

# **Agenda**

## **Sacramento Suburban Water District**

### **Regular Board Meeting**

3701 Marconi Avenue, Suite 100  
Sacramento, California 95821

Monday, August 21, 2017  
6:30 p.m.

Where appropriate or deemed necessary, the Board may take action on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District's Administrative Office at the address listed above.

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. Persons who wish to comment on either agenda or non-agenda items should fill out a Comment Card and give it to the General Manager. The President will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Sacramento Suburban Water District Human Resources at 679.3972. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

#### **Call to Order**

#### **Pledge of Allegiance**

#### **Roll Call**

#### **Announcements**

#### **Public Comment**

This is the opportunity for the public to comment on non-agenda items within the Board's jurisdiction. Comments are limited to 3 minutes.

#### **Consent Items**

The Board will be asked to approve all Consent Items at one time without discussion. Consent Items are expected to be routine and non-controversial. If any Board member, staff or interested person requests that an item be removed from the Consent Items, it will be considered with the action items.

1. Minutes of the July 17, 2017 Regular Board Meeting  
*Recommendation: Approve subject minutes.*

2. Budget Policy (PL – Fin 012)  
*Recommendation: Adopt subject policy.*
3. Directors' Compensation and Expense Reimbursement Policy (PL - BOD 003)  
*Recommendation: Adopt subject policy.*
4. Impaired Capital Asset Policy (PL - Fin 008)  
*Recommendation: Adopt subject policy.*
5. Purchasing Card Policy (PL – Fin 006)  
*Recommendation: Adopt subject policy.*
6. Surplus District Vehicles #27, 30, 41 and 44  
*Recommendation: Approve Surplussing Specific Vehicles.*
7. Resolution No. 17-10 Supporting the Nomination of Brent Hasteley for President of the Association of California Water Agencies (ACWA) Board of Directors  
*Recommendation: Adopt subject resolution.*

#### **Items for Discussion and Action**

8. A Day in the Life of GIS  
*Presentation by the GIS Department.*
9. Fraud Prevention Presentation  
*Discuss and review fraud prevention policies and procedures for District operations.*
10. Board Member Out of State Travel Request  
*Recommendation: Approve Director's Out of State Travel Request.*
11. Regular Board Meeting Times  
*Receive written staff report and direct staff as appropriate.*
12. ACWA Region 4 Election  
*Receive written staff report and direct staff as appropriate.*
13. Resolution Number 17-11 Amend District Regulation.  
*Recommendation: Adopt subject resolution.*

#### **Information Items**

14. Chromium 6 Court Complaint and Regulations Update

15. District Activity Report
  - a. Water Operations and Exceptions Report
  - b. Water Conservation and Regional Water Efficiency Program Report
  - c. Customer Service Report
  - d. Community Outreach Report
16. Engineering Report
  - a. Major Capital Improvement Projects
  - b. County and City Projects/Coordination
  - c. Developer Projects (Including McClellan Business Park)
  - d. Planning Studies
  - e. Other
17. Financial Report
  - a. Financial Statements – July 2017
  - b. Cash Expenditures – July 2017
  - c. Credit Card Expenditures – July 2017
  - d. District Reserve Balances – July 2017
  - e. Information Required by Bond Agreement
18. McClellan Business Park Update
19. Alternative Workweek Schedule
20. Update on Water Service Line Contract for Parkland Estates Phase 2 Main Replacement Project
21. ACWA/JPIA Liability, Property, and Workers' Compensation Risk Assessment
22. ACWA Committee Appointment Considerations for the 2018-19 Term

23. Improvements from Hiring of New Positions in Meter Preventative Maintenance Program
24. Long-Term Water Conservation 2017 Legislation Update
25. Legislative and Regulatory Update
26. General Manager's Report
  - a. General Manager Recruitment Update
  - b. Aerojet Community Advisory Group Meeting
  - c. City of Sacramento Wholesale Water Rates and 9,023 af of Area D Water
  - d. Sutter Occupational Health Pricing Increase
  - e. Letter-of-Credit (LOC) Status
  - f. Bond Insurance Litigation Update
  - g. Cal WaterFix Update
  - h. Amendment to Agreement between San Juan Water District (SJWD) and Northridge Water District Concerning Diversion, Treatment and Conveyance of Water
27. Upcoming Policy Review
  - a. Water Banking and Transfer Policy (PL - BOD 006)
  - b. Ethics Policy (PL – BOD 004)
28. Upcoming Water Industry Events

#### **Committee Reports**

29.
  - a. Facilities and Operations Committee (Director Schild)  
Minutes from the July 27, 2017 Meeting.
  - b. Finance and Audit Committee (Director Thomas)  
No report.

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- c. Water Quality Committee (Director Wichert)  
Minutes from the July 17, 2017 Meeting.
- d. Government Affairs Committee (Director Locke)  
No report.
- e. Ad Hoc Water Banking and Transfer Committee (Director Schild)  
No report.
- f. Ad Hoc Selection Committee (Director Wichert)  
No report.
- g. Ad Hoc Process Committee (Director Wichert)  
No report.
- h. Ad Hoc Compensation Committee (Director Schild)  
No report.

**Director's Reports (Per AB 1234, Directors will report on their meeting activities)**

- 30. a. Regional Water Authority (Director Thomas)  
No report.  
  
Regional Water Authority Executive Committee (General Manager Roscoe)  
Agenda from the August 16, 2017 Meeting.
- b. Sacramento Groundwater Authority (Director Schild)  
Agenda from the August 10, 2017 Meeting.
- c. Water Caucus Meeting  
No report.
- d. Water Forum Successor Effort (General Manager Roscoe)  
No report.
- e. Other Reports

**Miscellaneous Correspondence and General Information**

- 31. Correspondence received by the District
- 32. General Information

**Director’s Comments/Staff Statements and Requests**

The Board and District staff may ask questions for clarification, and make brief announcements and comments, and Board members may request staff to report back on a matter, or direct staff to place a matter on a subsequent agenda.

**Closed Session (Closed Session Items are not opened to the public)**

- 33. Public employee appointment involving the position of General Manager; Government Code sections 54954.5(e) and 54957(b)(1).

**Adjournment**

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**Upcoming Meetings**

Monday, September 18, 2017 at 6:30 p.m., Regular Board Meeting  
Monday, October 2, 2017 at 3:00 p.m., Finance and Audit Committee Meeting

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I certify that the foregoing agenda for the August 21, 2017 meeting of the Sacramento Suburban Water District Board of Directors was posted by August 17, 2017 in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was freely available to the public.

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Robert S. Roscoe  
General Manager/Secretary  
Sacramento Suburban Water District



## Agenda Item: 17

**Date:** August 10, 2017  
**Subject:** Financial Report  
**Staff Contact:** Daniel A. Bills, Finance Director

Eight reports are attached for your information. They are:

- Financial Statements – July 2017
- Cash Expenditures – July 2017
- Credit Card Expenditures – July 2017
- District Reserve Balances – July 2017
- Information Required by Bond Agreement
- Employee and Retiree Medical Insurance Contribution Levels

### Financial Statements

#### Balance Sheet:

District cash and cash equivalents increased to \$9.1 million as of July 31, 2017, up from \$2.7 million at December 31, 2016, primarily due to delays in construction spending. Cash held in the District's bank accounts (\$6.4 million as of July 31) is held in accordance with state and federal regulations, which state that cash held in the District's bank accounts above the FDIC insured limits must be fully collateralized with government securities that are equal to or greater than 110% of the District's cash balance in the bank at any time.

Investments decreased since December 31, 2016 by \$1.0 million to a total of \$33.6 million, reflecting 1) the liquidation of \$1.5 million of investments, plus 2) unrealized market value losses and the reinvestment of interest received. At the request of the Board, Investment portfolio and activity is now reported quarterly.

Capital assets grew \$6.4 million to \$452.0 million as of July 31, 2017, reflecting expenditures on distribution main replacement projects, well improvement projects and meter retrofits. Capital assets are primarily funded by monthly remuneration from customers through "capital facilities charges," developer contributions, as well as grant funds, when available, and District reserves when necessary.

Net position stands at \$239.1 million as of July 31, 2017, compared to \$233.9 million at December 31, 2016 for an increase of \$5.2 million.

Income Statement:

The net position increase of \$5.2 million in 2017, when compared to \$5.5 million for the same year-to-date period in 2016, shows:

1. Operating revenues increased by \$1.0 million compared to the same period of 2016 due primarily a 4.0 percent rate increase that occurred on January 1, 2017.
2. Operating expenses increased by \$1.0 million compared to the same period a year ago due to - 1) Surface water costs increased \$0.3 million compared to the same period a year ago as surface water was unavailable in the North Service Area until mid-March 2016; 2) two major leak repairs occurred in 2017 relative to the same period in 2016; and 3) legal cost increases related to CalWaterFix and other projects.
3. Interest and investment income decreased \$0.3 million compared to the same period a year ago primarily due to unrealized holding gains in 2016 not recurring in 2017.
4. Developer contributions increased by \$0.4 million compared to the same period a year ago.
5. Capital grant revenue decreased \$0.1 million compared to the same period a year ago.

Budgets:

The District's operating and maintenance expenditures through July 2017 are less than the amended budget by \$1.7 million. Most of this positive variance is due to budgetary timing differences.

Operating capital project expenditures year-to-date have been \$0.52 million. The total amended budget for the year is \$1.2 million.

The District's capital improvement project (CIP) budget for 2017 is \$17.0 million. For 2017, \$5.4 million has been spent, while \$6.4 million is encumbered. Expenditures continue to be primarily in distribution system replacements, well improvements and meter retrofit projects.

Debt – July 2017

This report shows District activity in repaying its long-term debt obligations. Scheduled 2017 principal payments of \$4.1 million are not due until the end of October. Total principal outstanding as of July 31, 2017 is \$85.6 million.

Cash Expenditures – July 2017

During the month of July, the District made cash payments totaling \$3.0 million. The primary expenditures were – \$0.9 million for capital improvement projects, \$0.1 million for debt service,

\$0.4 million for water costs including pumping and chemical costs, \$0.4 million for RWA and SGA membership, and \$0.8 million for payroll, pension and health benefits.

#### Purchasing Card Expenditures – July 2017

Per the District's Purchasing Card Policy (PL – FIN 006), a monthly report detailing each purchasing card transaction by cardholder is provided.

During the month, the District spent \$12,274 for various purchases on the six District purchasing cards. Details by vendor and purpose are included in this report.

#### District Reserve Fund Balances

The District's Reserve Policy, PL – Fin 004, requires the District to maintain a certain level of cash and investments on hand at any one time, as determined by the Board annually. Balances as of July 31, 2017 are \$46,366,726 compared to \$40,988,408 at December 31, 2016.

#### DRAFT - Information Required by Bond Agreement

Per Article 5.2 (b) of the 2009A COP Reimbursement Agreement with Sumitomo Mitsui Banking Corporation, year-to-date net revenues available for the payment of debt service costs and an estimate of debt service payments for the upcoming six months are provided.

#### Employee and Retiree Medical Insurance Contribution Levels

This month staff will be remitting roughly \$3,300.00 in over collections of medical insurance premiums to approximately 25 District employees and former employees. As the Board will recall, in the two resolutions adopted by the Board annually for active employee and retiree medical premium contributions, the higher of the lowest cost HMO or PPO plan is selected as the amount that will be paid by the District in accordance with District policy. In keeping with CalPERS requirements, each resolution is also subject to the "100/90" premium calculation. For 2016, the 100/90 premium was higher than the lowest cost HMO or PPO plan for single-payer plans; for 2017, that premium was higher than the lowest cost HMO or PPO plan for both single- and double-payer plans. While CalPERS correctly included the 100/90 calculation for retiree medical premiums, District staff did not include that calculation when determining the contribution amounts for active employees. Going forward, staff will include the 100/90 premium calculation when determining the contribution amounts for active employees.

**Financial Statements  
July 31, 2017**

**Sacramento Suburban Water District  
Balance Sheet**

	<i>As Of</i>	<b>Month End</b>	<b>Year End</b>
		<u>7/31/2017</u>	<u>12/31/16</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		\$9,057,455.84	\$2,694,456.00
Restricted Cash and cash equivalents		17,358.94	263.28
Accounts receivable, net of allowance for uncollectible accounts		2,295,277.17	2,277,678.14
Interest receivable		157,171.77	134,041.26
Restricted Interest receivable		10,806.71	8,714.06
Grants receivables		33,218.85	285,928.89
Other receivables			130,550.13
Inventory		594,790.03	463,850.02
Prepaid expenses and other assets		960,071.03	1,949,109.81
TOTAL CURRENT ASSETS		<u>13,126,150.34</u>	<u>7,944,591.59</u>
<b>NONCURRENT ASSETS</b>			
Investments		33,595,377.11	34,619,873.12
Restricted Investments		3,528,555.13	3,531,060.83
Fair value of interest rate swaps		14,266.00	14,266.00
TOTAL NONCURRENT ASSETS		<u>37,138,198.24</u>	<u>38,165,199.95</u>
Property, plant and equipment		452,030,581.34	445,666,713.19
Accumulated depreciation		<u>(166,076,224.99)</u>	<u>(158,959,856.15)</u>
TOTAL CAPITAL ASSETS		<u>285,954,356.35</u>	<u>286,706,857.04</u>
<b>TOTAL ASSETS</b>		<b><u>336,218,704.93</u></b>	<b><u>332,816,648.58</u></b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount on long-term debt refunding		6,946,058.53	7,321,214.15
Pension contribution subsequent to measurement date		1,926,537.00	2,078,534.00
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		<b><u>345,091,300.46</u></b>	<b><u>342,216,396.73</u></b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Current portion of long-term debt and capital leases		4,060,000.00	4,060,000.00
Accounts payable		227,388.76	2,339,210.63
Accrued interest		521,481.30	465,592.15
Deferred revenue and other liabilities		855,630.29	701,139.54
Accrued expenses		887,283.62	1,048,093.02
TOTAL CURRENT LIABILITIES		<u>6,551,783.97</u>	<u>8,614,035.34</u>
<b>NONCURRENT LIABILITIES</b>			
Long-term debt		90,061,522.98	90,441,926.68
Compensated absences		1,177,682.87	1,087,883.47
Net pension liability		7,654,038.00	7,654,038.00
TOTAL NONCURRENT LIABILITIES		<u>98,893,243.85</u>	<u>99,183,848.15</u>
<b>TOTAL LIABILITIES</b>		<b><u>105,445,027.82</u></b>	<b><u>107,797,883.49</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflow of effective swaps		14,266.00	14,266.00
Employee pensions		543,791.00	543,791.00
<b>NET POSITION</b>			
Invested in capital assets, net of related debt		199,526,144.51	199,526,144.51
Restricted		3,540,038.17	3,540,038.17
Unrestricted		36,022,032.96	30,794,273.56
<b>TOTAL NET POSITION</b>		<b><u>239,088,215.64</u></b>	<b><u>233,860,456.24</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>		<b><u>345,091,300.46</u></b>	<b><u>342,216,396.73</u></b>

**Sacramento Suburban Water District  
Income Statement**

*Period Ended*

	<b>Month</b>	<b>Year-To-Date</b>	<b>Month</b>	<b>Year-To-Date</b>
	<b>7/31/2017</b>	<b>7/31/2017</b>	<b>7/31/2016</b>	<b>7/31/2016</b>
<b>OPERATING REVENUES</b>				
Water consumption sales	\$1,533,148.24	\$5,882,584.09	\$1,332,388.45	\$5,445,089.43
Water service charge	537,158.23	3,684,345.33	535,071.78	3,662,591.33
Capital facilities charge	1,959,979.98	13,408,680.66	1,881,952.69	12,878,766.08
Wheeling water charge	161,973.94	164,868.20	161,896.66	164,306.38
Other charges for services	85,526.02	599,846.08	79,139.14	562,221.59
<b>TOTAL OPERATING REVENUES</b>	<b>4,277,786.41</b>	<b>23,740,324.36</b>	<b>3,990,448.72</b>	<b>22,712,974.81</b>
<b>OPERATING EXPENSES</b>				
Source of supply	267,490.87	1,602,487.29	255,758.18	1,301,297.91
Pumping	441,906.31	2,100,740.45	420,926.00	2,038,791.89
Transmission and distribution	185,285.39	2,002,765.03	283,254.03	1,921,108.60
Water conservation	69,743.08	307,718.64	43,989.97	243,231.17
Customer accounts	94,524.82	719,271.99	124,055.85	642,447.80
Administrative and general	423,231.80	3,854,839.80	577,160.31	3,409,988.48
<b>TOTAL OPERATING EXPENSES</b>	<b>1,482,182.27</b>	<b>10,587,823.20</b>	<b>1,705,144.34</b>	<b>9,556,865.85</b>
Operating income before depreciation	2,795,604.14	13,152,501.16	2,285,304.38	13,156,108.96
Depreciation and amortization	(1,016,205.66)	(7,116,368.84)	(987,171.59)	(6,923,727.44)
<b>OPERATING INCOME</b>	<b>1,779,398.48</b>	<b>6,036,132.32</b>	<b>1,298,132.79</b>	<b>6,232,381.52</b>
<b>NON-OPERATING REV. (EXP.)</b>				
Rental income	42,836.10	158,357.57	28,835.65	155,010.50
Interest and investment income	103,314.58	476,294.43	22,670.39	801,106.97
Interest expense	(270,627.81)	(2,038,896.49)	(282,209.69)	(2,059,215.91)
Other non-operating revenues	1,695.00	93,667.51	519.23	8,037.80
Grant revenue pass-through to sub recipients		389,100.55	330,884.28	687,291.28
Other non-operating expenses		3,677.96	(278.92)	(272.29)
Sub recipient grant expenses		(389,100.55)	(330,884.28)	(687,291.28)
<b>NON-OPERATING REV. (EXP.)</b>	<b>(122,782.13)</b>	<b>(1,306,899.02)</b>	<b>(230,463.34)</b>	<b>(1,095,332.93)</b>
<b>NET INCOME (LOSS) BEFORE CAPITAL</b>	<b>1,656,616.35</b>	<b>4,729,233.30</b>	<b>1,067,669.45</b>	<b>5,137,048.59</b>
<b>CAPITAL CONTRIBUTIONS</b>				
Facility development charges		76,646.00	27,733.00	166,585.00
Developer contributions		413,977.00		
Federal, state and local capital grants	7,281.75	7,856.75	575.00	149,825.00
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>7,281.75</b>	<b>498,479.75</b>	<b>28,308.00</b>	<b>316,410.00</b>
<b>CHANGE IN NET POSITION</b>	<b>1,663,898.10</b>	<b>5,227,713.05</b>	<b>1,095,977.45</b>	<b>5,453,458.59</b>
Net position at beginning of period	237,424,271.19	233,860,456.24	230,093,672.11	225,736,190.97
<b>NET POSITION AT END OF PERIOD</b>	<b>239,088,169.29</b>	<b>239,088,169.29</b>	<b>231,189,649.56</b>	<b>231,189,649.56</b>

**Sacramento Suburban Water District**  
**Operations and Maintenance Budget**  
*Period Ended*

	<i>Month Of July</i>			<i>2017 YTD</i>		
	Actual	Budget	Variance	Actual	Budget	Variance
<b>BUDGETED OPERATING EXPENSES</b>						
Board of Directors	\$1,338.85	\$2,704.88	\$1,366.03	\$24,108.70	\$29,034.16	\$4,925.46
Administrative	144,023.28	175,359.48	31,336.20	1,140,090.70	1,252,766.36	112,675.66
Finance	57,239.13	86,472.88	29,233.75	609,123.97	720,810.16	111,686.19
Customer Services	94,524.82	107,221.55	12,696.73	719,271.99	753,422.85	34,150.86
Field Operations	30,281.09	34,792.47	4,511.38	327,339.03	337,547.29	10,208.26
Production	709,397.18	990,893.26	281,496.08	3,703,227.74	4,618,917.54	915,689.80
Distribution	130,775.65	237,700.37	106,924.72	1,207,089.52	1,383,552.59	176,463.07
4 Field Services	54,509.74	106,637.66	52,127.92	795,434.57	756,668.62	(38,765.95)
Maintenance	54,262.11	59,875.70	5,613.59	358,500.68	419,129.70	60,629.02
Water Conservation	69,743.08	79,779.27	10,036.19	307,718.64	332,129.89	24,411.25
Engineering	58,985.35	123,562.02	64,576.67	683,801.03	867,709.14	183,908.11
GIS/CAD	20,819.93	31,488.82	10,668.89	194,169.01	214,921.74	20,752.73
Human Resources	13,075.57	30,997.96	17,922.39	98,851.37	138,020.72	39,169.35
MIS	43,206.49	69,014.81	25,808.32	419,096.25	463,853.67	44,757.42
<b>TOTAL OPERATING EXPENSES</b>	<b><u>1,482,182.27</u></b>	<b><u>2,136,501.13</u></b>	<b><u>654,318.86</u></b>	<b><u>10,587,823.20</u></b>	<b><u>12,288,484.43</u></b>	<b><u>1,700,661.23</u></b>

SACRAMENTO SUBURBAN WATER DISTRICT  
OPERATING CAPITAL AMENDED BUDGET  
7/31/2017

Project Number	Project Name	Original Budget	Budget Amendments	Amended Budget	Current Month Expenditures	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance
SF17-396	VEH REPL - RIGHT SIZE/TRUCK#41	33,000.00	(\$3,335.00) <sup>2</sup>	\$29,665.00		\$ 29,638.26		\$ 26.74
SF17-397	VEH REPL-RIGHT SIZE TRUCK#25	70,000.00		\$70,000.00	65,115.07	65,115.07		4,884.93
SF17-398	VEH REPL-RIGHT SIZE/TRUCK#27	130,000.00		\$130,000.00		-	118,111.00	11,889.00
SF17-399	NEW VEH-PROD DEPT/CCCS	34,500.00	\$1,669.00 <sup>2</sup>	\$36,169.00 <sup>2</sup>	9,130.37	34,744.18	1,400.00	24.82
SF17-400	FACILITY SIGN HOLDER REPL	7,200.00		\$7,200.00		-	8,120.00	(920.00)
SF17-401	PROD MAG METER REPL	23,000.00		\$23,000.00	200.00	20,000.00	200.00	2,800.00
SF17-402	CHEMICAL TRAILER REFURB/REPL	10,000.00		\$10,000.00		-		10,000.00
SF17-403	SECURITY CAMERAS	30,000.00		\$30,000.00		-		30,000.00
SF17-404	SCADA CONTRL SYS INTEGRATION	75,000.00		\$75,000.00	1,494.69	6,066.07	68,504.00	429.93
SF17-405	VAN AIR UNDERDECK-AIR SUPPLY-T30	25,000.00		\$25,000.00		-	19,909.00	5,091.00
SF17-406	METER FAULT LID RETROFIT	10,500.00		\$10,500.00		-	10,827.00	(327.00)
SF17-407	GPS/GIS INTEGRATION-PH 1	70,000.00		\$70,000.00		-		70,000.00
SF17-408	BUILDING/STRUCTURE MAINT	95,000.00		\$95,000.00		53,200.00	20,180.00	21,620.00
SF17-409	HVAC/ROOF/BUILDING REPAIRS	30,000.00		\$30,000.00		1,928.00	4,750.00	23,322.00
SF17-410	WALNUT FACILITY LIGHT UPGRADE	40,000.00	(\$16,259.00) <sup>2</sup>	\$23,741.00 <sup>2</sup>		23,740.65		0.35
SF17-411	DRIVEWAY/PARKING/IRRIGA-WALNUT	10,000.00		\$10,000.00		-	7,180.00	2,820.00
SF17-412	WALNUT - INTERIOR PAINTING	25,000.00	\$16,700.00 <sup>1, 2</sup>	\$41,700.00 <sup>1, 2</sup>		41,700.00	2,800.00	(2,800.00)
SF17-413	EXTERIOR PAINT-WALNUT	40,000.00	(\$40,000.00) <sup>1</sup>	\$0.00 <sup>1</sup>		-		-
SF17-414	WALNUT - NEW OFFICES	15,000.00	\$26,716.00 <sup>1, 2</sup>	\$41,716.00 <sup>1, 2</sup>		41,716.00		-
SF17-415	WALNUT - NEW FOYER FURNITURE	6,000.00	\$2,000.00 <sup>1</sup>	\$8,000.00 <sup>1</sup>		-		8,000.00
SF17-416	ANTELOPLE GARDEN - MULCH	20,000.00		\$20,000.00		16,305.00	7,390.00	(3,695.00)
SF17-417	MARCONI - SECURITY UPGRADE	15,000.00	(\$4,321.00) <sup>2</sup>	\$10,679.00 <sup>2</sup>		11,224.08		(545.08)
SF17-418	TRAILER REFURBISH - VEHICLE 33A	10,000.00		\$10,000.00		500.00	7,808.00	1,692.00
SF17-419	WALNUT - NEW OFFICE FURNITURE	10,000.00	\$16,830.00 <sup>1, 2</sup>	\$26,830.00 <sup>1, 2</sup>		27,181.51		(351.51)
SF17-420	HARDWARE REFRESH PROGRAM	82,800.00		\$82,800.00		65,203.16		17,596.84
SF17-421	SOFTWARE ENHANCEMENTS/MODULES	85,000.00		\$85,000.00		49,950.00		35,050.00
SF17-422	GPS/GIS INTEGRATION - HARDWARE	75,000.00		\$75,000.00		-		75,000.00
SF17-423	WEBSITE UPGRADE	58,000.00		\$58,000.00		24,035.00	24,036.00	9,929.00
SF17-424	NEW STAFF - 2 DESK TOPS/2 LAPTOPS	6,000.00		\$6,000.00		6,479.15		(479.15)
SF17-425	MARCONI GARAGE SECURITY		\$25,000.00	\$25,000.00		-	23,494.00	1,506.00
		<b>1,141,000.00</b>	<b>\$25,000.00</b>	<b>\$1,166,000.00</b>	<b>\$ 75,940.13</b>	<b>\$ 518,726.13</b>	<b>\$ 324,709.00</b>	<b>\$ 322,564.87</b>

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**Sacramento Suburban Water District  
Capital Improvement Project Amended Budget  
7/31/2017**

Project No.	Project Name	Original Budget	Amended Budget		Current Month Expenditures	Expenditures Year-To-Date	Committed Year-To-Date	Remaining Balance
SC17-009	WELL REHAB/PUMP ST IMPROVEMENT	700,000.00	\$1,300,000.00	<sup>1</sup>	\$ 44,155.16	\$ 493,533.04	\$ 417,857.92	\$ 388,609.04
SC17-010	SCADA RTU/COMMUN IMPROVEMENT	75,000.00	\$75,000.00	-	3,475.00	13,485.00	59,890.00	1,625.00
SC17-011	WELLHEAD TREATMENT/CHEM FEED	250,000.00	\$250,000.00	-		3,111.00	166,989.00	79,900.00
SC17-012	WELL REPLACEMENTS	2,000,000.00	\$1,700,000.00	<sup>1</sup>	2,962.80	74,821.98	231,858.42	1,393,319.60
SC17-013	ELECTRICAL IMPROV @WELL SITES	25,000.00	\$25,000.00	-	13,375.00	16,723.00	24,722.00	(16,445.00)
SC17-018	DISTRIBUTION MAIN REPLACEMENTS	9,250,000.00	\$8,650,000.00	<sup>2</sup>	526,928.48	3,214,545.54	4,854,594.15	580,860.31
SC17-019	DIST MAIN IMPRV/EXT/INTERTIES	600,000.00	\$600,000.00	-	365.75	28,399.05	1,903.95	569,697.00
SC17-020	MCCLELLAN LINE REPL	50,000.00	\$50,000.00	-		-	-	50,000.00
SC17-022	WTR RELATED STREET IMPRV	200,000.00	\$200,000.00	-		74,230.00	83,731.00	42,039.00
SC17-024	METER RETROFIT PROGRAM	2,540,000.00	\$2,540,000.00	-	175,839.64	1,425,744.67	489,646.02	624,609.31
SC17-034	RESERVIOR/TANK IMPROVMENT	100,000.00	\$100,000.00	-	550.00	35,725.72	26,984.28	37,290.00
SC17-034A	CORROSION CONTROL-TRAN MAINS	450,000.00	\$450,000.00	-		3,750.45		446,249.55
SC17-038	LARGE WTR METER >3" REPL	100,000.00	\$100,000.00	-	14,200.00	45,850.00	38,890.00	15,260.00
SC17-040	ENGINE GENERATOR COMPLIANCE	35,000.00	\$35,000.00	-	2,757.40	10,757.40		24,242.60
SC17-042	METER REPLACE/REPAIR - WMP	50,000.00	\$350,000.00	<sup>2</sup>		-		350,000.00
SC17-046	TANK INSPECTION & REPAIRS	200,000.00	\$200,000.00	-		-		200,000.00
SC17-047	NSA TRANSMISSION LINES	300,000.00	\$300,000.00	-		-		300,000.00
SC17-048	RIGHT OF WAY/EASEMENT ACQUISTI	50,000.00	\$50,000.00	-		-		50,000.00
<b>Totals SSWD</b>		<b>\$ 16,975,000.00</b>	<b>\$ 16,975,000.00</b>		<b>\$ 784,609.23</b>	<b>\$ 5,440,676.85</b>	<b>\$ 6,397,066.74</b>	<b>\$ 5,137,256.41</b>

**Sacramento Suburban Water District  
Debt  
7/31/2017**

**Current Month**

	Series 2009A COP	Series 2009B COP	Series 2012A	Total
Beginning Balance	\$ 42,000,000	\$ 24,095,000	\$ 19,520,000	\$ 85,615,000
Additions:				-
Reductions: Payment	-	-	-	-
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ 24,095,000</u>	<u>\$ 19,520,000</u>	<u>\$ 85,615,000</u>

**Year-To-Date**

	Series 2009A COP	Series 2009B COP	Series 2012A	Total
Beginning Balance	\$ 42,000,000	\$ 24,095,000	\$ 19,520,000	\$ 85,615,000
Additions:				-
Reductions: Payment	-			
Ending Balance	<u>\$ 42,000,000</u>	<u>\$ 24,095,000</u>	<u>\$ 19,520,000</u>	<u>\$ 85,615,000</u>

**Cash Expenditures  
July 2017**

## AP Warrant List from 7/1/2017 to 7/31/2017

Group	Vendor Name	Date	Amount	Description
000000	ACWA JPIA INSURANCE/EAP - Invoices:1	7/13/2017	\$150.40	Miscellaneous Employee Benefits
	AMERITAS (VISION) - Invoices:1	7/13/2017	\$1,779.96	Employee Benefit - Vision
	BASIC - Invoices:2	7/27/2017	\$129.00	Miscellaneous Employee Benefits
	CIGNA GROUP INS LIFE/LTD - Invoices:1	7/6/2017	\$3,734.07	Employee Benefit - LTD Insurance
	CIGNA-DENTAL INS - Invoices:1	7/27/2017	\$11,416.31	Employee Benefit - Dental
	Payroll	7/31/2017	\$395,708.06	Two Payrolls
	PERS PENSION - Invoices:3	7/3/2017	\$399,188.86	Employee Benefit - Retirement
	PERS HEALTH - Invoices:1	7/27/2017	\$2,379.02	Miscellaneous Employee Benefits
000000	BACKFLOW DISTRIBUTORS INC - Invoices:1	7/20/2017	\$1,462.38	Construction In Progress
	CDWG - Invoices:1	7/20/2017	\$1,494.69	Construction In Progress
	CENTRAL VALLEY ENG & ASPHALT -	7/13/2017	\$11,675.00	Construction In Progress
	CONEXWEST STORAGE CONTAINERS -	7/20/2017	\$10,559.99	Construction In Progress
	COUNTY OF SAC BUILDING DEPT -	7/27/2017	\$2,757.40	Construction In Progress
	COUNTY OF SAC PUBLIC WORKS -	7/5/2017	\$5,308.89	Construction In Progress
	DKS ELECTRIC - Invoices:2	7/27/2017	\$3,041.00	Construction In Progress
	DOUG VEERKAMP GENERAL ENGR -	7/6/2017	\$446,888.42	Construction In Progress
	ERC CONTRACTING - Invoices:1	7/6/2017	\$15,890.00	Construction In Progress
	FLOWLINE CONTRACTORS INC - Invoices:1	7/13/2017	\$175,900.08	Construction In Progress
	GEOCON CONSULTANTS INC - Invoices:1	7/13/2017	\$2,920.00	Construction In Progress
	GM CONSTRUCTION & DEVELOPERS -	7/5/2017	\$50,144.25	Construction In Progress
	H2O URBAN SOLUTIONS - Invoices:1	7/5/2017	\$4,680.00	Construction In Progress
	HOBLOIT CHRYSLER/DODGE/JEEP -	7/27/2017	\$65,115.07	Construction In Progress
	KIRBY PUMP AND MECHANICAL - Invoices:1	7/13/2017	\$3,500.00	Construction In Progress
	LEO ORCIUOLI ELECTRIC - Invoices:2	7/20/2017	\$850.00	Construction In Progress
	LOEWEN PUMP MAINTENANCE - Invoices:5	7/6/2017	\$20,580.00	Construction In Progress
	LUHDORFF & SCALMANINI - Invoices:3	7/20/2017	\$5,093.96	Construction In Progress
	MUELLER SYSTEMS - Invoices:1	7/13/2017	\$84,045.00	Construction In Progress
	ONE STOP TRUCK SHOP - Invoices:3	7/13/2017	\$5,579.44	Construction In Progress
	RIVER CITY PAINTING - Invoices:3	7/13/2017	\$17,320.00	Construction In Progress
	S E AHLSTROM INSPECTION - Invoices:1	7/13/2017	\$10,720.00	Construction In Progress
000000	CITIGROUP GLOBAL MARKETS INC -	7/5/2017	\$13,089.04	2009A COP Interest Expense
	SUMITOMO MITSUI BANKING	7/3/2017	\$26,105.89	2009A COP Interest Expense
	WELLS FARGO SWAP - Invoices:1	7/1/2017	\$78,044.47	2009A COP Interest Expense
000000	AARON KRONER - Invoices:1	7/20/2017	\$100.00	BMP Rebates
	ADP, INC - Invoices:3	7/12/2017	\$1,995.77	Financial Services
	AFLAC - Invoices:2	7/5/2017	\$1,702.50	Supplemental Insurance
	ALL PRO BACKFLOW - Invoices:2	7/20/2017	\$2,619.00	Backflow Services
	ALLTECH GATES - Invoices:1	7/13/2017	\$490.00	Building Maintenance - Office &
	ANNETTE O'LEARY - Invoices:1	7/5/2017	\$123.44	Miscellaneous

ANSWERNET - Invoices:1	7/20/2017	\$515.51 Communication
AT&T CALNET 3 - Invoices:5	7/13/2017	\$4,850.72 Communication
ATLAS DISPOSAL - Invoices:2	7/20/2017	\$324.80 Building Service Expense - Office &
ATLAS FENCE - Invoices:2	7/13/2017	\$1,175.00 Contract Services
BADGER METER INC - Invoices:2	7/20/2017	\$476.31 Communication
BARTKIEWICZ KRONICK & SHANAHAN -	7/20/2017	\$19,550.70 Legal Services
BEVERLY LORENS - Invoices:1	7/13/2017	\$500.00 BMP Rebates
BRIAN COYNE - Invoices:1	7/13/2017	\$295.00 BMP Rebates
BRIAN HENSON - Invoices:1	7/27/2017	\$1,157.00 Backflow Services
BRINKS - Invoices:2	7/13/2017	\$640.17 Financial Services
BROADRIDGE MAIL LLC - Invoices:18	7/20/2017	\$45,365.77 Contract Services
BROWER MECHANICAL - Invoices:5	7/13/2017	\$3,456.00 Building Maintenance - Office &
BROWN & CALDWELL - Invoices:2	7/13/2017	\$8,843.69 Consulting Services
BRYCE CONSULTING INC - Invoices:2	7/13/2017	\$2,068.00 Consulting Services
BSK ASSOCIATES - Invoices:9	7/6/2017	\$31,108.75 Inspection & Testing
BUD'S TRI COUNTY TREE SERVICE -	7/6/2017	\$1,700.00 Contract Services
BZ SERVICE STATION MAINTENANCE -	7/20/2017	\$1,053.28 Inspection & Testing
CAPITOL ELEVATOR COMPANY - Invoices:2	7/13/2017	\$225.00 Building Service Expense - Office &
CARMICHAEL RECREATION & PARK	7/27/2017	\$50.00 Public Relations
CELL ENERGY INC - Invoices:2	7/13/2017	\$250.42 Equipment Maintenance Services
CHARLENE A WRIGHT - Invoices:1	7/5/2017	\$174.00 BMP Rebates
CHRIS BUTCHER - Invoices:1	7/13/2017	\$147.00 BMP Rebates
CHRISTINA MANNING - Invoices:1	7/13/2017	\$274.00 BMP Rebates
CINTAS - Invoices:20	7/5/2017	\$3,614.30 Building Maintenance - Office &
CITY OF SACRAMENTO DEPT OF UTILITIES -	7/5/2017	\$12.77 Utilities
CLEAR VISION WINDOW CLEANING -	7/13/2017	\$225.00 Building Service Expense - Office &
COMCAST - Invoices:1	7/20/2017	\$27.45 Communication
CONSOLIDATED COMMUNICATIONS -	7/20/2017	\$412.83 Communication
COREY CARSKADDON - Invoices:1	7/5/2017	\$204.00 BMP Rebates
CORIX WATER PRODUCTS US INC. -	7/6/2017	\$4,943.61 Operating Supplies
COSTCO - Invoices:1	7/20/2017	\$360.00 Membership & Dues
COTTON SHOPPE - Invoices:1	7/5/2017	\$125.03 Uniforms
COUNTY OF SAC ENVIRO MGT DEPT -	7/5/2017	\$1,761.00 Licenses, Permits & Fees
COUNTY OF SAC UTILITIES - Invoices:3	7/5/2017	\$579.59 Utilities
CRAIG LOCKE - Invoices:1	7/5/2017	\$26.75 Local Travel Cost
CROWN DISTRIBUTING - Invoices:2	7/5/2017	\$843.14 Building Maintenance - Office &
CULLIGAN - Invoices:1	7/13/2017	\$69.00 Building Maintenance - Office &
CULVER COMPANY - Invoices:1	7/20/2017	\$1,830.41 Public Relations
Customer Refunds: 149	7/5/2017	\$21,208.35 Refund Clearing Account
DAN BILLS - Invoices:1	7/5/2017	\$120.00 Membership & Dues
DEEPAK NELLI - Invoices:1	7/27/2017	\$150.00 BMP Rebates
DELLA D DECORSE - Invoices:1	7/20/2017	\$150.00 BMP Rebates
DEPT OF TOXIC SUBSTANCE CONTROL -	7/27/2017	\$150.00 Licenses, Permits & Fees
DIRECT TV - Invoices:1	7/20/2017	\$9.25 Communication
DPR CONSTRUCTION - Invoices:1	7/13/2017	\$2,111.24 Hydrant Permit Deposit Return

DUANE MARTI - Invoices:1	7/27/2017	\$150.00 BMP Rebates
EL DORADO COUNTY WATER AGENCY -	7/5/2017	\$3,666.66 Consulting Services
ELEVATOR TECHNOLOGY INC - Invoices:1	7/13/2017	\$210.00 Building Service Expense - Office &
ELITE AUTOMATIC FIRE PROTECTION -	7/13/2017	\$1,020.00 Consulting Services
EMIGH ACE HARDWARE - Invoices:16	7/6/2017	\$556.02 Building Maintenance - Office &
EMPLOYEE RELATIONS NETWORK -	7/13/2017	\$1,093.10 Employment Cost
FEDERAL EXPRESS CORPORATION -	7/27/2017	\$37.36 Postage/Shipping/UPS/Fed Ex
FRESH LOOK MOBILE WASH LLC -	7/13/2017	\$1,375.00 Vehicle Maintenance Services
GEI CONSULTANTS - Invoices:1	7/5/2017	\$1,693.50 Consulting Services
GREG BUNDESEN - Invoices:1	7/27/2017	\$125.00 Other Training
H2H PROPERTIES - Invoices:1	7/20/2017	\$1,221.00 H&D WALNUT PARKING LOT LEASE
HARROLD FORD - Invoices:12	7/5/2017	\$5,630.06 Vehicle Maintenance Services
HERBURGER PUBLICATIONS INC -	7/5/2017	\$400.00 Public Relations
IN COMMUNICATIONS - Invoices:2	7/13/2017	\$16,284.74 Public Relations
IRON MOUNTAIN OFF SITE DATA	7/20/2017	\$434.62 Equipment Maintenance Services
J&J LOCKSMITH - Invoices:2	7/6/2017	\$272.47 Building Maintenance - Office &
JAMES ARENZ - Invoices:1	7/27/2017	\$90.00 Required Training
JANELLE MEFFORD - Invoices:1	7/20/2017	\$75.00 BMP Rebates
JEOVANI BENAVIDEZ - Invoices:1	7/27/2017	\$245.00 Other Training
JOSH TAYLOR - Invoices:1	7/27/2017	\$226.28 Uniforms
JOSHUA GAGNON - Invoices:1	7/13/2017	\$125.00 Other Training
KEN GEBERT - Invoices:1	7/20/2017	\$1,796.96 Travel Conferences
KIMBERLY NICKOLS - Invoices:1	7/20/2017	\$75.00 BMP Rebates
LAKE VUE ELECTRIC INC - Invoices:1	7/20/2017	\$368.00 Building Maintenance - Office &
LEROY MUNSCH - Invoices:1	7/20/2017	\$150.00 BMP Rebates
LES SCHWAB TIRE CENTER/MADISON -	7/13/2017	\$282.67 Equipment Maintenance Services
LYUDMILA PODDUBHA - Invoices:1	7/5/2017	\$399.00 BMP Rebates
MARK R STONER - Invoices:1	7/5/2017	\$650.00 BMP Rebates
MICHAEL CROCKETT - Invoices:1	7/26/2017	\$150.00 BMP Rebates
MICHAEL LEWIS - Invoices:1	7/20/2017	\$216.00 BMP Rebates
MICHAEL PHILLIPS LANDSCAPE CORP -	7/6/2017	\$11,310.00 Building Service Expense - Office &
MUNICIPAL CONSULTING GROUP -	7/13/2017	\$13,997.25 Consulting Services
NANCY J DOLCINI - Invoices:1	7/20/2017	\$119.00 BMP Rebates
NEIL SCHILD - Invoices:1	7/20/2017	\$78.11 Local Travel Cost
NOR CAL PIPELINE SERVICES - Invoices:1	7/13/2017	\$2,289.74 Hydrant Permit Deposit Return
PALADIN PRIVATE SECURITY - Invoices:1	7/13/2017	\$460.00 Building Service Expense - Office &
Pamela Pepper - Invoices:1	7/20/2017	\$150.00 BMP Rebates
PATRICK DEASY - Invoices:1	7/13/2017	\$150.00 BMP Rebates
PAUL HARRINGTON - Invoices:1	7/5/2017	\$150.00 BMP Rebates
PEOPLEREADY - Invoices:4	7/13/2017	\$3,242.24 Temporary Help
PFM ASSET MANAGEMENT LLC - Invoices:1	7/27/2017	\$3,602.15 Financial Services
PREFERRED PUMP & EQUIPMENT -	7/20/2017	\$3,973.26 Purchase Price Variance
PROTECTION ONE - Invoices:1	7/13/2017	\$522.87 Building Service Expense - Office &
R&S OVERHEAD DOORS AND GATES -	7/27/2017	\$213.20 Building Maintenance - Office &

RAWLES ENGINEERING - Invoices:1	7/5/2017	\$7,450.00 Construction Services
RAY MORGAN CO - Invoices:2	7/27/2017	\$1,730.42 Equipment Maintenance Services
REGIONAL WATER AUTHORITY - Invoices:2	7/13/2017	\$112,066.00 Membership & Dues
RELIABLE PEST MANAGEMENT - Invoices:3	7/27/2017	\$255.00 Building Service Expense - Office &
RESOURCE TELECOM LLC - Invoices:3	7/13/2017	\$1,675.31 Equipment Maintenance Services
RIVER CITY STAFFING INC - Invoices:4	7/5/2017	\$1,957.50 Temporary Help
ROBERT EISELMAN - Invoices:1	7/20/2017	\$75.00 BMP Rebates
ROBERT ROSCOE - Invoices:1	7/20/2017	\$28.50 Local Travel Cost
RUE EQUIPMENT INC - Invoices:8	7/5/2017	\$1,783.77 Equipment Maintenance Services
RYAN WENKER - Invoices:1	7/20/2017	\$125.00 Other Training
SACRAMENTO CO DEPT OF CHILD	7/5/2017	\$1,146.46 Garnishment
SACRAMENTO GROUNDWATER AUTHORITY	7/27/2017	\$235,998.00 Annual Dues/Membership
SACRAMENTO SUBURBAN WATER	7/13/2017	\$528.79 Local Travel Cost
SEBASTIAN MUNOZ - Invoices:1	7/20/2017	\$346.00 BMP Rebates
SHRED-IT - Invoices:1	7/5/2017	\$63.86 Contract Services
SIERRA NATIONAL CONSTRUCTION INC -	7/13/2017	\$2,298.86 Hydrant Permit Deposit Return
SIERRA WEST CONSULTANTS - Invoices:1	7/5/2017	\$2,902.25 Consulting Services
SONITROL - Invoices:2	7/20/2017	\$1,494.84 Building Service Expense - Office &
SOPHOS SOLUTIONS - Invoices:1	7/13/2017	\$6,480.00 Consulting Services
STEVE COOK'S FIRESIDE LANES -	7/5/2017	\$575.00 Employee Retention/Morale
SUTTER MEDICAL FOUNDATION -	7/13/2017	\$291.00 Employment Cost
TEE JANITORIAL & MAINTENANCE -	7/13/2017	\$3,223.80 Building Service Expense - Office &
THOMPSONS S&S COLLISION - Invoices:1	7/5/2017	\$1,424.79 Claims & Insurance Reimb.
TINA LYNN DESIGN - Invoices:2	7/20/2017	\$250.00 Consulting Services
TODD ARTRIP - Invoices:1	7/13/2017	\$225.95 Uniforms
UNDERGROUND SERVICE ALERT -	7/27/2017	\$11,354.15 Membership & Dues
US BANK CORPORATE PAYMENT SYSTEM -	7/13/2017	\$13,563.79 Construction In Progress
VANTIV INTEGRATED PAYMENT	7/15/2017	\$457.01 Financial Services
VERIZON WIRELESS/DALLAS TX -	7/5/2017	\$4,480.63 Communication
WASTE MANAGEMENT - Invoices:3	7/13/2017	\$403.58 Building Service Expense - Office &
WATERTRAX - Invoices:1	7/20/2017	\$18,378.08 Licenses, Permits & Fees
WATERWISE CONSULTING, INC. -	7/13/2017	\$7,425.00 Consulting Services
WELLS SWEEPING -Monthly - Invoices:1	7/13/2017	\$88.75 Building Service Expense - Office &
WESTAMERICA BANK ANALYSIS FEES -	7/26/2017	\$6,638.22 Financial Services
WESTAMERICA CARD PROCESSING STMT -	7/17/2017	\$5,697.84 Financial Services
YVONNE SAN MIGUEL - Invoices:1	7/7/2017	\$500.00 BMP Rebates

#### Supplies & Inventory

A & A STEPPING STONE MFG., INC -	7/5/2017	\$160.55 Operating Supplies
AIRGAS USA LLC - Invoices:1	7/27/2017	\$121.80 Operating Supplies
CITRUS HEIGHTS SAW & MOWER -	7/5/2017	\$287.00 Operating Supplies
EXPRESS OFFICE PRODUCTS - Invoices:1	7/13/2017	\$51.75 Office Supplies
FASTENAL COMPANY - Invoices:4	7/5/2017	\$1,692.31 Operating Supplies
FERGUSON WATERWORKS - Invoices:1	7/20/2017	\$400.53 Operating Supplies
HACH COMPANY - Invoices:1	7/27/2017	\$983.73 Operating Supplies
HARRINGTON PLASTICS - Invoices:1	7/20/2017	\$1,104.75 Operating Supplies
HD SUPPLY WATERWORKS - Invoices:1	7/27/2017	\$64.16 Operating Supplies

HD Supply/WHITE CAP - Invoices:1	7/13/2017	\$290.90 Operating Supplies
JERRYS PAINT AND SUPPLY INC -	7/27/2017	\$305.83 Operating Supplies
NATIONAL METER AND AUTOMATION INC -	7/13/2017	\$20,671.67 Purchase Price Variance
NORMAC - Invoices:3	7/5/2017	\$617.61 Operating Supplies
OFFICE DEPOT INC - Invoices:6	7/5/2017	\$716.97 Office Supplies
PACE SUPPLY CORP - Invoices:1	7/6/2017	\$146.54 Operating Supplies
PANATRACK INC - Invoices:1	7/6/2017	\$549.92 Operating Supplies
VOYAGER FLEET SYSTEMS - Invoices:1	7/13/2017	\$7,853.10 Operating Supplies
WATER RITE PRODUCTS - Invoices:1	7/13/2017	\$26.69 Operating Supplies

PG&E - Invoices:4	7/5/2017	\$662.54 Utilities
PLACER COUNTY WATER AGENCY -	7/27/2017	\$105,000.00 Quarterly Water
SIERRA CHEMICAL COMPANY - Invoices:4	7/6/2017	\$22,270.10 HFA, Chemical & Delivery
SMUD - Invoices:5	7/5/2017	\$247,802.72 Electrical Charges
Total:		<u>\$2,991,856.78</u>

**Credit Card Expenditures  
July 2017**

Sacramento Suburban Water District  
 US Bank Purchasing Card Program  
 CalCard Expenditures  
 July 2017

Vendor Name	Description	Amount	Proj/GLAcct
HANNIBALS CATERING	EVALUATOR BREAKFAST MEETING	\$ 257.71	17-56000
BETTAYS FLOWERS	DEVRIES FLOWERS FOR EMPLOYEE EVENT (OVERNIGHT HOSPITAL STAY)	\$ 68.96	02-51403
SMARTFTP.COM	LICENSE RENEWAL FOR SMARTFTP SOFTWARE	\$ 199.80	18-54509
FLASHPOINT STUDIOS	MONTHLY FEE FOR ON-HOLD RECORDINGS	\$ 79.00	04-54506
GOVERNMENT FINANCE	CERTIFICATE OF ACHIEVEMENT FOR EXCELLANCE IN FINANCIAL REPORTING APP	\$ 505.00	03-54504
AICPA	AMERICAN INSTITUTE OF CPA'S RENEWAL	\$ 265.00	03-52501
AICPA	CHARTERED GLOBAL MANAGEMENT ACCOUNTANT DESIGNATION	\$ 130.00	03-52501
AMAZON	LOGITECH HD PRO WEBCAM FOR VIDEO CONFERENCING	\$ 133.58	18-52101
BESTBUY	MICROPHONE FOR RECORDING TRAINING VIDEOS FOR ROBIN	\$ 54.11	18-52101
TARGET	SUN BLOCK WAREHOUSE ITEM.	\$ 132.00	05-52101
HOME DEPOT	GRASS SEED (WAREHOUSE).	\$ 86.12	05-52101
HOME DEPOT	WASP SPRAY	\$ 51.33	06-52101
SMART & FINAL	SAFETY BBQ (FORKS)	\$ 10.76	02-51403
COSTCO	SAFETY/TRISH'S BBQ (MEAT AND SUPPLY'S)	\$ 538.86	02-51403
SMART & FINAL	SAFETY BBQ (MESQUITE AND SUPPLY'S)	\$ 67.28	02-51403
HOME DEPOT	HYDRANT FORMS (2X4 AND SINKERS)	\$ 47.84	07-52101
AMAZON	ENERGIZER BATTERIES (WAREHOUSE) CHARGE:\$98.79	\$ 98.79	05-52101
AMAZON	ENERGIZER BATTERIES (WAREHOUSE) CREDIT: (\$98.79)	\$ (98.79)	05-52101
ROYAL TRUCK BODY	NEW BIN LOCKS FOR VEHICLE #57	\$ 177.96	12-54005
ZURN PRODUCTS	ZURN REPLACEMENT PARTS FOR WOMEN'S RESTRRROM (ADA STALL) MARCONI	\$ 100.94	12-54008
PAPE MACHINERY	REPLACEMENT SEAT CUSHIONS FOR JOHN DEERE EQUIPMENT #120	\$ 565.00	12-54003
PAPE MACHINERY	REPLACEMENT LEFT HAND ARM REST FOR JOHN DEERE EQUIPMENT #120	\$ 156.00	12-54003
KOLORCANS	TRASH RECEPTACLES FOR THE ANTELOPE GARDEN	\$ 2,184.20	12-52101
HARBOR FREIGHT TOOLS	2 SET OF COTTER PINS - MAINTENANCE AND PURCHASING	\$ 12.90	12-52101
HARBOR FREIGHT TOOLS	MISC. REPLACEMENT TOOLS STOLEN FROM VEHICLE #50	\$ 41.97	03-52310
SEARS	REPLACEMENT TOOLS STOLEN FROM VEHICLE #50	\$ 840.90	03-52310
THE HOME DEPOT	REPLACEMENT TOOLS STOLEN FROM VEHICLE #50	\$ 315.97	03-52310
AMAZON.COM	MILWAUKEE LITHIUM ION BATTERY - REPLACEMENT FOR VEHICLE #50	\$ 74.74	03-52310
AMAZON.COM	MILWAUKEE 28-VOLT LITHIUM ION CORDLESS SET - FOR VEHICLE #50	\$ 600.51	03-52310
AMAZON.COM	MILWAUKEEE M18 CORDLESS IMPACT DRIVER	\$ 130.66	03-52310
PEP BOYS	SUPPLIES TO MOVE SWITCH ON AIR LINE HOSE REEL - VEHICLE #71	\$ 37.12	12-54006
ARDEN AUDIO	RELACEMENT RADIO THAT KEEP SHORTING FUSE - VEHICLE #5	\$ 214.92	12-54005
TRUCK OFFICE	TRUCKOFFICE FOR CHEVY DOUBLE CAB - VEHICLE #72	\$ 2,581.00	SF17-399
RALEY'S	MAY BIRTHDAY'S CELEBRATION - MORALE FUND	\$ 44.99	02-51403
RALEY'S	TRICIA RETIREMENT PARTY - CAKE	\$ 26.99	02-51403
SMART AND FINAL	SALAD FOR RETIREMENT PARTY	\$ 39.68	02-51403
NATIOINAL NOTARY ASSN	HEATHER HEATHER REGISTRATION FOR NOTARY	\$ 595.69	02-55002
NATIONAL NOTARY ASSN	AMY BULLOCK REGISTRATION FOR NOTARY	\$ 595.69	02-55002
ASCE LUNCHEON	REGISTRATION FOR ROB ROSCOE, MITCHELL MCCARTHY, DANA DEAN AND DAVID ESPINOZA	\$ 100.00	02-55002
COSTCO	FAN'S FOR ENGINEERING GROUP	\$ 173.16	03-52108
COSTCO	ALL HANDS REFRESHMENTS	\$ 35.54	02-51403

15 Totals: \$ 12,273.88

**District Reserve Balances  
July 31, 2017**

**Sacramento Suburban Water District  
Reserve Fund Balance**

	<u>July 31, 2017</u>	<u>December 31, 2016</u>
Debt Service Reserve	\$ 3,556,721	\$ 3,540,038
Facilities Reimbursement	-	-
Emergency/Contingency	10,931,500	10,387,000
Operating	7,270,250	6,490,750
Rate Stabilization	5,976,000	5,630,000
Interest Rate Risk	-	-
Grant	210,000	1,068,000
Capital Asset	18,422,255	13,872,620
<b>TOTAL</b>	<b>\$ 46,366,726</b>	<b>\$ 40,988,408</b>

**Cash and Investments  
Per District Balance Sheet  
(Provided for Reconciliation Purposes)**

	<u>July 31, 2017</u>	<u>December 31, 2016</u>
Cash and cash equivalents	\$ 9,057,456	\$ 2,694,456
Investments	33,752,549	34,753,914
Restricted assets	3,556,721	3,540,038
<b>TOTAL</b>	<b>\$ 46,366,726</b>	<b>\$ 40,988,408</b>

**DRAFT - Information Required by Bond Agreement**

Sacramento Suburban Water District  
 6 - Months Debt Service Schedule  
 7/31/2017

Month	Total SSWD Debt Service				Debt Service
	Principal	Interest Adjustable/Fixed/Swap	Facility Fee	Remarketing	
Aug-17	-	95,070.38	-	-	95,070.38
Sept-17	-	95,070.38	47,250.00	13,125.00	155,445.38
Oct-17	4,060,000.00	1,138,033.38	-	-	5,198,033.38
Nov-17	-	95,070.38	-	-	95,070.38
Dec-17	-	95,070.38	47,250.00	13,125.00	155,445.38
Jan-18	-	95,070.38	-	-	95,070.38

Month	Series 2012A Fixed Rate Bonds (\$23,440,000.00)				Debt Service
	Principal	Interest - Fixed 4.25%			
Aug-17	\$ -	\$ -	\$ -	\$ -	\$ -
Sept-17	-	-	-	-	-
Oct-17	2,030,000.00	421,713.00	-	-	2,451,713.00
Nov-17	-	-	-	-	-
Dec-17	-	-	-	-	-
Jan-18	-	-	-	-	-

Month	Series 2009A Adjustable Rate COPs (\$42,000,000.00)				5
	Principal	Interest, Adjustable 0.84%	Facility Fee 0.450%	Remarketing 0.125%	
Aug-17	\$ -	\$ 29,400.00	-	-	\$ 29,400.00
Sept-17	-	29,400.00	47,250.00	13,125.00	89,775.00
Oct-17	-	29,400.00	-	-	29,400.00
Nov-17	-	29,400.00	-	-	29,400.00
Dec-17	-	29,400.00	47,250.00	13,125.00	89,775.00
Jan-18	-	29,400.00	-	-	29,400.00

Month	Series 2009B Fixed Rate COPs (\$27,915,000)				Debt Service
	Principal	Interest - Fixed 5.00%			
Aug-17	\$ -	\$ -	\$ -	\$ -	\$ -
Sept-17	-	-	-	-	-
Oct-17	2,030,000.00	621,250.00	-	-	2,651,250.00
Nov-17	-	-	-	-	-
Dec-17	-	-	-	-	-
Jan-18	-	-	-	-	-

Month	2012 SWAP Interest, Net (\$33,000,000.00)				Debt Service
	Principal	Interest, Swap Net (3.283-0.7368-.18)%			
Aug-17	\$ -	\$ 65,670.38	-	-	65,670.38
Sept-17	\$ -	\$ 65,670.38	-	-	65,670.38
Oct-17	\$ -	\$ 65,670.38	-	-	65,670.38
Nov-17	\$ -	\$ 65,670.38	-	-	65,670.38
Dec-17	\$ -	\$ 65,670.38	-	-	65,670.38
Jan-18	\$ -	\$ 65,670.38	-	-	65,670.38

**Sacramento Suburban Water District  
Schedule of Net Revenues**

	<i>As Of</i>	
	<u>Actual Year-To-Date 7/31/2017</u>	<u>Budget Year-To-Date 7/31/2017</u>
<b>REVENUES</b>		
Water sales charges	\$10,331,643.70	\$12,601,581.00
Capital facilities charge	13,408,680.66	13,403,250.00
Facility development charges	76,646.00	291,662.00
Interest and investment income	326,278.76	504,000.00
Rental & other income	252,025.08	145,831.00
<b>TOTAL REVENUES</b>	<u><b>24,395,274.20</b></u>	<u><b>26,946,324.00</b></u>
<b>EXPENSES</b>		
Source of supply	1,602,487.29	1,940,285.00
Pumping	2,100,740.45	2,678,632.54
Transmission and distribution	2,002,718.68	2,183,971.21
Water conservation	307,718.64	332,129.89
Customer accounts	719,271.99	753,422.85
Administrative and general	3,851,161.84	4,400,042.94
<b>TOTAL EXPENSES</b>	<u><b>10,584,098.89</b></u>	<u><b>12,288,484.43</b></u>
<b>NET REVENUE</b>	<u><b>13,811,175.31</b></u>	<u><b>14,657,839.57</b></u>



## Agenda Item: 18

**Date:** August 10, 2017

**Subject:** McClellan Business Park Update

**Staff Contact:** Dan York, Assistant General Manager

### Discussion:

As reported at the July 17, 2017 regular Board meeting, the County of Sacramento (County) has been in the process of amending the master purchase and sale agreement between the County and McClellan Business Park (MBP) for properties located at the former McClellan Air Force Base. Staff from the District, MBP and County have been working together to develop a Successor Agreement between the District and MBP once that process has been completed.

The County initially scheduled the amendment process item on the July 25, 2017 County Board of Supervisors agenda for consideration to approve that item. County staff was not prepared to present the item to the County Board of Supervisors on July 25<sup>th</sup>, therefore, it was rescheduled and presented to the County Board of Supervisors on August 8<sup>th</sup>. The County Board of Supervisors approved the item. There is an approximate 30 day period for closing of escrow. The County is anticipating the property transfer to be completed in September 2017.

The District, County and MBP staff met on July 25, 2017 and finalized a draft Term Sheet, which was forwarded to District legal counsel to assist in developing a draft Successor Agreement. Once the draft Successor Agreement is prepared, it will be forwarded to County and MBP legal counsel. The current schedule anticipates District staff will agendize a Successor Agreement with MBP at the September 18, 2017 regular Board meeting.

As a reminder, in the 1999 Agreement was a Capital Improvement Plan (CIP) consisting of ten items that were identified as Exhibit C. There are currently two items from the CIP list that have yet to be completed. These remaining obligations will be driven by future occupancy and demands, which will be defined in the Successor Agreement. The two items are listed below with percent of completion:

1. Installation of water meters and backflows on all buildings on existing services at the former Air Force Base. Status: This item is approximately 95% complete. The remaining water meters and backflows will be installed per State regulations by 2025, or when new tenant service is requested by MBP.
2. Installation of backflow prevention on all private fire sprinkler services at McClellan Air Force Base. Status: This item is approximately 30% complete. Approximate cost to

complete this item is \$2.5 million. The District has chosen not to install a backflow device on a fire service that is not in use, or potentially subject to future abandonment depending on facility improvements at MBP.

The District, County and MBP will need to work together to determine a fair value for the remaining items in order to develop a plan that the remaining value can be expended, continue to complete the remaining items, or buy out the remaining obligation. Simple liquidation of the remaining Exhibit C obligations may be the cleanest approach.

The 1999 agreement also required the county to grant water line easements to the District for all water lines not in public rights-of-way. The District was required to perform all necessary surveying for these easements and prepare all legal descriptions. The District has delayed this task as the location of many of the water lines on the former Air Force Base were known and additional operations experience continues to discover previously unknown lines. With the transfer of base property from the County to a private entity, McClellan Business Park, LLC., staff believe it is now opportune to complete the survey a legal description effort and record easements for all known water lines on private property.



## Agenda Item: 19

**Date:** July 31, 2017

**Subject:** Alternative Workweek Schedule

**Staff Contact:** Robert S. Roscoe, P.E., General Manager

Employers throughout the United States, both public and private, have given increased attention to the inherently significant relationship between work and family. The increased attention is a result of changing social attitudes, values, and demographic trends, notably with the under 30 portion of the workforce referred to as “Millennials”. These trends have an economic significance to employers since they compete to recruit and retain quality workforce and to manage productivity. First used in Germany in the 1960’s to alleviate traffic issues, flexible work times were introduced in the United States by Hewlett-Packard in 1972. The AWS has now evolved in every industry and is the most prevalent schedule variation used by federal and state government agencies.

California laws allows for some flexibility in implementing an Alternative Workweek Schedule (AWS), which, if done properly, lets employees work more than eight hours per day, without overtime, while putting in fewer days of work per week. An AWS is a term for a process allowing employers, with their employees’ permissions, to set work schedules that vary from the typical eight hours per day, five days a week, without paying overtime.

In order for the District to consider any proposal for an AWS, there needs to be a benefit to District customers and District operations, as well as to the employee. In general, there have been several reports that show benefits to the organizations that implement an AWS. Some of the documented benefits are listed below and may be applicable to the District:

- Enhance retention and recruitment
- Extend hours of service
- Expand use of equipment
- Improve scheduling for peak workloads
- Increase employees’ job knowledge
- Boost employee morale
- Reduce tardiness and absenteeism
- Improve employee performance
- Develop a more effective workforce
- Benefit to green programs

## Alternative Workweek Schedule

July 31, 2017

Page 2 of 2

There are mainly two categories of AWS, flexible and compressed schedules. If the District were to implement an AWS it would utilize the compressed schedule. The three compressed schedule models are; three day work week for 12 hours per day; four days of work per week for ten hours per day (aka a “4/10”); and what is referred to as a “9/80.” A 9/80 allows for nine days worked in a fourteen day calendar period, for nine hours of work per day.

The General Manager has the authority to alter work schedules if necessary. One example of altering work schedules is during excessive heat waves during the summer months. If the temperature is expected to exceed 100 degrees, the General Manager will alter the work schedule for operations staff from 7:00 am to 3:30 pm. The temperatures this summer have been above 100 degrees several times, but also sporadically. So rather than altering the work hours periodically, the General Manager temporarily changed the work hours for operations staff to 7:00 am to 3:30 pm until further notice. To ensure coverage for the District’s customers, both emergency and routine, the emergency On-Call Technician’s (Distribution and Production) arrive at 8:00 am and remain at the Walnut facility until end of business. Currently, the Superintendents and Operations Manager are working 8:00 am to 4:30 pm to ensure management staff are available to District customers.

In an effort to reduce overtime and maintain a high level of service to walk-in customers, the General Manager has chosen to conduct a pilot for modified hours in the Customer Service Department. Typically, one of the Customer Service Representatives (CSR) has to leave a cash drawer open until 4:30 pm, while the other CSRs begin closing their cash drawers prior to close of business. This has been standard practice in case a customer walks in to pay a water bill just prior to closing. This practice has incurred overtime of approximately 30 minutes per business day as the last cash drawer is reconciled. Currently, a designated CSR arrives to work at 9:00 am and works until 5:30 pm. The CSR can close out the cash drawer and also conduct administrative tasks while not having to conduct overtime.

This was presented to the Facilities and Operations Committee at the July 27, 2017 meeting with positive feedback. Staff will further develop an AWS analysis and report back to the Facilities and Operations Committee and full Board of Directors periodically.



### Agenda Item: 20

**Date:** August 7, 2017

**Subject:** Update on Water Service Line Contract for Parkland Estates Phase 2 Main Replacement Project

**Staff Contact:** John E. Valdes, Engineering Manager  
Dana Dean, Associate Engineer

At the July 2017 Board Meeting, the Board authorized the General Manager to proceed with three options for awarding a contract for the service line portion of the Parkland Estates Waterline Replacement Project Phase 2: 1) Negotiate a price with Rawles Engineering, Inc. (Rawles), the second-lowest bidder for service lines under the 2011 Master Service Agreement, and authorize the General Manager to execute a contract on behalf of the District; 2) Negotiate a price with the current main line master service contractor, Doug Veerkamp General Engineering (Veerkamp), and authorize the General Manager to execute a contract on behalf of the District; or 3) If option 1 or 2 are not completed to the satisfaction of the General Manager, take the service line work out to public bid to a select list of contractors.

After first showing interest, Veerkamp elected to not provide pricing. Negotiations were also not successful with Rawles. As a result, the General Manager decided it was in the best interests of the District’s customers to proceed with Option #3 above and to place this project out to bid despite the corresponding delay and the possibility that the bid prices may be higher than the price that could be negotiated with Rawles.

Staff is moving ahead with bidding this project. The current schedule is as follows:

- Finalize design and bid documents.....August 11, 2017
- Invitation to Bid to select contractors.....August 14, 2017
- Mandatory pre-bid meeting and job site walk .....August 22, 2017
- Bid opening.....September 6, 2017
- Review bids and recommend award to General Manager .....September 7, 2017
- Notice of Award .....September 8, 2017
- Receive signed contract, bonds and insurance certifications.....September 15, 2017
- Notice to Proceed.....September 20, 2017

Note that due to the delay in getting the service line work underway and the fact that significant time was already lost dealing with the water/sewer separation issue with the SWRCB, Division of Drinking Water (DDW), it will not be possible to utilize all of the funds budgeted for the 2017 CIP distribution main replacement program. It is currently estimated that of the total amount budgeted (\$9,250,000), roughly \$2 million will not be expended in 2017. However, these funds will be encumbered and committed this year.

Staff will provide the Board with an additional update at the September 2017 Board Meeting.



## Agenda Item: 21

**Date:** August 7, 2017

**Subject:** ACWA/JPIA Liability, Property, and Workers' Compensation Risk Assessment

**Staff Contact:** Jim Arenz, Operations Manager

The District's insurance carrier, Association of California Water Agencies/Joint Powers Insurance Authority (JPIA), conducts an annual Liability, Property, and Workers' Compensation Risk Assessment to review District operations, facilities, and risk management programs. Upon completion of this Risk Assessment, recommendations, if warranted, are given to assist in minimizing the potential for claims. A commitment to good risk management practices helps strengthen the District's goal to provide employees with a safe working environment and reduces the District's potential for very expensive claims.

On July 5, 2017, Scott Wood, Senior Risk Management Advisor for JPIA, conducted a Risk Assessment of the District's liability, property, and workers' compensation programs. During the assessment Mr. Wood discussed with staff the potential impact of several new California State laws that became effective on January 1, 2017. They included the ramifications of California's Proposition 64, the Marijuana Legalization Initiative on member agencies' drug and alcohol policies; the effects of Senate Bill 661, Protection of Subsurface Installations, on the USA North program; the liability associated with the use of drones for District business purposes such as tank inspections; and cyber security relating to recently reported customer billing scams in the area. In addition, Mr. Wood visited the District's recently completed production facility Rutland Well #39 as well as the site of the newly drilled Palm Well #N6A.

On July 26, 2017, staff received a letter from Mr. Wood (see Exhibit 1) noting a few of the topics that were discussed with staff during his visit as well as a compliment on the condition of the inspected facilities. Enclosed with the letter was a comprehensive list of changes and highlights to the 2017 California Law, Government Code 4216 (see Exhibit 2) regarding the Underground Service Alert program. The letter concludes with a note of appreciation for the District's continued interest in safety and loss prevention. No recommendations for improvements were made during the visit, or in the letter, resulting in the District continuing to achieve its goal of zero correction recommendations.

The District has made great strides towards reducing liability, property and workers compensation risk over the past 14 years since coverage by CWA/JIA began, and continues to investigate new programs to increase the safety of our staff and customers and to bolster efforts towards loss prevention in all categories.

Exhibit 1



July 26, 2017

Mr. Robert Roscoe, General Manager  
Sacramento Suburban Water District  
3701 Marconi Avenue, Suite 100  
Sacramento, California 95821-5346

**Re: Liability, Property, and Workers' Compensation Risk Assessment**

Dear Mr. Roscoe:

It was a pleasure visiting your District on July 5, 2017. The purpose was to assess the District's liability, property, and workers' compensation loss risks. Please thank Jim Arenz, Operations Manager, for his time and consideration.

We discussed the recent legalization of marijuana use for recreational purposes by persons aged 21 years or older (Proposition 64). The proposition provides little guidance for employers, other than not prohibiting drug-free workplace policies. The ACWA JPIA is encouraging its members to follow these best practices at this time:

- Review and update their Drug and Alcohol (D&A) policies as needed. Policies should clearly state that the possession and use of marijuana in the workplace is prohibited.
- Only D&A test employees under DOT or reasonable suspicion guidelines.
- Refresher D&A training should be provided for managers and supervisors on the employer's policy and testing guidelines.
- Review the employer's D&A policy and expectations with all employees.

I reviewed the One Call Law changes and discussed training and qualification requirements for utility locaters. Enclosed is a summary for your consideration. We also discussed steps taken by PG&E to notify and document excavators performing "unsafe" excavating procedures. I suggested exploring the development of a similar "tool" for your District.

Jim and I toured several District facilities and some of the planned capital improvement project sites. The facilities appear to be in good condition and housekeeping is commendable.

Mr. Robert Roscoe, General Manager  
Sacramento Suburban Water District  
July 26, 2017  
Page 2

Thank you again for your sincere interest in safety and loss prevention. I plan on returning to your District next January. In the meantime, should you or your staff have any questions or need assistance, please contact me at (916) 786-5742, or via email at [swood@acwajpia.com](mailto:swood@acwajpia.com).

Sincerely,



R. Scott Wood, CSP  
Senior Risk Management Advisor

726:tl

Enc.: New 2017 California State Law for Locators

c: Jim Arenz, SSWD Operations Manager  
JPIA Member Services  
JPIA Risk Management Committee  
Neil Schild, JPIA Board Member

## Exhibit 2

### **NEW 2017 California State Law**

#### **Important changes & highlights effective Jan 1st 2017**

- Delineation of the proposed excavation site is now mandatory. If the delineation could be misinterpreted as a traffic or pedestrian control, the excavator shall use pink markings and notify the center the delineation is in pink. (4216.2(a) & 4216 Definitions (d))
- Members can, at their own discretion, choose not to locate and field mark until the area to be excavated has been delineated. (4216.2(a))
- Contact DigAlert at least two (2) working days, not including the date of notification, prior to digging. (4216.2(b))
- Any temporary marking placed at the planned excavation location shall be clearly seen, functional, and considerate to surface aesthetics and the local community. An excavator shall check if any local ordinances apply to the placement of temporary markings. (4216.2(d))
- Working day is defined as a weekday (M - F) from 7:00 am to 5:00 pm, except for federal and state holidays as defined in Section 19853, or as otherwise posted on the Internet Web Site of the regional notification center. (4216 Definitions (v))
- Excavations shall not begin until the excavator receives a response from all known members within the delineated boundaries. (4216.2(g))
- If a ticket obtained by an excavator expires but work is ongoing, the excavator shall call into the regional notification center and get a new ticket and wait a minimum of two working days, not including the date of call in, before restarting excavation. All excavation shall cease during the waiting period.(4216.2(i))
- An operator shall indicate with an "A" inside a circle the presence of any abandoned subsurface installations, if known, within the delineated area. The markings are to make an excavator aware that there are abandoned subsurface installations within that delineated work area.(4216.3(a)(1)(A)(iii)(C))
- If the field marks are no longer reasonably visible, an excavator shall renotify the regional notification center with a request for remarks that can be for all or a portion of the excavation. Excavation shall cease in the area to be remarked. If the delineation markings are no longer reasonably visible, the excavator shall redelineate the area to be remarked. If remarks are requested, the operator shall have two working days, not including the date of request, to remark the subsurface installation. If the area to be remarked is not the full extent of the original excavation, the excavator shall delineate the portion to be remarked and provide a description of the area requested to be remarked on the ticket. The excavator shall provide a

description for the area to be remarked that falls within the area of the original location request. (42216.3(b))

- The Law requires you to hand expose to the point of no conflict 24" on either side of the underground facility, so you know its exact location before using power equipment. (4216.4(a)(1))
- Your permit for digging will not be valid without a ticket number. (4216.9(a))
- The California Underground Facilities Safe Excavation Board is hereby created under, and shall be assisted by the staff of, the Office of the State Fire Marshal. (4216.12(a))

#### **Important changes effective Nov 1st 2017**

- Area of continual excavation ticket means a location where excavation is part of the normal business activities of that location, including but not limited to, agricultural operations and flood control facilities. (4216 Definitions (c))
- In lieu of the notification and locate and field mark requirements of Sections 4216.2 and 4216.3, an excavator may contact a regional notification center to request a continual excavation ticket for an area of continual excavation. The regional notification center shall provide a ticket to the person who contacts the center pursuant to this section and shall notify any member, if known, who has a subsurface installation in the area of continual excavation. The ticket provided to the excavator shall include the contact information for notified operators. (4216.10(a))
- A ticket for an area of continual excavation shall be valid for one year from the date of issuance. The excavator may renew the ticket within two working days either by accessing the regional notification center's Internet Web site or by calling "811" (4216.10 (d))

#### **Important changes effective Jan 1st 2018**

- Members may supply an electronic positive response through the regional notification center before the legal excavation start date and time. The regional notification center shall make those responses available to the excavator. (4216.3 (b))

#### **Important changes effective July 1st 2018**

- The board shall investigate possible violations of this article. (4216.19(a))

Obtain a full copy of the new 2017 California Law, Government Code 4216 at:

<https://www.digalert.org/calaw17.html>



## Agenda Item: 22

**Date:** August 14, 2017

**Subject:** ACWA Committee Appointment Considerations for the 2018-19 Term

**Staff Contact:** Rob Roscoe, General Manager

The District received a call for Association of California Water Agencies (ACWA) committee appointment considerations for the 2018-19 term (Attached as Exhibit 1).

Typically, there is an annual review of committee assignments in January each year where the Board President appoints Directors to various committees. At the January 23, 2017 regular Board meeting, the ACWA Committee appointments were established, see Exhibit 2. If a Director wishes to be considered for an additional committee, or make any changes to the current appointments, please notify staff by September 5, 2017, and staff will bring an Action Item to the September regular Board meeting for consideration. The ACWA list of committees with purposes and responsibilities is attached as Exhibit 3.

By submitting a nominee for a committee appointment, whether staff or Director, the District agrees to cover all costs associated with committee meetings and activities. The District also nominates Mr. John Woodling of the Sacramento Groundwater Authority and RWA to the ACWA Groundwater Committee (which he currently chairs), and Mr. Ryan Bezerra to the Legal Affairs and Legislative committees as both individuals represent the District interests and have agreed to serve at no cost to the District.

All Committees will be reconstituted following the election of new officers (ACWA's President / Vice-President) at the 2017 ACWA Fall Conference. All forms regarding Committee appointments must be submitted to the ACWA office no later than September 29, 2017 to be eligible for consideration. Committee appointments will be made by the incoming ACWA President in December.

Click [here](#) if you are having trouble viewing this message.



## MEMORANDUM

July 18, 2017

TO: ACWA MEMBER AGENCY BOARD PRESIDENTS  
ACWA MEMBER AGENCY GENERAL MANAGERS

FROM: Kathy Tiegs, ACWA PRESIDENT

SUBJECT: ACWA COMMITTEE APPOINTMENT CONSIDERATIONS FOR THE 2018-2019 TERM

### PLEASE RESPOND BY SEPTEMBER 29, 2017

Thank you for your involvement with ACWA. As you know, Committees are an integral part of ACWA's activities and policy development. With the end of the current Committee term fast approaching, it is time again to request 2018-2019 Committee nominations from ACWA members. All Committees will be reconstituted following the election of new officers (ACWA's President / Vice-President) at the 2017 ACWA Fall Conference.

In submitting names for consideration, please do so with the understanding that Committees need active, involved individuals able to expend the time and provide their expertise, if appointed. Please keep in mind that the district is responsible for all costs associated with the participation of its representatives on Committees.

The following information is available at [ACWA's website](#) or by clicking on each link.

- [ACWA Policy Committee Composition](#)
- [ACWA Committee Consideration Form](#)
- [ACWA Committee Consideration Process Timeline](#)

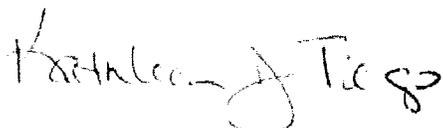
If you would like to reference current Committee members serving on a ACWA Committee please click [here](#).

All correspondence and forms regarding Committee appointments must be submitted to the ACWA office no later than September 29, 2017 to be eligible for consideration. Committee appointments will be made

by the incoming ACWA President in December. Please contact Region and Member Services Specialist II, Ana Javaid, at [anaj@acwa.com](mailto:anaj@acwa.com) or (916) 441-4545, if you have any questions concerning the Committee appointment process.

We appreciate your timely attention to this matter.

Thank you,



Kathleen J. Tiegs  
ACWA President

[ACWA Committees](#) | [ACWA Events](#) | [ACWA](#)



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We hope you enjoy receiving email notices and updates from ACWA. At any time you can click [here](#) to unsubscribe or update your email preferences.

**Exhibit 2**

**Sacramento Suburban Water District  
2017 Committee and Liaison Assignments**

**Committees** (date of last appointment)

Water Quality Committee (01/23/17).....Bob Wichert, Chair  
(Standing: no regularly assigned meeting time) .....Dave Jones  
.....Staff Contact: Dan York

Facilities and Operations Committee (01/23/17).....Neil Schild, Chair  
(Standing: no regularly assigned meeting time) .....Dave Jones  
.....Staff Contact: Dan York

Finance and Audit Committee (01/23/17) .....Kevin Thomas, Chair  
(Standing: no regularly assigned meeting time) .....Neil Schild  
.....Staff Contact: Dan Bills

Ad Hoc General Manager Performance Review Committee (01/23/17)....Craig Locke, Chair  
(no regularly assigned meeting time) .....Kevin Thomas

Ad Hoc Water Banking and Transfer Committee (01/23/17) .....Neil Schild, Chair  
(no regularly assigned meeting time) .....Craig Locke  
.....Staff Contact: Rob Roscoe

Government Affairs Committee (01/23/17) .....Craig Locke, Chair  
(no regularly assigned meeting time/quarterly) .....Kevin Thomas  
.....Staff Contact: Rob Roscoe

Ad Hoc Compensation Committee (03/27/17) .....Neil Schild, Chair  
.....Dave Jones

Ad Hoc Selection Committee (03/27/17) .....Bob Wichert, Chair  
.....Kevin Thomas

Ad Hoc Process Committee (03/27/17).....Bob Wichert, Chair  
.....Craig Locke

**Liaison Assignments** (date of last appointment)

ACWA/JPIA (01/23/17) .....Director Position: Neil Schild  
.....Staff Position: Rob Roscoe

ACWA/JPIA Workers Compensation Committee (01/23/17) .....Neil Schild

ACWA Federal Affairs Committee (01/23/17) .....Neil Schild

ACWA General Election Voting Delegate (01/23/17).....Neil Schild

ACWA Groundwater Committee (01/23/17) ..... Dave Jones  
..... Neil Schild  
..... Kevin Thomas  
..... Craig Locke  
..... Bob Wichert  
..... Robert Roscoe

ACWA Local Government & Outreach Committees (01/23/17) ..... Kevin Thomas

ACWA Water Management Committee (01/23/17) ..... Dave Jones  
..... Craig Locke  
..... Kevin Thomas  
..... Robert Roscoe

California Special Districts Association (01/23/17) ..... Kevin Thomas  
..... Dave Jones

CSDA Transparency and Formation Expert Feedback Teams (01/23/17) ..... Kevin Thomas

CSDA Fiscal and Education Committees (01/23/17) ..... Dave Jones

LAFCo Special District Advisory Committee (01/23/17) ..... Bob Wichert

Regional Water Authority (01/23/17) ..... Kevin Thomas  
..... Robert Roscoe  
..... Neil Schild, Alternate  
..... Bob Wichert, Alternate  
..... Craig Locke, Alternate  
..... Dave Jones, Alternate

Regional Water Authority Executive Committee (01/23/17) ..... Staff Rep: Rob Roscoe

Sacramento Groundwater Authority (01/23/17) ..... Neil Schild, Board Rep.  
..... Rob Roscoe, Staff Rep.  
..... Kevin Thomas, Alternate  
..... Bob Wichert, Alternate  
..... Craig Locke, Alternate  
..... Dave Jones, Alternate

Sacramento Water Forum Successor Effort (01/23/17) ..... Staff Rep: Robert Roscoe  
..... Neil Schild  
..... Craig Locke, Alternate  
..... Kevin Thomas, Alternate  
..... Bob Wichert, Alternate  
..... Dave Jones, Alternate



# ACWA COMMITTEE COMPOSITION

## COMMITTEE

## STAFF LIAISONS

**Business Development Committee – Standing/Unlimited**

Meetings: 2 times a year

The Business Development Committee develops and recommends to the Board of Directors programs and activities to be provided or administered by the association that generate non-dues revenue and provide a service or benefit to association members.

Paula Currie

*Director of Member Services and Events*

[paulac@acwa.com](mailto:paulac@acwa.com)

**Communications Committee – Standing/Limited (40 maximum)**

Meetings: 4 times a year

The Communications Committee develops and recommends to the Board of Directors and staff best practices regarding communications and public affairs programs. The committee promotes sound public information and education programs and practices among member agencies. It also prepares and distributes materials for use by member agencies in their local outreach efforts and provides guidance to ACWA's Communications Department.

Lisa Lien-Mager

*Director of Communications*

[lislam@acwa.com](mailto:lislam@acwa.com)

**Energy Committee – Standing/Unlimited**

Meetings: 2 times a year

The Energy Committee develops and recommends to the Board of Directors, the State Legislative Committee and the Federal Affairs Committee policies and programs regarding the water-energy nexus.

Rebecca Franklin

*Senior Regulatory Advocate*

[Rebeccafr@acwa.com](mailto:Rebeccafr@acwa.com)

**Federal Affairs Committee – Standing/Limited (5 Per Region)**

Meetings: 2 times a year

The Federal Affairs Committee coordinates with other ACWA committees regarding input and recommendations on federal legislation and other issues before both Congress and the federal administrative branches.

David Reynolds

*Director of Federal Affairs*

[direyns@ssso.org](mailto:direyns@ssso.org)

**Finance Committee – Standing/Limited (2 Per Region – 1 Region Chair or Vice Chair; 1 with financial experience)**

Meetings: 4-5 times a year

The Finance Committee develops and recommends to the Board of Directors policies and procedures related to annual budgets, investment strategies, annual audits and auditor selection, dues formula and schedule, and other financial matters.

Fili Gonzales

*Director of Finance & Business Services*

[filig@acwa.com](mailto:filig@acwa.com)

**Groundwater Committee – Standing/Unlimited**

Meetings: 4 times a year

The Groundwater Committee develops and recommends to the Board of Directors policies and programs regarding groundwater issues. The committee monitors state and federal regulations and legislation affecting the quality and management of groundwater, conducts studies and gathers data on groundwater issues, develops policies regarding groundwater management and coordinates with other committees on groundwater issues.

Dave Bolland

*Director of State Regulatory Relations*

[daveb@acwa.com](mailto:daveb@acwa.com)



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### **Legal Affairs Committee – Standing/Limited (45 Maximum)**

*Meetings: 11 times a year*

The Legal Affairs Committee acts on requests for assistance on legal matters of significance to ACWA member agencies. The committee reviews proposed ACWA bylaw revisions and works with staff to produce publications to assist member agencies in complying with state and federal laws. The committee also files amicus curiae filings on important cases, comments on proposed regulations and guidelines of state agencies such as the Fair Political Practices Commission and monitors and engages in water rights waters of interest to member agencies.

*\*The committee shall be composed of attorneys, each of whom shall be, or act as, counsel for a member of the Association.*

**Whitnie Wiley**

*Senior Legislative  
Advocate*

[whitnie@acwa.com](mailto:whitnie@acwa.com)

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### **Local Government Committee – Standing/Limited (3 Per Region)**

*Meetings: 4 times a year*

The Local Government Committee develops and recommends to the Board of Directors and the State Legislative Committee policies regarding local government matters affecting water agencies, including planning issues, local government organization, and finance. The committee also gathers and disseminates information on the value of special districts, and shares information promoting excellence in local government service delivery.

**Wendy Ridderbusch**

*Director of State  
Legislative Relations*

[wendyr@acwa.com](mailto:wendyr@acwa.com)

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### **Membership Committee – Standing/unlimited**

*Meetings: 2 times a year*

The Membership Committee develops and recommends to the Board of Directors policies regarding membership, eligibility and applications for membership. The committee also assists staff in developing membership recruitment and retention programs and reviews and makes recommendations to the Finance Committee regarding an equitable dues structure.

**Tiffany Giammona**

*Member Services  
Group Manager*

[tiffanyg@acwa.com](mailto:tiffanyg@acwa.com)

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### **State Legislative Committee – Standing/Limited (4 Per Region)**

*Meetings: 10-12 times a year*

The State Legislative Committee sets official state legislative policy positions on behalf of the association. The committee reviews relevant legislation, develops advocacy strategies and makes recommendations to the Board of Directors on ballot measures and other major statewide policy issues. The committee also works with staff on legislative amendments and provides direction on legislative matters.

**Wendy Ridderbusch**

*Director of State  
Legislative Relations*

[wendyr@acwa.com](mailto:wendyr@acwa.com)

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### **Water Management Committee – Standing/Limited (4 Per Region)**

*Meetings: 4 times a year*

The Water Management Committee develops and recommends to the Board of Directors policies and programs regarding water management. The committee reviews and recommends positions on legislation and regulations as requested by other committees. The committee also assists in gathering and disseminating information regarding agricultural and urban water management, water conservation and water use efficiency, development and use of water resources, wastewater treatment and water recycling and reuse.

**Dave Bolland**

*Director of State  
Regulatory Relations*

[daveb@acwa.com](mailto:daveb@acwa.com)

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### **Water Quality Committee – Standing/Unlimited**

*Meetings: 4 times a year*

The Water Quality Committee develops and recommends to the Board of Directors, the State Legislative Committee and the Federal Affairs Committee policies and programs regarding water quality issues. The committee promotes cost-effective state and federal water quality regulations and provides a forum for members to work together to develop and present unified comments on water quality regulations. The committee also develops and recommends positions and testimony on water quality regulatory issues.

**Rebecca Franklin**

*Senior Regulatory  
Advocate*

[Rebeccafr@acwa.com](mailto:Rebeccafr@acwa.com)



### Agenda Item: 23

**Date:** July 25, 2017

**Subject:** Improvements From Hiring of New Positions in Meter Preventive Maintenance Program

**Staff Contact:** James Arenz, Operations Manager

The District’s Board of Directors approved adding one additional Distribution Operator I (DOI) position for the Field Services Department in CY2016 and approved adding a second additional DOI position in CY2017. Staff wanted to present statistics to show the positive impact these additional positions have had within the Meter Preventive Maintenance (PM) Program (Program).

To ensure District customers are billed fairly and correctly, it is of the utmost importance that the District’s meters are operating properly and registering accurately. This can only be accomplished with a focused effort on testing, repair, rebuilding, and replacement of these meters at regularly scheduled intervals.

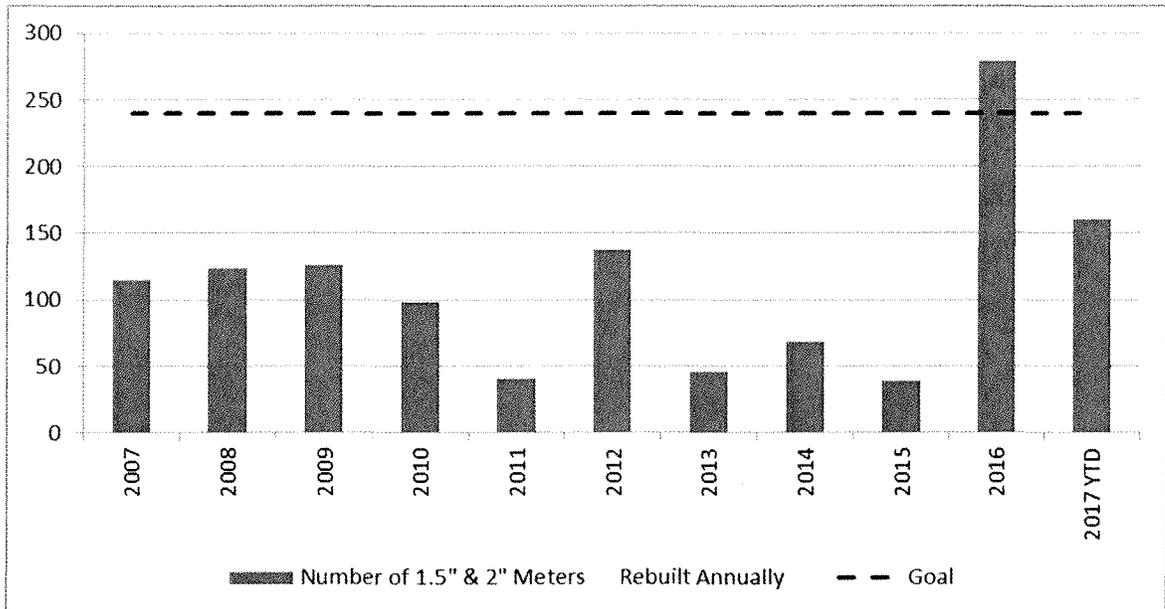
The Meter Asset Management Plan (AMP) outlines the following PM schedule:

- All 1.5” and 2” meters will be rebuilt every ten years. With nearly 2,400 of these meters in the system the goal is to rebuild 240 meters each year. Table 1 and its associated graph show the actual number of 1.5” and 2” meters that have been rebuilt each year since 2007:

Table 1

Year	Number of 1.5" & 2" Meters Rebuilt Annually
2007	115
2008	124
2009	126
2010	98
2011	41
2012	138
2013	46
2014	69
2015	39
2016	279
2017 (YTD July)	160 (67% Complete)

Graph 1

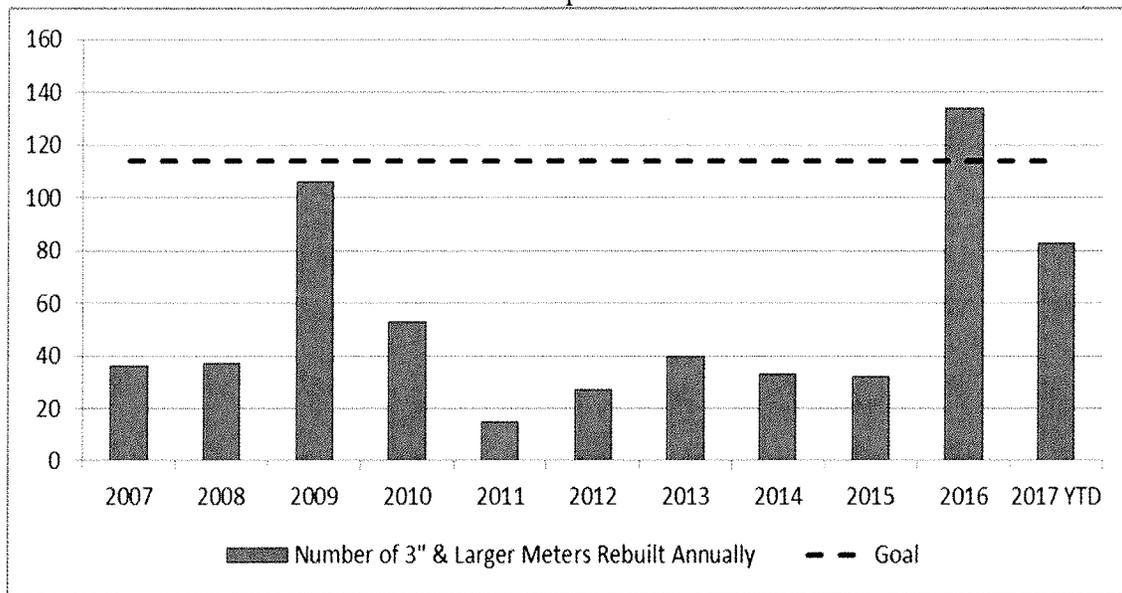


- All 3” and 4” meters will be tested every 5 years, all 6” or larger meters will be tested annually and both will be rebuilt if the meters are operating outside AWWA standards. To meet the guideline of the Meter AMP, the goal is to test 114 total large meters annually. Table 1 and its associated graph show the actual number of 3” and larger meters that have been tested each year since 2007:

Table 2

Year	Number of 3" & Larger Meters Rebuilt Annually
2007	36
2008	37
2009	106
2010	53
2011	15
2012	27
2013	40
2014	33
2015	32
2016	134
2017 (YTD July)	83 (73% Complete)

Graph 2



With the addition of one full-time staff member to the Department, along with shifting department priorities to ensure the Program was fully staffed for the majority of the year, the Meter PM goals were met for the first time in 2016. In 2017, with the addition of the second full-time employee, staff fully anticipates that the PM goals will again be fully met by year's end.

In addition to meeting the PM goals in 2017, the two staff members assigned to the Program are scheduled to replace approximately 1,000 small meters that have outlived their useful life, a task outsourced in previous years. The lowest contractor cost for the replacement of small meters on the 2017 Water Service Agreement is \$150.00 per meter. Therefore, having staff replace these 1,000 meters rather than an outsourced contractor represents a savings to the District of approximately \$150,000. This figure does not take into consideration the actual labor and equipment costs that will be incurred by the District for this project, but staff is confident the per meter cost will be substantially less than \$150.

This Program benefits District customers as regularly scheduled meter maintenance and/or replacement offers each customer confidence that their meter is accurately accounting for the water that passes through their meter and that each customer is being billed fairly and correctly.



## Agenda Item: 24

**Date:** July 31, 2017

**Subject:** Long-Term Water Conservation 2017 Legislation Update

**Staff Contact:** Robert Roscoe, General Manager

As the recent historic drought in California was winding down, Governor Brown declared his intent to make water use efficiency a ‘way of life’ in California. During the drought, the Governor’s emergency declarations gave broad authority to the State Water Resources Control Board (SWRCB) to mandate reductions in water use, and the approach taken was to set emergency statewide standards irrespective of climate differences, development density differences, or prior agency investments in drought-proofing and local water supply reliability. While the vast majority of water purveyors in the state, including Sacramento Suburban Water District (District), met their mandated conservation goals, many water industry professionals do not believe the emergency powers granted in response to the recent drought and the SWRCB’s emergency regulations should serve as a good example of how to establish workable long-term conservation regulations.

The Regional Water Authority with their new legislative/lobbying staff, Adam Robin, has positioned themselves at the forefront in framing the long-term conservation legislation and subsequent regulations. RWA, together with Irvine Ranch Water District have co-sponsored AB 1654 with Assembly Member Rubio. This bill has received broad statewide support from water purveyors, but did not pass out of the second house as drafted before the legislative summer recess.

Following the summer recess, the state legislature will reconvene on August 21, 2017. Prior to adjourning for recess, late action was taken on several water conservation-related bills, including AB 1654, with the apparent attempt to allow reconciliation of bill language before the end of session.

On July 11, 2017 the Senate Natural Resources and Water Committee passed a stripped-down version of AB 1654 (Rubio), the Regional Water Authority (RWA) co-authored bill. But the Committee also passed a competing version of AB 1668 (Friedman), which was opposed by the District, RWA and ACWA. The two bills take very different approaches to establishing long term conservation standards for California. AB 1654 allows purveyor flexibility in establishing conservation standards based on local conditions and prior investments in water supply reliability, and leaves legislative oversight in place. AB 1668 takes a more top-down approach, granting extraordinary power to the State Water Resources Control Board to set one-size-fits-all

future standards without legislative oversight or consideration of local conditions including prior local investments in ensuring water supply reliability.

The current objective is to amend the bills during the recess to incorporate input from the Senate, Assembly, Brown Administration and stakeholder groups, with the desired outcome of arriving at common bill language. The committee also passed AB 1323 (Weber) as a fallback option, if consensus cannot be reached this session. The District did not have a position on AB 1323 as of July 2017, as it principally contained intent-only language.

The three bills now advance to the Senate Appropriations Committee, with a hearing expected sometime after the Legislature reconvenes on August 21, 2017.

Subsequent to the Senate Natural Resources and Water Committee hearing, SB 606, a bill that previously dealt with tax exemptions for improvements to the Los Angeles Coliseum, was gutted and amended on July 13, 2017 to include intent language regarding making conservation a California way of life. Senators Skinner and Hertzberg now author SB 606. Senator Hertzberg chairs the Senate Natural Resources and Water Committee.

The three Assembly bills plus SB 606 are now considered the most likely vehicles for the ultimate long-term conservation legislative package.

Prior to the legislative recess, ACWA, with significant drafting help from RWA, authored a coalition letter supported by water and business interests, to help frame the key policy issues and advance remaining policy discussions regarding state adoption of long-term water conservation legislation. The District joined that letter, ultimately signed by 112 statewide water and business organizations. A copy of the coalition letter is attached. This letter summarizes the policy approach supported by the District for making water conservation a 'way of life' in California.

# EXHIBIT 1

July 21, 2017

The Honorable Robert M. Hertzberg  
Chairman, Senate Committee on Natural Resources and Water  
State Capitol, Room 5046  
Sacramento, CA 95814

**Re: Comments of Water Suppliers and the Business Community on Legislation Necessary to Help with “Making Water Conservation a California Way of Life”**

Dear Chairman Hertzberg:

On behalf of the 112 undersigned organizations, we are responding to your request at the July 11, 2017, hearing of the Senate Committee on Natural Resources and Water that stakeholders submit their written comments and perspectives on the Committee’s stated intent to “enact legislation necessary to help make water conservation a California way of life.”

Since January 2017, many of the undersigned organizations have been engaged in the development of legislation to implement the vision of the Governor’s framework for “Making Water Conservation a California Way of Life.” To that end, the water community undertook a nearly four-month process to develop a comprehensive, consensus-based approach to ensure continued improvement in long-term urban water use efficiency while strengthening drought preparedness and water shortage response. That approach was put forth in AB 968 and AB 1654, authored by Assembly Member Blanca Rubio (D-West Covina).

AB 968 and AB 1654 were developed with input from dozens of water agencies committed to developing and implementing balanced approaches to water management that include demand reduction through improvements in water efficiency, continued development of resilient water supplies, and preparation for inevitable future droughts. This balanced approach is consistent with Governor Brown’s comprehensive California Water Action Plan.

AB 968 and AB 1654 were also consistent with the framework’s policy objectives of establishing new water use targets for urban retail water suppliers and enhancing drought planning, preparation, and reporting requirements. In addition to promoting these sound water policy goals, these two bills preserved local authority — where experience, expertise and customer relationships are maintained — and balanced the need to improve water use efficiency and further develop drought-resilient water supplies. ***We believe maintaining legislative oversight and local authority must be paramount as the state develops and implements new policies intended to enhance water use efficiency and water shortage planning requirements.***

AB 968 and AB 1654 were supported by more than 100 entities, including water suppliers, cities and counties, business groups and associations. The two-bill package garnered broad-based support because it was guided by the following principles, which should be the foundation for any legislation enacted for “Making Water Conservation a California Way of Life.”

### **Policy Principles Related to Long-Term Water Use Efficiency and Drought Planning**

#### **Long-Term Water Use Efficiency:**

1. Preserve the Legislature's authority over long-term water use efficiency target setting. State agencies should **not** be granted the authority to set and revise water use efficiency targets. Commercial, industrial, and institutional (CII) performance measures must be determined by a broad stakeholder task force and not state agencies.
2. Ensure that any water use efficiency target setting approach is flexible to account for the diversity among California's communities and the urban retail water suppliers that serve them. Legislation must include alternative pathways or functional equivalents to compliance, variances, and criteria for the data to be collected.
3. Protect water rights and preserve a water supplier's ability to use water it has a right to access.
4. Protect and create incentives for the further development of potable reuse and recycled water.
5. Provide for appropriate, progressive enforcement authority that accounts for urban retail water suppliers' authorities and responsibilities relative to their customers. The focus should be on corrective action instead of cease-and-desist orders.

#### **Shortage Response Planning:**

6. Preserve local decision-making to determine actions to avoid or mitigate shortages. The state should not dictate what actions are to be taken at any stage or specific actions that must be included in a water shortage contingency analysis.
7. Preserve and encourage investments in resilient water supplies. Potable reuse, recycled water, and desalination should all be considered fully reliable.
8. Ensure that annual water supply and demand assessments are based on and accurately reflect local conditions.
9. Maintain the existing legislative intent and challenge period for urban water management plans.
10. Recognize that energy use is only one aspect of water supply planning.

### **Proposed Goals for the Legislation**

The water, city and county, and business communities support the goal of making water conservation a California way of life, but the Administration and the Legislature have yet to

define the means to accomplish this goal. We recommend that legislation be designed to accomplish two objectives: 1) improve urban water use efficiency, and 2) identify demand management and supply augmentation measures that urban retail water suppliers will utilize to address water supply shortages. Improvements in urban water use efficiency should be measured at the urban retail water supplier level based on water use that is considered reasonable and efficient. The legislation should have a goal of reducing the wasteful use of water rather than seeking to reduce the total volume of water served for uses that are reasonable and efficient.

The legislation should also ensure that urban water suppliers engage in drought planning that better prepares them to respond to drought and other water shortages. Any legislation modifying urban water management plans and water shortage contingency analysis requirements should result in usable documents for the supplier and not simply a compilation of hypothetical modeling or academic analyses. The legislation should also consider the benefits and burdens of mandatory reporting requirements placed on urban water suppliers.

#### **Detailed Discussion on Long-Term Water Use Efficiency and Drought Planning**

- 1. Preserve the Legislature's authority over long-term water use efficiency target setting. State agencies should not be granted the authority to set and revise water use efficiency targets. Commercial, industrial, and institutional (CII) performance measures must be determined by a broad stakeholder task force and not state agencies.**

California can and should enact legislation establishing new long-term aggregated targets and standards for water use efficiency at the retail agency level that assign appropriate roles for the Legislature, state agencies and urban retail water suppliers. Toward this end, and substantially mirroring the process enacted within the Sustainable Groundwater Management Act and within the Renewable Portfolio Standards policy area:

- The Legislature should establish, in statute, the standards for reasonable and efficient urban water use, and the target formula(s) by which retail agency-level water use efficiency will be measured;
- State agencies should develop guidance and adopt regulations necessary to implement the target formula(s), and provide technical and financial assistance to local urban retail water suppliers; and
- Urban retail water suppliers should have responsibility for using state-provided data and/or local data, if it is of comparable or better quality, to calculate a water use efficiency target that is consistent with state law and that accounts for unique local conditions. An urban retail water supplier also should have responsibility for taking actions within its control to meet its water use efficiency target.

Future revisions to the long-term aggregated targets and standards for water use efficiency at the retail agency level should have a technical or scientific basis that justifies a change in the efficiency standard. State agencies should have responsibility for making recommendations to the Legislature on appropriate updates to the efficiency standards every five years after engaging urban stakeholders and soliciting public input. State agencies also should be required to engage urban stakeholders and solicit public input regarding implementation of the long-term water use efficiency targets given that there likely will be technical issues related to the calculation of and compliance with the targets that will need to be resolved with stakeholders input.

Additionally, the long-term water use efficiency target should not include volumetric targets for the commercial, industrial and institutional (CII) water use sectors. Instead, the water use efficiency approach taken with CII should be the implementation of performance measures designed to promote the efficient use of water. These performance measures, reflecting best management practices, should be developed in conjunction with stakeholders to ensure that the measures are cost-effective, and support California's economic productivity. Stakeholders must play a meaningful role in the development of the performance measures as well as the thresholds for implementation.

Arguments in Support:

The Administration and others have proposed that the State Water Resources Control Board should be granted unlimited authority to set standards for urban water use, including setting standards for indoor residential water use, outdoor irrigation, and CII water uses. However, giving full control of future water efficiency target setting to any state agency risks negative impacts to California's economy, business climate, and quality of life. Furthermore, as written in the introduction to the California Water Action Plan, "To be sustainable, solutions [to management of California's water resources] must strike a balance between the need to provide for public health and safety (e.g., safe drinking water, clean rivers and beaches, flood protection), protect the environment, and support a stable California economy." Additionally, as California moves toward greater water use efficiency, it should be noted that improving water use efficiency may increase costs and reduce water system revenues. The upward pressure on water rates and impact on affordability of water must be considered.

Only the Legislature can balance California's many competing policy goals and priorities, and represent all Californians in determining how water should be used within our urban communities. State agencies should not be granted the unfettered authority to set and revise water use targets.

- 2. Ensure that any water use efficiency target setting approach is flexible to account for the diversity among California's communities and the urban retail water suppliers that serve them. Legislation must include alternative pathways or functional equivalents to compliance, variances, and criteria for the data to be collected.**

Legislation on urban water use efficiency can build on the success of California's "20% by 2020" law by recognizing the diversity that exists among California's many unique urban communities

and more than 400 urban retail water suppliers. Before the Legislature establishes water use efficiency targets based on any single method, including water budgets, that method must be proven to be reliable, broadly applicable, and adaptable to different community characteristics and conditions throughout the state. AB 968 would have accomplished this by providing three clearly defined, codified options for calculating the water use efficiency target. Each option would have allowed water suppliers to calculate a water use efficiency target using existing processes and programs while acknowledging the state's hydrologic, geographic, climatic, and economic diversity.

The Legislature should consider the following, depending on the method(s) chosen for calculating water use efficiency targets:

- If one method is chosen for setting water use efficiency targets, alternative pathways or functional equivalents to compliance should be permitted where the calculation of the water use efficiency target under the chosen method is technically, economically or administratively infeasible.
- If a data-intensive method, such as a retail-level water budget, is chosen as the sole method for calculating an urban retail water supplier's water use efficiency target, the Department of Water Resources should be responsible for providing urban retail water suppliers with accurate data necessary to calculate each urban retail water supplier's water efficiency target.<sup>1</sup>
- The legislation must provide for variances that account for unique community attributes and situations.

Arguments in Support:

Calculating retail-level water use efficiency targets using a "one-size fits all" methodology will likely be challenging for a number of technical, economic or administrative reasons. Providing flexibility can aid in the statewide implementation of water use efficiency targets, and can appropriately balance the benefits and resource requirements of the chosen method(s).

If a water budget approach is selected, the Department of Water Resources should provide to urban retail water suppliers, in electronic form, a database of validated aerial imagery and measured irrigable area needed to calculate a water use efficiency target for compliance. The state should provide this data because most urban retail water suppliers do not have it, nor the resources and expertise required to collect the large amount of data necessary to calculate a water use efficiency target using a water budget approach. Those water suppliers that develop

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<sup>1</sup> It is important to note that for a water budget approach, as proposed by the Administration, valid data is needed to establish equitable budgets. Time is needed to acquire accurate data, verify data and implement the budget. At a minimum, basic retail-level water budgets will require accurate information on irrigable area, population data, and adjustments or variances to account for unique local circumstances. While aerial imagery and technological advances have improved the ability to calculate landscape measurements, they are not perfect and a number of challenges remain. In many situations, fieldwork will be necessary to confirm the data. More complex water budgets require additional data related to parcel characteristics or development date, type of water served and customer type.

the necessary data locally should be afforded the opportunity to use their own data if its accuracy can be demonstrated.

Independent of the selected approach, flexibility in the form of variances is imperative so that unique community factors and the water associated with those uses are given consideration in the water use efficiency target setting process. Water use due to unique factors can be valid, appropriate, and often efficient uses of water within California's urban communities. For example, urban water use for livestock, agriculture, evaporative coolers, significant seasonal and transient population increases, construction, vegetation irrigated for fire protection purposes, and environmental protection are legitimate uses that would not be captured under the water budget methodology that has been proposed by the Administration. A variance process would allow these unique local uses to be accommodated. Standardized variances also are an integral component of establishing equitable, accurate water use efficiency targets, and are needed to ensure urban retail water suppliers account for similar uses in a consistent manner.

**3. Protect water rights and preserve a water supplier's ability to use water it has a right to access.**

By securing and defending water rights an urban water supplier can plan for and manage water supplies to meet current and projected demands. Because legislation related to urban water use efficiency has the potential to impact an urban supplier's access to water, legislation in this policy area must expressly provide that **it does not**:

- Alter or affect existing water rights or the full exercise of those rights;
- Modify the authority of any state agency to adjudicate, alter or make a decision related to water rights;
- Permit a state agency to condition any changes to a water right or water-right permits or licenses based on the legislation;
- Permit a state agency or a court to reduce an urban water supplier's discretion to determine the timing and use of its available water supplies; or
- Affect or limit an urban water supplier's right to water conserved or waived through reuse.

Furthermore, the establishment and enforcement of urban water use efficiency targets should not result in stranded water system assets or undermine the financial condition of water suppliers that have invested ratepayer revenue, and in certain cases, state grants and loans, to develop a reliable water supply.

**Arguments in Support:**

Under California law, water rights are a property right. Without the protection of that right and the preservation of Water Code Section 1011, which provides that water saved and not used as

a result of water conservation efforts may be transferred, legislation related to urban water use efficiency targets may have the unintended consequence of impacting water rights and result in a regulatory taking under the Constitution. By expressly protecting water rights and access to water, and by preserving the full applicability of Section 1011 to water saved under any new target setting approach, the legislation would avoid this consequence and enhance the availability of saved water to be put to beneficial use. The Legislature and state agencies also should consider how current barriers to the voluntary transfer of conserved water could be removed.

**4. Protect and create incentives for the further development of potable reuse and recycled water.**

Drought-resilient supplies, such as recycled water, potable reuse, desalination, and stormwater, are key components of the state's water supply portfolio. As has been widely acknowledged, California needs to continue investing in these types of supplies as a means to increase water supply reliability and diversification within the state, to reduce reliance on the Delta for future water supplies, to reduce greenhouse gas emissions where applicable, and to recharge groundwater basins. The state must continue on a path toward greater investment in drought resiliency. At minimum, local investments in water recycling should be recognized as part of any water use efficiency legislation, and long-term targets and standards for water use efficiency should protect existing local investments made by urban water suppliers in resilient supplies.

Targets and standards should include a credit and consideration for all types of drought-resilient supplies, and should include the following provisions related to recycled water:

- If an outdoor irrigation standard is set, landscapes irrigated with recycled water should be given a special landscape allowance as set forth in the Model Water Efficient Landscape Ordinance and an evapotranspiration factor of 1.0;
- A variance to the 1.0 evapotranspiration factor should be included where additional recycled water use is necessary to protect and sustain landscaping due to recycled water quality, ambient soil conditions or adverse drainage. A higher level of use should also be allowed when needed to avoid the stranding of recycled water assets, for the application of water to agriculture, or due to other relevant factors;
- An urban retail water supplier should receive a credit for the volume of its recycled water supply that is served for potable uses up to the volume needed, on an acre-foot basis, to meet its water efficiency target;
- Prior to recommending an indoor residential water use efficiency standard of less than 55 gallons per capita daily, state agencies should be required to evaluate and report to the Legislature on the anticipated impacts that the combined reductions in indoor residential and CII water use would have on existing wastewater and recycling/reuse supply, infrastructure and operations.

Arguments in Support:

By its very nature, water recycling reuses wastewater, which would otherwise be disposed of, for beneficial uses and offsets dependence on other sources of supply. Under an urban water use efficiency framework, the quantity of wastewater that is available for recycling already has been subjected to conservation and efficient water use because it is derived from the potable water used within an urban community. Further restricting its use will serve as a disincentive for continued local investment in these types of supplies and could result in recycled water not being put to beneficial potable and non-potable reuse. In fact, if storage is not available, water suppliers could be forced to release recycled water to the ocean or to forego advanced treatment and simply discharge treated wastewater.

Moreover, the approach outlined above recognizes that the application of recycled water in landscape irrigation is already extensively regulated, ensuring its efficient use. The provisions outlined above promote water use efficiency through greater water reuse in California and protect local investments in water recycling.

**5. Provide for appropriate, progressive enforcement authority that accounts for an urban retail water supplier's authorities and responsibilities relative to their customers. The focus should be on corrective action instead of cease-and-desist orders.**

Water suppliers are responsible for ensuring that the communities they serve have access to safe and reliable water. As stewards of their communities' water resources, water suppliers have taken and will continue to take the appropriate actions to encourage greater water use efficiency within their service areas. Water suppliers, however, do not have the ability to directly control their customers' behaviors relative to water use; instead, water suppliers must cultivate relationships with their customers through a wide variety of locally appropriate incentives and disincentives and communication activities to achieve greater water use efficiency.

The creation of new, punitive enforcement authorities targeting local water suppliers is not appropriate to achieve greater water use efficiency. For example, granting state agencies cease-and-desist authority to compel compliance with water use standards is very problematic. When taken to the extreme, such authority could be used to compel a water supplier to cease delivery of water to its customers, which an urban retail water supplier cannot do legally except for nonpayment. Cease-and-desist powers in this context are inappropriate.

Instead, the legislation should authorize the provision of state agency resources that focus on the goal of eliminating the waste of water within communities. This approach would include notices of noncompliance that provide a time to cure. The legislation should enact enforcement provisions that:

- Grant progressive enforcement authority to the State Water Board, beginning with informational orders, then written notices of noncompliance and ultimately potential civil liability;

- Require that within 90 days of receiving a notice of noncompliance for failing to meet its water efficiency target, an urban retail water supplier must identify additional actions to be taken to encourage users to increase water use efficiency. The supplier also should be required to submit a comprehensive remedial plan detailing the additional steps it will take to the State Water Board for approval;
- Provide for an urban retail water supplier to face potential civil liability for failure to implement the steps identified in an approved remedial plan; and
- Recognize that an urban retail water supplier may take all reasonable and appropriate steps, yet still fail to meet its target.

Arguments in Support:

State agencies should work to cultivate relationships with water suppliers in the same way water suppliers must cultivate relationships with their customers. The state's approach to the enforcement of any new water use efficiency targets should emphasize a technical assistance and information-sharing role for state agencies. Providing state agencies with the ability to issue informational orders as local water suppliers work to achieve water use targets is appropriate. Additionally, providing state agencies with the ability to ensure that reporting and other requirements are satisfied is appropriate. In all cases, however, local water suppliers must retain control over the actions required to meet water use efficiency targets to ensure that they are locally appropriate.

**Detailed Discussion on Shortage Response Planning**

- 6. Preserve local decision-making to determine actions to avoid or mitigate shortages. The state should not dictate what actions are to be taken at any stage or specific actions that must be included in a water shortage contingency analysis.**

Water agencies agree that smart, thoughtful enhancements to the state's shortage response planning laws can make California more drought resilient. However, urban water suppliers must retain the authority and responsibility to establish and implement the appropriate drought response actions for their community.

This is consistent with one of the primary objectives for strengthening water shortage contingency planning contained in the Administration's "Making Water Conservation a California Way of Life" framework. The objective of strengthened drought planning should be to provide the state with information necessary to evaluate specific urban supplier responses to drought conditions in order to allow focused attention where necessary and forestall overarching mandates that may conflict with existing adequate local plans and policies.

Rather than specify the specific shortage level(s) and actions each urban water supplier should plan and implement, urban water suppliers should:

- Describe and analyze the reliability of their water supplies in greater detail within their Urban Water Management Plans, and be required to assess the vulnerability of those supplies to seasonal or climatic shortage based on the five consecutive driest years that the supplier has experienced, unless a shorter multiple-year period would more severely impact supplies;
- Include more specific elements within their water shortage contingency analysis to ensure that the plans are usable documents that will aid the supplier in responding to a water shortage;
- Retain authority to determine when to declare a shortage emergency declaration;
- Have flexibility to take reasonable alternative actions not included in their water shortage contingency plan to act in real time based on real conditions they are experiencing; and
- Report annually on water supply availability to meet demands, allowing the state agencies to consider the results of the annual assessments (e.g., drought response actions and level) prior to adopting any statewide emergency conservation regulations.

In addition, urban water suppliers should be able to decide actions that are necessary before a shortage is declared to avoid or mitigate shortage impacts to their customers. Urban water suppliers must be able to factor in all water supplies, including supply augmentation, in calculating the suppliers' shortage level.

Arguments in Support:

Effective drought response will occur only when urban water suppliers retain local control to establish and implement the shortage response actions and levels best suited for their communities and local supply conditions. We have a diverse state with no two communities being the same; a "one-size-fits-all" approach does not work while still trying to ensure that Urban Water Management Plans and water shortage contingency plans/analysis are usable documents for the supplier and not simply a compilation of hypothetical or academic analyses.

The Public Policy Institute of California, in evaluating the response to California's multi-year drought, concluded that most water suppliers were prepared and that the mandatory conservation requirements imposed under emergency regulations were a "blunt instrument." Legislation should ensure that all water suppliers are prepared in the future, that this preparedness is well documented, that the state has necessary information on an annual basis to take appropriate and targeted actions, and that any future emergency conservation regulations shall consider this information.

**7. Preserve and encourage investments in resilient water supplies. Potable reuse, recycled water, and desalination should all be considered fully reliable.**

Many water suppliers have invested in resilient water supplies to ensure that they are able to meet customer demands during times of shortage. Water suppliers make financial and

operational planning decisions based on the availability of those resilient supplies during drought conditions.

Consistent with the approach suggested by the State Water Board and the Department of Water Resources, the legislation should enact better drought planning and preparation and allow local agencies to carry out those plans, if they are complying with the enhanced requirements, and should encourage investments in resilient supplies to ensure California is better prepared to weather the next drought. Additionally, potable reuse, recycled water, and desalination should all be considered fully reliable.

Enhanced planning requirements should be complemented by policies that encourage greater local investment in resilient supplies and protect a water supplier's ability to depend on those supplies during a shortage. Toward this end, the legislation should expressly provide that:

- During a statewide drought, local drought, or water shortage, an urban water supplier shall not be required to reduce its use or reliance on any water supply available for its use and identified in its urban water management plan, or be required to take additional actions beyond those specified in its water shortage contingency plan for the level of shortage that is anticipated in the annual assessment report or the level of shortage that it is currently experiencing, whichever is greater.

Arguments in Support:

There must be a balanced approach of long-term water use efficiency combined with development of drought-resilient supplies if California is to effectively manage future droughts. The governing bodies of urban water suppliers will be reluctant to invest in alternative local supplies without some certainty that they can use the supplies created through the investments of their ratepayers. In its recommendations on fostering water system flexibility and integration, the June 2017 Public Policy Institute of California report titled, "Building Drought Resilience in California's Cities and Suburbs," summarized the impact of not taking a balanced approach best:

*"Perhaps more importantly, the state's response to this drought created new uncertainties for local suppliers regarding their investments in drought-resilient supplies, because of concerns that these investments will not be utilized if the state again mandates conservation beyond what is locally needed... This type of uncertainty is very detrimental to planning for the next drought, and it highlights the importance of the state and local suppliers getting on the same page."*

**8. Ensure that annual water supply and demand assessments are based on and accurately reflect local conditions.**

The recent drought highlighted the value of readily available information regarding the steps that individual water suppliers can and will take to respond to drought conditions. While many water suppliers demonstrated high levels of resiliency during the recent drought — as a result of adequate planning, preparation, and investment — state law does not currently require annual reporting of local water supply conditions to the state. Reporting of this information each year will allow the relevant state agencies to better identify water suppliers that are experiencing

actual water shortages, as well as understand which suppliers are well prepared to deal with drought conditions.

Annual supply and demand assessments can provide state agencies and the Legislature with valuable information on local supply conditions throughout California. The assessments can also provide the public essential information on the status of their local supply conditions. Critical to the success of these reports, however, is that they be based on the actual hydrologic conditions occurring in the year the report is being submitted and made public. The annual report should not require projections for future years and should not be based on hypothetical dry year scenarios.

The legislation should provide that:

- By June 15 of each year, an urban retail water supplier shall report to the Department of Water Resources the status of its water supplies for that year, considering hydrologic conditions in the current year, and whether the supplies will be adequate to meet projected customer demands over the next 12 months;
- If a supply shortage is projected or exists in its service area, the supplier would be required to implement the appropriate responses described in its water shortage contingency analysis and provide monthly reports to the Department of Water Resources on how the supplier is implementing its plan; and
- The monthly reporting would be required to continue until the supplier finds that it is able to meet customer demand over the next 12 months without continued implementation of its water shortage plans.

Arguments in Support:

By enacting this approach, the state will be able to ensure local suppliers are taking appropriate actions during times of shortage. A targeted state response is more effective than statewide emergency mandates because it focuses state resources where they are needed.

Urban water suppliers must have the support and trust of their customers to be successful in making the necessary investments in supplies and infrastructure and for them to take the necessary demand reduction measures during droughts. A critical aspect to maintaining that trust is that the annual assessments prepared by the urban water suppliers be based on the actual local supply situation and current hydrologic conditions. The reports cannot create unnecessary uncertainties regarding the availability of supplies. The reports need only capture the current year, because they will be submitted annually to provide an accurate “snapshot” of supply conditions. The Urban Water Management Plan, updated every five years, requires the agencies to conduct a dry year assessment that covers a multiple dry-year scenario, and should not be repeated annually.

**9. Maintain the existing legislative intent and challenge period for Urban Water Management Plans.**

Under the Urban Water Management Planning Act, the legislative intent governing that act states that:

*“This part is intended to provide assistance to water agencies in carrying out their long-term resource planning responsibilities to ensure adequate water supplies to meet existing and future demands for water.”* (California Water Code §10610.2(c).)

The intent of the act is for the planning process to be an effective tool for urban water suppliers to evaluate supply reliability based on their unique local conditions. This approach is important because it helps ensure that the planning process is useful and not merely an academic exercise. As a result, this approach must be maintained.

Because urban water management plans are designed to be useful, practical documents to aid in long-term water resource planning and to help suppliers ensure that they have adequate water supplies to meet existing and future water demands, land use planning decisions rely on the plans. As a result, the California Water Code requires that challenges to the plans must be brought within 90 days after the plan has been submitted to the state. (California Water Code §10650.) Like other 90-day challenge periods in code, this gives local agencies certainty as to whether the plan can be relied upon.

Several proposals related to the shortage response planning provisions contained in the “Making Water Conservation a California Way of Life” framework have suggested extending this challenge period, which would create uncertainty surrounding the validity of urban water management plans. Instead, the legislation should:

- Preserve the intent of existing law that the Urban Water Management Planning Act is a planning tool for urban water suppliers. The act should not be interpreted or used by state agencies as a regulatory framework; and
- Maintain the existing language in California Water Code Section 10650 regarding the 90-day challenge period.

Arguments in Support:

Urban water suppliers must be able to plan based on their local conditions and not be required to develop their plans based on a “one-size-fits-all” regulated process. In addition, the 90-day challenge should be maintained, because extending the challenge period could present undue legal uncertainty for urban water suppliers. A longer challenge period also creates difficulties for entities making land-use decisions — particularly relating to the construction of new housing — using urban water management plans. These plans support the preparation of required water supply assessments and verifications of sufficient water supply, as called for in the “Show-Me-the-Water” statutes.

**10. Recognize that energy use is only one aspect of water supply planning.**

The Urban Water Management Planning Act currently states that an urban water management plan may, but is not required to, include information on the amount of energy used to obtain, treat and distribute water supplies to a supplier's customers. (California Water Code § 10631.2.) Providing this data should continue to be a voluntary requirement for urban water suppliers, as negotiated with the water community when § 10631.2 was enacted, and not a mandated requirement as part of compliance with the act.

Any legislation modifying the Urban Water Management Planning Act should:

- Maintain the existing language in California Water Code § 10631.2(a) that allows urban water suppliers to voluntarily provide information on energy usage.

Arguments in Support:

Urban water suppliers consider multiple variables when making water supply investments and when determining the appropriate mix of water resources they will need to meet future demands. These factors include, but are not limited to, cost-effectiveness, growth, potential climate change impacts, availability of resources, energy use, technical feasibility and regulatory issues. With that said, the number one variable considered by urban water suppliers in supply planning is maintaining water supply reliability for the community they serve. Energy use is only one factor in water supply planning, and cannot be considered independent of other factors. Requiring the reporting of this sole factor gives it undue weight in the supply planning process and in urban water management plans. This issue was appropriately not included in the framework for "Making Water Conservation a California Way of Life," and should not be included as a part of development of this legislation.

Conclusion

We appreciate the Senate Committee on Natural Resources and Water's solicitation of stakeholder input into legislation that is consistent with the vision of the Administration's "Making Conservation a California Way of Life" framework. We support the Senate's and Assembly's commitment to engage directly with water suppliers from around the state and other stakeholders as they continue development of this important legislation.

We look forward to working with the Legislature to secure a sustainable and resilient water future that protects local authority and includes sensible approaches to improving water use efficiency and enhancing drought planning and preparation. If you have any questions regarding the comments in this letter, please do not hesitate to contact me at (916) 441-4545 or whitniew@acwa.com.

Sincerely,



Whitnie Wiley  
Senior Legislative Advocate  
Association of California Water Agencies

WW:jv

Alameda County Water District	Dublin San Ramon Services District
Amador Water Agency	East Orange County Water District
Association of California Cities - Orange County	Eastern Municipal Water District
Bay Area Water Supply and Conservation Agency	El Dorado County Water Agency
Bella Vista Water District	El Dorado Irrigation District
Calaveras County Water District	El Toro Water District
California Building Industry Association	Elk Grove Water District
California Chamber of Commerce	Elsinore Valley Municipal Water District
California League of Food Producers	Fallbrook Public Utility District
California Municipal Utilities Association	Foothill Municipal Water District
California Special Districts Association	Georgetown Divide, Public Utilities District
California Water Association	Groveland Community Services District
Calleguas Municipal Water District	Helix Water District
Camrosa Water District	Hidden Valley Lake Community Services District
Carlsbad Municipal Water District	Humboldt Bay Municipal Water District
Carmichael Water District	Humboldt Community Services District
Casitas Municipal Water District	Irvine Ranch Water District
Central Basin Municipal Water District	Jurupa Community Services District
Citrus Heights Water District	Kinneloa Irrigation District
City of Clovis	Long Beach Water Department
City of Fairfield	Malaga County Water District
City of Newport Beach	McKinleyville Community Services District
City of Oceanside	Mesa Water District
City of Poway	Modesto Irrigation District
City of Redding – Public Works Department	Mojave Water Agency
City of Roseville	Monte Vista Water District
City of Sacramento	Monterey Peninsula Water Management District
City of Tustin	Mountain Counties Water Resources Association
City of Yuba City	Murphys Sanitary District
Coachella Valley Water District	Nevada Irrigation District
Contra Costa Water District	Newhall County Water District
County of Sacramento	Olivenhain Municipal Water District
Cucamonga Valley Water District	Orange County Water District
Desert Water Agency	

Orchard Dale Water District	Scotts Valley Water District
Otay Water District	Solano Irrigation District
Padre Dam Municipal Water District	South Orange County Economic Coalition
Pasadena Water and Power	South Tahoe Public Utilities District
Placer County Water Agency	Stockton East Water District
Rainbow Municipal Water District	Suisun Solano Water Authority
Rancho California Water District	Sweetwater Authority
Rancho Murieta Community Services District	Three Valleys Municipal Water District
Reclamation District 1004	Trabuco Canyon Water District
Regional Water Authority	Tuolumne County Water Agency
Rincon del Diablo Municipal Water District	Tuolumne Utilities District
Riverside Public Utilities	Twain Harte Community Service District
Rowland Water District	Upper San Gabriel Valley Municipal Water District
Rural County Representatives of California	Utica Water and Power Authority
Sacramento Metropolitan Chamber of Commerce	Vallecitos Water District
Sacramento Suburban Water District	Valley Center Municipal Water District
San Diego County Water Authority	Vista Irrigation District
San Francisco Public Utilities Commission	Walnut Valley Water District
San Juan Water District	Western Municipal Water District
Santa Fe Irrigation District	Yorba Linda Water District
Santa Margarita Water District	Yuima Municipal Water District
	Zone 7 Water Agency

cc: The Honorable Eduardo Garcia, Chairman, Assembly Committee on Water, Parks and Wildlife  
The Honorable Nancy Skinner, Member, California State Senate  
The Honorable Laura Friedman, Member, California State Assembly  
The Honorable Blanca Rubio, Member, California State Assembly  
The Honorable Shirley Weber, Member, California State Assembly  
The Honorable Members, Senate Committee on Natural Resources and Water  
The Honorable Members, Assembly Committee on Water, Parks, and Wildlife  
The Honorable Members, Assembly Water Conservation Working Group  
Mr. Gordon Burns, Undersecretary, CalEPA  
Ms. Kim Craig, Deputy Cabinet Secretary, Office of the Governor  
Mr. Kip Lipper, Chief Policy Advisor, Office of the Senate President Pro Tem  
Mr. Alf Brandt, Senior Counsel, Office of the Assembly Speaker  
Mr. Dennis O'Connor, Principal Consultant, Senate Natural Resources and Water Committee  
Ms. Rachel Machi Wagoner, Chief Consultant, Senate Environmental Quality Committee  
Ms. Catherine Freeman, Chief Consultant, Assembly Committee on Water, Parks, and Wildlife  
Mr. Ryan Ojakian, Senior Consultant, Assembly Committee on Water, Parks, and Wildlife  
Mr. Michael Bedard, Chief of Staff, Office of Senator Robert Hertzberg  
Mr. Todd Moffitt, Consultant, Senate Republican Caucus  
Mr. Robert Spiegel, Consultant, Assembly Republican Caucus



## Agenda Item: 25

**Date:** August 15, 2017  
**Subject:** Legislative and Regulatory Update  
**Staff Contact:** Dan York, Assistant General Manager

### RWA Government Affairs Committee

The RWA Lobbyist Subscription Program Committee members continue to monitor legislative bills. Currently they are tracking 163 bills, attached to this report as Exhibit 1.

The Legislature recess began on July 21, 2017 and reconvenes on August 21, 2017.

### State

The Association of California Water Agencies (ACWA) prepared a detailed coalition letter outlining the water community's policy principles on long-term water efficiency and drought planning. The letter was submitted to the Senate Natural Resources and Water Committee on Friday, July 21, 2017 to help inform the committee's work to craft a long-term conservation package over the Legislature's summer recess. The coalition letter is based on principles developed over the past several months by ACWA's Long-Term Urban Conservation Work Group. ACWA was able to obtain over 100 signatories to the letter, attached to this report as Exhibit 2.

ACWA is also preparing a coalition letter opposing SB 623 (Monning) that is attempting to place a "public goods charge" on all municipal water bills in California. The public goods charge is anticipated to be as low as \$0.90 to as high as \$1.30 per connection, on a monthly basis. Many water districts statewide are signatories, including many local Sacramento area districts and the RWA. An email request from District staff to the Board President was generated on August 14th requesting approval to sign on to the coalition letter. The District's Board President approved the request. The draft coalition letter is attached as Exhibit 3.

The SWRCB has named Eileen Sobeck, a former head of National Oceanic and Atmospheric Administration Fisheries, as its next executive director. She replaces Tom Howard, who retired in May 2017, and will start the job after the Labor Day weekend.

Sobeck was selected after a lengthy, competitive recruitment. SWRCB officials stated that she was selected "due to her substantial managerial and environmental experience."

Ms. Sobeck has nearly 40 years of government service, and more than a decade of executive and management experience leading professional staff in complex organizations.

State Bills of Interest (2017 two year bills)

<b>Key Bills</b>	<b>Topic</b>	<b>Recommended Position</b>
a. <b>AB 12 (Cooley)</b>	Administrative Regulations	Watch
b. <b>AB 18 (Garcia, Eduardo)</b>	Clean water, climate	Support if Amended
c. <b>AB 68 (Mathis)</b>	School facilities, proximity to farms	Watch
d. <b>AB 77 (Fong)</b>	Regs: Effective Dates and review	Watch
e. <b>AB 196 (Bigelow)</b>	Greenhouse Gas Reduction Fund	Watch
f. <b>AB 247 (Garcia, Cristina)</b>	Lead Advisory Taskforce	Watch
g. <b>AB 277 (Mathis)</b>	Water-Wastewater Loan Grant Program	Watch
h. <b>AB 321 (Mathis)</b>	Groundwater Sustainability	Watch
i. <b>AB 968 (Rubio)</b>	Urban Water Use Efficiency	Support
j. <b>AB 975 (Friedman)</b>	Natural Resources: wild and scenic rivers	Oppose
k. <b>AB 1654 (Rubio)</b>	Urban Water Management Planning	Support
l. <b>AB 1667 (Friedman)</b>	Urban Water Suppliers: landscape water meters	Oppose
m. <b>AB 1668 (Friedman)</b>	Water Conservation: guidelines	Oppose
n. <b>AB 1669 (Friedman)</b>	Urban Water Use Efficiency	Oppose
o. <b>SB 5 (DeLeon)</b>	Drought, water, parks, climate	Support if Amended
p. <b>SB 80 (Salas)</b>	Environmental Quality Act: notices	Watch
q. <b>SB 146 (Wink)</b>	Water Rsrcs: Permit to operate: application proc.	Oppose
r. <b>SB 224 (Jackson)</b>	Environmental Quality Act: baseline	Oppose
s. <b>SB 229 (Wieckowski)</b>	Accessory dwelling units	Watch

- |                             |  |         |
|-----------------------------|--|---------|
| t. <b>SB 427 (Leyva)</b>    | Public Water: lead user service lines          | Oppose  |
| u. <b>SP 580 (Pan)</b>      | Wtr Dvlpmt Projects: Sac-San Joaquin Watershed | Support |
| v. <b>SB 623 (Monning)</b>  | Funding for Safe Drinking Water                | Oppose  |
| w. <b>SCA 4 (Hertzberg)</b> | Drought related drinking water projects        | Watch   |

#### **Federal Bills of Interest (113th Congress)**

- a. **HR 5781 California Emergency Drought Relief Act of 2014** - This bill was recently introduced in the House of Representatives following failure of a Senate compromise bill, pushed by Senator Feinstein, to gain sufficient support. Several Republican Congressmen Valadao, Nunes, McCarthy, McClintock, Calvert, and La Malfa were joined by central valley Democrat Costa in sponsoring the bill. HR 5781 passed the House but is not expected to pass the Senate this term. Adding bill language to a must-pass omnibus spending bill is being considered.
- b. **HR 1837 - San Joaquin Valley Water Reliability Act (Nunes)** -To address certain water-related concerns on the San Joaquin River, and for other purposes.
- c. **HR 4345 - Domestic Fuels Protection Act of 2012 (Shimkus)** - A bill to provide liability protection for claims on the design, manufacture, sale, offer for sale, introduction into commerce, or use of certain fuels and fuel additives, and for other purposes.
- d. **HR 6484 - SAFE Levee Act (Garamendi)** - To amend the Calfed Bay-Delta Authorization Act to authorize the secretary of the Interior to provide assistance to non-Federal interests for levee stability improvements located within the Sacramento- San Joaquin Delta related to Bureau of Reclamation Central Valley Project water deliveries, and for other purposes.
- e. **HR 353 – Weather Research and Forecasting Innovation Act of 2017 (Lucas)** – The District supports this bill to improve the National Oceanic and Atmospheric Administration's weather research through a focused program of investment on affordable and attainable advances in observational, computing, and modeling capabilities to support substantial improvement in weather forecasting and prediction of high impact weather events, to expand commercial opportunities for the provision of weather data, and for other purposes. The bill will allow National Oceanic and Atmospheric Administration to focus on affordable and attainable advances in observational, computing, and modeling capabilities in an effort to deliver substantial improvement in weather forecasting and prediction of high impact weather events, such as those associated with hurricanes, tornadoes, droughts, floods, storm surges, and wildfires. This could offer the ability to better manage water supplies in filling the state's reservoirs.

- f. S 519 - Maximum contaminant levels (Gilibrand)** - To amend the Safe Drinking Water Act (SDWA) to require the Administrator of the Environmental Protection Agency to establish maximum contaminant levels for certain contaminants, and for other purposes. The SDWA would be amended by adding at the end the following: Perfluorinated compounds by publishing a maximum contaminant level goal and promulgate a national primary drinking water regulation.

**RWA Tracked Bills Report  
8/7/2017****AB 12 (Cooley D) State government: administrative regulations: review.****Current Text:** Introduced: 12/5/2016 [Text](#)**Summary:**

Would require each state agency to, on or before January 1, 2020, review that agency's regulations, identify any regulations that are duplicative, overlapping, inconsistent, or out of date, to revise those identified regulations, as provided, and report to the Legislature and Governor, as specified. The bill would repeal these provisions on January 1, 2021.

**AB 18 (Garcia, Eduardo D) California Clean Water, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.****Current Text:** Amended: 2/23/2017 [Text](#)**Summary:**

Would enact the California Clean Water, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,105,000,000 pursuant to the State General Obligation Bond Law to finance a clean water, climate, coastal protection, and outdoor access for all program. This bill contains other related provisions.

**AB 68 (Mathis R) School facilities: schoolsite acquisition.****Current Text:** Amended: 2/21/2017 [Text](#)**Summary:**

Current law requires the governing board of a school district, before commencing the acquisition of real property for a new schoolsite in an area designated in a city, county, or city and county general plan for agricultural use and zoned for agricultural production, to make certain findings, including that the school district will attempt to minimize any public health and safety issues resulting from the neighboring agricultural uses that may affect the pupils and employees at the schoolsite. This bill would require a rural school district to make an additional finding that the school district has provided notice to the planning commission having jurisdiction and that the planning commission has approved the acquisition of the property for the schoolsite or for an addition to the present schoolsite in accordance with specified provisions.

**AB 77 (Fong R) Regulations: effective dates and legislative review.****Current Text:** Amended: 2/7/2017 [Text](#)**Summary:**

Would require the Office of Administrative Law to submit to each house of the Legislature for review a copy of each major regulation that it submits to the Secretary of State. The bill would add another exception to those currently provided that specifies that a regulation does not become effective if the Legislature enacts a statute to override the regulation.

**AB 161 (Levine D) Department of Finance: infrastructure investment.****Current Text:** Introduced: 1/13/2017 [Text](#)**Summary:**

Would authorize the Department of Finance to identify infrastructure projects in the state for which the department will guarantee a rate of return on investment for an investment made in that infrastructure project by the Public Employees' Retirement System. The bill would create the Reinvesting in California Special Fund as a continuously appropriated fund and would require the moneys in the fund to be used to pay the rate of return on investment. The bill would require the rate of return on investment to be subject to the availability of moneys in the fund.

**AB 164 (Arambula D) Food assistance.****Current Text:** Amended: 4/18/2017 [Text](#)**Summary:**

Would require, on and after July 1, 2018, the State Department of Social Services to develop a mechanism to respond to changing needs for food assistance and to allow the department flexibility to provide nutrition benefits for specific populations. The bill would set forth criteria for the mechanism, including requiring the mechanism to be designed to issue nutrition benefits using EBT and designed in a manner that can target various populations, depending on the purpose of the specific benefit.

**AB 166 (Salas D) Safe drinking water: household filtration systems: rebate program.****Current Text:** Amended: 3/23/2017 [Text](#)**Summary:**

Would require the State Water Resources Control Board, in collaboration with specified entities, to conduct a study on the feasibility and financial stability of a rebate program that would provide a household that is served by a water system that does not meet primary drinking water standards with a rebate for the purchase of a household water filtration system. The bill would also require the study to include any recommendations for the Legislature to implement the rebate program. The bill would require the state board to conclude the study no later than January 1, 2019, and to submit a report on the study to the Legislature no later than March 1, 2019.

**AB 176 (Salas D) Water project: Friant-Kern Canal.**

**Current Text:** Introduced: 1/18/2017 [Text](#)

**Summary:**

Current law requires the Department of Water Resources, upon appropriation by the Legislature, to provide funding for a project that substantially conforms to the project description for the Reverse Flow Pump-back Facilities on the Friant-Kern Canal Restoration Project, as specified, provided that certain conditions are met. Current law requires that the appropriation be no more than \$7,000,000. This bill would appropriate \$7,000,000 from the General Fund to the department for this project. This bill contains other related provisions.

**AB 196 (Bigelow R) Greenhouse Gas Reduction Fund: water supply and wastewater systems.**

**Current Text:** Amended: 3/6/2017 [Text](#)

**Summary:**

Current law requires moneys from the Greenhouse Gas Reduction Fund to be allocated for the purpose of reducing greenhouse gas emissions in this state and satisfying other purposes. Current law authorizes specified investments, including water use and supply, if the investment furthers the regulatory purposes of the California Global Warming Solutions Act of 2006 and is consistent with law. This bill would authorize the use of the moneys in the fund for electric pump efficiency, water and wastewater systems, pump and pump motor efficiency improvements, and drinking water transmission and distribution systems' water loss if the investment furthers the regulatory purposes of the act and is consistent with law.

**AB 200 (Eggman D) Reclamation District No. 1614: Pump Station No. 7.**

**Current Text:** Introduced: 1/23/2017 [Text](#)

**Summary:**

Would appropriate \$1,175,000 from the General Fund to the Department of Water Resources for the purpose of constructing a new pump station to replace Pump Station No. 7 of Reclamation District No. 1614 – Smith Tract. The bill would require the department to grant the \$1,175,000 appropriated for the purpose of replacing the pump station to Reclamation District No. 1614 – Smith Tract to construct a new pump station to replace Pump Station No. 7.

**AB 241 (Dababneh D) Personal information: privacy: state and local agency breach.**

**Current Text:** Introduced: 1/30/2017 [Text](#)

**Summary:**

Current law requires a person or business, if it was the source of a data security breach, to offer to provide appropriate identity theft prevention and mitigation services at no cost to the person whose information was or may have been breached if the breach exposed or may have exposed the person's social security number, driver's license number, or California identification card number. This bill also would require a state or local agency, if it was the source of the breach, to offer to provide appropriate identity theft prevention and mitigation services at no cost to a person whose information was or may have been breached if the breach exposed or may have exposed the person's social security number, driver's license number, or California identification card number.

**AB 247 (Garcia, Cristina D) Public health: childhood lead poisoning: Lead Advisory Task Force.**

**Current Text:** Amended: 7/11/2017 [Text](#)

**Summary:**

Under current law, known as the Childhood Lead Poisoning Prevention Act of 1991, the State Department of Public Health is required to establish procedures for environmental abatement and followup, and undertake other specified measures, designed to reduce the incidence of excessive childhood lead exposure in California. This bill would require, by April 1, 2018, the Office of Environmental Health Hazard Assessment to convene a Lead Advisory Task Force, with a prescribed membership, to review and advise, as provided, regarding policies and procedures to reduce childhood lead poisoning in the state.

**AB 267 (Waldron R) Community services districts.**

**Current Text:** Introduced: 2/1/2017 [Text](#)

**Summary:**

Current law provides for the organization and powers of community services districts, including the continuation of any community services district, improvement district of a community services district, or zone of a community services district, that was in existence on January 1, 2006. This bill would make nonsubstantive changes to these provisions.

**AB 268 (Waldron R) State mandates.**

**Current Text:** Introduced: 2/1/2017 [Text](#)

**Summary:**

The California Constitution requires the state to provide a subvention of funds to reimburse local government for the costs of that new program or higher level of service, with specified exceptions, when the Legislature or a state agency mandates a new program or higher level of service on any local government, including school districts. Current law establishes the sole and exclusive procedure by which a local agency or school district may claim reimbursement for these costs. This bill would make a technical, nonsubstantive change to this provision.

**AB 271 (Caballero D) Property Assessed Clean Energy program.**

**Current Text:** Amended: 5/10/2017 [Text](#)

**Summary:**

Would authorize the county tax collector to direct the county auditor to remove a delinquent installment based on a PACE assessment from the county's tax rolls, if it arises from a contract entered into on or after January 1, 2018. The bill would require the county tax collector, immediately upon that removal and for each parcel for which the delinquent installment was removed, to provide notice on the tax rolls of the removal. This bill contains other related provisions and other existing laws.

**AB 272 (Gipson D) Southeast Los Angeles County Drinking Water Relief Act.**

**Current Text:** Amended: 3/21/2017 [Text](#)

**Summary:**

The California Safe Drinking Water Act provides for the operation of public water systems and imposes on the State Water Resources Control Board various responsibilities and duties. This bill, the Southeast Los Angeles County Drinking Water Relief Act, would authorize the department and the state board to condition the awardance of financial assistance to an urban water supplier in southeast Los Angeles County that does not have adequate technical, managerial, and financial capacity for a water infrastructure project on the participation of a public water agency that has sufficient technical, managerial, and financial capacity to complete and operate the project.

**AB 277 (Mathis R) Water and Wastewater Loan and Grant Program.**

**Current Text:** Amended: 3/27/2017 [Text](#)

**Summary:**

Would, to the extent funding is made available, authorize the State Water Resources Control Board to establish the Water and Wastewater Loan and Grant Program to provide funding to eligible applicants for specified purposes relating to drinking water and wastewater treatment. This bill would authorize a county or qualified nonprofit organization to apply to the board for a grant to award loans or grants, or both, to an eligible applicant. The bill would authorize the board to use a funding source that is authorized for and consistent with the purposes of the program.

**AB 278 (Steinorth R) California Environmental Quality Act: exemption: existing transportation infrastructure.**

**Current Text:** Introduced: 2/2/2017 [Text](#)

**Summary:**

Would exempt from the provisions of CEQA a project, or the issuance of a permit for a project, that consists of the inspection, maintenance, repair, rehabilitation, replacement, or removal of, or the addition of an auxiliary lane or bikeway to, existing transportation infrastructure and that meets certain requirements. The bill would require the public agency carrying out the project to take certain actions.

**AB 288 (Oberholte R) State responsibility areas: fire prevention fees: amnesty program.**

**Current Text:** Amended: 4/25/2017 [Text](#)

**Summary:**

Would extend the time when the fire prevention fee is due and payable from 30 to 60 days from the date of assessment by the State Board of Equalization and would authorize the petition for redetermination to be filed within 60 days after service of the notice of determination, as specified.

**AB 302 (Gipson D) South Coast Air Quality Management District: fleets.**

**Current Text:** Amended: 4/17/2017 [Text](#)

**Summary:**

Would authorize the governing board of the South Coast Air Quality Management District to adopt rules and regulations that require specified operators of public and commercial fleet vehicles consisting of 1 or more vehicles to purchase zero-emission and near-zero-emission vehicles, as defined, and that require those zero-emission and near-zero-emission vehicles to be operated, to the maximum extent feasible, in the south coast district. This bill contains other related provisions.

**AB 305 (Arambula D) School accountability report card: drinking water access points.**

**Current Text:** Introduced: 2/6/2017 [Text](#)

**Summary:**

Would amend the Classroom Instructional Improvement and Accountability Act to also require the school accountability report card to include an assessment of the drinking water access points at each school site, as specified. The bill would require the State Department of Education to compile the assessments and transmit them to the State Water Resources Control Board. By imposing additional duties on local educational agency officials, the bill would impose a state-mandated local program. The bill would provide that the Legislature finds and declares that the changes made to the act by its provisions further the purposes of the act.

**AB 313 (Gray D) Water.**

**Current Text:** Amended: 7/18/2017 [Text](#)

**Summary:**

Current law authorizes the State Water Resources Control Board to adopt an order setting administrative civil liability based on the allegations set forth in the complaint without a hearing, unless a written request for a hearing signed by, or on behalf of, the party served with the complaint is delivered to or received by mail by the board within 20 days after receipt of the complaint. This bill, commencing July 1, 2018, would establish a Water Rights Division within the Office of Administrative Hearings, as prescribed.

**AB 321 (Mathis R) Groundwater sustainability agencies.**

**Current Text:** Chaptered: 7/18/2017 [Text](#)

**Summary:**

Sustainable Groundwater Management Act requires a groundwater sustainability agency to consider the interests of all beneficial uses and users of groundwater, as well as those responsible for implementing groundwater sustainability plans, including, among other interests, holders of overlying groundwater rights, including agricultural users and domestic well owners. This bill would specifically include farmers, ranchers, and dairy professionals in the agricultural users whose interests a groundwater sustainability agency is required to consider.

**AB 339 (Mathis R) State Water Pollution Cleanup and Abatement Account.**

**Current Text:** Amended: 4/4/2017 [Text](#)

**Summary:**

The Porter-Cologne Water Quality Control Act creates the State Water Pollution Cleanup and Abatement Account in the State Water Quality Control Fund and continuously appropriates moneys in the account to the state board for the purposes of cleaning up waste or abating its effects on state waters. Existing law, until July 1, 2018, authorizes the state board to pay these moneys from the account to, among others, a community water system that services a disadvantaged community to be used to assist in addressing urgent drinking water need, among other purposes. This bill would limit the above-described payments to grants, and would delete the July 1, 2018, sunset date. By extending the term of an existing appropriation, this bill would make an appropriation.

**AB 355 (Chu D) Water pollution: enforcement.**

**Current Text:** Amended: 6/7/2017 [Text](#)

**Summary:**

Current law permits the State Water Resources Control Board or regional board, in lieu of assessing all or a portion of the mandatory minimum penalties against a publicly owned treatment works serving a small community, as defined, to elect to require the publicly owned treatment works to spend an equivalent amount towards completion of a compliance project proposed by the publicly owned treatment works if the state board or regional board makes certain findings. Current law, for these purposes, defines "a publicly owned treatment works serving a small community." This bill, for purposes of the exception, would instead define publicly owned treatment works serving a small community as a publicly owned treatment works serving a population of 20,000 persons or fewer or a rural county, with a financial hardship.

**AB 362 (Wood D) Forestry assistance program: loans.**

**Current Text:** Amended: 6/15/2017 [Text](#)

**Summary:**

Current law creates the Timber Regulation and Forest Restoration Fund in the State Treasury and requires that specified revenues received from a lumber or engineered wood products assessment, less amounts deducted for refunds and reimbursements, be deposited in the fund and, upon appropriation by the Legislature, used for specified purposes, including for forest resources improvement grants and projects administered by Department of Forestry and Fire Protection. This bill would provide that assessments deposited into the fund, less amounts deducted for refunds and reimbursements, be used, upon appropriation by the Legislature, for forest resources improvement grants, loans, and projects.

**AB 366 (Obernolte R) Civil actions: fee recovery.**

**Current Text:** Amended: 6/29/2017 [Text](#)

**Summary:**

Current law enumerates the costs that a prevailing party may recover in a civil action. Current law provides that costs for models and enlargements of exhibits and photocopies of exhibits may be recovered if the items were reasonably helpful to aid the trier of fact. This bill would authorize a prevailing party to recover fees for the costs associated with the electronic presentation of exhibits, including costs of rental equipment and electronic formatting.

**AB 367 (Obernolte R) Water supply: building permits.**

**Current Text:** Introduced: 2/8/2017 [Text](#)

**Summary:**

Current law prohibits a city, including a charter city, or a county from issuing a building permit for the construction of a new residential development where a source of the water supply is water transported by a water hauler, bottled water, a water-vending machine, or a retail water facility. Under current law, this prohibition on the issuance of a building permit does not apply to a residence that will be rebuilt because of a natural disaster. This bill would exempt from the prohibition on the issuance of a building permit a residence that will be rebuilt because of a fire and would provide that this is declaratory of existing law.

**AB 375 (Chau D) Internet service providers: customer privacy.**

**Current Text:** Amended: 6/19/2017 [Text](#)

**Summary:**

Would enact the California Broadband Internet Privacy Act. The bill would prohibit an Internet service provider from using, disclosing, selling, or permitting access to customer personal information, except as provided in that act. The bill would authorize a customer to give prior opt-in consent, which may be revoked by the customer at any time, to an Internet service provider to use, disclose, sell, or permit access to that customer's personal information. The bill would prohibit an Internet service provider from refusing to serve or to limit service to a customer who does not provide consent or charging a customer a penalty or offering a customer a discount or another benefit based on the customer's decision to provide consent.

**AB 378 (Garcia, Cristina D) Greenhouse gases, criteria air pollutants, and toxic air contaminants.**

**Current Text:** Amended: 5/30/2017 [Text](#)

**Summary:**

The California Global Warming Solutions Act requires the State Air Resources Board, when adopting rules and regulations to achieve greenhouse gas emissions reductions beyond the statewide greenhouse gas emissions limit and to protect the state's most impacted and disadvantaged communities, to follow specified requirements, consider the social costs of the emissions of greenhouse gases, and prioritize specified emission reduction rules and regulations. This bill would require the state board to consider and account for the social costs of the emissions of greenhouse gases when adopting those rules and regulations.

**AB 428 (Ridley-Thomas D) Local government: the Ralph M. Brown Act.**

**Current Text:** Chaptered: 7/31/2017 [Text](#)

**Summary:**

Current law, until January 1, 2018, authorizes a health authority that conducts a teleconference meeting to count members who are outside the jurisdiction of the authority toward the establishment of a quorum when participating in the teleconference if at least 50% of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting, as specified. This bill would extend the operation of these provisions relating to the establishment of a quorum for teleconferenced meetings of a health authority indefinitely.

**AB 429 (Grayson D) State water policy: water rights: use and transferability.**

**Current Text:** Introduced: 2/13/2017 [Text](#)

**Summary:**

Current law declares that the growing water needs of the state require the use of water in an efficient manner and that the efficient use of water requires certainty in the definition of property rights to the use of water and transferability of those rights. This bill would make nonsubstantive changes to those declarations.

**AB 436 (Stone, Mark D) San Lorenzo River.**

**Current Text:** Enrollment: 7/31/2017 [Text](#)

**Summary:**

Current law authorizes the project for flood control on the San Lorenzo River, in accordance with a prescribed final report, and as authorized by a prescribed federal act, at an estimated cost to the state of the sum that may be appropriated for state cooperation by statute, upon the recommendation and advice of the Department of Water Resources. Current law requires the City of Santa Cruz to carry out the project. This bill would authorize state funding, available upon appropriation by the Legislature, to be used within the authorized project boundaries to fund construction of the final phase of the authorized project, as specified, when there are not available federal funds for project completion.

**AB 457 (Cunningham R) Saline water conversion: Diablo Canyon nuclear powerplant.**

**Current Text:** Amended: 5/26/2017 [Text](#)

**Summary:**

Would require the Public Utilities Commission, as part of the commission's regulatory actions related to the proposed decommissioning of the Diablo Canyon nuclear powerplant and consistent with the goal to mitigate negative impacts to ratepayers, to cause a study to be conducted on the feasibility of repurposing the water desalination facility at the Diablo Canyon nuclear powerplant for purposes of desalinating water for local use. The bill would require the commission to contract with an independent 3rd party to carry out the study on its behalf and would require the study to be conducted using moneys from the Public Utilities Commission Utilities Reimbursement Account.

**AB 464 (Gallagher R) Local government reorganization.**

**Current Text:** Chaptered: 7/10/2017 [Text](#)

**Summary:**

Under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, current law requires that an applicant seeking a change of organization or reorganization submit a plan for providing services within the affected territory that includes, among other requirements, an enumeration and description of the services to be extended to the affected territory and an indication of when those services can feasibly be extended. This bill would specify that the plan is required to also include specific information regarding services currently provided to the affected territory, as applicable, and make related changes.

**AB 466 (Bocanegra D) Upper Los Angeles River and Tributaries Working Group.**

**Current Text:** Amended: 7/3/2017 [Text](#)

**Summary:**

Current law establishes the Santa Monica Mountains Conservancy and prescribes the membership and functions and duties of the conservancy with regard to the acquisition, preservation, and improvement of real property within the Santa Monica Mountains zone, as defined. This bill would establish within the conservancy the Upper Los Angeles River and Tributaries Working Group. The bill would require the Secretary of the Natural Resources Agency, in consultation with the conservancy, and, to the extent they wish to consult, the Los Angeles County Board of Supervisors and the City of Los Angeles, to consider requests from specified local agency representatives to participate in the working group and would authorize them to appoint no more than 23 representatives to the working group.

**AB 472 (Frazier D) Water transfers: idled agricultural land: wildlife, waterfowl, and bird nesting habitat.**

**Current Text:** Amended: 6/26/2017 [Text](#)

**Summary:**

Current law requires landowners to be encouraged, when agricultural lands are being idled in order to provide water for transfer and an amount of water is determined to be made available by that idling, to cultivate or retain nonirrigated cover crops or natural vegetation to provide waterfowl, upland game bird, and other wildlife habitat. This bill would require the department to allow nonirrigated cover crops or natural vegetation to remain on idled agricultural lands, without penalty to the landowner, unless it determines, based on peer-reviewed scientific studies or other credible scientific evidence, that an injury to another legal user of water would occur as a result of allowing those crops or vegetation to remain on those lands.

**AB 474 (Garcia, Eduardo D) Hazardous waste: spent brine solutions.**

**Current Text:** Amended: 6/28/2017 [Text](#)

**Summary:**

Current law exempts from certain requirements of the Hazardous Waste Control Law wastes from the extraction, beneficiation, or processing of ores and minerals that are not subject to regulation under the federal Resource Conservation and Recovery Act of 1976, including spent brine solutions used to produce geothermal energy that meet specified requirements. This bill would exempt spent brine solutions that are byproducts of the treatment of groundwater to meet California drinking water standards from those same requirements if certain conditions are met, including that the spent brine solutions are transferred for dewatering via a closed piping system to lined surface impoundments regulated by the California regional water quality control boards.

**AB 487 (Mathis R) Sustainable Groundwater Management Act.**

**Current Text:** Introduced: 2/13/2017 [Text](#)

**Summary:**

Would state the intent of the Legislature to enact statutory changes relating to the Sustainable Groundwater Management Act.

**AB 489 (Chen R) Land use: general plans.**

**Current Text:** Introduced: 2/13/2017 [Text](#)

**Summary:**

The Planning and Zoning Law requires the legislative body of each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city and of any land outside its boundaries that bears relation to its planning. That law further requires the planning agency overseeing a general plan to render a report as to conformity with the adopted general plan before, among other things, the acquisition or disposition of real property or the construction or authorization of a public building or structure impacting the general plan. This bill would make nonsubstantive changes to these provisions.

**AB 552 (Irwin D) United Water Conservation District.**

**Current Text:** Amended: 7/18/2017 [Text](#)

**Summary:**

Existing law, the Water Conservation District Law of 1931, authorizes a water conservation district to be organized and established by a county board of supervisors, with specified powers and purposes. This bill would authorize the United Water Conservation District to inspect any water-producing facility within its boundaries with the consent of the operator of the water-producing facility or with a duly issued inspection warrant, as prescribed. Because the willful refusal of an inspection lawfully authorized by an inspection warrant is a misdemeanor, this bill would impose a state-mandated local program by expanding the application of a crime.

**AB 554 (Cunningham R) Desalination: statewide goal.**

**Current Text:** Amended: 3/27/2017 [Text](#)

**Summary:**

The Cobey-Porter Saline Water Conversion Law provides that it is the intention of the Legislature that the Department of Water Resources undertake to find economic and efficient methods of desalting saline water so that desalted water may be made available to help meet the growing water requirements of the state. This bill would establish a goal to desalinate 300,000 acre-feet of drinking water per year by the year 2025 and 500,000 acre-feet of drinking water per year by the year 2030.

**AB 560 (Salas D) Safe Drinking Water State Revolving Fund: project financing: severely disadvantaged communities.**

**Current Text:** Amended: 7/12/2017 [Text](#)

**Summary:**

Would, to the extent permitted by federal law, authorize the State Water Resources Control Board to provide grant funding, and principal forgiveness and 0% financing on loans, from the Safe Drinking Water State Revolving Fund to a project for a water system with a service area that qualifies as a severely disadvantaged community if the water system demonstrates that repaying a Safe Drinking Water State Revolving Fund loan with interest would result in unaffordable water rates, as defined.

**AB 567 (Quirk-Silva D) School facilities: drinking water fountains: spigot for filling water bottles.**

**Current Text:** Amended: 3/14/2017 [Text](#)

**Summary:**

Would require a school district, on or after July 1, 2018, to ensure that every drinking water fountain at

each school under its jurisdiction is equipped with both a water fountain and a spigot, or a combination water fountain and spigot, for filling water bottles. Because the bill would impose new duties on local educational agencies, the bill would impose a state-mandated local program.

**AB 574 (Quirk D) Potable reuse.**

**Current Text:** Amended: 7/12/2017 [Text](#)

**Summary:**

Current law required the State Department of Public Health to, on or before December 31, 2013, adopt uniform water recycling criteria for indirect potable reuse for groundwater recharge. Current law also required the department to develop and adopt uniform water recycling criteria for surface water augmentation, as defined, by December 31, 2016, if a specified expert panel found that the criteria would adequately protect public health, and required the department to investigate the feasibility of developing uniform water recycling criteria for direct potable reuse and to provide a final report on that investigation to the Legislature by December 31, 2016. Current law defined the terms "direct potable reuse" and "surface water augmentation" for these purposes. This bill would specify that "direct potable reuse" includes "raw water augmentation" and "treated drinking water augmentation."

**AB 577 (Caballero D) Disadvantaged communities.**

**Current Text:** Amended: 3/9/2017 [Text](#)

**Summary:**

Current law defines a disadvantaged community as a community with an annual median household income that is less than 80% of the statewide annual median household income for various purposes, that include, but are not limited to, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, eligibility for certain entities to apply for funds from the State Water Pollution Cleanup and Abatement Account, and authorization for a community revitalization and investment authority to carry out a community revitalization plan. This bill would expand the definition of a disadvantaged community to include a community with an annual per capita income that is less than 80% of the statewide annual per capita income.

**AB 588 (Dababneh D) Contractual assessments: financing public improvements: right to cancel documentation.**

**Current Text:** Amended: 3/23/2017 [Text](#)

**Summary:**

Current law prohibits a public agency from permitting a property owner to participate in programs relating to voluntary contractual assessments to finance certain improvements, unless the property owner is given the right to cancel the contractual assessment in a document, as provided. Current law requires the document to contain specified information, including that if the property owner sends or delivers the written notice to cancel in some way other than mail, fax, or email, it must be delivered to a specified address no later than an unspecified date. This bill would instead require the document to provide that if the property owner sends or delivers the written notice to cancel in some way other than mail, fax, or email, it must be delivered to a specified address no later than midnight on the 3rd business day after whichever of specified events occurs last.

**AB 589 (Bigelow R) Water diversion: monitoring and reporting: University of California Cooperative Extension.**

**Current Text:** Amended: 7/12/2017 [Text](#)

**Summary:**

Current law authorizes the State Water Resources Control Board to adopt regulations requiring measurement and reporting of water diversion and use by persons including, but not limited to, those authorized to appropriate water under a permit, license, or registration for small irrigation use or livestock stockpond use, or a certification for livestock stockpond use. This bill would require any diverter who has completed an instructional course regarding the devices or measurement method administered by the University of California Cooperative Extension to be considered a qualified individual when installing and maintaining devices or methods of measurement for the diverter's diversion and would require a diverter to recomplete the course every 6 years.

**AB 594 (Irwin D) Water supply planning: California Environmental Quality Act: photovoltaic or wind energy generation facility.**

**Current Text:** Introduced: 2/14/2017 [Text](#)

**Summary:**

Current law requires a city or county that determines that a project, as defined, is subject to the California Environmental Quality Act to identify any public water system that may supply water for the project and to request those public water systems to prepare a specified water supply assessment. If no public water system is identified, the city or county is required to prepare the water supply assessment. Current law, until January 1, 2018, exempts from the definition of "project" a proposed photovoltaic or wind energy generation facility that would demand no more than 75 acre-feet of water

annually. This bill would indefinitely exempt from the definition of "project" a proposed photovoltaic or wind energy generation facility that would demand no more than 50 acre-feet of water annually.

**AB 619 (Dahle R) Sierra Lakes County Water District.**

**Current Text:** Chaptered: 7/25/2017 [Text](#)

**Summary:**

Would specifically authorize the Sierra Lakes County Water District, in order to regulate, prohibit, or control the discharge of pollutants, waste, or other materials in groundwater or surface waters, (1) to adopt by ordinance requirements relating to the installation and use of small aboveground or small underground tanks, as defined, designed to contain an accumulation of hazardous substances, and (2) to prohibit by ordinance the installation of new small underground tanks or new underground storage tanks, as defined, for the storage of petroleum within the tributary watershed of Lakes Serena and Dulzura.

**AB 640 (Harper R) Recycled water: recycling criteria.**

**Current Text:** Introduced: 2/14/2017 [Text](#)

**Summary:**

Current law, the Porter-Cologne Water Quality Control Act, requires the State Water Resources Control Board to establish uniform statewide recycling criteria for each varying type of use of recycled water if the use involves the protection of public health. The act defines recycling criteria to mean the levels of constituents of recycled water, and the means for assurance of reliability under the design concept that will result in recycled water that is safe for the uses to be made. This bill would make technical, nonsubstantive changes to that definition.

**AB 641 (Harper R) Water conservation and reclamation projects.**

**Current Text:** Introduced: 2/14/2017 [Text](#)

**Summary:**

Current law, the Water Conservation Projects Act of 1985, declares that the intent of the act is to encourage local agencies and private enterprise to implement potential water conservation and reclamation projects by establishing a state program to finance or assist in financing projects that meet state criteria and will result in an additional supply of water for use in areas of need. This bill would make nonsubstantive changes in that provision.

**AB 642 (Harper R) Desalinated water.**

**Current Text:** Introduced: 2/14/2017 [Text](#)

**Summary:**

The Cobey-Porter Saline Water Conversion Law declares that the growing water needs of the state require the development of cost-effective and efficient water supply technologies and that desalination technology is now feasible to help provide significant new water supplies from seawater, brackish water, and reclaimed water. This bill would declare the intent of the Legislature to enact subsequent legislation relating to desalination.

**AB 645 (Quirk D) Local government: organization: dissolution.**

**Current Text:** Introduced: 2/14/2017 [Text](#)

**Summary:**

Under current law, if a change of organization consists of a dissolution, the commission is required to order the dissolution subject to confirmation of voters if, among other things, the proposal was not initiated by the commission and if a subject agency has not objected to the proposal, the commission has found that, for an inhabited territory protests have been signed by either 25% of the number of landowners within the affected territory who own at least 25% of the assessed value of land within the territory or 25% of the voters entitled to vote as a result of residing or owning land within the affected territory. This bill would decrease that threshold to 10% of the number of landowners within the affected territory who own at least 25% of the assessed value of land within the territory or 10% of the voters entitled to vote as a result of residing or owning land within the affected territory.

**AB 672 (Jones-Sawyer D) Utility services.**

**Current Text:** Amended: 5/1/2017 [Text](#)

**Summary:**

Current law authorizes an electrical, gas, or water corporation, or any electrical, gas, or water system operated by a public agency, to bring a civil action for damages against any person who commits, authorizes, solicits, aids, abets, or attempts, among other things, the diversion of utility services by any means whatsoever. Current law authorizes the utility to recover as damages 3 times the amount of actual damages, plus the cost of the suit and reasonable attorney's fees, in any civil action brought pursuant to these provisions. This bill would authorize a defendant that prevails upon judgment to

recover reasonable attorney's fees and costs of the suit from the utility.

**AB 685 (Fong R) Water: dams and reservoirs.**

**Current Text:** Introduced: 2/15/2017 [Text](#)

**Summary:**

Current law provides that all dams and reservoirs in the state are under the jurisdiction of the Department of Water Resources. Current law authorizes the department to require owners of dams and reservoirs to keep records of, and to report on, maintenance, operation, staffing, and engineering and geologic investigations. This bill would make nonsubstantive changes to that provision.

**AB 707 (Aguiar-Curry D) Clear Lake.**

**Current Text:** Amended: 7/3/2017 [Text](#)

**Summary:**

Would establish in the Natural Resources Agency, the Blue Ribbon Committee for the Rehabilitation of Clear Lake. The bill would require the committee to consist of specified persons, including the Secretary of the Natural Resources Agency, or his or her designee. The bill would require the committee to meet quarterly for the purposes of discussion, reviewing research, planning, and providing oversight regarding the health of Clear Lake. The bill would require the committee to hold 2 meetings per year in the County of Lake.

**AB 723 (Arambula D) Agricultural water suppliers: efficient water management practices.**

**Current Text:** Introduced: 2/15/2017 [Text](#)

**Summary:**

Current law requires an agricultural water supplier to include in an agricultural water management plan a report on which efficient water management practices have been implemented and are planned to be implemented, an estimate of the water use efficiency improvements that have occurred since the last report, an estimate of the water use efficiency improvements estimated to occur 5 and 10 years in the future, and if an agricultural water supplier determines that an efficient water management practice is not locally cost effective or technically feasible, information documenting that determination. This bill would make nonsubstantive changes to these provisions.

**AB 732 (Frazier D) Delta levee maintenance.**

**Current Text:** Amended: 5/30/2017 [Text](#)

**Summary:**

Current law establishes a delta levee maintenance program pursuant to which a local agency may request reimbursement for costs incurred in connection with the maintenance or improvement of project or nonproject levees in the Sacramento-San Joaquin Delta. Current law declares legislative intent to reimburse eligible local agencies under this program, until July 1, 2018, in an amount not to exceed 75% of those costs that are incurred in excess of \$1,000 per mile of levee. Current law, until July 1, 2018, authorizes the board to provide funds to an eligible local agency under this program in the form of an advance in an amount that does not exceed 75% of the estimated state share. This bill would extend until July 1, 2020, the operation of that declaration of legislative intent and the authorization to advance funds.

**AB 733 (Berman D) Enhanced infrastructure financing districts: projects: climate change.**

**Current Text:** Amended: 6/26/2017 [Text](#)

**Summary:**

Current law authorizes the legislative body of a city or a county to establish an enhanced infrastructure financing district to finance public capital facilities or other specified projects of communitywide significance, and makes related findings and declarations. This bill would additionally authorize the financing of projects that enable communities to adapt to the impacts of climate change, including, but not limited to, specified impacts described in the bill, and would make conforming changes to the Legislature's findings and declarations.

**AB 734 (Bonta D) Infrastructure financing districts: City of Oakland: freight rail.**

**Current Text:** Amended: 3/23/2017 [Text](#)

**Summary:**

Current law authorizes an infrastructure financing district to finance only public capital facilities of communitywide significance which provide significant benefits to an area larger than the area of the district, including, among others, highways, interchanges, ramps and bridges, arterial streets, parking facilities, transit facilities, facilities for the collection and treatment of water for urban uses, child care facilities, libraries, and facilities for the transfer and disposal of solid waste. This bill would additionally authorize an infrastructure financing district within the City of Oakland to finance public capital facilities or projects that include freight rail.

**AB 746 (Gonzalez Fletcher D) Public health: potable water systems: lead testing: schoolsites.**

**Current Text:** Amended: 5/26/2017 [Text](#)

**Summary:**

Would require a local educational agency, as defined, to test for lead in the potable water system, as defined, at every schoolsite within its jurisdiction at least once a year or once every 3 years, depending on whether a building was constructed before or after January 1, 1993. The bill would require, if a test reveals that a schoolsite's lead level is greater than the United States Environmental Protection Agency's drinking water standards for lead, as those standards existed on January 1, 2017, the local educational agency to notify parents and guardians of the elevated level and provide information on lead developed by an agency with expertise on lead, as specified.

**AB 791 (Frazier D) Sacramento-San Joaquin Delta: State Water Project and federal Central Valley Project: new conveyance facility.**

**Current Text:** Amended: 3/21/2017 [Text](#)

**Summary:**

The Sacramento-San Joaquin Delta Reform Act of 2009 prohibits construction of a new Delta conveyance facility from being initiated until the persons or entities that contract to receive water from the State Water Project and the federal Central Valley Project or a joint powers authority representing those entities have made arrangements or entered into contracts to pay for certain costs required for the construction, operation, and maintenance of the facility and full mitigation of property tax or assessments levied for land used in the construction, location, mitigation, or operation of the facility. This bill would require, before a water contractor enters into a contract to pay for these costs, that the lead agency provide the breakdown of costs for each water contractor entering into a contract and what benefits each contractor will receive based on the proportion it has financed of the proposed conveyance project.

**AB 792 (Frazier D) Sacramento-San Joaquin Delta: Delta Plan: certification of consistency.**

**Current Text:** Amended: 3/28/2017 [Text](#)

**Summary:**

The Sacramento-San Joaquin Delta Reform Act of 2009 establishes the Delta Stewardship Council and requires the council to develop, adopt, and commence implementation of a comprehensive management plan for the Delta, known as the Delta Plan. The act requires a state or local public agency that proposes to undertake a covered action to prepare and submit to the council a written certification of consistency with the Delta Plan before undertaking that action. This bill would prohibit the council from granting a certification of consistency with the Delta Plan until the board has completed its update of a specified water quality control plan.

**AB 793 (Frazier D) Sacramento-San Joaquin Delta: financing.**

**Current Text:** Amended: 3/27/2017 [Text](#)

**Summary:**

Would declare it to be state policy that the existing state of the Sacramento-San Joaquin Delta is recognized and defined as an integral component of California's water infrastructure. The bill would state that the maintenance and repair of the Delta are eligible for the same forms of financing as other water collection and treatment infrastructure and would specify the maintenance and repair activities that are eligible are limited to certain cleanup and abatement-related restoration and conservation activities.

**AB 798 (Garcia, Eduardo D) Local government: counties: consolidation of offices.**

**Current Text:** Amended: 7/10/2017 [Text](#)

**Summary:**

Current law authorizes the boards of supervisors of specified counties to provide, by ordinance, that the public administrator be appointed by the board. Current law also authorizes the boards of supervisors of specified counties, by ordinance, to appoint the same person to the offices of public administrator and public guardian, as specified. This bill would apply these provisions to Imperial County.

**AB 810 (Gallagher R) Local alternative transportation improvement program: Feather River crossing.**

**Current Text:** Introduced: 2/15/2017 [Text](#)

**Summary:**

Would, with respect to planned state transportation facilities over the Feather River in the City of Yuba City and the Counties of Sutter and Yuba, which facilities are no longer planned to be constructed, authorize the affected local agencies, acting jointly with the transportation planning agency having jurisdiction, to develop and file with the California Transportation Commission a local alternative transportation improvement program that addresses transportation problems and opportunities in the

area that was to be served by the canceled state facilities.

**AB 816 (Kiley R) California Environmental Protection Agency: Natural Resources Agency: Web casts of public meetings and workshops.**

**Current Text:** Introduced: 2/15/2017 [Text](#)

**Summary:**

Would require that each department, board, and commission of the Natural Resources Agency, except as specified, and each department, board, and office of the California Environmental Protection Agency Web cast all onsite public meetings, in a manner that enables listeners and viewers to ask questions and provide public comment by telephone or electronic communication commensurate with those attending the meeting. The bill would require the agencies to make the recording of a Web cast available online for no less than 3 years for subsequent viewing by interested members of the public.

**AB 851 (Caballero D) Local agency contracts.**

**Current Text:** Amended: 7/10/2017 [Text](#)

**Summary:**

Current law authorizes a county, until January 1, 2018, with approval of the board of supervisors, to utilize construction manager at-risk construction contracts for the erection, construction, alteration, repair, or improvement of any building owned or leased by the county. This bill would extend that authorization described above until January 1, 2023. This bill contains other related provisions and other current laws.

**AB 869 (Rubio D) Sustainable water use and demand reduction: recycled water.**

**Current Text:** Amended: 7/3/2017 [Text](#)

**Summary:**

Would require the State Water Resources Control Board, in consultation with the Department of Water Resources, to adopt long-term standards for urban water conservation and water use by May 20, 2021. The bill would require the department, in coordination with the board, no later than October 1, 2020, to conduct necessary studies and investigations and recommend standards for indoor residential use and outdoor irrigation use for adoption by the board and would require the department to update these recommendations after 2026 in years ending in 2 and 7.

**AB 885 (Rubio D) Pupil health: drinking water: lead.**

**Current Text:** Amended: 4/27/2017 [Text](#)

**Summary:**

Would require a community water system, as defined, to test, on or before July 1, 2019, and every year thereafter, for the presence of lead at a sample of water outlets used for drinking or cooking at each school, defined to include a public elementary school, a public secondary school, a public preschool located on public school property, and a public day care facility located on public school property, constructed before January 1, 1993, within the boundaries of the community water system.

**AB 892 (Waldron R) Municipal water districts: water service: Indian tribes.**

**Current Text:** Amended: 3/23/2017 [Text](#)

**Summary:**

Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. This bill would authorize, rather than require, a district to provide this service of water. The bill would apply this authorization to all Indian tribes whose lands are owned by the tribe.

**AB 947 (Gallagher R) Department of Fish and Wildlife: lake or streambed alteration agreements: definitions.**

**Current Text:** Amended: 4/17/2017 [Text](#)

**Summary:**

Current law prohibits an entity from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or from depositing certain material where it may pass into any river, stream, or lake, without first notifying the Department of Fish and Wildlife of that activity, and entering into a lake or streambed alteration agreement if required by the department to protect fish and wildlife resources. This bill would define "river" and "stream" for purposes of these provisions.

**AB 968 (Rubio D) Urban water use: water efficiency.**

**Current Text:** Amended: 4/17/2017 [Text](#)

**Summary:**

Would require each urban retail water supplier to develop a water efficiency target, as defined, for

2025 in its 2020 urban water management plan required to be submitted by July 1, 2021, and to achieve that target. The bill would authorize an urban retail water supplier to adjust and update the water efficiency target, as appropriate, when the supplier reports its compliance in achieving the water efficiency targets and its implementation of the identified performance measures in its 2025 urban water management plan required to be submitted by July 1, 2026. The bill would require each urban retail water supplier to meet its adjusted 2025 water efficiency target by December 31, 2025, unless the supplier makes a certain report to the department.

**AB 975 (Friedman D) Natural resources: wild and scenic rivers.**

**Current Text:** Amended: 5/4/2017 [Text](#)

**Summary:**

Current law establishes that it is the policy of the state that certain rivers that possess extraordinary scenic, recreational, fishery, or wildlife values shall be preserved in their free-flowing state, together with their immediate environments, for the benefit and enjoyment of the people of the state. This bill would revise that policy to specify that certain rivers that possess scenic, recreational, fishery, wildlife, historical, cultural, geological, or other similar values shall be preserved in their free-flowing state, together with their immediate environments, for the benefit and enjoyment of the people of the state, and would revise the definition of "immediate environments," and define the term "extraordinary value" for purposes of that policy.

**AB 1000 (Friedman D) Water conveyance: use of facility with unused capacity.**

**Current Text:** Amended: 7/3/2017 [Text](#)

**Summary:**

Current law prohibits the state or a regional or local public agency from denying a bona fide transferor of water from using a water conveyance facility that has unused capacity for the period of time for which that capacity is available, if fair compensation is paid for that use and other requirements are met. This bill would, notwithstanding that provision, prohibit a transferor of water from using a water conveyance facility that has unused capacity to transfer water from a groundwater basin underlying desert lands, as defined, that is in the vicinity of specified federal lands or state lands to outside of the groundwater basin unless the State Lands Commission, in consultation with the Department of Fish and Wildlife, finds that the transfer of the water will not adversely affect the natural or cultural resources of those federal and state lands.

**AB 1009 (Gallagher R) Sustainable groundwater management: groundwater sustainability agencies.**

**Current Text:** Introduced: 2/16/2017 [Text](#)

**Summary:**

The Sustainable Groundwater Management Act generally authorizes any local agency or combination of local agencies overlying a basin to decide to become a groundwater sustainability agency for that basin. The act requires a groundwater sustainability agency to establish and maintain a list of persons interested in receiving notices regarding plan preparation, meeting announcements, and availability of draft plans, maps, and other relevant documents. This bill would make a nonsubstantive change in these provisions.

**AB 1041 (Levine D) Transportation funding: transportation improvement fee.**

**Current Text:** Amended: 4/18/2017 [Text](#)

**Summary:**

The Road Repair and Accountability Act of 2017, as proposed to be enacted by SB 1 of the 2017–18 Regular Session, imposes a transportation improvement fee on each vehicle, as specified. The act requires that the revenues from that fee be available for expenditure only on specified transportation purposes. This bill would amend a provision to be added by SB 1 to correct an erroneous cross-reference in these provisions.

**AB 1047 (Gallagher R) Disaster relief: Lake Oroville.**

**Current Text:** Amended: 3/28/2017 [Text](#)

**Summary:**

Under the Natural Disaster Assistance Act, the state share for eligible project costs is generally no more than 75% of total state eligible costs, and for specific incidents, the state share is up to 100% of total state eligible costs. This bill would require the state share to be 100% of the total state eligible costs connected with the mandatory evacuation that occurred in the Counties of Butte, Sutter, and Yuba due to the potential failure of the auxiliary emergency spillway at Lake Oroville on February 12, 2017. This bill would make legislative findings and declarations as to the necessity of a special statute for the Counties of Butte, Sutter, and Yuba.

**AB 1050 (Allen, Travis R) California Endangered Species Act: Delta smelt.**

**Current Text:** Amended: 3/28/2017 [Text](#)

**Summary:**

The California Endangered Species Act requires the Fish and Game Commission to establish a list of endangered species and a list of threatened species and requires the commission to add or remove species from either list if it finds, upon the receipt of sufficient scientific information, that the action is warranted. The act prohibits the taking of an endangered or threatened species, except as specified. This bill would require the commission to remove the Delta smelt from the endangered species list.

**AB 1075 (Reyes D) Water rights: temporary permits: expiration.**

**Current Text:** Amended: 3/21/2017 [Text](#)

**Summary:**

Current law allows a person to apply for, and the State Water Resources Control Board to issue, a temporary permit for diversion and use of water, subject to certain restrictions. Existing law allows a permittee or licensee who has an urgent need to change a point of diversion, place of use, or purpose of use to petition for, and the board to issue, a temporary permit, subject to certain restrictions. Current law provides that the authorization for a temporary permit automatically expires 180 days after the authorization takes effect, unless an earlier date is specified or the temporary permit is revoked. This bill would extend the time period for the automatic expiration of a temporary permit to 240 days.

**AB 1180 (Holden D) Los Angeles County Flood Control District: taxes, fees, and charges.**

**Current Text:** Amended: 7/3/2017 [Text](#)

**Summary:**

Would authorize the Los Angeles County Flood Control District to levy a tax, in compliance with the applicable provision of Article XIIC of the California Constitution, or impose a fee or charge, in compliance with the applicable provisions of Article XIIID of the California Constitution, to pay the costs and expenses of carrying out projects and programs to increase stormwater capture and reduce stormwater and urban runoff pollution in the district, and would specify that projects funded by the revenues from the tax, fee, or charge may include projects providing multiple benefits that increase water supply, improve water quality, and, where appropriate, provide community enhancements, as prescribed.

**AB 1211 (Dahle R) State policy for water quality control.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Summary:**

Under current law, the Porter-Cologne Water Quality Control Act, the state policy for water quality control is required to consist of water quality principles and guidelines for long-range resource planning, water quality objectives, and other principles and guidelines deemed essential by the State Water Resources Control Board for water quality control. This bill would make technical, nonsubstantive changes to that provision.

**AB 1270 (Gallagher R) Dams and reservoirs: inspections and reporting.**

**Current Text:** Amended: 7/20/2017 [Text](#)

**Summary:**

Current law requires the Department of Water Resources, from time to time, to make inspections of dams and reservoirs at state expense for the purpose of determining their safety. This bill would require the department, at the expense of dam owners, to inspect dams, reservoirs, and critical appurtenant structures with a hazard classification of significant or higher at least once per fiscal year and those structures with a hazard classification of low at least once every 2 fiscal years to determine their safety, as prescribed. The bill would require the department to make all dam inspection reports completed after January 1, 2018, publicly available.

**AB 1271 (Gallagher R) Dams and reservoirs.**

**Current Text:** Amended: 3/21/2017 [Text](#)

**Summary:**

Current law requires the Department of Water Resources, in determining whether or not a dam or reservoir or proposed dam or reservoir constitutes or would constitute a danger to life or property, to take into consideration the possibility that the dam or reservoir might be endangered by conditions that exist or that might occur in any area in the vicinity of the dam or reservoir. Under existing law, whenever the department deems that a condition endangers a dam or reservoir, the department is required to order the owner to take action as the department determines to be necessary to remove the resultant danger to life and property. This bill would require the department, as soon as possible, to order the owner to take action.

**AB 1273 (Gallagher R) California Environmental Quality Act: exemption: levee repairs.**

**Current Text:** Amended: 5/2/2017 [Text](#)

**Summary:**

Would, until July 1, 2023, exempt from the requirements of CEQA repairs of critical levees of the State Plan of Flood Control within an existing levee footprint to meet standards of public health and safety, except as otherwise provided in a specified regulation. The bill would require the lead agency to take certain actions regarding the repairs. This bill contains other existing laws.

**AB 1323 (Weber D) Sustainable water use and demand reduction: stakeholder workgroup.**

**Current Text:** Amended: 5/30/2017 [Text](#)

**Summary:**

Would, with a specified exception, require the Department of Water Resources to convene a stakeholder workgroup with prescribed representatives invited to participate, including, among others, representatives of the department and the State Water Resources Control Board, no later than February 1, 2019. The bill would require the stakeholder workgroup to develop, evaluate, and recommend proposals for establishing new water use targets for urban water suppliers and to examine and report to the Governor and the Legislature by December 31, 2019, as specified.

**AB 1324 (Gloria D) Metropolitan planning organizations: transactions and use taxes.**

**Current Text:** Amended: 3/20/2017 [Text](#)

**Summary:**

Would authorize a metropolitan planning organization or regional transportation planning agency that is authorized by law to levy, expand, increase, or extend a transactions and use tax to levy, expand, increase, or extend that tax in only a portion of the jurisdiction, as an alternative to the entire jurisdiction, in which the organization or agency is authorized to levy, expand, increase, or extend the tax, if approved by the required percentage of the voters in that portion of the jurisdiction.

**AB 1343 (Chen R) Water conservation: school districts: Go Low Flow Water Conservation Partnerships.**

**Current Text:** Chaptered: 7/21/2017 [Text](#)

**Summary:**

Would authorize the governing board of a school district to enter into a Go Low Flow Water Conservation Partnership with a public water system for purposes of reducing water use at schools, reducing stormwater and dry weather runoff at schools, reducing schoolsite water pollution, and establishing the basis for educational opportunities in water conservation. The bill would authorize a public water system to offer, as part of a partnership, a water rebate for a school that implements water-saving measures.

**AB 1369 (Gray D) Water quality and storage.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Summary:**

Current law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions to be deposited in the Greenhouse Gas Reduction Fund. This bill would require the Department of Water Resources to increase statewide water storage capacity by 25% by January 1, 2025, and 50% by January 1, 2050, as specified.

**AB 1400 (Friedman D) Public Interest Research, Development, and Demonstration Program and Electric Program Investment Charge program: microgrid projects: fossil fuel backup generators.**

**Current Text:** Amended: 4/25/2017 [Text](#)

**Summary:**

Current decisions of the PUC institute an Electric Program Investment Charge (EPIC) to fund renewable energy and research, development, and demonstration programs. Current law creates in the State Treasury the Electric Program Investment Charge Fund to be administered by the State Energy Resources Conservation and Development Commission (Energy Commission) and requires the PUC to forward to the Energy Commission at least quarterly moneys for those EPIC programs the PUC has determined should be administered by the Energy Commission for deposit in the fund. This bill would, for projects related to the deployment of microgrids, prohibit recipients of moneys awarded under the above 2 programs from expending those moneys for the purchase of fossil fuel generators.

**AB 1420 (Aquiar-Curry D) Water rights: small irrigation use: lake or streambed alteration agreements.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Summary:**

Would require the State Water Resources Control Board to give priority to adopting, on or before June 30, 2021, except as provided, general conditions that permit a registrant to store water for small irrigation use during times of high streamflow in exchange for the registrant reducing diversions during

periods of low streamflow, as specified. The bill would require that the actions of the board under these provisions be deemed an action taken for the protection of the environment for purposes of specified California Environmental Quality Act guidelines, if those actions do not result in the relaxation of streamflow standards.

**AB 1427 (Eggman D) Water: underground storage.**

**Current Text:** Amended: 3/21/2017 [Text](#)

**Summary:**

Current law provides for the reversion of water rights to which a person is entitled when the person fails to beneficially use the water for a period of 5 years. Current law declares that the storing of water underground, and related diversions for that purpose, constitute a beneficial use of water if the stored water is thereafter applied to the beneficial purposes for which the appropriation for storage was made. This bill would revise the above declaration to additionally provide that certain uses of stored water while underground constitute beneficial use.

**AB 1438 (Committee on Environmental Safety and Toxic Materials) State Water Resources Control Board: environmental laboratories: public water systems: certificates and permits: procedures.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Summary:**

The Environmental Laboratory Accreditation Act authorizes the State Water Resources Control Board to adopt regulations to establish reporting requirements, establish the accreditation procedures, recognize the accreditation of laboratories located outside California, and collect laboratory accreditation fees. Current law authorizes the state board to implement these provisions by entering and inspecting laboratories for these purposes, as specified. Current law makes it a crime to interfere with the state board with regard to those inspection provisions. This bill would revise and recast those provisions.

**AB 1442 (Allen, Travis R) Bonds: transportation: water projects.**

**Current Text:** Amended: 3/28/2017 [Text](#)

**Summary:**

Would provide that no further bonds shall be sold for high-speed rail purposes pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, except as specifically provided with respect to an existing appropriation for high-speed rail purposes for early improvement projects in the Phase 1 blended system. The bill, subject to the above exception, would require redirection of the unspent proceeds received from outstanding bonds issued and sold for other high-speed rail purposes prior to the effective date of these provisions, upon appropriation, for use in retiring the debt incurred from the issuance and sale of those outstanding bonds.

**AB 1481 (Nazarian D) Water: public use.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Summary:**

Current law declares that all water within the state is the property of the people of the state, but the right to the use of the water may be acquired by appropriation in the manner provided by law. This bill would make nonsubstantive changes to that provision.

**AB 1490 (Gray D) State Water Resources Control Board: school drinking water.**

**Current Text:** Amended: 4/17/2017 [Text](#)

**Summary:**

Would require the State Water Resources Control Board, no later than July 1, 2018, to prepare and submit to the Legislature a report evaluating potential adverse impacts resulting from the implementation of the Bay-Delta Water Quality Control Plan on the quality and supply of drinking water provided to schools in disadvantaged communities, as defined, in the state, including a summary describing any measures that may be implemented to address any adverse impacts identified in the report.

**AB 1543 (Gloria D) Municipal water districts: bonds.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Summary:**

Current law authorizes a municipal water district to issue bonds for the purpose of providing money required to be paid to any district or authority organized under the Metropolitan Water District Act or the County Water Authority Act for a certain purpose, and specifies that the amount of those bonds may include the expenses of all proceedings for the authorization, issuance, and sale of the bonds. This bill would make nonsubstantive changes in that provision.

**AB 1558 (Garcia, Cristina D) Los Angeles River: river ranger program.**

**Current Text:** Amended: 3/28/2017 [Text](#)

**Summary:**

Current law establishes the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy and the Santa Monica Mountains Conservancy (the conservancies) and prescribes the membership and functions and duties of the conservancies. This bill would require the conservancies to collaborate with the Department of Parks and Recreation, the California Conservation Corps, and the State Lands Commission to develop a river ranger program to provide a network of river rangers who assist the public at sites along the Los Angeles River and its tributaries, as prescribed.

**AB 1562 (Garcia, Eduardo D) Sustainable Groundwater Management Act: Desert Water Agency: Coachella Valley Groundwater Basin.**

**Current Text:** Amended: 3/28/2017 [Text](#)

**Summary:**

Would, on or before January 1, 2020, require the Desert Water Agency to determine the feasibility of forming a joint powers agreement with specified entities for the purpose of managing the Coachella Valley Groundwater Basin and to report its findings to certain entities. By imposing additional duties on local officials, this bill would create a state-mandated local program.

**AB 1587 (Levine D) Invasive species: dreissenid mussels.**

**Current Text:** Amended: 6/29/2017 [Text](#)

**Summary:**

Current law, until January 1, 2020, generally prohibits a person from possessing, importing, shipping, or transporting in the state, or from placing, planting, or causing to be placed or planted in any water within the state, dreissenid mussels, and authorizes the Director of Fish and Wildlife or his or her designee to engage in various enforcement activities with regard to dreissenid mussels. Current law authorizes the director to conduct inspections of waters of the state and facilities located within waters of the state that may contain dreissenid mussels and, if those mussels are detected or may be present, order the closure of the waters or facilities to conveyances or otherwise restrict access to the waters or facilities, with the concurrence of the Secretary of the Natural Resources Agency. This bill would also authorize a peace officer to engage in certain of these enforcement activities, as prescribed, and would extend to January 1, 2023, the repeal date of those provisions.

**AB 1596 (Gloria D) Local government: Enhanced Infrastructure Financing Districts.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Summary:**

Current law authorizes a public financing authority, by majority vote, to initiate proceedings to issue bonds for the purchase, construction, expansion, or rehabilitation of public capital facilities or other specified projects of communitywide significance by adopting a resolution stating its intent to issue the bonds. Current law requires the clerk of the public financing authority to publish the resolution once a day for at least 7 successive days in a newspaper published in the city or county at least 6 days a week, or at least once a week for 2 successive weeks in a newspaper published in the city or county less than 6 days a week. This bill also would require the clerk to also publish the resolution on the Internet Web site of the public financing authority, if it has one.

**AB 1602 (O'Donnell D) Alternative Grade 11 Assessment Pilot Program.**

**Current Text:** Amended: 5/3/2017 [Text](#)

**Summary:**

Would establish the Alternative Grade 11 Assessment Pilot Program, which would authorize school districts, that are selected by the Superintendent of Public Instruction to participate in the pilot program, to administer an assessment other than the CAASPP to grade 11 pupils if certain requirements are satisfied. The bill would require participating school districts to report results of the assessment to the Superintendent and report, on or before January 1, 2023, on the effectiveness of the assessment in accomplishing specified objectives. The bill would make the pilot program inoperative on July 1, 2023, and would repeal the pilot program on January 1, 2024.

**AB 1605 (Caballero D) Maximum contaminant level: nitrate: replacement water.**

**Current Text:** Amended: 4/27/2017 [Text](#)

**Summary:**

The California Safe Drinking Water Act, requires the state board to administer provisions relating to the regulation of drinking water to protect public health and vests with the state board specified responsibilities. This bill would prohibit a person or entity providing replacement water, as defined, to address drinking water that exceeds the maximum contaminant level for nitrate in groundwater from being deemed to have caused pollution or a nuisance, or from being liable for negligence or trespass, if

certain conditions are met.

**AB 1617 (Bloom D) Department of Fish and Wildlife: Fish and Game Commission: funding: strategic vision.**

**Current Text:** Amended: 5/15/2017 [Text](#)

**Summary:**

Current law requires the Secretary of the Natural Resources Agency to convene a committee to develop and submit to the Governor and Legislature, before July 1, 2012, a strategic vision for the Department of Fish and Wildlife and the Fish and Game Commission that addresses specified matters relating to state fish and wildlife resource management. This bill would require the Department of Fish and Wildlife, in cooperation with the above-mentioned parties and additional specified parties, to identify and propose new sources of revenue to fund the department's necessary wildlife, land, and marine conservation, restoration, and resources management and protection responsibilities.

**AB 1654 (Rubio D) Water conservation.**

**Current Text:** Amended: 7/12/2017 [Text](#)

**Summary:**

Would state the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life.

**AB 1667 (Friedman D) Water management planning.**

**Current Text:** Amended: 7/3/2017 [Text](#)

**Summary:**

Would require the State Water Resources Control Board, in consultation with the Department of Water Resources, to adopt long-term standards for urban water conservation and water use on or before May 20, 2021. The bill would also require the board, in consultation with the department, to adopt performance measures for commercial, industrial, and institutional water use on or before that date.

**AB 1668 (Friedman D) Water conservation.**

**Current Text:** Amended: 7/12/2017 [Text](#)

**Summary:**

Would state the intent of the Legislature to enact legislation necessary to help make water conservation a California way of life.

**AB 1669 (Friedman D) Urban water conservation standards and use reporting.**

**Current Text:** Amended: 4/18/2017 [Text](#)

**Summary:**

Would require the State Water Resources Control Board, in consultation with the Department of Water Resources, to adopt long-term standards for urban water conservation and water use by May 20, 2021. The bill would authorize the board, in consultation with the department, to adopt interim standards for urban water conservation and water use by emergency regulation. The bill would require the board, before adopting an emergency regulation, to provide at least 60 days for the public to review and comment on the proposed regulation and would require the board to hold a public hearing.

**AB 1671 (Caballero D) Backflow protection and cross-connection controls: standards.**

**Current Text:** Amended: 7/11/2017 [Text](#)

**Summary:**

Current law requires any person who owns a public water system to ensure that the system does certain things, including, but not limited to, that it will not be subject to backflow under normal operating conditions. Current law, to ensure that testing and maintenance of backflow prevention devices are performed by persons qualified to do testing and maintenance, authorizes local health officers to maintain programs for certification of backflow prevention device testers and requires the certification program to be consistent with backflow protection regulations adopted by the state board. This bill would require a public water system to implement a cross-connection control program that complies with, and would require the certification program to be consistent with, applicable regulations and the standards described in (2).

**AB 1673 (Aguilar-Curry D) The California Water Plan.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**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. This bill would make technical, nonsubstantive changes to that requirement.

**AB 1683 (Burke D) Transformative Climate Communities Program: report.**

**Current Text:** Amended: 4/3/2017 [Text](#)

**Summary:**

Current law establishes the Transformative Climate Communities Program, administered by the Strategic Growth Council, to award competitive grants to specified eligible entities for the development and implementation of neighborhood-level transformative climate community plans that include greenhouse gas emissions reduction projects that provide local economic, environmental, and health benefits to disadvantaged communities, as defined. This bill would require the council, no later than January 1, 2019, to submit a specified report on the program to the Governor and specified committees of the Legislature.

**SB 5 (De León D) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.**

**Current Text:** Amended: 7/18/2017 [Text](#)

**Summary:**

Would enact the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,832,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program.

**SB 32 (Moorlach R) California Public Employees' Pension Reform Act of 2018.**

**Current Text:** Amended: 3/2/2017 [Text](#)

**Summary:**

Would create the Citizens' Pension Oversight Committee to serve in an advisory role to the Teachers' Retirement Board and the Board of Administration of PERS. The bill would require the committee, on or before January 1, 2019, and annually thereafter, to review the actual pension costs and obligations of PERS and STRS and report on these costs and obligations to the public.

**SB 49 (De León D) California Environmental, Public Health, and Workers Defense Act of 2017.**

**Current Text:** Amended: 7/18/2017 [Text](#)

**Summary:**

The Porter-Cologne Water Quality Control Act regulates the discharge of pollutants into the waters of the state. The California Safe Drinking Water Act establishes standards for drinking water and regulates drinking water systems. The California Endangered Species Act requires the Fish and Game Commission to establish a list of endangered species and a list of threatened species and generally prohibits the taking of those species. The Protect California Air Act of 2003 prohibits air quality management districts and air pollution control districts from amending or revising their new source review rules or regulations to be less stringent than those rules or regulations that existed on December 30, 2002. This bill would prohibit state or local agencies from amending or revising their rules and regulations implementing the above state laws to be less stringent than the baseline federal standards, as defined, and would require specified agencies to take prescribed actions to maintain and enforce certain requirements and standards pertaining to air, water, and protected species.

**SB 57 (Stern D) Natural gas storage: moratorium.**

**Current Text:** Amended: 5/26/2017 [Text](#)

**Summary:**

The Public Utilities Commission under current law, is authorized to supervise and regulate every public utility in the state. Current law requires the commission, no later than July 1, 2017, to open a proceeding to determine the feasibility of minimizing or eliminating use of the Aliso Canyon natural gas storage facility located in the County of Los Angeles while still maintaining energy and electric reliability for the region, and to consult with specified entities in making its determination. This bill would require the supervisor to continue that prohibition until a specified root cause analysis of the natural gas leak from the facility that started approximately October 23, 2015, has been completed and released in its entirety to the public.

**SB 80 (Wieckowski D) California Environmental Quality Act: notices.**

**Current Text:** Amended: 6/21/2017 [Text](#)

**Summary:**

The California Environmental Quality Act requires the lead agency to mail certain notices to persons who have filed a written request for notices. The act provides that if the agency offers to provide the notices by email, upon filing a written request for notices, a person may request that the notices be provided to him or her by email. This bill would require the lead agency to post those notices on the agency's Internet Web site. The bill would require the agency to offer to provide those notices by email. Because this bill would increase the level of service provided by a local agency, this bill would impose a

state-mandated local program.

**SB 146 (Wilk R) Water resources: permit to appropriate: protected species.**

**Current Text:** Amended: 3/20/2017 [Text](#)

**Summary:**

Under current law, the State Water Resources Control Board administers a water rights program pursuant to which the board grants permits and licenses to appropriate water. Current law prohibits the taking or possession of a fully protected fish, except as provided, and designates the unarmored threespine stickleback as a fully protected fish. This bill would prohibit the board from issuing on or after January 1, 2018, a new permit to appropriate water from any river or stream that has, or is reasonably expected to have, a population of unarmored threespine stickleback.

**SB 181 (Berryhill R) Administrative Procedure Act: repeal of regulations.**

**Current Text:** Amended: 4/5/2017 [Text](#)

**Summary:**

Current law requires a state agency proposing to adopt, amend, or repeal specific administrative regulations to assess the potential for adverse economic impact on California business enterprises and individuals and to prepare an economic impact assessment, as specified, that addresses, among other things, the creation or elimination of jobs within the state. This bill would, notwithstanding other law, additionally require each state agency proposing to adopt a new administrative regulation to identify two existing regulations previously adopted by that state agency that will be repealed upon the adoption of the new regulation being proposed.

**SB 193 (Cannella R) Monterey County Water Resources Agency: Lake Nacimiento and Lake San Antonio: white bass.**

**Current Text:** Amended: 6/8/2017 [Text](#)

**Summary:**

Current law makes it unlawful to place, plant, or cause to be placed or planted, in any of the waters of this state, any live fish, any fresh or salt water animal, or any aquatic plant, whether taken without or within the state, without first submitting it for inspection to, and securing the written permission of, the Department of Fish and Wildlife. Current law also makes it unlawful to transport or possess any live white bass, whether taken within or without the state, unless it is first submitted for inspection to, and written permission is obtained from, the department. This bill would exempt the movement of white bass between Lake Nacimiento and Lake San Antonio through the interlake underground tunnel or pipeline from the above-described provisions relating to fish and wildlife.

**SB 210 (Leyva D) Pupil health: drinking water.**

**Current Text:** Amended: 5/26/2017 [Text](#)

**Summary:**

The California Safe Drinking Water Act, requires the State Water Resources Control Board to establish a grant program, in consultation with the State Department of Education, to award grants to local educational agencies for the purposes of improving access to, and the quality of, drinking water in public schools serving kindergarten or any of grades 1 to 12, inclusive, and preschools and child day care facilities located on public school property. The act requires the state board to give priority to certain projects. This bill would require priority be given to projects for schools that have tested their drinking water fixtures, and the results show that the drinking water either does not meet the United States Environmental Protection Agency drinking water standards for lead or is above the California maximum contaminant level for any other contaminant, as specified.

**SB 224 (Jackson D) California Environmental Quality Act: baseline conditions.**

**Current Text:** Amended: 4/5/2017 [Text](#)

**Summary:**

Would require the Office of Planning and Research, on or after January 1, 2018, at the time of the next review of the guidelines, to prepare, develop, and transmit to the secretary proposed changes or amendments to determine the baseline physical conditions by which a lead agency determines whether a project has a significant effect on the environment. The bill would require the office, in developing the recommendations to limit the consideration of modifications to the environment at the project site cause by certain actions. The bill would require the secretary to certify and adopt the recommended proposed changes or amendments.

**SB 229 (Wieckowski D) Accessory dwelling units.**

**Current Text:** Amended: 7/17/2017 [Text](#)

**Summary:**

The Planning and Zoning Law authorizes the legislative body of a city or county to regulate the

intensity of land use, and also authorizes a local agency to provide by ordinance for the creation of accessory dwelling units in single-family and multifamily residential zones, as specified. Current law requires the ordinance to designate areas within the jurisdiction of the local agency where these units may be permitted and impose specified standards on these units. This bill instead would authorize a local agency to provide by ordinance for the creation of accessory dwelling units in areas zoned to allow single-family or multifamily use.

**SB 231 (Hertzberg D) Local government: fees and charges.**

**Current Text:** Amended: 4/19/2017 [Text](#)

**Summary:**

Articles XIIIIC and XIIID of the California Constitution generally require that assessments, fees, and charges be submitted to property owners for approval or rejection after the provision of written notice and the holding of a public hearing. Current law, the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with Articles XIIIIC and XIIID of the California Constitution and defines terms for these purposes. This bill would define the term "sewer" for these purposes. The bill would also make findings and declarations relating to the definition of the term "sewer" for these purposes.

**SB 242 (Skinner D) Property Assessed Clean Energy program: program administrator.**

**Current Text:** Amended: 7/13/2017 [Text](#)

**Summary:**

Current law authorizes a public agency, or an entity that administers a Property Assessed Clean Energy (PACE) financing program on behalf of and with the written consent of a public agency, to issue PACE bonds that are secured by voluntary contractual assessments, voluntary special taxes, or special taxes on property to assist property owners in financing the installation of distributed generation renewable energy sources, electric vehicle charging infrastructure, or energy or water efficiency improvements. This bill would prohibit a program administrator from waiving or deferring the first payment on an assessment contract, and would require that a property owner's first assessment payment be due no later than the fiscal year following the fiscal year in which the installation of the efficiency improvement is completed.

**SB 252 (Dodd D) Water wells.**

**Current Text:** Amended: 7/17/2017 [Text](#)

**Summary:**

Would require a city or county overlying a critically overdrafted basin, as defined, to request estimates of certain information from an applicant for a new well located within a critically overdrafted basin as part of an application for a well permit. The bill would require a city or county that receives an application for a well permit in a critically overdrafted basin to make the information about the new well included in the application for a well permit available to both the public and to groundwater sustainability agencies and easily accessible. The bill would authorize a city or county to issue a new well permit within a critically overdrafted basin when these requirements have been met.

**SB 262 (Wieckowski D) Climate change: climate adaptation: advisory council.**

**Current Text:** Introduced: 2/8/2017 [Text](#)

**Summary:**

Current law requires the Office of Planning and Research to establish an advisory council, comprised of members for a range of disciplines, to support the office's goals to facilitate coordination among state, regional, and local agency efforts to adapt to the impacts of climate change. This bill would specify that the members on the advisory council serve staggered terms of 4 years. The bill would require the members of the advisory council to select a chairperson from their members.

**SB 263 (Leyva D) Climate Assistance Centers.**

**Current Text:** Amended: 5/3/2017 [Text](#)

**Summary:**

Would require the Strategic Growth Council, among other things, to establish no less than 10 regional climate assistance centers, as specified, and award competitive grants to eligible entities through an application process, as specified. The bill would require the climate assistance centers to provide to target user groups technical assistance in applying for moneys, provide to target user groups assistance and training in project management and implementation, and work with local organizations to formulate policies and programming that accomplish specified goals.

**SB 276 (Dodd D) State Water Efficiency and Enhancement Program.**

**Current Text:** Amended: 4/24/2017 [Text](#)

**Summary:**

The Department of Food and Agriculture has established the State Water Efficiency and Enhancement Program to provide financial assistance in the form of grants to implement irrigation systems that reduce greenhouse gases and save water on agricultural operations. The Sustainable Groundwater Management Act, provides for the sustainable management of groundwater basins. This bill would require the Department of Food and Agriculture, upon appropriation of moneys by the Legislature for this purpose, to administer the State Water Efficiency and Enhancement Program to provide financial assistance in the form of grants to implement irrigation management systems that reduce greenhouse gas emissions, save water, and reduce energy use in agricultural operations in the state, offer technical assistance to program applicants, and perform outreach to groundwater basins designated as high- or medium-priority basins, as prescribed.

**SB 287 (Dodd D) Habitat restoration: invasive species: Phytophthora pathogens.**

**Current Text:** Amended: 3/15/2017 [Text](#)

**Summary:**

Current law establishes the Department of Fish and Wildlife and sets forth the powers and duties of the department with regard to the implementation and administration of, among other things, projects and programs to protect wildlife and wildlife habitat in the state. This bill would require the department, on or before December 31, 2019, to adopt regulations to minimize the risk of Phytophthora pathogens in plant materials used for habitat restoration projects authorized, funded, or required by the state.

**SB 305 (Skinner D) Housing: code compliance: low-interest loans.**

**Current Text:** Amended: 4/27/2017 [Text](#)

**Summary:**

Would appropriate the sum of \$20,000,000 from the General Fund to the Department of Housing and Community Development to provide financing to local agencies for the purpose of funding low-interest loans made by those agencies to building owners, who meet specified eligibility requirements, in order to rehabilitate eligible buildings, as defined, and bring them up to current building standards for occupancy. The bill would provide that financing under this program, along with other liens on the subject property, could not exceed 80% of the appraised value of the property. The bill would make findings and declarations in support of these provisions.

**SB 372 (Cannella R) San Joaquin River Exchange Contractors Groundwater Sustainability Agency.**

**Current Text:** Amended: 7/3/2017 [Text](#)

**Summary:**

Would create the San Joaquin River Exchange Contractors Groundwater Sustainability Agency as the exclusive groundwater sustainability agency and successor in interest to the agency that submitted a notice of intent to become a groundwater sustainability agency to the department on December 22, 2015. The bill would establish the boundaries of the agency. The bill would require the agency to develop and implement a groundwater sustainability plan to achieve sustainable groundwater management within the territory of the agency.

**SB 373 (Cannella R) Public contracts: design-build: Stanislaus Regional Water Authority.**

**Current Text:** Amended: 7/3/2017 [Text](#)

**Summary:**

Current law, until January 1, 2025, authorizes the Department of General Services, the Department of Corrections and Rehabilitation, and certain local agencies to use the design-build procurement process for specified public works. Current law defines a "local agency" and a "project" for purposes of these provisions. This bill would modify those definitions to authorize the Stanislaus Regional Water Authority to use the design-build procurement process for its Regional Surface Water Supply Project.

**SB 417 (Berryhill R) State Water Resources Control Board.**

**Current Text:** Introduced: 2/15/2017 [Text](#)

**Summary:**

Current law declares that to provide for the orderly and efficient administration of the water resources in the state, it is necessary to establish the State Water Resources Control Board to exercise the adjudicatory and regulatory functions of the state in the field of water resources. Existing law declares the intent of the Legislature to combine the water rights, water quality, and drinking water functions of the state government to provide for coordinated consideration of water rights, water quality, and safe and reliable drinking water. This bill would make nonsubstantive changes to these declarations.

**SB 427 (Leyva D) Public water systems: community water systems: lead user service lines.**

**Current Text:** Amended: 5/15/2017 [Text](#)

**Summary:**

Current law requires, by July 1, 2018, a public water system to compile an inventory of known lead user

service lines in use in its distribution system and identify areas that may have lead user service lines in use in its distribution system. This bill would apply the above-described provisions relating to lead user service lines to a community water system, instead of a public water system, and would require, by July 1, 2020, the community water system to provide a timeline for replacement of known lead user service lines in use in its distribution system to the State Water Resources Control Board.

**SB 450 (Hertzberg D) Public bodies: bonds: public notice.**

**Current Text:** Amended: 5/17/2017 [Text](#)

**Summary:**

Current law authorizes the governing body of a public body to authorize the issuance of bonds pursuant to a resolution, indenture, agreement, or other instrument providing for the issuance of bonds. Current law defines a "public body" to mean, among other entities, a county, city, or city and county. This bill, prior to authorization of the issuance of certain bonds, would require the governing body of a public body to obtain and disclose specified information regarding the bonds in a meeting open to the public.

**SB 473 (Hertzberg D) California Endangered Species Act.**

**Current Text:** Amended: 7/3/2017 [Text](#)

**Summary:**

The California Endangered Species Act prohibits the taking of an endangered or threatened species, except in certain situations. Under the act, the Department of Fish and Wildlife may authorize the take of listed species pursuant to an incidental take permit if the take is incidental to an otherwise lawful activity, the impacts are minimized and fully mitigated, and the issuance of the permit would not jeopardize the continued existence of the species. The act requires the department to adopt regulations for issuance of incidental take permits. This bill would also apply the take prohibition to public agencies.

**SB 474 (Galgiani D) Disaster Preparedness and Flood Prevention Bond Act of 2006.**

**Current Text:** Amended: 3/30/2017 [Text](#)

**Summary:**

The Budget Act of 2015 appropriates \$192,795,000 to the Department of Water Resources from the Disaster Preparedness and Flood Prevention Bond Fund of 2006 for specified flood protection-related activities, including direct expenditures in cooperation with other agencies. Of the moneys appropriated to the department by the Budget Act of 2015, the bill would require the department to expend up to \$110,000,000 for the upgrade of the levee system of Reclamation District No. 17 to provide the urban level of flood protection.

**SB 506 (Nielsen R) Department of Fish and Wildlife: lake or streambed alteration agreements: Internet Web site.**

**Current Text:** Vetoed: 7/21/2017 [Text](#)

**Summary:**

Would require the Department of Fish and Wildlife, on or before December 31, 2018, and periodically thereafter, to upgrade the information on its Internet Web site regarding lake or streambed alteration agreements, to update its "Frequently Asked Questions" document and other appropriate sources of information regarding the lake and streambed alteration program, and to provide guidance on its Internet Web site to facilitate members of the public in obtaining individualized guidance regarding the lake and streambed alteration program, as specified.

**SB 519 (Beall D) Santa Clara Valley Water District.**

**Current Text:** Introduced: 2/16/2017 [Text](#)

**Summary:**

The district Santa Clara Valley Water District Act authorizes the district to prevent contamination, pollution, or otherwise rendering unfit for beneficial use the surface or subsurface water used or useful in the district, and to commence, maintain, and defend actions and proceedings to prevent interference with the waters that may endanger or damage the inhabitants, lands, or use of water in, or flowing into, the district. This bill would specify that the district has the authority to engage in acts the board of the district deems appropriate and beneficial to reduce impacts on the waters from activity in and around waterways in the district, as specified.

**SB 541 (Allen D) Water: school facility water capture practices.**

**Current Text:** Amended: 7/20/2017 [Text](#)

**Summary:**

Would require the State Water Resources Control Board, in consultation with the regional water quality control boards, and the Division of the State Architect within the Department of General Services to

recommend best design and use practices for storm water and dry weather runoff capture practices, as defined, that can generally be applied to all new, reconstructed, or altered public schools, including school grounds. The bill would require the board to submit these recommendations to the Governor and the Legislature on or before January 1, 2019, and would require the board and the State Department of Education to post the recommendations on their respective Internet Web sites.

**SB 558 (Glazer D) Property taxation: new construction exclusion: rain water capture system.**

**Current Text:** Amended: 4/26/2017 [Text](#)

**Summary:**

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, "full cash value" is defined as the assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value" or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred. This bill would exclude from classification as "newly constructed" and "new construction" the construction or addition, on or after January 1, 2019, of a rain water capture system, as provided. This bill contains other related provisions and other existing laws.

**SB 564 (McGuire D) Joint powers authorities: Water Bill Savings Act.**

**Current Text:** Amended: 7/17/2017 [Text](#)

**Summary:**

Would enact the Water Bill Savings Act, which would authorize a joint powers authority to provide funding for a customer of a local agency in the Counties of Alameda, Contra Costa, Los Angeles, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma or its publicly owned utility to acquire, install, or repair a water efficiency improvement on the customer's property served by the local agency or its publicly owned utility. The bill would require the customer to repay the authority through an efficiency charge on the customer's water bill to be established and collected by the local agency or its publicly owned utility on behalf of the authority pursuant to a servicing agreement.

**SB 580 (Pan D) Water development projects: Sacramento-San Joaquin watersheds.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Summary:**

Current law adopts and authorizes federally adopted and approved projects, including a project for flood control along the American and Sacramento Rivers. The projects are authorized at an estimated cost to the state of the sum that may be appropriated by the Legislature for state participation upon the recommendation and advice of the Department of Water Resources or the Central Valley Flood Protection Board. This bill would revise the authorization for the project for flood control along the American and Sacramento Rivers as further modified by a specified report adopted by Congress.

**SB 589 (Hernandez D) Municipal separate storm sewer systems: financial capability analysis: pilot project.**

**Current Text:** Amended: 4/26/2017 [Text](#)

**Summary:**

Current law requires the State Water Resources Control Board or the regional boards to issue waste discharge requirements that apply and ensure compliance with the federal Clean Water Act and any more stringent effluent standards or limitations necessary to implement water quality control plans, or for the protection of beneficial uses, or to prevent nuisance. This bill would require the state board, in conjunction with an educational institution, to establish financial capability assessment guidelines for municipal separate storm sewer system permittees by an unspecified date.

**SB 615 (Hueso D) Salton Sea restoration.**

**Current Text:** Amended: 5/1/2017 [Text](#)

**Summary:**

Would require the Natural Resources Agency, by January 1, 2018, to develop a 10-year plan to implement the memorandum of understanding between the agency and the United States Department of the Interior entered into on August 31, 2016, and its addendum, entered into on January 18, 2017, and would require the agency to address certain issues in the plan. The bill would rename the Salton Sea Restoration Act as the "John J. Benoit Salton Sea Restoration Act." This bill contains other related provisions.

**SB 623 (Monning D) Water quality: Safe and Affordable Drinking Water Fund.**

**Current Text:** Amended: 7/3/2017 [Text](#)

**Summary:**

Would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the office. The bill would require the State Water Resources Control Board to administer the fund to assist communities and individual domestic

well users to address contaminants in drinking water that exceed safe drinking water standards, as specified. The bill would authorize the board to provide for the deposit of federal contributions and voluntary contributions, gifts, grants, or bequests.

**SB 633 (Portantino D) Water quality objectives: stormwater.**

**Current Text:** Amended: 4/26/2017 [Text](#)

**Summary:**

Would require a regional board preparing a water quality control plan for a region having a population in excess of 10 million residents to additionally consider opportunities to convey stormwater to a regional site within the watershed in which the stormwater originated for capture and infiltration and to consider the opportunity for stormwater capture when determining past and probable future beneficial uses of water, as specified. This bill contains other related provisions.

**SB 634 (Wilk R) Santa Clarita Valley Water District.**

**Current Text:** Amended: 7/12/2017 [Text](#)

**Summary:**

Current law, the Castaic Lake Water Agency Law, created the Castaic Lake Water Agency and authorizes the agency to acquire water and water rights, including water from the State Water Project, and to provide, sell, and deliver water at wholesale for municipal, industrial, domestic, and other purposes. This bill would repeal the Castaic Lake Water Agency Law.

**SB 637 (Hill D) Public Utilities Commission: gas corporations: electrical corporations: safety.**

**Current Text:** Amended: 3/27/2017 [Text](#)

**Summary:**

Would require the Public Utilities Commission to adopt a commissionwide gas corporation and electrical corporation safety program that includes specified elements and would authorize the commission to adopt an organizationwide safety program for other public utilities and specified nonutilities that are also subject to the commission's regulatory jurisdiction. The bill would require gas corporations and electrical corporations to have effective programs to continually identify safety hazards and to analyze, assess, and mitigate or eliminate safety risks.

**SB 667 (Atkins D) Department of Water Resources: riverine and riparian stewardship improvements.**

**Current Text:** Amended: 6/20/2017 [Text](#)

**Summary:**

Current law authorizes the Director of Water Resources to establish a program of flood control and urban creek restoration, known as the Urban Streams Restoration Program, consisting of the development of the capability by the Department of Water Resources to respond to requests from local agencies and organizations for planning and design assistance for efficient and effective urban creek protection, restoration, and enhancement. This bill, upon an appropriation of funds from the Legislature, would require the department to establish a program to implement watershed-based riverine and riparian stewardship improvements by providing technical and financial assistance in support of projects with certain benefits.

**SB 669 (Moorlach R) Sustainable groundwater management: adjudicated groundwater basins.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Summary:**

The Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. Under current law, the provisions of the act do not apply to an adjudicated groundwater basin, as specified, or to a local agency that conforms to the requirements of an adjudication of water rights for an adjudicated groundwater basin. This bill would make a nonsubstantive change in these provisions.

**SB 701 (Hueso D) Salton Sea Obligations Act of 2018.**

**Current Text:** Amended: 7/3/2017 [Text](#)

**Summary:**

Would enact the Salton Sea Obligations Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$500,000,000 pursuant to the State General Obligation Bond Law to finance a program to comply with specified state obligations relating to the Salton Sea. This bill would provide for the submission of these provisions to the voters at the November 6, 2018, statewide general election.

**SB 704 (Galgiani D) Division of Boating and Waterways: invasive aquatic plants control programs.**

**Current Text:** Amended: 5/2/2017 [Text](#)

**Summary:**

Would require that the Division of Boating and Waterways, to the extent feasible, to collaborate with the California Conservation Corps and use members of the corps in implementing its invasive aquatic plants control programs, as provided.

**SB 729 (Stone R) Local emergencies: applications for state assistance.**

**Current Text:** Amended: 3/28/2017 [Text](#)

**Summary:**

The California Disaster Assistance Act provides for the allocation of funds to local agencies for certain purposes by the Director of Emergency Services after the proclamation of a local emergency or state of emergency, as specified. The act sets forth the process by which a local agency may apply for those allocations and, as part of this process, generally provides for completion of a state agency investigation and report to the director on the proposed work within 60 days from the date of the application. This bill would require the director to notify the local agency of all approved costs within 60 days from the date that investigation is completed.

**SB 740 (Wiener D) Onsite treated water.**

**Current Text:** Amended: 4/26/2017 [Text](#)

**Summary:**

Would, on or before December 1, 2018, require the State Water Resources Control Board, in consultation with other state agencies, to adopt regulations, consistent with federal and state law in effect on January 1, 2018, to provide comprehensive risk-based standards for local jurisdictions permitting programs for onsite recycling of water in multifamily residential, commercial, and mixed-use buildings for nonpotable use. The bill would require the regulations to address specified issues and practices relating to the management, monitoring, and treatment of recycled water for nonpotable use.

**SB 750 (Hueso D) Vehicles: license plate pilot programs.**

**Current Text:** Amended: 6/28/2017 [Text](#)

**Summary:**

Current law authorizes the Department of Motor Vehicles to conduct a pilot program, to be completed no later than January 1, 2019, to evaluate the use of alternatives to stickers, tabs, license plates, and registration cards, subject to certain requirements, and to report the results of the pilot program, as specified, to the Legislature no later than July 1, 2020. Current law also authorizes the department to enter into contracts with qualified private industry partners to provide specified service relating to the registration of vehicles. This bill would specify that the authorization to establish the above-mentioned pilot program includes the authority to establish a pilot program to evaluate alternative methods of collecting fees related to the registration of a motor vehicle or the purchase, renewal, or transfer of license plates.

**SB 766 (Monning D) International commercial arbitration: representation.**

**Current Text:** Amended: 6/26/2017 [Text](#)

**Summary:**

Current law includes provisions that govern arbitration and conciliation proceedings for international commercial disputes. Existing law authorizes the parties in a conciliation proceeding to appear in person or be represented or assisted by any person of their choice, and provides that a person representing or assisting a party is not required to be a member of the legal profession or licensed to practice law in California. This bill would permit an individual who is not admitted to practice law in California but who is a member in good standing of a recognized legal profession in the United States or a foreign jurisdiction and is subject to effective regulation and discipline by a duly constituted professional body or public authority to provide legal services in an international commercial arbitration or related proceeding, as specified.

**SB 778 (Hertzberg D) Water systems: consolidations: administrative and managerial services.**

**Current Text:** Amended: 7/13/2017 [Text](#)

**Summary:**

Would require, on or before March 1, 2018, and regularly thereafter, as specified, the State Water Resources Control Board to track and publish on its Internet Web site an analysis of all voluntary and ordered consolidations of water systems that have occurred on or after July 1, 2014. The bill would require the published information to include the resulting outcomes of the consolidations and whether the consolidations have succeeded or failed in providing an adequate supply of safe drinking water to the communities served by the consolidated water systems.

**SB 780 (Wiener D) Water Conservation in Landscaping Act.**

**Current Text:** Amended: 4/4/2017 [Text](#)

**Summary:**

Would authorize the Department of Resources Recycling and Recovery to promote the application of compost in urban areas of the state to assist with projects that follow the watershed approach to landscaping and, in coordination with the Department of Water Resources, to develop and implement pilot projects that support the understanding and deployment of compost to meet specified goals. The bill would also require the State Energy Resources Conservation and Development Commission, in coordination with the State Air Resources Board, to develop a greenhouse gas emissions reduction factor for new climate appropriate landscapes, as provided.

**SB 801 (Stern D) Aliso Canyon natural gas storage facility: electrical grid data: electricity demand reduction and response: energy storage solutions.**

**Current Text:** Amended: 7/19/2017 [Text](#)

**Summary:**

Would require a local publicly owned electric utility that provides electric service to 250,000 or more customers within the Los Angeles Basin to make publicly available, upon request of any person, electrical grid data necessary or useful to enable distributed energy resource providers to target solutions that support reliability in the area where electrical reliability has been impacted as a result of reductions in gas storage capacity and gas deliverability resulting from the well failure at the Aliso Canyon natural gas storage facility.

**SCA 4 (Hertzberg D) Water conservation.**

**Current Text:** Introduced: 2/2/2017 [Text](#)

**Summary:**

The California Constitution requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that the waste or unreasonable use or unreasonable method of use of water be prevented. This measure would declare the intent of the Legislature to amend the California Constitution to provide a program that would ensure that affordable water is available to all Californians and to ensure that water conservation is given a permanent role in California's future.

**SCA 9 (Glazer D) Property tax: new construction exclusion: rain water capture system.**

**Current Text:** Amended: 4/26/2017 [Text](#)

**Summary:**

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, "full cash value" is defined as the assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value" or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred. This bill would authorize the Legislature to exclude from classification as "newly constructed" the construction or addition, completed on or after January 1, 2019, of a rain water capture system.

Total Measures: 163

Total Tracking Forms: 163

EXHIBIT 2

July 21, 2017

The Honorable Robert M. Hertzberg  
Chairman, Senate Committee on Natural Resources and Water  
State Capitol, Room 5046  
Sacramento, CA 95814

**Re: Comments of Water Suppliers and the Business Community on Legislation Necessary to Help with "Making Water Conservation a California Way of Life"**

Dear Chairman Hertzberg:

On behalf of the 112 undersigned organizations, we are responding to your request at the July 11, 2017, hearing of the Senate Committee on Natural Resources and Water that stakeholders submit their written comments and perspectives on the Committee's stated intent to "enact legislation necessary to help make water conservation a California way of life."

Since January 2017, many of the undersigned organizations have been engaged in the development of legislation to implement the vision of the Governor's framework for "Making Water Conservation a California Way of Life." To that end, the water community undertook a nearly four-month process to develop a comprehensive, consensus-based approach to ensure continued improvement in long-term urban water use efficiency while strengthening drought preparedness and water shortage response. That approach was put forth in AB 968 and AB 1654, authored by Assembly Member Blanca Rubio (D-West Covina).

AB 968 and AB 1654 were developed with input from dozens of water agencies committed to developing and implementing balanced approaches to water management that include demand reduction through improvements in water efficiency, continued development of resilient water supplies, and preparation for inevitable future droughts. This balanced approach is consistent with Governor Brown's comprehensive California Water Action Plan.

AB 968 and AB 1654 were also consistent with the framework's policy objectives of establishing new water use targets for urban retail water suppliers and enhancing drought planning, preparation, and reporting requirements. In addition to promoting these sound water policy goals, these two bills preserved local authority — where experience, expertise and customer relationships are maintained — and balanced the need to improve water use efficiency and further develop drought-resilient water supplies. ***We believe maintaining legislative oversight and local authority must be paramount as the state develops and implements new policies intended to enhance water use efficiency and water shortage planning requirements.***

AB 968 and AB 1654 were supported by more than 100 entities, including water suppliers, cities and counties, business groups and associations. The two-bill package garnered broad-based support because it was guided by the following principles, which should be the foundation for any legislation enacted for "Making Water Conservation a California Way of Life."

**Policy Principles Related to Long-Term Water Use Efficiency and Drought Planning**

**Long-Term Water Use Efficiency:**

1. Preserve the Legislature's authority over long-term water use efficiency target setting. State agencies should **not** be granted the authority to set and revise water use efficiency targets. Commercial, industrial, and institutional (CII) performance measures must be determined by a broad stakeholder task force and not state agencies.
2. Ensure that any water use efficiency target setting approach is flexible to account for the diversity among California's communities and the urban retail water suppliers that serve them. Legislation must include alternative pathways or functional equivalents to compliance, variances, and criteria for the data to be collected.
3. Protect water rights and preserve a water supplier's ability to use water it has a right to access.
4. Protect and create incentives for the further development of potable reuse and recycled water.
5. Provide for appropriate, progressive enforcement authority that accounts for urban retail water suppliers' authorities and responsibilities relative to their customers. The focus should be on corrective action instead of cease-and-desist orders.

**Shortage Response Planning:**

6. Preserve local decision-making to determine actions to avoid or mitigate shortages. The state should not dictate what actions are to be taken at any stage or specific actions that must be included in a water shortage contingency analysis.
7. Preserve and encourage investments in resilient water supplies. Potable reuse, recycled water, and desalination should all be considered fully reliable.
8. Ensure that annual water supply and demand assessments are based on and accurately reflect local conditions.
9. Maintain the existing legislative intent and challenge period for urban water management plans.
10. Recognize that energy use is only one aspect of water supply planning.

**Proposed Goals for the Legislation**

The water, city and county, and business communities support the goal of making water conservation a California way of life, but the Administration and the Legislature have yet to

define the means to accomplish this goal. We recommend that legislation be designed to accomplish two objectives: 1) improve urban water use efficiency, and 2) identify demand management and supply augmentation measures that urban retail water suppliers will utilize to address water supply shortages. Improvements in urban water use efficiency should be measured at the urban retail water supplier level based on water use that is considered reasonable and efficient. The legislation should have a goal of reducing the wasteful use of water rather than seeking to reduce the total volume of water served for uses that are reasonable and efficient.

The legislation should also ensure that urban water suppliers engage in drought planning that better prepares them to respond to drought and other water shortages. Any legislation modifying urban water management plans and water shortage contingency analysis requirements should result in usable documents for the supplier and not simply a compilation of hypothetical modeling or academic analyses. The legislation should also consider the benefits and burdens of mandatory reporting requirements placed on urban water suppliers.

#### **Detailed Discussion on Long-Term Water Use Efficiency and Drought Planning**

- 1. Preserve the Legislature's authority over long-term water use efficiency target setting. State agencies should not be granted the authority to set and revise water use efficiency targets. Commercial, industrial, and institutional (CII) performance measures must be determined by a broad stakeholder task force and not state agencies.**

California can and should enact legislation establishing new long-term aggregated targets and standards for water use efficiency at the retail agency level that assign appropriate roles for the Legislature, state agencies and urban retail water suppliers. Toward this end, and substantially mirroring the process enacted within the Sustainable Groundwater Management Act and within the Renewable Portfolio Standards policy area:

- The Legislature should establish, in statute, the standards for reasonable and efficient urban water use, and the target formula(s) by which retail agency-level water use efficiency will be measured;
- State agencies should develop guidance and adopt regulations necessary to implement the target formula(s), and provide technical and financial assistance to local urban retail water suppliers; and
- Urban retail water suppliers should have responsibility for using state-provided data and/or local data, if it is of comparable or better quality, to calculate a water use efficiency target that is consistent with state law and that accounts for unique local conditions. An urban retail water supplier also should have responsibility for taking actions within its control to meet its water use efficiency target.

Future revisions to the long-term aggregated targets and standards for water use efficiency at the retail agency level should have a technical or scientific basis that justifies a change in the efficiency standard. State agencies should have responsibility for making recommendations to the Legislature on appropriate updates to the efficiency standards every five years after engaging urban stakeholders and soliciting public input. State agencies also should be required to engage urban stakeholders and solicit public input regarding implementation of the long-term water use efficiency targets given that there likely will be technical issues related to the calculation of and compliance with the targets that will need to be resolved with stakeholders input.

Additionally, the long-term water use efficiency target should not include volumetric targets for the commercial, industrial and institutional (CII) water use sectors. Instead, the water use efficiency approach taken with CII should be the implementation of performance measures designed to promote the efficient use of water. These performance measures, reflecting best management practices, should be developed in conjunction with stakeholders to ensure that the measures are cost-effective, and support California's economic productivity. Stakeholders must play a meaningful role in the development of the performance measures as well as the thresholds for implementation.

Arguments in Support:

The Administration and others have proposed that the State Water Resources Control Board should be granted unlimited authority to set standards for urban water use, including setting standards for indoor residential water use, outdoor irrigation, and CII water uses. However, giving full control of future water efficiency target setting to any state agency risks negative impacts to California's economy, business climate, and quality of life. Furthermore, as written in the introduction to the California Water Action Plan, "To be sustainable, solutions [to management of California's water resources] must strike a balance between the need to provide for public health and safety (e.g., safe drinking water, clean rivers and beaches, flood protection), protect the environment, and support a stable California economy." Additionally, as California moves toward greater water use efficiency, it should be noted that improving water use efficiency may increase costs and reduce water system revenues. The upward pressure on water rates and impact on affordability of water must be considered.

Only the Legislature can balance California's many competing policy goals and priorities, and represent all Californians in determining how water should be used within our urban communities. State agencies should not be granted the unfettered authority to set and revise water use targets.

- 2. Ensure that any water use efficiency target setting approach is flexible to account for the diversity among California's communities and the urban retail water suppliers that serve them. Legislation must include alternative pathways or functional equivalents to compliance, variances, and criteria for the data to be collected.**

Legislation on urban water use efficiency can build on the success of California's "20% by 2020" law by recognizing the diversity that exists among California's many unique urban communities

and more than 400 urban retail water suppliers. Before the Legislature establishes water use efficiency targets based on any single method, including water budgets, that method must be proven to be reliable, broadly applicable, and adaptable to different community characteristics and conditions throughout the state. AB 968 would have accomplished this by providing three clearly defined, codified options for calculating the water use efficiency target. Each option would have allowed water suppliers to calculate a water use efficiency target using existing processes and programs while acknowledging the state's hydrologic, geographic, climatic, and economic diversity.

The Legislature should consider the following, depending on the method(s) chosen for calculating water use efficiency targets:

- If one method is chosen for setting water use efficiency targets, alternative pathways or functional equivalents to compliance should be permitted where the calculation of the water use efficiency target under the chosen method is technically, economically or administratively infeasible.
- If a data-intensive method, such as a retail-level water budget, is chosen as the sole method for calculating an urban retail water supplier's water use efficiency target, the Department of Water Resources should be responsible for providing urban retail water suppliers with accurate data necessary to calculate each urban retail water supplier's water efficiency target.<sup>1</sup>
- The legislation must provide for variances that account for unique community attributes and situations.

Arguments in Support:

Calculating retail-level water use efficiency targets using a "one-size fits all" methodology will likely be challenging for a number of technical, economic or administrative reasons. Providing flexibility can aid in the statewide implementation of water use efficiency targets, and can appropriately balance the benefits and resource requirements of the chosen method(s).

If a water budget approach is selected, the Department of Water Resources should provide to urban retail water suppliers, in electronic form, a database of validated aerial imagery and measured irrigable area needed to calculate a water use efficiency target for compliance. The state should provide this data because most urban retail water suppliers do not have it, nor the resources and expertise required to collect the large amount of data necessary to calculate a water use efficiency target using a water budget approach. Those water suppliers that develop

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<sup>1</sup> It is important to note that for a water budget approach, as proposed by the Administration, valid data is needed to establish equitable budgets. Time is needed to acquire accurate data, verify data and implement the budget. At a minimum, basic retail-level water budgets will require accurate information on irrigable area, population data, and adjustments or variances to account for unique local circumstances. While aerial imagery and technological advances have improved the ability to calculate landscape measurements, they are not perfect and a number of challenges remain. In many situations, fieldwork will be necessary to confirm the data. More complex water budgets require additional data related to parcel characteristics or development date, type of water served and customer type.

the necessary data locally should be afforded the opportunity to use their own data if its accuracy can be demonstrated.

Independent of the selected approach, flexibility in the form of variances is imperative so that unique community factors and the water associated with those uses are given consideration in the water use efficiency target setting process. Water use due to unique factors can be valid, appropriate, and often efficient uses of water within California's urban communities. For example, urban water use for livestock, agriculture, evaporative coolers, significant seasonal and transient population increases, construction, vegetation irrigated for fire protection purposes, and environmental protection are legitimate uses that would not be captured under the water budget methodology that has been proposed by the Administration. A variance process would allow these unique local uses to be accommodated. Standardized variances also are an integral component of establishing equitable, accurate water use efficiency targets, and are needed to ensure urban retail water suppliers account for similar uses in a consistent manner.

**3. Protect water rights and preserve a water supplier's ability to use water it has a right to access.**

By securing and defending water rights an urban water supplier can plan for and manage water supplies to meet current and projected demands. Because legislation related to urban water use efficiency has the potential to impact an urban supplier's access to water, legislation in this policy area must expressly provide that **it does not**:

- Alter or affect existing water rights or the full exercise of those rights;
- Modify the authority of any state agency to adjudicate, alter or make a decision related to water rights;
- Permit a state agency to condition any changes to a water right or water-right permits or licenses based on the legislation;
- Permit a state agency or a court to reduce an urban water supplier's discretion to determine the timing and use of its available water supplies; or
- Affect or limit an urban water supplier's right to water conserved or waived through reuse.

Furthermore, the establishment and enforcement of urban water use efficiency targets should not result in stranded water system assets or undermine the financial condition of water suppliers that have invested ratepayer revenue, and in certain cases, state grants and loans, to develop a reliable water supply.

**Arguments in Support:**

Under California law, water rights are a property right. Without the protection of that right and the preservation of Water Code Section 1011, which provides that water saved and not used as

a result of water conservation efforts may be transferred, legislation related to urban water use efficiency targets may have the unintended consequence of impacting water rights and result in a regulatory taking under the Constitution. By expressly protecting water rights and access to water, and by preserving the full applicability of Section 1011 to water saved under any new target setting approach, the legislation would avoid this consequence and enhance the availability of saved water to be put to beneficial use. The Legislature and state agencies also should consider how current barriers to the voluntary transfer of conserved water could be removed.

**4. Protect and create incentives for the further development of potable reuse and recycled water.**

Drought-resilient supplies, such as recycled water, potable reuse, desalination, and stormwater, are key components of the state's water supply portfolio. As has been widely acknowledged, California needs to continue investing in these types of supplies as a means to increase water supply reliability and diversification within the state, to reduce reliance on the Delta for future water supplies, to reduce greenhouse gas emissions where applicable, and to recharge groundwater basins. The state must continue on a path toward greater investment in drought resiliency. At minimum, local investments in water recycling should be recognized as part of any water use efficiency legislation, and long-term targets and standards for water use efficiency should protect existing local investments made by urban water suppliers in resilient supplies.

Targets and standards should include a credit and consideration for all types of drought-resilient supplies, and should include the following provisions related to recycled water:

- If an outdoor irrigation standard is set, landscapes irrigated with recycled water should be given a special landscape allowance as set forth in the Model Water Efficient Landscape Ordinance and an evapotranspiration factor of 1.0;
- A variance to the 1.0 evapotranspiration factor should be included where additional recycled water use is necessary to protect and sustain landscaping due to recycled water quality, ambient soil conditions or adverse drainage. A higher level of use should also be allowed when needed to avoid the stranding of recycled water assets, for the application of water to agriculture, or due to other relevant factors;
- An urban retail water supplier should receive a credit for the volume of its recycled water supply that is served for potable uses up to the volume needed, on an acre-foot basis, to meet its water efficiency target;
- Prior to recommending an indoor residential water use efficiency standard of less than 55 gallons per capita daily, state agencies should be required to evaluate and report to the Legislature on the anticipated impacts that the combined reductions in indoor residential and CII water use would have on existing wastewater and recycling/reuse supply, infrastructure and operations.

Arguments in Support:

By its very nature, water recycling reuses wastewater, which would otherwise be disposed of, for beneficial uses and offsets dependence on other sources of supply. Under an urban water use efficiency framework, the quantity of wastewater that is available for recycling already has been subjected to conservation and efficient water use because it is derived from the potable water used within an urban community. Further restricting its use will serve as a disincentive for continued local investment in these types of supplies and could result in recycled water not being put to beneficial potable and non-potable reuse. In fact, if storage is not available, water suppliers could be forced to release recycled water to the ocean or to forego advanced treatment and simply discharge treated wastewater.

Moreover, the approach outlined above recognizes that the application of recycled water in landscape irrigation is already extensively regulated, ensuring its efficient use. The provisions outlined above promote water use efficiency through greater water reuse in California and protect local investments in water recycling.

**5. Provide for appropriate, progressive enforcement authority that accounts for an urban retail water supplier's authorities and responsibilities relative to their customers. The focus should be on corrective action instead of cease-and-desist orders.**

Water suppliers are responsible for ensuring that the communities they serve have access to safe and reliable water. As stewards of their communities' water resources, water suppliers have taken and will continue to take the appropriate actions to encourage greater water use efficiency within their service areas. Water suppliers, however, do not have the ability to directly control their customers' behaviors relative to water use; instead, water suppliers must cultivate relationships with their customers through a wide variety of locally appropriate incentives and disincentives and communication activities to achieve greater water use efficiency.

The creation of new, punitive enforcement authorities targeting local water suppliers is not appropriate to achieve greater water use efficiency. For example, granting state agencies cease-and-desist authority to compel compliance with water use standards is very problematic. When taken to the extreme, such authority could be used to compel a water supplier to cease delivery of water to its customers, which an urban retail water supplier cannot do legally except for nonpayment. Cease-and-desist powers in this context are inappropriate.

Instead, the legislation should authorize the provision of state agency resources that focus on the goal of eliminating the waste of water within communities. This approach would include notices of noncompliance that provide a time to cure. The legislation should enact enforcement provisions that:

- Grant progressive enforcement authority to the State Water Board, beginning with informational orders, then written notices of noncompliance and ultimately potential civil liability;

- Require that within 90 days of receiving a notice of noncompliance for failing to meet its water efficiency target, an urban retail water supplier must identify additional actions to be taken to encourage users to increase water use efficiency. The supplier also should be required to submit a comprehensive remedial plan detailing the additional steps it will take to the State Water Board for approval;
- Provide for an urban retail water supplier to face potential civil liability for failure to implement the steps identified in an approved remedial plan; and
- Recognize that an urban retail water supplier may take all reasonable and appropriate steps, yet still fail to meet its target.

Arguments in Support:

State agencies should work to cultivate relationships with water suppliers in the same way water suppliers must cultivate relationships with their customers. The state's approach to the enforcement of any new water use efficiency targets should emphasize a technical assistance and information-sharing role for state agencies. Providing state agencies with the ability to issue informational orders as local water suppliers work to achieve water use targets is appropriate. Additionally, providing state agencies with the ability to ensure that reporting and other requirements are satisfied is appropriate. In all cases, however, local water suppliers must retain control over the actions required to meet water use efficiency targets to ensure that they are locally appropriate.

**Detailed Discussion on Shortage Response Planning**

- 6. Preserve local decision-making to determine actions to avoid or mitigate shortages. The state should not dictate what actions are to be taken at any stage or specific actions that must be included in a water shortage contingency analysis.**

Water agencies agree that smart, thoughtful enhancements to the state's shortage response planning laws can make California more drought resilient. However, urban water suppliers must retain the authority and responsibility to establish and implement the appropriate drought response actions for their community.

This is consistent with one of the primary objectives for strengthening water shortage contingency planning contained in the Administration's "Making Water Conservation a California Way of Life" framework. The objective of strengthened drought planning should be to provide the state with information necessary to evaluate specific urban supplier responses to drought conditions in order to allow focused attention where necessary and forestall overarching mandates that may conflict with existing adequate local plans and policies.

Rather than specify the specific shortage level(s) and actions each urban water supplier should plan and implement, urban water suppliers should:

- Describe and analyze the reliability of their water supplies in greater detail within their Urban Water Management Plans, and be required to assess the vulnerability of those supplies to seasonal or climatic shortage based on the five consecutive driest years that the supplier has experienced, unless a shorter multiple-year period would more severely impact supplies;
- Include more specific elements within their water shortage contingency analysis to ensure that the plans are usable documents that will aid the supplier in responding to a water shortage;
- Retain authority to determine when to declare a shortage emergency declaration;
- Have flexibility to take reasonable alternative actions not included in their water shortage contingency plan to act in real time based on real conditions they are experiencing; and
- Report annually on water supply availability to meet demands, allowing the state agencies to consider the results of the annual assessments (e.g., drought response actions and level) prior to adopting any statewide emergency conservation regulations.

In addition, urban water suppliers should be able to decide actions that are necessary before a shortage is declared to avoid or mitigate shortage impacts to their customers. Urban water suppliers must be able to factor in all water supplies, including supply augmentation, in calculating the suppliers' shortage level.

Arguments in Support:

Effective drought response will occur only when urban water suppliers retain local control to establish and implement the shortage response actions and levels best suited for their communities and local supply conditions. We have a diverse state with no two communities being the same; a "one-size-fits-all" approach does not work while still trying to ensure that Urban Water Management Plans and water shortage contingency plans/analysis are usable documents for the supplier and not simply a compilation of hypothetical or academic analyses.

The Public Policy Institute of California, in evaluating the response to California's multi-year drought, concluded that most water suppliers were prepared and that the mandatory conservation requirements imposed under emergency regulations were a "blunt instrument." Legislation should ensure that all water suppliers are prepared in the future, that this preparedness is well documented, that the state has necessary information on an annual basis to take appropriate and targeted actions, and that any future emergency conservation regulations shall consider this information.

**7. Preserve and encourage investments in resilient water supplies. Potable reuse, recycled water, and desalination should all be considered fully reliable.**

Many water suppliers have invested in resilient water supplies to ensure that they are able to meet customer demands during times of shortage. Water suppliers make financial and

operational planning decisions based on the availability of those resilient supplies during drought conditions.

Consistent with the approach suggested by the State Water Board and the Department of Water Resources, the legislation should enact better drought planning and preparation and allow local agencies to carry out those plans, if they are complying with the enhanced requirements, and should encourage investments in resilient supplies to ensure California is better prepared to weather the next drought. Additionally, potable reuse, recycled water, and desalination should all be considered fully reliable.

Enhanced planning requirements should be complemented by policies that encourage greater local investment in resilient supplies and protect a water supplier's ability to depend on those supplies during a shortage. Toward this end, the legislation should expressly provide that:

- During a statewide drought, local drought, or water shortage, an urban water supplier shall not be required to reduce its use or reliance on any water supply available for its use and identified in its urban water management plan, or be required to take additional actions beyond those specified in its water shortage contingency plan for the level of shortage that is anticipated in the annual assessment report or the level of shortage that it is currently experiencing, whichever is greater.

Arguments in Support:

There must be a balanced approach of long-term water use efficiency combined with development of drought-resilient supplies if California is to effectively manage future droughts. The governing bodies of urban water suppliers will be reluctant to invest in alternative local supplies without some certainty that they can use the supplies created through the investments of their ratepayers. In its recommendations on fostering water system flexibility and integration, the June 2017 Public Policy Institute of California report titled, "Building Drought Resilience in California's Cities and Suburbs," summarized the impact of not taking a balanced approach best:

*"Perhaps more importantly, the state's response to this drought created new uncertainties for local suppliers regarding their investments in drought-resilient supplies, because of concerns that these investments will not be utilized if the state again mandates conservation beyond what is locally needed... This type of uncertainty is very detrimental to planning for the next drought, and it highlights the importance of the state and local suppliers getting on the same page."*

**8. Ensure that annual water supply and demand assessments are based on and accurately reflect local conditions.**

The recent drought highlighted the value of readily available information regarding the steps that individual water suppliers can and will take to respond to drought conditions. While many water suppliers demonstrated high levels of resiliency during the recent drought — as a result of adequate planning, preparation, and investment — state law does not currently require annual reporting of local water supply conditions to the state. Reporting of this information each year will allow the relevant state agencies to better identify water suppliers that are experiencing

actual water shortages, as well as understand which suppliers are well prepared to deal with drought conditions.

Annual supply and demand assessments can provide state agencies and the Legislature with valuable information on local supply conditions throughout California. The assessments can also provide the public essential information on the status of their local supply conditions. Critical to the success of these reports, however, is that they be based on the actual hydrologic conditions occurring in the year the report is being submitted and made public. The annual report should not require projections for future years and should not be based on hypothetical dry year scenarios.

The legislation should provide that:

- By June 15 of each year, an urban retail water supplier shall report to the Department of Water Resources the status of its water supplies for that year, considering hydrologic conditions in the current year, and whether the supplies will be adequate to meet projected customer demands over the next 12 months;
- If a supply shortage is projected or exists in its service area, the supplier would be required to implement the appropriate responses described in its water shortage contingency analysis and provide monthly reports to the Department of Water Resources on how the supplier is implementing its plan; and
- The monthly reporting would be required to continue until the supplier finds that it is able to meet customer demand over the next 12 months without continued implementation of its water shortage plans.

Arguments in Support:

By enacting this approach, the state will be able to ensure local suppliers are taking appropriate actions during times of shortage. A targeted state response is more effective than statewide emergency mandates because it focuses state resources where they are needed.

Urban water suppliers must have the support and trust of their customers to be successful in making the necessary investments in supplies and infrastructure and for them to take the necessary demand reduction measures during droughts. A critical aspect to maintaining that trust is that the annual assessments prepared by the urban water suppliers be based on the actual local supply situation and current hydrologic conditions. The reports cannot create unnecessary uncertainties regarding the availability of supplies. The reports need only capture the current year, because they will be submitted annually to provide an accurate “snapshot” of supply conditions. The Urban Water Management Plan, updated every five years, requires the agencies to conduct a dry year assessment that covers a multiple dry-year scenario, and should not be repeated annually.

**9. Maintain the existing legislative intent and challenge period for Urban Water Management Plans.**

Under the Urban Water Management Planning Act, the legislative intent governing that act states that:

*“This part is intended to provide assistance to water agencies in carrying out their long-term resource planning responsibilities to ensure adequate water supplies to meet existing and future demands for water.”* (California Water Code §10610.2(c).)

The intent of the act is for the planning process to be an effective tool for urban water suppliers to evaluate supply reliability based on their unique local conditions. This approach is important because it helps ensure that the planning process is useful and not merely an academic exercise. As a result, this approach must be maintained.

Because urban water management plans are designed to be useful, practical documents to aid in long-term water resource planning and to help suppliers ensure that they have adequate water supplies to meet existing and future water demands, land use planning decisions rely on the plans. As a result, the California Water Code requires that challenges to the plans must be brought within 90 days after the plan has been submitted to the state. (California Water Code §10650.) Like other 90-day challenge periods in code, this gives local agencies certainty as to whether the plan can be relied upon.

Several proposals related to the shortage response planning provisions contained in the “Making Water Conservation a California Way of Life” framework have suggested extending this challenge period, which would create uncertainty surrounding the validity of urban water management plans. Instead, the legislation should:

- Preserve the intent of existing law that the Urban Water Management Planning Act is a planning tool for urban water suppliers. The act should not be interpreted or used by state agencies as a regulatory framework; and
- Maintain the existing language in California Water Code Section 10650 regarding the 90-day challenge period.

Arguments in Support:

Urban water suppliers must be able to plan based on their local conditions and not be required to develop their plans based on a “one-size-fits-all” regulated process. In addition, the 90-day challenge should be maintained, because extending the challenge period could present undue legal uncertainty for urban water suppliers. A longer challenge period also creates difficulties for entities making land-use decisions — particularly relating to the construction of new housing — using urban water management plans. These plans support the preparation of required water supply assessments and verifications of sufficient water supply, as called for in the “Show-Me-the-Water” statutes.

**10. Recognize that energy use is only one aspect of water supply planning.**

The Urban Water Management Planning Act currently states that an urban water management plan may, but is not required to, include information on the amount of energy used to obtain, treat and distribute water supplies to a supplier's customers. (California Water Code § 10631.2.) Providing this data should continue to be a voluntary requirement for urban water suppliers, as negotiated with the water community when § 10631.2 was enacted, and not a mandated requirement as part of compliance with the act.

Any legislation modifying the Urban Water Management Planning Act should:

- Maintain the existing language in California Water Code § 10631.2(a) that allows urban water suppliers to voluntarily provide information on energy usage.

Arguments in Support:

Urban water suppliers consider multiple variables when making water supply investments and when determining the appropriate mix of water resources they will need to meet future demands. These factors include, but are not limited to, cost-effectiveness, growth, potential climate change impacts, availability of resources, energy use, technical feasibility and regulatory issues. With that said, the number one variable considered by urban water suppliers in supply planning is maintaining water supply reliability for the community they serve. Energy use is only one factor in water supply planning, and cannot be considered independent of other factors. Requiring the reporting of this sole factor gives it undue weight in the supply planning process and in urban water management plans. This issue was appropriately not included in the framework for "Making Water Conservation a California Way of Life," and should not be included as a part of development of this legislation.

Conclusion

We appreciate the Senate Committee on Natural Resources and Water's solicitation of stakeholder input into legislation that is consistent with the vision of the Administration's "Making Conservation a California Way of Life" framework. We support the Senate's and Assembly's commitment to engage directly with water suppliers from around the state and other stakeholders as they continue development of this important legislation.

We look forward to working with the Legislature to secure a sustainable and resilient water future that protects local authority and includes sensible approaches to improving water use efficiency and enhancing drought planning and preparation. If you have any questions regarding the comments in this letter, please do not hesitate to contact me at (916) 441-4545 or whitniew@acwa.com.

Sincerely,



Whitnie Wiley  
Senior Legislative Advocate  
Association of California Water Agencies

WW:jv

Alameda County Water District  
Amador Water Agency  
Association of California Cities - Orange  
County  
Bay Area Water Supply and Conservation  
Agency  
Bella Vista Water District  
Calaveras County Water District  
California Building Industry Association  
California Chamber of Commerce  
California League of Food Producers  
California Municipal Utilities Association  
California Special Districts Association  
California Water Association  
Calleguas Municipal Water District  
Camrosa Water District  
Carlsbad Municipal Water District  
Carmichael Water District  
Casitas Municipal Water District  
Central Basin Municipal Water District  
Citrus Heights Water District  
City of Clovis  
City of Fairfield  
City of Newport Beach  
City of Oceanside  
City of Poway  
City of Redding – Public Works Department  
City of Roseville  
City of Sacramento  
City of Tustin  
City of Yuba City  
Coachella Valley Water District  
Contra Costa Water District  
County of Sacramento  
Cucamonga Valley Water District  
Desert Water Agency

Dublin San Ramon Services District  
East Orange County Water District  
Eastern Municipal Water District  
El Dorado County Water Agency  
El Dorado Irrigation District  
El Toro Water District  
Elk Grove Water District  
Elsinore Valley Municipal Water District  
Fallbrook Public Utility District  
Foothill Municipal Water District  
Georgetown Divide, Public Utilities District  
Groveland Community Services District  
Helix Water District  
Hidden Valley Lake Community Services  
District  
Humboldt Bay Municipal Water District  
Humboldt Community Services District  
Irvine Ranch Water District  
Jurupa Community Services District  
Kinneloa Irrigation District  
Long Beach Water Department  
Malaga County Water District  
McKinleyville Community Services District  
Mesa Water District  
Modesto Irrigation District  
Mojave Water Agency  
Monte Vista Water District  
Monterey Peninsula Water Management  
District  
Mountain Counties Water Resources  
Association  
Murphys Sanitary District  
Nevada Irrigation District  
Newhall County Water District  
Olivenhain Municipal Water District  
Orange County Water District

Orchard dale Water District	Scotts Valley Water District
Otay Water district	Solano Irrigation District
Padre Dam Municipal Water District	South Orange County Economic Coalition
Pasadena Water and Power	South Tahoe Public Utilities District
Placer County Water Agency	Stockton East Water District
Rainbow Municipal Water District	Suisun Solano Water Authority
Rancho California Water District	Sweetwater Authority
Rancho Murieta Community Services District	Three Valleys Municipal Water District
Reclamation District 1004	Trabuco Canyon Water District
Regional Water Authority	Tuolumne County Water Agency
Rincon del Diablo Municipal Water District	Tuolumne Utilities District
Riverside Public Utilities	Twain Harte Community Service District
Rowland Water District	Upper San Gabriel Valley Municipal Water District
Rural County Representatives of California	Utica Water and Power Authority
Sacramento Metropolitan Chamber of Commerce	Vallecitos Water District
Sacramento Suburban Water District	Valley Center Municipal Water District
San Diego County Water Authority	Vista Irrigation District
San Francisco Public Utilities Commission	Walnut Valley Water District
San Juan Water District	Western Municipal Water District
Santa Fe Irrigation District	Yorba Linda Water District
Santa Margarita Water District	Yuima Municipal Water District
	Zone 7 Water Agency

cc: The Honorable Eduardo Garcia, Chairman, Assembly Committee on Water, Parks and Wildlife  
The Honorable Nancy Skinner, Member, California State Senate  
The Honorable Laura Friedman, Member, California State Assembly  
The Honorable Blanca Rubio, Member, California State Assembly  
The Honorable Shirley Weber, Member, California State Assembly  
The Honorable Members, Senate Committee on Natural Resources and Water  
The Honorable Members, Assembly Committee on Water, Parks, and Wildlife  
The Honorable Members, Assembly Water Conservation Working Group  
Mr. Gordon Burns, Undersecretary, CalEPA  
Ms. Kim Craig, Deputy Cabinet Secretary, Office of the Governor  
Mr. Kip Lipper, Chief Policy Advisor, Office of the Senate President Pro Tem  
Mr. Alf Brandt, Senior Counsel, Office of the Assembly Speaker  
Mr. Dennis O'Connor, Principal Consultant, Senate Natural Resources and Water Committee  
Ms. Rachel Machi Wagoner, Chief Consultant, Senate Environmental Quality Committee  
Ms. Catherine Freeman, Chief Consultant, Assembly Committee on Water, Parks, and Wildlife  
Mr. Ryan Ojakian, Senior Consultant, Assembly Committee on Water, Parks, and Wildlife  
Mr. Michael Bedard, Chief of Staff, Office of Senator Robert Hertzberg  
Mr. Todd Moffitt, Consultant, Senate Republican Caucus  
Mr. Robert Spiegel, Consultant, Assembly Republican Caucus

DRAFT

August X, 2017

The Honorable Lorena Gonzalez Fletcher  
Chair, Assembly Appropriations Committee  
California State Assembly  
State Capitol, Room 2114  
Sacramento, CA 95814

**Re: Senate Bill 623 (Monning): Funding for Safe Drinking Water**

**Position: OPPOSE UNLESS AMENDED (As Amended July 3, 2017)**

Alameda County Water District  
Amador Water Agency  
American Water Works Association,  
California-Nevada Section  
Association of California Water Agencies  
Bella Vista Water District  
Brooktrails Township Community Services  
District  
Browns Valley Irrigation District  
Calaveras County Water District  
CalDesal  
Calleguas Municipal Water District  
Camrosa Water District  
Casitas Municipal Water District  
City of Redding  
City of Roseville  
Coachella Valley Water District  
Cucamonga Valley Water District  
Del Paso Manor Water District  
Desert Water Agency  
East Valley Water District  
Eastern Municipal Water District  
El Dorado Irrigation District  
El Toro Water District  
Elsinore Valley Municipal Water District  
Fallbrook Public Utility District  
Foothill Municipal Water District  
Georgetown Divide Public Utility District  
Humboldt Bay Municipal Water District  
Humboldt Community Services District  
Indian Wells Valley Water District  
Indio Water Authority  
Kern County Water Agency  
Kinneloa Irrigation District

Lake Hemet Municipal Water District  
Las Virgenes Municipal Water District  
Malaga County Water District  
Mammoth Community Water District  
Merced Irrigation District  
Mesa Water District  
Mid-Peninsula Water District  
Monte Vista Water District  
Orange County Water District  
Olivenhain Municipal Water District  
Padre Dam Municipal Water District  
Palmdale Water District  
Pico Water District  
Rainbow Municipal Water District  
Rancho California Water District  
Regional Water Authority  
Richvale Irrigation District  
Rincon del Diablo Municipal Water District  
Rowland Water District  
San Diego County Water Authority  
San Juan Water District  
Santa Margarita Water District  
Scotts Valley Water District  
South Tahoe Public Utility District  
Southern California Water Committee  
Three Valleys Municipal Water District  
Upper San Gabriel Valley Municipal Water  
District  
Vallecitos Water District  
Valley Center Municipal Water District  
Valley of the Moon Water District  
Western Canal Water District  
Western Municipal Water District  
Yorba Linda Water District

**Yuba County Water Agency**

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Dear Chair Gonzalez Fletcher:

The above-listed organizations are OPPOSED UNLESS AMENDED to SB 623 (Monning) and **OPPOSE THE ADDITION OF A RATEPAYER ASSESSMENT/TAX ON WATER TO SB 623.**

This bill would establish a fund to be administered by the State Water Resources Control Board (SWRCB) to assist those who do not have access to safe drinking water. As explained below, we agree with the intent of the bill. The lack of access to safe drinking water in certain disadvantaged communities is a public health issue and a social issue that the State needs to address.

As the Legislature departed Sacramento for Summer Recess, the intended funding sources for SB 623 had yet to be identified in the bill. We understand the Author will add the funding sources prior to the Assembly Appropriations Committee voting on the measure. We also understand that Senator Monning is considering adding two types of funding: 1) a nitrate fee(s) related to fertilizer and dairies to address nitrate contamination; and 2) a state-mandated tax on water that local water agencies would be required to assess on their ratepayers. **Requiring local water agencies and cities across the state to impose a tax on water for the State of California is highly problematic and is not the appropriate response to the problem:**

**1) State law sets forth a policy of a human right to water for human consumption that is safe, clean and affordable. The Legislature should not force local agencies to collect a tax for the state on something that is a human right;**

**2) Adding a tax on water works against keeping water affordable; and**

**3) Instead of trying to set a state-imposed tax mandate on local agency rate structures, the above-listed organizations suggest the following funding solution.**

**FUNDING SOLUTION:** The State can package funding as follows:

**1) Safe Drinking Water State Revolving Fund (SRF)** – this federal funding can be used to fund capital costs;

**2) General Obligation (G.O.) Bonds** – SB 5 (de León) proposes \$175 million for safe drinking water and two new bond initiatives have been filed with the Attorney General which propose \$400 million and \$500 million for safe drinking water. All of these bonds propose to prioritize the drinking water funding to DACs;

**3) Ag Funding** – the nitrate-related fee(s) can be used for replacement water, including point-of-use and point-of-entry treatment, for the nitrate contamination; and

**4) General Fund** – General Fund funding can fund the non-nitrate operation and maintenance (O&M) costs needs at public water systems in certain DACs.

Everyone in California should have access to safe drinking water. The fact that a small percentage of Californians do not makes this issue a social issue for which the General Fund is an appropriate source of funding as part of a funding package.

**AMENDMENTS:** In addition to including the General Fund as a funding source instead of adding a ratepayer assessment/tax on water, the organizations listed above are suggesting the amendments shown on the attachment to address various concerns regarding this funding measure.

The above-listed organizations urge your “No” vote on SB 623 unless these concerns are addressed. The above-listed organizations also urge your “No” vote if a ratepayer assessment (tax on water) is added to the bill.

If you have questions regarding the concerns expressed or suggested amendments, please contact Cindy Tuck, Deputy Executive Director for Government Relations, Association of California Water Agencies at (916) 441-4545 or at [cindy@acwa.com](mailto:cindy@acwa.com).

cc: The Honorable William W. Monning  
Honorable Members, Assembly Appropriations Committee  
Ms. Kathy Smith, Senior Legislative Consultant, Office of Senator William W. Monning  
Ms. Jennifer Galehouse, Deputy Chief Consultant, Assembly Appropriations Committee  
Mr. John Kennedy, Consultant, Assembly Republican Caucus

**AMENDMENTS SUGESTED BY  
WATER AGENCIES AND WATER ORGANIZATIONS  
LISTED ON THIS LETTER**

**1) The bill should NOT include a ratepayer assessment/tax on water. Instead, the bill should propose General Fund funding as the non-nitrate funding source in the bill.**

**2) This bill should exclude capital costs as an eligible funding category and focus on funding operation and maintenance (O&M) costs, which are difficult to fund through G.O. bonds and cannot be funded with Safe Drinking Water State Revolving Fund dollars.**

**3) The funding should be limited to DACs in rural, unincorporated areas that do not have access to safe drinking water. The other proposed affordability criteria should be deleted. (As currently drafted, the funding is not limited to DACs.)**

**4) SB 623 would include individual domestic wells and “state small water systems” (with 5 to 14 connections) as eligible funding categories even though data is lacking to support a credible needs assessment.** The state does not require owners of private wells to sample their wells, and consequently a comprehensive database for these groundwater sources does not exist. State small systems are typically regulated at the local or county level; therefore, a comprehensive database for these groundwater sources does not exist. **The bill should explicitly exclude these two categories from funding with the exception that funding could be made available for replacement water** for individual domestic wells or state small water systems in rural areas of the state for which the local health officer has certified that data documents that the wells for which funding is being sought in that area are contaminated with **nitrate**. The proposed definition of “replacement water” should be narrowed to make this exception workable. (Bottled water, point-of-use treatment and point-of-entry treatment are reasonable parts of this proposed definition.)

**5) SB 623 would require the SWRCB to require testing for individual domestic wells and state small water systems. This proposed requirement should be deleted** and replaced with a requirement for the SWRCB, in consultation with the counties and relevant stakeholders, to develop a report to the Legislature with recommendations regarding to what extent and how drinking water data should be collected and evaluated for individual domestic wells and state small water systems in rural, unincorporated areas. This report should take into account issues such as what is the role of the counties, what scope is needed, how owners of individual domestic wells would be informed of the process, and what challenges exist relative to access to wells on private property.

**6) The language should be consistent with the existing regulatory program.** The language in the bill should, for public water systems, refer to “noncompliance” with the drinking water standards instead of “exceedances.” For some of the maximum contaminant levels, one exceedance does not necessarily equate to noncompliance or unsafe water. (Please see subdivision (i) of Section 64432 of Title 22 of the California Code of Regulations.)

**7) The bill would authorize the SWRCB to take incidental action as may be appropriate for adequate administration and operation of the fund.** Instead of simply including this rather vague provision, the bill should be specific as to what this proposed authority is intended to cover.



## Agenda Item: 26

**Date:** August 14, 2017  
**Subject:** General Manager's Report  
**Staff Contact:** Robert S. Roscoe, General Manager

**a. General Manager Recruitment Update**

First interviews have been scheduled for 18 top candidates to fill the position of retiring General Manager Roscoe. Interviews will be held on August 25, 26, 28, 29 and 30, to determine a short-list of candidates to invite for second interviews. The schedule for second interviews has not yet been determined.

**b. Aerojet Community Advisory Group Meeting**

District staff attended the July 19, 2017 Community Advisory Group (CAG) regarding the Aerojet Superfund site. Mark Varljen, Aerojet Rocketdyne, provided the CAG an update on the April 10, 2017 announcement that Aerojet will be closing its Rancho Cordova manufacturing plant. They will be eliminating or moving approximately 800 jobs. Approximately 300 employees will remain at the Rancho Cordova plant that will consist of administrative, legal and human resource positions. Aerojet is moving its manufacturing plant from Rancho Cordova to Huntsville, Alabama. Manufacturing operations will be eliminated in 2019.

Mr. Varljen stated Aerojet's commitment to the cleanup will not change. In fact, he stated by shutting down operations, they can focus more on cleanup of the Superfund site. Mr. Varljen also informed the CAG that each year Aerojet is required to provide financial stability to the Environmental Protection Agency to ensure finances are appropriate for financial commitment.

**c. City of Sacramento Wholesale Water Rates and 9,023 af of Area D Water**

Due to the substantial increase in the per acre foot of City of Sacramento surface water, District staff has met with City staff numerous times informing them of the concerns related to the increases that will basically price the City out of selling their water to the District. Both agencies concur that it is advantageous to amend the 2004 Agreement that will hopefully lower the cost per af that would allow the City to utilize their water supplies and allow the District to purchase the water to benefit its Conjunctive Use Program. In addition, the City entered into an agreement with the former Northridge Water District (NWD) in 1980, under which the City granted NWD the right, subject to specified conditions, to divert up to 9,023 af per year from the American River for use within the portion of service area of NWD, referred to as Area D.

As previously reported, the City attempted to negotiate with the Water Forum and Environmental Caucus on wholesaling water outside of the Hodge Flow period. The City was planning to begin discussions with the District to amend the 2004 Agreement once those negotiations were completed. During a meeting between the District and City staff on July 28, 2017, it was made clear that the Environmental Caucus had ceased discussions regarding wholesaling water outside of the Hodge Flow period.

The District and City staff began discussions to update the existing 2004 Agreement to include the Northridge allotment, revisit the pricing structure, wholesaling during Hodge Flows, exchanges for operational benefits, water transfers, and explore any other areas deemed worthy of examination.

The City will have their legal counsel review the 2004 Agreement to determine the necessary steps for review and approval. In addition, the City's Finance Department is reviewing the current pricing structure to determine if there is an opportunity to develop a pricing structure that may be standard in wholesale pricing treated water supplies.

**d. Sutter Occupational Health Pricing Increase**

As recommended by ACWA/JPIA, the District has been utilizing Sutter Occupational Health ("Sutter") for pre-employment and Class A driver medical exams since 2006. After three relatively minor pricing increases in 2013, 2015 and 2016, the District was notified of another pricing increase of over 27% effective July 1, 2017. The new pricing schedule was received on July 28, 2017, which is as follows:

Service	Price as of 1/1/16	Price as of 8/1/16	Price as of 7/1/17
DOT Physical	\$108.00	\$110.00	<b>\$142.00</b>
Basic Physical	78.00	80.00	<b>96.00</b>
Drug Collect & Screen	57.00	58.00	<b>60.00</b>
TB Skin Test	21.00	35.00	<b>35.00</b>
Chem Panel	42.00	43.00	<b>58.00</b>
Spirometry	39.00	40.00	<b>60.00</b>
Audio	34.00	35.00	<b>60.00</b>
Total	\$379.00	\$401.00    ≈6%	<b>\$511.00    ≈+27%</b>

Sutter has been a good partner for over 11 years with rapid turnaround of results reducing delays in filling positions. The clinic location in Roseville (just off Interstate 80) is very convenient. However, given the substantial pricing increase, District staff contacted ACWA/JPIA, Occu-Med (which reviews all pre-employment medical examinations) and EPIC (our benefits consultant) to determine if the 2017 pricing increase is standard for the industry and, if not, to obtain a list of clinics in the area to contact for competitive pricing quotes. Staff is already aware that US Healthworks is in the local area; however, their clinic locations are not as convenient as the Sutter clinic location and not all of the US Healthworks clinics use the Occu-Med review process. The District previously used

Med 7 clinics; however, there were significant issues with scheduling appointments, obtaining the correct services and receiving correct and timely invoices for services rendered. Staff will continue to review options for pre-employment and Class A license medical exams.

**e. Letter-of-Credit (LOC) Status**

As approved by the Board in July, staff has informed its financial advisor, bond counsel, underwriter and general counsel of the offer from Sumitomo Mitsui Banking Corporation (SMBC) to renew the District's LOC for up to 5 years. They have all agreed to assist the District with this transaction. The schedule calls for bringing the LOC terms and documents to the Board for approval at the October meeting. Between now and then, staff and the financing team will be analyzing the options that have been offered, bringing the recommended option to the Finance and Audit Committee for discussion on October 2<sup>nd</sup>.

**f. Bond Insurance Litigation Update**

The District recently received a net settlement check in the amount of \$79,625.02 from AMBAC Insurance as part of the Bond Insurance Litigation Case. Total net settlements to-date received from this litigation are \$105,358.88 from three defendants. In the related and now concluded municipal derivatives litigation case, the District received \$74,003.07 in net settlements from eight defendants.

**g. Cal WaterFix Update**

The Board of Directors approved the District's filing of a lawsuit under the California Environmental Quality Act to challenge the environmental impact report (EIR) for the California WaterFix project. It is expected that a lawsuit will be filed in the Sacramento County Superior Court by the end of the day Friday, August 18. The District is coordinating the lawsuit with other water agencies in this region. There probably will be dozens, or even hundreds, of lawsuits filed about the EIR. Over the next several months, there probably will be a court coordination process to have one judge hear all of the lawsuits.

**h. Amendment to Agreement between San Juan Water District (SJWD) and Northridge Water District Concerning Diversion, Treatment and Conveyance of Water**

District staff and SJWD staff have agreed on the principals to amend the treatment and conveyance charges section of the agreement between the two Districts. With the approval of the Finance and Audit Committee, the District hired Mr. Adam Brown, Esq. to represent the District and draft the proposed language. Both Districts are currently reviewing the proposed language before bringing to their respective Boards, hopefully in September.



## **Agenda Item: 27 a.**

**Date:** July 31, 2017

**Subject:** Upcoming Policy Review – Water Banking and Transfer Policy (PL – BOD 006)

**Staff Contact:** Dan York, Assistant General Manager

The Water Banking and Transfer Policy (PL – BOD 006) was originally adopted by the Board in October 2011. The policy is scheduled for Board review, consideration, and adoption at the September 2017 regular Board meeting. Staff has no recommended changes to the policy. If a Director wishes to have his comments included in hard copy for Board review and consideration, please provide those comments to staff by Monday, September 5, 2017. Attached as Exhibit 1 is the Water Banking and Transfer Policy.

Exhibit I

Sacramento Suburban Water District

Field Code Changed

**Water Banking and Transfer Policy**

Adopted: October 17, 2011, Revised: October 21, 2013, Revised: October 19, 2015

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**100.00 Purpose of the Policy**

The primary purpose of this policy is to establish the parameters that will govern the actions of staff in the pursuit of water banking and transfer opportunities and agreements.

**100.10 Definitions**

Water is considered a public resource, and its use is permitted through water rights and contractual entitlements. Use must be reasonable and beneficial; thus, water that is being considered for banking or transfer must not have been created by unreasonable use or excess to the needs of the water rights holder. The following definitions are used in this policy:

Aquifer Storage and Recovery (ASR) – Means injecting water into an underground aquifer through wells or by surface spreading and infiltration and then pumping it out when needed. The aquifer essentially functions as a reservoir.

Conjunctive Use – Means the joint use of surface water and groundwater to more effectively manage water resources. Typically, during average or wet hydrologic years, surface water is used in lieu of groundwater, allowing the groundwater to remain in the aquifer for future use.

Water Banking – Means the practice of actively exchanging in-lieu surface water supplies in available groundwater basin storage space for later extraction and use by the storing party. Banking generally involves active management of the basin and accounting of the water supplies stored and withdrawn from underground storage. Water may be banked as part of a Conjunctive Use program.

Water Transfer – Means a transaction in which a holder of a surface water right or entitlement voluntarily sells/exchanges to a willing buyer the right to use all or a portion of the water that would have been consumptively used under that water right or entitlement, provided the transfer does not injure another water right holder or unreasonably affect instream beneficial uses. The transferor retains title to the

surface water right or entitlement, which distinguishes a Water Transfer from a sale or assignment of a water right or entitlement in which the buyer obtains the title or right. Under California Law, a Water Transfer is either short-term, i.e., a transfer of the right of use for one year or less, or long-term, i.e., for a period of more than one year. Water Transfers may occur between a transferor and transferee in the same watershed or basin or between parties in different watersheds.

### **200.00 Policy**

Sacramento Suburban Water District has invested considerable resources in a Conjunctive Use water supply system in an effort to ameliorate declining groundwater levels in the groundwater basin beneath its service area. This investment has created opportunities for the District to partner with others to utilize District assets during periods when such asset capacity is excess to the immediate needs of District customers. Allowing these available assets to be used by others can create a financial benefit to the ratepayers of the District.

It is the policy of the Board of Directors to authorize Water Banking and Water Transfer actions whenever prudent and to more fully utilize excess asset capacity to benefit District ratepayers. The Board of Directors will protect the long term interests of the District and its ratepayers first by maintaining and defending the District's:

1. Water rights and contractual entitlements,
2. Groundwater quality,
3. Groundwater resource sustainability, and
4. The condition of physical assets.

### **300.00 Policy Review**

This Policy shall be reviewed at least biennially.



## Agenda Item: 27 b.

**Date:** August 9, 2017

**Subject:** Upcoming Policy Review – Ethics Policy (PL – BOD 004)

**Staff Contact:** Dan York, Assistant General Manager

The Ethics Policy (PL – BOD 004) was originally adopted by the Board in January 2003 and most recently revised in June 2015.

The policy is scheduled for Board consideration and adoption at the September regular Board meeting. A redline version is attached as Exhibit 1. There are a few minor edits, with one substantive change in the last sentence of Section 300.00:

“The dollar limitations referred to in this section are revised adjusted from time to time by the FPPC, and any such adjustment shall automatically be incorporated into this policy when made effective by the FPPC.”

If a Director wishes to have his comments included in hard copy for Board review and consideration, please provide those comments to staff by Tuesday, September 5, 2017.

## EXHIBIT 1

Sacramento Suburban Water District

**Ethics Policy**

Adopted: January 27, 2003

Revised: January 23, 2006, January 28, 2008, January 25, 2010, June 20, 2011, July 15, 2013,  
June 15, 2015, September XX, 2017**100.00 Purpose of the Policy**

The policy of the Sacramento Suburban Water District is to maintain the highest standards of ethics from its Directors and employees. The proper operation of the District requires that decisions and policy be made in the proper channels of governmental structure, that public office not be used for personal gain, and that all individuals associated with the District remain impartial and responsible towards the public. Accordingly, it is the policy of the District that Directors and District employees will maintain the highest standard of personal honesty and fairness in carrying out their duties.

This policy contains two parts. The first part addresses mandated ethics training requirements for Directors and certain designated officers. The second part of this policy sets ethics standards for Directors. The ethical standards to be followed by District employees, including the General Manager, Treasurer and Secretary (if an employee), are provided in the District's Employee Handbook.

The primary purpose of the ethics training policy (articles 200.00 – 250.00) is to ensure that all District Directors and certain designated officers comply with the ethics training and reporting mandates imposed by Government Code sections 53234 through 53235.2.

The primary purpose of the ethics guidelines for Directors (articles 300.00 – 375.00) is to set forth the minimum ethical standards to be followed by the Board of Directors of the Sacramento Suburban Water District. The objectives of this policy are to (1) provide guidance for dealing with ethical issues, (2) heighten awareness of ethics and values as critical elements in Directors' conduct, and (3) improve ethical decision-making and values-based management.

**200.00 Mandatory Ethics Training****210.00 Positions Requiring Training**

Ethics training is required for all Directors (Government Code section 53235, subd. (a).) The following District officers also will be required to receive ethics training: (1) General Manager; and (2) Finance Director. (Government Code section 53234, subds. (a), (b) and (c)(1).) Collectively, Directors and the designated officers are the District's "Covered Officials" under this policy. The Board encourages all other District employees to receive ethics training, although such training is not a legal requirement.

## **220.00 Training Curriculum**

The required ethics training must cover general ethics principles and ethics laws relevant to the Covered Officials' public service. All Covered Officials must receive ethics training in the following topics relevant to the service to the District:

- (1) laws relating to personal financial gain by public servants, such as prohibitions on conflict of interest and bribery;
- (2) laws relating to the privileges of office, such as limitations on personal receipt of gifts and travel, use of public resources, mass-mailing restrictions and prohibitions on gifts of public funds;
- (3) government transparency laws, such as the Brown Act, the Public Records Act, and financial interest disclosure laws; and
- (4) laws relating to fair public process, such as due process and competitive bidding requirements, bias prohibitions, and incompatible office restrictions.

Covered Officials may fulfill their required ethics training obligations by participating in any approved form of training, including but not limited to seminars, webinars, group or individual training, or self-study at home, in-person or on-line. If self-study courses are used, a test component must be included. (Government Code section 53235, subd. (d).)

## **230.00 Frequency of Training**

Every two years, all Covered Officials must receive at least two hours of ethics training that complies with the requirements of Article 220.00. (Government Code section 53235, subd. (b).) All Covered Officials may take more than two hours of training every two years and the Board encourages all Covered Officials to obtain more than the required minimum training.

Newly elected or appointed Covered Officials must complete their first two hours of ethics training within one year after taking office. After completing the initial training requirement, Covered Officials must receive a minimum of two hours of ethics training every two years for as long as they remain in office.

## **240.00 Training Documentation**

Compliance with the Government Code sections 53234 through 53235.2 ethics training requirements must be documented. The person or entity providing the training must provide a proof of participation to the Covered Official. (Government Code section 53235, subd. (e).) The District will also keep records of its Covered Officials' dates of participation in ethics training and the person or entity providing the training for five years. (Government Code section 53235.2, subd. (a).) The Executive Assistant to the General Manager will maintain the ethics training records. All Covered Officials must submit a copy of their proofs of participation in all ethics training completed to the Executive Assistant to the General Manager within 30 days of completing any ethics training. All ethics training policies and attendance records are public records subject to disclosure under the California Public Records Act. (Government Code section 53235.2, subd. (b).)

## **250.00 Miscellaneous Training Rules**

The District will inform its Covered Officials of available ethics training opportunities at least once annually. (Government Code section 53235, subd. (f).)

It is the responsibility of each Covered Official to ensure his or her compliance with this policy, including selecting the ethics training courses and securing and submitting the ethics training documentation to the Executive Assistant to the General Manager as required in Article 240.00.

If a Covered Official holds more than one position covered by the ethics training mandate, he or she need only complete the minimum two hours every two years to comply. (Government Code section 53235.1, subd. (c).) If a Covered Official wishes to receive District credit for ethics training completed on behalf of another agency, he or she should submit the relevant documentation to the District Secretary or designee.

## **300.00 Ethics Guidelines for Directors**

### **310.00 Responsibilities of Public Office**

Directors are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Directors will comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure and open government laws. Directors will work in cooperation with other public officials unless prohibited from so doing by law or officially-recognized confidentiality of their work, or if doing so would be contrary to the best interests of the District.

(Article 20, section 3 of the California Constitution; Government Code section 1360.)

**315.00 Fair and Equal Treatment**

Directors will not, in the performance of their official functions, discriminate against any person on the basis of race, sex, color, national origin, ancestry, disability, or any other protected class under federal, state or local laws. A Director will not grant any special consideration, treatment or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

(See, e.g., Article 1, section 31 of the California Constitution; Age Discrimination in Employment Act of 1967 (29 U.S.C. sections 621 and following); Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101 and following); California Fair Employment and Housing Act (Government Code sections 12900 and following and Chapter 5 of Title 47, U.S.C.); Rehabilitation Act of 1973 (29 U.S.C. sections 701 and following); Title VII of the Civil Rights Act of 1964 (42 U.S.C. sections 2000e and following).)

**320.00 Proper Use and Safeguarding of District Property and Resources**

Except as specifically authorized, a Director will not use or permit the use of District-owned vehicles, equipment, telephones, materials or property for personal convenience or profit. A Director will not ask or require a District employee to perform services for the personal convenience or profit of a Director or employee. Each Director must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. Directors will safeguard District property, equipment, moneys and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust. Directors are responsible for maintaining written records, including expense accounts, in sufficient detail to reflect accurately and completely all transactions and expenditures made on the District's behalf, in accordance with the District's policy for reimbursement of expenses of Directors.

(Article 16, section 6 of the California Constitution; Government Code sections 8314 and 53232.3; Penal Code section 424; see *People v. Battin* (1978) 77 Cal.App.3d 635.)

**325.00 Use of Confidential Information**

A. A Director is not authorized, without prior approval of the Board of Directors, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not required to be disclosed under the California Public Records Act.

- B. This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District, or an elected official or employee, (2) expressing an opinion concerning the propriety or legality of actions taken by the Board in closed session, including disclosure of the nature and extent of the allegedly illegal action, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Director will first bring the matter to the attention of either the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation.
- C. A Director who willfully and knowingly discloses for pecuniary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098.

(Government Code section 54963.)

### **330.00 Conflict of Interest**

- A. A Director will not have a financial interest in a contract with the District, or be a purchaser at a sale by the District or a vendor at a purchase made by the District, unless the Director's participation is authorized under Government Code section 1090, 1091 or 1091.5, or other provisions of law. A Director will not participate in the discussion, deliberation or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code sections 81000 and following, relating to conflicts of interest. Generally, a Director has a disqualifying financial interest in a matter if a Board decision would have a reasonably foreseeable material financial effect (as defined by the Fair Political Practices Commission ("FPPC") regulations) on the Director, or his or her immediate family, that is distinguishable from the effect on the public generally on (a) a business entity in which the Director has a direct or indirect investment of \$2,000 or more, (b) real property in which the Director has a direct or indirect interest worth \$2,000 or more, (c) a source of income of the Director amounting to a total of \$500 or more within 12 months before the Board decision, (d) a source of gifts to the Director amounting to \$470440 or more within 12 months before the Board decision, or (e) a business entity in which the Director holds a position as a director, officer, partner, trustee, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child or agent, owns directly, indirectly or beneficially a ten percent interest or greater. A Director will not accept gifts or honoraria that exceed the limitations specified in the Fair Political Practices Act or FPPC regulations.

Directors will report all gifts, campaign contributions, income and financial information as required under the District's Conflict of Interest Code and the provisions of the Fair Political Practices Act and FPPC regulations. The dollar limitations referred to in this section are ~~revised~~adjusted from time to time by the FPPC, and any such adjustment shall automatically be incorporated into this policy when made effective by the FPPC.

(Government Code sections 87100 and following.)

- B. If a Director believes that he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to a conflict of interest, the following procedure will be followed: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the District's General Manager and the District's legal counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the General Manager and the District's legal counsel before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Director (1) will not participate in the discussion, deliberation or vote on the matter for which a conflict of interests exist, which will be so noted in the Board minutes and (2) will leave the room until after the discussion, vote and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters (e.g., the consent calendar), in which case the Director will identify the nature of the conflict and not vote on the specified item. If the item is agendized for discussion and possible action, the Director may speak on his or her personal interests in the matter during the time the general public speaks on the issue but must leave the room during Board discussion and action on that item.
- C. A Director will not recommend the employment of a relative by the District. In addition, a Director will not recommend the employment of a relative to any person known by the Director to be bidding for or negotiating a contract with the District.
- D. A Director who knowingly asks for, accepts or agrees to receive any gift, reward or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70.

(Government Code sections 1090 and following, 81000 and following, and 87105; Penal Code sections 68 and 70.)

### **335.00 Soliciting Political Contributions**

Directors are prohibited from soliciting political funds or contributions at District facilities, or from District employees. A Director will not accept, solicit or direct a political contribution from (a) District employees, officers, consultants or contractors, or (b) any person or entity who has a financial interest in a contract or other matter while that contract or other matter is pending before the District. A Director will not use the District's seal, trademark, stationary or other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law.

(Government Code section 3205.)

### **340.00 Incompatible Offices and "Revolving Door" Policy**

- A. Any Director appointed or elected to a public office of another public entity, the duties of which may require action contradictory or inconsistent with the interest of the first entity (as determined under applicable law), is deemed to have vacated his or her office with the District upon taking the second, incompatible office.
- B. For a period of one year after leaving office, Directors will not represent for compensation non-governmental entities before the District with regard to any issues over which that Director had decision-making authority during the three years prior to leaving office.
- C. For purposes of this section, "represent" will mean for compensation to actively support or oppose a particular decision in a proceeding by lobbying in person the officers or employees of the District or otherwise acting to influence the officers of the District.
- D. These restrictions will not apply to representation of not-for-profit charitable entities before the District.
- E. Nothing in this section is intended or will be applied to prevent a former Director from participating in meetings of the Board in the same manner as other members of the public. (See, for example, Government Code section 54954.3.)

(Government Code sections 1099, 53227 and 87406.3; see also, 73 Ops.Cal.Atty.Gen. 357 (1990).)

### **345.00 Board-General Manager Relationship**

- A. The Board sets the policy for the District. Under the County Water District Law, the District's General Manager (a) has full charge and control of the maintenance, operation and construction of the water system of the District, (b) has full power

and authority to employ and discharge all employees and assistants at pleasure, consistent with other provisions of law, (c) prescribes the duties of employees and assistants, consistent with District policy, and (d) fixes and alters the compensation of employees and assistants, subject to approval by the Board. The Board will, after considering the recommendation of the General Manager, appoint the District's Finance Director/Treasurer (who will report to the General Manager). The Finance Director/Treasurer will install and maintain a system of auditing and accounting that will completely and at all times show the financial condition of the District in accordance with generally accepted accounting principles and legal requirements. The Board will retain an auditor as an independent contractor of the District (other than the Finance Director/Treasurer) to conduct an annual audit of the District's books, records and financial affairs in accordance with generally accepted auditing standards. The auditor will report to the Board, who will periodically review the auditor's work.

- B. The District's General Manager serves at the pleasure of the Board. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly-convened Board and Board committee meetings. Directors will deal with matters within the authority of the General Manager through the General Manager, and not through other District employees, except as it pertains to the functions of the Finance Director/Treasurer and District consultants, including the District auditor. Directors will refrain from making requests directly to District employees (rather than to the General Manager) to undertake analyses, perform other work assignments or change the priority of work assignments. Directors may request non-confidential, factual information regarding District operations from District employees.

(Water Code sections 30540 and 30580 through 30582.)

### **350.00 Improper Activities and the Reporting of Such Activities; Protection of "Whistle Blowers"**

- A. The General Manager has primary responsibility for (1) ensuring compliance with the District's Employee Handbook, and ensuring that District employees do not engage in improper activities, (2) investigating allegations of improper activities, and (3) taking appropriate corrective and disciplinary actions. The Board has a duty to ensure that the General Manager is operating the District according to law and the policies approved by the Board. Directors are encouraged to fulfill their obligation to the public and the District by disclosing to the General Manager to the extent not expressly prohibited by law, improper activities within their knowledge. Directors will not interfere with the General Manager's responsibilities in identifying, investigating and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in this section affects the responsibility of the Board to oversee the performance of the General Manager.

- B. A Director will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Director or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a District official or employee, use of a District office or position or of District resources for personal gain, or a conflict of interest of a Director or District employee.
- C. A Director will not use or threaten to use any official authority or influence to effect any action as a reprisal against another Director or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.
- D. Any person who believes that he or she has been subjected to any action prohibited by this section may file a confidential complaint with (1) the General Manager, or (2) a Director, if the complaint involves the conduct of the General Manager, who will thereupon refer the matter to the full Board to investigate the complaint. Upon the conclusion of the investigation, the General Manager (or the Board in the case of a complaint against the General Manager) will take appropriate action consistent with the District's Employee Handbook, related human resources policies and procedures, and applicable law.

(Labor Code section 1102.5, and following, and Government Code sections 53298 and 53298.5.)

**355.00 Compliance with the Brown Act**

Directors, and persons elected but who have not yet assumed office as Directors, will fully comply with the provisions of the Brown Act, the State's open meeting law for public agencies. The Board has adopted "Rules for Proceedings of the Board of Directors" (PL - BOD 002) to guide the Board in ensuring that Board decisions are made during meetings of the Board that are open to the public, in compliance with the Brown Act.

(Government Code sections 54950 and following, and 54952.1 and 54959.)

**360.00 Directors' Compensation and Expense Reimbursement**

Directors will fully comply with the provisions of the Board's "Directors' Compensation and Expense Reimbursement Policy" (PL - BOD 003).

(Government Code sections 53232 and following; Water Code sections 20200 and following.)

### **365.00 Changes in Compensation**

Changes in the compensation of the Board will require the approval of the Board during an open meeting of the Board held at least sixty days prior to the effective date of the change.

(Water Code sections 20200 and following.)

### **370.00 Candidate's Statement**

A Director will not include false or misleading information in a candidate's statement for a general District election filed pursuant to section 13307 of the Elections Code.

(Elections Code section 13313.)

### **375.00 Violation of Ethics Guidelines**

A perceived violation of the ethics guidelines (Ethics Policy articles 300.00 – 370.00) by a Director should be referred to the President of the Board or the full Board of Directors for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Director who has violated this policy, (b) injunctive relief, (c) referral of the violation to the District Attorney and/or the grand jury; or (d) investigation and action under the District's Workplace Dishonesty Policy (PL - Adm 006) and Procedures (PR - Adm 004).

### **400.00 Policy Review**

This Policy shall be reviewed at least biennially.



## Agenda Item: 28

**Date:** August 10, 2017

**Subject:** Upcoming Water Industry Events

**Staff Contact:** Heather Hernandez-Fort, Executive Assistant to the General Manager

Note that the Board adopted Policy governing Director compensation and expense reimbursement section 200.20(g) states that Directors may receive a meeting stipend (currently \$100.00) for “meetings, water industry events or office visits of a substantial duration concerning substantive District business as requested and approved for payment by the General Manager or the Board President...” Just because information is presented on upcoming water industry events or regularly scheduled meetings of other water districts does not necessarily imply that approval for a compensable meeting or reimbursement of expenses are triggered.

Below is a list of upcoming water industry events:

### Upcoming Events

1. CSDA’s Legislative Round-Up  
August 31, 2017  
Webinar  
[https://members.csda.net/iMIS15/CSDA/Events/Calendar/CSDA/Events\\_Calendar.aspx?hkey=2051da45-1bbc-424d-87cf-fe08bc70189d](https://members.csda.net/iMIS15/CSDA/Events/Calendar/CSDA/Events_Calendar.aspx?hkey=2051da45-1bbc-424d-87cf-fe08bc70189d)
2. Regional Water Authority Regular Board Meeting  
September 14, 2017 at 9:00am  
RWA Office, Sacramento  
<http://rwah2o.org/meetings/board-meetings/>
3. Carmichael Founders Day  
September 23, 2017  
Carmichael Park, CA  
<http://www.fairoakshostlionsclub.com/carmichaels-founders-day.html>
4. ASCE Week  
September 24-29, 2017  
Las Vegas, NV  
[www.asce.org/asceweek3](http://www.asce.org/asceweek3)

Upcoming Water Industry Events  
August 10, 2017  
Page 2 of 3

5. CSDA 2017 Annual Conference  
September 25-28, 2017  
Monterey, CA  
<http://conference.csdanet.com/>
6. Carmichael Founders Day  
September 30, 2017  
Carmichael Park, CA  
[http://carmichaelpark.com/calendar-upcoming-events/?cid=mc-559258b4103e78c1bcb682f410d47dc2&mc\\_id=1207](http://carmichaelpark.com/calendar-upcoming-events/?cid=mc-559258b4103e78c1bcb682f410d47dc2&mc_id=1207)
7. WaterSmart Innovations Conference and Expo  
October 4-6, 2017  
Las Vegas, NV  
[www.WaterSmartInnovations.com](http://www.WaterSmartInnovations.com)
8. Water Education Foundation 2017 Water Tours  
October 11-13, 2017  
Northern California Tour  
[www.watereducation.org/general-tours](http://www.watereducation.org/general-tours)
9. Sacramento Groundwater Authority Board Meeting  
October 12, 2017 at 9:00am  
RWA/SGA Office  
[www.rwah2o.org](http://www.rwah2o.org)
10. AWWA Fall Conference  
October 23-26, 2017  
Reno, NV  
[http://ca-nv-awwa.org/canv/CNS/Events\\_Classes/Future\\_Events/CNS/Events/events.aspx?hkey=40976128-710b-4097-b27b-e35fe6133849](http://ca-nv-awwa.org/canv/CNS/Events_Classes/Future_Events/CNS/Events/events.aspx?hkey=40976128-710b-4097-b27b-e35fe6133849)
11. AWWA Water Infrastructure Conference & Expo  
October 30 – November 2, 2017  
Houston, TX  
<https://www.awwa.org/conferences-education/conferences/water-infrastructure.aspx>
12. Regional Water Authority Regular Board Meeting  
November 9, 2017 at 9:00am  
RWA Office, Sacramento  
<http://rwah2o.org/meetings/board-meetings/>

13. AWWA Water Quality Technology Conference  
November 12-16, 2017  
Portland, OR  
[www.awwa.org/wqtc/cfa](http://www.awwa.org/wqtc/cfa)

14. ACWA 2017 Fall Conference  
November 28 – December 1, 2017  
Anaheim, CA  
<http://www.acwa.com/events/acwa-2017-fall-conference-exhibition>

**Below is a partial list of local Water Purveyors Regular Board Meeting information and websites:**

- Carmichael Water District: <http://carmichaelwd.org/> - Every 3<sup>rd</sup> Monday of the month
- Citrus Heights Water District: <http://chwd.org/> - Every 2<sup>nd</sup> Tuesday of the month
- Del Paso Manor Water District: (916)487-0419 - Every 1<sup>st</sup> Monday of the month
- El Dorado County Water Agency - <http://www.edlafco.us/> - Every 2<sup>nd</sup> Wednesday of the month
- El Dorado Irrigation District - <http://www.eid.org/> - Every 2<sup>nd</sup> and 4<sup>th</sup> Monday's of the month
- Fair Oaks Water District: <http://www.fowd.com/> - Every 2<sup>nd</sup> Monday of the month
- Natomas Mutual Water Company - <http://natomaswater.com/> - Every 2<sup>nd</sup> Tuesday of the month
- Orangevale Water Company - <https://orangevalewater.com/> - Every 1<sup>st</sup> Tuesday of the month
- Placer County Water Agency: <https://pcwa.net/> - Every 1<sup>st</sup> and 3<sup>rd</sup> Thursdays of the month
- Rio Linda/Elverta Community WD: <http://www.rlecwd.com/> - Every 3<sup>rd</sup> Monday of the month
- San Juan Water District: <http://www.sjwd.org/> - Every 2<sup>nd</sup> and 4<sup>th</sup> Wednesday of the month

Minutes

Sacramento Suburban Water District
Facilities and Operations Committee
Thursday, July 27, 2017

Call to Order

Director Schild called the meeting to order at 4:00 p.m.

Roll Call

Directors Present: Neil Schild and Dave Jones.

Directors Absent: None.

Staff Present: General Manager Rob Roscoe, Assistant General Manager Dan York, Amy Bullock, John Valdes, Dana Dean, Mitchell McCarthy, David Espinosa and Jim Arenz.

Public Present: William Eubanks and Mitch Dion.

Public Comment

None.

Announcements

None.

Consent Items

1. Minutes of the April 27, 2017 Facilities and Operations Committee Meeting

Director Schild moved to approve Item 1; Director Jones seconded. The motion passed by unanimous vote.

Table with 4 columns: AYES, NOES, ABSENT, ABSTAINED, RECUSED. AYES: Schild and Jones.

Items for Discussion and Action

2. Participation in In-Conduit Hydro Pilot Project with InPipe Energy and SMUD

John Valdes (Mr. Valdes) presented the staff report.

Chair Schild inquired if staff were to put this at Antelope, would the pressure reduction still be at Verner and will it reduce flow and efficiency.

Mr. Valdes stated that staff is only looking at Antelope right now and it would not affect flows.

Director Jones inquired what the requirements would be for maintenance and if there would be an easement.

Mr. Valdes stated that In-Pipe would maintain it and at sometime in the future the District would have the opportunity to purchase it, but then the maintenance would be the District's responsibility once the District owns it. In regards to the easement the District would just have to provide access and does not believe there is an easement issue.

Director Jones inquired where this would be installed and would it affect operations.

Mr. Valdes stated that it would be installed inside the PRV building and that it would not affect our operations.

Chair Schild stated that it seems that this is not very far along and that this is for information only.

Director Jones inquired how much money In-Pipe would get back on this and how are they making money on this.

Mr. Valdes stated that it's an 80/20 deal. 80% to In-Pipe, 20% to the District. In-Pipe has worked through the numbers and they believe it will pay for itself maybe even sooner than their projections.

Public comment from William Eubanks (Mr. Eubanks) stated that it does not make any sense why the District would entertain this idea. For \$9,000.00 a year it does not seem like a good idea to have a private company come in and install their equipment in the District's system and guarantee there will not be any disruptions to the District. The payback on this doesn't seem right.

Assistant General Manager Dan York (AGM York) inquired if staff should bring this item back to the committee at the next Facilities and Operations Committee meeting.

Director Jones stated to only bring this agenda item back to the committee if staff has more information or concrete evidence to make a decision.

Chair Schild agreed with Director Jones recommendation.

### **3. Meter Replacement Program – Request for Proposal**

AGM York presented the staff report.

Director Jones inquired that he sees some flaws in it because other districts use different meters and can see complications when negotiating with five different vendors, but can also see some advantages to working together to get the prices down.

AGM York stated that there could also be the same issues relating to the meter reading technology.

Director Jones inquired what would happen on a warranty issue.

AGM York stated that warranty issues are discussion items that staff still need to work out.

AGM York mentioned that at this point only the District, Citrus Heights Water District, Orangevale Water Company and San Juan Water District are participating in the initial discussions.

Chair Schild stated that the committee is not putting any effort into this and that he understood that this agenda item was an informational item.

#### **4. Fleet Asset Management Plan**

AGM York presented the staff report.

Director Jones stated that the workhorses of the fleet, the vehicle that are used every day should be kept in top shape, but believes the water conservation department could use vehicles that are 10-12 years old.

Chair Schild stated that some of the vehicles that are used 5 to 6 thousand miles or less a year should be vehicles that should be taken out of service and sold.

AGM York stated staff is looking at vehicles that are being under utilized, only based on mileage, to determine if they can be sold and purchase a pool vehicle as a replacement vehicle.

Chair Schild stated that he thinks the vehicle point system that is in place is working well and does not need to be amended.

Director Jones stated that there are only three vehicles in the fleet that run a two man crew.

Public comment from Mr. Eubanks. Mr. Eubanks stated the newer vehicles these days have lower maintenance needs and stated the District has enough vehicles verses staff.

AGM York stated that the county and most other districts go by 6 years or 80,000 miles. The District is the only utility company in the area that goes by the vehicle point system. The reason the District is still on the point system is because they get a little more out of the vehicles on the point system than the 6 year/80,000 mile program. However, AGM York stated that the current utilization of the point system has the District behind the replacement schedule as a large number of vehicles are over 15 years old.

AGM York stated that this is an informational item to the committee that will go to the full Board as an informational item.

Chair Schild stated that he does not think this should go to the full Board.

AGM York stated that staff will proceed with identifying which vehicles to replace for the upcoming budget process.

#### **5. Well Operation & Efficiency Testing**

Jim Arenz (Mr. Arenz) presented the staff report.

Chair Schild stated that staff needs to find out why these wells are not producing and if there is a good reason why the wells are not producing then consider doing an assessment on if the well or wells should be abandoned or rehabilitated.

Director Jones inquired if we are still using the District's groundwater well asset management plan.

Mr. Arenz stated that staff is doing its best to follow the groundwater well asset management plan.

AGM York informed the committee that this was an information item and no follow-up is necessary.

#### **6. Update on Aquifer Storage and Recovery**

Mr. Valdes presented the staff report.

Chair Schild stated that staff should refer to this as in-lieu of recharge program, there is no aquifer storage program.

Chair Schild inquired if we have any records of the City of Roseville's operation.

AGM York stated that he does not think that the City of Roseville is using the aquifer storage recovery (ASR) program right now.

Mr. Valdes stated that he believes Rio Linda Elverta Community Water District is the only other District looking into the ASR program right now.

Director Jones inquired if you can put chlorinated water back in the groundwater basin.

Mr. Valdes stated you can not put chlorinated water back in the groundwater basin.

General Manager Rob Roscoe (GM Roscoe) stated there are a number of valley towns pursuing the ASR program, City of Woodland, City of Tracy and the City of Stockton. The District has not pursued the ASR program because they haven't needed to and the District does a lot of in-lieu banking.

GM Roscoe and AGM York informed the committee that this was an informational item.

#### **7. Alternative Work Week Schedule**

AGM York presented the staff report.

Director Jones stated that he would like to see a more detailed presentation on how this affects and accommodates staff and the customers.

Chair Schild stated that later hours would probably benefit the customers who are coming in the late afternoon after they get off work to pay their bill.

Public comment from Mr. Eubank. Mr. Eubanks stated that he believes the District is running 20 years behind the times. He believes that the District should accommodate flexible hours and certain personal accommodations.

Mr. Roscoe stated that he agrees with Mr. Eubanks and believes it will help on employment retention.

Mr. Eubanks stated that he believes staff and management is slow in filling budget approved and needed positions. The approach to recruiting new employees outside of the industry is lacking plus with the retirement system reverting back to 2% at 62 with new employees having to pay the 7% fee is not an attractive retirement benefit. Finds the salary survey that the District conducts is ridiculous given that the District has always targeted the middle salary range. He believes the District should target the higher range salary to help with attracting and retaining any new hires. Employees are leaving the District and going to work for other utility companies for substantially higher pay. Does

not see staff or the Board doing anything to address this issue and would like to see the District come into the 21<sup>st</sup> century.

**Adjournment**

Director Schild adjourned the meeting at 4:53 p.m.

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Robert S. Roscoe  
General Manager/Secretary  
Sacramento Suburban Water District

DRAFT

# ITEM 29 c.

## Meeting Notes

Sacramento Suburban Water District  
**Water Quality Committee**  
Monday, July 17, 2017

### Call to Order

Director Wichert called the meeting to order at 3:00 p.m.

### Roll Call

Directors Present: Bob Wichert and Dave Jones.

Directors Absent: None.

Staff Present: General Manager Rob Roscoe, Assistant General Manager Dan York, Amy Bullock, John Valdes, David Armand, Hannah Dunrud, Mitchell McCarthy, Dan Bills, David Espinoza and James Arenz.

Public Present: William Eubanks, Alex MacDonald and Mitch Dion.

Public Comment

None.

### Announcements

None.

### Consent Items

#### 1. Meeting Notes of the March 27, 2017 Water Quality Committee Meeting

Chair Wichert moved to approve Items 1; Director Jones seconded. The motion passed by a unanimous vote.

AYES:	Jones and Wichert.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

### Items for Discussion and Action

#### 2. Aerojet Plume Update

David Armand (Mr. Armand) introduced Alex MacDonald (Mr. MacDonald) with the Regional Water Quality Control Board who went through a PowerPoint presentation.

Chair Wichert inquired who paid for the well head treatment on the contaminated wells.

Mr. MacDonald stated that Aerojet paid for well head treatment on the contaminated wells and Aerojet paid for the temporary water supply.

Director Jones inquired on the wells that are running now if there is a contingency water supply plan in place.

Mr. MacDonald stated that there is a contingency water supply plan in place, both a short and long term plan that can be activated at any time.

Chair Wichert inquired if Sacramento Suburban Water District (SSWD) has any plans in place if the contaminant constituents make it to their service area.

Mr. MacDonald stated that SSWD has not been required to come up with that plan because the plume is still outside of the boundaries.

General Manager Rob Roscoe (GM Roscoe) inquired on how fast they estimate the leading edge of the plume is moving northwest.

Mr. MacDonald stated that the plume is estimated to be moving 200 to 400 feet per year, or approximately one mile in last 12 years.

Chair Wichert inquired what would happen if Aerojet Rocket Dynamics shuts down and or goes away.

Mr. MacDonald stated that Aerojet Rocket Dynamics is going away, however, they have parent companies still in place and an 80 million dollar bond that is required to be in place.

GM Roscoe inquired how many decades will it take to clean this up.

Mr. MacDonald stated that it will be many decades. Estimated 245 years and they are only 12 years into it.

The committee thanked Mr. MacDonald for his report.

### **3. Update on Water Quality - TCE at Well #N15**

John Valdes (Mr. Valdes) presented the staff report.

Director Jones inquired if we get this information back from Sierra West Consultants, what do we do with it.

GM Roscoe stated that what SSWD does with the information will depend on what Sierra West Consultants does or does not find.

Mr. Valdes followed up on Director Jones question and stated that Jeff Bench with Sierra West Consultants stated that if the District receives documented proof that TCE could have come from a potential contaminated activity the District would then turn the documented findings over to the Regional Water Reliability Control Board (RWRCB) and they could potentially take further action.

Director Wichert inquired if legal needs to be involved or already has been informed on this issue.

GM Roscoe stated that yes, legal is aware and we are waiting for the next report from Sierra West Consultants.

#### **4. Water Quality Test Reports**

Mr. Armand and Hannah Dunrud (Ms. Dunrud) presented the staff report and went through the staff report exhibits in Excel spreadsheets.

Chair Wichert inquired what happens if you have a standby well and you have to bring it into service, but your next monitoring is not until 2022.

Mr. Armand stated before you bring a well back into service you have to get it re-permitted and you have to bring all the water quality monitoring up to date.

Chair Wichert inquired if staff is satisfied with the lab the District is using.

Ms. Dunrud stated that they considering looking into a new lab.

GM Roscoe stated that our Environmental Compliance department is doing an excellent job. The additional detailed follow through staff performs is impressive.

Director Wichert stated that he would like to see this information regularly, but proposes staff find a way to condense the information for these types of presentations.

#### **5. Lead Monitoring in Schools Update**

Mr. Armand presented the staff report.

Chair Wichert stated that initially he had mixed feelings on this and has heard complaints regarding doing this school sampling testing, but he feels like this is the right thing to do.

Mr. Armand stated that because this is an unfunded mandate no one budgeted for this.

Chair Wichert stated the results of lead poisoning are horrible. He commented that he is for the District's Environmental Compliance departments working with school districts on this.

#### **6. New Replacement Well #N6A – Water Quality**

Mr. Valdes presented the staff report and introduced Justin Shobe (Mr. Shobe) with Luhdorff & Scalmanini.

Director Jones inquired if there is a maintenance factor in this or a long term maintenance cost.

Mr. Shobe stated that there is nothing on maintenance that jumps out that is costly.

Chair Wichert inquired to GM Roscoe if this is cheaper than drilling a new well.

GM Roscoe stated that yes; this process is cheaper and does not change the certification requirements for our operators. A new well runs similar risks of requiring well head treatment.

Director Jones inquired if additional staff will be needed.

GM Roscoe stated that additional staff will be required. This treatment and technology is something that our operators are familiar with however, additional staff will be needed to operate this treatment system.

Chair Wichert inquired to Mr. Roscoe if he is comfortable knowing what he knows from operating a similar system that this is the right decision.

GM Roscoe stated that yes he is comfortable moving forward; however, he's also waiting to see the final report from Luhdoroff & Scalmanini.

**Adjournment**

Chair Wichert adjourned the meeting at 5:19 p.m.

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Robert S. Roscoe  
General Manager/Secretary  
Sacramento Suburban Water District

# ITEM 30 a.

## REGIONAL WATER AUTHORITY EXECUTIVE COMMITTEE AGENDA

August 16, 2017; 11:30 a.m.

5620 Birdcage Street, Suite 110

Citrus Heights, CA 95610

(916) 967-7692

### AGENDA

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

1. **CALL TO ORDER AND ROLL CALL**
2. **PUBLIC COMMENT:** Members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.
3. **CONSENT CALENDAR**  
Minutes of the June 28, 2017 Executive Committee meeting  
**Action: Approve Consent Calendar item**
4. **2017 COMPENSATION STUDY**  
Information Presentation: Shellie Anderson, Bryce Consulting, Inc.  
**Action: Recommend RWA Board approval of 2017 Compensation Study**
5. **LEGISLATIVE AND REGULATORY UPDATE**  
Information Presentation: Adam W. Robin, Legislative and Regulatory Affairs Program Manager  
**Action: Adopt Bill Positions**
6. **STRATEGIC PLAN PROGRESS UPDATE**  
Presentation and Discussion: John Woodling, Executive Director  
**Action: Recommend modifications to the Advocacy Goal of the Strategic Plan to the RWA Board of Directors**
7. **AMERICAN RIVER BASIN INTEGRATED REGIONAL WATER MANAGEMENT PLAN WEB-BASED INTERFACE CONSULTING SUPPORT**  
Information and Discussion: Rob Swartz, Manager of Technical Services  
**Action: Provide direction to staff on agenda item for September 14, 2017 RWA Board Meeting**

8. **SUBCOMMITTEE UPDATE**  
Update from Subcommittee on Office Space
9. **SEPTEMBER 14, 2017 RWA BOARD MEETING AGENDA**  
**Action: Approve September 14, 2017 proposed RWA Board Meeting Agenda**
10. **EXECUTIVE DIRECTOR'S REPORT**
11. **DIRECTORS' COMMENTS**
12. **CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(E) AND 54957 – PUBLIC EMPLOYEE PERFORMANCE EVALUATION**  
Title: Executive Director
13. **CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(F) AND 54957.6 – CONFERENCE WITH LABOR NEGOTIATORS**  
Designated Representative: Jim Peifer  
Unrepresented Employee: Executive Director
14. **CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(C) AND 54956.9(D) – UPDATE ON CALPERS CONTINUED OBLIGATION TO PROVIDE PENSION BENEFITS TO RWA EMPLOYEES**
15. **REPORT FROM CLOSED SESSION – EXECUTIVE DIRECTOR CONTRACT AMENDMENTS**  
**Action: Recommend RWA Board approval of proposed Executive Director's compensation and associated contract modifications**

## **ADJOURNMENT**

### **Upcoming meetings:**

**Upcoming Executive Committee Meetings** –September 27, 2017 and October 25, 2017 at 8:30 a.m. at the RWA office

**Next RWA Board of Directors' Meeting** – Thursday, September 14, 2017, at 9:00 a.m. in the RWA conference room, 5620 Birdcage Street, Suite. 110, Citrus Heights, CA 95610

# ITEM 30 b.

## SACRAMENTO GROUNDWATER AUTHORITY REGULAR MEETING OF THE BOARD OF DIRECTORS

**Thursday, August 10, 2017; 9:00 a.m.**

5620 Birdcage Street, Suite 110  
Citrus Heights, CA 95610  
(916) 967-7692

### Agenda

The Board will discuss all items on this agenda, and may take action on any of those items, including information items and continued items. The Board may also discuss other items that do not appear on this agenda, but will not act on those items unless action is urgent, and a resolution is passed by a two-thirds (2/3) vote declaring that the need for action arose after posting of this agenda.

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

#### 1. CALL TO ORDER AND ROLL CALL

2. **PUBLIC COMMENT:** Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes.

#### 3. CONSENT CALENDAR

a. Minutes of June 8, 2017 meeting

**Action: Approve June 8, 2017 meeting minutes**

#### 4. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE

Information Update: John Woodling, Executive Director

#### 5. GROUNDWATER MANAGEMENT PROGRAM UPDATE

Information Update: Rob Swartz, Manager of Technical Services

#### 6. EXECUTIVE DIRECTOR'S REPORT

#### 7. DIRECTORS' COMMENTS

#### ADJOURNMENT

**Next SGA Board of Director's Meeting** – October 12, 2017, 9:00 a.m., RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.

Sacramento Groundwater Authority Board Meeting  
August 10, 2017

**AGENDA ITEM 3: CONSENT CALENDAR**

**STAFF RECOMMENDATION:**

**Action: Approve June 8, 2017 meeting minutes**

DIV 4

July 26, 2017  
 (916) 972-7639

Account #

Dear SSWD:

I wish to thank you very much for your wonderful support - your cash for grass program, water wise audit programs are environmentally minded and helpful to customers! Every phone and/or walk in contact I've had has always been pleasant, informative & helpful.

I will be moving to Sacramento this year and am grateful for your services - our local REU (Reading Electric Utility Co.) which includes water could profit from your philosophy - I passed on your program offers. You're a real asset to the community!

Regards,  
 Joy

## NO DIV

**From:** Greg Bundesen  
**Sent:** Wednesday, July 12, 2017 10:08 AM  
**To:** 'jacob  
**Cc:** Annette O'Leary; James Arenz  
**Subject:** FW: Informal Interview Los Rios

Mr,

Thank you for reaching out to the District regarding your interest in water policy. First, I would like to thank you for your service in the military. It takes a special kind of person to volunteer for the service and I am grateful for your efforts. In regards to water policy, I am going to direct you to the State Water Resources Control Board's website (<https://www.waterboards.ca.gov/>). From here, you can find a tremendous amount of information regarding statewide water policy and information regarding the state's efforts to make conservation a way of life in California. You can also review the California Department of Water Resources' web site (<http://www.water.ca.gov/>) to get more information regarding California's water supply. There are various other websites that can provide you with information, the Sacramento Regional Water Authority ([www.bewatersmart.info](http://www.bewatersmart.info)) is a great resource for local water conservation related material; the Alliance for Water Efficiency (<http://www.allianceforwaterefficiency.org/default.aspx>) is another great resource but more on a national level.

From a personal viewpoint, I think California is a very diverse state climate-wise and water supply-wise and the state legislature has a tough job ahead of them as they attempt to figure out long-term water efficiency standards. There isn't really one program or policy that will work for each of the water suppliers in such a diverse state. Most of the water utilities advocate for local control and the preservation of their water rights, so what is a good program/policy for the San Diego region may not be an ideal program/policy for Sacramento. Each local region is unique and the state will be challenged to create a program that will best fit everyone's unique needs. A couple of bills that are making their way through the legislature right now are AB 1654 and AB 1667. Both attempt to create long-term water efficiency standards, but are very different in the way those standards are to be met. The District has taken the position to support AB 1654 do to its multiple compliance options.

Private citizens can help the situation by not falling into the Drought Illogical Cycle of empathy. At the moment, there is so much water in the system that the state has no choice but to release water out to sea or risk catastrophic flooding. Seeing this, citizens can become complacent and not think about the ways in which they use water. People are more reactive than proactive, in my opinion, when it comes to water use. If we are in a drought, people will react by reducing the amount of water they use (i.e. shorter showers, not watering their lawn, etc.), but may not necessarily change the way they use water (i.e. changing to a lower flow showerhead, installing efficient sprinklers, etc.). People will have to become proactive and make changes to their water use fixtures and habits to ensure that water is being used as efficiently as possible (i.e. not letting the water run into the gutter when watering their lawn, using drip systems for plants and bushes, installing a weather based sprinkler controller, etc.) in and around their homes to

ensure that the next time the state enters into a drought cycle (which should be in the next 2-3-years) they are prepared. From a water agency standpoint, we have to make sure that we are prepared to give information and offer programs to customers willing to make positive changes. Rebate programs are a great incentive for customers who are willing to go the extra mile and ensure they are using water as efficiently as possible in and around their home.

I hope that I have answered your questions. Please feel free to contact me anytime for more information. And, again, thank you for your service and good luck in your education.

Regards,

**Greg Bundesen**  
**Water Conservation Supervisor**

**From:** Jacob  
**Sent:** Monday, July 10, 2017 10:09 AM  
**To:** feedback  
**Subject:** Informal Interview Los Rios

Dear Sacramento Suburban Water District,

I am a veteran at Folsom/El Dorado college using the Post 9/11 bill for school. I am writing this in hopes to do an informal interview through email if you have the time. I am studying water management and more environmental technology in hopes to one day get into the field. I hope I can receive from you a response to your thoughts and opinions regarding water.

This is informal and used primarily as an academic insight from the board of directors or just as a private citizen.

Water shortages, privatization of local water supply, and current policies have been in the spot light in California since the recent drought. What are your thoughts or opinions in regards to the current standing with the local water supplies and have there been any policies that have been making headway? What can we do as private citizens to help the situation improve? Do you have any insight for an aspiring enthusiast of environmentalism?

If you would like additional information about my question or about me please email or call me, listed below.

Sincerely, Jacob

## **DIV 4**

-----Original Message-----

From: John Valdes  
Sent: Friday, July 07, 2017 4:09 PM  
To: lon2005@  
Cc: Matt Underwood; David Espinoza; Annette O'Leary  
Subject: RE: Matt Underwood re: meter installation

Hello Lon--

Your e-mail dated June 20, 2017, was forwarded to me. Your e-mail and comments re: our meter retrofit contractor (Flowline) are greatly appreciated. We do like to receive feedback from our customers, especially when it's a positive experience like yours was! I apologize that no one from the District acknowledged your e-mail until now but it appears that your e-mail went into a "junk" (spam) folder for some reason. Thanks again.

Sincerely,

John E. Valdes, P.E.  
Engineering Manager

-----Original Message-----

From: Lon  
Sent: Tuesday, June 20, 2017 8:51 PM  
To: feedback  
Subject: [Junk released by User action] Matt Underwood re: meter installation

I don't usually send comments about service (good or bad) but today I was so impressed that I feel kudos are in order. Your contractor team, Flowline Contractor, Inc., installed a meter (something that I have been dreading) at my home today - Winston Way. I've got to admit that I probably asked far too many questions of Kevin, who appeared to be leading the team that worked on my property. He answered every question with authority and a genuine human concern for my needs. I work as an RN in a critical care environment and I appreciate the value of honest, succinct communication. It takes customer service to a very high level.

My anxieties were assuaged, the work was completed exactly on schedule and the install looks great. What more could I ask? Well done.

Thank you.

Lon



**Agenda Item: 32**  
**General Information**  
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# State Water Board Adopts MCL for 1,2,3-TCP, Rejects Calls to Establish Compliance Period

By Emily Allshouse - July 18, 2017 - Water News

The State Water Resources Control Board on July 18 adopted a regulation establishing a maximum contaminant level (MCL) for 1,2,3-Trichloropropane (TCP) of 5 parts per trillion. The regulation will take effect on Oct. 1, 2017, and public water systems will be required to meet the new standard beginning in January 2018.

During Tuesday's hearing, State Water Board staff provided information about the development of the MCL and noted that granular activated carbon (GAC) has been identified as the best treatment technology for 1,2,3-TCP. Staff also asserted that because GAC is a known treatment technology, a compliance period is not warranted and that water systems have had plenty of time to prepare for the MCL in advance of its adoption.

ACWA Senior Regulatory Advocate Rebecca Franklin provided testimony in rebuttal to the staff report's assertions. She noted that agencies have begun to take the steps required to install new treatment devices but said that even for known treatment technologies the process is still lengthy and expensive. She specifically cited the time required to complete Proposition 218 requirements, acquire new land for treatment facilities and obtain regulatory permits.

"All of these steps must still be taken, despite granular activated carbon being a known treatment technology," said Franklin. "Most agencies still expect the process to take at least two years."

Representatives from the Metropolitan Water District of Southern California, City of Chino, Coachella Valley Water District and Arvin Community Services District also testified during the hearing about the importance of providing a realistic and reasonable compliance period in the regulation.

Brad Coffey with MWD provided the board with a real-life example of the installation of a GAC treatment system. Although the 2015 project was expedited during the drought, it took two years, seven months of which was spent waiting for the state's Division of Drinking Water to review the project permits, he said.

A number of environmental and social justice groups testified in support of the MCL as proposed.

Ultimately, after hearing stakeholder comments and engaging in a brief discussion, the State Water Board voted to adopt the MCL as proposed.

"I do understand the desire for the period but I honestly don't think it is necessary or advisable," said State Water Board Chair Felicia Marcus. "Folks who run agencies want to be in compliance... but I do think this is the process we have always had."

This is the first MCL the State Water Board has developed and adopted since the state's Division of Drinking Water was transferred to the agency in 2014. The development of the 1,2,3-TCP MCL began prior to a recent court decision overturning the state's chromium-6 MCL based on an inadequate economic analysis by the California Department of Public Health.

ACWA members with questions about the 1,2,3-TCP MCL should contact ACWA Senior Regulatory Advocate Rebecca Franklin at (916) 441-4545.

**<https://www.acwa.com/news/state-water-board-adopts-new-mcl-123-tcp-mcl-rejects-calls-establish-compliance-period/>**

# SCWA's Grant Davis Tapped to Lead Department of Water Resources

By Lisa Lien-Mager – July 19, 2017 – Water News

Gov. Jerry Brown has appointed Sonoma County Water Agency General Manager Grant Davis to serve as director of the California Department of Water Resources, effective Aug. 1.

The appointment, which is subject to Senate confirmation, fills the vacancy initially created when former Director Mark Cowin retired at the end of 2016. Acting Director William R. Croyle retired on July 1.

Davis joined Sonoma CWA in 2007 as assistant general manager and became general manager in 2010. As general manager, he worked with more than 280 employees and oversaw core functions of providing drinking water to more than 600,000 residents in portions of Sonoma and Marin counties, wastewater management for 60,000 customers, maintaining nearly 100 miles of streams and detention basins for flood protection, and restoring habitat for three federally listed fish species in the Russian River.

He served as executive director of the Bay Institute from 1997 to 2007 and was the senior district representative in the Office of U.S. Rep. Lynn Woolsey from 1993 to 1997 and principal of Impact Consulting from 1990 to 1993.

In a statement, Davis said it was an honor to be appointed by the governor and expressed appreciation to Sonoma CWA's board and staff.

"To my colleagues at the Water Agency, I can't say thank you enough for your unparalleled professionalism and dedication to our community and the organization," Davis said. "I am also appreciative of the Water Agency's Board of Directors who provide the leadership and support needed to secure our future water supply."

ACWA Executive Director Timothy Quinn called the appointment an excellent choice at a critical time.

"There is important work to be done to implement Governor Brown's California Water Action Plan, and Grant's proven leadership and out-of-the-box thinking will be extremely valuable to that mission," Quinn said in a statement.

"Grant has roots in environmentalism and most recently led a local water agency known for its creativity and innovation. His appointment reflects the governor's commitment to add to the Administration's list of accomplishments and continue with the important job of managing California water to enhance ecosystem health and improve the overall resiliency of our state's water supply system. As it has with his

predecessors, ACWA stands ready to work with Grant and the DWR staff to continue implementation of the California Water Action Plan and advance comprehensive solutions for California water.”

**<https://www.acwa.com/news/scwas-grant-davis-tapped-lead-department-water-resources/>**

# **DWR Certifies Environmental Documents, Approves California WaterFix Under CEQA**

By Pamela Martineau – July 21, 2017 – Water News

The California Department of Water Resources today announced that it has certified the environmental analysis of California WaterFix and approved the project under the California Environmental Quality Act (CEQA).

In addition to the certification, DWR also filed a “validation action” today with the Sacramento County Superior Court to affirm the department’s authority to issue revenue bonds to finance the planning, design, construction and other capital costs of California WaterFix. A validation action is necessary to provide assurances to the financial community for the sale of the California WaterFix revenue bonds.

In addition to dual 35-mile-long tunnels, the proposed project includes new water intakes on the Sacramento River near Hood. Recent biological opinions by the U.S. Fish and Wildlife Service and the National Marine Fisheries Service found the construction and operations of WaterFix as proposed would not jeopardize the continued existence of ESA-listed species or destroy or adversely modify critical habitat for those species.

“Today, we have reached our next important benchmark in moving California towards a more reliable water supply,” said DWR Acting Director Cindy Messer. “With this certification, our state is now closer to modernizing our aging water delivery system in a way that improves reliability and protects the environment.”

According to DWR, it considered more than 100 different proposals and performed in-depth analysis of 18 in the final 50,000-page Environmental Impact Report (EIR). The CEQA certification, Notice of Determination, and decision documents put WaterFix a step closer to construction, which could begin as early as 2018.

Additionally, DWR and the U.S. Bureau of Reclamation have completed a substantial portion of the proceedings before the State Water Resources Control Board to change the point of diversion for the state and federal water projects to allow operation of the WaterFix.

Kern County Water Agency officials and water managers from other districts issued statements praising Friday’s action.

“Now is the time to invest in the state’s water future,” said Kern County Water Agency Board of Directors President Ted Page. “Crumbling infrastructure is a national problem, and it is high time we get out in front of that problem with respect to our water supply in California and Kern County. Water is the

most important ingredient in Kern County’s economic success and the California WaterFix is the best way to secure that future. We greatly appreciate the State’s steady hand in bringing this project to a successful conclusion and moving forward on the permits necessary to begin construction.”

Jeffrey Kightlinger, general manager of the Metropolitan Water District of Southern California, also applauded the action.

“Today, California WaterFix moves yet another step forward,” said Kightlinger. “With the recent issuance of two federal biological opinions, California WaterFix is demonstrating its ability to fully comply with environmental laws while striving to provide reliable water supplies for two-thirds of the state.”

For more information on California WaterFix, including fact sheets about project costs, cost allocation, project delivery, and environmental benefits, visit [www.californiawaterfix.com](http://www.californiawaterfix.com).

**<https://www.acwa.com/news/dwr-certifies-environmental-documents-approves-california-waterfix-ceqa/>**

# State Orders 93 Dam Spillways Checked After Oroville Near-Disaster

By Kurtis Alexander – July 27, 2017 – San Francisco Chronicle

The near-catastrophic failure of the Oroville Dam last winter has prompted California water officials to order inspections of spillways at 93 dams that they believe could pose a risk to downstream communities, according to public records released Thursday to The Chronicle.

The dams include nearly two dozen in the Bay Area as well as O'Shaughnessy Dam at Hetch Hetchy Reservoir in Yosemite, which holds most of the water that goes to San Francisco and cities on the Peninsula.

The California Department of Water Resources told operators of the dams to perform immediate reviews to determine how well spillways will hold up to high water flows and make necessary repairs by winter.

State officials say they aren't aware of problems at any specific dam. But as a precautionary measure after two spillways failed at Lake Oroville and prompted nearly 200,000 people to evacuate amid flooding concerns in February, officials said it was prudent to re-evaluate some of the 1,250 dams under their jurisdiction.

The review focuses on older, larger dams. Besides O'Shaughnessy Dam, which is run by the San Francisco Public Utilities Commission, the state ordered checks for several dams operated by the East Bay Municipal Utility District, Marin Municipal Water District and Santa Clara Valley Water District.

"The objective of the comprehensive condition assessment is to obtain sufficient information to know whether there are safety problems with the spillways, assess the seriousness of these problems, and perform necessary repairs in a timely manner," Daniel Meyersohn, a supervising engineer with the Water Resources Department's Division of Safety of Dams, said in an email.

The average age of California's dams is 70 years, according to the agency.

Officials with the dam division declined a request for an interview.

Among the Bay Area sites scheduled for the review are San Andreas Dam in San Mateo County, Lenihan Dam at Lexington Reservoir in Santa Clara County, Lake Chabot Dam in Alameda County, Briones Dam in Contra Costa County and the dam at Soulajule Reservoir in Marin County. Newell Dam at Loch Lomond in Santa Cruz County and Los Padres Dam in Monterey County are also slated for evaluations.

Many of the state's biggest dams in the Sierra are also scheduled for assessments, including New Don Pedro Dam, which holds back Lake Don Pedro — like Hetch Hetchy, crucial to San Francisco's water supply. Also on the list are the dam at Camanche Reservoir in the San Joaquin Valley, the East Bay district's largest water source, as well as Lake Almanor Dam in Plumas County and New Exchequer Dam at Lake McClure in Mariposa County.

Bay Area water agencies reached Thursday said they've already begun the required evaluations and don't expect to turn up major issues.

“We have no reason to believe there are problems, but this step will verify if there are any concerns,” said Elizabeth Bialek, manager of engineering services for the East Bay district. The agency was directed to assess spillways at San Pablo, New Upper San Leandro and Chabot dams in addition to Camanche and Briones dams.

Like most water agencies, the East Bay district conducts routine inspections that include visual checks for cracks or leaks, as well as periodic deeper probes that evaluate the integrity of a dam and the land it’s anchored on. The information is provided at least annually to both state and federal regulators.

The new state-ordered reviews require a combination of old inspection data and new tests to check concrete walls, drainage systems, underlying rock and other facets of the spillways.

This spring, the Federal Energy Regulatory Commission ordered similar supplementary reviews of spillways at power-generating dams, including several in California.

The problems at Lake Oroville, which is run by the state, came in spite of the regular reviews as well as state officials’ assurances that the reservoir’s spillways were sound.

The scare at the lake began Feb. 7 when a large section of the reservoir’s 3,000-foot main spillway fractured amid pounding storms. When dam operators closed the chute, water poured out the lake on an emergency spillway, little more than a barren hillside, which also began to erode.

Fearing that the eroding hill would cause water to spill uncontrollably from the reservoir into downstream communities, officials ordered the temporary evacuation of 180,000 people. The Department of Water Resources has since initiated a half-billion-dollar effort to rebuild the lake’s two spillways.

Some engineers who have studied the main spillway determined that it didn’t have water stops to seal joints and prevent leaks from weakening it. Also, there was too little steel reinforcement in the structure, and the pipes that drain water beneath it were made of clay instead of superior PVC, their reports concluded.

The state has commissioned a team of independent engineers to investigate the design, maintenance and management of the dam’s two spillways.

In San Francisco, water officials say spillways at four dams they’ve been ordered to review — O’Shaughnessy and Cherry Valley in the Sierra and San Andreas and Turner in the Bay Area — are in good shape.

The city Public Utilities Commission has already begun performing the required assessments, and in addition, is in process of rebuilding the Calaveras Reservoir in Santa Clara County to address seismic concerns.

“We will always have projects to upgrade and maintenance to do at dams and spillways,” said Charles Sheehan, spokesman for the San Francisco water agency. “But that’s all part of managing and operating your system.”

**<http://www.sfchronicle.com/bayarea/article/State-orders-93-dam-spillways-checked-after-11536079.php?cmpid=email-premium#photo-13442813>**