on a Friday night
- In the future, please not on a Friday

How likely are you to attend future 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*
						21	4.6

\*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?

8 Response(s)

- Desalination
- Snowpack
- MWD and OCWD budgets/rates
- Suggest Mark Cowan, or Lester Snow.
- Key legislators
- Bring Governor Brown in for a similar sit down...
- No specifics; your choices are usually very good.
- Topic good but no answers

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What can we do to improve the event? Is there anything else you'd like to tell us?

---

**TextBlock:**

Thank you for taking the time to complete this survey. Your feedback is very important to us. We hope to see you at the next Water Policy Forum & Dinner.

8 Response(s)

- Have music playing while outside or while we ate? A second larger screen on the other side of the room? More room for cocktail hour -it was very tight
- Do not invite Mrs. Marcus back.
- From check in and parking validation, to taking the name-tags at the end of the night, MWDOC knows how to host an event and take care of the guests.
- Suggest that MWDOC stick with the Wednesday format for future dinners
- As usual, Larry Dick was fabulous as a host. I suggest he be given the task on a routine basis.
- More time for Q and A and more depth not fluff
- Try to get the cost down somewhat

## Public Affairs Activities Report January 12, 2016 – February 17, 2015

<p><b>Member Agency Relations</b></p>	<p>The Public Affairs team planned a Public Affairs Workgroup meeting for member agencies for February 18.</p> <p>On January 27, Jonathan and Tiffany attended the quarterly MET PIO meeting. A report of the meeting was sent to member agencies.</p> <p>Jonathan and Laura attended the quarterly MET Education meeting. A report of the meeting highlights was sent to member agencies.</p> <p>Jonathan on February 10 addressed Mesa Water’s Water Utilities Issues Group, a public series of workshops. He spoke on MWDOC’s role on water delivery.</p> <p>Jonathan organized the kick off meeting for the Consumer Confidence Reports after holding prep meetings with OCWD and the contractor.</p> <p>Laura attended the WUE Coordinators Meeting and gave a report on the Value of Water campaign and the OC Garden Friendly events.</p> <p>Laura sent out flyers for the Water Awareness Poster &amp; Slogan Contest and the Photography &amp; Digital Contest to Orange County schools, libraries and after-school programs.</p> <p>Tiffany met with Stacy Spencer, MET Inspection Trip Coordinator, to discuss the upcoming MET MA coordinators meeting, and to provide an overview of materials provided by MWDOC on the agency’s Inspection Trip Program.</p> <p>Tiffany accompanied Director McKenney and members of the OC Grand Jury on an inspection trip of the State Water Project, January 15-16.</p> <p>Tiffany accompanied Director Dick and Central Valley Farm representatives on a MET hosted Orange County and southern California water resources inspection trip, February 2-3.</p> <p>Tiffany and Bryce are currently working on trip logistics, guest and Director needs for the following inspection trips:</p> <ol style="list-style-type: none"> <li>1. February 19-21, Director Barbre/Director Faessel (Anaheim) shared SWP trip</li> <li>2. March 11-13, Director Barbre CRA/Hoover trip</li> <li>3. March 18, Director Dick Edmonston trip</li> </ol>
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## Item 16

	<p>Heather met with Jim Leach at SMWD to discuss federal programs and how to coordinate possible federal appropriations and federal grant opportunities.</p>
<b>Community Relations</b>	<p>Jonathan on January 29 discussed outreach lessons learned during mandatory water restriction on a panel hosted by the Public Relations Society of America, OC Chapter.</p> <p>On January 22, MWDOC hosted a Water Policy Forum &amp; Dinner featuring guest speaker Felicia Marcus, Chair of the State Water Resources Control Board. Some 231 guests registered for the event, 185 guests attended. 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. A new speaker gift was developed, an etched "OC Tap Water" bottle was presented to the speaker at the conclusion of the event. Jonathan, Tiffany, Bryce, Laura, Heather, Kelly, Beth, Melissa and Mary staffed the event.</p> <p>On February 4, Tiffany met with Shannon Cervantez with the Great Wolf Lodge to discuss future event hosting opportunities, a tour of the recycling system for interested Board members, inspection trip opportunities for GWL executive staff, and mascot partnering opportunities.</p>
<b>Education</b>	<p>Jonathan and Laura met with the education team from Discovery Science Center to get updates on the program.</p> <p>Jonathan and Laura met with the education teams from the Inside the Outdoors program and The Ecology Center to get updates on the program.</p> <p>Jonathan and Laura attended the quarterly MET Education meeting.</p> <p>Jonathan and Laura met with a representative from the Boy Scouts to discuss the potential of a partnership between the agencies.</p> <p>Jonathan, Tiffany and Laura met with Director Tamaribuchi and MET officials Dee Zinke and Sue Simms and the education team on potential ways of expanding the high school program and other possibilities.</p>

## Item 16

	<p>Jonathan and Laura met at MET headquarters with the MET education team and the MWDOC high school contractors to further develop the partnership and find avenues on which to collaborate.</p>
<p><b>Media Relations</b></p>	<p>Jonathan worked with the LA Times on a story about the then-proposed second round of the mandatory conservation regulations.</p> <p>Jonathan worked with the OC Register to ensure GM Hunter's comments were included in a Jan. 5 story on cities missing the November conservation target.</p>
<p><b>Special Projects</b></p>	<p>Jonathan attended the OC Garden Friendly program with OC Stormwater.</p> <p>Laura attended the OC Garden Friendly Steering Committee meeting.</p> <p>Jonathan worked with Karl to prepare a one-page summary of the OC Water Reliability Study.</p> <p>An OC Water Summit Committee meeting was held on February 8. Jonathan, Tiffany and Director Osborne attended.</p> <p>Tiffany has been working with the South Coast Westin to finalize hotel/food and AV estimates for the 2016 OC Water Summit.</p> <p>Tiffany prepared two design layouts for the 2016 OC Water Summit suite and presented them to the Committee for review.</p> <p>Jonathan and Tiffany met with OCWD staff on February 9 and February 16, to continue to work through checklist items and program structure for the OC Water Summit.</p> <p>Jonathan and Laura worked with the OC Register and participation agencies to produce four full-page Register stories on the value of water as part of the CHOICE program. The pages run in the Local section on Sundays.</p> <p>Laura continued creating the Orange County Cities &amp; Water Agencies Directory for 2016.</p> <p>Bryce reviewed and organized Orange County schools into the correct Director Division for the Water Awareness Poster-Slogan and Photography &amp; Digital Arts contests.</p> <p>Tiffany and Laura conducted a walk-through of the Discovery Cube's expanded space for the <i>Annual Water Awareness Contest Awards Ceremony</i> which will be held in June.</p>

## Item 16

	<p>Bryce and Laura attended FEMA Public Information All-Hazards Incident training in San Diego February 2<sup>nd</sup> and 3<sup>rd</sup>.</p> <p>Tiffany and Bryce updated several pages on the MWDOC website.</p> <p>Heather sent out reminders for the ISDOC Quarterly Luncheon featuring County CEO Frank Kim and highlighted member agency El Toro Water District. She also staffed the event by coordinating registration materials, writing talking points, and updating social media.</p> <p>Heather participated in the Southern California Water Committee Legislative Task Force conference call.</p> <p>Heather and Kelly attended a professional development training class hosted by OCSD on Delegation, Goal Setting and Accountability.</p> <p>Heather staffed the monthly WACO meeting featuring guest speaker Tim Quinn, Executive Director of ACWA.</p> <p>Heather worked with CSDA to hold their Prop 210 rate setting workshop in the MWDOC/OCWD Board Room. She also helped staff registration and set up the speaker's presentations.</p>
<b>Legislative Affairs</b>	<p>Heather continues to meet weekly with staff at Inland Empire Utilities Agency, Eastern Municipal Water District &amp; Western Municipal Water District about the upcoming Congressional Delegation Briefing Luncheon.</p> <p>Heather attended the ACWA State Legislative Committee in Sacramento.</p> <p>Heather &amp; Syrus met with Assembly Parks &amp; Wildlife Committee consultant Ryan Ojakian.</p> <p>Also while in Sacramento, Heather &amp; Syrus met with MWD's Kathy Cole.</p> <p>Heather participated in MWD's member agencies legislative conference call.</p> <p>Tiffany met with Michelle Schuetz with Asm. Travis Allen's office to discuss inspection trip opportunities for 2016-17.</p>



**INFORMATION ITEM**

February 16, 2016

**TO:** Board of Directors

**FROM:** **Public Affairs Legislative Committee**  
(Directors Barbre, Tamaribuchi and Hinman)

Robert Hunter, General Manager

Staff Contact: J. Volzke, L. Loewen

**SUBJECT: SCHOOL PROGRAM**

**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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MWDOC staff met with the education program contractors on February 1 to discuss the goals and progress of the programs. Representatives of the high school program and MWDOC staff also met with MET education representatives on February 10 at MET headquarters to further coordinate and leverage the programs for maximize effectiveness.

The high school education program, in its first year, is on target at achieving the goals in the agreement between MWDOC and the Orange County Department of Education.

The agreement calls for training 100 teachers; as of this month, 113 teachers have been trained so far. Both The Ecology Center and Inside the Outdoors have been invited to do teacher trainings over the next few months within our teacher communities. They will be incorporating The Water Effect teacher curriculum into these trainings. The next Teachers' Workshop is scheduled for March 12.

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

The number of students reached directly at this point is 2,311. These students are being trained as presenters for a peer-to-peer teaching opportunity that will come through school-wide water expos. The expos will allow the program to meet – and likely easily exceed – the 25,000-student goal called for in the agreement. To date, seven School Expos are scheduled with eight additional schools interested in holding an Expo.

The first school-wide expo is February 22 at Capistrano Valley High School. MWDOC staff will attend, and directors are welcome to observe as well.

In recent discussions, OCDE officials are confident they will meet the program targets and goals by the end of the school year.

On the digital component, where OCDE has subcontracted to The Ecology Center of San Juan Capistrano, the Center's "The Water Effect" PSA has received 25,000 views and has been re-shared 250 times. The program's total social media followers is 490. The Water Effect has received 186 pledges.

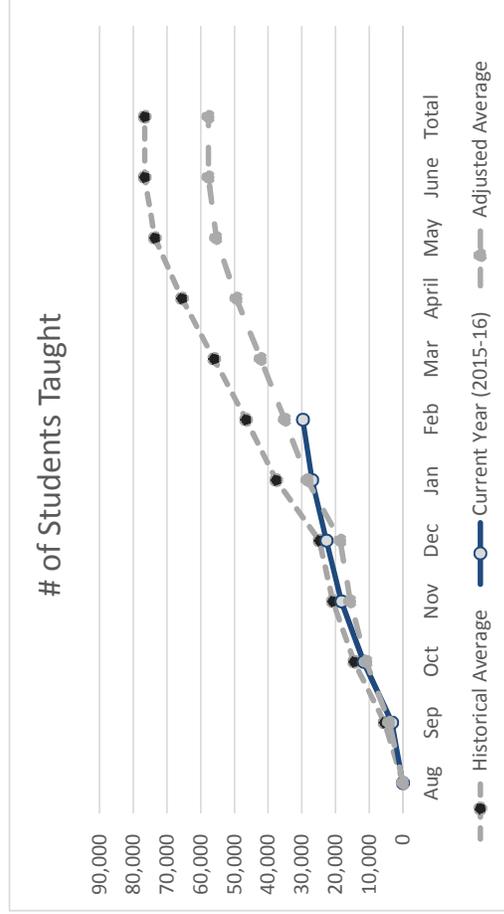
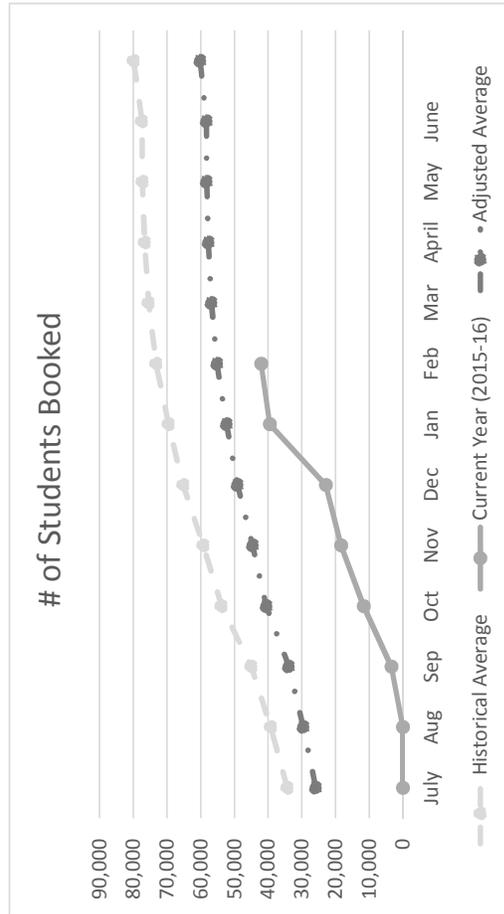
Additionally, The Ecology Center's winter campaign – encompassing "The Water Effect" – is "Get Barreled," an effort with MWDOC to distribute 400 rain barrels through World Water Day in March.

## 2015-16 Water Education School Program

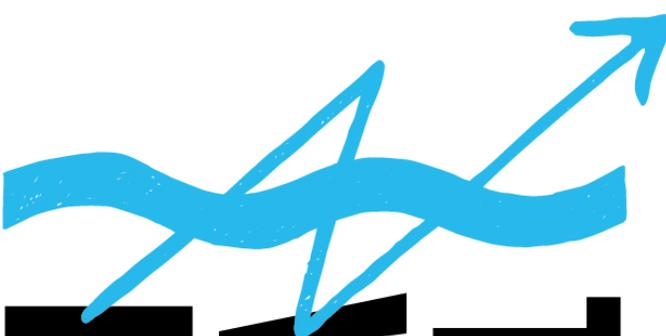
# of Students Booked	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	Target
	Historical Average	34,405	39,319	45,070	53,900	59,337	65,269	69,616	73,332	75,563	76,726	77,411	77,523
Adjusted Average	25,921	29,624	33,957	40,610	44,706	49,175	52,451	55,250	56,931	57,807	58,323	58,407	60,274
Current Year (2015-16)	0	0	3,446	11,640	18,417	22,873	39,556	42,137					60,274

# of Students Taught	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	Total
	Historical Average	0	5,526	14,522	20,838	24,823	37,676	46,625	56,093	65,692	73,691	76,705
Adjusted Average	0	4,163	10,941	15,700	18,702	28,386	35,128	42,262	49,494	55,521	57,791	57,791
Current Year (2015-16)	0	3,304	11,641	18,247	22,703	26,990	29,725					60,274



\* Total is reduced from 80,000 because all participants receiving keypad program.



# THE WATER EFFECT

MONTHLY REPORT

PRESENTED BY



The  
Ecology  
Center

The Water Effect - Inside the Outdoors School Visits									
Year 1 - 2015/2016									
Agency	High School	Intro Email	Admin. School Meeting	1st Visit - student	1st Visit Enrollment	2nd Visit - student	Enrollment	School Expo	Expo Enrollment
Anaheim	Anaheim High School	X	10/27/15	12/14/15	56	2/7/16		3/7/16	
Brea	Brea Olinda High School	X	9/8/15	12/1/15	174	12/15/15	191	5/19/15	
Buena Park	Buena Park High School	X							
East Orange	Foothill High School (shared with Tustin)	X	10/9/15	11/12/15	29	1/14/15	28	3/15/15	
El Toro	El Toro High School	X	10/6, 2/9	11/16/15	12	pending		pending	
El Toro	Los Alisos Junior High	X	10/13/15	n/a	n/a	n/a	n/a	n/a	n/a
Fountain Valley	Fountain Valley High School	X							
Garden Grove	Pacifica High School	X							
Golden State	Valencia High School	X	9/23/15	9/30/15	166	10/19/15	117	pending	
Golden State	Los Alamitos High School	X	9/15/15	1/13/16	92	3/25/16		pending	
Huntington Beach	Marina High School	X	1/11, 2/2	pending		pending		pending	
Laguna Beach	Laguna Beach High School	X	12/4, 1/27	3/2/16		3/9/16		4/6/16	
Mesa Water	Costa Mesa High School	X	9/23/15	11/17, 11/18	79	1/11, 1/12	78	pending	
Moulton Niguel	Capistrano Valley High School	X	11/2/15	12/7, 12/8	562	1/11, 1/12	624	2/22/16	
San Clemente	San Clemente High School	X	10/29/15	12/17/15	21	2/25/16		3/31/16	
San Juan Capistrano	San Juan Hills High School	X	11/19/15	pending		pending		pending	
Santa Ana	Santa Ana High School	X	pending						
Santa Margarita	Tesoro High School	X	9/30, 2/5	pending		pending		pending	
South Coast	Dana Hills High School	X	11/2/15	11/19/15	82	3/29/16		5/31/15	
Tustin	Tustin High School (Foothill High School shared with EOCWD)	X	10/22, 2/17	pending		pending		pending	
Teacher Workshop				8/26/15	11				
				11/7/15	24				
				12/11/15	59				



**Student Quote**

*"Because water is so important, drought education is the #1 thing we should be talking about."*

- Valencia High School

**Teacher Quote**

*"The Water Effect Expo is a great opportunity for students to engage their community and peers in such an important topic."*

- Capo Valley High School



**Pre and Post Test Assessment Results**

Question	Average Percent of Change
1.) What percent of the Earth's water is usable freshwater?	-3.66%
2.) There is more water available in some parts of the country than others because of differences in:	-1.53%
3.) Does the water that flows out of the faucet at home and school have a cost?	2.91%
4.) What is potable water?	2.03%
5.) What is gray water?	-5.85%
6.) What natural, seasonal phenomenon does California rely on for water?	4.98%
7.) Water that goes down gutters and storm drains goes to:	-2.93%
8.) Most water in North and Central Orange County comes from:	16.95%
9.) Other sources of water for Orange County include:	23.67%
10.) What is the Ground Water Replenishment System?	5.74%

**Traveling Scientist Visits and Teacher Workshops**





## The Water Effect Impact Report January 2016 – The Ecology Center

### Qualitative:

- In January, The Ecology Center completely integrated The Water Effect into its entire marketing and communications strategy and outreach, designed to continue for the first quarter of 2016 and beyond.
- As part of this strategy, TEC sent out over 1200 mailers to the broader community, introducing The Water Effect and highlighting our water related workshops, events, and water saving strategies.
- Central to our winter quarter water savings campaign is the MWDOC sponsored *Get Barreled* campaign, where TEC has partnered with MWDOC for the distribution of over 400 rain barrels to Orange County home owners. The campaign was a hit in January, and will continue through World Water Day in March.
- We saw some real success within our partnership with ITO, as Capo Valley students really began to embrace the social media portion of The Water Effect - sharing our content on their own, interpreting the education in their own way, and creating The Water Effect social media accounts on their own as a way of spreading the message.

### Quantitative:

#### Social Media

- Total Social Media Followers: 490 cumulative
- Total Hashtag mentions (#TheWaterEffect): 179 total to date
- Total Pledges (www.TheWaterEffect.one): 186
- #TheWaterEffect posts directly linked to our campaign were cumulatively “liked” by 14,115 people

#### The Water Effect PSA

- Received 25,000 views on Facebook to date, and re-shared 250 times on Facebook.





**WINTER 2016**

**INTRODUCING**

**THE WATER EFFECT**

An initiative by

**The  
Ecology  
Center**

# THE WATER EFFECT

The Ecology Center presents The Water Effect, an initiative empowering Californians to cut our daily water footprint in half.

EL NIÑO WON'T GET US OUT OF THIS DROUGHT.

**WE** EACH USE **1800 GALLONS OF WATER EVERY DAY.**

**LET'S CUT OUR WATER USE IN HALF.**

IT'S TIME TO WAKE UP, CALIFORNIA.  
TURNING OFF YOUR FAUCET ISN'T ENOUGH.

**WE** NEED A WATER REVOLUTION.

IF THERE IS LESS WATER,  
**WE** SHOULD USE LESS WATER.

NO WATER NOW, DOESN'T HAVE TO MEAN  
NO WATER IN THE FUTURE.

WHILE EVERYONE IS HANGING ON TO  
THEIR PICTURE PERFECT LAWNS,  
**WE** CAN ACTUALLY **DO SOMETHING THAT MATTERS.**

**START HERE. START NOW.**  
**WE** CAN TURN THIS AROUND.

In partnership with

The  
Ecology  
Center



Hurley



# SIMPLE SOLUTIONS

The average Californian uses 1800 gallons of water per day.  
That's twice the global sustainable average!

With simple solutions, we can turn this around.



**TURN OFF THE TAP** - Save 8 gallons per day!



**POWER DOWN** - Save 5 gallons a day!



**GO REUSABLE** - Save 1 gallon of water every time you refill!



**USE A BUCKET** - Save 5 gallons every fill!



**BRICK IT** - Save 2 gallons of water every day.



**PURCHASE WITH PURPOSE** - Save 100's of gallons every day.



**EAT LESS MEAT** - Save 3000 gallons a week.



**GROW YOUR OWN** - Save 150 gallons a day!



**HARVEST THE RAIN** - Save 55 gallons every time it rains!



**DITCH THE LAWN** - Save 150 gallons of water every day.



**THE  
WATER  
EFFECT**

# GET BARRELED

**Until World Water Day, March 22nd, The Ecology Center  
has rain barrels at a special discounted rate!**

**\$30 MEMBERS // \$40 NON-MEMBERS**

**#GETBARRELED**



**#THEWATEREFFECT**

Page 102 of 106

**LET'S MAKE THE MOST OF EL NIÑO!**

**OUR GOAL IS TO DISTRIBUTE 500 RAIN BARRELS  
FOR AN ANNUAL WATER SAVINGS OF 250,000 GALLONS  
EVERY YEAR!**

Each 55 gallon barrel includes instructions and an installation kit. Visit our website for videos and digital resources.

Want hands-on instruction? Sign up for our workshops to create a water wise home!

**FIND RESOURCES AND SIGN UP FOR WORKSHOPS AT**

***TheEcologyCenter.org***

# EXPLORE & LEARN

## JANUARY

- 16 Eco-Design Farm Tour: Household Water Solutions**  
Saturday, 10-11AM  
Join us for a guided tour of The Ecology Center and learn about household water solutions!
- 17 Community Table Dinner: Urban Farming with Chef Paul Buchanan**  
Sunday, 3:30-7:30PM  
At this Community Table, we will share a delicious meal sourced from urban farms and hear from the farmers of The Growing Experience.
- 24 Community Table Dinner: Stedsans**  
Saturday, 4-7PM  
We welcome chefs Flemming Hansen and Mette Helbaks for an international discussion of sustenance and community building during this unique farm dinner.
- 30 Rainwater Harvesting Solutions Workshop**  
Saturday, 1-3PM  
Explore the basics of rainwater harvesting for your home! Take home a FREE rain barrel.

## FEBRUARY

- 06 Eco-Design Farm Tour: Household Water Solutions**  
Saturday, 10-11AM  
Join us for a guided tour of The Ecology Center and learn about household water solutions!

**Visit [TheEcologyCenter.org/calendar](http://TheEcologyCenter.org/calendar) for more information and to reserve your place at any of our workshops or events.**

- 13 Community Table Dinner: Chef Jennifer Sherman & Mark Magiera of Chez Panisse**  
Sunday, 4-7PM  
At this Community Table, we will share a delicious meal sourced from school gardens and hear from Chez Panisse's Chef Jennifer Sherman.
- 20 Native Garden Design & Care Workshop**  
Sunday, 1-3pm  
Explore the basics of creating and caring for an abundant, low maintenance and drought tolerant garden using native plants adapted to our region's climate!
- 27 Eco-Garden Design / Permaculture Basics Workshop**  
Saturday, 12-4pm  
Learn the basics of implementing ecological design and establishing sustainable water, energy, soil, food and biodiversity systems for your home!

## MARCH

- 12 Greywater Systems Workshop**  
Saturday, 1-3PM  
Learn hands-on about the materials and techniques necessary to install a laundry-to-landscape system!
- 20 Community Table Dinner: Sustainable Seafood with Patrick Glennon**  
Sunday, 5:30-8:30PM  
At this dinner featuring Santa Monica Seafood, we will delve into ways we can consume seafood more consciously and protect our ocean's depleting resources.
- 22 World Water Day**  
Tuesday, 10am-4pm  
Last day for discounted rain barrels!



## PLEDGE

Join the movement. Pledge to cut your daily water use in half at [TheWaterEffect.one](http://TheWaterEffect.one).

## DO

Start with The Water Effect solutions and dive deeper with our resources and workshops.

## SHARE

Inspire others to join the conversation. Share your journey on social media using [#TheWaterEffect!](https://twitter.com/TheWaterEffect)

**JOIN THE MOVEMENT**  
**#thewatereffect**



**@thewatereffect**



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# IF WE HAVE LESS WATER WE SHOULD USE LESS WATER

EXPLORE AND LEARN MORE AT

[TheEcologyCenter.org](http://TheEcologyCenter.org)

This booklet was printed using 100% recycled post consumer waste paper, saving 26 gallons of water over conventional paper!