# WORKSHOP MEETING OF THE BOARD OF DIRECTORS WITH MET DIRECTORS MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Ward Street, Conference Room 101, Fountain Valley, California

18700 Ward Street, Conference Room 101, Fountain Valley, California July 2, 2025, 8:30 a.m.

Teleconference Sites: 25652 Paseo De La Paz, San Juan Capistrano, CA 92675 17420 Walnut Street, Fountain Valley, CA 92708 2800 Keller #301, Tustin, CA 92782

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 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 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 website, accessible at <a href="http://www.mwdoc.com">http://www.mwdoc.com</a>.

**NEXT RESOLUTION NO. 2160** 

#### PRESENTATION/DISCUSSION ITEMS

#### 1. UPDATE ON THE DELTA CONVEYANCE PROJECT BUDGET TRAILER BILL

Recommendation: Review and discuss the information presented.

#### 2. METROPOLITAN GENERAL MANAGER RECRUITMENT PROCESS

Recommendation: Review and discuss the information presented.

#### 3. 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. MET Legislative Matrix

Recommendation: Review and discuss the information presented.

#### 4. 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.

#### **INFORMATION ITEMS**

- 5. **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.

#### 6. MET BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

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

Recommendation: Review and discuss the information presented.

#### **CLOSED SESSION ITEMS**

#### 7. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water of Southern California on April 8, 2014, et al., former Los Angeles Superior Court Case No. BC547139, transferred on December 2, 2014, to San Francisco Superior Court, now Case No. CPF-14-514004.

#### 8. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 12, 2016, effective January 1, 2017 and January 1, 2018, et al., former Los Angeles Superior Court Case No. BS161729, transferred to San Francisco Superior Court, now Case CPF-16-515282.

#### 9. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California ("SDCWA v. Met"); all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 10, 2018 to be effective January 1, 2019, and Jan. 1, 2020, et al., Los Angeles Superior Court Case No. BS 173868, Transferred to San Francisco Superior Court, now Case CPF-18-516389.

#### 10. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

SDCWA v. Met, California Court of Appeal Case No. A170156.

#### RECONVENE FROM CLOSED SESSION

#### 11. ANNOUNCEMENT FROM CLOSED SESSION

#### **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 Angela Crespi, District Secretary, at (714) 963-3058, or writing to Municipal Water District of Orange County at P.O. Box 20895, Fountain Valley, CA 92728. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodations.



#### **PRESENTATION ITEM**

July 2, 2025

TO: Board of Directors

FROM: Harvey De La Torre, General Manager

Staff Contact: Heather Baez, Director of Governmental Affairs

SUBJECT: UPDATE ON THE DELTA CONVEYANCE PROJECT BUDGET TRAILER

BILL

#### STAFF RECOMMENDATION

It is recommended that the Board of Directors review and discuss the information presented.

#### **SUMMARY**

On May 14, 2025, Governor Gavin Newsom released his May Revise budget proposal that included trailer bill language to streamline administrative processes for the Delta Conveyance Project (DCP) and provide a California Environmental Quality Act (CEQA) exemption for water quality control plans. It is intended to streamline processes for advancing the project to a point where informed decisions can be made regarding construction investment.

The DCP will modernize water infrastructure in the Sacramento-San Joaquin Delta by making physical improvements to how water is captured and moved during wet years for use in dry years with a tunnel system. The DCP is designed to restore the reliability of the State Water Project (SWP) and ensure that California's largest supply of clean and affordable water, serving 27 million people and 750,000 acres of farmland, is protected from earthquakes and climate-driven weather extremes.

There are four primary ways that the Budget Trailer Bill language will help streamline administrative processes and fast-track the DCP to save money by avoiding delays:

- Simplifying permitting;
- Confirming that the Department of Water Resources (DWR) has the authority to issue bonds to finance the cost of the DCP, like other SWP projects, and to be repaid by participating public water agencies;

Budgeted: ☐ Yes ☐ No	Budgeted amount:	N/A	Core: ⊠	Choice: □
Action item amount: N/A		Movement between funds: ☐ Yes ☐ No		

- · Preventing unnecessary litigation delays; and
- Streamlining construction and land acquisition processes.

The Budget Trailer Bill proposal aims to restore balance to this process, ensuring legitimate concerns are addressed while removing tools that facilitate obstruction and delay. The DWR indicates that every year of delay in construction of the DCP costs California's water ratepayers approximately \$500 million. The Budget Trailer Bill proposal reduces bureaucratic red tape, which will translate into financial savings for Californians and the State budget.

MWDOC staff invited Jennifer Pierre, General Manager of the State Water Contractors, to provide an update on the Budget Trailer Bill status and outreach efforts, and to respond to questions.

# ALIGNMENT WITH BOARD STRATEGIC PRIORITIES

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

#### List of Attachments/Links:

**Attachment 1:** Delta Conveyance Project Budget Trailer Bill Presentation **Attachment 2:** Budget Trailer Bill Draft Language



## Who are the State Water Contractors?



- 29 public water agencies
- Hold contracts with CA Department of Water Resources for State Water Project participation and water supplies
- Pay all water supply costs of the State Water Project
- SWP is only one part of each of their portfolios
- Have paid over \$30B in capital and operational costs since the inception in the 1960s







# State Water Project Contractors

- Mostly water for cities and businesses
- 27 million Californians, or 1 in 12 Americans
- 750,000 acres of farmland (25% of SWP)



# Regional Overview of State Water Project Supplies



#### **BAY AREA**

North Bay Water Supply: 11% South Bay Water Supply: 33% 3 Million Residents 3,500 Square Miles Served

#### **CENTRAL COAST**

Water Supply: 47% 620,000 Residents 7,000 Square Miles Served

#### SAN JOAQUIN VALLEY

Water Supply: 25-33% 1 Million Residents 750,000 Acres of Farmland 9,500 Square Miles Served

# **SOUTHERN CALIFORNIA**

Water Supply: 30% 19 Million Residents 5,200 Square Miles Served

#### **INLAND EMPIRE**

Water Supply: 28% 2 Million+ Residents 700 Square Miles Served

#### **DESERT**

High Desert Water Supply: 30% Low Desert Water Supply: 15% 1.2 Million Residents 8,500 Square Miles Served

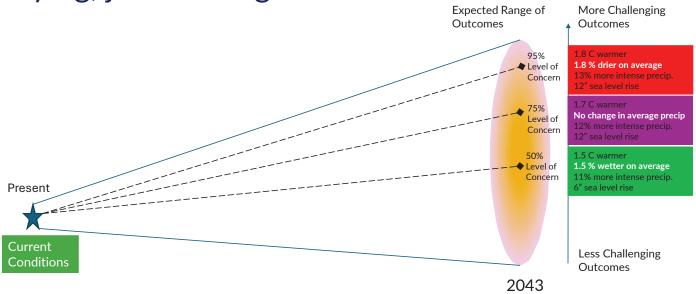
## State Water Project: Critical, Irreplaceable Supplies



- 2.4 million acre-feet annual on average (<u>3 full Diamond Valley Lakes, or more than 40 Carlsbad Desal Plants</u>)
- SWP water supports local and regional projects
  - Refilling reservoirs
  - o Groundwater recharge and storage
  - Recycled water
  - Water quality management
- · Currently one of the most affordable supplies available to urban agencies
- In 2019, all State Water Contractors extended their SWP contract through 2085

# 2024 Delivery Capability Report: Delta not drying, just shifting





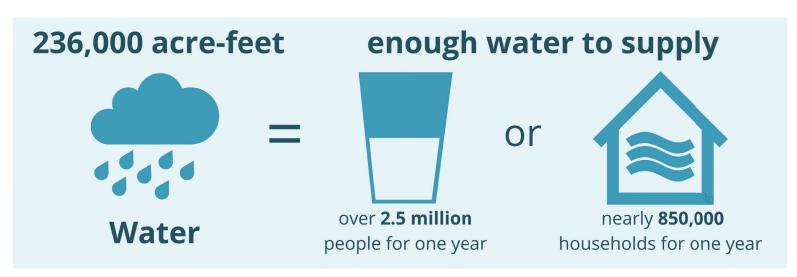


# Delta Conveyance is valuable in both drier and wetter years

- The tunnel would be used ONLY when all other water rights, water quality, fish and environmental conditions are met
  - · Possible during high flow events that can occur in wet or dry years
- Wet year deliveries can replenish storage above- and belowground, take pressure off other systems
- Dry year deliveries can provide critical real-time relief
- Water quality management in aquifers and blending for drinking water requires low TDS

### **Delta Conveyance: Important Component of Drought Relief**

MISSED OPPORTUNITY: If the DCP were operational in 2021, we could have captured and moved 236,000 acre-feet of water into the San Luis Reservoir.

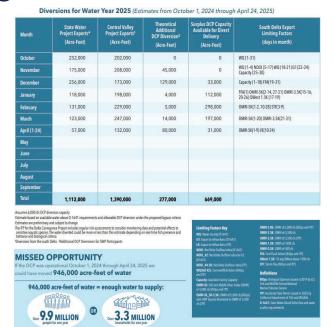


Delta Conveyance: Important climate resilience strategy to build storage, augment other

supplies, ensure reliability

#### **MISSED OPPORTUNITY:**

If the DCP were operation in 2024, we could have captured and moved **946,000 acre-feet** of additional water into the San Luis Reservoir and other storage.





# **Delta Conveyance Costs**

- Increased from \$16B (2020\$) to \$20B (2023\$) due to inflation
- Ave. \$400M/year in increased costs of the project
- Extensive environmental review has been completed
- Constant delays from process and opponents
  - Maze of permits
  - Various venues for challenges
- In 2022 Governor Newsom included DCP in a larger infrastructure package that passed, but with DCP removed by legislature
  - Sites, clean energy projects, and others benefited from this bill



# **Environmental Provisions of Delta Conveyance**

#### Construction Impacts have been eliminated or reduced

	California WaterFix (2017)	Delta Conveyance Project (2023)	
Conveyance	Two tunnels, 35 miles each	One tunnel, 45 miles	
Operation Type	Dual conveyance, allowing for through-Delta operations. North Delta Diversion prioritized	Dual conveyance, allowing for through- Delta operations. South Delta Diversion prioritized	
Capacity	9,000 दुई (Down from original 15,000 दुईइ)	6,000 cfs	
Number of Intakes	3	2	
Alignment	Through center of Delta	Along east side, avoiding central Delta	
Fish Screens	3 intakes, linear fish screens with cleaning apparatus visible above water line 2,000 feet long	2 intakes, t-shaped fish screens, with cleaning apparatus below surface 1,500 feet long	
Potential Agricultural Land Impact	Approximately 3,550 acres	Approximately 2,400 acres	
Construction Traffic on Highway 160	Yes	No	
Forebays Needed	Yes, 2	None, connect directly to the California Aqueduct	
Number of Barge Landings	3 intakes and Victoria island	None	
Tunnel Launch Shaft Sites	Located away from intakes		

# Operational & Other Improvements to minimize impacts

- No upstream reservoir reoperations
- Only excess flows are diverted when ALL other requirements are met (fish, water quality, senior rights)
- More than 150 tribal government-togovernment consultations
- \$200M in dedicated community benefits funding
- Job training and leave behinds for community

# Budget Trailer Bill as Vehicle to Minimize Inflationary Pressure and Reduce Risk to CA Economy and Water Supplies



- Budget trailer bill (BTB) would expedite or remove unnecessary hurdles to get to a decision point on the project
- Reduces the chances of litigation delaying or halting construction
- Cost savings accrues to water rate payers
- Saves \$500M+ due to time-value of money
- BTB's are not an unusual mechanism for advancing budgetrelated policies
- Although does not approve the project, advances ability to make a decision and mitigate potential devasting impacts to water supply

## **DCP Budget Trailer Bill Proposal Summary**



- 7 components of DCP budget trailer bill:
  - State Water Project Perpetual project to expedite change in point of diversion and protect SWP water rights
  - Declaration that DWR has authority to modify the SWP to include new Delta Conveyance
  - Judicial streamlining Limit the authority of courts to enjoin construction of DCP
  - Limit the scope of protests at change in point of diversion hearings
  - Allow administrative settlements in land acquisitions without first initiating eminent domain proceedings
  - Provide DWR full contracting authority for property acquisitions (Similar to HSR / Caltrans)
  - Allow DWR to advance payments to utilities to expedite needed utility work

# DCP Budget Trailer Bill Proposals: Perpetual Project and Dismissal of Protests (Water Code amendments)



- Affirms SWP's water rights as perpetual
- Mandates that the State Water Board cancel protests that do not meet the standards set forth in existing law

#### What does this solve?

 Eliminates need to prove to State Water Board that the SWP water rights should be extended

# DCP Budget Trailer Bill Proposals: Bonding Authority and Repayment of Planning Costs (Water Code amendments)



 Explicitly affirms DWR's authority to add new Delta conveyance to the SWP

#### What does this solve?

- Ensures DWR can repay planning costs to those agencies who have contributed to those costs upon issuance of the first bond for construction
- Significantly reduces time and costs in court for the validation proceedings

# DCP Budget Trailer Bill Proposals: Judicial Streamlining and Scope of State Water Board Protests (Water Code amendments)



- Requires court to complete CEQA case decision and any other legal challenges within 270 days
  - · Same as Sites and other infrastructure
- Prohibits court from stopping construction except for in case where there is an imminent threat to public health and safety

#### What does this solve?

- Expedites review of the completed CEQA document (Final EIR 2023)
- Sets time-bound requirement to resolve other legal challenges
- Ensures construction costs contained/not inflated through stop-start activities
- Ensures that State Water Board processes are efficient and not distracted by unverifiable assertions

# DCP Budget Trailer Bill Proposals: Land Acquisition and Utility Payments (Government Code amendments)



- Allows DWR to negotiate directly with landowners for right-of-way acquisition, using the same/existing guidelines that General Services Administration uses
  - · Current law allows Caltrans and High Speed Rail Authority to negotiate directly
- Allows DWR to negotiate with landowners without starting with eminent domain. Eminent domain remains an option if necessary.

#### What does this solve?

• Ensures more timely land acquisition processes with higher likelihood of fair market value to landowners

### **DCP Budget Trailer Bill Proposals will NOT:**



- Weaken or circumvent the environmental review process required for the DCP
  - Final EIR complete 2023
  - California ESA permit received 2025
  - currently in State Water Board water rights process
  - will comply with Delta Plan Consistency Certification process
- Remove any environmental protections
- Limit any public processes or anyone's right to be heard
- Create any mechanism for State taxpayer's funds to be spent on the DCP
- Approve the project

#### Some of the Organizations Supporting the Delta Conveyance Project TBL











































































- Budget trailer bills will continue to be negotiated on a range of topics
- Governor, water agencies, labor and business partners remain committed to DCP bill passage
- Significant bipartisan support from legislators; more work to do
- Coalition is growing and will work towards bill approval in 2025



# What's Next for Delta Conveyance Project?

## Complete permitting by 2026

- SWRCB Water Rights (2026)
- Delta Stewardship Council Consistency Determination (2026)

## **Ongoing Design**

- Further innovations to min. cost
- Support construction start in 2029

## Water Agency Decision to Build

• 2027



An act to amend Sections 7267 and 11005.2 of the Government Code, and to amend Sections 1335, 1703.6, 11139, 11260, and 11575 of, and to add Sections 11262 and 11263 to, the Water Code, relating to water.



- SECTION 1. Section 7267 of the Government Code is amended to read: 7267. (a) In order to encourage and expedite the acquisition of real property by agreements with owners, to avoid litigation and relieve congestion in the courts, to assure consistent treatment for owners in the public programs, and to promote public confidence in public land acquisition practices, public entities shall, to the greatest extent practicable, be guided by the provisions of Sections 7267.1 to 7267.7, inclusive, except that the inclusive.
- (b) Notwithstanding subdivision (a), the provisions of subdivision (b) of Section 7267.1 and Section 7267.2 shall not apply to either of the acquisition following:
- (1) The acquisition of any easement, right-of-way, covenant, or other nonpossessory interest in real property to be acquired for the construction, reconstruction, alteration, enlargement, maintenance, renewal, repair, or replacement of subsurface sewers, waterlines or appurtenances, drains, septic tanks, or storm water drains.
- (2) The acquisition of any easement, right-of-way, covenant, or other interest in real property to be acquired for the construction, reconstruction, alteration, enlargement, maintenance, renewal, repair, replacement, or mitigation of water supply facilities developed, owned, constructed, or managed by the State Water Resources Development System of the Department of Water Resources.
  - SEC. 2. Section 11005.2 of the Government Code is amended to read:
- 11005.2. (a) Unless the Legislature specifically provides that approval by the Director of General Services is not required, every conveyance, contract, or agreement whereby an interest of the state in any real property is conveyed, demised, or let to any person, shall, before the conveyance, contract, or agreement is executed or entered into, be approved by the Director of General Services. Any conveyance, contract, or agreement executed or entered into in violation of this section is void. This section shall apply to any state agency which, that, by general or specific statute, is expressly or impliedly authorized to enter into transactions referred to in this section.
- (b) This does not apply to real property acquired by the Department of Transportation for highway purposes, real property acquired by the High-Speed Rail Authority for high-speed rail purposes, real property acquired by the Department of Water Resources, or real property administered by the State Lands Commission, the Controller, or the State Compensation Insurance Fund.
  - SEC. 3. Section 1335 of the Water Code is amended to read:
- 1335. (a) The board may cancel a protest or application for failure to provide information requested by the board under this article within the period provided. <u>The board shall cancel a protest that fails to meet the standards of Section 1331.</u>
- (b) Except as provided in subdivisions (c) and (d), a protest shall not be canceled for failure to submit information not in the possession or under the control of the protestant if the protest is in compliance with Section 1331 and the applicant is or could be required to submit the information under pursuant to Section 1260 or 1275.
- (c) If a protest is based on interference with a prior right, the board may cancel the protest if the protestant fails to submit any of the following information requested by the board:



- (1) Information that the protestant is required to submit to the board to comply with Part 5.1 (commencing with Section 5100) during any period after the protest is filed.
- (2) Information that is reasonably necessary to determine if the protestant has a valid water right.
- (3) Information concerning the protestant's historical, current, or proposed future diversion and use of water that is reasonably necessary to determine if the proposed appropriation will result in injury to the protestant's exercise of its water right.
- (d) If the protest is based on an allegation that the proposed appropriation would not be in the public interest, would adversely affect public trust uses, or would have adverse environmental impact, the board may cancel the protest for failure to submit information requested by the board if the board determines both of the following:
- (1) The public review period has expired for any draft environmental document or negative declaration required to be circulated for public review and comment pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code.
- (2) In the absence of the requested information, there is no substantial evidence in light of the whole record to support the allegation.
  - SEC. 4. Section 1703.6 of the Water Code is amended to read:
- 1703.6. (a) The board may cancel a protest or petition for failure to provide information requested by the board under this chapter within the period provided. <u>The board shall cancel a protest that fails to meet the standards of Section 1703.2.</u>
- (b) Except as provided in subdivisions (c) and (d), the board shall not cancel a protest for failure to submit information not in the possession or under the control of the protestant if the protest meets the requirements of Section 1703.2 and the petitioner is or could be required to submit the information under pursuant to Section 1701.1, 1701.2, or 1701.3.
- (c) If a protest is based on injury to a legal user of water, the board may cancel the protest if the protestant fails to submit any of the following information requested by the board:
- (1) Information that the protestant is required to submit to the board to comply with Part 5.1 (commencing with Section 5100) during any period after the protest is filed.
- (2) Information that is reasonably necessary to determine if the protestant is a legal user of water.
- (3) Information concerning the protestant's historical, current, or proposed future diversion and use of water that is reasonably necessary to determine if the proposed change will result in injury to the protestant's exercise of its water right or other legal use of water.
- (d) If the protest is based on an allegation other than injury to a legal user of water, the board may cancel the protest for failure to submit information requested by the board if the board determines both of the following:
- (1) The public review period has expired for any draft environmental document or negative declaration required to be circulated for public review and comment pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code.
- (2) In the absence of the requested information, there is no substantial evidence in light of the whole record to support the allegation.

- (e) If a protest is subject to both subdivisions (c) and (d), the part of the protest subject to subdivision (c) may be canceled pursuant to subdivision (e) and the part of the protest subject to subdivision (d) may be canceled pursuant to subdivision (d).
  - SEC. 5. Section 11139 of the Water Code is amended to read:
- 11139. (a) The department may enter into an agreement with any state agency to repay any money or the value of any rights of way, labor, materials, or other property advanced or contributed; but no repayment therefor shall contributed.
- (b) No repayment pursuant to subdivision (a) shall be made until all obligations obligations, either from the proceeds of the first bonds issued by the department for the construction of the unit of the project for which those advances or contributions have been made or after the obligations issued for that unit have been fully redeemed and paid, and then only out of the revenues received from the operation of the project.
  - SEC. 6. Section 11260 of the Water Code is amended to read:
- 11260. (a) The units set forth in publication of the State Water Resources Board entitled "Report on Feasibility of Feather River Project and Sacramento-San Joaquin Delta Diversion Projects Proposed as Features of the California Water Plan," dated May, 1951, as modified in the publication of the Division of Water Resources entitled "Program for Financing and Constructing the Feather River Project as the Initial Unit of the California Water Plan," dated February, 1955, and including the upstream features set forth in Chapter VI of the 1955 report, except the features on the south fork of the Feather River, and as further modified by the recommendations contained in Bulletin No. 78 of the Department of Water Resources, entitled "Preliminary Summary Report on Investigation of Alternative Aqueduct Systems to Serve Southern California," dated February, 1959, and subject to-such further modifications thereof as the Department of Water Resources may adopt, and-such those units or portions thereof that may be constructed by the department and maintained and operated by it to-such the extent and for-such the period-as that the department may determine, as units of the Central Valley Project separate and apart from any or all other units thereof.
- (b) Further modifications may include facilities for the isolated transfer of water across the Sacramento-San Joaquin Delta.
  - SEC. 7. Section 11262 is added to the Water Code, to read:
- 11262. The units described in Section 11260 for which the department has received a water right, notwithstanding Section 1382, shall not be subject to the permit requirements found in Article 4 (commencing with Section 1395) of Chapter 6 of Part 2 of Division 2 or subject to revocation pursuant to Article 4 (commencing with Section 1395) and Article 5 (commencing with Section 1410) of Chapter 6 of Part 2 of Division 2. It is the intent of the Legislature that those permits are perpetual until determined by the department to no longer be necessary for the purposes of Section 11260.
  - SEC. 8. Section 11263 is added to the Water Code, to read:
- 11263. (a) Notwithstanding any other law, the following shall apply to any action or proceeding involving any challenge to any action by any public agency related to the construction or operation of conveyance facilities to convey water across the Sacramento-San Joaquin River Delta:
- (1) A court shall not grant any relief in litigation challenging approval of, or permits or other authorizations issued by any public agency related to conveyance facilities to convey water across the Sacramento-San Joaquin River Delta that stays, enjoins, or otherwise affects the ability to proceed with construction of the project



unless the court finds that construction presents an imminent threat to public health and safety. If the court finds that this requirement is satisfied, the court shall limit any relief to those specific activities that present an imminent threat to public health and safety.

- (2) Unless a shorter limitation period is otherwise specified by law, the action or proceeding shall be commenced no more than 60 days after the challenged action or 60 days after the effective date of this section, whichever is later.
- (3) Review shall be limited to a certified administrative record prepared by the public agency or for an action or proceeding involving a cause of action arising pursuant to Division 13 (commencing with Section 21000) of the Public Resources Code a certified record of proceedings prepared in accordance with that division.
- (4) The action or proceeding shall be resolved, to the extent feasible and including any potential review by the court of appeal or the Supreme Court, within 270 days of the filing of the certified administrative record or certified record of proceedings with the court.
- (b) On or before December 31, 2025, the Judicial Council shall adopt a rule to implement this section.
  - SEC. 9. Section 11575 of the Water Code is amended to read:
- 11575. (a) For the purpose of constructing, maintaining, and operating the project and for the purpose of providing and substituting new facilities for facilities to be taken or destroyed, the department may acquire for and in the name of the state, by gift, exchange, purchase, or eminent domain proceedings, within or without the state, any and all water, water rights, rights-of-way, easements, land, electric power, power resources and facilities, and property or appurtenances thereto of every kind and description and any appurtenances to any-such property-as that the department determines to be required and necessary for the proper construction, maintenance, and operation of the project and for effectuating the purposes and objects to be accomplished by the construction, maintenance, and operation of the project, and for providing and substituting new facilities for facilities taken or destroyed.
- (b) Notwithstanding any other law, the department may advance funding to an electric service provider or a publicly owned electric utility for necessary work associated with this section.
- SEC. 10. The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique importance of conveyance facilities to convey water across the Sacramento-San Joaquin Delta.
- SEC. 11. The amendment to Section 11260 of the Water Code made by this act does not constitute a change in, but is declaratory of, existing law.



#### LEGISLATIVE COUNSEL'S DIGEST

Bill No.	
as introduced,	
General Subject: Sacramento-San Joaquin De	elta: conveyance facilities.

Existing law requires a public entity that is attempting to acquire real property by negotiation to have the property appraised before the initiation of the negotiations, as specified. Existing law requires a public entity to provide the owner of real property to be acquired with a written statement of, and summary of the basis for, the amount it established as just compensation, as specified.

Existing law requires the Department of Water Resources to operate the State Water Resources Development System, known as the State Water Project, to supply water to persons and entities in the state.

This bill would exempt from both requirements the acquisition of any easement, right-of-way, covenant, or other interest in real property to be acquired for the construction, reconstruction, alteration, enlargement, maintenance, renewal, repair, replacement, or mitigation of water supply facilities developed, owned, constructed, or managed by the State Water Resources Development System of the department.

Existing law requires that every conveyance, contract, or agreement whereby an interest of the state in any real property is conveyed, demised, or let to any person, shall, before the conveyance, contract, or agreement is executed or entered into, be approved by the Director of General Services, except as specified.

This bill would additionally exempt from the approval requirement real property acquired by the department.

Under existing law, the State Water Resources Control Board administers a water rights program pursuant to which the state board issues permits and licenses to appropriate water. Existing law requires a permit to appropriate water or a petition for change in a permit or license to meet specified criteria and authorizes the board, after a hearing, to approve with conditions, or deny, a permit or petition. Existing law authorizes any interested person to file with the board a written protest against approval of the permit or petition, as specified. Existing law requires a protest to meet specified requirements, including the signature of the protestant or the protestant's agent or attorney. Existing law authorizes the board to cancel a protest, permit, or petition for failure to provide information requested by the board within the period provided.

This bill would require the board to cancel a protest that fails to meet the specified requirements of a protest.

Existing law provides that the department has full charge and control of the construction, operation, and maintenance of the Central Valley Project. Existing law provides that for the purposes of constructing, maintaining, and operating the Central Valley Project and for the purposes of providing and substituting new facilities for facilities to be taken or destroyed, the department may acquire for and in the name of the state, by gift, exchange, purchase, or eminent domain proceedings, within and without the state, any resources and facilities, and property or appurtenances, any and

all water, water rights, rights-of-way, easements, land, electric power, power resources and facilities, and property or appurtenances thereto of every kind and description and any appurtenances to any property that the department determines to be required and necessary for specified purposes.

This bill would authorize the department to advance funding to an electric service provider or a publicly owned electric utility for necessary work associated with the

latter provision.

Existing law authorizes the department to enter into an agreement with any state agency to repay any money or the value of any rights of way, labor, materials, or other property advanced or contributed and prohibits the department from making those repayments before all obligations issued by the department for the construction of the Central Valley Project have been fully redeemed and paid, as provided.

This bill would instead prohibit the department from making those repayments before all obligations, either from the proceeds of the first bonds issued by the department for the construction of the unit of the Central Valley Project for which those advances or contributions have been made, or after the obligations issued for that unit have been fully redeemed and paid, as provided.

Existing law provides that certain specified units set forth in various publications, subject to modifications the department may adopt, may be constructed by the department and maintained and operated, as provided, as units of the Central Valley Project separate and apart from any or all other units.

This bill would provide that modifications by the department may include facilities for the isolated transfer of water across the Sacramento-San Joaquin Delta. The bill would provide that this provision is declaratory of existing law. The bill would exempt the water appropriation permit for those units from certain requirements, including a requirement to begin actual construction work within the time specified in the permit, as provided, and would also exempt that water appropriation permit from being subject to revocation, as specified.

Existing law, the Sacramento-San Joaquin Delta Reform Act of 2009, declares that the Sacramento-San Joaquin Delta is a critically important natural resource for California and the nation and it serves as both the hub of the California water system and the most valuable estuary and wetland ecosystem on the west coast of North and South America.

This bill would place specified streamlining requirements on any action or proceeding involving any challenge to any action by any public agency related to the construction or operation of conveyance facilities to convey water across the Sacramento-San Joaquin Delta, including a requirement to resolve, to the extent feasible, an action or proceeding within 270 days of the filing of the certified administrative record or certified record of proceedings with the court, as provided.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Sacramento-San Joaquin Delta.

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





#### PRESENTATION ITEM

July 2, 2025

**TO:** Board of Directors

FROM: Harvey De La Torre, General Manager

Staff Contact: Melissa Baum-Haley, Assistant General Manager

Alex Heide, Senior Metropolitan Issues & Policy Analyst

SUBJECT: METROPOLITAN GENERAL MANAGER RECRUITMENT PROCESS

#### STAFF RECOMMENDATION

It is recommended that the Board of Directors review and discuss the information presented.

#### **SUMMARY**

Metropolitan's current General Manager, Deven Upadhyay, will retire at the end of 2025. In response, the Metropolitan Board of Directors (Board) initiated a comprehensive hiring process with the goal of having a new General Manager in place by August/September of 2025. The hiring process is led by the Ad Hoc Committee on Executive Performance (EP), which reports to the Organization, Personnel, and Effectiveness Committee (OPE).

At the May 13<sup>th</sup> Metropolitan Board meeting, the Board authorized the EP Ad Hoc Committee to begin vetting recruiting firms. The committee received 11 proposals from recruiting firms and selected three firms as finalists. On June 3<sup>rd</sup>, the OPE Committee recommended Bob Murray & Associates as the recruiting firm for this process.

Bob Murray & Associates will facilitate the process of conducting conversations with potential candidates and interviews. The Board will refer potential candidates to Bob Murray & Associates for inclusion in the hiring process. This partnership will help ensure a thorough and professional search for Metropolitan's next General Manager.

At its June 13<sup>th</sup> Special Joint Meeting of the Board and the OPE Committee, the Board approved the General Manager's Job Description, General Manager Priorities, and General Manager Qualities. As part of this collaborative process, multiple agencies submitted their preferred qualities and priorities, which are included in the attached documents.

Budgeted: ☐ Yes ☐ No ☐ N/A	Budgeted amount: N/A		Core: □	Choice: □
Action item amount: N/A		Movement between funds: $\square$ Yes $\square$ No		s 🗆 No

As part of the MWDOC Facilitated Discussion, MWDOC's member agencies expressed an interest in playing a role in the development of MWDOC policy positions, helping to balance Orange County interests with those of the broader region. This item is intended to provide the opportunity for MWDOC member agencies to engage with the MWDOC directors to provide their perspectives on the General Manager hiring process.

The proposed timeline for the complete hiring process is included below:

Timeline	Key Steps
June	OPE/Board selects Executive Recruiter (Completed)
June	Board approves job description and key selection criteria (Completed)
June/July	Recruiter conducts executive search conversations with candidates
July	Recruiter meets with Board to select candidates for interview
August	Candidates interviewed by OPE/Board
August/September	Board selects and appoints General Manager

#### **ALIGNMENT WITH BOARD STRATEGIC PRIORITIES**

	Clarifying MWDOC's mission and role; defining functions and actions. Balance support for Metropolitan's regional mission and Orange County values and interests. Strengthen communications and coordination of messaging.		Work with member agencies to develop water supply and demand objectives. Solicit input and feedback from member agencies. Invest in workforce development and succession planning.
List	t of Attachments/Links:		
Attachment 1: Member Agency GM Qualities & Characteristics			
At	tachment 2: Presentation on MET GM R	ecrui	tment Process

### RECOMMENDED GENERAL MANAGER QUALITIES

Submitted by Directors Ackerman, Dick, Erdman and Seckel

#### **CHARACTERISTICS**

**Visionary Leader.** Ability to lead MWD through long-term water reliability and resource planning, project and program execution, and financial sustainability, and to align and motivate the Board, staff, member agencies, and stakeholders around common strategic goals. Develops and recommends mission-focused strategies and organizational initiatives while thoughtfully carrying out the Board's direction.

**Collaborative and Straightforward.** Ability to build consensus among MWD's diverse member agencies. **Maintain trust and credibility** with the Board, staff, state and federal agencies, elected officials, and regional stakeholders.

**Transparent and Ethical.** Demonstrates and models the highest levels of **integrity, transparency,** and **accountability** in personal conduct, decision-making, and management practices. Ability to foster and sustain a strong ethical culture throughout the organization.

**Innovative and Adaptable.** A f orward-thinking and realistic approach to achieving supply reliability and system resilience, **while** balancing cost-effectiveness, climate impacts, and evolving member agency needs.

#### **QUALIFICATIONS**

Applicable Management Experience. Demonstrated success in leading large, complex water agencies with multiple bargaining units, diverse governing boards and intricate operations, financial systems, infrastructure and assets. Articulate and effective communicator with the ability to empower, support, and develop qualified staff.

**State-Wide Water Knowledge.** Strong background in MWD's major water supply sources (Colorado River, State Water Project, local resources) and California water rights. **In-depth knowledge** of the DCP, integrated resource management, storage, groundwater, water use efficiency, and recycled water projects.

**Understanding of MWD's Financial Challenges**. Capable of addressing MWD's declining sales and revenue trends alongside its significant investment needs. **Strong financial acumen** with the ability to manage costs while prioritizing MWD's primary mission to provide adequate and reliable regional water service.

#### **Key Leadership Characteristics and Qualifications of the MWD General Manager**

Presented by Northern Caucus Members of MWD Gary Bryant, David de Jesus, Anthony R. Fellow, Ph.D, Cynthia Kurtz and Gretchen Romey Shepherd

An excellent General Manager for the Metropolitan Water District of Southern California will have a well-rounded blend of visionary leadership, collaborative finesse, and a knack for innovation—backed by deep qualifications and respect in water utility management and financial stewardship. Here's an outline of *key leadership characteristics* and *qualifications*.

#### **Key Leadership Characteristics**

#### 1. Visionary Outlook

- **Strategic foresight**: Anticipates regional water supply needs, integrates climate predictions, future development, and shifting demand.
- **Long-term thinking**: Sets 10–30-year goals around sustainability, resilience, and diversification of water sources.
- **Bold agenda-setting**: Champions ambitious and innovative initiatives such as seawater desalination, recycled water programs, and regional partnerships.

#### 2. Collaborative Leadership

- Coalition-builder: Engages member agencies, local governments, regulators, non-profits, and community groups.
- **Cross-agency coordination**: Promotes interoperability with the State Water Project, L.A. County Flood Control, and federal regulators.
- **Internal unity**: Inspires and aligns senior staff, board members, and field teams around shared objectives.

#### 3. Ethical Leadership

- **Integrity**: Exemplifies honesty, consistency, and trustworthiness and doing the right thing even when it's difficult or unpopular.
- **Respectful**: Treats individuals with dignity and fairness and listens to diverse opinions.
- **Fairness**: Avoids favoritism and makes decisions based on fairness and applies rules and standards consistently.
- **Transparent**: Displays openness in decision making and communicates clearly, providing information that stakeholders need to make informed decisions.
- **Responsible**: Takes responsibility for his or her actions and those of his or her team and holds himself or herself and others accountable for ethical behavior and acknowledges limits and open to feedback.

#### 4. Innovation and Adaptability

- **Tech-forward mindset**: Explores the possible uses of AI, predictive analytics, and cybersecurity enhancements.
- **Pilot initiatives**: Quick to prototype new water treatment methods, conservation incentive programs, and rate structures.
- **Flexible operational style**: Responds effectively to challenges like drought, emergencies, infrastructure breakdowns, and regulatory shifts.

#### **Must-Have Qualifications**

#### 1. Board Experience

- It's the board: Demonstrates experience working closely with and communicating effectively with a Board of Directors, including preparing reports, presenting strategic updates, and facilitating alignment between board directives and organizational goals.
- **Director communication**: Engages with individual board members and offers each member equal access to information.

#### 2. Water Sector Experience

- **Proven track record:** Manages or deals politically with large-scale water utilities—pumping, treatment, distribution, emergency operations.
- **Technical knowledge:** Displays knowledge of water science, hydrology, treatment engineering, and reservoir/groundwater management.
- **Regulatory fluency:** Displays a working knowledge of EPA, state water quality standards, Delta conveyance rules, and complex pre-forfeiture frameworks.

#### 3. Financial and Economic Acumen

- **Budget mastery**: Understands and has experience in overseeing multibillion-dollar capital projects, prioritized spending, and balanced operating budgets.
- **Revenue/Rate strategy**: Practices sensible, yet politically acceptable, rate structuring, funding future capex while supporting affordability.
- **Alternative financing**: Demonstrates successes dealing with grants, bonds, public-private partnerships, and creative funding for conservation programs.

#### 4. Stakeholder and Crisis Management

- **Policy influence**: Argues effectively in legislative and regulatory arenas at the local, state and federal levels for water infrastructure funding and policy reform.
- **Public engagement**: Practices transparent, proactive communications to build trust across diverse communities.
- **Emergency leadership**: Practices calm, decisive approach in droughts, wildfires, pipeline failure, or contamination events.

#### 5. Organizational & Human Resource Savvy

- **Talent strategy**: Leads professional development, fosters diversity, and helps succession planning.
- **Operational efficiency**: Understands the importance of leadership in influencing and implementing board policies.
- **Stakeholder balance**: Understands the need to balance demands from bargaining units and the financial needs of the organization.

#### 6. Innovation Leadership

- Collaborating with startups/research: Partners with universities and tech vendors for pilot projects.
- **Data-driven culture**: Supports R&D efforts, performance dashboards, and operational transparency.
- Environmental and resilience focus: Emphasizes green infrastructure, ecosystem benefits, and future proofing against climate risk.

#### **Typical Educational & Professional Credentials**

#### 1. Degree / Certification in one or more of the following

- BS in Civil, Environmental, Hydro-engineering.
- BA or BS in Public Administration, Finance, or Environmental Management.
- JD.
- Certified Water Professional (AWWA, CWEA).
- Leadership programs (e.g., AWWA GM Workshop, WHG).
- Proven track record in major infrastructure planning and stakeholder management

#### **Summary**

An ideal GM for Metropolitan Water District:

- Crafts and drives a compelling vision addressing drought, climate impacts, and evolving demands.
- Leads inclusively, bringing together government bodies, regulators, utilities, and the public.
- Innovates strategically, championing tech and program pilots to stretch resources.
- **Manages complex finances**, balancing affordability with necessity through diverse funding.
- Executes effectively, ensuring safe, consistent deliveries and resilient infrastructure.
- Communicates effectively with a board and individual members of the board.

In essence: a forward-looking, collaborative, innovation-minded leader equipped with deep water-industry credentials, financial gravitas, technical expertise, and stakeholder charisma.

#### The Metropolitan Water District of Southern California

#### 2025 General Manager Recruitment

#### Leadership Criteria

#### **Required Qualifications**

#### 1. Collaborative, Team Building Leader

- a. Demonstrated ability to foster trust and collaboration among the executive team, while effectively delegating and empowering them to lead key initiatives and deliver on strategic goals.
- b. Builds trust-based partnerships across the board, member agencies, state/federal agencies, NGOs, and the private sector.
- c. Skilled in stakeholder alignment, coalition-building, and interagency collaboration.

#### 2. Ethical and Transparent Communicator

- a. Communicates openly, directly, and with integrity and the highest level of professionalism.
- b. Maintains public trust by championing transparency and inclusivity.

#### 3. Operationally and Politically Savvy

- a. Deep knowledge of California water law, climate and hydrology science, and large-scale infrastructure.
- b. Navigates complex governance and policy environments effectively while staying focused on mission.

#### 4. Resilient Decision-Maker

- a. Comfortable navigating uncertainty, risk, and rapid change.
- b. Balances short-term challenges with long-term resilience and sustainability goals.
- c. Understands the economic impact of decisions—especially on affordability, reliability, and environmental justice.

#### 5. Member-Focused

- **a.** Prioritizes the needs of Metropolitan's 26 member agencies.
- b. Committed to equity, public service, and meaningful member and public engagement.

#### Other Important Qualifications

#### Visionary Strategist

- Able to establish long-term goals (10+ years) and align agency priorities and tactical plans accordingly.
- o Thinks system-wide, beyond local or siloed interests.

#### Inspirational and Motivational

- Energizes the organization with purpose, recognition, and team alignment.
- Cultivates a positive, engaged culture that values excellence, creativity, and accountability.
- o Develops staff, empowers high-performing teams, and promotes innovation.

#### Results-Driven and Accountable

 Leads confidently through change, complexity, and conflict while maintaining high standards of operational excellence and transparency.  Takes initiative and follows through to deliver measurable outcomes that advance reliability, affordability, and environmental performance.

#### Discerning and Focused

- Cuts through noise to identify what truly matters, balancing action with careful judgment.
- Brings discipline to prioritization—ensuring energy and resources are invested in high-impact actions.

#### **Top Priorities**

#### Public Trust & Regional Leadership

- o Be the leader of water policy, priorities and public value in Southern California.
- Earn and enhance member trust through proactive outreach, partnershipbuilding, and strong, mission-driven, results-oriented leadership.

#### • Imported water supply reliability and resilience

 Ensure a diversified, reliable water supply portfolio through storage, conveyance (e.g., DCP), regional projects, and partnerships to equitable meeting the supplemental water needs of all members.

#### • Climate Adaptation

Lead region-wide efforts to address climate extremes—drought, flood, and fire—through flexible and forward-thinking water strategies.

#### Affordability

- Create business model solutions that stabilize rates and fortify reserves beyond climate and demand variability.
- Balance conservation-driven revenue challenges with sustainable financial models.

#### • Infrastructure Investment

- Drive implementation of critical state and regional projects (e.g., storage, Delta Conveyance).
- o Advance innovation in asset management, operations, and digital transformation.

#### Workforce Development and Organizational Culture

- Champion a workplace culture rooted in excellence, creativity, accountability, and diversity.
- Mentor future leaders and empower staff through clear expectations and support.



# Metropolitan General Manager Selection Process



Joint Board Workshop 07.02.2025

1

# General Manager Selection Process

Timeline	Key Steps
June	OPE/Board selects Executive Recruiter (Completed)
June	Board approves job description and key selection criteria (Completed)
June/July	Recruiter conducts executive search conversations with candidates
July	Recruiter meets with Board to select candidates for interview
August	Candidates interviewed by OPE/Board
August/September	Board selects and appoints General Manager

\*Timeline and Key Steps as-of Special Joint Meeting of the Executive Committee and Board of Directors May 27, 2025





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

From: Natural Resource Results

**RE:** Monthly Board Report – June 2025

#### **Appropriations**

The Administration is yet to send a full budget request to Congress. OMB Director Russ Vought recently said that the full budget wouldn't be submitted until after Republicans pass a reconciliation bill (more on that below). However, the House is moving forward with the FY26 appropriations process.

In total, at least half of the twelve FY26 bills have cleared committee, and some—like MilCon-VA—have even passed the full House. Floor consideration of additional bills is expected over the coming weeks, with appropriators aiming to complete action before recess and avoid reliance on a continuing resolution. The remaining bills (such as Commerce-Justice-Science, Energy-Water, Labor-HHS-Education, Interior-Environment, State-Foreign Operations, Transportation-HUD, Financial Services, and Commerce) are still in subcommittee or committee stages. The Energy-Water bill, which funds the Bureau of Reclamation won't see committee activity until early July.

#### **Cabinet Nominations**

On June 16th, President Trump nominated Ted Cooke to serve as Commissioner of the Bureau of Reclamation. Mr. Cooke is the former General Manager of the Central Arizona Project (CAP), where he served from 2016 to 2022. He played a central role in managing Colorado River water supplies for the State of Arizona and was involved in the negotiation of the 2019 Drought Contingency Plan, as well as advancing interstate and tribal water agreements to address long-term shortages on the Colorado River. Responses to the announcement have been mostly positive, though Mr. Cooke is still considered somewhat of an unknown commodity in Washington.

John Entsminger, General Manager of the Southern Nevada Water Authority, praised the nomination, citing Cooke's distinguished resume and his key role in past negotiations over Colorado River operations:

"It's an awesome pick. Ted has decades of experience working in Western water and specifically on the Colorado River," Entsminger told *POLITICO's E&E News* on Tuesday. He added that Cooke "knows the river, he knows the players, and at this critical juncture in the river negotiations, I couldn't name a better person to step into the role."

#### One Big Beautiful Bill

The House-passed reconciliation bill includes \$2 billion to increase storage capacity at existing Bureau of Reclamation-owned surface storage facilities (intended primarily for the Shasta Raise project). It also includes \$500 million to increase conveyance capacity at Bureau-owned canals and conveyance systems.

The initial draft of the Senate version removed the \$2 billion for storage while retaining the conveyance funding. In response to push back from the House, Senate Energy and Natural Resources Committee Chairman Mike Lee (R-UT) proposed a revised draft. This latest version includes a total of \$1 billion to support both increased storage capacity at Reclamation-owned surface storage facilities and enhanced conveyance capacity at Bureau-owned infrastructure.

Senate leadership hopes to vote on the reconciliation bill as soon as this week, although they have acknowledged that the timeline may slip. Republicans are aiming to send the bill to President Trump's desk by the Fourth of July.



To:	MWDOC Workshop
From:	Syrus Devers
Date:	July 2nd, 2025
Re:	State Legislative Report

#### **Legislative/Administrative Report**

#### The Budget Process.

At the time of this report, the Legislature is negotiating with the Governor over the total size of the Budget. The Legislature puts out its proposed budget, the "two-party agreement", which refers to the Assembly and Senate, by mid June, and then begins negotiating with the Governor on the "three-party agreement". That becomes the real Budget Bill, as opposed to the shell of a budget passed by the Legislature back on June 15th, the sole purpose of which is to meet the constitutional deadline and keep getting paid.

The only critical part right now is an agreement on the size of the total budget. They (the Legislature and the Governor) can work on "junior budget bills" and trailer bills until the end of session and change any of the details of the budget, so long as they do not add to the total. Rumor has it, at least at this exact moment, that there is no agreement on the size of the budget. By the time of the Workshop much more will be known

#### Legislation.

The legislative process is also building up to another peak. Bills that survived the House of Origin deadline back on June 6th now have until July 18th to clear all policy committees in the second house. The process kicks into high gear on July 1st and continues to ramp up until the deadline. High priority bills up on 7/1 include SB 72 (Caballero), the "Water for All" bill sponsored by a large coalition that includes MWDOC, and SB 394 (Allen) which would impose higher penalties for water theft and tampering with a fire hydrant.

#### The Delta Conveyance Project (DCP) Budget Trailer Bill.

The DCP trailer bill is a category of its own. Starting on May 29th, an all-out push began to have a lobby day in the Capitol for the DCP trailer bill on June 11th. Despite the short runup, over 30 people formed groups that invaded the Swing Space in the Capitol and held meetings with dozens of key legislators. The underlying goal of the effort was to avoid the mistakes of the past where a handful of legislators from the Bay Delta region have dominated the legislative process through coordinated and swift messaging.

### **Syrus Devers Advocacy**

When the Bay Delta Caucus successfully advocated to remove the DCP from the infrastructure streamlining trailer bills last year, the silence from Southern California water interests was deafening—but not this time. The final results are yet to be determined, but there can be no argument that Southern California's voice was heard in the Capitol. Orange County was ably represented by our own Director Seckel and General Manager Rob Grantham. Half of their meetings were focused on the Orange County delegation and included members and staff from the offices of Senators Umberg, Strickland, and Choi, and with Assemblymember Valencia.

#### ACKERMAN CONSULTING

#### **Legal and Regulatory**

July 2, 2025

- 1. **Best Lake:** USA TODAY just came out with the best 10 lakes in the United States. The number one ranking went to Big Bear Lake in San Bernardino County. While many aspects go into the ratings, the most notable comment was the massive array of activities which includes summer and winter time events. Fishing, boating. water skiing, paddle boarding, swimming and the stunning view that is provided were the prevailing factors. Lake Havasu in California also made the top ten. As might be expected, three of the top ten are from the Great Lakes, Michigan, Erie and Superior.
- 2. **Allocation Critic:** The chairman of the board of the American Pistachio Growers, Rich Kreps, recently has voiced strong criticism of the state's water allocation. Even though the last three years have been extraordinarily strong for water, the state is only allocating 55% to agriculture. Krebs argues that the public is being deceived. This program was set up many years ago with the promise of surface water delivery. Instead, the state has been nickel and diming farmers in the Central Valley causing them great financial hardship.
- 3. Water Harvest: The University of Pennsylvania had discovered another way to harvest water from air with economical and feasible methods. Again, this discovery was accidental. The engineering department was testing another process when they noticed water droplets forming at an excessive rate. They decided to investigate further and determined that their project was showing us another example of how to harvest water from the air. Their experiment included components that attracted water and repelled water. The components were nanoparticles composed of polyethylene which created a film which produced water. The components are cheap and readily available. The process used very little energy. They believe that the operation is very scalable and is being worked on as we speak. In this case, letting nature be nature produced a very positive result for water.
- 4. **Klamath Dam Update:** While there has been great excitement about the number of dams removed in California on the Klamath River and its potential impact on salmon and other fish, a problem has arisen. While the dams in the California portion of the Klamath have been removed, there is still an existing Keno Dam in Oregon which has a faulty fish ladder which does not allow the salmon to progress past it. This cuts off over 400 miles of waterway above that dam. Salmon and other migratory fish have hit the proverbial brick wall. Presently there is no pending solution to this issue.
- 5. **No Fog in SF??:** Scripps Institute at the University of California San Diego has been studying coastal climate and in particular the impact of fog in California. Historically, the San Francisco fog has kept that city cool even in hot summers in California. The study has confirmed a slight decrease in the marine layer and the resulting fog in Southern California. However, many of my friends along the coast in Orange County would argue that this year and in prior years they believe June gloom is lasting longer. The research also predicted that there would be very

little change in the fog in San Francisco. Fog is a very unpredictable characteristic and has been called an ephemeral phenomenon. It is very much dependent on ocean currents, sea surface temperature, wind, and other variables which we have very little control of. The potential impact to our coastal redwoods could be significant as they get up to 40% of their yearly water intake from fog. While some of the factors impacting fog could potentially be influenced by human conduct, Mother Nature seems to trump the board.

- 6. **Bacteria Cleaners:** Researchers from Arizona State University are playing small ball. They have been experimenting with the use of tiny microbe bacteria to remove water contaminants. The technology is called membrane biofilm reactor. They use a membrane catalyst such as a metal called palladium to break the bonds in the chain to get rid of the contamination. They are also able to harvest the palladium at the other end. As a by product. This metal is very important in our manufacturing industry, catalytic converters, microchips and medical devices. Their experimentation has shown that this can also be used in the treatment of PFAS. This is definitely a win- win solution, again showing the use of natural products in producing desired results for Water World.
- 7. **Kabul Going Dry:** The capital of Afghanistan is Kabul, which is home to over 7 million people. It is predicted to become the first modern city to run out of water soon. Their aquifers have dropped almost 100 feet in the last decade. Water contamination is on the rise and up to 80% of their groundwater is deemed unsafe for public use. The estimated dry date for Kabul is as early as 2030. As we all know, this is a very poor area and has not given a priority to water infrastructure. There is one project in the future that could save them. But there is a concern over whether or not they will be able to afford the \$170 million cost to complete.
- 8. **Doomsday Glacier:** Concern is being raised over the Doomsday Glacier, which is part of the West Antarctica Ice Sheet. That glacier's proper name is Thwaites Glacier. It is estimated that if it were to completely dissolve, it would raise sea levels by more than 10 feet. The key question is how quick this is going to happen. Some scientists say that it could happen in the next 100 years. Although there is no scientific agreement as to any exact date, the total melt could impact Huntington Beach, Sunset Beach, parts of San Francisco. Louisiana, parts of Texas and the southern portion of Florida. We all know that climate is changing, but over time it appears to go both ways.
- 9. **More Deep Water Desal:** Two more companies are exploring deep water desal, one in Netherlands and the other in the Bay Area. They are looking at setting up facilities at least 400 meters deep in the ocean. This depth provides a net energy savings of over 40% and takes away a lot of the environmental arguments. Their concept is similar to OceanWell, which is being tested by the Las Virgenes Municipal Water District near Malibu. The major unknown in these projects is what the cost of maintenance will be for this concept. On paper it looks like this should be commercially feasible, but differences in salinity and temperature could impact the maintenance factor in this equation. Stay tuned.
- 10. **Algae Bloom Goes:** Recently, Southern California has experienced severe toxic algae blooms in the ocean. This has caused marine life to get sick. die and have strange behavioral patterns. The consensus is this is one of the most significant and deadliest blooms that we have experienced. The good news is it seems to be coming to an end. It is generally caused by excessively warm water temperature and excess nutrients in the water. Both of those factors have started to change.

- 11. **Historical Underground Records:** A recent study conducted by the University of Warsaw, the University of Florida, and the Institute of Earth Sciences in Orleans has been exploring water channels in the ground. These vertical channels are known as karstick solution pipes. They provide a history of how water moves through the Earth. Using mathematical formulas, they can trace how precipitation goes through the ground and creating these long pipes. This will improve groundwater management and knowing how water moves through our underground reservoirs. The types of rocks and soil is clearly important. These discoveries by the university were done in a lab by recreating various soils and running water through them over time.
- 12. **Hot Weather/Cold Water:** A recent article was talking about the high temperatures in the Sacramento area reaching over 100°, but the water being very chilly. The Stanislaus River reported in at 54° and the American River in Sacramento at 55°. Both rivers were moving very rapidly. Warnings were being made to the locals to not take the hot weather for granted when you're going into cold water. Muscles can cramp up more in cold water and it can be a very dangerous situation, particularly for children. The conditions are caused by Sierra snow melt and the warm temperatures causing high flow rates and low water temperatures. Be careful if you're at a Sacramento Beach.



TO: MWDOC Board of Directors

FROM: Whittingham Public Affairs Advisors

DATE: July 9, 2025

SUBJECT: July 2025 Local Legislative Report

Following is a few of the more notable developments and issues that have transpired in Orange County over the last several weeks:

- The Orange County Board of Supervisors announced an agreement with Michelle Aguirre to remain as County CEO for another year. Ms. Aguirre has served as the interim CEO since Frank Kim's retirement last July and agreed to stay through this September while the Board conducted its second recruitment and interview process. The County will continue its search for a new CEO to succeed Ms. Aguirre, who reiterated her desire to retire after this final year of service.
- At its meeting of June 24, the Board of Supervisors approved the final 2025-26 County budget, which included increases of roughly 25% in the Supervisors' salaries. The Board voted to amend the County ordinance which links the salaries of Supervisors to the minimum annual salary, \$244,000, of Superior Court Judges.
- e Elsewhere in the County, a number of cities have also been engaged in recruitment and interviews for new City Managers. The Placentia City Council recently promoted its Finance Director, Jennifer Lampman, to City Administrator, and the City of Orange named current Laguna Hills City Manager Jared Hildebrand as its new City Manager. Mike Egan is currently serving as interim City Manager in La Palma, and Cecilia Gallardo-Daly was recently elevated to a similar position in Costa Mesa. Irvine City Manager Oliver Chi and Fullerton City Manager Eric Levitt have over the past several weeks announced their plans to depart for new positions at the cities of Santa Monica and San Bernardino, respectively. Assistant City Manager Sean Crumby has been named Interim City Manager in Irvine, while Fullerton has yet to designate an interim or announce its plan going forward. Finally, Yorba Linda City Manager Mark Pulone has announced his plan to retire from the position in September of this year.
- The Orange County Health Care Agency (OCHA) released its biennial Harbor and Bay Water Quality Report, which found sewage spills remained below average for the 13th consecutive year. Just 71 sewage spills occurred in 2024, with three resulting

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in beach closures for a combined total of 11 days. The average for the 38 years OCHCA has been tracking spills (1987 through 2024) is 178 spills per year. The three closures reported in 2024 resulted in a total of 11 days where people were warned away from the water, fewer than the average 16 beach closures resulting in 57 closure days seen since 1999.

- For the second consecutive year, Orange County beaches took top spots on Heal the Bay's Honor Roll, with 34 beaches making the list, more than tripling last year's count of 10 beaches. In order to make the Honor Roll and receive an A+ grading, a beach must achieve zero bacterial exceedances throughout the year in all three seasons Summer Dry, Winter Dry, and Wet Weather.
- Former Orange County Supervisor Andrew Do was sentenced to five years in prison, the maximum sentence sought by prosecutors. The former Supervisor, who pleaded guilty last year to bribery, is expected to turn himself in to begin the sentence on August 15 and is expected to be on probation for three years after his release. There's also an August 11 hearing scheduled to determine the amount of restitution Mr. Do has to pay. The heads of two nonprofit agencies involved in the improper use of more than \$12 million in Covid funding were charged with a variety of felonies last week for their role in bribing Mr. Do, with prosecutors alleging almost none of the money actually made its way to the intended programs.
- Numerous Orange County cities, specifically those in south OC, have recently adopted ordinances which incorporated maps detailing those areas deemed as moderate, high, and very high fire severity zones within the respective cities. The Office of the State Fire Marshall released its findings to cities and counties across the state earlier this year, creating significant concern for residents in these areas relative to the cost of and ability to secure fire insurance.
- Huntington Beach voters approved two measures related to the city's libraries as part of a June 10 special election. Measure A repeals the City Council's creation of an advisory committee to review the suitability of books in the libraries, and Measure B prevents the city from selling or privatizing its libraries.
- The Fullerton City Council approved the next step toward potentially transitioning to a charter city. The council voted 3-2 to take on drafting the charter and appointing residents to an ad hoc committee tasked with providing input during the drafting process.

As part of our scope of work, Whittingham Public Affairs Advisors has continued to monitor the various District and City Council agendas of each of MWDOC member agencies. We also continue to monitor activities at the South Coast Air Quality Management District and South Orange County Wastewater Authority.

It is a pleasure to work with you and to represent the Orange County Sanitation District.

Sincerely,

Peter Whittingham

& White

## **MWDOC** Workshop

Bill Matrix - Prepared by SDA Government Relations

June 24th, 2025

#### Priority: A. High

AB 259 (Rubio, Blanca, D) Open meetings: local agencies: teleconferences.

Status: 05/14/2025 - Referred to Coms. on L. GOV. and JUD.

Calendar: 07/02/25 S-LOCAL GOVERNMENT 9:30 a.m. - State Capitol, Room 113 DURAZO, MARÍA

ELENA, Chair

Location: 05/14/2025 - Senate Local Government

**Summary:** The Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law requires a member to satisfy specified requirements to participate in a meeting remotely pursuant to these alternative teleconferencing provisions, including that specified circumstances apply. Current law establishes limits on the number of meetings a member may participate in solely by teleconference from a remote location pursuant to these alternative teleconferencing provisions, including prohibiting such participation for more than 2 meetings per year if the legislative body regularly meets once per month or less. This bill would extend the alternative teleconferencing procedures until January 1, 2030. (Based on 04/21/2025 text)

Position	Priority
support	A. High

Notes -

Support - March 5th Workshop

#### AB 523 (Irwin, D) Metropolitan water districts: proxy vote authorizations.

Status: 06/19/2025 - Read second time. Ordered to third reading.

Calendar: 06/26/25 #80 S-ASSEMBLY BILLS - THIRD READING FILE (Floor Mgr.- Stern)

Location: 06/19/2025 - Senate THIRD READING

**Summary:** Under the Metropolitan Water District Act, the board of a metropolitan water district is required to consist of at least one representative from each member public agency, as prescribed. The act authorizes each member public agency to appoint additional representatives not exceeding one additional representative for each 5% of the assessed valuation of property taxable for district purposes within the entire district that is within the boundaries of that member public agency. This bill would, until January 1, 2030, authorize a representative of a member public agency that is entitled to designate or appoint only one representative to the board of directors to assign a proxy vote authorization to a representative of another member public agency to be exercised when the assigning representative is unable to attend a meeting or meetings of the board, as provided. The bill would require the proxy vote authorization to be memorialized by a written instrument, as specified. The bill would prohibit a proxy vote authorization from authorizing the assumption of the assigning representative's officer position at the

designated meeting and would limit a proxy vote authorization's effectiveness to no more than 6 board meetings in a calendar year. (Based on 05/05/2025 text)

Position	Priority
B. Watch	A. High

#### AB 532 (Ransom, D) Water rate assistance program.

**Status:** 06/19/2025 - From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on E.Q.

Calendar: 07/02/25 S-ENVIRONMENTAL QUALITY 9 a.m. - State Capitol, Room 112 BLAKESPEAR, CATHERINE, Chair

07/16/25 S-LOCAL GOVERNMENT 9:30 a.m. - State Capitol, Room 113 DURAZO, MARÍA ELENA, Chair

Location: 06/18/2025 - Senate Environmental Quality

**Summary:** Current federal law, the Consolidated Appropriations Act, 2021, among other things, requires the federal Department of Health and Human Services to carry out a Low-Income Household Drinking Water and Wastewater Emergency Assistance Program, which is also known as the Low Income Household Water Assistance Program, for making grants to states and Indian tribes to assist low-income households that pay a high proportion of household income for drinking water and wastewater services, as provided. Current law requires the Department of Community Services and Development to administer the Low Income Household Water Assistance Program in this state, and to receive and expend moneys appropriated and allocated to the state for purposes of that program, pursuant to the above-described federal law. The Low Income Household Water Assistance Program was only operative until March 31, 2024. This bill would repeal the above-described requirements related to the Low Income Household Water Assistance Program. (Based on 06/19/2025 text)

Position	Priority
B. Watch	A. High

#### AB 580 (Wallis, R) Surface mining: Metropolitan Water District of Southern California.

Status: 06/04/2025 - Referred to Com. on N.R. & W.

Location: 06/04/2025 - Senate Natural Resources and Water

**Summary:** The Surface Mining and Reclamation Act of 1975 prohibits a person, with exceptions, from conducting surface mining operations unless, among other things, a permit is obtained from, a specified reclamation plan is submitted to and approved by, and financial assurances for reclamation have been approved by, the lead agency for the operation of the surface mining operation. Current law authorizes the Metropolitan Water District of Southern California (MWD) to prepare a master reclamation plan, as provided, that identifies each individual surface mining operation in specified counties and satisfies all reclamation plan requirements for each individual surface mining site. Current law requires the State Mining and Geology Board to act as the lead agency for surface mining operations conducted by the MWD and authorizes the board to conduct an inspection of an individual surface mining operation once every 2 calendar years during a period when that individual surface mining operation is idle or the site has no mineral production. Current law requires the MWD to be the lead agency for any environmental review of the master reclamation plan. Existing law repeals the provisions authorizing the preparation and approval of the master reclamation plan for the MWD on January 1, 2026. This bill would extend the operation of those provisions until January 1, 2051. (Based on 03/26/2025 text)

Position	Priority
support	A. High

Notes -

Support - March 5th Workshop

#### SB 31 (McNerney, D) Water quality: recycled water.

Status: 06/17/2025 - From committee: Do pass and re-refer to Com. on E.S & T.M. (Ayes 10. Noes 0.)

(June 17). Re-referred to Com. on E.S & T.M.

Calendar: 07/01/25 A-ENVIRONMENTAL SAFETY AND TOXIC MATERIALS 1:30 p.m. - State Capitol,

Room 444 CONNOLLY, DAMON, Chair

Location: 06/17/2025 - Assembly Environmental Safety and Toxic Materials

**Summary:** The Water Recycling Law generally provides for the use of recycled water. Current law requires any person who, without regard to intent or negligence, causes or permits an unauthorized discharge of 50,000 gallons or more of recycled water in or on any waters of the state to immediately notify the appropriate regional water board. This bill would, for the purposes of the above provision, redefine "recycled water" and provide that water discharged from a decorative body of water during storm events is not to be considered an unauthorized discharge if recycled water was used to restore levels due to evaporation. (Based on 06/09/2025 text)

Position	Priority
B. Watch	A. High

Notes -

Sponsored by WateReuse

#### SB 72 (Caballero, D) The California Water Plan: long-term supply targets.

Status: 06/09/2025 - Referred to Com. on W. P., & W.

Calendar: 07/01/25 A-WATER, PARKS AND WILDLIFE 9 a.m. - State Capitol, Room 444 PAPAN,

DIANE, Chair

Location: 06/09/2025 - 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, and water transfers, 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 expand the membership of the advisory committee to include, among others, tribes, labor, and environmental justice interests. The bill would require the department, as part of the 2033 update to the plan, to update the interim planning target for 2050, as provided. The bill would require the target to consider the identified and future water needs for all beneficial uses, including, but not limited to, urban uses, agricultural uses, tribal uses, and the environment, and ensure safe drinking water for all Californians, among other things. The bill would require the plan to include specified components, including a discussion of the estimated costs, benefits, and impacts of any project type or action that is recommended by the department within the plan that could help achieve the water supply targets. (Based on 04/10/2025 text)

Position	Priority
support	A. High

Notes -

Support position taken on 2/5

#### SB 394 (Allen, D) Water theft: fire hydrants.

Status: 06/18/2025 - Coauthors revised. From committee: Do pass and re-refer to Com. on JUD. (Ayes

10. Noes 0.) (June 18). Re-referred to Com. on JUD.

Calendar: 07/01/25 A-JUDICIARY 9 a.m. - State Capitol, Room 437 KALRA, ASH, Chair

Location: 06/18/2025 - Assembly Judiciary

**Summary:** Current law authorizes a utility to bring a civil action for damages against any person who commits, authorizes, solicits, aids, abets, or attempts certain acts, including, diverting or causing to be diverted, utility services by any means whatsoever. Current law creates a rebuttable presumption that there is violation of these provisions if, on premises controlled by the customer or by the person using or receiving the direct benefit of utility service, certain actions occur, including that there is an instrument, apparatus, or device primarily designed to be used to obtain utility service without paying the full lawful charge for the utility. This bill would add to the list of acts for which a utility may bring a civil cause of action under these circumstances to include tampering with a fire hydrant, fire hydrant meter, or fire detector check, or connecting to, diverting water from, or causing water to be diverted from, a fire hydrant without authorization from the utility that owns the fire hydrant. (Based on 06/09/2025 text)

Position	Priority
support	A. High

Notes -

Support - March 5th Workshop

#### SB 601 (Allen, D) Water: waste discharge.

Status: 06/19/2025 - Re-referred to Coms. on JUD. and E.S & T.M. pursuant to Assembly Rule 96.

Calendar: 07/01/25 A-JUDICIARY 9 a.m. - State Capitol, Room 437 KALRA, ASH, Chair

Location: 06/19/2025 - Assembly Judiciary

Summary: (1)Under existing law, the State Water Resources Control Board and the 9 California regional water quality control boards regulate water quality and prescribe waste discharge requirements in accordance with the Porter-Cologne Water Quality Control Act (act) and the National Pollutant Discharge Elimination System (NPDES) permit program. Under the act, the State Water Resources Control Board is authorized to adopt water quality control plans for waters for which quality standards are required by the federal Clean Water Act, as specified, and that in the event of a conflict, those plans supersede regional water quality control plans for the same waters. This bill would delete the limitation on the state board's authorization, and instead would authorize the state board to adopt water quality control plans for any waters of the state, which would include nexus waters, which the bill would define as all waters of the state that are not also navigable, except as specified. The bill would require any water quality standard applicable to nexus waters, which was submitted to, and approved by, or is awaiting approval by, the United States Environmental Protection Agency or the state board as of January 19, 2025, to remain in effect, except where the state board, regional board, or United States Environmental Protection Agency adopts a more stringent standard. The bill would require the state board and regional boards to include nexus waters in all processes pursuant to the federal Clean Water Act, including, but not limited to, the California Integrated Report and the establishment of total maximum daily loads, as specified. (Based on 05/23/2025 text)

Position	Priority	
oppose	A. High	

Notes -

Oppose adopted May 7th.

#### Priority: B. Watch

#### AB 93 (Papan, D) Water resources: demands: data centers.

Status: 06/11/2025 - Referred to Coms. on N.R. & W. and L. GOV.

Calendar: 06/24/25 S-NATURAL RESOURCES AND WATER 9 a.m. - 1021 O Street, Room 2100 and

1:30p.m. - State Capitol, Room 113, if necessary LIMÓN, MONIQUE, Chair

07/16/25 S-LOCAL GOVERNMENT 9:30 a.m. - State Capitol, Room 113 DURAZO, MARÍA ELENA,

Chair

Location: 06/11/2025 - Senate Natural Resources and Water

**Summary:** Would require the Department of Water Resources and the State Energy Resources Conservation and Development Commission to develop guidelines and best practices, as specified, to maximize the use of natural resources to address the developing and emerging needs of technology in California that are consistent with urban water use objectives, as provided, and specified federal law. (Based on 05/05/2025 text)

Position	Priority
B. Watch	B. Watch

#### AB 367 (Bennett, D) Water: County of Ventura: fire suppression.

Status: 06/11/2025 - Referred to Coms. on N.R. & W. and L. GOV.

Calendar: 06/24/25 S-NATURAL RESOURCES AND WATER 9 a.m. - 1021 O Street, Room 2100 and

1:30p.m. - State Capitol, Room 113, if necessary LIMÓN, MONIQUE, Chair

07/09/25 S-LOCAL GOVERNMENT 9:30 a.m. - State Capitol, Room 113 DURAZO, MARÍA ELENA,

Chair

Location: 06/11/2025 - Senate Natural Resources and Water

Summary: Would, beginning July 1, 2027, require a water supplier that supplies water that is used for the suppression of fire in either a high or very high fire hazard severity zone to more than 20 total residential dwellings in those zones in the County of Ventura to have access to sufficient backup energy sources to operate critical wells and water pumps needed to supply water for at least 24 hours for the purpose of fire suppression in those zones, as provided. The bill would require the Ventura County Fire Department to annually inspect critical wells, water pumps, and generators, as specified. The bill would require a water supplier to take various actions, including notifying the Ventura County Office of Emergency Services within 3 business days of any reduction in its water delivery capacity that could hinder firefighting operations or significantly delay the replenishment of reservoirs. The bill would require, if any fire damages and makes uninhabitable more than 10 residential dwellings within the service area of a water supplier, a report be made by the Ventura County Fire Department in cooperation with the water supplier, as specified. By levying new requirements on the Ventura County Fire Department, this bill would create a state-mandated local program. (Based on 05/23/2025 text)

Position	Priority	
B. Watch	B. Watch	

#### AB 615 (Davies, R) Power facilities: emergency response and action plans.

Status: 06/04/2025 - Referred to Com. on E., U & C.

Location: 06/04/2025 - Senate Energy, Utilities and Communications

**Summary:** Current law requires an application to be filed with the State Energy Resources Conservation and Development Commission for certification of a site and related facility which includes an electric transmission line or thermal powerplant, or both. Current law requires the application to contain, among other things, safety and reliability information, including planned provisions for emergency operations and shutdowns, as specified. Current law authorizes a person proposing an energy storage system to file an

application for certification with the commission in lieu of any permit, certificate, or similar document required by any state, local, or regional agency, or federal agency, as provided. This bill would require that those applications also contain emergency response and action plans, to be paid for by the applicant, that incorporate impacts to the surrounding areas in the event of an emergency and that would be conducted and coordinated with local emergency management agencies, unified program agencies, and local first response agencies. The bill would require that applications for an energy storage system also contain emergency response and action plans to be paid for by the applicant. (Based on 05/05/2025 text)

Position	Priority
B. Watch	B. Watch

#### AB 794 (Gabriel, D) California Safe Drinking Water Act: emergency regulations.

**Status:** 06/12/2025 - Ordered to inactive file at the request of Assembly Member Gabriel.

Location: 06/12/2025 - Assembly INACTIVE FILE

Summary: The California Safe Drinking Water Act (state act) requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. The state board's duties include, but are not limited to, enforcing the federal Safe Drinking Water Act (federal act) and adopting and enforcing regulations. Current law authorizes the state board to adopt as an emergency regulation, a regulation that is not more stringent than, and is not materially different in substance and effect than, the requirements of a regulation promulgated under the federal act, with a specified exception. This bill would provide that the authority of the state board to adopt an emergency regulation pursuant to these provisions includes the authority to adopt requirements of a specified federal regulation that was in effect on January 19, 2025, regardless of whether the requirements were repealed or amended to be less stringent. The bill would prohibit an emergency regulation adopted pursuant to these provisions from implementing less stringent drinking water standards, as provided, and would authorize the regulation to include monitoring requirements that are more stringent than the requirements of the federal regulation. The bill would prohibit maximum contaminant levels and compliance dates for maximum contaminant levels adopted as part of an emergency regulation from being more stringent than the maximum contaminant levels and compliance dates of a regulation promulgated pursuant to the federal act. (Based on 04/10/2025 text)

Position	Priority
B. Watch	B. Watch

#### AB 1146 (Papan, D) Water infrastructure: dams and reservoirs: water release: false pretenses.

**Status:** 06/23/2025 - From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on N.R. & W.

Location: 06/18/2025 - Senate Natural Resources and Water

**Summary:** Would prohibit the release of stored water from a reservoir owned and operated by the United States in this state if the release is done under false pretenses, which the bill would define to mean a release of water from a reservoir owned and operated by the United States in a manner that is knowingly, designedly, and intentionally under any false or fraudulent representation as to the purpose and intended use of the water. The bill would authorize the State Water Resources Control Board or the Attorney General, as provided, to bring an action for injunctive relief for a violation of the above-described prohibition. By expanding the scope of a crime, the bill would impose a state-mandated local program. (Based on 06/23/2025 text)

Position	Priority
B. Watch	B. Watch

AB 1413 (Papan, D) Sustainable Groundwater Management Act: groundwater adjudication.

**Status:** 06/18/2025 - Referred to Coms. on N.R. & W. and JUD. **Location:** 06/18/2025 - Senate Natural Resources and Water

**Summary:** The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans, except as specified. Current law requires the department to periodically review the groundwater sustainability plans developed by groundwater sustainability agencies pursuant to the act to evaluate whether a plan conforms with specified laws and is likely to achieve the sustainability goal for the basin covered by the plan. Existing law authorizes a groundwater sustainability agency that adopts a groundwater sustainability plan to file a court action to determine the validity of the plan no sooner than 180 days following the adoption of the plan, as provided. This bill would instead authorize groundwater sustainability agencies to file those actions within 180 days following the adoption of the plan. (Based on 04/10/2025 text)

Position	Priority
B. Watch	B. Watch

#### SB 224 (Hurtado, D) Department of Water Resources: water supply forecasting.

**Status:** 06/16/2025 - Referred to Com. on W. P., & W. **Location:** 06/16/2025 - Assembly Water, Parks and Wildlife

Summary: Current law requires the Department of Water Resources to gather and correlate information and data pertinent to an annual forecast of seasonal water crop. Current law also requires the department 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."This bill would require the department, on or before January 1, 2027, to adopt a new water supply forecasting model and procedures that better address the effects of climate change and implement a formal policy and procedures for documenting the department's operational plans and the department's rationale for its operating procedures, including the department's rationale for water releases from reservoirs. The bill would also require the department to establish, and publish on the department's internet website, the specific criteria that it will employ to determine when its updated water supply forecasting model has demonstrated sufficient predictive capability to be ready for use in each of the watersheds. The bill would require the department, on or before January 1, 2028, and annually thereafter, to prepare and submit to the Legislature a report on its progress toward implementing the new forecasting model and to post the report on the department's internet website. The bill would also require the department, on or before January 1, 2028, and annually thereafter, to prepare and submit to the Legislature a report that explains the rationale for the department's operating procedures specific to the previous water year. (Based on 05/23/2025 text)

Position	Priority
B. Watch	B. Watch

#### SB 239 (Arreguín, D) Open meetings: teleconferencing: subsidiary body.

**Status:** 06/05/2025 - Failed Deadline pursuant to Rule 61(a)(8). (Last location was INACTIVE FILE on 6/3/2025)(May be acted upon Jan 2026)

**Location:** 06/05/2025 - Senate 2 YEAR

**Summary:** The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Current law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as specified. Current law, until January 1, 2026,

authorizes specified neighborhood city councils to use alternate teleconferencing provisions related to notice, agenda, and public participation, as prescribed, if, among other requirements, the city council has adopted an authorizing resolution and 2/3 of the neighborhood city council votes to use alternate teleconference provisions, as specified This bill would authorize a subsidiary body, as defined, to use alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. The bill would require the subsidiary body to post the agenda at each physical meeting location designated by the subsidiary body, as specified. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, as specified. (Based on 04/07/2025 text)

Position	Priority
B. Watch	B. Watch

#### SB 614 (Stern, D) Carbon dioxide transport.

Status: 06/19/2025 - Re-referred to Coms. on U. & E. and NAT. RES. pursuant to Assembly Rule 96.

**Location:** 06/19/2025 - Assembly Utilities and Energy

Summary: Under the Elder California Pipeline Safety Act of 1981, the State Fire Marshal exercises safety regulatory jurisdiction over intrastate pipelines used for the transportation of hazardous or highly volatile liquid substances. The act imposes various requirements in relation to the regulation of these intrastate pipelines. A person who willfully and knowingly violates the act or a regulation adopted pursuant to the act is, upon conviction, subject to a fine, imprisonment, or both a fine and imprisonment, as provided. This bill would expand the regulation of intrastate pipelines under the act to intrastate pipelines used for the transportation of carbon dioxide by revising the definition of "pipeline" for purposes of the act to also include intrastate pipelines used for the transportation of carbon dioxide. The bill would require the State Fire Marshal, by April 1, 2026, to adopt regulations to regulate the transportation of carbon dioxide by a pipeline, with safety standards that, at a minimum, meet the standards proposed by certain draft federal regulations proposed by the federal Pipeline and Hazardous Materials Safety Administration. The bill would require the regulations to require a project applicant to demonstrate that the transportation of carbon dioxide in a pipeline complies with certain state laws. The bill would require the regulations to require pipelines permitted to transport carbon dioxide to be newly constructed and not converted from existing pipelines. The bill would authorize the State Fire Marshal to require additional safety standards, as specified. The bill would authorize the State Fire Marshal to require an operator of a pipeline transporting carbon dioxide to cease operation of the pipeline if the operator is found to be in violation of the specified requirements or if continued pipeline operations present an immediate danger to the health, welfare, or the environment. Because a violation of the above provisions would be a crime, this bill would impose a state-mandated local program. (Based on 05/05/2025 text)

Position	Priority	
B. Watch	B. Watch	

#### SB 742 (Pérez, D) Water systems and water districts.

Status: 03/12/2025 - Referred to Com. on RLS.

Location: 02/21/2025 - Senate Rules

**Summary:** The California Water District Law provides for the establishment of water districts, and grants a district the power to acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes. This bill would state the intent of the Legislature to enact subsequent legislation related to the regulation of water systems and water districts. (Based on 02/21/2025 text)

Position	Priority	
B. Watch	B. Watch	

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
AB 259 B. Bubio	Amended in	Open meetings: local agencies: teleconferences.	Support	By removing the sunset on the Brown Act
lwin	Government	This bill eliminates the sunset on provisions added		Metropolitan and Member Agency board
Park)	Committee on	to the Brown Act by AB 2449, a bill that provided	Based on 2025	members to meet remotely and continue providing
-	4/21/2025.	additional flexibility with Brown Act meeting	Legislative	the public with essential services.
Sponsors:		procedures in the event of a board member's	Policies and	
California Special		physical absence in connection with a "just cause"	Principles.	
Districts	Senate Local	or "emergency circumstances," allowing those		
Association, Three	Government	members to participate in the meeting remotely		
Valleys Municipal	Committee	consistent with the process detailed in the bill.		
Water District				
AB 532	Amended in	Water rate assistance program	Support	This bill would provide clarity in existing law to
R. Ransom	Assembly			ensure that water agencies are able to establish
(D – Stockton)	Appropriations	This bill seeks to revamp the State's Low Income		local LIRA programs without fear of legal
	Committee on	Household Water Assistance Program (LIHWAP),	Based on 2025	consequences given the provisions of Proposition
Sponsor: California	5/23/2025.	upon appropriation by the Legislature, to provide	Legislative	218.
Municipal Utilities		water rate assistance to ratepayers of water systems	Policies and	
Association	Assembly Floor	with under 3,000 connections, or systems serving	Principles.	The bill would also establish a path to revamp the
		disadvantaged communities. The bill also would		LIHWAP program to ensure statewide resources
		expressly allow urban retail water suppliers to		are provided for small and disadvantaged
		establish a local low-income rate assistance (LIRA)		communities.
		program using voluntary contributions or other non-		
		ratepayer funds.		

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan	
AB 580 G. Wallis (R – Bermuda Dunes) Sponsor: Metropolitan Water District of Southern California	Amended in Assembly Water, Parks, and Wildlife Committee on 3/26/2025. Senate Rules Committee	Southern California  This bill removes the sunset date on Metropolitan's ability to operate under a single Master Reclamation Plan for repairs using earth- moving activities under the Surface Mining and Reclamation Act for the maintenance of the Colorado River Aqueduct (CRA).	Sponsor  Based on December 2024 Board Action.	Ensuring Metropolitan can continue operating under a single Master Reclamation Plan will maintain environmental oversight without delays and prevent duplicative compliance.	
AB 794 J. Gabriel (D – Encino) Sponsors: Clean Water Action, Environmental Working Group	Amended in Assembly Environmental Safety and Toxic Materials Committee on 4/10/2025. Assembly Floor	California Safe Drinking Water Act: emergency regulations  This bill would authorize the State Water Resources Control Board (SWRCB) to adopt an emergency regulation for water quality based on federal regulations in effect on January 19, 2025, regardless of whether the requirements were repealed or amended to be less stringent. The bill would prohibit an emergency regulation adopted pursuant to these provisions from implementing less stringent drinking water standards, as provided, and would authorize the regulation to include requirements that are more stringent than the requirements of the federal regulation. The bill would require, on or before January 1, 2026, the SWRCB to adopt an emergency regulation and to initiate a primary drinking water standard for perfluoroalkyl and polyfluoroalkyl substances (PFAS).	Amended Amended Based on 2025 Legislative Policies and Principles.	While AB 794 aims to protect public health, its approach circumvents the established regulatory process for setting Maximum Contaminant Levels (MCLs). Metropolitan's Legislative Priorities and Principles call for using the best available science to protect public health and improve water quality when setting MCLs. The broad scope of this bill, which would allow the SWRCB to set through emergency action primary and secondary MCLs for any chemical with a federal MCL, sets a dangerous precedent and fails to align with wellestablished regulatory principles.	<b>10</b> —

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
AB 1146	Amended in	Water infrastructure: dams and reservoirs:	Oppose	This bill would create uncertainty for both
D. Papan (D – San		water release: false pretenses	-	Metropolitan and the Member Agencies that own
Mateo)	Parks, and		Based on 2025	and operate reservoirs. The releases are often
	Wildlife	This bill adds language to the Water Code	Legislative	based on water supply needs, operational
	Committee on	prohibiting the release of stored water from a	Policies and	flexibility, and constraints, as well as scheduled
	5/1/2025.	reservoir in California if the release is done under	Principles.	and emergency maintenance and/or inspection.
		false pretenses and would authorize the State Water		
	Assembly Floor	Resources Control Board to issue an interim relief		The bill's definition of "false pretenses" is unclear
		order to prohibit such release of stored water. This		and does not specify what would qualify as "false
		bill would define "false pretenses" as a release of		or fraudulent representation," nor does it indicate
		water from a reservoir in a manner that is knowingly		how intent would be determined. Therefore, this
		and designedly under a false or fraudulent		definition would make it difficult to understand
		representation or assumption as to the purpose and		when a reservoir release could result in an
		intended use of the water.		interim relief order.

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
AB 1319 N. Schultz (D – Burhank)	Amended in Assembly Appropriations	Protected species: California Endangered Species Act.	Oppose Unless Amended	This bill could have profound impacts on Metropolitan's activities and its State Water Project and Colorado River imported supplies
	Committee on 5/23/2025.	This bill would amend the California Endangered Species Act (CESA) to authorize the California Fish	Based on 2025 Legislative	The time and cost to get CESA permits after emergency listings would be high, and while
	Assembly Floor	and Game Commission (Commission) to adopt an emergency regulation that adds a federally listed species that is native to California to the list of	Policies and Principles.	permit applications are pending, opponents could litigate to halt or modify projects, including ongoing operations of the State Water Project and
		endangered or threatened species on an emergency basis if it finds, in consultation with the California Department of Fish and Wildlife (CDFW), that a		Colorado River water deliveries and power production.
		federal action that occurs after January 19, 2025, results in a decrease in protection for that species and listing under CESA could provide protection for		Metropolitan is seeking amendments to limit the applicability of this bill to species that are federally delisted. The proposed amendments also
		that species.		add a permit shield from liability for project proponents seeking an incidental take
		If the Commission lists a species by emergency regulation, CDFW would be required to promptly		authorization, or who are complying with an existing federal take authorization. This
		commence a status review, and the Commission would be required to determine whether to list the federally listed species beyond the duration of the		immunizes a good-faith actor from civil or criminal liability under CESA so long as it complies with its federal take authorization and is
		emergency.		pursuing a state take authorization.
		This bill would provide that in authorizing the take of any species listed during the emergency regulation, the Commission or CDFW may apply		
Page <del>(</del>		the protections provided by federal terms of the Endangered Species Act (ESA) unless the Commission or CDFW determines that those		
53 of 7		protections do meet CESA standards.		

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
SB 31 J. McNerney (D – Stockton) Sponsor:	Amended in Senate Appropriations Committee on 5/12/2025.	Water quality: recycled water  SB 31 aims to enhance California's water sustainability by increasing the use of recycled water in non-potable applications. This bill modernizes cardeted recycled applications.	Support  Based on 2025 Legislative Deliving and	Supporting the use of recycled water in non-potable applications such as irrigation, decorative water features, and industrial processes reduces the demand for potable water while enhancing drought resilience.
w aterceuse California	Senate Floor	modernizes outdated regulations and expands the permissible uses of recycled water to reduce dependence on potable sources. The bill would make updates to Title 22 of the Code of Regulations to expand the use of recycled water in parks, schools, and food handling and processing facilities.	Foncies and Principles.	
SB 72 A. Caballero (D – Merced)	Amended in Senate Appropriations	The California Water Plan: long-term supply targets	Support	The intent of this bill is to help modernize California's water management practices and provide long-term reliable supplies in response to
Sponsor: California Municipal Utilities Association	Committee on 4/10/2025. Senate Floor	This measure would revise the California Water Plan to require the Department of Water Resources (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.	Based on 2025 Legislative Policies and Principles.	the current climate challenges.  Metropolitan supported a similar version of this bill in 2024, SB 366 (Caballero), which passed the Legislature and was vetoed by the Governor.
SB 394 B. Allen (D – Santa Monica) Sponsor: Las Vargenes Municipal Water District	Introduced Assembly Desk	Water theft: fire hydrants  SB 394 would allow a local agency that provides water service the ability to increase fines and penalties for water theft from fire hydrants. The bill also adds tampering with a fire hydrant, fire hydrant meter, or fire detector check, or the unauthorized diversion of water from a fire hydrant to the list of acts for which a utility may bring a civil cause of action.	Support Based on 2025 Legislative Policies and Principles.	Metropolitan Member Agencies and subagencies that provide local water services could adopt ordinances with enhanced penalties for water theft from a fire hydrant.

Bill Number and Author	Amended Date and Location	Title – Summary	Metropolitan Position	Effects on Metropolitan
SB 454 J. McNerney (D – Stockton)	Amended in Senate Appropriations	State Water Resources Control Board: PFAS Mitigation Program	Support	The proposed bill would be highly beneficial to Metropolitan, its Member Agencies, and other water and wastewater agencies currently
Sponsor: Association of California Water	Committee on 5/23/2025.	SB 454 would establish a PFAS Mitigation Fund to address PFAS contamination in California's drinking water and wastewater systems. Administered by the SWRCB, the fund will provide financial support	Based on 2025 Legislative Policies and Principles.	grappling with increased PFAS-related regulations and source contamination issues. By allowing for grants, loans, and contracts through the PFAS Mitigation Fund, and the provision of
Agencies	Assembly Desk	through grants, loans, and contracts to water suppliers and wastewater operators to cover or reduce treatment and disposal costs, ensuring safe and clean water across the state with a focus on disadvantaged communities.	4	assistance services, the bill provides much-needed financial relief and assistance to support treatment and mitigation efforts.
SB 601 B. Allen (D – Santa Monica)	Amended in Senate Appropriations Committee on	Water: waste discharge  The intent of this bill is to restore Clean Water Act protections in California that were removed per the	Oppose Based on 2025	Currently, AB 601 poses risks to Metropolitan and its member agencies by: adopting EPA's drinking water standards for PFAS/PFOS, bypassing the state rulemaking process;
Sponsors: California	5/23/2025.	U.S. Supreme Court's 2023 Sackett v. Environmental Protection Agency (EPA) decision. However, the bill goes beyond restoring statute and	Legislative Policies and Principles.	increasing costs of waste discharge requirements (WDRs) permits for discharges of water when dewatering or operating water supply
Coastkeeper Alliance, Defenders of Wildlife	Senate F100F	includes several provisions that expand regulatory requirements without the benefit of scientific analysis.		innastructure, potentially requiring all such water to be recycled regardless of cost to comply; exposing Metropolitan and its Member Agencies to citizen suits in state court, and, for certain
P				nexus waters, both state and tederal court; and creating uncertainty in discharge permitting as the bill's ambiguous provisions and implications are likely to be litigated.

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#### **INFORMATION ITEM**

July 2, 2025

TO: Board of Directors

FROM: Harvey De La Torre, General Manager

Staff Contact: Melissa Baum-Haley, Assistant General Manager

Alex Heide, Senior Metropolitan Issues & Policy Analyst Kevin Hostert, Senior Water Resources Analyst/Data

Management

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

**COUNTY** 

#### STAFF RECOMMENDATION

Staff recommends that the Board of Directors 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 June 2025 (for water delivered in April 2025) totaled 107.4 thousand acre-feet (TAF), which was 177 AF lower than the budget of 107.4 TAF and translates to \$128.9 million in receipts for June 2025, which were \$12.5 million higher than the budget of \$116.4 million.

Year-to-date water transactions through June 2025 (for water delivered in May 2024 through June 2025) were 1.33 MAF, which was 2.3 TAF higher than the budget of 1.33 MAF.

Year-to-date water receipts through June 2025 were \$1,477 million, which was \$58.8 million higher than the budget of \$1,418 million.

Month		Acre-Feet (AF) <sup>2</sup>		Variance		Revenue (\$) <sup>1</sup>		Variance	
Delivered/	To be								
Billed In	Collected in	Budget	Actual	AF	%	Budget	Actual	\$	%
May	July	111,381	93,988	(17,393)	-16%	115,411,844	111,844,425	(3,567,419)	-3%
June	August	119,830	101,259	(18,571)	-15%	142,766,424	100,440,378	(42,326,046)	-30%
July	September	133,150	113,715	(19,435)	-15%	141,775,001	121,901,017	(19,873,984)	-14%
August	October	136,454	116,650	(19,804)	-15%	145,410,622	129,047,328	(16,363,294)	-11%
September	November	127,137	114,291	(12,846)	-10%	133,836,426	124,663,850	(9,172,576)	-7%
October	December	123,989	115,743	(8,246)	-7%	128,665,932	122,055,973	(6,609,959)	-5%
November	January	124,881	99,081	(25,800)	-21%	125,782,252	110,437,861	(15,344,391)	-12%
December	February <sup>3</sup>	104,337	240,153	135,816	130%	103,324,010	265,305,379	161,981,369	157%
January	March	88,988	85,190	(3,799)	-4%	95,074,177	97,621,268	2,547,091	3%
February	April	77,291	67,427	(9,864)	-13%	81,911,825	75,915,932	(5,995,893)	-7%
March	May	82,757	80,579	(2,178)	-3%	88,153,603	89,256,411	1,102,808	1%
April	June	107,565	107,388	(177)	0%	116,431,176	128,935,943	12,504,767	11%
FY Total		1,337,760	1,335,464	(2,297)	0%	1,418,543,292	1,477,425,765	58,882,473	4%

#### **ISSUE BRIEF #B**

**SUBJECT: MET's Supply Condition Update** 

#### RECENT ACTIVITY

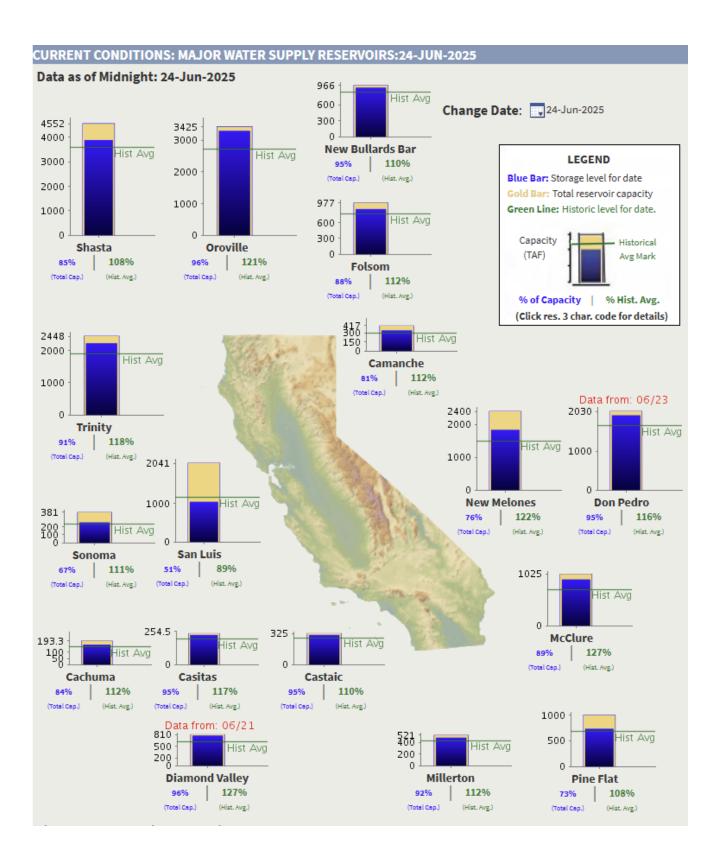
The 2024-25 Water Year (2024-25 WY) officially started on October 1, 2024. The Northern Sierra Snow Water Equivalent peaked at 31.7 inches on April 4<sup>th</sup>, which is 112% of normal for that day. The Department of Water Resources (DWR) has increased the State Water Project (SWP) "Table A" allocation to 50% as of April 2025.

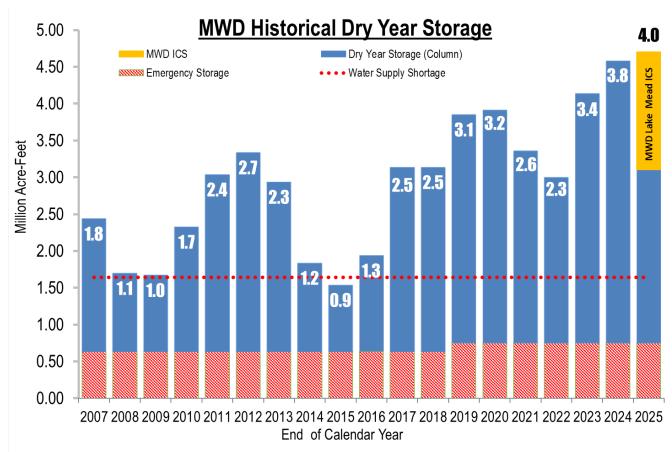
On the Colorado River system, snowpack is measured across four states in the Upper Colorado River Basin. The Upper Colorado River Basin Snow Water Equivalent peaked at 14.2 inches on March 24th, which is 98% of normal for that day. Due to the below average inflows into Lake Powell over the past several years, the United States Bureau of Reclamation declared a shortage at Lake Mead that has been ongoing since January 1st, 2022 (Below 1,075 feet storage level). As of June 2025, there is a 93% chance of shortage continuing in CY 2026, a 57% chance in CY 2027 and a 53% chance in CY 2028. In addition, there is a 7% chance of a California (Below 1,045 feet storage level) shortage in 2027.

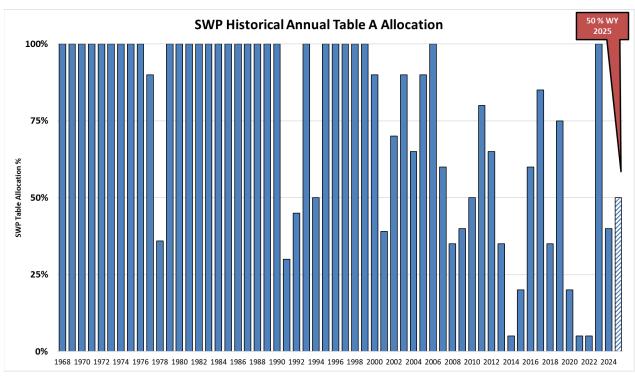
As of June 25<sup>th</sup> Lake Oroville storage is at **96% of total capacity and 121% of normal**. As of June 25<sup>th</sup> San Luis Reservoir has a current volume of **51% of the reservoir's total capacity and is 89% of normal**.

With CY 2025 estimated total demands and losses of 1.453 million acre-feet (MAF) and with a 50% SWP Table A Allocation, Metropolitan is projecting that supplies will exceed demand levels in Calendar Year (CY) 2025. Based on this, estimated total dry-year storage for Metropolitan at the end of **CY 2025 will remain at approximately 4.0 MAF.** 

A projected dry-year storage supply of 4.0 MAF would be approximately 3.0 MAF from a typical level where Metropolitan's goes into Water Supply Allocations. A large factor in maintaining a high water storage level are lower than expected water demands. We are seeing regional water demands reaching a 40-year low. However, with a majority of MWD's water supplies stored in Lake Mead and with still a 5-year shortage projection at Lake Mead, there remains a lot of uncertainty about where supply balances will be in the future. In addition, Colorado River Basin States have been meeting for months to negotiate new post 2026 operations at Glen Canyon Dam at Lake Powell and Hoover Dam at Lake Mead.







#### 2025 WSDM Storage Detail

WSDM Storage	1/1/2025 Estimated Storage Levels <sup>1</sup>	CY 2025  Maximum Put Capacity <sup>2</sup>	2025 Total Storage Capacity
Colorado River Aqueduct Delivery System	1,596,000	26,000	1,622,000
Lake Mead ICS	1,596,000 <sup>3</sup>	26,000	1,622,000 <sup>3</sup>
State Water Project System	1,163,000	322,000	2,338,000
MWD & DWCV Carryover	380,000	149,000	529,000 4
MWD Articles 14(b) and 12(e)	3,000 5	0	0
Castaic and Perris DWR Flex Storage	219,000	0	219,000
Arvin-Edison Storage Program	100,000	0 6	350,000
Semitropic Storage Program	227,000	70,000	350,000
Kern Delta Storage Program	142,000	50,000	250,000
Mojave Storage Program	19,000	0	330,000
AVEK Storage Program	27,000	0	30,000
AVEK High Desert Water Bank Program	45,000	53,000	280,000
In-Region Supplies and WSDM Actions	1,060,000	85,000	1,246,000
Diamond Valley Lake	788,000	22,000	810,000
Lake Mathews and Lake Skinner	188,000	38,000	226,000
Conjunctive Use Programs (CUP)	84,000	25,000	210,000 7
Other Programs	762,000	245,000	1,181,000
Other Emergency Storage	381,000	0	381,000
DWCV Advanced Delivery Account	381,000	245,000	800,000
Total	4,581,000	678,000	6,387,000
Emergency	750,000	0	750,000
Total WSDM Storage (AF) 8	3,831,000	678,000	5,637,000

- Preliminary start of year balances, subject to DWR adjustments and USBR final accounting in May 2025.
- <sup>2</sup> Put capacity assumed under a 35 percent SWP Table A Allocation. Storage program losses included where applicable.
- This amount is net of the water Metropolitan stored for IID in Lake Mead in an ICS sub-account.
- <sup>4</sup> Total storage capacity varies year-to-year as the contractual annual storage limit, based on the SWP Table A allocation, is combined with the remaining balance from the previous year. There is a potential risk that Metropolitan's stored water be converted to SWP contractor water if San Luis Reservoir approaches full capacity.
- <sup>5</sup> DWR has approved carryover supplies under Article 14 (b) of the State Water Project Contract for delivery in 2025.
- <sup>6</sup> Puts are limited due to water quality considerations.
- <sup>7</sup> 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

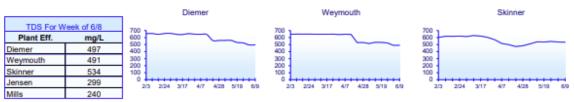
#### RECENT ACTIVITY

#### Water Quality Section Weekly TDS Report

For the week of 6/8/2025

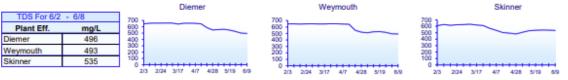
Percent SPW Needed to Achieve TDS Goal of 500 mg/L				Estimated TDS for Reservoirs		
Source Water TDS			SPW Required	Reservoir (Effluent) D		mg/L
Plant	CRW	SPW	Percent	Lake Havasu (Table D)	3/5/25	627
Weymouth	627	217	31%	Lake Mathews (DFPI-LWRFDR)	6/9/25	627
Diemer	627	217	31%	Lake Skinner (Outlet Structure)	6/9/25	506
Skinner-Silverwood	623	217	30%	Castaic Lake (JFPI)	6/8/25	287
Skinner-Perris	623	216	30%	Silverwood (Mills Inf)	6/8/25	217
CRW for Diemer and Weymouth is Lake Mathews and San Jacinto - West Portal for Skinner.				Lake Perris	6/9/25	216
				DVL Outlet (Table D)	3/10/25	240

#### SUNDAY COMPOSITE ESTIMATED TDS FOR 02/02/25 - 06/08/25



Sunday composite estimated TDS measured from plant effluent composite samples collected on Sunday and analyzed for hardness and electrical conductivity

#### WEEKLY COMPOSITE ESTIMATED TDS FOR 02/02/25 - 06/08/25



Weakly composite estimated TDS measured from plant effluent composite samples collected Monday through Sunday and analyzed for hardness and electrical conductivity.

#### MONTHLY COMPOSITE CALCULATED TDS FOR April 2024 - March 2025



\_\_\_\_\_\_

#### FLOW WEIGHTED RAA TDS FOR April 2024 - March 2025

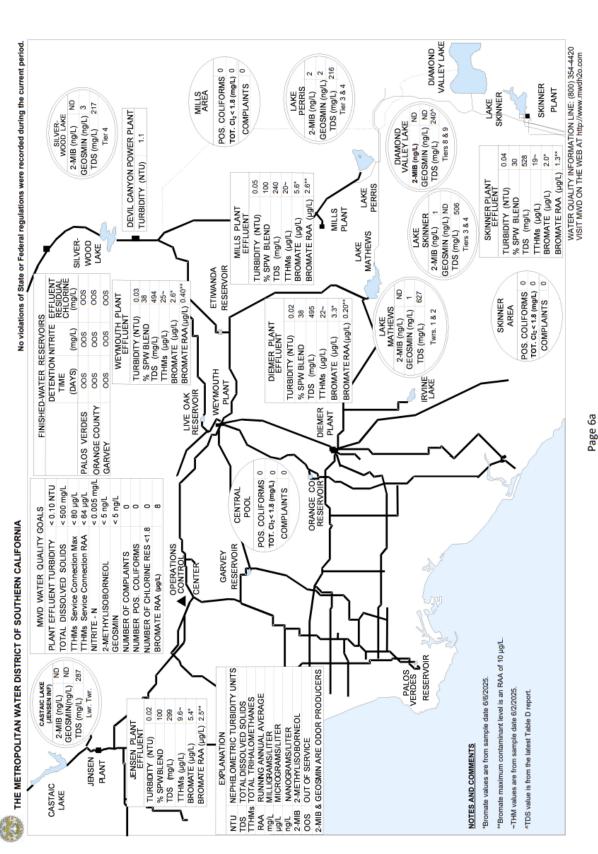


Sessoral flow seighted RAA TDS calculated from plant effluent monthly composite sample for total anions and cations. Results are based on average monthly flows.

# Weekly Water Quality System Status

Wednesday, June 11, 2025

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#### **ISSUE BRIEF #D**

**SUBJECT:** Colorado River Issues

#### **RECENT ACTIVITY**

#### **Update on Colorado River Hydrologic Conditions**

See the attached presentation for an update on the Colorado River Hydrologic Conditions.



Special Subcommittee on Imported Water

## Update on Colorado River Hydrologic Conditions

Item 3a June 23, 2025

### Updat

Update on Colorado River Hydrologic Conditions

#### Item 3d Colorado River Hydrologic Conditions

#### Purpose

Subject

To provide the Board with an update the rapidly deteriorating hydrology on the Colorado River and the potential implications of reaching at- or near-record low storage levels in the next year or two.

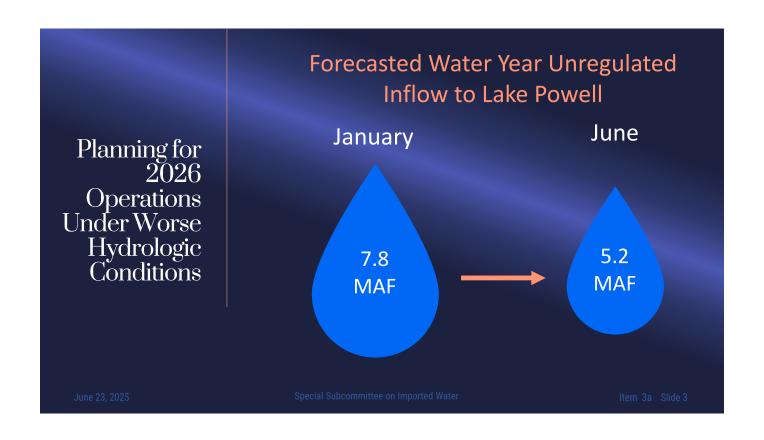
#### Next Steps

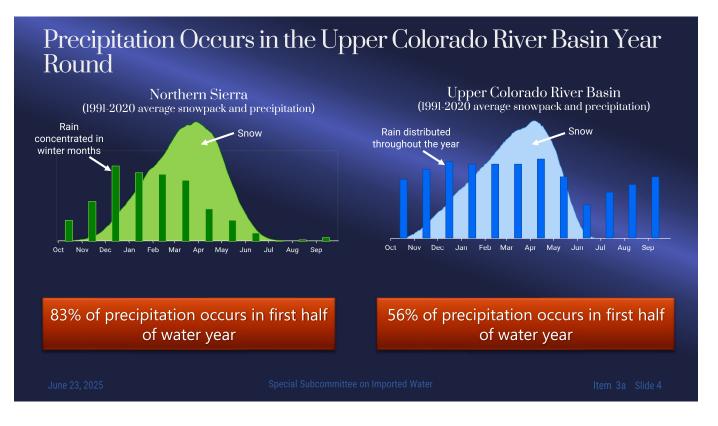
Continue monitoring hydrologic conditions and update the Board as needed.

June 23, 2025

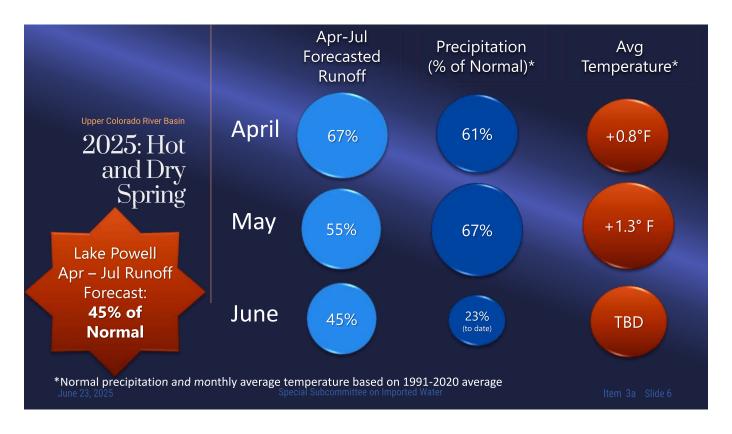
Special Subcommittee on Imported Water

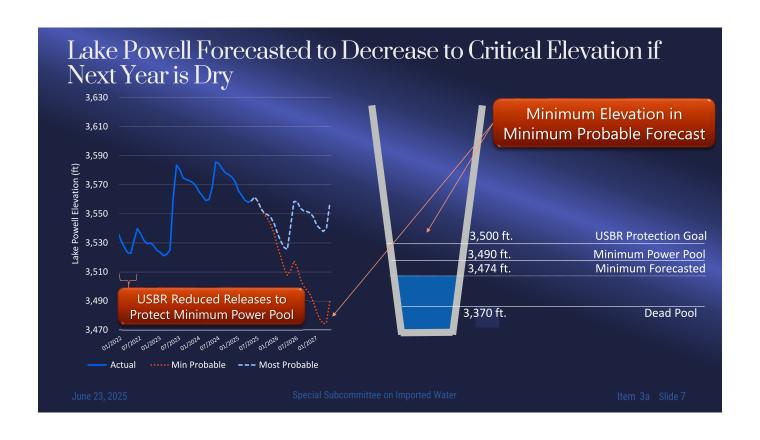
Item 3a Slide 2

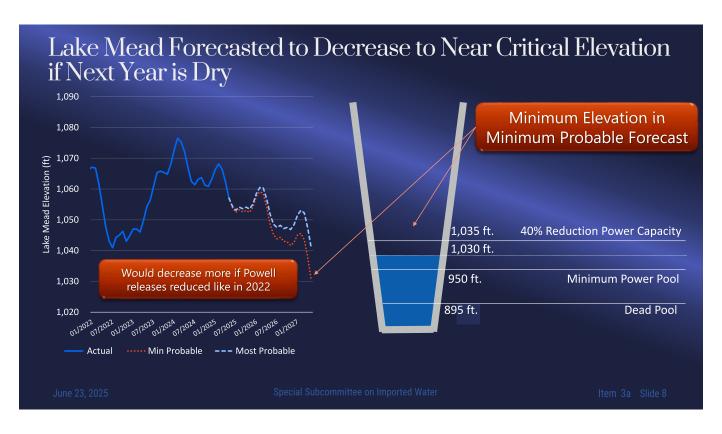












#### Potential Near-Term Impacts

#### If Conditions Stay Dry in 2026......

- Actions may be taken to protect Lake Powell
  - Increase releases from upstream reservoirs
  - Reduce releases from 7.48 MAF to 7 MAF or lower
    - Reduced power resources at Lake Mead
- Potential expectation for larger reductions at the start of new guidelines

June 23, 2025

Special Subcommittee on Imported Wate

Item 3a Slide 9



#### **ISSUE BRIEF #E**

#### **SUBJECT:** Delta Conveyance Activities and State Water Project Issues

#### RECENT ACTIVITY

#### **Delta Conveyance-related Joint Powers Authorities**

At the May 15th special board meeting, the Delta Conveyance Design and Construction Authority (DCA) Board authorized the Board President and/or Executive Director to issue letters of support for Governor Newsom's proposed trailer bills. These bills are intended to advance the modernization of critical water infrastructure through the Delta Conveyance Project by streamlining targeted state-level administrative processes, confirming funding authority, minimizing litigation delays, and facilitating construction efforts.

The DCA Finance Committee is currently reviewing the draft budget for fiscal year 2025/26. The proposed budget totals \$65.0 million, which includes \$5.1 million in unallocated reserves. The final budget is expected to be presented for DCA board approval at their June board meeting.

#### **Sites Reservoir**

At the Joint Reservoir Committee and Sites Authority Board meeting on May 16, 2025, the Executive Director was authorized to sign the National Historic Preservation Act Section 106 Programmatic Agreement as an invited signatory. The Reservoir Committee and Authority Board also authorized the Executive Director to sign the Master Lake and Streambed Alteration Agreement with the California Department of Fish and Wildlife (CDFW) for the Sites Reservoir Project.

#### **Delta Island Activities**

Metropolitan staff participated in interagency seed collection activities in preparation for the Webb Tract Wetland Restoration Project. Staff received confirmation that Webb Tract's Wetland Restoration Statutory Exemption for Restoration Projects concurrence application has completed CDFW regional staff review, and has been forwarded to CDFW Director Bonham for review and approval. Metropolitan staff completed zooplankton and carbon sampling of the floating wetlands on Bouldin Island.

## Summary Report for The Metropolitan Water District of Southern California Special Board Meeting June 13, 2025

#### **CONSENT CALENDAR OTHER ITEMS - ACTION**

Approved Resolution confirming Director Jacque McMillan for the Association of California Water Agencies Region 8 Board Member. (Agenda Item 5A)

#### **CONSENT CALENDAR ITEMS – ACTION**

Authorized a one-year extension to the funding agreement for support of the CRB, SAC, and Authority (Colorado River Board, Six Agency Committee, and Joint Powers Authority). (Agenda Item 7-4)

Approved Metropolitan's Statement of Investment Policy for fiscal year 2025/26; and delegated authority to the Treasurer to invest Metropolitan's funds for fiscal year 2025/26. (Agenda Item 7-6)

Approved up to \$2.485 million to purchase insurance coverage for Metropolitan's Property and Casualty Insurance Program for Fiscal Year 2025/26. (Agenda Item 7-7)

Authorized an amendment to the LRP Agreement to extend the start-of-operation deadline for the Oceanside Pure Water and Recycled Water Expansion Phase I Project; adopted CEQA determination that the proposed action was previously addressed in the City of Oceanside's adopted 2018 Final MND and Addendum and Olivenhain Municipal Water District's certified 2015 Final PEIR and Addendum and that no further CEQA review is required. (Agenda Item 7-9)

## 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: <a href="https://mwdh2o.legistar.com/Calendar.aspx">https://mwdh2o.legistar.com/Calendar.aspx</a>

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

## The Metropolitan Water District of Southern California



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 - Final**

July 8, 2025

2:30 PM

Tuesday, July 8, 2025 Meeting Schedule

08:30 a.m. FAAME 11:00 a.m. LEGAL 12:30 p.m. Break 01:00 p.m. OPE 02:30 p.m. BOD

Written public comments received by 5:00 p.m. the business day before the meeting is scheduled will be posted under the Submitted Items and Responses tab available here: https://mwdh2o.legistar.com/Legislation.aspx.

The 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 teleconference and in-person. To provide public comment by teleconference dial 1-833-548-0276 and enter meeting ID: 815 2066 4276 or to join by computer click here.

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

#### 1. Call to Order

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	<u>21-4753</u>
B.	Chair's Monthly Activity Report	<u>21-4754</u>
C.	General Manager's summary of activities	<u>21-4755</u>

Board of Directors July 8, 2025

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7-4 Authorize a new on-call five-year professional services agreement 21-4785 with ProcureAmerica, LLC, for a not-to-exceed total amount of \$1.25 million for retail electric utility rate analysis and reduction; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA (EOT) Authorize an increase of \$700,000 in change order authority to an 7-5 21-4827 existing contract with Power Engineering Construction Co. for urgent diving services at Lake Mathews; the General Manager has determined that the project is exempt or otherwise not subject to CEQA (EOT) **Attachments:** 07082025 EOT 7-5 B-L 7-6 Approve a Treated Water Cost Recovery Rate Structure to be 21-4789 included with the staff proposal for the Fiscal Years 26/27 and 27/28 Biennial Budget and Calendar Years 27 and 28 Rates and Charges; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (FAAME) 7-7 Approve Revisions to Metropolitan's Reserves Policy and Direct 21-4790 Staff to Implement Specific Sales Projections for the proposed Fiscal Years 26/27 and 27/28 Biennial Budget; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (FAAME) 7-8 Authorize the General Manager to execute a license agreement 21-4788 with the California Department of Fish and Wildlife to allow the continuance of the Department's Nutria Eradication Program on Metropolitan's Bay Delta Islands located in Contra Costa and San Joaquin Counties; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (FAAME) 7-9 Approve amendments to the Metropolitan Water District 21-4791 Administrative Code to conform surplus water provisions to current law and practice, to update the list of active District funds, to clarify benefits and pay for specified employees, to conform the timing of exempt time off awards to current practice, to conform the administration of personal vehicle allowances to current policy, to conform public records procedures to current law, and to make other minor, non-substantive changes; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA (LC)

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7-10 Authorize an increase in the maximum amount payable under contract with Thompson Coburn LLP for legal advice on state and federal energy regulatory and contractual matters by \$300,000 to a maximum amount payable of \$600,000; the General Manager has determined that this proposed action is exempt or otherwise not subject to CEQA (LC)

**7-11** Recurrent Category E Employment Work Schedule Pilot Program Recommendation [CEQA] (OPE)

21-4794

21-4761

21-4762

#### \*\* END OF CONSENT CALENDAR ITEMS \*\*

#### 8. OTHER BOARD ITEMS - ACTION

Water District of Southern California, Los Angeles County Superior Court, Case No. 21STCV18292; authorize an increase in maximum amount payable under contract for legal services with Internet Law Center, Ltd., in the amount of \$TBD for a total amount not to exceed \$TBD; and authorize an increase in maximum amount payable under contract for legal services with Kronenberger Rosenfeld, LLP in the amount of \$TBD for a total amount not to exceed \$TBD; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. [Conference with legal counsel – existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(1)] (LC)

#### 9. BOARD INFORMATION ITEMS

Report on Conservation Program

9-2 Desert Housing Updates Quarter 4 Fiscal Year 24/25 (EOT)
 21-4787
 9-3 Information on California Aqueduct Subsidence (OWA)
 21-4814
 9-4 Information on proposed inspection and vendor agreement for Metropolitan's conservation programs (OWA)

9-5 Information on Local Supply Exchange Framework (OWA) 21-4816

#### 10. OTHER MATTERS

9-1

10-1 Discussion of Department Head Performance and Goal Setting [Public employee performance evaluation – General Counsel, General Auditor, General Manager, and Ethics Officer; to be heard in closed session pursuant to Gov. Code Section 54957]

#### 11. FOLLOW-UP ITEMS

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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.