

WORKSHOP MEETING OF THE
BOARD OF DIRECTORS WITH MET DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
September 1, 2021, 8:30 a.m.

Due to the spread of COVID-19 and as authorized by the Governor's Executive Order, MWDOC will be holding this meeting via the Zoom Webinar application and will be available by either computer or telephone audio as follows:

Computer Audio: You can join the Zoom meeting by clicking on the following link:

<https://zoom.us/j/8828665300>

Telephone Audio: (669) 900 9128 fees may apply
(877) 853 5247 Toll-free
Webinar ID: 882 866 5300#

AGENDA

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC PARTICIPATION/COMMENTS

At this time members of the public will be given an opportunity to address the Board concerning items within the subject matter jurisdiction of the Board. Members of the public may also address the Board about a particular Agenda item at the time it is considered by the Board and before action is taken.

The Board requests, but does not require, that members of the public who want to address the Board complete a voluntary "Request to be Heard" form available from the Board Secretary prior to the meeting.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action to agendize item(s), which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present or, if less than two-thirds of the Board members are present a unanimous vote.)

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>.

NEXT RESOLUTION NO. 2115

ACTION ITEM

1. H.R. 4712 (LEVIN) – DESALINATION DEVELOPMENT ACT

Recommendation: Staff recommends the Board of Directors vote to adopt a Support position on H.R. 4712 (Levin).

2. H.R. 3684 (DEFAZIO) – INFRASTRUCTURE INVESTMENT AND JOBS ACT

Recommendation: Staff recommends the Board of Directors vote to adopt a Support position on H.R. 3684 (DeFazio).

PRESENTATION/DISCUSSION ITEMS**3. LEGISLATIVE ACTIVITIES**

- a. Federal Legislative Report (NRR)
- b. State Legislative Report (BBK)
- c. MWDOC Legislative Matrix
- d. Metropolitan Legislative Matrix

Recommendation: Review and discuss the information presented.

4. INPUT OR QUESTIONS ON MET ISSUES FROM THE MEMBER AGENCIES/MET DIRECTOR REPORTS REGARDING MET COMMITTEE PARTICIPATION

Recommendation: Receive input and discuss the information presented.

5. DISCUSSION OF COLORADO RIVER ISSUES

- a. Status on Salinity Control – Sarah Tucker
- b. Colorado River Shortage Declaration

Recommendation: Review and discuss the information presented.

INFORMATION ITEMS**6. MET ITEMS CRITICAL TO ORANGE COUNTY** (The following items are for informational purposes only – a write up on each item is included in the packet. Discussion is not necessary unless requested by a Director)

- a. MET's Finance and Rate Issues
- b. MET'S Review of Equal Employment Opportunity Policies and Practices
- c. MET's Integrated Resources Plan Update
- d. MET's Water Supply Conditions
- e. Colorado River Issues
- f. Delta Conveyance Activities and State Water Project Issues

Recommendation: Review and discuss the information presented.

7. METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

- a. Summary regarding August MET Board Meeting
- b. Review items of significance for MET Board and Committee Agendas

Recommendation: Review and discuss the information presented.

CLOSED SESSION

8. CONFERENCE WITH LABOR NEGOTIATORS

District Designated Representatives: Joseph Byrne, Legal Counsel

Unrepresented Employee: General Manager

Government Code Section 54957.6

ADJOURNMENT

Note: 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 accommodations should make the request with adequate time before the meeting for the District to provide the requested accommodations.



Item No. 1

ACTION ITEM September 1, 2021

TO: Board of Directors

FROM: Robert Hunter, General Manager

Staff Contact: Heather Baez

SUBJECT: H.R. 4712 (LEVIN) – DESALINATION DEVELOPMENT ACT

STAFF RECOMMENDATION

Staff recommends the Board of Directors vote to adopt a Support position on H.R. 4712 (Levin).

BILL SUMMARY

H.R. 4712 would establish the Desalination Development Act, which authorizes \$260 million over the next five years for desalination projects and creates new environmental safeguards for the funded projects. The bill would direct the Bureau of Reclamation to submit project-funding recommendations to Congress based on specific criteria, prioritizing projects that benefit drought-stricken communities. It would also require projects to comply with all state environmental laws, maximize the use of renewable energy and energy efficiency, and reduce reliance on imported water supplies from imperiled ecosystems.

BACKGROUND

This bill is identical to H.R. 3723, introduced by Congressman Levin in 2019. At that time, MWD OC staff provided input and suggested language edits to the draft bill prior to introduction. The measure received a hearing on July 25, 2019 in the House Natural Resources Subcommittee on Water, Oceans and Wildlife. South Coast Water District General Manager Rick Shintaku provided testimony in support. Unfortunately H.R. 3723 did not move beyond this hearing. Congressman Levin then reintroduced the bill in 2021.

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

ARGUMENTS IN SUPPORT

The author states, "With climate change increasing the frequency and intensity of extreme droughts in California, we must advance environmentally sound policies that increase our local supply of potable water." By investing in responsible desalination projects, we will enhance emergency preparedness and increase the flow of clean, locally sourced water to our communities. I'm hopeful this policy will advance as part of infrastructure legislation this year."

"As California and much of the American West is facing one of the most severe and prolonged droughts in history, we applaud Congressman Levin's leadership in introducing the Desalination Development Act," said South Coast Water District Board President Rick Erkeneff. "This important legislation will help provide much-needed Federal investments in state-of-the-art and environmentally friendly ocean desalination projects to provide communities like ours in South Orange County with a safe, reliable, drought-proof, and locally controlled supply of clean water."

ARGUMENTS IN OPPOSITION

None on file

BOARD OPTIONS

Option #1

- Adopt a support position on H.R. 4712.

Fiscal Impact: Potentially millions could be awarded to projects in the region

Business Analysis: This measure could help offset funding for desalination projects in the region, which would reduce reliance on imported water, increasing supply availability for other regions that do not have the capability or infrastructure for desalination.

Option #2

- Take no action

Fiscal Impact: Same as above

Business Analysis: Same as above

STAFF RECOMMENDATION

Option #1

ATTACHED:

- H.R. 4712 Full Text

117TH CONGRESS
1ST SESSION

H. R. 4712

To promote desalination project development and drought resilience, and
for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 27, 2021

Mr. LEVIN of California (for himself and Mr. HUFFMAN) introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committee on Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To promote desalination project development and drought
resilience, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Desalination Develop-
5 ment Act”.

6 **SEC. 2. DESALINATION PROJECTS AUTHORIZATION.**

7 Section 4(a) of the Water Desalination Act of 1996
8 (42 U.S.C. 10301 note; Public Law 104–298) is amended

1 by striking the second paragraph (1) (relating to projects)
2 and inserting the following:

3 “(2) PROJECTS.—

4 “(A) DEFINITION OF ELIGIBLE DESALINA-
5 TION PROJECT.—In this paragraph, the term
6 ‘eligible desalination project’ means any project
7 located in a Reclamation State that—

8 “(i) involves an ocean or brackish
9 water desalination facility—

10 “(I) constructed, operated, and
11 maintained by a State, Indian Tribe,
12 irrigation district, water district, or
13 other organization with water or
14 power delivery authority; or

15 “(II) sponsored or funded by any
16 State, department of a State, subdivi-
17 sion of a State, or public agency orga-
18 nized pursuant to State law, includ-
19 ing—

20 “(aa) direct sponsorship or
21 funding; or

22 “(bb) indirect sponsorship or
23 funding, such as by paying for
24 the water provided by the facility;

1 “(ii) provides a Federal benefit in ac-
2 cordance with the reclamation laws; and

3 “(iii) is consistent with all applicable
4 State and Federal resource protection laws
5 including the protection of marine pro-
6 tected areas.

7 “(B) DEFINITION OF DESIGNATED DESALI-
8 NATION PROJECT.—The term ‘designated de-
9 salination project’ means an eligible desalina-
10 tion project that—

11 “(i) is an ocean desalination project
12 that uses a subsurface intake;

13 “(ii) has a total estimated cost of
14 \$80,000,000 or less; and

15 “(iii) is designed to serve a commu-
16 nity or group of communities that collec-
17 tively import more than 75 percent of their
18 water supplies.

19 “(C) COST-SHARING REQUIREMENT.—

20 “(i) IN GENERAL.—Subject to the re-
21 quirements of this paragraph, the Federal
22 share of an eligible desalination project
23 carried out under this subsection shall
24 be—

1 “(I) not more than 25 percent of
2 the total cost of the eligible desalina-
3 tion project; or

4 “(II) in the case of a designated
5 desalination project, the applicable
6 percentage determined in accordance
7 with clause (ii).

8 “(ii) COST-SHARING REQUIREMENT
9 FOR CONSTRUCTION COSTS.—In the case
10 of a designated desalination project carried
11 out under this subsection, the Federal
12 share of the cost of construction of the
13 designated desalination project shall not
14 exceed the greater of—

15 “(I) 35 percent of the total cost
16 of construction, up to a Federal cost
17 of \$20,000,000; or

18 “(II) 25 percent of the total cost
19 of construction.

20 “(D) STATE ROLE.—Participation by the
21 Secretary in an eligible desalination project
22 under this paragraph shall not occur unless—

23 “(i)(I) the eligible desalination project
24 is included in a State-approved plan; or

1 “(II) the participation has been re-
2 requested by the Governor of the State in
3 which the eligible desalination project is lo-
4 cated; and

5 “(ii) the State or local sponsor of the
6 eligible desalination project determines,
7 and the Secretary concurs, that—

8 “(I) the eligible desalination
9 project—

10 “(aa) is technically and fi-
11 nancially feasible;

12 “(bb) provides a Federal
13 benefit in accordance with the
14 reclamation laws; and

15 “(cc) is consistent with ap-
16 plicable State laws, State regula-
17 tions, State coastal zone manage-
18 ment plans and other State plans
19 such as California’s Water Qual-
20 ity Control Plan for the Ocean
21 Waters in California;

22 “(II) sufficient non-Federal fund-
23 ing is available to complete the eligible
24 desalination project; and

1 “(III) the eligible desalination
2 project sponsors are financially sol-
3 vent; and

4 “(iii) the Secretary submits to Con-
5 gress a written notification of the deter-
6 minations under clause (ii) by not later
7 than 30 days after the date of the deter-
8 minations.

9 “(E) ENVIRONMENTAL LAWS.—In partici-
10 pating in an eligible desalination project under
11 this paragraph, the Secretary shall comply with
12 all applicable environmental laws, including, but
13 not limited to, the National Environmental Pol-
14 icy Act of 1969 (42 U.S.C. 4321 et seq.) and
15 State laws implementing the Coastal Zone Man-
16 agement Act.

17 “(F) INFORMATION.—In participating in
18 an eligible desalination project under this sub-
19 section, the Secretary—

20 “(i) may rely on reports prepared by
21 the sponsor of the eligible desalination
22 project, including feasibility or equivalent
23 studies, environmental analyses, and other
24 pertinent reports and analyses; but

“(ii) shall retain responsibility for making the independent determinations described in subparagraph (C).

“(G) FUNDING.—

“(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph \$260,000,000 for the period of fiscal years 2020 through 2024.

“(ii) CONGRESSIONAL APPROVAL INITIALLY REQUIRED.—

“(I) IN GENERAL.—Each initial award under this paragraph for design and study or for construction of an eligible desalination project shall be approved by an Act of Congress.

“(II) RECLAMATION RECOMMENDATIONS.—The Commissioner of Reclamation shall submit recommendations regarding the initial award of preconstruction and construction funding for consideration under subclause (I) to—

“(aa) the Committee on Appropriations of the Senate;

1 “(bb) the Committee on En-
 2 ergy and Natural Resources of
 3 the Senate;

4 “(cc) the Committee on Ap-
 5 propriations of the House of Rep-
 6 resentatives; and

7 “(dd) the Committee on
 8 Natural Resources of the House
 9 of Representatives.

10 “(iii) SUBSEQUENT FUNDING
 11 AWARDS.—After approval by Congress of
 12 an initial award of preconstruction or con-
 13 struction funding for an eligible desalina-
 14 tion project under clause (ii), the Commis-
 15 sioner of Reclamation may award addi-
 16 tional preconstruction or construction
 17 funding, respectively, for the eligible desali-
 18 nation project without further congres-
 19 sional approval.”.

20 **SEC. 3. PRIORITIZATION FOR PROJECTS.**

21 Section 4 of the Water Desalination Act of 1996 (42
 22 U.S.C. 10301 note; Public Law 104–298) is amended by
 23 striking subsection (c) and inserting the following:

24 “(c) PRIORITIZATION.—In carrying out demonstra-
 25 tion and development activities under this section, the Sec-

1 retary and the Commissioner of Reclamation shall each
2 prioritize projects—

3 “(1) for the benefit of drought-stricken States
4 and communities;

5 “(2) for the benefit of States that have author-
6 ized funding for research and development of desali-
7 nation technologies and projects;

8 “(3) that demonstrably reduce a reliance on im-
9 ported water supplies that have an impact on species
10 listed under the Endangered Species Act of 1973
11 (16 U.S.C. 1531 et seq.);

12 “(4) that, in a measurable and verifiable man-
13 ner, reduce a reliance on imported water supplies
14 from imperiled ecosystems such as the Sacramento-
15 San Joaquin River Delta;

16 “(5) that demonstrably leverage the experience
17 of international partners with considerable expertise
18 in desalination, such as the State of Israel;

19 “(6) that maximize use of renewable energy to
20 power desalination facilities;

21 “(7) that maximize energy efficiency so that the
22 lifecycle energy demands of desalination are mini-
23 mized;

24 “(8) located in regions that have employed
25 strategies to increase water conservation and the

1 capture and recycling of wastewater and stormwater;
2 and

3 “(9) that meet the following criteria if they are
4 ocean desalination facilities—

5 “(A) utilize a subsurface intake or, if a
6 subsurface intake is not technologically feasible,
7 an intake that uses the best available site, de-
8 sign, technology, and mitigation measures to
9 minimize the mortality of all forms of marine
10 life and impacts to coastal dependent resources;

11 “(B) are sited and designed to ensure that
12 the disposal of wastewaters including brine
13 from the desalination process—

14 “(i) are not discharged to impaired
15 bodies of water, or State or Federal Ma-
16 rine Protected Areas; and

17 “(ii) achieve ambient salinity levels
18 within a reasonable distance from the dis-
19 charge point;

20 “(C) are sited, designed, and operated in a
21 manner that maintains indigenous marine life
22 and a healthy and diverse marine community;

23 “(D) do not cause significant unmitigated
24 harm to aquatic life; and

1 “(E) include a construction and operation
2 plan designed to minimize loss of coastal habi-
3 tat as well as aesthetic, noise, and air quality
4 impacts.”.

5 **SEC. 4. RECOMMENDATIONS TO CONGRESS.**

6 In determining project recommendations to Congress
7 under section 4(a)(2)(F)(ii)(II) of the Water Desalination
8 Act of 1996, the Commissioner of Reclamation shall estab-
9 lish a priority scoring system that assigns priority scores
10 to each project evaluated based on the prioritization cri-
11 teria of section 4(c) of the Water Desalination Act of 1996
12 (42 U.S.C. 10301 note; Public Law 104–298).

○



ACTION ITEM
September 1, 2021

TO: Board of Directors

FROM: Robert Hunter, General Manager

Staff Contact: Heather Baez

SUBJECT: H.R. 3684 (DEFAZIO) – INFRASTRUCTURE INVESTMENT AND JOBS ACT

STAFF RECOMMENDATION

Staff recommends the Board of Directors vote to adopt a Support position on H.R. 3684 (DeFazio).

BILL SUMMARY

H.R. 3684, a bipartisan effort, would establish the Infrastructure Development and Jobs Act. It is a comprehensive spending bill that includes \$550 billion over five years, in new federal investments to infrastructure nationwide.

ARGUMENTS IN SUPPORT

While the measure makes significant investments to surface transportation, mass transit, and broadband, it includes \$8.3 billion in additional funding to the Bureau of Reclamation and \$48.4 billion to the EPA to fund water infrastructure projects.

Reclamation: \$8.3 billion over 5 years

- \$3.2 billion for aging infrastructure,
- \$1.15 billion for water storage, groundwater storage and conveyance projects
- (includes \$100 million for small water storage),
- \$1 billion for water recycling and reuse projects (includes \$450 million for large water recycling projects),
- \$250 million for desalination projects,
- \$1 billion for rural water projects,
- \$500 million for dam safety projects,
- \$300 million for Drought Contingency Plan (includes \$50 million for Upper Basin States),
- \$400 million for waterSMART Water and Energy Efficiency Grants (includes

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

- \$100 million for natural infrastructure projects),
- \$100 million for the Cooperative Watershed Management Program,
- \$250 million for Aquatic Ecosystem Restoration Program,
- \$100 million for multi-benefit watershed projects, and
- \$50 million for Colorado River fish species recovery programs.

EPA: \$48.4 billion over 5 years. Water program funding below (additional funding for other programs)

- \$11.713 billion for the Drinking Water State Revolving Fund (SRF). The minimum state match would be 10% in FY22 and FY23 (compared to the normal 20%), and states must award 49% of their funds as grants or full principal forgiveness loans.
- \$11.713 billion for the Clean Water SRF, at the same terms.
- \$15 billion for lead service line replacement projects.
- \$4 billion to address emerging contaminants in drinking water "with a focus on" PFAS. All of these funds must be awarded by states as grants or principal forgiveness loans.
- \$5 billion to help small and disadvantaged communities address emerging drinking water contaminants.
- \$1 billion to help wastewater systems address emerging contaminants.

ARGUMENTS IN OPPOSITION

Earlier versions of the bill had concerning language related to safe drinking water regulations. Orange County Water District specifically requested that Section 13201 of the bill be removed, as it would have repealed section 1412(b)(6) of the Safe Drinking Water Act that provides a balanced approach to establishing new drinking water standards.

Under existing law, the EPA ensures that public health benefits of a new drinking water regulation are reasonably balanced with the compliance costs that water system ratepayers will ultimately incur. Eliminating the current cost-benefit analysis in the development of drinking water standards will burden ratepayers of all income levels with astronomical costs to comply with drinking water standards that far exceed their public health benefits. This language has since been removed.

BOARD OPTIONS

Option #1

- Adopt a support position on H.R. 3684

Fiscal Impact: Potentially millions could be awarded to projects in the region

Business Analysis: This measure could help offset funding for desalination projects in the region, which would reduce reliance on imported water, increasing supply availability for other regions that do not have the capability or infrastructure for desalination.

Option #2

- Take no action

Fiscal Impact: Same as above

Business Analysis: Same as above

STAFF RECOMMENDATION

Option #1

LINKED:

- H.R. 3684 [Full Text](#) (The full text of the bill is 2,702 pages so a link is provided in lieu of being included in the agenda packet.)



Item 3a

To: Board of Directors, *Municipal Water District of Orange County*

From: Natural Resource Results

RE: Monthly Board Report – September 2021

Appropriations

Just before adjourning for the August recess, the Senate Appropriations Committee marked up its fiscal year 2022 Energy and Water bill, which provides funding for the Bureau of Reclamation. Funding highlights include:

- \$40 million to implement the Colorado River Drought Contingency Plan
- \$134 million for the WIIN Act Storage Account
- \$12 million for WIIN Act desalination projects
- \$48 million for WaterSMART
- \$33 million for CALFED
- \$32 million for Title XVI
- \$20 million for WIIN Act Title XVI projects

The report accompanying the Energy and Water bill also include report language on Drought Contingency Plans and the Salton Sea:

Drought Contingency Plans.—The Committee commends Reclamation, the Department of the Interior, and the seven Colorado River Basin states for completing drought contingency plans to conserve water and reduce risks from ongoing drought for the Upper and Lower Colorado River basins. The completion of these plans mark a major milestone in protecting a critical water source in the western United States. The Committee encourages Reclamation to provide sufficient funding for activities that support these plans.

Salton Sea.—The Committee supports the Memorandum of Understanding signed between the Department of the Interior and the California Natural Resources Agency to support management activities at the Salton Sea. The Committee encourages Reclamation to partner with Federal, state, and local agencies and coordinate use of all existing authorities and funding sources to support the State of California’s Salton Sea Management Program and reduce the likelihood of severe health and environmental impacts. Reclamation is directed to brief the Committee within 90 days of the enactment of this act on Reclamation’s plan for managing the air quality impacts of the estimated 8.75 square miles of lands it owns that will emerge from the receding Sea over the next decade.

Lastly, the Bureau of Reclamation formally transmitted a WIIN Act funding request to Congress. This request did not include funding for Doheny as it is our understanding that the project has reached its 25% federal cost share cap.

Infrastructure Negotiations

With the Democratic-led Senate having passed both the \$1 trillion infrastructure bill (on a bipartisan vote) and the larger, \$3.5 trillion “budget resolution” (on a strictly partisan vote) in early August, the action of late has been in the House. Last week the House took a procedural vote to advance both the budget resolution and the bipartisan infrastructure bill. To succeed on the procedural vote, Pelosi cut a deal with 10 moderate Democrats who were demanding a vote on the bipartisan infrastructure bill before voting on the budget resolution. The deal means that the House will vote on the bipartisan infrastructure bill sometime before September 27th.

The budget resolution is the first step in a two-step process—it instructs authorizing committees to increase or decrease the deficit (through more spending or revenue generation), which requires the committees to write separate bills doing so. The separate bills are joined into a giant package and must pass both chambers. This budget resolution has special rules that allow it to move through both chambers with a simple majority vote—crucial in the Senate to avoid filibusters given the 50-50 split. We think, with sizable hesitancy, that Pelosi will find a way to pass the giant package this fall, but we foresee trouble in the Senate (moderate Democratic Senators Manchin and Sinema are not yet on board).

To:	Municipal Water District of Orange County
From:	Syrus Devers, Best Best & Krieger
Date:	September 1st, 2021
Re:	State Legislative Report

The Legislature returned on August 16th without a great deal of progress on Budget Trailer Bills over the Summer Recess, or at least none that the public is privy to. The largest outstanding item is the plan for the Drought and Water Resilience funding. A well-coordinated lobbying effort is wrapping up to advocate for equitable funding for drought relief for Southern California. The funds allotted in the budget so far have gone only to those counties where a drought emergency has been declared, which excludes every county south of Santa Barbara. Although the talking points are all stated in the positive, the underlying message is that Southern California is not in an emergency at this moment because of past investments in conservation and alternative supplies. In other words, don't exclude us just because we did the right thing.

The other ongoing lobbying campaign is to advocate for increased funding for recycling projects. As reported last month, recycling projects received very little funding except for San Diego County. Due to the importance of recycling to Orange County generally, MWDOC and BB&K staff have also been supportive of that effort.

With encouragement from the directors in June, MWDOC and BB&K staff have been reaching out to key Orange County delegation members with the message that a command-and-control style approach to the drought where the state calls for cuts in water use across the board will do more harm than good. Although it has been a mere three years since the Conservation as a Way of Life bill package, it has come as news to some legislators that public water systems have drought contingency plans in place right now and already know how to react to drought conditions. These outreach efforts will continue even after the legislative session concludes on September 10th since there are OC delegation members who were not in office at the time. And because after this drought ends there will be another one in a few years.

The one item that has moved forward is the process for dealing with delinquent water bills. As called for in the natural resources Budget Trailer Bill that was passed in June, The State Water Resources Control Board is surveying water districts to determine the scope of the problem. We also now know how wastewater arrearages will be addressed, which is to wait until January and see if there is any money left over.

These reports over the summer have been shorter than usual because this is still shaping up to be a good year as far as legislative bills are concerned. End of session, however, is sometimes called the "silly



season” due to surprise amendments to bills that were never discussed in policy committees, but BB&K is pleased to say there is nothing to be alarmed about...yet.

Bill Matrix – August 26th, 2021

Prepared by Best Best & Krieger

A. Priority Support/Oppose

Measure	Author	Topic	Status	Location	Brief Summary	Position	Priority	Notes 1
AB 339	Lee D	Local government: open and public meetings.	8/25/2021- Read third time and amended. Ordered to second reading.	8/25/2021- S. SECOND READING	The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. Under existing law, a member of the legislative body who attends a meeting where action is taken in violation of this provision, with the intent to deprive the public of information that the member knows the public is entitled to, is guilty of a crime. This bill would require local agencies to conduct meetings subject to the act consistent with applicable state and federal civil rights laws, as specified.	Support	A. Priority Support/ Oppose	Support position adopted April 7th.
AB 361	Rivas, Robert D	Open meetings: local agencies: teleconferences.	7/15/2021- Read second time. Ordered to third reading.	7/15/2021- S. THIRD READING	Existing law, the Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. This bill, until January 1, 2024, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting during a declared state of emergency, as that term is defined, when state or local health officials have imposed or recommended measures to promote social distancing during a proclaimed state of emergency held for the purpose of determining, by majority vote, whether meeting in person would present imminent risks to the health or safety of attendees, and during a proclaimed state of emergency when the legislative body has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided.	Support	A. Priority Support/ Oppose	Support adopted on March 3rd
AB 377	Rivas,	Water quality:	5/25/2021-F	5/25/2021-	Would require, by January 1, 2023,	Opposition	A.	Oppose

	Robert D	impaired waters.	ailed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/19/2021)(May be acted upon Jan 2022)	A. 2 YEAR	the State Water Resources Control Board and regional boards to prioritize enforcement of all water quality standard violations that are causing or contributing to an exceedance of a water quality standard in a surface water of the state. The bill would require the state board and regional boards, by January 1, 2025, to evaluate impaired state surface waters and report to the Legislature a plan to bring all water segments into attainment by January 1, 2050. The bill would require the state board and regional boards to update the report with a progress summary to the Legislature every 5 years. The bill would create the Waterway Recovery Account in the Waste Discharge Permit Fund and would make moneys in the Waterway Recovery Account available for the state board to expend, upon appropriation by the Legislature, to bring impaired water segments into attainment in accordance with the plan.		Priority Support/ Oppose	position adopted April 7th.
AB 442	Mayes I	Surface Mining and Reclamation Act of 1975: exemption: Metropolitan Water District of Southern California: master reclamation plan.	8/24/2021- Read second time. Ordered to third reading.	8/24/2021- S. THIRD READING	The Surface Mining and Reclamation Act of 1975 prohibits a person, with exceptions, from conducting surface mining operations unless, among other things, a permit is obtained from, a specified reclamation plan is submitted to and approved by, and financial assurances for reclamation have been approved by the lead agency for the operation of the surface mining operation. The act exempts certain activities from the provisions of the act, including, among others, emergency excavations or grading conducted by the Department of Water Resources or the Central Valley Flood Protection Board for the specified purposes; surface mining operations conducted on lands owned or leased, or upon which easements or rights-of-way have been obtained, by the Department of Water Resources for the purpose of the State Water Resources Development System or flood control; and surface mining operations on lands owned or leased, or upon which easements or rights-of-way have been obtained, by the Central Valley Flood Protection Board for the purpose of flood control. This bill would additionally exempt from the provisions of the act emergency excavations or grading conducted by	Support	A. Priority Support/ Oppose	Support adopted on March 3rd.

					the Metropolitan Water District of Southern California (MWD) for its own operations and infrastructure for specified purposes.			
AB 703	Rubio, Blanca D	Open meetings: local agencies: teleconferences.	5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 2/25/2021)(May be acted upon Jan 2021)	5/7/2021-A. 2 YEAR	Current law, by Executive Order N-29-20, suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic, provided that notice requirements are met, the ability of the public to observe and comment is preserved, as specified, and that a local agency permitting teleconferencing have a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified. This bill would remove the notice requirements particular to teleconferencing and would revise the requirements of the act to allow for teleconferencing subject to existing provisions regarding the posting of notice of an agenda, provided that the public is allowed to observe the meeting and address the legislative body directly both in person and remotely via a call-in option or internet-based service option, and that a quorum of members participate in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the jurisdiction.	Support	A. Priority Support/ Oppose	Support adopted on March 3rd.
AB 1195	Garcia, Cristina D	Drinking water.	7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was N.R. & W. on 6/9/2021)(May be acted upon Jan 2022)	7/14/2021-S. 2 YEAR	Current law establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. Current law authorizes the state board to provide for the deposit into the fund of certain moneys and continuously appropriates the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients. This bill would prohibit a public water system from transferring or abandoning a water right held by the public water system except upon approval of the state board, as prescribed.	Oppose unless amended	A. Priority Support/ Oppose	Position adopted May 5th.
AB 1434	Friedman D	Urban water use objectives: indoor residential water use.	5/25/2021-Failed Deadline pursuant to Rule 61(a)(5). (Last location	5/25/2021-A. 2 YEAR	Would establish, beginning January 1, 2023, until January 1, 2025, the standard for indoor residential water use as 48 gallons per capita daily. The bill would establish, beginning January 1, 2025, the standard as 44 gallons per capita daily and, beginning January 1, 2030, 40	Opposition	A. Priority Support/ Oppose	Opposed position adopted April 7th.

			was APPR. on 4/27/2021)(May be acted upon Jan 2022)		gallons per capita daily.			
AB 1500	Garcia, Eduardo D	Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.	5/20/2021-Joint Rule 62(a), file notice suspended. From committee: Do pass and re-refer to Com. on RLS. (Ayes 12. Noes 3.) (May 20). Re-referred to Com. on RLS.	5/20/2021-A. RLS.	Would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$7,080,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.	Out for Analysis	A. Priority Support/ Oppose	Bond intended for Nov. '22 ballot. Will remain "out for analysis" for the near future.
SB 45	Portantino D	Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022.	6/1/2021-Ordered to inactive file on request of Senator Portantino.	6/1/2021-S. INACTIVE FILE	Would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$5,595,000,000 pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program.	Out for Analysis	A. Priority Support/ Oppose	Bond intended for the Nov. '22 ballot.
SB 222	Dodd D	Water Rate Assistance Program.	8/19/2021-August 19 set for first hearing. Placed on suspense file.	8/19/2021-A. APPR. SUSPENSE FILE	Would establish the Water Rate Assistance Fund in the State Treasury to help provide water affordability assistance, for both drinking water and wastewater services, to low-income ratepayers and ratepayers experiencing economic hardship in California. The bill would require the Department of Community Services and Development to develop and administer the Water Rate Assistance Program established by the bill.	Watch	A. Priority Support/ Oppose	Position adopted 2/3/2021
SB 223	Dodd D	Discontinuation of residential water service.	5/25/2021-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/17/2021)(May be acted upon	5/25/2021-S. 2 YEAR	Current law requires an urban and community water system to have a written policy on discontinuation of residential service for nonpayment, including, among other things, specified options for addressing the nonpayment. Current law requires an urban and community water system to provide notice of that policy to customers, as provided. This bill would apply those provisions, on and after July 1, 2022, to a very small community water system, defined as a public	Opposition	A. Priority Support/ Oppose	Oppose position taken on 2/3/2021

			Jan 2022)		water system that supplies water to 200 or fewer service connections used by year long residents.			
SB 230	Portantino D	State Water Resources Control Board: Constituents of Emerging Concern Program.	5/25/2021-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. on 3/15/2021)(May be acted upon Jan 2022)	5/25/2021-S. 2 YEAR	Would require the State Water Resources Control Board to establish, maintain, and direct an ongoing, dedicated program called the Constituents of Emerging Concern Program to assess the state of information and recommend areas for further study on, among other things, the occurrence of constituents of emerging concern (CEC) in drinking water sources and treated drinking water. The bill would require the state board to convene, by an unspecified date, the Science Advisory Panel to review and provide recommendations to the state board on CEC for further action, among other duties. The bill would require the state board to provide an annual report to the Legislature on the ongoing work conducted by the panel.	Support	A. Priority Support/ Oppose	Support position adopted April 7th.
SB 323	Caballero D	Local government: water or sewer service: legal actions.	8/23/2021-Read second time. Ordered to third reading.	8/23/2021-A. THIRD READING	Current law prohibits a local agency from imposing fees for specified purposes, including fees for water or sewer connections, as defined, that exceed the estimated reasonable cost of providing the service for which the fee is charged, unless voter approval is obtained. Existing law provides that a local agency levying a new water or sewer connection fee or increasing a fee must do so by ordinance or resolution. Current law requires, for specified fees, including water or sewer connection fees, any judicial action or proceeding to attack, review, set aside, void, or annul an ordinance, resolution, or motion adopting a new fee or service charge or modifying an existing fee or service charge to be commenced within 120 days of the effective date of the ordinance, resolution, or motion according to specified procedures for validation proceedings. Except as provided, this bill would require any judicial action or proceeding to attack, review, set aside, void, validate, or annul an ordinance, resolution, or motion adopting, modifying, or amending water or sewer service fees or charges adopted after January 1, 2022, to be commenced within 120 days of the effective date or the date of final passage, adoption, or approval of the ordinance, resolution, or motion, whichever is later.	Support	A. Priority Support/ Oppose	Support adopted on March 3rd.

SB 351	Caballero D	Water Innovation Act of 2021.	5/25/2021-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/10/2021)(May be acted upon Jan 2022)	5/25/2021-S. 2 YEAR	Current law establishes the State Water Resources Control Board for the purposes of providing for the orderly and efficient administration of the water resources of the state. This bill, the Water Innovation Act of 2021, would create the Office of Water Innovation at the California Water Commission for the furtherance of new technologies and other innovative approaches in the water sector. The bill would require the office, by December 31, 2023, to take specified measures to advance innovation in the water sector. The bill would make findings and declarations regarding the need for water innovation.	Support	A. Priority Support/ Oppose	Support adopted on March 3rd.
SB 559	Hurtado D	Department of Water Resources: water conveyance systems: Canal Conveyance Capacity Restoration Fund.	8/16/2021-August 19 hearing postponed by committee.	7/1/2021-A. APPR.	Would establish the Canal Conveyance Capacity Restoration Fund in the State Treasury to be administered by the Department of Water Resources. The bill would require all moneys deposited in the fund to be expended, upon appropriation by the Legislature, in support of subsidence repair costs, including environmental planning, permitting, design, and construction and necessary road and bridge upgrades required to accommodate capacity improvements. The bill would require the department to expend from the fund, upon appropriation by the Legislature, specified monetary amounts to restore the capacity of 4 specified water conveyance systems, as prescribed, with 2 of those 4 expenditures being in the form of a grant to the Friant Water Authority and to the San Luis and Delta-Mendota Water Authority. The bill would make operation of these provisions contingent on specified conditions being met. The bill would make these provisions inoperative on July 1, 2030, and would repeal the provisions as of January 1, 2031.	Support	A. Priority Support/ Oppose	Position adopted May 5th.

B. Watch

Measure	Author	Topic	Status	Location	Brief Summary	Position	Priority	Notes 1
AB 11	Ward D	Climate change: regional climate change authorities.	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT.	4/30/2021-A. 2 YEAR	Would require the Strategic Growth Council, by January 1, 2023, to establish up to 12 regional climate change authorities to coordinate climate adaptation and mitigation activities in their regions, and coordinate with other regional climate adaptation authorities, state agencies, and other relevant	Watch	B. Watch	

			RES. on 1/11/2021)(May be acted upon Jan 2022)		stakeholders.			
AB 50	Boerner Horvath D	Climate change: Climate Adaptation Center and Regional Support Network: sea level rise.	4/30/2021-F ailed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 1/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	Current law requires the Natural Resources Agency, in collaboration with the Ocean Protection Council, to create, and update biannually, a Planning for Sea Level Rise Database describing steps being taken throughout the state to prepare for, and adapt to, sea level rise. This bill would establish the Climate Adaptation Center and Regional Support Network in the Ocean Protection Council to provide local governments facing sea level rise challenges with information and scientific expertise necessary to proceed with sea level rise mitigation.	Watch	B. Watch	
AB 51	Quirk D	Climate change: adaptation: regional climate adaptation planning groups: regional climate adaptation plans.	4/30/2021-F ailed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 1/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	Would require the Strategic Growth Council, by July 1, 2022, to establish guidelines for the formation of regional climate adaptation planning groups. The bill would require the council, by July 1, 2023, and in consultation with certain state entities, to develop criteria for the development of regional climate adaptation plans.	Watch	B. Watch	
AB 59	Gabriel D	Mitigation Fee Act: fees: notice and timelines.	4/30/2021-F ailed Deadline pursuant to Rule 61(a)(2). (Last location was L. GOV. on 1/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	Current law authorizes any party to protest the imposition of a fee, dedication, reservation, or other exactions imposed on a development project within 90 or 120 days of the imposition of the fee, as applicable, and specifies procedures for those protests and actions. The Mitigation Fee Act imposes the same requirements on a local agency for a new or increased fee for public facilities. Current law, for specified fees, requires any judicial action or proceeding to attack, review, set aside, void, or annul an ordinance, resolution, or motion adopting a new fee or service charge or modifying an existing fee or service charge to be commenced within 120 days of the effective date of the ordinance, resolution, or motion. Current law also provides that, if an ordinance, resolution, or motion provides for an automatic adjustment in a fee or service charge and the adjustment results in an increase in the fee or service charge, that any action to	Watch	B. Watch	

					attack, review, set aside, void, or annul the increase to be commenced within 120 days of the increase. This bill would increase, for fees and service charges and for fees for specified public facilities, the time for mailing the notice of the time and place of the meeting to at least 45 days before the meeting.			
AB 100	Holden D	Drinking water: endpoint devices: lead content.	8/23/2021-In committee: Referred to suspense file.	8/23/2021-S. APPR. SUSPENSE FILE	The California Safe Drinking Water Act requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Current law prohibits, with certain exceptions, the use of any pipe, pipe or plumbing fitting or fixture, solder, or flux that is not lead free in the installation or repair of any public water system or any plumbing in a facility providing water for human consumption. Current law defines "lead free" for purposes of conveying or dispensing water for human consumption to mean not more than 0.2% lead when used with respect to solder and flux and not more than a weighted average of 0.25% lead when used with respect to the wetted surfaces of pipes and pipe fittings, plumbing fittings, and fixtures. This bill would, commencing January 1, 2023, prohibit a person from manufacturing, and offering for sale in the state, an endpoint device, as defined, that does not meet a certain lead leaching standard. The bill would, commencing July 1, 2023, prohibit a person from introducing into commerce or offering for sale in the state an endpoint device that does not meet that lead leaching standard.	Watch	B. Watch	
SB 1	Atkins D	Coastal resources: sea level rise.	7/14/2021-July 14 set for first hearing. Placed on suspense file.	7/14/2021-A. APPR. SUSPENSE FILE	The California Coastal Act of 1976 establishes the California Coastal Commission and provides for planning and regulation of development in the coastal zone, as defined. The act requires the commission, within 90 days after January 1, 1977, to adopt, after public hearing, procedures for the preparation, submission, approval, appeal, certification, and amendment of a local coastal program, including a common methodology for the preparation of, and the determination of the scope of, the local coastal programs, as provided. This bill would also include, as part of the procedures the commission is required to adopt, recommendations	Watch	B. Watch	

					and guidelines for the identification, assessment, minimization, and mitigation of sea level rise within each local coastal program, as provided. The bill would delete the timeframe specified above by which the commission is required to adopt these procedures.			
SB 273	Hertzberg D	Water quality: municipal wastewater agencies.	8/23/2021-Ordered to special consent calendar.	8/23/2021-S. CONSENT CALENDAR	Would authorize a municipal wastewater agency, as defined, to enter into agreements with entities responsible for stormwater management for the purpose of managing stormwater and dry weather runoff, as defined, to acquire, construct, expand, operate, maintain, and provide facilities for specified purposes relating to managing stormwater and dry weather runoff, and to levy taxes, fees, and charges consistent with the municipal wastewater agency's existing authority in order to fund projects undertaken pursuant to the bill. The bill would require the exercise of any new authority granted under the bill to comply with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. The bill would require a municipal wastewater agency that enters into or amends one of these agreements after January 1, 2022, to file a copy of the agreement or amendment with the local agency formation commission in each county where any part of the municipal wastewater agency's territory is located, but would exempt those agreements and amendments from local agency formation commission approval except as required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.	Watch	B. Watch	
SB 274	Wieckowski D	Local government meetings: agenda and documents.	8/23/2021-Read third time. Passed. (Ayes 60. Noes 0.) Ordered to the Senate.	8/23/2021-S. DESK	The Ralph M. Brown Act requires meetings of the legislative body of a local agency to be open and public and also requires regular and special meetings of the legislative body to be held within the boundaries of the territory over which the local agency exercises jurisdiction, with specified exceptions. Current law authorizes a person to request that a copy of an agenda, or a copy of all the documents constituting the agenda packet, of any meeting of a legislative body be mailed to that person. This bill would require a local agency with an internet website, or its designee, to email a copy of, or website link to, the	Watch	B. Watch	

					agenda or a copy of all the documents constituting the agenda packet if the person requests that the items be delivered by email. If a local agency determines it to be technologically infeasible to send a copy of the documents or a link to a website that contains the documents by email or by other electronic means, the bill would require the legislative body or its designee to send by mail a copy of the agenda or a website link to the agenda and to mail a copy of all other documents constituting the agenda packet, as specified.			
SB 403	Gonzalez D	Drinking water: consolidation.	7/14/2021-July 14 set for first hearing. Placed on suspense file.	7/14/2021-A. APPR. SUSPENSE FILE	The California Safe Drinking Water Act authorizes the State Water Resources Control Board to order consolidation with a receiving water system where a public water system or a state small water system, serving a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water or where a disadvantaged community is substantially reliant on domestic wells that consistently fail to provide an adequate supply of safe drinking water. This bill would revise those consolidation provisions, including, among other revisions, authorizing the state board to also order consolidation where a water system serving a disadvantaged community is an at-risk water system, as defined, or where a disadvantaged community is substantially reliant on at-risk domestic wells, as defined.	Watch	B. Watch	
SB 480	Stern D	Metropolitan Water District of Southern California: rules: inappropriate conduct.	8/19/2021-Ordered to inactive file on request of Assembly Member Arambula.	8/19/2021-A. INACTIVE FILE	The Metropolitan Water District Act provides for the creation of metropolitan water districts and specifies the powers and purposes of a district. The act requires the Metropolitan Water District of Southern California to establish and operate an Office of Ethics and adopt rules relating to internal disclosure, lobbying, conflicts of interest, contracts, campaign contributions, and ethics for application to its board members, officers, and employees. This bill would require the Metropolitan Water District of Southern California to adopt rules relating to inappropriate conduct, as defined, by board members, officers, and employees.	Watch	B. Watch	
SB 526	Min D	Community water systems: lead	4/30/2021-Failed Deadline	4/30/2021-S. 2 YEAR	Current law requires, by July 1, 2020, a community water system with known lead user service lines in	Watch	B. Watch	

		user service lines.	pursuant to Rule 61(a)(2). (Last location was E.Q. on 2/25/2021)(May be acted upon Jan 2022)		use in its distribution system to provide a timeline for replacement of those lines to the State Water Resources Control Board. Current law requires the state board to review and approve an established timeline, and requires, if the state board fails to act within 30 days of the submission of the timeline, the timeline to be deemed approved. Current law authorizes the state board to enforce these requirements, as specified, and a violation is considered a violation of the California Safe Drinking Water Act, subjecting the violator to specified civil and criminal penalties. This bill would, until January 1, 2025, require a community water system to remove or replace the full lead user service line, if the community water system disturbs, removes, or replaces a portion thereof. The bill would apply the above-described enforcement provisions to a violation of the requirements of the bill, thereby creating a state-mandated local program by expanding the scope of crimes under the California Safe Drinking Water Act.			
SB 552	Hertzberg D	Drought planning: small water suppliers: nontransient noncommunity water systems.	8/16/2021-August 19 hearing postponed by committee.	7/1/2021-A. APPR.	Would require small water suppliers, as defined, and nontransient noncommunity water systems that are schools, no later than December 31, 2022, to develop and maintain an abridged Water Shortage Contingency Plan that includes specified drought-planning elements. The bill would require these water systems to report annually specified water supply condition information to the state board through the state board's Electronic Annual Reporting System or other reporting tool, as directed by the state board, and to include water system risk and water shortage information in the water systems' consumer confidence reports, as provided.	Watch	B. Watch	

Total Measures: 27

Total Tracking Forms: 27

Metropolitan Water District of Southern California
State Legislative Matrix
August 16, 2021 – First Year of Legislative Session

Item 3d

Topic	Bill Number Author	Status	Title – Summary	MWD Position	Effects on Metropolitan
Metropolitan-sponsored bills	AB 442 Mayes (I) Sponsor: Metropolitan	Amended 7/12/2021 Senate Appropriations Committee Hearing: 8/23/2021	Surface Mining and Reclamation Act of 1975: exemption: Metropolitan Water District of Southern California: single master reclamation plan Amends the Surface Mining and Reclamation Act of 1975 (SMARA) to prepare a master reclamation plan for emergency excavations or grading on lands owned, leased, or with easements for repairs and maintenance of pipelines, infrastructure, or related transmission systems used to distribute water in Metropolitan's service area.	SPONSOR Based on October 2019 Board Action	Maintaining critical water infrastructure requires coordinated regulatory compliance. Metropolitan is proposing legislation to allow it to develop a master reclamation plan for each surface mining site to consistently administer and enforce SMARA compliance for responding to emergencies and repairing, maintaining, or replacing any pipelines, infrastructure, or related transmission systems used to distribute water in Southern California. The July 12 amendments clarify that the master reclamation plan satisfies all reclamation plan requirements for each individual surface mining site and the role of the State Mining and Geology Board as lead agency for surface mining operations, including the ability to conduct site inspections and collect fees.
Metropolitan-sponsored bills	SB 230 Portantino (D) Sponsors: Metropolitan and the California Municipal Utilities Association (CMUA)	Introduced 1/19/2021 Senate Appropriations Committee Two-year bill	State Water Resources Control Board: Constituents of Emerging Concern Program Seeks to create a statewide program to identify and evaluate Constituents of Emerging Concern (CECs) in drinking water sources.	CO-SPONSOR Based on October 2019 Board Action	Metropolitan and CMUA are co-sponsoring legislation in response to growing public concern about CECs in drinking water. The bill would establish a CEC Drinking Water Program at the State Water Resources Control Board. The program would set up a consistent and science-based approach for assessing the public health and drinking water consequences of CECs, with the

Metropolitan Water District of Southern California
State Legislative Matrix
August 16, 2021 – First Year of Legislative Session

Topic	Bill Number Author	Status	Title – Summary	MWD Position	Effects on Metropolitan
Drinking Water	AB 588 Garcia, E. (D) Sponsors: Association of California Water Agencies California Association of Mutual Water Companies	Amended 3/30/2021 Assembly Environmental Safety & Toxic Materials Two-year bill	California Safe Drinking Water Act: compliance Would allow the State Water Resources Control Board to approve a compliance period of not less than 30 days and no more than 6 months for new primary drinking water standards and would allow an additional 12 months on a case-by- case basis.	SUPPORT Based upon Board-adopted 2021 State Legislative Priorities and Principles	intent to improve knowledge and future regulatory determinations. The bill would create flexibility for water agencies to comply with new primary drinking water standards. Metropolitan supports granting more time to comply if a contaminant requires extensive treatment and capital investments. Large water agencies with adequate resources may be able to comply sooner with new MCLs, but smaller systems may need longer lead times to invest in routine monitoring and treatment. Water agencies granted longer compliance periods would have to report on progress.
Water Quality and Treatment	AB 377 Rivas, R. (D) Sponsor: California Coastkeeper Alliance	Amended 4/13/2021 Two-year bill	Water quality: impaired waters Would require the State Water Resources Control Board and Regional Water Quality Control Boards to evaluate impaired surface waters and report to the Legislature a plan to bring them in to attainment by January 1, 2050. Requires by January 1, 2023 the State Water Board and Regional Boards prioritize enforcement of surface water quality standards and creates the Waterway Recovery Account to provide funding to bring impaired	WATCH Based upon Board-adopted 2021 State Legislative Priorities and Principles	The April 13 amendment substantively revised the bill. The blanket prohibitions on the issuance of new, renewed, or remodified NPDES waivers, waste discharge requirements, and permits with best management practices have been removed. There is still language with provisions pertaining to new enforcement procedures for discharges that are “causing or contributing to an exceedance of water quality standard in a surface water of the state.” However, it is too early to assess how, or if, the State and Regional boards will take enforcement action on low-threat drinking water

Metropolitan Water District of Southern California
State Legislative Matrix
August 16, 2021 – First Year of Legislative Session

Topic	Bill Number Author	Status	Title – Summary	MWD Position	Effects on Metropolitan
			surface water segments into compliance		discharges to bring “all water segments” into attainment by the 2050 target date.
Water Governance and Funding	AB 1195 C. Garcia (D) Sponsor: Author	Amended 5/24/2021 Senate Environmental Quality Committee Two-year bill	Drinking water. Requires the State Water Resources Control Board (State Water Board) to appoint a commissioner to implement the Safe and Affordable Fund for Equity and Resilience Program (SAFER Program) in Southern Los Angeles County.	OPPOSE UNLESS AMENDED Based upon May 2021 Board Action	Seeks to address the needs of public water systems in Southern Los Angeles County struggling to provide safe and affordable retail water. The May 24 amendments limit the role of the commissioner to focus on implementation of the SAFER Program and create a pilot program with Los Angeles County LAFCO to extend service or consolidate struggling systems. Metropolitan is seeking additional amendments to further clarify the role of the commissioner; strike a provision that grants the commissioner the authority to audit public water systems and bypass the public process created by the Legislature; and strike a section that would grant the State Water Board jurisdiction over groundwater rights.
Delta/State Water Project	SB 369 Pan (D) Sponsor: Sacramento Area Flood Control Agency	Amended 6/14/2021 Assembly Appropriations Committee Suspense File	Flood control: Yolo Bypass Cache Slough Partnership Multi-Benefit Program Codifies State recognition and support for the Yolo Bypass Partnership and its efforts to advance coordinated master planning and accelerate restoration activities for	SUPPORT Based upon Board-adopted 2021 State Legislative Priorities and Principles	The 2020 Water Resources Development Act authorized a comprehensive study of the Yolo Bypass and its future role in regional flood control. A state master plan for the Yolo Bypass-Cache Slough would similarly advance multi-benefit restoration projects and encourage state and federal agencies to coordinate regulatory compliance and funding for

Metropolitan Water District of Southern California
State Legislative Matrix
August 16, 2021 – First Year of Legislative Session

Topic	Bill Number Author	Status	Title – Summary	MWD Position	Effects on Metropolitan
			the Yolo Bypass-Cache Slough region.		flood control, water supply, habitat and recreation. The June 14 amendments support work by the city of West Sacramento in collaboration with state and federal agencies.
Delta/State Water Project	SB 626 Dodd (D) Sponsor: Author	Amended 6/21/2021 Assembly Floor	Construction Manager/General Contractor Procurement Method: Department of Water Resources Authorizes the Department of Water Resources (DWR) to use the Construction Manager/General Contractor (CM/GC) procurement method for construction contracts.	SUPPORT Based upon Board-adopted 2021 State Legislative Priorities and Principles	The State Water Contractors (SWCs) fund all State Water Project capital and operations and maintenance (O&M) projects. Projects that use the CM/GC or design build procurement method can begin earlier and take less time because of overlapping design and construction phases. This will reduce the overall cost of capital infrastructure, public safety and habitat restoration projects. The bill requires an annual report to the Legislature regarding the use of these procurement methods and sets a limit of no more than seven projects per procurement method. The June 21 amendments clarify the construction manager/general contractor procurement method process.
Delta/State Water Project	AB 979 Frazier (D) Sponsor: Author	Amended 4/13/2021 Two-year bill	Sacramento-San Joaquin Delta: projects: sea level rise analysis report Requires a local or state agency and private developers undertaking a project in the San Joaquin-	OPPOSE Based upon Board-adopted 2021 State Legislative	The bill as amended on April 13 would apply to Metropolitan as owners of Delta islands and the Department of Water Resources as operator of the State Water Project. A SLR analysis be required using Ocean Protection Council scenarios from a 2018 guidance document including one

Metropolitan Water District of Southern California
State Legislative Matrix
August 16, 2021 – First Year of Legislative Session

Topic	Bill Number Author	Status	Title – Summary	MWD Position	Effects on Metropolitan
			Sacramento Delta to complete and submit to the Delta Stewardship Council, Delta Protection Commission and Legislature a report that analyzes the impact of sea-level rise (SLR) on the project.	Priorities and Principles	projecting a 22 additional feet of rise at the Golden Gate bridge. It could add significant costs and delays to Delta levees or habitat restoration projects including the DCP, an action covered under the Delta Reform Plan. Any updates to the plan already require the Delta Stewardship Council to consider sea level rise.
Water/Energy Nexus	AB 1161 E. Garcia (D) Sponsor: Author	Amended 4/13/2021 Two-year bill	Electricity: eligible renewable energy and zero-carbon resources: state agencies: procurement Requires the Department of Water Resources (DWR) to procure newly eligible renewable energy resources or zero-carbon resources, and associated energy storage, for state agencies to satisfy their 100% renewable energy goals by December 31, 2030.	OPPOSE Based upon Board-adopted 2021 State Legislative Priorities and Principles	SB 100 (DeLeon, 2018) set a state goal for 100% carbon-free resources for all state agencies by 2045. Staff have concerns that this bill misplaces the burden of procuring renewable and carbon-free resources and associated storage onto DWR. Procuring energy for other state agencies is outside DWR's purpose and core expertise. Moreover, accelerating the state's goal of 100% renewable and carbon-free energy resources for all state agencies by 2045 to 2030 could dramatically increase Metropolitan's retail electricity rates above what is mandated by SB 100.
Water Bond Infrastructure Funding	AB 1500 Garcia, E. (D) and Mullin (D) Sponsor:	Amended 5/18/2021	Safe Drinking Water, Wildlife Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022	SUPPORT AND SEEK AMENDMENTS	Would provide funding for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.

Metropolitan Water District of Southern California
State Legislative Matrix
August 16, 2021 – First Year of Legislative Session

Topic	Bill Number Author	Status	Title – Summary	MWD Position	Effects on Metropolitan
	Author	Two-year bill	Places a \$6.995 billion wildfire and water bond on the 2022 ballot for voter approval.	Based upon Board adopted 2021 State Legislative Priorities and Principles and Board action on AB 3256 (Garcia, 2020) 06/09/2020	Metropolitan is seeking amendments to ensure adequate funding for recycled water projects, water quality monitoring and treatment, and subsidence repairs to conveyance infrastructure projects.
Water Bond Infrastructure Funding	SB 45 Portantino (D) Sponsor: Author	Amended 4/8/2021 Two-year bill	Wildfire, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022 Places a \$5.595 billion wildfire and water bond on the 2022 ballot for voter approval.	SUPPORT AND SEEK AMENDMENTS Based upon Board adopted 2021 State Legislative Priorities and Principles and Board action on SB 45 (Allen, 2018) 6/11/19	Would provide funding to restore areas damaged by wildfires, mitigate future wildfires, create healthy forests and watersheds, protect water supplies and water quality, and protect and restore rivers, streams and lakes. Metropolitan is seeking amendments to ensure adequate funding for recycled water projects, water quality monitoring and treatment, and subsidence repairs to conveyance infrastructure projects.
Water Bond Infrastructure Funding	SB 559 Hurtado (D) Sponsors:	Amended 6/14/2021	Department of Water Resources: water conveyance systems: Canal Conveyance Capacity Restoration Fund	SUPPORT Based upon Board adopted 2021 State Legislative	Portions of the California Aqueduct, the Friant Kern Canal and the Delta Mendota Canal have lost capacity due to subsidence. The Fund would upon appropriation provide funding to DWR to support a 10-year program to restore the

Metropolitan Water District of Southern California
State Legislative Matrix
August 16, 2021 – First Year of Legislative Session

Topic	Bill Number Author	Status	Title – Summary	MWD Position	Effects on Metropolitan
	Friant Water Authority, San Luis & Delta Mendota Water Authority, and State Water Contractors	Assembly Appropriations Committee Hearing: 8/19/2021	Establishes the Canal Conveyance Capacity Restoration Fund that would upon appropriation provide up to \$785 million in funding for the Department of Water Resources (DWR) to help pay for subsidence repairs to the State Water Project and Central Valley Project water conveyance systems and for necessary road and bridge upgrades.	Priorities and Principles	capacity of the canals and ensure a more secure water supply. Funds could be used to cover one-third of the cost to restore the capacity of the canals. A federal companion bill is envisioned that would provide one-third the cost and local partners would contribute the remaining one-third of the cost. The creation of the Fund is contingent upon all of the following: an appropriation of funds; an agreement is executed to provide for local cost share; and the provision of adequate cost share as determined by the DWR Director. The June 4 amendments clarify that funding can be through an agreement or other contractual arrangement.
Innovation	SB 351 Caballero (D) Sponsor: California Municipal Utilities Association	Amended 4/20/2021 Two-year bill	Water Innovation Act of 2021 Would create the Office of Water Innovation at the California Water Commission to foster the adoption of new technologies and other innovative approaches in the water sector. Creates the Water Innovation Fund, with monies available upon appropriation, to the Department of Water Resources and State Water Resources Control Board to support water innovation.	SUPPORT Based upon Board adopted 2021 State Legislative Priorities and Principles	The water sector is facing a myriad of challenges from climate change, aging infrastructure, groundwater contamination, subsidence and freshwater ecosystems vulnerable to climate change. Innovative technologies and approaches are needed to ensure a reliable water supply while trying to address the challenges. An Office of Water Innovation could increase collaboration among state agencies on innovative approaches, engage stakeholders, and review regulations that may inhibit

Metropolitan Water District of Southern California
State Legislative Matrix
August 16, 2021 – First Year of Legislative Session

Topic	Bill Number Author	Status	Title – Summary	MWD Position	Effects on Metropolitan
					innovation in order to recommend regulatory reforms.
Governance	AB 361 R. Rivas (D) Sponsor: California Special Districts Association	Amended 7/6/2021 Senate Floor	Open meetings: local agencies: teleconferences Authorizes local agencies to use teleconferencing during state emergencies and when social distancing guidelines have been imposed without complying with physical noticing or quorum requirements under the Ralph M. Brown Act.	SUPPORT Based upon Board Action on 3/9/2021	Codifies Executive Order N-29-20 that allows for teleconferenced public meetings during state emergencies. Metropolitan currently hosts teleconferencing public meetings in accordance with the Executive Order. AB 361 provides statutory clarity allowing Metropolitan to maintain transparency and public participation in public meetings during future state declared emergencies. The July 6 amendments clarify the process for allowing local agencies to conduct teleconferenced meetings during a state emergency without complying with the requirements of the Brown Act. The authorization sunsets January 1, 2024.
Governance	AB 703 B. Rubio (D) Sponsor: Three Valleys Municipal Water District	Amended 04/29/2021 Two-year bill	Open meetings: local agencies: teleconferences Amends the Ralph M. Brown Act to allow a local agency to use teleconferencing and removes certain noticing provisions for each teleconferencing location, requires the local agency to allow all members of the public to observe the meeting and address the legislative	SUPPORT Based upon Board Action on 3/9/2021	Metropolitan currently hosts teleconferencing public meetings in accordance with Executive Order, N-29-20. AB 703 allows the option to hold teleconferenced meetings into the future after the COVID-19 public health emergency is over and the Executive Order is lifted as long as a quorum of the Board's directors participate in person, give notice and post agendas as

**Metropolitan Water District of Southern California
State Legislative Matrix
August 16, 2021 – First Year of Legislative Session**

Topic	Bill Number Author	Status	Title – Summary	MWD Position	Effects on Metropolitan
			body in person and remotely by teleconference or internet option, and requires a quorum of members participate in person from a location noticed in the meeting agenda.		prescribed, and the public can address the Board in person or by teleconference.



DISCUSSION ITEM
September 1, 2021

TO: Board of Directors
FROM: Robert Hunter, General Manager

Staff Contact: Melissa Baum-Haley
Heather Baez

SUBJECT: DISCUSSION OF COLORADO RIVER ISSUES

STAFF RECOMMENDATION

Staff recommends the Board of Directors discuss and file this information.

REPORT

This month we will have a discussion on current Colorado River Issues, highlighting salinity control as well as an explanation of the first Shortage Declaration for the Lower Basin. As part of combined presentation, MWD OC staff has invited Sara Tucker, Partner at Natural Resource Results to provide an overview of the current U.S. Bureau of Reclamation (Reclamation) activities. Additionally, we have invited Bill Hasencamp, manager of Colorado River Resources for the Metropolitan Water District of Southern California. Notably, Mr. Hasencamp is also one of California's representatives to the Colorado River Salinity Control Forum, and serves as its chair.

Colorado River Basin Salinity Control Program Implementation

The Colorado River Basin Salinity Control Forum (Forum), Advisory Council, and Forum Work Group implements the Salinity Control Program. Of note, the Forum implements projects that reduce the salinity concentration of Colorado River water at Metropolitan's intake.

The Forum coordinates salinity control efforts among the states and federal agencies and works with Congress on program authorization and funding. Governors of each state appoint up to three representatives to the Forum, which is managed by an Executive Director. The Advisory Council advises the federal agencies in program administration. As a federal

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

advisory committee, the Advisory Council provides implementation recommendations to the Secretary of the Department of the Interior, the Secretary of the Department of Agriculture, and the Administrator of the Environmental Protection Agency.

Paradox Valley Unit

The Dolores River is showing the negative impacts associated with the continued shutdown of the existing Paradox Valley Unit (PVU) brine injection well. High salinity brine has concentrated in the Dolores River under the current low flow conditions. In June 2021, the salt load in the Dolores River was approximately 200 tons per day with an extremely low flow of less than 10 cubic feet per second. Reclamation reported that it will likely not restart the existing brine injection well until after completion of a seismic risk and hazard assessment, which could continue through the end of 2023. Reclamation has selected a firm to evaluate potential effects of the extended shut down of the brine injection well and to provide recommendations to prevent further degradation if degradation has occurred.

Reclamation's Upper Colorado Basin Regional Director, Wayne Pullan, provided a summary of potential long-term options for the Salinity Control Program under consideration given the existing brine injection well shut down. Options under consideration include revisiting a landfill option for extracted brine, new public-private partnerships, expansion of the Basinwide program for off-farm salinity control projects in the Upper Basin, and consideration of new salt control projects for other point sources such as Pah Tempe Springs located in Utah.

Annual Operating Plan Consultation for 2022 – Shortage Declaration

Each year Reclamation prepares an Annual Operating Plan for Colorado River reservoirs (AOP) that reports on operations of the Colorado River reservoirs during the past year, and project operations and releases for the current year based on current and projected reservoir elevations and hydrologic conditions throughout the basin. Based on current and projected conditions, the Secretary of the Interior made the first Shortage Declaration for the Lower Basin with the issue of the August 24-Month Study on August 16, 2021.

The Shortage Declaration will trigger reductions in the amount of water that may be diverted by Arizona and Nevada. California does not take shortages. The Shortage Declaration will also trigger water savings contributions pursuant to Minute 323.

Projected 2022 Operations show that Lake Powell will be in the Mid-Elevation Release Tier, resulting in a 7.48 million acre-feet release from Glen Canyon Dam. Intentionally Created Surplus may be created or delivered, so that Metropolitan can fill the Colorado River Aqueduct if needed in 2022. Due to the shortage, accumulation of inadvertent overruns will be suspended. Developed shortage supply may be created and delivered in calendar year 2022. The final AOP consultation meeting is scheduled on August 31, 2021.

August 24-Month Study Report

Pursuant to the 2007 Interim Guidelines, the August 2021 24-Month Study projections for January 1, 2022, system storage and reservoir water surface elevations are utilized in determining the operational tiers for the coordinated operations of Lakes Powell and Mead during 2022. The August 2021 24-Month Study also sets operational targets for Lake Mead operations pursuant to the Lower Basin Drought Contingency Plan (DCP) Agreement and Minute No. 323.

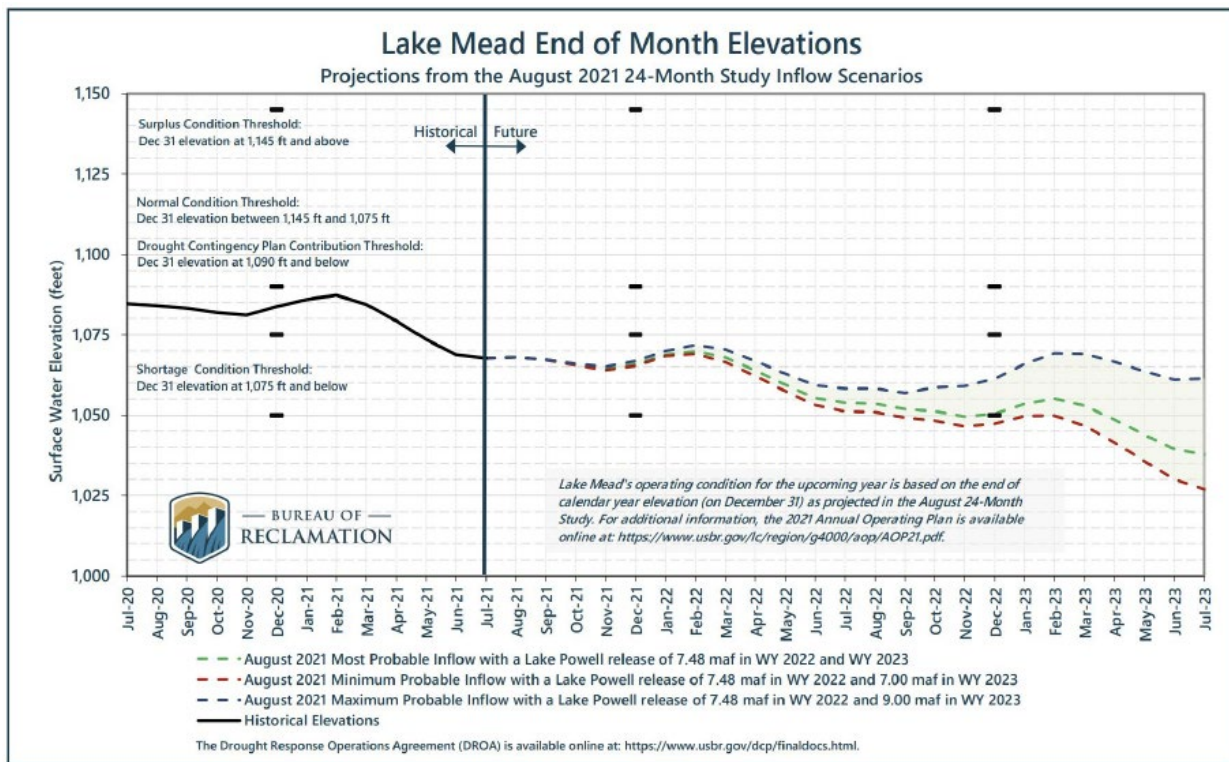
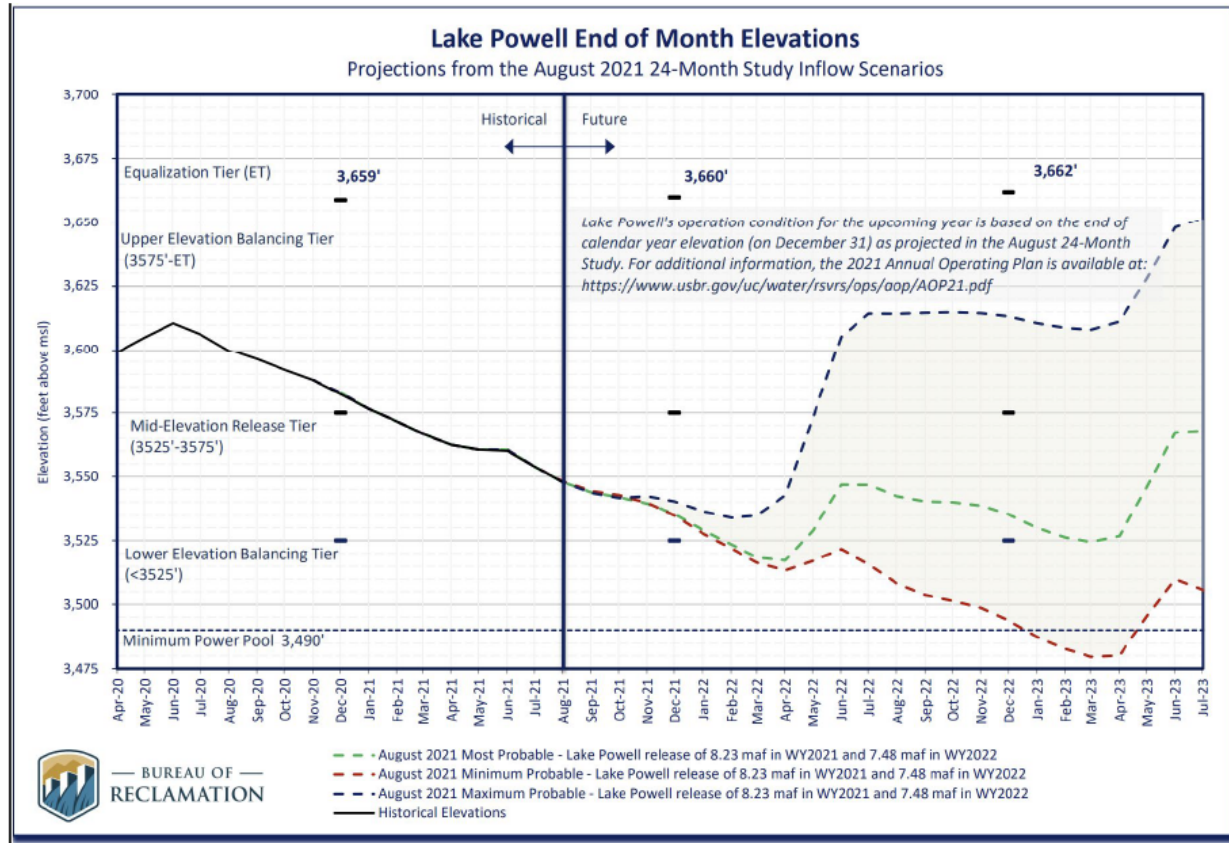
The study projects Lake Powell's January 1, 2022, elevation to be 3,535.40 feet. This elevation is about 165 feet below full pool elevation of 3,700 feet, and is approximately 45 feet above the minimum power pool elevation of about 3,490 feet. Based on this projection, Lake Powell will operate in the Mid-Elevation Release Tier in water year 2022. Under this tier, Lake Powell will release 7.48 million acre-feet in Water Year-2022 without the potential for a mid-year adjustment in April 2022. In July 2021, supplementary drought operations to protect Lake Powell from going below elevation 3,525 feet were implemented under the Upper Basin Drought Response Operations Agreement (DROA) which project releasing up to an additional 181,000- acre-feet of water from upstream initial units of the Colorado River Storage Project to Lake Powell between July and December 2021. Specifically, these releases will be made from Flaming Gorge Reservoir, Aspinall Unit, and Navajo Reservoir during the July-December timeframe.

The study projects Lake Mead's January 1, 2022, elevation to be 1,065.85 feet, which is about feet below the Lower Basin shortage determination trigger of 1,075 feet and about 24 feet below the drought contingency plan initial trigger of 1,090 feet. Based on this projection, Lake Mead will operate in a Level 1 Shortage Condition for the first time ever. The required shortage reductions and water savings contributions under the 2007 Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations of Lake Powell and Lake Mead, 2019 Lower Basin Drought Contingency Plan, and Minute No. 323 to the 1944 Water Treaty with Mexico are:

- Arizona: 512,000 acre-feet, which is approximately 18% of the state's annual apportionment;
- Nevada: 21,000 acre-feet, which is 7% of the state's annual apportionment; and
- Mexico: 80,000 acre-feet, which is approximately 5% of the country's annual allotment.

Additionally, the August 2021 Minimum Probable 24-Month Study projects Lake Mead's elevation to be below 1,030 feet (1,026.96 feet) in July 2023. Consistent with Section V.B.2. of the Lower Basin Drought Contingency Operations Agreement, "if any 24-Month Study for the minimum probable inflows projects that Lake Mead elevations will be at or below 1,030 feet anytime within the succeeding two years, the Secretary and Lower Division States shall consult and determine what additional measures will be taken by the Secretary and Lower Division States to avoid and protect against the potential for Lake Mead to decline below 1,020 feet."

Reclamation's press release on the August 2021 24-Month study roll-out is available at <https://www.usbr.gov/newsroom/#!/news-release/3950> and is attached to this report. Additionally, Reclamation held a press event, which included statements from Reclamation Deputy Commissioner Camille Touton, Assistant Secretary for Water and Science Tanya Trujillo, Upper Colorado Basin Region Director Wayne Pullan, Lower Colorado Basin Region Director Jacklynn Gould, and statements from several Basin States principals, including California Colorado River Board Chair Peter Nelson.





DISCUSSION ITEM
September 1, 2021

TO: Board of Directors

**FROM: Robert Hunter,
General Manager**

Staff Contact: Melissa Baum-Haley

**SUBJECT: METROPOLITAN WATER DISTRICT (MET) ITEMS CRITICAL TO ORANGE
COUNTY**

STAFF RECOMMENDATION

Staff recommends the Board of Directors to review and discuss this information.

DETAILED REPORT

This report provides a brief update on the current status of the following key MET issues that may affect Orange County:

- a. MET's Finance and Rate Issues
- b. MET'S Review of Equal Employment Opportunity Policies and Practices
- c. MET's Integrated Resources Plan Update
- d. MET's Water Supply Conditions
- e. Colorado River Issues
- f. Delta Conveyance Activities and State Water Project Issues

ISSUE BRIEF #A

SUBJECT: MET Finance and Rate Issues

RECENT ACTIVITY

Current Update

Water Transactions for June 2021 totaled 153.8 thousand acre-feet (TAF), which was 7.6 TAF higher than the budget of 146.2 TAF. This translates to \$139.9 million in revenues for June 2021, which were \$9.2 million lower than the budget of \$149.1 million.

Year-to-date water transactions through June 2021 were 1,574.0 TAF, which was 26.0 TAF lower than the budget of 1,600.0 TAF. Year-to-date water transactions through June 2021 were \$1,404.7 million, which were \$39.8 million lower than the budget of \$1,444.5 million.

On June 4, 2021, TD Bank, N.A., replaced the existing Standby Bond Purchase Agreement (SBPA) for the \$82,905,000, Special Variable Rate Water Revenue Refunding Bonds, 2016 Series B-1 and B-2, and the \$90,070,000, Special Variable Rate Water Revenue Refunding Bonds, 2018 Series A-1 and A-2 ("The Bonds"). On June 4, 2021, TD Securities (USA) LLC, will be the remarketing agent for The Bonds.

On June 16, 2021, Metropolitan issued, \$221,600,000, Variable Rate Subordinate Water Revenue Refunding Bonds, 2021 Series A (Federally Taxable). Bond proceeds refunded the \$175,000,000, Subordinate Water Revenue Bonds, 2016 Authorization, Series A; \$46,800,000, Short-Term Revenue Refunding Certificates, 2019 Series A; and funded costs of issuance. The 2021 Series A bonds will be supported by an SBPA with Bank of America (BofA), N.A., and BofA Securities will serve as remarketing agent for the bonds.

On June 30, 2021, Metropolitan issued, \$35,645,000, Index Notes (Taxable and New Money), Subseries B-3, ("the Index Notes"), evidencing a \$35,645,000 draw made by Metropolitan under the RBC Short-Term Revolving Credit Facility, for purposes of refunding \$35,645,000, Subordinate Water Revenue Refunding Bonds, 2017 Series B, callable on July 1, 2021. The Index Notes mature on June 29, 2022 but are expected to be refunded from proceeds of the Water Revenue Refunding Bonds, 2021 Series B, to be issued in July 2021.

Metropolitan staff prudently manages the investment of Metropolitan's funds in accordance with policy guidelines and liquidity considerations. As of June 30, 2021, Metropolitan's investment portfolio balance was \$1,476.9 million.

ISSUE BRIEF #B**SUBJECT: MET Review of Equal Employment Opportunity Policies and Practices****RECENT ACTIVITY**

In December 2020, the Shaw Law Group (Firm) began a board-directed independent review of allegations of systemic Equal Employment Opportunity-related discrimination, harassment, and retaliation, and related concerns. In July 2021, the Firm presented its observations and recommendations during a special meeting of the Organization, Personnel and Technology (OP&T) Committee. This agenda item allows directors to discuss the Firm's recommendations, adopt the Firm's recommendations as proposed or with modifications, and direct Metropolitan staff to implement any recommendations accepted by the Board.

On August 17, the Metropolitan Board approved having the Equal Employment Opportunity (EEO) Officer report to the General Manager and having the EEO Officer and General Manager develop a Shaw Report implementation program and budget for review and approval by the OP&T Committee and Board and report monthly to the OP&T Committee on implementation progress; and authorized an increase in the maximum amount payable to the Shaw Law Group by \$25,000, to a maximum payable of \$575,000.

Attachment: August 17 Metropolitan Board Letter



- Board of Directors
Organization, Personnel and Technology Committee

8/17/2021 Board Meeting

8-1

Subject

Discussion of recommendations from Shaw Law Group's independent review of allegations of systemic Equal Employment Opportunity-related discrimination, harassment and retaliation, and related concerns; adopt recommendations as presented or with modifications and direct General Manager to implement the recommendations; authorize an increase in the maximum amount payable under contract with Shaw Law Group by \$25,000 to an amount not-to-exceed \$575,000 for follow-up requests; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

In December 2020, Shaw Law Group (Firm) began a board-directed independent review of allegations of systemic Equal Employment Opportunity-related discrimination, harassment, and retaliation, and related concerns. In July 2021, the Firm presented its observations and recommendations during a special meeting of the Organization, Personnel and Technology (OP&T) Committee. This agenda item allows directors to discuss the Firm's recommendations, adopt the Firm's recommendations as proposed or with modifications, and direct staff to implement any recommendations accepted by the Board. Furthermore, this item requests authorization for an additional \$25,000 in the Firm's contract for any work necessary to resolve four separate investigations.

Details

Background

In November 2020, the Board of Directors authorized and directed the Ethics Officer to engage an outside counsel to perform an independent review of allegations of systemic Equal Employment Opportunity-related (EEO) discrimination, harassment, and retaliation and related concerns. In December 2020, the Ethics Officer executed a contract with the Firm to perform the review.

Under the initial board authorization, the scope of work for the Firm included a review of the following areas:

- How EEO-related discrimination, harassment, and retaliation claims are handled by senior management, human resources staff, legal department, and other levels of management, including examination of processes utilized in cases reported by claimants during Metropolitan Board and Committee meetings throughout 2020.
- Effectiveness of processes related to the Diversity, Equity, and Inclusion (DE&I) Council, including confidential interviews of participants.
- Conducting climate assessments on issues including but not limited to the degree of employees' fear of reprisal for reporting violations.
- Compliance with best practices in these and related areas.
- Level of Board of Directors oversight of issues and concerns related to:
 - Diversity, Equity, and Inclusion.
 - Handling of EEO-related complaints.

- Fairness and favoritism in employment practices.

In July 2021, the Firm completed its independent review and presented its report of observations and recommendations at the July 27, 2021 special meeting of the OP&T Committee.

Shaw Law Group's Recommendations

At the July 27, 2021 meeting, directors provided preliminary feedback on the Firm's report. However, there was insufficient time to fully discuss the Firm's recommendations. This item allows for further discussion of the recommendations.

The Firm proposed over 45 recommendations. The recommendations are attached in full and summarized below. **Attachment 1** is a list of all the Firm's recommendations. **Attachment 2** includes relevant pages from the Firm's report detailing the recommendations and the reasoning for them.

The Firm's primary recommendations are as follows:

1. Elevate the EEO Office to an independent department reporting to the Board of Directors (including hiring an EEO Officer) and eliminate the Legal Department's direct involvement in most EEO investigations.
2. Create three additional internal EEO investigator positions.
3. Create a DE&I Manager position to be filled by an individual with prior DE&I experience to create a DE&I Office, lead the DE&I Council, and guide Council members and Metropolitan Leadership to identify and implement best practices.
4. Create additional positions in the Training Unit and Employee Relations to ensure both areas are properly staffed and resourced.
5. Designate a committee and allocate funds for Metropolitan to implement the recommendations detailed in the Report.

In addition, the Firm made recommendations about the Board's oversight role, including requiring staff to report additional quantitative data to the OP&T Committee about EEO issues, carefully evaluating EEO-related information provided by leadership, providing support and resources to resolve EEO issues, modeling professionalism and respectful behavior, and conducting an annual employee survey for at least five years to evaluate Metropolitan's progress on implementing the recommendations and the effectiveness of those recommendations.

Directors may choose to discuss any of the Firm's recommendations, including any not listed above. In the Firm's view, the five primary recommendations are foundational to its other recommendations; all are designed to align Metropolitan with best practices (e.g., Executive Leadership should visit field locations on a regular basis; Metropolitan should create a new hotline for anonymous reporting of EEO issues). If the five recommendations above are adopted, the qualified personnel hired to fill these positions would have the expertise and responsibility for implementing best practices and operational recommendations.

Resolution of Four EEO Investigations Conducted by Shaw Law Group

After the Firm's independent review began, allegations surfaced of retaliation and other misconduct related to matters under the Firm's review. There was consensus that four EEO complaints required investigation outside of Metropolitan's standard internal EEO process. Accordingly, another attorney at the Firm conducted the investigations through separate task orders under the Firm's contract.

This attorney has completed the four EEO investigations, reached factual findings, and submitted investigation reports. The final phase in resolving these four matters, to be handled by the Shaw Law Group, involves determining whether any violations of Metropolitan policy occurred. To complete this final step in the four EEO investigations, the Ethics Officer requests authorization to increase the maximum amount payable under the existing contract by \$25,000 to a maximum amount payable of \$575,000.

Policy

Administrative Code Section 11104: Delegation of Responsibilities

California Environmental Quality Act (CEQA)

CEQA determinations for Options #1 and #2:

The proposed actions are not defined as a project under CEQA because they involve continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines); the creation of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State of CEQA Guidelines); and organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment (Section 15378(b)(5) of the State of CEQA Guidelines). Additionally, where it can be seen with certainty that there is no possibility that the proposed actions may have a significant impact on the environment, those actions are not subject to CEQA pursuant to Section 15061(b)(3) of the State CEQA Guidelines.

CEQA determination for Option #3:

None required

Board Options

Option #1

Direct staff to implement each of the recommendations in **Attachment 1**; and authorize an increase in the maximum amount payable to the Shaw Law Group by \$25,000, to a maximum amount payable of \$575,000.

Fiscal Impact: An additional increase in expenditure for professional services by \$25,000 to an amount not to exceed \$575,000. These funds not previously budgeted will have an impact on the Ethics Office's overall budget.

Business Analysis: Support implementation of recommendations and improvements regarding Metropolitan's EEO-related policies and practices

Option #2

Direct staff to implement the recommendations in **Attachment 1** with modifications; and authorize an increase in the maximum amount payable to the Shaw Law Group by \$25,000, to a maximum amount payable of \$575,000.

Fiscal Impact: An additional increase in expenditure for professional services by \$25,000 to an amount not to exceed \$575,000. These funds not previously budgeted will have an impact on the Ethics Office's overall budget.

Business Analysis: Support implementation of recommendations and improvements regarding Metropolitan's EEO-related policies and practices

Option #3

Do not adopt Shaw Law Group recommendations, direct staff to implement recommendations, or authorize an increase in the maximum amount payable under this contract.

Fiscal Impact: Not applicable

Business Analysis: Inaction will delay implementation of recommendations and improvements regarding Metropolitan's EEO-related policies and practices and the resolution of four EEO investigations.

ISSUE BRIEF #C

SUBJECT: MET Integrated Resources Plan Update

RECENT ACTIVITY

The next Integrated Water Resources Plan (IRP) Committee meeting will be held on September 28.

Upcoming steps will include Metropolitan staff working with Member Agencies to develop portfolio action options. The proposed portfolios (Supply Categories and Elements) and a draft Adaptive Management Plan is anticipated to return to the Board for feedback in September. This Board feedback and policy discussion will help to refine the portfolio actions and the Adaptive Management Plan.

Below is the current proposed schedule:

Month	Member Agency Collaboration	IRP Board Committee
JUL	<ul style="list-style-type: none"> • Portfolio Approach 	<ul style="list-style-type: none"> • Portfolio Approach
AUG	<ul style="list-style-type: none"> • Determine Portfolio Actions Mix of Supply Categories and Elements • Identify Signposts Adaptive Management Strategy 	
SEP	<ul style="list-style-type: none"> • Draft Adaptive Management Plan Mix of Supply Categories and Elements 	<ul style="list-style-type: none"> • Portfolio Recommendation Discuss Policy implications • Review of Adaptive Management Strategy Feedback on approach
	Public Workshop – Focus on Portfolios	
OCT	<ul style="list-style-type: none"> • Follow-up Items As needed 	<ul style="list-style-type: none"> • Finalize Portfolios and Adaptive Management Strategy
NOV	<ul style="list-style-type: none"> • Review Draft IRP 	<ul style="list-style-type: none"> • Review Draft IRP
DEC		<ul style="list-style-type: none"> • Adopt IRP

At the July 27 Integrated Water Resources Plan (IRP) Committee meeting, the Metropolitan staff presentation reviewed the key scenario assumption refinements and began discussion on the portfolio planning approach.

Key Scenario Assumptions

The scenario assumptions were refined through the interactions with the expert panels and Member Agency technical feedback. The gap analyses and subsequent portfolios will be based on the refined input assumptions. The key scenario assumption refinements are noted below:

PRELIMINARY	REFINED
<ul style="list-style-type: none"> Climate migration support for high growth Generalized rebound assumptions Approximated scenario driver impacts to local supplies using economic conditions and professional judgement Imported supply assumptions used recent USBR/DWR modeling with scenario considerations 	<ul style="list-style-type: none"> CCSCE's demographic forecasts Rebound is a result of driver impacts: structural and behavioral Incorporated feedback from climate change experts and member agency engagement groups for local supplies Utilized expert input to identify climate impacts on imported watersheds

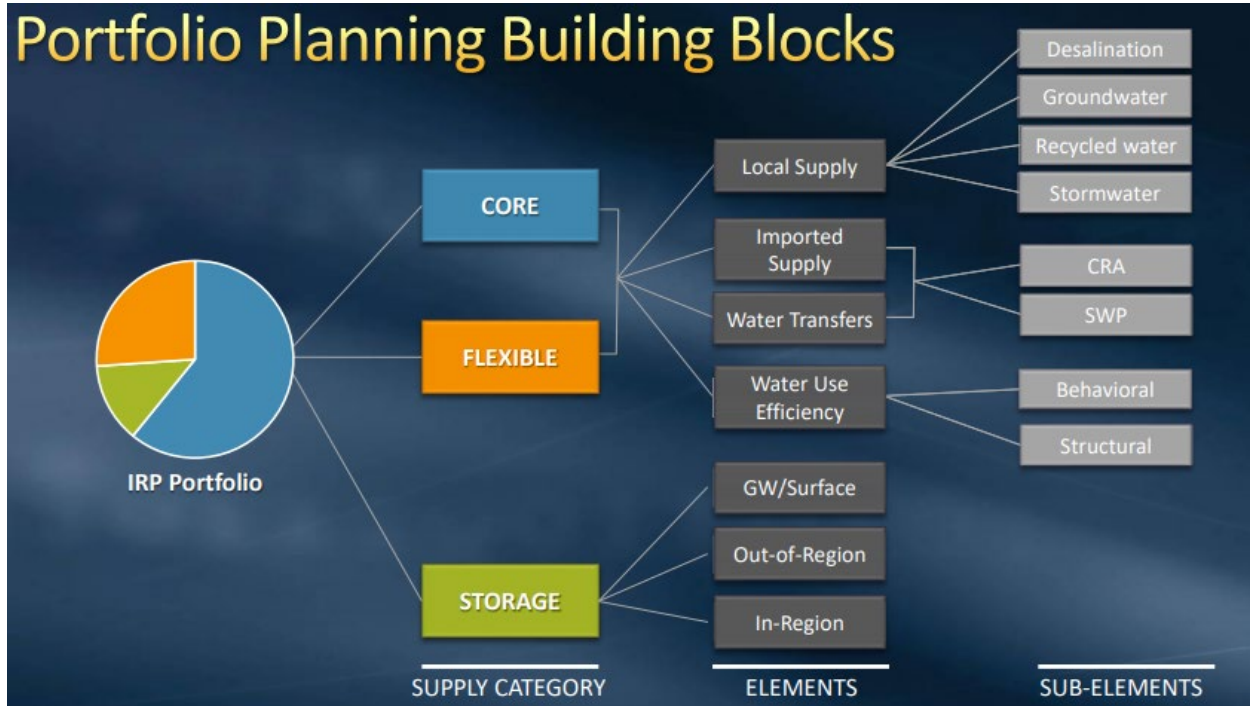
Portfolio Planning

The portfolio planning approach begins with the assessment of categories of investments at a high level. A portfolio is the result of a set of investments and actions to meet given objectives over a period of time. It consists of existing supplies and programs, and future investments or actions. For the 2020 IRP, water reliability has been identified as a primary goal, and the time frame is 25 years to 2045.

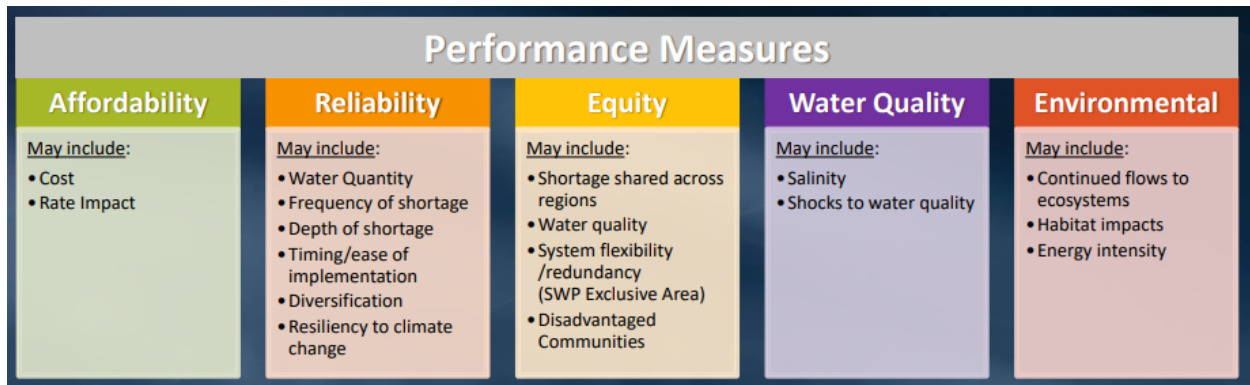
Three portfolio planning categories are identified: Core Supply, Flexible Supply, and Storage. A *core supply* is generally available and used every year to meet demands under normal conditions. It has a high level of reliability and value if used often, otherwise it is expensive. A *flexible supply* is implemented on an as-needed basis and may or may not be available for use each year. It would be considered expensive if used too much or too often, resulting in better value if only used occasionally. *Storage* is the capability to save water supplies to meet demands at a later time. It is the means to convert a core supply into a flexible supply, thereby evening out variability in supply and demand. The portfolio planning categories can be broken into building blocks as illustrated below.

Additionally, a successful portfolio will address reliability challenges, such as areas of the system that are constrained to only State Water Project water, and may need a combination of all three categories.

The portfolio modeling incorporates Metropolitan's Water Surplus and Drought Management (WSDM) Plan, taking into account the programs, facilities, and operations that are currently in place. Considerations include: WSDM actions; put and take capabilities; total storage capacities; and distribution system constraints such as area only served by SWP water.



The portfolio building approach will first identify the desired supply category mix for each scenario and iteratively test the supply category mix to confirm that it addresses the reliability goal. Next, elements and sub-element within each supply category will be decided on. Finally, the portfolios will be evaluated based on set performance measures. Performance measures can pertain to evaluating portfolios and future specific actions.



More information and background on Metropolitan's IRP can be found at:
<http://www.mwdwatertomorrow.com/IRP/index.html>

ISSUE BRIEF #D

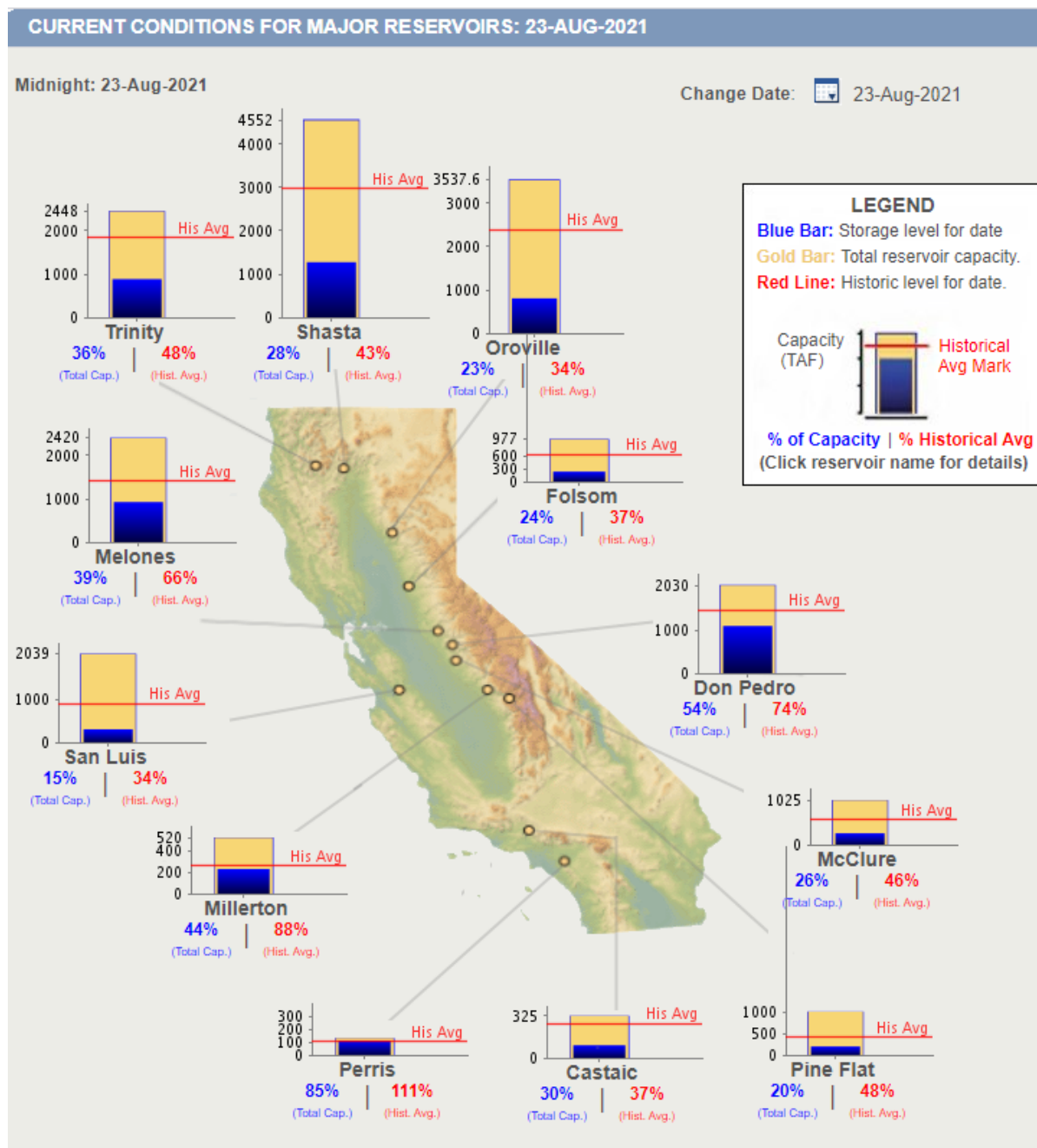
SUBJECT: MET's Water Supply Conditions

RECENT ACTIVITY

The 2020-21 Water Year (2020-21 WY) officially started on October 1, 2020. Thus far, the Northern California accumulated precipitation (8-Station Index) is reporting **23.2 inches or 47% of normal** as of August 23rd. For 2020-21 WY, the Northern Sierra Snow Water Equivalent peaked at **20.2 inches on March 24th**, which is **71% of normal** for that day. Due to the below average precipitation/snowfall in 2020-21 WY, the Department of Water Resources (DWR) has set the State Water Project (SWP) **"Table A" allocation at 5%**. This allocation provides Metropolitan with approximately **96,575 AF in SWP deliveries this water year**. DWR's SWP Allocation considers several factors including existing storage in SWP, conservation reservoirs, SWP operational regulatory constraints, and the 2021 contractor demands. A Table A allocation of 5% is tied for the lowest allocation dating back to 1968. The last time DWR had a Table A Allocation of 5% was in 2014.

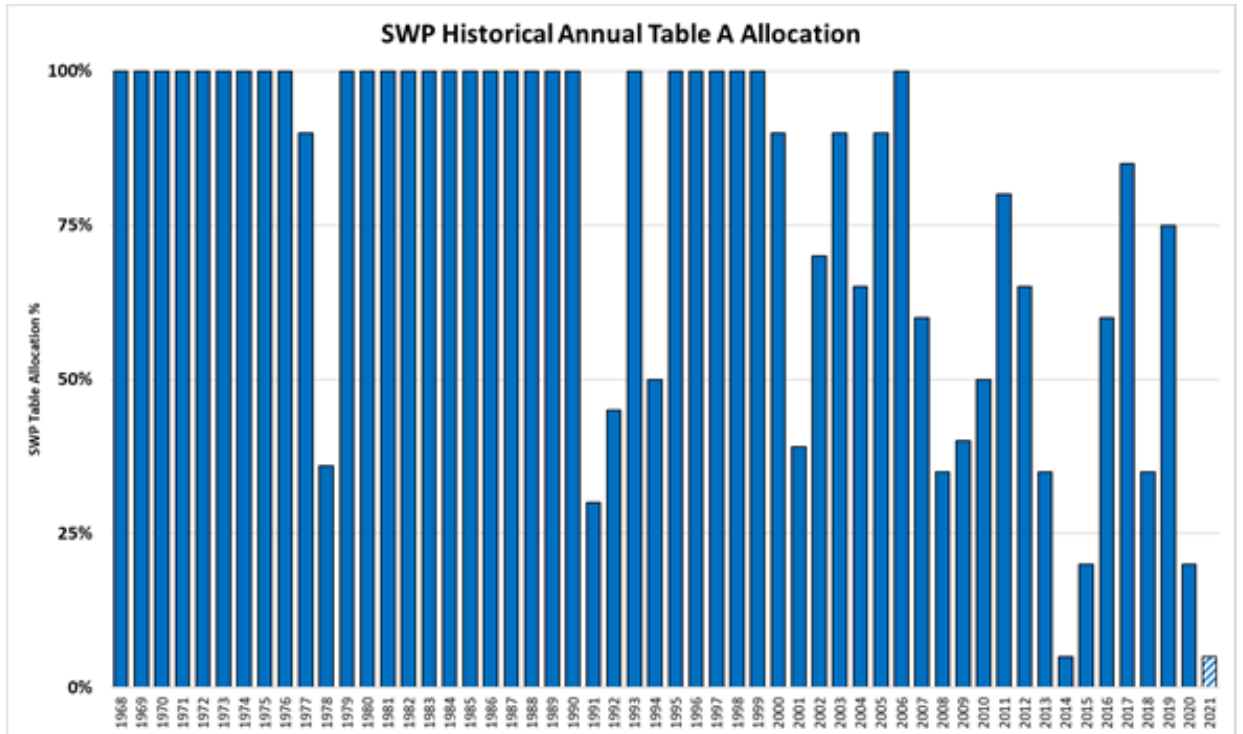
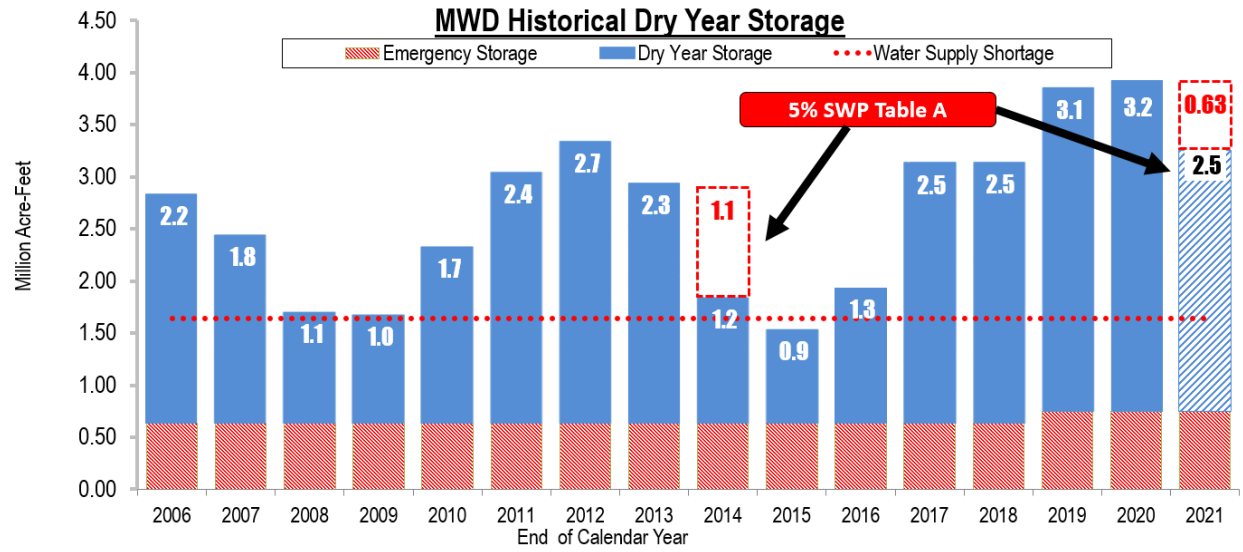
The Upper Colorado River Basin accumulated precipitation is reporting **23.6 inches or 82% of normal as of August 23rd**. On the Colorado River system, snowpack is measured across four states in the Upper Colorado River Basin. The Upper Colorado River Basin Snow Water Equivalent was reporting **16.4 inches as of April 1st**, which is **86% of normal** for that day. Due to the below average precipitation/snowfall in 2020-21 WY, the United States Bureau of Reclamation **declared a shortage at Lake Mead starting January 1st, 2022**. There is and a 97% chance of shortage continuing in 2023.

As of August 23rd Lake Oroville storage is at **23% of total capacity and 34% of normal**. As of August 23rd San Luis Reservoir has a current volume of **15% of the reservoir's total capacity and is 34% of normal**.



With estimated total demands and losses of 1.78 million acre-feet (MAF) and with a 5% SWP Table A Allocation, Metropolitan is projecting that demands will exceed supply levels in Calendar Year (CY) 2021. Based on this, estimated total dry-year storage for Metropolitan at the end of **CY 2021 will go down to approximately 2.5 MAF.**

A projected dry-year storage supply of **2.5 MAF will be the fourth highest amount for Metropolitan, a very impressive accomplishment given that the last two years have been exceptionally dry in Northern California.** A large factor in maintaining a high water storage level are lower than expected water demands. We are seeing regional water demands reaching a 38-year low.



Attachment: Water Supply Conditions Presentation



Water Supply Conditions

Kevin Hostert, Water Resources Analyst
Municipal Water District of Orange County

September 1st 2021



Regional Weather and Water Supply Conditions

Insight to regional weather conditions that affect California's water supply

California Drought Monitor

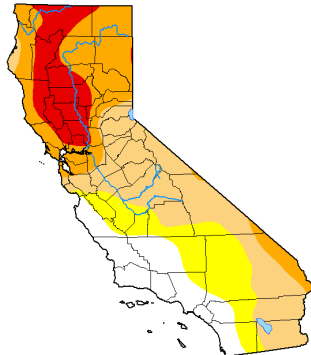
October 2020 = 68% Moderate Drought (D1) in California

October 2020 = 36% Severe to Extreme Drought (D2 to D3) in California

August 2021 = 100% Moderate Drought (D1) in California

August 2021 = 96% Severe to Exceptional Drought (D2 to D4) in California. 88% in Extreme Drought and 48.9% in Exceptional Drought

U.S. Drought Monitor
California



October 20, 2020
(Released Thursday, Oct. 22, 2020)
Valid 8 a.m. EDT

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	15.40	84.60	87.54	35.61	12.74	0.00
Last Week	15.40	84.60	87.54	35.61	12.74	0.00
3 Month Ago	40.34	59.66	48.21	21.59	3.04	0.00
Start of Calendar Year	95.43	3.57	0.00	0.00	0.00	0.00
Start of Water Year	15.35	84.65	87.65	35.62	12.74	0.00
One Year Ago	82.28	17.74	2.95	0.00	0.00	0.00

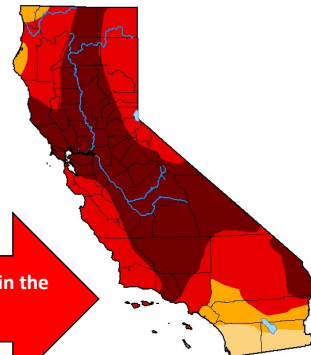
Intensity:
None
D0 Abnormally Dry
D1 Moderate Drought
D2 Severe Drought
D3 Extreme Drought
D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, visit <https://droughtmonitor.unl.edu/about.aspx>.

Drought Conditions Strengthen in the 2020-21 "Wet Season"

droughtmonitor.unl.edu

California



(Released Thursday, Aug. 19, 2021)
Valid 8 a.m. EDT

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	0.00	100.00	100.00	95.58	88.37	48.97
Last Week	0.00	100.00	100.00	95.07	88.37	47.10
3 Month Ago	0.00	100.00	100.00	94.31	73.33	15.61
Start of Calendar Year	0.00	100.00	98.17	74.34	33.75	1.19
Start of Water Year	15.35	84.65	87.65	35.62	12.74	0.00
One Year Ago	28.55	79.45	54.22	21.72	3.04	0.00

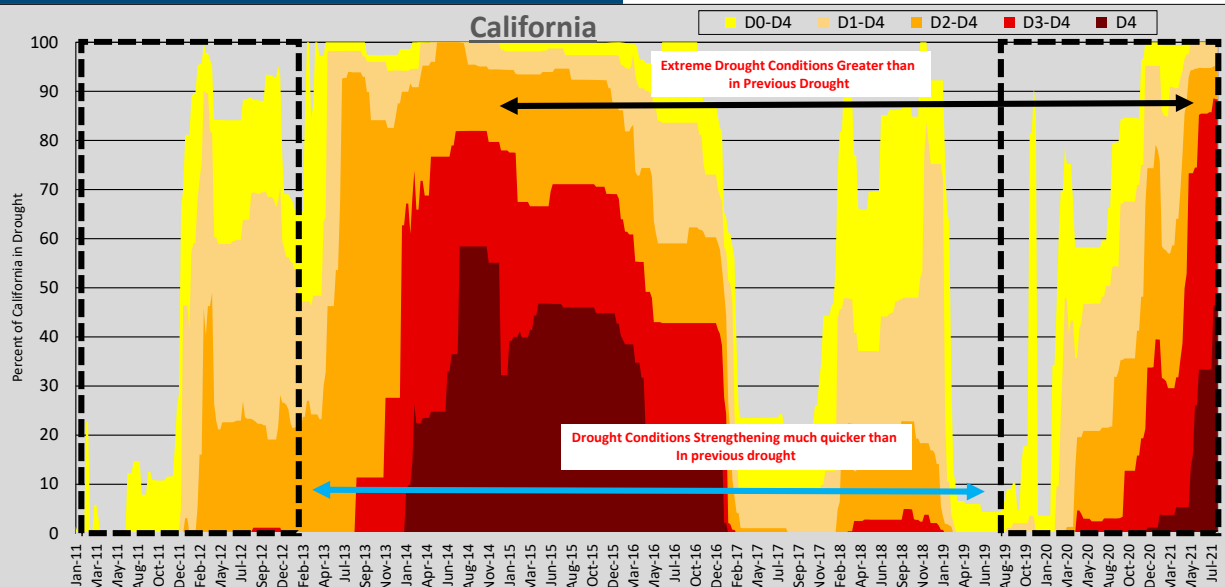
Intensity:
None
D0 Abnormally Dry
D1 Moderate Drought
D2 Severe Drought
D3 Extreme Drought
D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, visit <https://droughtmonitor.unl.edu/about.aspx>.

Author:
Curtis Riganiti
National Drought Mitigation Center

USDA
NDMC
droughtmonitor.unl.edu

California Drought Monitor

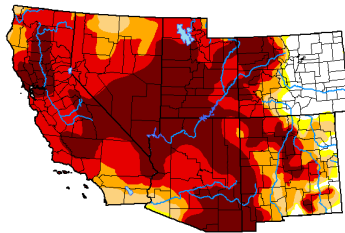


Southwest Drought Monitor

July 2021 = 88% Moderate Drought (D1+) in Southwest

July 2021 = 82% Severe to Exceptional Drought (D2 to D4) in Southwest. 72% in Extreme Drought and 38.7% in Exceptional Drought

U.S. Drought Monitor Southwest



July 13, 2021
(Released Thursday, Jul. 15, 2021)
Valid 8 a.m. EDT

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	9.42	90.58	88.41	82.43	71.54	38.67
Last Week (7-6-2021)	8.62	91.18	88.97	83.52	71.64	38.69
3 Months Ago (4-13-2021)	0.18	98.82	97.31	86.45	64.81	35.71
Start of Calendar Year (1-25-2021)	0.00	100.00	98.85	91.13	71.59	37.87
Start of Water Year (9-25-2020)	3.57	96.43	91.99	73.98	48.23	3.95
One Year Ago (7-14-2020)	20.68	79.32	59.09	30.95	8.94	0.00

Intensity:
None
D0 Abnormally Dry
D1 Moderate Drought
D2 Severe Drought
D3 Extreme Drought
D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

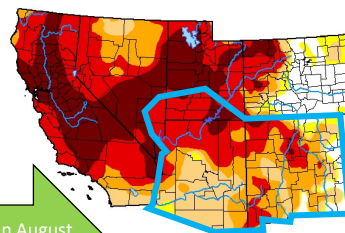
Slight drought improvement in August for Southwest

droughtmonitor.unl.edu

August 2021 = 86% Moderate Drought (D1+) in Southwest

August 2021 = 73.5% Severe to Exceptional Drought (D2 to D4) in Southwest. 72% in Extreme Drought and 38.7% in Exceptional Drought

U.S. Drought Monitor Southwest



August 17, 2021
(Released Thursday, Aug. 19, 2021)
Valid 8 a.m. EDT

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	9.57	90.43	88.41	73.54	56.31	24.51
Last Week (8-10-2021)	10.20	89.80	86.45	78.58	57.86	24.76
3 Months Ago (5-18-2021)	3.50	96.50	92.54	86.98	71.98	37.05
Start of Calendar Year (1-25-2021)	0.00	100.00	98.85	91.13	71.59	37.87
Start of Water Year (9-25-2020)	3.57	96.43	91.99	73.98	48.23	3.95
One Year Ago (8-18-2020)	5.01	94.99	85.81	55.88	12.50	0.00

Intensity:
None
D0 Abnormally Dry
D1 Moderate Drought
D2 Severe Drought
D3 Extreme Drought
D4 Exceptional Drought

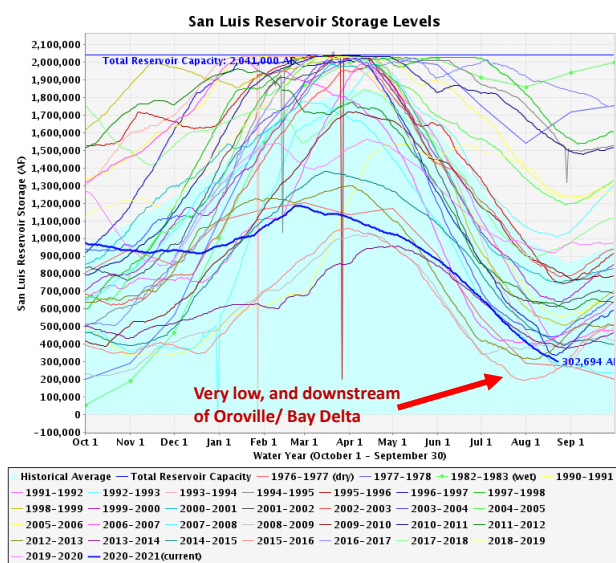
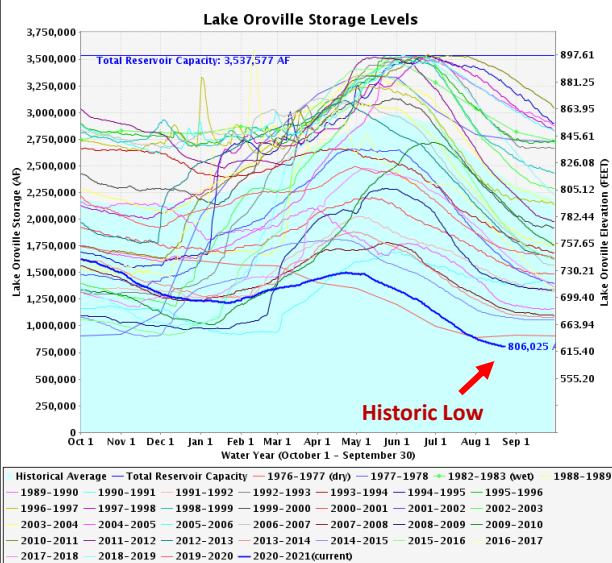
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:
Curtis Riganti
National Drought Mitigation Center

USDA
NDMC
droughtmonitor.unl.edu

Northern California Reservoirs

Delta Pumping as of 8.24.2021 = 2,600 AF per day,
Equivalent to 949,000 AF per year



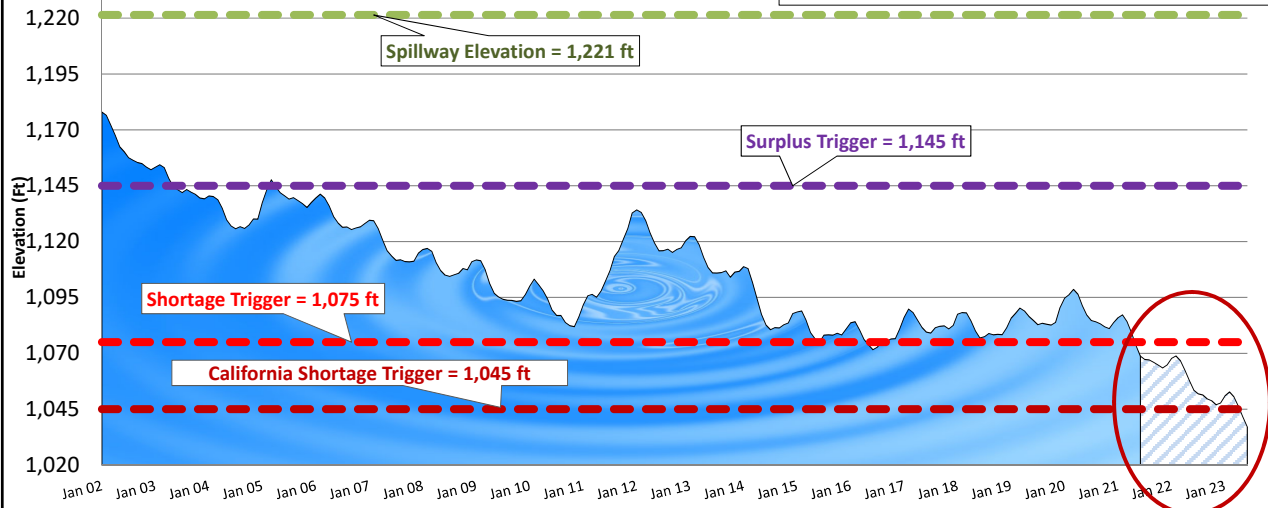
Lake Mead

Lake Mead Shortage/Surplus Outlook

	2021	2022	2023	2024	2025
Surplus	0%	0%	0%	1%	4%
Shortage	0%	97%	94%	82%	77%
Metropolitan DCP*			2%	36%	38%

August 2021 USBR Study most likely first ever shortage declared for CY 2022

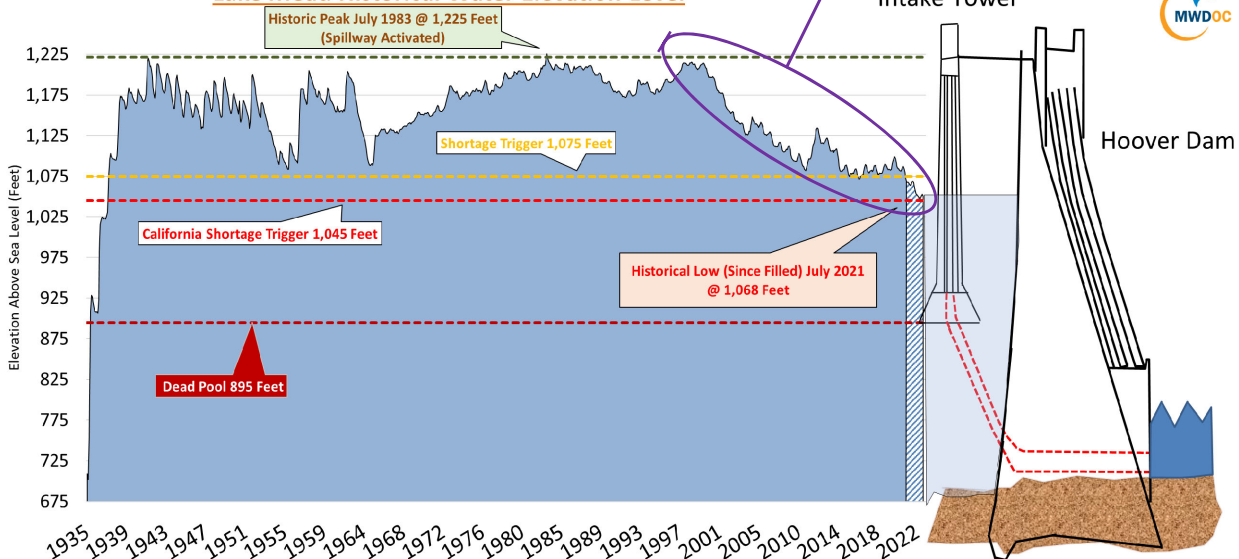
Lake Mead Levels: Historical and Projected projection per USBR 24-Month Study

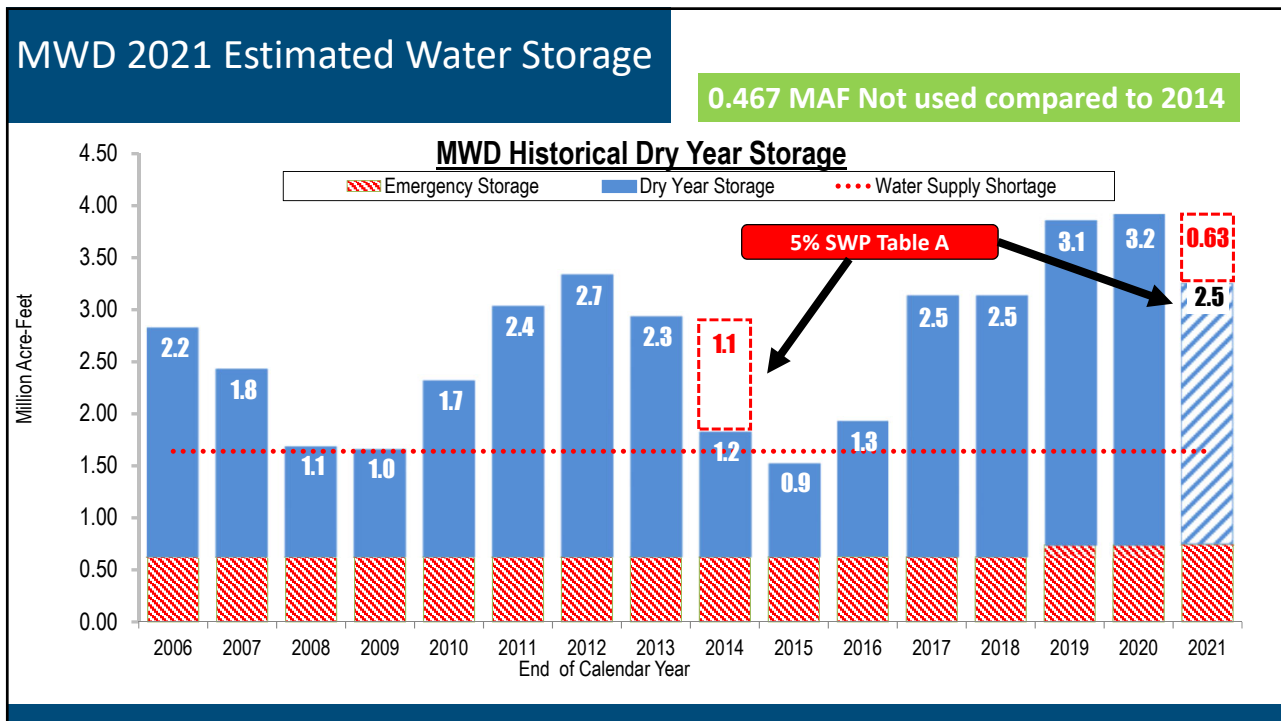


Lake Mead (Since Filled)

Lake Mead has declined significantly since 1999

Lake Mead Historical Water Elevation Level

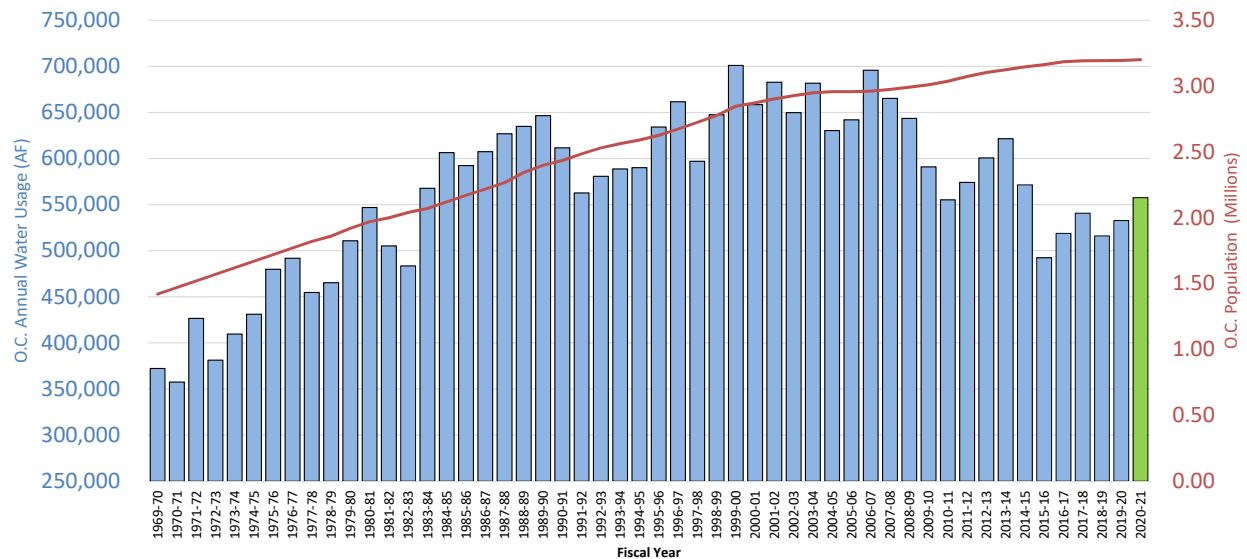




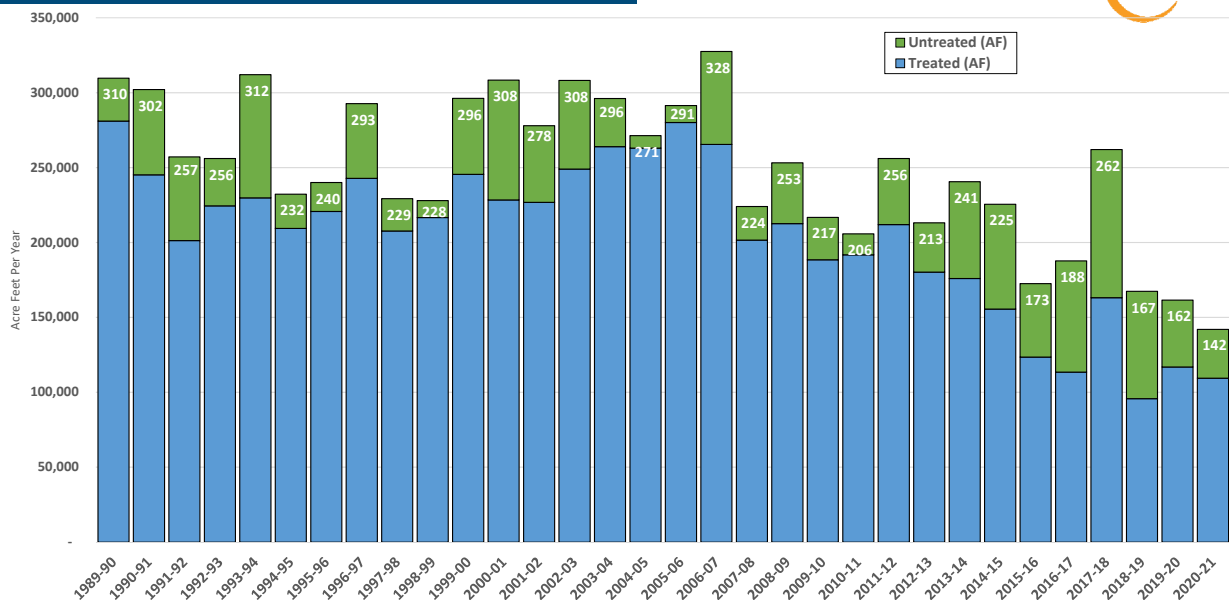
Historical Annual Water Usage



Orange County Annual M & I Water Usage



Historical Annual MWDOC Sales





ISSUE BRIEF #E**SUBJECT: Colorado River Issues****RECENT ACTIVITY**

Delivery of Supplemental Water to Lake Powell Under Upper Basin Drought Contingency Plan

The U.S. Bureau of Reclamation (Reclamation) made additional releases from three reservoirs in the Upper Basin in the amount of 181,000 acre-feet pursuant to the terms in the Drought Response Operations Agreement (DROA), part of the Upper Basin's Colorado River Drought Contingency Plan. The additional releases are expected to augment Lake Powell's elevation by approximately three feet. In consultation with the Upper Division States, Reclamation found that the additional releases should be made after the July 24-Month Study showed that unregulated inflow has decreased 2.5 million acre-feet in the six-month period between January and July 2021. The current forecast for water year 2021 is for total inflow into Lake Powell of just 3.23 million acre-feet, 30 percent of the thirty-year average. Further, five-year projections predict a 79 percent chance that Lake Powell will fall below the DROA target elevation of 3,525 feet within the next year. That elevation provides a thirty-five-foot buffer above the elevation of 3,490 feet, the minimum power pool at Glen Canyon Dam. In a statement that accompanied the additional DROA releases, Reclamation stated its commitment to reducing the collective risk of Lake Powell and Lake Mead falling to critical elevations.

For information on Colorado River Issues, please refer to the *Discussion Item: Colorado River Issues – Item 4*.

ISSUE BRIEF #F

SUBJECT: Delta Conveyance Activities and State Water Project Issues

RECENT ACTIVITY

Delta Conveyance

The California Department of Water Resources (DWR) is continuing to develop an Environmental Impact Report (EIR) under the California Environmental Quality Act. DWR conducted the first of four technical webinars to inform the public and interested stakeholders about the current progress related to the preparation of the Draft EIR. The first webinar on July 14 provided public information on the operations of the State Water Project and Delta Conveyance. More information regarding the webinars is available on DWR's website: https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/Delta-Conveyance/Public-Information/DCP_EJSurvey-Report-5-28-2021_Final_508.pdf.

Joint Powers Authorities

During the July 15, 2021, Delta Conveyance Design and Construction Authority (DCA) Board of Directors Meeting, the board approved an initial budget adjustment for fiscal year (FY) 2021/22. The budget change increased the adopted FY 2021/22 budget from \$21.5 million to \$23.5 million using funds remaining from the last fiscal year. The Delta Conveyance Finance Authority regularly scheduled July meeting was canceled.

Regulatory Activities

Metropolitan staff continued to participate in the collaborative groups called for in the 2019 Biological Opinions for the State Water Project (SWP) and Central Valley Project, and in the 2020 Incidental Take Permit (ITP) for Long-term Operation of the SWP, to address science needs and inform management and operation of the water projects. In July, Metropolitan staff continued work with state and federal agencies to develop a Juvenile Production Estimate for Springrun Chinook salmon as a condition as required by the ITP. Current efforts are focused on developing a problem statement through focused discussions on what triggered the problem, why a decision must be made, and why the decision matters. These discussions are to ensure that the multiple state, federal, and water agencies participating in this effort all agree on why we need to develop a monitoring program to estimate juvenile production of spring-run, and agree on what the goals and objectives of this effort are before working on the details of a monitoring program. In August 2021 a final version of the problem statement will be circulated to the group for approval.

Sites Reservoir

In July meetings, the Sites Project Authority Board (Authority Board) and the Sites Reservoir Committee (Reservoir Committee) authorized the release of the Revised Draft EIR/Supplemental Draft Environmental Impact Statement (RDEIR/SDEIS) as soon as the document is ready, including authorizing the Executive Director to file a Notice of Completion with the State Clearinghouse and complete other noticing requirements to initiate the public review process.

Science Activities

Metropolitan staff continued collaboration with the State Water Contractors (SWC) Science Program. On July 15, the SWC released its FY 2020/21 Science Report highlighting the importance of investing in research to provide a more reliable water supply for California while protecting, restoring and enhancing the Sacramento-San Joaquin Bay-Delta ecosystem.

Metropolitan staff also continued participating in the Collaborative Science and Adaptive Management Program (CSAMP), including participation on the Collaborative Adaptive Management Team (CAMT). At the July 20 meeting, CAMT discussions focused on the potential roles and responsibilities of a proposed Delta smelt science program manager that would assist CAMT with the interface between the investigators who generate the science and the managers who use the science. CAMT also discussed a possible approach to develop recommendations regarding Delta monitoring needs.

Metropolitan staff is leading a CSAMP effort to collaboratively develop a scientific definition of salmon recovery, expressed as a suite of clear, measurable objectives and landscape level quantitative targets. Metropolitan staff is planning and participating in a series of technical workshops with experts in salmonid ecology to develop this definition. Some of the outcomes of those workshops include: (1) the decision to use the viable salmonid population (VSP) concept as a base for establishing objectives for recovery of salmonids in a broad sense; (2) identification of four parameters that are key to evaluating population viability status -- abundance, population growth rate, population spatial structure, and diversity; (3) agreement that goals to recover salmon should go beyond delisting of the species and include supporting long-term harvest; (4) that goals should be distinguished between fish of hatchery and nonhatchery origins; and (5) that the group consensus on these goals is desired. The workshop participants will reconvene in October 2021 to review, complete, and finalize these objectives.

UC Davis researchers completed a study funded by Metropolitan to develop methods for identifying the sources of important zooplankton food for juvenile Chinook salmon. The researchers analyzed the feasibility of using genomic sequencing, a laboratory procedure that determines the unique DNA fingerprint of an organism, to identify which floodplains are the source of *Daphnia pulex* (*D. pulex*), which is an important zooplankton food resource for juvenile Chinook Salmon. They observed that *D. pulex* from the Butte, Knaggs, and Cosumnes basins have a genetic signature that is distinctive and clearly differentiated from one another. These results could ultimately be applied to quantify production and export of fish food generated in off-channel habitats, such as floodplains, and evaluate how the fish food moves through the system under a variety of management actions such as habitat restoration, pulse flows, managed agricultural floodplains, and other actions.

Metropolitan staff also participated in other collaborative Delta science forums to provide input to workplans and studies, including the Delta Independent Science Board and the Delta Science Program Science Actions Workshop for development of the 2022-2026 Science Action Agenda.

**Summary Report for
The Metropolitan Water District of Southern California
Adjourned Board Meeting
August 17, 2021**

CONSENT CALENDAR OTHER ITEMS – ACTION

Authorized preparation of Commendatory Resolution for Jeff Kightlinger for his service and leadership during his term as General Manager of The Metropolitan Water District of Southern California. **(Agenda Item 6B)**

CONSENT CALENDAR ITEMS – ACTION

The Board:

Adopted the Resolution Levying Ad Valorem Property Taxes for the Fiscal Year Commencing July 1, 2021 and ending June 30, 2022 for the Purposes of The Metropolitan Water District of Southern California (Attachment 1 of the board letter) maintaining the tax rate at .0035 percent of assessed valuation, the same rate levied in FY 2020/21; directed staff to transmit that resolution to the county auditors for the levy and collection of the ad valorem property tax. **(Agenda Item 7-1)**

Awarded a \$492,440 procurement contract to Royal Industrial Solutions for the ozone control system equipment for the Mills plant; authorized an agreement with Suez Treatment Solutions, Inc. for a not-to-exceed total of \$430,000 for specialized technical support of the upgrade. **(Agenda Item 7-2)**

Authorized an agreement with CDM Smith Inc., in an amount not to exceed \$2.75 million for support of engineering and technical studies at the advanced water treatment demonstration facility. **(Agenda Item 7-3)**

Approved Metropolitan's annual membership in the U.S. Water Alliance and authorized payment of dues for \$18,500, and approved Metropolitan's annual membership in Water Education for Latino Leaders and authorize payment of dues for \$25,000. **(Agenda Item 7-4)**

Adopted the proposed Water Supply Alert Resolution. **(Agenda Item 7-5)**

Authorized the General Manager to enter into an agreement with USGS for up to \$357,000 for water quality and biological monitoring and assessments on Metropolitan's Delta properties. **(Agenda Item 7-6)**

Authorized a ten-year agreement with Urban Park to maintain, operate and invest in the marina recreation facility at Diamond Valley Lake. **(Agenda Item 7-7)**

Adopt amendment to the Administrative Code establishing Metropolitan-specific parliamentary procedures; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. **(Agenda Item 7-8) (Item was deferred)**

Report on existing litigation OHL USA, Inc. v. The Metropolitan 21-333 Water District of Southern California, Los Angeles Superior Court Case No. 19STCV27689.
(Agenda Item 7-9) (Item was deferred)

OTHER BOARD ITEMS – ACTION

Approved having the EEO Officer report to the General Manager and having the EEO Officer and General Manager develop a Shaw Report implementation program and budget for review and approval by the OP&T Committee and Board and report monthly to the OP&T Committee on implementation progress; and authorized an increase in the maximum amount payable to the Shaw Law Group by \$25,000, to a maximum payable of \$575,000. **(Agenda Item 8-1)**

OTHER MATTERS AND REPORTS

Reported on list of certified assessed valuations for fiscal year 21-326 2021/22 and tabulation of assessed valuations, percentage participation, and vote entitlement of member agencies as of August 17, 2021. **(Agenda Item 6G- Report heard at F&I Committee)**

Updated on Proposed Voluntary Agreements for Delta Operations 21-401 and on CDWR Water Operations Cases, Sacramento County Superior Court, Case No. JCCP 5117, which includes the following eight cases: The Metropolitan Water Dist. of S. Cal., et al. v. Calif. Dept. of Fish & Wildlife, et al., Fresno County Superior Ct. Case No. 20CECG01347; State Water Contractors, et al. v. Calif. Dept. of Fish & Wildlife, et al., Fresno County Superior Ct. Case No. 20CECG1302; San Bernardino Valley Municipal Water Dist. v. Calif. Dept. of Water Resources, et al., Fresno County Superior Ct. Case No. 20CECG01556; Tehama-Colusa Canal Auth., et al. v. Calif. Dept. of Water Resources, Fresno County Superior Ct. Case No. 20CECG01303; Sierra Club, et al. v. Calif. Dept. of Water Resources, San Francisco County Superior Ct. Case No. CPF-20-517120; North Coast Rivers Alliance, et al. v. Calif. Dept. of Water Resources, San Francisco County Superior Ct. Case No. CPF-20-517078; Central Delta Water Agency, et al. v. Calif. Dept. of Water Resources, Sacramento County Superior Ct. Case No. 34-2020-80003368; and San Francisco Baykeeper et al. v. Calif. Dept. of Water Resources, et al., Alameda County Superior Ct. Case No. RG20063682; and report on Pacific Coast Federation of Fishermens Assns., et al. v. Ross, et al., Federal District Court for the Eastern District of California, Case No. 1:20-CV-00431-DAD-SAB and Calif. Natural Resources Agency, et al. v. Ross, et al., Federal District Court for the Eastern District of California, Case No. 1:20-CV-00426-DAD-SKO
(Agenda Item 10-1) (open and closed session presentations)

Discussion of Department Head Evaluation Process Guidelines and Department Head Evaluation Presentations. **(Agenda Item 10-2) (Item was deferred)**

**THIS INFORMATION SHOULD NOT BE CONSIDERED THE OFFICIAL MINUTES
OF THE MEETING.**

All current month materials, and materials after July 1, 2021 are available on the public website here: <https://mwdh2o.legistar.com/Calendar.aspx>

This database contains archives from the year 1928 to June 30, 2021:
<https://bda.mwdh2o.com/Pages/Default.aspx>