

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
May 1, 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. 2148

ACTION ITEMS

1. **AB 1827 (PAPAN) – FEES AND CHARGES: WATER – HIGHER CONSUMPTIVE WATER PARCELS**

Recommendation: Adopt a support position on Assembly Bill 1827 (Papan).

2. AB 2257 (WILSON) – PROPERTY RELATED WATER AND SEWER FEES AND ASSESSMENTS: REMEDIES

Recommendation: Adopt a support position for Assembly Bill 2257 (Wilson).

3. ACR 163 (HART) – SPECIAL DISTRICTS WEEK

Recommendation: Adopt a support position on Assembly Concurrent Resolution 163 (Hart).

PRESENTATION/DISCUSSION ITEMS

4. 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.

5. 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.

6. UPDATE BY MET CHAIRMAN ORTEGA AND MET GENERAL MANAGER HAGEKHALIL REGARDING MET’S CLIMATE ADAPTATION MASTER PLAN

Recommendation: Review and discuss the information presented.

INFORMATION ITEMS

7. 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.

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

- a. Summary regarding April 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.



ACTION ITEM

May 1, 2024

TO: Board of Directors

FROM: Harvey De La Torre
General Manager

Staff Contact: Heather Baez

SUBJECT: AB 1827 (PAPAN) – FEES AND CHARGES: WATER – HIGHER CONSUMPTIVE WATER PARCELS

STAFF RECOMMENDATION

It is recommended that the Board of Directors vote to adopt a support position on Assembly Bill 1827 (Papan).

BILL SUMMARY

AB 1827 would clarify that existing law allows a water supplier to impose fees or charges for property-related water services due to higher water usage demand, maximum potential water use, and projected peak water usage of parcels.

ARGUMENTS IN SUPPORT

To meet demands driven upward by high-water users, a water supplier often has higher costs associated with building, operating, and maintaining a larger water system that can meet those larger water demands. They also have added costs for the additional water supplies needed to serve those larger users.

While collectively, all customers pay for the water service costs, contribution by higher use parcels per Proposition 218 should be proportionately larger than smaller use parcels. Recent trial courts' imposition of increasing degrees of granularity and precision, instead of well accepted methods for cost allocation, have made the allocation of costs to higher water users nearly impossible.

AB 1827 affirms that existing law allows water suppliers to use reasonable and well accepted methods of assessing the incremental costs associated with higher water usage demands to high water.

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	

According to the sponsors, “This important measure, which is supported by a coalition of statewide associations, environmental organizations, water suppliers and regional stakeholders, would ensure water suppliers can continue to use meter size and peaking factors to proportionally allocate the costs associated with providing water service among customers.

“California courts have ruled many times over that public water suppliers must allocate costs associated with higher water demands to those customers whose extra water use causes the supplier to incur higher costs. Water suppliers have long relied on meter size and peaking factors— a factor that estimates the peak demands due to high water users as compared to normal demands— to proportionally allocate costs among customers. Recent lawsuits, however, have sought to prevent the use of these legitimate factors. AB 1827 provides time sensitive clarification to the courts considering such cases that attempt to call the use of these factors into question.

“AB 1827 reinforces the authority of public water agencies under the law to ensure water suppliers can continue to use meter size and peaking factors to proportionally allocate the costs associated with providing water service among customers. AB 1827 does this by amending Proposition 218’s implementing statute to confirm that these long-standing cost allocation methods may be used consistent with Proposition 218. Because of lawsuits that threaten California water suppliers’ ability to use these well-accepted methods of cost allocation, this measure is critical to preventing these costs from being passed on to low-water users.”

ARGUMENTS IN OPPOSITION

According to the Howard Jarvis Taxpayers Association, “Article XIII D, Section 6(b)(4) clearly states, ‘No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Fees or charges based on potential or future use of a service are not permitted.’

Thus, basing a charge on ‘maximum potential water use’ is not permitted under Proposition 218. “Similar concerns are raised by subdivision (b)(2) of proposed section 53750.6. It states, ‘In addition to any other method consistent with Section 6 of Article XIII D of the California Constitution, the costs associated with higher water usage demands, the maximum potential water use, or a projected peak water usage demand cost may be allocated based on meter size or peaking factors, as those are two methods that reasonably assess the water service provider’s cost of serving those parcels which are increasing demand or potential water use.”

SUPPORT & OPPOSITION ON FILE

SUPPORT

California Coastkeeper Alliance
 [SPONSOR]
 Irvine Ranch Water District [SPONSOR]
 7th Generation Advisors
 Association of California Water Agencies
 California Council for Environmental &
 Economic Balance

California Municipal Utilities Association
 California Special Districts Association
 California Water Association
 California Water Efficiency Partnership
 City of Sacramento
 Coachella Valley Waterkeeper
 Community Water Center

Eastern Municipal Water District
 Friends of the River
 Humboldt Waterkeeper
 Inland Empire Waterkeeper
 Las Virgenes Municipal Water District
 Los Angeles Alliance for a New Economy
 Los Angeles Waterkeeper
 Metropolitan Water District of Southern California
 Monte Vista Water District
 Monterey Waterkeeper
 Orange County Coastkeeper
 Otay Water District
 Russian Riverkeeper
 San Diego Coastkeeper

San Gabriel Valley Water Association
 Santa Barbara Channelkeeper
 Santa Clara Valley Water District
 Shasta Waterkeeper
 Sierra Club California
 Social Eco Education
 South Yuba River Citizens League
 Southern California Water Coalition
 Sweetwater Authority
 Three Valleys Municipal Water District
 Trabuco Canyon Water District
 Upper San Gabriel Valley Municipal Water District
 Yorba Linda Water District
 Yuba River Waterkeeper

OPPOSITION

Howard Jarvis Taxpayers Association

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|---|--|
| <input checked="" type="checkbox"/> <i>Clarifying MWDOC’s mission and role; defining functions and actions.</i> | <input 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 1827 (Papan)

Fiscal Impact: None

Option #2: Take no action

Fiscal Impact: None

List of Attachments/Links:
Attachment 1: AB 1827 Full Text

AMENDED IN ASSEMBLY APRIL 4, 2024

CALIFORNIA LEGISLATURE—2023–24 REGULAR SESSION

ASSEMBLY BILL

No. 1827

Introduced by Assembly Member Papan

January 12, 2024

An act to add Section 53750.6 to the Government Code, relating to local government finance.

LEGISLATIVE COUNSEL’S DIGEST

AB 1827, as amended, Papan. Local government: fees and charges: water: ~~higher-consumptive~~ *higher consumptive* water parcels.

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.

Existing law, known as the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with these requirements and, among other things, authorizes an agency providing water, wastewater, sewer, or refuse collection services to adopt a schedule of fees or charges authorizing automatic adjustments that pass through increases in wholesale charges for water, sewage treatment, or wastewater treatment or adjustments for inflation under certain circumstances. Existing law defines, among other terms, the term “water” for these purposes to mean any system of public improvements intended to provide for the production, storage, supply, treatment, or distribution of water from any source.

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 *incrementally higher costs of water service* 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~~ *projected peak water use demand*. The bill would declare that these provisions are declaratory of existing law.

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

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

1 SECTION 1. Section 53750.6 is added to the Government
 2 Code, to read:
 3 53750.6. (a) The fees or charges for property-related water
 4 service imposed or increased pursuant to Section 6 of Article XIII
 5 D of the California Constitution may include the incrementally
 6 higher costs of water service due to any of the following:
 7 (1) The higher water usage demand of parcels.
 8 (2) The maximum potential water ~~use of parcels~~. *use*.
 9 (3) Projected peak water usage.
 10 (4) Any combination of paragraphs (1) to (3), inclusive.
 11 (b) (1) The *incrementally higher costs of water service*
 12 associated with higher water usage demands, the maximum
 13 potential water use, or a projected peak water usage ~~demand~~ may
 14 be allocated using any method that reasonably assesses the water
 15 service provider’s cost of serving those parcels that are increasing
 16 potential water usage demand, maximum potential water use, or
 17 ~~project~~ *projected peak water use demand*. *usage*.
 18 (2) In addition to any other method consistent with Section 6
 19 of Article XIII D of the California Constitution, the *incrementally*
 20 *higher costs of water service* associated with higher water usage
 21 ~~demands, the demand~~, maximum potential water use, or a projected
 22 peak water usage ~~demand cost~~ may be allocated *among customer*
 23 *classes, within customer classes, or both*, based on meter size or

- 1 peaking factors, as those ~~are two methods that~~ reasonably assess
2 the water service provider's cost of serving ~~those parcels which~~
3 ~~are increasing demand or potential water use.~~ *parcels that increase*
4 *water usage demand, maximum potential water use, or projected*
5 *peak water usage.*
6 (c) This section is declaratory of existing law.

O



ACTION ITEM
May 1, 2024

TO: Board of Directors

FROM: Harvey De La Torre
General Manager

Staff Contact: Heather Baez

SUBJECT: AB 2257 (WILSON) – PROPERTY RELATED WATER AND SEWER FEES AND ASSESSMENTS: REMEDIES

STAFF RECOMMENDATION

It is recommended that the Board of Directors vote to adopt a support position for Assembly Bill 2257 (Wilson).

BILL SUMMARY

AB 2257 would authorize public agencies to adopt procedures for the submittal and consideration of public comments regarding proposed water and sewer fees. If an agency elects to adopt these procedures, a person would be required to timely submit written comments that specify grounds for alleging the fees do not comply with Proposition 218, to challenge in court. Public agencies would be required to provide written responses to all comments received before acting on the proposed fees. It would also detail documents that would comprise the administrative record in the event of litigation.

ARGUMENTS IN SUPPORT

AB 2257 would build upon Proposition 218’s existing procedural requirements by creating a clear and robust mechanism for customers to raise questions, concerns, comments, and criticisms of a proposed rate structure. The agency’s governing body would have the benefit of hearing the evidence, which would include objections and the agency’s responses, and apply its reasoned discretion and expertise. This is especially valuable in ratemaking cases in which evidence and policies are highly technical. The process would serve to foster better- informed administrative decisions, which benefit the objector, the public agency, and ratepayers that the agency serves. It would also help agencies develop more defensible rates and build rapport and trust with their ratepayers.

This bill seeks to reestablish a clear distinction between procedural objections to rates and ongoing substantive issues with the implementation of ratemaking. AB 2257’s exhaustion of remedies provisions seeks to promote public participation in the *early stages* of a fee or assessment being considered by a local agency. This will help expedite any concerns or formal

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	

objections without compromising the protections provided for in Proposition 218. It makes the process more efficient while saving taxpayer dollars in lengthy litigation.

AB 2257 is opposed by a coalition of taxpayer organizations who claim (see below) that the exhaustion of remedies process proposed by this bill is superfluous and a violation of due process. The opposition, however, does not address the fact that the bill largely models the exhaustion of remedies process found in the California Environmental Quality Act. Rather than being superfluous, this bill, by design, improves the protections under Proposition 218 by requiring agencies to respond to public comments and build a significantly stronger administrative record than is currently required by Proposition 218.

The opposition also objects to the 45-day time period for evaluating the merits of a fee or assessment and filing an objection. While the Assembly Judiciary Committee does note that other exhaustion of remedies statutes provides for longer public comment periods, it should be noted that the 45-day timeline was adopted from other aspects of Proposition 218. Given that the opponents to this bill were some of the original drafters of Proposition 218, the Committee saw no reason to second guess the adequacy of a timeline originally proposed by those now opposing this measure.

ARGUMENTS IN OPPOSITION

According to the Howard Jarvis Taxpayers Association, “The protest procedure set forth in this bill is separate from the notice required by Proposition 218 and appears merely to layer on additional – and superfluous – requirements for the sole purpose of hindering taxpayers’ constitutional ability to approve or reject taxes.

“For example, under this bill, if the agency posts on its website and “makes available to the public” the proposed fee/assessment and a “written basis” three months prior to a public hearing, the 45-day deadline will have passed by the time Proposition 218 notices are even mailed. It is also questionable what constitutes a “written basis” for proposed charges. Nothing in this bill suggests an engineer’s report, or any other documentation that would allow a ratepayer to infer the charges might be invalid, will be required. How are they supposed to determine, even theoretically, what might be wrong with the proposed rates in the absence of a detailed analysis?

“Further, 45 days is an unreasonably short period of time for: (1) a customer to schedule a consultation with an attorney; (2) the attorney to research whether there is a violation; (3) the attorney to find and retain an expert witness; (4) the expert to prepare a report; and (5) the attorney to draft and submit a thorough objection preserving all legal theories. Not to mention the cost of such an undertaking.”

SUPPORT & OPPOSITION ON FILE (as of 3/19/24)

SUPPORT

Association of California Water Agencies
[Sponsor]
Bella Vista Water District
California Special Districts Association
Calleguas Municipal Water District
City of Santa Rosa
Coastside County Water District
Contra Costa Water District

Crestline-lake Arrowhead Water Agency
Cucamonga Valley Water District
Diablo Water District
Dublin San Ramon Services District
Eastern Municipal Water District
Fallbrook Public Utilities District
Helix Water District

Hidden Valley Lake Community Services District
 Irvine Ranch Water District
 McKinleyville Community Services District
 McMullin Area Groundwater Sustainability Agency
 Mendocino County Russian River Flood Control & Water Conservation
 Metropolitan Water District of Southern California
 Monte Vista Water District
 Montecito Water District
 Olivenhain Municipal Water District
 Placer County Water Agency

Rosedale-Rio Bravo Water Storage District
 San Bernardino Valley Water Conservation District
 San Juan Water District
 Santa Clarita Valley Water Agency
 South San Joaquin Irrigation District
 Stockton East Water District
 Tahoe City Public Utility District
 Tri-County Water Authority
 Valley Center Municipal Water District
 Walnut Valley Water District
 Western Municipal Water District

OPPOSITION

Apartment Owners Association of California
 California Taxpayer Protection Committee
 California Taxpayers Association
 Central Coast Taxpayers Association
 Central Valley Taxpayers Association
 Howard Jarvis Taxpayers Association
 Los Angeles County Taxpayers Association
 Placer County Taxpayers Association
 San Diego Tax Fighters
 Silicon Valley Taxpayers Association
 Solano County Taxpayers Association
 Western Manufactured Housing Communities Association

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|---|--|
| <input checked="" type="checkbox"/> <i>Clarifying MWDOC’s mission and role; defining functions and actions.</i> | <input 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 2257 (Wilson)
Fiscal Impact: None

Option #2: Take no action
Fiscal Impact: None

List of Attachments/Links:
Attachment 1: AB 2257 Full Text

AMENDED IN ASSEMBLY MARCH 20, 2024

CALIFORNIA LEGISLATURE—2023–24 REGULAR SESSION

ASSEMBLY BILL

No. 2257

Introduced by Assembly Member Wilson

February 8, 2024

An act to add Sections 53759.1 and 53759.2 to the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 2257, as amended, Wilson. Local government: property-related water and sewer fees and assessments: remedies.

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.~~ *agency, including notice, hearing, and protest procedures, depending on the character of the assessment, fee, or charge.*

Existing 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.

This bill would provide that local agency responses to the timely submitted written objections shall go to the weight of the evidence supporting the agency’s compliance with the substantive limitations on fees and assessments imposed by the constitutional provisions. The bill would also prohibit an independent cause of action as to the adequacy of the local agency’s responses.

This bill would, if the local agency complies with the specified procedures, provide that in any judicial action or proceeding to review, invalidate, challenge, set aside, rescind, void, or annul the fee or assessment for failure to comply with the *procedural and substantive requirements of specified constitutional provisions, provisions in the fee or assessment setting process*, the court’s review is limited to a record of proceedings containing specified documents, except as otherwise provided. *The bill would provide that this limitation does not preclude any civil action related to a local agency’s failure to implement a fee or assessment in compliance with the manner adopted by the local agency.* The bill would make related findings and declarations.

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

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

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

3 ~~(a) State law requires that establishing or making certain changes~~
4 ~~to property-related fees, like water service rates, occur in~~
5 ~~accordance with procedures outlined in Section 6 of Article XIII~~
6 ~~D of the California Constitution, commonly referred to as~~
7 ~~“Proposition 218.” Establishing or making certain changes to~~
8 ~~special assessments is governed by Section 4 of Article XIII D of~~
9 ~~the California Constitution.~~

10 ~~(b) The “exhaustion of remedies” principle is a fundamental~~
11 ~~concept of administrative law governing the relationship between~~
12 ~~agencies and courts. It requires individuals to raise concerns about~~
13 ~~proposed agency actions to the agencies themselves, in the first~~
14 ~~instance, rather than to the courts. Individuals that disagree with~~
15 ~~agency actions must pursue available agency procedures for~~
16 ~~addressing those concerns before they may sue the agency in court~~

1 (*Plantier v. City of Ramona Municipal Water Dist.* (2019) 7 Cal.5th
2 372, 382-383, citing *Coachella Valley Mosquito & Vector Control*
3 *Dist. v. California Public Employment Relations Bd.* (2005) 35
4 Cal.4th 1072, 1080; see *Abelleira v. District Court of Appeal,*
5 *Third Dist.* (1941) 17 Cal.2d 280, 292-293).

6 (e)

7 (a) The purpose of this act is to create an exhaustion of
8 administrative remedies procedure that, if implemented by a local
9 agency, requires ratepayers to bring an objection regarding a
10 proposed property-related water or sewer fee or charge, or any
11 special assessment to the local public agency governing body's
12 attention prior to the deadline established by the local public agency
13 as part of the rate or assessment consideration process. The purpose
14 of the act is also to provide an opportunity for the local public
15 agency to address or resolve the objection or objections before its
16 governing body makes a final decision on whether to establish a
17 new, or amend a current, property-related fee or special assessment
18 pursuant to Proposition 218.

19 (d)

20 (b) The procedure created by this act is intended to provide a
21 meaningful opportunity for a ratepayer to resolve an objection to
22 a proposed new or amended property-related water or sewer fee
23 or charge, or any special assessment before resorting to litigation
24 after the new or amended rate or special assessment is approved
25 (see *Plantier v. Ramona Municipal Water Dist.*, *supra*, *Dist.* (2019)
26 7 Cal.5th at p. 338); 372, 383). Even if such an objection is not
27 fully resolved, the local agency's considering and responding to
28 the objection can narrow the dispute and will create a better
29 evidentiary record for court review in deciding any later litigation
30 (see *id.*).

31 (e)

32 (c) This act establishes a "clearly defined machinery for the
33 submission, evaluation, and resolution of complaints by aggrieved
34 parties" (see *parties*) (see *Plantier v. Ramona Municipal Water*
35 *Dist.*, *supra*, 7 Cal.5th Cal.5th at p. 384 384, citing *Rosenfield v.*
36 *Malcom* (1967) 65 Cal.2d 559, 566) and is consistent with the
37 intent of Proposition 218, which is to enhance communication
38 between ratepayers and agencies (*Morgan v. Imperial Irrigation*
39 *Dist.* (2014) 223 Cal.App.4th 892, 911; see also *Bighorn-Desert*
40 *View Water Agency v. Virjil* (2006) 39 Cal.4th 205, 220).

1 SEC. 2. Section 53759.1 is added to the Government Code, to
2 read:

3 53759.1. (a) For purposes of this section, the following
4 definitions apply:

5 (1) "Exhaustion of remedies requirement" means the written
6 objection requirement under subdivision (b).

7 (2) "Fee or assessment" means any property-related water or
8 sewer fee or charge, or any special assessment.

9 (b) For purposes of any fee or assessment adopted by a local
10 agency pursuant to Section 4 or 6 of Article XIII D of the
11 California Constitution, if the local agency complies with the
12 procedures described in subdivision (c), a person or entity shall
13 be prohibited from bringing a judicial action or proceeding alleging
14 noncompliance with Article XIII D of the California Constitution
15 for any new, increased, or extended fee or assessment, unless that
16 person or entity has timely submitted to the local agency a written
17 objection to that fee or assessment that specifies the grounds for
18 ~~alleging noncompliance, and shall be subject to the requirements~~
19 ~~of Section 53759.2. noncompliance.~~

20 (c) The exhaustion of remedies requirement authorized by
21 subdivision (b) applies only if the local agency does all of the
22 following:

23 (1) Posts on its internet website and makes available to the
24 public a proposed fee or assessment and a written basis for the fee
25 or assessment no less than 45 days prior to the protest hearing
26 required by Article XIII D of the California Constitution.

27 (2) Provides at least 45 days for a property owner to review the
28 proposed fee or assessment and to timely submit to the local agency
29 a written objection to that fee or assessment that specifies the
30 grounds for alleging noncompliance. To be considered timely, any
31 written objection shall be submitted by a deadline established by
32 the local agency, which shall be no less than 45 days after the local
33 agency complies with paragraph (1).

34 (3) Considers and responds in ~~writing~~ *writing, including the*
35 *grounds for which a challenge is not resulting in amendments to*
36 *the proposed fee or assessment*, to any timely submitted written
37 objections prior to the close of the protest hearing or ballot
38 ~~tabulating~~ *tabulation* hearing required under Section 4 or 6 of
39 Article XIII D of the California Constitution. *The agency's*
40 *response shall explain the substantive basis for retaining or*

1 *altering the proposed fee or assessment in response to the written*
2 *objection.* Timely submitted written objections and agency
3 responses required by this subdivision shall be presented to the
4 local agency's governing body for consideration prior to or during
5 a protest hearing or ballot tabulation hearing required under Section
6 4 or 6 of Article XIII D of the California Constitution.

7 (4) Includes in the written notice, sent pursuant to paragraph
8 (c) of Section 4 or paragraph (1) of subdivision (a) of Section 6 of
9 Article XIII D of the California Constitution, a statement that
10 ~~written~~ *contains the following information:*

11 (A) *That all written* objections must be submitted within the
12 written objection period set by the local agency pursuant to
13 paragraph ~~(2) to preserve~~ (2) *and that a failure to timely object in*
14 *writing bars any right to challenge that fee or assessment.*
15 *assessment through a legal proceeding.*

16 (B) *All substantive and procedural requirements for submitting*
17 *an objection to the proposed fee or assessment.*

18 (5) ~~Concludes~~ *Completes* the procedures described in paragraphs
19 (1) to (4), inclusive, prior to the completion of the protest hearing
20 and ballot tabulating hearing required by Section 4 or 6 of Article
21 XIII D of the California Constitution.

22 (d) The local agency's governing body, in exercising its
23 legislative discretion, shall determine whether the written
24 objections and the agency's response warrant clarifications to the
25 proposed fee or assessment, a reduction in the proposed fee or
26 assessment, further review before making a determination on
27 whether clarification or reduction is needed, or whether to proceed
28 with the protest hearing or ballot tabulation hearing required under
29 Section 4 or 6 of Article XIII D of the California Constitution.

30 (e) The local agency's response to timely submitted written
31 objections, as required under paragraph (3) of subdivision (c), shall
32 go to the weight of the evidence supporting the agency's
33 compliance with the substantive limitations on fees and assessments
34 imposed by Section 4 or 6 of Article XIII D of the California
35 Constitution. There shall be no independent cause of action as to
36 the adequacy of a local agency's response pursuant to paragraph
37 (3) of subdivision (c).

38 SEC. 3. Section 53759.2 is added to the Government Code, to
39 read:

1 53759.2. (a) For purposes of this section, “fee or assessment”
2 means any property-related water or sewer fee or charge, or any
3 special assessment.

4 (b) Notwithstanding any law, if a local agency adopts a fee or
5 assessment and complies with subdivision (c) of Section 53759.1,
6 any judicial action or proceeding to review, invalidate, challenge,
7 set aside, rescind, void, or annul the fee or assessment for failure
8 to comply with *the procedural and substantive requirements of*
9 *Section 4 or 6 of Article XIII D of the California Constitution in*
10 *the fee or assessment setting process* shall be subject to the
11 following requirements:

12 (1) Except as provided in paragraph (2), the court’s review shall
13 be limited to the record of proceedings before the local agency for
14 that fee or assessment as follows:

15 (A) Any cost-of-service or rate study or report, any engineer’s
16 report, agency staff reports, and related documents prepared by
17 the local agency with respect to the fee or assessment.

18 (B) Any transcript or minutes of the proceedings at which the
19 decisionmaking body of the local agency heard testimony or public
20 comment on the fee or assessment, and any transcript or minutes
21 of the proceedings before any advisory body to the local agency
22 that were presented to the decisionmaking body before action on
23 the fee or assessment.

24 (C) All notices issued by the local agency for purposes of
25 complying with subdivision (c) of Section 53759.1, to comply
26 with the requirements of Section 4 or 6 of Article XIII D of the
27 California Constitution, or with any other law requiring notice.

28 (D) All timely submitted written objections and any local agency
29 responses to those objections made pursuant to Section 53759.1.

30 (E) All written evidence or correspondence related to the fee or
31 assessment submitted to, or transmitted from, the local agency
32 prior to the completion of the protest hearing or ballot tabulation
33 hearing required under Section 4 or 6 of Article XIII D of the
34 California Constitution.

35 (F) Documentation of the local agency’s final decision on the
36 fee or assessment, including any ordinance, resolution, rule,
37 regulation, meeting minutes, or other record of the local agency’s
38 decision.

39 (G) All protests, ballots, and records of the tabulation, protests,
40 or ballots made in connection with the fee or assessment.

1 (H) All written evidence or documentation supporting the fee
2 or assessment in the local agency's files prior to completion of the
3 protest hearing or ballot tabulation hearing required under Section
4 4 or 6 of Article XIII D of the California Constitution.

5 (2) Evidence outside the record of proceedings before the local
6 agency may be admitted under the following circumstances:

7 (A) Where the evidence is relevant to issues other than the
8 validity of the fee or assessment, such as a petitioner's standing
9 and capacity to sue.

10 (B) Where the evidence is relevant to affirmative defenses,
11 including, but not limited to, laches, estoppel, and res judicata.

12 (C) Where the evidence is relevant to the accuracy and
13 completeness of the administrative record certified by the local
14 agency.

15 (D) Where the evidence is relevant to the local agency's
16 compliance with the procedures set forth in subdivision (c) of
17 Section 53759.1.

18 (E) Where the evidence is necessary to explain information in
19 the administrative record to demonstrate compliance with Section
20 4 or 6 of Article XIII D of the California Constitution.

21 (c) *Nothing in this section shall preclude any civil action related*
22 *to a local agency's failure to implement a fee or assessment in*
23 *compliance with the manner adopted by the local agency.*

O



ACTION ITEM

May 1, 2024

TO: Board of Directors

FROM: Harvey De La Torre
General Manager

Staff Contact: Heather Baez

SUBJECT: ACR 163 (HART) – SPECIAL DISTRICTS WEEK

STAFF RECOMMENDATION

It is recommended that the Board of Directors vote to adopt a support position on Assembly Concurrent Resolution 163 (Hart).

BILL SUMMARY

ACR 163 proclaims that the week of May 19-25, 2024 to be Special Districts Week in California.

ARGUMENTS IN SUPPORT

ACR 163 is sponsored by the California Special Districts Association (CSDA), which is a statewide association representing over 1,000 special districts and affiliate organizations throughout the state. Special districts are local government entities created by a community’s residents, funded by those residents, and overseen by those residents, to provide specialized services and infrastructure.

Special districts are local government entities created by a community’s residents, funded by those residents, and overseen by those residents, to provide specialized services and infrastructure.

Today, just about 2,000 independent special districts provide millions of Californians with essential services, including services related to water, sanitation and water recycling, fire protection, electricity, parks and recreation, health care, open space, ports and harbors, flood protection, mosquito abatement, cemeteries, resource conservation, airports, transit, road maintenance, veterans’ facilities, and more.

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 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 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> |

Additional Comments: This bill proposal is a priority for CSDA this year, and they are encouraging all their members to support it.

BOARD OPTIONS

Option #1: Adopt a support position on ACR 163 (Hart)

Fiscal Impact: None

Option #2: Take no action

Fiscal Impact: None

List of Attachments/Links:
Attachment 1: ACR 163 Full Text

Assembly Concurrent Resolution

No. 163

Introduced by Assembly Member Hart

March 21, 2024

Assembly Concurrent Resolution No. 163—Relative to Special Districts Week.

LEGISLATIVE COUNSEL’S DIGEST

ACR 163, as introduced, Hart. Special Districts Week.

This measure proclaims the week of May 19, 2024, to May 25, 2024, to be Special Districts Week.

Fiscal committee: no.

1 WHEREAS, Special districts are local governmental entities
2 created by a community’s residents, funded by those residents,
3 and overseen by those residents, to provide specialized services
4 and infrastructure; and

5 WHEREAS, Today, just over 2,000 independent special districts
6 provide millions of Californians with essential services, including
7 services related to water, sanitation, and water recycling, fire
8 protection, electricity, parks and recreation, health care, open space,
9 ports and harbors, flood protection, mosquito abatement,
10 cemeteries, resource conservation, airports, transit, road
11 maintenance, veterans’ facilities, and more; and

12 WHEREAS, Special districts first arose when San Joaquin
13 Valley farmers needed a way to access their local water supply;
14 and

15 WHEREAS, Under the Wright Act of 1887, the Turlock
16 Irrigation District became California’s first special district and

1 made it possible for local farmers to intensify and diversify
2 agriculture in California's central valley; and

3 WHEREAS, In the 20th century, special districts increased
4 dramatically in both number and scope, and during the periods of
5 prosperity and population growth that followed both world wars
6 when the demand for all types of public services increased, and
7 special districts met that need; and

8 WHEREAS, The statutory authorization for mosquito abatement
9 districts was enacted in 1915 to combat the salt marsh mosquitoes
10 around the San Francisco Bay and higher than average malaria
11 cases in rural counties; and

12 WHEREAS, Fire protection districts can trace their origins to
13 a 1923 state law, and in 1931, the Legislature authorized recreation
14 districts, the forerunners of today's recreation and park districts;
15 and

16 WHEREAS, Hospital districts arose in 1945 because of a
17 statewide shortage of hospital beds. In 1994, the Legislature then
18 expanded their breadth and renamed them health care districts in
19 recognition of the diverse, modern needs of California's
20 communities and the importance of proactive, affordable health
21 care beyond the walls of a hospital building; and

22 WHEREAS, Although originally created to provide individual
23 services, in 1961, the Legislature authorized special districts to
24 address multiple needs when it provided for multipurpose,
25 community services districts; and

26 WHEREAS, Special districts vary in size and scope and serve
27 diverse communities throughout California, from small rural
28 neighborhoods, such as the Pine Cove Water District in the San
29 Jacinto Mountains in the County of Riverside, to large urban
30 regions, such as the East Bay Municipal Utility District spanning
31 much of the Counties of Alameda and Contra Costa; and

32 WHEREAS, Local residents own special districts and govern
33 them through locally elected or appointed boards. A series of
34 sunshine laws ensure special districts remain transparent and
35 accountable to the communities they serve, as these laws require
36 open and public meetings, public access to records, regular audits,
37 online posting of finances and compensation, and more; and

38 WHEREAS, To prevent overlapping services and ensure that
39 local agencies are operating effectively and efficiently to meet
40 community needs, special districts are formed, reviewed,

1 consolidated, or dissolved through a methodical local process that
2 includes the oversight of a local agency formation commission
3 and the consent of local voters; and

4 WHEREAS, In 1969, several independent special districts
5 formed a statewide association called the California Special
6 Districts Association, commonly referred to as the CSDA, to
7 promote good governance and improved essential local services
8 through professional development, advocacy, and other services
9 for all types of independent special districts; and

10 WHEREAS, The Legislature seeks to promote democratic
11 institutions, community-based services, local control, and
12 self-determination; and

13 WHEREAS, The Legislature seeks to promote and educate the
14 public about their local public service providers, including
15 awareness and understanding of special districts; now, therefore,
16 be it

17 *Resolved by the Assembly of the State of California, the Senate*
18 *thereof concurring*, That the Legislature hereby proclaims the
19 week of May 19, 2024, to May 25, 2024, inclusive, to be Special
20 Districts Week and encourages all Californians to be involved in
21 their communities and be civically engaged with their local
22 government; and be it further

23 *Resolved*, That the Chief Clerk of the Assembly transmit copies
24 of this resolution to the author for appropriate distribution.

O



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

From: Natural Resource Results

RE: Monthly Board Report – May 2024

Appropriations

Congress has officially begun the FY2025 appropriations process by holding hearings with Administration officials to discuss each agency's budget request. On April 17th, Commissioner Touton testified before the House Energy & Water Appropriations Subcommittee on Reclamation's FY25 budget request, which included the follow:

- \$55.6 million for the CVPIA Restoration fund (FY24 enacted = \$48.5 million)
 - This is one of the potential funding sources for the habitat portion of the Voluntary Agreements
- \$13.7 million for WaterSMART grants (FY24 enacted = \$54 million)
- \$10 million for the Lower Colorado River Drought Contingency Plan (FY24 enacted = \$50 million)
- \$4 million for Title XVI (FY24 enacted = \$50 million)
- \$25 million for WaterSMART Drought Response (FY24 enacted = \$50 million)
- \$7 million for Desalination and Water Purification (FY24 enacted = \$17 million)
- \$33 million for CALFED (FY24 enacted = \$33 million)

DROUGHT Act

Senator Padilla (D-CA) and Congressman Peters (D-CA) recently introduced the DROUGHT Act which would help those projects receiving WIFIA loans by raising the limit from 80 percent to 90 percent for Federal assistance for projects in areas experiencing extreme drought or serving historically disadvantaged communities. This will help state and local governments overcome the burden of meeting the cost share for projects.

Tax Parity for Water Rebates

Congressman Huffman has not introduced his bill yet, but we are pleased to report that there are serious discussions underway about Senator Romney (R-UT) introducing a companion bill in the Senate. Congressman Curtis (R-UT) is likely to cosponsor the Huffman bill. This is a very positive development as Senator Romney is retiring at the end of this year and Congressman Curtis is expected to win that Senate seat, which means we will continue to have a Republican champion in the Senate even after Romney is gone as the bill is unlikely to move in the current Congress.



To:	MWDOC Workshop
From:	Syrus Devers
Date:	May 1st, 2024
Re:	State Legislative Report

Legislature

The policy committee deadline has arrived. As of Friday, April 26th, any bill not passed by the assigned policy committees is officially dead. Readers of this report will recall that there is “dead” and “dead dead”. A bill can be “dead” for now but have a chance to be revived at a later date, but “dead dead” means it is over for good. Since 2024 is the second year of the two-year biennial session, failing to meet the policy committee deadline means a bill is “dead dead”.

Even numbered years are harder on advocates opposing legislation because members are less likely to hold the bills of their colleagues in committee since it means the end of the bill. In odd numbered years, holding a bill in committee makes it a “two-year bill”, which implies there is still hope. There is none, but it somehow feels better. As a result, very few Democrats lose bills in the first policy committees in even numbered years.

MWDOC is being spared the next major controversy in Sacramento: tribal water rights. Legislation that would elevate tribal water uses above all other rights sailed out of committee despite opposition from the Chair of the committee—which is unusual even in these times.

Here are the results of legislative positions taken by MWDOC so far:

AB 2409 (Papan). MWDOC supports: this bill would increase transparency in the environmental permitting process for public infrastructure. Passed with bipartisan support.

SB 937 (Weiner). MWDOC opposed unless amended: this bill would have prohibited payment of connection fees to water agencies until a certificate of occupancy was issued. This was amended to exclude fees charged by utilities. Moved to “watch”.

SB 1210 (Skinner). MWDOC opposed unless amended: this bill would have limited special district fees to 1% of the building permit value, and prohibited collection of the fee for 10 years. This bill was amended to remove special districts from its provisions. Moved to “watch”.

SB 1218 (Newman). MWDOC supports: this bill would codify state policy in support of emergency water supplies. Passed with bipartisan support.

Syrus Devers Advocacy

Administration

Water allocations by the state and federal government on the State Water Project and the Central Valley Project (respectively) were increased to 40%. Despite full reservoirs, environmental impacts still make water deliveries uncertain. The State Water Contractors issued a statement lamenting the low allocation in the face of full reservoirs and made special mention of the need for the Delta Conveyance. Westlands Water District issued a very similar statement about the low allocation on the federal Central Valley Project, but failed to mention how the Delta Conveyance would have made a significant difference. It should be noted that Westlands lauded the benefits of the Delta Conveyance Project, but failed to commit to funding it.

ACKERMAN CONSULTING

Legal and Regulatory

May 1, 2024

- 1. Groundwater Enforcement:** The state water board has recently put a number of King County growers and their water districts on probation for failure to comply with the recently passed groundwater management act. It also warned five other valley basins that they may also face probation. Probation means the growers will face millions of dollars of fees and a mandate to report pumping and to how they will rectify this situation in the future. This is the first step by the board to control property rights with respect to groundwater supply. Farmers indicated that this would put them out of business due to the significant fine potential of almost \$10 million per year. At the same time crop acreage in the basin has decreased but some of the replacement crops have required more water. The area in question is the Tulare Lake basin in the San Joaquin valley. As we have previously indicated, this will undoubtedly end up in court with another action on the status of property rights in California.
- 2. Property Rights:** Two weeks ago, the United States Supreme Court issued an important ruling on property rights. The case involved a property owner in California trying to build a manufactured house on his lot in Placerville CA. We are all aware of various development fees placed by counties and cities when someone wants to build a home or pursue a development within their jurisdiction. El Dorado County has a standard fee for new housing of approximately \$24,000 for traffic impact mitigation. The house in question was a single lot development and not part of a larger development and was basically an infill house. The owner questioned the fees but eventually had to pay them and then sued the county for repayment of the fee. He asserted there was no nexus between the fee and his development as there was no arguable reason for the fee. The court in a unanimous decision ruled in favor of the homeowner and said there was not an appropriate nexus between the fee and the granting of the permit to build. While many of the justices had different opinions as to why they ruled that way the basic take away from the case should be that property rights do have a meaning and are to be protected.
- 3. China Sinking:** We are all aware of the subsidence issues that we are having in our farmlands in central California. However major cities around the world are having similar issues. Almost half of the larger cities in China are sinking due to underground water extraction and the sizable buildings being constructed over those areas. Chinas extensive growth over the past few decades means more water demand in those areas. Buildings are literally sinking into the ground and major concerns exist in Beijing, Shanghai, and other cities, including Mexico City and Delhi. Tokyo has experienced similar events in the past but is taking steps to control it.

4. **Water Trading??:** As you recall there have been various efforts in California to establish a water trading mechanism. The effort entails finding farmers or landowners or water districts who wish to sell water and to find a system to hook them up with people who wish to buy water. While there is no formal government sanctioned exchange to accomplish this, it has been occurring in the normal course of water business in California. Many folks are pushing to have a more formal and sanctioned system to accomplish this. At the same time some people are trying to stop this kind of mechanism. Senator Elizabeth Warren and Representative Ro Khanna from California have introduced a bill to prohibit Wall Street type trading and allowing people to make money from the water exchange contracts. They claim that water is not a commodity, and that people should not be allowed to make money from the sale or exchange of water. A United Nation committee also opposes this type of effort. On a worldwide basis, many groups are supporting these trading opportunities as a way to conserve water and get water to where it is needed. I am sure this issue will come up again and the property rights of various folks will again end up in litigation somewhere.
5. **More Atmospheric Rivers:** Scientists from the Lawrence Berkeley National Laboratory are reporting that they expect atmospheric river activity to increase in the future and be more dramatic and more frequent. Their report states that our recent atmospheric river activity has been the most in state history for 70 years. They attribute the increased activity to climate change and rising temperatures in California and elsewhere. One of the major problems caused by the increased rain is the inability of the land to soak it up and recover. This leads to more flooding and other disruptions to society. They are unsure if this is going to be a permanent change, but they do estimate an increased activity in the immediate future of atmospheric rivers.
6. **Africa Drought:** Most of the African continent is generally dry. However, most of it receives enough rain to grow crops to feed most of their people. This year southern Africa in particular Zimbabwe is experiencing an extreme drought. Last year the same area had torrential rain and floods but this year the spigot is turned off. This condition is leaving millions of people without food and reliant on other countries in particular the United states to supply food to them. Experts say that the weather cycle is becoming more extreme and creates these types of conditions. While some of that is potentially blamed on human made climate change, the experts say that El Nino which is a naturally occurring climate situation is the primary culprit.
7. **Measuring Salinity:** The Jet Propulsion Laboratory in Southern California has a vast array of satellites measuring various elements of the water cycle. Recently they have been examined more closely the result of rainfall runoff and the resultant salinity in the ocean. Their satellites have been able to measure the salinity level and changes when various rivers hit the ocean. During the El Nino events there have been certain effects being noted. When there is less rain over land there is a lessening of river discharge which creates higher salinity levels of the ocean near the coast. On the other hand, higher rainfall creates larger river discharge and reduces the salinity near these coasts. Other results from these studies can tell us about how the freshwater falls and flows between the initial land drop and the ocean outfall. All of this is known as the water cycle, but JPL is allowing us to measure it more accurately and determine the impact of various El Nino events.

Measuring the coastal salinity is an important factor in determining how changes occur in the water cycle. Overall salinity of the ocean does not change much when you get away from land due to the large volume of our oceans. However, it can be measured accurately closer to land.

8. **Beavers Stop Wildfires:** The University of Minnesota has studied the Beckwourth Complex fire in Lake Tahoe which occurred in 2021. Looking at all the devastation caused by the wildfires they recognized a couple of unburnt areas which seemed to thrive during the fire and thereafter. These areas were built and controlled by a family of Beavers. The ecosystem they developed of dams, ponds, water flows, canals and tree control made it especially protected from significant wildfire. The ground was kept moister by the system and it provided a natural defense to a fire. The reason Beavers set up such a system is to provide food for themselves and protection from their enemies. The overall system can provide training for us as to how to prepare forest for potential wildfires. The Beavers are not all well-liked by surrounding farmers and ranchers. State agencies are presently encouraging more cooperation to provide additional protection when the wildfires come next time.
9. **Cleaner Cement:** Cement is probably the most important building block for progress in the world. However, it accounts for approximately 8% of global emissions of carbon dioxide. A new technology is being developed by a company in Redding CA to capture that carbon dioxide and to turn it into a solid which would then be used in the production of the final cement product. There is a limit of approximately 15% that can be used in the finish cement in order to maintain the material strength and durability. The process does not require any major change to the cement plants which are in existence all over the world. It merely changes the production process and can be done at a lower temperature with cost savings. The company is attempting to develop their process to increase the amount beyond 15% and maintain the strength and the lasting power that is required. The most used product in the world is water and the second most is concrete. Commercial use of this product will begin in May so we should all stay tuned.



WHITTINGHAM
PUBLIC AFFAIRS ADVISORS

May 1, 2024

TO: MWDOC Board of Directors

FROM: Peter Whittingham

SUBJECT: May 2024 Report

The month of April was highlighted by significant grants for various projects, management changes, and other noteworthy events in Orange County. Following is a few of the more notable developments and issues of the month:

- Under the Local Resources Program (LRP) agreement, the Metropolitan Water District has authorized the Doheny Ocean Desalination Project to receive incentive funding for supplying up to 5,600 acre-feet of locally produced drinking water each year. South Coast Water District has chosen a financial incentive plan that promises \$475 for every acre-foot of water produced by the desalination project, amounting to potential earnings of up to \$39.9 million over 15 years.
- A popular coastal pathway lining the north end of San Clemente has reopened following a two-month closure due to landslide damage and work to hold the hillside off the nearby railroad tracks. The January slide sent debris onto the middle section of the bridge at Mariposa Point, which connects the northern section of trail to the rest of San Clemente, and which remains closed indefinitely. The trail is an important connector for lifeguards and emergency responders who use the bridge to access the north end of town when tides are high and make the nearby beach impassable as water covers the sand and slams onto rock boulders lining the railway.
- The Huntington Beach City Council voted 5-2 to increase water and sewer rates by 55% over the next five years to pay for major investments in the city's aging infrastructure. City staff had originally proposed a 74% rate increase across bills for both services, with the lower increase resulting in the deferral of roughly one-fourth of the planned projects.
- The U.S. Environmental Protection Agency (EPA) officially set the Maximum Contaminant Levels (MCL) for six PFAS chemicals; with these new MCLs in place, approximately 40 more wells within the Orange County Water District service area will be affected, bringing the total number of PFAS-impacted wells to approximately 100. Since early 2020, OCWD has constructed enough PFAS treatment plants to bring nearly 40 wells back online.

Whittingham PAA, LLC

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(949) 280-9181 ▪ peter@whittinghampaa.com

- Mesa Water District completed two new potable water wells to increase local groundwater production capacity. Croddy Well No. 14 and Chandler Well No. 12 are now the largest producing wells at Mesa Water®, each pumping 4,000 gallons per minute, increasing local production by 50%
- The La Habra City Council voted to appoint City Planning Commissioner Carrie Surich to fill the Council vacancy created by the recent resignation of longtime Councilman Steve Simonian.
- Santa Margarita Water District Board member Frank Ury was quoted in a Wall Street Journal article regarding U.S. EPA and the Biden Administration's request for each state to provide plans to deal with cybersecurity risks facing their water and wastewater systems. Central Valley Congressman John Duarte, together with Arkansas Representative Rick Crawford, has proposed a bill to create a governing body to develop cybersecurity mandates for water systems and work with EPA to enforce new rules.

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

Sincerely,



Peter Whittingham

MWDOC Workshop

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
oppose	A. High

[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
watch	A. High

[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
watch	A. High

[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 arboretums 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
watch	A. High

[**AB 1820**](#)

(Schiavo, D) Housing development projects: applications: fees and exactions.

Calendar: 04/24/24 A-LOCAL GOVERNMENT 1:30 p.m. - State Capitol, Room 447 CARRILLO, JUAN, Chair

Location: 04/10/2024 - Assembly Local Government

Summary: Current law requires a city or county to deem an applicant for a housing development project to have submitted a preliminary application upon providing specified information about the proposed project to the city or county from which approval for the project is being sought. 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 20 business days of the submission of the preliminary application. For development fees imposed by an agency other than a city or county, the bill would require the development proponent to request the fee schedule from the agency that imposes the fee. (Based on 04/15/2024 text)

Position	Priority
watch	A. High

Notes - Flagged by CSDA

[**AB 1827**](#)

(Papan, D) Local government: fees and charges: water: higher consumptive water parcels.

Calendar: 04/24/24 A-LOCAL GOVERNMENT 1:30 p.m. - State Capitol, Room 447 CARRILLO, JUAN, Chair

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. Current law, known as the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with these requirements and, among other things, authorizes an agency providing water, wastewater, sewer, or refuse collection services to adopt a schedule of fees or charges authorizing automatic adjustments that pass through increases in wholesale charges for water, sewage treatment, or wastewater treatment or adjustments for inflation under certain circumstances. Current law defines, among other terms, the term "water" for these purposes to mean any system of public improvements intended to provide for the production, storage, supply, treatment, or distribution of water from any source. 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. (Based on 04/04/2024 text)

Position	Priority
watch	A. High

[**AB 2257**](#)

(Wilson, D) Local government: property-related water and sewer fees and assessments: remedies.

Calendar: 05/01/24 A-LOCAL GOVERNMENT 1:30 p.m. - State Capitol, Room 127 CARRILLO, JUAN, Chair

Location: 03/19/2024 - 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 notice, hearing, and protest procedures, depending on the character of the assessment, fee, or charge. 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. This bill would provide that local agency responses to the timely submitted written objections shall go to the weight of the evidence supporting the agency's compliance with the substantive limitations on fees and assessments imposed by the constitutional provisions. (Based on 04/23/2024 text)

Position	Priority
watch	A. High

Notes - ACWA sponsored

[AB 2409](#)

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

Location: 04/16/2024 - Assembly Appropriations

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. The bill would also make related findings and declarations. (Based on 04/11/2024 text)

Position	Priority
support	A. High

Notes - CMUA sponsored bill. Support position adopted on March 6th.

[AB 3219](#)

(Sanchez, R) Advanced Clean Fleets Regulation: local governments.

Location: 03/11/2024 - Assembly Transportation

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 provide that the requirements of the Advanced Clean Fleets Regulation do not apply to the purchase by a local government of vehicles with a gross vehicle weight rating greater than 8,500 pounds if the price of the zero-emission version of a vehicle is more than an unspecified percentage of the price of a comparable internal combustion engine version of that vehicle. (Based on 03/11/2024 text)

Position	Priority
watch	A. High

Notes - Possible support

[SB 366](#)

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

Location: 06/08/2023 - Assembly Water, Parks and Wildlife

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 designated beneficial uses. (Based on 04/08/2024 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 1072](#)

(Padilla, D) Local government: Proposition 218: remedies.

Calendar: 05/01/24 S-LOCAL GOVERNMENT 9:30 a.m. - 1021 O Street, Room 2200 DURAZO, MARIA ELENA, Chair

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
watch	A. High

[SB 1164](#)

(Newman, D) Property taxation: new construction exclusion: accessory dwelling units.

Location: 04/22/2024 - Senate APPR. SUSPENSE FILE

Summary: The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, "full cash value" is defined as the assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value" or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred. This bill would exclude from classification as "newly constructed" and "new construction" the construction of an accessory dwelling unit, as defined, if construction on the unit is completed on or after January 1, 2025, and before January 1, 2030, until one of specified events occurs. The bill would require the property owner to, among other things, notify the assessor that the property owner intends to claim the exclusion for an accessory dwelling unit and submit an affidavit stating that the owner shall make a good faith effort to ensure the unit will be used as residential housing for the duration the owner receives the exclusion. The bill would require the State Board of Equalization to prescribe the manner and form for claiming the exclusion. (Based on 04/11/2024 text)

Position	Priority
watch	A. High

Notes - Brought up on 4/3. Keep watch position pending feedback from agencies.

[SB 1210](#)

(Skinner, D) New housing construction: electrical, gas, sewer, and water service: service connection information.

Location: 04/17/2024 - Senate Appropriations

Summary: Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations, gas corporations, sewer system corporations, and water corporations, while local publicly owned utilities, including municipal utility districts, public utility districts, and irrigation districts, are under the direction of their governing boards. This bill would, for new housing construction, require the above-described utilities, on or before January 1, 2026, to publicly post on their internet websites (1) the schedule of fees for a service connection, capacity, or other point of connection charge for each housing development type, including, but not limited to, accessory dwelling unit, mixed-use, multifamily, and single-family developments, except as specified, and (2) the estimated timeframes for completing typical service connections needed for each housing development type, as specified. The bill would exempt from its provisions an independent special district that does not maintain an internet website due to a hardship, as provided. To the extent that this bill imposes new requirements on certain local agencies, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws. (Based on 04/22/2024 text)

Position

Priority

watch

A. High

Notes - OUA adopted on 4/3. Amendments removed impacts to special districts. Moved to "watch."

[SB 1218](#)

(Newman, D) Water: emergency water supplies.

Location: 04/23/2024 - Senate Appropriations

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

support

A. High

Notes - IRWD sponsored. Support position adopted on March 6th.

Priority: B. Watch

[AB 2579](#)

(Quirk-Silva, D) Inspections: exterior elevated elements.

Calendar: 04/24/24 A-HOUSING AND COMMUNITY DEVELOPMENT 9 a.m. - State Capitol, Room 437 WARD, CHRISTOPHER, Chair

Location: 04/15/2024 - Assembly Housing and Community Development

Summary: Current law provides authority for an enforcement agency to enter and inspect any buildings or premises whenever necessary to secure compliance with or prevent a violation of the building standards published in the California Building Standards Code and other rules and regulations that the enforcement agency has the power to enforce. Current law requires an inspection, by January 1, 2025, and by January 1 every 6 years thereafter, of exterior elevated elements and associated waterproofing elements, as defined, including decks and balconies, for buildings with 3 or more multifamily dwelling units, as specified. Current law that provides that, if the property was inspected within 3 years prior to January 1, 2019, as specified, no new inspection is required until January 1, 2025. This bill would extend the deadline for initial inspection until July 1, 2025. (Based on 04/09/2024 text)

Position

Priority

watch

B. Watch

[AB 2626](#)

(Dixon, R) Advanced Clean Fleets regulations: local governments.

Location: 03/04/2024 - Assembly Transportation

Summary: Current law requires the State Air Resources Board to adopt and implement motor vehicle emission standards, in-use performance standards, and motor vehicle fuel specifications for the control of air contaminants and sources of air pollution that the state board has found necessary, cost effective, and technologically feasible. 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 extend the compliance dates for local government set forth in the Advanced Clean Fleets Regulation by 10 years. The bill would prohibit the state board from taking enforcement action against a local government for violating the Advanced Clean Fleets Regulation if the alleged violation occurs before January 1, 2025. (Based on 02/14/2024 text)

Position	Priority
B. Watch	B. Watch

Notes - Possible support

[AB 2911](#)

(McKinnor, D) Campaign contributions: agency officers.

Calendar: 04/24/24 A-ELECTIONS 9 a.m. - State Capitol, Room 444 PELLERIN, GAIL, Chair

Location: 03/18/2024 - Assembly ELECTIONS

Summary: The Political Reform Act of 1974 prohibits an officer of an agency from accepting, soliciting, or directing a contribution of more than \$250 from any party, participant, or a party or participant's agent, while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for 12 months following the date a final decision is rendered in the proceeding, if the officer knows or has reason to know that the participant has a financial interest, as defined. Current law permits an officer who violates this prohibition to cure the violation by returning the contribution, or portion of the contribution in excess of \$250, within 14 days of accepting, soliciting, or directing the contribution, as specified. Current law also prohibits a party or party's agent from making a contribution of more than \$250 to any officer of an agency while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for 12 months following the date a final decision is rendered by the agency in that proceeding. This bill would raise the threshold for contributions regulated by these provisions to \$1,500, as specified. (Based on 04/16/2024 text)

Position	Priority
watch	B. Watch

[AB 2933](#)

(Low, D) Multiunit residential structures and mixed-use residential and commercial structures: water conservation.

Location: 04/23/2024 - Assembly Appropriations

Summary: Current law establishes the Building Standards Administration Special Revolving Fund, and makes the moneys in the fund available, upon appropriation, to state entities to carry out various related provisions, as specified. Current law requires the Department of Housing and Community Development to propose the adoption, amendment, or repeal of building standards to the California Building Standards Commission, and the department to adopt, amend, and repeal other rules and regulations for the protection of the public health, safety, and general welfare of the occupant and the public governing the erection, construction, enlargement, conversion, alteration, repair, moving, removal, demolition, occupancy, use, height, court, area, sanitation, ventilation, and maintenance of all hotels, motels, lodging houses, apartment houses, and dwellings, and buildings and structures accessory thereto, as specified. Current law authorizes those standards to include voluntary best practice and mandatory requirements related to environmentally preferable water using devices and measures. Current law requires the department and the commission to research, develop, and propose building standards to reduce potable water use in new residential and nonresidential buildings, including consideration of requiring installation of water reuse systems and consideration of requiring preplumbing of buildings to allow future use of recycled water, onsite treated graywater, or other alternative water sources. This bill would enact the California Multiunit Residential Structure and Mixed-Use Residential and Commercial Structure Water Conservation Act. The bill would state findings and declarations of the Legislature relating to wasted water due to plumbing leaks. The bill would require the department to investigate whether additional water conservation and efficiency measures are warranted for existing and new multifamily residential construction and mixed use commercial structures, including, but not limited to, point-of-use systems, as defined. The bill would authorize the department, if it determines that changes to the California Green Building Standards are warranted, to develop voluntary or mandatory proposals to be submitted to the commission for consideration. (Based on 04/18/2024 text)

Position	Priority
B. Watch	B. Watch

Notes - Possible support. Update building standards to conserve water.

[AB 2947](#)

(Lackey, R) Water: turfgrass conversion.

Location: 04/23/2024 - Assembly Appropriations

Summary: Would prohibit the Department of Water Resources, 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 using funds awarded by the department after January 1, 2025, 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 until the funds are exhausted. (Based on 04/08/2024 text)

Position	Priority
watch	B. Watch

[AB 3121](#)

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

Calendar: 04/25/24 #34 A-SECOND READING FILE -- ASSEMBLY BILLS

Location: 04/23/2024 - Assembly CONSENT CALENDAR

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.

Calendar: 04/29/24 S-APPROPRIATIONS 10 a.m. - 1021 O Street, Room 2200 CABALLERO, ANNA, Chair

Location: 04/15/2024 - Senate Appropriations

Summary: Would, beginning January 1, 2032, prohibit a person from distributing, selling, or offering for sale a product that contains intentionally added perfluoroalkyl and polyfluoroalkyl substances (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 previously 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 an administrative penalty for a violation of the prohibition, as specified. The bill would establish the PFAS Penalty Account and require all administrative 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. (Based on 04/11/2024 text)

Position	Priority
watch	B. Watch

[SB 937](#)

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

Calendar: 04/29/24 S-APPROPRIATIONS 10 a.m. - 1021 O Street, Room 2200 CABALLERO, ANNA, Chair

Location: 04/16/2024 - Senate Appropriations

Summary: 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 24 months the period for the expiration, effectuation, or utilization of a housing entitlement, entitlement for a priority residential development project, as those terms are defined, that was issued before January 1, 2024, and that will expire before December 31, 2025, except as specified. The bill would toll this 24-month extension during any time that the housing entitlement is the subject of a legal challenge. By adding to the duties of local officials with respect to housing entitlements, this bill would impose a state-mandated local program. The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities. (Based on 04/08/2024 text)

Position	Priority
watch	B. Watch

Notes - OUA position adopted on 4/3. Amendments removed opposed provisions. Move to "watch."

SB 1110

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

Location: 04/23/2024 - Senate Appropriations

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

watch

B. Watch

SB 1181

(Glazer, D) Campaign contributions: agency officers.

Location: 04/23/2024 - Senate Appropriations

Summary: The Political Reform Act of 1974 prohibits certain contributions of more than \$250 to an officer of an agency by any party, participant, or party or participant's agent in a proceeding while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for 12 months following the date a final decision is rendered in the proceeding, as specified. The act requires disclosure on the record of the proceeding, as specified, of certain contributions of more than \$250 within the preceding 12 months to an officer from a party or participant, or party's agent. This bill would require the agenda for a proceeding that is a public meeting to include a notice describing the above provisions. (Based on 04/10/2024 text)

Position

Priority

watch

B. Watch

SB 1185

(Niello, R) Water conservation: water use objectives.

Location: 04/03/2024 - Senate Natural Resources and Water

Summary: Existing law requires all water suppliers to increase the efficient use of water. Existing law establishes various water use objectives and restrictions, including urban water use objectives. Existing law requires the State Water Resources Control Board, in coordination with the Department of Water Resources, to adopt long-term standards for the efficient use of water, including standards for, among other things, a volume for water loss, and requires the board, when adopting the standards, to consider policies relating to urban water use objectives and proposed efficiency standards' effects on local wastewater management, developed and natural parklands, and urban tree health. This bill would delete the requirement that the board adopt standards, for purposes of urban water use objectives, for water loss and would instead require the board to consider the policies relating to urban water use objectives and proposed efficiency standards' effects on water loss. The bill would also set forth standards, policies, and procedures relating to water use objectives, generally, including, among other things, a prohibition against any water use objective established by the board that causes a reduction of more than 20% when compared to a water supplier's actual water use in 2023 or that exceeds a water use standard recommended by the department. (Based on 03/18/2024 text)

Position

Priority

[SB 1243](#)

([Dodd, D](#)) Campaign contributions: agency officers.

Calendar: 04/30/24 S-ELECTIONS AND CONSTITUTIONAL AMENDMENTS 9:30 a.m. - 1021 O Street, Room 2100
BLAKESPEAR, CATHERINE, Chair

Location: 04/03/2024 - Senate Elections and Constitutional Amendments

Summary: The Political Reform Act of 1974 prohibits certain contributions of more than \$250 to an officer of an agency by any party, participant, or party or participant’s agent in a proceeding while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for 12 months following the date a final decision is rendered in the proceeding, as specified. The act requires disclosure on the record of the proceeding, as specified, of certain contributions of more than \$250 within the preceding 12 months to an officer from a party or participant, or party’s agent. The act disqualifies an officer from participating in a decision in a proceeding if the officer has willfully or knowingly received a contribution of more than \$250 from a party or a party’s agent, or a participant or a participant’s agent, as specified. The act allows an officer to cure certain violations of these provisions by returning a contribution, or the portion of the contribution of in excess of \$250, within 14 days of accepting, soliciting, or receiving the contribution, whichever comes latest. This bill would raise the threshold for contributions regulated by these provisions to \$1,000, as specified. The bill would limit the prohibition on contributions made during and after a proceeding to the 9 months before and after a final decision in a proceeding is made, and it would extend the period during which an officer may cure a violation to within 30 days of accepting, soliciting, or directing the contribution, whichever is latest. (Based on 03/18/2024 text)

Position	Priority
watch	B. Watch

[SB 1330](#)

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

Location: 04/23/2024 - Senate Appropriations

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. (Based on 03/19/2024 text)

Position	Priority
watch	B. Watch

[SB 1390](#)

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

Location: 04/23/2024 - Senate Appropriations

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 floodflows for groundwater recharge does not require an appropriative water right if certain conditions are met, including that a local or regional agency that has adopted a local plan of flood control or has considered flood risks as part of its most recently adopted general plan has given notice, as provided, of imminent risk of flooding and inundation of lands, roads, or structures. Current law also requires the person or entity making the diversion for groundwater recharge purposes to file with the State Water Resources Control Board a final report 15 days after the diversions cease. These requirements apply to diversions commenced before January 1, 2029. This bill would extend the operation of these requirements to diversions commenced before June 1, 2032. The bill would revise, recast, and expand the conditions that are required to be met for the diversion of flood waters for groundwater recharge that do not require an appropriative water right. The bill would require that a local or regional agency take specified actions, including making a declaration that diversion of floodflows for groundwater recharge from a delineated stretch of waterway within its jurisdiction is in accordance with one of certain enumerated plans relating to flood control or flood risk, as specified, or a county emergency operations plan. The bill would require diversions to cease no later than 90 days after commencing, unless they are renewed, and would authorize a local or regional agency to renew a diversion for an additional 30 days by notifying the board of its intention to continue diverting 15 days before its expiration. (Based on 04/16/2024 text)

Position

Priority

watch

B. Watch

Total Measures: 30

Total Tracking Forms: 30

Metropolitan Water District of Southern California
State Legislative Matrix
April 8, 2024 – Second Year of Legislative Session

Item No. 4f

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

April 8, 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, Imperial County, 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

April 8, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
<p>AB 1573 Friedman (D - Glendale)</p> <p>Sponsor: Earth Advocacy and California Native Plant Society</p>	<p>Amended on 9/1/2023</p> <p>Two Year Bill</p> <p>Senator Floor – Inactive File</p>	<p>Water conservation: landscape design: model ordinance.</p> <p>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.</p>	<p>Support</p> <p>Based on 2023 Legislative Priorities and Principles, adopted December 2022</p>	<p>This measure is consistent with Metropolitan’s effort to reduce nonfunctional turf within its service area.</p>
<p>AB 1648 Bains (D - Bakersfield)</p>	<p>Amended 3/16/2023</p> <p>Dead</p>	<p>Water: Colorado River Conservation</p> <p>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.</p>	<p>Oppose</p> <p>Based on 2023 Legislative Priorities and Principles, adopted December 2022</p>	<p>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.</p>
<p>SB 122 Senate Committee on Budget and Fiscal Review</p>	<p>Chaptered</p> <p>Signed by the Governor Chapter 51, Statutes of 2023</p>	<p>Flood Flow Streamlining</p> <p>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.</p>	<p>Seek Amendments</p> <p>Based on Metropolitan Policy Principles for Modernization of Water Rights Administration 2023 Water Rights Principles, adopted April 2023</p>	<p>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.</p> <p>Metropolitan will work with the Administration to address these issues as the program is implemented.</p>

Metropolitan Water District of Southern California State Legislative Matrix

April 8, 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

April 8, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
<p>SB 149 Caballero (D-Merced)</p>	<p>Chaptered Signed by the Governor Chapter 60, Statutes of 2023</p>	<p>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.</p>	<p>Support and Amend Based on 2023 Legislative Priorities and Principles, adopted December 2022</p>	<p>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.</p>
<p>SB 150 Durazo (D-Los Angeles)</p>	<p>Chaptered Signed by the Governor Chapter 61, Statutes of 2023</p>	<p>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.</p>	<p>Support Based on 2023 Legislative Priorities and Principles, adopted December 2022</p>	<p>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.</p>

Metropolitan Water District of Southern California State Legislative Matrix

April 8, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
<p>SB 366 Caballero (D - Merced)</p> <p>Sponsors: California Municipal Utilities Association, California Council for Environmental and Economic Balance, California State Association of Counties</p>	<p>Amended 6/29/2023</p> <p>Two-year bill Assembly Water, Parks, and Wildlife Committee</p>	<p>The California Water Plan: long-term supply targets.</p> <p>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.</p>	<p>Support, if amended</p> <p>Based on 2023 Legislative Priorities and Principles, adopted December 2022</p>	<p>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.</p> <p>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.</p>
<p>SB 659 Ashby (D – Sacramento)</p> <p>Sponsors: Sacramento Regional Water Authority</p>	<p>Chaptered</p> <p>Signed by the Governor Chapter 624, Statutes of 2023</p>	<p>California Water Supply Solutions Act of 2023.</p> <p>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.</p>	<p>Support, if Amended</p> <p>Based on 2023 Legislative Priorities and Principles adopted December 2022.</p>	<p>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.</p>
<p>SB 687 Eggman (D - Stockton)</p> <p>Page 48 of 74</p>	<p>Amended 5/2/2023</p> <p>Dead</p>	<p>Water Quality Control Plan: Delta Conveyance Project.</p> <p>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.</p>	<p>Oppose</p> <p>Based on 2023 Legislative Priorities and Principles, adopted December 2022</p>	<p>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.</p>

Metropolitan Water District of Southern California State Legislative Matrix

April 8, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
<p>SB 706 Caballero (D-Merced)</p> <p>Sponsors: CA State Association of Counties; County of San Diego; Design Build Institute of America Western Pacific Chapter; League of California Cities</p>	<p>Chaptered</p> <p>Signed by the Governor Chapter 500, Statutes of 2023</p>	<p>Public contracts: progressive design-build: local agencies.</p> <p>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.</p>	<p>Support</p> <p>Based on 2023 Legislative Priorities and Principles, adopted December 2022</p>	<p>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.</p>
<p>SB 867 Allen (D-Santa Monica)</p>	<p>Amended 6/22/2023</p> <p>Two-Year Bill</p> <p>Assembly Natural Resources Committee</p>	<p>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.</p> <p>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.</p>	<p>Support, if amended</p> <p>Based on June 2023 Board Action</p>	<p>This measure is consistent with Metropolitan’s current policy priorities and supports the objectives of Metropolitan’s Climate Adaptation Master Plan.</p> <p>Metropolitan is seeking amendments to increase funding for recycled water, dam safety, regional conveyance, drought, and conservation projects.</p>

Metropolitan Water District of Southern California State Legislative Matrix

April 8, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
<p>AB 2610 E. Garcia (D – Coachella)</p>	<p>Introduced 2/14/2024</p> <p>Assembly Water, Parks and Wildlife</p>	<p>Protected species: authorized take: Salton Sea Management Program: System Conservation Implementation Agreement.</p> <p>Current law authorizes the Department of Fish and Wildlife, if certain conditions are fulfilled, to authorize the take of species, including fully protected species, resulting from impacts attributable to implementation of the Quantification Settlement Agreement on specified lands and bodies of water, including the Salton Sea. This bill would additionally authorize the department, if certain conditions are fulfilled, to authorize the take of species resulting from impacts attributable to the implementation of the Salton Sea Management Program or implementation of any System Conservation Implementation Agreement between the United States Bureau of Reclamation and the Imperial Irrigation District to implement the Lower Colorado River Basin System Conservation and Efficiency Program, as provided, on the specified lands and bodies of water.</p>	<p>Support</p> <p>Based on 2024 Legislative Priorities and Principles, adopted January 2024</p>	<p>This bill will help to advance conservation agreements and collective conservation goals related to reducing reliance of the Colorado River in order to account for changes in climate and low water supplies by allowing IID to advance their short-term conservation goals between 2024 – 2026.</p>

Metropolitan Water District of Southern California State Legislative Matrix

April 8, 2024 – Second Year of Legislative Session

Bill Number Author	Amended Date Location	Title-Summary	MWD Position	Effects on Metropolitan
AB 1827 D. Papan (D – San Mateo)	Introduced 1/12/2024 Assembly Committee on Local Government	<p>Local government: fees and charges: water: higher-consumptive water parcels.</p> <p>The Legislature passed the Proposition 218 Omnibus Implementation Act in 1997 to provide guidance for implementation of the new constitutional provisions. AB 1827 (Papan) proposes to add Government Code section 53750.6 to the Act to clarify that the costs that may be recovered through retail water service fees may include the incrementally higher costs of water service due to (1) the higher water usage demand of parcels, (2) the maximum potential water use of parcels, or (3) projected peak water usage.</p>	<p>Support</p> <p>Policy I.B.5.</p>	<p>Metropolitan’s wholesale water service rates to its co-op members are not subject to Proposition 218 and therefore, the bill does not have an effect on Metropolitan. It will, however, provide clearer guidance for its member agencies that provide retail water service and any retail water service provider within Metropolitan service area.</p>
AB 2257 L. Wilson (D – Suisun City)	Amended 3/20/2024 Assembly Committee on Local Government	<p>Local government: property-related water and sewer fees and assessments: remedies.</p> <p>AB 2257 establishes a process for objections to be submitted by any party objecting to the proposed fee or assessment, notice to the public of the requirements, and prerequisites for suing an agency on the basis of the validity of the fee or assessment. The bill requires exhaustion of the administrative procedures provided therein before a plaintiff may file suit and it limits the administrative record that may be reviewed in that litigation to evidence presented to or available to the agency prior to the adoption of the fee or assessment.</p>	<p>Support</p> <p>Policy I.B.5.</p>	<p>Metropolitan does not currently collect any fee or assessment on properties within its service area that is subject to Article XIII D. It does, however, have the authority to do so. Should it decide to adopt such a fee or assessment, it would be required to follow these proposed additional procedural requirements. Any litigation challenging such a fee or assessment would also be subject to the administrative remedy exhaustion and evidence limitation provided for by AB2257.</p>



DISCUSSION ITEM

May 1, 2024

TO: Board of Directors

FROM: Harvey De La Torre, General Manager

Staff Contact: Melissa Baum-Haley

SUBJECT: UPDATE BY MET CHAIRMAN ORTEGA AND MET GENERAL MANAGER HAGEKHALIL REGARDING MET'S CLIMATE ADAPTATION MASTER PLAN

STAFF RECOMMENDATION

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

REPORT

Throughout 2024, Metropolitan Chair Ortega and Metropolitan General Manager Hagekhalil have committed to attending each Metropolitan Member Agency to provide an update on the Climate Adaptation Master Plan for Water (CAMP4W) and highlight key initiatives. They are also seeking to gain an understanding of each Member Agency's issues and engage in discussions on how we can work together to address our collective challenges.

The purpose of the CAMP4W is to increase Metropolitan's understanding of the climate risks to water supplies, infrastructure, operations, workforce, and financial sustainability. CAMP4W will also develop decision-making tools and long-term planning guidance for adapting to climate change to strengthen Metropolitan's ability to fulfill its mission.

Commencing in February 2023, the CAMP4W process sought to integrate water resources, climate, and financial planning with the following components:

- (1) Climate and Growth Scenarios
- (2) Time-Bound Targets
- (3) A Framework for Climate Decision-Making and Reporting
- (4) Policies, Initiatives, and Partnerships
- (5) Business Models and Funding Strategies

Metropolitan Staff has developed a Draft CAMP4W Year One Progress Report (Draft Report). The Draft Report documents progress since February 2023 and sets up the next steps for 2024, including a discussion of Metropolitan's business model and funding strategies, identified Go Projects, policy recommendations, partnership opportunities, and an adaptive management framework. Progress to date includes work to establish the values and priorities of the Board and Member Agencies, components of a Climate Decision-Making Framework, Time-Bound Targets, and the process for identifying projects and programs for evaluation.

At the May 14 Finance and Asset Management Committee, the Metropolitan Board will consider taking an action of concurrence with the Draft Report's use for planning purposes. While CAMP4W and the Framework may guide project and program development, the Metropolitan Board will retain its full authority to make investment decisions. Acknowledging that this is an iterative process, the Board will have many opportunities to adjust CAMP4W components based on lessons learned.

Additionally, on April 24, the CAMP4W Task Force began discussions focused on its Business Model. Metropolitan's core business is structured around the sale of treated and untreated water through the importation of water. To conduct this core business, Metropolitan must develop and maintain a network of supportive facilities, which includes conveyance facilities, storage facilities, treatment facilities, and other associated infrastructure. Metropolitan must also undertake additional responsibilities such as regional planning, design, water quality monitoring, maintenance, permitting, and other tasks necessary to provide a reliable supply of treated and untreated water. The Board and Member Agencies have expressed an interest in evolving Metropolitan's role in the region for financial sustainability purposes and to foster further development of local supply and storage options to address the reduced reliability of imported supplies.

While the current Business Model has successfully facilitated the delivery of safe and reliable water for decades, adjustments to Metropolitan's business model could improve the ability of Metropolitan to serve the needs of its Member Agencies in the face of a changing climate and the level of investment necessary to prepare Metropolitan for the future. Metropolitan will be discussing the components of the Business Model with the Board and Member Agencies in 2024. As a two-directional process, some Business Model decisions may impact other CAMP4W components at the same time as those components may inform the Business Model decisions.

Metropolitan will be exploring multiple components that could be included in the updated Business Model to ensure the Business Model facilitates:

- Addressing equity and fairness concerns in current rates and charges, including the treatment surcharge.
- Capturing the value of Metropolitan's role in conservation, water use efficiency, and local water resources development.
- Exchange of water resources and sharing of assets between Member Agencies.

- Expanding local capacity and regional benefits through Metropolitan co-investing in local resource development.
- Providing regional support to Member Agencies to develop affordability strategies for their customers across the region, including but not limited to technical or policy guidance, advocacy for state and federal action or funding, and fiscal capacity to facilitate external grants or other funding.
- Identifying additional revenue streams through increased monetization of assets and properties, grants, and service delivery.
- Exploring mechanisms for expanding financial capacity to make necessary investments and considering the balance between fixed and volumetric rates.

ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

- | | |
|--|---|
| <input 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 checked="" type="checkbox"/> <i>Balance support for Metropolitan's regional mission and Orange County values and interests.</i> | <input checked="" type="checkbox"/> <i>Solicit input and feedback from member agencies.</i> |
| <input checked="" type="checkbox"/> <i>Strengthen communications and coordination of messaging.</i> | <input type="checkbox"/> <i>Invest in workforce development and succession planning.</i> |

List of Attachments/Links:

Link 1: [Climate Adaptation Master Plan for Water: Draft Year One Progress Report](#)



DISCUSSION ITEM

May 1, 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

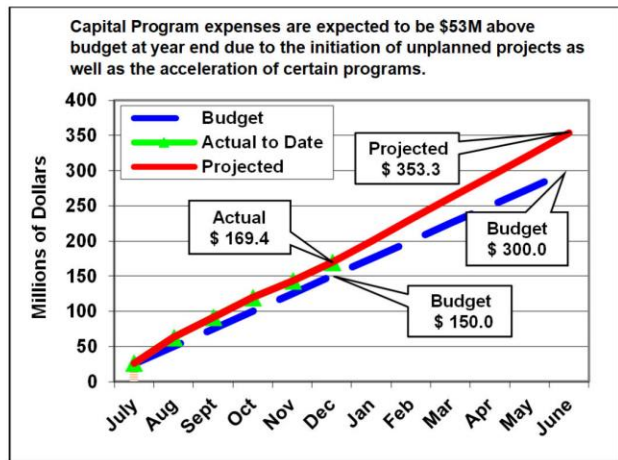
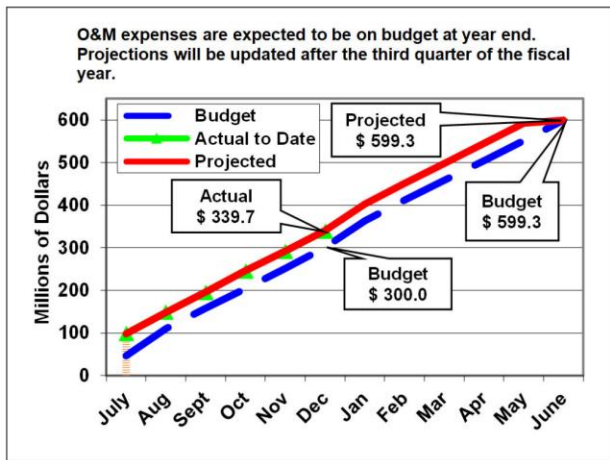
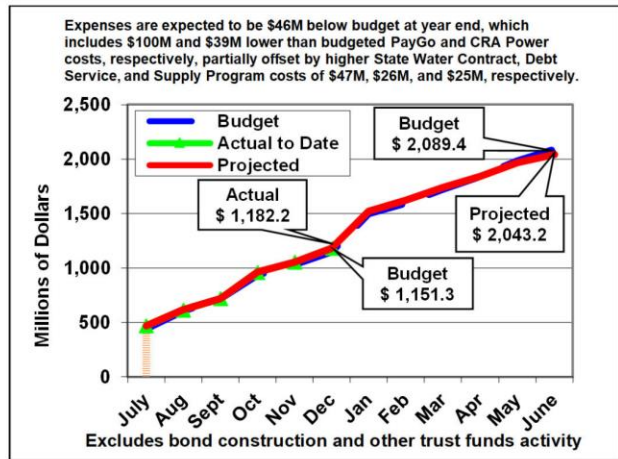
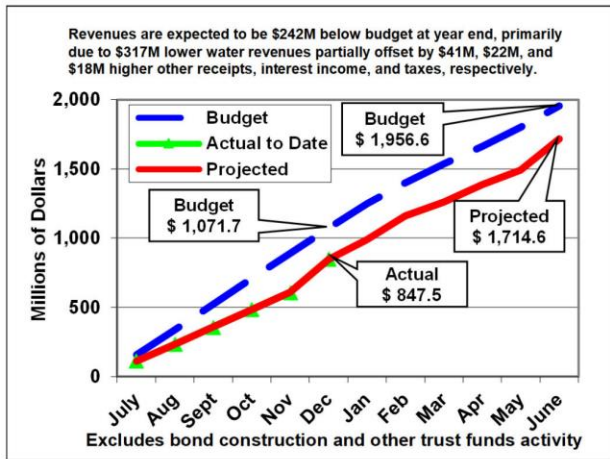
ISSUE BRIEF #A

SUBJECT: MET Finance and Rate Issues

RECENT ACTIVITY

Water Transactions for February 2024 (for water delivered in December 2023) totaled 146.0 thousand acre-feet (TAF), which was 23.2 TAF higher than the budget of 122.8 TAF and translates to \$139.4 million in receipts for February 2024, which was \$24.0 million higher than the budget of \$115.4 million. A .5 TAF adjustment was made to the January 2024 water transaction for cyclic delivery that was incorrectly reported as sales.

Year-to-date water transactions through February 2024 (for water delivered in May 2023 through December 2023) were 887.2 TAF, which was 234.9 TAF lower than the budget of 1,122.1 TAF. Year-to-date water receipts through February 2024 were \$891.3 million, which was \$229.9 million lower than the budget of \$1,121.2 million.



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

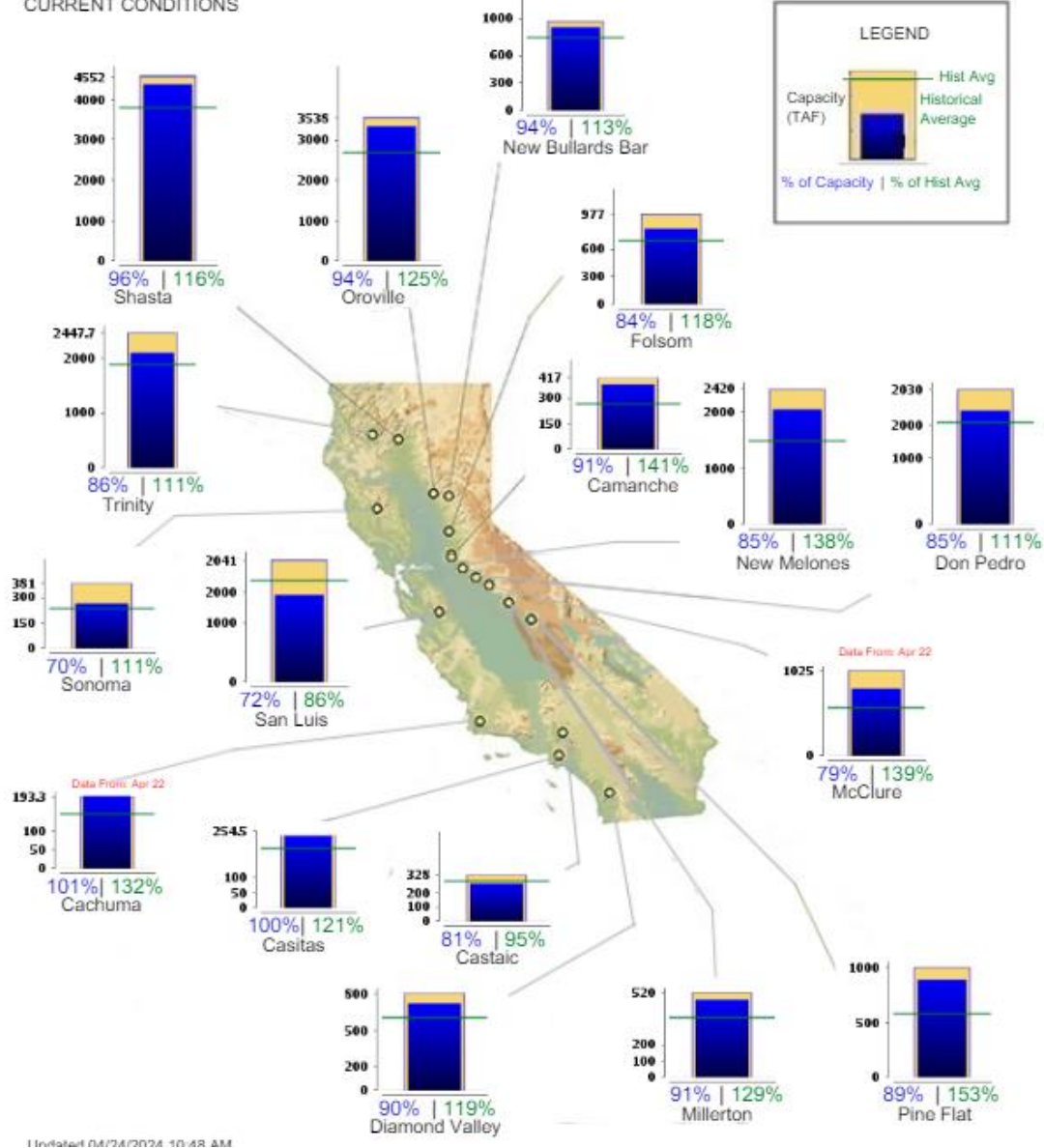
The 2023-24 Water Year (2023-24 WY) officially started on October 1, 2023. Thus far, Northern California accumulated precipitation (8-Station Index) reported **44.3 inches or 99% of normal** as of April 23rd. The Northern Sierra Snow Water Equivalent peaked at **35.1 inches on April 2nd**, which is **124% of normal** for that day. The Department of Water Resources (DWR) in April has increased the State Water Project (SWP) initial **"Table A" allocation for WY 2023-24 at 40%**.

The Upper Colorado River Basin accumulated precipitation is reporting **19.0 inches or 101% of normal as of April 2nd**. 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 peaked at **17.2 inches as of April 9th**, which is **86% 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 April 2024, **there is a 100% chance of shortage continuing in CY 2024, a 90% chance in CY 2025, and an 83% chance in CY 2026. In addition, there is a 10% chance of a California shortage in 2026.**

As of April 23rd, Lake Oroville storage is at **94% of total capacity and 125% of normal**. As of April 23rd, San Luis Reservoir has a current volume of **72% of the reservoir's total capacity and is 86% of normal**.

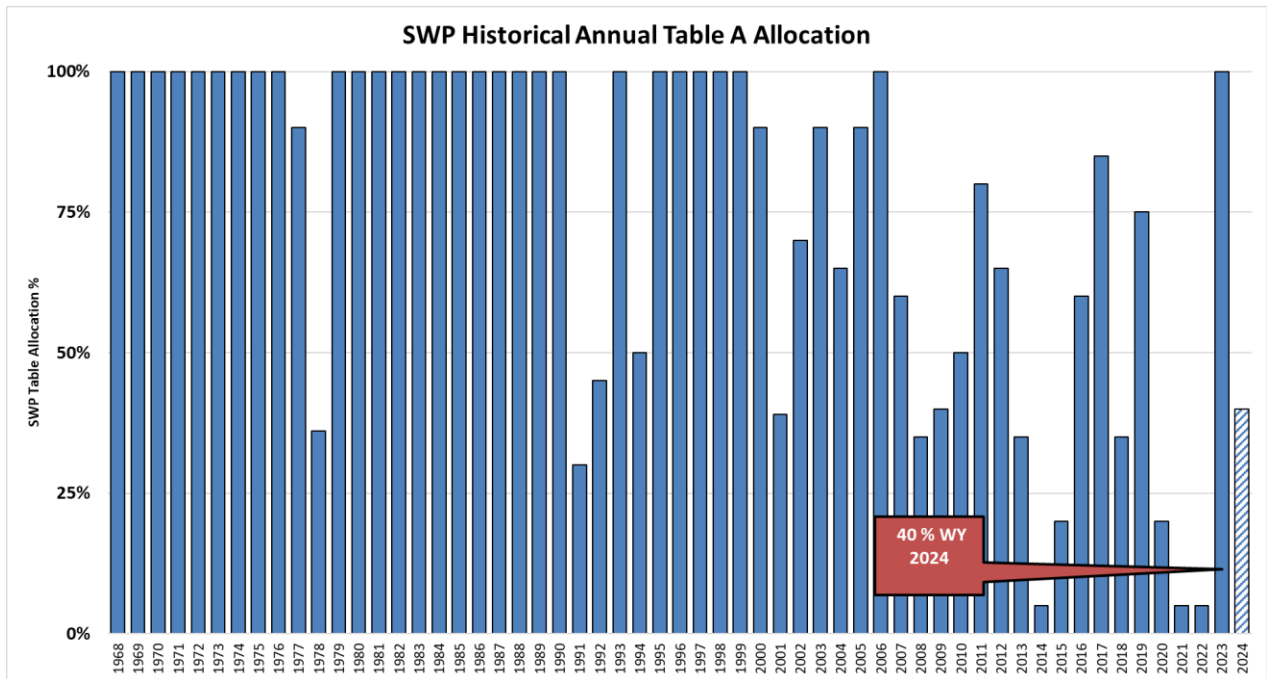
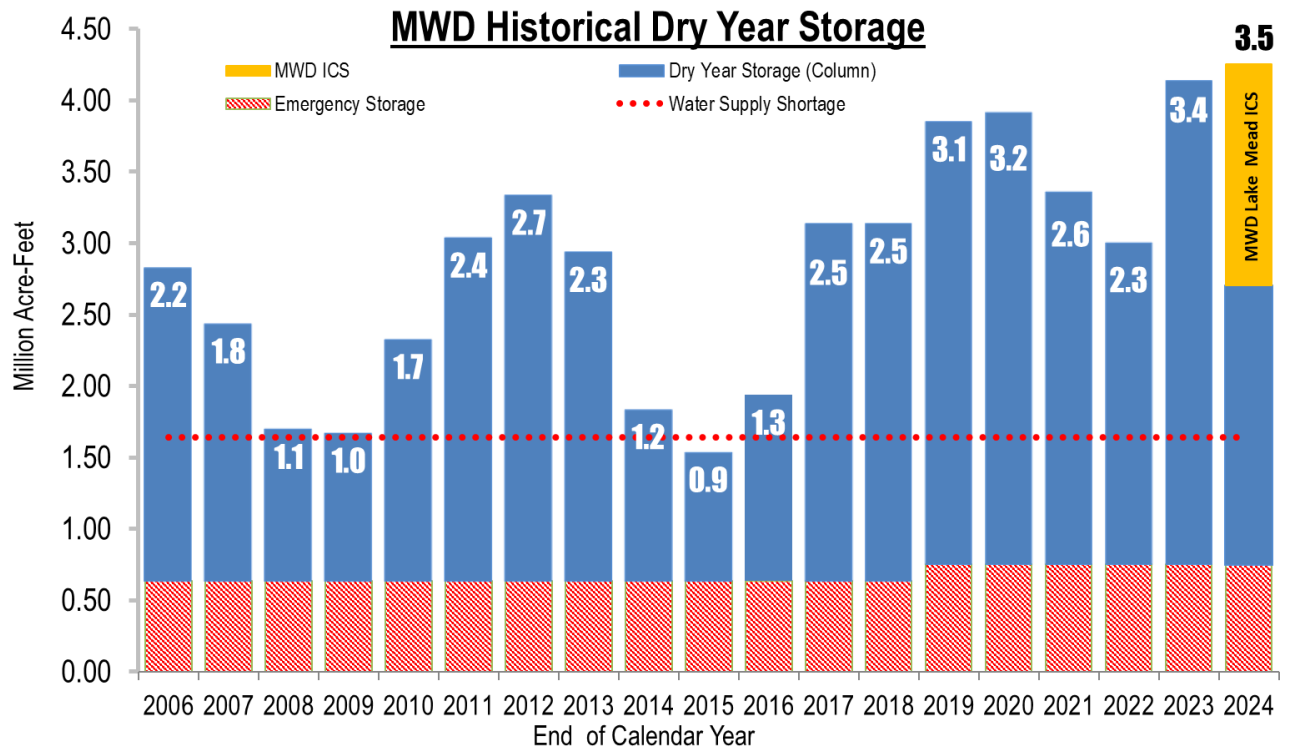
CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS
CURRENT CONDITIONS

Midnight - April 23, 2024

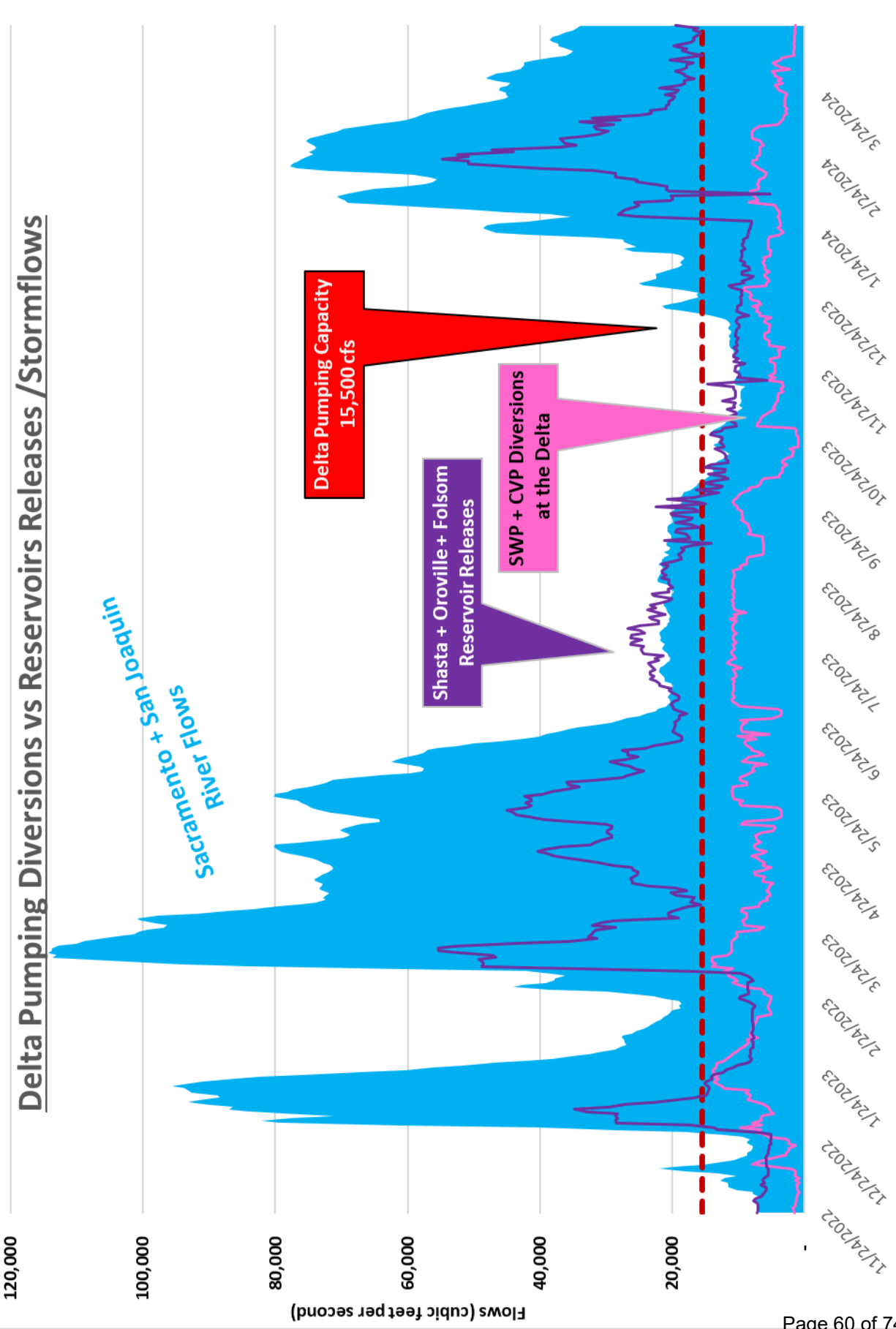


With CY 2024 estimated total demands and losses of 1.486 million acre-feet (MAF) and with a 40% SWP Table A Allocation, Metropolitan is projecting that supplies will exceed demand levels in Calendar Year (CY) 2024. Based on this, the estimated total dry-year storage for Metropolitan at the end of **CY 2024 will increase to approximately 3.5 MAF.**

A projected dry-year storage supply of **3.5 MAF would be approximately 2.5 MAF from a typical level where Metropolitan's goes into Water Supply Allocations.** A large factor in maintaining a high water storage level is 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 as to where supply balances will be in the future.**



Delta Pumping Diversions vs Reservoirs Releases /Stormflows



2024 WSDM Storage Detail

	1/1/2024 Estimated Storage Levels ¹	CY 2024 Take Capacity ²	2024 Total Storage Capacity
WSDM Storage			
Colorado River Aqueduct Delivery System	1,544,000	212,000	1,657,000
Lake Mead ICS	1,544,000	212,000 ³	1,657,000
State Water Project System	1,006,000	592,000	1,991,000
MWD & DVCV Carryover	297,000	297,000	350,000 ⁴
MWD Articles 14(b) and 12(e)	28,000 ⁵	28,000	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	31,000	350,000
Kern Delta Storage Program	114,000	17,000	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 ⁶
In-Region Supplies and WSDM Actions	1,016,000	634,000	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) ⁷	56,000	44,000	210,000
Other Programs	586,000	39,000	1,181,000
Other Emergency Storage	381,000	0	381,000
DVCV Advanced Delivery Account	205,000	39,000	800,000
Total	4,153,000	1,477,000	6,075,000
Emergency	750,000	0	750,000
Total WSDM Storage (AF) ⁸	3,403,000	1,477,000	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 fifteen 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 DWR has approved carryover supplies under Articles 14 (b) and 12 (e) of the State Water Project Contract for delivery in 2024.

⁶ 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.

⁷ 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.

⁸ Total WSDM Storage level subject to change based on accounting adjustments. Total may not sum due to rounding.

ISSUE BRIEF #C

SUBJECT: MET's Water Quality Update

RECENT ACTIVITY

Water System Operations

Metropolitan member agency water deliveries were 78,100 acre-feet (AF) for March with an average of 2,520 AF per day, which was about 500 AF per day higher than in February. Metropolitan has currently suspended Cyclic and Conjunctive Use Program deliveries to preserve State Water Project supplies. Treated water deliveries were 8,200 AF higher than in February for a total of 36,700 AF or 47 percent of total deliveries for the month. The Colorado River Aqueduct (CRA) pumped a total of 7,000 AF in March. Metropolitan reduced CRA flows to zero for the planned CRA shutdown which started March 5. State Water Project (SWP) imports averaged 1,030 AF per day, totaling about 31,900 AF for the month. The target SWP blend is 0 percent for Weymouth and Diemer plants, and 20 percent for the Skinner plant.

Metropolitan expects to have sufficient SWP and Colorado River supplies to meet demands in 2024. Water continues 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 has suspended deliveries to Desert Water Agency and Coachella Valley Water District. Deliveries will resume as supply conditions improve. Metropolitan is minimizing its use of Table A supplies this year to improve SWP Carryover supplies for next year.

Water Treatment and Distribution

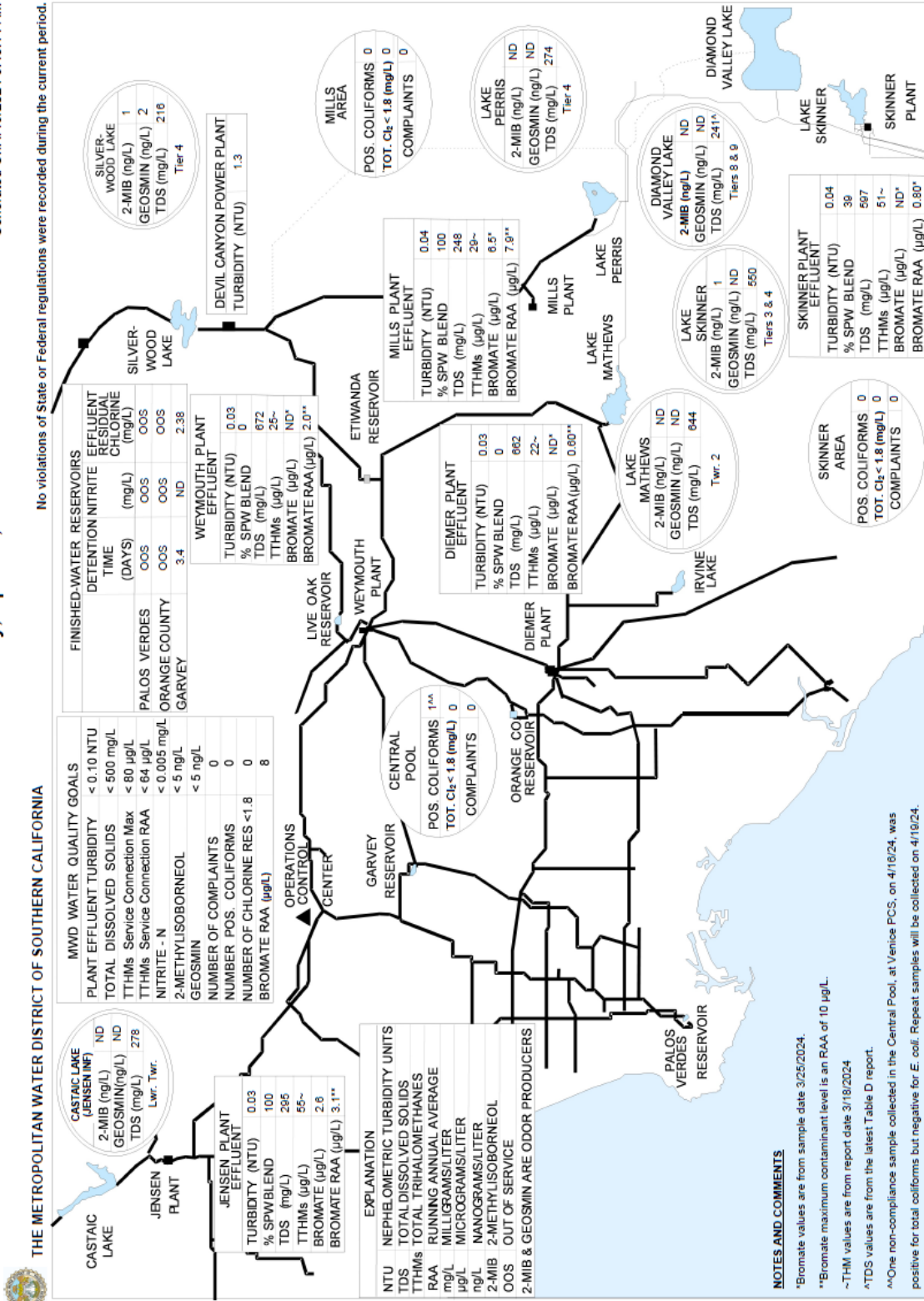
To support the Lake Mathews shutdown, the SWP target blend entering the Weymouth and Diemer plants increased to 100 percent by March 11, then gradually decreased back to zero percent by March 20. The SWP target entering Lake Skinner was increased from zero to 100 percent (using DVL water) on March 7 to maintain water storage in the lake during the CRA shutdown. The SWP blend leaving the lake increased accordingly to approximately 50 percent in the month. Flow-weighted running annual averages for total dissolved solids from February 2023 through January 2024 for Metropolitan's treatment plants capable of receiving a blend of supplies from the SWP and the CRA were 352, 431, and 469 milligrams per liter (mg/L) for the Weymouth, Diemer, and Skinner plants, respectively.

The Mills plant recently underwent a zero-flow condition which allowed the Department of Water Resources (DWR) the ability to isolate the second afterbay at Devil Canyon powerplant to repair a minor leak on a bypass line. The Mills plant took this opportunity to perform preventative maintenance on several systems not normally available.

Weekly Water Quality System Status

Wednesday, April 17, 2024

Generated On: 4/19/2024 9:48:14 AM



NOTES AND COMMENTS

- *Bromate values are from sample date 3/25/2024.
- **Bromate maximum contaminant level is an RAA of 10 µg/L.
- ~TTHM values are from report date 3/19/2024
- ^TDS values are from the latest Table D report.
- **One non-compliance sample collected in the Central Pool, at Venice PCS, on 4/16/24, was positive for total coliforms but negative for *E. coli*. Repeat samples will be collected on 4/18/24.

MWD water quality goals meet or exceed all State and Federal regulations.

WATER QUALITY INFORMATION LINE: (800) 354-4420
VISIT MWD ON THE WEB AT <http://www.mwdh2o.com>

The Metropolitan Water District of Southern California

Weekly Operations Plan for 4/18/2024 – 4/25/2024

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

1. **COLORADO RIVER AQUEDUCT:** The CRA is at a 5-pump flow.
2. **EAST BRANCH SPW:** Rialto Pipeline will average a flow of 100 AF/day. Santa Ana Valley Pipeline will be at 80 AF/day. Inland Feeder flow will be at 0 AF/day.
3. **WEST BRANCH SPW:** The flow from Castaic Lake will be at 370 AF/day. Flow to SCVWA (formerly CLWA) is currently at 75 AF/day.
4. **TERMINAL RESERVOIRS:**

Reservoir	Current Storage* (AF)	Percent of Capacity
Lake Mathews	143,500	79%
Lake Skinner	34,000	77%
DVL	728,100	90%

*as of 4/17/2024

5. **WATER QUALITY:**

Plant	Targeted Blend (% SPW)	TDS (mg/L)	TTHMs (µg/L)
	As of 4/17/2024	As of 4/17/2024	As of 3/25/2024
Weymouth	00	672	25
Diemer	00	662	22
Skinner	00	597	51
Jensen	100	295	55
Mills	100	248	29

6. **WATER DELIVERIES:** April deliveries are forecasted to be about 80 TAF. As of April 10, 2024, total system demands are about 3,000 AF/day, about the same as from last week.
7. **HYDROELECTRIC GENERATION:** As of April 10, 2024, the total daily average generation for the week was about 13.1 MW, with 6 of 15 hydroelectric plants in operation.

ISSUE BRIEF #D

SUBJECT: Colorado River Issues

RECENT ACTIVITY

Lower Basin States Submit Proposed Colorado River Operational Alternative to Reclamation

On March 6, the Lower Basin States submitted a proposal for the Bureau of Reclamation (Reclamation) to model in the Draft Environmental Impact Statement (EIS) for post-2026 operations of the Colorado River. The alternative included significant new reductions to stabilize Colorado River storage in the face of the recent drought and the future potential impacts of climate change. The proposal includes 1.5 million acre-feet of nearly permanent reductions to Lower Basin water users, with reductions increasing to 3.9 million acre-feet to address future climate change scenarios. Those additional reductions would be shared by all seven Colorado River Basin States.

The Lower Basin State representatives had tried to develop an alternative that all seven Colorado River Basin States would support. Progress was made, but by the March deadline imposed by Reclamation, there were still some outstanding issues that were not resolved, so the Upper Basin States and Lower Basin States each submitted separate alternatives. The main difference between the alternatives is that the Upper Basin States do not propose any additional reduction beyond those that normally occur in dry years. Reclamation will consider the two alternatives, including others that they may receive, in preparation of the Draft EIS, which is scheduled for release this December. The Basin States will continue to meet to try and resolve outstanding issues and come together with a consensus alternative before the Final EIS is published sometime next year.

Colorado River Non-Governmental Organizations Collaboration Meeting

On March 22, General Manager Hagekhalil convened several non-governmental organizations (NGOs) that are interested in or are working on Colorado River matters to meet and discuss mutual areas of interest. The organizations included LA Waterkeeper, Natural Resources Defense Council, Terra Regenerative Capital, Kiss the Ground, Southwest River Council of American Rivers, Andy Shrader, Sierra Club, Walton Family Foundation, National Audubon Society, The Nature Conservancy, and Culp and Kelly.

Metropolitan staff provided an overview of the Lower Basin Proposal. The Walton Family Foundation and the Colorado River NGOs discussed their priorities in the basin. The parties agreed to continue to meet and identify shared priorities, opportunities for future funding, and climate resilience projects.

ISSUE BRIEF #E

SUBJECT: Delta Conveyance Activities and State Water Project Issues

RECENT ACTIVITY

Delta Conveyance

The California Department of Water Resources submitted a Change in Point of Diversion Petition to the State Water Resources Control Board (State Water Board) on February 22, 2024. The State Water Board issued a public notice on February 29 noting that any protests against the change petition must be filed by April 29, 2024.

At the March 8 Delta Conveyance Design and Construction Authority (DCA) Board of Directors meeting, the DCA Board executed an agreement with Bradner Consulting, LLC which continues Graham Bradner as the DCA Executive Director.

Sites Reservoir

At the February 16, 2024, Joint Reservoir Committee and Sites Authority Board meeting, the Reservoir Committee and the Authority Board authorized the Executive Director to execute operations agreements with Maxwell Irrigation District and Colusa Drain Mutual Water Company to ensure that the Sites Reservoir Project will not impact their ability to exercise their water rights.

Regulatory and Science Activities

Dr. Shawn Acuña, Metropolitan, presented at the National Academy of Sciences' review of the Long-term Operations of the Central Valley Project and the State Water Project. Dr. Acuña presented on Metropolitan's support for the review and the need to examine the monitoring enterprise in the Sacramento-San Joaquin River Watershed and the debate on the efficacy of Fall X2 to support Delta smelt.

Metropolitan staff is participating in the US Bureau of Reclamation's Value of Information Workshop. The workshop is conducted with Dr. Corey Phillis as a facilitator working with the decision scientist, Dr. Brian Healy, and his team from the United States Geological Survey.

Delta Island Activities

Metropolitan staff transferred floating tules from a previous study and introduced cultured Delta smelt in cages in the West Bouldin Pond as part of the Floating Wetland Pond Study, set to end in April 2024, and the Floating Wetland Cage Study, which is an ongoing study. Results of both studies will be made available to the Board when completed.

**Summary Report for
The Metropolitan Water District of Southern California
Board Meeting
April 9, 2024**

CONSENT CALENDAR ITEMS - ACTION

- (a) Certified that the Final PEIR for upcoming projects at the Weymouth plant has been completed in compliance with CEQA and the State CEQA Guidelines; certified that the Board has reviewed and considered the information presented in the Final PEIR; certified that the Final PEIR reflects Metropolitan's independent judgment and analysis; and adopted the Findings, the Statement of Overriding Considerations, and the Mitigation Monitoring and Reporting Program.
- (b) Awarded three procurement contracts to furnish water quality compliance laboratory equipment for Metropolitan's Water Quality Laboratory, as follows:
- (1) A \$1,512,882 contract to Agilent Technologies to furnish two GC-MS units and two GC-MS/solid phase microextraction units.
 - (2) A \$726,432 contract to SCIEX to furnish one LC-MS unit.
 - (3) A \$665,441 contract to Thermo Fisher Scientific to furnish four ion chromatography units. **(Agenda Item 7-1)**

Adopted the CEQA determination that final design of the Sepulveda Feeder rehabilitation project is within the scope of the certified 2017 Programmatic Environmental Impact Report for the Prestressed Concrete Cylinder Pipe Rehabilitation Program and authorized a new agreement with HDR Engineering Inc. for a not-to-exceed amount of \$3 million for final design to rehabilitate PCCP portions of the Sepulveda Feeder. **(Agenda Item 7-2)**

Authorized an increase to an existing agreement with HDR Engineering Inc. for a new not-to-exceed amount of \$1,735,000 for design services for the Black Metal Mountain 2.4 kV Electrical Power Upgrades project. **(Agenda Item 7-3)**

Awarded a \$295,562 contract to The Kepler Group Inc. to implement security improvements at the Gene Pumping Plant. **(Agenda Item 7-4)**

Adopted resolution for the 113th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan. **(Agenda Item 7-5)**

Expressed support for broadening Metropolitan's Board priorities to include funding for Delta levee maintenance in the State of California's climate resiliency bond proposals, AB 1567 (Garcia-D) and SB 867 (Allen-D). **(Agenda Item 7-6)**

OTHER BOARD ITEMS – ACTION

- (a) Appropriated \$636.48 million for projects identified in the CIP Appendix for FYs 2024/25 and 2025/26; and (b) Authorized the General Manager to initiate or continue work on the capital projects described in the CIP Appendix for FYs 2024/25 and 2025/26, subject to any limits on the General Manager's authority and CEQA requirements. **(Agenda Item 8-1)**

- (a) Approved the draft of Appendix A attached to the board letter (Attachment 1.)
- (b) Authorized the General Manager, or other designee of the Ad Hoc Committee, to finalize, with changes approved by the General Manager and General Counsel, Appendix A.
- (c) Authorized distribution of Appendix A, finalized by the General Manager or other designee of the Ad Hoc Committee, in connection with the sale and/or remarketing of bonds.

(Agenda Item 8-2)

Reviewed and considered Eastern Municipal Water District's five approved Initial Studies/Mitigated Negative Declarations and two Addenda, and take related CEQA actions, and authorized the General Manager to enter into a Local Resources Program Agreement with Eastern Municipal Water District for the Perris North Basin Groundwater Contamination Prevention and Remediation Program for up to 3,466 AFY of treated groundwater for potable purposes in the Eastern Municipal Water District service area. **(Agenda Item 8-3)**

Reviewed and considered the Las Virgenes Municipal Water District and Las Virgenes-Triunfo Joint Powers Authority certified Final Environmental Impact Report and two Addenda and take related CEQA actions, and authorized the General Manager to enter into a Local Resources Program Agreement with Las Virgenes Municipal Water District and Las Virgenes-Triunfo Joint Powers Authority for the PURE Water Project Las Virgenes-Triunfo for up to 5,000 AFY of treated recycled water for potable purposes in the Las Virgenes Municipal Water District service area. **(Agenda Item 8-4)**

Reviewed and considered the Lead Agency's certified Final Environmental Impact Report and take related CEQA actions, and authorized the General Manager to enter into a Local Resources Program Agreement with the Municipal Water District of Orange County and South Coast Water District for the Doheny Ocean Desalination Project for up to 5,600 acre-feet per year of treated desalinated seawater for potable purposes in the Municipal Water District of Orange County service area. **(Agenda Item 8-5)**

Reviewed and considered the Los Angeles Department of Water and Power's certified Environmental Impact Report and Addendum, and take related CEQA actions, and authorized the General Manager to enter into a Local Resources Program Agreement with the Los Angeles Department of Water and Power for the Los Angeles Groundwater Replenishment Project for up to 19,500 acre-feet per year of potable recycled water through groundwater replenishment in the San Fernando Valley. **(Agenda Item 8-6)**

Adopted option #1 as amended to state that Option #1 is based on an assumption of property taxes in an amount estimated to be collected pursuant to a rate of 0.007%, and use of new sources of revenue and attained efficiencies will prioritize replenishment of the full inspection trip program up to \$1.5 million, first, as well as public education and conservation at the discretion of the General Manager. Option 1 also includes the following actions:

Option 1

- (a) Approved the FY 2024/25 and FY 2025/26 Biennial Budget with overall rate increases of 8.5 percent in CY 2025 and 8.5 percent in CY 2026, which includes:
 - (i) Appropriation of \$3,453.2 million for Metropolitan O&M and operating equipment, power costs on the Colorado River Aqueduct (CRA), SWC operations, maintenance, power and replacement costs and SWC capital charges, including Delta Conveyance

- Planning costs 1, demand management programs including the local resources and Conservation Program, and costs associated with supply programs, for FYs 2024/25 and 2025/26;
- (ii) a continuing appropriation of \$693.9 million for FY 2024/25 and FY 2025/26 for debt service on Metropolitan general obligation and revenue bonds;
 - (iii) bond financing \$48.2 million of the budgeted Conservation Program over the biennium; and,
 - (iv) bond financing \$129.6 million of the budgeted Supply Program over the biennium.
- (b) Authorized the use of \$350 million in operating revenues to fund the Capital Investment Plan for FYs 2024/25 and 2025/26;
 - (c) Determined that the revenue requirements to be paid from rates and charges are \$1,549.5 million in FY 2024/25 and \$1,692.6 million in FY 2025/26;
 - (d) Approved the Ten-Year Financial Forecast, as summarized in Figure 2;
 - (e) Approved water rates and charges effective January 1, 2025, and January 1, 2026, as shown in Table 5;
 - (f) Adopted the Resolution Fixing and Adopting Water Rates To Be Effective January 1, 2025, and 2026, in the form of Attachment 5;
 - (g) Adopt the Resolution Fixing and Adopting A Readiness-To-Serve Charge Effective January 1, 2025, in the form of Attachment 6; and,
 - (h) Adopted the Resolution Fixing and Adopting A Capacity Charge Effective January 1, 2025, in the form of Attachment 7;
 - (i) Metropolitan will work with member agency staff and the CAMP4Water Task Force to understand and analyze the treatment surcharge and specifically address issues that arise from that analysis including but not limited to modifying the way the charge is calculated. A final method will be prioritized as part of the new business model discussion and recommended for adoption as soon as possible thereafter but no later than approval of the new business model. **(Agenda Item 8-7)**

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>

The Metropolitan Water District of Southern California

Agenda

The mission of the Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

Board of Directors - Hidden

May 14, 2024

2:30 PM

Tuesday, May 14, 2024
Meeting Schedule

08:30 a.m. FAM
10:30 a.m. EIA
12:00 p.m. Break
12:30 p.m. EOP
02:30 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))

5. OTHER MATTERS AND REPORTS

- A. Report on Directors' Events Attended at Metropolitan's Expense [21-3297](#)
- B. Chair's Monthly Activity Report [21-3305](#)
- C. General Manager's summary of activities **21-3299**

- | | | |
|----|---|---------|
| D. | General Counsel's summary of activities | 21-3300 |
| E. | General Auditor's summary of activities | 21-3301 |
| F. | Ethics Officer's summary of activities | 21-3302 |
| G. | Presentation of 15-year Service Pin to Director Gloria D. Gray | 21-3324 |
| H. | Presentation of 5-year Service Pin to Director S. Gail Goldberg | 21-3325 |
| I. | Unveiling Banner Best Tasting Water Awards Berkley Springs International Water Tasting Competition First Place 2021, 2008, and 1998 | 21-3360 |

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

6. CONSENT CALENDAR OTHER ITEMS - ACTION

- | | | |
|----|--|---------|
| A. | Approval of the Minutes of the Board of Directors Workshop on Long-Term Planning Processes and Business Modeling for March 18, 2024 Meeting and the Board of Directors Meeting for April 9, 2024 (Copies have been submitted to each Director, any additions, corrections, or omissions) | 21-3303 |
| B. | Approve Committee Assignments | |

7. CONSENT CALENDAR ITEMS - ACTION

- | | | |
|-----|--|--------------------------------|
| 7-1 | Authorize an increase of \$2.35 million to an agreement with HDR Engineering Inc. for a new not-to-exceed total amount of \$5.15 million for final design services for erosion control improvements along the Colorado River Aqueduct; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA (EOT) | <u>21-3331</u> |
| 7-2 | Amend the Capital Investment Plan for fiscal years 2022/2023 and 2023/2024 to include upgrades to the flocculation system at the Joseph Jensen Water Treatment Plant; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) | <u>21-3332</u> |
| 7-3 | PLACEHOLDER Agency Temporary Services Professional Administrative RFP-PR-427216 (EOP) | <u>21-3343</u> |
| 7-4 | Approve the Department Head 360 Evaluation process; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOP) | <u>21-3342</u> |

- 7-5** Authorize the General Manager to execute a new ground license for telecommunications facilities with the City of Pasadena to enhance the reliability of Metropolitan's wireless wide area networks and local area networks. The subject telecom site is located in the city of Pasadena, identified as Los Angeles County Assessor Parcel No. 5705-001-900; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (FAM) [21-3348](#)
- 7-6** Authorize contracts for Bond Counsel services with Anzel, Galvan LLP; Hawkins Delafield & Wood LLP, Katten Muchin Rosenman LLP, Nixon Peabody LLP, and Norton Rose Fulbright US LLP; Co-Bond Counsel services with Amira Jackmon and Law Offices of Alexis S.M. Chiu; and Disclosure Counsel services with and Stradling Yocca Carlson & Rauth, P.C. for the period ending June 30, 2027; the General Manager has determined that this action is exempt or otherwise not subject to CEQA (LC) [21-3344](#)

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

8. OTHER BOARD ITEMS - ACTION

- 8-1** Award a \$24,912,000 construction contract to J.F. Shea Construction Inc. for urgent rehabilitation of prestressed concrete cylinder pipe portions of the Allen-McColloch Pipeline; and authorize an increase of \$250,000 to an agreement with Helix Environmental Planning Inc. for a new not-to-exceed amount of \$2,500,000; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (EOT) [21-3333](#)
- 8-2** Adopt resolution to continue Metropolitan's Water Standby Charge for fiscal year 2024/25; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (FAM) [21-3346](#)
- 8-3** Concur with Climate Adaptation Master Plan for Water: Draft Year One Progress Report and Next Steps; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (FAM) [21-3350](#)

- 8-4** Authorize an option agreement with The AES Corporation, LLC, for a long-term lease of up to 6,742 acres of land in the Palo Verde Valley, California for possible carbon-free energy production and storage purposes, contingent upon further project permits and approvals; the General Manager has determined that the proposed action of issuing an option agreement is exempt or otherwise not subject to CEQA. The property is located southwest of the city of Blythe in Riverside County and commonly known as the Palo Verde Mesa, Riverside County Assessor Parcel Nos. 879-230-001, 879-230-003; 879-230-005; 879-230-008; 879-230-010; 879-230-011; 879-230-012; 879-230-013; 879-230-014; 879-230-015; 879-230-016; 879-230-017; 879-230-018; 879-230-023; 879-230-024; 879-240-001; 879-240-002; 879-240-037; 879-240-038; 879-250-001; 879-250-008; 879-250-011; 879-250-013; 879-250-014; 879-261-019; 879-261-020; 879-261-021; 879-261-022; [Conference with real property negotiators agency negotiators: Kevin Webb and Kieran Callanan; negotiating parties: The AES Corporation, LLC; under negotiation: price and terms; to be heard in closed session pursuant to Government Code Section 54956.8 (FAM) [21-3349](#)

9. BOARD INFORMATION ITEMS

- 9-1** Conservation Report [21-3304](#)
- 9-2** Update on Metropolitan's Excess Liability and Specialty Insurance Renewal (FAM) [21-3347](#)

10. OTHER MATTERS

- 10-1** Update and Training on Headquarters Security Measures (closed session language) [21-3359](#)

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.

DRAFT