

WORKSHOP MEETING OF THE
BOARD OF DIRECTORS WITH MET DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Conference Room 101, Fountain Valley, California
March 6, 2024, 8:30 a.m.

Teleconference Site:
25652 Paseo De La Paz
San Juan Capistrano, CA 92675

(Members of the public may attend and participate in the meeting at both in-person locations.)

This meeting will be held in person at 18700 Ward Street, Fountain Valley, California, 92708 (Conference Room 101). As a convenience for the public, the meeting may also be accessed by Zoom Webinar and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the Zoom component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.

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. 2146

PRESENTATION/DISCUSSION ITEMS

1. PRESENTATION BY KATANO KASAINÉ REGARDING MET'S 2-YEAR BUDGET

Recommendation: Review and discuss the information presented.

2. LEGISLATIVE ACTIVITIES

- a. Federal Legislative Report (NRR)
- b. State Legislative Report (SDA)
- c. Legal and Regulatory Report (Ackerman)
- d. County Legislative Report (Whittingham)
- e. MWDOC Legislative Matrix
- f. Metropolitan Legislative Matrix

Recommendation: Review and discuss the information presented.

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

Recommendation: Receive input and discuss the information presented.

ACTION ITEMS

4. AB 2409 (PAPAN): STATE PERMITTING TRANSPARENCY DASHBOARD

Recommendation: Adopt a support position on AB 2409 (Papan), send a letter to the author and the Orange County delegation, and join CMUA's outreach efforts.

5. SB 1218 (NEWMAN): EMERGENCY WATER SUPPLIES

Recommendation: Adopt a support position on SB 1218 (Newman) and join Irvine Ranch Water District's (IRWD) coalition letter.

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 Issue
- b. MET's Water Supply Condition Update
- c. MET's Water Quality Update
- d. Colorado River Issues
- e. 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 February MET Board Meeting
- b. Review items of significance for MET Board and Committee Agendas

Recommendation: Review and discuss the information presented.

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.



DISCUSSION ITEM

March 6, 2024

TO: Board of Directors

FROM: Harvey De La Torre, General Manager

Staff Contact: Melissa Baum-Haley

SUBJECT: PRESENTATION BY KATANO KASAINÉ REGARDING MET'S 2-YEAR BUDGET

STAFF RECOMMENDATION

It is recommended that the Board of Directors discuss and file this information.

SUMMARY

Every two years Metropolitan embarks on its biennial budget along with the associated rates and charges and prepares a ten-year forecast. The Proposed Biennial Budget is for fiscal year (FY) 2024/25 and FY 2025/26 and includes proposed water rates and charges for calendar year (CY) 2025 and CY 2026 (CYs 2025 and 2026) to meet the revenue requirements, a 10-year financial forecast, and the Cost-of-Service Report supporting the proposed rates and charges. The process of evaluating and considering the proposal began with Workshop #1 on February 12 and Workshop #2 on February 27. Two more Board workshops are planned, followed by a public hearing, and finally consideration for adoption of the Biennial Budget on April 9, 2024.

The Proposed Biennial Budget appropriates \$2.413 billion for FY 2024/25 and \$2.426 billion for FY 2025/26, requiring revenue from rates and charges of \$1.763 billion and \$1.902 billion in each year, respectively. The budget appropriations represent the total anticipated costs, while revenue requirements represent the amount to be recovered from rates and charges, after the application of property taxes, investment income, and other sources of revenue.

The proposed overall rate increase for CYs 2025 and 2026 are 13% and 8%, respectively (21% over the two-year biennium). The total overall rate increases are driven by lower projected water transactions, higher expenditures, and the carryforward impact of 2024 rates not fully recovering costs, discussed in more detail below.

Budgeted: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Budgeted amount: None	Core: <input checked="" type="checkbox"/>	Choice: <input type="checkbox"/>
Action item amount: N/A		Movement between funds: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

MWDOC has invited Katano Kasaine, Metropolitan's Chief Financial Officer/Assistant General Manager, along with the financial staff to present on the Proposed Biennial Budget is for FYs 2024/25 and 2025/26; the proposed water rates and charges for calendar years CYs 2025 and 2026; and potential alternative rate options discussed by the Metropolitan Board.

DETAILED REPORT

Overall rate increases of 13% effective on January 1, 2025, and 8% effective on January 1, 2026, are proposed to cover the costs in the Proposed Biennial Budget for FYs 2024/25 and 2025/26, meet financial policy guidelines apart from revenue bond coverage, and maintain steady rates for the future. The proposed increases in rates and charges ensure that Metropolitan continues to make progress toward meeting all coverage targets. The specific elements of the proposed rate increase effective January 1, 2025 and 2026 are shown in the table below.

The rates and charges for FY 2024/25 are based on the estimated revenue requirements of \$1.763 billion and are based on total water transactions of 1.438 MAF, of which 741 TAF is treated full-service water, 419 TAF is untreated full-service water, and the remaining 278 TAF is projected exchange transactions with the SDCWA.

The rates and charges for FY 2025/26 are based on the estimated revenue requirements of \$1.902 billion shown in Table 9 and are based on total water transactions of 1.444 MAF, of which 705 TAF is treated full-service water, 461 TAF is untreated full-service water, and the remaining 278 TAF is projected exchange transactions with SDCWA.

Rates & Charges Effective Jan. 1	2024 (Approved)	2025 (Proposed)	2026 (Proposed)
Supply Rate (\$/AF)	\$332	\$353	\$375
Tier 2 Supply Rate (\$/AF)	\$531	--	--
System Access Rate (\$/AF)	\$389	\$463 (19%)	\$491
System Power Rate (\$/AF)	\$182	\$190	\$203
Full Service Untreated Volumetric Costs (\$/AF)			
Tier 1	\$903	\$1,006	\$1,069
Tier 2 *	\$1,102	--	--
Treatment Surcharge (\$/AF)	\$353	\$459	\$518
Full Service Treated Volumetric Costs (\$/AF)			
Tier 1	\$1,256	\$1,465 (17%)	\$1,587
Tier 2 *	\$1,455	--	--
Readiness-to-Serve Charge (\$M)	\$167	\$167	\$185
Capacity Charge (\$/cfs)	\$11,200	\$10,800	\$12,800
Overall Rate Increase	5%	13%	8%

NOTE: On Nov. 14, 2023, the MET Staff proposes to not renew the 2014 Purchase Order, which will end on December 31, 2024. As a result, the Tier 2 rate is not included in the proposed rates and charges. Metropolitan can revisit Purchase Order commitments and structure as needed during the business model review through the CAMP4W process.

The total overall rate increases are driven by the following three major factors each with a 7% biennial rate impact resulting in the 21% over the two-year biennium.

1. **Lower projected water transactions:** The FY 2023/24 budget was based on 1.54 million acre-feet (MAF) of water transactions. However, due to record precipitation in 2023, projected water transactions for FY 2023/24 are trending toward 1.17 MAF, the lowest Metropolitan has experienced over the last 50 years. The FY 2024/25 and FY 2025/26 proposed budget is based on 1.44 MAF of water transactions, which is 100,000 acre-feet lower than the FY 2023/24 budget. As a result of this reduction in water transactions, the corresponding revenue declines require an approximate 7% increase in rates and charges over the two-year budget.
2. **External pressures add to increased costs:** Outside of Metropolitan's control, costs have significantly increased, in part, due to inflation and cost-of-living adjustments.
 - a. Metropolitan's variable treatment costs are up 39% alone from FY 2023/24 to FY 2025/26 despite a lower treatment volume. General inflation (CPI) was about 9% for FY 2021/22 (measured June to June, Los Angeles Regional CPI-U, All Items), but was higher for certain goods and services such as energy, chemicals, and equipment, the impacts of which are captured in the proposed budget.
 - b. The proposed budget for operations and maintenance (O&M) expenditures has increased due to labor cost increases, including the addition of 19 new full-time equivalent positions (FTEs) as well as growth in wages, pension, and benefits. The 19 new FTEs are included in the proposed budget to support SRI, EEO, Engineering Services (ES), Human Resources, Finance & Administration, Audit, and Safety, Security, and Protection.
 - c. Capital financing costs also are projected to increase due to higher debt service payments and increased debt issuance assumed for the High Desert Water Bank groundwater banking project, conservation, and the \$100 million debt financing in-lieu of PAYGO in FY 2023/24. To fund the Capital Investment Plan (CIP) and build back revenue bond coverage (still below 2x policy target), the proposed budget increases the previously projected PAYGO funding to \$175 million in FY 2025/26. In addition, Colorado River Aqueduct (CRA) power costs are increased due to higher market power rates and anticipated rules charges for Resource Adequacy obligations. Local Resource Program (LRP) expenditures are increasing as a result of ramping up of existing agreements. Overall, expenditures are expected to increase about 7% over the biennial budget, about 3.5% per year.

3. **Need to maintain minimum reserve levels:** Water transactions in the current fiscal year (FY 2023/24) are projected to be much lower than budget at 1.17 MAF, down from 1.54 MAF. As a result of the projected decline in water transactions, staff forecasts the use of approximately \$247 million of unrestricted reserves to support operations, and projects to end the current fiscal year with unrestricted reserve levels close to the minimum amount required by Board policy. As such, Metropolitan's biennial budget can no longer support the ongoing use of reserves. Importantly, the FY 2023/24 adopted rates did not fully recover costs. The FY 2023/24 budget included a \$37 million draw from unrestricted reserves. Over the next biennium, staff proposes that Metropolitan adopt rates that recover costs and maintain at least the minimum reserve level. To limit the first-year rate impact, the proposed 2025 overall rate increase of 13% continues to draw down reserves in FY 2024/25, ending only \$4.7 million above Metropolitan's minimum reserve level. After the 8% rate increase for 2026, costs are forecast to be fully recovered and FY 2025/26 is expected to end above the minimum target reserve level.

Budget Highlights

Low Water Transactions and Changing Financial Conditions

Actual water transactions of 1.42 MAF in FY 2022/23 were 11% less than the budgeted water transactions of 1.59 MAF. Projected water transactions for FY 2023/24 are forecast to be 1.17 MAF, a 24% decline from the budgeted water transactions of 1.54 MAF. As a result of these water transaction trends, the proposed budget and 10-year financial forecast reflect lower water transactions by about 100 TAF, with gradual increases in the out-years due to forecasted changes in regional water supply and demands.

Use of Reserves and Impact of Maintaining Minimum Reserve Levels

As a result of the low water transactions for FY 2022/23 and FY 2023/24, Metropolitan had to take swift actions to stop unrestricted reserves from dipping below the minimum reserve target. Importantly, given the drawdown on reserves in FY 2023/24, the use of reserves in the proposed budget is no longer an option, which contributes to Metropolitan's overall need to increase rates.

Key expenditure drivers

- **Colorado River Power:** Higher market power rates and anticipated market rule changes for Resource Adequacy obligations are increasing power costs.
- **Departmental O&M and Operating Equipment:** Labor costs increase for wages and benefits, impact of inflation on chemicals for water treatment, power costs, and repairs and general maintenance.
- **Local Resource Program (LRP):** Higher primarily due to the anticipated ramp up of existing LRP agreement for San Diego Pure Water North City Project.
- **PAYGO:** Higher projected PAYGO to fund CIP and build back revenue bond coverage (still below 2x policy target).
- **Debt Service:** Higher debt service rates and more debt issuance (FY 2023/24 converted \$100 million PAYGO to debt financing and additional debt for AVEK and conservation programs).

Actions Taken to Limit the Rate Impacts to 13% and 8%

Metropolitan is limiting the growth in expenditures, where possible, and pursuing outside funding sources to reduce the rate impacts on member agencies. The following are actions taken to reduce costs and limit the overall rate increase to the proposed 13% and 8% in 2025 and 2026.

- Limiting new FTE positions to 19 essential positions out of the requested 123 positions.
- Use of state grant funds for continued Pure Water Southern California (PWSC) Planning Costs.
- Reducing PAYGO in FY 2024/25 from prior 10-Year Financial Projections.
- No new LRP agreements with financial impacts during the biennium in FY 2023/24 and FY 2024/25.
- Debt funded conservation expenditures above \$25 million per year, which adds \$48 million in debt over the biennium.

Ten-Year Financial Forecast

The Proposed Biennial Budget sets the foundation for consistent, reasonable rate increases over the 10-year planning period. Overall rate increases from FY 2024/25 through FY 2033/34 are projected to start at 13% and 8% for the next biennium and trend lower thereafter. The Ten-Year Financial Forecast presented in Attachment 1 includes the continued development of PWSC, using estimated grant and partner-carried costs, but does not include the costs for a DCP beyond the current Board-approved amount or any other new capital initiatives such as Sites Reservoir or East-West conveyance projects.



ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|--|---|
| <input type="checkbox"/> Clarifying MWDOC's mission and role; defining functions and actions. | <input type="checkbox"/> Work with member agencies to develop water supply and demand objectives. |
| <input type="checkbox"/> Balance support for Metropolitan's regional mission and Orange County values and interests. | <input checked="" type="checkbox"/> Solicit input and feedback from member agencies. |
| <input type="checkbox"/> Strengthen communications and coordination of messaging. | <input type="checkbox"/> Invest in workforce development and succession planning. |

Additional Comments: MWDOC will outreach to the member agencies on the Metropolitan draft biennial budget through presentations at both the MWDOC Member Agency Managers meeting as well as the Elected Officials Forum.

List of Attachments/Links:

Link 1: [Metropolitan FY2024/25 and FY2025/26 Biennial Budget](#)

Link 2: Metropolitan Workshop #2 Presentations

[Capital Investment Plan Presentation](#)

[Biennial Budget Presentation](#)



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

From: Natural Resource Results

RE: Monthly Board Report – March 2024

Appropriations

Congressional leaders reached an agreement to kick the can, once again, on FY2024 spending bills. Recall that the federal government is currently operating under two Continuing Resolutions (CR). Under the first CR, four of the twelve appropriations bills expire at midnight on March 1st while the remaining eight bills expire at midnight on March 8th.

Under the new agreement, Congress will pass two additional CRs. The four bills (plus two more) that would have expired on March 1st will now expire on March 8th and the remaining bills that would have expired on March 8th will now expire on March 22nd.

The funding bills that cover the Bureau of Reclamation and the EPA will now expire on March 8th. Text for these bills is expected to be released over the weekend so we hope to have additional details to share next week.

MWDOC Washington DC Trip

We had a very productive week of meetings in DC with MWDOC's congressional delegation as well as the Bureau of Reclamation. In meetings with congressional offices, we highlighted MWDOC's Water Loss Control Program as well as Advanced Metering Infrastructure and shared that we are hoping for some additional flexibility out of Reclamation in terms of funding eligibility under WaterSMART for these programs. Each office was more than willing push on Reclamation in the event that we ran into roadblocks with the agency. We also expressed MWDOC's support for the Tax Parity for Water Conservation Rebates Act, which would modify the tax code to clarify that water conservation rebates provided by water agencies are not considered taxable income. We had positive response from all offices on this issue as well.

In our meeting with Reclamation's WaterSMART staff, we discussed the Water Loss Control Program and Advanced Metering Infrastructure. There was a willingness from Reclamation to explore some flexibility within the WaterSmart Program to ensure Advanced Metering Infrastructure is eligible for funding at a more regional scale that it currently is. Reclamation also pointed us to a particular pot of funding that could help with the Water Loss Control Program with the caveat that it would be a bit of a stretch to make it work.

All that said, we expect some follow up from the agency as they told us that they would meet internally to discuss our asks and get back to us with some guidance, which was very positive.



To:	MWDOC Workshop
From:	Syrus Devers
Date:	March 6th, 2024
Re:	State Legislative Report

Legislature

Bill introductions were running about 50% below historic levels up until a week before the bill introduction deadline, then the tidal wave hit. Yours truly woke up to over 1,000 new bills to review last week once they all became available online. Here then are the number of new bills for 2024: Senate–620; Assembly–1,504; Total = 2,124. This brings the grand total for the 2023-2024 biennial legislative session to 4,788. That falls within the normal range, but slightly lower than average thanks to the Senate making a sincere attempt to impose bill limits.

There are themes to new legislation every year, but everything said at this stage has an asterisk attached due to the large number of spot bills. As a reminder, spot bills contain no substantive language and may or may not disclose their true purpose. A third of the bills on the matrix are spot bills.

After the groundshaking bills last year on water rights and conservation, it almost feels like the Legislature said, “Oh, nevermind”. Again, this could all change as spot bills are amended, but half of the tracked bills can be grouped under a loose heading of “administrative process.” In most of those bills, water districts are not the focus but are impacted to the extent they have a role in the permit approval process for new development. New legislation aimed at the housing crisis seems to be the issue *du jour*.

The bill introduction deadline (which was February 16th this year) marks an end to one of the more stressful periods of the year for many lobbyists. Trying to develop language and find authors for bills, while keeping an eye on 2-year bills being heard in January, and analyzing the new state budget, can be a little frenzied. But thanks to the State Constitution, bleary-eyed advocates can recover a bit because new legislation cannot be heard in committee or amended for 30 days following introduction. Expect policy committees to begin in earnest in early April once the Legislature comes back from Spring Recess.

Administration

The Newsom administration continued its forced march to get the Delta Conveyance underway. Following certification of the EIR in December, the Department of Water Resources submitted a petition to change water rights to the SWRCB last week for two proposed diversion points to allow for construction of the tunnel.

Groups opposing the tunnel responded with shock and outrage worthy of an Oscar.

ACKERMAN CONSULTING

Legal and Regulatory

March 6, 2024

1. **Death Valley Lake:** The last two years rainstorms have recreated Lake Manly in the Death Valley National Park. What was formerly the salt flats of Badwater Basin has now been recreated into a lake 6 miles long, 3 miles wide and up to two feet deep in places. Current sport activity there is kayaks which are very seldom seen in Death Valley. Badwater Basin is 282 feet below sea level and unfortunately practically every road into the park has been destroyed by the last rainstorm. Death Valley was not always as dry as it is today. During the Ice Age, a very large lake also called Manly stretched across the basin and reached a depth of 600 feet. It vanished about 2000 years ago and is now attempting a comeback.
2. **UN Urges Water Cutbacks:** A recent report from the United Nations regarding water security is warning that “vampiric overconsumption” is threatening the world's lifeblood. The report claims that overuse by people and unsustainable practices along with climate change could possibly destroy the world as we know it. Their major goals in this report are to have a plan for sustainable development, the reduction in worldwide hunger and poverty, achieving gender equality, and having a more aggressive plan for climate change. The plan is asking for voluntary commitments of policy and money to achieve these goals. The United States has indicated that it will invest \$49 billion in this effort. Other countries have not made such promises, but they have come up with significant price tags for their efforts.
3. **Groundwater Updates:** The California Department of Water Resources has announced a report card for districts’ response to the Sustainable Groundwater Management Plan. There are a total of 94 groundwater basins in the state that are required to submit a plan. DWR has provided rulings on 72 basins and is in the process of reviewing the final districts. The current batch of 17 basins had 11 approvals of the mostly noncritical overdraft situations with six of the districts determined to be incomplete. It appears that the easy districts have submitted and been approved while the difficult situations are still in the negotiation process. The final outcome could be State takeover of districts which do not provide a satisfactory plan. This will undoubtedly lead to additional litigation.
4. **Functional Equivalent Test:** The federal Clean Water Act requires a discharge permit of any person who discharges pollutants into the groundwater. The rule generally applies only to direct discharge into waters that have a direct connection to the groundwater. The “functional equivalent” test states that if the discharge is not directly into the groundwater but finds its way there anyway that a discharge permit is required. A case in Colorado is winding its way through the courts on this issue. The prevailing case in this matter referred to as the Maui case sets forth seven factors to determine if a non-direct discharge is subject to the permit process. The current case involves a Colorado mining company. Colorado has an extensive regulatory process which puts many restrictions on Colorado mining with relation to water quality. The current defendant met the Colorado test but has allegedly not met the federal Maui test. While the Maui case is a US Supreme Court case it did not comment

on the relative weight of the seven factors to be considered. The EPA is arguing on how much weight each of the factors should be given. The 10th Circuit Court decision disagreed with the EPA and sent it back to the trial court to determine if the various factors had been evaluated. More to follow.

5. **Worldwide Overdraft:** UC Santa Barbara has been studying groundwater depletion throughout the world for some time. The worst areas in the world for groundwater depletion are Spain, Iran, China, and Chile. Unfortunately, California as a few in the top 100 including Santa Barbara, San Joaquin valley, and northeastern San Diego. The other two basins in the United States making the top 100 where Gila Bend near Phoenix and Mill Creek in Idaho. The conclusion in practically all these areas is that farming is the major cause. Some of the heaviest farming included regions in some of the driest climates around. The report did not suggest eliminating farming but to adopt better farming methods and to have more regulation over groundwater use. California's actions have been in line with the thrust of this report. The report analyzed over 170,000 groundwater wells in more than 40 countries around the world. The report also noted that two of the major conflicts currently in the world, the Russian invasion of the Ukraine and the Israeli action in Gaza, have secondary consequences due to extreme water issues in both of those areas.
6. **Seawall Battles:** The latest battle involving the California coastal Commission has been whether to grant permission to build sea walls. This has been a particular concern in California where people living close to the coast and having their property impacted by the sea and erosion. We have recently seen examples of this in Orange County for property along the railroad in San Clemente and homeowners in Dana point. While a few seawall permits have been allowed in the past the commission's current policy is that of managed retreat. This means they recommend that homes be set back further from the ocean or removed entirely. Their current posture gives no property rights to the homeowner and assumes that the homeowner will just sit back and let his house be eroded or fall into the sea. This has come to a particular head for a residential street in Half Moon Bay. Some homeowners have been granted the ability to build a sea wall, but others have not based on the age of their houses. The homeowners have taken the coastal Commission to court and won the first round in Superior Court. The judge flat out said the Commission was wrong and that people could protect their property. The commission has appealed and undoubtedly this will end up in both the California and probably the United States Supreme Court. The legislature has indicated that they may weigh in but ultimately this property rights issue will end up in the Supreme Court.
7. **Cutting Water Loss:** Many states are taking action to eliminate and replace lead pipes in water projects and infrastructure. The United States is considering taking federal action on this matter which the Biden administration appears to be supporting. Whether or not it is appropriate for the federal government to be involved or this should be a state issue, it is recognized that in addition to the safety elements of removing and replacing lead pipe there is a side benefit in reduction of leakage. When Tokyo Japan replaced all its lead pipes it also realized a reduction in leakage from 20% to 3%. It is estimated in the United States that the water loss figures could be as high as 50% in some areas, so a reduction in lead pipe would result in significant cost savings. One of the issues in mandating lead pipe removal is the cost. Factoring in the water savings with the project could significantly reduce the cost.

8. **Arrowhead Water Battle:** We have previously reported on the battle between the environmentalist and Blue Triton, the successor to Arrowhead Water, in the San Bernardino area. A judge has recently ruled that Arrowhead may continue taking water from the San Bernardino National Forest. This ran contrary to the State Water Board's decision to reduce the amount of water they were able to take. The board indicated they will continue to fight this battle in the courts.
9. **Flood Defense:** Southern California used to suffer regular significant damage caused by flooding after rainfall incidents. Since the major rivers were lined with concrete the damage usually occurring on rain incidents has been reduced. Experts, however, are saying that our infrastructure may be suffering, and we cannot count on the existing system to protect us in the future. A major threat is in the sediment level in all of the major reservoirs and tributaries that flow into the Los Angeles River. Also, the Whittier Narrows dam which is 67 years old is not in the best condition and cannot be counted on to survive a severe storm such as the anticipated 500-year storm. The existing infrastructure has served the area well but needs upgrades and improvements to maintain its ability to protect us from serious damage in the future.
10. **Utah Snowpack:** While the rainfall and snowpack from the California water sources has been encouraging, the Colorado side of our water supply has been in question. However, some good news has come from Utah where their snowpack this year is higher than the 100% average expected. They have had several storms of significant magnitude in the last few months which are helping the water situation. Last year at this time the state of Utah was experiencing a moderate drought in 96% of the state. Currently only 5% of Utah is experiencing drought conditions. The reservoirs are close to full and anticipate that some water may need to be released before the next rain or snow. Since April is the high point for seasonal snow, there may be much more to come. This is indeed good news for that portion of our water system.



March 6, 2024

TO: MWDOC Board of Directors

FROM: Peter Whittingham

SUBJECT: February 2024 Report

The month of February brought a variety of activities, announcements and events in Orange County. Following is a few of the more notable developments and issues of the month:

- La Habra City Councilman Steve Simonian, who served on the City Council from 1998-2010 and was then reelected in 2020, has tendered his resignation from Council effective April 5. The Council will accept applications to fill this vacancy through March 7 and will appoint a replacement who will be seated after Councilman Simonian's departure.
- Former Yorba Linda City Councilmember Peggy Huang was appointed to fill the vacancy created by Gene Hernandez's recent resignation. Huang, who served on the City Council from 2014-2022, will serve through November's election, when Hernandez, who was appointed to serve on the Yorba Linda Water District Board of Directors, would have termed out.
- For the past several weeks, a futuristic-looking device has combed the waters of Huntington Harbour, scooping up trash as debris has washed down with the recent rainstorms. The machine is part of a pilot project by the city of Huntington Beach and Clean Earth Rovers, using a technology created to clean up various waterways. Clean Earth Rovers co-founder and CEO Michael Arens, who lives in Costa Mesa, created the company with COO David Constantine in 2019 while they were students at Xavier University in Cincinnati, where the company is now headquartered. Huntington Beach's pilot program is the first in southern California, though the company is in talks with several other coastal cities to also try out the technology.
- The Tustin City Council approved the issuance of new Water Revenue Bonds, amending the initial \$21.515 million 2016 issuance. Proceeds from the 2024 Bonds will fund a portion of the Beneta Well project, adding an additional well with a groundwater production capacity of 1,000 gallons per minute; the Well Rehab program, focused on the routine rehabilitation of several specific well facilities; and the evaluation of and improvements to Lytle Reservoir, including the recoating of well's interior and exterior.

- Moulton Niguel Water District announced it has secured a \$10.3 million grant from the CA Office of Emergency Services (CalOES), funded by FEMA's Hazard Mitigation Grant Program, to enhance the reliability of sewer pipelines in Laguna Niguel Regional Park. The pipelines, originally installed in 1980, play a crucial role in transporting more than half of Moulton Niguel's wastewater from its collection system to the local treatment plant.
- The San Clemente City Council approved the renewal of its SCOUPS permit - short for Sand Compatibility and Opportunistic Use Program - a state program it had participated in roughly a decade ago, but its five-year permit has since expired. The program would allow the city to explore opportunities to add sand to areas outside of the pending U.S. Army Corps of Engineers project, which will add about 251,000 cubic yards of sand between T-Street and Linda Lane once it resumes after delays.
- Coincidentally, a paper recently published by UC Irvine researchers analyzed beaches between Long Beach and La Jolla, offering new data and methods that can be used to determine the most vulnerable areas of coastline and whether those beaches are suitable for the extremely costly sand replenishment projects. Researchers used satellite imagery and wave data dating back nearly 20 years from the Scripps Institution of Oceanography in San Diego to analyze "longshore transport," which is wave-driven movement of sand along the coast, the pathway that shows which direction sand will be redistributed. Their paper also analyzed "divergence of drift," which shows whether sand will accumulate or diminish, based on the movements of sand. The data showed, for example, that Surfside beach in north Orange County is an area that suffers from severe erosion, resulting in the current \$23 million project to dredge and place 1.1 million cubic yards of sand there. While the project is thought to have regional benefit, with currents expected to spread sand nearly 12 miles to Newport Beach, the researchers' data shows that sand typically stops in Huntington Beach, part of the reason those beaches have continued to grow over the years at a rate of about 3 feet each year. Further, the data shows sand in West Newport, in turn, travels up the coast to Huntington Beach.
- February's significant rainfall continues to add to the season's numbers, with data collected by the County of Orange at various stations this month ranges from roughly 5.5 inches at Miller Basin in northeast Anaheim, to nearly 14 inches in Coto De Caza.

It is a pleasure to work with you and to represent the Municipal Water District of Orange County.

Sincerely,



Peter Whittingham

MWDOC Workshop

Bill Matrix for March, 2024

Prepared by SDA Government Relations

Priority: A. High

[AB 460](#)

(Bauer-Kahan, D) State Water Resources Control Board: water rights and usage: interim relief: procedures.

Location: 07/14/2023 - Senate 2 YEAR

Summary: Current law authorizes the State Water Resources Control Board to investigate all streams, stream systems, lakes, or other bodies of water, take testimony relating to the rights to water or the use of water, and ascertain whether water filed upon or attempted to be appropriated is appropriated under the laws of the state. Current law requires the board to take appropriate actions to prevent waste or the unreasonable use of water. This bill would authorize the board, in conducting specified investigations or proceedings to inspect the property or facilities of a person or entity, as specified. The bill would authorize the board, if consent is denied for an inspection, to obtain an inspection warrant, as specified, or in the event of an emergency affecting public health and safety, to conduct an inspection without consent or a warrant. (Based on 05/18/2023 text)

Position	Priority
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oppose	A. High
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[AB 1337](#)

(Wicks, D) State Water Resources Control Board: water diversion curtailment.

Location: 07/14/2023 - Senate 2 YEAR

Summary: Under existing law, the diversion or use of water other than as authorized by specified provisions of law is a trespass, subject to specified civil liability. This bill would expand the instances when the diversion or use of water is considered a trespass. This bill contains other related provisions and other existing laws. (Based on 05/18/2023 text)

Position	Priority
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watch	A. High
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[AB 1567](#)

(Garcia, D) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024.

Location: 06/14/2023 - Senate Natural Resources and Water

Summary: Would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,995,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, clean energy, and workforce development programs. (Based on 05/26/2023 text)

Position	Priority
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watch	A. High
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[AB 1573](#)

(Friedman, D) Water conservation: landscape design: model ordinance.

Location: 09/14/2023 - Senate 2 YEAR

Summary: The Water Conservation in Landscaping Act provides for a Model Water Efficient Landscape Ordinance that is adopted and updated at least every 3 years by the Department of Water Resources, unless the department makes a specified finding. Current law requires a local agency to adopt the model ordinance or to adopt a water efficient landscape ordinance that is at least as effective in conserving water as the updated model ordinance, except as specified. Current law specifies the provisions of the updated model ordinance, as provided. Current law includes a related statement of legislative findings and declarations. This bill would require the updated model ordinance to include provisions that require

that plants included in a landscape design plan be selected based on their adaptability to climatic, geological, and topographical conditions of the project site, as specified. The bill would also exempt landscaping that is part of a culturally specific project, as defined, ecological restoration projects that do not require a permanent irrigation system, mined-land reclamation projects that do not require a permanent irrigation system, and existing plant collections, as part of botanical gardens and arboreturns open to the public, from the model ordinance. The bill would require the updated model ordinance to include provisions that, among other changes, prohibit the use of traditional overhead sprinklers on all new and rehabilitated landscapes and require that new and rehabilitated landscapes use only water efficient irrigation devices. (Based on 09/01/2023 text)

Position	Priority
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watch	A. High
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[AB 1820](#)

[\(Schiavo, D\)](#) **Housing development projects: applications: fees and exactions.**

Location: 01/29/2024 - Assembly Housing and Community Development

Summary: Current law requires a housing development project be subject only to the ordinances, policies, and standards adopted and in effect when the preliminary application was submitted. This bill would authorize a development proponent that submits a preliminary application for a housing development project to request a preliminary fee and exaction estimate, as defined, and would require the local agency to provide the estimate within 10 business days of the submission of the preliminary application. (Based on 02/20/2024 text)

Position	Priority
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watch	A. High
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Notes - Flagged by CSDA

[AB 1827](#)

[\(Papan, D\)](#) **Local government: fees and charges: water: higher-consumptive water parcels.**

Location: 01/29/2024 - Assembly Local Government

Summary: The California Constitution specifies various requirements with respect to the levying of assessments and property-related fees and charges by a local agency, including requiring that the local agency provide public notice and a majority protest procedure in the case of assessments and submit property-related fees and charges for approval by property owners subject to the fee or charge or the electorate residing in the affected area following a public hearing. This bill would provide that the fees or charges for property-related water service imposed or increased, as specified, may include the incrementally higher costs of water service due to specified factors, including the higher water usage demand of parcels. The bill would provide that the costs associated with higher water usage demands, the maximum potential water use, or a projected peak water usage demand may be allocated using any method that reasonably assesses the water service provider's cost of serving those parcels that are increasing potential water usage demand, maximum potential water use, or project peak water use demand. (Based on 01/12/2024 text)

Position	Priority
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watch	A. High
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[AB 2257](#)

[\(Wilson, D\)](#) **Local government: property-related water and sewer fees and assessments: remedies.**

Location: 02/26/2024 - Assembly Judiciary

Summary: The California Constitution specifies various requirements with respect to the levying of assessments and property-related fees and charges by a local agency. The California Constitution includes a public notice and a majority protest procedure in the case of assessments and procedures for submitting property-related fees and charges for approval by property owners subject to the fee or charge or to the electorate residing in the affected area following a public hearing. Current law, known as the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with these requirements. This bill would prohibit, if a local agency complies with specified procedures, a person or entity from bringing a judicial action or proceeding alleging noncompliance with the constitutional provisions for any new, increased, or extended fee or assessment, as defined, unless that person or entity has timely submitted to the local agency a written objection to that fee or assessment that specifies the grounds for alleging noncompliance, as specified. (Based on 02/08/2024 text)

Position	Priority
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watch	A. High
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Notes - ACWA sponsored

[AB 2409](#)

(Papan, D) Office of Planning and Research: permitting accountability transparency dashboard.

Location: 02/12/2024 - Assembly PRINT

Summary: Would require the Office of Planning and Research, on or before January 1, 2026, to create and maintain, as specified, a permitting accountability transparency internet website (dashboard). The bill would require the dashboard to include a display for each permit to be issued by specified state agencies for all covered projects. The bill would define various terms for these purposes. The bill would also require the dashboard to include, but not be limited to, information for each permit to be issued by a state agency that is required for the completion of the project, including, among other requirements, the permit application submission date. The bill would require each state agency with a responsibility for issuing a permit for a covered project to provide information in the appropriate time and manner as determined by the office. (Based on 02/12/2024 text)

Position	Priority
B. Watch	A. High

Notes - CMUA sponsored bill

[SB 366](#)

(Caballero, D) The California Water Plan: long-term supply targets.

Location: 07/14/2023 - Assembly 2 YEAR

Summary: Current law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as "The California Water Plan." Current law requires the department to include a discussion of various strategies in the plan update, including, but not limited to, strategies relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, water transfers, and alternative pricing policies that may be pursued in order to meet the future needs of the state. Current law requires the department to establish an advisory committee to assist the department in updating the plan. This bill would revise and recast certain provisions regarding The California Water Plan to, among other things, require the department to instead establish a stakeholder advisory committee and to expand the membership of the committee to include tribes, labor, and environmental justice interests. The bill would require the department to coordinate with the California Water Commission, the State Water Resources Control Board, other state and federal agencies as appropriate, and the stakeholder advisory committee to develop a comprehensive plan for addressing the state's water needs and meeting specified long-term water supply targets established by the bill for purposes of The California Water Plan. The bill would require the plan to provide recommendations and strategies to ensure enough water supply for all beneficial uses. (Based on 06/29/2023 text)

Position	Priority
support	A. High

Notes - CMUA sponsored bill from 2023

[SB 867](#)

(Allen, D) Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024.

Location: 06/20/2023 - Assembly Natural Resources

Summary: Would enact the Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,500,000,000 pursuant to the State General Obligation Bond Law to finance projects for drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, park creation and outdoor access, and clean energy programs. (Based on 06/22/2023 text)

Position	Priority
watch	A. High

[SB 937](#)

(Wiener, D) Development projects: permits and other entitlements: fees and charges.

Location: 02/21/2024 - Senate Local Government

Summary: The Planning and Zoning Law requires each county and each city to adopt a comprehensive, long-term general plan for its physical development, and the development of specified land outside its boundaries, that includes,

among other mandatory elements, a housing element. The Permit Streamlining Act, among other things, requires a public agency that is the lead agency for a development project to approve or disapprove that project within specified time periods. Current law extended by 18 months the period for the expiration, effectuation, or utilization of a housing entitlement, as defined, that was issued before, and was in effect on, March 4, 2020, and that would expire before December 31, 2021, except as specified. Current law provides that if the state or a local agency extended the otherwise applicable time for the expiration, effectuation, or utilization of a housing entitlement for not less than 18 months, as specified, that housing entitlement would not be extended an additional 18 months pursuant to these provisions. This bill would extend by 18 months the period for the expiration, effectuation, or utilization of a housing entitlement, as defined, that was issued before January 1, 2024, and that will expire before December 31, 2025, except as specified. The bill would toll this 18-month extension during any time that the housing entitlement is the subject of a legal challenge. (Based on 01/17/2024 text)

Position	Priority
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watch	A. High
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Notes - ACWA will oppose

[SB 1072](#)

[\(Padilla, D\)](#) Local government: Proposition 218: remedies.

Location: 02/21/2024 - Senate Local Government

Summary: The California Constitution sets forth various requirements for the imposition of local taxes. The California Constitution excludes from classification as a tax assessments and property-related fees imposed in accordance with provisions of the California Constitution that establish requirements for those assessments and property-related fees. Under these requirements, an assessment is prohibited from being imposed on any parcel if it exceeds the reasonable cost of the proportional special benefit conferred on that parcel, and a fee or charge imposed on any parcel or person as an incident of property ownership is prohibited from exceeding the proportional cost of the service attributable to the parcel. This bill would require, if a property-related fee or charge creates revenues in excess of the local government's reasonable cost of providing the specific benefit or specific government service, that the excess revenues be used only to reduce the subsequently adopted and following property-related fee or charge. The bill would declare that this provision is declaratory of existing law. (Based on 02/12/2024 text)

Position	Priority
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watch	A. High
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[SB 1218](#)

[\(Newman, D\)](#) Water: emergency water supplies.

Location: 02/15/2024 - Senate Rules

Summary: Would declare that it is the established policy of the state to encourage and incentivize, but not mandate, the development of emergency water supplies, and to support their use during times of water shortage. (Based on 02/15/2024 text)

Position	Priority
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watch	A. High
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Notes - IRWD sponsored

Priority: B. Watch

[AB 305](#)

[\(Villapudua, D\)](#) California Flood Protection Bond Act of 2024.

Location: 06/14/2023 - Senate Natural Resources and Water

Summary: Would enact the California Flood Protection Bond Act of 2024 which, if approved by the voters, would authorize the issuance of bonds in the amount of \$4,500,000,000 pursuant to the State General Obligation Bond Law for flood protection projects, as specified. The bill would provide for the submission of these provisions to the voters at the November 5, 2024, statewide general election. (Based on 04/25/2023 text)

Position	Priority
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watch	B. Watch
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[AB 1851](#)

[\(Holden, D\)](#) Drinking water: schoolsites: lead testing pilot program.

Location: 01/29/2024 - Assembly Environmental Safety and Toxic Materials

Summary: Would require the Superintendent of Public Instruction to contract with a nonprofit technical assistance organization, for purposes of a pilot program applicable to unspecified school districts, to sample all potable water system outlets on the campuses of the school district for lead contamination, except as provided, and to identify and remediate any potable water system outlet emitting water containing lead levels in excess of 5 parts per billion. The bill would require the nonprofit technical assistance organization, if sampling results show lead levels in excess of 5 parts per billion for any potable water system outlet, to take immediate steps to shut down all potable water system outlets where excess lead levels may exist and to work to ensure that a lead-free source of drinking water is provided for pupils at each potable water system outlet that has been shut down. (Based on 01/17/2024 text)

Position

Priority

watch

B. Watch

[AB 2302](#)

[\(Addis, D\)](#) Open meetings: local agencies: teleconferences.

Location: 02/26/2024 - Assembly Local Government

Summary: The Ralph M. Brown Act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Current law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in specified circumstances if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law imposes prescribed restrictions on remote participation by a member under these alternative teleconferencing provisions, including establishing limits on the number of meetings a member may participate in solely by teleconference from a remote location, prohibiting such participation for a period of more than 3 consecutive months or 20% of the regular meetings for the local agency within a calendar year, or more than 2 meetings if the legislative body regularly meets fewer than 10 times per calendar year. This bill would revise those limits, instead prohibiting such participation for more than a specified number of meetings per year, based on how frequently the legislative body regularly meets. (Based on 02/12/2024 text)

Position

Priority

watch

B. Watch

[AB 2729](#)

[\(Patterson, Joe, R\)](#) Residential fees and charges.

Location: 02/15/2024 - Assembly PRINT

Summary: Current law prohibits a local agency that imposes fees or charges on a residential development for the construction of public improvements or facilities from requiring the payment of those fees or charges until the date of the final inspection or the date the certificate of occupancy is issued, whichever occurs first, except that the payment may be required sooner if the local agency determines that the fees or charges will be collected for public improvements or facilities for which an account has been established and funds appropriated and for which the local agency has adopted a proposed construction schedule or plan prior to final inspection or issuance of the certificate of occupancy, or if the fees or charges are to reimburse the local agency for expenditures previously made. This bill would delete the above-described authorization for a local agency to require payment of fees or charges prior to the date of final inspection or issuance of the certificate of occupancy, whichever occurs first. (Based on 02/15/2024 text)

Position

Priority

watch

B. Watch

Notes - Flagged by CSDA

[AB 2947](#)

[\(Lackey, R\)](#) Water: turfgrass conversion.

Location: 02/16/2024 - Assembly PRINT

Summary: The Water Conservation in Landscaping Act provides for a model water efficient landscape ordinance that is adopted and updated at least every 3 years by the Department of Water Resources, unless the department makes a specified finding. This bill would prohibit the department, when it allocates funding for turf replacement programs, from excluding urban water suppliers' turfgrass conversion rebate programs if the rebate program requires the recipient of a rebate to achieve a net water savings and to use the most efficient turfgrass irrigation equipment, as provided. The bill would require an urban water supplier that offers a turfgrass conversion rebate program to report annually to the department on the number of turfgrass conversions that are funded through the program and the estimated water savings from the program. (Based on 02/16/2024 text)

Position**Priority**

watch

B. Watch

[AB 3121](#)

([Hart, D](#)) Urban retail water suppliers: written notice: conservation order: dates.

Location: 02/16/2024 - Assembly PRINT

Summary: Current law authorizes the State Water Resources Control Board, on and after January 1, 2025, to issue a written notice to an urban retail water supplier that does not meet its urban water use objective. Current law authorizes the board, on and after January 1, 2026, to issue a conservation order to an urban retail water supplier that does not meet its urban water use objective. This bill would instead provide that the date the board is authorized to issue a written notice to January 1, 2026 and a conservation order to January 1, 2027. (Based on 02/16/2024 text)

Position**Priority**

watch

B. Watch

[SB 903](#)

([Skinner, D](#)) Environmental health: product safety: perfluoroalkyl and polyfluoroalkyl substances.

Location: 01/04/2024 - Senate Rules

Summary: Current law, commencing January 1, 2025, prohibits the manufacture, distribution, sale, or offering for sale in the state of any new, not previously used, textile articles that contain regulated perfluoroalkyl and polyfluoroalkyl substances (PFAS). Current law, commencing January 1, 2025, prohibits the manufacture, sale, delivery, holding, or offering for sale in commerce of any cosmetic product that contains intentionally added PFAS. This bill would, beginning January 1, 2030, prohibit a person from distributing, selling, or offering for sale a product that contains intentionally added PFAS, as defined, unless the Department of Toxic Substances Control has made a determination that the use of PFAS in the product is a currently unavoidable use, the prohibition is preempted by federal law, or the product is used. The bill would specify the criteria and procedures for determining whether the use of PFAS in a product is a currently unavoidable use, for renewing that determination, and for revoking that determination. The bill would require the department to maintain on its internet website a list of each determination of currently unavoidable use, when each determination expires, and the products and uses that are exempt from the prohibition. The bill would impose a civil penalty for a violation of the prohibition, as specified. The bill would establish the PFAS Penalty Account and require all civil penalties received to be deposited into that account and, upon appropriation by the Legislature, to be used for the administration and enforcement of these provisions, as specified. This bill would, by January 1, 2027, require the department to adopt regulations to carry out the provisions of this bill. (Based on 02/21/2024 text)

Position**Priority**

watch

B. Watch

[SB 1110](#)

([Ashby, D](#)) Urban retail water suppliers: informational order: conservation order.

Location: 02/21/2024 - Senate Natural Resources and Water

Summary: Current law authorizes the State Water Resources Control Board, on and after January 1, 2024, to issue informational orders pertaining to water production, water use, and water conservation to an urban retail water supplier that does not meet its urban water use objective. Current law requires the board to consider certain information in determining whether to issue an informational order. This bill would require the board to additionally consider lower cost actions the water supplier has implemented or will implement in order to help the water supplier achieve overall water supply resiliency in determining whether to issue an informational order. (Based on 02/13/2024 text)

Position**Priority**

watch

B. Watch

[SB 1121](#)

([Grove, R](#)) Recycled water: onsite treated nonpotable water systems: local jurisdiction permitting.

Location: 02/21/2024 - Senate Environmental Quality

Summary: Current law requires the State Water Resources Control Board, in consultation with the California Building Standards Commission and the Department of Housing and Community Development, to adopt regulations for risk-based water quality standards for the onsite treatment and reuse of nonpotable water, and requires a local jurisdiction that elects to establish a program for onsite treated nonpotable water systems to establish design criteria, permitting, cross-connection control, and enforcement procedures, as provided. This bill would require those local jurisdictions to ensure their permitting procedures require the approval of a permit for an onsite treated nonpotable water system within 60 days

from the date the permit application is submitted if the application demonstrates that the project meets or exceeds the state board's water quality standards for the onsite treatment and reuse of nonpotable water for nonpotable uses in multifamily residential, commercial, and mixed-use buildings. (Based on 02/13/2024 text)

Position	Priority
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watch	B. Watch
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[SB 1255](#)

[\(Durazo, D\)](#) Public water systems: needs analysis.

Location: 02/15/2024 - Senate Rules

Summary: The California Safe Drinking Water Act provides for the operation of public water systems and imposes on the State Water Resources Control Board various responsibilities and duties relating to the regulation of drinking water to protect public health. 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 requires the state board to annually adopt a fund expenditure plan, as provided, and requires expenditures from the fund to be consistent with the fund expenditure plan. Current law requires the state board to base the fund expenditure plan on data and analysis drawn from a specified drinking water needs assessment. This bill would require the state board to develop a needs analysis of the state's public water systems on or before May 1, 2025, and on or before May 1 of each year thereafter. (Based on 02/15/2024 text)

Position	Priority
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watch	B. Watch
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[SB 1330](#)

[\(Archuleta, D\)](#) Urban retail water supplier: water use.

Location: 02/16/2024 - Senate Rules

Summary: Current law requires the Department of Water Resources, in coordination with the State Water Resources Control Board, to conduct necessary studies and investigations, and recommend for adoption by the board appropriate variances for unique uses that can have a material effect on an urban retail water supplier's urban water use objective. Current law requires the department, in recommending variances, to also recommend a threshold of significance for each recommended variance. Current law requires an urban retail water supplier to request and receive approval by the board for inclusion of a variance in calculating their water use objective. Current law requires the board to post specified information on its internet website relating to variances, including a list of all urban retail water suppliers with approved variances. This bill would require the board to adopt variances recommended by the department for unique uses that can have a material effect on an urban retail water supplier's urban water use objective. The bill would provide that variances adopted by the board shall not be subject to a threshold of significance. The bill would require an urban retail water supplier to self-certify the amount of water included in its urban water use objective that is attributable to a variance. The bill would require the board to randomly audit a select number of variances each year to ensure the self-certifications are based on variances adopted by the board. (Based on 02/16/2024 text)

Position	Priority
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watch	B. Watch
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[SB 1390](#)

[\(Caballero, D\)](#) Groundwater recharge: floodflows: diversion.

Location: 02/16/2024 - Senate Rules

Summary: Current law declares that all water within the state is the property of the people of the state, but the right to the use of the water may be acquired by appropriation in the manner provided by law. Current law requires the appropriation to be for some useful or beneficial purpose. Current law provides, however, that the diversion of flood flows for groundwater recharge does not require an appropriative water right if certain conditions are met, including that a local or regional agency has adopted a local plan of flood control or has considered flood risks part of its most recently adopted general plan. Current law also requires the person or entity making the diversion to file with the State Water Resources Control Board a final report after the diversions cease, as provided. These requirements apply to diversions commenced before January 1, 2029. This bill would extend the operation of these requirements to diversions commenced before January 1, 2034. The bill would revise, recast, and expand the conditions that are required to be met to include a requirement that a local or regional agency make a declaration that its proposed diversion is in accordance with one of certain enumerated plans relating to flood control or flood risk, as specified, or a county emergency operations plan. (Based on 02/16/2024 text)

Position	Priority
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watch	B. Watch
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Priority: spot bill

[AB 2000](#)

([Mathis, R](#)) State Water Project: permit and license conditions.

Location: 01/30/2024 - Assembly PRINT

Summary: Under current law, the State Water Resources Control Board administers a water rights program pursuant to which the State Water Resources Control Board grants permits and licenses to appropriate water. Current law requires the director of the department, in collaboration with the Secretary of the Interior, to prepare a plan, on or before January 1, 2006, to meet the existing permit and license conditions for which the department has an obligation, and to submit copies of the plan to the state board and the California Bay-Delta Authority prior to increasing the existing permitted diversion rate at the State Water Project's Harvey O. Banks Pumping Plant. This bill would make a nonsubstantive change to the latter provision. (Based on 01/30/2024 text)

Position

Priority

spot bill

[AB 2171](#)

([Bennett, D](#)) Water: Department of Water Resources.

Location: 02/07/2024 - Assembly PRINT

Summary: Current law establishes in the Natural Resources Agency the Department of Water Resources, which is under the control of the Director of Water Resources. Current law provides for the appointment of the director by the Governor, subject to confirmation by the Senate. This bill would make nonsubstantive changes to that provision. (Based on 02/07/2024 text)

Position

Priority

spot bill

[AB 2661](#)

([Soria, D](#)) Water: storage capacity.

Location: 02/14/2024 - Assembly PRINT

Summary: Current law requires the Department of Water Resources to operate the State Water Resources Development System, known as the State Water Project, to supply water to persons and entities in the state. This bill would state the intent of the Legislature to enact subsequent legislation to increase statewide water storage capacity. (Based on 02/14/2024 text)

Position

Priority

spot bill

[AB 2894](#)

([Gallagher, R](#)) Urban water use targets: indoor residential water use.

Location: 02/15/2024 - Assembly PRINT

Summary: Existing law requires the state to achieve a 20% reduction in urban per capita water use in California. Existing law requires each urban retail water supplier to develop urban water use targets and an interim urban water use target, as specified, and states the intent of the Legislature that the urban water use targets cumulatively result in a 20% reduction from the baseline daily per capita water use. Existing law requires the Department of Water Resources to develop technical methodologies and criteria, as provided, for purposes of these provisions. This bill would make a nonsubstantive change to the provision requiring the department to develop technical methodologies and criteria. (Based on 02/15/2024 text)

Position

Priority

spot bill

[AB 2933](#)

([Low, D](#)) Dwelling units: water service.

Location: 02/15/2024 - Assembly PRINT

Summary: Current law generally regulates the hiring of dwelling units and, among other things, imposes certain requirements on landlords and tenants. Under current law, if a tenant notifies the landlord, or the landlord otherwise becomes aware of a leak, drip, or water fixture that does not shut off properly, then the landlord is required to have the condition investigated, and, if warranted, to rectify the condition. This bill would make a nonsubstantive change to that provision. (Based on 02/15/2024 text)

Position	Priority
	spot bill

[AB 2962](#)

[\(Papan, D\)](#) Water appropriations: permits.

Location: 02/16/2024 - Assembly PRINT

Summary: Current law authorizes the State Water Resources Control Board to administer a water rights program pursuant to which the board grants permits and licenses to appropriate water. Current law requires the board to consider and act upon all applications for permits to appropriate water. This bill would make a nonsubstantive change to the latter provision. (Based on 02/16/2024 text)

Position	Priority
	spot bill

[AB 3023](#)

[\(Papan, D\)](#) Environmental protection: lands and coastal waters: conservation goals.

Location: 02/16/2024 - Assembly PRINT

Summary: Current law provides that it is the goal of the state to conserve at least 30% of California's lands and coastal waters by 2030. This bill would make a nonsubstantive change to this provision. (Based on 02/16/2024 text)

Position	Priority
	spot bill

[AB 3157](#)

[\(Papan, D\)](#) California Water District Law.

Location: 02/16/2024 - Assembly PRINT

Summary: The California Water District Law (CWDL) authorizes a water district, by using any water or water supplies furnished to the district or used by the district, to construct, maintain, and operate plants for the generation of hydroelectric power from those water and transmission lines for the conveyance of that power. The CWDL authorizes a water district to join with any other district engaged in distributing water in exercising the powers granted to the district pursuant to that authorization, as described, or to execute joint power agreements with any agency formed for that purpose. This bill would make a nonsubstantive change to the latter authorization. (Based on 02/16/2024 text)

Position	Priority
	spot bill

[AB 3219](#)

[\(Sanchez, R\)](#) Advanced Clean Fleets regulations: local governments.

Location: 02/16/2024 - Assembly PRINT

Summary: The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases and requires the state board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions from those sources. Pursuant to its authority, the state board has adopted the Advanced Clean Fleets Regulation, which imposes various requirements for transitioning local, state, and federal government fleets of medium- and heavy-duty trucks, other high-priority fleets of medium- and heavy-duty trucks, and drayage trucks to zero-emission vehicles. The Advanced Clean Fleets Regulation authorizes entities subject to the regulation to apply for exemptions from its requirements under certain circumstances. This bill would state the intent of the Legislature to enact subsequent legislation that would allow a local government that declares a fiscal emergency, through an ordinance, to be provided a delay from complying with the Advanced Clean Fleets Regulation. (Based on 02/16/2024 text)

Position	Priority
	spot bill

[SB 939](#)

[\(Umberg, D\)](#) Natural resources.

Location: 01/17/2024 - Senate Rules

Summary: Current law declares that resource conservation is of fundamental importance to the prosperity and welfare of the people of this state, and provides for the formation and powers of resource conservation districts. This bill would declare the intent of the Legislature to enact subsequent legislation relating to natural resources. (Based on 01/17/2024 text)

Position	Priority
	spot bill

[SB 1185](#)

[\(Niello, R\)](#) Water use efficiency standards.

Location: 02/14/2024 - Senate Rules

Summary: Current law establishes a method to estimate the aggregate amount of water that would have been delivered the previous year by an urban retail water supplier if all that water had been used efficiently, based on water use efficiency standards, as specified. This bill would express the intent of the Legislature to enact future legislation relating to water use efficiency standards. (Based on 02/14/2024 text)

Position	Priority
	spot bill

[SB 1360](#)

[\(Alvarado-Gil, D\)](#) Water rights: appropriation.

Location: 02/16/2024 - Senate Rules

Summary: The State Water Resources Control Board administers a water rights program pursuant to which the board grants permits and licenses to appropriate water. Current law prohibits certain statutory provisions from being construed as depriving any city, city and county, municipal water district, irrigation district, or lighting district of the benefit of any law passed for their benefit in regard to the appropriation or acquisition of water. This bill would make nonsubstantive changes to the latter provision. (Based on 02/16/2024 text)

Position	Priority
	spot bill

[SB 1373](#)

[\(Cortese, D\)](#) Water: public use.

Location: 02/16/2024 - Senate Rules

Summary: Current law declares that all water within the state is the property of the people of the state, but the right to the use of the water may be acquired by appropriation in the manner prescribed by law. This bill would make nonsubstantive changes to that declaration. (Based on 02/16/2024 text)

Position	Priority
	spot bill

Total Measures: 38

Total Tracking Forms: 38

Metropolitan Water District of Southern California

State Legislative Matrix

February 13, 2024 – Second Year of Legislative Session

Item No. 2f

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
AB 400 B. Rubio (D – Baldwin Park) Sponsors: California State Association of Counties, League of California Cities	Chaptered Signed by Governor Chapter 201, Statutes of 2023	Local agency design-build projects: authorization. This measure would extend the existing sunset date to January 1, 2031, for the use of design-build as a delivery method for public works contracts.	Support Based on October 2021 Board Action	Metropolitan’s current authority to use design-build under AB 1845 (Calderon, CH: 275, 2022) will sunset on January 1, 2028. The provisions of this bill allow Metropolitan to use design-build for future projects through January 1, 2031.
AB 460 Bauer-Kahan (D – Orinda)	Amended 5/18/23 Two-year bill Senate Natural Resources and Water Committee	State Water Resources Control Board: water rights and usage: interim relief: procedures. This bill grants the State Water Resources Control Board authority to issue an interim relief order to enforce the reasonable use doctrine, water rights, water quality standards, and other provisions of water law.	Oppose Based on 2023 Water Rights Principles, adopted April 2023	The stated intent of this bill is aimed at deterring unlawful diversions during a drought emergency with swift State Board action and stiff penalties for violations. This bill would give the State Board expansive new authority to assume control of the State Water Project, Metropolitan or its members’ use of imported or locally sourced water, Metropolitan’s diversion and use of water on the Delta Islands, and a number of other projects and Metropolitan operations. This bill would give the Water Board the authority to assert such control with very short or no prior notice or an opportunity to be heard. The State Board also would not require the use of the California Evidence Code, meaning these expedited decisions could be made based on testimony that is hearsay or by people not qualified to testify as experts on scientific or technical issues in court.

Metropolitan Water District of Southern California

State Legislative Matrix

February 13, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
AB 1337 Wicks (D - Oakland)	Amended 5/18/23 Two-year bill Senate Natural Resources and Water Committee	State Water Resources Control Board: water diversion curtailment. This bill would authorize SWRCB to adopt regulations for various water conservation purposes and implement these regulations through orders curtailing the diversion or use of water under any claim of right.	Oppose Based on Metropolitan Policy Principles for Modernization of Water Rights Administration, adopted April 2023	Regardless of whether there is a drought emergency, this bill would allow the State Board, by regulation, to permanently reduce permit rights (including SWP, Colorado River pre-1914 rights, or Delta Island license, pre-1914 or riparian right diversions) upon a finding that current diversions result in a waste or unreasonable use of water or that they harm public trust (fish and wildlife) resources. This would be a new broad power to the State Board that could permanently reallocate any water rights under any water year conditions without the protection or process of individual adjudications.
AB 1567 Garcia (D-Coachella)	Amended 5/26/2023 Two-year bill Senate Natural Resources and Water Committee	Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024. This measure would authorize a \$15.995 billion general obligation bond for the March 5, 2024, ballot to fund a broad range of resource-based programs that will assist California to improve its climate resiliency.	Support, if amended Based on June 2023 Board Action	This measure is consistent with Metropolitan's current policy priorities and supports the objectives of Metropolitan's Climate Adaptation Master Plan. Metropolitan is seeking amendments to increase funding for recycled water, dam safety, regional conveyance, drought and conservation projects.
AB 1572 Friedman (D - Glendale) Co-sponsors: Metropolitan, Heal the Bay, National Resources Defense Council	Chaptered Signed by Governor Chapter 849, Statutes of 2023	Potable water: nonfunctional turf. This measure prohibits the use of potable water for the irrigation of non-functional turf located on commercial, industrial, institutional. This measure provides the State Water Resources Control Board with the authority to postpone compliance dates as prescribed.	Co-sponsor Based on April 2023 Board action	Based on input from the Board and member agencies, Metropolitan secured amendments to exclude multi-family residential buildings and protect the authority and local control of public water systems. Metropolitan is a co-sponsor of this measure.

Metropolitan Water District of Southern California

State Legislative Matrix

February 13, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
AB 1573 Friedman (D - Glendale) Sponsor: Earth Advocacy and California Native Plant Society	Amended on 9/1/2023 Two Year Bill Senator Floor – Inactive File	Water conservation: landscape design: model ordinance. This measure would update the model water efficient landscape ordinance for new or renovated nonresidential areas to require at least 25% local native plants beginning January 1, 2026. This measure would also prohibit the use of nonfunctional turf in nonresidential landscape projects after January 1, 2026.	Support Based on 2023 Legislative Priorities and Principles, adopted December 2022	This measure is consistent with Metropolitan’s effort to reduce nonfunctional turf within its service area.
AB 1648 Bains (D - Bakersfield)	Amended 3/16/2023 Dead	Water: Colorado River Conservation This measure would specifically prohibit Metropolitan and LADWP to offset federally required reductions on Colorado River resources with increased water deliveries from other regions of California, including the Delta, retroactively as of January 1, 2023.	Oppose Based on 2023 Legislative Priorities and Principles, adopted December 2022	This measure would impair Metropolitan’s flexibility with its entire water portfolio, including the Integrated Water Resources Plan and the Annual Operating Plan. Metropolitan’s reliability and its ability to meet demands would also be impaired by restrictions on partnerships with its State Water Project and Colorado River Basin stakeholders.
SB 122 Senate Committee on Budget and Fiscal Review	Chaptered Signed by the Governor Chapter 51, Statutes of 2023	Flood Flow Streamlining Provisions in this trailer bill provide that diversion of flood flows for groundwater recharge do not require an appropriative water right if specified conditions regarding the diversion are met. These provisions exempt from the California Environmental Quality Act (CEQA) specified actions related to the implementation of Colorado River water conservation agreements with the US Bureau of Reclamation.	Seek Amendments Based on Metropolitan Policy Principles for Modernization of Water Rights Administration 2023 Water Rights Principles, adopted April 2023	The no-permit authorization poses a significant concern to Metropolitan’s State Water Project supplies. There is no protest process, no requirement that diverters avoid harm to other legal water users with water rights senior to the flood flow diverter, and no protection of SWP and CVP rights to divert “excess flows” when they exist in the system up to the full capacity of the projects. Metropolitan will work with the Administration to address these issues as the program is implemented.

Metropolitan Water District of Southern California

State Legislative Matrix

February 13, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
SB 124 Senate Committee on Budget and Fiscal Review	Chaptered Signed by the Governor Chapter 53, Statutes of 2023	Green Financing Programs for Federal IRA Funding This measure contains various provisions to implement the 2023 State Budget Act, which includes authorizing the State Infrastructure and Economic Development Bank and the Department of Water Resources (DWR) to access and utilize federal funding in the Inflation Reduction Act to finance projects that reduce greenhouse emissions.	Support Based on 2023 Legislative Priorities and Principles, adopted December 2022	For the State Water Project, DWR's direct investment in qualifying projects could lower its capital costs, which would ultimately be passed on to Metropolitan and other SWP contractors.
SB 146 Gonzalez (D-Long Beach)	Chaptered Signed by the Governor Chapter 58, Statutes of 2023	Public resources: infrastructure: contracting. This measure is part of the negotiated infrastructure trailer bill package and authorizes DWR to use the progressive design-build (PDB) project delivery method for up to eight public works projects that exceed \$25 million. The Delta conveyance facilities and seawater desalination are expressly prohibited under this measure.	Support Based on October 2021 Board Action	By utilizing PDB and awarding a project contract prior to the completion of all design work, DWR can potentially reduce overall costs and execute shorter project delivery schedules. This could lead to reduced costs for SWP-related projects-resulting in cost savings being passed on to Metropolitan.
SB 147 Ashby (D-Sacramento)	Chaptered Signed by the Governor Chapter 59, Statutes of 2023	Fully protected species: California Endangered Species Act: authorized take This measure is part of the negotiated infrastructure trailer bill package and authorizes the take of fully protected species for certain infrastructure projects if specified conditions are met. Eligible projects include the maintenance, repair and improvement of the State Water Project, as well as critical regional and local water infrastructure.	Support and Amend Based on 2023 Legislative Priorities and Principles, adopted December 2022	While this alternative may have benefits over current FPS regulations, the requirements are extensive and may make permit terms infeasible or cost prohibitive and could create other litigation risks for permittees.

Metropolitan Water District of Southern California

State Legislative Matrix

February 13, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
SB 149 Caballero (D-Merced)	Chaptered Signed by the Governor Chapter 60, Statutes of 2023	California Environmental Quality Act: administrative and judicial procedures: record of proceedings: judicial streamlining. This measure is part of the negotiated infrastructure trailer bill package and makes various changes to CEQA. This bill provides clarification for what is considered as part of the administrative record, as well as allowing a public agency to deny a request to prepare the record of proceedings. This bill also provides for expedited judicial review for specified energy and transportation projects.	Support and Amend Based on 2023 Legislative Priorities and Principles, adopted December 2022	Administrative Records Streamlining: Overall, the provisions would be beneficial to Metropolitan as they could lower CEQA litigation costs and shorten litigation timelines. Expedited Judicial Review: The process for preparing the administrative record for any governor-certified infrastructure project must follow certain extensive and potentially costly specifications. While expedited judicial review is beneficial in concept, unless amended, the prerequisites may be infeasible or costly to implement.
SB 150 Durazo (D-Los Angeles)	Chaptered Signed by the Governor Chapter 61, Statutes of 2023	Construction: workforce development: public contracts. This measure is part of the negotiated infrastructure trailer bill package and focuses on strengthening the state's workforce and community benefits with infrastructure investments through California's share of federal funds.	Support Based on 2023 Legislative Priorities and Principles, adopted December 2022	This bill is intended to help develop procurement models to enhance the state's training and access pipeline for jobs while ensuring community benefits on infrastructure and manufacturing investments. This bill is consistent with Metropolitan's policy and practice and could benefit the district by helping build the next generation of the state's construction workforce.

Metropolitan Water District of Southern California

State Legislative Matrix

February 13, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
SB 366 Caballero (D - Merced) Sponsors: California Municipal Utilities Association, California Council for Environmental and Economic Balance, California State Association of Counties	Amended 6/29/2023 Two-year bill Assembly Water, Parks, and Wildlife Committee	The California Water Plan: long-term supply targets. This measure would revise the California Water Plan to require the DWR to update the California Water Plan by December 31, 2028, and every five years after, to include a long-term water supply target for 2050 and discussion on the development of specified water supply sources to meet demand.	Support, if amended Based on 2023 Legislative Priorities and Principles, adopted December 2022	The intent of this bill is to help modernize California's water management practices and provide long-term reliable supplies in response to the current climate challenges. Metropolitan is seeking amendments that include, but are not limited to, ensuring the 2050 target reflects statewide, regional, and local planning efforts and clarifying that the CA Water Plan should not establish a separate plan for complying with the Delta Plan, but should be complimentary and focus on supporting the co-equal goals of the Delta.
SB 659 Ashby (D – Sacramento) Sponsors: Sacramento Regional Water Authority	Chaptered Signed by the Governor Chapter 624, Statutes of 2023	California Water Supply Solutions Act of 2023. This bill would require DWR to develop a groundwater recharge plan by January 1, 2026, to create additional groundwater recharge capacity and include the plan as part of the 2028 update to the California Water Plan.	Support, if Amended Based on 2023 Legislative Priorities and Principles adopted December 2022.	This bill intends to elevate the importance of groundwater in the state's planning efforts. Additional recharge capacities developed through implementation of this bill could potentially help in the successful implementation of projects such as Metropolitan's Pure Water project, LADWP's Operation Next project, and the Pure Water San Diego, potentially helping to maximize stormwater capture and increase sustainability of groundwater basins within Metropolitan's service area.
SB 687 Eggman (D - Stockton)	Amended 5/2/2023 Dead	Water Quality Control Plan: Delta Conveyance Project. This measure will require the State Water Resources Control Board to adopt a final update of the Bay-Delta Water Quality Control Plan before the Board considers a change in the point of diversion or any other water rights permit or order for the Delta Conveyance Project.	Oppose Based on 2023 Legislative Priorities and Principles, adopted December 2022	Metropolitan supports updating the Water Quality Control Plan to protect beneficial uses in the Delta. This bill would result in halting or delaying planning efforts on the Delta Conveyance Project and potentially prevent the project from operating if approved.

Metropolitan Water District of Southern California

State Legislative Matrix

February 13, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
SB 706 Caballero (D-Merced) Sponsors: CA State Association of Counties; County of San Diego; Design Build Institute of America Western Pacific Chapter; League of California Cities	Chaptered Signed by the Governor Chapter 500, Statutes of 2023	Public contracts: progressive design-build: local agencies. This bill would provide additional authority, until January 1, 2023, for cities, counties, and special districts to use progressive design-build (PDB) authority for up to 10 public works projects that are in excess of \$5 million. In addition, any local agency that uses this authorized progressive-design build process must submit a report to the Legislature.	Support Based on 2023 Legislative Priorities and Principles, adopted December 2022	Currently, PDB-eligible projects are limited to wastewater treatment facilities, park and recreational facilities, solid waste management facilities and water recycling facilities. This bill now authorizes cities, counties and special districts, including Metropolitan, to use PDB for public works projects. This supports Metropolitan’s priority of ensuring reliable water supply deliveries throughout its service area.
SB 867 Allen (D-Santa Monica)	Amended 6/22/2023 Two-Year Bill Assembly Natural Resources Committee	Drought, Flood and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024. This measure would authorize a \$15.5 billion general obligation bond for a range of resource-based programs that will improve California’s climate resiliency. If approved, this measure would be on the March 5, 2024 statewide ballot.	Support, if amended Based on June 2023 Board Action	This measure is consistent with Metropolitan’s current policy priorities and supports the objectives of Metropolitan’s Climate Adaptation Master Plan. Metropolitan is seeking amendments to increase funding for recycled water, dam safety, regional conveyance, drought, and conservation projects.



ACTION ITEM
March 6, 2024

TO: Board of Directors

FROM: Harvey De La Torre
General Manager

Staff Contact: Heather Baez

SUBJECT: AB 2409 (PAPAN): STATE PERMITTING TRANSPARENCY DASHBOARD

STAFF RECOMMENDATION

It is recommended that the Board of Directors vote to adopt a support position on AB 2409 (Papan), send a letter to the author and the Orange County delegation, and join CMUA's outreach efforts.

BILL SUMMARY

Assembly Bill 2409 would require the Office of Planning and Research to create and maintain a State Permitting Transparency Dashboard will provide the public with a clear and accessible view of the permitting process for large-scale infrastructure projects with an estimated cost of \$100 million or more.

NEED FOR THIS PROPOSAL

By increasing transparency, the State Permitting Transparency Dashboard aims to foster public understanding, build confidence, and encourage timely permit issuance for critical public infrastructure.

Currently, information on project permitting is not easily accessible, and it is only periodically shared with the public through updates to the governing board of the public agency proponent undertaking the project. If a stakeholder is not following each project update to the governing board, they cannot determine where in the permitting process a project may be, further complicating stakeholder engagement.

This proposal is modeled after the permitting dashboard for the federal Fixing America's Surface Transportation (FAST) Act signed by President Barack Obama in 2015. The FAST Act covers projects over \$200 million in costs (see Link 1).

Budgeted: <input type="checkbox"/> Yes <input type="checkbox"/> No	Budgeted amount:	Core: <input checked="" type="checkbox"/>	Choice: <input type="checkbox"/>
Action item amount:		Movement between funds: <input type="checkbox"/> Yes <input type="checkbox"/> No	

ARGUMENTS IN SUPPORT

The State Permitting Transparency Dashboard yields several benefits. By delivering clear and comprehensive information, the Dashboard promotes public awareness and understanding of the intricate permitting process. This heightened transparency instills accountability among project proponents and permitting agencies, fostering informed stakeholder engagement as well as efficient and timely processing of applications. More timely approvals facilitated by the Dashboard will help reduce project delays, minimize associated costs, and accelerate delivery of critical water supply, flood protection, and energy projects needed for climate change response.

ARGUMENTS IN OPPOSITION

None on file.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|---|---|
| <input checked="" type="checkbox"/> <i>Clarifying MWDOC's mission and role; defining functions and actions.</i> | <input checked="" type="checkbox"/> <i>Work with member agencies to develop water supply and demand objectives.</i> |
| <input type="checkbox"/> <i>Balance support for Metropolitan's regional mission and Orange County values and interests.</i> | <input type="checkbox"/> <i>Solicit input and feedback from member agencies.</i> |
| <input type="checkbox"/> <i>Strengthen communications and coordination of messaging.</i> | <input type="checkbox"/> <i>Invest in workforce development and succession planning.</i> |

BOARD OPTIONS

Option #1: Adopt a support position on AB 2409 (Papan), send a letter to the bill author, the Orange County delegation and join CMUA's outreach efforts.

Option #2: Take no action
Fiscal Impact: None

List of Attachments/Links:
<p>Attachment 1: AB 2409 Full Text</p> <p>Link 1: https://www.permits.performance.gov/projects/fast-41-covered</p>

ASSEMBLY BILL

No. 2409

Introduced by Assembly Member Papan

February 12, 2024

An act to add Section 65040.18 to the Government Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

AB 2409, as introduced, Papan. Ofce of Planning and Research: permitting accountability transparency dashboard.

Existing law establishes the Ofce of Planning and Research within the Governors ofce to provide long-range planning and research and to serve as the comprehensive state planning agency.

This bill would require the ofce, on or before January 1, 2026, to create and maintain, as specied, a permitting accountability transparency internet website (dashboard). The bill would require the dashboard to include a display for each permit to be issued by specied state agencies for all covered projects. The bill would dene various terms for these purposes. The bill would also require the dashboard to include, but not be limited to, information for each permit to be issued by a state agency that is required for the completion of the project, including, among other requirements, the permit application submission date. The bill would require each state agency with a responsibility for issuing a permit for a covered project to provide information in the appropriate time and manner as determined by the ofce. The bill would also make related ndings and declarations.

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

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

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

(a) The timely issuance of permits for critical infrastructure projects is essential for the protection of human health and safety as well as the economic well-being of the state.

(b) Delays in the permitting process can result in increased costs and hinder the timely delivery of critical public benefits such as water supply, food risk reduction, energy reliability, and environmental protection and enhancement.

(c) Transparency in the permitting process is crucial for public understanding and confidence in the state's ability to advance large infrastructure projects for the public benefit.

SEC. 2. Section 65040.18 is added to the Government Code, to read:

65040.18. (a) For purposes of this section:

(1) Covered project means a publicly owned project for the development of infrastructure for water supply, food risk reduction, energy reliability, or environment protection or enhancement with an estimated cost of one hundred million dollars (\$100,000,000) or more.

(2) Dashboard means the permitting accountability transparency internet website created and maintained by the office pursuant to this section.

(3) Permit means a permit, agreement, certification, approval, authorization, permission, notice to proceed, or directive, or issuance of this document, from a state agency that is necessary for the project to proceed.

(4) State agency means the state agencies, boards, commissions, or departments with the authority to issue permits that would authorize the project or project-related work that are the following:

(A) Department of Fish and Wildlife.

(B) State Water Resources Control Board.

(C) The regional water quality control board for each of the regions described in Section 13200 of the Water Code.

(D) Department of Water Resources.

(E) State Energy Resources Conservation and Development Commission.

1 (b) The ofce shall create and maintain a permitting
2 accountability transparency internet website on or before January
3 1, 2026, that is publicly accessible.

4 (c) The dashboard shall include a display for each permit to be
5 issued by a state agency for all covered projects.

6 (d) The dashboard shall include, but not be limited to,
7 information for each permit to be issued by a state agency that is
8 required for the completion of the covered project, including all
9 of the following:

10 (1) Permit application submission date.

11 (2) Date the permit application is deemed complete.

12 (3) The number of resubmittals required for the permit
13 application to be deemed complete.

14 (4) Anticipated timeline for permit issuance.

15 (5) Date the permit application is approved or denied.

16 (e) The ofce shall periodically, but no less than once per
17 calendar quarter, update the dashboard for each covered project
18 to ensure accurate and timely information.

19 (f) Each state agency with a responsibility for issuing a permit
20 for a covered project shall provide information in the appropriate
21 time and manner as determined by the ofce.



ACTION ITEM

March 6, 2024

TO: Board of Directors

FROM: Harvey De La Torre
General Manager

Staff Contact: Heather Baez

SUBJECT: SB 1218 (NEWMAN): EMERGENCY WATER SUPPLIES

STAFF RECOMMENDATION

It is recommended that the Board of Directors vote to adopt a support position on SB 1218 (Newman) and join Irvine Ranch Water District's (IRWD) coalition letter.

BILL SUMMARY

Senate Bill 1218 would declare that it is the established policy of the state to encourage and incentivize, but not mandate, the development of emergency water supplies, and to support their use during times of water shortage.

NEED FOR THIS PROPOSAL

California has always had a climate that cycles between periods of large amounts of precipitation and times of drought. With climate change, however, we are experiencing extreme weather cycles and weather. As the state sees more rainfall and less snow, earlier snowmelt, more intense rain events, aridification, and increasingly frequent droughts, the state needs to focus on water resilience.

While water use efficiency will continue to play an important role in the face of climate change, water resilience for the future will also require California to take different approaches than have been taken in the past to ensure sufficient water for the state's ecosystem, urban and agriculture needs in times of excess and times of shortage. California can and should take action to build water resilience into its water resource management and planning accounting for these changes.

Budgeted: <input type="checkbox"/> Yes <input type="checkbox"/> No	Budgeted amount:	Core: <input checked="" type="checkbox"/>	Choice: <input type="checkbox"/>
Action item amount:		Movement between funds: <input type="checkbox"/> Yes <input type="checkbox"/> No	

The Legislature can encourage actions that build water resilience, especially for times of drought. With intensifying and prolonged periods of drought likely, emergency supplies can help ensure sufficient water.

ARGUMENTS IN SUPPORT

SB 1218 would establish a state policy that recognizes the role emergency water supplies can play in water resilience can encourage and incentivize greater investment and development of those supplies across the state. It would enact such a policy by adding the following policy statement to the California Water Code:

“It shall be the policy of the state to encourage and incentivize, but not mandate, the development of emergency water supplies, and to support their use during times of water shortage.”

ARGUMENTS IN OPPOSITION

None on file.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|--|--|
| <input checked="" type="checkbox"/> Clarifying MWDOC’s mission and role; defining functions and actions. | <input checked="" type="checkbox"/> Work with member agencies to develop water supply and demand objectives. |
| <input type="checkbox"/> Balance support for Metropolitan’s regional mission and Orange County values and interests. | <input type="checkbox"/> Solicit input and feedback from member agencies. |
| <input type="checkbox"/> Strengthen communications and coordination of messaging. | <input type="checkbox"/> Invest in workforce development and succession planning. |

Additional Comments: This bill proposal was shared on behalf of IRWD at the Metropolitan Member Agency Legislative Coordinators meeting, seeking support and offer to join IRWD’s coalition letter. To date, Three Valleys and Las Virgines MWDs have signed on in support, with additional agencies to come after Board review.

BOARD OPTIONS

Option #1: Adopt a support position on SB 1218 (Newman) and join IRWD’s coalition letter.

Fiscal Impact: None

Option #2: Take no action

Fiscal Impact: None

List of Attachments/Links:
<i>Attachment 1:</i> SB 1218 Full Text

Introduced by Senator NewmanFebruary 15, 2024

An act to add Section 106.6 to the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 1218, as introduced, Newman. Water: emergency water supplies.

Existing law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan. The act requires an urban water management plan to include a water shortage contingency plan, as provided.

This bill would declare that it is the established policy of the state to encourage and incentivize, but not mandate, the development of emergency water supplies, and to support their use during times of water shortage.

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

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

- 1 SECTION 1. The Legislature hereby finds and declares all of
- 2 the following:
- 3 (a) California has a climate that cycles between periods of large
- 4 amounts of precipitation and times of drought.
- 5 (b) Californias weather cycles are already affecting water
- 6 resources throughout the state, which in turn negatively impact
- 7 ecosystems, economies, and communities.
- 8 (c) In addition to enhancing water efficiency, California can
- 9 and should take action to build water resilience into its water

1 resource management and planning that accounts for these changes,
2 allowing the state to better adapt to and mitigate the impacts of
3 climate change on water supplies and watersheds.

4 (d) With climate change likely bringing more frequent and
5 intense droughts to California, the state needs to evaluate how it
6 will ensure sufficient water supplies during times of shortage.

7 (e) An emergency water supply is one way the state can ensure
8 sufficient water supplies during times of drought, and the
9 development of emergency water supplies can aid the state in
10 mitigating the impacts of more frequent droughts.

11 (f) Despite this, few water suppliers have made an investment
12 in emergency water supplies.

13 (g) Establishing as state policy a role for emergency water
14 supplies can help encourage and incentivize greater investment
15 and development of those supplies across the state.

16 SEC. 2. Section 106.6 is added to the Water Code, to read:

17 106.6. (a) It is hereby declared to be the established policy of
18 this state to encourage and incentivize, but not mandate, the
19 development of emergency water supplies, and to support their
20 use during times of water shortage.

21 (b) For purposes of this section, emergency water supplies
22 means water supplies identified in a water shortage contingency
23 plan that has been developed to increase a water suppliers water
24 supply reliability during times of shortage, including, but not
25 limited to, during a drought or unplanned service disruption, and
26 that are in addition to the baseline water supplies the water supplier
27 draws on during nonshortage times to meet water demands within
28 its service area.



Item No. 6

DISCUSSION ITEM

March 6, 2024

TO: Board of Directors

FROM: Harvey De La Torre, General Manager

Staff Contact: Melissa Baum-Haley
Alex Heide
Kevin Hostert

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. Water Supply Condition Update
- c. Water Quality Update
- d. Colorado River Issues
- e. Delta Conveyance Activities and State Water Project Issues

ISSUE BRIEF #A

SUBJECT: MET Finance and Rate Issues

RECENT ACTIVITY

Water Transactions for December 2023 (for water delivered in October 2023) totaled 114.0 thousand acre feet (TAF), which was 39.6 TAF lower than the budget of 153.6 TAF and translates to \$112.6 million in receipts for December 2023, which was \$37.5 million lower than the budget of \$150.1 million.

Year-to-date water transactions through December 2023 (for water delivered in May 2023 through October 2023) were 634.5 TAF, which was 218.3 TAF lower than the budget of 852.8 TAF. Year-to-date water receipts through December 2023 were \$640.9 million, which was \$225.3 million lower than the budget of \$866.2 million

ISSUE BRIEF #B**SUBJECT: MET's Supply Condition Update****RECENT ACTIVITY**

The 2023-24 Water Year (2023-24 WY) officially started on October 1, 2023. Thus far, Northern California accumulated precipitation (8-Station Index) reported **32.8. inches or 94% of normal** as of February 27th. The Northern Sierra Snow Water Equivalent was **23.3 inches on February 26th**, which is **93% of normal** for that day. The Department of Water Resources (DWR) in February has increased the State Water Project (SWP) initial **"Table A" allocation for WY 2023-24 at 15%**.

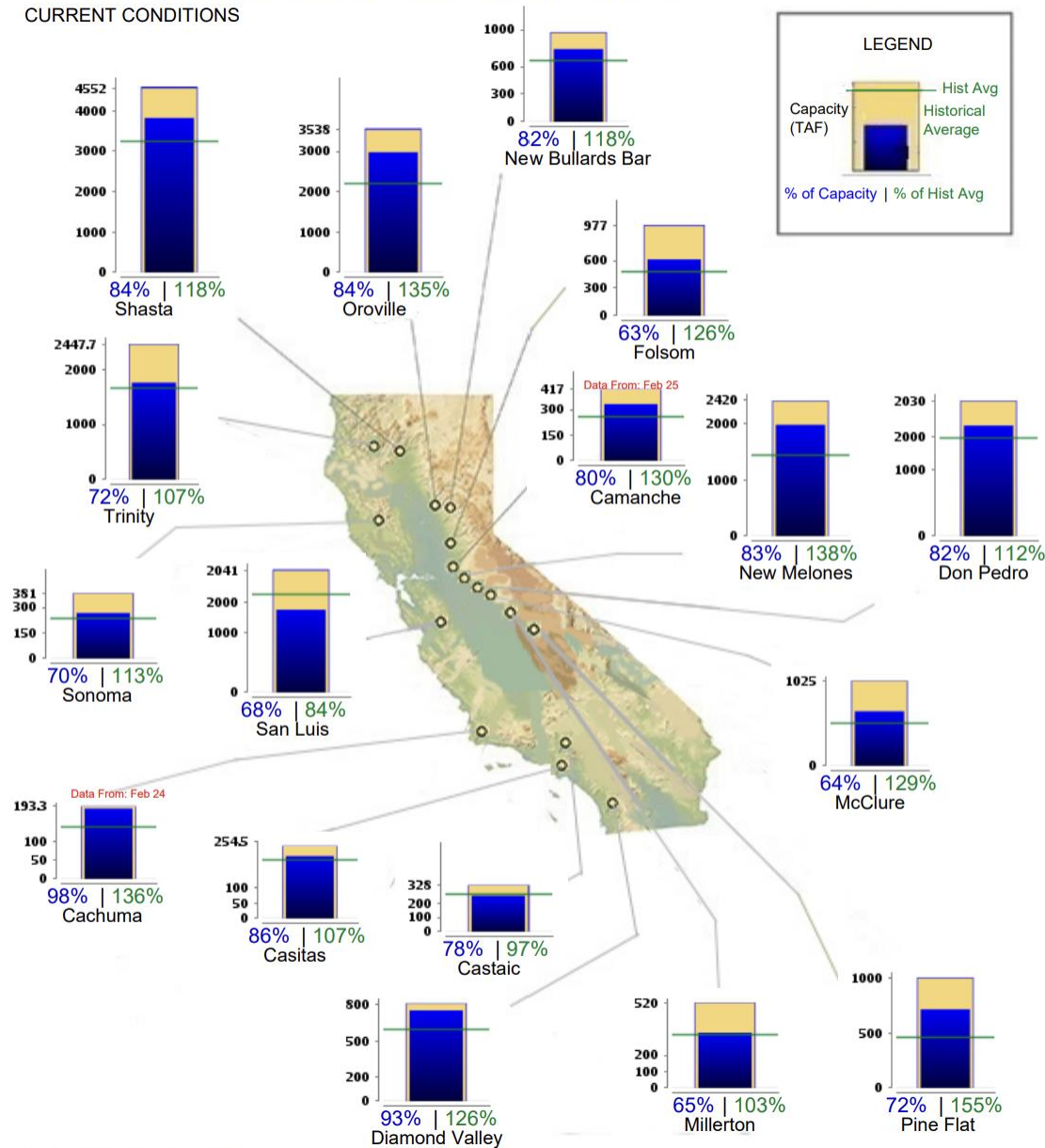
The Upper Colorado River Basin accumulated precipitation is reporting **13.2 inches or 97% of normal as of February 26th**. On the Colorado River system, snowpack is measured across four states in the Upper Colorado River Basin. The Upper Colorado River Basin Snow Water Equivalent was **12.4 inches as of February 37th**, which is **83% of normal** for that day. Due to the below average inflows into Lake Powell over the past several years, the United States Bureau of Reclamation **declared a shortage at Lake Mead that has been ongoing since January 1st, 2022**. As of February 2024, **there is a 100% chance of shortage continuing in CY 2024, a 93% chance in CY 2025 and a 83% chance in CY 2026. In addition, there is a 10% chance of a California shortage in 2026.**

As of February 26th Lake Oroville storage is at **84% of total capacity and 135% of normal**. As of February 26th San Luis Reservoir has a current volume of **68% of the reservoir's total capacity and is 84% of normal**.

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

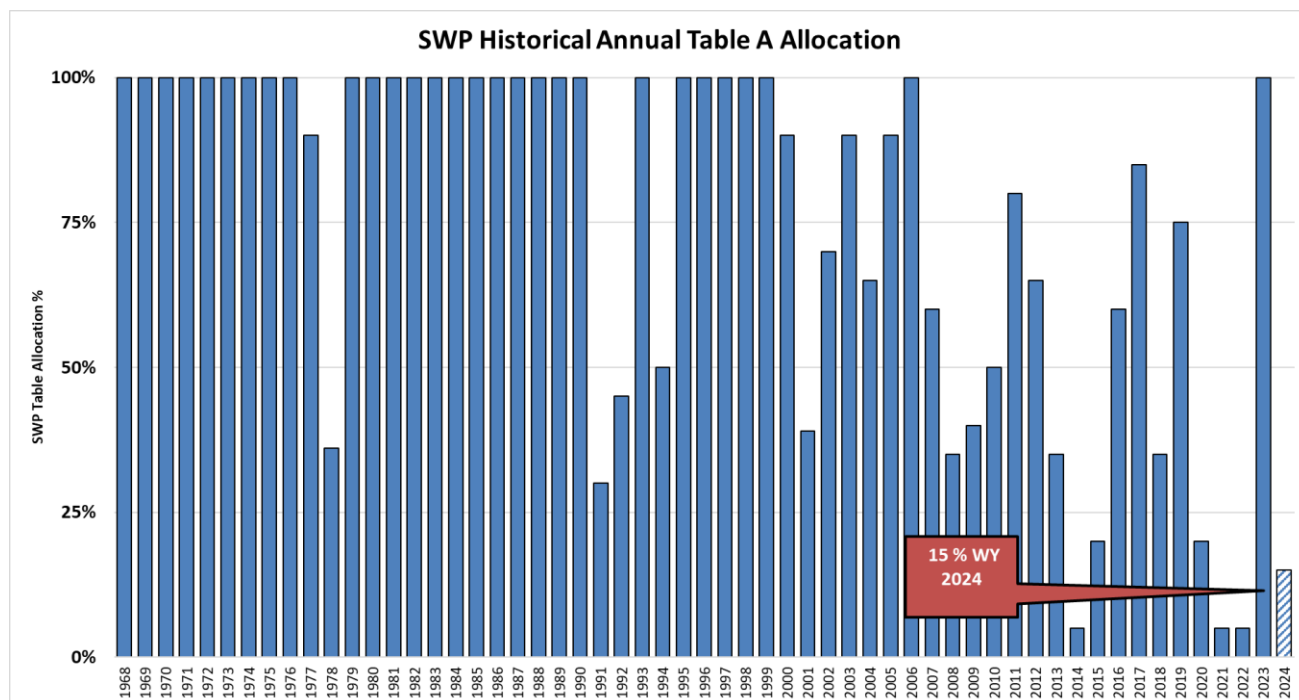
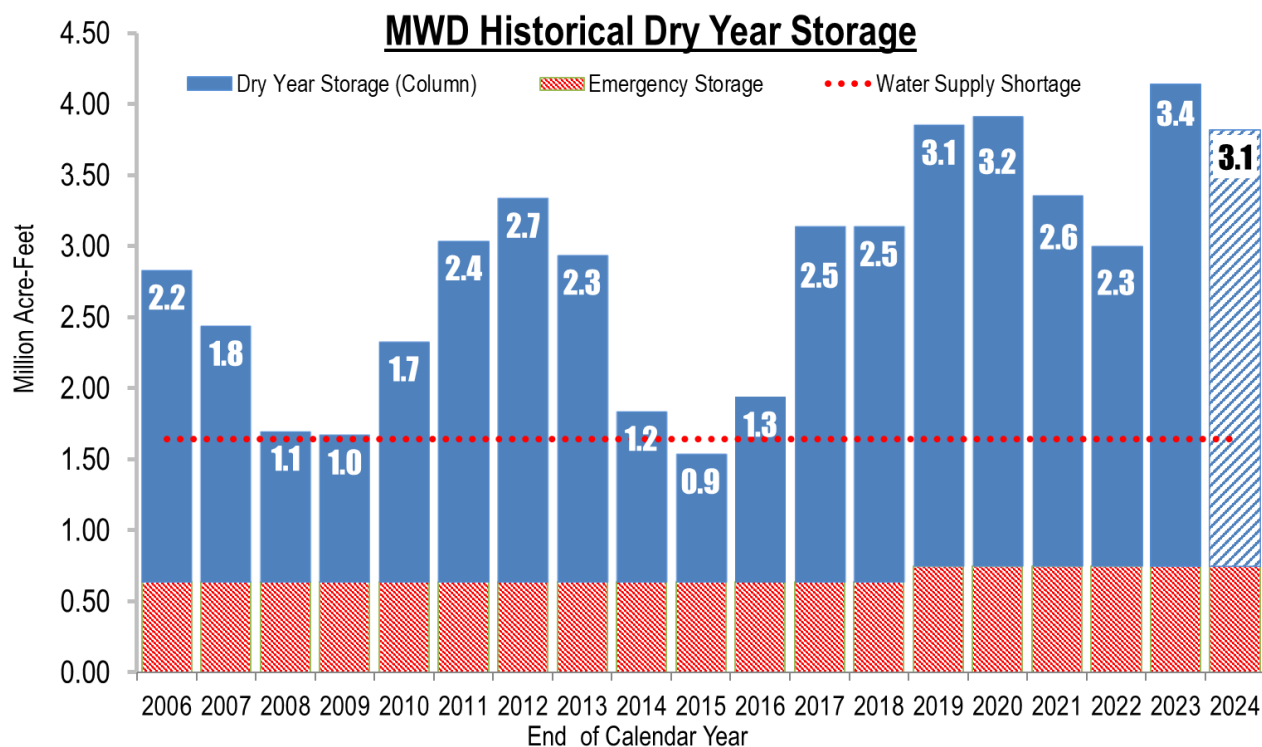
CURRENT CONDITIONS

Midnight - February 26, 2024



With CY 2024 estimated total demands and losses of 1.558 million acre-feet (MAF) and with a 15% SWP Table A Allocation, Metropolitan is projecting that demands will exceed supplies levels in Calendar Year (CY) 2024. Based on this, estimated total dry-year storage for Metropolitan at the end of **CY 2024 will decrease to approximately 3.1 MAF.**

A projected dry-year storage supply of **3.1 MAF would be the approximately 2.1 MAF from a typical level where Metropolitan's goes into Water Supply Allocations.** A large factor in maintaining a high water storage level are lower than expected water demands. We are seeing regional water demands reaching a 40-year low. **However, with a majority of MWD's water supplies stored in Lake Mead and with still a 5-year shortage projection at Lake Mead, there remains a lot of uncertainty to where supply balances will be in the future.**



2024 WSDM Storage Detail

WSDM Storage	1/1/2024 Estimated Storage Levels ¹	CY 2024 Take Capacity ²	2024 Total Storage Capacity
Colorado River Aqueduct Delivery System	1,544,000	130,000	1,657,000
Lake Mead ICS	1,544,000	130,000 ³	1,657,000
State Water Project System	977,000	593,000	1,991,000
MWD & DWCVC Carryover	297,000	297,000	350,000 ⁴
MWD Articles 14(b) and 12(e)	0	0	N/A
Castaic and Perris DWR Flex Storage	219,000	219,000	219,000
Arvin Edison Storage Program	100,000	0	350,000
Semitropic Storage Program	190,000	45,000	350,000
Kern Delta Storage Program	114,000	32,000	250,000
Mojave Storage Program	19,000	0	330,000
AVEK Storage Program	27,000	0	30,000
AVEK High Desert Water Bank Program	11,000	0	112,000 ⁵
In-Region Supplies and WSDM Actions	1,014,000	635,000	1,246,000
Diamond Valley Lake	753,000	496,000	810,000
Lake Mathews and Lake Skinner	207,000	95,000	226,000
Conjunctive Use Programs (CUP) ⁶	54,000	44,000	210,000
Other Programs	586,000	64,000	1,181,000
Other Emergency Storage	381,000	0	381,000
DWCV Advanced Delivery Account	205,000	64,000	800,000
Total	4,121,000	1,422,000	6,075,000
Emergency	750,000	0	750,000
Total WSDM Storage (AF) ⁷	3,371,000	1,422,000	5,325,000

¹ Preliminary start of year balances, subject to DWR adjustments and USBR final accounting in May 2024.

² Take capacity assumed under a ten percent SWP Table A Allocation. Storage program losses included where applicable.

³ Take capacity based on planned maintenance activities and current CRA supply estimate.

⁴ Total storage capacity varies year-to-year based on prior year remaining balance added to current year contractual limits.

⁵ Reflects 40 percent of the AVEK High Desert Water Bank Program's total storage capacity that has been constructed. The total storage capacity for the AVEK High Desert Water Bank is 280 TAF. Full recharge and recovery operation anticipated by 2027.

⁶ Total of all CUP programs including IEUA/TVMWD (Chino Basin); Long Beach (Central Basin); Long Beach (Lakewood); Foothill (Raymond and Monk Hill); MWDOC (Orange County Basin); Three Valleys (Live Oak); Three Valleys (Upper Claremont); and Western.

⁷ Total WSDM Storage level subject to change based on accounting adjustments.

ISSUE BRIEF #C**SUBJECT: MET's Water Quality Update****RECENT ACTIVITY**

Water System Operations

Metropolitan member agency water deliveries were 70,200 acre-feet (AF) for January, with an average of 2,260 AF per day, about 1,300 AF per day lower than in December. Metropolitan suspended Cyclic and Conjunctive Use Program deliveries in January to preserve State Water Project supplies. Treated water deliveries were 13,400 AF lower than in December, for a total of 36,700 AF, or 52 percent of total deliveries for the month. The Colorado River Aqueduct (CRA) pumped a total of 60,000 AF in January. Metropolitan maintained a four-pump flow along the CRA for most of the month. State Water Project (SWP) imports averaged 600 AF per day, totaling about 19,800 AF for the month. The target SWP blend is 0 percent for the Weymouth, Diemer, and Skinner plants.

On December 1, 2023, the Department of Water Resources issued an initial 10 percent SWP Allocation for 2024. The 10 percent SWP Allocation when combined with Colorado River supplies, does not provide the region with sufficient water to meet demands, and Metropolitan would need to rely on stored supplies if the allocation continues to remain low. Water supplies continue to be managed according to Water Surplus and Drought Management (WSDM) principles and operational objectives with an emphasis on positioning SWP supplies to meet future demands in the SWP-dependent area. Metropolitan continued deliveries to Desert Water Agency and Coachella Valley Water District. With the low initial SWP Allocation, Metropolitan minimized its use of Table A supplies this month and will adapt its operations based on supply conditions as the year progresses.

Water Treatment and Distribution

This month, in response to the low initial SWP allocation, the SWP target blend entering the Weymouth plant was lowered from 80 percent to zero percent. The SWP blend for the Diemer plant remained below 10 percent. The SWP target entering Lake Skinner was lowered to zero percent in January, and the SWP blend leaving the lake decreased gradually from 60 percent to below 40 percent. Flow-weighted running annual averages for total dissolved solids from December 2022 through November 2023 for Metropolitan's treatment plants capable of receiving a blend of supplies from the SWP and the Colorado River Aqueduct were 385, 442, and 490 milligrams per liter (mg/L) for the Weymouth, Diemer, and Skinner plants, respectively.

Metropolitan staff began work to install a 24-inch Cla-Val pressure control valve inside the OC-88 sectionalizing valve structure along the Allen McColloch Pipeline (AMP). The valve installation is being performed for improved hydraulic control of the AMP, in response to a recent inspection of this prestressed concrete cylinder pipeline. Staff coordinated with Engineering Services and Safety & Regulatory Training (SRT) to remove

the structure roof slabs. The existing lifting eyes were compromised, requiring new through-bolt style lifters to be procured and installed. The roof slabs are 6' wide and 23' long, weighing 23,000 lbs. Staff installed pipe elbows, isolation valves, and blind flanges for a bypass line at the OC-88 sectionalizing valve on the AMP during the Diemer plant shutdown. The final piping connections will be installed next month. The new bypass line will allow flexibility to operate the AMP at a lower pressure.

Future Legislation and Regulation

On December 19, the State Water Resources Control Board adopted its proposed Direct Potable Reuse regulations. The regulations provide the regulatory framework by which highly treated recycled water can be introduced either immediately upstream of a water treatment plant or directly into a public water system. Metropolitan commented with the Los Angeles County Sanitation Districts on the proposed regulations, as the regulations govern the DPR options for Pure Water Southern California.

On December 21, Metropolitan staff sent a comment letter supporting EPA's second draft guidance on how to apply the "functional equivalency" test found in the Supreme Court's *County of Maui v. Hawaii Wildlife Fund* decision. Under the Maui decision, the Supreme Court set forth seven factors to determine whether a NPDES permit is required when a point source pollutant discharged to groundwater has the same "functional equivalency" as a direct discharge to a navigable water. Metropolitan operations are not expected to be affected by the new guidance, though the guidance is expected to help protect source water quality throughout the Colorado River Basin.

On December 22, Metropolitan staff provided comments on Division of Drinking Water's new "Clearinghouse Annual Inventory Report (CAIR)." The CAIR consolidates a section of the Electronic Annual Report (eAR) and 2023 Drought and Conservation Reporting Order into a centralized location for public water systems to report water supply and demand data. Metropolitan staff requested that three of Metropolitan's small water systems be removed from the drought reporting requirements under CAIR and offered technical fixes to help streamline data reporting. The CAIR went into effect January 1, 2024. Metropolitan staff were asked by DDW to serve on a working group to help streamline the reporting requirements under CAIR.

On December 26, Metropolitan staff submitted comments on CARB's Zero-Emission Forklift Rulemaking package. The proposed rule prohibits fleet operators from purchasing new propane or gasoline-fueled Class IV (any lift capacity) and Class V forklifts (lifting capacity up to 12,000 lbs.) starting in 2026. Metropolitan operates approximately 30 forklifts subject to the requirements of the proposed regulation. Metropolitan's comments focused on streamlining the forklift reporting requirements and modifying the low-use forklift purchasing exemption. CARB anticipates adopting the rule in Summer 2024.

On January 5, in accordance with a Consent Decree in the *NRDC v. EPA* case, the court announced that EPA will be required to propose a maximum contaminant level goal ("MCLG") and a national primary drinking water regulation ("NPDWR") for perchlorate by

November 21, 2025, and publish a final MCLG and NPDWR by May 21, 2027. Previously, staff has commented in support of EPA promulgating a federal perchlorate standard to protect public health and help with long-term remediation of perchlorate contamination in the Colorado River Basin. Metropolitan staff will continue to monitor and engage in any future regulatory activity with respect to perchlorate.

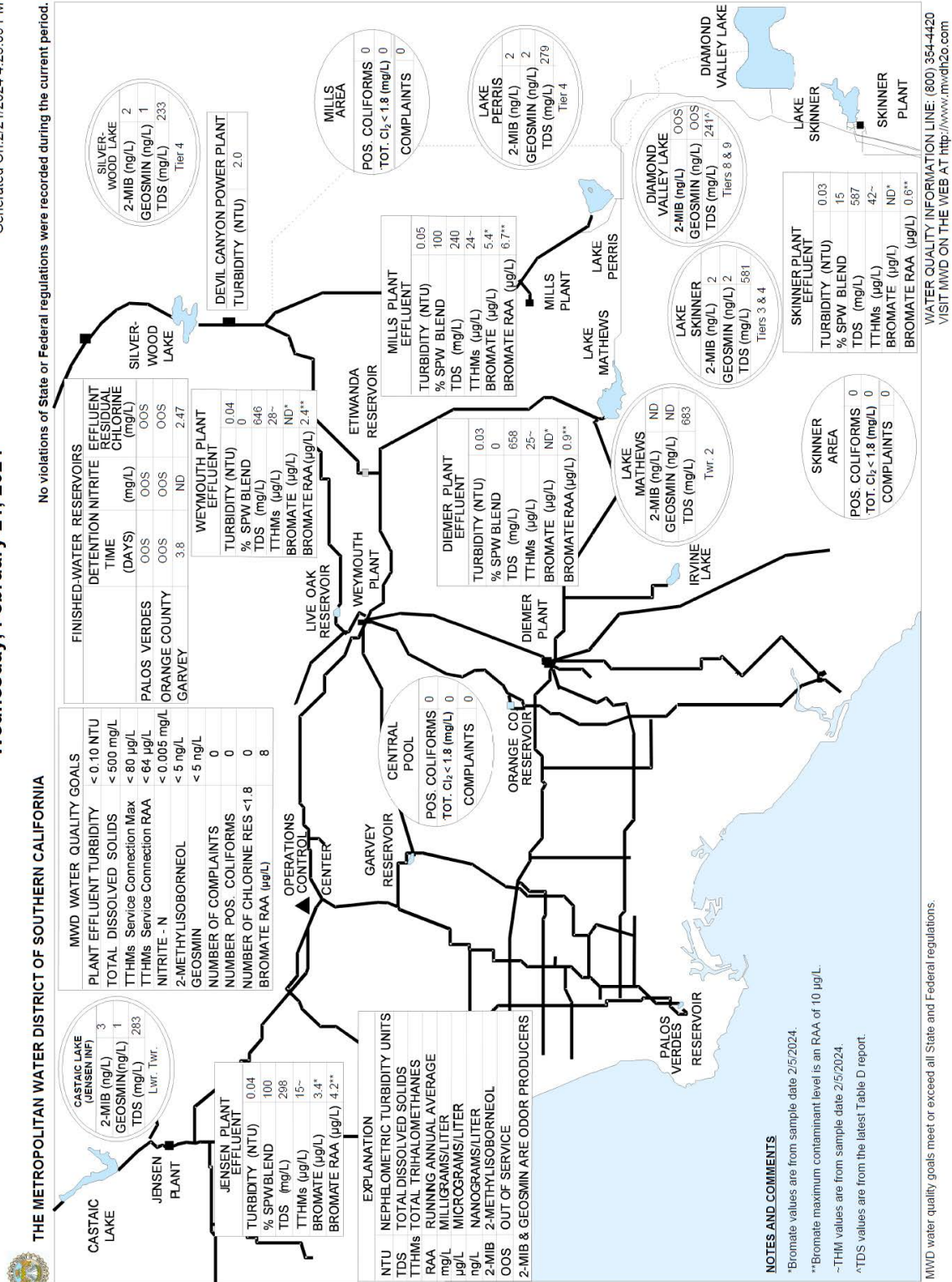
On January 8, the California Association of Mutual Water Companies, Community Water Systems Alliance, and the California-Nevada Section of the American Water Works Association submitted a letter in response to the Office of Environmental Health Hazard Assessment's (OEHHA) request for comments on the Draft Proposed Health-Protective Concentration for the Noncancer Effects of Hexavalent Chromium in Drinking Water. Staff provided support in developing the letter, which requested that OEHHA explain the rationale for changing uncertainty factors that make the calculated health-protective concentration much more stringent and questioned the potential impact of a lower

Maximum Contaminant Level on affordability, particularly for low-income consumers.

Weekly Water Quality System Status

Wednesday, February 21, 2024

Generated On: 2/21/2024 4:25:09 PM



The Metropolitan Water District of Southern California

Weekly Operations Plan for 2/15/2024 – 2/22/2024

For additional information, please contact James Bodnar at (213) 217-6099

1. **COLORADO RIVER AQUEDUCT:** The CRA is at a 3-pump flow.
2. **EAST BRANCH SPW:** Rialto Pipeline will average a flow between 90 and 140 AF/day. Santa Ana Valley Pipeline will be at 60 AF/day. Inland Feeder flow will be at 100 AF/day.
3. **WEST BRANCH SPW:** The flow from Castaic Lake will range between 350 and 400 AF/day. Flow to SCVWA (formerly CLWA) is currently at 60 AF/day.
4. **TERMINAL RESERVOIRS:**

Reservoir	Current Storage* (AF)	Percent of Capacity
Lake Mathews	154,200	85%
Lake Skinner	42,100	96%
DVL	754,900	93%

*as of 2/14/2024

5. **WATER QUALITY:**

Plant	Targeted Blend (% SPW)	TDS (mg/L)	TTHMs (µg/L)
	As of 2/14/2024	As of 2/14/2024	As of 1/8/2024
Weymouth	0	645	21
Diemer	0	659	29
Skinner	0	572	39
Jensen	100	300	14
Mills	100	235	19

6. **WATER DELIVERIES:** February deliveries are forecasted to be about 64 TAF. As of February 14, 2024, total system demands are about 2,200 AF/day, a decrease of about 200 AF/day from last week.
 7. **HYDROELECTRIC GENERATION:** As of February 14, 2024, the total daily average generation for the week was about 7.0 MW, with 2 of 15 hydroelectric plants in operation.
-

ISSUE BRIEF #D

SUBJECT: Colorado River Issues

RECENT ACTIVITY

Development of Post-2026 Operational Guidelines Environmental Impact Statement

The U.S. Bureau of Reclamation (Reclamation) initiated the process to developing Post-2026 Operational Guidelines for the Colorado River system reservoirs in June of last year. Reclamation has issued the report on the purpose, need, and scope of the proposed federal action. Since that time, the Colorado River Basin States have been working toward development of an alternative that would be submitted to Reclamation to be analyzed as part of the Environmental Impact Statement (EIS) for the Post-2026 Operational Guidelines. Metropolitan General Manager Adel Hagekahlil and other Metropolitan staff have been participating in various aspects of that effort. The alternative will include new provisions for water reductions to the Colorado River Basin States. Reclamation will evaluate the alternatives with several different possible future water supply conditions, including conditions that are much drier than has been experienced in recent years. These drier hydrologies will include the potential for up to 4 million acre-feet of water reductions in certain years. It is hoped that all seven states will support a single alternative, but at this point there continues to be a divide between the Upper and Lower Basin States regarding shortages and Lake Powell operations. It is possible that each Basin State will submit their own proposal to Reclamation by the March 2024 deadline.

As part of this effort, Metropolitan has been meeting with agencies in California to discuss how reductions in California might be shared among the section 5 contractors. The alternative that will be submitted in March 2024 will not include reductions to individual water agencies, but rather water reductions to each state. The various states will have time between March and the end of 2024 to determine how each state will share reductions and other parameters, such as storage in Lake Mead. Metropolitan staff will provide a report to the Board on the details of the proposal once it is submitted to Reclamation in March 2024. After the proposal is submitted, Reclamation will begin analyzing the alternatives and anticipates issuing a draft EIS in December 2024. There is no schedule of actions beyond December 2024, but the next steps would be to prepare a Final EIS and Record of Decision in time for the development of the 2027 Colorado River Annual Operation Plan. Congressional legislation may be needed to implement the Record of Decision.

ISSUE BRIEF #E

SUBJECT: Delta Conveyance Activities and State Water Project Issues

RECENT ACTIVITY

Delta Conveyance

At the January 24th Special Meeting of the Delta Conveyance Design and Construction Authority (DCA) Board of Directors, the DCA Board adopted a resolution amending the Joint Exercise of Powers Agreement with DWR. Director Miguel Angel Luna was appointed by vote to be the DCA legislative liaison.

Sites Reservoir

At the January 19th Joint Reservoir Committee and Sites Authority Board meeting, the Reservoir Committee and the Authority Board directed staff to proceed with implementing proposed policy recommendations from the Local Community Working Group to ensure project alignment with the local community's vision for a successful outcome. The Reservoir Committee and Authority Board authorized the Executive Director to submit the project's Clean Water Act section 404 and 401 Permit applications.

Science Activities

Metropolitan staff completed their review of the State Water Resources Control Board (State Water Board) Bay-Delta Water Quality Control Plan Draft Staff Report (Draft Staff Report). This report evaluates the impacts of Bay-Delta Plan update alternatives, including unimpaired flow alternatives and the Agreements to Support Healthy Rivers and Landscapes (also known as Voluntary Agreements). Metropolitan submitted its comment letter to the State Water Board on the Draft Staff Report on January 19, 2024. The letter focuses on supporting the Healthy Rivers and Landscapes Agreements and the impacts to Metropolitan as a result of the proposed unimpaired flow alternatives.

Metropolitan science staff submitted their reviews of the Summer Fall Habitat Action 2023 Report. The report details the use of the 100 TAF action to maintain low salinity habitat in Suisun Marsh and Grizzly Bay, which would overlap with more turbid water with greater densities of food. Results suggest that the conjoined action had limited impact on Delta smelt habitat but results are still pending on the food metrics.

Delta Island Activities

Metropolitan staff is finalizing the revised Webb Tract grant agreement that incorporates two projects, a rice project and wetland habitat restoration project. A Request for Proposal for the Rice Project will be released in Spring 2024 with construction expected

to begin Fall 2024 if the Board approves it. The Wetland Habitat Restoration Project will begin design and California Environmental Quality Act compliance in Spring 2024 with project approvals expected in mid-2025. Construction would follow in late 2025 if the Board approves it.

**Summary Report for
The Metropolitan Water District of Southern California
Board Meeting
February 13, 2024**

CONSENT CALENDAR OTHER ITEMS - ACTION

Approved Committee Assignments. **(Agenda Item 6C)**

Director Pressman was appointed as Chair of the Ethics, Organization, and Personnel Committee.

Director Gualtieri was appointed as a member of the following:

- Engineering, Operations, and Technology Committee
- Finance, Audit, Insurance, and Real Property Committee
- Subcommittee on Long-Term Regional Planning Processes and Business Modeling
- Subcommittee on Pure Water Southern California and Regional Conveyance

CONSENT CALENDAR ITEMS - ACTION

Authorized an increase of \$4,340,000 to an existing agreement with Pure Technologies U.S. Inc. for a new amount not to exceed \$4,410,000 to furnish and monitor an AFO system for the Foothill Feeder. **(Agenda Item 7-1)**

Awarded a \$7,842,856 construction contract to Power Engineering Construction Co. to install a new floating wave attenuator and to refurbish and move the existing attenuator to another location at the DVL East Marina. **(Agenda Item 7-2)**

Authorized an agreement with Stantec Consulting Services Inc. in an amount not to exceed \$1 million for preliminary design to rehabilitate the sedimentation basins solids removal systems at the Joseph Jensen and Henry J. Mills Water Treatment Plants. **(Agenda Item 7-3)**

Awarded a procurement contract to Electric Machinery Company – A WEG Group in an amount not to exceed \$544,501 to furnish a brushless motor exciter system for Gene Pumping Plant Unit No. 1. **(Agenda Item 7-4)**

Awarded a \$2,375,700 contract to J.F. Shea Construction Inc. for construction of a hazardous waste handling and storage facility at the La Verne site. **(Agenda Item 7-5)**

Authorized amendments to the Power System Operation Services Agreement and Scheduling and Trading Services Agreement, both with the Arizona Electric Power Cooperative, related to the termination and credit services provisions of those agreements. **(Agenda Item 7-6)**

Approved an adjustment to Metropolitan's Member Agency Administered Program to allow member agencies to use up to 50 percent of their allocated funds under the flexible, non-documented water savings category; agencies with allocations less than \$50,000 are able to use 100 percent of their Member Agency Administered Program allocation for flexible, non-documented water savings projects/programs. **(Agenda Item 7-7)**

Agenda Item 7-8 (ITEM MOVED FROM CONSENT TO ACTION ITEM 8-3)

Agenda Item 7-9 was withdrawn

Approved amendments to the Metropolitan Water District Administrative Code to modify the structure and duties of various committees. **(Agenda Item 7-10)**

Approved: (1) changes to the Metropolitan Water District 457(b) and 401(k) deferred compensation plans to establish an investment committee and adopt investment committee bylaws; and (2) amendments necessary to conform the plans and the Metropolitan Administrative Code to the proposed changes, current law, practices, and regulations. **(Agenda Item 7-11)**

Reviewed and considered the State of California, Department of Transportation's mitigated negative declaration and authorized the General Manager to grant a permanent easement to the State of California, Department of Transportation for water pipeline purposes on Metropolitan fee-owned property in the County of Riverside, and identified as Assessor Parcel Numbers 713-021-024 and 713-021-02. **(Agenda Item 7-12)**

Set a public hearing on March 12, 2024, regarding the proposed water rates and charges for calendar years 2025 and 2026 necessary to meet the revenue requirements for fiscal years 2024/25 and 2025/26. **(Agenda Item 7-13)**

Approved Metropolitan's annual membership in Center for Energy Advancement through Technological Innovation and annual dues payment of \$27,300 for the Transmission Planning and Operations interest group. **(Agenda Item 7-14)**

OTHER BOARD ACTION ITEMS

Authorized increase in change order authority for three contracts to conduct urgent rehabilitation of prestressed concrete cylinder pipe on the Allen-McColloch Pipeline, as follows:

(a) Authorized an increase in change order authority of \$12 million to Contract 2002 with Northwest Pipe Company; (b) Authorized an increase in change order authority of \$10.5 million to Contract 2026 with J.F. Shea Construction Inc.; and (c) Authorized an increase in change order authority of \$2 million to Contract 2088 with Structural Preservation Systems.

(Agenda Item 8-1)

Update on labor negotiations.

(Agenda Item 8-2) (Heard in Closed Session-No Action Taken)

Authorized the General Manager to secure one-year water transfers and water exchanges with various water districts for up to \$50 million from Water Supply Program and State Water Project budgets for such supplies and to secure storage and conveyance agreements with the Department of Water Resources and various water districts to facilitate these transfers and exchanges; and grant final decision-making authority to the General Manager subject to the terms set forth in this letter. **(Agenda Item 8-3)**

**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>

**Board of Directors - Hidden****March 12, 2024****1:30 PM**

Tuesday, March 12, 2024 Meeting Schedule
08:30 a.m. LC 10:00 a.m. FAM 01:00 p.m. Break 01:30 p.m. BOD

Agendas, live streaming, meeting schedules, and other board materials are available here: <https://mwdh2o.legistar.com/Calendar.aspx>. If you have technical difficulties with the live streaming page, a listen-only phone line is available at 1-877-853-5257; enter meeting ID: 891 1613 4145. Members of the public may present their comments to the Board on matters within their jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference 1-833-548-0276 and enter meeting ID: 815 2066 4276 or click <https://us06web.zoom.us/j/81520664276pwd=a1RTQWh6V3h3ckFhNmDsUWpKR1c2Zz09>

MWD Headquarters Building • 700 N. Alameda Street • Los Angeles, CA 90012

1. **Call to Order**
 - a. Invocation: TBD
 - b. Pledge of Allegiance: TBD
2. **Roll Call**
3. **Determination of a Quorum**
4. **Opportunity for members of the public to address the Board on matters within the Board's jurisdiction. (As required by Gov. Code §54954.3(a))**

PUBLIC HEARING

- a. Public hearing regarding: the proposed water rates and charges for calendar years 2025 and 2026 necessary to meet the revenue requirements for fiscal years 2024/25 and 2025/26 **21-3127**

5. OTHER MATTERS AND REPORTS

- A. Report on Directors' Events Attended at Metropolitan's Expense **21-3052**

- | | | |
|-----------|---|----------------|
| B. | Chair's Monthly Activity Report | 21-3053 |
| C. | General Manager's summary of activities | 21-3054 |
| D. | General Counsel's summary of activities | 21-3055 |
| E. | General Auditor's summary of activities | 21-3056 |
| F. | Ethics Officer's summary of activities | 21-3057 |

**** CONSENT CALENDAR ITEMS -- ACTION ****

6. CONSENT CALENDAR OTHER ITEMS - ACTION

- | | | |
|-----------|--|----------------|
| A. | Approval of the Minutes of the Board of Directors Meeting for February 12, 2024 (Copies have been submitted to each Director, any additions, corrections, or omissions) | 21-3051 |
| B. | Approve Committee Assignments | |
| C. | Nomination and Election of nonofficer members of the Executive Committee for the remaining two-year term effective March 12, 2024 and ending at the January 2025 Board Meeting | |

7. CONSENT CALENDAR ITEMS - ACTION

- | | | |
|------------|--|---------------------------------------|
| 7-1 | Award a \$1,754,000 contract to Granite Construction Company for pavement rehabilitation at the F.E. Weymouth Water Treatment Plant; the General Manager has determined that the proposed action is exempt of otherwise not subject to CEQA (EOT) | <u>21-3079</u> |
| 7-2 | Award a \$892,552 procurement contract to Whipps Inc. for the fabrication and delivery of three stainless steel slide gate assemblies for the East Lake Skinner Bypass channel; the General Manager has determined that the proposed action is exempt or not subject to CEQA (EOT) | <u>21-3080</u> |

- 7-3** Award a \$1,779,174 procurement contract to Vogt Valves, Inc. for a 132-inch diameter butterfly valve to be installed at the Foothill Pump Station Intertie as part of water supply reliability improvements in the Rialto Pipeline service area; and authorize an increase of \$260,000 to an agreement with HDR Engineering Inc. for a new not-to-exceed amount of \$1,560,000 for design services; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (This action is part of a series of projects that are being undertaken to improve the supply reliability for State Water Project dependent member agencies) (EOT) [21-3081](#)
- 7-4** Authorize an increase of \$2,700,000 to an agreement with Tetra Tech Inc. for a new not-to-exceed total amount of \$3,350,000 for final design services for improvements to the Station Light and Power Electrical System at Iron Mountain Pumping Plant; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) [21-3082](#)
- 7-5** Amend the Capital Investment Plan for fiscal years 2022/23 and 2023/24 to include two projects: (1) Sepulveda Feeder Pump Stations Stage 2, and (2) Inglewood Lateral Improvements; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (This action is part of a series of projects that are being undertaken to improve the supply reliability for State Water Project dependent member agencies.) (EOT) [21-3083](#)
- 7-6** Authorize an increase of \$1.3 million to an existing agreement with Helix Environmental Planning Inc. for a new not to exceed amount of \$4.1 million to support the Pure Water Southern California Program environmental planning; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) [21-3084](#)
- 7-7** Authorize an increase of \$320,000 to a purchase order with Total Transportation Logistics Inc. for a new not-to-exceed total amount of \$540,000 for storage of filter valves for the F.E. Weymouth Water Treatment Plant; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) [21-3085](#)
- 7-8** PLACEHOLDER Human Resources Matter (LC) [21-3115](#)

**** END OF CONSENT CALENDAR ITEMS ****

8. OTHER BOARD ITEMS - ACTION

- 8-1** Authorize a new agricultural lease agreement with Lemhi Land & Cattle LLC, thereby allowing this existing lessee to continue farming on Metropolitan's fee-owned property in the Sacramento-San Joaquin Delta [Conference with real property negotiators; properties are approximately 3,007 gross acres of land in the County of Contra Costa: Assessor Parcel Nos. 023040027; 023040026; 023050001; 023050002; 023070011; 023070012; 023090004; 023090003; 023080010; 023080011; 023100007; 023100008; 023090001; 023100002; 023100004; 023100001; agency negotiators Anna Olvera, Kevin Webb and Kieran Callanan; negotiating parties: Gino Torlai dba Lemhi Land & Cattle, LLC; under negotiation: price and terms; to be heard in closed session pursuant to Government Code Section 54956.8] (FAM) [21-3117](#)

9. BOARD INFORMATION ITEMS

- 9-1** Conservation Report **21-3058**
- 9-2** Proposed Interagency Local Supply Exchange Program (OWS) [21-3099](#)
- 9-3** Proposed biennial budget, which includes the Capital Investment Plan and revenue requirements for fiscal years 2024/25 and 2025/26; proposed water rates and charges for calendar years 2025 and 2026 to meet revenue requirements for fiscal years 2024/25 and 2025/26; ten-year forecast; and Cost of Service Report (Workshop #3) (FAM) **21-3118**

10. OTHER MATTERS

NONE

11. FOLLOW-UP ITEMS

NONE

12. FUTURE AGENDA ITEMS

13. ADJOURNMENT

NOTE: Each agenda item with a committee designation will be considered and a recommendation may be made by one or more committees prior to consideration and final action by the full Board of Directors. The committee designation appears in parenthesis at the end of the description of the agenda item, e.g. (EOT). Board agendas may be obtained on Metropolitan's Web site <https://mwdh2o.legistar.com/Calendar.aspx>

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <https://mwdh2o.legistar.com/Calendar.aspx>.

Requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.