

DESERT WATER AGENCY
MARCH 6, 2018



BOARD OF DIRECTORS
REGULAR MEETING AGENDA

REGULAR MEETING 8:00 A.M. OPERATIONS CENTER - 1200 SOUTH GENE AUTRY TRAIL – PALM SPRINGS – CALIFORNIA

About Desert Water Agency:

Desert Water Agency operates independently of any other local government. Its autonomous elected board members are directly **accountable to the people they serve. The Agency is one of the desert's** two State Water Contractors and provides water and resource management, including recycling, for a 325-square-mile area of Western Riverside County, encompassing parts of Cathedral City, Desert Hot Springs, outlying Riverside County and Palm Springs.

1. PLEDGE OF ALLEGIANCE
2. PRESENTATION – ACWA/JPIA (Andy Sells and Melody McDonald)
3. APPROVAL OF MINUTES – February 20, 2018 CIOFFI
4. **GENERAL MANAGER'S REPORT** KRAUSE
5. COMMITTEE REPORTS - Executive – March 1, 2018 CIOFFI
6. PUBLIC INPUT:
Members of the public may comment on any item not listed on the agenda, but within the jurisdiction of the Agency. In addition, members of the public may speak on any item listed on the agenda as that item comes up for consideration. Speakers are requested to keep their comments to no more than three (3) minutes. As provided in the Brown Act, the Board is prohibited from acting on items not listed on the agenda.
7. ITEMS FOR ACTION:
 - A. Request Board Action Regarding Claim for Damages Filed by Infinity Ins. (Raymundo G. Aguilar) KRAUSE
 - B. Request Adoption of Resolution No. 1176 Adjusting Rates, Fees & Charges for Sewer Service KRIEGER
 - C. Request Authorization to Call for Bids/2017-18 Replacement Pipelines JOHNSON
8. ITEMS FOR DISCUSSION
 - A. State Water Contractors' Meeting – February 15, 2018 RIDDELL
 - B. Legislative Report REEB
9. OUTREACH & CONSERVATION METZGER
 - A. Media Information
 - B. Activities
10. DIRECTORS COMMENTS AND REQUESTS
11. CLOSED SESSION
 - A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al
 - B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Agua Caliente Band of Cahuilla Indians vs. County of Riverside, et al
 - C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Mission Springs Water District vs. Desert Water Agency
 - D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code Section 54956.8
Property: APN 680-180-034; 3.23 acre parcel located 1,000 feet East of S. Gene Autry Trail on South Side of Dinah Shore Drive
Agency Negotiators: Mark S. Krause, General Manager
Negotiating Parties: Scott Stokes
Under Negotiation: Price and Terms

E. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957

Title: General Manager

12. RECONVENE INTO OPEN SESSION – REPORT FROM CLOSED SESSION

13. ADJOURN

**MINUTES
OF THE REGULAR MEETING
OF THE
DESERT WATER AGENCY
BOARD OF DIRECTORS**

3

February 20, 2018

DWA Board:	James Cioffi, President)	Attendance
	Joseph K. Stuart, Vice President)	
	Kristin Bloomer, Secretary-Treasurer)	
	Craig A. Ewing, Director)	
Absent:	Patricia G. Oygur, Director)	
DWA Staff:	Mark S. Krause, General Manager)	
	Steve Johnson, Asst. General Manager)	
	Martin S. Krieger, Finance Director)	
	Sylvia Baca, Asst. Secretary of the Board)	
	John Ruiz, Interim Human Resources Mgr.)	
Consultant:	Michael T. Riddell, Best Best & Krieger)	
Public:	David Freedman, P.S. Sustainability Comm.)	

18032. President Cioffi opened the meeting at 8:00 a.m. and asked everyone to join Vice President Stuart in the Pledge of Allegiance. **Pledge of Allegiance**

18033. President Cioffi called for approval of the February 6, 2018 Regular Board meeting minutes. **Approval of 02/06/18 Regular Board Mtg. Minutes**

Director Ewing moved for approval. After a second by Vice President Stuart, the minutes were approved as written (Secretary-Treasurer Bloomer abstained, Director Oygur absent).

18034. President Cioffi called upon General Manager Krause to provide an update on Agency operations. **General Manager's Report**

Mr. Krause stated on February 6, Outreach & Conservation Associate Petek judged the Palm Springs Unified School District's Science Fair. DWA gave a special award to a fourth grader for her project, "Tap water vs. water bottles". **PSUSD Science Fair**

Mr. Krause reported on February 15 at approximately 9:30 p.m., stand-by responded to a hit fire hydrant on Gene Autry Trail in front of the Desert Sun newspaper building. Staff replaced the hydrant and put it back in service. A police report was made and the water loss was from a fully open fire hydrant buy, which ran for approximately 40 minutes.

**GM Report
(Cont.)**
Hit Fire Hydrant-Gene
Autry Trail

Mr. Krause reported the Whitewater Hydro generated approximately 636,387 kWh for the month of January and SCE settlement amount of \$55,914. The CRA was shut down on February 13 for routine maintenance and will be offline until mid-March.

Water Delivery Update

Concluding his report, Mr. Krause noted the current system leak data, and meetings and activities he participated in during the past several weeks.

System Leak Data,
General Manager's
Meetings & Activities

18035. President Cioffi noted the minutes for the February 13, 2018 Executive Committee were provided in the Board's packet.

Committee Reports:
Executive 02/13/18

18036. President Cioffi opened the meeting for public input.

Public Input

There being no one from the public wishing to address the Board, President Cioffi closed the public comment period.

18037. President Cioffi called upon Secretary-Treasurer Bloomer to provide an overview of financial activities for the month of January 2018.

**Secretary-Treasurer's
Report (January)**

Secretary-Treasurer Bloomer reported that the Operating Fund received \$2,161,162 in Water Sales Revenue, \$97,575 in Reclamation Sales Revenue and \$185,701 in Construction Deposits. \$2,591,715 was paid out in Accounts Payable. Year-to-date Water Sales are 7% over budget, Year-to-date Total Revenues are 12% over budget and Year-to-date Total Expenses are 18% under budget. There were 22,522 active services as of January 31 compared to 22,503 as of December 31, 2017.

Operating Fund

Reporting on the General Fund, Ms. Bloomer stated that \$9,394,170 was received in Property Tax Revenue, \$1,014,800 was received in Groundwater Assessments, \$57,640 from SCE for December 2017 Whitewater Hydro Revenue. \$3,568,709 was paid out in State Water Project Charges (YTD SWP Charges = \$11,550,520).

General Fund

Reporting on the Wastewater Fund, Ms. Bloomer stated that \$34,662 was received in Sewer Capacity Charges. There were a total of 48 sewer contracts, with 9 total delinquents (19%). \$75,268 was paid out in Accounts Payable.

Wastewater Fund

18038. President Cioffi called upon General Manager Krause to present staff's request for Board action regarding a claim for damages filed by Joe Butler.

Item for Action:
Request Board
Action/Claim by Joe
Butler

Mr. Krause stated that Mr. Butler filed a claim on January 31 seeking damages to repair his windshield in the amount of \$108.50. Mr. Butler claims while driving on Gene Autry Trail, an object flew out of an Agency work truck and caused damage to his vehicle's windshield.

Continuing his report, Mr. Krause noted that after reviewing Agency cameras, there was no indication of Agency vehicles leaving either of the two driveways or passing by Agency Operations Center from 9:41 a.m. – 9:55 a.m. There is no evidence that an Agency vehicle caused this damage. Staff requests that the Board deny the claim for damages filed by Mr. Butler.

Director Ewing made a motion to deny the claim for damages filed by Mr. Butler. After a second by Secretary-Treasurer Bloomer, the motion carried unanimously (Director Oygar absent).

18039. President Cioffi called upon General Manager Krause to present staff's request for Authorization for the General Manager to enter into a supplemental MOU for the Indio Subbasin.

Request Authorization
for GM Enter Info
SGMA Supplemental
MOU/Indio Subbasin

Mr. Krause stated on September 6, 2016, DWA entered into a Memorandum of Understanding (MOU) regarding governance of the Indio Subbasin under the Sustainable Groundwater Management Act (SGMA) with Coachella Valley Water District (CVWD), Coachella Water Authority (CWA) and the Indio Water Authority (IWA), collectively referred to as the Partners for the development and submission of an alternative Groundwater Sustainability Plan (GSP) for the Indio Subbasin.

Continuing his report, Mr. Krause explained that SGMA requires the submission of an Annual Report of all alternative GSP's beginning April 1, 2018. The attached Supplemental MOU and its Exhibit 1 describe the scope of work to produce the Water Year 2017 Annual Report for the Indio Subbasin to be submitted to DWR before April 1. The cost of the \$63,260 project will be shared equally between the Partners (DWA's share \$15,815). Staff recommends the Board authorize the General Manager to enter into a Supplemental MOU with the Partners for the purpose of producing the 2018 Annual Report for the alternative GSP for the Indio Subbasin applicable to the implementation of SGMA.

Director Ewing made a motion to approve staff's recommendation. President Cioffi seconded the motion, which carried unanimously (Director Oygar absent).

18040. President Cioffi asked General Manager Krause to report on the January water reduction figures.

Discussion Items:
January Water
Reduction Figures

Mr. Krause reported that the Agency and its customers achieved a 6.25% reduction in potable water production during January 2018 compared to the same month in 2013. Included with the report were National Marine Fisheries Service (NMFS) biological opinions, which explained the amount of fresh water outflow to the ocean of 890,586-acre feet.

18041. President Cioffi asked Finance Director Krieger to discuss the Annual review of resolution establishing policy and guidelines for Agency investments.

Investment Policy
Annual Review

Mr. Krieger stated that Resolution Nos. 886 and 1007 established the policies and guidelines for the Agency's investments. As in past years, there have been no changes to Government Code Section 53600-53635 and staff has no recommendations for revisions to the existing policy. Therefore, this policy is brought to the Board for the purpose of review only.

18042. Secretary-Treasurer Bloomer reported she recently attended the California Special District Association's (CSDA) Leadership Academy where she received a certificate of completion.

Director's
Report/Attendance

Vice President Stuart reported that he recently participated in a meeting with General Manager Krause and water rights attorneys at the Irrigation Leader Workshop in Phoenix.

18043. Vice President Stuart expressed appreciation to the Outreach & Conservation department for providing water bottles and backpacks at the Rotary Bike Safety event at Hot Purple Energy.

Directors
Comments/Requests

Director Ewing requested the Conservation & Public Affairs Committee schedule a meeting soon to discuss the State Water Resources Control Board conservation mandates.

18044. At 8:50 a.m., President Cioffi convened into Closed Session for the purpose of Conference with Legal Counsel, (A) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al; (B) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), ACBCI vs. County of Riverside, et al; (C) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Mission Springs Water District vs. Desert Water Agency; and (D) Real Property Negotiators, pursuant to Government Code Section 54956.8, Property: APN 680-180-034, Agency Negotiator(s) Mark S. Krause, General Manager, Negotiating Parties: Scott Stokes, Under Negotiation: Price and Terms.

Closed Session:
A. Existing Litigation –
ACBCI vs. CVWD, et
al.
B. Existing Litigation –
ACBCI vs. Riverside
County
C. Existing Litigation –
MSWD vs. DWA
D. Real Property
Negotiators – APN No.
680-180-034

18045. At 9:39 a.m., President Cioffi reconvened the meeting into open session and announced there was no reportable action. **Reconvene –No Reportable Action**

18046. In the absence of any further business, President Cioffi adjourned the meeting at 9:40 a.m. **Adjournment**

James Cioffi, President

ATTEST:

Kristin Bloomer, Secretary-Treasurer

DRAFT

GENERAL MANAGER'S REPORT MARCH 6, 2018

DWA Whitewater Hydroelectric Plant

As part of Metropolitan Water District's annual Colorado River Aqueduct shutdown, the Agency planned to disassemble, inspect, and make any repairs to the hydroelectric turbine assembly. In the past, Agency staff had conducted the inspection and repair of the turbine assembly. For this inspection, the Agency elected to have a specialist perform the disassembly and inspection. The Agency selected Turbine Repair Services (TRS) from Ontario, California to perform the disassembly and inspection of the equipment. During the inspection, it was discovered that there was extensive corrosion and wear of the turbine internals. The Agency extended the contract with TRS to repair the corrosion/wear, overlay the wear surfaces with stainless steel, reshape and machine the turbine assembly to original dimensions, and recoat the turbine internal surfaces with a 2 week turn-around time on the parts. It is anticipated that reassembly will begin on March 7th and it will take 5-6 days. The Agency will be on schedule to have the hydroelectric plant ready to run when MWD restarts deliveries. When completed, the turbine assembly will be better than original, and should not require similar maintenance for another 30-40 years.



Photo 1: The turbine assembly with the discharge elbow removed. The Squirrel Cage and other internals were bead blasted and epoxy coated.

WW Hydro Plant
(Cont.)



Photo 2: The 36,000 lb. Generator was moved approximately 4 feet out of the turbine to disassemble the backside of the turbine assembly.

Photo 3: Corrosion of the Stuffing Box. The corrosion will be removed, stainless steel will be overlaid, and the surface will be machined to original specifications. After the stainless steel overlay, the Stuffing Box will not need to be coated.



WW Hydro Plant
(Cont.)



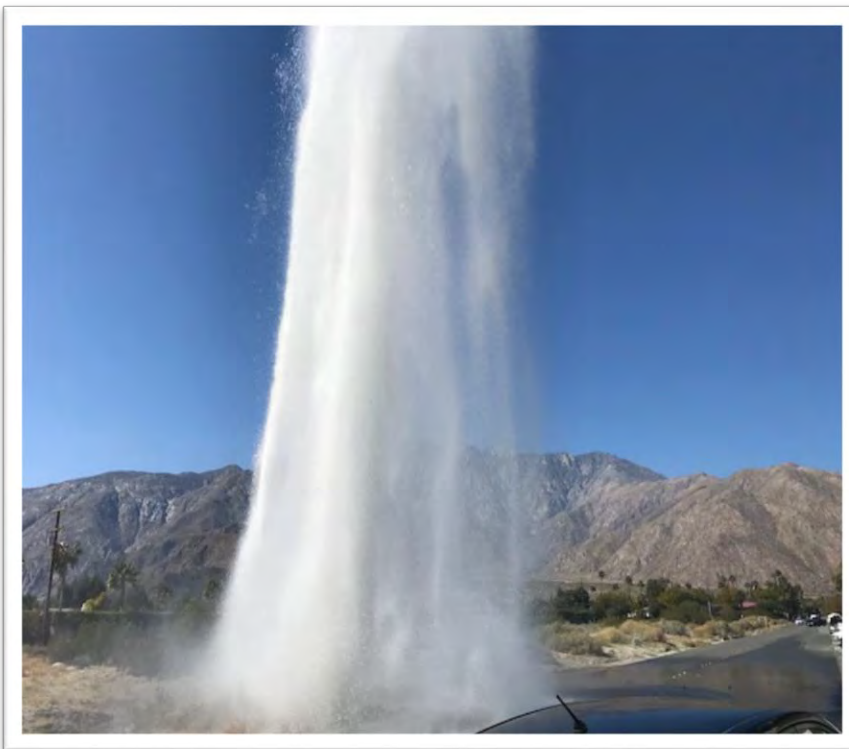
Photo 4: Over the years, the vanes on the runner have been ground down to balance the Runner. This method of balancing has the potential to decrease efficiency. The Runner will be returned to original specifications and balanced in a manner that does not reduce efficiency.

Background information:

- Hydro Electric Plant was constructed in 1985 (33 years old)
- The Agency budgeted \$87,000 for disassembly, inspection, and minor repairs (this was based on previous disassembly/repairs).
- The Agency solicited quotes from two turbine repair specialists (the only two in California).
- Turbine Repair Services (TRS) out of Ontario, CA was selected for a cost of \$44,300.
- The damage was more significant than in the past.
- TRS quoted the additional work for \$107,500.
- The Runner will be rebuilt to factor specifications and balanced.
- Critical surfaces will be overlaid in stainless steel and machined to factory specifications.
- Internal surfaces will be bead blasted and epoxy coated.
- The repairs will make the turbine assembly better than original (this is a 30-40 yr fix).
- It is anticipated the repair will be completed by March 14th.

Hit Fire Hydrant

On March 1 at 10:30 a.m. Construction staff responded to a hit fire hydrant on San Rafael Dr. west of north Indian Canyon Dr. Staff replaced the hydrant and put the hydrant back in service. The water loss was a fully open 6-inch fire hydrant bury which ran for approximately 60 minutes. The reason for the water loss time was that the fire hydrant valve was full of sand. A police report was made.



Hit Fire Hydrant
(Cont.)



Demand Bid Program

For several years, the Agency has participated in a Demand Bid Program, utilizing CPower as our provider. In 2017, the Agency participated in the program between the months of May and October. During that period, 10 events were called by SCE, requiring the Agency to curtail, on average, 3,630 kWH per event. The Agency earned approximately \$129,500 for its commitment to the program.

Attached is a Case Study article that CPower distributed in December 2017. The article was posted on its website, social media, and distributed internally.

Snow Creek ReMat

The original Snow Creek Hydro Plant Power Purchase Agreement with SCE was scheduled to expire in February 2018, therefore, in March 2016, the Agency began the process of establishing a new agreement with SCE, to include a new tariff. The new tariff, Renewable Market Adjusting Tariff, or ReMat, is the same tariff that we are using at Whitewater Hydro. On February 2, 2018, the new 20 year agreement and tariff was executed with SCE.

The original tariff paid approximately \$0.04/KWH for power generated. The new ReMat tariff will pay \$0.089/KWH.



CASE STUDY: DESERT WATER AGENCY

Desert Water Agency, Palm Springs, California: 2.5 MW of monthly demand response commitment gives the Desert Water Agency energy savings and additional revenue to offset costs.

The Customer: Desert Water Agency

The Desert Water Agency (DWA) is a not-for-profit government agency providing water to the desert resort community of Palm Springs, in the Coachella Valley, as well as adjacent areas. Nearly all of the water that is used in the Coachella Valley comes from a groundwater basin, or aquifer, estimated to contain about 30 million acre-feet of water. DWA pumps water using 29 wells spread throughout its retail area, and delivers it to 23,000 water connections serving approximately 106,000 residents and businesses.

DWA embraces sustainable energy resources, including hydroelectric and solar, to power its pumps and generate energy savings. A solar field comprising 4,500 ground-mounted fixed tilt panels produces just over a megawatt of energy. The solar facility powers their Operations Center and Water Reclamation Plant, and is projected to save the Agency and its ratepayers about \$6 million in energy costs during its lifetime.

The Challenge: Tap the Demand Response Revenue Stream

The demand response program offered by CPower pays customers for reducing their energy usage upon same-day notification of a possible grid event. DWA understands the benefit of earning additional revenue by curtailing their power load, and using that revenue to further offset energy costs. The key to DWA's successful participation was technically implementing a curtailment program with the least possible disruption to its operations and its customers. Wells throughout the city that could participate in the program would be turned off when CPower issues a curtailment notification.

“Our relationship with CPower has huge benefits for our agency and the community we serve... Their team has integrity, is there when we need them and has the expertise needed to make this a win-win.”

- Steve Johnson

That left them with one important question: “Can we survive three to four hours of having wells shut down and still be able refill our reservoirs to meet customer demand?”

The CPowered Strategy: One Well at a Time

Thankfully, with CPower's help, the answer was “Yes.”

DWA chose CPower as their demand response provider to manage their participation in the demand response program. CPower provides a team of energy experts to review the Agency's operations and energy goals. Together, DWA and CPower developed an energy management strategy that gives DWA the tools to optimize their participation in the program.



Xeriscape, Desert Water Agency

The strategy called for DWA to start with a small number of wells, to familiarize themselves with the curtailment process with minimal impact on day-to-day operations. As DWA's staff became more comfortable with the process, more wells were added, until all eligible wells--25 of their total of 29--are now actively participating and generating revenue for the Agency.

CPowered Solutions: Power Empowerment

Understanding the Agency's preference for autonomy over automation, CPower empowered it with the tools to control its energy spend and demand response participation. The Agency can turn individual sites on and off at will upon notification through their supervisory control and data acquisition (SCADA)

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software to implement the custom-designed energy strategy developed with CPower's experts. Perhaps best of all, the Agency can manage it all from their central Operations Center, without dispatching staff to well sites under a grid-stressing desert sun.

CPower collects utility meter data for each of DWA's sites, and supplies them with performance data. These data provide DWA with an understanding of each site's base load value. The Agency can use these data to decide their optimum load curtailment commitment for each month of the program.

The Results: An Oasis of Cost-Saving Revenue

DWA typically nominates a changing rotation of eight wells each month into the program. The total monthly load drop amounts to about 2.5 MW. This is a significant commitment that helps relieve stress on the electric grid.

The program also provides DWA significant financial incentive for their participation. During a recent six-month period, May-October, they received \$105,872.68 in payments for their participation. These incentives allowed them to further offset their energy costs, to the benefit of their customers.

Just as importantly, perhaps, DWA enjoys the total commitment of CPower's dedicated California energy market experts. The Agency knows from experience that CPower will support their energy goals at every turn, with an energy strategy custom-made to meet their unique requirements.

CPower, Demand-Side Energy Management Solutions.

CPower is a demand-side energy management company. We create optimized energy solutions that help organizations reduce energy costs, generate revenue, increase grid reliability, and help achieve sustainability goals.

For more information on how CPower can help you, call 844.276.9371
or visit CPowerEnergyManagement.com.

Follow CPower on Twitter @cpowerenergy, connect with us on LinkedIn, and learn more about our demand-side offerings at CPowerEnergyManagement.com.



Butterfly Garden

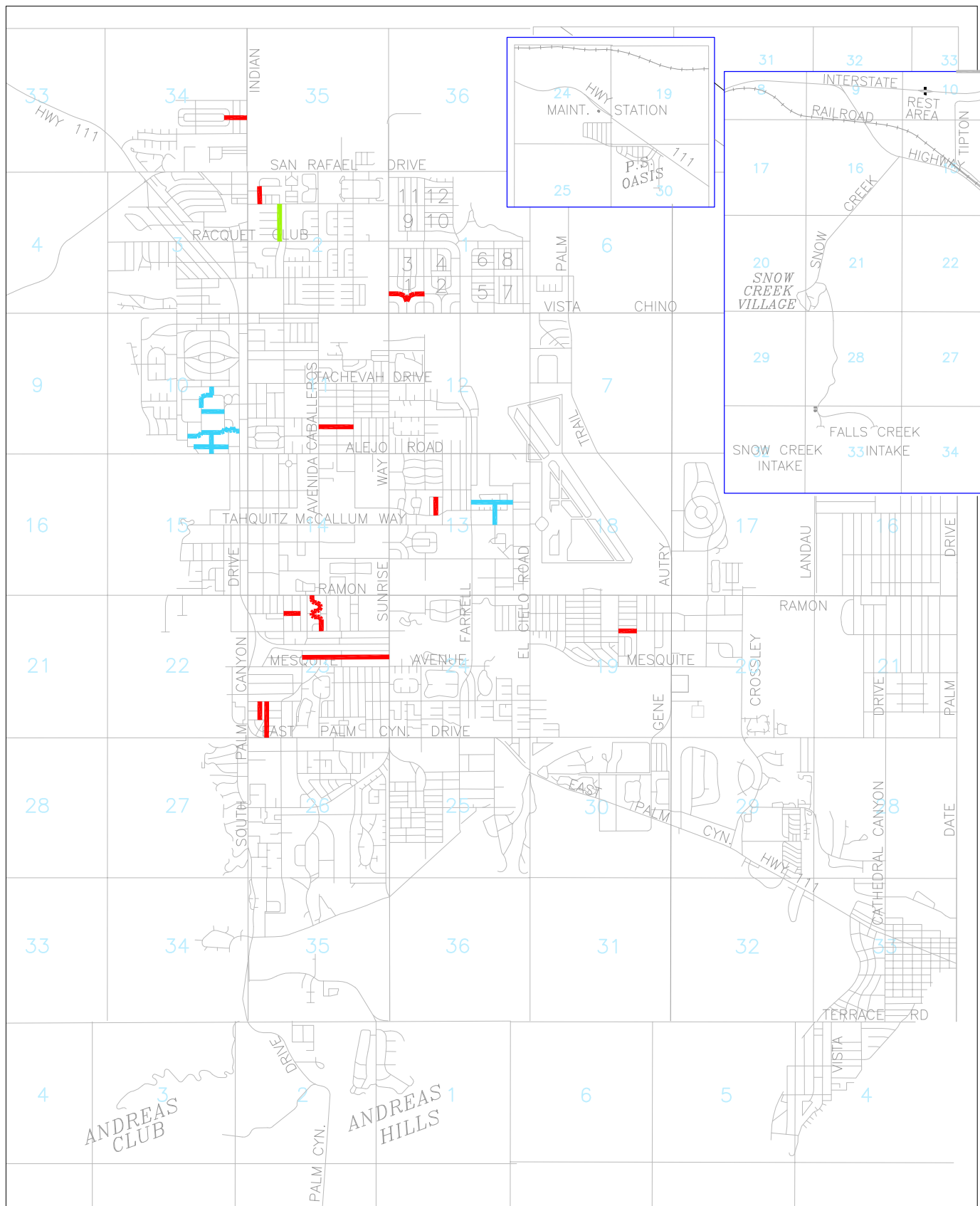
On Saturday, February 24, Palm Springs High School students, their art teacher and local artists helped bring our new art installation to life. The artists will be back on March 7 to put the final touches on the painting. Palm Springs High's Garden Club will plant the garden on Saturday, March 10. The Agency will celebrate the opening of the garden with an event on Sunday, March 25 from 1:00 p.m. to 3:00 p.m.



SYSTEM LEAK DATA		
(PERIOD BEGINNING FEBRUARY 14, 2018 THRU FEBRUARY 27, 2018)		
STREET NAME	QUARTER SECTION	NUMBER OF LEAKS
LIVMOR AVE	4413NE	5
HERMOSA PL (5")	4410SE	3
DEBBY DR	4413NW	3
STARR RD	4402NW	2
CHINO DR	4410SE	2
VIA ALTAMIRA	4411SE	2
SUNNY DUNES RD	4519NE	2
MOUNTAIN VIEW PL	4410SE	1
MERITO PL	4410SE	1
CAHUILLA RD (4")	4410SE	1
CAHUILLA RD (5")	4410SE	1
LOUELLA RD	4413NE	1
COROZON RD	3434SE	1
SUNNY VIEW DR	4402NW	1
VIA SOLEDAD	4423SW	1
SAN LORENZO RD	4423NE	1
VIA SALIDA	4423SW	1
CAMINO PAROCELA	4423NW	1
WARM SANDS PL	4423NE	1
DESERT PARK AVE	4401SW	1
TOTAL LEAKS IN SYSTEM:		32

* Streets highlighted in green are scheduled to be replaced as part of the
2017/2018 Replacement Pipeline Project

* Streets highlighted in blue are being proposed as part of the
2018/2019 Replacement Pipeline Project



SYSTEM LEAKS

(Period beginning February 14, 2018
thru February 27, 2018)

LEGEND

- LEAK(S) RECORDED
- LEAK(S) RECORDED;
INCLUDED IN 2017/18
REPLACEMENT PIPELINES
- LEAK(S) RECORDED;
INCLUDED IN PROPOSAL
FOR 2018/19
REPLACEMENT PIPELINES

DWG. BY
SR

DATE
2/18

SCALE
NTS

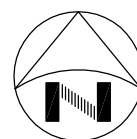


EXHIBIT
"A"

DESERT WATER AGENCY
PALM SPRINGS, CALIFORNIA

General Manager's Meetings and Activities:

Meetings:

02/21/18	BB&K/O'Melveny&Myers Water Rights Mediation/Ph II	DWA
02/22/18	Interview Human Resources Manager Candidates	DWA
02/23/18	Presentation Prep for Water Counts Academy	DWA
02/26/18	DWA Information Systems Meeting	DWA
02/27/18	Engineering Operations Meeting	DWA
02/27/18	Presentation Water Counts Academy	UCR Ext.
02/28/18	GSA Indio Subbasin	Indio
03/01/18	Executive Committee Meeting	DWA
03/01/18	Araby Dr. Residents/Attorneys/CPS/Fire Dept.	DWA
03/05/18	BB&K/O'Melveny&Myers Water Rights Ph II Prep.	DWA
03/05/18	Monday Staff/I.S./Security Meetings	DWA

Activities:

- 1) SGMA – Annual Alternative GW Sustainability Plan Update Due in April 2018
- 2) E-Billing – Implementing customer payment history capabilities
- 3) E-Billing - Implementing Customer One Time Payment Option
- 4) Outreach Talking Points – KESQ
- 5) Snow Creek Hydro SCE contract extension – ongoing
- 6) Whitewater Hydro – Facility Bypass Pipeline
- 7) State and Federal Contractors Water Authority and Delta Specific Project Committee (Standing)
- 8) MSWD Settlement Agreement and MOA from Mediation
- 9) ACBCI Section 14 Facilities & Easements
- 10) Lake Oroville Spillway Damage
- 11) Replacement Pipelines 2017-2018
- 12) CWF – Phasing Concepts
- 13) DWA/CVWD/MWD Operations Coordination/Article 21/Pool A/Pool B/Yuba Water
- 14) DWA/CVWD/MWD Agreements Update
- 15) SGMA Alternative Plans and Bridge Documents
- 16) SWP 2018 Water Supply
- 17) ACBCI Law Suits
- 18) Lake Perris Dam Remediation
- 19) Section 14 Pipeline Easements
- 20) DOI Regulation
- 21) Prop. 218 Applicability to Groundwater Recharge Assessment
- 22) A.B. 1562
- 23) Repair of Facility Access Roads Damaged in the September 10 Storm (Araby)
- 24) Whitewater Hydro Operations Coordination with Recharge Basin O&M

Activities:
(Cont.)

- 25) Multi-Agency Rate Study
- 26) SGMA Tribal Stakeholder Meetings
- 27) Whitewater Spreading Basins – BLM Permits
- 28) Lake Perris Dam Seepage Recovery Project Participation
- 29) Cal Waterfix Cost Allocation
- 30) DWA Surface Water Filtration Feasibility Study
- 31) Modification of our CVRWMP Boundary
- 32) MSWD Mediation
- 33) Review Documents for MSWD Public Records Act Request
- 34) CV-Link Solar
- 35) S1464 - Water Conservation Tax Parity Act (Conservation Rebate Tax)
- 36) CRA & SWP Tours 2018
- 37) 3M Glass Shield
- 38) Snow Creek Gate Locks
- 39) MCSB Delivery Updates
- 40) DWA SWP Contract Amendment No. 20

Minutes
Executive Committee Meeting
March 1, 2018

Directors Present: Jim Cioffi, Joe Stuart

Staff Present: Mark Krause, Martin Krieger, Steve Johnson

1. Discussion Items

A. Review Agenda for March 6, 2018 Regular Board Meeting

The proposed agenda for the March 6, 2018 meeting was reviewed.

B. CSDA Call for Nominations

The Committee reviewed the CSDA's memo Calling for Nominations for Seat A.

C. ACWA JPIA Director/Alternate

The Committee discussed an Alternate position for ACWA/JPIA.

2. Other

A. Cathedral City State of the City Address

Staff informed the Committee of the upcoming March 20 event. As past practice, Board Members interested in attending can do so in service to the Board and are asked to notify Assistant Secretary Baca for reservations.

3. Adjourn

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

MARCH 6, 2018

**RE: REQUEST BOARD ACTION WITH REGARD TO CLAIM FOR
DAMAGES FILED BY INFINITY INSURANCE ON BEHALF OF
RAYMUNDO GONZALEZ AGUILAR**

Attached for the Board's review is a claim form submitted to the Agency by Infinity Insurance, on behalf of Mr. Aguilar. This claim is regarding a vehicle accident involving an Agency vehicle that occurred on December 11, 2017.

Mr. Aguilar is seeking damages of \$7,687.69, a total loss of his 2006 BMW. The claim states that an Agency employee rear-ended Mr. Aguilar at the intersection of Vista Chino/Cerritos Rd.

Staff requests that the Board deny this claim and instruct Staff to refer the matter to the ACWA Joint Powers Insurance Authority claims adjuster for handling.

Claim Form

(A claim shall be presented by the claimant or by a person acting on his behalf.)

RECEIVED

FEB 26 2018

NAME OF DISTRICT:

DESERT WATER AGENCY
MANAGEMENT

1

Claimant name, address (mailing address if different), phone number, social security number, e-mail address, and date of birth.

Effective January 1, 2010, the Medicare Secondary Payer Act (Federal Law) requires the District/Agency to report all claims involving payments for bodily injury and/or medical treatments to Medicare. As such, if you are seeking medical damages, we **MUST** have both your Social Security Number and your date of birth.

Name: INFINITY INS. Co Also Raymunlo

Phone Number: (208) 588-3208

Address(es): Aguilar

Social Security No.: N/A

PO Box 830807

Date of Birth: N/A

Birmingham, AL 35283-0807

E-mail: Kathy.Rice@ipacc.com

2

List name, address, and phone number of any witnesses.

Name: N/A

Address:

Phone Number: ()

3

List the date, time, place, and other circumstances of the occurrence or transaction, which gave rise to the claim asserted.

Date: 12/11/2017 Time: 5:30 pm Place: Cerritos Rd., Palm Springs, CA

Tell What Happened (give complete information):

party 1 (Desert Water Agency) rear ended party 2 (Raymunlo Aguilar - Infinity Ins Co). party 2 was stopped at a red light on Cerritos Rd. in Palm Springs, CA. There was no police report.

NOTE: Attach any photographs you may have regarding this claim.

4

Give a general description of the indebtedness, obligation, injury, damage, or loss incurred so far as it may be known at the time of presentation of the claim.

Our insured's 2006 BMW 325i was deemed a total loss total damage is \$7687.69

5

Give the name or names of the public employee or employees causing the injury, damage, or loss, if known.

unknown (vehicle - 2006 Ford, license plate # 1183715-CA employee)

6

The amount claimed if it totals less than ten thousand dollars (\$10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars (\$10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.

Date: 2/16/2018 Time: 2:15 pm Signature: Kathy Rice, Infinity Ins Co.

ANSWER ALL QUESTIONS. OMITTING INFORMATION COULD MAKE YOUR CLAIM LEGALLY INSUFFICIENT!

INFINITY INSURANCE COMPANY
SUBROGATION

P.O. BOX 830807

BIRMINGHAM, AL 35283-0807

Tel: 800-334-1661

Fax: 800-214-5727

Email: mail.claims@ipacc.com

DATE: 02/16/18

POLICY: 104631325533001

CLAIM NUMBER: 20003123252

DATE OF LOSS: 12/11/17

INSURED NAME:

AGUILAR

RAYMUNDO

CLAIMANT NAME:

AGUILAR

RAYMUNDO

DESERT WATER AGENCY
ATTN: MARTIN KRIEGER

P.O. BOX 1710

PALM SPRINGS CA 92263-1710

Our records indicate you provided liability coverage for DESERT WATER AGENCY for a loss on 12/11/17. Our investigation indicates liability rests with your insured. We come to you now for recovery under our policy rights of subrogation for damages paid in the amount of \$7687.69, which includes our insured's deductible. The breakdown of our demand is below:

COLLISION 7187.69

Deductible: 500.00

Total: 7687.69

- X Salvage amount is pending.
- X We seek 100% of our damages.

Please make your check in the amount \$ PENDING payable to the company listed above as Subrogee of RAYMUNDO AGUILAR. Please include our claim number on your payment and mail the payment to our address listed above. If you have any questions I can be reached at 205-588-3208

Please be advised that any payment in an amount less than that is set forth in this letter to Infinity without prior authorization will not constitute a full & final settlement and will be accepted as partial payment only. Although such payments may be demarked as "payment in full" or have other words of similar meaning noted, by processing this will not constitute an accord and satisfaction, as Infinity has not agreed to the acceptance of such payment. Only an authorized Subrogation Specialist may communicate, orally or in writing, Infinity's specific agreement to accept an amount less than that demanded in this letter.

In order to assist you in evaluating and processing our subrogation claim we are presenting, we may provide nonpublic personal information about our customers. We are sharing this information to effect, administer, or enforce a transaction authorized by the customer.

INFINITY INSURANCE COMPANY
SUBROGATION

P.O. BOX 830807

BIRMINGHAM, AL 35283-0807

Tel: 800-334-1661

Fax: 800-214-5727

Email: mail.claims@ipacc.com

POLICY: 104631325533001

CLAIM NUMBER: 20003123252

However, you are neither authorized nor permitted to: (1) use the customer information we provide for any purpose other than to evaluate and process our subrogation claim, or (2) disclose or share the customer information we provide for any purpose other than to evaluate and process the subrogation claim.

Sincerely

KATHY RICE

Subrogation Specialist

* If you do not provide coverage for this loss, please send us your written coverage denial so we may pursue accordingly.

Warning: FOR YOUR PROTECTION CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM: ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.



Screen 209 Draft Payment Inquiry

20003123252 / 1

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Mailbox

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• [Select a Draft](#)

Payments

Letters

Feature

Search

Legal

Imaging

Miscellaneous

Notes

Diary

Help

New Accord

Payment

Correction

External

Screen Number

Claim Number

Claimant Number

Coverage Code

DRAFT PAYMENT ADD/INQUIRY

PARAGRAPH NUMBER: 2011766446

COLLISION COVERAGE: TOTAL LOSS SETTLEMENT FOR YOUR

2006 BMW 325 VIN:WBAVB136X6PS66549 ACCT:020-031463

PLEASE MAIL TITLE: 2201 4TH AVE NORTH, BIRMINGHAM,

AL 36203

CD NUM	OFF NUM	SYM	CLAIM NUM	CLMT NUM	POLICY NUM	AGENT NUM	LOSS DT	DRAFT DT	Doc
77	21	AL	20003123252	000	104631325533001	511832	12/11/2017	01/17/2018	

INSURED NAME

AGUILAR RAYMUNDO

IN PAYMENT FOR

COLLISION COVERAGE: TOTAL LOSS SETTLEMENT FOR YOUR 2006 BMW 325 VIN:WBAVB135X6PS65549 ACCT:020-031463

\$201 DOLLARS AND 16 CENTS

AMOUNT \$ 6201.16

SIERRA CREDIT CORP

9160 DEERING AVE

CHATSWORTH CA 913115801

inf001prds.jpacc.com : 2.2



Screen 209 Draft Payment Inquiry

20003123252 / 000 / COLL

Main Menu

Company Name: INFINITY INSURANCE COMPANY

Mailbox

Accord

• [Select a Draft](#)

Payments

Letters

Feature

Search

Legal

Imaging

Miscellaneous

Notes

Diary

Help

New Accord

Payment

Correction

External

Screen Number

Claim Number

Claimant Number

Coverage Code

Logout

DRAFT PAYMENT ADD/INQUIRY

PARAGRAPH NUMBER: 2011766451

CO NUM	OFF NUM	SYM	CLAIM NUM	CLMT NUM	POLICY NUM	AGENT NUM	LOSS DT	DRAFT DT	Doc Id	Record Id
77	21	AL	20003123252	000	104631325533001	511832	12/11/2017	01/17/2018		

INSURED NAME

AGUILAR RAYMUNDO

IN PAYMENT FOR

COLLISION COVERAGE: PAYMENT FOR THE TOTAL LOSS OF YOUR 2006 BMW 328 VIN: WBAVB135X6P565549

986 DOLLARS AND 53 CENTS

AMOUNT \$ 986.53

RAYMUNDO AGUILAR

68200 33RD AVE APT 186

CATHEDRAL CTY CA 922343986

in1001prde ipacc.com : 2.2.44-r37625

INFINITY INSURANCE COMPANY

P.O. BOX 830807
BIRMINGHAM, AL 35283-0807

Tel: 800-334-1661

Fax: 800-214-5727

Email: mail.claims@ipacc.com

DATE: 20180117

POLICY: 104631325533001

CLAIM NUMBER: 20003123252

DATE OF LOSS: 12/11/17

INSURED NAME:

AGUILAR

RAYMUNDO

CLAIMANT NAME:

AGUILAR

RAYMUNDO

WALTER CLARK LEGAL GROUP
71861 HIGHWAY 111

RANCHO MIRAGE CA 92270-

Your vehicle has been determined to be a total loss as it was damaged beyond the economic cost to repair it. Our offer of settlement for the Actual Cash Value of your claim is as follows:

Value	\$ 6945.00
Sales Tax (if applicable)	\$ 607.69
DMV Fees (if applicable)	\$ 135.00
Less Salvage Value (if applicable)	\$
Less Salvage Tax (if applicable)	\$
Salvage Fees (if applicable)	\$
Less Deductible (if applicable)	(-\$ 500.00)
Miscellaneous	\$
Net Payment:	\$ 7187.69

A copy of our evaluation and the estimate will be sent under separate cover. If you have any questions regarding this or wish to discuss any concerns, please contact me at 562-263-2647

Sincerely

RODOLFO ZEPEDA

Claims Examiner

Warning: FOR YOUR PROTECTION CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM: ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR



MARKET VALUATION REPORT

Prepared for INFINITY INSURANCE COMPANY



REPORT SUMMARY



CLAIM INFORMATION

Owner	Aguilar, Raymundo 68200 33rd Ave Apt 186 Cathedral City, CA 92234
Loss Vehicle	2006 BMW 3 Series 325i RWD
Loss Incident Date	12/11/2017
Claim Reported	12/14/2017

The CCC ONE® Market Valuation Report reflects CCC Information Services Inc.'s opinion as to the value of the loss vehicle, based on information provided to CCC by INFINITY INSURANCE COMPANY.

Loss vehicle has 14% fewer than average mileage of 126,500.



INSURANCE INFORMATION

Report Reference Number	86983578
Claim Reference	ICS20003123252_2053836
Adjuster	Zepeda, Rodolfo
Appraiser	Jeffredo, Ryane
Odometer	108,658
Last Updated	12/14/2017 11:48 AM



VALUATION SUMMARY

Base Vehicle Value	\$ 6,945.00
Adjusted Vehicle Value	\$ 6,945.00
Vehicular Tax (8.75%)	+ \$ 607.69
Tax reflects applicable state, county and municipal taxes.	

Total **\$ 7,552.69**

The total may not represent the total of the settlement as other factors (e.g. license and fees) may need to be taken into account.

BASE VEHICLE VALUE

This is derived from comparable vehicle(s) available or recently available in the marketplace at the time of valuation, per our valuation methodology described on the next page.

ADJUSTED VEHICLE VALUE

This is determined by adjusting the Base Vehicle Value to account for the actual condition of the loss vehicle and certain other reported attributes, if any, such as refurbishments and after factory equipment.

Inside the Report

Valuation Methodology.....	2
Vehicle Information.....	3
Vehicle Condition.....	6
Comparable Vehicles.....	8
Valuation Notes.....	11
Supplemental Information.....	12

VALUATION METHODOLOGY

How was the valuation determined?



CLAIM INSPECTION

INFINITY INSURANCE COMPANY has provided CCC with the zip code where the loss vehicle is garaged, loss vehicle VIN, mileage, equipment, as well as loss vehicle condition, which is used to assist in determining the value of the loss vehicle.



DATABASE REVIEW

CCC maintains an extensive database of vehicles that currently are or recently were available for sale in the U.S. This database includes vehicles advertised for sale by dealerships or private parties. CCC also obtains vehicle sales prices from a database of California Department of Motor Vehicles vehicle registration sold transactions. All of these sources are updated regularly.

SEARCH FOR COMPARABLES

When a valuation is created the database is searched and comparable vehicles in the area are selected. The zip code where the loss vehicle is garaged determines the starting point for the search. Comparable vehicles are similar to the loss vehicle based on relevant factors.



CALCULATE BASE VEHICLE VALUE

Adjustments to the price of the selected comparable vehicles are made to reflect differences in vehicle attributes, including mileage and options. Dollar adjustments are based upon market research.

Finally, the Base Vehicle Value is the straight average of the adjusted values of the comparable vehicles.





VEHICLE INFORMATION

VEHICLE DETAILS

Location	CATHEDRAL CITY, CA 92234
VIN	WBAVB135X6PS65549
Year	2006
Make	BMW
Model	3 Series
Trim	325i
Body Style	RWD
Body Type	Sedan
Engine -	
Cylinders	6
Displacement	3.0L
Fuel Type	Gasoline
Carburation	EFI
Transmission	6 Speed Transmission
Curb Weight	3285 lbs

Vehicles sold in the United States are required to have a manufacturer assigned Vehicle Identification Number(VIN). This number provides certain specifications of the vehicle.

Please review the information in the Vehicle Information Section to confirm the reported mileage and to verify that the information accurately reflects the options, additional equipment or other aspects of the loss vehicle that may impact the value.

VEHICLE HISTORY SUMMARY

CCC VINguard®	2 Collision Estimates	04/10/2012
	4 Vehicle Market History Information	10/28/2016
Experian AutoCheck	No Title Problem Found	
Insurance Services Organization/ National Insurance Crime Bureau	3 Records Found	
National Highway Traffic Safety Administration	5 Recalls	

VEHICLE INFORMATION

VEHICLE EQUIPMENT

Package 1:	Sport	
Odometer	108,658	
Transmission	6 Speed Transmission	✓
Power	Power Steering	✓
	Power Brakes	✓
	Power Windows	✓
	Power Locks	✓
	Power Mirrors	✓
	Power Driver Seat	✓
	Power Trunk/Gate Release	✓
Decor/Convenience	Air Conditioning	✓
	Climate Control	✓
	Tilt Wheel	✓
	Cruise Control	✓
	Rear Defogger	✓
	Intermittent Wipers	✓
	Console/Storage	✓
	Memory Package	✓
	Keyless Entry	✓
	Telescopic Wheel	✓
	Message Center	✓
	Wood Interior Trim	✓
Seating	Bucket Seats	✓
	Leather Seats	✓
Radio	AM Radio	✓
	FM Radio	✓
	Stereo	✓
	Search/Seek	✓
	CD Player	✓
	Steering Wheel Touch Controls	✓
Wheels	Aluminum/Alloy Wheels	✓
Roof	Electric Glass Roof	✓

To the left is the equipment of the loss vehicle that INFINITY INSURANCE COMPANY provided to CCC.

✓ **Standard** This equipment is included in the base configuration of the vehicle at time of purchase.

📄 **Additional** Equipment that is not Standard but was noted to be on the loss vehicle.

VEHICLE INFORMATION

VEHICLE EQUIPMENT

Safety/Brakes	Air Bag (Driver Only)	✓
	Passenger Air Bag	✓
	Anti-lock Brakes (4)	✓
	4-wheel Disc Brakes	✓
	Front Side Impact Air Bags	✓
	Head/Curtain Air Bags	✓
	Hands Free	✓
	Traction Control	✓
	Stability Control	✓
	Intelligent Cruise	✓
Exterior/Paint/Glass	Dual Mirrors	✓
	Heated Mirrors	✓
	Fog Lamps	✓
	Clearcoat Paint	☐
	Metallic Paint	☐



VEHICLE CONDITION

COMPONENT CONDITION

	Condition	Inspection Notes/Typical Vehicle Description	Value Impact
INTERIOR			
Seats	AVERAGE	Notes: GOOD Typical Vehicle Desc: Lightly soiled to clean, faded and/or discolored. A few small to insignificant tears, holes and/or burn marks. None or no significant bare spots.	\$ 0
Carpets	AVERAGE	Notes: CLEAN Typical Vehicle Desc: Lightly soiled to clean and/or stained. A few small to no tears, holes and/or burn marks. No significant bare spots.	\$ 0
Dashboard	AVERAGE	Notes: GOOD Typical Vehicle Desc: Significant to a few small scratches and/or gouges. Components may be damaged and/or cracked. Significant to light wear.	\$ 0
Headliner	AVERAGE	Notes: CLEAN Typical Vehicle Desc: A few small to no significant holes and/or burn marks. Light to no significant scuffing.	\$ 0
EXTERIOR			
Body	AVERAGE	Notes: GOOD Typical Vehicle Desc: Sheet Metal: A few to no dents. Numerous to a few dings. No significant surface rust. Trim: Minimal to no damage to components. No broken and/or missing components. Few to no dents. Numerous to a few dings.	\$ 0
Glass	AVERAGE	Notes: GOOD Typical Vehicle Desc: Light surface scratches and/or pitting. Few to no chips.	\$ 0

INFINITY INSURANCE COMPANY uses condition inspection guidelines to rate the condition of key components of the loss vehicle on a three-point scale. A rating of average condition results in a valuation of that component that is consistent with typical vehicles for that year, make and model of vehicle. If a component is rated in exceptional condition, then a positive monetary adjustment is made to reflect the impact of that condition level on the value of the loss vehicle. Similarly, if a component is rated in below average condition, then a negative monetary adjustment is made to reflect the impact of that condition level on the value of the loss vehicle. Inspection Notes, if any, reflect additional observations from the appraiser regarding the loss vehicle's condition. Monetary adjustments are based upon market research consisting of data gathered from dealerships in California.

CCC makes dollar adjustments that reflect the impact the reported condition has on the value of the loss vehicle as compared to Average condition. These dollar adjustments are based upon interviews with dealerships across the United States.

VEHICLE CONDITION

COMPONENT CONDITION

	Condition	Inspection Notes/Typical Vehicle Description	Value Impact
Paint	AVERAGE	Notes: GOOD Typical Vehicle Desc: Few small deep to minimal surface chips and/or scratches. No significant peeling and/or flaking. Minor swirl marks. Slight to no Fading.	\$ 0
MECHANICAL			
Engine	AVERAGE	Notes: NO VISIBLE LEAKS Typical Vehicle Desc: Few small leaks to minor seepage. Belts and hoses show minimal wear. Significant to minimal dirt and grease in engine compartment.	\$ 0
Transmission	AVERAGE	Notes: NO VISIBLE LEAKS Typical Vehicle Desc: Fluid slightly discolored. None to a few areas of seepage.	\$ 0
TIRES			
Front Tires	AVERAGE	Notes: 8/32 Typical Vehicle Desc: 41% to 90% of new. Example: Typical new car tires are 11/32, loss measures at 5/32 = 46% (5/11)	\$ 0
Rear Tires	AVERAGE	Notes: 7/32 Typical Vehicle Desc: 41% to 90% of new. Example: Typical new car tires are 11/32, loss measures at 5/32 = 46% (5/11)	\$ 0
Total Condition Adjustments			\$ 0

COMPARABLE VEHICLES

Options	Loss Vehicle	Comp 1	Comp 2
Sport	✓	✗	✗
Odometer	108,658	99,000	84,847
Automatic Transmission	✗	✓	✓
6 Speed Transmission	✓	✗	✗
Power Steering	✓	✓	✓
Power Brakes	✓	✓	✓
Power Windows	✓	✓	✓
Power Locks	✓	✓	✓
Power Mirrors	✓	✓	✓
Power Driver Seat	✓	✓	✓
Power Passenger Seat	✗	✓	✗
Power Trunk/Gate Release	✓	✓	✓
Air Conditioning	✓	✓	✓
Climate Control	✓	✓	✓
Tilt Wheel	✓	✓	✓
Cruise Control	✓	✓	✓
Rear Defogger	✓	✓	✓
Intermittent Wipers	✓	✓	✓
Console/Storage	✓	✓	✓
Memory Package	✓	✓	✓
Navigation System	✗	✗	✓
Keyless Entry	✓	✓	✓
Telescopic Wheel	✓	✓	✓
Message Center	✓	✓	✓
Wood Interior Trim	✓	✓	✓
Bucket Seats	✓	✓	✓
Leather Seats	✓	✓	✓
AM Radio	✓	✓	✓
FM Radio	✓	✓	✓
Stereo	✓	✓	✓
Search/Seek	✓	✓	✓
CD Player	✓	✓	✓
Steering Wheel Touch Controls	✓	✓	✓
Premium Radio	✗	✓	✗
Aluminum/Alloy Wheels	✓	✓	✓
Electric Glass Roof	✓	✓	✓
Drivers Side Air Bag	✓	✓	✓
Passenger Air Bag	✓	✓	✓
Anti-lock Brakes (4)	✓	✓	✓
4-wheel Disc Brakes	✓	✓	✓

Comp 1 Updated Date: 09/19/2017

2006 Bmw 3 Series 325i Rwd 6 3.0i

Gasoline Efi

VIN WBAVB13586PT06549

Dealership Socal Motorcars

Telephone (760) 610-2392

Source Dealer Ad

Stock # T06549

Distance from Cathedral City, CA

8 Miles - Palm Desert, CA

Comp 2 Updated Date: 11/27/2017

2006 Bmw 3 Series 325i Rwd 6 3.0i

Gasoline Efi

VIN WBAVB13556KX51828

Dealership Socal Motorcars

Telephone (760) 610-2392

Source Dealer Ad

Stock # 17129

Distance from Cathedral City, CA

8 Miles - Palm Desert, CA

Comparable vehicles used in the determination of the Base Vehicle Value are not intended to be replacement vehicles but are reflective of the market value, and may no longer be available for sale.

List Price is the sticker price of an inspected dealer vehicle and the advertised price for the advertised vehicle.

Distance is based upon a straight line between loss and comparable vehicle locations.

COMPARABLE VEHICLES

Options	Loss Vehicle	Comp 1	Comp 2
Front Side Impact Air Bags	✓	✓	✓
Head/Curtain Air Bags	✓	✓	✓
Hands Free	✓	✓	✓
Traction Control	✓	✓	✓
Stability Control	✓	✓	✓
Intelligent Cruise	✓	✓	✓
Dual Mirrors	✓	✓	✓
Heated Mirrors	✓	✓	✓
Fog Lamps	✓	✓	✓
Clearcoat Paint	✓	✗	✗
Metallic Paint	✓	✗	✓
List Price		\$ 6,750	\$ 7,995
Adjustments:			
Package		+ \$ 192	+ \$ 192
Options		- \$ 133	- \$ 319
Mileage		- \$ 227	- \$ 560
Adjusted Comparable Value		\$ 6,582	\$ 7,308



COMPARABLE VEHICLES

COMPARABLE VEHICLE SUMMARY

	Source	Comparable Vehicle	Price	Adjusted Comp Value
1	Verified	2006 Bmw 3 Series 325i Rwd 6 3.0l Gasoline Efi	\$ 6,750 (List)	\$ 6,582
2	Verified	2006 Bmw 3 Series 325i Rwd 6 3.0l Gasoline Efi	\$ 7,995 (List)	\$ 7,308
Base Vehicle Value			\$ 6,945.00	

The following comparable vehicle(s) were used to determine this Base Vehicle Value by computing the arithmetic average of the adjusted values of the comparable vehicles. Details on these comparable vehicles are in the Comparable Vehicles section.



VALUATION NOTES

This Market Valuation Report has been prepared exclusively for use by INFINITY INSURANCE COMPANY, and no other person or entity is entitled to or should rely upon this Market Valuation Report and/or any of its contents. CCC is one source of vehicle valuations, and there are other valuation sources available.

Regulations concerning vehicle value include California Code of Regulations 10 CA ADC 2695.

SUPPLEMENTAL INFORMATION



VEHICLE HISTORY INFORMATION

VINguard®

VINguard® Message: VINguard has decoded this VIN without any errors

ISO Vehicle History:

Number of times reported to ISO:	3
ISO's file number:	H0266466495
Loss date:	09/16/2011
Claim ref:	0131722340101022-02
Point of Impact:	Right Front
Mileage:	0055050
ISO notified:	09/27/2011
Loss date:	03/13/2012
Phone:	00000000000
Claim ref:	1020916921-1-1
Mileage:	0000000
ISO notified:	04/10/2012
Loss date:	10/27/2009
Phone:	8008725246
Claim ref:	1123726
ISO notified:	06/16/2017

Collision History Information:

COLLISION INCIDENT REPORTED BY FARMERS ON 04/10/2012

Claim #: 1020916921-1-1 in LOS ANGELES, CA

Repair Estimate: 0 Miles: 060759

Damage Location: REAR
UNKNOWN

COLLISION INCIDENT REPORTED BY GEICO ON 09/27/2011

Claim #: 0131722340101022-02 in LOS ANGELES, CA

Repair Estimate: 1067.97 Miles: 055050

Damage Location: FRONT
UNKNOWN

Vehicle Market History Information:

This vehicle was reported to CCC on 04/11/2017 Mileage: 101587

CCC ONE MARKET VALUATION REPORT

SUPPLEMENTAL INFORMATION

Owner: Aguilar, Raymundo
Claim: ICS20003123252_2053836



VEHICLE HISTORY INFORMATION

Location: in SANTA ANA, CA

This vehicle was reported to CCC on 12/25/2016 Mileage: 101571

Location: in SAN JOSE, CA

This vehicle was reported to CCC on 10/28/2016 Mileage: 101571

Location: AutoTrader in SAN JOSE, CA

This vehicle was reported to CCC on 10/28/2016 Mileage: 101571

Location: TrueCar in SAN JOSE, CA



SUPPLEMENTAL INFORMATION



EXPERIAN® AUTOCHECK® VEHICLE HISTORY REPORT

TITLE CHECK

Abandoned	✓	No Abandoned Record Found
Damaged	✓	No Damaged Record Found
Fire Damage	✓	No Fire Damage Record Found
Grey Market	✓	No Grey Market Record Found
Hail Damage	✓	No Hail Damage Record Found
Insurance Loss	✓	No Insurance Loss Record Found
Junk	✓	No Junk Record Found
Rebuilt	✓	No Rebuilt Record Found
Salvage	✓	No Salvage Record Found

EVENT CHECK

NHTSA Crash Test Vehicle	✓	No NHTSA Crash Test Vehicle Record Found
Frame Damage	✓	No Frame Damage Record Found
Major Damage Incident	✓	No Major Damage Incident Record Found
Manufacturer Buyback/Lemon	✓	No Manufacturer Buyback/Lemon Record Found
Odometer Problem	✓	No Odometer Problem Record Found
Recycled	✓	No Recycled Record Found
Water Damage	✓	No Water Damage Record Found
Salvage Auction	✓	No Salvage Auction Record Found

VEHICLE INFORMATION

Accident	✓	No Accident Record Found
Corrected Title	✓	No Corrected Title Record Found
Driver Education	✓	No Driver Education Record Found
Fire Damage Incident	✓	No Fire Damage Incident Record Found
Lease	✓	No Lease Record Found
Lien	✓	No Lien Record Found
Livery Use	✓	No Livery Use Record Found
Government Use	✓	No Government Use Record Found
Police Use	✓	No Police Use Record Found
Fleet	✓	No Fleet Record Found
Rental	✓	No Rental Record Found
Fleet and/or Rental	✓	No Fleet and/or Rental Record Found
Repossessed	✓	No Repossessed Record Found
Taxi use	✓	No Taxi use Record Found
Theft	✓	No Theft Record Found
Fleet and/or Lease	✓	No Fleet and/or Lease Record Found
Emissions Safety Inspection	✓	No Emissions Safety Inspection Record Found
Duplicate Title	✓	No Duplicate Title Record Found

RESULTS FOUND

RESULTS FOUND

RESULTS FOUND

CCC provides INFINITY INSURANCE COMPANY information reported by Experian regarding the 2006 BMW 3 Series (WBAVB135X6PS65549). This data is provided for informational purposes. Unless otherwise noted in this Valuation Detail, CCC does not adjust the value of the loss vehicle based upon this information.

LEGEND :

✓ No Event Found

⊖ Event Found

📄 Information Needed

TITLE CHECK

THIS VEHICLE CHECKS OUT

AutoCheck's result for this loss vehicle show no significant title events. When found, events often indicate automotive damage or warnings associated with the vehicle.

EVENT CHECK

THIS VEHICLE CHECKS OUT

AutoCheck's result for this loss vehicle show no historical events that indicate a significant automotive problem. These problems can indicate past previous car damage, theft, or other significant problems.

VEHICLE INFORMATION

THIS VEHICLE CHECKS OUT

AutoCheck's result for this loss vehicle show no vehicle information that indicate a significant automotive problem. These problems can indicate past previous car damage, theft, or other significant problems.

ODOMETER CHECK

THIS VEHICLE CHECKS OUT

AutoCheck's result for this loss vehicle show no indication of odometer rollback or tampering was found. AutoCheck determines odometer rollbacks by searching for records that indicate odometer readings less than a previously reported value. Other odometer events can report events of tampering, or possible odometer breakage.

SUPPLEMENTAL INFORMATION


FULL HISTORY REPORT RUN DATE: 12/14/2017

Below are the historical events for this vehicle listed in chronological order.

EVENT DATE	RESULTS FOUND	ODOMETER READING	DATA SOURCE	EVENT DETAIL
07/19/2006	CA	38	Motor Vehicle Dept.	ODOMETER READING FROM DMV
07/27/2006	BUENA PARK, CA		Motor Vehicle Dept.	REGISTRATION EVENT/ RENEWAL (Lease Reported)
08/05/2006	CA		Motor Vehicle Dept.	TITLE (Lien Reported)
07/20/2008	BUENA PARK, CA		Motor Vehicle Dept.	REGISTRATION EVENT/ RENEWAL (Lease Reported)
07/14/2009	CA	31837	Motor Vehicle Dept.	ODOMETER READING FROM DMV
07/29/2009	IRVINE, CA		Motor Vehicle Dept.	REGISTRATION EVENT/ RENEWAL
08/07/2009	IRVINE, CA		Motor Vehicle Dept.	TITLE (Lien Reported)
04/28/2010	LOS ANGELES, CA		Motor Vehicle Dept.	REGISTRATION EVENT/ RENEWAL
09/14/2010	LOS ANGELES, CA		Motor Vehicle Dept.	REGISTRATION EVENT/ RENEWAL
05/12/2012	CA	61210	State Agency	PASSED EMISSION INSPECTION
07/09/2013	MOUNTAIN VIEW, CA		Motor Vehicle Dept.	REGISTRATION EVENT/ RENEWAL
06/27/2014	CA	80687	State Agency	PASSED EMISSION INSPECTION
05/17/2016	CUPERTINO, CA		Motor Vehicle Dept.	REGISTRATION EVENT/ RENEWAL
06/23/2016	CA	96211	Motor Vehicle Dept.	PASSED EMISSION INSPECTION
11/02/2016	CA	101577	Motor Vehicle Dept.	PASSED EMISSION INSPECTION
11/29/2016	CA	101584	Motor Vehicle Dept.	EMISSION INSPECTION
12/06/2016	CA	101585	Motor Vehicle Dept.	PASSED EMISSION INSPECTION
12/12/2016	CA	101587	Auto Auction	REPORTED AT AUTO AUCTION
05/22/2017	DESERT HOT SPRINGS, CA		Motor Vehicle Dept.	TITLE (Lien Reported)
05/22/2017	DESERT HOT SPRINGS, CA		Motor Vehicle Dept.	REGISTRATION EVENT/ RENEWAL

SUPPLEMENTAL INFORMATION

EVENT DATE	RESULTS FOUND	ODOMETER READING	DATA SOURCE	EVENT DETAIL
10/25/2017			Manufacturer	MANUFACTURER RECALL

AUTOCHECK TERMS AND CONDITIONS:

Experian's Reports are compiled from multiple sources. It is not always possible for Experian to obtain complete discrepancy information on all vehicles; therefore, there may be other title brands, odometer readings or discrepancies that apply to a vehicle that are not reflected on that vehicle's Report. Experian searches data from additional sources where possible, but all discrepancies may not be reflected on the Report.

These Reports are based on information supplied to Experian by external sources believed to be reliable, BUT NO RESPONSIBILITY IS ASSUMED BY EXPERIAN OR ITS AGENTS FOR ERRORS, INACCURACIES OR OMISSIONS. THE REPORTS ARE PROVIDED STRICTLY ON AN "AS IS WHERE IS" BASIS, AND EXPERIAN FURTHER EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE REGARDING THIS REPORT.

YOU AGREE TO INDEMNIFY EXPERIAN FOR ANY CLAIMS OR LOSSES, INCLUDING COSTS, EXPENSES AND ATTORNEYS FEES, INCURRED BY EXPERIAN ARISING DIRECTLY OR INDIRECTLY FROM YOUR IMPROPER OR UNAUTHORIZED USE OF AUTOCHECK VEHICLE HISTORY REPORTS.

Experian shall not be liable for any delay or failure to provide an accurate report if and to the extent which such delay or failure is caused by events beyond the reasonable control of Experian, including, without limitation, "acts of God", terrorism, or public enemies, labor disputes, equipment malfunctions, material or component shortages, supplier failures, embargoes, rationing, acts of local, state or national governments, or public agencies, utility or communication failures or delays, fire, earthquakes, flood, epidemics, riots and strikes.

These terms and the relationship between you and Experian shall be governed by the laws of the State of Illinois (USA) without regard to its conflict of law provisions. You and Experian agree to submit to the personal and exclusive jurisdiction of the courts located within the county of Cook, Illinois.

CCC ONE MARKET VALUATION REPORT

SUPPLEMENTAL INFORMATION

Owner: Aguilar, Raymundo
Claim: ICS20003123252_2053836



NHTSA VEHICLE RECALL

NHTSA Campaign ID : 08V384000

Mfg's Report Date : JUL 18, 2008

Component : AIR BAGS:FRONTAL

Potential Number Of Units Affected : 200000

Summary : BMW IS RECALLING 200,000 MY 2006 3 SERIES SPORT SEAT, MY 2004-2006 5 SERIES STANDARD AND SPORT SEAT, AND MY 2004-2006 X3 PASSENGER VEHICLES. DEPENDING ON THE MANNER AND FREQUENCY OF THE FRONT PASSENGER'S ENTRY AND EXIT, SMALL CRACKS HAVE DEVELOPED IN THE MAT. IF THIS OCCURS, THE FRONT PASSENGER AIR BAGS, WITH THE EXCEPTION OF THE HEAD PROTECTION SYSTEM, WILL BE DEACTIVATED AND THE AIR BAG WARNING LAMP AS WELL AS THE PASSENGER AIR BAG "ON-OFF" LAMP WILL BE ILLUMINATED.

Consequence : IN THIS SITUATION THE FRONT PASSENGER AIR BAGS WILL NOT DEPLOY EVEN IF A SUFFICIENTLY SEVERE ACCIDENT WOULD OCCUR AND OCCUPANT PROTECTION PROVIDED BY THE SYSTEM WOULD NOT BE POSSIBLE.

Remedy : DEALERS WILL REWORK THE FRONT PASSENGER SEAT SENSOR MAT SO THAT EXTERNAL FORCE APPLICATION TO THE SEAT DOES NOT CAUSE A CRACK TO THE MAT. THE RECALL IS EXPECTED TO BEGIN DURING LATE SEPTEMBER 2008. BMW WILL ALSO EXTEND THE WARRANTY ON THESE VEHICLES TO 10 YEARS FROM FIRST REGISTRATION WITHOUT ANY MILEAGE LIMIT. OWNERS MAY CONTACT BMW AT 1-800-525-7417.

Notes : BMW IS EXTENDING THE WARRANTY TO 10 YEARS FROM FIRST REGISTRATION WITHOUT ANY MILEAGE LIMIT TO THE FOLLOWING VEHICLES: MY 2006 6-SERIES, 3-SERIES (STANDARD SEAT), MY 2004-2005 Z4, MY 2004-2006 7-SERIES, MY 2006 X5, AND MY 2004-2006 5-SERIES (COMFORT SEAT). UNDER THE EXTENDED WARRANTY PROGRAM, THE OCCUPANT DETECTION MAT IN A VEHICLE THAT EXPERIENCES THIS SPECIFIC ISSUE WILL BE REPLACED AT NO CHARGE TO THE CUSTOMER. CUSTOMERS MAY ALSO CONTACT THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION'S VEHICLE SAFETY HOTLINE AT 1-888-327-4236 (TTY 1-800-424-9153), OR GO TO [HTTP://WWW.SAFERCAR.GOV](http://www.safercar.gov).

The National Highway Traffic Safety Administration has issued 5 safety related recall notices that may apply to the above valued vehicle.

DISCLAIMER: The vehicle recall information provided on this report is for information purposes only. The information might apply or not apply to the vehicle being mentioned on this valuation. Infinity does not warrant the safety of the damaged vehicle involved on this loss and urges the vehicle owner to have a mechanical safety inspection done by a qualified mechanic before using the vehicle in any way.

NHTSA Campaign ID : 13V564000

Mfg's Report Date : NOV 12, 2013

Component : AIR BAGS

Potential Number Of Units Affected : 76,565

SUPPLEMENTAL INFORMATION

Summary : BMW of North America LLC (BMW) is recalling certain model year 2006 325i, 325xi, 330i, 330xi sedans and 325xi sports wagons, model year 2007 328i, 328xi, 335i, 335xi sedans and 328i and 328xi sports wagons, model year 2006-2007 525i, 525xi, 530i, 530xi, 550i sedans and 530xi sports wagons, model year 2006 760i sedans, model year 2006-2007 750i, 750Li, and 760Li sedans, and model year 2006 X5 sports activity vehicles, equipped with certain seat types. The front passenger seat occupant detection mat that determines if and how the passenger frontal air bag should deploy in a crash may fatigue and develop cracks which could lead to a system failure.

Consequence : Should the system fail, in the event of a crash, the front passenger air bag would be deactivated, increasing the risk of personal injury.

Remedy : BMW will notify owners with an interim notification letter in January 2014 since parts are not currently available. When parts are available, anticipated to be in March 2014, BMW will send a second letter and dealers will repair the occupant detection mat to eliminate the possibility that it may crack, free of charge. Additionally, owners of model year 2006-2007 3 Series with standard seats, 5 Series with comfort seats, and Z4 models, will receive an extended warranty on their front passenger seat occupant detection mat. Owners may contact BMW customer relations at 1-800-525-7417 or email BMW at CustomerRelations@bmwusa.com.

Notes : Owners may also contact the National Highway Traffic Safety Administration Vehicle Safety Hotline at 1-888-327-4236 (TTY 1-800-424-9153), or go to www.safercar.gov.

NHTSA Campaign ID : 16V071000

Mfg's Report Date : FEB 05, 2016

Potential Number Of Units Affected : 840,000

Summary : BMW of North America, LLC (BMW) is recalling certain model year 2008-2013 128i and 135i coupes and convertibles and 1 Series M coupes, 2006-2011 325i, 325xi, 328i, 328xi, 328i xDrive, 330i, 330xi, 335i, 335xi, 335i xDrive Sedans, 2009-2011 335d sedans, 2006-2012 325xiT, 328i and 328xi sports wagons, 2007-2013 328i, 328xi, 328i xDrive, 335i, 335xi, 335i xDrive, 335is and M3 Coupes and Convertibles, 2013-2015 X1 sDrive28i, X1 xDrive28i and X1 xDrive35i SAVs, 2007-2010 X3 xDrive30i SAVs, 2007-2013 X5 xDrive30i, X5 xDrive35i, X5 xDrive48i, X5 xDrive50i and X5 M SAVs, 2009-2013 BMW X5 xDrive35d SAVs, 2008-2014 X6 xDrive35i, X6 xDrive50i, and X6 M SACs, 2010-2011 BMW X6 xDrive50i SACs and 2008-2011 M3 Sedan vehicles. Upon deployment of the driver's frontal air bag, excessive internal pressure may cause the inflator to rupture.

Consequence : In the event of a crash necessitating deployment of the driver's frontal air bag, the inflator could rupture with metal fragments striking the driver or other occupants resulting in serious injury or death.

Remedy : BMW will notify owners, and dealers will replace the driver's frontal air bag module or inflator depending on the vehicle model, free of charge. Parts are not currently available. Owners will be mailed an interim notification beginning March 31, 2016. A second notice will be mailed when remedy parts are available. Owners may contact BMW customer service at 1-800-525-7417.

SUPPLEMENTAL INFORMATION

NHTSA Campaign ID : 17V428000

Mfg's Report Date : July 6, 2017

Potential Number Of Units Affected : 2,158

Summary : BMW of North America, Inc. (BMW) is recalling certain 2006 325i, 325xi, 330i, 330xi, 525i, 525xi, 530i, 530xi, and 550i vehicles equipped with the Sport Seat option and certain 2006 525i, 525xi, 530i, 530xi, 550i vehicles with standard seats. The front passenger seat occupant detection mat that determines if, and how, the passenger frontal air bag should deploy in a crash may fatigue and develop cracks which could lead to a system failure.

Remedy : BMW will notify owners, and dealers will repair the occupant detection mat to eliminate the possibility that it may crack, replacing it as necessary, free of charge. The recall began September 1, 2017. Owners may contact BMW customer service at 1-800-525-7417.

NHTSA Campaign ID : 17V676000

Mfg's Report Date : October 25, 2017

Component : ELECTRICAL SYSTEM

Potential Number Of Units Affected : 672,775

Summary : BMW of North America, LLC (BMW) is recalling certain 2006-2011 323i, 325i, 325xi, 328i, 328xi, 330i, 330xi, 335i, 335xi and M3, 2007-2011 328i xDrive, 335i xDrive and 335is and 2009-2011 335d vehicles. The wiring and electrical connectors for the system that controls air flow for the heating and air conditioning system may overheat.

Consequence : Wiring that overheats could cause the electrical connectors to melt, and increase the risk of a fire, even when the vehicle is unattended.

Remedy : BMW will notify owners, and dealers will replace the wiring and electrical connectors, free of charge. The recall is expected to begin December 18, 2017. Owners may contact BMW customer service at 1-800-525-7417.



Vehicle Registration

www.dmvlink.com

Vehicle Registration Inquiry Report

70393665

Notice: DMV info use subject to DMV Commercial Requester Account agreement

Claim No: 20003123252 Date: 12/15/2017
Requested: WBAVB135X6PS65549 Time: 08:19:02 AM
Reason: Insurance Claim User ID: TS
Loss Date: 12/11/2017

REGISTERED OWNER INFO

NAME: GONZALEZ RAYMUNDO
ADDRESS: 13523 EL CAJON DR

CITY: DSRT HOT SPGS
COUNTY: RIVERSIDE
ZIP CODE: 92240

STATE: CA

LEGAL OWNER (LIENHOLDER) INFO

NAME: SIERRA CREDIT CORP
ADDRESS: 9160 DSERING AVE

CITY: CHATSWORTH
ZIP CODE: 91311

STATE: CA

VEHICLE INFO

EXPIRES: 07/20/18
VIN: WBAVB135X6PS65549
LICENSE: 72KN016
YR MODEL: 2006
YR SOLD: 00/00/06
* YEAR: 2017
BODY TYPE: 4D
EQUIP NO:
MAKE: BMW

VLP: BZ
TYPE: 11:Regular - Automobile
ENGINE NO:
WEIGHT:
AXLE:
FUEL: G
VEH TYPE: 12
HULL NO:
SUP PLATE:

Date of latest Registration Card Issuance: 08/03/2017
Date of latest Ownership Certificate Issuance: 05/22/2017

RECORD STATUS

05/24/17 SMOG DUE 07/20/18
LIENHOLDER PAPERLESS TITLE COPY170524
NO MAILING ADDRESS
08/03/17 PREV LIC 7YUR637
07/14/2009-ODOMETER: 31,837 MILES ACTUAL MILEAGE

Fee Calculation Report

Transaction: Total Loss Settlement
Loss Date: 12/11/2017 ELP Status: None
Out-of-State: No Last Reg. Period: 07/26/2017
Fee based on RIVERSIDE County.

NOTICE

FEE ESTIMATE based on DMV-supplied data and disregards any title transfer taking place or other specific credits or charges.

SETTLEMENT

FOR THE PERIOD FROM 07/20/2017 TO 07/20/2018

Registration Fee \$	53
CHP Fee \$	24
Vehicle License Fee with 67.5% Reduction \$	55
Transfer Fee(One Time Fee) \$	15
Air Quality \$	7
SAFE \$	1

Auto Theft/DUI	\$	1
Abandoned Vehicle Abatement	\$	1
Fingerprint Fee	\$	1
Vehicle License Fee with 67.5% Reduction Used (5 mo.)	\$	-23
SETTLEMENT TOTAL TO REGISTERED OWNER:		\$ 135
----- PREVIOUS REGISTRATION FEES -----		
FOR THE PERIOD FROM 07/20/2017 TO 07/20/2019		
Registration Fee	\$	53
CHP Fee	\$	24
Vehicle License Fee with 67.5% Reduction	\$	55
Air Quality	\$	7
SAFE	\$	1
Auto Theft/DUI	\$	1
Abandoned Vehicle Abatement	\$	1
Fingerprint Fee	\$	1
TOTAL FEES PAID BY REGISTERED OWNER:		\$ 143
----- LICENSE REFUND -----		
Vehicle License Fee with 67.5% Reduction	\$	55
Vehicle License Fee with 67.5% Reduction Used (5 mo.)	\$	-23
DMV Administration Fee	\$	-19
REFUND:		\$ 13
TOTAL REFUND TO INSURANCE COMPANY:		\$ 13

* Fee Calculations include all changes as of 1/1/2018		
End of DMVLJNK Printout		V.3

INFINITY INSURANCE COMPANY

Infinity Property and Casualty Company
SUPPLEMENTS CALL (760) 262-7668
PLEASE DO NOT EMAIL SUPPLEMENT
REQUESTS

13340 183rd St. Suite 100
Cerritos, CA 90703
Phone: (800) 782-1020

Claim #: ICS20003123252_2053836
Workfile ID: 91b857e1

Estimate of Record

Written By: RYANE JEFFREDO, 12/14/2017 1:58:30 PM
Adjuster: Zepeda, Rodolfo, (562) 263-2647 Business

Insured:	RAYMUNDO AGUILAR	Owner Policy #:	104631325533001	Claim #:	ICS20003123252_2053836
Type of Loss:	Collision	Date of Loss:	12/11/2017 06:00 AM	Days to Repair:	0
Point of Impact:	15 Total Loss	Deductible:	500.00		

Owner (Insured): RAYMUNDO AGUILAR 68200 33rd Ave Apt 186 CATHEDRAL CITY, CA 92234 (760) 912-0959 Evening (760) 912-0959 Other	Inspection Location: FRIEND'S RES 32640 WISHING WELL TRL # 2 CATHEDRAL CITY, CA 92234 Non Drive-in	Appraiser Information: ryane.jeffredo@ipacc.com (760) 252-7668	Repair Facility:
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VEHICLE

2006 BMW 3 Series 325i RWD 4D SED 6-3.0L Gasoline EFI BLUE

VIN:	WBAVB135X6P365549	Production Date:	03/2006	Interior Color:	BROWN
License:	7ZKN016	Odometer:	108658	Exterior Color:	BLUE
State:		Condition:	Fair		

TRANSMISSION 6 Speed Transmission	Wood Interior Trim	AM Radio	Electric Glass Sunroof
POWER Power Steering Power Brakes Power Windows Power Locks Power Mirrors Heated Mirrors Power Driver Seat Memory Package	CONVENIENCE Air Conditioning Intermittent Wipers Tilt Wheel Cruise Control Rear Defogger Keyless Entry Message Center Steering Wheel Touch Controls Telescopic Wheel Climate Control Intelligent Cruise	FM Radio Stereo Search/Seek CD Player SAFETY Drivers Side Air Bag Passenger Air Bag Anti-Lock Brakes (4) 4 Wheel Disc Brakes Front Side Impact Air Bags Head/Curtain Air Bags Hands Free Device	SEATS Bucket Seats Leather Seats WHEELS Aluminum/Alloy Wheels PAINT Clear Coat Paint Metallic Paint OTHER Fog Lamps Traction Control Stability Control Power Trunk/Gate Release
DECOR Dual Mirrors Console/Storage	RADIO	ROOF	

Estimate of Record

2006 BMW 3 Series 325i RWD 4D SED 6-3.0L Gasoline EFI BLUE

Line	Oper	Description	Part Number	Qty	Extended Price \$	Labor	Paint
1		ROOF					
2	R&I	RT Roof molding	51137124254			0.5	
3	R&I	LT Roof molding	51137124253			0.5	
4		PILLARS, ROCKER & FLOOR					
5	R&I	RT Rocker molding w/Sport packag	51778041142			0.4	
6	R&I	LT Rocker molding w/Sport packag	51778041141			0.4	
7		REAR DOOR					
8	Blnd	LT Door shell	41007203647				1.0
9	R&I	LT Belt molding w/o high gloss	51347060249			0.3	
10	R&I	LT Handle, outside black	51217050669			0.4	
11	R&I	LT R&I trim panel	51429152367			0.6	
12		BACK GLASS					
13	Repl	Lower molding	51317138664	1	25.95	Incl.	
14	R&I	Back glass BMW	51317138639			2.8	
15		QUARTER PANEL					
16	*	Repl LKQ LT quarter panel +20%	GZPY5X	1	180.00	18.0	3.5
17	*	Rpr RT Quarter panel	41217145096			8.0	2.2
		NOTE: AFTER PULL					
18		Overlap Major Adj. Panel					-0.4
19		REAR BODY & FLOOR					
20	Repl	Rear body panel	41347144944	1	328.03	7.5	1.5
21		Overlap Major Adj. Panel					-0.4
22		Add for Inside					0.8
23		Deduct for Overlap				-2.0	
24	Repl	Rear body trim	51477059258	1	59.03	Incl.	
25		TRUNK LID					
26	*	Repl LKQ trunk lid assy +20%	H4ZRMB	1	210.00	1.0	2.3
27		Overlap Major Adj. Panel					-0.4
28	Repl	RT Hinge	41627210676	1	59.58	0.3	0.3
29	Repl	LT Hinge	41627210675	1	59.58	0.3	0.3
30		Clear Coat					2.5
31	**	Repl RECOND Nameplate "325i"	BW-0023	1	31.00	0.2	
32	Repl	Emblem	51148219237	1	37.89	0.1	
33		REAR LAMPS					
34	*	Repl LKQ RT Tail lamp +20%	TL2088	1	54.00	0.4	
35	*	Repl LKQ LT Tail lamp +20%	JMIB4Y	1	54.00	0.4	
36	*	Repl LKQ RT Tail lamp +20%	~ 145883495	1	54.00	0.3	
37	*	Repl LKQ LT Tail lamp +20%	LQTWNA	1	36.00	0.3	
38		REAR BUMPER					
39	*	Repl LKQ bumper assy +20%	51127141053	1	480.00	2.0	2.8

Estimate of Record

2006 BMW 3 Series 325i RWD 4D SED 6-3.0L Gasoline EFI BLUE

NOTE: Desert Truck & Auto, Coachella, CA 760-398-0106, Stock# 991264

40		Add for Clear Coat				1.1
41		Deduct for Rear Bumper R&I			-1.4	
42	*	Repl LKQ Center support sedan +20%	51127058522	1	0.2	
43	*	Repl LKQ Impact bar +20%	51127058510	1	0.4	
44	#	FRAME SETUP		1	2.0 F	
45	#	Rpr PULL AND ALIGN			4.0 F	
46	#	TINT COLOR		1	0.5	
47	#	COVER CAR		1	12.00	0.2
48	#	SEAM SEALER		1	5.00	
SUBTOTALS			1,686.06	48.6	17.1	

ESTIMATE TOTALS

Category	Basis	Rate	Cost \$
Parts			1,686.06
Body Labor	42.6 hrs @	\$ 46.00 /hr	1,959.60
Paint Labor	17.1 hrs @	\$ 46.00 /hr	786.60
Frame Labor	8.0 hrs @	\$ 66.00 /hr	396.00
Paint Supplies	17.1 hrs @	\$ 33.00 /hr	564.30
Subtotal			5,392.56
Sales Tax	\$ 2,250.36 @	8.7500 %	195.91
Total Cost of Repairs			5,589.47
Deductible			500.00
Total Adjustments			500.00
Net Cost of Repairs			5,089.47

Estimate of Record

2006 BMW 3 Series 325i RWD 4D SED 6-3.0L Gasoline EFI BLUE

FOR YOUR PROTECTION CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM: ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

THE FOLLOWING IS A LIST OF ABBREVIATIONS OR SYMBOLS THAT MAY BE USED TO DESCRIBE WORK TO BE DONE OR PARTS TO BE REPAIRED OR REPLACED:

MOTOR ABBREVIATIONS/SYMBOLS: D= DISCONTINUED PART, A= APPROXIMATE PRICE. LABOR TYPES: B= BODY LABOR, D= DIAGNOSTIC, E= ELECTRICAL, F= FRAME, G= GLASS, M= MECHANICAL, P= PAINT LABOR, S= STRUCTURAL, T= TAXED MISCELLANEOUS, X= NON TAXED MISCELLANEOUS. OCC ONE: ADJ= ADJACENT, ALGN= ALIGN, A/M= AFTERMARKET, BLND= BLEND, CAPA= CERTIFIED AUTOMOTIVE PARTS ASSOCIATION, D&R= DISCONNECT AND RECONNECT, EST= ESTIMATE, EXT. PRICE= UNIT PRICE MULTIPLIED BY THE QUANTITY, INCL= INCLUDED, MISC= MISCELLANEOUS, NAGS= NATIONAL AUTO GLASS SPECIFICATIONS, NON-ADJ= NON ADJACENT, O/H= OVERHAUL, OP= OPERATION, NO= LINE NUMBER, QTY= QUANTITY, RECOND= RECONDITION, REFN= REFINISH, REPL= REPLACE, R&I= REMOVE AND INSTALL, R&R= REMOVE AND REPLACE, RPR= REPAIR, RT= RIGHT, SECT= SECTION, SUBL= SUBLET, LT= LEFT, W/O= WITHOUT, W/_= WITH/_ SYMBOLS: # = MANUAL LINE ENTRY, * = OTHER [I.E. MOTORS DATABASE INFORMATION WAS CHANGED], ** = DATABASE LINE WITH AFTERMARKET, N= NOTES ATTACHED TO LINE. OPT OEM= ORIGINAL EQUIPMENT MANUFACTURER PARTS EITHER OPTIONALLY SOURCED OR OTHERWISE PROVIDED WITH SOME UNIQUE PRICING OR DISCOUNT.

"CURE TIME" MEANS THE LENGTH OF TIME THAT, PER THE ADHESIVE MANUFACTURER, THE WINDSHIELD ADHESIVE NEEDS TO CURE UNTIL THE WINDSHIELD CAN PROPERLY FUNCTION AS A SAFETY DEVICE PURSUANT TO THE FEDERAL MOTOR VEHICLE SAFETY STANDARDS AND THE VEHICLE MANUFACTURER'S SPECIFICATIONS.

Estimate of Record

2006 BMW 3 Series 325i RWD 4D SED 6-3.0L Gasoline EFI BLUE

Estimate based on MOTOR CRASH ESTIMATING GUIDE and potentially other third party sources of data. Unless otherwise noted, (a) all items are derived from the Guide ERE1942, CCC Data Date 12/8/2017, and potentially other third party sources of data; and (b) the parts presented are OEM-parts manufactured by the vehicles Original Equipment Manufacturer. OEM parts are available at OE/Vehicle dealerships. OPT OEM (Optional OEM) or ALT OEM (Alternative OEM) parts are OEM parts that may be provided by or through alternate sources other than the OEM vehicle dealerships. OPT OEM or ALT OEM parts may reflect some specific, special, or unique pricing or discount. OPT OEM or ALT OEM parts may include "Blemished" parts provided by OEM's through OEM vehicle dealerships. Asterisk (*) or Double Asterisk (**) indicates that the parts and/or labor data provided by third party sources of data may have been modified or may have come from an alternate data source. Tilde sign (~) items indicate MOTOR Not-Included Labor operations. The symbol (<>) indicates the refinish operation WILL NOT be performed as a separate procedure from the other panels in the estimate. Non-Original Equipment Manufacturer aftermarket parts are described as Non OEM, A/M or NAGS. Used parts are described as LKQ, RCY, or USED. Reconditioned parts are described as Recond. Recored parts are described as Recore. NAGS Part Numbers and Benchmark Prices are provided by National Auto Glass Specifications. Labor operation times listed on the line with the NAGS information are MOTOR suggested labor operation times. NAGS labor operation times are not included. Pound sign (#) items indicate manual entries.

Some 2017 vehicles contain minor changes from the previous year. For those vehicles, prior to receiving updated data from the vehicle manufacturer, labor and parts data from the previous year may be used. The CCC ONE estimator has a list of applicable vehicles. Parts numbers and prices should be confirmed with the local dealership.

The following is a list of additional abbreviations or symbols that may be used to describe work to be done or parts to be repaired or replaced:

SYMBOLS FOLLOWING PART PRICE:

m=MOTOR Mechanical component. s=MOTOR Structural component. T=Miscellaneous Taxed charge category.
X=Miscellaneous Non-Taxed charge category.

SYMBOLS FOLLOWING LABOR:

D=Diagnostic labor category. E=Electrical labor category. F=Frame labor category. G=Glass labor category.
M=Mechanical labor category. S=Structural labor category. (numbers) 1 through 4=User Defined Labor Categories.

OTHER SYMBOLS AND ABBREVIATIONS:

Adj.=Adjacent. Align.=Align. ALU=Aluminum. A/M=Aftermarket part. Blend=Blend. BOR=Boron steel.
CAPA=Certified Automotive Parts Association. D&R=Disconnect and Reconnect. HSS=High Strength Steel.
HYD=Hydroformed Steel. Incl.=Included. LKQ=Like Kind and Quality. LT=Left. MAG=Magnesium. Non-Adj.=Non
Adjacent. NSF=NSF International Certified Part. O/H=Overhaul. Qty=Quantity. Refn=Refinish. Repl=Replace.
R&I=Remove and Install. R&R=Remove and Replace. Rpr=Repair. RT=Right. SAS=Sandwiched Steel.
Sect=Section. Subl=Sublet. UHS=Ultra High Strength Steel. N=Note(s) associated with the estimate line.

CCC ONE Estimating - A product of CCC Information Services Inc.

The following is a list of abbreviations that may be used in CCC ONE Estimating that are not part of the MOTOR CRASH ESTIMATING GUIDE:

BAR=Bureau of Automotive Repair. EPA=Environmental Protection Agency. NHTSA= National Highway
Transportation and Safety Administration. PDR=Paintless Dent Repair. VIN=Vehicle Identification Number.

Estimate of Record

2006 BMW 3 Series 325i FWD 4D SED 6-3.0L Gasoline EFI BLUE

Infinity Insurance / Auto Body Shop Repair Agreement

This is only an appraisal. This is not an authorization to repair. The vehicle owner is the only person that can authorize

repairs to his/her vehicle. Please call the claim file adjuster to confirm coverage prior to starting repairs. No supplements

will be honored without prior approval from Infinity / Leader.

All supplemental requests must be sent to our original estimator by calling the estimator at the contact phone number

listed within the header information on this estimate. Any supplement damages must be inspected and approved before

payment can be considered. The RSVP policy requires that Infinity is presented with satisfactory evidence that the repairs have been completed, we shall then have the right, to our option, to inspect the repairs to the vehicle prior to us issuing payment." Please notify the adjuster at least three (3) days prior to completion of repairs by calling for a pre-payment re-inspection at (562) 263-2536

By signing this agreement this Auto Body Repair Shop agrees:

1. A representative of this auto body repair shop has inspected the damage to the vehicle described on the administrative section of this estimate ("vehicle").
2. This estimate was completed according to the standards, costs, and/or guidelines provided by the third-party automobile collision repair estimating software used by Infinity Insurance Company ("Infinity").
3. This estimate was completed to allow for repairs to be made in accordance with accepted trade standards for good and workmanlike automotive repairs and in accordance with the standards of automotive repair required of auto body repair shops as described in the Business and Professions Code and association regulations, including, but not limited to Section 3365 of Title 16 of the California Code of Regulations.
4. This estimate is the total value of damage discovered during this auto body repair shop's inspection of the vehicle. As of the date and time of signing this document, there is no request for additional components or any other additions to this estimate.
5. There could be additional damages related to the loss on the vehicle that were not visible at the time of inspection. This auto body repair shop agrees to contact Infinity to request additional inspection(s) each and every time if additional damage is identified. This auto body repair shop understands that no supplements will be honored without prior approval from Infinity. We cannot process supplement requests sent by email.
6. If this estimate includes parts that are non-original equipment manufacturer ("non-OEM") replacement crash parts then pursuant to 10 California Code of Regulations 2695.8(g)(3), Infinity warrants that such parts are at least equal to the original equipment manufacturer ("OEM") parts in terms of kind, quality, safety, fit and performance.
7. If this auto body repair shop believes a non-OEM replacement crash part does not meet the standards identified above, it agrees to contact the appraiser identified on this estimate. Infinity will perform a follow up inspection and if it is determined that the non-OEM replacement crash part does not meet standards then Infinity will modify the estimate to provide for an OEM part.
8. This document is only an estimate. It is not an authorization to repair the vehicle. This auto body repair shop understands that only the vehicle owner can authorize repairs to his/her vehicle.

Estimate of Record

2006 BMW 3 Series 325i RWD 4D SED 6-3.0L Gasoline EFI BLUE

9. I am a representative of this auto body repair shop and I have authority to sign on behalf of the auto body repair shop.

3
I _____ as a representative of, _____ do understand and agree to all the terms described above and also agree to complete the vehicle repairs at the price of \$ _____ including charges incidental thereto

Signature Auto Body Repair Shop

Title Date

A copy of this assessment has been mailed to the vehicle owner. Please contact the original estimator to request any labor rate or material cost changes if needed.

Estimate of Record

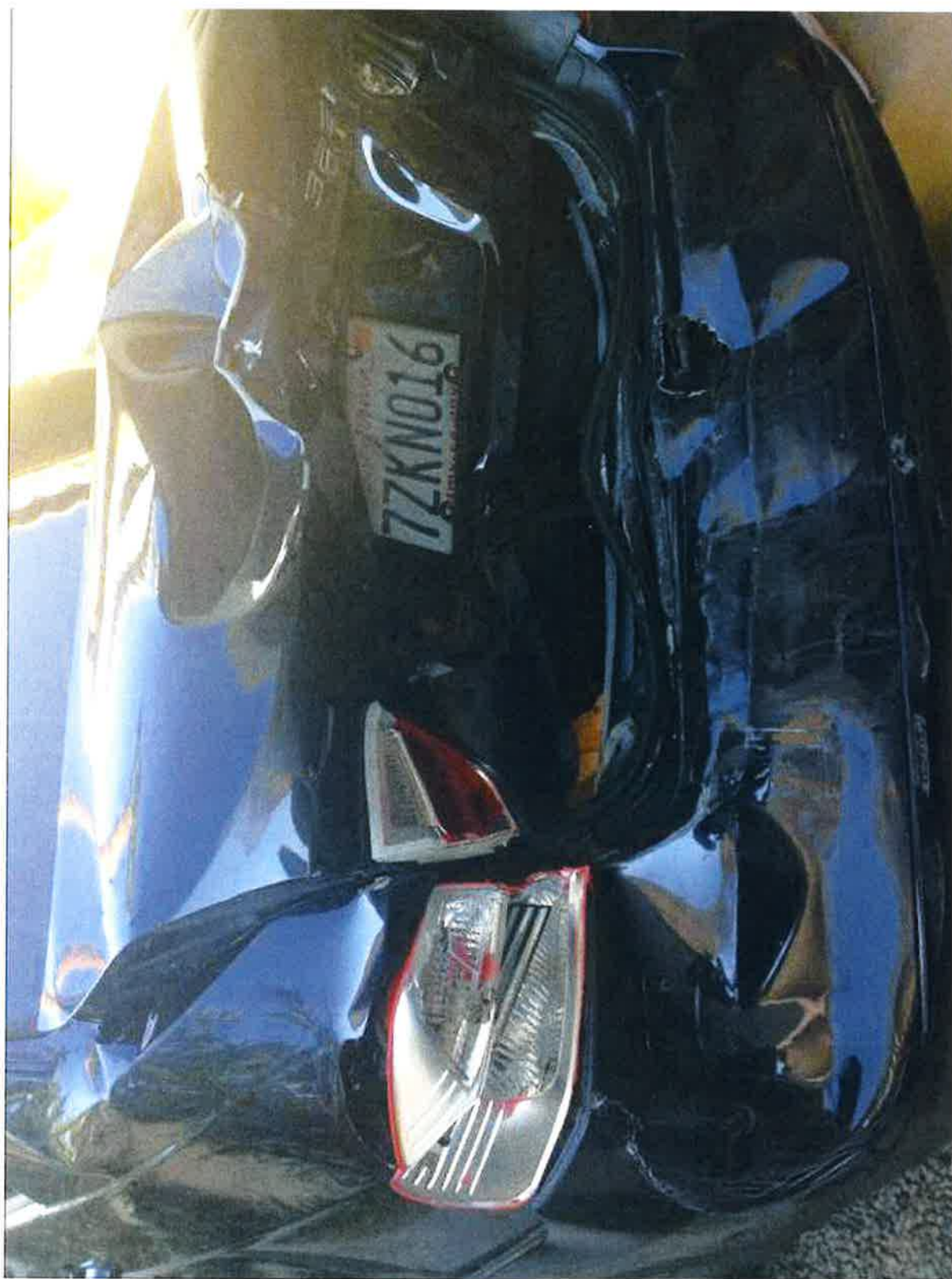
2006 BMW 3 Series 325i RWD 4D SED 6-3.0L Gasoline EFI BLUE

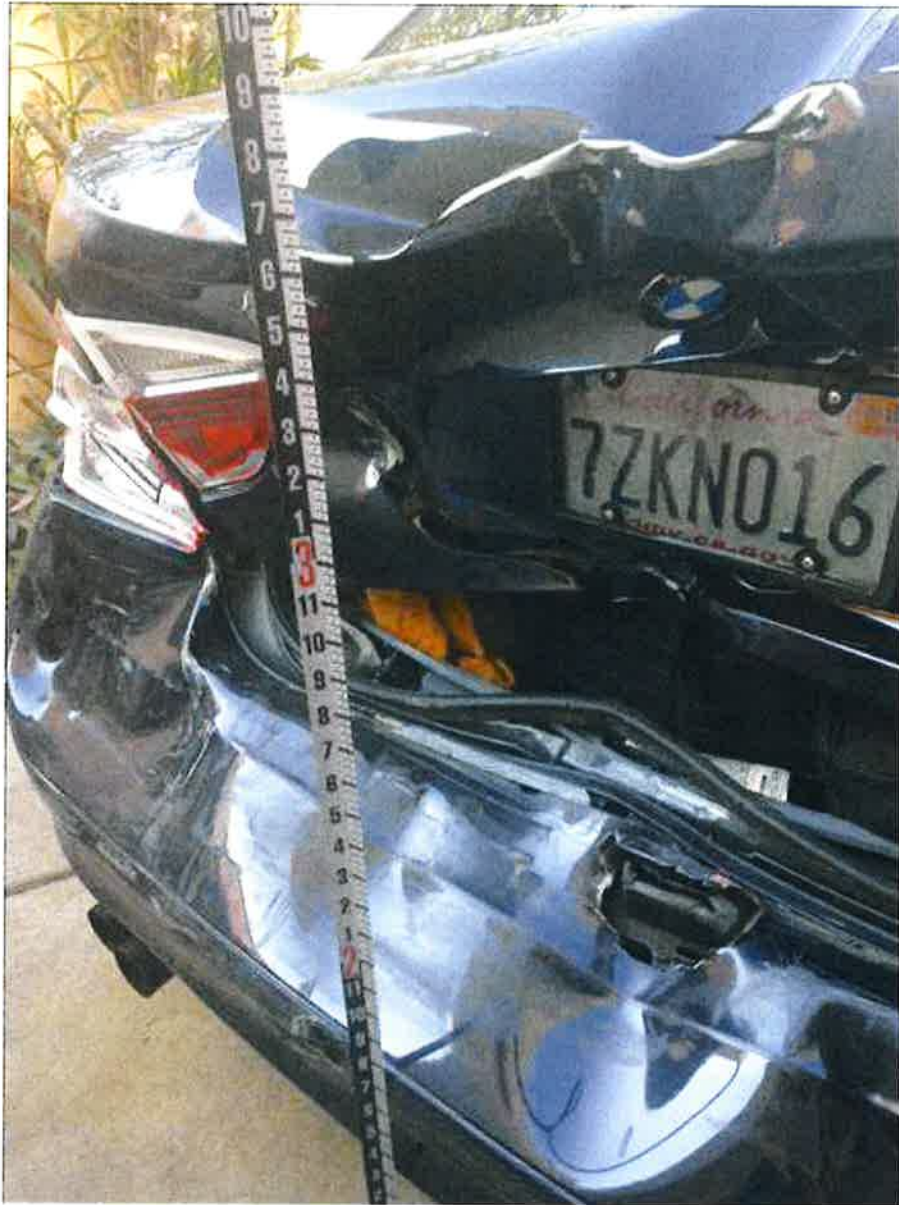
ALTERNATE PARTS SUPPLIERS

Line	Supplier	Description	Price
16	Empire Auto Dismanting George Adezhinyan 8569 Beech Avenue Unit # C Fontana CA 92335 (909) 357-9500	# GZPY5X LKQ LT quarter panel + 20% LT QTR PANEL-LH SILVER-INS QUALITY,S# BM429 - W/O FOLDING REAR SEATS, SDN, L	\$ 150.00
26	Pacific Auto Wrecking Rogerda Silva 802 Ontario Blvd Ontario CA 91761 (909) 391-2298	# H4ZRMB LKQ trunk lid assy + 20% TRUNK LID-BLUE,S# 537044 - SDN	\$ 175.00
31	Alternative Emblems Jay Campbell 1812 Mt. Carmel Church Rd Chapel Hill NC 27517 (866) 462-3484	# BW-0023 RECOND Nameplate "325i"	\$ 31.00
34	Harout's Bmw && Mbz Auto P Haroutbroutian 12301 Branford St Sun Valley CA 91352 (800) 621-4484	# TL2088 LKQ RT Tail lamp + 20% RT TAIL LAMP-INSURANCE QUALITY - SDN, QUARTER PANEL MOUNTED, R	\$ 45.00
35	Harout's Bmw && Mbz Auto P Haroutbroutian 12301 Branford St Sun Valley CA 91352 (800) 621-4484	# JM B4Y LKQ LT Tail lamp + 20% LT TAIL LAMP,S# TL1418 - SDN, QUARTER PANEL MOUNTED, L	\$ 45.00
36	LKQ of Southern California (Lakenor) 13642 Orden Dr Santa Fe Springs CA 90670 (800) 525-3667	# ~ 145883495 LKQ RT Tail lamp + 20% Tail Lamp R, Sdn, lid mtd, R,S# \$WR663 - SDN, LID MOUNTED, R Quote: 172962863 Expires: 01/27/18	\$ 45.00
37	Empire Auto Dismanting George Adezhinyan 8569 Beech Avenue Unit # C Fontana CA 92335 (909) 357-9500	# LQTWNA LKQ LT Tail lamp + 20% LT TAIL LAMP-LH, LID MOUNTED,S# ST13 - SDN, LID MOUNTED, L	\$ 30.00

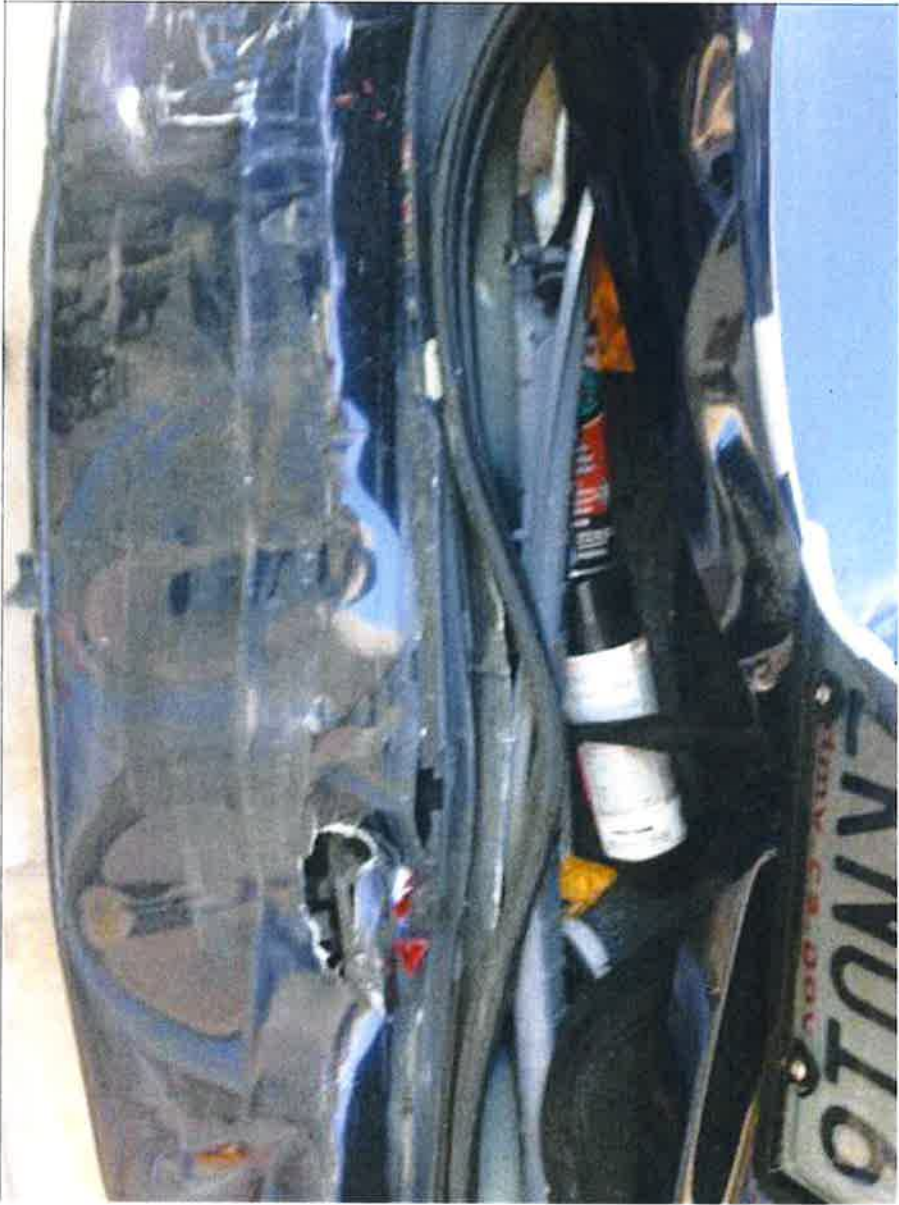
Estimate of Record

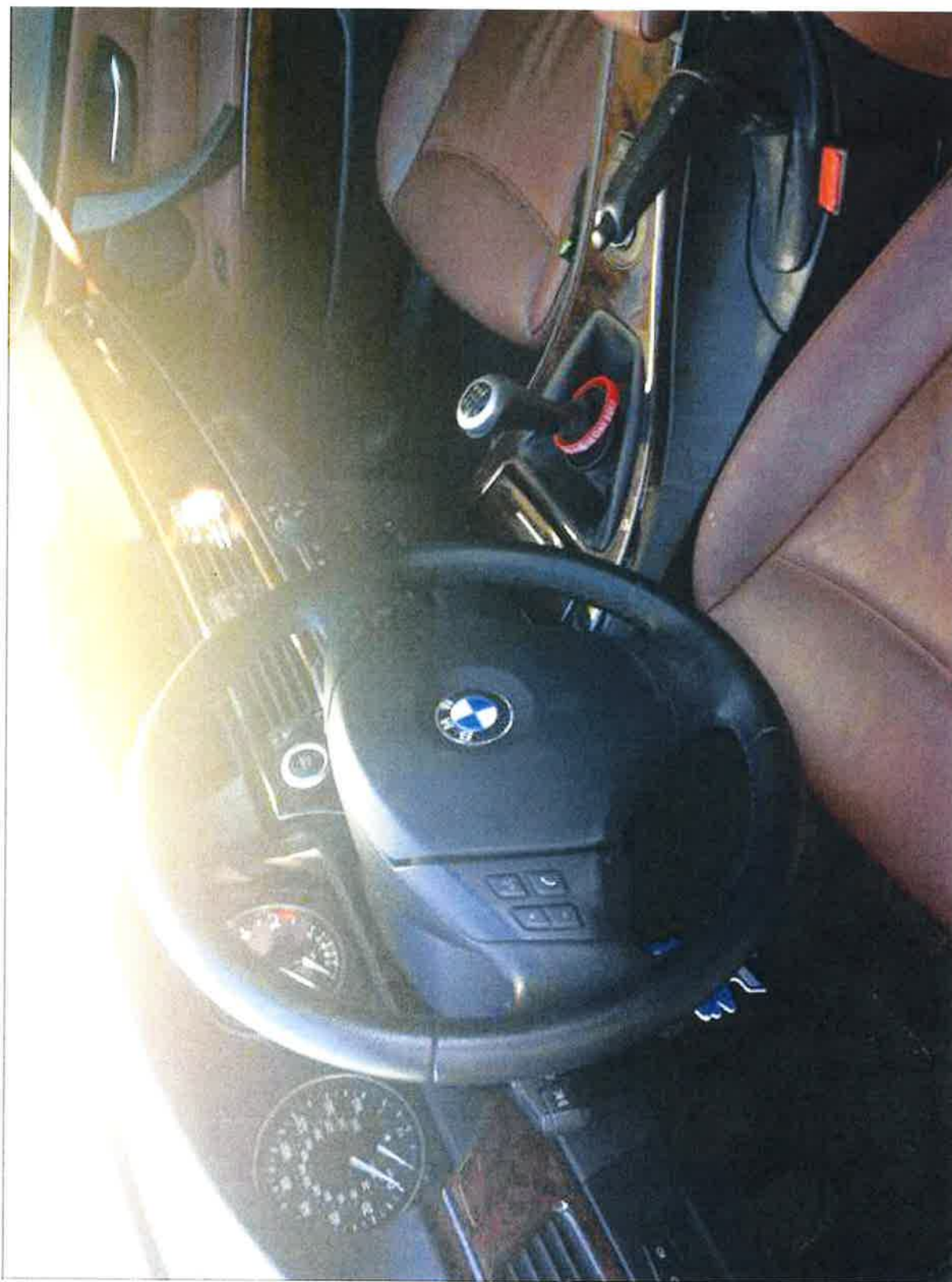
2006 BMW 3 Series 325i RWD 4D SED 6-3.0L Gasoline EFI BLUE

















325i VEHICLE TYPE: PASSENGER CAR
BAYERISCHE MOTOREN WERKE AG 03/06

GVWR 4343 lbs 1970 kg

GAWR FRONT 2072 lbs 940 kg REAR 2425 lbs 1100 kg

THIS VEHICLE CONFORMS TO ALL APPLICABLE U.S.
FEDERAL MOTOR VEHICLE SAFETY, BUMPER AND THEFT
PREVENTION STANDARDS IN EFFECT ON THE DATE OF
MANUFACTURE SHOWN ABOVE.

WBABV135X6PS65549



MADE IN
GERMANY

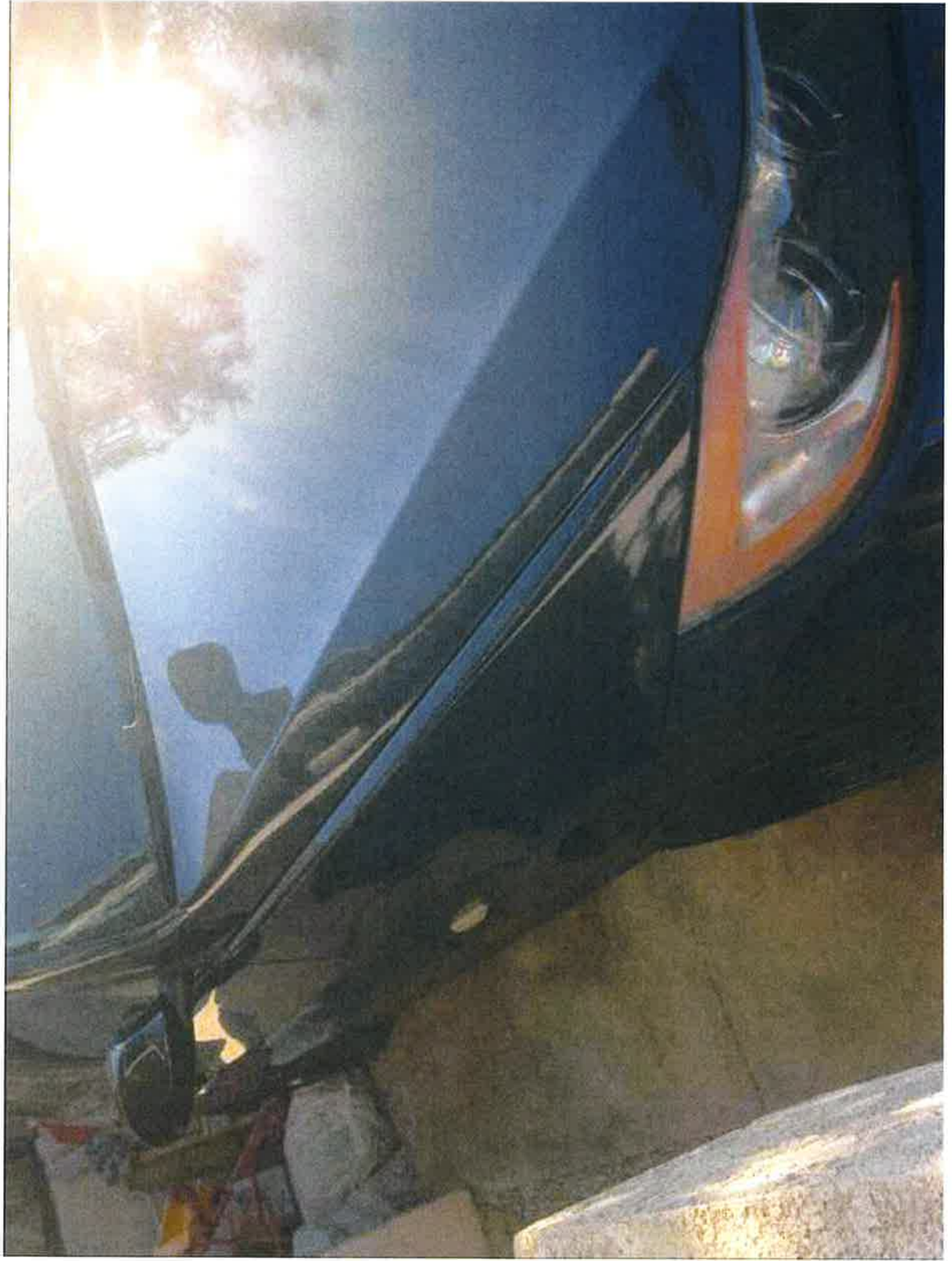
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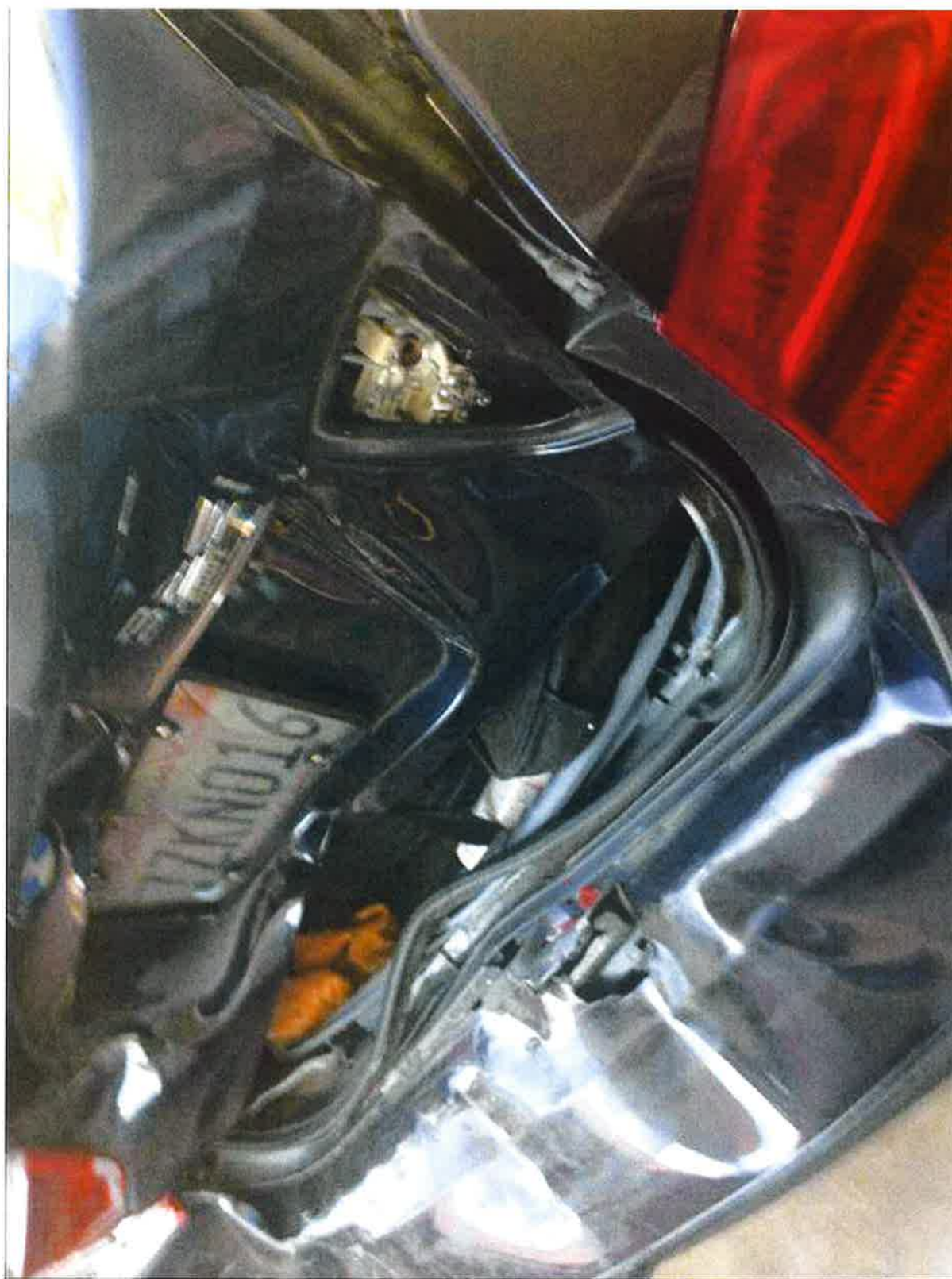


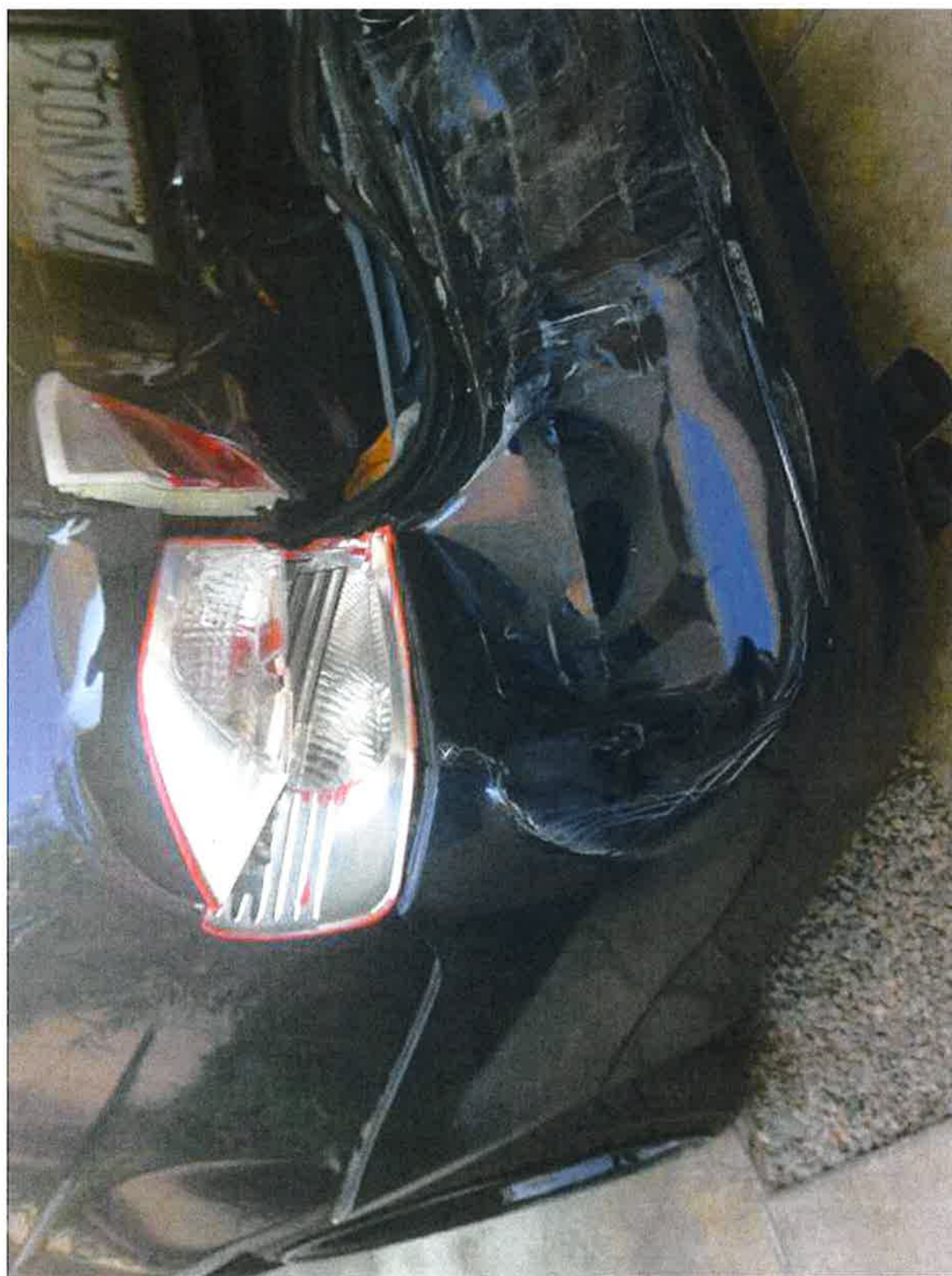














REGISTRATION CARD VALID FROM: 07/20/2017 TO: 07/20/2018

NAME	TR MODEL	VE REG CODE	VE CLASS	AGE	TRA USE	FEE FLD
BMW	2006	2006	BZ	2017	120	11
BODY TYPE NUMBER	IC	MO				
4D	G	YV				
TYPE VEHICLE USE	MORE EMISSION	CC/KILO	DP PER MONTH	YTD		
AUTOMOBILE	08/03/17	33	08/03/17	0		
VEHICLE TO BE USED						
WBAVB135X6P865549						
LICENSE DATES						
7/2018-6						

RESISTED JAMES
GONZALEZ RAYMUNDO
13523 EL CAJON DR

DSRT HOT SPGS 92240
CA

11000LDER
SIERRA CREDIT CORP
9160 DEERING AVE

CHATSWORTH
CA 91311
H00 578 26 0018600 0050 CS H00 080317 11 7ZKN016 5



AMOUNT DUE
\$ 186.00
CASH :
CHECK :
CREDIT : 186.00

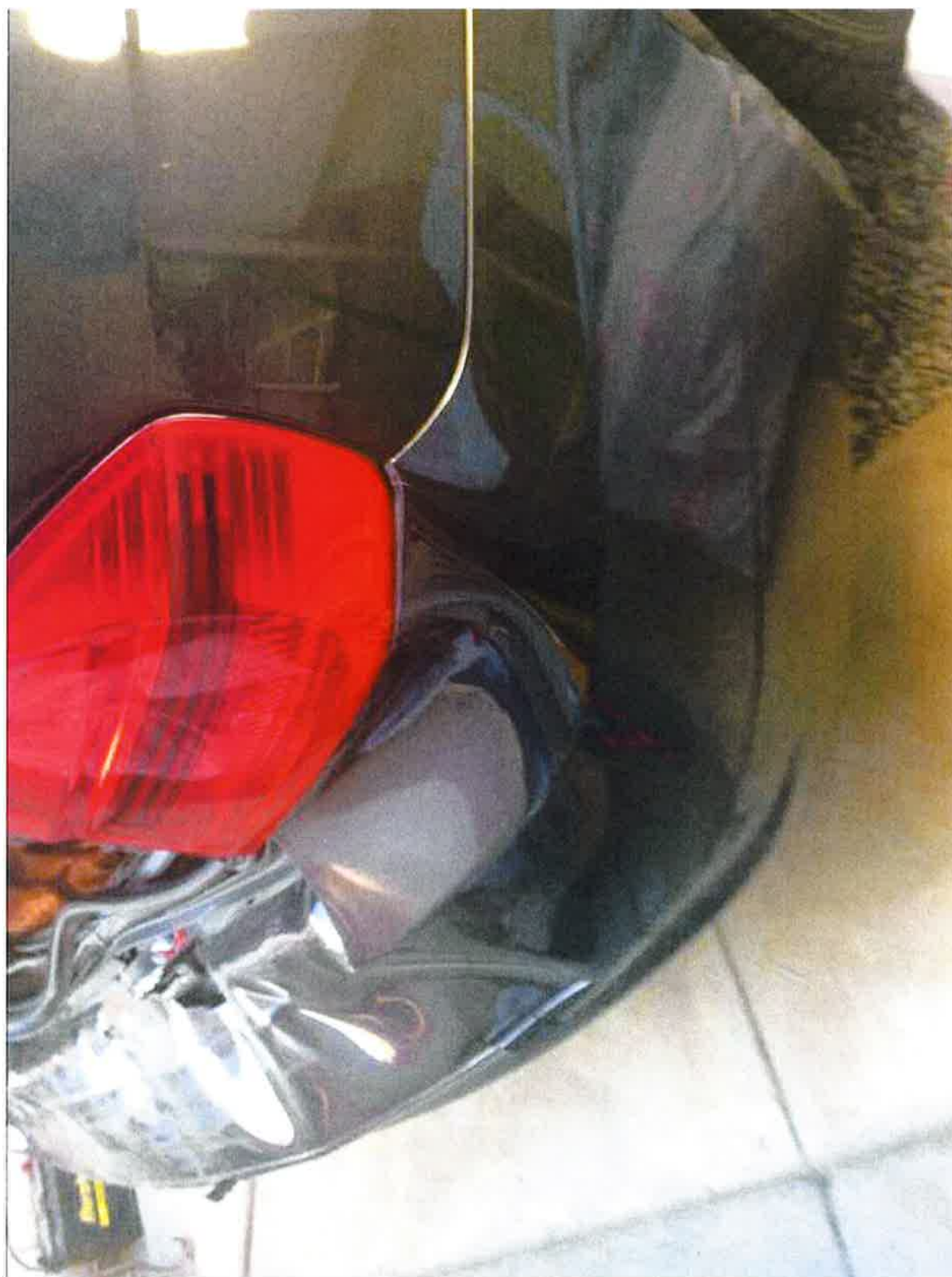
EXPIRATION DATE: 07/20/2017

FILED
JUN 17 1968
FBI - MEMPHIS

MEMPHIS TELETYPE UNIT
JUN 17 1968











**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

MARCH 6, 2018

**RE: RECOMMEND ADOPTION OF RESOLUTION NO. 1176 ADJUSTING
PASS-THROUGH CHARGES FOR SEWER SERVICE**

Attached for the Board's review, is a copy of Resolution No. 1176, adjusting pass-through charges for sewer service in the City of Cathedral City.

This Resolution is provided as a replacement for Resolution No. 1169. The new Resolution implements new rates and charges for providing sewer service charged by Coachella Valley Water District (CVWD). The sewer rates charged by CVWD are collected by DWA and passed through to CVWD. The monthly sewer service charge (CVWD portion) is decreasing from \$29.58/EDU to \$23.04/EDU. Additionally, CVWD is no longer charging commercial accounts for water consumption (currently \$1.07/100 cf). Commercial accounts will be charged per EDU only. DWA's monthly service charge (\$5.55/EDU) remains the same. Customers will be provided advance notice of the rate adjustment.

Included in Resolution No. 1176 is the adjustment for CVWD and a restatement of the existing sewer charges (no changes) for the City of Palm Springs or DWA.

Staff requests that the Board adopt Resolution No. 1176, adjusting pass-through charges for sewer service implemented by CVWD.

RESOLUTION NO. 1176

RESOLUTION OF THE BOARD OF DIRECTORS OF DESERT WATER AGENCY ADJUSTING RATES, FEES AND CHARGES FOR SEWER SERVICE

WHEREAS, by previous action this Board has approved various rates, fees and charges for sewer service, as provided by law; and

WHEREAS, it is appropriate at this time to revise the Agency's monthly charge for sewer service, while restating all other rates, fees and charges which remain unchanged; and

WHEREAS, on December 15, 2016, this Board conducted a majority protest hearing for the proposed revision of the Agency's monthly charge for sewer service, over the next subsequent five years, as required by law, and has determined that a majority protest does not exist; and

WHEREAS, in addition to the Agency's charges for sewer services, charges imposed by Coachella Valley Water District (CVWD) must also be collected by the Agency, as CVWD's collection agent, for sewer service and treatment in Cathedral City; and

WHEREAS, in addition to the charges collected for CVWD in the Cathedral City area, the Agency has also entered into an agreement with the City of Palm Springs (City) to provide wastewater treatment and disposal service to the Agency's customers receiving sewage collection service from the Agency in the Dream Homes and Palm Oasis areas; and

WHEREAS, said agreement requires the Agency to collect from those customers the City's sewer capacity and customer service charges for wastewater treatment and disposal provided by the City, in addition to collecting the Agency's charges for sewer services; and

WHEREAS, this resolution reflects the new CVWD rates for sewage treatment and disposal services, which are subject to change by this entity, while restating other Agency and City of Palm Springs charges already in effect;

NOW, THEREFORE, be it resolved by the Board of Directors of Desert Water Agency that the rates, fees and charges assessed by the Agency for sewer services by the Agency shall be, and that those currently charged by CVWD and the City for sewer service within the Agency's sewer service areas are, as follows:

1. Capacity Charges

	<u>CVWD Treatment</u> Cathedral City (Effective 07/01/14)	<u>City Treatment</u> Palm Oasis / Dream Homes (Effective 07/01/15)
A.) Residential (including single family, apartments, condos and mobile home park spaces (1 EDU=1 Unit or Space)	1. Total Charge: \$5,240.00 per EDU a. \$4,190.00/EDU (CVWD) b. \$1,050.00/EDU (DWA)	2. Charge: \$ 3,000.00/Unit/Space a. \$3,000.00/Unit/Space (CPS)
B.) Commercial, Industrial, Institutional	1. Total Charge: \$5,240.00 per EDU a. \$4,190.00/EDU (CVWD) b. \$1,050.00/EDU (DWA)	2. Charge: \$306.00/FU (Fixture Unit) a. \$306.00/FU (CPS)
C.) Hotel /Motel (1/2 EDU = 1 Room)	1. Total Charge: \$5,240.00 per EDU a. \$4,190.00/EDU (CVWD) b. \$1,050.00/EDU (DWA)	2. Charge: \$1,500.00/Room (with kitchen) a. \$1,500.00/Room (CPS) 3. Charge: \$1,290.00/Room (without kitchen) a. \$1,290.00/Room (CPS)
D.) R.V. Park (1/2 EDU = 1Space)	1. Total Charge: \$5,240.00 per EDU a. \$4,190.00/EDU (CVWD) b. \$1,050.00/EDU (DWA)	2. Charge: \$2,340.00/Space a. \$2,340.00/Space (CPS)

2. Accounting of Funds. All revenues collected from capacity charges shall be deposited with other such fees in a separate capital facilities account or fund in a manner to avoid any commingling of the charges with other revenues and funds of the Agency, except for the temporary investments, and such revenues may be expended solely for the purpose for

which the capacity charges are collected. Any interest income earned by moneys in said account or fund shall also be deposited in that account or fund and may be expended only for the purpose for which the capacity charges are imposed. The Agency shall make findings once each fiscal year with respect to any portion of the capacity charges remaining unexpended or uncommitted in the account five or more years after deposit of the charges. The findings shall identify the purpose to which the capacity charges are to be put, and will demonstrate a reasonable relationship between the charges and the purpose for which the charges were imposed.

3. Connection Fee.

- a.) Single Family Residence - \$1,700
- b.) Other than Single Family Residence:
A charge for all new connections based on the front footage served thereby shall be levied and collected at the rate of \$70 per lineal foot of frontage, or the actual rate in accordance with a valid main extension refund agreement, whichever is greater.

4. Plan Check Fees.

- a.) Existing Main Available (lateral installation only)
 - 1) Single Family Residence (1-4" Lateral) - no fee
 - 2) Single Family Residence (other than above) and all other types of development - \$140
- b.) The Plan Check fee for Agency-installed sewer facilities with no mains shall be \$140. For developer-installed facilities with mains, the fee shall be \$140 plus \$0.10 per lineal foot of main installed.

5. Design Review Fees.

- a.) Desert Water Agency Engineering Department - \$140/Hour
- b.) Engineering Consultants - Actual Cost plus 15%
- c.) Legal Consultants - Actual Cost plus 15%

6. Monthly Service Charges

	<u>CVWD Treatment</u> Cathedral City (Effective 04/01/18)	<u>City Treatment</u> Palm Oasis / Dream Homes (Effective 07/01/17)
A. Residential		
Single Family, Condo (1 EDU = 1 Unit)	1. Total Charge: \$28.59/EDU a. \$23.04/EDU (CVWD) b. \$ 5.55/EDU (DWA) Rate (1)	2. Total Charge: \$26.55/Unit a. \$21.00/Unit (CPS) b. \$5.55/Unit (DWA) Rate (5)
Mobile Home Park (1 EDU = 1 Space)	1. Total Charge: \$28.59/EDU a. \$23.04/EDU (CVWD) b. \$ 5.55/EDU (DWA) Rate (1)	2. Total Charge: \$26.55/Space plus \$1.98/FU a. \$21.00/Space (CPS) b. \$5.55/Space (DWA) c. \$1.98/FU (CPS) Rate (6)
Apartments (1 EDU = 1 Unit)	1. Total Charge: \$28.59/EDU a. \$23.04/EDU (CVWD) b. \$ 5.55/EDU (DWA) Rate (4)	2. Total Charge: \$26.55/Unit a. \$21.00/Unit (CPS) b. \$5.55/Unit (DWA) Rate (7)
B. Hotel / Motel (1/2 EDU = 1 Room)	1. Total Charge: \$28.59/EDU a. \$23.04/EDU (CVWD) b. \$ 5.55/EDU (DWA) Rate (4)	N/A
C. R.V. Park (1/2 EDU = 1 Space)	1. Total Charge: \$28.59/EDU a. \$23.04/EDU (CVWD) b. \$ 5.55/EDU (DWA) Rate (4)	N/A

6. Monthly Service Charges (Cont.)

	<u>CVWD Treatment</u> Cathedral City (Effective 04/01/18)	<u>City Treatment</u> Palm Oasis / Dream Homes (Effective 07/01/17)
D. Commercial, Industrial, or Institutional (Other than schools)	1. Total Charge: \$28.59/EDU a. \$23.04/EDU (CVWD) b. \$ 5.55/EDU (DWA) Rate (4)	2. Total Charge: \$1.98/FU (Minimum \$21.00) plus \$5.55/EDU a. \$1.98/FU (CPS) (minimum \$21.00) b. \$5.55/EDU (DWA) Rate (8)
E. Schools and Colleges Kindergarten Elementary Schools & Colleges	1. Total Charge: \$28.59/EDU a. \$23.04/EDU (CVWD) b. \$ 5.55/EDU (DWA) Rate (3)	2. (See Commercial) Rate (8)
All Other Schools	1. Total Charge: \$28.59/EDU a. \$23.04/EDU (CVWD) b. \$ 5.55/EDU (DWA) Rate (2)	N/A
*The number of students to be used in calculating the monthly sewer charges shall be based on the previous year's average monthly attendance.		
F. Interceptor/Separator Surcharge	\$14.00 Rate (4)	N/A

7. Sewer Lateral Inspection. The charge for inspection of all new sewer laterals installed on existing mains shall be \$140 per lateral.

8. Development Review. A charge for Agency provided Administrative Services shall be collected at the rate of \$140 for each of the following:

- a.) Will Serve Letter
- b.) Development Bond Amount Letter
- c.) Response to Initial Study

9. Effective Date: The charges set forth herein shall become effective April 1, 2018 and as of that date this Resolution shall replace Resolution No. 1169.

ADOPTED this 6th day of March 2018.

James Cioffi, President
Board of Directors

ATTEST:

Kristin Bloomer
Secretary-Treasurer

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

MARCH 6, 2018

RE: REQUEST FOR AUTHORIZATION TO CALL FOR BIDS FOR CONSTRUCTION OF 2017/2018 REPLACEMENT PIPELINES (VIA MIRALESTE, COTTONWOOD RD, CHUCKWALLA RD, CHAPARRAL RD, RAMON RD, FRANCIS DR, STARR RD, RACQUET CLUB RD, LAUREL CIR, SYCAMORE CIR, DESERT WILLOW CIR, DESERT HOLLY CIR)

The 2017/2018 Capital Improvement Budget includes Work Order No. 17-111 for replacement pipelines (approximately 10,670 linear feet of 8" ductile iron pipe and 3,250 linear feet of 12" ductile iron pipe). The budget amount for the work order is \$3,200,000. The budget remaining from the 2016/2017 Replacement Pipelines is \$247,000. The combined budget amount for replacement pipelines is \$3,447,000 to include engineering, construction, inspection and overhead costs. The Engineer's construction cost estimate for the project is \$2,933,000, with an estimated inspection cost of \$213,000 and estimated Agency labor cost of \$205,000.

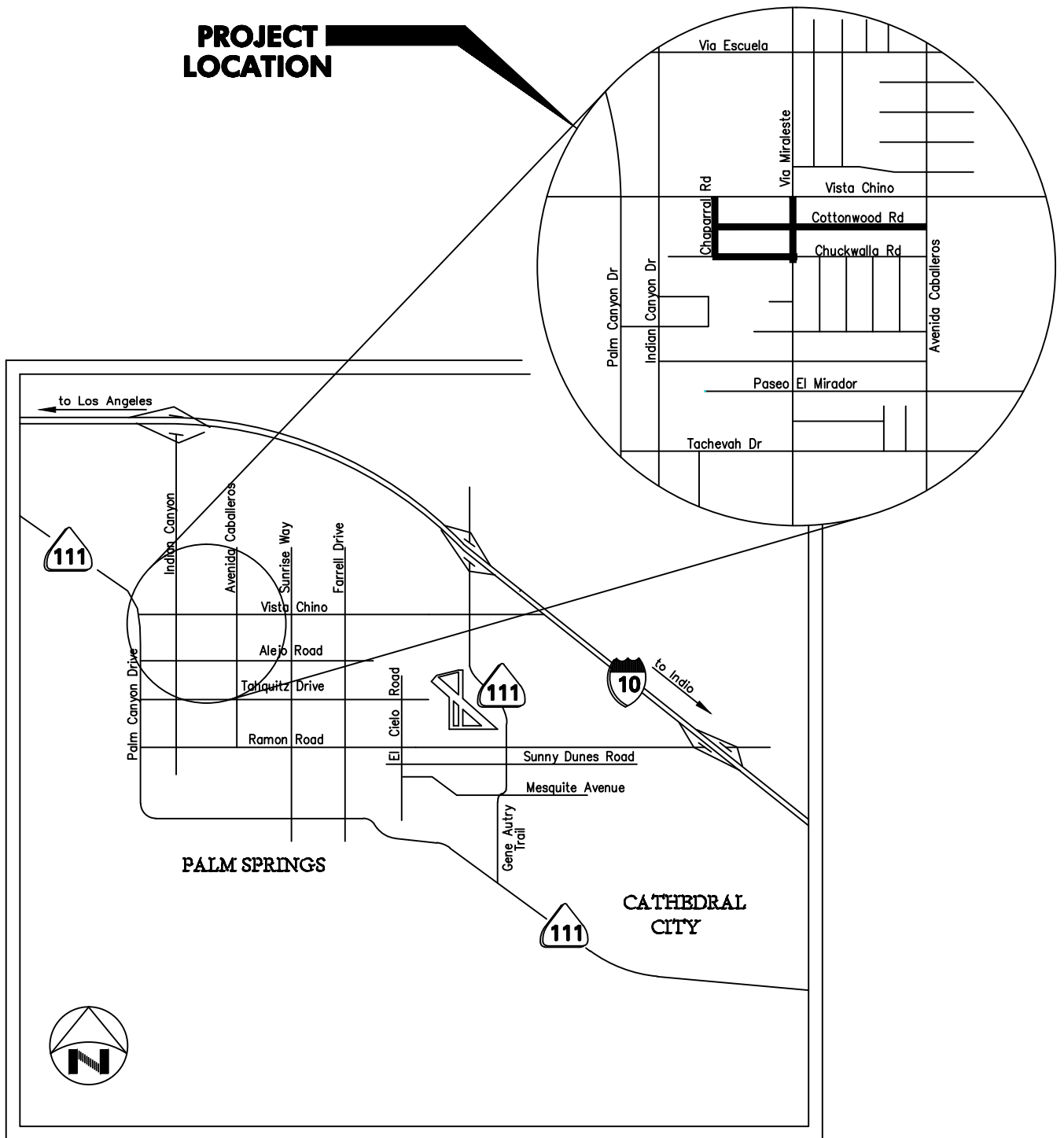
The attached map shows the location(s) for the replacement pipelines within several streets throughout the Palm Springs area. All of the pipelines have exhibited several leak occurrences over the past couple of years, are unlined steel mains, and have an average age of 64 years.

The funds available from 2016/2017 Replacement Pipelines is a result of a lower total inspection cost than initially estimated. The Agency would request the remaining funds to be added to the contract.

With authorization being granted today, the bid opening for the project will tentatively be held on April 17, 2018 with the Contract award scheduled for the meeting of the Board of Directors on May 1, 2018. Work is expected to commence in June 2018, with completion expected in early November 2018.

Staff requests authorization to advertise for bids for construction of the 2017/2018 replacement pipelines.

PROJECT LOCATION

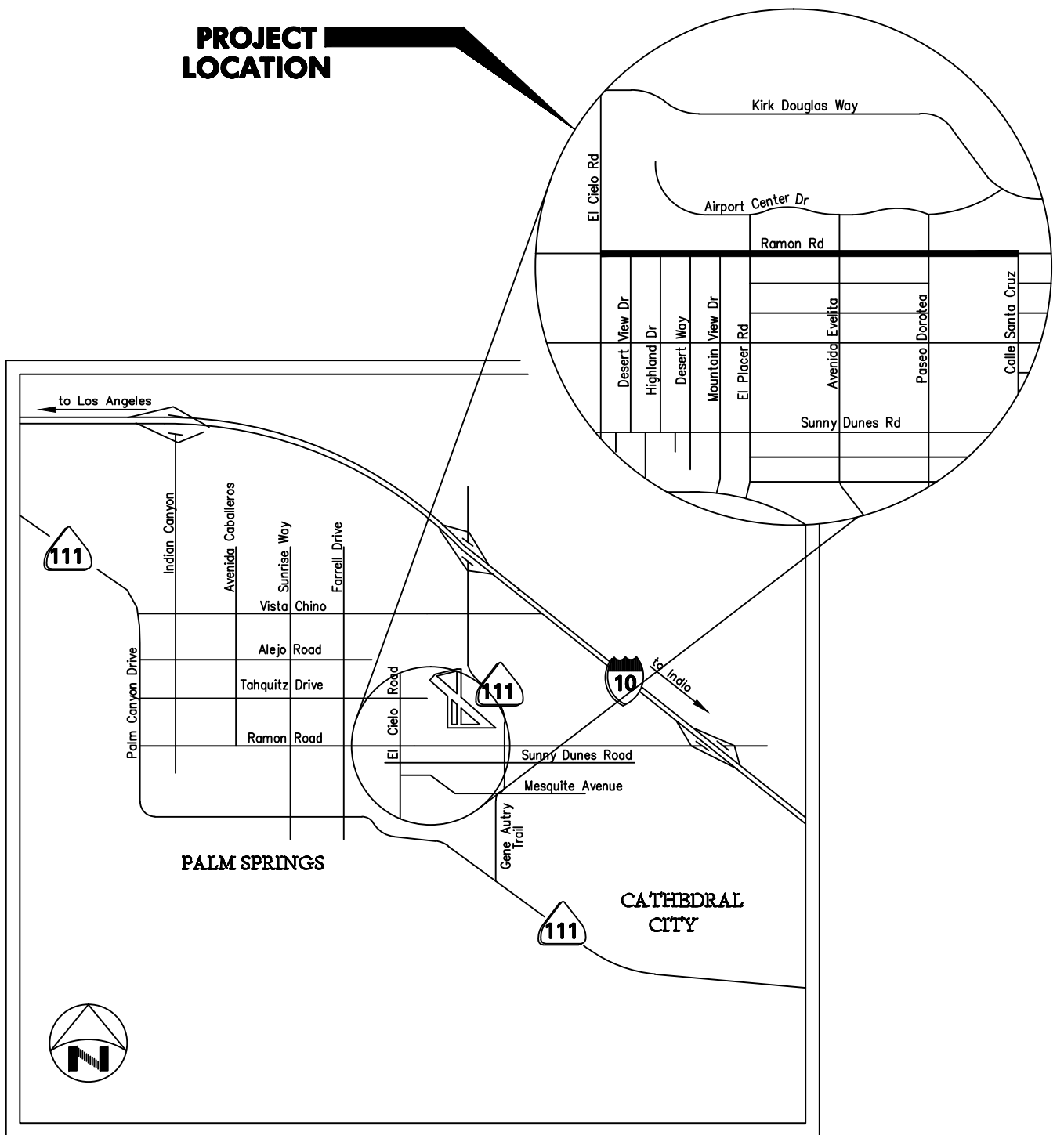


LOCATION MAP

NOT TO SCALE

FY 2017/2018	DWG. BY CW	DATE 1/18	SCALE N.T.S.	W.O. NO. 17-111
REPLACEMENT PIPELINES	APP'D BY MK	REVISED	PERMIT	FILE NO.
AREA 1	CHK'D BY DT			SHEET 1 OF 3
DESERT WATER AGENCY PALM SPRINGS, CALIFORNIA				

PROJECT LOCATION

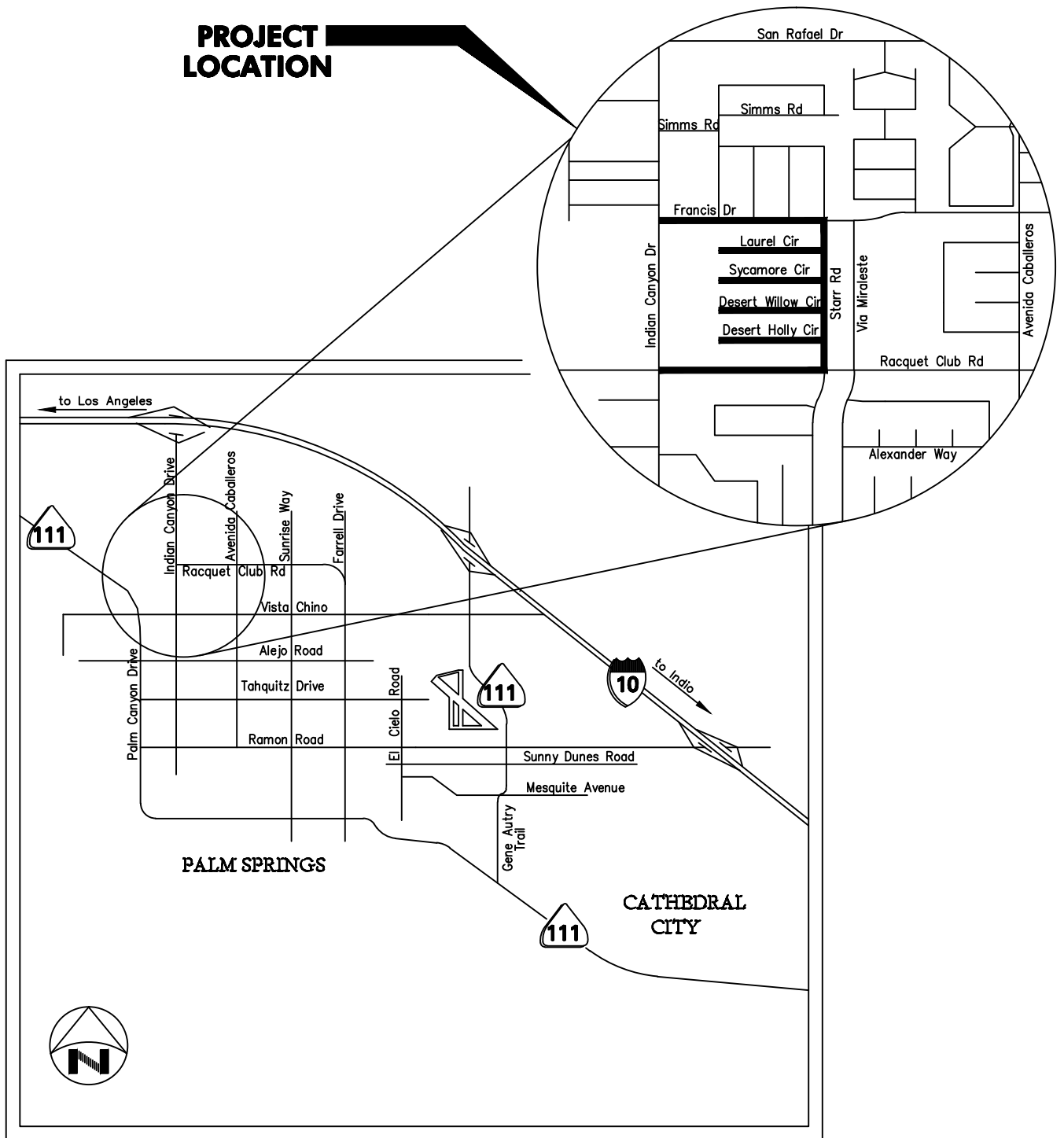


LOCATION MAP

NOT TO SCALE

FY 2017/2018	DWG. BY CW	DATE 1/18	SCALE N.T.S.	W.O. NO. 17-111
REPLACEMENT PIPELINES	APP'D BY MK	REVISED	PERMIT	FILE NO.
AREA 2	CHK'D BY DT			SHEET 2 OF 3
DESERT WATER AGENCY PALM SPRINGS, CALIFORNIA				

PROJECT LOCATION



LOCATION MAP

NOT TO SCALE

FY 2017/2018	DWG. BY CW	DATE 1/18	SCALE N.T.S.	W.O. NO. 17-111
REPLACEMENT PIPELINES	APP'D BY MK	REVISED	PERMIT	FILE NO.
AREA 3	CHK'D BY DT			SHEET 3 OF 3
DESERT WATER AGENCY PALM SPRINGS, CALIFORNIA				

February 15, 2018

MEMORANDUM

TO: GENERAL MANAGER AND BOARD OF DIRECTORS
OF DESERT WATER AGENCY

FROM: BEST BEST & KRIEGER LLP

RE: FEBRUARY 15, 2018 MEETING OF THE BOARD OF DIRECTORS OF THE STATE
WATER CONTRACTORS, INC.

The February 15, 2018 meeting of the Board of Directors of the State Water Contractors, Inc., was conducted at the Tsakopoulos Library Galleria in downtown Sacramento. Because the meeting was relatively short, and because several other items are worthy of report even though they were not discussed at that meeting, this memo will also include a report on some of those items as well.

1. Board Action Item. Following an initial closed session with legal counsel to discuss litigation items, the Board took action to authorize the expenditure of \$55,000 to engage a consultant to help prepare a Delta Smelt monitoring plan. The \$55,000 authorization covers the State Contractors' share of a larger expense. The remainder of the expense will be funded by the CVP Contractors.

2. Draft Budget. There was a lengthy discussion of the draft budget for the upcoming fiscal year. Several options were discussed, with different budget amounts, depending upon what the Contractors may choose to fund. All options represent an increase in the dues, ranging from \$380,000 to as much as \$1 million for next year. The budget will be approved by the Board at a future meeting.

3. Report on Business Processes Objectives. There was also a lengthy report on progress in addressing business processes objectives identified for the current fiscal year. The overall objective this year was to promote and monitor the financial management of the State Water Project to preserve the long term delivery of affordable water. More specific objectives have included managing the SWP budgets, developing projections of future costs, establishing and managing SWP revenues, managing capital infrastructure funding, managing internal controls, and managing cash flow. This year

turned out not to be a typical, as financial resources were diverted to deal with the spillway problem at Lake Oroville. The upcoming fiscal year should more closely track the trends, however. SWP minimum costs this year turned out to be 14% under budget. In general, SWP cost projections in the future should more closely track real costs, which are projected to increase going forward.

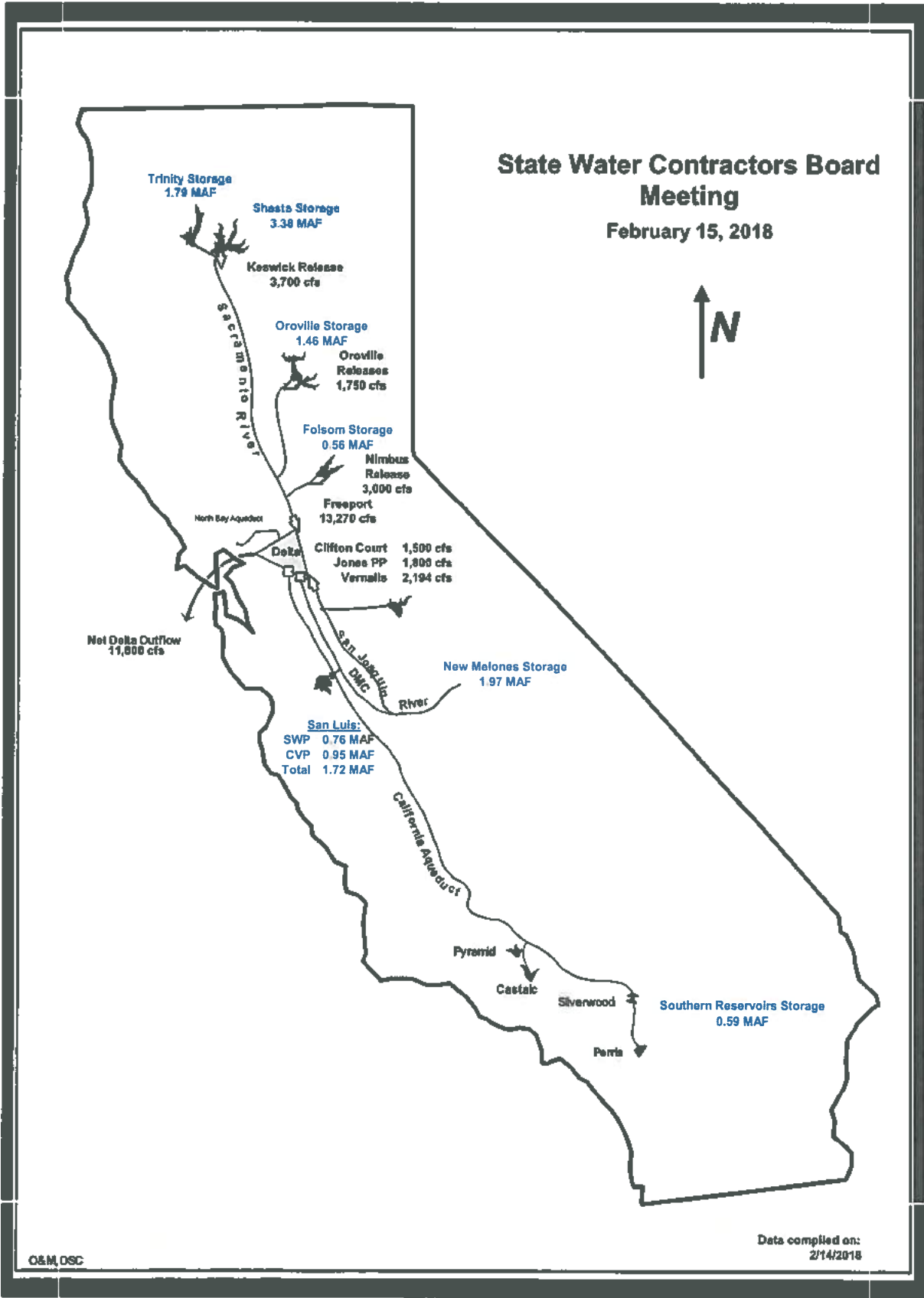
4. Water Supply Report. Water levels in Lake Oroville are approximately fifty feet below the operational plan for this year. Thus, there is plenty of storage space available to accommodate additional inflows into Oroville, if we are fortunate enough to receive them. This year has been very dry, and the forecast is for additional dry conditions through the remainder of the year. The snow pack was at 13% of average for February 1. DWR was releasing water from Oroville at the rate of 1,750 cubic feet per second. DWR was diverting water from the Clifton Court Forebay at the rate of 1,300 cubic feet per second. Storage in the San Luis Reservoir was at 760,000 acre feet, while the Bureau's share was at 950,000 acre feet.

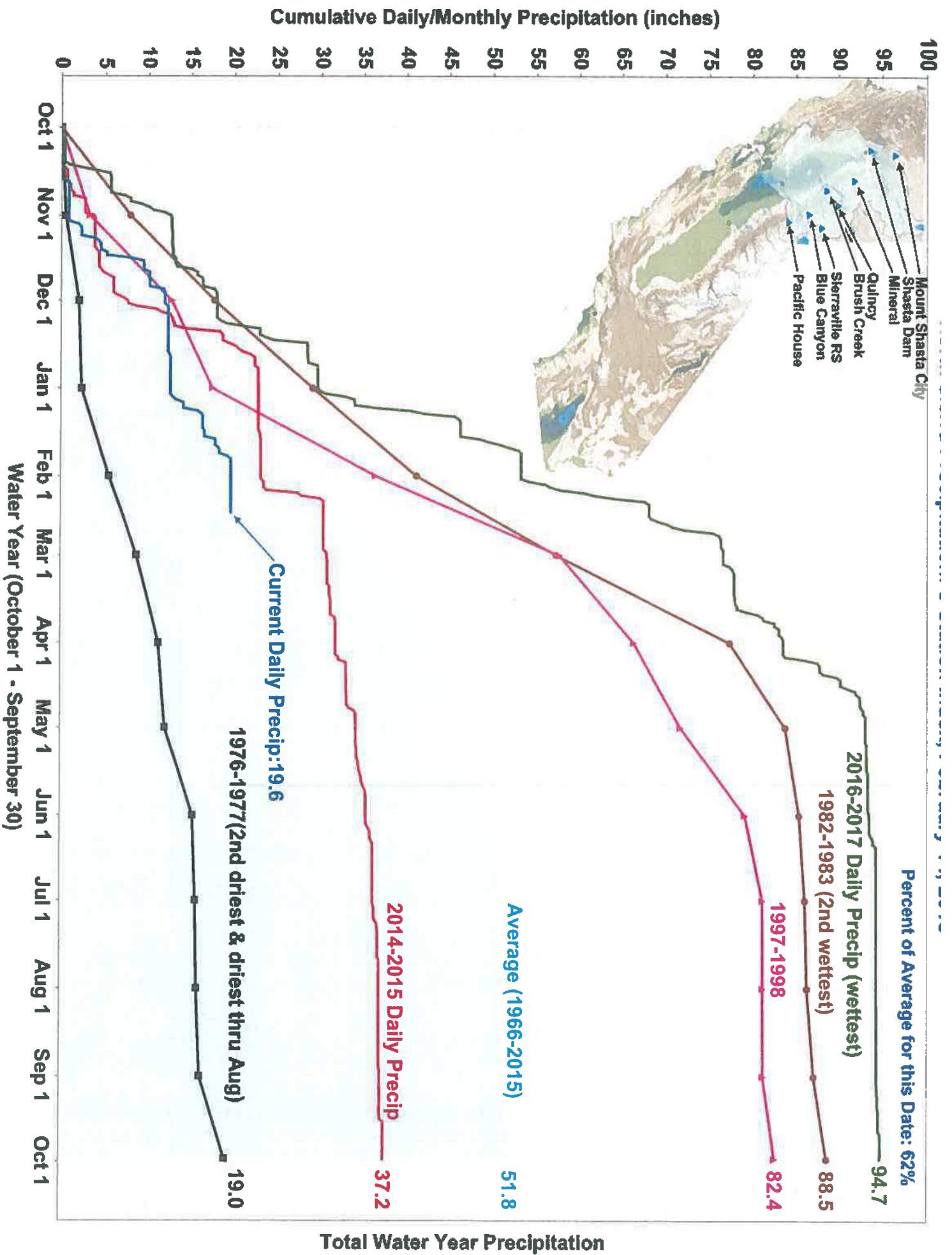
5. Other Items. Although not specifically discussed at the meeting, there are several other items that are worthy of mention in this memo. First, on February 7, 2018 DWR issued a memo to the General Managers of the State Water Contractors that plan to participate in the tunnel project. A copy of that notice is included with this memo. The notice documents DWR's intention to construct the tunnel project in two phases. The first phase will include the construction of two intakes with a total capacity of 6,000 cubic feet per second, one tunnel, one intermediate forebay, and one pumping station. DWR will proceed with construction of that first phase as quickly as possible. The second stage will consist of construction of a third intake with 3,000 cfs of capacity, a second tunnel, and a second pumping station, bringing the total project capacity from 6,000 cfs in the first phase to 9,000 cfs capacity in total. If funding for all elements of the proposed tunnel project is not committed when construction begins, stage two will begin once additional funding commitments are made from supporting water agencies. The overall cost of the tunnel project has not changed, estimated at \$16.3 billion dollars in 2017 dollars. However, the costs of the option proceeding with the first stage is \$10.7 billion dollars. DWR will fully evaluate the potential environmental impacts of the staged implementation option and expects to issue a draft supplemental EIR in June 2018, with a final EIR issued in October of 2018. DWR does not expect substantial change to the biological opinions or the incidental take permit issued in 2017.

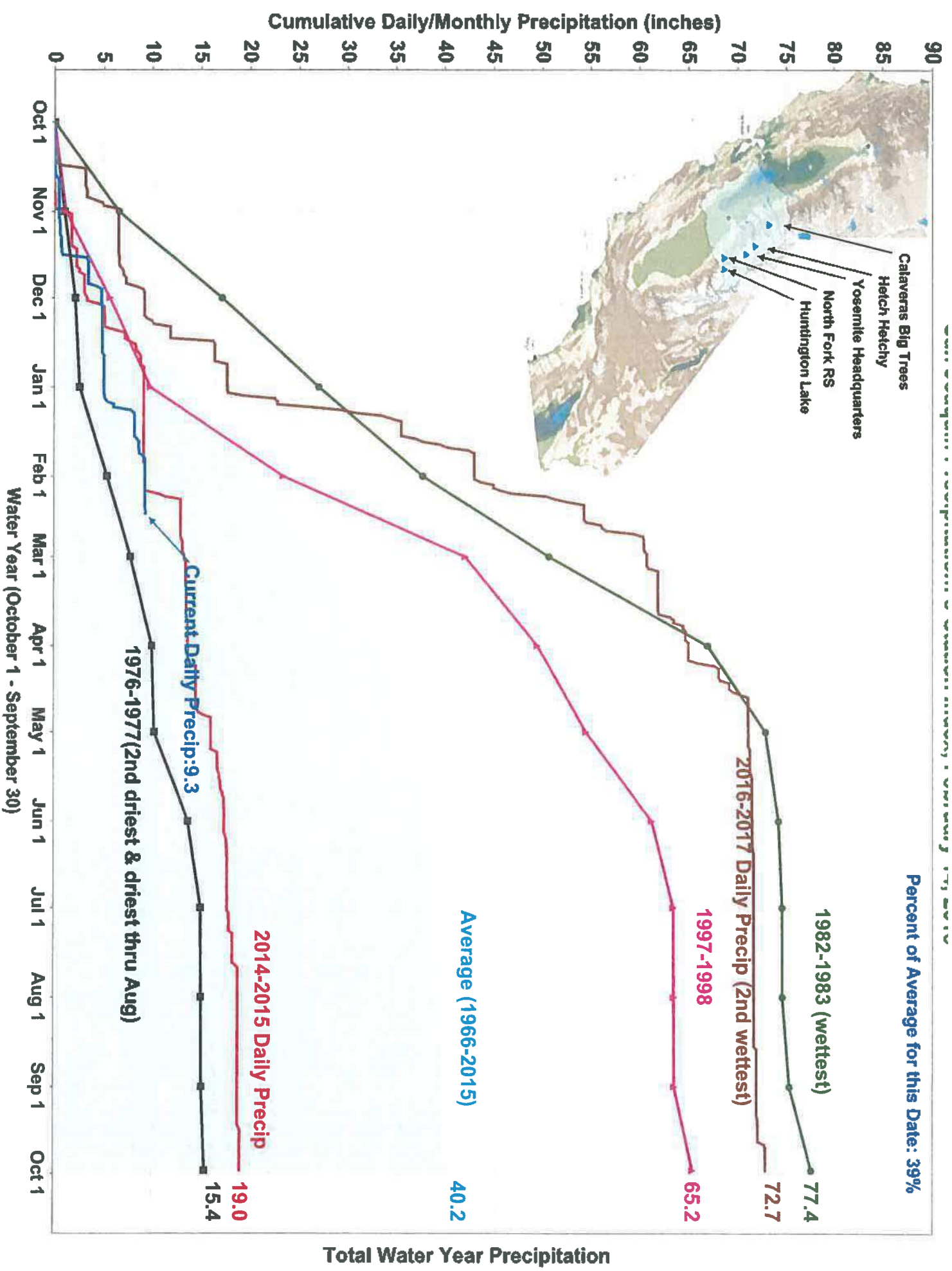
Meanwhile, on February 6, 2018, the State Water Resources Control Board issued a lengthy ruling on motions that had been filed to discontinue the proceedings before the State Board on the application to approve a new point of diversion, north of Sacramento, to deliver water into the proposed tunnels. Also enclosed with this memo are the first two pages of that ruling, which consists of more than 80 pages in total. The bottom line is identified in a paragraph on page two, which states that “we find that no changes to the WaterFix Project had been proposed that would warrant reopening part one or staying part two at this time.” The State Board has determined that the communications between the State Board staff and DWR staff that were the subject of the motions concerned noncontroversial procedural issues or were properly limited in scope to a CEQA consultation, and therefore did not violate law prohibiting ex parte contact. The parties that filed those motions may request reconsideration, or could even file litigation challenging the State Board’s decision in the matter.

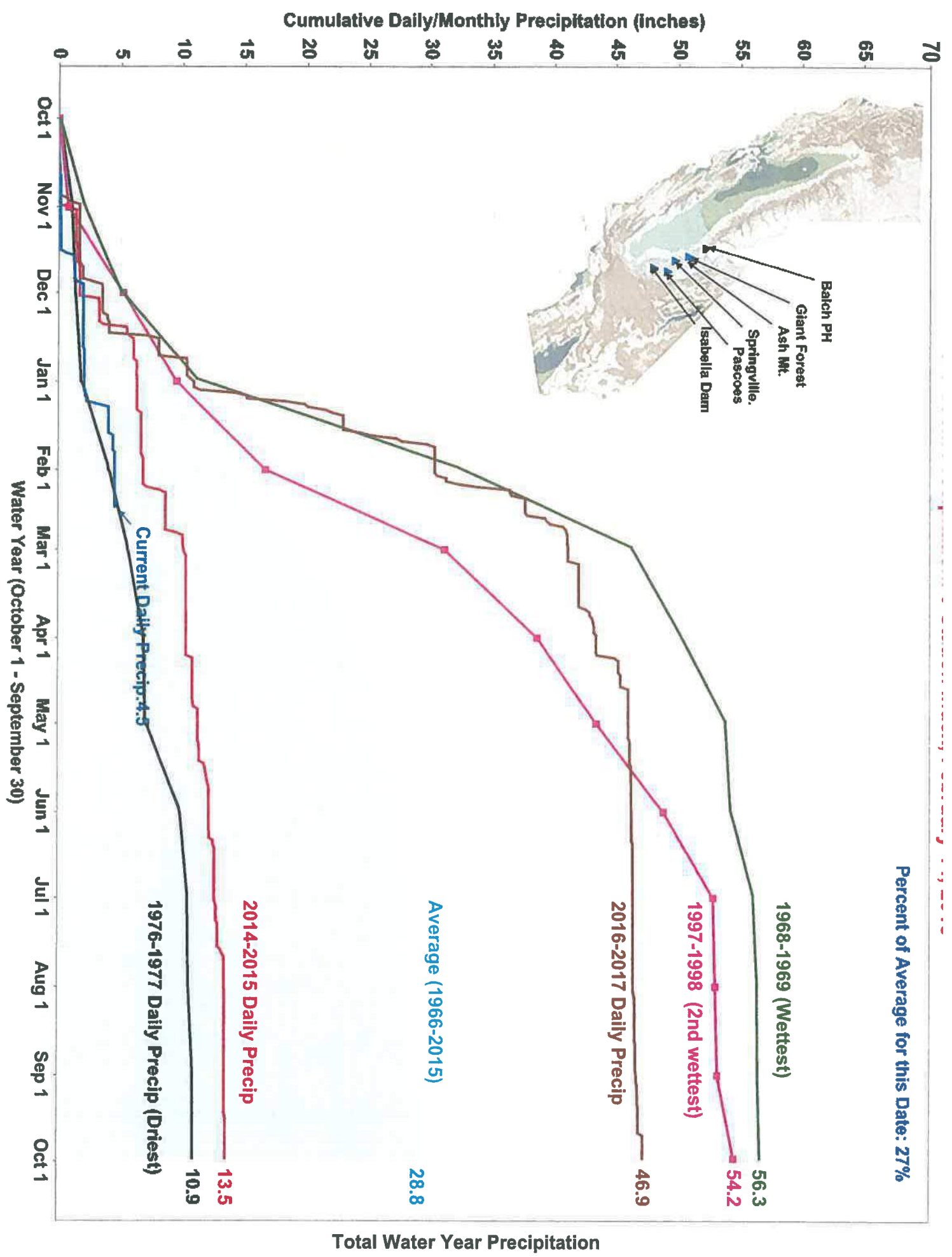
Finally of note, on February 13, 2018 the San Luis and Delta-Mendota Water Authority (i.e., the Federal CVP Contractors) delivered written notice to the Executive Director of the State and Federal Contractors Water Agency that it will withdraw from that joint powers agency as provided in that joint powers agreement. The State and Federal Contractors Water Agency is the joint power agency in which the State and Federal Contractors have joined to conduct science projects in the Delta and to perform habitat restoration projects in the Delta, under contract with DWR. Some habitat restoration projects are currently underway. This action renders it unclear how those projects will be completed, how they will be funded, and whether future contemplated projects will proceed. The State Contractors will need to consider all options and undertake discussions with the Federal Contractors regarding their plans for contributing to the costs. The habitat restoration projects underway do not arise from the tunnel project, but rather from biological opinions that have been issued for current operations. Thus, the Federal Contractors are responsible for their share of those expenses even if they elect not to participate in the WaterFix tunnel project. This action by the Federal Contractors will generate closed session discussions, and some decisions will need to be made. We will share what we can as those discussions proceed.

Michael T. Riddell







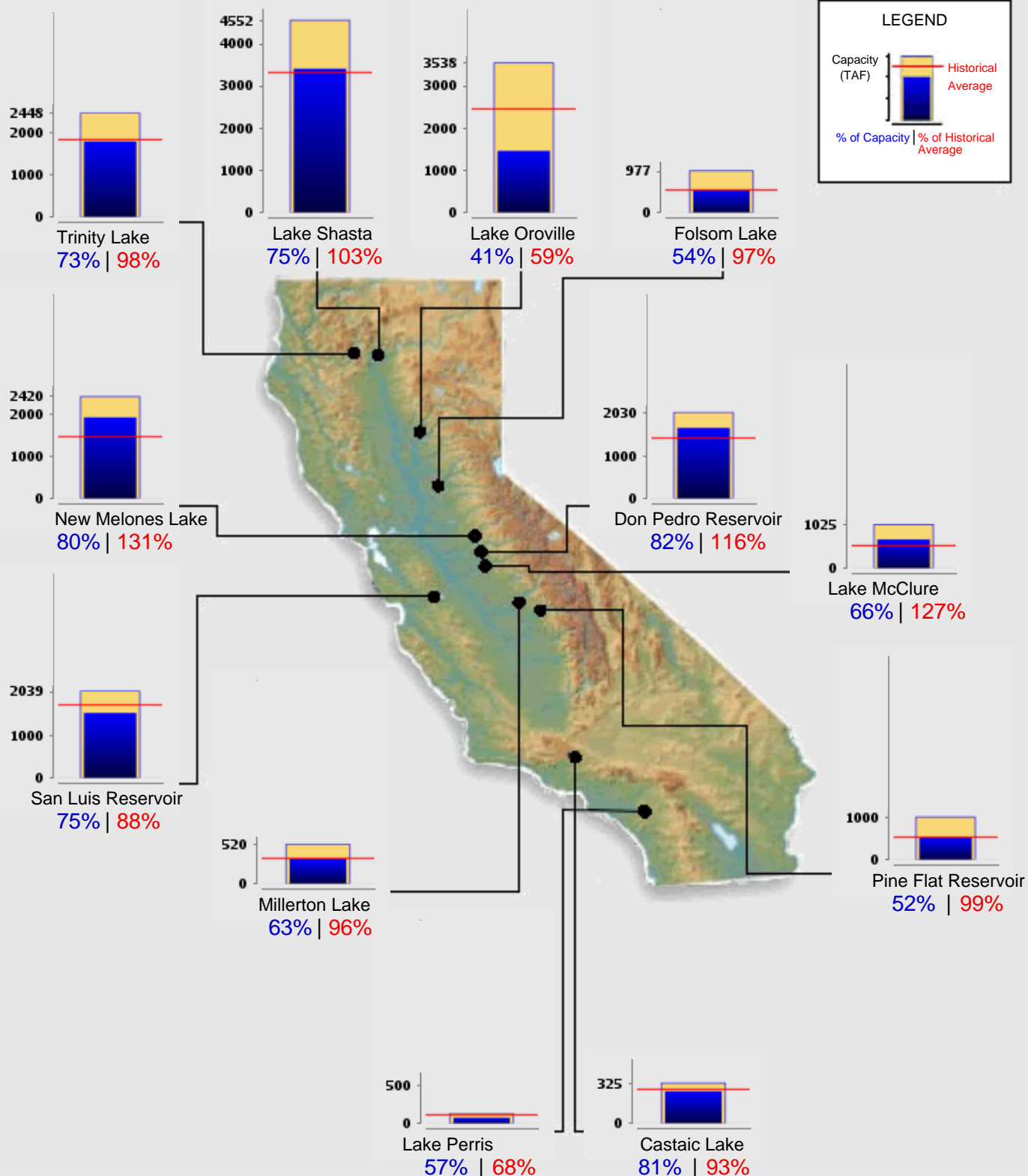




Reservoir Conditions

Ending At Midnight - February 28, 2018

CURRENT RESERVOIR CONDITIONS



DEPARTMENT OF WATER RESOURCES

1416 NINTH STREET, P.O. BOX 942836
SACRAMENTO, CA 94236-0001
(916) 653-5791



February 7, 2018

To: Public Water Agencies Participating in WaterFix

As you know, California WaterFix marked several key milestones in 2017 and the state continues to work to advance the project through the remaining steps needed to begin construction.

Public water agencies that receive water supplies through contracts with the state have expressed their support for WaterFix. In a series of public meetings last fall, twelve of these agencies voted to advance WaterFix because they understand that California's primary supply of clean water for 25 million people and 3 million acres of farmland is increasingly unreliable. They include Santa Clara Valley Water District, Kern County Water Agency, Zone 7 Water Agency, Metropolitan Water District of Southern California, Alameda County Water District, Castaic Lake Water Agency, Coachella Valley Water District, Crestline-Lake Arrowhead Water Agency, San Bernardino Valley Municipal Water District, Desert Water Agency, San Geronio Pass Water Agency and Mojave Water Agency. The state needs a real solution that provides reliable, clean and safe water to California businesses, farms and residents. WaterFix is a critical element of the state's overall strategy to address climate change and ensure a reliable water supply for the future, as outlined in Governor Brown's California Water Action Plan.

As the Department of Water Resources (DWR) has previously stated, the scope of WaterFix ultimately hinges on our partnership with local water agencies and their support for the project. With the support of the public water agencies that contract with the state for their supplies, DWR is proposing to pursue WaterFix as planned, but also take actions that would allow construction to be implemented in stages. Being prepared to implement this option is directly responsive to the stated needs of the participating agencies, and would align project implementation with current funding commitments. It would also allow us to take significant steps toward improving environmental conditions.

Under this approach, DWR proposes to first focus on elements of WaterFix that are consistent with the support expressed by public water agencies. The option for a first stage includes two intakes with a total capacity of 6,000 cubic-feet per second (cfs), one tunnel, one intermediate forebay, and one pumping station.

The second stage would consist of a third intake with 3,000 cfs capacity, a second tunnel, and a second pumping station, which will bring the total project capacity from 6,000 cfs in the first phase to 9,000 cfs capacity in total. If funding for all elements of the currently-proposed WaterFix is not available when construction begins, stage two would begin once additional funding commitments are made from supporting water agencies.

Being prepared and having the option of a staged implementation of WaterFix is prudent, fiscally responsible and meets the needs of the public water agencies funding the project. It would allow work to begin on WaterFix, as soon as all necessary environmental review and permits are complete, which is anticipated near the end of 2018.

The overall cost of WaterFix has not changed, at \$16.3 billion in 2017 dollars (equivalent to \$14.9 billion in 2014 dollars). However, the cost of the option of proceeding with the first stage is \$10.7 billion.

The state is preparing a cost-benefit analysis that will be available soon to provide further information about the economic benefit of protecting a critical source of reliable water supplies for the state and safeguarding decades of public investment in the State Water Project.

Participating public water agencies are expected to bring actions to their respective boards this spring to finalize the necessary agreements and stand up the finance and construction Joint Powers Authorities.

In addition, DWR will fully evaluate the potential environmental impacts of the staged implementation option and expects to issue a draft supplemental Environmental Impact Report in June of 2018, with a final in October 2018. The additional information developed for CEQA will also be used to supplement the Endangered Species Act, Section 7 and California Endangered Species Act, Section 2081 record. DWR does not expect substantial change to the Biological Opinions or Section 2081 Incidental Take Permit issued in 2017. Preliminary modeling indicates that there are no new water quality or aquatic issues related to staging the implementation. DWR expects no changes in impact determinations and no changes to mitigation. Thus, DWR will be able to immediately implement this option, in addition to the project already analyzed under CEQA.

Having worked hard to fix a significant infrastructure and environmental problem, DWR is eager to move forward with you to protect the Delta and our water supplies.



Karla A. Nemeth
Director



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

February 6, 2018

VIA ELECTRONIC MAIL

TO: CURRENT SERVICE LIST

CALIFORNIA WATERFIX HEARING – RULING ON MOTIONS FOR CONTINUANCE

This ruling addresses the outstanding motions for continuance of Part 2 of the hearing in this matter.

On January 12, 2018, Save the California Delta Alliance (SCDA) moved for a continuance of the hearing while the hearing officers address alleged ex parte communications between State Water Resources Control Board (State Water Board or Board) staff and staff and consultants of the Department of Water Resources (hereafter, DWR staff).¹ Deirdre Des Jardins with California Water Research joined the motion in part and added a motion for a “partial conversion” of the proceeding.² Ms. Des Jardins also submitted a separate motion for continuance on January 28, 2018, on grounds similar to those included in SCDA’s motion. On January 15, 2018, County of Sacramento, Sacramento County Water Agency, County of San Joaquin, City of Stockton, Sacramento Regional County Sanitation District, City of Antioch (Antioch), and Local Agencies of the North Delta filed a request for stay or continuance of the hearing pending the production of public records, formal discovery, and a hearing to address the alleged ex parte contacts between State Water Board staff and DWR staff. The request was joined by numerous parties.³ On January 19, 2018, DWR submitted a consolidated opposition to SCDA, et al.’s, and County of Sacramento, et al.’s respective motions for continuance. On February 5, 2018, we received a motion from Patrick Porgans seeking a

¹ South Delta Water Agency and the California Sportfishing Protection Alliance (CSPA) joined the motion. We refer to these moving parties in this ruling collectively as SCDA, et al.

² Restore the Delta, the CSPA, California Water Impact Network (CWIN), AquAlliance, Friends of the River, and Sierra Club California joined Ms. Des Jardins’ motion for partial conversion.

³ The joining parties are: the CSPA, CWIN, and AquAlliance; County of Yolo; Contra Costa County, Contra Costa County Water Agency, and Solano County; South Delta Water Agency, Central Delta Water Agency, Lafayette Ranch, Heritage Lands, Mark Bachetti Farms and Rudy Mussi Investments L.P.; Carter Mutual Water Company, El Dorado Irrigation District, El Dorado Water & Power Authority, Howald Farms, Inc., Maxwell Irrigation District, Natomas Central Mutual Water Company, Meridian Farms Water Company, Oji Brothers Farm, Inc., Oji Family Partnership, Pelger Mutual Water Company, Pleasant-Grove Verona Mutual Water Co., Princeton-Codora-Glenn Irrigation District, Provident Irrigation District, Reclamation District 108, Sacramento Municipal Utility District, Henry D. Richter, et al., River Garden Farms Company, South Sutter Water District, Sutter Extension Water District, Sutter Mutual Water Company, Tisdale Irrigation and Drainage Company, Windswept Land and Livestock Company, North Delta Water Agency, Reclamation District 999, Reclamation District 2060, Reclamation District 2068, Brannan-Andrus Levee Maintenance District, Reclamation District 407, Reclamation District 2067, Reclamation District 317, Reclamation District 551, Reclamation District 563, Reclamation District 150, Reclamation District 2098, Reclamation District 800 (Byron Tract), and Tehama-Colusa Canal Authority and its member districts; Friends of the River and Sierra Club California; Pacific Coast Federation of Fisheries’ Associations and Institute for Fisheries Resources; and Ms. Des Jardins. We refer to these moving parties in this ruling collectively as County of Sacramento, et al.

FELICIA MARCUS, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 | www.waterboards.ca.gov

continuance and entry of alleged ex parte communications into the record on grounds substantially similar to those raised in SCDA, et al.'s motion.

On January 25, 2018, Antioch submitted a separate motion for continuance in which it urged: (1) re-opening Part 1 based on changes to the proposed operational scenario for the WaterFix Project and (2) continuing Part 2 based on reports that DWR and the U.S. Bureau of Reclamation (collectively, Petitioners) are considering modifying the proposed project to comprise one tunnel rather than two.⁴ DWR opposed Antioch et al.'s motion on January 30, 2018. On January 31, 2018, the Natural Resources Defense Council, Defenders of Wildlife, and The Bay Institute (collectively, NRDC, et al.) filed a motion to continue Part 2 based on similar reports that Petitioners were considering a one-tunnel proposal.⁵

On January 17 and 31, 2018, we directed hearing team staff to cancel hearing days prior to February 8, 2018, to give us time to review the procedural motions addressed by this ruling. We have now independently reviewed the motions, joinders, oppositions, and supporting materials.

For the reasons discussed below, we find that no changes to the WaterFix project have been proposed that would warrant re-opening Part 1 or staying Part 2 at this time. Further, we find that the communications between State Water Board staff and DWR staff that are the subject of the motions either concerned non-controversial, procedural issues or were properly limited in scope to California Environmental Quality Act (CEQA) consultation between lead agency and responsible agency to ensure analysis of an adequate range of alternatives. We find that those communications did not violate the law prohibiting ex parte contacts, nor are the communications evidence of an unacceptable risk of bias that would warrant disqualification of hearing team members or the decision-makers in this proceeding. Finally, the possibility that grounds for a stay or other procedural steps could be found in responses to pending Public Records Act (PRA) requests does not justify granting a stay now. Therefore, all motions addressed by this ruling are denied.

MOTIONS FOR CONTINUANCE BASED ON CHANGES TO THE PROPOSED PROJECT

1. No Modification Has Been Proposed That Would Warrant a Continuance

Based on reports that Petitioners are in negotiations that could result in a modification of the proposed WaterFix project to consist of one tunnel rather than two, Antioch, et al., argue that a stay is warranted until Petitioners (1) "fully commit" to either two tunnels or one; and (2) if the latter, fully analyze and model the impacts of the one-tunnel project. NRDC, et al., similarly argue that a project that delays construction of one of the proposed intakes for an unspecified amount of time would necessarily result in distinct impacts compared to the three-intake, two-tunnel project currently proposed by DWR. Neither moving party provides support for its assertion that DWR now "intends" to switch to a

⁴ Local Agencies of the North Delta, Bogle Vineyards / Delta Watershed Landowner Coalition, Diablo Vineyards and Brad Lange / Delta Watershed Landowner Coalition, Stillwater Orchards / Delta Watershed Landowner Coalition, County of San Joaquin, San Joaquin County Flood Control and Water Conservation District, Mokelumne River Water and Power Authority, City of Stockton, South Delta Water Agency, Central Delta Water Agency, Lafayette Ranch, Heritage Lands, Mark Bachetti Farms, Rudy Mussi Investments, L.P., CSPA, CWIN, AquAlliance, Sacramento Regional County Sanitation District, Friends of the River, Sierra Club California, Contra Costa County, Contra Costa County Water Agency, Solano County, City of Folsom, City of Roseville, San Juan Water District, and Sacramento Suburban Water District joined in Antioch's motion. We refer to Antioch and these moving parties collectively as Antioch, et al., in this ruling.

⁵ Restore the Delta, CSPA, CWIN, and AquAlliance joined NRDC, et. al.'s motion.

San Luis & Delta-Mendota Water Authority



P.O. Box 2157
Los Banos, CA 93635
Phone: (209) 826-9696
Fax: (209) 826-9698

February 13, 2018

Bruce DiGennaro
Executive Director
State and Federal Water Contractors Agency
1121 L Street, Suite 806
Sacramento, Ca 95814

Re: Notice of Withdrawal from the State and Federal Contractors Water Agency

Dear Mr. DiGennaro:

The San Luis & Delta-Mendota Water Authority ("Water Authority") greatly appreciates the contributions of the State and Federal Contractors Water Agency ("SFCWA") to the science of the Sacramento-San Joaquin Bay-Delta system. The Water Authority's investment in SFCWA has been valuable. However, at this time, the Water Authority has decided to focus its investment in science on studies and program it administers directly or through partnerships the Water Authority develops with other entities. As a result, **the Water Authority hereby provides written notice of its intent to withdraw from the August 19, 2009 Joint Powers Agreement Forming the State and Federal Water Contractors Agency ("SFWCA Agreement").**

The Water Authority provides this notice pursuant to Section 15.2 of the SFWCA Agreement, which provides that "[a] Member may unilaterally withdraw from this Agreement without causing or requiring termination of this Agreement, effective upon sixty (60) days' written notice to the Executive Director." The Authority reserves its right to withdraw this notice within the 60-day notice period without waiving any of its rights under the SFWCA Agreement.

The SFCWA Agreement provides in relevant part:

15.3.1 A Party whose membership has been terminated or who withdraws shall remain obligated to pay its share of all debts, liabilities and obligations of the Agency incurred or accrued prior to the effective date of such termination or withdrawal other than debts, liabilities and obligations incurred pursuant to any Project Agreement to which the withdrawing or terminating Member is not a participant.

15.3.2 In the event the Party whose membership has been terminated or who withdraws has any rights in any Conservation Measures or obligations to the Agency, the Party cannot sell, lease, or transfer such rights or be relieved of its obligations, except in accordance with a written agreement executed between it and the Agency.

15.3.3 The refund or repayment of any other contribution [contributions other than the initial commitment] shall be made in accordance with the terms and conditions upon

Mr. Bruce DiGennaro
February 13, 2018
Page 2

which the contribution was made, or other agreement of the Agency and withdrawing Member.

Over the course of the 60-day notice period, the Water Authority intends to work with SFWCA to reach agreement on: (1) any refund or repayment of contributions to which the Water Authority is entitled, pursuant to section 15.3.1; (2) the Water Authority's sale, lease, or transfer any rights it has in any Conservation Measures or any obligations to SFWCA, pursuant to section 15.3.2; and (3) any debts, liabilities and obligations that the Authority may owe, pursuant to section 15.3.3.

Regards,

A handwritten signature in dark ink, appearing to read "Jon Rubin", is written over a horizontal line.

Jon Rubin
Interim Executive Director and General Counsel

cc: Thomas Birmingham, WWD
Curtis Creel, KCWA
Jeff Kightlinger, MWD
Jennifer Pierre, SWC
Norma Camacho, SCVWD

Desert Water Agency
2017-18 Regular Session, Second Year - Wednesday, February 28, 2018

AB 1668 (Friedman D) Water management planning.

Current Text: Amended: 9/8/2017 [html](#) [pdf](#)

Introduced: 2/17/2017

Last Amend: 9/8/2017

Status: 9/15/2017-From committee: Do pass and re-refer to Com. on RLS. (Ayes 5. Noes 0.) (September 15). Re-referred to Com. on RLS.

Is Urgency: N

Is Fiscal: Y

Location: 9/15/2017-S. RLS.

Summary: (1)Existing law requires the state to achieve a 20% reduction in urban per capita water use in California by December 31, 2020. Existing law requires each urban retail water supplier to develop urban water use targets and an interim urban water use target, as specified. This bill would require the State Water Resources Control Board, in coordination with the Department of Water Resources, to adopt long-term standards for the efficient use of water, as provided, and performance measures for commercial, industrial, and institutional water use on or before June 30, 2021. The bill would require the department, in coordination with the board, to conduct necessary studies and investigations and make recommendations, no later than October 1, 2020, for purposes of these standards and performance measures. The bill, until January 1, 2025, would establish 55 gallons per capita daily as the standard for indoor residential water use, beginning January 1, 2025, would establish 52.5 gallons per capita daily as the standard for indoor residential water use, and beginning January 1, 2030, would establish 50 gallons per capita daily as the standard for indoor residential water use. The bill would require the department, in coordination with the board, to conduct necessary studies and investigations to jointly recommend to the Legislature a standard for indoor residential water use that more appropriately reflects best practices. The bill would impose civil liability for a violation of an order or regulation issued pursuant to these provisions, as specified. This bill contains other related provisions and other existing laws.

Laws: An act to amend Sections 531.10, 1120, 10608.12, 10608.20, 10608.48, 10801, 10802, 10814, 10817, 10820, 10825, 10826, 10843, 10845, and 10910 of, to add Sections 1846.5 and 10826.2 to, and to add Chapter 9 (commencing with Section 10609) and Chapter 10 (commencing with Section 10609.40) to Part 2.55 of Division 6 of, the Water Code, relating to water.

Notes 1: This bill is one of two successor bills to legislation introduced last year in response to the draft document released last November titled "Making Water Conservation a California Way of Life" that would implement Governor Brown's Executive Order B-37-16. The report was released in its final form in April 2017.

This bill would require the State Water Resources Control Board, in coordination with the Department of Water Resources, to adopt long-term standards for the efficient use of water and performance measures for commercial, industrial, and institutional water use on or before June 30, 2021. The bill would require the department, in coordination with the board, to conduct necessary studies and investigations and make recommendations, no later than October 1, 2020, for purposes of these standards and performance measures. The bill, until January 1, 2025, would establish 55 gallons per capita daily as the standard for indoor residential water use, beginning January 1, 2025, would establish 52.5 gallons per capita daily as the standard for indoor residential water use, and beginning January 1, 2030, would establish 50 gallons per capita daily as the standard for indoor residential water use. The bill would require the department, in coordination with the board, to conduct necessary studies and investigations to jointly recommend to the Legislature a standard for indoor residential water use that more appropriately reflects best practices. The bill would impose civil liability on an urban retail water supplier for a violation of an order or regulation issued by the State Water Resources Control Board, as specified.

This bill would establish standards and practices for the following water uses: (A) Indoor residential use; (B) Outdoor residential use; (C) Commercial, industrial and institutional (CII) water use; and (D) Water losses.

The department, in coordination with the board, would be required to conduct necessary studies and investigations and, no later than October 1, 2020, recommend for adoption by the board in accordance with this chapter appropriate variances for unique uses that can have a material effect on an urban retail water supplier's urban water use objective. The adoption of variances by the board is not mandatory. Of interest to the Agency, appropriate variances may include the significant use of evaporative coolers.

The department, in coordination with the board, would be required to conduct necessary studies and

investigations and recommend, no later than October 1, 2020, guidelines and methodologies for the board to adopt that identify how an urban retail water supplier calculates its urban water use objective. The guidelines and methodologies shall address, as necessary, all of the following: (a) Determining the irrigable lands within the urban retail water supplier's service area; (b) Updating and revising methodologies for calculating the population in an urban retail water supplier's service area using landscape area data provided by the department or alternative data; (d) Incorporating precipitation data and climate data into estimates of a urban retail water supplier's outdoor irrigation budget for its urban water use objective; (e) Estimating changes in outdoor landscape area and population, and calculating the urban water use objective, for years when updated landscape imagery is not available from the department.; and (f) Determining acceptable levels of accuracy for the supporting data and the urban water use objective.

AB 1668 is currently in the Senate Rules Committee. The Senate Natural Resources & Water Committee and the Senate and Assembly authors' staff hosted listening sessions last December on four topics, including the Model Water Efficient Landscaping Ordinance, CII water audits and performance measures, variances, and the timing and burden imposed on public water systems to report to state agencies. The purpose of the listening sessions, according to session hosts, was to give those entities with concerns regarding this bill and its companion measure--SB 606--an opportunity to share their perspectives in a less formal forum. The topics were selected by the committee and authors' staffs.

The authors have settled on amendments to both AB 1668 and SB 606, but have not yet shared them with ACWA and member agencies that remain opposed to the bills. A budget trailer bill remains an option for seeking passage of these new mandates, according to the representatives of the Brown Administration.

I have included in the legislative report materials a 2-page document that summarizes the concerns held by the Agency and other ACWA and California Municipal Utilities Association members that remain opposed to AB 1668 and SB 606.

Current Position: Oppose unless Amended

Recommended Position: Oppose unless Amended

AB 1750 (McCarty D) Elected officials: sexual harassment settlement agreements: liability.

Current Text: Introduced: 1/3/2018 [html](#) [pdf](#)

Introduced: 1/3/2018

Status: 1/4/2018-From printer. May be heard in committee February 3.

Is Urgency: N

Is Fiscal: N

Location: 1/3/2018-A. PRINT

Summary: The Government Claims Act governs the liability and immunity of public entities and their officers and employees, claims and actions against public entities and their officers and employees, insurance indemnification, and the defense of public officers and employees. This bill would express the intent of the Legislature to enact legislation that would require an elected official to reimburse a public entity that pays any compromise or settlement of a claim or action involving conduct that constitutes sexual harassment, if an investigation reveals evidence supporting the claim of sexual harassment against the elected official.

Laws: An act relating to elected officials.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--elected officials and civil settlements.

Current Position: Not Yet Considered

Recommended Position: Watch

AB 1876 (Frazier D) Sacramento-San Joaquin Delta: Delta Stewardship Council.

Current Text: Introduced: 1/16/2018 [html](#) [pdf](#)

Introduced: 1/16/2018

Status: 1/29/2018-Referred to Com. on W., P., & W.

Is Urgency: N

Is Fiscal: Y

Location: 1/29/2018-A. W., P. & W.

Summary: Existing law, the Sacramento-San Joaquin Delta Reform Act of 2009, establishes the Delta Stewardship Council, which consists of 7 members, and requires the council to develop, adopt, and

commence implementation of a comprehensive management plan for the Delta, known as the Delta Plan. This bill would increase the membership of the council to 13 members, including 11 voting members and 2 nonvoting members, as specified. By imposing new duties upon local officials to appoint new members to the council, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Laws: An act to amend Section 85200 of, and to add Sections 85061, 85066.5, and 85200.5 to, the Water Code, relating to the Sacramento-San Joaquin Delta.

Notes 1: This bill is identical to AB 792, from last year, by the same author. The Agency and other State Water Contractor members opposed that legislation.

This bill would alter the composition of the Delta Stewardship Council board, which was created in 2009 and was carefully crafted to be as balanced a board as possible given the roles and responsibilities provided to the Council. The Council is made up of seven members who provide a broad, statewide perspective and diverse expertise. In addition, they are advised by a 10-member board of nationally and internationally renowned scientists. The Council was created to advance the state's coequal goals for the Delta – a more reliable statewide water supply and a healthy and protected ecosystem, both achieved in a manner that protects and enhances the unique characteristics of the Delta as an evolving place.

To do this, the Act required that the Council develop an enforceable long-term sustainable management plan for the Delta to ensure coordinated action at the federal, state, and local levels. The Delta Plan, adopted in 2013, includes both regulatory policies and non-binding recommendations. California WaterFix is subject to the review of the Council, which must determine whether construction and operation of the project is consistent with the Delta Plan.

This bill would alter the makeup of the Council and shift the balance heavily to the favor of Delta area local elected officials who oppose California WaterFix.

Current Position: Not Yet Considered

Recommended Position: Oppose

AB 2042 (Steinorth R) Residential graywater reuse systems: incentives.

Current Text: Introduced: 2/6/2018 [html](#) [pdf](#)

Introduced: 2/6/2018

Status: 2/7/2018-From printer. May be heard in committee March 9.

Is Urgency: N

Is Fiscal: N

Location: 2/6/2018-A. PRINT

Summary: Under existing law, graywater is defined as untreated wastewater that has not been contaminated by any toilet discharge, has not been affected by infectious, contaminated, or unhealthy bodily wastes, and does not present a threat from contamination, as specified. Existing law requires the Department of Water Resources, in consultation with specified entities, to adopt standards for the installation of graywater systems for, among other things, residential buildings. This bill would express the intent of the Legislature to enact legislation to extend financial incentives to single-family and multi-family homeowners to incentivize the purchase of residential graywater reuse systems.

Laws: An act relating to water.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--incentivizing the installation of onsite wastewater treatment systems.

Current Position: Not Yet Considered

Recommended Position: Watch

AB 2060 (Garcia, Eduardo D) Water: grants: advanced payments.

Current Text: Introduced: 2/6/2018 [html](#) [pdf](#)

Introduced: 2/6/2018

Status: 2/22/2018-Referred to Coms. on W., P., & W. and E.S. & T.M.

Is Urgency: N

Is Fiscal: Y

Location: 2/22/2018-A. W., P. & W.

Calendar: 3/20/2018 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

Summary: (1)Existing law, the Integrated Regional Water Management Planning Act, authorizes a regional water management group to prepare and adopt an integrated regional water management plan with specified components relating to water supply and water quality. Existing law provides that an integrated regional water management plan is eligible for funding allocated specifically for implementation of integrated regional water management. Existing law requires a regional water management group, within 90 days of notice that a grant has been awarded, to provide the Department of Water Resources with a list of projects to be funded by the grant funds where the project proponent is a nonprofit organization or a disadvantaged community, or the project benefits a disadvantaged community. Existing law requires the department, within 60 days of receiving the project information, to provide advanced payment of 50% of the grant award for those projects that satisfy specified criteria, including that the grant award for the project is less than \$1,000,000 and requires the advanced funds to be handled as prescribed. Existing law repeals these advanced payment provisions on January 1, 2025. This bill would instead require the department to provide advanced payment for those projects of \$500,000 or 50% of the grant award, whichever is less. The bill would eliminate the requirement that the grant award for the project be less than \$1,000,000 to obtain advanced payment. The bill would eliminate the repeal of these advanced payment provisions. This bill contains other related provisions and other existing laws.

Laws: An act to amend Sections 10551 and 13477.6 of, to add Section 79724.5 to, and to repeal Section 10552 of, the Water Code, relating to water.

Notes 1: One of the benefits of the state's integrated regional water management program is that public, private and nonprofit organizations can work collaboratively to address regional infrastructural challenges and secure state grants to help offset the cost of such infrastructure. Financial and project delivery challenges arise, however, when individual projects are targeted to benefit disadvantaged communities. The latter lack the financial wherewithal to advance project funding ahead of state financial reimbursements. This, in turn, creates a disincentive for entities in the regional water management group to participate in regional planning and project delivery--even when they may be in a stronger financial position and able to contribute funding early in the planning and construction process while waiting for reimbursement.

The Agency participates in the Coachella Valley Regional Water Management Group and supported prior legislation that authorized DWR and the State Board to advance funds to IRWM projects that benefit disadvantaged communities. This bill would eliminate a sunset provision related to that authority and would provide greater flexibility to secure advanced payment and the processing of payment claims.

Current Position: Not Yet Considered

Recommended Position: Favor

AB 2064 (Gloria D) Integrated regional water management plans: grants: advanced payment.

Current Text: Introduced: 2/7/2018 [html](#) [pdf](#)

Introduced: 2/7/2018

Status: 2/16/2018-Referred to Com. on W.,P., & W.

Is Urgency: N

Is Fiscal: Y

Location: 2/16/2018-A. W.,P. & W.

Summary: Existing law, the Integrated Regional Water Management Planning Act, authorizes a regional water management group to prepare and adopt an integrated regional water management plan with specified components relating to water supply and water quality. Existing law provides that an integrated regional water management plan is eligible for funding allocated specifically for implementation of integrated regional water management. The bill, until January 1, 2025, would require a project proponent, upon completion of the first one-half of a project receiving an above-described grant award, to provide a first one-half project accountability report to the department that reports the completion of objectives for the first one-half of the project and documents the expenditure and use of advanced grant funds. The bill would require the department to provide advanced payment of the remaining grant award within 60 days of receiving the report if the project meets certain criteria. The bill would authorize the department to withhold up to 10% of the remaining advanced grant award as retention proceeds that the department is required to release fully to the project proponent upon verification by the department of project completion. The bill would require a project proponent to submit a final project accountability report to the department upon completion of the project. This bill contains other existing laws.

Laws: An act to add Section 10551.5 to the Water Code, relating to water.

Notes 1: One of the benefits of the state's integrated regional water management program is that public, private and nonprofit organizations can work collaboratively to address regional infrastructure challenges and secure state grants to help offset the cost of such infrastructure. Financial and project delivery challenges arise, however, when individual projects are targeted to benefit disadvantaged communities. The latter lack the financial wherewithal to advance project funding ahead of state financial reimbursements. This, in turn, creates a disincentive for entities in the regional water management group to participate in regional planning and project delivery--even when they may be in a stronger financial position and able to contribute funding early in the planning and construction process while waiting for reimbursement.

The Agency participates in the Coachella Valley Regional Water Management Group and supported prior legislation that authorized DWR and the State Board to advance funds to IRWM projects that benefit disadvantaged communities. This bill among its several provisions would impose a requirement for the state administering agency to release remaining grant funds following a specified progress report. The bill would require two new project accountability reports to be prepared and delivered by the project applicant. The bill also would allow the state administering agency to retain 10 percent of the total grant amount until it determines that the project is complete.

The provisions of the bill present several concerns. First, the scope of the two reports is not specified and therefore it is unclear what if any information is needed. Generally, a project funding agreement will specify the information that is required to release payments. The requirement to prepare two reports on top of the project funding agreement requirements seems unnecessary. Second, it appears that the funding recipient would be responsible for paying for the costs related to the reports. Finally, California law limits retention proceeds for local agencies to 5 percent. The retention provisions in this bill should be the same.

Current Position: Not Yet Considered

Recommended Position: Not Favor Unless Amended

AB 2241 (Rubio D) Sustainable water use and demand reduction: legislative findings and declarations.

Current Text: Introduced: 2/13/2018 [html](#) [pdf](#)

Introduced: 2/13/2018

Status: 2/14/2018-From printer. May be heard in committee March 16.

Is Urgency: N

Is Fiscal: N

Location: 2/13/2018-A. PRINT

Summary: Existing law requires the State Water Resources Board to implement and administer various water conservation and demand reduction programs in the state. Existing law makes legislative findings and declarations regarding the need to reduce urban water use statewide by 20% and to effectively measure a water supplier's efforts to reduce urban water use in its service area. This bill would make nonsubstantive changes in those legislative findings and declarations.

Laws: An act to amend Section 10608 of the Water Code, relating to water.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--water conservation and urban water suppliers.

Current Position: Not Yet Considered

Recommended Position: Watch

AB 2242 (Rubio D) Urban water management planning.

Current Text: Introduced: 2/13/2018 [html](#) [pdf](#)

Introduced: 2/13/2018

Status: 2/14/2018-From printer. May be heard in committee March 16.

Is Urgency: N

Is Fiscal: N

Location: 2/13/2018-A. PRINT

Summary: Existing law declares that certain provisions relating to urban water management planning are 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. Existing law makes related legislative findings and declarations. This bill would make a nonsubstantive change in those findings and declarations.

Laws: An act to amend Section 10610.2 of the Water Code, relating to water.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--urban water management planning.

Current Position: Not Yet Considered

Recommended Position: Watch

AB 2249 (Cooley D) Public contracts: local agencies: alternative procedure.

Current Text: Introduced: 2/13/2018 [html](#) [pdf](#)

Introduced: 2/13/2018

Status: 2/14/2018-From printer. May be heard in committee March 16.

Is Urgency: N

Is Fiscal: N

Location: 2/13/2018-A. PRINT

Summary: The Uniform Public Construction Cost Accounting Act authorizes a public agency, whose governing board has by resolution elected, to become subject to uniform construction cost accounting procedures. Existing law declares that these procedures promote statewide uniformity of the cost accounting standards and bidding procedures on construction work performed or contracted by public entities. The act defines "public agency" as a city, county, city and county, including chartered cities and chartered counties, any special district, and any other agency of the state for the local performance of governmental or proprietary functions within limited boundaries, and also includes a nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency. The act authorizes public projects of \$45,000 or less to be performed by the employees of a public agency, authorizes public projects of \$175,000 or less to be let to contract by informal procedures, and requires public projects of more than \$175,000 to be let to contract by formal bidding procedures. This bill would instead authorize public projects of \$60,000 or less to be performed by the employees of a public agency, authorize public projects of \$200,000 or less to be let to contract by informal procedures, and require public projects of more than \$200,000 to be let to contract by formal bidding procedures.

Laws: An act to amend Section 22032 of the Public Contract Code, relating to public contracts.

Notes 1: This bill increases the statutory ceilings for local agencies that rely on project construction authority granted under the Construction Cost Accounting Act. The Agency has chosen to come under the provisions of the Act. The Act authorizes public projects of \$45,000 or less to be performed by the employees of a public agency, authorizes public projects of \$175,000 or less to be let to contract by informal procedures, and requires public projects of more than \$175,000 to be let to contract by formal bidding procedures. These amounts are usually greater than amounts that may be specified in the principal act of any particular local agency.

This bill would instead authorize public projects of \$60,000 or less to be performed by the employees of a public agency, authorize public projects of \$200,000 or less to be let to contract by informal procedures, and require public projects of more than \$200,000 to be let to contract by formal bidding procedures. It would provide greater flexibility in project delivery decisions that are currently available to the Agency under the Act.

Current Position: Not Yet Considered

Recommended Position: Support

AB 2266 (Bigelow R) Urban water management planning.

Current Text: Introduced: 2/13/2018 [html](#) [pdf](#)

Introduced: 2/13/2018

Status: 2/14/2018-From printer. May be heard in committee March 16.

Is Urgency: N

Is Fiscal: N

Location: 2/13/2018-A. PRINT

Summary: Existing law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan and to update its plan once every 5 years on or before December 31 in years ending in 5 and zero, except as specified. Existing law declares that these provisions relating to urban water management planning are intended to provide assistance to water agencies in carrying out their long-term resource planning responsibilities to ensure adequate water supplies meet existing and future demands for water. Existing law makes related legislative findings and declarations. This bill would make a nonsubstantive change in those findings and declarations.

Laws: An act to amend Section 10610.2 of the Water Code, relating to water.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--urban water management planning.

Current Position: Not Yet Considered

Recommended Position: Watch

AB 2283 (Holden D) Income taxes: exclusion: turf removal water conservation program.

Current Text: Introduced: 2/13/2018 [html](#) [pdf](#)

Introduced: 2/13/2018

Status: 2/14/2018-From printer. May be heard in committee March 16.

Is Urgency: Y

Is Fiscal: Y

Location: 2/13/2018-A. PRINT

Summary: The Personal Income Tax Law and the Corporation Tax Law, for taxable years beginning on or after January 1, 2014, and before January 1, 2019, provide an exclusion from gross income for any amount received as a rebate, voucher, or other financial incentive issued by a local water agency or supplier for participation in a turf removal water conservation program. This bill would extend the operation of those provisions to January 1, 2024. This bill contains other related provisions.

Laws: An act to amend Sections 17138.2 and 24308.2 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

Notes 1: The Agency currently offers a turf buy-back program for its customers based on funding made available in the annual budget. The Agency offers a \$1 per square foot rebate. Artificial turf can be counted as "plant cover". Back yards are not eligible. Rebates from the Agency are considered taxable income by the IRS, but they are presently exempt from California income taxation. This bill would extend a pending 2019 sunset of the law providing the state income tax exemption until 2024.

Treatment of Agency rebates as taxable income may provide a disincentive for some Agency customers to participate in the turf buy-back program. The Agency supported prior legislation that established the state income tax exemption.

Current Position: Not Yet Considered

Recommended Position: Support

AB 2371 (Carrillo D) Water use sustainability: irrigation.

Current Text: Introduced: 2/14/2018 [html](#) [pdf](#)

Introduced: 2/14/2018

Status: 2/15/2018-From printer. May be heard in committee March 17.

Is Urgency: N

Is Fiscal: N

Location: 2/14/2018-A. PRINT

Summary: Existing law, the Water Conservation in Landscaping Act, requires the Department of Water Resources to update its model water-efficient landscape ordinance by regulation and prescribes various requirements for the updated model ordinance. This bill would state the intent of the Legislature to enact legislation that would improve water use sustainability in California's outdoor irrigation practices.

Laws: An act relating to water.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--outdoor irrigation standards.

Current Position: Not Yet Considered

Recommended Position: Watch

AB 2543 (Eggman D) State agencies: infrastructure project budget and schedule: report.

Current Text: Introduced: 2/15/2018 [html](#) [pdf](#)

Introduced: 2/15/2018

Status: 2/16/2018-From printer. May be heard in committee March 18.

Is Urgency: N

Is Fiscal: Y

Location: 2/15/2018-A. PRINT

Summary: Existing law, on order of the Governor, requires the head of each state agency to make a report to the Governor giving an account of all matters pertaining to the agency during the period specified by the Governor. This bill would require each state agency or department authorized to undertake large and complex infrastructure projects to develop and implement a policy for publicly reporting any significant change in the cost or schedule of a large and complex infrastructure project that would result in the project exceeding its projected budget by 10 percent or more or being delayed by 12 months or longer. The bill would require that the report include documentation and an explanation justifying a decision to proceed with the large and complex infrastructure project. The bill would also require the policy to require that the state agency or department provide a copy of this report to each appropriate policy committee of the Legislature.

Laws: An act to add Section 11093.7 to the Government Code, relating to state government.

Notes 1: This legislation, which is authored and coauthored by legislators who represent portions of the Sacramento-San Joaquin Delta, targets California WaterFix although the tunnel project is not identified by name. While an open and transparent project delivery process is important for public agencies and their customers, the provisions of this bill present several concerns.

First, the particular chapter in the Government Code in which the provisions of this bill would be added do not include a definition of what constitutes a "large and complex project." Second, the bill uses the term "projected costs" but does not provide any specificity regarding the time within the project delivery process to which its provisions may apply. Projected costs can be identified in the alternatives analysis phase, planning phase, in the environmental review phase (when mitigation costs or design changes may surface), or during debt issuance or contract execution. The bill also does not specify whether the 10 percent cost overrun is in excess of any contingency funding that has been set aside. Also, large and complex infrastructure projects are likely to require change orders during the construction process. Construction contracts set forth specific procedures for addressing change order requests by both the public agency and the contractor. Such changes should not be further scrutinized in the report that would be required by the provisions of this bill.

Finally, the requirement that the report must include an explanation justifying a decision to proceed with the large and complex infrastructure project is not necessary. A project that is under construction is not likely to be abandoned; even the High Speed Rail Project--a large and complex infrastructure project--proceeds with no financial plan and construction of an initial segment that critics have labeled "the train to nowhere" (apologies to our friends in Hanford...).

Current Position: Not Yet Considered

Recommended Position: Not Favor

AB 2649 (Arambula D) Groundwater recharge.

Current Text: Introduced: 2/15/2018 [html](#) [pdf](#)

Introduced: 2/15/2018

Status: 2/16/2018-From printer. May be heard in committee March 18.

Is Urgency: N

Is Fiscal: N

Location: 2/15/2018-A. PRINT

Summary: Under existing law, the right to water or to the use of water is limited to that amount of water that may be reasonably required for the beneficial use to be served. Existing law provides 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 state the intent of the Legislature to enact legislation to increase groundwater recharge.

Laws: An act relating to water.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--groundwater recharge.

Current Position: Not Yet Considered

Recommended Position: Watch

[AB 2692](#) (Arambula D) Water: infrastructure funding.

Current Text: Introduced: 2/15/2018 [html](#) [pdf](#)

Introduced: 2/15/2018

Status: 2/16/2018-From printer. May be heard in committee March 18.

Is Urgency: N

Is Fiscal: N

Location: 2/15/2018-A. PRINT

Summary: Under existing law, various measures, including legislative and initiative general obligation bond acts and budget act appropriations, provide funding for water resources projects, facilities, and programs. This bill would state the intent of the Legislature to enact legislation to establish a permanent source of water infrastructure funding.

Laws: An act relating to water.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter.

Current Position: Not Yet Considered

Recommended Position: Watch

[AB 3024](#) (Nazarian D) City streets and highways.

Current Text: Introduced: 2/16/2018 [html](#) [pdf](#)

Introduced: 2/16/2018

Status: 2/17/2018-From printer. May be heard in committee March 19.

Is Urgency: N

Is Fiscal: N

Location: 2/16/2018-A. PRINT

Summary: Existing law authorizes the legislative body of a city to do any and all things necessary to lay out, acquire, and construct any section or portion of any street or highway within its jurisdiction as a freeway and to make any existing street or highway a freeway. This bill would make nonsubstantive changes to this provision.

Laws: An act to amend Section 1800 of the Streets and Highways Code, relating to streets and highways.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--streets and highways, which overlie Agency pipeline distribution and collection systems.

Current Position: Not Yet Considered

Recommended Position: Watch

[AB 3034](#) (Low D) Public contracts.

Current Text: Introduced: 2/16/2018 [html](#) [pdf](#)

Introduced: 2/16/2018

Status: 2/17/2018-From printer. May be heard in committee March 19.

Is Urgency: N

Is Fiscal: N

Location: 2/16/2018-A. PRINT

Summary: Existing law requires specified records to be maintained with respect to public work and public purchases. Existing law makes those provisions inapplicable to maintenance work, work occasioned by emergency, and work costing less than \$15,000. This bill would make a nonsubstantive change to this provision.

Laws: An act to amend Section 4000 of the Government Code, relating to public contracts.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--public contracts. This bill would amend a chapter in the

Government Code relating to accounting for costs for a public works project, defined as including the construction of any bridge, road, street, highway, ditch, canal, dam, tunnel, excavation, building or structure within the State by day's labor or force account. The Agency is covered under this Government Code chapter as are all other local agencies and political subdivisions of the state.

Current Position: Not Yet Considered

Recommended Position: Watch

AB 3035 (Rubio D) Water supply.

Current Text: Introduced: 2/16/2018 [html](#) [pdf](#)

Introduced: 2/16/2018

Status: 2/17/2018-From printer. May be heard in committee March 19.

Is Urgency: N

Is Fiscal: N

Location: 2/16/2018-A. PRINT

Summary: Existing law authorizes local and regional public agencies that are authorized by law to serve water to the persons or entities within the service area of the agency to sell, lease, exchange, or otherwise transfer water for use outside the agency, as specified. Existing law makes findings and declarations relating to local or regional level water management decisions. This bill would make a nonsubstantive change in the latter provision.

Laws: An act to amend Section 380 of the Water Code, relating to water.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--the sale of water outside of the boundaries of the Agency.

Current Position: Not Yet Considered

Recommended Position: Watch

AB 3062 (Harper R) Recycled water: recycling criteria.

Current Text: Introduced: 2/16/2018 [html](#) [pdf](#)

Introduced: 2/16/2018

Status: 2/17/2018-From printer. May be heard in committee March 19.

Is Urgency: N

Is Fiscal: N

Location: 2/16/2018-A. PRINT

Summary: Existing 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 nonsubstantive changes to that definition.

Laws: An act to amend Section 13520 of the Water Code, relating to water quality.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--recycled water.

Current Position: Not Yet Considered

Recommended Position: Watch

AB 3206 (Friedman D) Water conservation: water meters: accuracy and performance standards.

Current Text: Introduced: 2/16/2018 [html](#) [pdf](#)

Introduced: 2/16/2018

Status: 2/17/2018-From printer. May be heard in committee March 19.

Is Urgency: N

Is Fiscal: Y

Location: 2/16/2018-A. PRINT

Summary: (1) Existing law requires the State Energy Resources Conservation and Development Commission to establish design and construction standards and energy and water conservation design standards that increase efficiency in the use of energy and water for new residential and new

nonresidential buildings to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy. Existing law requires the commission to establish minimum levels of operating efficiency to promote the use of energy and water efficient appliances, including landscape irrigation equipment. This bill would require the commission, on or before January 1, 2020, to adopt regulations setting standards for the accuracy of water meters purchased, repaired, or reconditioned on and after the effective date of those regulations, including water meters installed pursuant to the Water Measurement Law, described in (2). The bill would allow a water purveyor to install a water meter possessed by that water purveyor before the effective date of the regulations for a time period deemed appropriate by the commission. This bill contains other related provisions and other existing laws.

Laws: An act to add Section 25401.8 to the Public Resources Code, and to add Sections 525.5 and 529.6 to the Water Code, relating to water conservation.

Notes 1: This bill continues the trend in the State Capitol to focus on single-issue public water system management issues that result in upward pressure on water rates without a concomitant benefit based on the expenditure of ratepayer revenue. Moreover, asking the State Water Board to develop regulations for testing and monitoring is sure to lead to burdensome and costly requirements on water purveyors that is likely disproportionate to any benefit gained. Agency management and the board of directors should be left alone to determine annual budgets and capital improvement plans that reflect the most cost-effective expenditure of rate system revenue.

Current Position: Not Yet Considered

Recommended Position: Oppose

AB 3242 (Committee on Labor and Employment) Public works: labor compliance.

Current Text: Introduced: 2/21/2018 [html](#) [pdf](#)

Introduced: 2/21/2018

Status: 2/22/2018-From printer. May be heard in committee March 24.

Is Urgency: N

Is Fiscal: N

Location: 2/21/2018-A. PRINT

Summary: Existing law defines the term "public works" for purposes of requirements regarding the payment of prevailing wages, the regulation of working hours, and the securing of workers' compensation for public works projects. Existing law generally requires that not less than the general prevailing rate of per diem wages be paid to workers employed on public works projects, and imposes misdemeanor penalties for a willful violation of this requirement. Existing law authorizes the awarding body for a public works project to not require the payment of the general prevailing rate of per diem wages on public works projects of specified sizes and types of work, including construction projects of \$25,000 or less, if the awarding body elects to initiate and enforce a labor compliance program containing specified requirements for every public works project under its authority, as specified. This bill would make technical, nonsubstantive changes to those provisions.

Laws: An act to amend Section 1771.5 of the Labor Code, relating to public works.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--public contracts.

Current Position: Not Yet Considered

Recommended Position: Watch

ACA 21 (Mayes R) State infrastructure: funding: California Infrastructure Investment Fund.

Current Text: Introduced: 1/3/2018 [html](#) [pdf](#)

Introduced: 1/3/2018

Status: 1/4/2018-From printer. May be heard in committee February 3.

Is Urgency:

Is Fiscal: Y

Location: 1/3/2018-A. PRINT

Summary: Existing provisions of the California Constitution establish the Budget Stabilization Account in the General Fund and require the Controller, on or before October 1 of the 2015-16 fiscal year and each fiscal year thereafter, to transfer from the General Fund to the Budget Stabilization Account amounts that include a sum equal to 1.5% of the estimated amount of General Fund revenues for that fiscal year. This measure would amend the California Constitution to create the California Infrastructure Investment Fund in the State Treasury. The measure would require the Controller, beginning in the

2019–20 fiscal year, to transfer from the General Fund to the California Infrastructure Investment Fund in each fiscal year an amount equal to up to 2.5% of the estimated General Fund revenues for that fiscal year, as provided. The measure would require, for the 2019–20 fiscal year and each fiscal year thereafter, the amounts in the fund to be allocated, upon appropriation by the Legislature, for specified infrastructure investments, including the funding of deferred maintenance projects.

Laws: A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by adding Section 25 to Article XVI thereof, relating to state infrastructure.

Notes 1: This proposed constitutional amendment would require General Fund revenue to be set aside for purposes of funding state infrastructure. Such a set aside could be used for projects on a pay-as-you-go basis as compared to issuing revenue bonds or general obligation bonds. The latter results in about \$2 in General Fund expenditures to pay principal and interest payments over 30 years for every \$1 of bonds issued.

There was limited debate on this measure during a recent ACWA State Legislative Committee meeting. Some argued that ACWA should support this measure as an alternative to the water tax contained in SB 623 and as being discussed in the context of establishing a low-income rate assistance program. Others argued that the Legislature should not be further restricted in how it determines the expenditure of general funds. In the end, the State Legislative Committee approved a "watch" position on this measure.

The Legislature has not prioritized the expenditure of General Fund revenue for water infrastructure, instead relying on the issuance of State General Obligation Bonds. Such hit and miss funding leads to a so-called feast and famine cycle of state investment in water infrastructure. Instead, the Legislature, the Brown Administration and prior governors have looked to the imposition of a public goods charge or fee (tax) on urban water customers to generate a stable and predictable source of revenue to pay for state water infrastructure investment priorities. Assembly Member Mayes, which represents a large portion of the Agency service territory, is the lead author on this measure.

Current Position: Not Yet Considered

Recommended Position: Support

SB 606

(Skinner D) Water management planning.

Current Text: Amended: 9/6/2017 [html](#) [pdf](#)

Introduced: 2/17/2017

Last Amend: 9/6/2017

Status: 9/13/2017-Assembly Rule 96 suspended. Withdrawn from committee. Ordered to third reading.

Is Urgency: N

Is Fiscal: Y

Location: 9/13/2017-A. THIRD READING

Calendar: 3/1/2018 #7 ASSEMBLY THIRD READING FILE - SENATE BILLS

Summary: (1)Existing law requires the state to achieve a 20% reduction in urban per capita water use in California by December 31, 2020. Existing law requires each urban retail water supplier to develop urban water use targets and an interim urban water use target, as specified. Assembly Bill 1668 of the 2017-18 Regular Session, if enacted, would require the State Water Resources Control Board, in coordination with the Department of Water Resources, to adopt long-term standards for the efficient use of water and would establish specified standards for per capita daily indoor residential water use. The bill would require an urban retail water supplier to calculate an urban water use objective no later than July 1, 2022, and by July 1 every year thereafter, and its actual urban water use by those same dates. The bill would require an urban retail water supplier to submit a report to the department for these purposes by those dates. The bill would authorize the board to issue information orders, written notices, and conservation orders to an urban retail water supplier that does not meet its urban water use objective, as specified. This bill contains other related provisions and other existing laws.

Laws: An act to amend Sections 350, 377, 1058.5, 1120, 10608.12, 10608.20, 10610.2, 10610.4, 10620, 10621, 10630, 10631, 10631.2, 10635, 10640, 10641, 10642, 10644, 10645, 10650, 10651, 10653, 10654, and 10656 of, to amend, renumber, and add Section 10612 of, to add Sections 10608.35, 10609.20, 10609.22, 10609.24, 10609.26, 10609.28, 10609.30, 10609.32, 10609.34, 10609.36, 10617.5, 10618, 10630.5, 10632.1, 10632.2, 10632.3, and 10657 to, to repeal Section 10631.7 of, and to repeal and add Section 10632 of, the Water Code, relating to water.

Notes 1: This is the second of two bills that would implement recommendations in the Brown Administration's "Making Water Conservation a Way of Life" framework, released in April 2017. Notable, this bill would require an urban retail water supplier to calculate an urban water use objective no later than July 1, 2022, and by July 1 every year thereafter, and its actual urban water

use by those same dates.

The bill would authorize the board to issue information orders, written notices, and conservation orders to an urban retail water supplier that does not meet its urban water use objective. The bill would impose civil liability for a violation of an order or regulation issued pursuant to these provisions.

In relation to urban water management planning, this bill would require an urban water supplier to prepare, adopt, and periodically review a water shortage contingency plan, as prescribed, and as part of its urban water management plan. The bill would require a water shortage contingency plan to consist of certain elements, including, among other things, annual water supply and demand assessment procedures, standard water shortage levels, shortage response actions, and communication protocols and procedures. The bill would require an urban water supplier to make the water shortage contingency plan available to its customers and any city or county within which it provides water supplies no later than 30 days after adoption.

The bill also would require an urban water supplier to conduct an annual water supply and demand assessment and submit an annual water shortage assessment report to DWR with information for anticipated shortage, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with the supplier's water shortage contingency plan by June 1 of each year. The bill would require an urban water supplier to follow, where feasible and appropriate, the procedures and implement determined shortage response actions in its water shortage contingency plan.

Finally, existing law authorizes the governing body of a distributor of a public water supply to declare a water shortage emergency condition to prevail within the area served by the distributor whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be insufficient water for human consumption, sanitation, and fire protection. This bill would instead require the governing body of a distributor of a public water supply to declare a water shortage emergency condition whenever it finds and determines the above-described circumstances.

AB 1668 is currently in the Senate Rules Committee. The Senate Natural Resources & Water Committee and the Senate and Assembly authors' staff hosted listening sessions last December on four topics, including the Model Water Efficient Landscaping Ordinance, CII water audits and performance measures, variances, and the timing and burden imposed on public water systems to report to state agencies. The purpose of the listening sessions, according to session hosts, was to give those entities with concerns regarding this bill and its companion measure--AB 1668--an opportunity to share their perspectives in a less formal forum. The topics were selected by the committee and authors' staffs.

The authors have settled on amendments to both AB 1668 and SB 606, but have not yet shared them with ACWA and member agencies that remain opposed to the bills. A budget trailer bill remains an option for seeking passage of these new mandates, according to the representatives of the Brown Administration.

I have included in the legislative report materials a 2-page document that summarizes the concerns held by the Agency and other ACWA and California Municipal Utilities Association members that remain opposed to AB 1668 and SB 606.

Current Position: Oppose unless Amended

Recommended Position: Oppose unless Amended

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

Current Text: Amended: 8/21/2017 [html](#) [pdf](#)

Introduced: 2/17/2017

Last Amend: 8/21/2017

Status: 9/1/2017-From committee: Without recommendation. (Ayes 11. Noes 0.) (September 1) Re-referred to Com. on RLS.

Is Urgency: N

Is Fiscal: Y

Location: 9/1/2017-A. RLS.

Summary: (1)Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. This bill 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 state board. The bill would require the board to administer the fund to secure access to safe drinking water

for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the state board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, bequests, and settlements from parties responsible for contamination of drinking water supplies. The bill would require the state board to expend moneys in the fund for grants, loans, contracts, or services to assist eligible applicants with projects relating to the provision of safe and affordable drinking water consistent with a fund implementation plan adopted annually by the state board, as prescribed. The bill would require the state board annually to prepare and make available a report of expenditures of the fund and to adopt annually, after a public hearing, an assessment of funding need that estimates the anticipated funding needed for the next fiscal year to achieve the purposes of the fund. The bill would require, by January 1, 2019, the state board, in consultation with local health officers and other relevant stakeholders, to make available a map of aquifers that are used or likely to be used as a source of drinking water that are at high risk of containing contaminants. For purposes of the map, the bill would require local health officers and other relevant local agencies to provide all results of, and data associated with, water quality testing performed by certified laboratories to the board, as specified. By imposing additional duties on local health officers and local agencies, the bill would impose a state-mandated local program. By creating a new continuously appropriated fund, this bill would make an appropriation. This bill contains other related provisions and other existing laws.

Laws: An act to add Article 6.5 (commencing with Section 14615) to Chapter 5 of Division 7 of, to add Article 14.5 (commencing with Section 62215) to Chapter 2 of Part 3 of Division 21 of, and to repeal Sections 14616 and 62216 of, the Food and Agricultural Code, to add Chapter 4.6 (commencing with Section 116765) to Part 12 of Division 104 of the Health and Safety Code, and to amend Section 13050 of, and to add Article 4.5 (commencing with Section 13278) to Chapter 4 of Division 7 of, the Water Code, relating to water, and making an appropriation therefor.

Notes 1: This bill would create a new fund in the State General Fund to address safe drinking water programs. Among its many fee provisions, the bill proposes a new fee (tax) on urban water customers the revenue from which would be transferred to the new fund. The Agency opposed similar efforts in the past to establish a public goods charge. The Agency, who had a 'watch' position on SB 623 when it was introduced, joined ACWA and others last year to oppose the bill once it was amended to include the water tax.

SB 623 is currently in the Assembly Rules Committee and remains eligible to be considered this year. Alternatively, the Department of Finance has released a Brown Administration budget trailer bill that is substantially similar to SB 623. The Agency should approve an "oppose unless amended" position on that bill as well, which is transmitted along with this bill report.

Current Position: Oppose unless Amended

Recommended Position: Oppose unless Amended

SB 771 (De León D) California Environmental Quality Act: continuing education: public employees.

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

Introduced: 2/17/2017

Last Amend: 7/18/2017

Status: 9/13/2017-Ordered to inactive file on request of Assembly Member Calderon.

Is Urgency: N

Is Fiscal: Y

Location: 9/13/2017-A. INACTIVE FILE

Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would establish a continuing education requirement for employees of public agencies who have primary responsibility to administer the act, as specified. Because this bill would require a public agency to ensure that this continuing education requirement is met, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Laws: An act to add Section 21098.5 to the Public Resources Code, relating to environmental quality.

Notes 1: As introduced, this bill would impose an unfunded state mandated program on the Agency. Legal counsel already is required to complete a requisite number of continuing legal education credits and courses in CEQA compliance are regularly offered throughout California. The legislation did not

define or identify the public agency employees who have responsibility for overseeing compliance. The Agency sought an amendment to limit the scope of the legislation to legal counsel employed by the public agency. The author accepted an amendment in the Assembly that specifies that "at least one or more of its employees who have been assigned the primary responsibility to administer" CEQA shall be required to take continuing education.

Current Position: Not Favor unless amended

Recommended Position: Watch

SB 831 (Wieckowski D) Land use: accessory dwelling units.

Current Text: Introduced: 1/4/2018 [html](#) [pdf](#)

Introduced: 1/4/2018

Status: 1/16/2018-Referred to Coms. on T. & H. and GOV. & F.

Is Urgency: N

Is Fiscal: Y

Location: 1/16/2018-S. T. & H.

Summary: The Planning and Zoning Law authorizes a local agency to provide by ordinance for the creation of accessory dwelling units in single-family and multifamily residential zones and sets forth standards the ordinance is required to impose, including, among others, maximum unit size, parking, and height standards. Existing law authorizes a local agency, special district, or water corporation to require a new or separate utility connection between the accessory dwelling unit and the utility and authorizes a fee to be charged, except as specified. Existing law requires a local agency to submit an ordinance adopted for the creation of accessory dwelling units to the Department of Housing and Community Development and authorizes the department to review and comment on the ordinance. This bill would delete the requirement that the area be zoned to allow single-family or multifamily use. The bill would specify that if a local agency does not act on an application for a accessory dwelling unit within 120 days, then the application shall be deemed approved. The bill would specify that an accessory dwelling unit shall not be considered to exceed the allowable floor-to-area lot ratio upon which the accessory dwelling unit is located and would prohibit a local agency from requiring offstreet parking spaces be replaced when a garage, carport, or covered parking structure is demolished or converted in conjunction with the construction of an accessory dwelling unit. The bill would delete provisions authorizing a local agency, special district, or water corporation to require an applicant to install a separate utility connection for the accessory dwelling unit and would state that an accessory dwelling unit shall not be considered a new residential use for purposes of calculating fees and shall not be subject to impact fees, connection fees, capacity charges, or any other fees levied by those entities. The bill would authorize the department, upon submission of an adopted ordinance for the creation of accessory dwelling units, to submit written findings to the local agency regarding whether the ordinance complies with statutory provisions. The bill would authorize the department to adopt guidelines to implement uniform standards or criteria to supplement or clarify the terms, references, or standards set forth in statute and would exempt the adoption of those guidelines from the Administrative Procedure Act. The bill would also specify the applicable building code standards for accessory dwelling units constructed before January 1, 2018. This bill contains other related provisions and other existing laws.

Laws: An act to amend Sections 65852.2 and 65852.22 of, and to add and repeal Section 65852.23 of, the Government Code, relating to land use.

Notes 1: This legislation is another in a continuing series of bills over the past three years intended to encourage the construction of accessory dwelling units as part of the State's commitment to address the affordable housing crisis it faces. This bill, however, repeals a provision of two earlier bills that was subject to negotiation between housing advocates and public utility providers. Specifically, this bill would delete provisions under current law that authorize a local agency, special district, or water corporation to require an applicant to install a separate utility connection for the accessory dwelling unit (when it is a separate unit from the primary residence on the parcel) and would state that an accessory dwelling unit shall not be considered a new residential use for purposes of calculating fees and shall not be subject to impact fees, connection fees, capacity charges, or any other fees levied by those entities. This is an unnecessary intrusion on public utility fee authority; shifts the burden of paying for system capacity to new single family homes and businesses, and would even eliminate the ability of a public utility to impose inspection fees related to the new unit.

Current Position: Not Yet Considered

Recommended Position: Oppose unless Amended

SB 952 (Anderson R) Water conservation: local water supplies.

Current Text: Introduced: 1/30/2018 [html](#) [pdf](#)

Introduced: 1/30/2018

Status: 2/8/2018-Referred to Com. on RLS.

Is Urgency: N

Is Fiscal: N

Location: 1/30/2018-S. RLS.

Summary: Existing provisions of the California Constitution declare the policy that the water resources of the state be put to beneficial use to the fullest extent of which they are capable, that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of these waters is to be exercised with a view to the reasonable and beneficial use of the waters in the interest of the people and for the public welfare. Existing law requires the state to achieve a 20% reduction in urban per capita water use in California by December 31, 2020. This bill would state the intent of the Legislature to enact legislation that would require the State Water Resources Control Board to recognize local water agency investment in water supply and will ensure that local agencies receive sufficient credit for these investments in meeting any water conservation or efficiency mandates.

Laws: An act relating to water.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--water conservation. The introduction of this bill is in response to discussion and debate last year on AB 1668 and SB 606, which focused on driving down gallons per capita per day urban water use without regard to water supply investments and debt service commitments already entered into by urban retail water suppliers.

Current Position: Not Yet Considered

Recommended Position: Watch

SB 955 (Nielsen R) Oroville Dam: citizens advisory commission.

Current Text: Introduced: 1/30/2018 [html](#) [pdf](#)

Introduced: 1/30/2018

Status: 2/8/2018-Referred to Com. on RLS.

Is Urgency: N

Is Fiscal: N

Location: 1/30/2018-S. RLS.

Summary: Existing law requires the Department of Water Resources to supervise the maintenance and operation of dams and reservoirs as necessary to safeguard life and property. This bill would state the intent of the Legislature to enact legislation that would create a citizens advisory commission for Oroville Dam.

Laws: An act relating to water.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--Oroville Dam. The State Water Contractors will guide the Agency's response to this legislation should it be substantively amended. Rather than creating an advisory commission, it may be more appropriate to establish a means of communication with the local Oroville community through the auspices of the pending FERC license.

Current Position: Not Yet Considered

Recommended Position: Watch

SB 966 (Wiener D) Onsite treated nonpotable water systems.

Current Text: Introduced: 1/31/2018 [html](#) [pdf](#)

Introduced: 1/31/2018

Status: 2/8/2018-Referred to Com. on EQ.

Is Urgency: N

Is Fiscal: Y

Location: 2/8/2018-S. E.Q.

Summary: Existing law requires the State Water Resources Control Board to establish uniform statewide recycling criteria for each varying type of use of recycled water where the use involves the protection of public health. This bill would, on or before December 1, 2022, require the state board, in consultation with the California Building Standards Commission, to adopt regulations for risk-based water quality standards for the onsite treatment and reuse of nonpotable water, as provided. The bill would authorize the state board to contract with public or private entities regarding the content of the

standards and would exempt those contracts from, among other provisions, review and approval of the Department of General Services. The bill would require a local jurisdiction, as defined, that elects to establish a program for onsite treated nonpotable water systems to, among other things, adopt, through ordinance, a local program that includes the risk-based water quality standards established by the state board. The bill would prohibit an onsite treated nonpotable water system from being installed except under a program established by a local jurisdiction in compliance with the bill's provisions.

Laws: An act to amend Section 10295 of the Public Contract Code, and to add Article 8 (commencing with Section 13558) to Chapter 7 of Division 7 of the Water Code, relating to water quality.

Notes 1: This legislation is similar to the author's SB 740 from last year, which was held on the Senate Appropriations Committee Suspense File. The issue raised by this bill for the Agency and similarly situated local agencies is whether a city or county could allow the installation of onsite wastewater treatment systems in areas that recycle wastewater and put it to beneficial use. This issue was raised by ACWA and others last year. SB 740 at one time provided that a local jurisdiction would have to comply with the practices set forth in the framework. Later, the bill provided that a local jurisdiction was not required to adopt the practices set forth in the framework. Still later, the bill provided that a local jurisdiction shall comply with the regulations adopted if the local jurisdiction allows the onsite recycling of water and subsequent uses of that recycled water. The Agency would need the authority under this bill to block a city or county from authorizing the installation of onsite systems within its service territory where customers discharge wastewater into the community wastewater system that eventually is relied on for the Agency's recycled water treatment plant and subsequent use.

Current Position: Not Yet Considered

Recommended Position: Oppose unless Amended

SB 979 (Cannella R) Water Quality, Supply, and Infrastructure Improvement Act of 2014.

Current Text: Introduced: 2/1/2018 [html](#) [pdf](#)

Introduced: 2/1/2018

Status: 2/14/2018-Referred to Com. on RLS.

Is Urgency: N

Is Fiscal: N

Location: 2/1/2018-S. RLS.

Summary: Existing law, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds in the amount of \$7,545,000,000 to finance a water quality, supply, and infrastructure improvement program. The bond act provides that the sum of \$810,000,000 is to be available, upon appropriation by the Legislature, for expenditures on, and competitive grants and loans to, projects that are included in and implemented in an adopted integrated regional water management plan and respond to climate change and contribute to regional water security. The bond act requires \$200,000,000 of that amount to be available for grants for multibenefit stormwater management projects. This bill would make a nonsubstantive change in those provisions.

Laws: An act to amend Section 79747 of the Water Code, relating to water.

Notes 1: This legislation contains only nonsubstantive provisions and will require substantive amendments before it can be referred to a policy committee. The Agency should closely monitor the legislation given the subject matter--appropriation of Proposition 1 funds for integrated regional water management projects.

Current Position: Not Yet Considered

Recommended Position: Watch

SB 998 (Dodd D) Water shutoffs: urban and community water systems.

Current Text: Introduced: 2/5/2018 [html](#) [pdf](#)

Introduced: 2/5/2018

Status: 2/22/2018-Referred to Coms. on E., U. & C., EQ., and JUD.

Is Urgency: N

Is Fiscal: Y

Location: 2/22/2018-S. E. U., & C.

Summary: Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has

the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. This bill would require an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, to have a written policy on residential service shutoff available in English, Spanish, or any other language spoken by at least 5% of the people residing in its service area. The bill would require the policy to include certain components and be available on the system's Internet Web site and be provided annually to customers in writing. The bill would make a violation of these provisions punishable by a civil penalty issued by the board or the commission, as appropriate, in an amount not to exceed \$500 for each day in which the violation occurs. The bill would eliminate existing notice and other requirements relating to the termination of residential service for commission-regulated urban and community water systems and instead would apply the provisions of this bill to those systems. This bill would prohibit an urban and community water system from shutting off residential service until a payment by a customer has been delinquent for at least 60 days. The bill would require an urban and community water system to contact the customer named on the account and provide the customer with the urban and community water system's policy on residential service shutoff no less than 3 business days before shutoff, as prescribed. The bill would prohibit an urban and community water system from shutting off residential service until the system notifies the local health department and the local health department assesses that a shutoff at the residence would not pose a grave threat to the health and safety of the residents, except as provided. By imposing new duties on local health departments, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Laws: An act to add Chapter 6 (commencing with Section 116900) to Part 12 of Division 104 of the Health and Safety Code, and to amend Sections 777, 779, 779.1, 780, 10009, 10010, 10010.1, 12822, 12823, 12823.1, 16481, 16482, and 16482.1 of the Public Utilities Code, relating to water.

Notes 1: This legislation comes forward from discussions surrounding the creation of a low-income rate assistance program in California that would provide urban water rate reductions for households that earn 200% federal poverty level. Social and environmental justice groups raised concerns regarding water service terminations for nonpayment during discussions hosted by the State Water Resources Control Board. Little relevant data was provided by these groups, but apparently Senator Dodd feels compelled to address the concern.

This bill would unnecessarily burden public water systems and local health officers with a bureaucratic and time-consuming approach to termination of service actions. The presumption here is that public water systems turn off service without any prior interaction with the customer and fail to consider the circumstances of the individual ratepayer. This legislation proposes a 'one-size-fits-all' approach that will likely encourage more customers to withhold payment for service. Delinquency amounts will skyrocket by the very nature of the delay in payment that would be required under this legislation. And, should nonpayment become a greater issue in terms of the percentage of customers experiencing payment challenges, the financial position of the public water system could be weakened to some extent.

Current Position: Not Yet Considered

Recommended Position: Oppose

Total Measures: 31

Total Tracking Forms: 31



We appreciate the opportunity provided by the authors of AB 1668 and SB 606 to discuss various technical issues required for successful implementation of these bills. This document identifies a number of technical issues with the legislation and details requested amendments for each. This document also identifies remaining policy concerns related to the bills with amendment requests that are required to address these concerns.

Technical/Implementation Issues and Requested Amendments

Issue	Requested Amendment
Indoor Water Use Standard	That the legislation require the evaluation of and report on the impacts of reducing the indoor water use standard below 55 GPCD on water, wastewater and recycling/reuse systems, infrastructure, operations and supplies.
Outdoor Water Use Standard	<p>That the language in the legislation be clarified so that there is no confusion as to what the “principles” of MWELO means and what factors the SWRCB shall consider when setting the standards for both outdoor residential and outdoor CII water use.</p> <p>Factors that should be considered in setting the standards include, but are not limited to, the amount of water different plant types need to remain healthy; levels of irrigation system efficiency; the composition of existing urban landscapes, including swimming pools, spas and other water features; evapotranspiration; the unique water needs of special landscapes, including landscapes irrigated with recycled water; and, the impacts of soil and water quality on water needs, etc.</p>
Water Loss	<p>That the legislation exclude water loss from the urban retail water use objective as existing law already addresses this issue. Under SB 555, the SWRCB is required to adopt rules requiring urban retail water suppliers to meet performance standards for the volume of water losses.</p> <p>Also, that water use and loss cause by a disaster (e.g. fire or earthquake) be expressly excluded from the compliance calculation.</p>
Variances	That the legislation include language requiring the SWRCB to adopt variances/processes for calculating variances for a variety of anomalous situations, including irrigation with recycled water in areas having high levels of total dissolved solids, seasonal populations, environmental uses, etc. Whether a specific variance is applicable to an urban retail water supplier will be a factual determination.
Data	To make retail-level water budgets effective and implementable, that the legislation require DWR to provide the data urban retail water suppliers need to calculate an urban water use objective at regular intervals, and that the data provided be reasonably accurate.
Reporting Compliance	To ease the annual reporting burden on urban retail water suppliers, as has been done in other bills (e.g. SB 555), that the legislation allow suppliers to report water use on either a fiscal or calendar year basis. To allow for this and, if water losses remain a factor in the compliance calculation, to allow for data from water loss audits to be used in the

	compliance calculation, that the annual reporting deadline be moved to November 1 of each year.
Providing for Unique Situations Affecting Calculation of an Urban Water Use Objectives	That the legislation grant DWR or the SWRCB the authority to develop alternative methods for calculating an urban water use objective where unique conditions make it technically, economically, or administratively infeasible to calculate the objective using the standard method developed.
CII Performance Measures	That feasibility and cost-benefit be listed in the legislation as the key factors DWR and the SWRCB must consider in the development of performance measures that urban water suppliers will be asked to implement for the CII sector.
Separation of Mixed CII Meters	That recommendations related to separating mixed CII meters only be applicable where feasible and cost-effective.
Recycled Water Irrigation Sites	That the legislation include a recognition that the outdoor irrigation standard for sites irrigated with recycled water should be set at no less than the standard contained in MWELO.
Drought Planning	That the planning horizons for urban water management plans, water shortage contingency plans, drought risk assessments, and water supply and demand assessments be clearly defined and that vague language, such as “or more”, which leaves the planning horizon opened be removed from the legislation.

Policy Concerns and Requested Amendments

Issue	Requested Amendment
Enforcement	That the legislation be modified to ensure a “glide path” approach is taken to enforcement and that the enforcement guide path by incorporating remedial actions plans that would be utilized before conservation orders and fines. Conservation orders and fines should result only if a supplier does not take the actions detailed in a SWRCB-approved remedial action plan.
Potable Reuse Credit	That the legislation be amended to include a potable reuse credit cap higher than 10%.
Drought Resilient Water Supplies	<p>That the legislation, in a manner that does not limit the Governor’s power and authority to respond to emergencies, expressly provide that upon proclamation of a drought emergency that the:</p> <ul style="list-style-type: none"> • The SWRCB shall defer to local adopted water shortage contingency plans to the extent practicable and allow suppliers to implement their plans based on the level of shortage being experienced locally; and • Recycled water (including potable reuse), emergency, desalination, and other drought resilient supplies identified in an urban water supplier’s water shortage contingency plan not be restricted during a declared drought emergency, but instead used efficiently for beneficial uses.

SAFE AND AFFORDABLE DRINKING WATER ACT
February 1, 2018

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

SECTION 1. Article 10.5 (commencing with Section 595) is added to Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code, to read:

Article 10.5. Safe Drinking Water Fee/or Confined Animal Facilities Excluding Dairies

595. For purposes of this article, the following definitions apply:

(a) "Confined animal facilities excluding dairies" includes, but is not limited to, bovine operations, poultry operations, swine operations, and other livestock operations. "Confined animal facilities excluding dairies" does not mean milk cow dairies.

(b) "Fee" means the safe drinking water fee/or confined animal facilities excluding dairies.

(c) "Fund" means the Safe and Affordable Drinking Water Fund established by Section 116767 of the Health and Safety Code.

596. (a) The secretary shall convene a working group composed of representatives of confined animal facilities excluding dairies to determine the actual risk, if any, to groundwater from discharges of nitrate from confined animal facilities excluding dairies.

(b) Beginning January 1, 2021, the secretary shall establish a safe drinking water fee for confined animal facilities excluding dairies payable annually to the secretary by each confined animal facility excluding a dairy in an amount commensurate with the actual risk to groundwater from discharges of nitrate as determined by the working group. The fee shall not exceed one thousand dollars (\$1,000) per facility per year. The secretary shall adopt regulations to implement and administer this section by January 1, 2021.

(c) This section shall remain in effect only until January 1, 2036, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2036, deletes or extends that date.

597. (a) No later than January 1, 2035, the secretary shall convene a working group with representatives of confined animal facilities excluding dairies to determine the actual risk, if any, to groundwater from confined animal facilities excluding dairies.

(b) Beginning July 1, 2036, the secretary shall establish a safe drinking water fee for confined animal facilities excluding dairies payable annually to the secretary by each confined animal facility excluding a dairy in an amount commensurate with the actual risk to groundwater from discharges of nitrate determined by the working group.

(c) The secretary may adjust the fee established pursuant to subdivision (b) through emergency regulation as necessary to meet but not exceed the anticipated funding need for nitrate in the most recent assessment of funding need adopted by the State Water Resources Control Board pursuant to subdivision (b) of Section 116769 of the Health and Safety Code. An emergency regulation adopted pursuant to this subdivision shall be adopted by the secretary in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Any emergency regulations adopted by the secretary pursuant to this subdivision shall remain in effect until revised by the secretary.

(d) The fee collected pursuant to subdivision (b) of this section, in combination with the dairy safe drinking water fee collected pursuant to Section 62215, shall total the sum of three million dollars (\$3,000,000), or 30 percent of the funding need for nitrate in the most recent assessment of funding need adopted by the State Water Resources Control Board pursuant to subdivision (b) of Section 116769 of the Health and Safety Code, whichever is less.

(e) Notwithstanding subdivisions (c) and (d), the fee collected pursuant to subdivision (b) shall not exceed one thousand dollars (\$1,000) per facility per year.

(f) This section shall become operative on January 1, 2034.

598. The secretary shall deposit all moneys received under this article into the fund.

599. The Legislature may not increase the fees established under section 596 and 597 except by an affirmative vote of two-thirds of the membership in each house of the Legislature.

SEC. 2. Article 6.5 (commencing with Section 14615) is added to Chapter 5 of Division 7 of the Food and Agricultural Code, to read:

Article 6.5. Fertilizer Safe Drinking Water Fee

14615. (a) It is the intent of the Legislature to require licensees of bulk fertilizing materials, and to authorize licensees of packaged fertilizing materials, to pass the fertilizer safe drinking water fee on to the end user of the fertilizer.

(b) For purposes of this article, the following definitions apply:

(1) "Bulk fertilizing material" has the same meaning as applies to "bulk material" in Section 14517.

(2) "Fertilizing material" has the same meaning as defined in Section 14533.

(3) "Fund" means the Safe and Affordable Drinking Water Fund established by Section 116767 of the Health and Safety Code.

(4) "Packaged" has the same meaning as defined in Section 14551.

14616. (a) In addition to the assessments provided in Section 14611, a licensee whose name appears on the label of bulk or packaged fertilizing materials shall pay to the secretary a fertilizer safe drinking water fee of six mills (\$0.006) per dollar of sales for all sales of fertilizing materials to be deposited into the fund.

(b) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2034, deletes or extends that date.

14616. (a) In addition to the assessments provided in Section 14611, a licensee whose name appears on the label of bulk or packaged fertilizing materials shall pay to the secretary a fertilizer safe drinking water fee of two mills (\$0.002) per dollar of sales for all sales of fertilizing materials to be deposited into the fund.

(b)(1) After January 1, 2036, the secretary may adjust the fertilizer safe drinking water fee through emergency regulation as necessary to meet but not exceed 70 percent of the anticipated funding need for nitrate in the most recent assessment of funding need adopted by the State Water Resources Control Board pursuant to subdivision (b) of Section 116769 of the Health and Safety Code, or the sum of seven million dollars (\$7,000,000), whichever is less. By October 1 of each year, the secretary shall notify all licensees of the amount of the fertilizer safe drinking water fee to be assessed in the following calendar year.

(2) An emergency regulation adopted pursuant to this subdivision shall be adopted

by the secretary in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Any emergency regulations adopted by the secretary pursuant to this subdivision shall remain in effect until revised by the secretary.

(c) This section shall become operative on January 1, 2034.

14617. (a)(1) A licensee whose name appears on the label who sells or distributes bulk fertilizing materials shall charge an unlicensed purchaser the fertilizer safe drinking water fee as a charge that is separate from, and not included in, any other fee, charge, or other amount paid by the purchaser. This fee shall be included on the bill of sale as a separate line item.

(2) (A) A licensee whose name appears on the label of packaged fertilizing materials may include the fertilizer safe drinking water fee as a charge that is separate from, and not included in, any other fee, charge, or other amount paid by the purchaser or may include the charge with the assessment collected pursuant to Section 14611 as a separate line item on the bill of sale and identified as the California Regulatory and Safe Drinking Water Assessment.

(B) Notwithstanding paragraph (1), a licensee whose name appears on the label who sells or distributes bulk fertilizing material may include the fertilizer safe drinking water fee with the assessment collected pursuant to Section 14611 as a separate line item on the bill of sale and identified as the California Regulatory and Safe Drinking Water Assessment.

(b) The secretary may prescribe, adopt, and enforce regulations relating to the administration and enforcement of this article.

(c) (1) Except as provided in paragraph (2), the secretary may retain up to 4 percent of the moneys collected pursuant to this article for reasonable costs associated with the implementation and enforcement of this article.

(2) Beginning July 1, 2021, the secretary may retain up to 2 percent of the moneys collected pursuant to this article for reasonable costs associated with the implementation and enforcement of this article.

14618. The Legislature may not increase the fees established under section 14616 except by an affirmative vote of two-thirds of the membership in each house of the Legislature.

SEC. 3. Article 14.5 (commencing with Section 62215) is added to Chapter 2 of Part 3 of Division 21 of the Food and Agricultural Code, to read:

Article 14.5. Dairy Safe Drinking Water Fee

62215. (a) It is the intent of the Legislature that the dairy safe drinking water fee be paid for all milk purchased in the state, regardless of grade.

(b) For purposes of this article, the following definitions apply:

- (1) "Fee" means the dairy safe drinking water fee.
- (2) "Manufacturing milk" has the same meaning as defined in Section 32509.
- (3) "Market milk" has the same meaning as defined in Section 32510.
- (4) "Milk" includes market milk and manufacturing milk.

62216. (a) Beginning January 1, 2021, each handler, including a producer-handler, subject to the provisions of a stabilization and marketing plan shall deduct the sum of \$0.01355 per hundredweight of milk from payments made to producers for milk, including the handler's own production, as a dairy safe drinking water fee.

(b) The secretary shall adopt regulations necessary for the proper administration and enforcement of this section by January 1, 2021.

(c) This section shall remain in effect only until January 1, 2036, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2036, deletes or extends that date.

62216. (a) Each handler, including a producer-handler, subject to the provisions of a stabilization and marketing plan shall deduct the sum of \$0.00678 per hundredweight of milk from payments made to producers for milk, including the handler's own production, as a dairy safe drinking water fee.

(b) The secretary may adjust the fee through emergency regulation as necessary to meet but not exceed 30 percent of the anticipated funding need for nitrate in the most recent assessment of funding need adopted by the State Water Resources Control Board pursuant to subdivision (b) of Section 116769 of the Health and Safety Code, or the sum of three million dollars (\$3,000,000), whichever is less. An emergency regulation adopted pursuant to this subdivision shall be adopted by the secretary in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Any emergency regulations adopted by the secretary pursuant to this subdivision shall remain in effect until revised by the secretary.

(c) When setting the amount of the fee pursuant to subdivision (b), the secretary shall consider the amount of funding being collected by the safe drinking water fee for confined animal facilities excluding dairies pursuant to Section 597 and shall reduce the dairy safe drinking water fee by the amount collected by the safe drinking water fee for confined animal facilities excluding dairies. In no event shall the dairy safe drinking water fee and the safe drinking water fee for confined animal facilities excluding dairies exceed 30 percent of the anticipated funding need for nitrate in the most recent assessment of funding need adopted by the State Water Resources Control Board pursuant to subdivision (b) of Section 116769 of the Health and Safety Code or the sum of three million dollars (\$3,000,000), whichever is less.

(d) The secretary shall adopt regulations necessary for the proper administration and enforcement of this section.

(e) This section shall become operative on January 1, 2036.

62217. (a) A handler shall pay the dairy safe drinking water fee to the secretary on or before the 45th day following the last day of the month in which the milk was received.

(b) The secretary shall remit the moneys paid to him or her pursuant to this article to the State Water Resources Control Board for deposit into the Safe and Affordable Drinking Water Fund established by Section 116767 of the Health and Safety Code.

(c)(1) Except as provided in paragraph (2), the secretary may retain up to 4 percent of the total amount that is paid to the secretary pursuant to this article for reasonable costs of the secretary associated with the implementation and enforcement of this article

(2) Beginning July 1, 2021, the secretary may retain up to 2 percent of the moneys collected pursuant to this article for reasonable costs of the secretary associated with the implementation and enforcement of this article.

(d) The secretary may require handlers, including cooperative associations acting as handlers, to make reports at any intervals and in any detail that he or she finds necessary for the accurate collection of the fee.

(e) For the purposes of enforcing this article, the secretary, through his or her duly authorized representatives and agents, shall have access to the records of every producer and handler. The secretary shall have at all times free and unimpeded access to any building, yard, warehouse, store, manufacturing facility, or transportation facility in which any milk or milk product is produced, bought, sold, stored, bottled,

handled, or manufactured.

(f) Any books, papers, records, documents, or reports made to, acquired by, prepared by, or maintained by the secretary pursuant to this article that would disclose any information about finances, financial status, financial worth, composition, market share, or business operations of any producer or handler, excluding information that solely reflects transfers of production base and pool quota among producers, is confidential and shall not be disclosed to any person other than the person from whom the information was received, except pursuant to the final order of a court with jurisdiction, or as necessary for the proper determination of any proceeding before the secretary.

62218. The Legislature may not increase the fees established under section 62216 except by an affirmative vote of two-thirds of the membership in each house of the Legislature.

SEC. 4. Chapter 4.6 (commencing with Section 116765) is added to Part 12 of Division 104 of the Health and Safety Code, to read:

CHAPTER 4.6. SAFE AND AFFORDABLE DRINKING WATER

Article 1. Legislative Findings and Declarations 116765. The Legislature finds and declares all of the following:

(a) Section 106.3 of the Water Code declares that it is the policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

(b) For all public water systems, the operation and maintenance costs to supply, treat, and distribute potable water that complies with federal and state drinking water standards on a routine and consistent basis may be significant.

(c) All community water systems are currently required to set, establish, and charge a schedule of rates and fees that are sufficient to recover the operation and maintenance costs required to supply, treat, and distribute potable water that complies with federal and state drinking water standards on a routine and consistent basis.

(d) Hundreds of community water systems in the state cannot charge rates and fees that are affordable and sufficient to recover the full operation and maintenance costs required to supply, treat, and distribute potable water that complies with federal and state drinking water standards on a routine and consistent basis due to a combination of low income levels of customers, high treatment costs for contaminated water sources, and a lack of economies of scale that result in high unit costs for water

service. Many schools that serve as their own regulated public water systems and have contaminated water sources cannot afford the full operation and maintenance costs required to provide water that meets federal and state drinking water standards.

(e) Nearly all state or federal drinking water project funding sources prohibit the use of that funding for operation and maintenance costs, and as a result, those systems that cannot afford required operation and maintenance costs are unable to access funding for capital projects to meet federal and state drinking water standards.

(f) As a result, hundreds of thousands of Californians, particularly those living in small disadvantaged communities, may be exposed to unsafe drinking water in their homes and schools, which impacts human health, household costs, and community economic development.

(g) A significant number of California residents rely on state small water systems and domestic wells to provide their drinking water.

(h) The state small water systems and individual domestic wells face a serious threat of contamination because they often draw their water from shallow groundwater sources and have fewer or no chemical monitoring requirements.

(i) To ensure that the right of every Californian to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes is protected, it is in the interest of the State of California to identify where Californians are at high risk of lacking reliable access to safe drinking water or are known to lack reliable access to safe drinking water, whether they rely on a public water system, state small water system, or domestic well for their potable water supply.

(j) Long-term sustainability of drinking water infrastructure and service provision is necessary to secure safe drinking water for all Californians and therefore it is in the interest of the state to discourage the proliferation of new, unsustainable public water systems and state small water systems, to prevent waste, and to encourage consolidation and service extension when feasible.

(k) It is in the interest of all Californians to establish a fund with a stable source of revenue to provide financial support, particularly for operation and maintenance, necessary to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure.

Article 2. Definitions

116766. For the purposes of this chapter:

- (a) "Administrator" has the same meaning as defined in Section 116686.
- (b) "Board" means the State Water Resources Control Board.
- (c) "Community water system" has the same meaning as defined in Section 116275.
- (d) "Customer" means a purchaser of water from a community water system who uses the water for municipal purposes, including residential, commercial, governmental, and industrial uses.
- (e) "Disadvantaged community" has the same meaning as defined in Section 116275.
- (f) "Domestic well" means a groundwater well used to supply water for the domestic needs of an individual residence or water systems that are not public water systems and that have no more than four service connections.
- (g) "Eligible applicant" means a public water system, including, but not limited to, a mutual water company; a public utility; a public agency, including, but not limited to, a local educational agency that owns or operates a public water system; a nonprofit organization; a federally recognized Indian tribe; a state Indian tribe listed on the Native American Heritage Commission's California Tribal Consultation List; an administrator; or a groundwater sustainability agency.
- (h) "Fund" means the Safe and Affordable Drinking Water Fund established pursuant to Section 116767.
- (i) "Fund implementation plan" means the fund implementation plan adopted pursuant to Section 116769.
- (j) "Groundwater sustainability agency" has the same meaning as defined in Section 10721 of the Water Code.
- (k) "Low-income household" means a household with an income that is less than 80 percent of the statewide median household income.
- (l) "Nontransient noncommunity water system" has the same meaning as defined in Section 116275.
- (m) "Public water system" has the same meaning as defined in Section 116275.
- (n) "Replacement water" includes, but is not limited to, bottled water, vended water, point-of-use, or point-of-entry treatment units.
- (o) "Safe drinking water" has the same meaning as defined in Section 116681.

(p) "Service connection" has the same meaning as defined in Section 116275.

(q) "Small community water system" has the same meaning as defined in Section 116275.

(r) "State small water system" has the same meaning as defined in Section 116275.

(s) "Vended water" has the same meaning as defined in Section 111070.

Article 3. Safe and Affordable Drinking Water Fund

116767. The Safe and Affordable Drinking Water Fund is hereby established in the State Treasury. Notwithstanding Section 13340 of the Government Code, all moneys in the fund are continuously appropriated to the board without regard to fiscal years, in accordance with this chapter. Moneys in the fund at the close of the fiscal year shall remain in the fund and shall not revert to the General Fund. Moneys in the fund shall not be available for appropriation or borrowed for use for any purpose not established in this chapter unless that use of the moneys receives an affirmative vote of two-thirds of the membership in each house of the Legislature.

116768. (a) The board shall administer the fund for the purposes of this chapter to provide a source of funding to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The board shall prioritize the use of this funding to assist disadvantaged communities and low-income households served by a state small water system or domestic well. In order to maximize the use of other funding sources for capital construction projects when available, the board shall prioritize use of this funding for costs other than those related to capital construction costs, except for capital construction costs associated with consolidation and service extension to reduce the ongoing unit cost of service and to increase sustainability of drinking water infrastructure and service delivery. Beginning January 1, 2019, an expenditure from the fund shall be consistent with the annual fund implementation plan.

(b) In accordance with subdivision (a), the board shall expend moneys in the fund for grants, loans, contracts, or services to assist eligible applicants with any of the following:

(1) The provision of replacement water, as needed, to ensure immediate protection of health and safety as a short-term solution.

(2) The development, implementation, and sustainability of long-term solutions, including, but not limited to, technical assistance, planning, construction, and

operation and maintenance costs associated with replacing, repairing, blending, or treating contaminated or failing drinking water sources, creating and maintaining natural means of treating and improving sustainable water quality, consolidating water systems, or extending drinking water services to other public water systems, domestic wells, or state small water systems. Technical assistance and planning costs may include, but are not limited to, analyses to identify, and efforts to further, opportunities to reduce the unit cost of providing drinking water through organizational and operational efficiency improvements, system consolidation and service extension, implementation of new technology, and other options and approaches to reduce costs.

(3) Identifying and providing outreach to Californians who are eligible to receive assistance from the fund.

(4) Testing the drinking water quality of domestic wells serving low-income households, prioritizing those in high-risk areas identified pursuant to Article 4 (commencing with Section 116770).

(5) The provision of administrative and managerial services under Section 116686.

(c) The board may expend moneys from the fund for reasonable costs associated with administration of the fund. Beginning July 1, 2021, the board may expend no more than 5 percent of the annual revenues from the fund for reasonable costs associated with administration of the fund.

(d) The board may undertake any of the following actions to implement the fund:

(1) Provide for the deposit of both of the following moneys into the fund:

(A) Federal contributions.

(B) Voluntary contributions, gifts, grants, or bequests.

(2) Enter into agreements for contributions to the fund from the federal government, local or state agencies, and private corporations or nonprofit organizations.

(3) Provide for appropriate audit, accounting, and fiscal management services, plans, and reports relative to the fund.

(4) Direct portions of the fund to a subset of eligible applicants as required or appropriate based on funding source and consistent with the annual fund implementation plan.

(5) Direct moneys deposited into the fund described in subparagraph (B) of paragraph (1) towards a specific project, program, or study.

(6) Take additional action as may be appropriate for adequate administration and operation of the fund.

(e) In administering the fund, the board shall make reasonable efforts to ensure both of the following:

(1) That funds are used to secure the long-term sustainability of drinking water service and infrastructure, and natural means and green infrastructure solutions that contribute to sustainable drinking water, including, but not limited to, requiring adequate technical, managerial, and financial capacity of eligible applicants as part of funding agreement outcomes. Funding shall be prioritized to implement consolidations and service extensions when feasible, and administrative and managerial contracts or grants entered into pursuant to Section 116686 where applicable. Funds shall not be used to delay, prevent, or avoid the consolidation or extension of service to public water systems where it is feasible and the least-cost alternative. The board may set appropriate requirements as a condition of funding, including, but not limited to, a system technical, managerial, or financial capacity audit, improvements to reduce costs and increase efficiencies, an evaluation of alternative treatment technologies, and a consolidation or service extension feasibility study. As a condition of funding, the board may require a domestic well with nitrate contamination where ongoing septic system failure may be causing or contributing to contamination of a drinking water source to conduct an investigation and project to address the septic system failure if adequate funding sources are identified and accessible.

(2) That funds are not used to subsidize large-scale nonpotable use, to the extent feasible.

(f) In administering the fund, the board shall ensure that all moneys deposited into the fund from the fertilizer safe drinking water fee established by Article 6.5 (commencing with Section 14615) of Chapter 5 of Division 7 of the Food and Agricultural Code, the dairy safe drinking water fee established by Article 14.5 (commencing with Section 62215) of Chapter 2 of Part 3 of Division 21 of the Food and Agricultural Code and the safe drinking water fee for confined animal livestock facilities excluding dairies established by Article 10.5 (commencing with Section 595) of Chapter 3 of Part I of Division I of the Food and Agricultural Code shall be used to address nitrate-related contamination issues.

(g) At least once every 10 years, the board shall conduct a public review and assessment of the Safe and Affordable Drinking Water Fund to determine all of the following:

(1) The effectiveness of the fund in securing access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure.

(2) If the fees deposited into the fund have been appropriately expended.

(3) If the safe and affordable drinking water fee imposed by Article 5 (commencing with Section 116771) may be reduced based on past and projected future changes to the fund.

(4) What other actions are necessary to carry out the purposes of this chapter.

(h) Neither the board nor any employee of the board may be held liable for any act that is necessary to carry out the purposes of this chapter. Nor shall the board nor any authorized person be deemed to have incurred or be required to incur any obligation to provide additional funding or undertake additional action solely as a result of having undertaken an action pursuant to this chapter.

116769. By July 1 of each year, the board shall do all of the following:

(a) Prepare and make available a report of expenditures from the fund.

(b) Adopt, after a public hearing, an assessment of funding need, based on available data, that includes all of the following:

(1) Identification of systems and populations potentially in need of assistance, including all of the following:

(A) A list of systems that consistently fail to provide an adequate supply of safe drinking water. The list shall include, but is not limited to, all of the following:

(i) Any public water system that consistently fails to provide an adequate supply of safe drinking water.

(ii) Any community water system that serves a disadvantaged community that must charge fees that exceed the affordability threshold established in the Safe Drinking Water State Revolving Fund Intended Use Plan in order to supply, treat, and distribute potable water that complies with federal and state drinking water standards.

(iii) Any state small water system that consistently fails to provide an adequate supply of safe drinking water.

(B) A list of programs that assist, or that will assist, households supplied by a domestic well that consistently fails to provide an adequate supply of safe drinking water. This list shall include the number and approximate location of households served by each program without identifying exact addresses or other personal information.

(C) A list of public water systems and state small water systems that may be at risk of failing to provide an adequate supply of safe drinking water.

(D) An estimate of the number of households that are served by domestic wells or state small water systems in high risk areas identified pursuant to Article 4 (commencing with Section 116770). The estimate shall identify approximate locations of households, without identifying exact addresses or other personal information, in order to identify potential target areas for outreach and assistance programs.

(2) An analysis of anticipated funding, per contaminant, needed for known projects, services, or programs by eligible applicants, consistent with the fund implementation plan, including any funding needed for existing long-term funding commitments from the fund. The board shall identify and consider other existing funding sources able to support any projects, services, or programs identified, including, but not limited to, local funding capacity, state or federal funding sources for capital projects, funding from responsible parties, and specialized funding sources contributing to the fund.

(3) An estimate of the funding needed for the next fiscal year based on the amount available in the fund, anticipated funding needs, other existing funding sources, and other relevant data and information.

(c)(1) Adopt, after a public hearing, a fund implementation plan and policy handbook with priorities and guidelines for expenditures of the fund.

(2) The board shall work with a multi-stakeholder advisory group that shall be open to participation by representatives of entities paying into the fund, public water systems, technical assistance providers, local agencies, nongovernmental organizations, residents served by community water systems in disadvantaged communities, state small water systems, and domestic wells, and the public, to establish priorities and guidelines for the fund implementation plan and policy handbook.

(3) The adoption of a fund implementation plan and policy handbook and the implementation of the fund pursuant to the policy handbook are not subject to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

Article 4. Information on High Risk Areas

116770. (a)(1) By January 1, 2020, the board, in consultation with local health officers and other relevant stakeholders, shall use available data to make available a map of aquifers that are at high risk of containing contaminants and that exceed primary federal and state drinking water standards that are used or likely to be used as a source of drinking water for a state small water system or a domestic well. The board shall update the map at least annually based on any newly available data.

(2) The board shall make the map of high risk areas, as well as the data used to make the map, publicly accessible on its Internet Web site in a manner that does not identify exact addresses or other personal information and that complies with the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The board shall notify local health officers and county planning agencies of high risk areas within their jurisdictions.

(b)(1) By January 1, 2020, a local health officer or other relevant local agency shall provide to the board all results of, and data associated with, water quality testing performed by certified laboratories for a state small water system or domestic well that was collected after January 1, 2014, and that is in the possession of the local health officer or other relevant local agency.

(2) By January 1, 2021, and by January 1 of each year thereafter, all results of, and data associated with, water quality testing performed by a certified laboratory for a state small water system or domestic well that is submitted to ~~the~~ a local health officer or other relevant local agency shall also be submitted directly to the board in electronic format.

(c) A map of high-risk areas developed pursuant to this article is not subject to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

Article 5. Safe and Affordable Drinking Water Fee

116771. (a)(1) Beginning July 1, 2019, and until July 1, 2021, except as provided in subdivisions (d) and (e), there is hereby imposed a safe and affordable drinking water fee for the purposes authorized in this chapter on each customer of a community water system as follows:

(A) For a customer with a water meter that is less than or equal to one inch in size, the fee shall be ninety-five cents (\$0.95) per month.

(B) For a customer with a water meter that is greater than one inch and less than or equal to two inches in size, the fee shall be four dollars (\$4) per month.

(C) For a customer with a water meter that is greater than two inches and less than or equal to four inches in size, the fee shall be six dollars (\$6) per month.

(D) For a customer with a water meter that is greater than four inches in size, the fee shall be ten dollars (\$10) per month.

(E) For a customer without a water meter, the fee shall be ninety-five cents (\$0.95) per month.

(F) For a customer that has multiple meters serving a single address, the total fees shall not exceed ten dollars (\$10) per month.

(2)(A) A customer that self-certifies under penalty of perjury to the community water system collecting the fee that he or she meets either of the following criteria shall be exempt from the payment of the fee:

(i) The customer's household income is equal to or less than 200 percent of the federal poverty level.

(ii) The customer operates a deed-restricted multifamily housing development that is required to provide housing exclusively to tenants with household incomes equal to or less than 200 percent of the federal poverty level.

(B) A community water system shall not be held criminally or civilly liable for failing to collect fees from customers who claim a self-certified exemption or for collecting fees from customers who could claim a self-certified exemption but do not provide adequate or timely notice to the community water system that he or she meets a criterion to be exempt.

(3)(A) A customer that is already enrolled in a program offered by a community water system that is designed specifically to reduce the cost of water service incurred by customers who meet established income guidelines is exempt from the payment of the fee.

(B) A connection or meter that is used exclusively for fire flow or uses nonpotable water, including, but not limited to, recycled water, is exempt from the fee.

(b)(1)(A) Beginning July 1, 2021, except as provided in subdivisions (d) and (e) and Section 116772, there is hereby imposed a safe and affordable drinking

water fee on each customer according to a fee schedule established by the board for the purposes of the Safe and Affordable Drinking Water Fund.

(B) Notwithstanding any other provision of this section, the fee schedule shall not exceed the amounts established in paragraph (1) of subdivision (a).

(C) The board shall review and revise the fee schedule each fiscal year as necessary to not exceed the anticipated funding need in the most recent assessment of funding need.

(D)(i) The fee schedule shall exempt any connection or meter that is used exclusively for fire flow or utilizes nonpotable water, including, but not limited to, recycled water.

(ii) By July 1, 2021, the board, in consultation with the Public Utilities Commission, shall adopt regulations to exempt households with incomes equal to or less than 200 percent of the federal poverty level from the fee established in the fee schedule pursuant to this subdivision. The Public Utilities Commission shall provide consultation, as well as relevant data, from the California Alternate Rates for Energy or CARE program established pursuant to Section 739.1 of the Public Utilities Code and from the water utility low-income rate payer assistance programs developed pursuant to Section 739.8 of the Public Utilities Code to the board to aid in development and implementation of the regulations for exemption pursuant to this clause.

(2)(A) Beginning July 1, 2023, the fee schedule shall be set at an amount that does not result in the total uncommitted amount in the fund exceeding two times the anticipated funding need in the most recent assessment of funding need.

(B) Notwithstanding any other provision of this section, the fee schedule shall not exceed the amounts established in paragraph (1) of subdivision (a).

(C) For purposes of this paragraph, "total uncommitted amount in the fund" does not include moneys in the fund from the fertilizer safe drinking water fee established by Article 6.5 (commencing with Section 14615) of Chapter 5 of Division 7 of the Food and Agricultural Code until January 1, 2033, and, until January 1, 2035, does not include moneys in the fund from the dairy safe drinking water fee established by Article 14.5 (commencing with Section 62215) of Chapter 2 of Part 3 of Division 21 of the Food and Agricultural Code or the safe drinking water fee for confined animal livestock facilities excluding dairies established by Article 10.5 (commencing with Section 595) of Chapter 3 of Part I of Division I of the Food and Agricultural Code.

(c) A community water system shall collect the fee imposed by subdivisions (a) and (b) from each of its customers and may retain an amount, as approved by the board, as reimbursement for the reasonable costs incurred by the public water system associated with the collection of the fee. Until July 1, 2021, the amount retained by a community water system as reimbursement shall not exceed 4 percent of the amount collected and beginning July 1, 2021, the amount retained as reimbursement shall not exceed 2 percent of the amount collected. For small community water systems, reasonable community water system administrative cost reimbursement shall not exceed five hundred dollars (\$500) or 4 percent of the total revenue collected, whichever is greater. The community water system shall remit the remainder to the board on an annual schedule.

(d) A community water system with fewer than 200 service connections and its customers shall be exempt from the requirements of this section. The board may approve an exemption for a community water system with 200 or more service connections and its customers from the requirements of this section if the board finds that the amount required to be remitted to the board pursuant to this section would be de minimis.

(e) Notwithstanding any other provision of this article, a fee shall not be imposed pursuant to this article on a person or entity that is itself a community water system if that community water system is purchasing water from another community water system to supply its own customers that are themselves being assessed the fee.

(f) All moneys remitted to the board under this article shall be deposited in the Safe and Affordable Drinking Water Fund.

116772. (a) A community water system may apply to the board to authorize the community water system to use an alternative method to calculate the amount owed by each customer for the charge imposed by Section 116771 by submitting an application, in a form prescribed by the board, that demonstrates both of the following:

(1) That the method required by statute, regulation, or fee schedule adopted by the board would be impractical for the community water system to collect.

(2) That the method proposed by the community water system would provide a level of total revenue equivalent to the revenue the community water system would transmit to the board pursuant to the applicable fee schedule and that the method is consistent with the fee restrictions in this article, including, but not limited to, amount maximums and exemptions.

(b) The board shall review any application submitted pursuant to subdivision (a) to determine if the proposed alternative is consistent with this article. If the board denies

the application, that denial shall be in writing and shall not be reviewable. If the board approves the application, the community water system may use the alternative method for an amount of time prescribed by the board, not to exceed five years.

(c) There is not a limit on the number of applications the board may approve pursuant to this section to establish or renew an alternative method of fee calculation.

116773. (a) The board, in consultation with the California Department of Tax and Fee Administration, shall administer and collect the fees imposed by this article in accordance with the Fee Collection Procedures Law (Part 30 (commencing with Section 55001) of Division 2 of the Revenue and Taxation Code).

(b) For purposes of administration of the fee imposed by this article, the following references in the Fee Collection Procedures Law shall have the following meanings:

(1) "Board" or "State Board of Equalization" means the State Water Resources Control Board.

(2) "Fee" means the safe and affordable drinking water fee imposed pursuant to this article.

(3) "Feepayer" means a customer liable to pay the fee.

(c) The board, in consultation with the California Department of Tax and Fee Administration, may prescribe, adopt, and enforce regulations relating to the administration and enforcement of this article, including, but not limited to, collections, reporting, refunds, and appeals.

(d) The initial regulations adopted by the board to implement this article shall be adopted in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and shall not rely on the statutory declaration of emergency in subdivision (e).

(e) Except as provided in subdivision (d), the regulations adopted pursuant to this section, any amendment to those regulations, or subsequent adjustments to the annual fees or adoption of fee schedule, shall be adopted by the board as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. Any emergency regulations adopted by the board, or adjustments to the annual fees made by the board pursuant to this section, shall remain in effect until revised by the board.

116774. The Legislature may not increase the fees established under section 116771 except by an affirmative vote of two-thirds of the membership in each house of the Legislature.

SEC. 5. Section 13050 of the Water Code is amended to read:

13050. As used in this division:

- (a) "State board" means the State Water Resources Control Board.
- (b) "Regional board" means any California regional water quality control board for a region as specified in Section 13200.
- (c) "Person" includes any city, county, district, the state, and the United States, to the extent authorized by federal law.
- (d) "Waste" includes sewage and any and all other waste substances, liquid, solid, gaseous, or radioactive, associated with human habitation, or of human or animal origin, or from any producing, manufacturing, or processing operation, including waste placed within containers of whatever nature prior to, and for purposes of, disposal.
- (e) "Waters of the state means any surface water or groundwater, including saline waters, within the boundaries of the state.
- (f) "Beneficial uses" of the waters of the state that may be protected against quality degradation include, but are not limited to, domestic, municipal, agricultural, and industrial supply; power generation; recreation; aesthetic enjoyment; navigation; and preservation and enhancement of fish, wildlife, and other aquatic resources or preserves.
- (g) "Quality of the water" refers to chemical, physical, biological, bacteriological, radiological, and other properties and characteristics of water which affect its use.
- (h) "Water quality objectives" means the limits or levels of water quality constituents or characteristics which are established for the reasonable protection of beneficial uses of water or the prevention of nuisance within a specific area.
- (i) "Water quality control" means the regulation of any activity or factor which may affect the quality of the waters of the state and includes the prevention and correction of water pollution and nuisance.

(j) "Water quality control plan" consists of a designation or establishment for the waters within a specified area of all of the following:

- (1) Beneficial uses to be protected.
- (2) Water quality objectives.
- (3) A program of implementation needed for achieving water quality objectives.

(k) "Contamination" means an impairment of the quality of the waters of the state by waste to a degree which creates a hazard to the public health through poisoning or through the spread of disease. "Contamination" includes any equivalent effect resulting from the disposal of waste, whether or not waters of the state are affected.

(l) (1) "Pollution" means an alteration of the quality of the waters of the state by waste to a degree which unreasonably affects either of the following:

- (A) The waters for beneficial uses.
- (B) Facilities which serve these beneficial uses.

(2) "Pollution" may include "contamination."

(m) "Nuisance" means anything which meets all of the following requirements:

- (1) Is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property.
- (2) Affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal.
- (3) Occurs during, or as a result of, the treatment or disposal of wastes.

(n) "Recycled water" means water which, as a result of treatment of waste, is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefore considered a valuable resource.

(o) "Citizen or domiciliary" of the state includes a foreign corporation having substantial business contacts in the state or which is subject to service of process in this state.

(p)(1) "Hazardous substance" means either of the following:

(A) For discharge to surface waters, any substance determined to be a hazardous substance pursuant to Section 311(b)(2) of the Federal Water Pollution Control Act (33 U.S.C. Sec. 1251 et seq.).

(B) For discharge to groundwater, any substance listed as a hazardous waste or hazardous material pursuant to Section 25140 of the Health and Safety Code, without regard to whether the substance is intended to be used, reused, or discarded, except that "hazardous substance" does not include any substance excluded from Section 311(b)(2) of the Federal Water Pollution Control Act because it is within the scope of Section 311(a)(1) of that act.

(2) "Hazardous substance" does not include any of the following:

(A) Nontoxic, nonflammable, and noncorrosive stormwater runoff drained from underground vaults, chambers, or manholes into gutters or storm sewers.

(B) Any pesticide which is applied for agricultural purposes or is applied in accordance with a cooperative agreement authorized by Section 116180 of the Health and Safety Code, and is not discharged accidentally or for purposes of disposal, the application of which is in compliance with all applicable state and federal laws and regulations.

(C) Any discharge to surface water of a quantity less than a reportable quantity as determined by regulations issued pursuant to Section 311(b)(4) of the Federal Water Pollution Control Act.

(D) Any discharge to land which results, or probably will result, in a discharge to groundwater if the amount of the discharge to land is less than a reportable quantity, as determined by regulations adopted pursuant Section 13271, for substances listed as hazardous pursuant to Section 25140 of the Health and Safety Code. No discharge shall be deemed a discharge of a reportable quantity until regulations set a reportable quantity for the substance discharged.

(q)(1) "Mining waste" means all solid, semisolid, and liquid waste materials from the extraction, beneficiation, and processing of ores and minerals. Mining waste includes, but is not limited to, soil, waste rock, and overburden, as defined in Section 2732 of the Public Resources Code, and tailings, slag, and other processed waste materials, including cementitious materials that are managed at the cement manufacturing facility where the materials were generated.

(2) For the purposes of this subdivision, "cementitious material" means cement, cement kiln dust, clinker, and clinker dust.

(r) "Master recycling permit" means a permit issued to a supplier or a distributor, or both, of recycled water, that includes waste discharge requirements prescribed pursuant to Section 13263 and water recycling requirements prescribed pursuant to Section 13523.1.

(s)(1) "Agricultural operation" means either of the following:

(A) A discharger that satisfies both of the following conditions:

(i) The discharger is an owner, operator, or both, of land that is irrigated to produce crops or pasture for commercial purposes or a nursery.

(ii) The discharger is enrolled or named in an irrigated lands regulatory program order adopted by the state board or a regional board pursuant to Section 13263 or 13269.

(B) A discharger that satisfies both of the following conditions:

(i) The discharger is an owner, operator, or both of a facility that is used for the raising or harvesting of livestock.

(ii) The discharger is enrolled or named in an order adopted by the state board or a regional board pursuant to Section 13263 or 13269 that regulates the discharges of waste from a facility identified in clause (i) to protect ground and surface water.

(2) "Agricultural operation" does not include any of the following:

(A) An off-farm facility that processes crops or livestock.

(B) An off-farm facility that manufactures, synthesizes, stores, or processes fertilizer.

(C) Any portions of land or activities occurring on those portions of land that are not covered by an order adopted by the state board or a regional board identified in clause (ii) of subparagraph (A) or clause (ii) of subparagraph (B) of paragraph (1).

SEC. 6.

Article 4.5 (commencing with Section 13278) is added to Chapter 4 of Division 7 of the Water Code, to read:

Article 4.5. Discharges of Nitrate to Groundwater from Agricultural Operations

13278. (a) For the purposes of this article, the Legislature finds all of the following:

(1) Implementation of currently known best management practices for some crops under some circumstances can reduce but not always completely prevent nitrogen in organic and synthetic fertilizers that transform to nitrate from reaching groundwater at concentrations above the water quality objectives established pursuant to this division.

(2) It is acknowledged that discharges of nitrate from agricultural operations could reach groundwater and could cause or contribute to exceedances of drinking water standards for nitrate, and could cause conditions of pollution or nuisance in those waters as defined and applied in accordance with this division, or both.

(3) Nitrate pollution of groundwater impacts drinking water sources for hundreds of thousands of Californians and it is necessary to protect current and future drinking water users from the impacts of nitrate pollution.

(4) Despite progress in controlling discharges of nitrogen that lead to nitrate formation, some groundwater sources of drinking water will continue to be adversely impacted by nitrate and it is important to have in place a program for mitigating these impacts.

(5) The regional boards will continue to regulate discharges to reduce nitrogen loading and protect beneficial uses of water and groundwater basins; the state board, regional boards, and courts will ensure compliance with those orders; and dischargers will pay for mitigation of nitrate pollution by funding projects that provide both immediate and long-term drinking water solutions for affected communities and affected domestic wells.

(b) The Legislature declares its intent in establishing this article to limit certain enforcement actions that a regional board or the state board could otherwise initiate during a 15-year period against an agricultural operation that meets specified requirements, while maintaining the overall framework of this division to protect beneficial uses, implement water quality objectives in waters of the state, and regulate activities and factors that affect water quality to attain the highest water quality that is reasonable.

13278.1. (a) An agricultural operation shall not be subject to enforcement undertaken or initiated by the state board or a regional board, under Chapter 5 (commencing with Section 13300), for causing or contributing to an exceedance of a water quality objective for nitrate in groundwater or for causing or contributing to a condition of pollution or nuisance for nitrate in groundwater if an agricultural operation that discharges or threatens to discharge, or has discharged or previously threatened to discharge, nitrate to groundwater meets all of the following requirements:

(1) The agricultural operation is in compliance with all applicable provisions prescribed by a regional board or the state board in an order adopted pursuant to

Section 13263 or 13269, including, but not limited to, the following:

(A) Requirements to implement best practicable treatment or control.

(B) Requirements to implement best efforts.

(C) Monitoring and reporting requirements.

(D) Applicable timelines.

(2) The agricultural operation is in compliance with an applicable program of implementation for achieving groundwater quality objectives for nitrate that is part of an applicable water quality control plan adopted by the state board or a regional board pursuant to Article 3 (commencing with Section 13240).

(3) The requirement contained in paragraph (1) excludes any provision contained in an order adopted under Section 13263 or 13269 that prohibits in general terms a discharge from causing or contributing, or threatening to cause or contribute, to an exceedance of a water quality objective for nitrate in groundwater or a condition of pollution or nuisance for nitrate in groundwater.

(b)(1) An agricultural operation is not in compliance with the requirement in paragraph (1) of subdivision (a) if the agricultural operation has been subject to an enforcement order under Chapter 5 (commencing with Section 13300) within the preceding 12 months for violation of an order adopted under Section 13263 or 13269 authorizing discharges from agricultural operations.

(2) Paragraph (1) does not apply to an enforcement order issued after January 1, 2016, and before January 1, 2019, inclusive, alleging that a discharge from an agricultural operation caused or contributed, or threatened to cause or contribute, to an exceedance of a water quality objective for nitrate in groundwater, conditions of pollution or nuisance for nitrate in groundwater, or both.

(c) Except as otherwise provided in subdivision (d), both of the following apply to a discharge of nitrogen to groundwater by an agricultural operation that occurs when the discharger is in compliance with the requirements of paragraph (1) of subdivision (a):

(1) The discharge of nitrogen to groundwater shall not be admissible in a future enforcement action against the agricultural operation by the state board or a regional board, pursuant to Chapter 5 (commencing with Section 13300), to support a claim that the agricultural operation is causing or contributing, or threatening to cause or contribute, to an exceedance of a water quality objective for nitrate in groundwater or

a condition of pollution or nuisance for nitrate in groundwater.

(2) The discharge of nitrogen to groundwater shall not be considered by the state board or a regional board to apportion responsibility and shall not be used by any person to diminish responsibility in any enforcement action initiated pursuant to Chapter 5 (commencing with Section 13300) with respect to discharges of nitrogen, regardless of source, that did not occur in compliance with the mitigation requirements of paragraph (1) of subdivision (a).

(d) Nothing in this section alters the state board's or a regional board's authority to do both of the following:

(1) To require or conduct investigations, to require reports on or to establish other requirements for best practicable treatment or control or best efforts, or to require monitoring and reporting requirements to protect water quality.

(2) To take or initiate enforcement action pursuant to Chapter 5.5 (commencing with Section 13370), without regard to whether the agricultural operation met the requirements of paragraph (1) of subdivision (a) at any time.

(c) This section shall not be deemed to change or alter a water quality objective that is part of a water quality control plan adopted by the state board or a regional board pursuant to Article 3 (commencing with Section 13240). (f) This section shall remain in effect only until January 1, 2029, and as of that date is repealed.

13278.2. (a) An agricultural operation shall not be subject to enforcement undertaken or initiated by the state board or a regional board, under Section 13304, for creating or threatening to create a condition of pollution or nuisance for nitrate in groundwater if an agricultural operation that discharges or threatens to discharge, or has discharged or previously threatened to discharge, nitrate to groundwater meets all of the following requirements:

(1) The agricultural operation is in compliance with all applicable provisions prescribed by a regional board or the state board in an order adopted pursuant to Section 13263 or 13269, including, but not limited to, the following:

(A) Requirements to implement best practicable treatment or control.

(B) Requirements to implement best efforts.

(C) Monitoring and reporting requirements.

(D) Applicable timelines.

(2) The agricultural operation is in compliance with an applicable program of implementation for achieving groundwater quality objectives for nitrate that is part of an applicable water quality control plan adopted by the state board or a regional board pursuant to Article 3 (commencing with Section 13240).

(3) The requirement contained in paragraph (1) excludes any provision contained in an order adopted under Section 13263 or 13269 that prohibits in general terms a discharge from causing or contributing, or threatening to cause or contribute, to an exceedance of a water quality objective for nitrate in groundwater or a condition of pollution or nuisance for nitrate in groundwater.

(b) An agricultural operation is not in compliance with the mitigation requirement in paragraph (1) of subdivision (a) if the agricultural operation has been subject to an enforcement order under Chapter 5 (commencing with Section 13330) within the preceding 12 months for violation of an order adopted under Section 13263 or 13269 authorizing discharges from agricultural operations.

(c) Except as otherwise provided in subdivision (d), both of the following apply to a discharge of nitrogen to groundwater by an agricultural operation that occurs when the discharger is in compliance with the requirements of paragraph (1) of subdivision (a):

(1) The discharge of nitrogen to groundwater shall not be admissible in a future enforcement action against the agricultural operation by the state board or a regional board, pursuant to Section 13304 to support a claim that the agricultural operation is causing or contributing, or threatening to cause or contribute, to an exceedance of a water quality objective for nitrate in groundwater or a condition of pollution or nuisance for nitrate in groundwater.

(2) The discharge of nitrogen to groundwater shall not be considered by the state board or a regional board to apportion responsibility and shall not be used by any person to diminish responsibility in any enforcement action initiated pursuant to) Section 13304 with respect to discharges of nitrogen to groundwater, regardless of source, that did not occur in compliance with the requirements of paragraph (1) of subdivision (a).

(d) Nothing in this section alters the state board's or a regional board's authority to do both of the following:

(1) To require or conduct investigations, to require reports on or to establish other requirements for best practicable treatment or control or best efforts, or to require monitoring and reporting requirements to protect water quality.

(2) To take or initiate enforcement action pursuant to Chapter 5.5 (commencing with Section 13370), without regard to whether the agricultural operation met the requirements of paragraph (1) of subdivision (a) at any time.

(e) This section shall not be deemed to change or alter a water quality objective that is part of a water quality control plan adopted by the state board or a regional board pursuant to Article 3 (commencing with Section 13240).

(f)(1) This section shall become operative on January 1, 2029.

(2) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2034, deletes or extends that date.

13278.3. By January 1, 2028, the state board shall conduct a public review of regulatory and basin plan amendment implementation programs to evaluate progress toward achieving water quality objectives with respect to nitrate in groundwater and assess compliance with adopted timelines, monitoring requirements, and implementation of best practicable treatment or control.

13278.4. Nothing in this article limits the liability of a discharger under any other law, including, but not limited to, Part 3 (commencing with Section 3479) of Division 4 of the Civil Code.

13278.5. As long as the safe drinking water fee for confined animal facilities excluding dairies pursuant to Article 10.5 (commencing with Section 595) of Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code, the fertilizer safe drinking water fee pursuant to Article 6.5 (commencing with Section 14615) of Chapter 5 of Division 7 of the Food and Agricultural Code, and the dairy safe drinking water fee pursuant to Article 14.5 (commencing with Section 62215) of Chapter 2 of Part 3 of Division 21 of the Food and Agricultural Code are in effect, the Legislature may not amend the provisions in this article except by an affirmative vote of two-thirds of the membership in each house of the Legislature.

SEC. 7. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

**DESERT WATER AGENCY
MEDIA INFORMATION
FEBRUARY 2018**

DATE	PACKET PAGE	MEDIA SOURCE	ARTICLE
02/02/18	1	THE DESERT SUN	Drought Deepens Dramatically In Southern California
02/03/18	2-3	LOS ANGELES TIMES	Dam Plans Score Low In Bid For Bond Funds
02/08/18	4	THE DESERT SUN	Water Tunnel Plan Scaled Back
02/08/18	5-6	LOS ANGELES TIMES	California Moves Ahead With One Delta Tunnel, Scaling Back Ambitious Water Delivery Project
02/10/18	7-10	THE DESERT SUN	Nestle Says It Has Rights To Water
02/13/18	11-13	LOS ANGELES TIMES	Dry, Hot California Winter Closes Ski Resorts, Stalls Wildflower Blooms And Revives Drought Fears
02/21/18	14-15	THE DESERT SUN	Drought Measures Could Be Permanent

Drought deepens dramatically in Southern California

ASSOCIATED PRESS: Ellen Knickmeyer and Rich Pedroncelli, February 2, 2018

PHILLIPS STATION — California is rapidly plunging back into drought, with severe conditions now existing in Santa Barbara, Ventura and Los Angeles counties — home to one-fourth of the state's population — a national drought monitor said Thursday.

The weekly report released by the U.S. Drought Monitor, a project of government agencies and other partners, also shows 44 percent of the state is now considered to be in a moderate drought. It's a dramatic jump from just last week, when the figure was 13 percent.

"It's not nearly where we'd like to be," Frank Gehrke, a state official, acknowledged after separately carrying out manual measurements of winter snowfall in the Sierra Nevada mountains, which supplies water to millions of Californians in a good, wet year.

Overall, the vital snowpack Thursday stood at less than a third of normal for the date.

California lifted a drought state of emergency less than a year ago. A rainy winter last year in the state's north finally snapped the worst of that drought. The new figures from national drought monitors came amid growing concern among state officials about another dry winter. The dry spell is acute in Southern California. Los Angeles and some surrounding areas have received only one significant storm in nearly a year, and it triggered deadly mudslides. The region is now seeing record-setting heat. The readings detailed Thursday show the drought has worsened to the severe category in 5 percent of the state. The last time even a small part of the state was rated in severe drought was last year.

However, Thursday's figures were far better than those during the peak of the state's epic dry spell, when 99.9 percent of California was in some stage of drought and nearly half in the highest category. But the drought never really seemed to lift in some Southern California areas, Daniel Swain, a climate scientist at University of California, Los Angeles, noted this week.

In Ventura and Santa Barbara counties, the lack of rain and dry vegetation were perfect fuel for a December wildfire that grew to become the largest recorded in state history. When it finally rained, the scorched earth turned into mudslides that sent earth, water and boulders roaring through neighborhoods.

In California's Central Valley, the nation's richest agricultural producer, government officials had to install water systems during and after the five year drought for small towns such as East Porterville after household wells ran dry. Even so, deliveries of bottled water continued this week to people outside East Porterville, said resident Elva Beltran, one of many volunteers who helped neighbors without water. "It never ended," she said of the drought in her area. California's water managers traveled to the mountains Thursday to check the snow depth — one gauge of the state water supply.

Electronic sensors showed statewide snow levels at 27 percent of normal. A bright spot, said Doug Carlson, spokesman for the state's Department of Water Resources, which carries out the snowpack surveys, is that reservoirs remain far fuller than usual thanks to last year's rain in the state's north.

Los Angeles Times

Dam plans score low in bid for bond funds

Proposed water storage projects hit a bump Backers say they'll revisit proposals in competition for Proposition 1 money.

By Bettina Boxall, February 3, 2018

Backers of new dams and other water storage projects in California slammed into a roadblock Friday when their proposals scored badly in the first round of competition for a pot of state bond money.

Whether the roadblock is temporary or permanent remains to be seen. But the low scores for 11 different proposals are a reminder that the free flow of government money for big water projects is a thing of the past.

Whether the projects were big or little, or involved new reservoirs or groundwater facilities, none of them fully met the first set of funding criteria spelled out by the California Water Commission. The commission is tasked with allocating the \$2.7 billion earmarked for storage projects in Proposition 1, the 2014 state water bond that set specific requirements on how those funds can be spent.

The state can pay for no more than half of a project's total cost. The state money can be used only to underwrite a project's public benefits, such as recreation, flood control and ecosystem improvements.

And half of the state share has to pay for ecosystem improvements in the watershed of the Sacramento-San Joaquin Delta, the troubled center of California's water system.

The state agencies that reviewed the applications for the commission concluded that backers in many cases had not documented their claims of public benefits or had failed to show their project would provide the necessary ecosystem improvements.

Backers of the proposed Temperance Flat Dam, which would rise on the upper San Joaquin River above Friant Dam, applied for \$1 billion. The commission's initial verdict: zero funding.

Proponents of the Sites Reservoir, which would store water diverted from the Sacramento River in Northern California, fared somewhat better. The commission said they were eligible for \$662 million. That was still \$1 billion less than they asked for.

Commission staff stressed that the public benefit scores could go up after applicants provide them with more information in coming weeks. Moreover, several other factors will figure into a project's final score, which determines funding eligibility.

"We're early in the process. No applicant is being removed now," commission spokesman Chris Orrock said. The commission expects to make final decisions in July.

Project proponents said they were confident they can boost their scores.

"All the applicants figure we can do better than what they scored us," said Jim Watson, general manager of the Sites Project Authority. "We always assumed we would have to use an appeal" to fully explain the proposal's water management plans.

Mario Santoyo, executive director of the San Joaquin Valley Water Infrastructure Authority, likewise said that when Temperance Flat proponents go over their computer modeling with the commission staff, "we're going to turn that around completely."

Environmentalists said they expected some proposals — such as one to expand Los Vaqueros Reservoir in the Bay Area — would be able to improve their position in the funding line.

But Friant and Sites, they argued, will have a tough time overcoming the concerns of the state Fish and Wildlife Department, which concluded both projects could harm salmon.

“Commission staff deserves a lot of credit for taking a hard look at all the projects and making sure the public is only paying for public benefits,” said Rachel Zwillinger, water policy advisor for Defenders of Wildlife, an environmental group.

It’s not just dam proposals that stumbled in the commission review. So did proposals for groundwater storage facilities in the San Joaquin Valley and Southern California.

“It’s a little discouraging that all the projects scored” low, Watson said.

Tim Quinn, executive director of the Assn. of California Water Agencies, said he was astounded at the “stark differences” between the commission’s analysis and the applicants’.

“Those projects were put together with care,” he said. “I know the value of storage. And a number of them ought to get built.”

But he acknowledged the difficulty of achieving Proposition 1’s twin goals, as outlined in the legislative language that put the measure before California voters: Fund both water supply and ecosystem improvements.

“We wanted to design and construct infrastructure in a different way, not just for water supply,” Quinn said. “It’s a hard thing to do.”

Water tunnel plan scaled back

Brown now proposes just one, not two, giant pipes

Ellen Knickmeyer Associated Press, February 8, 2018

SAN FRANCISCO – Gov. Jerry Brown's administration announced Wednesday that it was scaling back his troubled four-decade effort to redo California's north-south water system, cutting plans to build giant water tunnels from two to one.

Reducing the number of tunnels — at least for now — would help with California's quest to line up enough funding and ease environmental concerns over tapping directly into the state's largest river, officials said.

Supporters also hope the trimmed-down project will have a better chance of winning approval before the 79-year-old governor leaves office in January. The single tunnel still would be California's biggest water project in decades.

The tunnel would pipe water from Northern California through a four-story-high tunnel. Los Angeles' giant Metropolitan Water District and its millions of urban customers are expected to be some of the main beneficiaries. California water districts had balked at the \$16 billion cost of the two tunnels, stalling that version late last year.

Karla Nemeth, director of the state Department of Water Resources, wrote in a memo to water agencies Wednesday that the state would still proceed with a second tunnel if the money is found. The state put the cost of the single tunnel at \$10.7 billion, all to be paid by water districts that use the supply.

The Sierra Club in California and other environmental groups alleged that the state is saying the two tunnel plan still survives only to avoid seeking new permits and approval on a single-tunnel project.

The new plan marks the latest in Brown's lengthy effort to redo the water system left by his father, the late Gov. Pat Brown.

The original project built by the late Brown has helped hasten the decline of California's chinook salmon and other native species in the largest estuary on the West Coast.

Supporters of the tunnels say the new project would help the environment.

Opponents fear the project — built with one tunnel or two — would take too much fresh water from the vital waterway.

California moves ahead with one delta tunnel, scaling back ambitious water delivery project

By Bettina Boxall, February 8, 2018

State officials Wednesday said they will press ahead with a smaller version of a long-planned water delivery project, initially building one, instead of two, massive tunnels in the heart of California's vast waterworks.

The decision to downsize California WaterFix boils down to money. The urban and agricultural water districts that are supposed to pay for the multibillion dollar project have only committed to enough funding for one water tunnel that would extend 35 miles under the Sacramento-San Joaquin Delta.

The reduction is yet another setback for a decade-old proposal that was originally pitched as a grand fix for the ecologically failing delta and the key to sending more water south to San Joaquin Valley agribusiness and Southern California cities.

Questions about WaterFix's impact on the delta environment, opposition by delta interests and funding shortfalls have steadily whittled down the project's ambitions and scope. A major habitat restoration program was dropped. The construction footprint was reduced. And now, instead of a \$17-billion, two-tunnel project, the state is planning to move ahead with one tunnel that would cost \$10.7 billion.

The changes are likely to add more delays to WaterFix. The Metropolitan Water District of Southern California and other agencies that approved funding for the two-tunnel plan have to decide if a scaled-back version will deliver enough water to maintain the project's appeal.

"Metropolitan recognizes that a staged approach to California WaterFix reflects the project's economic realities at this time," Metropolitan general manager Jeffrey Kightlinger said in a statement. "Metropolitan continues to explore pathways that align cost and benefits and will work with our partners on a financing agreement. But the final decision regarding participation in the staged project will ultimately be made by our board of directors."

The Department of Water Resources said it would take until October to complete a supplemental environmental review of the modified plans.

And shrinking the project won't quiet criticism that big tunnel diversions on the Sacramento River will hurt migrating salmon and worsen water quality in the delta.

"The science is clear: We need to increase [delta] outflow and reduce diversions," said Doug Obegi, an attorney with the Natural Resources Defense Council, an environmental group.

The project also has yet to finish the permitting process, which could throw still more hurdles in its path.

The tunnel proposal is the latest attempt to halt the delta's steep environmental decline while continuing major water exports that have helped drive that decline. The project's many stumbles illustrate how difficult — if not impossible — it is to attain that goal.

In a memo to water contractors, state officials Wednesday said the ultimate scope of WaterFix depended on the participation of local agencies — construction could begin on a second tunnel if additional funding materialized. "Being prepared and having the option of a staged implementation of WaterFix is prudent, fiscally responsible and meets the needs of the public water agencies funding the project," wrote DWR Director Karla Nemeth.

Even a smaller WaterFix would involve a mammoth construction job. Two new intakes, with a total capacity of 6,000 cubic feet per second, would be built on the Sacramento River in the north delta near Courtland. The tunnel — taller than a three-story building and buried as much as 150 feet underground — would feed existing government pumping plants in the south delta.

Those pumping operations are so powerful that they have altered delta hydrology, caused delta channels to flow backward and pushed imperiled native fish closer to extinction — triggering endangered species protections that at times restrict southbound water exports.

WaterFix is intended to diminish the environmental impacts of the pumping — heading off further export restrictions. But opponents argue that the new river diversions will create another set of environmental problems, while years of construction will disrupt one of California's most tranquil farming regions.

The original funding plan called for the largely urban water agencies supplied by the State Water Project to pay for 55% of the tunnels, while the largely agricultural customers of the federal Central Valley Project paid for the remaining 45%.

But the Central Valley Project districts balked at the costs, saying their growers couldn't afford the tunnel water. That left Metropolitan and other State Water Project contractors holding the bill — forcing the change to a smaller and less expensive design.

"It's clear from the memo that Phase 2 probably won't be built," Obegi said.

Nestlé says it has rights to water

Bottled water giant pipes forest's resource

Ian James, February 10, 2018 - Palm Springs Desert Sun USA TODAY NETWORK

Nestlé is disputing the findings of an investigation by California water regulators, arguing the company is entitled to keep piping water out of the San Bernardino National Forest — even more water than it has been bottling and selling in the past few years.

State officials carried out a 20-month investigation and concluded in December that the company doesn't seem to have valid rights for much of the water it's been drawing from the forest north of San Bernardino.

But Nestlé argued in a written response to the State Water Resources Control Board on Friday that it has rights to take at least 88 million gallons each year — nearly three times as much as it took in 2016. That stance conflicts sharply with state investigators' findings, and with arguments by Nestlé's opponents that the company doesn't have any water rights at all in the national forest.

The dispute stretches back more than a century to the creation of the national forest in 1893, and to an early bottling operation that began with a contract in 1909.

At stake in the fight is the lucrative namesake source of Arrowhead 100% Mountain Spring Water, which Nestlé has used since it acquired Perrier in 1992.

The company submitted a 160-page response to the State Water Board on Friday, including a 1912 photo of an old Arrowhead factory, 1931 pipeline drawings, a survey map and dozens of pages of legal documents and property records.

The company said it prepared the response following "a thorough review of historical, scientific and legal evidence."

Alix Dunn, a spokesperson for Nestlé Waters North America, said in a statement that the company "is not making any unauthorized diversions from Strawberry Canyon — the site of Arrowhead Springs."

"In fact, Nestlé Waters currently takes less water annually than it has valid water rights for," Dunn said.

The State Water Board "undercounted the amount of water historically appropriated," Dunn said, and therefore undercounted the rights that Nestlé is entitled to now.

When they announced the findings of their investigation on Dec. 20, state officials told the company it appeared to have a right to divert up to 8.5 million gallons per year from a source called Indian Springs, "based on 1912 plans to bottle water in Los Angeles."

But they said the company doesn't appear to have valid rights to divert more than that — about a fourth of the 32 million gallons the company piped from sources in the forest in 2016.

There was a caveat. State regulators said Nestlé likely could claim some amount of “percolating groundwater,” which is defined as groundwater that’s filtering down to an aquifer and is not subject to the water board’s legal authority. But they said in their letter to the company that a significant portion of the water Nestlé has been taking “appears to be diverted without a valid basis of right.”

State officials recommended ‘that Nestlé immediately cease any unauthorized diversions.’ They said within 60 days the company should submit a compliance plan for the agency to review and approve, “to ensure that diversions do not exceed those allowable.”

In its response, the company argued it is “not making any unauthorized diversions from Strawberry Canyon.” Nestlé said it has “a valid basis of right for surface water and groundwater” to collect at least 271 acre-feet per year, or 88 million gallons.

If state regulators disagree with Nestlé’s response, the investigation could turn into a contentious process before the State Water Board. If Nestlé eventually requests a hearing, the enforcement team would act as prosecutors and the five-member board would decide.

Nestlé’s use of water from the national forest has generated an outpouring of opposition, protests and a lawsuit since a March 2015 Desert Sun investigation revealed that the U.S. Forest Service has been allowing the company to continue drawing water from the national forest using a permit that lists 1988 as the expiration date.

The Forest Service subsequently announced a review of the permit and in 2016 released a proposal to grant the company a new five-year permit. The issue also prompted several complaints to the State Water Board starting in April 2015, which led to the investigation into the company’s water rights claims.

Forest Service officials have defended their actions, arguing that Nestlé’s 1978 permit, which was issued to predecessor Arrowhead Puritas Waters Inc., remains in effect while they consider the company’s renewal application. A federal judge agreed with the Forest Service, ruling the permit was still valid because the company’s predecessor in 1987 took the proper step of writing to the agency to request a renewal and didn’t receive a response.

That court decision allowed Nestlé to continue drawing water from the forest. Environmental groups have appealed.

Nestlé’s Forest Service permit allows the company to use its horizontal wells, pipelines and water collection tunnels in the mountains north of San Bernardino. The Forest Service, which does not charge a fee for the water, has been charging the company an annual permit fee of \$624, and has deferred to state officials to rule on questions about water rights.

Amanda Frye, a local activist who filed one of the complaints that led to the state’s investigation, urged the water board to reexamine the findings. She submitted a letter together with historical and legal documents, arguing the early bottling operation that started in 1909 occurred in a different area and not in the national forest, and that the company has no right to continue taking water.

“The water rights belong to the San Bernardino National Forest, and they always have,” Frye said in an interview.

The water that was first bottled and sold more than a century ago was named after the famed arrowhead shaped natural rock formation on a mountainside north of San Bernardino and the

Arrowhead Springs near it — both hot and cold springs that flowed from the mountain. The main attraction at the Arrowhead Springs Hotel were the hot springs where visitors came to soak and relax.

In its response, Nestlé cited a 1907 document relating to the construction of a railroad line. "This railway line allowed passengers to travel directly to the Arrowhead Springs Hotel and allowed the Hotel's owners to ship water in bulk and in bottles to Los Angeles," the company said.

It said that in 1912, the Arrowhead Hot Springs Company started building a water bottling plant on a parcel of land next to the hotel. Nestlé said the water sources, however, were known as Indian Springs and Strawberry Springs, and were on national forest land.

Based on her research, Frye said initially there were multiple companies bottling water under the Arrowhead name, and the early bottlers contracted water from the hotel owners. In her letter, she argued there's no proof that Nestlé's predecessors had any valid rights prior to the founding of the national forest in 1893, or in the early days of the bottling operation.

Frye cited a 1909 lawsuit in which Arrowhead Springs Water Company, a Los Angeles-based bottler, sued the Arrowhead Hot Springs Company in a dispute over the bottling business. She also cited a separate 1913 suit involving the property owner and another company. She said deeds showed the water rights ultimately stayed with the hotel's owners.

In those years, the bottled water labels featured images of the hotel and an Indian drinking from a spring, superimposed on an arrowhead-shaped design with the slogan: "From Arrowhead Hot Springs, California; The Monarch of All Waters." One 1913 newspaper ad urged people: "Be sure to get genuine ARROWHEAD SPRINGS WATER, not fraudulent, so-called 'Arrowhead Water' offered by irresponsible parties in demijohns and large quantities."

Frye said the water that was first bottled and sold came from a spring source known as Agua Fria in Cold Water Canyon. The area, she said, was at the base of the mountain, far downhill from the areas where Nestlé is drawing water today.

She said the records indicate water started to be drawn from national forest lands around 1928, when Arrowhead Springs Corp. "sold false rights on forest lands to water bottler and distributor California Consolidated Waters in what appears to be an attempt to raise funds for a bond debt and use water sources other than the hotel property."

Arrowhead Springs Corp. didn't transfer water rights to the other company, Frye wrote. "They simply made up new ones in our San Bernardino National Forest so Consolidated Waters could develop more water sources, give Arrowhead Springs property more water and promote the Arrowhead name by bottling and selling the water while Arrowhead Springs Corp. profited."

She called it an appropriation of "fake rights."

As state officials study the dispute, they're likely to grapple with other legal questions surrounding the fact that the company now appears to be drawing water from different locations than where water was first extracted for bottling.

Indian Springs — which state officials said the company has a right to — is located on Forest Service land, but it's not included in Nestlé's current permit, nor has it been listed in any of their previous permits, said Zach Behrens, a Forest Service public affairs officer.

A map produced by the State Water Board shows the approximate location of Indian Springs is about 2.5 miles from the closest of the water sources that Nestlé is using.

The company collects water using a system of 10 gravity-fed boreholes and two water tunnels drilled deep into the mountainside. The water flows downhill through a steel pipeline to a roadside tank, where it's pumped into tanker trucks and hauled to a bottling plant.

Frye argued there's no proof that Nestlé's predecessors had any valid rights to the area in Strawberry Canyon where water is being drawn, or to Indians Springs.

She pointed out that Nestlé's boreholes and tunnels are located on federal land, and argued that federally reserved groundwater rights should apply — meaning that the federal government's rights to the groundwater should be senior to all other claims.

Retired Forest Service biologist Steve Loe agreed and urged the state in a letter to act to protect Strawberry Creek and the ecosystem it supports.

"We do not believe Nestlé has any right to 26 acre-feet of surface diversions," Loe wrote. "We do not believe Nestlé has any groundwater rights."

He said the drought is "enough of a reason to assume potential significant damage to any stream in southern California if you take away significant amounts of groundwater at the source."

Loe and other people who are critical of Nestle's operation have argued that taking water from the forest harms spring-fed Strawberry Creek and the wildlife that depends on it.

Nestlé denies causing any harm to the environment in the national forest. The company says its engineers and scientists monitor the company's water sources as well as the surrounding environment.

Nestlé filed its response to the state's investigation before a Friday deadline. Now officials will consider the comments submitted by Nestlé and other parties, said Ken Petruzzelli, senior staff counsel at the State Water Board. He said he hadn't yet reviewed Nestle response and couldn't comment on it.

As part of the process, the water rights division's enforcement section will have discretion to choose whether to begin an enforcement action for unauthorized water diversions, which could include a "cease and desist" order or fines.

Larry Lawrence, Nestlé Waters' natural resource manager, said in a letter to the state agency that the company would "of course comply with those amounts as ultimately determined at the conclusion of this process."

Nestlé has hired water lawyer Rita Maguire, a former director of the Arizona Department of Water Resources, to represent it in the process.

The battle over Nestlé's operation in the San Bernardino Mountains is one of several fights that opponents have waged across the country — in states including Oregon, Michigan and Pennsylvania — to try to block the company from siphoning water from springs and aquifers.

Nestlé Waters North America is the biggest water bottling company in the United States, with \$4.5 billion in sales in 2016. The company runs 28 bottled water plants across the U.S., including five bottling plants in California.

Dry, hot California winter closes ski resorts, stalls wildflower blooms and revives drought fears

By Paige St. John, Ron-Gong Linli and Sarah Parvini, February 13, 2018 Truckee, CA

In the Sierra Nevada, snowpack levels are running below even the darkest days of the drought, with cross-country ski resorts closed and mountain biking becoming the sport of choice until the snow returns.

In the Bay Area, cities like San Francisco, San Jose and Santa Rosa are experiencing the hottest starts to a year on record.

And Southern California remains in the grip of unprecedented dry and hot conditions, despite a weak storm that moved in Monday.

February is historically a wet month, but not this year. And the long-term forecast offers little hope for relief.

"If you're buying rainfall stocks, go short," said climatologist Bill Patzert. "Essentially, that storm we had in Montecito was the only major storm we've had in the last 12 months. It stopped raining in mid-February 2017, and, you know, there hasn't been much rain since."

Southern California is desperate for rain, but this week's precipitation is expected to be so paltry experts are loathe to even call it an actual storm.

"While many places may see some light, showery precipitation this week, it does not appear that this event will bring the kind of widespread significant rain and snow that is currently needed," said UCLA climate scientist Daniel Swain. At this rate, by Feb. 19, L.A. is on track to have a full year with only one day of significant rain — the day that brought deadly mudslides to Montecito in Santa Barbara County.

Downtown L.A. has seen only 1.96 inches since July 1, less than one-quarter the historical average for this time of year, which is 8.54 inches. The last time Los Angeles broke the record for the driest year was when 3.21 inches of rain fell for the rain year that ended June 30, 2007.

The odds are that California will have below-average precipitation through the rest of February, according to the National Weather Service's Climate Prediction Center. And the main culprit, an intensely persistent mass of high pressure, refuses to budge in any significant way.

This time last year on the Sierra Nevada's Donner Pass — amid the wettest year on record in the northern Sierra — heavy snows pushed cabins from their foundations, and buried cars within 20-foot snowbanks, only to be uncovered and sliced by snowplows struggling to keep access to the packed resorts open.

The picture this year is equally telling — bare ground and mountains with broken snow on one flank, raw granite on the other.

On Monday, the remnants of an overnight dusting had already vanished. A few skiers came off slopes where machines spewed flumes of the snow to half-empty parking lots.

It was enough snow for Lana Hamilton of Alta, Calif., to bring out her 2-year-old daughter, strapped into pink ski boots, but her husband didn't even bother.

"It's been abominable," Hamilton said. While downhill resorts remain open, making their own snow, the cross-country business in the Tahoe basin is struggling.

Before this week's storm, temperatures around Truckee, near Lake Tahoe, hit the mid- to upper 50s — way above normal for this time of year and more of what's expected in April.

Royal Gorge, Tahoe Donner, TahoeXC and other Nordic trails were closed to skiers, in hibernation until the next storm. Fat tire biking instead was in order.

"Think snowy thoughts," said the recorded line at Royal Gorge.

The only significant snowstorm of the season was an "atmospheric river" event before Thanksgiving. But the skies haven't been kind since then, leaving statewide snowpack accumulations at 21% of average for this time of year.

There have been so many clear days with bright sun that the rays have melted snow off the south slopes, leaving them rocky and brown. Researchers at the Central Sierra Snow Lab in Soda Springs reported the lowest water equivalent yet recorded for a Feb. 11, below even the drought years of 2012 through 2015.

A year ago, the Sierra snowpack was 182% of the historical average, and residents complained they had run out of room to put the snow they were clearing from their decks and driveways.

UC Berkeley researcher Randall Osterhuber at the snow lab in Soda Springs has been measuring the frozen water bank on which California's summer supplies so keenly depend on: just 13 inches Monday morning. Last year at this time, there were 128 inches, or nearly 11 feet of snow.

In the deserts of Southern California, chances of a brilliant springtime wildflower bloom are fading fast. Only a few poppies have sprouted at the Antelope Valley California Poppy Reserve, and the hills are mostly brown.

At Anza-Borrego Desert State Park, California's largest state park, some flowers, including lavender, are blooming. But even a half-inch more rain would do wonders, said Betsy Knaak, executive director of the Anza-Borrego Desert Natural History Assn. Since New Year's Day, less than an inch of rain has fallen in Borrego Springs; last year, Borrego Springs saw more than 2½ inches in January and nearly 2 inches in February.

The persistent mass of high pressure hanging around California doesn't seem to be going anywhere. It has budged slightly, enough to allow this week's storm to get through — but it's moving in a way that results in a pretty dry system.

The ridge of high pressure has pushed the track of storms from the Pacific Ocean first north into Alaska before making a hairpin loop down from British Columbia and into California. That takes it

through an overland route that keeps the storm relatively dry, said meteorologist David Sweet of the National Weather Service's Oxnard office.

Only a few hundredths of an inch of rain are expected to hit the lower elevations of L.A. County. "It's not much," Sweet said. "There might be a little bit of snow on the Grapevine."

"To get that really beneficial rainfall and Sierra snowfall, we need these 'atmospheric river' type storms, where the moisture is coming off the Pacific Ocean," said meteorologist Tony Fuentes of the weather service's Reno office. But the track of atmospheric river storms, which California benefited from last year, has been blocked by the high pressure sitting around the state.

San Francisco has now seen 18 consecutive days without rainfall, said meteorologist Jan Null. If that pace keeps up for the next 10 days, the city will have reached the ninth longest streak of no rain during the wintertime. And if no rain appears for four additional days, San Francisco will be in the running for the fourth longest dry spell in the wintertime, Null said.

If February joins December and January into record-setting dryness, "then California is marching into unprecedented territory, which has never been seen before in the recorded climate history," Steve Johnson, long-range forecaster with Atmospherics Group International, said in an email. "Unless March and/or April bring abundant rains ... this rainfall season could end up being one of, or possibly THE driest in our climate history."

Some held out hope for a March miracle, in which just one or two wet weather systems could lay down enough snow to make up the difference. One such memorable March came in 1991.

It was the thought all over Truckee, from sidelined snowboarders to idle tourist shop owners. At Donner Lake Gift Shop, Karen Mertle said business was so slow, she and her husband Fred kept watch on the shop through an open door from their home behind their storefront. The shelves of tire chains were fully stocked, untouched. The lakefront was a strip of old-fashioned motels announcing Vacancy, Vacancy, Vacancy.

"I should close here," Mertle said, "and go to Donner Ranch for lunch."

"They're all hoping. Miracle March," said Reed Winter, 24, working behind the Formica-and-steel diner counter at Jax in Truckee. It has been a lousy winter for snowboarding and Winter does not expect it to get better. "Me, I don't know. I think I'm ready for the warm weather."

But there's a reason why it's called a March miracle — it's rare. And given how delicate the burned areas of California are, a deluge would bring catastrophic mudflows.

"Be careful what you wish for," Patzert said. "We don't need another Montecito."

St. John reported from Truckee, Lin from San Francisco and Parvini from Los Angeles.

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CALIFORNIA WATER

Drought measures could be permanent

State officials consider standing laws against water waste

Ian James, February 21, 2018

California's top water officials are considering permanent conservation rules that would outlaw hosing down driveways, over-watering lawns and running sprinklers on grassy street medians.

The proposed regulations would target wasteful water use in cities and towns statewide, permanently bringing back some of the temporary restrictions imposed during California's record-setting 2012-16 drought.

The State Water Resources Control Board is taking up the measures as California faces worsening drought conditions near the end of a record warm winter. Officials said the regulations are aimed at helping to prepare for future droughts and the impacts of climate change, and at sending a message that that it's no longer acceptable to have water overflowing in gutters.

The proposed regulations, which the State Water Board discussed at a meeting in Sacramento on Tuesday, would permanently prohibit: hosing down sidewalks and driveways; washing a car using a hose without an automatic shutoff nozzle; watering grass and ornamental landscaping within 48 hours after rain; and over-watering lawns by allowing more than "incidental runoff."

The state also would require that fountains recirculate water, that hotels give guests the option of reusing their towels and linens, and that restaurants only serve water upon request during a drought emergency.

The state would give cities until 2025 to stop watering grass on public street medians and landscaped areas between streets and sidewalks. There are a few exceptions under that rule, including that grass would be allowed if it's watered with trees, if recycled water is used, or if the grass "serves a community recreational or civic function."

The State Water Board had planned to vote on the proposed regulations Tuesday but postponed a decision to make several changes and to allow time for more public input. The board has yet to set a date for a decision on the regulations.

Some local water districts are calling for revisions to the proposal, while some water researchers say they see the new statewide rules as a positive step.

"These measures can lead to enhanced public awareness and changing public perspectives toward water and a long-term shift in our water use," said Newsha Ajami, director of urban water policy at Stanford University.

"It is important for people to realize that it is unwise to clean the water to drinking quality grade and then waste it down our driveways, sidewalks and lawns," Ajami said in an email. "Consider the

resources we use: energy, material and money — to clean the water to such high quality and then waste it. It is like making a meal with the best ingredients and just putting it in the trash."

She suggested the measures should be accompanied by a public education program to make sure the rules help “lead to a shifting public mindset toward water and how we use it.”

Californians coped with the most severe drought in the state’s modern history from 2012 through 2016. Gov. Jerry Brown declared the emergency over in April 2017 after one of the wettest winters on record refilled reservoirs across the state.

This winter, though, has again been very dry and warm. California and five other southwestern states had their warmest November to January on record.

Most of California’s reservoirs are still at above-average levels. But the Sierra Nevada snowpack, which normally would feed the reservoirs through spring and summer, now stands at just 20 percent of average for this time of year, and it’s on track to be among the smallest on record.

The latest map on the federal Drought Monitor website shows about 82 percent of California is abnormally dry or in a drought, with 46 percent of the state in moderate or severe drought.

“This is a very ugly picture in terms of the water supply management,” John Leahigh of the Department of Water Resources told the board during the meeting. He pointed out that three of the last five years have brought some of the state’s smallest snowpacks on record.

Climate scientists and managers of water agencies describe the situation as a “snow drought,” driven in part by winter temperatures that have been well above the long-term average — a pattern that’s worsening with climate change.

During the past couple of years, Brown has called for making water conservation “a California way of life.” State regulators have been working on long-term strategies to help prepare for longer and more severe droughts.

The regulations prohibiting wasteful water uses call for fines of up to \$500 for violations. For now, the State Water Board would have responsibility for enforcing the rules. The rules focus on water use in cities and towns, and like previous drought restrictions would exempt agricultural water use.

At Tuesday’s meeting, representatives of water districts and other groups urged the board to tweak portions of the regulations.

Tracy Quinn of the Natural Resources Defense Council took issue with the wording allowing for “incidental runoff” from lawns, saying that term should be removed or revised because “no property owner or manager has the right to waste water in this manner.” Ashley Metzger, outreach and conservation manager for the Desert Water Agency in Palm Springs, told the board that many of the proposed measures echo rules that are already in a local ordinance.

Metzger urged the board to consider an exception matching DWA’s local ordinance that would allow driveways to be cleaned off with pressure washers or water brooms rather than hoses. She said that would make sense because in the desert “we have very fine, silty sand and it’s something that a broom won’t remove.”

As for banning the watering of grass on street medians, Metzger said her agency has some concerns about whether cities will be able to comply.

“For publicly owned and maintained areas, we’re talking about a huge cost,” Metzger said. “And while the time to 2025 is helpful, I don’t know that it will be quite enough.”

The proposed rules also include other measures that would apply during a state-declared drought emergency, including barring homeowners’ associations from penalizing homeowners who cut back outdoor watering, and barring cities from fining homeowners who let their lawns turn brown.

DESERT WATER AGENCY
OUTREACH & CONSERVATION
ACTIVITIES

February 2018

Activities:

- 2/01 Ashley Metzger was on a live segment with KESQ regarding the dry winter season.
- 2/01 Ashley Metzger was interviewed on the Joey English radio show.
- 2/05 Ashley Metzger was interviewed by KESQ regarding drought and restrictions.
- 2/06 Vicki Petek attended and judged at the Palm Springs Unified School District Science Fair at Desert Hot Springs High School.
- 2/06 CV Water Counts conducted the first session of the Water Counts Academy at UCR in Palm Desert.
- 2/07 Vice President Stuart and Ashley Metzger attended Coffee with DWA at Townie Bagel.
- 2/07 Vicki Petek completed 5 sprinkler nozzle inspections.
- 2/08 Ashley Metzger attended the ONE-PS meeting.
- 2/08 Ashley Metzger was on a live segment with KESQ regarding school and student engagement.
- 2/09 Ashley Metzger attended Leadership Coachella Valley.
- 2/10 Ashley Metzger and Vicki Petek staffed a table and provided water and information at the Palm Springs Farmer's Market.
- 2/10 Vicki Petek staffed a DWA conservation station at Lowe's and Home Depot.
- 2/10 Vice President Stuart attended and provided DWA water bottles and backpacks for the Rotary Bike Safety event at Hot Purple Energy.
- 2/13 CV Water Counts conducted the second session of the Water Counts Academy at UCR in Palm Desert.
- 2/15 Ashley Metzger was on a live segment with KESQ regarding spring gardening and rebates.
- 2/20 Ashley Metzger attended the SWRCB hearing in Sacramento.
- 2/20 CV Water Counts conducted the third session of the Water Counts Academy at UCR in Palm Desert.
- 2/22 Vicki Petek completed 4 turf buy back post inspections.
- 2/22 Ashley Metzger was on a live segment with KESQ regarding the state water board meeting.
- 2/23 Vicki Petek attended and staffed a table at the CV Link ribbon cutting.
- 2/24 DWA provided the water trailer, bottles and cups to the Black History Month Celebration and Town Fair in Palm Springs.
- 2/27 CV Water Counts conducted the fourth and final session of the Water Counts Academy at UCR in Palm Desert; Mark Krause attended and presented to the class.

Public Information Releases/eBlasts:

February 5: Coffee with DWA Wednesday, 2/7 @ 8:30AM – Nextdoor

February 27: Desert Water Agency Developing Butterfly Garden – Press release

February 28: Water line work in Tahquitz Creek Villas – Nextdoor

Upcoming Events

March 10, 8:00 to 12:30 – DWA at Palm Springs Farmer's Market @ Camelot Theatres parking lot

March 18, 11:30 to 4:00 – DWA at Desert Garden Tour @ Sagewood

March 24, 11:00 to 2:00 – DWA at ONE-PS 11th Annual Picnic & Expo @ Ruth Hardy Park

March 25, 1:00 to 3:00 – Butterfly Block Party @ DWA

March 28, 10:00 to 12:00 – DWA at Family Fun Fest @ PS Stadium

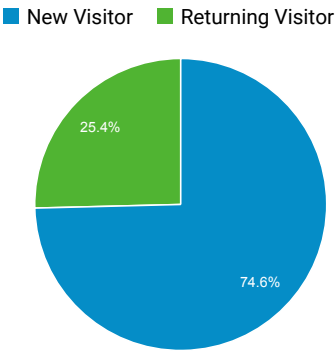
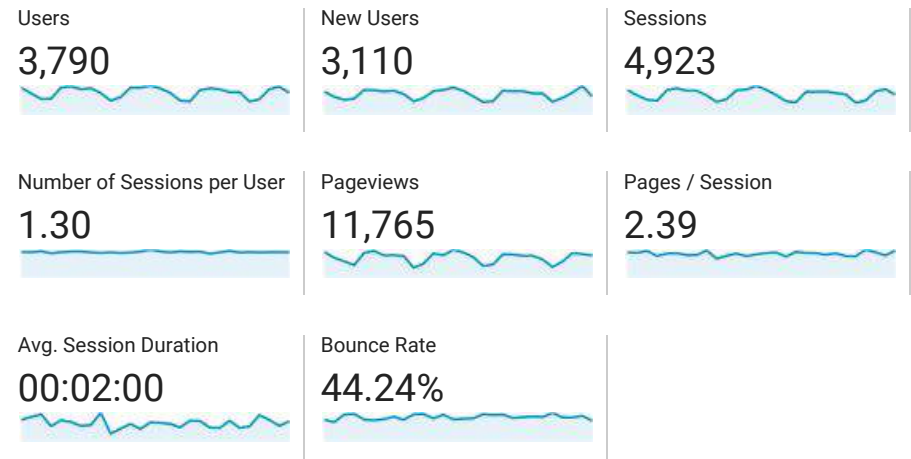
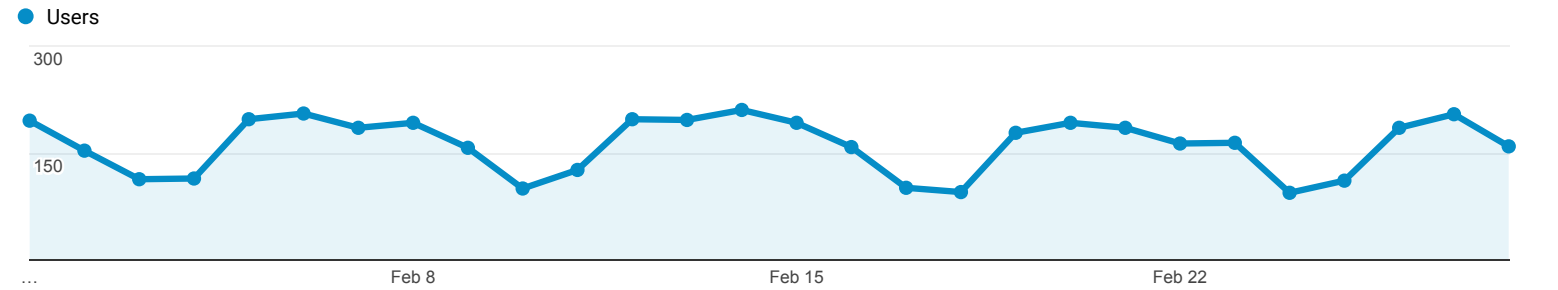


Audience Overview

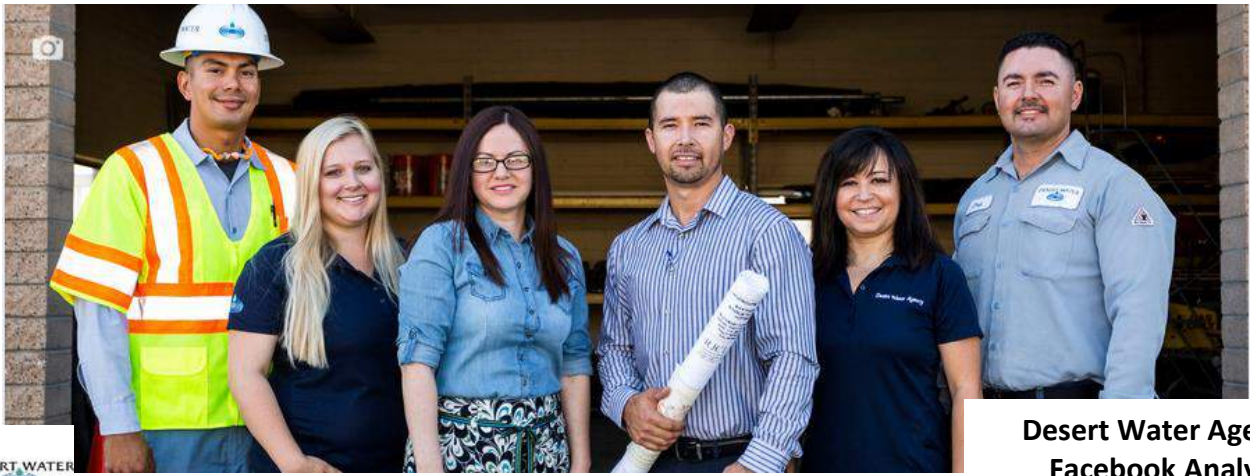
All Users
100.00% Users

Feb 1, 2018 - Feb 28, 2018

Overview



Language		Users	% Users
1.	en-us	3,572	94.25%
2.	en-ca	118	3.11%
3.	en-gb	28	0.74%
4.	ko	9	0.24%
5.	es-xl	7	0.18%
6.	en-au	6	0.16%
7.	de	4	0.11%
8.	fr	4	0.11%
9.	en-sg	3	0.08%
10.	es-us	3	0.08%



**Desert Water Agency
Facebook Analytics
February 2018**

Actions on Page

January 31 - February 27



We don't have data to show you this week.

Page Views

January 31 - February 27

174

Total Page Views ▲ 39%



Page Previews

January 31 - February 27

18

Page Previews ▲ 6%



Page Likes

January 31 - February 27

4

Page Likes ▼ 71%



Reach

January 31 - February 27

352

People Reached ▼ 97%



Recommendations

January 31 - February 27

1

Recommendations ▲ 100%



Post Engagements

January 31 - February 27

201

Post Engagement ▼ 62%



Videos

January 31 - February 27

180

Total Video Views ▼ 98%



Page Followers

January 31 - February 27

3

Page Followers ▼ 82%

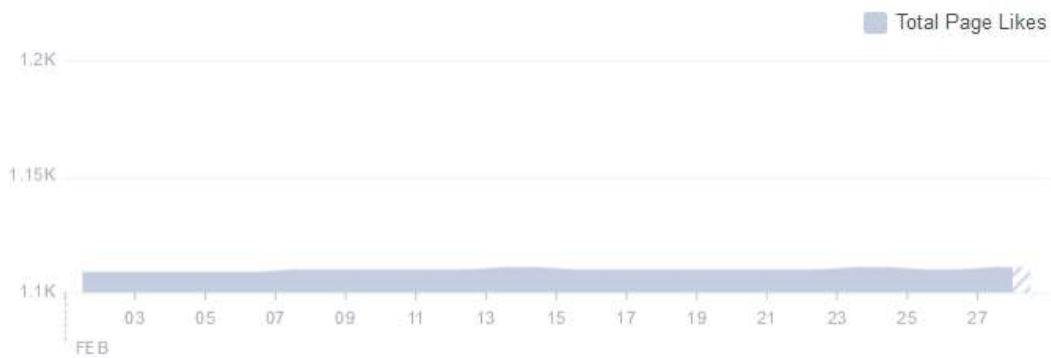




Published ▾	Post	Type	Targeting	Reach	Engagement	Promote
02/27/2018 7:25 pm	Desert Water Agency shared California Department of Wat			88	6 1	Boost Post
02/24/2018 2:37 pm	Desert Water Agency was liv			209	22 23	Boost Post
02/22/2018 9:56 am	Happy #ModernismWeek, #P			60	3 2	Boost Post
02/19/2018 6:55 am	We are closed today in honor			74	1 1	Boost Post
02/14/2018 8:53 am	Happy Valentine's Day!			72	1 4	Boost Post
02/13/2018 6:14 pm	Tonight's lesson plan: agricult			68	0 2	Boost Post
02/13/2018 11:45 am	Desert Water Agency shared			27	1 2	Boost Post
02/06/2018 7:09 pm	Water Counts Academy 2018			90	3 4	Boost Post
02/05/2018 6:33 am	Join us on Wednesday from			80	1 0	Boost Post



Total Page Likes as of Today: 1,111



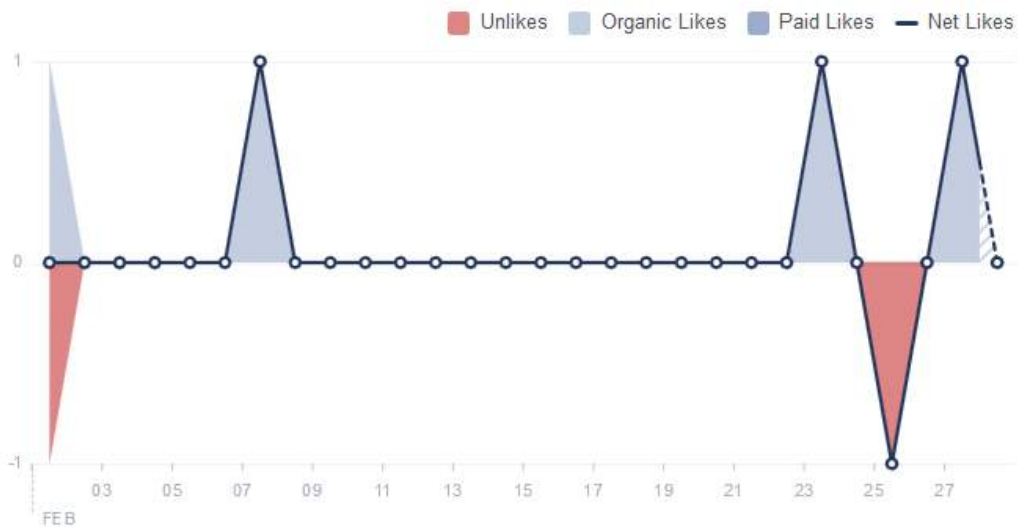
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Compare your average performance over time.

Total Page Likes

Net Likes

Net likes shows the number of new likes minus the number of unlikes.



BENCHMARK

Compare your average performance over time.

Unlikes

Organic Likes

Paid Likes

Net Likes

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desertwateragency

Edit Profile



95 posts 217 followers 122 following

Desert Water Agency Δ Desert Water Agency serves water in Palm Springs & part of Cathedral City. We replenish the aquifer and offer programs to encourage efficiency. Δ www.dwa.org



31 likes, 2 comments



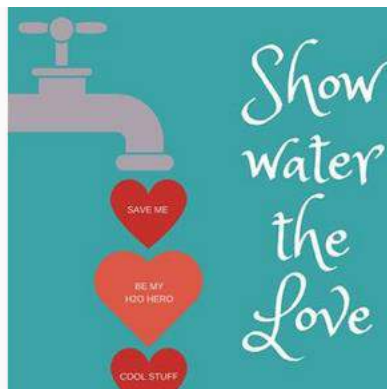
26 likes



29 likes, 1 comment



16 likes



30 likes



21 likes, 1 comment



17 likes



21 likes



30 likes



Desert Water Agency

1200 S Gene Autry Trl, Palm Springs, CA 92264



Water line work in Tahquitz Creek Villas

Outreach & Conservation Manager Ashley Metzger from Desert Water Agency · 5h ago

Desert Water Agency is working to upgrade 32 water service lines within the community. Some of the service lines that have recently had leaks were already upgraded so it will not be every service line. This will reduce the likelihood of future leaks, increasing the reliability of water service in the community.

We started this morning at Rush street and are going south (counter-clockwise) in the ... [View more](#)

5h ago · Subscribers of Desert Water Agency in 1 neighborhood in General

THANK

REPLY



Coffee with DWA - Wednesday, 2/7 @ 8:30AM

Outreach & Conservation Manager Ashley Metzger from Desert Water Agency · 5 Feb

Desert Water Agency will be at Townie Bagels (650 E Sunny Dunes Rd, Suite 5) on Wednesday from 8:30 to 9:30 AM to answer questions and hear input on water in our community.

We hope to see you there!



5 Feb · Subscribers of Desert Water Agency in 4 neighborhoods in General

THANK



TWEETS 1,129 FOLLOWING 1,511 FOLLOWERS 941 LIKES 432 MOMENTS 0

Desert Water Agency
Twitter Analytics
February 2018

Feb 2018 • 27 days so far...

TWEET HIGHLIGHTS

Top Tweet earned 651 impressions

We had a great morning judging the @PSUSD science fair! We picked this project, "Tap Water versus Water Bottles" as our 2018 water award recipient. Congratulations, Victoria from Sunny Sands Elementary. pic.twitter.com/57oGWpgE8U



1 1

View Tweet activity

View all Tweet activity

Top Follower followed by 242K people



Croft Edwards

@CroftEdwards FOLLOWS YOU

2 miles down in a mine or up on the 8th floor - I coach wherever there's a leader who desires a different result. [#leadershipflow](#)

View profile

View followers dashboard

Top mention earned 13 engagements

PRSA Jobcenter
@PRSAjobcenter · Feb 6

[#PalmSprings](#): @DWAwater hiring for an outreach specialist. ow.ly/CWrp30if3wd [#prsa](#) [#pr](#)

2 2

View Tweet

Top media Tweet earned 464 impressions

Meet kurapia, a lower water use grass alternative. It flowers part of the year, too! pic.twitter.com/eWqacKeZ7e



1 1 6

View Tweet activity

View all Tweet activity

ADVERTISE ON TWITTER

Get your Tweets in front of more people

Promoted Tweets and content open up your reach on Twitter to more people.

Get started



FEB 2018 SUMMARY

Tweets 16 Tweet impressions 6,877

Profile visits 494 Mentions 2

New followers 6