



REVISED
ACTION ITEM
December 18, 2019

TO: Board of Directors

FROM: **Public Affairs and Legislation Committee**
(Directors Dick, Thomas, and McVicker)

Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: MWDOC LEGISLATIVE POLICY PRINCIPLES ANNUAL UPDATE

STAFF RECOMMENDATION

Staff recommends the Board of Directors review and adopt the updated Legislative and Regulatory Policy Principles for 2020.

COMMITTEE RECOMMENDATION

The Public Affairs & Legislation Committee will review this item on December 16, 2019 and make a recommendation to the Board.

BACKGROUND

At the September Public Affairs and Legislation (PAL) Committee meeting, staff presented this item for information purposes, and requested feedback. In addition to soliciting input from the Board of Directors, staff also requested input from senior staff and the member agencies through the general managers and other participating city staff via the MWDOC Member Agencies Managers and Legislative Coordinators group.

At the October PAL meeting, there was discussion of the preliminary updated policies, and additional input to staff was received from members of the Board as well as from MWDOC member agencies.

Budgeted (Y/N): N/A	Budgeted amount: N/A	Core <u>X</u>	Choice <u> </u>
Action item amount: None	Line item:		
Fiscal Impact (explain if unbudgeted):			

At the November PAL meeting the committee members discussed the updated policies including new additions relating to storage and imported water supply that had been added for review that month. Discussion ensued from both the committee and members of the public in attendance. The committee asked for new policies relating to maintenance of the State Water Project, inverse condemnation, and headwaters to be added to the existing draft. In addition, East Orange County Water District submitted three new policies for the Board's consideration. All additions for December are underlined.

All updates and feedback received have been incorporated to the attached document.

REPORT

MWDOC maintains a set of legislative policy principles that serve as guidelines for staff and our legislative advocates on issues that are of importance to the District. The policy principles attached are a culmination of current policies and initial changes recommended by staff and member agencies.

These principles assist District staff and its legislative advocates in the evaluation of legislation that may impact the District, its member agencies, the interests of Orange County, the Metropolitan Water District of Southern California and/ or its member agencies. Having such principles in place allow the District to respond to certain types of legislation in a timely manner; however in cases where issues are not clear or have complicated implications will be presented to the Board for further guidance.

The focus of this month's discussion is for staff to receive input from the committee and update the policy principles to advance the Board's objective of establishing legislative and regulatory policy principles to help guide for both our federal and state legislative programs.

Changes to the 2020 Policy Principles are as follows:

NEW FOR 2020

Imported Water Supply

Added additional and updated text in four principles

Added new policy related to maintenance of infrastructure and subsidence

Added new policy related to headwaters

Local Water Resources

Added additional text to one policy principle

Water Use Efficiency

Updated the section title to reflect distribution system water loss

Added additional text to eight policy principles

Water Quality and Environmental Impacts

Added four new policies (two support, two oppose)

Added additional text to one other policy

Water Transfers

Added "streamlines the transfer approval process" to one section

Energy

Updated one policy to reflect that AB 32, the Global Warming Solutions Act of 2006 was updated with SB 100 in 2018

Fiscal Policy

Added “voluntarily” to clarify the section on Water Rate Assistance Programs

Governance

Added a new policy related to inverse condemnation

Water Storage

Added a new section to specifically highlight existing policies relating to water storage

Member Agency Recommended Additions

New policies recommended by MWDOC’s member agencies are listed below.

- 1) *Expediently implements programs and funding previously approved by voters and the Legislature.* (SMWD) Staff note: Fits under Imported Water Supply
- 2) *Encourages the State to foster investments in water reliability projects.* (SMWD) Staff note: Fits under Local Water Resources
- 3) *Eliminates state-mandated restrictions on water reuse by allowing local agencies beneficial use of such water without limitation. Whenever possible, such legislation, regulatory and administrative actions should encourage water use efficiency through guidelines, not requirements.* (SMWD) Staff note: Fits under Local Water Resources
- 4) *Recognizes that recycled water and potable reuse are important components of water use efficiency and drought resiliency.* (SMWD) Staff note: Fits under Local Water Resources
- 5) *Is science-based and peer-reviewed; take economic impact into consideration; respect existing water rights; include reasonable time for implementation; and, be subject to Legislative oversight and review biennially.* (SMWD) Staff note: Fits under Local Water Resources
- 6) *Authorizes, promotes, and/or provides incentives for the development of extraordinary emergency water supplies for use by local water agencies during times of drought or water shortages.* (IRWD) Staff note: Fits under Local Water Resources
- 7) *Properly recognizes water agencies as a key player in emergency response to wildfires and other natural disasters, where water service is needed or may be impacted.* (IRWD) Staff note: Fits under Emergency Response
- 8) *Support Proposition 13 as embodied in Article XIII A of the California Constitution, and oppose the “split roll” efforts that would increase property taxes on businesses.* (Mesa Water District) Staff note: Fits under Fiscal Policy

9) *For LAFCO-initiated reorganizations, support the existing protest thresholds per the Cortese-Knox-Hertzberg Act, & Oppose changes that would make it more difficult for citizens to protest a LAFCO-initiated reorganization.* (Mesa Water District) Staff note: Fits under Governance

10) *Support exempting special districts from Cumulative Voting and Ranked Choice Voting methods and Oppose attempts to make these methods an option or a mandate for special districts elections.* (Mesa Water District) Staff note: Fits under Governance

11) Takes away local control and decision making processes from local water suppliers. (EOCWD) Staff Note: Fits under Imported Water Supply, Oppose

12) Is inclusive of transparent collaboration techniques for legislation and regulation regarding water use efficiency. (EOCWD) Staff note: Fits under Local Water Resources

13) State-funded groundwater basin contamination studies and associated economic or environmental impacts. (EOCWD) Staff note: Fits under Water Quality and Environmental Impacts

14) Supports or facilitates responsible programs, procedures, and methods that promote collaboration, transparency and open government. (EOCWD) Staff note: Fits under Governance

15) Supports the efforts of water industry to promote policies that enhance the pace and scale of headwaters and forest management, including improved planning, coordination, and implementation; increase financing, research, and resources to protect water supply and quality; bring management practices in line with modern challenges; and provide multiple benefits to the State's water users. (Mesa Water District) Staff note: Fits under Water Quality and Environmental Impacts

Board Recommended Additions

1) *MWDOC will support the siting and construction of surface storage of at least 800,000 af in Southern California which is sited to receive either State Water Project (SWP) or Colorado River Aqueduct (CRA) supplies.* Staff note: Fits under Water Storage

2) *MWDOC will support Surface and Groundwater Storage Funding at the state and federal level, provided funding is bifurcated between the two.* Staff note: Fits under Water Storage

3) *MWDOC will support the completion of the State Water Project (SWP) through the construction of conveyance facilities. The capacity of the facilities must be between 9,000 and 15,000 CFS.* Staff note: Fits under Imported Water Supply

4) *MWDOC will support the completion of the Central Valley Project (CVP) which may include the construction of conveyance facilities in the Sacramento-San Joaquin Bay Delta.* Staff note: Fits under Imported Water Supply

5) MWDOC will support the raising of Shasta Dam, which by adding 18.5', the increase in storage capacity will be 630,000 af. Staff note: May fit under Imported Water Supply

BOARD OPTIONS

Option #1

- Adopt the Legislative and Regulatory Policy Principles as updated for 2020

Fiscal Impact: None

Business Analysis: The updated Legislative and Regulatory Policy Principles enable the Board, staff, and MWDOC's legislative advocates to work in Washington D.C. and Sacramento to further the District's goals and interests that benefit Orange County. Updating them yearly allows for the inclusion of new and/or additional issues that arise throughout the previous year.

Option #2

- Do not approve the Legislative and Regulatory Policy Principles as updated for 2020

Fiscal Impact: None

Business Analysis: MWDOC's Board, staff, and legislative advocates would continue to operate under the approved Legislative and Regulatory Policy Principles adopted in 2019, potentially hampering their ability to advocate on certain issues.

STAFF RECOMMENDATION

Option #1

Attached: Municipal Water District of Orange County Legislative and Regulatory Policy Principles

Additions are *italicized*

Deletions are ~~crossed through~~

Source of the recommended change is listed at the end of each policy principle

Updated changes for November are denoted in **red**

Updated changes for December are underlined

NOTE: All items will be properly numbered once the written policies have been Board approved

Municipal Water District of Orange County **Legislative and Regulatory Policy Principles**

OVERALL POLICY

Legislation and regulations addressing water resource management issues should be guided by local and regional water resource officials with knowledge and experience in addressing opportunities, threats and needs for success within the water industry. (SMWD)

IMPORTED WATER SUPPLY

It is MWDOC's policy to support legislation, ~~and regulations~~ and administrative actions that: (SMWD)

1) Balances California's competing water needs and results in to provide a reliable supply of high- quality water for Orange County. (EOCWD)

2) Facilitates the implementation of *a Sacramento-San Joaquin Delta Improvement program similar to the California Delta Conveyance Project ~~WaterFix~~ and ~~California EcoRestore initiative~~, ~~the~~ that addresses the co-equal goals of reliable water supply and ecosystem restoration, and related policies that provide long term, comprehensive solutions for the San Francisco Bay/Sacramento-San Joaquin River Delta that: (SMWD)*

- a) Provides reliable water supplies to meet California's short- and long- term needs;
- b) Improves the ability to transport water through the Delta either for, or supplemental to, State Water Project deliveries;
- c) Improves the quality of water delivered through the Delta;
- d) Enhances the Bay-Delta's ecological health in a balanced manner;
- e) Employs sound scientific research and evaluation to advance the co-equal goals of improved water supply and ecosystem sustainability.
- f) Expedites the *Delta Conveyance project ~~California WaterFix~~ and ~~EcoRestore initiative~~*; (Staff)

g) Encourages regular infrastructure maintenance and upkeep of the levees to counter the effects of subsidence. (Board)

3) Funds a comprehensive Bay-Delta solution in a manner that equitably apportions costs to all beneficiaries.

~~4) Provides conveyance and storage facilities that are cost-effective for MWDOC, and its member agencies and their customers, while improving the reliability and quality of the water supply.~~ (SMWD) (Moved to Water Storage section)

5) Authorizes, ~~and appropriates,~~ *and expeditiously distributes* the federal share of funding ~~for to improve the Delta Conveyance project California WaterFix and EcoRestore initiative.~~ (Staff)

6) Authorizes, ~~and appropriates,~~ *and expeditiously implements* the ongoing state share of funding ~~for to improve the Delta Conveyance project or similarly effective measures California WaterFix and EcoRestore initiative.~~(SMWD)

7) Provides funding for Colorado River water quality and supply management efforts.

8) Promotes continued federal funding and coordination between states for the Colorado River Basin Salinity Control Program under the Federal Department of Agriculture and Interior. (EOCWD)

9) Protects and preserves Metropolitan's interest in binational water conservation programs.

It is MWDOC's policy to oppose legislation or regulation that:

1) Would make urban water supplies less reliable, or would substantially increase the cost of imported water without also improving the reliability and/or quality of such water.

2) Imposes water user fees to fund non-water supply improvements in the Delta region or user fees that are not proportional to the benefits received from a Delta region water supply improvement.

3) Delays or impedes implementation of the *Delta Conveyance project California WaterFix and EcoRestore initiative.* (Staff)

LOCAL WATER RESOURCES

It is MWDOC's policy to support legislation and regulation that:

1) Supports the development of, provides funding for, and authorizes and/or facilitates the expanded use of, cost effective, water recycling, potable reuse, conservation, water use efficiency, groundwater recovery and recharge, storage, brackish and ocean water desalination and surface water development projects where water supply is improved and the beneficiaries of the project pay for the portions of the project not funded by state or federal funds.

- 2) Recognizes that recycled water for both potable and non-potable reuse is a valuable resource that should be promoted and encouraged, while considering total cost elements, and regulated and permitted in a manner which promotes greater reuse throughout the county and state.
- 3) Reduces and/or streamlines regulatory burdens on augmented or alternative water supply projects, and provides protections for the use of these supplies during water supply shortages, through exemptions or provisions of credit during state mandated reductions.
- 4) Supports ecosystem restoration, increased stormwater capture where the capture avoids impact to others, and sediment management activities that are cost-effective and enhance the quality or reliability of water supplies.
- 5) Authorizes, promotes, and/or provides incentives for indirect and direct potable reuse projects and provides protections for the use of local supply projects during water shortages by exempting them from state mandated reductions.
- 6) Recognizes that the reliability and high quality of supplies to the end user is the primary goal of water suppliers.
- 7) Keeps decision-making, with regard to stormwater management and recapture, at the local or regional level.
- 8) Recognizes stormwater management and recapture, *where the capture avoids impact to other water users*, as important tools in a diversified water portfolio that can help to achieve improved water quality in local surface and groundwater supplies, and can augment surface and groundwater supplies. (Staff)
- 9) Reduces or removes regulatory hurdles that hinder the use of augmented or alternative water supplies.
- 10) Provides incentives for local or regional use of augmented or alternative water supplies.
- ~~11) Support the evaluation of reservoirs to provide an enhancement in water supplies. (Moved to Water Storage section)~~
- ~~12) Support administrative/legislative action and funding to add surface and/or groundwater storage statewide.—(Moved to Water Storage section)~~
- ~~13) Support administrative/legislative action and funding to add South of Delta above ground and ground water storage that is able to receive supplies from the State Water Project and Colorado River Aqueduct.—(Moved to Water Storage section)~~
- ~~14) Support “beneficiaries pay” for water storage that ensure full cost recovery.—(Moved to Water Storage section)~~
- 15) Support the inclusion of environmental infrastructure projects the Army Corps of Engineers must consider in its Report to Congress.
- 16) Allows Investor Owned Utilities to invest in redundancy and reliability projects.

17) Provides funding for seawater and brackish groundwater desalination studies and facilities.

18) Streamlines permitting of desalination facilities.

It is MWDOC's policy to oppose legislation or regulation that:

1) Restricts a local governmental agency's ability to develop their local water resources in a manner that is cost-effective, environmentally sensitive, and protective of public health. (EOCWD)

2) Imposes barriers or increases costs to the safe application of recycled water and continues to define recycled water as a waste or resource of lesser value than traditionally defined potable water.

3) Would make urban water supplies less reliable, or would substantially increase the cost of imported water without also improving the reliability and/ or quality of such water.

4) Restricts or limits a local governmental agency's ability to establish local priorities for water resources planning decisions.

5) Reduces a local agency's ability to benefit from local investments in drought-proof or emergency water supplies during water shortages.

6) Would impose conservation mandates that do not account for the unique local water-supply circumstances of each water district.

7) Would disincentivize or impede water agencies from making investments to maximize the potential for recycled water, potable reuse, desalination and other drought-resilient local water supplies.

WATER STORAGE (staff)

1) Provides conveyance and storage facilities that are cost-effective for MWDOC, and its member agencies and their customers, while improving the reliability and quality of the water supply. (SMWD) (Previously in Imported Water Supply)

2) Support the evaluation of reservoirs to provide an enhancement in water supplies. (Previously in Local Water Resources)

3) Support administrative/legislative action and funding to add surface and/or groundwater storage statewide. (Previously in Local Water Resources)

4) Support administrative/legislative action and funding to add South of Delta above ground and ground water storage that is able to receive supplies from the State Water Project and Colorado River Aqueduct. (Previously in Local Water Resources)

5) Support "beneficiaries pay" for water storage that ensure full cost recovery. (Previously in Local Water Resources)

WATER USE EFFICIENCY AND DISTRIBUTION SYSTEM WATER LOSS (staff)

It is MWDOC's policy to support legislation and regulation that:

- 1) Furthers the statewide goal of increasing water use efficiency, as opposed to water conservation throughout the state.
- 2) Would allow flexibility and *fosters local and regional collaboration to develop and implement* options for compliance in achieving statewide water reduction goals. (SMWD)
- 3) Seeks to cost-effectively improve water efficiency standards and policies for water-using devices.
- 4) Provides *grants and low-interest loans* ~~loans and grants~~ to fund incentives for water conserving devices or practices. (staff)
- 5) Legislatively sets water efficiency standards provided the standards are *developed with local and regional input*, reasonable, cost effective for Orange County agencies, *and customers*, and consider unintended consequences, such as impacts to wastewater systems, reductions in recycled water supplies, demand hardening, and impacts to regional reliability and drought preparedness. (SMWD)
- 6) Reasonably improves landscape water use efficiency and Commercial, Institutional and Industrial (CII) water use efficiency programs while preserving community choice and the local economy.
- 7) Encourages regionally appropriate statewide landscape water efficiency-standards and regulations that consider land use, plant material, irrigation efficiency and climate factors.
- 8) Provides financially appropriate incentives, funding, and other assistance where needed to facilitate market transformation and gain wider implementation of water-efficient indoor and outdoor technologies and practices.
- 9) Provides incentives, funding, and other assistance where needed to facilitate water use *and energy* efficiency partnerships with the energy ~~efficiency~~ sector. (Staff)
- 10) Recognizes *and protects* past investments *of agencies and customers* in water use efficiency measures, especially from the demand hardening perspective. (SMWD)
- 11) Recognizes community growth and development when developing comparative standards for water use efficiency year-over-year.
- 12) Provides *federal and state* tax exemptions for water conservation or efficiency incentives for measures including, but not limited to, turf removal, devices, and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape. (Staff)
- 13) Creates a process for development and implementation of *locally activated* emergency drought declarations and regulations that recognizes variations among communities, regions, and counties with respect to their abilities to withstand the impacts, *water supply conditions*, and effects of drought. (Staff)

It is MWDOC's policy to oppose legislation or regulations that:

- 1) Fails to ensure balance in the implementation of water efficiency practices throughout the state and requirements for both urban and agricultural use.
- 2) Would repeal cost-effective efficiency standards for water-using devices.
- 3) Diminishes local agency control or flexibility in implementing water efficiency practices or standards.
- 4) Places unreasonable conservation measures on residential, commercial, industrial and institutional customers that would negatively impact or limit the potential for economic growth. (EOCWD)
- 5) Fails to recognize the importance of both water use efficiency and water supply development.
- 6) Fails to recognize augmented or alternative water supplies as an efficient use of water, or that fails to provide an adequate incentive for investments in such water, for potable or non-potable reuse.
- 7) Fails to consider regional and local reliability when establishing any reduction targets during water shortages.
- 8) Requires water efficiency standards or performance measures that are infeasible, not practical or fail to have a positive cost-benefit ratio when comparing the cost of meeting the standard or implementing the performance measure with the value of the volume of water saved.
- 9) Creates a “one-size-fits-all” approach to emergency drought declarations and regulations that ignores variations among communities, regions, and counties with respect to their ability to withstand the impacts, *water supply conditions*, and effects of drought. (Staff)

WATER QUALITY AND ENVIRONMENTAL IMPACTS

It is MWDOC's policy to support:

- 1) Legislation that protects the quality of surface water and groundwater including the reduction of salt loading to groundwater basins.
- 2) Funding that helps agencies meet state and federal water quality standards.
- 3) The establishment and/ or implementation of standards for water-borne contaminants based on sound science and with consideration for cost-effectiveness.
- 4) *A science-based regulatory process that has been established under the Safe Drinking Water Act is the best approach for any consideration and development of drinking water*

regulations to address any contaminant or family of contaminants, including per- and polyfluoroalkyl (PFAS). (Staff)

5) The investment in the development of analytical methods to more reliably and accurately measure various contaminants, including PFAS, in drinking water. (Staff)

4) Administrative/legislative actions to improve clarity and workability of CEQA, and eliminate other duplicative state processes.

5) Streamlining or exempting water, recycled water, wastewater projects, and/or environmental restoration projects, from the California Environmental Quality Act (CEQA).

6) Provides liability protections to public water districts, and related wholesale water providers, seeking to consolidate *with or serve as the administrator for* troubled water systems that cannot consistently demonstrate that they are able to provide safe, clean and reliable water supplies to their customers. (Staff)

It is MWDOC's policy to oppose:

1) Legislation that could compromise the quality of surface water and groundwater supplies.

2) Legislation that establishes and/ or implements standards for water-borne contaminants without regard for sound science or consideration for cost effectiveness.

3) Projects that negatively impact the water quality of existing local supplies.

4) Legislation or regulation that would mandate an unscientifically supported federal or state maximum contaminant level, or mandating an artificial deadline for promulgating a maximum contaminant level for drinking water. (Staff)

5) Legislation, regulation or other policy that would hold drinking water and wastewater facilities liable for PFAS contamination caused by third parties; or that does not clearly state that the party directly responsible for the PFAS pollution is solely liable for the costs associated with the contamination cleanup. (Staff)

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

It is MWDOC's policy to oppose legislation or regulation that:

1) Compromises the existing governance structure and the representation of member agencies on the Metropolitan Water District Board of Directors.

2) Would restrict MET's rate-making ability.

WATER TRANSFERS

It is MWDOC's policy to support legislation and regulation that:

- 1) Encourages and facilitates voluntary water transfers.
- 2) Provides appropriate protection or mitigation for impacts on the environment, aquifers, water-rights holders and third-parties to the transfer including those with interests in the facilities being used.
- 3) Encourages transfers, *or streamlines the transfer approval process*, which augment existing water supplies, especially in dry years. (Staff)

It is MWDOC's policy to oppose legislation or regulation that:

- 1) Undermines the operations and maintenance of the conveyance system conveying the water.
- 2) Interferes with the financial integrity of a water utility or compromises water quality.
- 3) Increases regulatory or procedural barriers to water transfers at the local or state level.

WATER INFRASTRUCTURE FINANCING AND PROJECT FUNDING

It is MWDOC's policy to support legislation and regulation that:

- 1) Employs a "beneficiary pays" principle that establishes a clear nexus between the costs paid to the direct benefit received. Likewise, those who do not benefit from a particular project or program should not be required to pay for them.
- 2) Establishes grants or other funding opportunities for local and regional water projects, including but not limited to infrastructure projects.
- 3) Considers local investments made in infrastructure, programs, mitigation and restoration in determining appropriate cost shares for water infrastructure, and project investments.
- 4) Reduces the cost of financing water infrastructure planning and construction, such as tax-credit financing, tax-exempt municipal bonds, Water Resources Development Act (WRDA), Water Infrastructure Finance Innovation Act (WIFIA), the Environmental Infrastructure Accounts, the Title XVI Water Reclamation and Reuse Project, and other funding mechanisms.

It is MWDOC's policy to oppose legislation or regulation that:

- 1) Establishes a fee or tax that does not result in a clear and proportional benefit to the District, its member agencies, and their customers.
- 2) Would reduce the total available water infrastructure financing measures such as WIFIA, state-revolving funds, and others.

ENERGY

It is MWDOC's policy to support legislation or regulation that:

- 1) Facilitates the development and expansion of clean, and cost effective renewable energy in California, including hydropower.
- 2) Supports water supply reliability as the primary focus of water agencies and energy intensity of water supplies as a secondary factor.
- 3) Recognizes the role and value of the water industry investment in water use efficiency and therefore recognizes WUE efforts towards greenhouse gas reduction, including funding such activities.
- 4) Recognizes hydroelectric power as a clean, renewable energy source and that its generation and use meets the greenhouse gas emission reduction compliance requirements called for in the Global Warming Solutions Act of 2006 (AB 32) and SB 100).
Staff
- 5) Facilitates voluntary and cost effective local investments in renewable energy, energy management and storage, and energy efficiency which improve the water-energy nexus and reduce local agency costs.

FISCAL POLICY

It is MWDOC's policy to support legislation or regulation that:

- 1) Requires the federal and state governments to provide a subvention to reimburse local governments for all mandated costs or regulatory actions.
- 2) Allows member agencies to *voluntarily* offer localized Water Rate Assistance Programs that comply with Proposition 218 of California's Constitution and/or are funded either voluntarily or via non-restricted/non-water-rates revenues. (Staff)

It is MWDOC's policy to oppose legislation or regulation that:

- 1) Is inconsistent with the District's current investment policies and practices.
- 2) Pre-empts the District's *or its member agencies'* ability to impose or change *cost-of-service-based* water rates, fees, or assessments., *or requires them to submit their rates or charges to any state agency for approval.* (IRWD)
- 3) Impairs the District's ability to maintain levels of reserve funds that it deems necessary and appropriate.
- 4) Impairs the District's ability to provide services to its member agencies and ensure full cost recovery.
- 5) Makes any unilateral reallocation of District revenues, or those of its member agencies, by the state unless the state takes compensatory measures to restore those funds.

- 6) Would impose mandated costs or regulatory constraints on the District or its member agencies without reimbursement.
- 7) Mandates a specific rate structure for water agencies.
- 8) Imposes a “public goods charge” “water user fee”, or “water tax” on public water agencies or their ratepayers.

GOVERNANCE

It is MWDOC's policy to support legislation or regulation that:

- 1) Advances good government practices and public transparency measures in a manner that does not take a "one-size fits all" approach, respects local government control, and facilitates technological efficiencies to meet state reporting and disclosure requirements.

It is MWDOC's policy to oppose legislation or regulation that:

- 1) Imposes unnecessarily broad burdens upon all local governments.
- 2) Shifts state programs, responsibilities and costs to local governments without first considering funding to support the shift.
- 3) Seeks to limit or rescind local control.
- 4) Reduces or diminishes the authority of the District to govern its affairs.
- 5) Imposes new costs on the District and the ratepayers absent a clear and necessary benefit.
- 6) Resolves state budget shortfalls through shifts in the allocation of property tax revenue or through fees for which there is no direct nexus to benefits received.

PUBLIC EMPLOYEE PENSION REFORM

It is MWDOC's policy to support legislation that:

- 1) Seeks to contain or reform public employee pension and other post-employment benefit (OPEB) cost obligations that are borne by public agencies via taxpayers and ratepayers.

EMERGENCY RESPONSE

It is MWDOC's policy to support legislation that:

- 1) Increases coordination on Homeland Security and emergency response efforts among the federal, state, and local governments with clearly defined roles and responsibilities for each.
- 2) Provides continued funding to enhance and maintain local Homeland Security infrastructure, including physical and cyber protection of critical infrastructure.
- 3) Ensures adequate funding for expenditures related to disaster response and all phases of emergency management; including the earthquake early notification system and efforts to enhance water infrastructure resiliency.
- 4) Strengthens intergovernmental planning and preparation coordination for emergency response and drills.
- 5) Enhances protection of information and cyber security for critical infrastructure through policy and funding for local efforts.
- 6) Supports water utility capability to notify customers of emergency protective measures through reverse notification systems.

It is MWDOC's policy to oppose legislation or regulation that:

- 1) Reduces a water utility's ability represent itself in any component of the disaster preparedness cycle, especially the response and recovery section staff.
- 1) Negatively impacts water and wastewater utility's ability to prepare, mitigate or respond to emergencies in order to provide fire suppression, drinking water and wastewater services.

MEMBER AGENCY RECOMMENDED ADDITIONS (NEW POLICIES)

- 1) *Expediently implements programs and funding previously approved by voters and the Legislature. (SMWD) Staff note: Fits under Imported Water Supply*
- 2) *Encourages the State to foster investments in water quality, storage, and/or reliability projects. (SMWD) Staff note: Fits under Local Water Resources*
- 3) *Eliminates state-mandated restrictions on any sources of recycled water, including desalinated water and water reuse by allowing local agencies beneficial use of such water without limitation. Whenever possible, such legislation, regulatory and administrative actions should encourage water use efficiency through goals and guidelines, not requirements. (SMWD) Staff note: Fits under Local Water Resources*
- 4) *Recognizes that desalinated water, recycled water, and potable reuse are important components of water use efficiency and drought resiliency. (SMWD) Staff note: Fits under Local Water Resources*
- 5) *Is science-based and peer-reviewed; take economic feasibility and impact into*

consideration; respect existing water rights; include reasonable time for implementation **and compliance**; and, be subject to Legislative oversight and review biennially. (SMWD) Staff note: Fits under Local Water Resources

6) Authorizes, promotes, and/or provides incentives for the development of extraordinary emergency water supplies for **voluntary** use by local water agencies during times of drought or water shortages. (IRWD) Staff note: Fits under Local Water Resources

7) Properly recognizes water agencies' ~~as a key player role~~ in emergency response to wildfires and other natural disasters, where water service is needed or may be impacted, **because water and wastewater services are essential public utilities that ensure public health and safety**. (IRWD) Staff note: Fits under Emergency Response

8) Support Proposition 13 as embodied in Article XIII A of the California Constitution, and oppose the "split roll" efforts that would increase property taxes on businesses. (Mesa Water District) Staff note: Fits under Fiscal Policy

9) For LAFCO-initiated reorganizations, support the existing protest thresholds per the Cortese-Knox-Hertzberg Act, & Oppose changes that would make it more difficult for citizens to protest a LAFCO-initiated reorganization. (Mesa Water District) Staff note: Fits under Governance

10) Support exempting special districts from Cumulative and Ranked Choice Voting methods and Oppose attempts to make this method an option or a mandate for special districts elections. (Mesa Water District) Staff note: Fits under Governance

11) Takes away local control and decision making processes from local water suppliers. (EOCWD) Staff Note: Fits under Imported Water Supply, Oppose

12) Is inclusive of transparent collaboration techniques for legislation and regulation regarding water use efficiency. (EOCWD) Staff note: Fits under Local Water Resources

13) State-funded groundwater basin contamination studies and associated economic or environmental impacts. (EOCWD) Staff note: Fits under Water Quality and Environmental Impacts

14) Supports or facilitates responsible programs, procedures, and methods that promote collaboration, transparency and open government. (EOCWD) Staff note: Fits under Governance

15) Supports the efforts of water industry to promote policies that enhance the pace and scale of headwaters and forest management, including improved planning, coordination, and implementation; increase financing, research, and resources to protect water supply and quality; bring management practices in line with modern challenges; and provide multiple benefits to the State's water users. (Mesa Water District) Staff note: Fits under Water Quality and Environmental Impacts

BOARD RECOMMENDED ADDITIONS (NEW POLICIES)

- 1) MWDOC will support the siting and construction of cost effective surface storage of at least 800,000 af in Southern California which is sited to receive either State Water Project (SWP) or Colorado River Aqueduct (CRA) supplies. Staff note: Fits under Water Storage
- 2) MWDOC will support Surface and Groundwater Storage Funding at the state and federal level, provided funding is bifurcated between the two. Staff note: Fits under Water Storage
- 3) MWDOC will support the completion of the State Water Project (SWP) through the construction of conveyance facilities. The capacity of the facilities must be between 9,000 and 15,000 CFS. Staff note: Fits under Imported Water Supply
- 4) MWDOC will support the completion of the Central Valley Project (CVP) which may include the construction of conveyance facilities in the Sacramento-San Joaquin Bay Delta and the raising of Shasta Dam. Staff note: Fits under Imported Water Supply
- ~~5) MWDOC will support the raising of Shasta Dam, which by adding 18.5', the increase in storage capacity will be 630,000 af. Staff note: May fit under Imported Water Supply (Combined with #4 above)~~
- 6) Changes in how inverse condemnation liability is determined for water service providers in order to limit water agency liability for impacts of wildfire. Staff note: Fits under Fiscal Policy