A decompression chamber sits on standby at the San Vicente Dam. Divers installed a surface seal over a seeping construction joint in the dam. The chamber was a required safety measure due to the work depth over 100 feet below the surface.
NOTICE TO THE PUBLIC

BOARD OF DIRECTORS’ AND STANDING COMMITTEES’
REGULAR MEETING
SEPTEMBER 27, 2018
BOARD ROOM
WATER AUTHORITY HEADQUARTERS BUILDING
4677 OVERLAND AVENUE, SAN DIEGO, CALIFORNIA

1. **UNIFIED AGENDA:** This unified agenda provides a brief description of each item to be considered by the Board and its Administrative and Finance, Engineering and Operations, Imported Water, Legislation and Public Outreach, and Water Planning Committees. For convenience, the agenda for each of the Committees and for the formal Board meeting are stated separately; however, all agendas shall be considered as a single agenda and any item listed on the agenda of any Committee may be acted upon by the Board. All items on the agenda of any Committee, including information items, may be deliberated and become subject to action by the Board.

2. **DOCUMENTS:** Staff reports and any other public information provided to the Board or Committee before the meeting relating to items on the agenda are available for public review at the San Diego County Water Authority 4677 Overland Avenue San Diego, CA 92123 during normal business hours. Additional documents may be distributed at the meeting. Copies of individual items, including the background information, are available through the Clerk of the Board at (858) 522-6614.

3. **MEETING TIMES:** The morning session of Standing Committees will commence at 9:00 a.m. on September 27, 2018 the afternoon session of Standing Committees may commence at the conclusion of the morning session and earlier than 1:00 p.m. Please see the meeting schedule. The meeting of the full Board may begin as early as 3:00 p.m. or as soon thereafter as the last Committee meeting is completed.

4. **ACTION AT COMMITTEE MEETINGS:** Committee meetings are also noticed as meetings of the Board because a quorum of the Board may be present. Members of the Board who are not members of the Committee may participate in the meeting, but only members of the Committee may make, second or vote on any motion or other action of the Committee unless the Board determines to convene for consideration of action on an item or items on the Committee agenda. Items receiving substantive review by a standing committee are generally included on the Consent Calendar for action at the meeting of full Board. Persons interested in an item and wishing to hear the staff report, present oral or written comments, and hear the deliberations should attend the Committee meeting. Closed Sessions also occur at Committee meetings and may not be repeated at the formal Board meeting.

5. **CONSENT CALENDAR:** The agenda contains items listed on a consent calendar which is for matters considered routine or otherwise not requiring further deliberation. A committee or the Board will take action as recommended by one motion. There will be no individual discussion on such items prior to the vote unless an item is removed for discussion. If a member of the public
wishes to talk about a consent calendar item, please notify the Chair before the calendar is called. Persons who wish to be heard on an item are encouraged to speak before the assigned committee.

6. **PUBLIC HEARINGS**: It is not necessary to notify the Chair if a member of the public wishes to speak on items listed on the agenda as public hearings. Public hearings will begin at the time stated in the notice, or as soon thereafter as the matter can be heard. When the Chair opens the hearing, upon invitation of the Chair, step to the podium and begin by giving your name and address for the record. Each speaker has 3 minutes to address the Board.

7. **PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA**: The agenda provides an opportunity for members of the public to address the Committees and Board on matters of interest within the jurisdiction of the Committee or Board that are not listed on the agenda. The Brown Act does not allow any discussion or action by the Board or staff on matters raised during public comment except: 1) to briefly respond to statements made or questions posed; 2) ask a question for clarification; 3) receive and file the matter; 4) if it is within staff's authority, refer it to them for a reply; or, 5) direct that it be placed on a future board agenda for a report or action.

A reasonable amount of time will be allocated by the Chair for public comment. Persons wishing to speak should notify the Chair before the meeting by filling out a "Speaker Request Form" and give it to the secretary. Individual speakers are requested to be as brief as possible and are encouraged to address the appropriate committee who is best able to respond. When the Chair calls, please immediately step to the podium and begin by giving your name and address for the record. Each speaker has 3 minutes to address the Board.

8. **PUBLIC COMMENT ON AGENDA ITEMS**: Persons wishing to speak to an item that is listed on the agenda should notify the Chair before the meeting by filling out a speaker request form and giving it to the secretary. Step to the lectern when asked to do so by the Chair and begin by giving your name and address for the record. Remarks should be limited to three minutes.

9. **INFORMATION ITEMS**: Items are listed on the agenda as information based on staff's judgment. Circumstances or the committee's or Board's judgments may require deliberation or, if necessary, action on these items. Any member of the public with an interest in one of these items should review the background material and request information on the possible action that could be taken.

10. **ASSISTANCE FOR THE DISABLED**: If you are disabled in any way and need accommodation to participate in the Board meeting, please call the Clerk of the Board at (858) 522-6614 for assistance at least three (3) working days prior to the meeting so the necessary arrangements can be made.

11. **RULES GOVERNING MEETINGS**: The Water Authority’s Administrative Code Chapter 2.00 governs conduct of meetings of the Board and the Committees. The Administrative Code is available online at [www.sdcwa.org](http://www.sdcwa.org) or at the Water Authority Headquarters.
MEETING SCHEDULE
SEPTEMBER 27, 2018

MORNING SESSION
Engineering & Operations Committee
Imported Water Committee
9:00 a.m. to 12:00 p.m.
Estimated meeting time: 9:00 – 10:10 a.m.
Estimated meeting time: 10:15– 11:50 a.m.

LUNCHEON FOR DIRECTORS
12:00 p.m. to 1:00 p.m.

AFTERNOON SESSION
Legislation & Public Outreach Committee
Administrative & Finance Committee
Water Planning Committee
1:00 p.m. to 3:00 p.m.
Estimated meeting time: 1:00 – 1:45 p.m.
Estimated meeting time: 1:50 – 2:20 p.m.
Estimated meeting time: 2:25 – 2:55 p.m.

FORMAL BOARD MEETING
3:00 p.m.

* Time estimates are for convenience only and do not constitute part of the schedule. The first morning session will commence at 9:00 a.m., and the following morning sessions may start at any time after 9:00 a.m. The first afternoon session will commence at 1:00 p.m., and the following afternoon sessions may start at any time after 1:00 p.m. The Board meeting will start no earlier than 3:00 p.m., or following the conclusion of the last committee meeting.
ENGINEERING AND OPERATIONS COMMITTEE

AGENDA FOR

SEPTEMBER 27, 2018

Tony Heinrichs – Chair
Frank Hilliker – Vice Chair
Marty Miller – Vice Chair
Jack Bebee
Vic BIANES
Brian Boyle
Jerry Butkiewicz
Lois Fong-Sakai

Michael Hogan
Mel Katz
Ron Morrison
Jose Preciado
John Simpson
Tim Smith
Ron Watkins


2. Additions to Agenda (Government Code Section 54954.2(b)).

3. Public Comment – opportunities for members of the public to address the Committee on matters within the Committee’s jurisdiction.

   4-A Directors’ comments.

I. CONSENT CALENDAR

1. Construction contract with Sylvester Roofing for Kearny Mesa Headquarters Roof Rehabilitation.
   Staff recommendations:
   a. Determine that the bid protest is valid.

   b. Authorize the General Manager to award a construction contract to Sylvester Roofing in the amount of $347,500 for the Kearny Mesa Headquarters Roof Rehabilitation project. (Action)

II. ACTION/DISCUSSION/PRESENTATION

1. Pipeline 3 Relining Lake Murray to Sweetwater Reservoir Project.

   1-A Notice of Completion for the Pipeline 3 Relining Lake Murray to Sweetwater Reservoir project.
   Staff recommendation: Authorize the General Manager to accept the Pipeline 3 Relining Lake Murray to Sweetwater Reservoir project as complete, record the Notice of Completion, and release all funds held in retention to L.H.
Woods and Sons Inc., following the expiration of Notice of Completion period. (Action)

1-B  L.H. Woods & Sons, Inc. Proclamation.  Gary Bousquet

2. Energy Program Update. (Presentation)  Gary Bousquet


(Presentation)


Staff recommendation: Approve the following actions to support the condition assessment of the First Aqueduct pipelines:

a. Authorize the General Manager to award a professional services contract to Diakont Advanced Technologies, Inc., for a not-to-exceed amount of $480,000 for pipeline condition assessment services for a period of four years.

b. Authorize the General Manager to award a professional services contract to Pure Technologies U.S. Inc., for a not-to-exceed amount of $1,001,000 for pipeline condition assessment services for a period of four years, with an option to renew for an additional two years.

c. Authorize the General Manager to award a professional services contract to Pipeline Inspection and Condition Analysis Corporation, for a not-to-exceed amount of $2,242,000 for pipeline condition assessment services for a period of four years with, an option to renew for an additional two years. (Action)

III. INFORMATION

1. San Diego 28 Flow Control and Alvarado Hydroelectric Facilities Project Update.  Brent Fountain

IV. CLOSED SESSION

V. ADJOURNMENT

Melinda Nelson, Clerk of the Board

NOTE: This meeting is called as an Engineering & Operations Committee meeting. Because a quorum of the Board may be present, the meeting is also noticed as a Board meeting. Members of the Board who are not members of the Committee may participate in the meeting pursuant to Section 2.00.060(g) of the Authority Administrative Code (Recodified). All items on the agenda, including information items, may be deliberated and become subject to action. All public documents provided to the committee or Board for this meeting including materials related to an item on this agenda and submitted to the Board of Directors within 72 hours prior to this meeting may be reviewed at the San Diego County Water Authority headquarters located at 4677 Overland Avenue, San Diego, CA 92123 at the reception desk during normal business hours.
September 19, 2018

Attention: Engineering and Operations Committee

Construction contract with Sylvester Roofing for Kearny Mesa Headquarters Roof Rehabilitation. (Action)

Staff recommendation
1. Determine that the bid protest is valid.
2. Authorize the General Manager to award a construction contract to Sylvester Roofing in the amount of $347,500 for the Kearny Mesa Headquarters Roof Rehabilitation project.

Alternative
Do not award the contract and direct staff to solicit new bids for the project. This will result in delays to the rehabilitation of Kearny Mesa Headquarters roof and may also increase project costs.

Fiscal Impact
Total funds in the amount of $347,500 for the recommended authorization are available within the Kearny Mesa Headquarters Roof Rehabilitation project lifetime budget, and the fiscal years 2018 and 2019 Capital Improvement Program appropriation. The rate category for this project is Customer Service.

Executive Summary
- Increased frequency of leaks in recent years indicates the roof waterproofing overlay needs to be rehabilitated.
- Roof will be overlaid with a new PVC membrane with a 20-year warranty.
- Seven bids were received on August 29, 2018 ranging from $316,249 to $472,109.
- The construction cost estimate range was $310,000 to $400,000.
- Staff recommends awarding a $347,500 construction contract to Sylvester Roofing, the lowest responsive and responsible bidder.
- The work is expected to begin in October 2018 and end in early 2019.

Background
The Water Authority’s Kearny Mesa Headquarters was constructed in 2001. The waterproofing overlay system installed on the roof was typical of commercial building construction at the time and had an anticipated design life of at least 10 years. Several leaks have occurred and been repaired over the past several years. However, the increased frequency of leaks requiring repair in recent years indicates the roof waterproofing overlay needs to be rehabilitated.

A structural designer specializing in roof designs was utilized to design the waterproofing system. The project will install approximately 32,000 square feet of polyvinyl chloride waterproofing membrane over the existing waterproofing system and will replace five skylights which have
reached the end of their useful life. During construction, the leading edge of the new membrane will be sealed at the end of each day. This will maintain roof integrity if there are rain events during construction.

The Water Authority entered into a Solar Power Purchase Agreement with Aqua SD, LLC and Borrego Solar Systems, Inc. for the installation of solar panels on the Kearny Mesa Headquarters roof in 2010. Ahana Renewables acquired the Solar Power Purchase Agreement after the installation. Ahana Renewables will remove the solar panels before construction and replace the panels after construction is complete.

**Discussion**

In July 2018, staff provided the Board with a cost estimate range of $240,000 to $310,000. Staff subsequently discovered cost estimate omissions and revised the cost estimate to range from $310,000 to $400,000. The Notice Inviting Bids was advertised, with the updated cost estimate, on August 8, 2018.

On August 29, 2018, the Water Authority received seven bids in response to its solicitation, ranging in price from $316,249 to $472,109. Weather-Tech Roofing Inc. submitted the apparent low bid of $316,249. Sylvester Roofing submitted the second low bid of $347,500. The bid opening results are attached.

Staff reviewed the two apparent low bids in accordance with the bid specifications, including items such as licensing and references. Staff determined, in consultation with General Counsel, the apparent low bid was nonresponsive because it did not comply with the bid specifications, specifically providing an alternate schedule and roofing material.

During staff’s review period, Sylvester Roofing submitted a bid protest against the apparent low bidder, Weather-Tech Roofing, Inc. Per the Water Authority’s Administrative Code, Weather-Tech was given an opportunity to respond to the protest, which they did. After reviewing all pertinent documentation and in consultation with General Counsel, staff affirmed that Weather-Tech Roofing Inc.’s bid was non-responsive.

Staff then reviewed the apparent second low bid and compared the bid to the estimate. Staff concluded that Sylvester Roofing included all work items in its construction bid and is the lowest, responsive, and responsible bidder.

As a result, Staff recommends that the Board rule that the bid protest is valid and timely, and that the contract be awarded to Sylvester Roofing Co. Inc.

SCOOP staff verified Sylvester Roofing’s good-faith efforts to conduct outreach to qualified small businesses. The small-business participation for this project is 100 percent. Minority and
women-owned business participation is 100 percent. This information is provided for statistical purposes.

Following Board authorization of this contract, construction is expected to begin in October 2018 and is scheduled to be completed in early 2019. Upon final inspection and acceptance of work, staff will return to the Board to recommend issuing a Notice of Completion.

Prepared by: Colin Kemper, Senior Engineer
Reviewed by: Jerry Reed, Director of Engineering
Approved by: Sandra L. Kerl, Deputy General Manager

Attachments:
Attachment 1 – Results of Bid Opening
RESULTS OF BID OPENING
KEARNY MESA HEADQUARTERS ROOF REHABILITATION, SPECIFICATION 650

Bid Opening Date and Time:  August 29, 2018 at 2:00 p.m.

Place:  San Diego County Water Authority, Board Room
4677 Overland Avenue
San Diego, CA  92123

<table>
<thead>
<tr>
<th>NO.</th>
<th>GENERAL CONTRACTOR</th>
<th>TOTAL BID PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>COST ESTIMATE</td>
<td>$310,000 to $400,000</td>
</tr>
<tr>
<td>1.</td>
<td>Weather-Tech Roofing, Inc.</td>
<td>$316,249</td>
</tr>
<tr>
<td>2.</td>
<td>Sylvester Roofing</td>
<td>$347,500</td>
</tr>
<tr>
<td>3.</td>
<td>Commercial &amp; Industrial Roofing Co., Inc.</td>
<td>$353,900</td>
</tr>
<tr>
<td>4.</td>
<td>Chambers Inc., dba Roof Construction</td>
<td>$413,645</td>
</tr>
<tr>
<td>5.</td>
<td>A Good Roofer Inc.</td>
<td>$416,612</td>
</tr>
<tr>
<td>6.</td>
<td>Best Contracting Services Inc.</td>
<td>$460,390</td>
</tr>
<tr>
<td>7.</td>
<td>Commercial Waterproofing Systems, Inc. dba ERC</td>
<td>$472,109</td>
</tr>
<tr>
<td></td>
<td>Roofing &amp; Waterproofing</td>
<td></td>
</tr>
</tbody>
</table>


September 19, 2018

Attention: Engineering and Operations Committee

Notice of Completion for the Pipeline 3 Relining Lake Murray to Sweetwater Reservoir project. (Action)

Staff recommendation
Authorize the General Manager to accept the Pipeline 3 Relining Lake Murray to Sweetwater Reservoir project as complete, record the Notice of Completion, and release all funds held in retention to L.H. Woods and Sons, Inc., following the expiration of Notice of Completion period.

Alternative
Do not approve staff recommendation and provide direction to staff relative to issues requiring resolution.

Fiscal Impact
There are sufficient funds to support this recommendation within the project budget and the fiscal years 2018 and 2019 Capital Improvement Program appropriation. The rate category for this project is transportation.

Executive Summary
- Nearly five miles of the Water Authority’s 66-inch and 69-inch diameter Pipeline 3 prestressed concrete cylinder pipe from Lake Murray to Sweetwater Reservoir required rehabilitation using steel liners.
- The project brings the total relining of existing prestressed concrete cylinder pipe to 55 percent complete.
- Final construction contract price, including change orders, is $27,994,659; a decrease of 2 percent from the original contract value.
- The pipeline was returned to service on June 4, 2018.

Background
Approximately 23,000 linear feet of Pipeline 3 (an existing 66-inch and 69-inch diameter prestressed concrete cylinder pipe) was relined from Lake Murray to Sweetwater Reservoir using steel liners (see Figure 1). This project brings the total relining of the Water Authority’s existing prestressed concrete cylinder pipe to 55 percent complete. One aqueduct shutdown was required from October 2, 2017 through June 7, 2018 to accomplish the work. The Water Authority coordinated with the member agencies affected by the shutdown.

Previous Board Action: On July 27, 2017, the Board authorized the General Manager to award a construction contract to L.H. Woods and Sons, Inc. in the amount of $28,570,000 for the Pipeline 3 Relining Lake Murray to Sweetwater Reservoir project.
Discussion
Staff executed change orders 1 through 7 under staff’s authority for a credit of $575,341. These items are summarized below and detailed in Table 1.

Administrative: Staff executed change orders for a total credit of $1,050,526. The items included credits for in-plant fabrication inspection costs; and unused contract unit and allowance price bid items.

Design Modifications: Staff executed change orders for a total credit of $125,076. Items included deletion of work based on value engineering; and resizing seven manhole structure access covers to allow for safer access.

Differing Site Conditions: Staff executed change orders for a total of $584,410. Items included removal of unanticipated ground water at Portal 8 and Portal 10; investigation and repair of the isolation joint at the north connection of Portal 12; and removal of existing corroded steel pipe at the north connection of Portal 12.

Outside Agency Requirement: Staff executed change orders for a total of $5,746. The items included City of La Mesa traffic control plan review fees and modifications to the striping plan for Nebo Drive as requested by the City of La Mesa.

Community Accommodations: Staff executed a change order for a total of $10,105. The item included installation of privacy screens on the contractor’s temporary fencing at Portals 5 and 10 as requested by the local businesses.

The final construction contract price, including change orders is $27,994,659; a decrease of 2 percent from the original contract value. The small business participation for this project was 54 percent. This information is provided for statistical purposes.

During construction, staff retained 5 percent of the total contract amount in accordance with the contract terms. Staff will release this retention after the General Manager’s acceptance, expiration of the 60-day period following recording of the Notice of Completion, and receipt of a signed Conditional Waiver and Release of Liens and Claims from the contractor. L.H. Woods and Sons, Inc. provided a bond for faithful performance, which will remain in full force and effect for the contract’s two-year post-construction warranty period.

Prepared by: Neena Kuzmich, Principal Engineer
Aaron Trimm, Senior Engineer
Reviewed by: Jerry Reed, Director of Engineering
Approved by: Sandra L. Kerl, Deputy General Manager

Attachments:

Figure 1 – Project Location Map
Table 1 – Summary of Construction Change Orders
PROJECT:
Pipeline 3 Relining, Lake Murray to Sweetwater Reservoir

FIGURE 1
<table>
<thead>
<tr>
<th>Change Order</th>
<th>Item No.</th>
<th>Classification</th>
<th>Description</th>
<th>Amount</th>
<th>Milestone Time</th>
<th>Contract Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>Design Modification</td>
<td>Value Engineering Change Proposal - Reduce the number of grout couplings per liner from eight to five</td>
<td>$ (123,327)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>Design Modification</td>
<td>Value Engineering Change Proposal - Delete access portals 4, 6, 9, and 11</td>
<td>$ (305,008)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>1</td>
<td>3</td>
<td>Administrative Change</td>
<td>Delete field weld procedure and field welder performance qualifications</td>
<td>$ (4,860)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>1</td>
<td>4</td>
<td>Administrative Change</td>
<td>Delete shop welder performance qualifications</td>
<td>$ (3,360)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>1</td>
<td>5</td>
<td>Design Modification</td>
<td>Remove acoustic fiber optic cables from station 4602+00 to station 4613+55</td>
<td>$ 5,558</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>1</td>
<td>6</td>
<td>Outside Agency Requirement</td>
<td>Increase letter size for information phone number on project signs</td>
<td>$ 735</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>1</td>
<td>7</td>
<td>Design Modification</td>
<td>Install additional temporary fence at Portal 14 to secure residents backyard located adjacent to access portal</td>
<td>$ 3,920</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>2</td>
<td>1</td>
<td>Community Accommodations</td>
<td>Install privacy screen on temporary fences at Portal 5 and 10 as requested by local businesses</td>
<td>$ 10,105</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>Differing Site Condition</td>
<td>Install reducing couplings with restraints to relocate Helix Water District waterline at Portal 15</td>
<td>$ 3,257</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>2</td>
<td>3</td>
<td>Differing Site Condition</td>
<td>Additional welding for MK 211 due to discrepancy between as-built record drawings and existing pipe lengths</td>
<td>$ 3,120</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>2</td>
<td>4</td>
<td>Differing Site Condition</td>
<td>Remove additional asphalt at Portal 3 due to thicker asphalt encountered in the field than originally anticipated</td>
<td>$ 8,883</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>2</td>
<td>5</td>
<td>Differing Site Condition</td>
<td>Remove unanticipated sediment in the low points in the pipeline</td>
<td>$ 887</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>2</td>
<td>6</td>
<td>Design Modification</td>
<td>Provide flagging at Sprout's loading dock to assist delivery trucks during morning rush hour traffic</td>
<td>$ 40,726</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>2</td>
<td>7</td>
<td>Outside Agency Requirement</td>
<td>City of La Mesa traffic control plan review fees</td>
<td>$ 4,620</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>3</td>
<td>1</td>
<td>Differing Site Condition</td>
<td>Dewater groundwater at Portal 10 (payment 1 of 3)</td>
<td>$ 77,198</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>3</td>
<td>2</td>
<td>Differing Site Condition</td>
<td>Dewater groundwater at Portal 8 (payment 1 of 3)</td>
<td>$ 62,424</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>3</td>
<td>3</td>
<td>Design Modification</td>
<td>Place Class II aggregate base on Portal 12 access road</td>
<td>$ 3,892</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>3</td>
<td>4</td>
<td>Differing Site Condition</td>
<td>Correct liner fit-up issues between stations 4534+13 and 4536+12 due to discrepancies between as-built record drawings and existing field conditions</td>
<td>$ 9,283</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>3</td>
<td>5</td>
<td>Administrative Change</td>
<td>Reimbursement for Water Authority inspection of in-plant fabrication</td>
<td>$ (298,607)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>3</td>
<td>6</td>
<td>Administrative Change</td>
<td>Extension of time for inclement weather</td>
<td>$ -</td>
<td>M8 - 5 days</td>
<td>5 days</td>
</tr>
<tr>
<td>4</td>
<td>1</td>
<td>Design Modification</td>
<td>Resize seven manhole structure access covers to allow safe access</td>
<td>$ 199,966</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>4</td>
<td>2</td>
<td>Differing Site Condition</td>
<td>Remove coal tar coating from existing vent piping</td>
<td>$ 7,842</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>4</td>
<td>3</td>
<td>Administrative Change</td>
<td>Reimbursement for Water Authority inspection of in-plant fabrication</td>
<td>$ (82,863)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>4</td>
<td>4</td>
<td>Administrative Change</td>
<td>Extension of time for inclement weather</td>
<td>$ -</td>
<td>M8 - 1 day</td>
<td>1 day</td>
</tr>
<tr>
<td>5</td>
<td>1</td>
<td>Differing Site Condition</td>
<td>Dewater groundwater at Portal 10 (payment 2 of 3)</td>
<td>$ 57,943</td>
<td>M8 - 21 days</td>
<td>21 days</td>
</tr>
<tr>
<td>5</td>
<td>2</td>
<td>Differing Site Condition</td>
<td>Dewater groundwater at Portal 8 (payment 2 of 3)</td>
<td>$ 94,840</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>5</td>
<td>3</td>
<td>Differing Site Condition</td>
<td>Investigate and repair isolation joint at Portal 12</td>
<td>$ 20,699</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>5</td>
<td>4</td>
<td>Differing Site Condition</td>
<td>Modify Portal 15 connection due to existing out-of-round pipe</td>
<td>$ 3,874</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>5</td>
<td>5</td>
<td>Differing Site Condition</td>
<td>Increase Allowance Bid Item 27 - Utility Relocation due to more unknown utilities encountered than anticipated</td>
<td>$ 70,000</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>5</td>
<td>6</td>
<td>Administrative Change</td>
<td>Reconcile Portal 15 PCCP Removal final accounting</td>
<td>$ (51,989)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>Change Order</td>
<td>Item No.</td>
<td>Classification</td>
<td>Description</td>
<td>Amount</td>
<td>Milestone Time</td>
<td>Contract Time</td>
</tr>
<tr>
<td>--------------</td>
<td>---------</td>
<td>-------------------------------</td>
<td>------------------------------------------------------------------------------</td>
<td>----------</td>
<td>----------------</td>
<td>---------------</td>
</tr>
<tr>
<td>5</td>
<td>7</td>
<td>Administrative Change</td>
<td>Reimbursement for Water Authority inspection of in-plant fabrication</td>
<td>$(42,377)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>5</td>
<td>8</td>
<td>Administrative Change</td>
<td>Extension of time for inclement weather</td>
<td>-</td>
<td>M8 - 1 day</td>
<td>1 day</td>
</tr>
<tr>
<td>6</td>
<td>1</td>
<td>Differing Site Condition</td>
<td>Dewater groundwater at Portal 10 (payment 3 of 3)</td>
<td>$60,892</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>6</td>
<td>2</td>
<td>Differing Site Condition</td>
<td>Dewater groundwater at Portal 8 (payment 3 of 3)</td>
<td>$83,192</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>6</td>
<td>3</td>
<td>Design Modification</td>
<td>Modify temporary traffic control for improved public safety</td>
<td>$19,475</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>6</td>
<td>4</td>
<td>Differing Site Condition</td>
<td>Modify Portal 12 connection due to corrosion on existing steel pipe</td>
<td>$19,187</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>6</td>
<td>5</td>
<td>Design Modification</td>
<td>Modify limits of street resurfacing areas to repair all streets damaged by temporary traffic control</td>
<td>$29,722</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>6</td>
<td>7</td>
<td>Administrative Change</td>
<td>Reimbursement for construction water usage</td>
<td>$(240)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>1</td>
<td>Outside Agency Requirement</td>
<td>Modify striping plan for Nebo Drive as requested by the City of La Mesa</td>
<td>$391</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>2</td>
<td>Differing Site Condition</td>
<td>Repair Portal 17 prestressed concrete cylinder pipe coating due to unanticipated cracking of the existing coating</td>
<td>$889</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>3</td>
<td>Administrative Change</td>
<td>Reconcile fiber rolls final accounting</td>
<td>$(48,769)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>4</td>
<td>Administrative Change</td>
<td>Reconcile hydraulically applied erosion control blanket with seed final accounting</td>
<td>$(58,806)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>5</td>
<td>Administrative Change</td>
<td>Reconcile move in/move out for erosion control final accounting</td>
<td>$(4,800)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>6</td>
<td>Administrative Change</td>
<td>Reconcile temporary erosion control soil binder final accounting</td>
<td>$6,189</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>7</td>
<td>Administrative Change</td>
<td>Reconcile temporary stabilized construction entrance final accounting</td>
<td>$6,500</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>8</td>
<td>Administrative Change</td>
<td>Reconcile temporary silt fence final accounting</td>
<td>$20,599</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>9</td>
<td>Administrative Change</td>
<td>Reconcile temporary straw wattles final accounting</td>
<td>$57,200</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>10</td>
<td>Administrative Change</td>
<td>Reconcile temporary gravel filled bag final accounting</td>
<td>$68,913</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>11</td>
<td>Administrative Change</td>
<td>Reconcile temporary curb inlet protection final accounting</td>
<td>$19,200</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>12</td>
<td>Administrative Change</td>
<td>Reconcile storm water pollution prevention plan administration final accounting</td>
<td>$2,500</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>13</td>
<td>Administrative Change</td>
<td>Reconcile prepare SWPPP amendment</td>
<td>$(800)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>14</td>
<td>Administrative Change</td>
<td>Reconcile storm water sampling and analysis final accounting</td>
<td>$(20,800)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>15</td>
<td>Administrative Change</td>
<td>Reconcile SWPPP annual report</td>
<td>$(500)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>16</td>
<td>Administrative Change</td>
<td>Reconcile soil amendment materials final accounting</td>
<td>$(153,042)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>17</td>
<td>Administrative Change</td>
<td>Reconcile partnering final accounting</td>
<td>$(13,108)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>18</td>
<td>Administrative Change</td>
<td>Reconcile utility relocation final accounting</td>
<td>$(30,837)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
<tr>
<td>7</td>
<td>19</td>
<td>Administrative Change</td>
<td>Reconcile existing liner plate mortar lining repairs final accounting</td>
<td>$(53,667)</td>
<td>0 days</td>
<td>0 days</td>
</tr>
</tbody>
</table>

**Total Amount of Change Orders 1-7:** $(575,341)

**Total time extension:** 28 Days

**Original Board authorized contract amount:** $28,570,000

**Current executed contract amount:** $27,994,659
September 19, 2018

Attention: Engineering & Operations Committee

L. H. Woods & Sons, Inc. Proclamation. (Presentation)

Purpose
This presentation provides information related to the subject proclamation.

Discussion
This presentation will provide a brief overview of L. H. Woods & Sons, Inc.’s 60-year relationship with the Water Authority and their contributions to the development of the Water Authority’s aqueduct system and Small Contractor Outreach and Opportunities Program. Staff comments will be followed by presentation of the attached proclamation and a photo opportunity.

Prepared by: Gary Bousquet, Senior Engineering Manager
Reviewed by: Jerry Reed, Director of Engineering
Approved by: Sandra L. Kerl, Deputy General Manager

Attachment: Proclamation honoring L. H. Woods & Sons, Inc.
September 19, 2018

Attention: Engineering & Operations Committee

Energy Program Update. (Presentation)

Purpose
This presentation provides an update on the Water Authority’s Energy Program.

Discussion
The Water Authority’s Energy Program seeks opportunities to reduce the Water Authority’s energy costs and maximize energy revenue opportunities. This work falls into four main areas: existing energy facilities, new energy initiatives, energy procurement and transmission, and regulatory engagement.

This presentation will provide an Energy Program overview, including the status of ongoing energy projects designed to reduce energy costs and maximize revenue opportunities. Staff will also highlight our procurement and regulatory engagement efforts.

Prepared by: Andrea Altmann, Senior Management Analyst
Reviewed by: Gary Bousquet, Senior Engineering Manager
Approved by: Sandra L. Kerl, Deputy General Manager
September 19, 2018

Attention: Engineering and Operations Committee


Staff recommendations
Approve the following actions to support the condition assessment of the First Aqueduct pipelines:

1. Authorize the General Manager to award a professional services contract to Diakont Advanced Technologies, Inc., for a not-to-exceed amount of $480,000 for pipeline condition assessment services for a period of four years.
2. Authorize the General Manager to award a professional services contract to Pure Technologies U.S. Inc., for a not-to-exceed amount of $1,001,000 for pipeline condition assessment services for a period of four years, with an option to renew for an additional two years.
3. Authorize the General Manager to award a professional services contract to Pipeline Inspection and Condition Analysis Corporation, for a not-to-exceed amount of $2,242,000 for pipeline condition assessment services for a period of four years with, an option to renew for an additional two years.

Alternative
Do not award the contracts, and direct staff to solicit new proposals. This would result in a minimum four-month delay and reduce the ability of the Asset Management Program to perform the condition assessment of First Aqueduct pipelines during scheduled pipeline shutdowns.

Fiscal Impact
Funds in the amount of $1,022,848 are included in the fiscal years 2018 and 2019 Capital Improvement Program appropriation. Funds in the amount of $2,700,152 for the remaining contract terms will be requested in the fiscal years 2020, 2021, and 2022 Capital Improvement Program appropriation, and is contingent upon Board approval. This item relates to the Transportation rate category.

Executive Summary
- The First Aqueduct pipelines are the oldest pipelines in the Water Authority’s system at around 70 years of age.
- A condition assessment utilizing technologies has never previously been performed on these pipelines.
- Condition assessment of 27 miles of the northern section of the First Aqueduct will be completed over four years under these three contracts.
- It is anticipated to take up to nine years to complete the assessment of the entire 61 miles of the First Aqueduct.
Background
Over the past two decades, the Water Authority has utilized various technologies to assess the condition of its pipeline infrastructure, allowing for repair and rehabilitation projects to be identified. Priority was initially given to managing the 82 miles of Prestressed Concrete Cylinder Pipe (PCCP) due to its catastrophic mode of failure. Then followed the assessment of 40 miles of the most critical Welded Steel Pipe (WSP). Most recently, a five-mile priority reach of Bar-Wrapped Pipe (BWP) was examined. The Asset Management Program’s attention is now turned to the oldest of the Water Authority’s pipelines forming the First Aqueduct.

Discussion
The First Aqueduct pipelines were constructed in 1947 (Pipeline 1) and 1952 (Pipeline 2). They consist of mostly reinforced concrete pipelines (RCP), with 2.75 miles of WSP utilized in high-pressure siphons. There are two variations of RCP pipelines, one that includes an embedded steel cylinder, and one that does not (used in low-pressure areas). These pipelines are linked by unreinforced concrete tunnel sections, six in total. In all, the First Aqueduct consists of approximately 61 miles of parallel pipelines and four miles of tunnels.

The northern section of the First Aqueduct conveys treated water from the MWD point of delivery down to Hubbard Hill in Escondido. The southern section of the First Aqueduct conveys untreated water transported from the Second Aqueduct where it eventually terminates at San Vicente Reservoir.

In the past, several limitations affecting the ability to isolate the First Aqueduct pipelines for sufficiently long enough periods of time, along with the lack of appropriate technologies, prevented the ability to perform condition assessment of the First Aqueduct. However, recent developments in technologies, combined with reduced water demands (allowing safe isolation of one of the parallel pipelines for an adequate duration), present the opportunity to perform much needed condition assessments.

A Request for Proposals for condition assessment services was advertised on February 16, 2018. Proposals were received from five firms on April 12, 2018. The Water Authority’s Contractor Selection Panel evaluated the proposals and based on the understanding of the scope of work, technical competence, past performance, experience of key personnel, organization and schedule, and cost, three firms were selected for negotiations. Based on the proposal evaluations and successful negotiations, the Contractor Selection Panel determined Diakont Advanced Technologies, Inc., Pure Technologies U.S. Inc., and Pipeline Inspection and Condition Analysis Corporation best qualified to perform the required scope of work.

The technologies provided by these selected firms proposed for this condition assessment effort include:

- **Acoustic leak detection** – an in-service detection of joint leaks, a known problem with aging RCP pipes.
- **Robotically-mounted LASER Profilometry** – comprehensive, high-resolution mapping of internally-corroded WSP.
- **Robotically-mounted Electromagnetic Acoustic Transfer** – localized wall thickness determination on internally-corroded WSP.
Remote Field Technology – comprehensive wall thickness determination of RCP Cylinder type pipe, and simultaneous reinforcing bar assessment.

Near-Field Electromagnetics – comprehensive reinforcing bar assessment for RCP Non-Cylinder type pipe.

In accordance with the Water Authority’s five-year Condition Assessment Plan, the asset management team is targeting the assessment of approximately 27 miles of WSP and RCP pipelines over four years under these contracts. This represents the entire northern treated portion of the First Aqueduct. An optional extension of two years is recommended for two of the contracts to allow for water operations flexibility. Contracts for the remaining 34 miles of First Aqueduct pipelines will be requested at a future time.

Staff’s recommendation is to Authorize the General Manager to award three professional services contracts as follows:

1. Authorize the General Manager to award a professional services contract to Diakont Advanced Technologies, Inc., for a not-to-exceed amount of $480,000 for pipeline condition assessment services for a period of four years;
2. Authorize the General Manager to award a professional services contract to Pure Technologies U.S. Inc., for a not-to-exceed amount of $1,001,000 for pipeline condition assessment services for a period of four years, with an option to renew for an additional two years;
3. Authorize the General Manager to award a professional services contract to Pipeline Inspection and Condition Analysis Corporation, for a not-to-exceed amount of $2,242,000 for pipeline condition assessment services for a period of four years with, an option to renew for an additional two years.

Due to the specialized nature of these services, SCOOP outreach requirements were not applicable.

Prepared by:  Martin R. Coghill, Senior Water Resources Specialist
Reviewed by:  James E. Fisher, Director of Operations and Maintenance
Approved by:  Sandra L. Kerl, Deputy General Manager

Attachments:

Attachment 1 – Location Map of First Aqueduct
Attachment 2 – Schematic Diagram of First Aqueduct Pipelines
ATTACHMENT 2 – SCHEMATIC DIAGRAM OF FIRST AQUEDUCT PIPELINES
September 19, 2018

Attention: Engineering and Operations Committee

San Diego 28 Flow Control and Alvarado Hydroelectric Facilities Project Update. (Information)

Purpose
This information item provides an overview of the San Diego 28 Flow Control and Alvarado Hydroelectric Facilities project and an update on the construction contract public bid.

Background
This project will rehabilitate two facilities, the San Diego 12 Flow Control Facility (SD12) and the Alvarado Hydroelectric Facility. SD12 was constructed in 1977 to provide untreated water to the City of San Diego’s Alvarado Water Treatment Plant. SD12 rehabilitation is a priority Asset Management Program project. SD12 will be replaced by the San Diego 28 Flow Control Facility to meet current codes and standards.

The Alvarado Hydroelectric Facility was built in 1984 and was taken out of operation in 2007 because of a flood. This facility is being rehabilitated as the 2013 Regional Water Facilities Optimization and Master Plan Update identified it as economically viable for producing power.

Discussion
Staff advertised a Notice Inviting Bids for the project on August 3, 2018. The construction cost estimate range was $7 million to $8 million. The Water Authority received two bids on August 30, 2018, ranging in price from $13,724,000 to $15,866,596. Due to the disparity between the cost estimate and the bid prices, staff rejected the bids and evaluated the reasons for the higher costs.

Staff reached out to bidders and found that material and equipment costs, regional construction labor shortages, and the aggressive construction schedule were driving factors in the bids. Staff is rescheduling the project to allow for a longer construction duration and reviewing options to address material and equipment costs. Staff will re-advertise the construction contract for public bid this year and anticipates returning to the Board early next year with a recommendation to award the construction contract, which is expected to last approximately 18 months.

Prepared by: Brent J. Fountain, Senior Engineer
Reviewed by: Jerry Reed, Director of Engineering
Approved by: Sandra L. Kerl, Deputy General Manager
IMPORTED WATER COMMITTEE

AGENDA FOR

SEPTEMBER 27, 2018

Lois Fong-Sakai – Interim Chair               Marty Miller
Tom Kennedy – Vice Chair              Jim Murtland
David Barnum                               Ron Roberts
Michael Hogan                               Elsa Saxod
Mel Katz                                    Joel Scalzitti
Barry Leonard                               Fern Steiner
Keith Lewinger                              Doug Wilson
Jim Madaffer

1. Roll call – determination of quorum.

2. Additions to agenda (Government Code Section 54954.2(b)).

3. Public comment – opportunities for members of the public to address the Committee on matters within the Committee’s jurisdiction.

4. Chair’s report.
   4-A Directors’ comments.

I. CONSENT CALENDAR

II. ACTION/DISCUSSION/PRESENTATION

1. MWD Issues and Activities Update.
   1-A Metropolitan Water District Delegates Report. (Discussion) (Supplemental Materials) MWD Delegates

2. Colorado River Programs.
   2-A Colorado River issues update – Part 2. (Presentation) Kelly Rodgers
   2-B Colorado River hydrology update. (Presentation) Kara Mathews
III. INFORMATION

1. Metropolitan Water District Program Report. Amy Chen

IV. CLOSED SESSIONS

1. Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   SDCWA v. Metropolitan Water District of Southern California;
   San Francisco Superior Court Case Nos. CPF-10-510830; CPF-12-
   512466; CPF-14-514004; CPF-16-515282; CPF-16-515391; CGC-
   17-563350; California Court of Appeal (1st District) Case Nos.
   A146901; A148266; A154325; California Supreme Court Case
   Nos. S243500; S251025; and Los Angeles Superior Court Case No.
   BS 173868

   Mark Hattam

2. Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   California Department of Water Resources v. All Persons Interested;
   Sacramento Superior Court Case No. 34-2017-00215965-CU-MC-
   GDS; and JCCP 4942

   Mark Hattam

3. Conference with Legal Counsel – Existing Litigation/Anticipated
   Litigation
   Government Code §§54956.9(d)(1) and/or (d)(4)
   Food & Water Watch and Center for Food Safety v. Metropolitan
   Water District of Southern California and All Persons Interested in
   the Matter; Los Angeles Superior Court Case No. BC 720692

   Mark Hattam

V. ADJOURNMENT

Melinda Nelson
Clerk of the Board

NOTE: This meeting is called as an Imported Water Committee meeting. Because a quorum of the Board may be present, the meeting is also noticed as a Board meeting. Members of the Board who are not members of the Committee may participate in the meeting pursuant to Section 2.00.060(g) of the Authority Administrative Code (Recodified). All items on the agenda, including information items, may be deliberated and become subject to action. All public documents provided to the committee or Board for this meeting including materials related to an item on this agenda and submitted to the Board of Directors within 72 hours prior to this meeting may be reviewed at the San Diego County Water Authority headquarters located at 4677 Overland Avenue, San Diego, CA 92123 at the reception desk during normal business hours.
September 19, 2018

Attention: Imported Water Committee

MWD Local Resources Program Update. (Presentation)

Purpose
This report provides an update on Metropolitan Water District’s (MWD) current discussions to make changes to its Local Resources Program (LRP), including consideration of an “interim” program target.

Executive Summary
- MWD is reviewing its LRP; its first step will be to set an “interim” LRP participation target in the fall of 2018.
- An “interim” LRP target of 150,000 acre-feet per year (AFY) is proposed.
- Other changes such as the selection criteria and addition of new “resources” including stormwater will be evaluated following the “interim” target update.
- The “interim” target will be considered again during the 2020 Integrated Water Resources Plan (IRP) update, which will provide updated supply and demand forecasts.
- Since the LRP’s creation in 1998, the MWD Board has updated the LRP participation target three times and refined the program twice.

Background
To consider possible refinements to the existing LRP, it is instructive to understand the ways MWD has already implemented the LRP, including its predecessor programs.

In January 1982, the MWD Board authorized its first demand management program – the Local Projects Program (LPP) – to provide financial support for local supply projects developed by its member agencies and sub-agencies. Through a “joint venture” and “cost-sharing approach,” MWD planned to provide about $50 million over a five-year period\(^1\) to fund the construction of local projects that combined would provide about 30,000 acre-feet per year (AFY) of “new” water supplies. Depending on the terms agreed to, MWD could own projects’ facilities and/or yield. Although MWD selected 26 projects\(^2\) for LPP participation, only two projects\(^3\) received funding because MWD realized the LPP required large financial investments from MWD and “was not financially sustainable.” Thus, the LPP was deferred in the summer of 1983.

In April 1986, MWD “reactivated” the LPP with a pay-for-performance funding approach: MWD would “purchase” project water equal to MWD’s “prevailing rate for the class of service being provided” plus the avoided cost of State Water Project (SWP) pumping, at that time $93 AFY,\(^4\) over a 25-year term. Because MWD would also sell the project water immediately to the project

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\(^1\) MWD’s “share in the capital cost of approved projects, not to exceed $300 per acre-foot at 1982 price levels.”
\(^2\) Projected to supply 42,000 acre-feet of water annually combined.
\(^3\) The Las Virgenes Reclamation Project (Phase 1) and South Laguna Reclamation Project.
\(^4\) MWD established a minimum subsidy of $75 per AFY.
proponent, MWD’s overall annual “contribution” equated to its avoided SWP pumping cost. In February 1991, MWD increased the LPP “contribution” to a flat subsidy of $154 AFY, which now included MWD’s “avoided costs to convey, treat, and distribute water.” MWD established the Groundwater Recovery Program (GRP), another pay-for-performance program, in April 1991. Like the LPP, through the GRP, MWD would buy the recovered groundwater for either “the cost of recovering the water” or “a ceiling rate equal to the sum of $250 per acre-foot plus MWD’s applicable noninterruptible water rate,” which ever was less.

In August 1995, MWD created the “temporary LRP,” which offered a sliding scale subsidy of up to $250 AFY. Adjusted annually, the subsidy would equal the difference of the actual cost to produce the project water and MWD’s rates with a ceiling of $250 AFY. Additionally, the “temporary LRP” explicitly limited program participation to recycled water and groundwater recovery projects and aimed to meet the region’s need for these supplies as identified in MWD’s inaugural 1996 IRP. Existing LPP projects and those in the process of applying for LPP subsidies could voluntarily convert to the temporary LRP.

In June 1998, the MWD Board, with some modifications, formalized the temporary LRP, merging the existing GRP and LPP under it. The LRP continued a pay-for-performance approach, but subsidies of up to $250 AFY would be annually adjusted based on a “fixed schedule” over a 25-year term. Another change, the LRP implemented a “competitive process” and during fiscal year 1999, MWD issued a request for proposal (RFP) for recycled water and groundwater recovery projects to produce 53,000 AFY of local supply. LRP applications were evaluated by a review committee based on criteria for a maximum score of 100 points (see Attachment 1 for more details). Staff’s recommended project “mix” would be brought to the MWD Board for approval. Although the LRP continued to focus on recycled water and groundwater recovery projects, in August 2001 the MWD Board created the Seawater Desalination Program (SDP), which also had an RFP process.

Continuing the LRP’s “competitive process approach,” in April 2003, staff presented an “action plan” to issue an RFP for project proposals to support “local resource development outlined in the IRP Update” to cumulatively produce 65,000 AFY. By March 2004, MWD had received 27 proposals with a combined yield of about 113,000 AFY. MWD staff and water resource consultants evaluated the proposals and selected 13 recycled water and groundwater recovery projects to achieve the LRP’s 65,000 AFY target. Following negotiation of agreement terms, individual projects from this list were brought to the Board for approval to enter into LRP agreements.

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5 Although MWD anticipated this funding approach would be “sufficient to underwrite the local financing of most projects,” if an agency was “unable to secure financing” then MWD “would provide a capital contribution equivalent to the annual cash flow contribution.” Additionally, MWD granted its general manager “flexibility to modify the program so as to recommend to the Board a project that has some specific benefits to Metropolitan but cannot meet the specific guidelines.”

6 The subsidy amount was “to be reviewed and adjusted every three to five years by” the Board.

7 MWD planned to issue subsequent RFPs “every two years to pursue additional production needs.”

8 This target was based on production needed to achieve the 1996 IRP’s local resource target for 2010. MWD also stated that this target would be re-evaluated as it carried out its subsequent IRP update processes.

9 This updated target was based on MWD’s analysis of the projected shortfall in 2018 from the 1996 IRP’s goal for recycled water and recovered groundwater production.

10 Evaluation criteria same as in Attachment 1, except MWD dropped “diversity of supply” from consideration.

11 The Water Authority’s member agencies submitted four proposals, none of which were selected.
In April 2007, MWD increased the LRP target to 174,000 AFY,\textsuperscript{12} based on the 2004 IRP update. The Board also changed the LRP from a competitive process to “first come, first served”: MWD staff reviewed applications to ensure projects met LRP requirements\textsuperscript{13} and then brought individual projects to the Board for approval. The sliding scale subsidies remained the same – up to $250 AFY but not to exceed the difference between the product water’s actual unit cost and MWD’s rates.

MWD changed its LRP again in October 2014. Staff reported that about 63,000 AFY “contractual yield” remained of the 2007 LRP target,\textsuperscript{14} but MWD had not received any new LRP applications “over the past year” mainly due to the “costs to develop and implement [new] projects.”\textsuperscript{15} Staff recommended several modifications to the LRP “to further expedite development of new projects and motivate increased production of projects,” which the Board ultimately approved. In addition to increasing the LRP subsidy from $250 to $340 per AFY, the Board approved “alternate incentive payment structures:”

- Alternative 1: sliding scale subsidies of up to $340 AFY over a 25-year contract term;
- Alternative 2: sliding scale subsidies of up to $475 AFY over a 15-year contract term
- Alternative 3: fixed subsidies of up to $305 AFY over a 25-year contract term

MWD limits subsidies to whichever is less: the maximum subsidy level defined in each alternative or the difference between the product water’s actual unit cost and MWD’s rates. The Board also added seawater desalination as an LRP “eligible resource,” and dissolved the SDP.

**Metropolitan’s Rate Structure Integrity Clause**

After the Water Authority filed its first rate case, the MWD Board terminated its only active LRP agreement with the Water Authority\textsuperscript{16} that included the “rate structure integrity” (RSI) provision\textsuperscript{17} and prohibited the Water Authority and its member agencies from participating in the LRP. While the MWD Board approved a SDP agreement with the Water Authority and its member agencies in November 2009, the MWD Board’s subsequent RSI enforcement action made the Water Authority ineligible for any new agreements with MWD. After the Appellate Court ruled the RSI language was illegal, MWD’s Chair stated that MWD “will welcome any applications for LRP funding

\textsuperscript{12} Although MWD reported that the projected shortfall between the 2004 IRP’s 2025 target for groundwater recovery, recycled water, and seawater desalination targets was 145,000 AFY, the MWD Board authorized staff to pursue development of an additional 20 percent, or 29,000 AFY.

\textsuperscript{13} Projects must “replace an existing demand or prevent a new demand on Metropolitan’s imported water supplies;” not exist or be under construction prior to application submittal; include construction of new substantive treatment or distribution facilities; have support of a MWD member agency; be owned and operated by the local agency; comply with the MWD Act and applicable laws, in addition to other requirements.

\textsuperscript{14} Since updating the LRP and its target in 2007, the MWD Board approved 23 agreements with a combined “contractual yield” of 111,000 AFY.

\textsuperscript{15} From July 2011 through November 2017, MWDs enforcement of its “Rate Structure Integrity” clause barred the Water Authority and its member agencies from participating in the Local Resources Program, as well as the Conservation Credits Program.

\textsuperscript{16} The terminated agreement was for the Ramona Municipal Water District’s San Vicente Water Recycling Project. MWD also terminated some of the Conservation Credit Program agreements with the Water Authority.

\textsuperscript{17} The MWD Board authorized including RSI language in LRP and other demand management agreements in December 2004. There were some “legacy” agreements the Water Authority had with MWD that were not terminated because they did not include the RSI provision.
from the Water Authority. Subsequently, the Water Authority submitted six LRP applications, including three for the Carlsbad project (see Table 1).

<table>
<thead>
<tr>
<th>Project</th>
<th>Projected Annual Yield (AFY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad Seawater Desalination (Water Authority total)</td>
<td>56,000</td>
</tr>
<tr>
<td>Carlsbad Seawater Desalination (Carlsbad MWD portion)*</td>
<td>2,500</td>
</tr>
<tr>
<td>Carlsbad Seawater Desalination (Vallecitos portion)*</td>
<td>3,500</td>
</tr>
<tr>
<td>East County Advanced Water Purification (Padre Dam)</td>
<td>11,600</td>
</tr>
<tr>
<td>San Diego Pure Water Program – North City Phase 1</td>
<td>33,600</td>
</tr>
<tr>
<td>Santa Margarita River Conjunctive Use (Fallbrook)</td>
<td>3,100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>104,300</strong></td>
</tr>
</tbody>
</table>

*Also included in the Water Authority’s LRP application for Carlsbad Seawater Desalination for 56,000 AFY

Discussion

Currently, MWD is undertaking a process to again update its LRP. MWD has chosen to set an “interim” LRP target only until it later reevaluates the LRP target in connection with its 2020 IRP update. In September 2018, MWD reported that local supply production “in recent years” is about 450,000 AFY below the IRP’s 2040 target for local resource development. Carlsbad Seawater Desalination Project was included in the local supply production to offset the 450,000 AFY of retail demand. MWD had previously stated that in adopting the 2015 IRP, its focus is now on “insuring” the region’s retail supply. Turning back to the existing 2007 LRP target, MWD stated that after total LRP projects’ yields are “adjusted” for “rescinded/reduced capacity,” the remaining “program capacity” is 68,000 AFY. In contrast, MWD has received LRP applications for projects that combined, would produce 105,000 AFY (excluding Carlsbad Seawater Desalination Project’s 56,000 AFY). MWD further reported agencies are currently preparing LRP applications totaling 30,000 AFY and that it anticipates applications for another 35,000 AFY. While MWD plans to update the LRP target in connection with its 2020 IRP update, MWD currently has more LRP applications than it has Board authority to pursue. Thus, staff is proposing to set an “interim” LRP target of 150,000 AFY. This increased target is projected to result in annual LRP expenditures of $71 million; fiscal years 2019’s and 2020’s LRP budget is $40 million and MWD’s 10-year rate forecast plans for LRP spending of $45 million annually.

Next Steps

This fall the MWD Board will consider increasing the LRP target to 150,000 AFY. MWD plans to revisit the interim LRP target during the 2020 IRP update, at which time MWD will also have

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18 MWD has not updated the LRP target in connection with updates to the IRP’s target for local resource development since its 2004 IRP update, omitting the 2010 and 2015 IRP updates.

19 The 2015 IRP took a new approach to setting local resource development target: rather than setting a specific amount of supplies to develop (e.g., in 2010 IRP, MWD set a target to develop 250,000 AF of “buffer supply”), it sets its goal to “develop and protect local water supplies.” So while the 2015 IRP identified a need for only 20,000 AFY of “new” annual local supply production by 2040, MWD has shifted its focus to “protect” the 2.4 million AFY of local supplies member agencies will produce in 2040. (Local supplies identified in the 2015 IRP included yield from projects that were existing or under construction during the update for groundwater, surface water, ocean desalination, recycled water, Los Angeles Aqueduct, groundwater recovery, and some non-MWD imported water supplies – but not the Water Authority’s independent Colorado River supplies.)

20 The budget adjustment includes cost savings from LRP agreements completing their payment obligations.
updated forecasts over a 25-year horizon for retail and MWD demands, conservation, local supply production, and Colorado River Aqueduct and State Water Project yields. It is expected that before the 2020 IRP update, in 2019, MWD will consider refining the LRP criteria and make new local resources, such as stormwater, eligible to receive LRP funding.

Prepared by: Liz Mendelson-Goossens, Senior Water Resources Specialist
Reviewed by: Amy Chen, Director of MWD Program
Approved by: Dennis A. Cushman, Assistant General Manager

Attachment 1 – Section of MWD memo regarding Implementation of Local Resources Program and Administrative Rules dated May 26, 1998
Needed Local Resource Production

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (afy)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>17,000</td>
</tr>
<tr>
<td>2005</td>
<td>24,000</td>
</tr>
<tr>
<td>2010</td>
<td>53,000 (ultimate)</td>
</tr>
</tbody>
</table>

Metropolitan will routinely compare IRP local resource targets for water recycling and groundwater recovery to forecasted production. Projected shortfalls to meeting the regional targets will constitute the need for additional production to be sought in subsequent RFPs.

In each proposal, project sponsors would submit their requested financial assistance (not to exceed $250 per acre-foot) over the requested term of the agreement (not to exceed 25 years) and other pertinent project related information.

Member agencies participating in the rate refinement process expressed preference in establishing a review committee that would evaluate project proposals. Staff proposes that the committee consist of two water resource professionals (consultants) selected by staff in consultation with the member agencies, and three members of Metropolitan’s staff including the Chief of Planning and Resources.

Proposals will be evaluated by the review committee using the following criteria and weighting for each ranking factor. Criteria and weighting for each ranking factor will be reviewed for each subsequent RFP and may be adjusted to reflect changes in water resource planning objectives.

A. Readiness to Proceed (0-15 points)  
B. Diversity of Supply (0-10 points)  
C. Regional Water Supply Benefits (0-20 points)  
D. Water Quality Benefits (0-5 points)  
E. MWD Facility Benefits (0-10 points)  
F. Operational Reliability and Probability of Success (0-5 points)  
G. Increased Beneficial Uses (0-5 points)  
H. Cost to Metropolitan (0-30 points)  

Maximum Score: 100 points

A description for each ranking factor is included in the administrative guidelines attached to this letter. The review committee would identify the mix of project proposals that best meets the region’s needs consistent with the RFP. The review committee would have the discretion to recommend meeting more or less than the identified shortfall if it finds that would be in Metropolitan’s best interests.
September 19, 2018

Attention: Imported Water Committee

Colorado River issues update - Part 2. (Presentation)

Purpose

Executive Summary
- The longstanding and evolving Colorado River Basin States issues have necessitated an update on the QSA and how events impact the Water Authority.
- Last month, the first of a three-part presentation overviewed the events leading up to the approval of the QSA in 2003 and the challenges overcome in the early years of its implementation.
- Part 2 summarizes the Law of the River, including Colorado River water apportionments and priority rights system, and overviews the 2007 Interim Guidelines.
- Next month, Part 3 will discuss Colorado River Basin issues such as drought contingency planning and the Salton Sea, and their relationship to the QSA.

Background
Given both longstanding and evolving Basin States issues, it is timely to provide an update on Colorado River issues and discuss their relevance to the QSA. Due to the extensive history and complexity of these issues, the presentation is being provided in three parts. At the August 23 Imported Water Committee meeting, in Part 1, staff overviewed the events leading up to the approval of the QSA in 2003, policy decisions regarding the Salton Sea, the water transfer and exchange agreements, and associated environmental analysis and legislation. Staff also highlighted the challenges overcome in the early years of QSA implementation such as completion of the canal lining projects and transition of fallowing to system and on-farm conservation measures. Part 1 also discussed ongoing activities such as canal lining post construction environmental and operations and maintenance program implementation and QSA Joint Powers Authority administration, both of which help to safeguard the Water Authority’s 280,000 acre-feet of annual QSA supplies.

Discussion
Like Part 1, Part 2 establishes a foundation for Part 3 discussion on Basin States matters by providing a history and connectivity to today’s issues. As such, Part 2 provides a summary of the Law of the River including Colorado River water apportionments and priority rights, and overview of the 2007 Interim Guidelines that stipulate conditions for the delivery of this water to the Lower Basin.
The Law of the River
The Law of the River is a set of numerous compacts, federal laws, court decisions, contracts, and regulatory guidelines that govern how the Colorado River is managed and operated. Key elements include:

- **The Doctrine of Prior Appropriation (Colorado Doctrine)** established “first in time, first in right,” meaning the first entity to use water from a given water body gains the status of senior appropriator with priority water rights over those who come later. Water rights are acquired when two criteria are met (1) diverting the water and (2) making beneficial use of the water.

- **The Colorado River Compact of 1922**, the cornerstone of the “Law of the River,” established the Upper (Colorado, Nevada, Utah, Wyoming) and Lower Basins (Arizona, California, Nevada) with each basin having the right to develop and use 7.5 Million-Acre-Feet (MAF) annually.

- **The Boulder Canyon Project Act of 1928** (1) ratified the 1922 Compact; (2) authorized the construction of Hoover Dam and related irrigation facilities in the Lower Basin; (3) apportioned the Lower Basin's 7.5 MAF among the states of Arizona (2.8 MAF), California (4.4 MAF) and Nevada (0.3 MAF); and (4) authorized and directed the Secretary of the Interior (Secretary) to function as the sole contracting authority for Colorado River water use in the Lower Basin.

- **The California Seven Party Agreement of 1931** settled disputes amongst agricultural and urban parties by establishing annual apportionments for Palo Verde Irrigation District, Yuma Project, Imperial Irrigation District, Coachella Valley Water District, Metropolitan Water District of Southern California (MWD), and City and County of San Diego. Despite this agreement, some priority rights issues remained which were later resolved through the 2003 QSA as shown in Table 1. California’s Priority System. Note that San Diego’s apportionments were later incorporated into MWD’s when the Water Authority became a member agency of MWD.

<table>
<thead>
<tr>
<th>Priority</th>
<th>Agency</th>
<th>Entitlement (MAF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Palo Verde Irrigation District</td>
<td>0.420*</td>
</tr>
<tr>
<td>3a</td>
<td>Imperial Irrigation District</td>
<td>3.100</td>
</tr>
<tr>
<td>3a</td>
<td>Coachella Valley Water District</td>
<td>0.330</td>
</tr>
<tr>
<td>4</td>
<td>Metropolitan Water District</td>
<td>0.550</td>
</tr>
<tr>
<td><strong>Total CA</strong></td>
<td></td>
<td><strong>4.400</strong></td>
</tr>
</tbody>
</table>

*Priorities 1/2/3b have uncapped use with over/under impacting MWD. Priorities 2/3b include smaller agricultural users of Yuma Project and Palo Verde mesa lands.

- **The Mexican Water Treaty of 1944** apportioned 1.5 MAF of Colorado River water for Mexico’s use annually. Mexican and the United States governments have later used amendments to the treaty known as "minutes" to address new issues and settle disputes.

- **The Upper Colorado River Basin Compact of 1948** created the Upper Colorado River Commission. It also established annual apportionments amongst Upper Basin States:

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*Page 33 of 194*
Colorado (3.86 MAF), Utah (1.71 MAF), Wyoming (1.04 MAF) and New Mexico (0.84 MAF). The portion of Arizona that lies within the Upper Colorado Basin was also apportioned 50,000 acre-feet annually.

- **The Colorado River Storage Project Act of 1956** approved projects in the Upper Basin that provided long-term regulatory storage and power production, including Glen Canyon, Flaming Gorge, Navajo, and Curecanti dams.

- **The Arizona v. California U.S. Supreme Court Decision of 1964** settled a 25-year old dispute between California and Arizona regarding Arizona’s proposal to build the Central Arizona Project (CAP) to use its full annual apportionment of Colorado River water. California argued that Arizona’s historic tributary use of the Gila River counted toward Arizona’s annual allotment and prevented it from building the CAP. California’s arguments were rejected and annual Lower Basin accounting was required.

- **The Colorado River Basin Project Act of 1968** authorized construction of CAP and other water development projects in both basins. It also made the priority of CAP water supply subordinate to California's apportionment in times of shortage and directed the Secretary to prepare, in consultation with the Colorado River Basin states, long-range operating criteria for the Colorado River reservoir system.

- **The Criteria for Coordinated Long-Range Operation of Colorado River Reservoirs of 1970** was established in response to the 1968 Act and provided general criteria for the coordinated operation of reservoirs in the Upper and Lower Basins and set conditions for water releases from Lake Powell and Lake Mead.

- **Minutes 318, 319, and 323** to the Mexican Water Treaty of 1944 were recently executed to address Colorado River issues. These minutes established shortage and surplus-sharing of annual water deliveries to Mexico under the same criteria defined for U.S. users, created a Mexican storage program in Lake Mead, created exchange programs for U.S.-funded projects in Mexico, and developed a Mexican water scarcity plan for additional volume reductions to Mexico contingent on implementation of a U.S. drought contingency plan.

### 2007 Interim Guidelines

Subsequent to the general operational criteria created in 1970, the Secretary through the Bureau of Reclamation (BOR), established the 2007 Interim Guidelines for the coordinated operations of Lake Powell and Lake Mead. The finalization of the 2007 Interim Guidelines was made possible in large part by the QSA, which served to “quantify” water rights within California by capping annual consumptive use entitlements. With these limits set, the development of future conservation, forbearance, and storage programs, such as those established in the 2007 Interim Guidelines became possible. Since implemented, these guidelines have helped prevent shortages in the Lower Basin and avoid curtailment of uses in the Upper Basin. This has primarily been accomplished through the coordinated operations of Lake Mead and Powell, and utilization of the Intentionally Created Surplus (ICS) water storage programs in Lake Mead.

**Lake Powell Operations** - Lake Powell’s primary function is to serve as a “bank account” that can be drawn on during dry years to balance the operational level and elevation of Lake Mead. Lake Powell also generates hydroelectric power at Glen Canyon Dam with a minimum operating
elevation of 3,490 feet. Using its 24-Month Study results, every August the BOR forecasts reservoir elevations for January 1 of the coming year. Water deliveries are based on this forecasted January 1 elevation. Table 2 shows the operational tiers of Lake Powell. Lake Powell releases incorporate conditions at Lake Mead as part of the coordinated reservoir operations. In recent years, Lake Powell has delivered a “minimum objective release” of 8.23 MAF to Lake Mead each year. The 2007 Interim Guidelines allow for more or less water to be delivered from Lake Powell to Lake Mead, depending on projected elevations in each reservoir. Note that the lower elevation of the Equalization Tier is variable through 2026 and based on a table in the 2007 Interim Guidelines. The water year 2018 elevation is 3,654 feet.

### Table 2. 2007 Interim Guidelines - Lake Powell Operational Tiers

<table>
<thead>
<tr>
<th>Operational Tier</th>
<th>Tier Elevation (ft)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equalization</td>
<td>3,636 – 3,666 to 3,700</td>
<td>Equalize, avoid spills or release 8.23 MAF</td>
</tr>
<tr>
<td>Upper Elevation Balancing</td>
<td>3,575 to 3,636 – 3,666</td>
<td>Release 8.23 MAF; if Lake Mead &lt; 1,075 feet, balance contents with a min/max release of 7.0 and 9.0 MAF</td>
</tr>
<tr>
<td>Mid-Elevation Release</td>
<td>3,525 to 3,575</td>
<td>Release 7.48 MAF; if Lake Mead &lt; 1,025 feet, release 8.23 MAF</td>
</tr>
<tr>
<td>Lower Elevation Balancing</td>
<td>0 to 3,525</td>
<td>Balance contents with a min/max release of 7.0 and 9.5 MAF</td>
</tr>
</tbody>
</table>

**Lake Mead Operations** - The 2007 Interim Guidelines also include rules for allocating shortages of water on the Colorado River based on the elevation of Lake Mead. The guidelines set reservoir surface elevation triggers, which indicate the degree of shortage and determine the amount of decrease in water apportioned to each of the Lower Basin states. Table 3 displays the normal-year apportionments when the Secretary of the Interior determines that sufficient mainstream water is available to satisfy 7.5 MAF of annual consumptive use in the Lower Basin. Table 3 also shows trigger elevations for shortage deliveries and shortage apportionment amounts.

### Table 3. 2007 Interim Guidelines - Lake Mead Shortage Triggers and Apportionments

<table>
<thead>
<tr>
<th>Lake Mead Shortage Triggers and Apportionments (MAF)</th>
<th>Trigger 1 Elevation 1,075 to 1,050 ft</th>
<th>Trigger 2 Elevation 1,050 to 1,025 ft</th>
<th>Trigger 3 Elevation 1,025 ft or below</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Normal-Year Apportionment</td>
<td>Trigger 1 Apportionment</td>
<td>Shortage Amount</td>
</tr>
<tr>
<td>AZ</td>
<td>2.800</td>
<td>2.480</td>
<td>0.320</td>
</tr>
<tr>
<td>CA</td>
<td>4.400</td>
<td>4.400</td>
<td>0</td>
</tr>
<tr>
<td>NV</td>
<td>0.300</td>
<td>0.287</td>
<td>0.013</td>
</tr>
<tr>
<td>Total</td>
<td>7.500</td>
<td>7.167</td>
<td>0.333</td>
</tr>
</tbody>
</table>

Due to California’s high priority rights on the river, it is largely protected from impacts of shortages under the 2007 Interim Guidelines, and its allocation remains at 4.4 MAF through all
three shortage scenarios. If Lake Mead were to drop below the currently defined shortage levels and the Secretary declared a cut to California, the reductions would occur based on the priority system — falling on the lowest priority user, MWD. Mexico’s shortage amounts for Triggers 1, 2, and 3 are not prescribed in the 2007 Interim Guidelines, but per Minute 323 would be 0.050 MAF, 0.070 MAF, and 0.125 MAF, respectively. Additionally, Lake Mead’s minimum elevation for hydroelectric power generation at Hoover Dam is 1,050 feet.

ICS Program - The 2007 Interim Guidelines also established criteria for an ICS program as a tool to encourage the efficient use and management of Colorado River water and increase the water supply in Colorado River System reservoirs to help minimize and avoid shortage conditions. The ICS program allows the Lower Basin States to store water in Lake Mead in lieu of using Colorado River entitlement. This is done through the creation of a like amount of water that could be used in place of Colorado River water, such as through conservation or alternative supply development. The 2007 Interim Guidelines prescribed several requirements for the creation and use of ICS storage. For instance, storage accounts are established upon the Secretary’s approval of a plan for creation of ICS. The ICS storage amount is limited by state with annual limitations on storage creation and delivery from storage. Essentially, those entities that store water through BOR ICS storage accounts collectively help to avoid shortage triggers by raising Lake Mead’s water level. The Water Authority is eligible to participate in the ICS program for up to 280,000 acre-feet annually in accordance with the Lower Colorado Basin ICS Forbearance Agreement and the Colorado River Water Delivery Agreement with the Secretary but currently lacks a designated storage account.

The 2007 Interim Guidelines expire in 2026 and negotiations for the replacement guidelines are scheduled to begin in 2020. The subsequent replacement guidelines may contain revised criteria for shortage operations in the Lower Basin. Meanwhile discussions amongst the Basin States on a Drought Contingency Plan continue. At the October 25 Imported Water Committee meeting, staff will present Part 3 of the Colorado River Issues Update which will largely focus on these drought contingency planning efforts. Part 3 will also include a discussion on the ongoing restoration and mitigation activities at the Salton Sea as well as the Sea’s role in drought contingency planning.

Prepared by: Kelly Rodgers, Director of Colorado River Program
Kimberlyn Velasquez, Water Resources Specialist
Reviewed by: Dan Denham, Assistant General Manager
Approved by: Maureen A. Stapleton, General Manager
September 19, 2018

Attention: Imported Water Committee

Colorado River hydrology update. (Presentation)

Purpose
This report provides an update on current Colorado River hydrology, reservoir operations, and shortage predictions.

Executive Summary

- Hydrologic modeling predicts an above average release of 9.0 million acre-feet from Lake Powell in 2019.
- All Lower Basin water users including California will receive their full annual allocations in 2019.
- An official shortage for the Lower Basin is projected at 57% in 2020 and would result in cutbacks to Arizona, Nevada, and Mexico.

Background
The Colorado River Basin has been experiencing prolonged drought conditions since 2000. After an above average year in 2017, the 2018 water year brought the return of poor hydrologic conditions. Hydrology, storage, and other factors are used to determine reservoir operations for the two major system reservoirs, Lake Powell and Lake Mead. Operating criteria for the reservoirs was established in the “2007 Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead” (2007 Interim Guidelines). The 2007 Interim Guidelines set criteria for balancing storage levels between Lake Powell and Lake Mead based on annual runoff projections and existing storage. Annual operating conditions are determined based on hydrologic modeling performed by the Bureau of Reclamation (Reclamation). Specifically, Reclamation’s August projections determine the Upper Basin’s operating condition and resulting annual release volume from Lake Powell; and indicate the operating condition for the Lower Basin (i.e. normal or shortage) which then determines allocations to water users in California, Arizona, Nevada, and Mexico. The August 2018 modeling indicates the release from Powell will most likely be 9.0 million acre-feet and confirms there will not be a shortage declaration in 2019.

Colorado River allocations have historically been guaranteed, with all users receiving full annual allocations. An official shortage has never been declared on the river, which would result in reduced allocations to Arizona and Nevada, but no cuts to California users due to its higher priority water rights. Shortage criteria and associated reductions to users are defined in the 2007 Interim Guidelines. The likelihood of a Lower Basin shortage has increased significantly over the past several years, resulting in discussions for a voluntary alternative plan known as the drought contingency plan (DCP) which includes voluntary reductions to all Lower Basin water users to reduce the chance of critically low elevation levels in Lake Mead. Negotiations for the DCP are

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1 Mexico shares in shortage cutbacks through Minute 323 under the same elevation triggers in Lake Mead as U.S. users.
currently in progress, with the goal of reaching consensus on the required agreements by late 2018 and execution of the final agreements in early 2019.

Discussion
Total system storage as of September 16 is 28.4 million acre-feet or 48 percent of capacity. System storage has decreased during the current drought period, as annual inflows were supplemented with storage reserves to meet annual Colorado River allocations to water users. The storage volumes in Lakes Powell and Mead are coordinated as part of the 2007 Interim Guidelines to balance contents in the two reservoirs via annual releases from Lake Powell determined by projected elevations of both reservoirs. Typically, 8.23 million acre-feet is released from Lake Powell each year, but depending on storage conditions, more or less water can be released. Reclamation’s August 2018 modeling indicates that at least 8.23 million acre-feet will be released in 2019, but the final volume will be determined through its April 2019 review. The projections indicate the final release volume for 2019 will most likely be 9.0 million acre-feet.

Decreases in storage coincide with falling reservoir elevations. In Lake Mead, reservoir levels are particularly important as shortages are determined by elevation-based trigger levels of 1,075 feet, 1,050 feet, and 1,025 feet. These trigger elevations result in defined cuts to annual allocations to certain users as depicted in Table 1.

<table>
<thead>
<tr>
<th>Colorado River Entitlement Water (acre-feet)</th>
<th>Shortage Reduction Volume (acre-feet)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lake Mead Trigger Elevation</td>
</tr>
<tr>
<td></td>
<td>1,075 ft</td>
</tr>
<tr>
<td>California 4,400,000</td>
<td>-</td>
</tr>
<tr>
<td>Arizona 2,800,000</td>
<td>(320,000)</td>
</tr>
<tr>
<td>Nevada 300,000</td>
<td>(13,000)</td>
</tr>
<tr>
<td>Mexico 1,500,000</td>
<td>(50,000)</td>
</tr>
<tr>
<td>Total 9,000,000</td>
<td>(383,000)</td>
</tr>
</tbody>
</table>

However, a shortage is not automatically triggered when the lake drops to a trigger elevation. Per the procedures in the 2007 Interim Guidelines, an official shortage declaration is based on the projected elevation of Lake Mead on January 1 of the upcoming year established in Reclamation’s August modeling results. Reclamation’s August 2018 modeling results project that Lake Mead’s elevation will be above the first shortage trigger of 1,075 feet on January 1, 2019, confirming that there will not be a shortage in 2019. Reclamation also produces five-year projections that indicate the likelihood of a Lower Basin shortage. The current shortage projections forecast a 57 to 70 percent chance of shortage in the next five years (Table 2).

<table>
<thead>
<tr>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>57%</td>
<td>68%</td>
<td>70%</td>
<td>65%</td>
</tr>
</tbody>
</table>
Continued drought and increased chance of shortage heightens concerns regarding long-term supply reliability in the Colorado River Basin. However, the Water Authority’s Colorado River supplies are highly reliable and substantially insulated from shortage impacts, as California does not face mandatory reductions per the various laws and compacts known as the “Law of the River.” Additionally, a major benefit of the Water Authority’s Quantification Settlement Agreement (QSA) supplies is their high priority status within California, falling into Imperial Irrigation District and Coachella Valley Water District’s shared priority 3A designation. As such, MWD’s junior priority water would be completely curtailed before the Water Authority’s QSA supplies were impacted.

Prepared by: Kara Mathews, Senior Water Resources Specialist
Reviewed by: Kelly Rodgers, Director of Colorado River Program
Approved by: Dan Denham, Assistant General Manager
September 19, 2018

Attention: Imported Water Committee

Metropolitan Water District Program Report (Information)

Purpose
This report summarizes activities of interest associated with the Metropolitan Water District of Southern California (MWD) and MWD Member Agencies.

Discussion
This section provides a summary of key issues at the August September 10 and 11, 2018 meetings of the MWD Board of Directors. The MWD Board will meet next on October 8 and 9.

Local Resource Program Target
MWD staff sought Board input on its proposed “interim” target for the Local Resource Program (LRP). Last updated in 2007, the existing LRP target has a remaining balance of 68,000 acre-feet per year (AFY). However, MWD has received LRP applications totaling 105,000 AFY (excluding the Carlsbad Seawater Desalination Project) and anticipates future applications totaling 65,000 AFY over the next five years. MWD said there is a gap of about 460,000 AFY between the average local supply production over the past decade and the 2040 local supply production target established in the 2015 Integrated Water Resources Plan (IRP). Therefore, in October, staff plans to recommend the Board set an “interim” LRP target of 150,000 AFY, which would be reexamined during the 2020 IRP update. In addition to helping meet the 2015 IRP target for local resource development, staff suggested a 150,000 AFY interim target will accommodate existing LRP applications, encourage agencies to continue developing their local supplies, and complement “other resource options” such as the potential Regional Recycled Water Project. In 2019, after setting an interim target, the Board will consider other program refinements, such as allowing stormwater and other resource projects to participate in the LRP and modifying LRP criteria.

Promotion of Conservation by Disadvantaged Communities
During the Conservation and Local Resources Committee, MWD provided an oral report on a proposed a “hybrid approach” to “increase water savings within disadvantaged communities” (DAC). In addition to continuing to afford DAC access to conservation program funding through the Member Agency Administered Program (MAAP), MWD would operate a regional pilot program, focusing on multi-family sectors. The pilot program would last one year to one-and-a-half years, have a fixed budget (amount yet to be determined), and target multi-family dwellings and buildings constructed prior to 1994. Under this program, subsidy amounts for some devices would be increased, but staff did not present proposed increases this month. Staff suggested MWD enhance “accessibility” to MAAP funding and provide administration support for local agencies’ DAC-targeted programs.

1 Furthermore, the 2015 IRP calls for MWD to “protect” existing local supplies and develop an additional 20,000 AFY by 2040, setting a combined target of 2.43 million AFY of local supply production
2 For more information on the LRP see the “MWD Local Resources Program Update” memo in the Water Authority’s September 2018 Board packet found here: https://www.sdcwa.org/meetings-and-documents
Ethics Office
At the request of Chairman Record (Eastern), in July 2017, MWD hired outside legal counsel Wilmer Hale to review the Ethics Office’s policies and procedures and provide recommendations to the Board. In September 2017, MWD’s Ethics Officer resigned. Following Wilmer Hale’s findings and recommendations in February 2018, MWD engaged additional legal counsel, Olson Hagel & Fishburn (Olson Hagel), to provide additional review. This month the Board adopted Olson Hagel’s recommendations related to Ethics Office’s structure and governance as well as the job description and recruitment process for a new Ethics Officer. Wilmer Hale recommended that the Ethics Office reside under MWD’s General Counsel. In contrast, Olson Hagel suggested that the office continue to report to the Board but have a “direct line of communication” to the Audit and Ethics Committee (A&E Committee) and recommended that the A&E Committee have a larger “oversight role” of the office and become a standing committee. Noting the importance of maintaining the Ethics Office independence, Olson Hagel stressed that the office can and should work collaboratively with the MWD Board and staff.

Potential Antelope Valley Groundwater Banking Program
The MWD Board received a report on a potential storage program with Antelope Valley-East Kern Water Agency (AVEK). This program would have a total storage capacity of 280,000 acre-feet in the Antelope Valley groundwater basin with annual maximum put and take capacities of 70,000 acre-feet. MWD would have first priority rights to the basin and water could be returned via direct pumpback or exchange (dependent on sufficient State Water Project (SWP) supplies). MWD would pay AVEK $119 million for the construction of recharge and pumping facilities. In addition to the capital cost, MWD would also pay a recovery usage fee of $100 per acre-foot, which would be escalated with a predetermined consumer price index annually and incur 10 percent loss when storing water. MWD estimated that the “full cycle” cost of the program’s water would be $300 per acre-foot. Although MWD already has five groundwater banking programs along the State Water Project, including one with AVEK, it reported that the proposed program would improve water supply reliability, MWD’s relationship with a “key” SWP contractor, and operational flexibility. The Antelope Valley groundwater basin is currently undergoing an adjudication process; staff’s report did not address the implications of this process on the potential program.

The MWD Committees and Board also:
- Held voluntary Brown Act Training;
- Appropriated $6.68 million, and authorized upgrades to three hydroelectric power plants;
- Heard oral reports on:
  - Capital Investment Plan Quarterly Report for period ending June 2018;
  - Update on Regional Recycled Water Program;
  - Update on the Impacts of the Federal Steel Tariffs;
  - Climate Action Plan;
  - Conservation Update; and
  - Update on the On-Site Retrofit Program; and
- Received reports in closed session on:
  - Discussions with San Bernardino and Riverside Counties regarding the California Surface Mining & Reclamation Act;
  - Discussion of Department Head Evaluation Process Guidelines and Department Head Evaluation Presentations; and
o Water Authority v. MWD (rate litigation).

**California WaterFix – Joint Powers Authorities.**

Earlier this year two new joint powers authorities (JPAs) were formed to help implement California WaterFix: Delta Conveyance Design and Construction Authority (DCA) and Delta Conveyance Finance Authority (Finance Authority). The two JPAs are scheduled to meet next on September 20, 2018.

Prepared by:  Liz Mendelson-Goossens, Senior Water Resources Specialist
Reviewed by:  Amy Chen, Director of MWD Program
Approved by:  Dennis A. Cushman, Assistant General Manager
September 19, 2018

Attention: Imported Water Committee

CLOSED SESSION:
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)

Name of Case: SDCWA v. Metropolitan Water District of Southern California;
   San Francisco Superior Court Case Nos. CPF-10-510830; CPF-12-512466;
   CPF-14-514004; CPF-16-515282; CPF-16-515391; CGC-17-563350;
   California Court of Appeal (1st District) Case Nos. A146901; A148266;
   A154325; California Supreme Court Case Nos. S243500; S251025; and
   Los Angeles Superior Court Case No. BS 173868

Purpose
This memorandum is to recommend a closed session, pursuant to Government Code
§54956.9(d)(1), to discuss the above-referenced matter at the September 27, 2018 meeting.

A closed session has also been included on the agenda of the formal Board of Directors’
meeting. Unless the Board desires additional discussion, it is not staff’s intention to ask for a
closed session with the full Board at that time, but staff may request action to confirm directions
given or action recommended by the committee.

Prepared by: Mark J. Hattam, General Counsel
September 19, 2018

Attention: Imported Water Committee

CLOSED SESSION:
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
Name of Case: California Department of Water Resources v. All Persons Interested;
Sacramento Superior Court Case No. 34-2017-00215965-CU-MC-GDS; and
JCCP 4942

Purpose
This memorandum is to recommend a closed session, pursuant to Government Code
§54956.9(d)(1), to discuss the above-referenced matter at the September 27, 2018 meeting.

A closed session has also been included on the agenda of the formal Board of Directors’
meeting. Unless the Board desires additional discussion, it is not staff’s intention to ask for a
closed session with the full Board at that time, but staff may request action to confirm directions
given or action recommended by the committee.

Prepared by: Mark J. Hattam, General Counsel
September 19, 2018

Attention: Imported Water Committee

CLOSED SESSION:
Conference with Legal Counsel – Existing Litigation/Anticipated Litigation
Government Code §§54956.9(d)(1) and/or (d)(4)
Name of Case: Food & Water Watch and Center for Food Safety v. Metropolitan Water District of Southern California and All Persons Interested in the Matter; Los Angeles Superior Court Case No. BC 720692

Purpose
This memorandum is to recommend a closed session, pursuant to Government Code §§54956.9(d)(1) and/or (d)(4), to discuss the above-referenced matter at the September 27, 2018 meeting.

A closed session has also been included on the agenda of the formal Board of Directors’ meeting. Unless the Board desires additional discussion, it is not staff’s intention to ask for a closed session with the full Board at that time, but staff may request action to confirm directions given or action recommended by the committee.

Prepared by: Mark J. Hattam, General Counsel
LEGISLATION AND PUBLIC OUTREACH COMMITTEE

AGENDA FOR

SEPTEMBER 27, 2018

Christy Guerin – Chair    Frank Hilliker
Jerry Butkiewicz – Vice Chair    Jim Madaffer
Matt Hall – Vice Chair    Ron Morrison
Gary Arant    Mark Muir
Chris Cate    Ron Roberts
Gary Croucher    Joel Scalzitti
Betty Evans    Fern Steiner
Ed Gallo

1. Roll call – determination of quorum.

2. Additions to agenda (Government Code Section 54954.2(b)).

3. Public comment – opportunities for members of the public to address the Committee on matters within the Committee’s jurisdiction.

4. Chair’s report.
4-A Directors’ comments.

I. CONSENT CALENDAR

II. ACTION/DISCUSSSION/PRESENTATION

1. Legislative issues.
1-A Washington report by Ken Carpi. (Written report only) (Supplemental Materials)

1-B Sacramento Report – Update on end of legislative session. Glenn Farrel

2. Update on Brought to You by Water activities. (Presentation) Denise Vedder / Mike Lee

III. INFORMATION

1. Government Relations Update. Glenn Farrel
2. Quarterly report on Public Outreach and Conservation activities. Denise Vedder

3. Small Contractor Outreach and Opportunities Program (SCOOP) Annual Report. Teresa Penunuri

IV. CLOSED SESSION

V. ADJOURNMENT

Melinda Nelson
Clerk of the Board

NOTE: This meeting is called as a Legislation and Public Outreach Committee meeting. Because a quorum of the Board may be present, the meeting is also noticed as a Board meeting. Members of the Board who are not members of the Committee may participate in the meeting pursuant to Section 2.00.060(g) of the Authority Administrative Code (Recodified). All items on the agenda, including information items, may be deliberated and become subject to action. All public documents provided to the committee or Board for this meeting including materials related to an item on this agenda and submitted to the Board of Directors within 72 hours prior to this meeting may be reviewed at the San Diego County Water Authority headquarters located at 4677 Overland Avenue, San Diego, CA 92123 at the reception desk during normal business hours.
September 19, 2018

Attention: Legislation and Public Outreach Committee

Update on Brought to You by Water activities (Presentation)

Purpose
This presentation will update the Board on recent activity in the Brought to You by Water outreach and education program and provide a preview of upcoming activities.

Background
The Water Authority’s Brought to You by Water outreach and education program is moving into its second quarter, following the completion of a successful summer season focused on the tourism industry. The next focal industry is manufacturing, and the Water Authority is working across the region to reach a broad audience of industry leaders during a quarter that includes national Manufacturing Day on Oct. 5. The Water Authority is planning to participate in several manufacturing-related events and activities, and staff is in the process of developing several outreach partnerships to remind ratepayers and other stakeholders about the importance of maintaining the region’s safe and reliable water supplies. These events include participation in the Industrial Environmental Association conference on Sept. 28, East County EDC Manufacturing Day event on Oct. 3, San Diego Regional EDC #MadeinSanDiego reception on Oct. 4 and a North County EDC water issues forum on Oct. 10.

A series of television advertisements is currently airing on KFMB-TV (CBS News 8) during the news broadcasts. This advertising schedule complements the digital and social media paid campaign to ensure coverage among key audiences.

In February 2018, the Board of Directors approved the Brought to You by Water program to communicate the value of water to the region’s economy and quality of life. The first year of the program focuses on four key sectors of the economy: Tourism, manufacturing, brewing and agriculture. Staff is preparing to feature additional water-dependent industries such as life sciences, healthcare and defense in future years.

Prepared by: Mike Lee, Public Affairs Supervisor
Reviewed by: Denise Vedder, Director of Public Outreach and Conservation
Approved by: Dennis A. Cushman, Assistant General Manager
September 19, 2018

Attention: Legislation and Public Outreach Committee

Government Relations Update. (Information)

Purpose
This report is an update of the Water Authority’s government relations program.

Discussion

The Legislature
On August 31, the Legislature adjourned its two-year session. The Governor will have until September 30 to act on all bills sent to him during the final weeks of the legislative session. The Legislature is scheduled to convene for an organizational session of the 2019-2020 legislative session on December 3.

Sponsored Legislation
- **AB 2064 (Gloria/Weber):** AB 2064 would provide a workable advance payment structure for non-governmental organizations and disadvantaged communities participating in Integrated Regional Water Management grant-funded projects. AB 2064 passed the Legislature and is pending consideration on the Governor’s desk.

- **AB 2371 (Carrillo):** AB 2371 is the Water Authority’s and Natural Resources Defense Council’s co-sponsored measure to statutorily advance consensus-based concepts to improve landscape water use efficiency recommended by the Independent Technical Panel under the auspices of the Department of Water Resources. AB 2371 passed the Legislature and is pending consideration on the Governor’s desk.

- **SB 1277 (Hueso):** SB 1277 is a placeholder measure to allow Salton Sea stakeholders to develop and implement a manageable administrative structure to ensure Salton Sea restoration project implementation remains on-budget and on-time, with appropriate contracting and fiscal controls. The author’s office initiated stakeholder working groups and discussions to develop a manageable administrative structure for Salton Sea restoration. SB 1277 failed passage during the 2018 legislative session.

Update on Additional Key Legislative Issues

Water Tax: The water tax legislation – SB 844 and SB 845 – failed passage during the 2018 legislative session. On August 31, the Assembly Speaker issued a press release indicating his ongoing commitment to seeking a funding solution during 2019. Additionally, the Speaker’s twitter account included the following statement:
Guaranteeing safe drinking water needs a sustainable funding source, not a piecemeal approach.

We will continue working next year to ensure that all Californians have access to this fundamental human need.

Through his various communications, Speaker Rendon has established this issue as a priority going into the 2019 legislative session. The Speaker also identified Assemblymembers Eduardo Garcia and Heath Flora as the lead legislators for this policy matter.

Electricity Grid Regionalization: AB 813 (Holden) would have established a pathway for the California Independent System Operator to transform its governance structure to operate as a multistate regional transmission system organization. This effort has long been a high priority for the Governor, and there was a great deal of activity during the final weeks of the legislative session to advance AB 813. On August 31, Senate President Pro Tempore Toni Atkins made a statement to the press, as reported by the press:

8/31/18, 7:54 PM
Big news: Senate leader @toniatkins says regional power grid bill #AB813 "will not be moved to the Senate Floor for a vote this year. We will continue this important discussion next year."

AB 2787 (Quirk): AB 2787 is the measure that would require the California Independent System Operation (ISO) to procure up to 2,000 MW of pumped hydropower storage to improve transmission grid reliability. Given the last-minute nature of AB 2787 and its need to receive a rule waiver to proceed through the legislative process after the deadlines earlier in August, AB 2787 would have required a two-thirds vote on the Floor of each house of the Legislature to be passed. The sponsors of AB 2787 determined that the two-thirds threshold could not be reached in the Assembly, and there was uncertainty as to whether the Administration would be receptive of AB 2787 outside of the context of a larger grid regionalization package. Therefore, the sponsors of AB 2787 placed the bill on the inactive file and it failed passage during this legislative session.

Wildfire Conference Report: SB 901 (Dodd) contains the legislative product of the wildfire prevention and response conference committee that was convened over the summer. The Senate approved the bill 29-4, while the Assembly passed it 45-10. SB 901 is now pending consideration on the Governor’s desk.

SB 120 (Roth): SB 120 would have required the State Lands Commission, in consultation with the Department of Fish and Wildlife, to make a determination that the transfer of water from a groundwater basin underlying a specific geographic area (defined as the Cadiz groundwater project area) will not adversely affect the natural or cultural resources, including groundwater resources or habitat, of those federal and state lands in order for the transfer to be allowed. As with most last-minute legislative efforts, there were significant advocacy activities on both sides
of this measure. Ultimately, SB 120 was considered in the Senate Appropriations Committee, and it failed passage for the year.

**Status Report on Legislation and Legislative Positions**

Attached is a list of legislation that was under review by Water Authority staff as of the close of the 2017-18 legislative session on August 31, 2018.

**Lobbyist Activities**

Steve Cruz of The Quintana Cruz Company reports that he performed the following lobbying activities on behalf of the Water Authority over the past month:

- Provided strategic advice and information regarding the Water Authority’s legislative interests.
- Participated in legislative and Administration briefings involving Water Authority sponsored and priority legislation.
- Represented the Water Authority in a variety of venues on Water Authority issues.
- Coordinated with Bob Giroux and Water Authority staff on various legislative issues of importance to the Water Authority.

Bob Giroux of Lang, Hansen, O’Malley & Miller reports that he performed the following lobbying activities on behalf of the Water Authority over the past month:

- Provided strategic advice and information regarding the Water Authority’s legislative interests.
- Communicated with legislative leadership and stakeholders regarding the San Diego region’s interests relative to bulk energy storage, long-term water use efficiency, and the Carlsbad intake funding issue.
- Coordinated with Steve Cruz and Water Authority staff on various legislative issues of importance to the Water Authority.

Audra Hartmann of Smith, Watts & Hartmann reports that she performed the following regulatory advocacy activities on behalf of the Water Authority over the past month:

- Coordinated meetings with SWRCB members and staff relative to the issue of the Carlsbad Desalination facility intake modifications.
- Participated in SWRCB meetings regarding emerging water quality issues of interest to the Water Authority.

- Provided strategic advice and information regarding the Water Authority’s regulatory interests.

- Coordinated with Water Authority staff on various regulatory issues of interest to the Water Authority.

Washington, D.C.
Ken Carpi of Carpi & Clay will provide an in-person report for the LPO Committee and will submit a separate written report of the firm’s monthly activities in Washington, D.C.

Prepared by: Glenn A. Farrel, Government Relations Manager
Ivy Ridderbusch, Management Analyst
Approved by: Dennis A. Cushman, Assistant General Manager

Attachment: Substantive Legislation Report – August 31, 2018
AB 92  (Bonta D)  Public contracts: payment.
Current Text: Chaptered: 7/10/2017  html  pdf
Chapter Number: 37
Introduced: 1/9/2017
Status: 7/10/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 37, Statutes of 2017.
Summary: Current law until January 1, 2018, authorizes the retention proceeds withheld from any payment by an awarding entity, as described, from the original contractor, by the original contractor from any subcontractor, and by a subcontractor from any subcontractor to exceed 5% on specific projects where the director of the applicable department, as specified, has made, or the governing body of the public entity or designated official of the public entity has approved, a finding prior to the bid that the project is substantially complex and requires a higher retention and the department or public entity includes both this finding and the actual retention amount in the bid documents. This bill would extend the operation of these provisions to January 1, 2023.

AB 247  (Garcia, Cristina D)  Public health: childhood lead poisoning: Lead Advisory Task Force.
Current Text: Vetoed: 10/13/2017  html  pdf
Introduced: 1/30/2017
Status: 1/12/2018-Stricken from file.
Summary: Under current law, known as the Childhood Lead Poisoning Prevention Act of 1991, the State Department of Public Health is required to establish procedures for environmental abatement and followup, and undertake other specified measures, designed to reduce the incidence of excessive childhood lead exposure in California. This bill would require, by April 1, 2018, the Office of Environmental Health Hazard Assessment to convene a Lead Advisory Task Force, with a prescribed membership, to review and advise, as provided, regarding policies and procedures to reduce childhood lead poisoning in the state.

AB 305  (Arambula D)  School accountability report card: drinking water access points.
Current Text: Introduced: 2/6/2017  html  pdf
Introduced: 2/6/2017
Status: 2/1/2018-From committee: Filed with the Chief Clerk pursuant to Joint Rule 56.
Summary: Would amend the Classroom Instructional Improvement and Accountability Act to also require the school accountability report card to include an assessment of the drinking water access points at each school site, as specified. The bill would require the State Department of Education to compile the assessments and transmit them to the State Water Resources Control Board. By imposing additional duties on local educational agency officials, the bill would impose a state-mandated local program. The bill would provide that the Legislature finds and declares that the changes made to the act by its provisions further the purposes of the act.

AB 313  (Gray D)  Water.
Current Text: Vetoed: 10/15/2017  html  pdf
Introduced: 2/6/2017
Status: 1/12/2018-Stricken from file.
Summary: Current law authorizes the State Water Resources Control Board to adopt an order setting administrative civil liability based on the allegations set forth in the complaint without a hearing, unless a written request for a hearing signed by, or on behalf of, the party served with the complaint is delivered to or received by mail by the board within 20 days after receipt of the complaint. This bill, commencing July 1, 2018, would establish a Water Rights Division within the Office of Administrative Hearings, as prescribed.

AB 554  (Cunningham R)  Desalination: statewide goal.
Introduced: 2/14/2017
Status: 2/1/2018-Failed Deadline pursuant to Rule 61(b)(3). (Last location was APPR. on 5/26/2017)
Summary: The Cobey-Porter Saline Water Conversion Law provides that it is the intention of the Legislature that the Department of Water Resources undertake to find economic and efficient methods of desalting saline water so that desalted water may be made available to help meet the growing water requirements of the state. This bill would establish a goal to desalinate 300,000 acre-feet of drinking water per year by the year 2025 and 500,000 acre-feet of drinking water per year by the year 2030.

AB 567  (Quirk-Silva D)  School facilities: drinking water fountains: spigot for filling water bottles.
Current Text: Amended: 3/14/2017  html  pdf
**AB 574** (Quirk D) Potable reuse.
*Current Text*: Chaptered: 10/6/2017  [html](#)  [pdf](#)

**Chapter Number**: 528  
**Introduced**: 2/14/2017  
**Status**: 10/6/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 528, Statutes of 2017.

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

**AB 733** (Berman D) Enhanced infrastructure financing districts: projects: climate change.
*Current Text*: Chaptered: 10/11/2017  [html](#)  [pdf](#)

**Chapter Number**: 657  
**Introduced**: 2/15/2017  
**Status**: 10/11/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 657, Statutes of 2017.

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

**AB 746** (Gonzalez Fletcher D) Public health: potable water systems: lead testing: schoolsites.
*Current Text*: Chaptered: 10/13/2017  [html](#)  [pdf](#)

**Chapter Number**: 746  
**Introduced**: 2/15/2017  
**Status**: 10/13/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 746, Statutes of 2017.

**Summary**: Would require a community water system that serves a schoolsite of a local educational agency with a building constructed before January 1, 2010, to test for lead in the potable water system of the schoolsite before January 1, 2019. The bill would require the community water system to report its findings to the schoolsite, as specified, and, if the schoolsite's lead level exceeds a certain level, to test a water sample from the point in which the schoolsite connects to the community water system's supply network. The bill would require the local educational agency, if the lead level exceeds the specified level at a schoolsite, to notify the parents and guardians of the pupils who attend the schoolsite or preschool.

**AB 791** (Frazier D) Sacramento-San Joaquin Delta: State Water Project and federal Central Valley Project: new conveyance facility.
*Current Text*: Amended: 3/21/2017  [html](#)  [pdf](#)

**Introduced**: 2/15/2017  
**Status**: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was ED. on 2/27/2017)  
**Summary**: The Sacramento-San Joaquin Delta Reform Act of 2009 prohibits construction of a new Delta conveyance facility from being initiated until the persons or entities that contract to receive water from the State Water Project and the federal Central Valley Project or a joint powers authority representing those entities have made arrangements or entered into contracts to pay for certain costs required for the construction, operation, and maintenance of the facility and full mitigation of property tax or assessments levied for land used in the construction, location, mitigation, or operation of the facility. This bill would require, before a water contractor enters into a contract to pay for these costs, that the lead agency provide the breakdown of costs for each water contractor entering into a contract and what benefits each contractor will receive based on the proportion it has financed of the proposed conveyance project.
AB 792  (Frazier D)  Sacramento-San Joaquin Delta: Delta Stewardship Council.
Introduced: 2/15/2017
Status: 1/13/2018-Failed Deadline pursuant to Rule 61(b)(1). (Last location was W.,P. & W. on 4/20/2017)
Summary: 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.

AB 793  (Frazier D)  Sacramento-San Joaquin Delta: financing.
Introduced: 2/15/2017
Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was W.,P. & W. on 3/2/2017)
Summary: Would declare it to be state policy that the existing state of the Sacramento-San Joaquin Delta is recognized and defined as an integral component of California’s water infrastructure. The bill would state that the maintenance and repair of the Delta are eligible for the same forms of financing as other water collection and treatment infrastructure and would specify the maintenance and repair activities that are eligible are limited to certain cleanup and abatement-related restoration and conservation activities.

AB 851  (Caballero D)  Local agency contracts.
Current Text: Chaptered: 10/16/2017  html  pdf
Chapter Number: 821
Introduced: 2/16/2017
Status: 10/15/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 821, Statutes of 2017.
Summary: Current law authorizes a county, until January 1, 2018, with approval of the board of supervisors, to utilize construction manager at-risk construction contracts for the erection, construction, alteration, repair, or improvement of any building owned or leased by the county, subject to certain requirements, including that the method may only be used for projects that are in excess of $1,000,000. This bill would extend that authorization described above until January 1, 2023. This bill contains other related provisions and other current laws.

AB 869  (Rubio D)  Sustainable water use and demand reduction: recycled water.
Current Text: Amended: 8/24/2017  html  pdf
Introduced: 2/16/2017
Status: 8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was S. 2 YEAR on 9/1/2017)
Summary: Current law imposes various water use reduction requirements that apply to urban retail water suppliers, including a requirement that the state achieve a 20% reduction in urban per capita water use by December 31, 2020. This bill would require long-term standards for urban water conservation and water use to include a credit for recycled water, as specified.

AB 884  (Levine D)  Dams and reservoirs: inspections.
Current Text: Amended: 3/21/2017  html  pdf
Introduced: 2/16/2017
Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 5/3/2017)
Summary: Current law requires the Department of Water Resources, from time to time, to make inspections of dams and reservoirs at state expense for the purpose of determining their safety. This bill would require the department instead to make annual physical inspections.

AB 885  (Rubio D)  Pupil health: drinking water: lead.
Introduced: 2/16/2017
Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 5/17/2017)
Summary: Would require a community water system, as defined, to test, on or before July 1, 2019, and every year thereafter, for the presence of lead in a sample of water outlets used for drinking or cooking at each school, defined to include a public elementary school, a public secondary school, a public preschool located on public school property, and a public day care facility located on public school property, constructed before January 1, 1993, within the boundaries of the community water system.
AB 1030 (Ting D)   Energy storage systems.
Current Text: Amended: 3/30/2017   html  pdf

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

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

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

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

AB 968 (Rubio D)   Urban water use: water efficiency.
Introduced: 2/16/2017
Status: 1/13/2018-Failed Deadline pursuant to Rule 61(b)(1). (Last location was L. & E. on 3/9/2017)
Summary: The California Endangered Species Act requires the Fish and Game Commission to establish a list of endangered species and a list of threatened species and requires the commission to add or remove species from either list if it finds, upon the receipt of sufficient scientific information, that the action is warranted. The act prohibits the taking of an endangered or threatened species, except as specified. This bill would require the commission to remove the Delta smelt from the endangered species list.

**AB 1117**  (Fong)  California Environmental Quality Act.
Current Text: Introduced: 2/17/2017  html, pdf
Introduced: 2/17/2017
Status: 1/13/2018-Failed Deadline pursuant to Rule 61(b)(1). (Last location was NAT. RES. on 3/6/2017)
Summary: Would prohibit a lead agency from being required to evaluate the aesthetic effects of a project subject to CEQA and would prohibit aesthetic effects from being considered significant effects on the environment, except in certain circumstances. This bill contains other related provisions and other existing laws.

**AB 1211**  (Dahle)  State policy for water quality control.
Current Text: Introduced: 2/17/2017  html, pdf
Introduced: 2/17/2017
Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was PRINT on 2/17/2017)
Summary: Under current law, the Porter-Cologne Water Quality Control Act, the state policy for water quality control is required to consist of water quality principles and guidelines for long-range resource planning, water quality objectives, and other principles and guidelines deemed essential by the State Water Resources Control Board for water quality control. This bill would make technical, nonsubstantive changes to that provision.

**AB 1270**  (Gallagher)  Dams and reservoirs: inspections and reporting.
Current Text: Chaptered: 2/26/2018  html, pdf
Chapter Number: 3
Introduced: 2/17/2017
Summary: Current law requires the Department of Water Resources, from time to time, to make inspections of dams and reservoirs at state expense for the purpose of determining their safety. This bill would repeal those provisions and instead would require the department to inspect dams, reservoirs, and appurtenant structures once per fiscal year with the exception of low hazard potential dams which the bill would require to receive inspections at least every 2 fiscal years, as specified. The bill would require the owner of a dam to operate critical outlet and spillway control features on an annual basis and to demonstrate their full operability in the presence of the department every 3 years or as directed by the department.

**AB 1271**  (Gallagher)  Dams and reservoirs.
Current Text: Amended: 3/21/2017  html, pdf
Introduced: 2/17/2017
Status: 2/1/2018-From committee: Filed with the Chief Clerk pursuant to Joint Rule 56.
Summary: Current law requires the Department of Water Resources, in determining whether or not a dam or reservoir or proposed dam or reservoir constitutes or would constitute a danger to life or property, to take into consideration the possibility that the dam or reservoir might be endangered by conditions that exist or that might occur in any area in the vicinity of the dam or reservoir. Under existing law, whenever the department deems that a condition endangers a dam or reservoir, the department is required to order the owner to take action as the department determines to be necessary to remove the resultant danger to life and property. This bill would require the department,
as soon as possible, to order the owner to take action.

**AB 1323**  
(Weber D)  
**Sustainable water use and demand reduction: stakeholder workgroup.**  
*Current Text: Amended: 5/30/2017*  
*Introduced: 2/17/2017*  
*Status: 8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was S. 2 YEAR on 9/1/2017)*  
*Summary: Would, with a specified exception, require the Department of Water Resources to convene a stakeholder workgroup with prescribed representatives invited to participate, including, among others, representatives of the department and the State Water Resources Control Board, no later than February 1, 2019. The bill would require the stakeholder workgroup to develop, evaluate, and recommend proposals for establishing new water use targets for urban water suppliers and to examine and report to the Governor and the Legislature by December 31, 2019, as specified.*

**AB 1343**  
(Chen R)  
**Water conservation: school districts: Go Low Flow Water Conservation Partnerships.**  
*Current Text: Chaptered: 7/21/2017*  
*Chapter Number: 90*  
*Introduced: 2/17/2017*  
*Status: 7/21/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 90, Statutes of 2017.*  
*Summary: Would authorize the governing board of a school district to enter into a Go Low Flow Water Conservation Partnership with a public water system for purposes of reducing water use at schools, reducing stormwater and dry weather runoff at schools, reducing schoolsite water pollution, and establishing the basis for educational opportunities in water conservation. The bill would authorize a public water system to offer, as part of a partnership, a water rebate for a school that implements water-saving measures.*

**AB 1361**  
(Garcia, Eduardo D)  
**Municipal water districts: water service: Indian tribes.**  
*Current Text: Chaptered: 10/3/2017*  
*Chapter Number: 449*  
*Introduced: 2/17/2017*  
*Status: 10/3/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 449, Statutes of 2017.*  
*Summary: The Municipal Water District Law of 1911 provides for the formation of municipal water districts and grants to those districts specified powers. Current law permits a district to acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water for the beneficial use of the district, its inhabitants, or the owners of rights to water in the district. Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe’s lands that are not within a district, as prescribed. This bill would authorize a district to apply to the applicable local agency formation commission to provide this service of water to Indian lands, as defined, that are not within the district.*

**AB 1369**  
(Gray D)  
**Water quality and storage.**  
*Current Text: Introduced: 2/17/2017*  
*Introduced: 2/17/2017*  
*Status: 1/13/2018-Failed Deadline pursuant to Rule 61(b)(1). (Last location was W.,P. & W. on 3/27/2017)*  
*Summary: Current law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions to be deposited in the Greenhouse Gas Reduction Fund. This bill would require the Department of Water Resources to increase statewide water storage capacity by 25% by January 1, 2025, and 50% by January 1, 2050, as specified.*

**AB 1455**  
(Bocanegra D)  
**The California Public Records Act: exemptions.**  
*Current Text: Chaptered: 10/7/2017*  
*Chapter Number: 560*  
*Introduced: 2/17/2017*  
*Status: 10/7/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 560, Statutes of 2017.*  
*Summary: The California Public Records Act requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. Current law exempts from disclosure specific records of state agencies related to activities governed by the Dills Act, the State Excluded Employees Bill of Rights, and the Higher Education Employer-Employee Relations Act. This bill would also exempt from disclosure specific records of local agencies related to activities governed by the Meyers-Millas-Brown Act.*
**AB 1479** (Bonta D) Public records: custodian of records: civil penalties.
Current Text: Vetoed: 10/13/2017  [html](#)  [pdf](#)
Introduced: 2/17/2017
Status: 1/12/2018-Stricken from file.
Summary: Would, until January 1, 2023, require public agencies to designate a person or persons, or office or offices to act as the agency’s custodian of records who is responsible for responding to any request made pursuant to the California Public Records Act and any inquiry from the public about a decision by the agency to deny a request for records. The bill also would make other conforming changes. Because the bill would require local agencies to perform additional duties, the bill would impose a state-mandated local program.

**AB 1490** (Gray D) State Water Resources Control Board: school drinking water.
Current Text: Amended: 4/17/2017  [html](#)  [pdf](#)
Introduced: 2/17/2017
Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 5/24/2017)
Summary: Would require the State Water Resources Control Board, no later than July 1, 2018, to prepare and submit to the Legislature a report evaluating potential adverse impacts resulting from the implementation of the Bay-Delta Water Quality Control Plan on the quality and supply of drinking water provided to schools in disadvantaged communities, as defined, in the state, including a summary describing any measures that may be implemented to address any adverse impacts identified in the report.

**AB 1529** (Thurmond D) Drinking water: cross-connection or backflow prevention device inspectors: certification.
Introduced: 2/17/2017
Status: 9/4/2018-Enrolled and presented to the Governor at 3 p.m.
Summary: Current law requires the State Water Resources Control Board, on or before January 1, 2020, to adopt standards for backflow protection and cross-connection control. This bill would require valid and current certifications for cross-connection inspection and testing or backflow prevention device inspection, testing, and maintenance that meet specified requirements for competency to be accepted certification tests either until the state board promulgates standards for certified backflow prevention device testers and cross-connection control specialists, or until January 1, 2020, whichever comes first.

**AB 1587** (Levine D) Invasive species: dreissenid mussels.
Introduced: 2/17/2017
Status: 8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was S. 2 YEAR on 9/1/2017)
Summary: Current law, until January 1, 2020, generally prohibits a person from possessing, importing, shipping, or transporting in the state, or from placing, planting, or causing to be placed or planted in any water within the state, dreissenid mussels, and authorizes the Director of Fish and Wildlife or his or her designee to engage in various enforcement activities with regard to dreissenid mussels. Current law authorizes the director to conduct inspections of waters of the state and facilities located within waters of the state that may contain dreissenid mussels and, if those mussels are detected or may be present, order the closure of the waters or facilities to conveyances or otherwise restrict access to the waters or facilities, with the concurrence of the Secretary of the Natural Resources Agency. This bill would also authorize a peace officer to engage in certain of these enforcement activities, as prescribed, and would extend to January 1, 2023, the repeal date of those provisions.

Current Text: Amended: 8/24/2017  [html](#)  [pdf](#)
Introduced: 2/17/2017
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. INACTIVE FILE on 9/16/2017)
Summary: Under the Meyers-Milias-Brown Act (MMBA), employees of local public agencies have the right to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer-employee relations. The MMBA authorizes a local public agency to adopt reasonable rules and regulations after consultation in good faith with representatives of a recognized employee organization or organizations for the administration of employer-employee relations under the act. This bill would revise the definition of “public employee” for the purpose of the Meyers-Milias-Brown Act to also include persons jointly employed by a public agency and any other employer at specified clinics and hospitals.

**AB 1605** (Caballero D) Maximum contaminant level: nitrate: replacement water.
Introduced: 2/17/2017
Summary: The Labor Code Private Attorneys General Act of 2004 authorizes an aggrieved employee to bring a civil action to recover specified civil penalties that would otherwise be assessed and collected by the Labor and Workforce Development Agency, on behalf of the employee and other current or former employees for the violation of certain provisions affecting employees. This bill would except from the act an employee in the construction industry, as defined, with respect to work performed under a valid collective bargaining agreement in effect any time before January 1, 2025, that contains certain provisions, including, among others, a grievance and binding arbitration procedure to redress violations that authorizes the arbitrator to award otherwise available remedies.

AB 1667  (Friedman D)  Water management planning.
Introduced: 2/17/2017
Status: 6/29/2018-Failed Deadline pursuant to Rule 61(b)(13). (Last location was S. 2 YEAR on 7/14/2017)
Summary: Would require the State Water Resources Control Board, in consultation with the Department of Water Resources, to adopt long-term standards for urban water conservation and water use on or before May 20, 2021. The bill would also require the board, in consultation with the department, to adopt performance measures for commercial, industrial, and institutional water use on or before that date.

AB 1668  (Friedman D)  Water management planning.
Current Text: Chaptered: 5/31/2018  html  pdf
Chapter Number: 15
Introduced: 2/17/2017
Summary: 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, 2022. 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, 2021, for purposes of these standards and performance measures.

AB 1669  (Friedman D)  Urban water conservation standards and use reporting.
Current Text: Amended: 4/18/2017  html  pdf
Introduced: 2/17/2017
Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 5/10/2017)
Summary: Would require the State Water Resources Control Board, in consultation with the Department of Water Resources, to adopt long-term standards for urban water conservation and water use by May 20, 2021. The bill would authorize the board, in consultation with the department, to adopt interim standards for urban water conservation and water use by emergency regulation. The bill would require the board, before adopting an emergency regulation, to provide at least 60 days for the public to review and comment on the proposed regulation and would require the board to hold a public hearing.

AB 1671  (Caballero D)  Backflow protection and cross-connection controls: standards.
Current Text: Chaptered: 10/6/2017  html  pdf
Chapter Number: 533
Introduced: 2/17/2017
Status: 10/6/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 533, Statutes of 2017.
Summary: Current law requires any person who owns a public water system to ensure that the
system does certain things, including, but not limited to, that it will not be subject to backflow under normal operating conditions. Current law, to ensure that testing and maintenance of backflow prevention devices are performed by persons qualified to do testing and maintenance, authorizes local health officers to maintain programs for certification of backflow prevention device testers and requires the certification program to be consistent with backflow protection regulations adopted by the state board. This bill would require a public water system to implement a cross-connection control program that complies with, and would require the certification program to be consistent with, applicable regulations and the standards described in (2).

**AB 1725**  
(Committee on Local Government) Local agency formation.  
*Current Text: Chaptered: 9/28/2017* html pdf  
*Chapter Number: 353*  
*Introduced: 3/20/2017*  
*Status: 9/28/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 353, Statutes of 2017.*  
*Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, as specified. The act defines various terms for these purposes, including the term “contiguous,” which the act defines as territory adjacent to territory within the local agency. This bill would instead define “contiguous” as territory that abuts or shares a common boundary with territory within a local agency.*

**AB 1770**  
(Steinorth R) Local government: investments.  
*Current Text: Chaptered: 9/6/2018* html pdf  
*Chapter Number: 271*  
*Introduced: 1/4/2018*  
*Status: 9/6/2018-Approved by the Governor. Chaptered by Secretary of State - Chapter 271, Statutes of 2018.*  
*Summary: Current law authorizes the legislative body of a local agency, as specified, that has money in a sinking fund or in its treasury not required for immediate needs to invest the money as it deems wise or expedient in certain securities and financial instruments. In this regard, existing law authorizes investment in a mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond that has a maximum of 5 years’ maturity. This bill would revise the maximum 5-year maturity requirement to instead require that the securities have a maximum remaining security of 5 years or less.*

**AB 1792**  
(Frazier D) Affordable housing authorities: infrastructure.  
*Current Text: Amended: 8/16/2018* html pdf  
*Introduced: 1/9/2018*  
*Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. INACTIVE FILE on 8/29/2018)*  
*Summary: Current law authorizes a city, county, or city and county to adopt a resolution creating an affordable housing authority. Current law authorizes this authority to, among other things, provide for low- and moderate-income housing and affordable workforce housing, as provided. This bill would additionally authorize an affordable housing authority to finance water, sewer, or other public infrastructure necessary to support the development of affordable housing.*

**AB 1867**  
(Reyes D) Employment discrimination: sexual harassment: records.  
*Current Text: Enrollment: 8/24/2018* html pdf  
*Introduced: 1/12/2018*  
*Status: 8/24/2018-Enrolled and presented to the Governor at 4:30 p.m.*  
*Summary: Would require an employer with 50 or more employees to maintain internal complaint records of employee complaints alleging sexual harassment for a minimum of 5 years after the last day of employment of the complainant or any alleged harasser named in the complaint, whichever is later. The bill would authorize the Department of Fair Employment and Housing to seek an order requiring an employer that violates this recordkeeping requirement to comply.*

**AB 1944**  
(Garcia, Eduardo D) Sustainable groundwater management: San Luis Rey Valley Groundwater Basin.  
*Current Text: Chaptered: 9/5/2018* html pdf  
*Chapter Number: 255*  
*Introduced: 1/29/2018*  
*Summary: Would divide the San Luis Rey Valley Groundwater Basin into an upper and lower subbasin, as prescribed, and would designate the subbasins as medium priority until the Department of Water
Resources reassesses basin prioritization. The bill would require water beneath the surface of the ground within the Upper San Luis Rey Valley Groundwater Subbasin to be included within the definition of groundwater for the purposes of the Sustainable Groundwater Management Act by any groundwater sustainability agency developing or implementing a groundwater sustainability plan and would except from this requirement certain water beneath the surface of the ground extracted and used as authorized under an existing appropriative water right.

**AB 2038**  
(Gallagher R) Countywide drought and water shortage contingency plans.  
*Current Text*: Introduced: 2/6/2018  
*Introduced*: 2/6/2018  
*Status*: 4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was W., P. & W. on 2/16/2018)  
*Summary*: Would require the Department of Water Resources, no later than January 1, 2020, in consultation with the State Water Resources Control Board and other relevant state and local agencies and stakeholders, to use available data to identify small water suppliers and rural communities that may be at risk of drought and water shortage vulnerability and would require the department to notify counties and groundwater sustainability agencies of those suppliers or communities.

**AB 2042**  
(Steinorth R) Personal income tax credits: residential graywater reuse systems.  
*Current Text*: Amended: 5/1/2018  
*Introduced*: 2/6/2018  
*Status*: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was A. APPR. SUSPENSE FILE on 5/9/2018)  
*Summary*: The Personal Income Tax Law allows various credits against the taxes imposed by that law. Existing law requires any bill authorizing a new tax credit to contain, among other things, specific goals, purposes, and objectives that the tax credit will achieve, detailed performance indicators, and data collection requirements. This bill, for taxable years beginning on or after January 1, 2019, and before January 1, 2024, would allow as a credit against the net tax imposed by that law equal to 25% of the cost of installing a residential graywater reuse system during the taxable year in the taxpayer’s residence located in this state.

**AB 2050**  
(Caballero D) Small System Water Authority Act of 2018.  
*Current Text*: Enrollment: 9/5/2018  
*Introduced*: 2/6/2018  
*Status*: 9/5/2018-Enrolled and presented to the Governor at 3 p.m.  
*Summary*: Would create the Small System Water Authority Act of 2018 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill, no later than March 1, 2019, would require the State Water Resources Control Board, within 60 days of awarding a grant from the grant fund, to provide written notice to cure to all public agencies, private water companies, or mutual water companies that operate a public water system that has either less than 3,000 service connections or that serves less than 10,000 people, and are not in compliance, for 4 consecutive quarters, with one or more state or federal primary drinking water standard maximum contaminant levels as of December 31, 2018, as specified.

**AB 2060**  
*Current Text*: Enrollment: 9/6/2018  
*Introduced*: 2/6/2018  
*Status*: 9/6/2018-Enrolled and presented to the Governor at 3 p.m.  
*Summary*: Would require the State Water Resources Control Board, within 60 days of awarding a grant from the grant fund, to provide a project proponent that requests an advanced payment and satisfies certain criteria with the requested advanced payment, up to a maximum of $500,000 or 50% of the grant award, whichever is less, for projects in which the project proponent is a nonprofit organization or a disadvantaged community, or the project benefits a disadvantaged community. The bill would require the advanced funds to be handled as prescribed.

**AB 2064**  
(Gloria D) Integrated regional water management plans: grants: advanced payment.  
*Current Text*: Enrollment: 9/6/2018  
*Introduced*: 2/7/2018  
*Status*: 9/6/2018-Enrolled and presented to the Governor at 3 p.m.  
*Summary*: Current law, until January 1, 2025, 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 if the project proponent is a nonprofit organization or a disadvantaged community or the project benefits a disadvantaged community. Current law requires the department, within 60 days of receiving this project information, to provide advanced payment of 50% of the grant award for those projects that satisfy specified criteria. The bill, until January 1, 2025, would require the department to provide a project proponent that requests advanced payment and satisfies certain criteria with advanced payment for those projects of $500,000 or 50% of the grant award.
AB 2071  (Bloom  D)  Accessory dwelling units: owner occupancy.
Current Text: Amended: 8/6/2018  html  pdf
Introduced: 2/7/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. INACTIVE FILE on 8/27/2018)

Summary: Would require, when a local agency or ordinance requires owner-occupancy pursuant to the specified provisions, the lot that contains the accessory dwelling unit or the single family residence in which the junior accessory dwelling unit is located to be deemed to be owner-occupied if the lot or single family residence is owned by a trust in which at least one beneficiary of the trust is a person with a disability and that person occupies the primary residence, accessory dwelling unit, or any part of the single-family residence.

AB 2072  (Quirk  D)  State Water Resources Control Board: constituents of emerging concern.
Current Text: Amended: 3/13/2018  html  pdf
Introduced: 2/7/2018
Status: 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 4/4/2018)

Summary: Would require the State Water Resources Control Board, to the extent that the state board determines funds are available, to establish and maintain a dedicated program to research the potential effects of constituents of emerging concern in water sources on human and ecosystem health, as prescribed.

AB 2225  (Limón  D)  State government: storing and recording: public records.
Introduced: 2/13/2018
Status: 9/6/2018-Enrolled and presented to the Governor at 3 p.m.

Summary: Would require the Secretary of State, in consultation with the Department of Technology, to approve and adopt appropriate uniform statewide standards, as specified, for the purpose of storing and recording public records, described as permanent and nonpermanent documents, in electronic media or in a cloud computing storage system. The bill would require a cloud computing storage service that complies with specified requirements that provide administrative users with controls to prevent stored public records from being overwritten, deleted, or altered to be considered a trusted system, and would require all public records stored or recorded in electronic media or in a cloud computing service by a state agency to comply with a trusted system as defined in the uniform statewide standards and as otherwise specified.

AB 2241  (Rubio  D)  The Open and Transparent Water Data Act.
Current Text: Amended: 3/15/2018  html  pdf
Introduced: 2/13/2018
Status: 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/9/2018)

Summary: The Open and Transparent Water Data Act requires the Department of Water Resources, the State Water Resources Control Board, and the Department of Fish and Wildlife to coordinate and integrate existing water and ecological data from local, state, and federal agencies. This bill would require the Department of Water Resources, the board, and the Department of Fish and Wildlife to work to improve the open and transparent access to data by reducing the fractured or duplicative reporting of the same or similar data to multiple governmental agencies or departments, and by reducing the reporting burden on entities providing data to governmental agencies.

AB 2242  (Rubio  D)  Urban water management planning.
Current Text: Amended: 3/15/2018  html  pdf
Introduced: 2/13/2018
Status: 6/1/2018-Failed Deadline pursuant to Rule 61(b)(11). (Last location was A. INACTIVE FILE on 6/4/2018)

Summary: Would require an urban water supplier to include in its urban water management plan an assessment of the reliability of its water service, as specified, to its customers during normal, dry, and multiple dry years, including a repeat of the 5 consecutive historic driest years the urban water supplier has experienced.

AB 2258  (Caballero  D)  Local agency formation commissions: grant program.
Introduced: 2/13/2018
Status: 8/30/2018-Senate amendments concurred in. To Engrossing and Enrolling.

Summary: Would require the Strategic Growth Council, until July 31, 2024, to establish and administer a local agency formation commissions grant program for the payment of costs associated with initiating...
and completing the dissolution of districts listed as inactive, the payment of costs associated with a study of the services provided within a county by a public agency to a disadvantaged community, as defined, and for other specified purposes, including the initiation of an action, as defined, that is limited to service providers serving a disadvantaged community and is based on determinations found in the study, as approved by the commission.

**AB 2266**  
(Bigelow R)  
**Urban water management plans: adoption.**  
**Current Text:** Amended: 3/15/2018  
**Introduced:** 2/13/2018  
**Status:** 4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was W.,P. & W. on 3/15/2018)  
**Summary:** 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 within one year after it becomes an urban water supplier. Current law declares that the act is 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. This bill would instead require those urban water suppliers to prepare and adopt urban water management plans within 2 years after becoming urban water suppliers.

**AB 2283**  
(Holden D)  
**Income taxes: exclusion: turf removal water conservation program.**  
**Current Text:** Introduced: 2/13/2018  
**Introduced:** 2/13/2018  
**Status:** 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was A. APPR. SUSPENSE FILE on 4/4/2018)  
**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.

**AB 2320**  
(Brough R)  
**Subdivision Map Act: fees.**  
**Current Text:** Amended: 3/20/2018  
**Introduced:** 2/13/2018  
**Status:** 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. L. GOV. on 3/19/2018)  
**Summary:** The Subdivision Map Act authorizes a local agency to adopt an ordinance that includes a requirement for the payment of fees for purposes of defraying the actual or estimated costs of constructing planned drainage facilities for the removal of surface and storm waters from local or neighborhood drainage areas and of constructing planned sanitary sewer facilities for local sanitary sewer areas if, among other specified conditions, the ordinance has been in effect for a period of at least 30 days prior to the filing of a tentative map or parcel map if no tentative map is required. This bill would extend the period of time the ordinance is required to be in effect to 60 days prior to the filing of a tentative map or parcel map if no tentative map is required.

**AB 2366**  
(Bonta D)  
**Employment: victims of sexual harassment: protections.**  
**Current Text:** Amended: 4/25/2018  
**Introduced:** 2/13/2018  
**Status:** 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/16/2018)  
**Summary:** Current law prohibits an employer from discharging, or discriminating or retaliating against, an employee who is a victim of domestic violence, sexual assault, or stalking and who takes time off from work to obtain, or attempt to obtain, any relief to help ensure the health, safety, or welfare of the victim or his or her child. Current law also prohibits an employer from discriminating or retaliating against an employee who is a victim of domestic violence, sexual assault, or stalking because of the employee’s status as a victim, if the employer has notice or knowledge of that status. This bill would extend these employment protections to victims of sexual harassment, as defined.

**AB 2371**  
(Carrillo D)  
**Water use efficiency: landscape irrigation.**  
**Current Text:** Enrolled: 9/4/2018  
**Introduced:** 2/14/2018  
**Status:** 8/29/2018-Senate amendments concurred in. To Engrossing and Enrolling.  
**Summary:** The Contractors’ State License Law provides for the licensing by written examination and regulation of contractors by the Contractors’ State License Board in the Department of Consumer Affairs. Current law requires the Contractors’ State License Board to periodically review and, if needed, revise the contents of qualifying examinations to ensure that the examination questions are timely and relevant to the business of contracting. This bill, before revision of the landscaping contractor examination, would require the Contractors’ State License Board to confer with specified entities to determine whether any updates or revisions to the examination are needed to reflect new and
AB 2397  (Obernolte R)  Health and human services: information sharing: administrative actions.
Current Text: Vetoed: 9/7/2018  html  pdf
Introduced: 2/14/2018
Status: 9/7/2018-Vetoed by Governor.
Summary: In order to protect the health and safety of persons receiving care or services from individuals or facilities licensed by the state or from individuals certified or approved by a foster family agency, authorizes the California Department of Aging, the State Department of Public Health, the State Department of Health Care Services, the State Department of Social Services, and the Emergency Medical Services Authority to share information with respect to applicants, licensees, certificate holders, or individuals who have been the subject of any administrative action, as defined, resulting in one of specified actions, including, among others, the denial of a license, permit, or certificate of approval. Existing law also authorizes, for the same purpose, the State Department of Social Services and county child welfare agencies to share those same types of information. This bill would instead require the above-described agencies to share the information relating to administrative actions under the 2 respective provisions.

AB 2470  (Grayson D)  Invasive Species Council of California.
Introduced: 2/14/2018
Status: 8/31/2018-Senate amendments concurred in. To Engrossing and Enrolling.
Summary: Would establish the Invasive Species Council of California, with a prescribed membership, to help coordinate a comprehensive effort to prevent the introduction of invasive species in the state and to advise state agencies how to facilitate coordinated, complementary, and cost-effective control or eradication of invasive species that have entered or are already established in the state, as specified.

AB 2501  (Chu D)  Drinking water: state administrators: consolidation and extension of service.
Introduced: 2/14/2018
Summary: The California Safe Drinking Water Act requires the State Water Resources Control Board, before ordering consolidation or extension of service, to fulfill certain requirements, including, among other things, to hold a public meeting, and to establish a reasonable deadline, as prescribed, for a potentially receiving water system and a potentially subsumed water system to negotiate consolidation or another means of providing an adequate supply of affordable, safe drinking water. The act requires the state board to conduct a public hearing at the expiration of the reasonable deadline, as specified. This bill would revise and recast these provisions.

AB 2516  (Eggman D)  Dams: reservoir restrictions.
Introduced: 2/14/2018
Status: 9/6/2018-Enrolled and presented to the Governor at 3 p.m.
Summary: Would require the Department of Water Resources to post, and update annually, on its Internet Web site a report containing the name of each reservoir subject to a restriction and the reservoir's associated downstream hazard potential classification, the effective date of the reservoir restriction, the reason for the restriction, and any actions, planned or completed, that the dam owner reports to address the restriction. The bill, if no reservoir restrictions are in effect, would require the department to post this fact on its Internet Web site.

AB 2541  (Salas D)  Safe Drinking Water State Revolving Fund: project financing: severely disadvantaged communities.
Chapter Number: 217
Introduced: 2/14/2018
Summary: Current law authorizes the State Water Resources Control Board, to the extent permitted by federal law, to provide grant funding, and principal forgiveness and 0% financing on loans, from the Safe Drinking Water State Revolving Fund to a project for a water system with a service area that qualifies as a severely disadvantaged community if the water system demonstrates that repaying a Safe Drinking Water State Revolving Fund loan with interest would result in unaffordable water rates, as defined. This bill would instead authorize the board, to the extent permitted by federal law, to provide up to 100% grant funding, and principal forgiveness and 0% financing on loans, from the Safe Drinking Water State Revolving Fund to a project for a water system that serves a severely emerging landscape irrigation efficiency practices, as specified.
disadvantaged community.

**AB 2543**  
**(Eggman D)**  
**State agencies: infrastructure project budget and schedule: Internet Web site information.**

*Current Text:* Enrollment: 8/27/2018  [html](#), [pdf](#)

**Introduced:** 2/15/2018  
**Status:** 8/27/2018-Enrolled and presented to the Governor at 3 p.m.

**Summary:** Would require each state agency or department authorized to undertake any infrastructure project costing $100,000,000 or more to publicly post on its Internet Web site any change in the cost or schedule of the project that would result in the project exceeding its established budget by 10 percent or more or being delayed by 12 months or longer. The bill would require that the posted information describe how much the project is expected to exceed its established budget or delay its construction schedule.

**AB 2545**  
**(Gallagher R)**  
**Department of Fish and Wildlife: lake or streambed alteration agreements.**

*Current Text:* Amended: 5/25/2018  [html](#), [pdf](#)

**Introduced:** 2/15/2018  
**Status:** 6/29/2018-Failed Deadline pursuant to Rule 61(b)(13). (Last location was S. N.R. & W. on 6/7/2018)

**Summary:** Current law prohibits an entity from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or from depositing certain material where it may pass into any river, stream, or lake, without first notifying the Department of Fish and Wildlife of that activity, and entering into a lake or streambed alteration agreement if required by the department to protect fish and wildlife resources. This bill would require the department, until January 1, 2023, to establish procedures for the issuance of a general agreement in lieu of an individual alteration agreement pursuant to these provisions. The bill would require the department to adopt general agreements, as specified, for these activities.

**AB 2649**  
**(Bloom D)**  
**State Water Project: water supply contracts.**

*Current Text:* Amended: 8/28/2018  [html](#), [pdf](#)

**Introduced:** 2/15/2018  
**Status:** 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. RLS. on 8/27/2018)

**Summary:** This bill would require the Department of Water Resources to provide at least 10 days' notice to the Joint Legislative Budget Committee and relevant policy and fiscal committees of the Legislature before holding public sessions to negotiate any potential amendment of a long-term water supply contract that is of projectwide significance with substantially similar terms intended to be offered to all contractors, or that would permanently transfer a contractual water amount between contractors. The bill would require the department, before the execution of a specified proposed amendment to a long-term water supply contract and not later than 60 days before final approval of such a proposed amendment, to submit to the Joint Legislative Budget Committee and relevant policy and fiscal committees of the Legislature certain information regarding the terms and conditions of a proposed amendment of a long-term water supply contract and to submit a copy of the long-term contract as it is proposed to be amended.

**AB 2692**  
**(Arambula D)**  
**Drinking water: infrastructure funding.**

*Current Text:* Amended: 3/19/2018  [html](#), [pdf](#)

**Introduced:** 2/15/2018  
**Status:** 4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was E.S. & T.M. on 3/19/2018)

**Summary:** Would require the Treasurer pursuant to Rule 61(b)(5) to establish the California Safe Drinking Water Revolving Loan Program to provide loans to public water systems to address critical water infrastructure needs of those systems. The bill would establish the California Safe Drinking Water Revolving Loan Fund in the State Treasury and would require the Treasurer, upon appropriation by the Legislature, to expend moneys in the fund for the above purpose.

**AB 2695**  
**(Ting D)**  
**Self-generation incentive program: energy storage systems.**


**Introduced:** 2/15/2018  
**Status:** 4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was U. & E. on 4/2/2018)

**Summary:** Would, in addition to the moneys already authorized to be collected to pay for the self-generation incentive program, authorize an additional annual collection of not more than $140,000,000 by the 3 largest electrical corporations to provide for energy storage systems, as specified. The bill would, beginning January 1, 2019, require that the commission direct those corporations to reserve not less than 40% of the additional moneys collected for those corporations to develop, own, and operate energy storage system projects located within, and benefiting customers in, low-income communities, low-income households, or multifamily residences.
AB 2787 (Quirk D) Long duration bulk energy storage: procurement.
Introduced: 2/16/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. INACTIVE FILE on 8/31/2018)
Summary: This bill would require the Independent System Operator (ISO), on or before December 31, 2019, to complete a process for the procurement of long duration energy storage projects that in aggregate have at least 1,000 megawatts capacity, but not more than 2,000 megawatts, except as provided. The bill would require the ISO to develop a methodology for allocating the cost of that procurement to all load-serving entities within the ISO-controlled electrical grid, as provided.

AB 2809 (Patterson R) California Renewables Portfolio Standard Program: hydroelectric generation facilities.
Current Text: Introduced: 2/16/2018  html  pdf
Introduced: 2/16/2018
Status: 4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was U. & E. on 3/8/2018)
Summary: Would revise the definition of an eligible renewable energy resource for the purposes of the California Renewables Portfolio Standard Program to include hydroelectric generation facilities of greater than 30 megawatts, as specified. The bill would also make conforming changes.

AB 2812 (Limón D) Data storage and protection standards: local agencies.
Introduced: 2/16/2018
Status: 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/16/2018)
Summary: Would create the Office of Local Cloud Migration and Digital Innovation in the Department of Technology. The bill would require the office to promote the use of technologies including, but not limited to, cloud-based computing and data storage that will assist local agencies in their efforts to further transparency, efficiency, disaster preparedness and response, as well as general accessibility to the public. The bill would require the office to operate in partnership with private industry and the nonprofit community to maximize the assistance provided to local agencies.

AB 2814 (Gray D) California Renewables Portfolio Standard Program: hydroelectric generation facilities.
Current Text: Introduced: 2/16/2018  html  pdf
Introduced: 2/16/2018
Status: 4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was U. & E. on 3/8/2018)
Summary: Would revise the definition of an eligible renewable energy resource for the purposes of the California Renewables Portfolio Standard Program to include hydroelectric generation facilities of greater than 30 megawatts, as specified. The bill would also make conforming changes.

AB 2815 (Gray D) Water rights: appropriations of water.
Current Text: Introduced: 2/16/2018  html  pdf
Introduced: 2/16/2018
Status: 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on 2/16/2018)
Summary: Under current law, the State Water Resources Control Board administers a water rights program pursuant to which the state board grants permits and licenses to appropriate water. Current law requires the board to consider and act upon all applications for permits to appropriate water. Existing law provides that in relation to applications, permits, or licenses to appropriate water, the terms stream, lake or other body of water, or water refers only to surface water and to subterranean streams flowing through known and definite channels. This bill would make nonsubstantive changes in the latter provision.

AB 2890 (Ting D) Land use: accessory dwelling units.
Introduced: 2/16/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. RLS. on 8/16/2018)
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, lot coverage, and height standards. Current law prohibits the ordinance from establishing size requirements for accessory dwelling units that do not permit at least an efficiency unit to be constructed. This bill would prohibit the imposition of lot coverage standards or requirements on minimum lot size, lot coverage, or floor area ratio, and would prohibit an ordinance from establishing size requirements for accessory dwelling units that do not permit at least an 800 square foot unit of at least 16 feet in height to be constructed.
AB 2916  (Grayson D)  Property tax revenue allocations: qualified fire protection districts.
Current Text: Amended: 3/22/2018  html, pdf
Introduced: 2/16/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was A. L. GOV. on 3/22/2018)
Summary: Would, for the 2020–21 to 2024–25 fiscal years, inclusive, require the auditor of a county in which a qualified fire protection district, as defined, is located to increase the total amount of ad valorem property tax revenue that is otherwise required to be allocated to each qualified fire protection district by the fire protection district equity amount, as defined, and to commensurately reduce the total amount of ad valorem property tax revenue otherwise required to be allocated among all other local agencies in the county that are not fire protection districts by the fire protection district equity amount.

Current Text: Amended: 5/1/2018  html, pdf
Introduced: 2/16/2018
Status: 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/16/2018)
Summary: Would request the Regents of the University of California to establish the California Institute for Water Innovation and Technology in order to achieve specified goals, including developing California's next generation of water professionals and technicians and growing the state’s economy by creating new opportunities for jobs in water research, management, and technology. The bill would request the regents to locate the institute at a satellite campus within the City of Oroville, or in the County of Butte downstream of Lake Oroville.

AB 2975  (Friedman D)  Wild and scenic rivers.
Chapter Number: 221
Introduced: 2/16/2018
Summary: Would, if (1) the federal government takes action to enact a statute that, upon enactment, would require the removal or delisting of any river or segment of a river in California that is included in the national wild and scenic rivers system and not in the state wild and scenic rivers system; or (2) the secretary determines that the federal government by enactment of a statute or by executive order has exempted a river or segment of a river in California that is not in the state wild and scenic river system from the protection of certain federal provisions governing restrictions on water resources projects, require the secretary, after holding a public hearing on the issue, based on the information obtained through the public hearing, to determine whether the provision of state protection for the river or segment of the river that has been removed, delisted, or exempted from the federal wild and scenic rivers system is in the best interest of the state and, if so, to take specified actions, until December 31, 2025, to add the river or segment of a river to the state wild and scenic rivers system and to classify that river or segment of a river, as prescribed.

AB 3009  (Quirk D)  Hazardous materials: lead-based paint.
Introduced: 2/16/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was A. INACTIVE FILE on 8/9/2018)
Summary: Would impose a $2 charge on manufacturers of paint, as defined, for each gallon of paint sold in the state. The bill would require the California Department of Tax and Fee Administration to collect the charges, as prescribed. The bill would, except as provided, require the collected charges to be deposited into the Lead-Based Paint Cleanup Fund, which the bill would create in the State Treasury.

AB 3035  (Rubio D)  Water supply.
Current Text: Introduced: 2/16/2018  html, pdf
Introduced: 2/16/2018
Status: 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on 2/16/2018)
Summary: Current 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. Current 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.
AB 3045 (Gallagher R) Natural Resources Agency: State Water Project Commission.
Introduced: 2/16/2018
Status: 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/16/2018)
Summary: Would establish within the Natural Resources Agency the State Water Project Commission, consisting of 9 members appointed by the Governor and subject to confirmation by the Senate, including one member nominated by the Butte County Board of Supervisors. By imposing a new duty on the Butte County Board of Supervisors, the bill would impose a state-mandated local program. The bill would transfer authority over and relating to the State Water Project from the department to the commission, as specified.

AB 3050 (Flora R) Government tort claims.
Current Text: Introduced: 2/16/2018  html, pdf
Introduced: 2/16/2018
Status: 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on 2/16/2018)
Summary: The Government Claims Act establishes the liability and immunity of a public entity for its acts or omissions that cause harm to persons. Current law defines specified terms for purposes of the interpretation of provisions of that act. This bill would make nonsubstantive changes to one of those definitional provisions.

AB 3056 (Harper R) Desalinated water.
Current Text: Introduced: 2/16/2018  html, pdf
Introduced: 2/16/2018
Status: 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on 2/16/2018)
Summary: The Cobey-Porter Saline Water Conversion Law declares that the growing water needs of the state require the development of cost-effective and efficient water supply technologies and that desalination technology is now feasible to help provide significant new water supplies from seawater, brackish water, and reclaimed water. This bill would declare the intent of the Legislature to enact subsequent legislation relating to desalination.

AB 3057 (Quirk-Silva D) Corporation taxes: exempt organizations: mutual ditch or irrigation companies.
Introduced: 2/16/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was A. APPR. SUSPENSE FILE on 5/16/2018)
Summary: The Corporation Tax Law, in modified conformity with federal income tax laws, exempts various types of organizations from taxes imposed by that law. This bill, in further conformity with federal income tax laws, for taxable years beginning on or after January 1, 2018, would exempt from the taxes imposed by the Corporation Tax Law a mutual ditch or irrigation company, as provided. This bill would make additional conforming changes.

AB 3062 (Harper R) Recycled water: recycling criteria.
Current Text: Introduced: 2/16/2018  html, pdf
Introduced: 2/16/2018
Status: 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on 2/16/2018)
Summary: Current law, the Porter-Cologne Water Quality Control Act, requires the State Water Resources Control Board to establish uniform statewide recycling criteria for each varying type of use of recycled water if the use involves the protection of public health. The act defines recycling criteria to mean the levels of constituents of recycled water, and the means for assurance of reliability under the design concept that will result in recycled water that is safe for the uses to be made. This bill would make nonsubstantive changes to that definition.

AB 3084 (Levine D) Public employees: other postemployment benefits: annual report.
Current Text: Amended: 4/10/2018  html, pdf
Introduced: 2/16/2018
Status: 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/2/2018)
Summary: Would require each governing body of a public agency that provides other postemployment benefits to, in an annual financial statement submitted to the Controller, in a form prescribed by the Controller, show that the public agency has met, or if it has not met, detail why it has not met and what the public agency is doing to meet, specified parameters related to the provision of other postemployment benefits.
**AB 3119** (Gonzalez Fletcher D) San Diego International Airport Mobility and Sustainability Committee: airport mobility and sustainability plan.
Introduced: 2/16/2018
Status: 8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was S. APPR. on 6/28/2018)
Summary: Would create the San Diego International Airport Mobility and Sustainability Committee, consisting of 8 members, as prescribed, and would require the committee, by January 1, 2020, to prepare and submit to the governing board of the San Diego County Regional Airport Authority and the Legislature a plan to address specific issues of mobility and sustainability related to the San Diego International Airport that impact multiple public agencies, including, but not limited to, issues relating to traffic congestion, unmet transit need of airport passengers and employees, and impacts of climate change and environmental factors, as specified.

**AB 3155** (Cooper D) Public works: definition.
Current Text: Introduced: 2/16/2018  html, pdf
Introduced: 2/16/2018
Status: 4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was L. & E. on 3/12/2018)
Summary: Current law defines the term “public works” for purposes of requirements regarding the payment of prevailing wages to include construction, alteration, demolition, installation, or repair work done under contract and paid for using public funds, except as specified. Current law makes a willful violation of laws relating to the payment of prevailing wages on public works a misdemeanor. This bill would expand the meaning of the term “public works” to include warranty work, and would include warranty work within the definition of “construction” as it is used to define “public works.”

**AB 3170** (Friedman D) Sales and use taxes: exemptions: water efficiency.
Current Text: Amended: 4/16/2018  html, pdf
Introduced: 2/16/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was A. APPR. SUSPENSE FILE on 4/25/2018)
Summary: Would, until January 1, 2024, exempt from sales and use taxes the gross receipts from the sale of, and the storage, use, or other consumption of, qualified water efficiency products sold or purchased during the 3-day period beginning at 12:01 a.m. on the Saturday preceding the last Monday in March, and ending at 11:59 p.m. on the following Monday in March, or for which a layaway agreement is entered into, a raincheck is issued, or other specified orders are placed, during this period, as specified.

**AB 3206** (Friedman D) Water conservation: water meters: accuracy and performance standards.
Introduced: 2/16/2018
Status: 8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was S. APPR. SUSPENSE FILE on 8/6/2018)
Summary: Would require the State Energy Resources Conservation, on or before January 1, 2020, to the extent that funding is available, to adopt regulations setting standards for the accuracy of water meters, as described, that, on or after the effective date of those regulations, are installed by a water purveyor or manufactured and sold or offered for sale in the state. The bill would include an exception for a water meter that, as of the effective date of the regulations, a water purveyor possesses, or has entered into a contract to purchase, and has not yet installed.

**AB 3211** (Kalra D) Advance health care directives.
Chapter Number: 287
Introduced: 2/16/2018
Summary: The Health Care Decisions Law, among other things, establishes the requirements for executing a written advance health care directive that is legally sufficient to direct health care decisions. The law provides a form that may be used or modified to create an advance health care directive, and expressly does not require the use of the form. This bill would revise and recast the portion of the form relating to a person’s donation of his or her organs, tissues, and parts, as specified, and would include a provision relating to authorizing an agent to consent to any temporary medical procedure if necessary for purposes of that donation.

**AB 3214** (Fong R) Water appropriations: permits.
Current Text: Introduced: 2/16/2018  html, pdf
Introduced: 2/16/2018
Status: 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on
Summary: Under current law, the State Water Resources Control Board administers a water rights program pursuant to which the state board grants permits and licenses to appropriate water. Current law requires the board to consider and act upon all applications for permits to appropriate water. This bill would make a nonsubstantive change to those provisions.

SB 5
Current Text: Chaptered: 10/15/2017  html  pdf
Chapter Number: 852
Introduced: 12/5/2016
Status: 10/15/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 852, Statutes of 2017.
Summary: Would enact the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of $4,000,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program. The bill, upon voter approval, would reallocate $100,000,000 of the unissued bonds authorized for the purposes of Propositions 1, 40, and 84 to finance the purposes of a drought, water, parks, climate, coastal protection, and outdoor access for all program.

SB 49
Current Text: Amended: 9/12/2017  html  pdf
Introduced: 12/5/2016
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was A. RLS. on 9/11/2017)
Summary: Would require specified agencies to take prescribed actions to maintain and enforce certain requirements and standards pertaining to air, water, and protected species. By imposing new duties on local agencies, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

SB 80
(Wieckowski D) California Environmental Quality Act: notices.
Current Text: Vetoed: 10/16/2017  html  pdf
Introduced: 1/11/2017
Status: 3/3/2018-Last day to consider Governor’s veto pursuant to Joint Rule 58.5.
Summary: The California Environmental Quality Act requires the lead agency to mail certain notices to persons who have filed a written request for notices. The act provides that if the agency offers to provide the notices by email, upon filing a written request for notices, a person may request that the notices be provided to him or her by email. This bill would require the lead agency to post those notices on the agency’s Internet Web site. The bill would require the agency to offer to provide those notices by email. Because this bill would increase the level of service provided by a local agency, this bill would impose a state-mandated local program.

SB 100
(De León D) California Renewables Portfolio Standard Program: emissions of greenhouse gases.
Current Text: Chaptered: 9/10/2018  html  pdf
Introduced: 1/11/2017
Status: 9/10/2018-Signed by the Governor
Summary: The Legislature has found and declared that its intent in implementing the California Renewables Portfolio Standard Program is to attain, among other targets for sale of eligible renewable resources, the target of 50% of total retail sales of electricity by December 31, 2030. This bill would revise the above-described legislative findings and declarations to state that the goal of the program is to achieve that 50% renewable resources target by December 31, 2026, and to achieve a 60% target by December 31, 2030.

SB 107
(Committee on Budget and Fiscal Review) Budget Act of 2016.
Current Text: Chaptered: 7/10/2017  html  pdf
Chapter Number: 53
Introduced: 1/11/2017
Summary: The Budget Act of 2016 made appropriations for the support of state government for the 2016–17 fiscal year. This bill would amend the Budget Act of 2016 by amending items of appropriation. This bill contains other related provisions.

SB 214
(Atkins D) San Diego River Conservancy.
Current Text: Chaptered: 9/26/2017  html  pdf
Chapter Number: 306
Introduced: 2/1/2017
Summary: The San Diego River Conservancy Act establishes the San Diego River Conservancy in the Natural Resources Agency, and prescribes the territory, membership, functions, and duties of the conservancy with regard to, among other things, the acquisition, protection, and management of public lands within the San Diego River area, as defined. This bill would specify that the powers of the conservancy include improving, developing, and preserving lands for the purpose of protecting the natural, cultural, and historical resources, and entering into a joint powers agreement, as specified.

SB 229  (Wieckowski D)  Accessory dwelling units.
Current Text: Chaptered: 10/8/2017  html  pdf
Chapter Number: 594
Introduced: 2/2/2017
Summary: Would authorize a local agency to provide by ordinance for the creation of accessory dwelling units in areas zoned to allow single-family or multifamily use. The bill would authorize the ordinance to prohibit the sale or other conveyance of the unit separate from the primary residence. The bill would extend the use of the maximum standards to a proposed accessory dwelling unit on a lot zoned for residential use that includes a proposed single-family dwelling.

SB 231  (Hertzberg D)  Local government: fees and charges.
Current Text: Chaptered: 10/6/2017  html  pdf
Chapter Number: 536
Introduced: 2/2/2017
Status: 10/6/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 536, Statutes of 2017.
Summary: Articles XIIIC and XIIID of the California Constitution generally require that assessments, fees, and charges be submitted to property owners for approval or rejection after the provision of written notice and the holding of a public hearing. Current law, the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with Articles XIIIC and XIIID of the California Constitution and defines terms for these purposes. This bill would define the term "sewer" for these purposes. The bill would also make findings and declarations relating to the definition of the term "sewer" for these purposes.

SB 252  (Dodd D)  Water wells.
Current Text: Chaptered: 10/6/2017  html  pdf
Chapter Number: 538
Introduced: 2/7/2017
Status: 10/6/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 538, Statutes of 2017.
Summary: Would, until January 30, 2020, require a city or county overlying a critically overdrafted basin, as defined, to request estimates of certain information from an applicant for a new well located within a critically overdrafted basin as part of an application for a well permit. The bill would require a city or county that receives an application for a well permit in a critically overdrafted basin to make the information about the new well included in the application for a well permit available to both the public and to groundwater sustainability agencies and easily accessible. The bill would authorize a city or county to issue a new well permit within a critically overdrafted basin when these requirements have been met.

SB 371  (Moorlach R)  Local public employee organizations.
Introduced: 2/14/2017
Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was P.E. & R. on 2/23/2017)
Summary: The Meyers-Milias-Brown Act requires the governing body of a local public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of a recognized employee organization. This bill would prohibit an individual who will be affected, directly or indirectly, by a memorandum of understanding between a local public agency and a recognized public employee organization from representing the public agency in negotiations with the recognized employee organization. The bill would define the phrases "indirectly affected" and "represent the public agency" for those purposes.

SB 417  (Berryhill R)  State Water Resources Control Board.
Current Text: Introduced: 2/15/2017  html  pdf
Introduced: 2/15/2017
Summary: Current law declares that to provide for the orderly and efficient administration of the water resources in the state, it is necessary to establish the State Water Resources Control Board to exercise the adjudicatory and regulatory functions of the state in the field of water resources. Existing law declares the intent of the Legislature to combine the water rights, water quality, and drinking water functions of the state government to provide for coordinated consideration of water rights, water quality, and safe and reliable drinking water. This bill would make nonsubstantive changes to these declarations.

SB 427  (Leyva  D)  Public water systems: community water systems: lead user service lines.  
Current Text: Chaptered: 9/12/2017  html  pdf  
Chapter Number: 238  
Introduced: 2/15/2017  
Summary: Current law requires, by July 1, 2018, a public water system to compile an inventory of known lead user service lines in use in its distribution system and identify areas that may have lead user service lines in use in its distribution system. This bill would apply the above-described provisions relating to lead user service lines to a community water system, instead of a public water system, and would require, by July 1, 2020, the community water system to provide a timeline for replacement of known lead user service lines in use in its distribution system to the State Water Resources Control Board.

SB 448  (Wieckowski  D)  Local government: organization: districts.  
Chapter Number: 334  
Introduced: 2/15/2017  
Summary: Current law requires a report of an audit of a special district’s accounts and records made by a certified public accountant or public accountant to be filed with the Controller and the county auditor of the county in which the special district is located within 12 months of the end of the fiscal year or years under examination. This bill would instead require special districts defined by a specified provision to file those audit reports with the Controller and special districts defined by another specified provision to file those audit reports with the Controller and with the local agency formation commission of either the county in which the special district is located or, if the special district is located in 2 or more counties, with each local agency formation commission within each county in which the district is located.

SB 473  (Hertzberg  D)  California Endangered Species Act.  
Current Text: Enrollment: 8/30/2018  html  pdf  
Introduced: 2/16/2017  
Status: 8/30/2018-Enrolled and presented to the Governor at 5 p.m.  
Summary: The California Endangered Species Act prohibits the taking of an endangered or threatened species, except in certain situations. Under the act, the Department of Fish and Wildlife may authorize the take of listed species pursuant to an incidental take permit if the take is incidental to an otherwise lawful activity, the impacts are minimized and fully mitigated, and the issuance of the permit would not jeopardize the continued existence of the species. The act requires the department to adopt regulations for issuance of incidental take permits. This bill would also apply the take prohibition to public agencies.

SB 496  (Cannella  R)  Indemnity: design professionals.  
Current Text: Chaptered: 4/30/2017  html  pdf  
Chapter Number: 8  
Introduced: 2/16/2017  
Summary: Current law provides, with respect to contracts and amendments to contracts entered into on or after January 1, 2011, with a public agency, as defined, for design professional services, that all provisions, clauses, covenants, and agreements contained in, collateral to, or affecting these contracts or amendments to contracts that purport to require the design professional to defend the public agency under an indemnity agreement, including the duty and the cost to defend, are unenforceable, except for claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the design professional. This bill would instead make these provisions applicable to all contracts for design professional services entered into on or after January 1, 2018.

SB 506  (Nielsen  R)  Department of Fish and Wildlife: lake or streambed alteration agreements: Internet Web site.
SB 541  (Allen D)  Water: school facility water capture practices.
Current Text: Chaptered: 10/14/2017  html  pdf
Chapter Number: 811
Introduced: 2/16/2017
Status: 10/14/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 811, Statutes of 2017.
Summary: Would require the State Water Resources Control Board, in consultation with the regional water quality control boards, and the Division of the State Architect within the Department of General Services to recommend best design and use practices for storm water and dry weather runoff capture practices, as defined, that can generally be applied to all new, reconstructed, or altered public schools, including school grounds. The bill would require the board to submit these recommendations to the Governor and the Legislature on or before January 1, 2019, and would require the board and the State Department of Education to post the recommendations on their respective Internet Web sites.

SB 564  (McGuire D)  Joint powers authorities: Water Bill Savings Act.
Current Text: Chaptered: 10/2/2017  html  pdf
Chapter Number: 430
Introduced: 2/17/2017
Status: 10/2/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 430, Statutes of 2017.
Summary: Would enact the Water Bill Savings Act, which would authorize a joint powers authority to provide funding for a customer of a local agency in the Counties of Alameda, Contra Costa, Los Angeles, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma or its publicly owned utility to acquire, install, or repair a water efficiency improvement on the customer’s property served by the local agency or its publicly owned utility. The bill would require the customer to repay the authority through an efficiency charge on the customer’s water bill to be established and collected by the local agency or its publicly owned utility on behalf of the authority pursuant to a servicing agreement.

SB 594  (Beall D)  Flood risk: dam failure: expedited permit processing and approval: human life safety protection.
Current Text: Amended: 7/20/2017  html  pdf
Introduced: 2/17/2017
Status: 2/1/2018-Returned to Secretary of Senate pursuant to Joint Rule 56.
Summary: Would require a state agency to expedite permit processing and approval for a project that will maintain or improve human life safety protection through flood risk reduction or reduction of a risk of dam failure, as specified. This bill would declare that it is to take effect immediately as an urgency statute.

SB 606  (Hertzberg D)  Water management planning.
Current Text: Chaptered: 5/31/2018  html  pdf
Chapter Number: 14
Introduced: 2/17/2017
Summary: Would require an urban retail water supplier to calculate an urban water use objective no later than November 1, 2023, and by November 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 State Water Resources Control 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. The bill would authorize the board to waive these requirements for a period of up to 5 years, as specified.

SB 615  (Hueso D)  Salton Sea restoration.
Current Text: Chaptered: 10/15/2017  html  pdf
Chapter Number: 859
Introduced: 2/17/2017
**SB 623**  
**Monning (D)**  
**Water quality: Safe and Affordable Drinking Water Fund.**

- **Current Text:** Amended: 8/21/2017  
- **Introduced:** 2/17/2017

**Summary:** Would establish a continuing education requirement for employees of public agencies who have primary responsibility to administer the California Environmental Quality Act (CEQA, as specified. Because this bill would require a public agency to ensure that this continuing education requirement is not be subject to review, approval, inspection, or fees associated with certain laws relating to dams and reservoirs. The bill would state various legislative findings and declarations relating to the Salton Sea, would name the state's comprehensive management plan for the Salton Sea the "John J. Benoit Salton Sea Restoration Plan."

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

- **Current Text:** Chaptered: 10/6/2017  
- **Chapter Number:** 543

**Introduced:** 2/17/2017

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

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

- **Current Text:** Amended: 7/3/2017  
- **Introduced:** 2/17/2017

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

**SB 740**  
**Wagner (D)**  
**Onsite treated water.**

- **Current Text:** Amended: 4/26/2017  
- **Introduced:** 2/17/2017

**Summary:** Would, on or before December 1, 2018, require the State Water Resources Control Board, in consultation with other state agencies, to adopt regulations, consistent with federal and state law in effect on January 1, 2018, to provide comprehensive risk-based standards for local jurisdictions permitting programs for onsite recycling of water in multifamily residential, commercial, and mixed-use buildings for nonpotable use. The bill would require the regulations to address specified issues and practices relating to the management, monitoring, and treatment of recycled water for nonpotable use.

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

- **Current Text:** Amended: 7/18/2017  
- **Introduced:** 2/17/2017

**Summary:** Would establish a continuing education requirement for employees of public agencies who have primary responsibility to administer the California Environmental Quality Act (CEQA, 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.

**SB 778**
(Hertzberg D) **Water systems: consolidations: administrative and managerial services.**
Current Text: Amended: 7/13/2017  html  pdf
Introduced: 2/17/2017
Status: 8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was A. 2 YEAR on 9/1/2017)
Summary: Would require, on or before March 1, 2018, and regularly thereafter, as specified, the State Water Resources Control Board to track and publish on its Internet Web site an analysis of all voluntary and ordered consolidations of water systems that have occurred on or after July 1, 2014. The bill would require the published information to include the resulting outcomes of the consolidations and whether the consolidations have succeeded or failed in providing an adequate supply of safe drinking water to the communities served by the consolidated water systems.

**SB 780**
(Wiener D) **Water Conservation in Landscaping Act.**
Introduced: 2/17/2017
Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 5/25/2017)
Summary: Would authorize the Department of Resources Recycling and Recovery to promote the application of compost in urban areas of the state to assist with projects that follow the watershed approach to landscaping and, in coordination with the Department of Water Resources, to develop and implement pilot projects that support the understanding and deployment of compost to meet specified goals. The bill would also require the State Energy Resources Conservation and Development Commission, in coordination with the State Air Resources Board, to develop a greenhouse gas emissions reduction factor for new climate appropriate landscapes, as provided.

**SB 831**
(Wieckowski D) **Land use: accessory dwelling units.**
Introduced: 1/4/2018
Status: 6/29/2018-Failed Deadline pursuant to Rule 61(b)(13). (Last location was A. L. GOV. on 6/20/2018)
Summary: Would require the ordinance for the creation of accessory dwelling units to designate areas where accessory dwelling units may be excluded for health and safety purposes, as specified. The bill would revise the standards for the local ordinance to, among other things, delete the authority to include lot coverage standards, and include a prohibition on considering the square footage of a proposed accessory dwelling unit when calculating an allowable floor-to-area ratio or lot coverage ratio for the lot.

**SB 901**
(Dodd D) **Wildfires.**
Current Text: Enrolled: 9/7/2018  html  pdf
Introduced: 1/16/2018
Summary: The Budget Act of 2018 appropriated $99,376,000 to the Office of Emergency Services for purposes of local assistance. Of those funds, $25,000,000 was made available, pursuant to a schedule, for equipment and technology that improves the mutual aid system. Current law authorizes the Department of Forestry and Fire Protection (CalFire) to administer various programs, including grant programs, relating to forest health and wildfire protection. This bill would revise the Budget Act of 2018 to provide that the $25,000,000 described above shall be applied to support activities directly related to regional response and readiness.

**SB 919**
(Dodd D) **Water resources: stream gages.**
Introduced: 1/22/2018
Status: 8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was A. APPR. SUSPENSE FILE on 8/8/2018)
Summary: Would require the Department of Water Resources and the State Water Resources Control Board, upon appropriation by the Legislature, to develop a plan to deploy a network of stream gages that includes a determination of funding needs and opportunities for modernizing and reactivating existing gages and deploying new gages, as specified. The bill would require the department and the board, in consultation with the Department of Fish and Wildlife, the Department of Conservation, the Central Valley Flood Protection Board, interested stakeholders, and, to the extent they wish to consult, local agencies, to develop the plan to address significant gaps in information necessary for water management and the conservation of freshwater species.

**SB 952**
(Anderson R) **Water conservation: local water supplies.**
Current Text: Introduced: 1/30/2018  html  pdf
SB 966  (Wiener D)  Onsite treated nonpotable water systems.
Introduced: 1/31/2018
Status: 8/30/2018-Ordered to special consent calendar. Assembly amendments concurred in. (Ayes 39. Noes 0.) Ordered to engrossing and enrolling.
Summary: Would, on or before December 1, 2022, require the State Water Resources Control Board, in consultation with the California Building Standards Commission and the Department of Housing and Community Development, to adopt regulations for risk-based water quality standards for the onsite treatment and reuse of nonpotable water, as provided. The bill would authorize the state board to contract with public or private entities regarding the content of the standards.

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: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. RLS. on 2/1/2018)
Summary: 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.

SB 985  (Morrell R)  California Renewables Portfolio Standard Program.
Introduced: 2/5/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. RLS. on 2/5/2018)
Summary: The Water Quality, Supply, and Infrastructure Improvement Act of 2014 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 grant provisions.

SB 998  (Dodd D)  Discontinuation of residential water service: urban and community water systems.
Introduced: 2/5/2018
Status: 9/6/2018-Enrolled and presented to the Governor at 4 p.m.
Summary: 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 discontinuation of water service to certain types of residences for nonpayment available in prescribed languages. The bill would require the policy to include certain components, be available on the system’s Internet Web site, and be provided to customers in writing, upon request.

SB 1049  (Moorlach R)  Public contracts: local public entities: project labor agreements.
Introduced: 2/8/2018
Status: 4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was GOV. & F. on 2/22/2018)
Summary: Current law sets forth the requirements for the solicitation and evaluation of bids and the awarding of contracts by public entities and requires a project labor agreement for a construction project used or entered into by a public entity, or required of contractors by the public entity, to include specified provisions. This bill would delete all of the specified prohibitions. This bill contains other current laws.

Current Text: Amended: 3/21/2018  html  pdf
SB 1085  (Skinner  D)  Public employees: leaves of absence: exclusive bargaining representative service.
Introduced: 2/12/2018
Status: 9/6/2018-Enrolled and presented to the Governor at 4 p.m.
Summary: Current law, including the Meyers-Milias-Brown Act, the Ralph C. Dills Act, the Trial Court Employment Protection and Governance Act, the Trial Court Interpreter Employment and Labor Relations Act, the Judicial Council Employer-Employee Relations Act and the Los Angeles County Metropolitan Transportation Authority Transit Employer-Employee Relations Act, as well as provisions commonly referred to as the Educational Employment Relations Act and the Higher Education Employer-Employee Relations Act, regulates the labor relations of the state, the courts, specified local public agencies, and their employees. This bill would require public employers, subject to the acts described above, and specified public employers of transit workers, upon request of the exclusive representative of an employee, to grant reasonable leaves of absence without loss of compensation or other benefits for the purpose of enabling employees to serve as stewards or officers of the exclusive representative, or of any statewide or national employee organization with which the exclusive representative is affiliated.

SB 1140  (Berryhill  R)  State Water Resources Control Board.
Introduced: 2/13/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. RLS. on 2/13/2018)
Summary: Current law declares that to provide for the orderly and efficient administration of the water resources in the state, it is necessary to establish the State Water Resources Control Board to exercise the adjudicatory and regulatory functions of the state in the field of water resources. Current law declares the intent of the Legislature to combine the water rights, water quality, and drinking water functions of the state government to provide for coordinated consideration of water rights, water quality, and safe and reliable drinking water. This bill would make nonsubstantive changes to these declarations.

SB 1167  (Anderson  R)  Eminent domain: final offer of compensation.
Current Text: Introduced: 2/14/2018  html  pdf
Introduced: 2/14/2018
Status: 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was S. JUD. on 2/22/2018)
Summary: Would provide that if a court finds, on motion of the defendant, that the offer of the plaintiff was at least 85% and less than 100% of the compensation awarded in the proceeding, then the court would be required to include the defendant’s litigation costs in the costs allowed. If the court finds that the offer of the plaintiff was at least 85% and less than 100% of the compensation awarded in the proceeding, the court would be authorized to include the defendant’s litigation costs in the costs allowed.

SB 1215  (Hertzberg  D)  Provision of sewer service: disadvantaged communities.
Current Text: Enrolled: 9/7/2018  html  pdf
Introduced: 2/15/2018
Summary: The Porter-Cologne Water Quality Control Act requires each California regional water quality control board to adopt water quality control plans and to establish water quality objectives in those plans, considering certain factors, to ensure the reasonable protection of beneficial uses and the prevention of nuisance. This bill would, except as provided, authorize the regional board to order the provision of sewer service by a special district, city, or county to a disadvantaged community, as defined, under specified circumstances. By authorizing the regional board to require a special district, city, or county to provide sewer service, this bill would impose a state-mandated local program.

SB 1244  (Wieckowski  D)  Public records: disclosure.
Current Text: Enrollment: 8/20/2018  html  pdf
Introduced: 2/15/2018
Status: 8/20/2018-Enrolled and presented to the Governor at 4 p.m.
Summary: The California Public Records Act, when it appears to a superior court that certain public
records are being improperly withheld from a member of the public, requires the court to order the
officer or person charged with withholding the records to disclose the public record or show cause why
he or she should not do so. The act requires the court to award court costs and reasonable attorney’s
taxes to the plaintiff if the plaintiff prevails in litigation filed pursuant to these provisions, and requires
the court to award court costs and reasonable attorney’s fees to the public agency if the court finds
that the plaintiff’s case is clearly frivolous. This bill would replace “plaintiff” with “requester” in that
provision, would make conforming changes, and would specify that these provisions do not preclude
the award of fees and costs pursuant to other provisions of law.

Introduced: 2/15/2018
Status: 9/6/2018-Enrolled and presented to the Governor at 4 p.m.
Summary: Would require the Ocean Protection Council, to the extent funds are available from bonds or
other sources, to adopt and implement a Statewide Microplastics Strategy related to microplastic
materials that pose an emerging concern for ocean health and that includes specified components, as
provided. The bill would authorize the council, in collaboration with the State Water Resources Control
Board, the Office of Environmental Health Hazard Assessment, and other interested entities, to enter
into one or more contracts with marine research institutes in the state for the provision of research
services that would contribute directly to the development of the Statewide Microplastics Strategy.

SB 1277  (Hueso D)  Salton Sea: governance.
Current Text: Introduced: 2/16/2018   html  pdf
Introduced: 2/16/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. RLS. on
2/16/2018)
Summary: Would state the intent of the Legislature to enact legislation that would create a
governance and administrative structure to manage the day-to-day implementation of the Salton Sea
Management Program.

SB 1300  (Jackson D)  Unlawful employment practices: discrimination and harassment.
Current Text: Enrolled: 9/7/2018   html  pdf
Introduced: 2/16/2018
Status: 8/31/2018-Assembly amendments concurred in. (Ayes 25. Noes 10.) Ordered to engrossing
and enrolling.
Summary: The California Fair Employment and Housing Act makes it an unlawful employment practice
for an employer, labor organization, employment agency, apprenticeship training program, or any
training program leading to employment, to engage in harassment of an employee or other specified
person. FEHA also makes harassment of those persons by an employee, other than an agent or
supervisor, unlawful if the entity, or its agents or supervisors, knows or should have known of this
conduct and fails to take immediate and appropriate corrective action. This bill would specify that an
employer may be responsible for the acts of nonemployees with respect to other harassment activity.

SB 1334  (Wilk R)  Los Angeles Homeless Services Authority Oversight Committee.
Current Text: Amended: 4/16/2018   html  pdf
Introduced: 2/16/2018
Status: 4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was GOV. & F. on
4/19/2018)
Summary: Would require the County of Los Angeles to establish the Los Angeles Homeless Services
Authority Oversight Committee, as specified, to release annual public reports, commencing January 1,
2021, through January 1, 2026, detailing the financial allocations for homeless services by the Los
Angeles Homeless Services Authority, a joint powers authority within the County of Los Angeles. By
increasing the duties of local officials, this bill would establish a state-mandated local program. This bill
would make legislative findings and declarations as to the necessity of a special statute for the County
of Los Angeles.

SB 1343  (Mitchell D)  Employers: sexual harassment training: requirements.
Current Text: Enrolled: 9/7/2018   html  pdf
Introduced: 2/16/2018
Status: 8/31/2018-Ordered to special consent calendar. Assembly amendments concurred in. (Ayes 39.
Noes 0.) Ordered to engrossing and enrolling.
Summary: Would require an employer who employs 5 or more employees, including temporary or
seasonal employees, to provide at least 2 hours of sexual harassment training to all supervisory
employees and at least one hour of sexual harassment training to all nonsupervisory employees by
January 1, 2020, and once every 2 years thereafter, as specified. The bill would require the
Department of Fair Employment and Housing to develop or obtain 1-hour and 2-hour online training
courses on the prevention of sexual harassment in the workplace, as specified, and to post the
courses on the department’s Internet Web site.
SB 1347  (Stern D)  Energy storage systems: procurement.
Introduced: 2/16/2018
Status: 8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was A. APPR. SUSPENSE FILE on 8/8/2018)
Summary: Would require the Public Utilities Commission, in addition to specified requirements, on or before January 1, 2020, to consider procurement strategies for the installation of a statewide total of up to 2,000 megawatts of energy storage systems. As part of the procurement strategies considered by the commission, the bill would require the commission to consider appropriate targets, if any, for electrical corporations, community choice aggregators, electric service providers, and certain electrical cooperatives (collectively, load-serving entities) to procure viable and cost-effective energy storage systems, to be achieved by December 31, 2030.

SB 1364  (Vidak R)  Safe, Clean, Reliable Water Supply Act.
Current Text: Introduced: 2/16/2018  html  pdf
Introduced: 2/16/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. RLS. on 2/16/2018)
Summary: Current law, the Safe, Clean, Reliable Water Supply Act, approved by the voters as Proposition 204 at the November 5, 1996, statewide general election, authorizes the issuance of general obligation bonds in the amount of $995,000,000 for the purposes of financing a safe, clean, reliable water supply program. The bond act states various legislative findings and declarations. This bill would make a nonsubstantive change in those findings and declarations.

SB 1367  (Atkins D)  San Diego River Conservancy: San Diego Rivers Watershed Consortium Program.
Introduced: 2/16/2018
Summary: Would require the San Diego River Conservancy to establish the San Diego Rivers Watershed Consortium Program to create advisory panels to work cooperatively with local public agencies and other entities to identify potential project funding, including grant funding, to be used to restore the watersheds of the Otay River, the Sweetwater River, and the parts of the Tijuana River within the state, and to improve access to public lands. The bill would require the conservancy, in administering the program, to create 3 advisory panels representing watersheds within the area, comprised of specified members, to offer advice, expertise, support, and service to the conservancy in those respective watershed areas.

SB 1399  (Wiener D)  Renewable energy: shared renewable energy tariffs.
Current Text: Amended: 5/1/2018  html  pdf
Introduced: 2/16/2018
Status: 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was S. APPR. SUSPENSE FILE on 5/22/2018)
Summary: Would require the Public Utilities Commission to require each large electrical corporation to establish a tariff or tariffs that provide for bill credits for electricity generated by eligible renewable generating facilities and exported to the electrical grid to be credited to electrical accounts of nonresidential customers of the corporations. The bill would require the commission to ensure that the credits reflect the full value of the electricity from the eligible renewable generating facilities and the credits are established using the same methodology that is used to determine credits under the standard contract or tariff for eligible customer-generators.

SB 1422  (Portantino D)  California Safe Drinking Water Act: microplastics.
Current Text: Enrolled: 9/7/2018  html  pdf
Introduced: 2/16/2018
Status: 8/31/2018-Assembly amendments concurred in. (Ayes 34. Noes 2.) Ordered to engrossing and enrolling.
Summary: Would require the State Water Resources Control Board, on or before January 1, 2020, to adopt a definition of microplastics in drinking water, and on or before July 1, 2021, to adopt a standard methodology to be used in the testing of drinking water for microplastics and requirements for 4 years of testing and reporting of microplastics in drinking water, including public disclosure of those results.

SB 1438  (Hueso D)  Tijuana River.
Current Text: Introduced: 2/16/2018  html  pdf
Introduced: 2/16/2018
Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. RLS. on 2/16/2018)
Summary: Would state the intent of the Legislature to enact legislation to undertake the development of instream or offline structures to temporarily or permanently intercept and divert sewage, solid waste, or sediment from the Tijuana River main channel or tributary canyons, as specified.

**SB 1469**  (Skinner D)  **Land use: accessory dwelling units.**

**Current Text:** Amended: 5/1/2018  [html](#)  [pdf](#)

**Introduced:** 2/16/2018

**Status:** 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was S. APPR. SUSPENSE FILE on 5/22/2018)

**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, requires the ordinance to designate areas within the local jurisdiction where accessory dwelling units may be permitted, and sets forth standards the ordinance is required to impose, including, among others, maximum unit size, parking, lot coverage, and height standards. The State Housing Law requires, with an exception for building standards adopted, amended or repealed by the State Fire Marshal, the Department of Housing and Community Development to propose the adoption, amendment, or repeal of building standards to the California Building Standards Commission. This bill would revise and recast the above-described provisions regarding accessory dwelling units to authorize the ordinance adopted for the creation of accessory dwelling units to designate areas where accessory dwelling units are excluded for health and safety purposes based on clear findings supported by substantial evidence.

**SB 1489**  (Stern D)  **California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018: water recycling.**

**Current Text:** Amended: 4/3/2018  [html](#)  [pdf](#)

**Introduced:** 2/16/2018

**Status:** 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. N.R. & W. on 4/12/2018)

**Summary:** If approved by the voters at the June 5, 2018, statewide primary election as Proposition 68, the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 would authorize the issuance of bonds in the amount of $4,100,000,000 for the purpose of financing a drought, water, parks, climate, coastal protection, and outdoor access program. This bill, operative only if Proposition 68 is approved by the voters at the June 5, 2018, statewide primary election, would add language to the provisions enacted by the proposition to eliminate this prohibition on using this $100,000,000 in bond funds for the purpose of water recycling for projects that augment surface water reservoirs that supply water directly to treatment facilities that serve domestic uses.

**SCA 4**  (Hertzberg D)  **Water conservation.**

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

**Introduced:** 2/2/2017

**Status:** 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. RLS. on 2/2/2017)

**Summary:** The California Constitution requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that the waste or unreasonable use or unreasonable method of use of water be prevented. This measure would declare the intent of the Legislature to amend the California Constitution to provide a program that would ensure that affordable water is available to all Californians and to ensure that water conservation is given a permanent role in California’s future.

Total Measures: 154

Total Tracking Forms: 36
September 19, 2018

Attention: Legislation and Public Outreach Committee

Quarterly report on Public Outreach and Conservation activities (Information)

Background
From June through August 2018, the Public Outreach and Conservation Department supported Water Authority outreach programs and projects to promote the value of water and water-use efficiency, assisted member agencies with public outreach training, worked with communities directly affected by Water Authority construction projects, conducted media relations activities, developed an enhanced outreach and education program, and distributed information through various means, including publications and online communications.

Highlights of department activities during the quarter are listed below.

Local Legislative Relations and Civic Engagement

This was the first quarter for the Brought to You by Water outreach and education program, which included a June 21 launch event, the development of a compelling series of eight videos with program partners, the creation of a microsite to host program information, participation in several community events, dozens of social media posts by the Water Authority and its partners, and other partnerships and activities as outlined for Board in July.

In addition, staff held two Citizens Water Academy classes with customized curriculum for public agency professionals in June and July for approximately 70 Water Authority and member agency staff. Staff also hosted a Citizens Water Academy alumni program on August 4 at the Lake Hodges Pumped Storage Facility. At that event, staff discussed details about the facility, including how it fits into emergency planning scenarios, and provided a tour of the facility for 24 alumni attendees. Staff also detailed the Water Authority’s energy and sustainability efforts.

On Aug. 1, the Water Authority hosted a Legislative Roundtable with State Sen. Ben Hueso as part of its ongoing series of conversations with leaders in Sacramento and Washington, D.C. The senator discussed water issues with approximately 90 water agency representatives, civic and business leaders, and stakeholders from around the county.

Staff made also 12 presentations to civic groups, public agencies and other organizations, including the Soroptimist International of La Mesa, and “lunch and learn” events for employees at General Atomics and SDG&E. A list of presentations is in Exhibit 1. Staff also attended seven outreach events, many of which were part of the Brought to You by Water program. At those events, staff highlighted the Water Authority’s sustainability efforts, discussed the importance of water supply reliability for the region and shared information about living WaterSmart. A list of all outreach events is in Exhibit 1.
Media Relations

The Water Authority distributed seven news releases during the period. The topics of these releases are listed in Exhibit 1. Throughout the quarter, staff also assisted media covering issues such as California WaterFix, water supply diversification, and state long-term water-use regulations.

Staff facilitated the publication of an In Response article by Board Chair Mark Muir in The San Diego Union-Tribune on July 28 that addressed a serious omission in a July 1 story about the cost of the regional water supply diversification strategy. In addition, staff facilitated the publication of an opinion piece by Chair Muir in community newspapers that articulated the financial and supply reliability benefits of the region’s water supply diversification strategy.

Education Programs

The Water Authority’s K-12 education program reached 2,380 students and teachers this quarter with its long-running musical theater programs and Splash Lab Mobile Science visits. As usual, attendance dipped during the summer months when most schools are closed. At the start of the 2018-2019 school year, staff distributed approximately 14,000 postcards to schools countywide advertising educational resources offered by the Water Authority. The mailers generated significant interest in water-related programs, and a full slate of school performances is scheduled for fall.

In addition, staff continued to develop a new set of educational posters for high school and community college programs to highlight significant investments in regional water supply reliability over the past 20 years, water-dependent industries across the region and water-related jobs. When complete, the posters will provide an important new resource for upper grades. This project is funded in part the Hans and Margaret Doe Charitable Trust, and it is targeted for completion by early 2019.

Water-Use Efficiency Programs

WaterSmart Landscape Makeover Program
This quarter, three Design for Homeowners three-hour workshops were co-sponsored by Olivenhain, San Dieguito and the City of San Diego. These workshops – a condensed version of the popular four-class makeover series – attracted 161 participants. Two four-class series also were held this quarter. The first series, which began on July 11 in Chula Vista, graduated 21 homeowners who committed to replacing nearly 21,000 square feet of turf with a WaterSmart landscape, an average of almost 1,000 square feet per participant. The second series, which began on July 14 in Escondido, graduated 24 homeowners who committed to replacing nearly 31,000 square feet of turf, an average of almost 1,300 square feet per participant.

WaterSmart Checkup Program
The WaterSmart Checkup Program provides free residential evaluations, irrigation checkups for small commercial sites and large landscape audits. From May through July 2018, the program
provided 344 audits. These services are performed by member agency staff, their consultants, or the Water Authority contractor, Mission Resource Conservation District.

**Qualified Water Efficiency Landscaper (QWEL) Program**

Since January 2018, four series have been completed with 91 participants. Of these, 67 have successfully completed the examination and received their QWEL certificate. During this reporting period, one college-affiliated series with 26 students began on August 20 at MiraCosta College. The QWEL program contractor has also registered an additional 37 participants for upcoming series beginning in September. On August 7, the program contractor trained seven existing instructors and four new ones on the updated QWEL curriculum, which is now in effect.

**Sustainable Landscape Incentives / Landscape Transformation Program (LTP)**

As of August 30, 232 landscape upgrade projects have been completed. Cumulative incentive payments to date total $620,448, corresponding to 362,958 square feet or 8.33 acres of former turf areas converted to sustainable landscaping standards. An additional 78 program participants are either finalizing their existing applications or implementing their projects.

These incentives are made possible by multiple Proposition 84 grants (Round 1, Round 3 and Round 4) received from the California Department of Water Resources. On June 30, 2018, the Water Authority stopped accepting new applications for its locally administered incentives. Since then, interested customers have been directed to apply to MWD’s new Landscape Transformation Program. As of August 31, 313 LTP applications from the San Diego region have been received by MWD. Of these, 95 applications have already been issued a funding reservation, 74 have been denied, and 144 are under review.

**Member Agency Administered Program (MAAP)**

Of the total $2.4 million in MAAP funding that MWD has allocated for use by the Water Authority and its member agencies for three Fiscal Years (FY17/18, 18/19 and 19/20), MWD has already approved $968,000 for specific projects benefitting the region. MAAP project applications that received approval this quarter include a commercial kitchens partnership program with San Diego Gas & Electric ($145,000) and the Vallecitos Water District’s demonstration garden enhancement project ($20,000). The following table details the status of MAAP funding in the Water Authority’s service area.

<table>
<thead>
<tr>
<th>MAAP Funding Status</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total MAAP funding allocation (FY 17/18, 18/19 &amp; 19/20)</td>
<td>$2,409,000</td>
</tr>
<tr>
<td>Projects approved to date</td>
<td>$968,000*</td>
</tr>
<tr>
<td>Available MAAP funding</td>
<td>$1,441,000</td>
</tr>
</tbody>
</table>

* Includes $165,000 in MAAP projects approved this reporting period (Jun – Aug).
Water Authority member agencies are encouraged to submit agency-specific MAAP proposals to the Water Authority by October 31, 2018. This allocation of MAAP funding must be used by June 30, 2020.

**Publications and Online Communications**

The Water News Network, the Water Authority’s online news and information hub about water issues in San Diego County, debuted on May 24, 2018. The WNN was deployed to adapt to changing conditions in the media landscape, coupled with the availability and expansion of powerful web tools.

During the quarter, WNN staff created and published an average of 17 original news and feature stories monthly, along with more than 150 news clips from media sources each month. Original content accounts for about 10 percent of posts but nearly half of all WNN monthly page views, showing the potential for significant growth with the expansion of original content. The most popular stories are about conservation, for instance, WaterSmart landscaping tips and examples of how to create sustainable landscapes at home. Content on the Water News Network also provides rich material for social media, enhancing agency outreach to thousands of stakeholders who may rarely visit WNN but still benefit from synopses on Facebook and Twitter.

With the launch of the Water News Network and the Brought to You by Water program this quarter, the level of activity increased on social media. At the beginning of the quarter, the winners of the Brought to You by Water Photo Contest were announced. The Water Authority received nearly 80 photo entries, and more than 2,700 votes – or “likes” – were cast on the Water Authority’s Instagram page, where the contest was hosted.

For the launch of the Brought to You by Water campaign on June 21, staff provided social media copy to its member agencies and program partners to help spread a united message. Videos produced for the Brought to You by Water program were posted on YouTube, Facebook, LinkedIn, Twitter and Instagram, and they garnered more than 24,600 views during the quarter. Posts were also curated for the Citizens Water Academy, the Water Authority’s school education program, and the regional campaign to promote responsible tree care through appropriate watering.

Followers on social media continued to grow during the quarter. On Facebook, the Water Authority has 9,020 followers, up from 8,936 followers at the start of the quarter. On Twitter, the Water Authority has 4,121 followers, up from 3,883 followers. On Instagram, the Water Authority has 1,145 followers, up from 1,001 followers. Consistently posting curated content and photos across the three main platforms has allowed the Water Authority’s following to expand. During the quarter, 133 posts were made on Facebook, 191 on Twitter and 54 on Instagram.

Staff distributed seven issues of the WaterSource e-newsletter, providing updates on key water-related issues to 7,194 subscribers.
Member Agency Outreach Coordination

The Water Authority hosted three JPIC/CC events during the quarter. Topics included the Brought to by Water program, the Water News Network, long-term water regulations, landscape transformation program and other conservation programs. During the August meeting, staff coordinated with the San Diego County Office of Emergency Services to host the regular meeting and provide a tour of its facilities. During the tour, member agency staff had the opportunity to ask questions and get a behind-the-scenes look at how various county agencies work together during regional emergencies, such as a wildfire or earthquake.

In addition, staff coordinated with member agencies to deploy the Brought to You by Water beach ball for several community events and post several stories and news releases generated by member agencies on the Water News Network.

CIP Projects

Pipeline 5 Relining Project in Fallbrook
Staff mailed postcards to all properties along the project alignment as a reminder that construction is ramping up. Staff provided the information phone number and email address to use during construction. The same information was provided to those who signed up for project email updates. Staff updated the project webpage with an interactive map. Outreach staff participates in the weekly construction team meetings.

Northern First Aqueduct Structure and Liner Rehabilitation Project
Staff mailed information packets to all portal property owners. Staff also held an open house event and invited all properties along the project alignment. Staff met with more than 25 residents near the project, answering questions and addressing concerns.

Vallecitos 11, Vista Irrigation District 12 Project
Staff mailed a postcard to all properties within 1,500 feet of the project site to notify them that construction is coming. The mailer included project information, a tree removal schedule, work hours and information lines. Staff did not receive any inquiries about the project.

Prepared by: Mike Lee, Public Affairs Supervisor
Teresa Penunuri, Public Affairs Supervisor
Carlos Michelon, Principal Water Resources Specialist

Reviewed by: Denise Vedder, Director of Public Outreach and Conservation
Approved by: Dennis A. Cushman, Assistant General Manager

Attachment:

Exhibit 1 – Public Outreach and Conservation Activities
## EXHIBIT 1
### Public Outreach and Conservation Activities
#### June 2018 through August 2018

### NEWS RELEASES/STATEMENTS ISSUED
- La Mesa, San Diego Residents Take Top Honors in Regional Photo Contest
- Region Celebrates Water Reliability, Rings in Summer Aboard USS Midway
- Wholesale Water Rates Kept in Check for 2019
- New Landscape Transformation Program Increases Incentives in San Diego County
- Water Authority Prevails in Open Meetings Lawsuit
- Water Authority Expands Water-Use Efficiency Opportunities for Low-Income Homes
- Water Authority Board Conditionally Supports WaterFix Project in Bay-Delta

### COMMUNITY EVENTS ATTENDED
- Veteran Business Forum
- Water Wonders – San Diego Children’s Discovery Museum
- Military Outreach Ministries – Career Fair
- Girl Scouts Volunteer Conference and Celebration
- Urban Water Institute Conference
- The Living Coast Discovery Center Stingray Event
- Liberty Station Concert

### PRESENTATIONS
- Soroptimist International of La Mesa
- Fallbrook Planning Group
- Rainbow Planning Group
- General Atomics
- Marshall Elementary School
- Connect with Connect: Water Tech Opportunities
- Vista Chamber of Commerce
- Joint Associates Group at Sempra
- City of Oceanside Public Utilities Commission
- San Diego Green Drinks
- Aaron Price Fellows
- SDG&E Lunch and Learn
September 19, 2018

Attention: Legislation and Public Outreach Committee

Small Contractor Outreach and Opportunities Program (SCOOP) Annual Report (Information)

Background
The purpose of SCOOP is to maximize small-business participation on the San Diego County Water Authority’s contracts and procurements. SCOOP provides small businesses with resources and information through training, networking, and technical assistance. This report provides a summary of SCOOP program metrics and activities during Fiscal Year 2018, from July 1, 2017 through June 30, 2018.

Discussion
Outreach Activities
Water Authority representatives participated in events with 21 various organizations and other government agencies. Major outreach events included the Turner Construction Management Academy, Veterans in Business Annual Conference and Caltrans’ Procurement Fair.

SCOOP Training
Six online courses are available for small businesses to take at their own pace: Bidding and Estimating, Introduction to Surety Bonds, Doing Business with the San Diego County Water Authority, Responding to Notices Inviting Bids, Responding to Requests for Proposals and Registering on The Network (the Water Authority’s e-procurement vendor system and small-business database). Staff is working to update the video content.

Program Measurements
The overall SCOOP Program goal was 20 percent small-business participation. The Water Authority’s cumulative contract and purchase order awards in fiscal year 2018 was approximately $74 million. Small businesses received approximately $19 million, or 26 percent, of total dollars awarded, exceeding the program goal. Small businesses received awards in each procurement sector, with approximately $3.3 million awarded for professional services, $15.3 million awarded in construction, and $10,000 awarded for purchase orders. Minority- and women-owned businesses received $1.9 million in total awards, or 3 percent.

The number of companies receiving contract or purchase order awards in the fiscal year was 549. Of those, 136, or 25 percent, were small businesses. Nine percent, or 51, were minority- and women-owned businesses.

Further details of SCOOP statistics are given in the attached exhibits. Information on minority-owned and women-owned businesses is made available to the Board for statistical purposes only.

Staff continues to analyze procurement trends, upcoming contracting opportunities and SCOOP data to develop an action plan to further facilitate small-business participation and maximize the
Water Authority’s opportunity to achieve its 20 percent small-business participation target in light of a very tight procurement market. Actions already taken include efforts to recruit more businesses from other parts of Southern California to register in The Network, thus increasing the number of small businesses receiving notices and potentially bidding on Water Authority contracts.

Prepared by: Teresa Penunuri, Public Affairs Supervisor
Reviewed by: Denise Vedder, Public Outreach and Conservation Director
Approved by: Dennis Cushman, Assistant General Manager

Attachment
1. Exhibit A – SCOOP Program Measurements Summary
2. Exhibit B – SCOOP Measurements Detail
3. Exhibit C - SCOOP Outreach Activities
### EXHIBIT A

**SCOOP Measurements Summary**

July 1, 2017 – June 30, 2018

---

#### A-1. Small Business Measurements for

**July 1, 2017 – June 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>FY 2018 YTD</th>
<th>FY 2017 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Small</td>
</tr>
<tr>
<td>1. Number of qualified small businesses capable of bidding on Water Authority projects</td>
<td>2060</td>
<td>666</td>
</tr>
<tr>
<td>2. Number of bidders submitting bids and proposals for contracts</td>
<td>279</td>
<td>95</td>
</tr>
<tr>
<td>3. Number of businesses participating on Water Authority procurements (contracts and purchase orders)</td>
<td>549</td>
<td>136</td>
</tr>
<tr>
<td>4. Number of contracting opportunities</td>
<td>241</td>
<td>80</td>
</tr>
<tr>
<td>5. Amount committed to small businesses</td>
<td>$74,023,061</td>
<td>$19,305,483</td>
</tr>
</tbody>
</table>

---

#### A-2. Minority/Women-Owned Business Measurements for

**July 1, 2017 – June 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>FY 2018 YTD</th>
<th>FY 2017 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>M/W</td>
</tr>
<tr>
<td>1. Number of qualified M/W businesses capable of bidding on Water Authority projects</td>
<td>2060</td>
<td>528</td>
</tr>
<tr>
<td>2. Number of bidders submitting bids and proposals for contracts</td>
<td>279</td>
<td>46</td>
</tr>
<tr>
<td>3. Number of businesses participating on Water Authority procurements (contracts and purchase orders)</td>
<td>549</td>
<td>51</td>
</tr>
<tr>
<td>4. Number of contracting opportunities</td>
<td>241</td>
<td>36</td>
</tr>
<tr>
<td>5. Amount committed to minority and women-owned businesses</td>
<td>$74,023,061</td>
<td>$1,882,969</td>
</tr>
</tbody>
</table>
EXHIBIT B
SCOOP Measurements Detail
July 1, 2017 – June 30, 2018

1. Number of qualified businesses capable of bidding on Water Authority projects.

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Amount of qualified businesses</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small</td>
<td>2060</td>
<td>666</td>
<td>32%</td>
</tr>
<tr>
<td>Minority- or Women-owned</td>
<td>2060</td>
<td>528</td>
<td>26%</td>
</tr>
</tbody>
</table>

Information taken from The Network’s Business Classification and Minority Company Statistics as of 07/02/2018.

2. Number of businesses submitting bids and proposals.

B-2. Number of bidders submitting bids and proposals for contracts.

<table>
<thead>
<tr>
<th></th>
<th>FY 2018 YTD</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Small</td>
<td>% Small</td>
</tr>
<tr>
<td>Design Build</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primes</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Subs</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Design Build Subtotal</strong></td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primes</td>
<td>9</td>
<td>3</td>
<td>33%</td>
</tr>
<tr>
<td>Subs</td>
<td>14</td>
<td>6</td>
<td>43%</td>
</tr>
<tr>
<td><strong>Construction Subtotal</strong></td>
<td>23</td>
<td>9</td>
<td>39%</td>
</tr>
<tr>
<td>Professional Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primes</td>
<td>160</td>
<td>51</td>
<td>32%</td>
</tr>
<tr>
<td>Subs</td>
<td>49</td>
<td>34</td>
<td>69%</td>
</tr>
<tr>
<td><strong>Prof. Services Subtotal</strong></td>
<td>209</td>
<td>85</td>
<td>41%</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primes</td>
<td>47</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td>Subs</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Other Subtotal</strong></td>
<td>47</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total Bidders</strong></td>
<td>216</td>
<td>55</td>
<td>25%</td>
</tr>
<tr>
<td></td>
<td>63</td>
<td>40</td>
<td>63%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>279</td>
<td>95</td>
<td>34%</td>
</tr>
</tbody>
</table>
3. Number of businesses participating on Water Authority procurements.

B-3. Number of businesses participating on Water Authority procurements (contracts and purchase orders)

<table>
<thead>
<tr>
<th></th>
<th>FY 2018 YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td><strong>Design Build</strong></td>
<td></td>
</tr>
<tr>
<td>Primes</td>
<td></td>
</tr>
<tr>
<td>Subs</td>
<td></td>
</tr>
<tr>
<td><strong>Design Build Subtotal</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Construction</strong></td>
<td></td>
</tr>
<tr>
<td>Primes</td>
<td>9</td>
</tr>
<tr>
<td>Subs</td>
<td>14</td>
</tr>
<tr>
<td><strong>Construction Subtotal</strong></td>
<td>23</td>
</tr>
<tr>
<td><strong>Professional Services</strong></td>
<td></td>
</tr>
<tr>
<td>Primes</td>
<td>140</td>
</tr>
<tr>
<td>Subs</td>
<td>31</td>
</tr>
<tr>
<td><strong>Prof. Services Subtotal</strong></td>
<td>171</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
</tr>
<tr>
<td>Primes</td>
<td>47</td>
</tr>
<tr>
<td>Subs</td>
<td>0</td>
</tr>
<tr>
<td><strong>Other Subtotal</strong></td>
<td>47</td>
</tr>
<tr>
<td><strong>Contracts</strong></td>
<td></td>
</tr>
<tr>
<td>Primes</td>
<td>196</td>
</tr>
<tr>
<td>Subs</td>
<td>45</td>
</tr>
<tr>
<td><strong>Contracts Subtotal</strong></td>
<td></td>
</tr>
<tr>
<td>(Design Build, Construction and Professional Services)</td>
<td>241</td>
</tr>
<tr>
<td><strong>Vendors</strong></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>549</td>
</tr>
</tbody>
</table>
4. **Number of contracting opportunities.**

B-4. Number of contracting opportunities

<table>
<thead>
<tr>
<th>FY 2018 YTD</th>
<th>Total Contracts</th>
<th>Small Primes</th>
<th>% Small</th>
<th>M/W Primes</th>
<th>% M/W</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-$10,000</td>
<td>140</td>
<td>47</td>
<td>34%</td>
<td>22</td>
<td>16%</td>
</tr>
<tr>
<td>$10,001-$150,000</td>
<td>73</td>
<td>23</td>
<td>32%</td>
<td>9</td>
<td>12%</td>
</tr>
<tr>
<td>$10,000-$50,000</td>
<td>36</td>
<td>13</td>
<td>36%</td>
<td>4</td>
<td>11%</td>
</tr>
<tr>
<td>$10,000-$50,000</td>
<td>42</td>
<td>10</td>
<td>24%</td>
<td>5</td>
<td>12%</td>
</tr>
<tr>
<td>$50,001-$150,000</td>
<td>9</td>
<td>4</td>
<td>44%</td>
<td>2</td>
<td>22%</td>
</tr>
<tr>
<td>$150,001-$250,000</td>
<td>10</td>
<td>3</td>
<td>30%</td>
<td>2</td>
<td>20%</td>
</tr>
<tr>
<td>$250,001 - $1,000,000</td>
<td>9</td>
<td>3</td>
<td>33%</td>
<td>1</td>
<td>11%</td>
</tr>
<tr>
<td>$1,000,001 - $50,000,000</td>
<td>241</td>
<td>80</td>
<td>33%</td>
<td>36</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>140</td>
<td>47</td>
<td>34%</td>
<td>22</td>
<td>16%</td>
</tr>
</tbody>
</table>
5. **Amount committed to small businesses.**

<table>
<thead>
<tr>
<th>FY 2018 YTD</th>
<th>Total</th>
<th>Small</th>
<th>% Small</th>
<th>M/W</th>
<th>% M/W</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Design Build</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primes</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Subs</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Construction Subtotal</strong></td>
<td>$14,958,390</td>
<td>$13,378,381</td>
<td>89%</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Primes</td>
<td>$14,969,000</td>
<td>$1,900,000</td>
<td>13%</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Subs</td>
<td>$29,927,390</td>
<td>$15,278,381</td>
<td>51%</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Professional Services Subtotal</strong></td>
<td>$14,694,333</td>
<td>$3,138,431</td>
<td>21%</td>
<td>$1,480,006</td>
<td>10%</td>
</tr>
<tr>
<td>Primes</td>
<td>$896,000</td>
<td>$115,500</td>
<td>13%</td>
<td>$276,500</td>
<td>31%</td>
</tr>
<tr>
<td>Subs</td>
<td>$15,590,333</td>
<td>$3,253,931</td>
<td>21%</td>
<td>$1,756,506</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Prof. Services Subtotal</strong></td>
<td>$10,680,021</td>
<td>$10,000</td>
<td>0%</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Primes</td>
<td>$0</td>
<td>$0</td>
<td>0%</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td>Subs</td>
<td>$10,680,021</td>
<td>$10,000</td>
<td>0%</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Other Subtotal</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contracts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primes</td>
<td>$40,332,744</td>
<td>$16,526,812</td>
<td>41%</td>
<td>$1,480,006</td>
<td>4%</td>
</tr>
<tr>
<td>Subs</td>
<td>$15,865,000</td>
<td>$2,015,500</td>
<td>13%</td>
<td>$276,500</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Contracts Subtotal (Design Build, Construction and Professional Services)</strong></td>
<td>$56,197,744</td>
<td>$18,542,312</td>
<td>33%</td>
<td>$1,756,506</td>
<td>3%</td>
</tr>
<tr>
<td>Vendors</td>
<td>$17,825,317</td>
<td>$763,171</td>
<td>4%</td>
<td>$126,463</td>
<td>1%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$74,023,061</td>
<td>$19,305,483</td>
<td>26%</td>
<td>$1,882,969</td>
<td>3%</td>
</tr>
</tbody>
</table>
EXHIBIT C

SCOOP Outreach Activities
July 1, 2017– June 30, 2018

Water Authority representatives attended outreach events with 21 small business, trade, and community organizations as indicated in the following chart.

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian Business Association</td>
</tr>
<tr>
<td>Association of General Contractors</td>
</tr>
<tr>
<td>Caltrans</td>
</tr>
<tr>
<td>City of San Diego</td>
</tr>
<tr>
<td>Construction Managers Association of America</td>
</tr>
<tr>
<td>MANA de San Diego</td>
</tr>
<tr>
<td>North County Economic Development Council</td>
</tr>
<tr>
<td>North County Small Business Development Center</td>
</tr>
<tr>
<td>Public Agency Consortium</td>
</tr>
<tr>
<td>Regional Construction Procurement Committee</td>
</tr>
<tr>
<td>San Diego County Hispanic Chamber of Commerce</td>
</tr>
<tr>
<td>San Diego Gas &amp; Electric</td>
</tr>
<tr>
<td>San Diego Minority Supplier Development Council</td>
</tr>
<tr>
<td>San Diego Regional Economic Development Corporation</td>
</tr>
<tr>
<td>San Diego Unified School District</td>
</tr>
<tr>
<td>Small Business Development Center – San Diego/Imperial</td>
</tr>
<tr>
<td>South County Economic Development Council</td>
</tr>
<tr>
<td>Turner School of Construction Management</td>
</tr>
<tr>
<td>Veterans in Business Network</td>
</tr>
<tr>
<td>U.S. Small Business Administration</td>
</tr>
<tr>
<td>U. S. Disabled Veterans Business Alliance</td>
</tr>
</tbody>
</table>
ADMINISTRATIVE AND FINANCE COMMITTEE

AGENDA FOR

SEPTEMBER 27, 2018

Elsa Saxod – Chair
Gary Arant – Vice Chair
Doug Wilson – Vice Chair
Jimmy Ayala
David Cherashore
Gary Croucher
Ed Gallo

Christy Guerin
Matt Hall
Kathleen Coates Hedberg
Tony Heinrichs
Jim Murtland
John Simpson
Ron Watkins

1. Roll call – determination of quorum.
2. Additions to agenda (Government Code Section 54954.2(b)).
3. Public comment – opportunities for members of the public to address the
   Committee on matters within the Committee’s jurisdiction.
   4-A Directors’ comments.

I. CONSENT CALENDAR

   Staff recommendation: Note and file the Treasurer’s report.
   (Action)

II. ACTION/DISCUSSION/PRESENTATION

2. Amendments to the San Diego County Water Authority Local Conflict of Interest Code. Mark Hattam
   Staff recommendations:
   a) Conduct the Public Hearing.
b) Adopt Resolution No. 2018-____ approving amendments to the San Diego County Water Authority Local Conflict of Interest Code. (Action)

III. INFORMATION

1. Report on purchase orders and contracts for goods and services above $10,000.  
   Baldemar Troche

2. Board calendar.

IV. CLOSED SESSION

V. ADJOURNMENT

NOTE: This meeting is called as an Administrative and Finance Committee meeting. Because a quorum of the Board may be present, the meeting is also noticed as a Board meeting. Members of the Board who are not members of the Committee may participate in the meeting pursuant to Section 2.00.060(g) of the Authority Administrative Code (Recodified). All items on the agenda, including information items, may be deliberated and become subject to action. All public documents provided to the committee or Board for this meeting including materials related to an item on this agenda and submitted to the Board of Directors within 72 hours prior to this meeting may be reviewed at the San Diego County Water Authority headquarters located at 4677 Overland Avenue, San Diego, CA 92123 at the reception desk during normal business hours.

Melinda Nelson
Clerk of the Board
September 19, 2018

Attention: Administrative and Finance Committee

Monthly Treasurer’s Report on Investments and Cash Flow

Purpose
The purpose of the Treasurer’s Report is to provide monthly financial information to the Board of Directors.

Executive Summary
- The Water Authority’s overall portfolio of $349 million increased in yield to 2.00% exceeding investment benchmark of 1.68%.
- Average Water Authority Portfolio term is 1.98 years.
- Water Authority portfolio is well diversified with investment holdings in Agencies, Treasuries and Corporate notes totaling 63% of the portfolio.

Attached for review by the Administrative and Finance Committee and the Board of Directors is the Treasurer’s Report as of August 31, 2018. The reports are formatted to provide information as required by the California Government Code and the San Diego County Water Authority’s Annual Statement of Investment Policy, which was last adopted by the Board on December 7, 2017. A brief description of each report follows:

Portfolio Master Summary: This one-page report summarizes all cash and investments held by the Water Authority.

Portfolio Characteristics: This one-page snapshot shows the Water Authority’s portfolio holdings by type and percentage; the maturity distribution of the portfolio; the portfolio yield for the past twelve months, compared to a rolling average yield of the Board adopted benchmark; the credit quality of the portfolio’s holdings; the cash flow projections for the next six months; and relevant market information.

Chandler Portfolio Summary: This one-page snapshot shows the Chandler Asset portfolio holdings including average duration, coupon, yield and ratings; account summary; top issuers; sector allocation; maturity distribution; and credit quality.

Portfolio Details - Investments: This report takes the summary information listed in the Portfolio Master Summary and provides details of active investments.

Activity Summary: This one-page report produces a thirteen-month rolling summary of portfolio investment activity.
The Water Authority’s portfolio is diversified among investment types, with a current concentration toward short-term maturities. This concentration is the result of cash flow needs, as well as the current historic low interest rate environment. The portfolio is comprised of high quality investments, with 76% invested in AAA rated or AAA/AA+ split-rated securities at month end. In August 2018, the Water Authority’s overall portfolio yield increased from 1.92% to 2.00% and continues to exceed the investment benchmark of 1.68%.

All investments have been made in accordance with the San Diego County Water Authority Statement of Investment Policy. This report provides documentation that the Water Authority has sufficient funds to meet the financial obligations for the next six months. The market value information is provided by Bloomberg L.P. and is as of the report date.

________________________________________________

Lisa Marie Harris, Director of Finance/Treasurer
## PORTFOLIO MASTER SUMMARY
as of August 31, 2018

### PORTFOLIO PERCENTAGES

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Permitted By Board Policy</th>
<th>Portfolio Percentage</th>
<th>Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Agency Investment Fund (LAIF)</td>
<td>$65 Million</td>
<td>7.08%</td>
<td>$23,816,622</td>
</tr>
<tr>
<td>Banker's Acceptances</td>
<td>40%</td>
<td>0.00%</td>
<td>-</td>
</tr>
<tr>
<td>Treasury Securities*</td>
<td>100%</td>
<td>21.46%</td>
<td>72,143,988</td>
</tr>
<tr>
<td>Agency Securities*</td>
<td>100%</td>
<td>30.31%</td>
<td>101,902,336</td>
</tr>
<tr>
<td>Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and Collateralized Mortgage Obligations</td>
<td>20%</td>
<td>0.00%</td>
<td>-</td>
</tr>
<tr>
<td>Supranational Securities*</td>
<td>10%</td>
<td>2.32%</td>
<td>7,790,040</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>20%</td>
<td>0.00%</td>
<td>-</td>
</tr>
<tr>
<td>Reverse Repurchase Agreements</td>
<td>20%</td>
<td>0.00%</td>
<td>-</td>
</tr>
<tr>
<td>Certificates of Deposit (Placement, Negotiable &amp; Time Deposits)</td>
<td>30%</td>
<td>0.74%</td>
<td>2,500,000</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>25%</td>
<td>5.58%</td>
<td>18,749,331</td>
</tr>
<tr>
<td>Medium Term Notes/Corporates*</td>
<td>30%</td>
<td>11.36%</td>
<td>38,196,678</td>
</tr>
<tr>
<td>Municipal Securities</td>
<td>30%</td>
<td>0.00%</td>
<td>-</td>
</tr>
<tr>
<td>JPA Pools (CAMP)</td>
<td>25%</td>
<td>21.09%</td>
<td>70,902,965</td>
</tr>
<tr>
<td>Mutual Funds and Money Market Mutual Funds*</td>
<td>20%</td>
<td>0.06%</td>
<td>203,891</td>
</tr>
<tr>
<td></td>
<td></td>
<td>100.00%</td>
<td>$336,205,851</td>
</tr>
<tr>
<td>Accrued Interest (unavailable for investing)</td>
<td></td>
<td></td>
<td>65,923</td>
</tr>
<tr>
<td>Checking/Petty Cash/Available Funds (unavailable for investing)</td>
<td></td>
<td></td>
<td>229,983</td>
</tr>
<tr>
<td><strong>Subtotal for Pooled Funds:</strong></td>
<td></td>
<td></td>
<td>$336,501,757</td>
</tr>
</tbody>
</table>

**Debt Service Reserve (DSR) Funds Excluded from Portfolio Percentages:**

| Trinity Plus - Reserve (GIC) - Series 1998A COPs                                |                           |                     | 12,240,775  |
| **Subtotal for Debt Service Reserve Funds (unavailable for CIP expenditures):**|                           |                     | $12,240,775  |

**Total Cash and Investments**

<table>
<thead>
<tr>
<th></th>
<th>Pooled Funds **</th>
<th>Debt Service Reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Yield to Maturity - 365 Days</td>
<td>1.87%</td>
<td>5.55%</td>
<td>2.00%</td>
</tr>
<tr>
<td>Average Term</td>
<td>751</td>
<td>1</td>
<td>724</td>
</tr>
<tr>
<td>Average Days to Maturity (730 Days Maximum)</td>
<td>373</td>
<td>1</td>
<td>360</td>
</tr>
</tbody>
</table>

* Some investments in these categories are managed by Chandler Asset Management.

** Pooled Funds include Operating, Pay Go, RSF, Equipment and Stored Water funds.
On August 1st the FOMC made no change to the federal funds range of 175-200 basis points. The next meeting is September 26th.
Portfolio Summary
As of August 31, 2018

PORTFOLIO CHARACTERISTICS

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Modified Duration</td>
<td>2.08</td>
</tr>
<tr>
<td>Average Coupon</td>
<td>1.80%</td>
</tr>
<tr>
<td>Average Purchase YTM</td>
<td>2.05%</td>
</tr>
<tr>
<td>Average Market YTM</td>
<td>2.72%</td>
</tr>
<tr>
<td>Average S&amp;P/Moody Rating</td>
<td>AA/Aa1</td>
</tr>
<tr>
<td>Average Final Maturity</td>
<td>2.18 yrs</td>
</tr>
<tr>
<td>Average Life</td>
<td>2.17 yrs</td>
</tr>
</tbody>
</table>

ACCOUNT SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Beg. Values as of 7/31/18</th>
<th>End Values as of 8/31/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Value</td>
<td>123,613,715</td>
<td>132,483,844</td>
</tr>
<tr>
<td>Accrued Interest</td>
<td>588,000</td>
<td>658,788</td>
</tr>
<tr>
<td>Total Market Value</td>
<td>124,201,715</td>
<td>133,142,631</td>
</tr>
<tr>
<td>Income Earned</td>
<td>168,832</td>
<td>189,862</td>
</tr>
<tr>
<td>Cont/WD</td>
<td></td>
<td>8,450,000</td>
</tr>
<tr>
<td>Par</td>
<td>126,133,624</td>
<td>134,780,803</td>
</tr>
<tr>
<td>Book Value</td>
<td>125,143,419</td>
<td>133,712,493</td>
</tr>
<tr>
<td>Cost Value</td>
<td>125,143,419</td>
<td>133,712,493</td>
</tr>
</tbody>
</table>

SECTOR ALLOCATION

- Agency: 37.6%
- US Corp: 27.2%
- US Treasury: 26.3%
- Supras: 5.9%
- Neg CD: 1.9%
- Foreign Corp: 1.3%
- Money Mkt Fd: 0.1%

MATURITY DISTRIBUTION

- 0 - 25: 60.1%
- 25 - 50: 10.7%
- 50 - 1: 17.3%
- 1 - 2: 3.9%
- 2 - 3: 3.9%
- 3 - 4: 0.1%
- 4 - 5: 1.5%
- 5+: 1.5%

CREDIT QUALITY (S&P)

- AAA: 6.4%
- AA: 78.6%
- NR: 12.1%
- A: 2.9%
- AAA: 78.6%
- AA: 6.4%
- NR: 12.1%
- A: 2.9%
### SDCWA - Fiscal Year 2018
#### Portfolio Management
#### Portfolio Details - Investments
#### August 31, 2018

<table>
<thead>
<tr>
<th>CUSIP</th>
<th>Investment #</th>
<th>Issuer</th>
<th>Average Balance</th>
<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>S&amp;P</th>
<th>YTM</th>
<th>Days to Maturity</th>
<th>Maturity Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Managed Pool Accounts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH21</td>
<td>2200</td>
<td>Bank of New York Mellon Corp</td>
<td>02/05/2018</td>
<td>140,802.76</td>
<td>140,802.76</td>
<td>140,802.76</td>
<td>1.860</td>
<td>A</td>
<td>1.860</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH35</td>
<td>73</td>
<td>CAMP - OPERATING/POOLED</td>
<td></td>
<td>70,902,965.34</td>
<td>70,902,965.34</td>
<td>70,902,965.34</td>
<td>2.110</td>
<td>AAA</td>
<td>2.110</td>
<td>1</td>
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<td></td>
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<tr>
<td>CASH45</td>
<td>4004</td>
<td>CAMP - 2010B BONDS-BABS</td>
<td></td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.770</td>
<td>AAA</td>
<td>0.770</td>
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<tr>
<td>CASH43</td>
<td>4001</td>
<td>GOLDMAN - 2010B BONDS-BABS</td>
<td>07/01/2017</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.310</td>
<td>AAA</td>
<td>0.310</td>
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<td>CASH11</td>
<td>72</td>
<td>LAIF - OPERATING</td>
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<td>23,816,622.05</td>
<td>23,816,622.05</td>
<td>23,816,622.05</td>
<td>2.020</td>
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<td>2.020</td>
<td>1</td>
<td></td>
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<tr>
<td>CASH41</td>
<td>4002</td>
<td>TRINITY PLUS - 1998A</td>
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<td>12,240,775.00</td>
<td>12,240,775.00</td>
<td>12,240,775.00</td>
<td>5.550</td>
<td>AA+</td>
<td>5.550</td>
<td>1</td>
<td></td>
<td></td>
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<tr>
<td>CASH33</td>
<td>208</td>
<td>US BANK MONEY MARKET FUND</td>
<td></td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.001</td>
<td>AAA</td>
<td>0.001</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Medium Term Notes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>037833AO3</td>
<td>20001</td>
<td>APPLE INC.</td>
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<td>1,950,000.00</td>
<td>1,945,417.50</td>
<td>1,982,662.50</td>
<td>2.100</td>
<td>AA+</td>
<td>1.686</td>
<td>247</td>
<td>05/06/2019</td>
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<td>084670BL1</td>
<td>20009</td>
<td>BERKSHIRE HATHAWAY INC.</td>
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<td>2,000,000.00</td>
<td>1,991,380.00</td>
<td>2,010,620.00</td>
<td>2.100</td>
<td>AA</td>
<td>1.966</td>
<td>347</td>
<td>08/14/2019</td>
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<tr>
<td>06406RAA5</td>
<td>20015</td>
<td>Bank of New York Mellon Corp</td>
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<td>2,000,000.00</td>
<td>1,960,880.00</td>
<td>1,990,160.00</td>
<td>2.600</td>
<td></td>
<td>2.708</td>
<td>02/07/2022</td>
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<tr>
<td>166764AN0</td>
<td>20007</td>
<td>CHEVRON CORP.</td>
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<td>2,000,000.00</td>
<td>1,987,300.00</td>
<td>2,027,200.00</td>
<td>2.193</td>
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<td>1.876</td>
<td>440</td>
<td>11/15/2019</td>
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<tr>
<td>00440EAP2</td>
<td>21012</td>
<td>Chubb INA Holdings Inc</td>
<td></td>
<td>2,000,000.00</td>
<td>1,957,000.00</td>
<td>1,951,180.00</td>
<td>2.700</td>
<td>AA</td>
<td>3.446</td>
<td>1,654</td>
<td>03/13/2023</td>
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</tr>
<tr>
<td>532457BQ0</td>
<td>20017</td>
<td>Eli Lilly &amp; Co.</td>
<td></td>
<td>2,000,000.00</td>
<td>1,954,500.00</td>
<td>2,017,440.00</td>
<td>2.350</td>
<td>AA-</td>
<td>2.154</td>
<td>1,352</td>
<td>05/15/2022</td>
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</tr>
<tr>
<td>30231GAD4</td>
<td>20005</td>
<td>Exxon Mobil</td>
<td></td>
<td>2,000,000.00</td>
<td>1,992,980.00</td>
<td>2,030,500.00</td>
<td>1.819</td>
<td>AAA</td>
<td>1.414</td>
<td>195</td>
<td>03/15/2019</td>
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<td>02665WCJ8</td>
<td>21014</td>
<td>AMERICAN HONDA FINANCE CORP</td>
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<td>1,501,891.25</td>
<td>3.450</td>
<td>AA</td>
<td>3.437</td>
<td>1,777</td>
<td>07/14/2023</td>
<td></td>
</tr>
<tr>
<td>40482B0F5</td>
<td>21022</td>
<td>HSBC HOLDINGS</td>
<td></td>
<td>1,750,000.00</td>
<td>1,709,244.93</td>
<td>1,713,147.43</td>
<td>2.650</td>
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### SDCWA - Fiscal Year 2018
#### Portfolio Management
#### Portfolio Details - Investments
#### August 31, 2018

#### Negotiable CD's

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**Subtotal and Average**: 322,580.65, 2,500,000.00, 2,500,000.00, 2,500,000.00, 2.52, A-1, 2.555, 235

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**Subtotal and Average**: 11,375,862.01, 19,000,000.00, 18,749,330.84, 18,749,330.83, 2.52, 159

#### Federal Agency - Coupon

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**Subtotal and Average**: 101,930,634.13, 100,388,482.01, 101,290,000.00, 99,779,298.37, 2.827, 235

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### SDCWA - Fiscal Year 2018
**Portfolio Management**
**Portfolio Details - Cash**  
**August 31, 2018**

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<td>PETTY CASH</td>
<td>0.00</td>
<td>07/01/2017</td>
<td>2,500.00</td>
<td>0.00</td>
<td>2,500.00</td>
<td>0.000</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH02</td>
<td>1000</td>
<td>WELLS FARGO - OPERATING/POOLED</td>
<td>231,950.32</td>
<td>07/01/2017</td>
<td>231,950.32</td>
<td>231,950.32</td>
<td>231,950.32</td>
<td>0.001</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH03</td>
<td>1001</td>
<td>WELLS FARGO - PAYROLL ZBA</td>
<td>-4,467.64</td>
<td>07/01/2017</td>
<td>-4,467.64</td>
<td>-4,467.64</td>
<td>-4,467.64</td>
<td>0.000</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASH39</td>
<td>4000</td>
<td>WELLS FARGO - 2010B BONDS-BABS</td>
<td>0.00</td>
<td>07/01/2017</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.000</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Average Balance</strong></td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Total Cash and Investments</strong></td>
<td>354,231,610.08</td>
<td></td>
<td>348,784,236.54</td>
<td>345,963,833.75</td>
<td>348,742,531.19</td>
<td>1.995</td>
<td>360</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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**Run Date:** 09/05/2018 - 15:12

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September 19, 2018

Attention: Administrative and Finance Committee

Controller’s Report on Monthly Financial Activity. (Information)

Purpose
The purpose of the Controller’s Report is to provide summarized financial information on a monthly basis to the Board of Directors.

Financial Information
Attached for review by the Administrative and Finance Committee and the Board of Directors are the following financial documents comprising the Controller’s Report:

1. Water Sales Volumes, in acre-feet
2. Water Sales Revenues, in millions
3. Water Purchases and Treatment Costs, in millions
4. Budget Status Report
5. Schedule of Cash and Investments

The Water Authority is in the process of undergoing the year-end audit and preparing the audited Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. This report contains preliminary/unaudited financial information for the twelve-month period of July 1, 2017 through June 30, 2018.

Fiscal Year 2018 Results
The Water Authority closed out Fiscal Year 2018 favorably compared to Budget. Both the Original and Amended Budgets called for a withdraw from fund balance of $26.6 million as shown below, but only $13.2 million was required. This favorable variance was attributed to higher revenues in most revenue categories, as well as from overall savings in expenses of $1 million. The Capital Improvement Program (CIP) expenses matched back to Budget evenly and were only higher due to the payment to resolve the San Vicente Dam litigation. This overall favorable variance will carry over into Fiscal Year 2019, the second year of the two-year Budget.

<table>
<thead>
<tr>
<th></th>
<th>FY 2018</th>
<th>Variance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Original Budget</td>
<td>Amended Budget</td>
<td>Actual</td>
</tr>
<tr>
<td>Net Water Sales Revenues</td>
<td>$140.0</td>
<td>$140.0</td>
<td>$149.4</td>
</tr>
<tr>
<td>Revenues &amp; Other Income</td>
<td>110.3</td>
<td>110.3</td>
<td>126.3</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>250.3</td>
<td>250.3</td>
<td>275.7</td>
</tr>
<tr>
<td>Expenses</td>
<td>218.6</td>
<td>218.6</td>
<td>217.6</td>
</tr>
<tr>
<td>Net Revenues Before CIP</td>
<td>31.7</td>
<td>31.7</td>
<td>58.1</td>
</tr>
<tr>
<td>CIP Expenses</td>
<td>58.3</td>
<td>58.3</td>
<td>71.3</td>
</tr>
<tr>
<td>Net Fund Withdraws</td>
<td>$(26.6)</td>
<td>$(26.6)</td>
<td>$(13.2)</td>
</tr>
</tbody>
</table>
Net Water Sales Revenue

Net Water Sales Revenue is the Water Authority’s principal source of revenue and is the difference between the sale of water and the cost of that water.

Sales include revenues from:

<table>
<thead>
<tr>
<th>Variable Commodity Charges</th>
<th>Fixed Charges</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Treatment</td>
<td>2. Storage Charge</td>
</tr>
<tr>
<td>3. Transportation</td>
<td>3. Infrastructure Access Charge</td>
</tr>
</tbody>
</table>

Cost of water includes payments to three water suppliers:

1. Metropolitan Water District (MWD)
2. Imperial Irrigation District (IID)
3. Poseidon Resources (Channelside) LP

Net Water Sales Revenue was $149.4 million, 7 percent higher than the budgeted amount of $140.0 million. Water Purchases and Treatment Costs were below anticipated amounts due to lower than projected water sales as well as reduced purchases from the Claude “Bud” Lewis Carlsbad Desalination Plant (Plant) resulting from unanticipated plant downtime for repairs. Detailed information relating to Net Water Sales Revenue is described below and shown on Attachments 1, 2, and 3.

Total acre-feet (AF) of water sold was budgeted to be 431,353 AF. Actual water sales volume was 399,826 AF, 31,527 AF or 7 percent lower than budgeted (Attachment 1). Total Water Sales Revenue was $591.8 million, 7 percent lower than the budgeted amount of $635.1 million (Attachment 2). Lower water sales volumes can be attributed to two primary factors: 1) the commencement of deliveries through the Indian Water Authority to Vista and Escondido that directly offset budgeted sales to those agencies and 2) greater than projected member agency use of local surface water supplies.

Total Water Purchases and Treatment costs were budgeted at $495.1 million. Actual costs were $442.4 million, 11 percent lower than budgeted (Attachment 3). The primary driver for the variance is the shutdown that occurred at the Plant late last summer due to a mechanical coupling failure. The Plant was shut down for approximately 53 days during the first six months of the fiscal year. This resulted in replacement water purchases from MWD. In addition, when the Plant is not producing at levels required by the Water Purchase Agreement, Poseidon is obligated to make a shortfall payment. This amount is recorded as Other Income in the financial statements.  A provision does exist in the Water Purchase Agreement that allows Poseidon to make up for shortfalls within the fiscal year, but they were not able to make up the cumulative difference by fiscal year end.

Additionally, this cost category included $74.4 million for 114,998 AF of water purchased from IID, and $90.6 million for MWD’s conveyance charges related to IID, Coachella Canal and All-American Canal water. Also reflected in actual costs were water purchases from Poseidon Resources (Channelside) LP of approximately $98.5 million.
Revenues and Other Income
As shown in Attachment 4, total Revenues and Other Income were budgeted at $110.3 million for the twelve-month period ended June 30, 2018. Actual revenues were $126.3 million, 14 percent higher than budgeted.

Categories of revenues in which actual revenues were materially higher than the twelve-month period-to-date budget included the following:

- **Capacity Charges** - $11.5 million higher than period-to-date budget. The significant increase in Capacity Charges was due to a greater number of permits issued than anticipated because of several major housing developments in San Diego, Santee, and Escondido. Due to high housing demand, construction is expected to continue throughout the current year.

- **Other Income** - $9.5 million more than period-to-date budget primarily due to shortfall revenue related to the Claude “Bud” Lewis Carlsbad Desalination Plant of $7.2 million, an insurance refund received from Liberty Mutual for the Emergency and Carryover Storage Project of $0.9 million, and $1.5 million of miscellaneous revenue reimbursements received.

Categories of revenues in which actual revenues were materially lower than the twelve-month period-to-date budget included the following:

- **Grant Reimbursements** - $4.5 million lower than budgeted due to the timing of reimbursements received for Integrated Regional Water Management Program (IRWMP). A minimal amount of grant revenues is retained by the Water Authority as grant administrator and the remainder is a pass-through to local project sponsors.

- **Contributions in Aid of Capital Improvement Program (CIAC)** - $1.6 million lower than period-to-date budget as there has been minimal corresponding revenues this year. CIAC is tied to grants or reimbursements from member agencies on projects benefiting them and these have been affected due to timing.

- **Build America Bonds Subsidy** – $0.8 million lower than period-to-date budget due to reduction in the annual subsidy from the sequestration rate by Congress that was not available at the time the budget was adopted. The Water Authority continues to receive semi-annual subsidy payments from the United States Treasury equal to 35 percent of interest payable on Series 2010B Bonds, net of the sequestration reduction.

Expenses
As shown in Attachment 4, total Expenses were budgeted at $218.6 million for the twelve-month period ended June 30, 2018. Actual expenses were $217.6 million, $1.0 million lower than budgeted.

Categories of expenses in which actual expenses were materially lower than the twelve-month period-to-date budget included the following:

- **Grant Expenses** - $4.7 million lower than period-to-date budget resulting from the timing delay in expense recognition of the pass-through IRWMP grants. Most of the expenses are offset with corresponding grant revenues.
Operating Departments - $5.2 million below period-to-date budget. Roughly half this variance is the result from vacant staff positions currently being recruited which have caused both salary and benefit expenses to be below budget. The other material difference is attributable to lower professional and technical services costs due to timing of projects.

Equipment Replacement - $0.9 million below period-to-date budget due to timing of purchases. Budget assumes a straight-line level of purchases, but timing of purchases is more complex due to the nature of the items being acquired resulting in temporary variances.

Categories of expenses in which actual expenses were materially higher than the twelve-month period-to-date budget included the following:

Debt Service - $9.1 million higher compared to the adopted period-to-date budget due to the net effect of bond interest and commercial paper fee payments in total being higher than budget.

Other Expenses - $0.6 million more than period-to-date budget primarily due to maintenance expenses associated with the Mission Trails Chlorine Injection project and Skinner Plant project.

CIP Expenses
Attachment 4 shows CIP Expenses were budgeted at $58.3 million. Actual expenses were $71.3 million, $13.0 million higher than the budgeted amount, however, $12.8 million of the variance is attributable to the resolution of the San Vicente Dam litigation. Notwithstanding this payment, the CIP expenses matched back to budget for Fiscal Year 2018. Fiscal Years 2018 and 2019 CIP expenses are all funded through the Pay-As-You-Go Fund.

Cash and Investments
As of June 30, and May 31, 2018, the overall balance in the Water Authority’s cash and investments was $355.1 million and $349.1 million, respectively (Attachment 5). As of June 30, 2018, the cash and investments balance were approximately 60 percent unrestricted funds with the remaining 40 percent of funds restricted for specific purposes. To maximize investment returns, the Water Authority Treasurer pools the cash of the Pay-As-You-Go Fund with total unrestricted funds. For additional information on cash positions and purposes, see the Schedule of Cash and Investments (Attachment 5).
*Budgeted amounts are based on the Adopted Multi-Year Budget for Fiscal Years 2018 and 2019.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget (a)</td>
<td>50,172</td>
<td>100,133</td>
<td>144,944</td>
<td>183,572</td>
<td>214,851</td>
<td>242,655</td>
<td>266,443</td>
<td>288,214</td>
<td>315,331</td>
<td>348,044</td>
<td>386,055</td>
<td>431,353</td>
</tr>
<tr>
<td>Actual</td>
<td>41,812</td>
<td>85,217</td>
<td>124,748</td>
<td>166,200</td>
<td>199,748</td>
<td>222,937</td>
<td>247,082</td>
<td>271,036</td>
<td>292,608</td>
<td>325,042</td>
<td>360,219</td>
<td>399,826</td>
</tr>
<tr>
<td>AF Difference (b)</td>
<td>(8,360)</td>
<td>(14,916)</td>
<td>(20,196)</td>
<td>(17,372)</td>
<td>(15,103)</td>
<td>(19,718)</td>
<td>(19,361)</td>
<td>(17,178)</td>
<td>(22,723)</td>
<td>(23,002)</td>
<td>(25,836)</td>
<td>(31,527)</td>
</tr>
<tr>
<td>Cum. Actual AF</td>
<td>-17%</td>
<td>-15%</td>
<td>-14%</td>
<td>-9%</td>
<td>-7%</td>
<td>-8%</td>
<td>-7%</td>
<td>-6%</td>
<td>-7%</td>
<td>-7%</td>
<td>-7%</td>
<td>-7%</td>
</tr>
</tbody>
</table>

*Fiscal Year 2018 Cumulative Water Sales (AF)*
*Budgeted amounts are based on the Adopted Multi-Year Budget for Fiscal Years 2018 and 2019.

**WATER SALES REVENUES**

Budget Versus Actual (in Millions $)
for the 12 Months Ended June 30, 2018

*Budget (a) | Actual | Difference (b) | Cumulative Actual | % Difference (b/a)
--- | --- | --- | --- | ---
Jul-17 | $68.0 | $58.2 | $(9.8) | -14%
Aug-17 | $135.9 | $117.8 | $(18.1) | -13%
Sep-17 | $197.7 | $173.2 | $(24.5) | -12%
Oct-17 | $253.0 | $230.9 | $(22.1) | -9%
Nov-17 | $300.1 | $278.4 | $(21.7) | -7%
Dec-17 | $343.5 | $317.1 | $(26.4) | -6%
Jan-18 | $383.5 | $357.1 | $(26.4) | -6%
Feb-18 | $421.3 | $397.0 | $(24.3) | -7%
Mar-18 | $464.8 | $433.6 | $(31.2) | -6%
Apr-18 | $514.8 | $482.7 | $(32.1) | -6%
May-18 | $570.7 | $535.0 | $(35.7) | -6%
Jun-18 | $635.1 | $591.8 | $(43.3) | -7%

*Budgeted amounts are based on the Adopted Multi-Year Budget for Fiscal Years 2018 and 2019.
*Budgeted amounts are based on the Adopted Multi-Year Budget for Fiscal Years 2018 and 2019.

<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Budget (a)</em></td>
<td>$53.9</td>
<td>$107.6</td>
<td>$155.6</td>
<td>$198.5</td>
<td>$233.8</td>
<td>$265.8</td>
<td>$296.6</td>
<td>$325.9</td>
<td>$369.4</td>
<td>$398.8</td>
<td>$443.1</td>
<td>$495.1</td>
</tr>
<tr>
<td>Actual</td>
<td>$44.9</td>
<td>$87.4</td>
<td>$124.7</td>
<td>$168.6</td>
<td>$203.6</td>
<td>$232.9</td>
<td>$263.8</td>
<td>$295.8</td>
<td>$324.5</td>
<td>$358.4</td>
<td>$397.2</td>
<td>$442.4</td>
</tr>
<tr>
<td>Difference (b)</td>
<td>$(9.0)</td>
<td>$(20.2)</td>
<td>$(30.9)</td>
<td>$(29.9)</td>
<td>$(30.2)</td>
<td>$(32.9)</td>
<td>$(32.8)</td>
<td>$(30.1)</td>
<td>$(34.9)</td>
<td>$(40.4)</td>
<td>$(45.9)</td>
<td>$(52.7)</td>
</tr>
<tr>
<td>% Difference (b/a)</td>
<td>-17%</td>
<td>-19%</td>
<td>-20%</td>
<td>-15%</td>
<td>-13%</td>
<td>-12%</td>
<td>-11%</td>
<td>-9%</td>
<td>-10%</td>
<td>-10%</td>
<td>-10%</td>
<td>-11%</td>
</tr>
</tbody>
</table>

Fiscal Year 2018 Cumulative Cost of Water Purchases and Treatment (in Millions $)

*Budgeted amounts are based on the Adopted Multi-Year Budget for Fiscal Years 2018 and 2019.*
### Attachment 4

**San Diego County Water Authority**

**Fiscal Year 2018 Budget Status Report**

*For the 12 Months Ended June 30, 2018 Unaudited*

---

#### [A] [B] [C] Revenues = [B + C] Expenditures = [B - C] [C / B]

<table>
<thead>
<tr>
<th>FY 2018 (12 months - 100%)</th>
<th>FY 2018</th>
<th>FY 2018</th>
<th>12 Months</th>
<th>Variance</th>
<th>Actual to FY 2018 Amended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Originally Adopted Budget</td>
<td>Amended Budget</td>
<td>(a)</td>
<td>(b)</td>
<td>(c)</td>
<td>Positive (Negative)</td>
</tr>
</tbody>
</table>

#### Net Water Sales Revenue

<table>
<thead>
<tr>
<th></th>
<th>FY 2018</th>
<th>FY 2018</th>
<th>12 Months</th>
<th>Variance</th>
<th>Actual to FY 2018 Amended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Sales</td>
<td>$635,069,193</td>
<td>$635,069,193</td>
<td>$591,809,280</td>
<td>$43,259,913</td>
<td>93%</td>
</tr>
<tr>
<td>Water Purchases &amp; Treatment</td>
<td>495,079,731</td>
<td>495,079,731</td>
<td>442,369,171</td>
<td>52,710,560</td>
<td>89%</td>
</tr>
<tr>
<td><strong>Total Net Water Sales Revenue</strong></td>
<td>139,989,462</td>
<td>139,989,462</td>
<td>149,440,109</td>
<td>9,450,647</td>
<td>107%</td>
</tr>
</tbody>
</table>

#### Revenues and Other Income

- **Infrastructure Access Charges**: 32,477,000
- **Property Taxes and In-Lieu Charges**: 12,555,000
- **Investment Income**: 5,175,000
- **Hydroelectric Revenue**: 3,532,727
- **Grant Reimbursements**: 15,470,000
- **Build America Bonds Subsidy**: 11,303,000
- **Other Income**: 489,000
- **Capital Contributions: Capacity Charges**: 16,629,000
- **Water Standby Availability Charges**: 11,114,000
- **Contributions in Aid of Capital Improvement Program (CIP)**: 1,570,000

**Total Revenues and Other Income**: 110,317,000

**Total Revenues**: 250,306,462

#### Expenses

- **Debt Service**: 138,577,000
- **QSA Mitigation**: 10,164,814
- **Equipment Replacement**: 2,292,000
- **Grant Expenses**: 15,720,000
- **Other Expenses**: 500,000
- **Operating Departments (see below)**

**Total Expenses**: 218,624,731

**Operating Departments**

<table>
<thead>
<tr>
<th>Department</th>
<th>FY 2018 Budget</th>
<th>FY 2018 Amended Budget</th>
<th>Variance</th>
<th>Amended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative Services</td>
<td>$5,843,546</td>
<td>$5,848,546</td>
<td>$5,464,987</td>
<td>$383,559</td>
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<tr>
<td>Colorado River Program</td>
<td>1,669,583</td>
<td>1,669,583</td>
<td>1,238,291</td>
<td>431,292</td>
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<tr>
<td>Engineering</td>
<td>3,532,727</td>
<td>3,835,187</td>
<td>3,260,478</td>
<td>574,709</td>
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<tr>
<td>Finance</td>
<td>2,437,485</td>
<td>2,437,485</td>
<td>2,370,247</td>
<td>67,238</td>
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<tr>
<td>General Counsel</td>
<td>3,480,151</td>
<td>3,480,151</td>
<td>2,987,580</td>
<td>492,571</td>
</tr>
<tr>
<td>General Manager &amp; Board of Directors</td>
<td>4,877,034</td>
<td>4,519,574</td>
<td>4,178,171</td>
<td>341,403</td>
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<tr>
<td>MWD Program</td>
<td>2,238,155</td>
<td>2,238,155</td>
<td>1,994,055</td>
<td>244,100</td>
</tr>
<tr>
<td>Operations &amp; Maintenance</td>
<td>19,642,917</td>
<td>19,642,916</td>
<td>17,989,983</td>
<td>1,652,933</td>
</tr>
<tr>
<td>Public Outreach and Conservation</td>
<td>3,882,715</td>
<td>3,937,715</td>
<td>3,354,394</td>
<td>583,321</td>
</tr>
<tr>
<td>Water Resources</td>
<td>3,766,604</td>
<td>3,766,603</td>
<td>3,386,471</td>
<td>380,132</td>
</tr>
<tr>
<td><strong>Total Operating Departments</strong></td>
<td>$51,370,917</td>
<td>$51,375,915</td>
<td>$46,224,657</td>
<td>$5,151,258</td>
</tr>
</tbody>
</table>
Notes to the Budget Status Report:

a) Period-to-date budgeted amounts are 12/12ths (100%) of Fiscal Year 2018 adopted budget unless noted.
b) Water sales and water purchases period-to-date budgeted amounts are based on projected acre-feet calculated per month.
c) Property taxes are primarily received in December and April. In-lieu charges in the amount of $559,402 for Fiscal Year 2018 are received quarterly from the City of San Diego.
d) Investment income excludes unrealized gains/losses, which are non-cash transactions.
e) Hydroelectric revenue budget amount includes Rancho Penasquitos Pressure Control and Hydroelectric Facility (Rancho Hydro) and Lake Hodges Pumped Storage Facility (Hodges Hydro). Power generating from both locations are sold to San Diego Gas and Electric.
f) Capacity charges are primarily received in July, October, January and April, after the quarterly period ends, and accrued revenue are recorded for the quarter ending June.
g) Water standby availability charges are primarily received in January and May.
h) Contributions in aid of capital improvement program include planned reimbursements for miscellaneous projects.
i) Bonds and Certificates of Participation debt service payments are due semi-annually on November 1 and May 1. Pipeline Bonds, Series 2012 debt service payments are due semi-annually on July 1 and January 1. Debt Service includes principal, interest expense, and debt service fees. Amortization expense relating to long-term debt, such as discounts, premiums, and deferred loss on refunding are excluded because they are non-cash transactions.
j) The QSA mitigation payments includes: QSA JPA Fiscal Year 2018 contributions of $1,850,000 is due in July 2017 and $8,314,814 is due in December 2017; QSA JPA Fiscal Year 2019 contributions of $1,750,000 is due in July 2018 and $6,914,667 is due in December 2018.
k) Amounts include capital equipment purchases included in the project budget and not funded through the Equipment Replacement Fund.
l) The semi-annual subsidy payments from the United States Treasury equal to 35 percent of the interest payable on the Series 2010B Bonds were reduced under Congressionally-mandated sequestration by 6.9% in October 2017 and an additional 6.6% in April 2018.
m) In June 2018, the Board approved the mid-term budget adjustments which resulted in moving $4,998 of Operating Department expenses from FY19 to FY18.
n) Includes withdraws from fund balances.
San Diego County Water Authority
Schedule of Cash and Investments
As of June 30, and May 31, 2018

Unaudited

<table>
<thead>
<tr>
<th>Fund Category</th>
<th>June</th>
<th>May</th>
<th>Target</th>
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</thead>
<tbody>
<tr>
<td>Operating Fund</td>
<td>$74,765,603</td>
<td>$66,270,985</td>
<td>$83,337,000</td>
</tr>
<tr>
<td>Equipment Replacement Fund</td>
<td>919,490</td>
<td>940,614</td>
<td></td>
</tr>
<tr>
<td>Rate Stabilization Fund</td>
<td>136,740,512</td>
<td>136,689,705</td>
<td>$97,400,000</td>
</tr>
<tr>
<td><strong>Total Unrestricted Funds</strong></td>
<td><strong>212,425,605</strong></td>
<td><strong>203,901,304</strong></td>
<td></td>
</tr>
</tbody>
</table>

Pay-As-You-Go Fund (1) 119,984,952 122,566,320

Debt Service Reserve Funds 22,665,917 22,648,640

<table>
<thead>
<tr>
<th>Fund Category</th>
<th>Pay-As-You-Go Fund</th>
<th>Debt Service Reserve Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>119,984,952</td>
<td>22,665,917</td>
</tr>
<tr>
<td></td>
<td>122,566,320</td>
<td>22,648,640</td>
</tr>
<tr>
<td><strong>Total Restricted Funds</strong></td>
<td><strong>142,650,869</strong></td>
<td><strong>145,214,960</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fund Category</th>
<th>Total Cash and Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$355,076,474$</td>
</tr>
</tbody>
</table>

Note:
(1) Total Unrestricted Funds and the Pay-As-You-Go Fund represent the Pooled Funds in the Treasurer's Report.

Reserve Fund Categories

Operating Fund: The Water Authority's working capital and emergency operating reserve. The Operating Fund's policy requires a maximum of 45 days of average annual operating expenses to be kept in reserves as assessed on an annual basis.

Stored Water Fund (SWF): This fund provides working capital to purchase water inventory necessary to fully utilize the Water Authority's storage facilities. A 70,000 acre-feet target was established for Carryover Storage inventory along with a maximum of 100,000 acre-feet, which is the storage capacity. The SWF is to only hold a cash position if the cost to replace the target amount is below the current value of water inventory in the fund.

Equipment Replacement Fund (ERF): The ERF is funded by transfers from the Operating Fund for capital equipment purchases such as computers, vehicles, and SCADA systems and is used to replace equipment which has reached the end of its effective useful life.

Rate Stabilization Fund (RSF): The RSF holds the water revenues greater than expenditures in years of strong water sales. Funds can then be used to mitigate "rate shock" in years of weak water sales and/or to manage debt service coverage. The RSF target balance is equal to the financial impact of 2.5 years of wet weather or mandatory restrictions and the maximum fund balance is equal to the financial impact of 3.5 years of wet weather or mandatory restrictions. The current balance in this fund represents approximately 140% of the targeted value of $97.4 million and 98% of the maximum balance of $139.9 million.

Pay-As-You-Go Fund (PAYGO): The PAYGO fund collects Capacity Charges and Water Standby Availability Charges to be used to pay for the cash portion of the CIP. The funds are dedicated for construction outlays as well as debt service.

Debt Service Reserve Fund: This fund contains the required legal reserve for Water Authority debt issues. Such reserves are held for the purpose of making an issue’s annual debt service payments in the event the Water Authority should be unable to make such payments. The funds are held by trustees and interest earned is transferred into the Operating Fund and is not restricted.
September 19, 2018

Attention: Administrative and Finance Committee

Amendments to the San Diego County Water Authority Local Conflict of Interest Code. (Action)

Staff recommendation:
1. Conduct the Public Hearing.
2. Adopt Resolution No. 2018-___ approving amendments to the San Diego County Water Authority Local Conflict of Interest Code.

Fiscal Impact
There is no fiscal impact.

Background
The state Political Reform Act requires each local agency to adopt a local conflict of interest code and to update its code every two years. The Water Authority last updated its Local Conflict of Interest Code in 2016.

Discussion
The Water Authority's Local Conflict of Interest Code is adopted by Administrative Code Chapter 1.04, Section 1.04.120. The code includes an Appendix that designates those employment and consultant positions that are subject to the Local Conflict of Interest Code and the disclosure categories applicable to those positions. Every two years, the Board considers amendments to the Appendix to account for the addition, deletion, or modification of designated positions. The procedure for making substantive amendments to conflict of interest codes includes a public hearing. A copy of the proposed revised Appendix listing designated employees, and the corresponding disclosure categories are attached to this memo. The revised Appendix has been reviewed by the executive staff.

Staff recommends the Board conduct the Public Hearing, and adopt Resolution No. 2018-___ approving amendments to the San Diego County Water Authority Local Conflict of Interest Code.

Prepared by: Rosann Gallien, Assistant General Counsel
Approved by: Mark J. Hattam, General Counsel

Attachments:
Attachment 1 - Resolution No. 2018-___
Attachment 2 - Proposed Conflict of Interest Code Appendix (2018 redline)
RESOLUTION NO. 2018-____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY WATER AUTHORITY APPROVING AMENDMENTS TO THE SAN DIEGO COUNTY WATER AUTHORITY LOCAL CONFLICT OF INTEREST CODE

WHEREAS, on August 23, 2018, the Board of Directors set September 27, 2018, as the date for the Administrative and Finance Committee to hold a public hearing to consider amendments to the San Diego County Water Authority Local Conflict of Interest Code; and

WHEREAS, on September 27, 2018, the Administrative and Finance Committee held a public hearing to consider amendments to the San Diego County Water Authority Local Conflict of Interest Code; and

WHEREAS following the public hearing, the Administrative and Finance Committee recommended adoption of amendments to the San Diego County Water Authority Local Conflict of Interest Code;

NOW, THEREFORE, the Board of Directors of the San Diego County Water Authority resolves the following:

1. The San Diego County Water Authority Local Conflict of Interest Code Appendix (2018 Update), attached hereto, is approved.

2. The General Counsel is directed to provide a certified copy of this resolution to the Clerk of the Board of Supervisors.

PASSED, APPROVED AND ADOPTED, this 27th day of September 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

___________________________________
Mark Muir, Chair

ATTEST:

__________________________________
Gary Croucher, Secretary
I, Melinda Nelson, Clerk of the Board of Directors of the San Diego County Water Authority, certify that the vote shown above is correct and this Resolution No. 2018-____ was duly adopted at the meeting of the Board of Directors on the date stated above.

______________________________
Melinda Nelson, Clerk of the Board
APPENDIX
SAN DIEGO COUNTY WATER AUTHORITY
LOCAL CONFLICT OF INTEREST CODE

List of Designated Positions and Disclosure Requirements
(2016 Update)

SECTION 1: AUTHORITY AND SCOPE

This Appendix is adopted pursuant to and as a part of the San Diego County Water Authority Local Conflict of Interest Code, which adopts by reference the latest provisions of Section 18730 of Title 2 of the California Code of Regulations.

The San Diego County Water Authority Local Conflict of Interest Code contains both requirements for the disclosure of financial interests and disqualification requirements. Violations of the local conflict of interest code are subject to the administrative, criminal and civil sanctions of the Political Reform Act.

This Appendix contains a list of designated positions and disclosure requirements for employees holding designated positions. This Appendix is the “Appendix” referred to in subsection (b)(3) [Disclosure Categories] of 2 Cal. Code of Regs. Section 18730. The General Manager, in consultation with the General Counsel, may add designated positions and establish disclosure requirements for such positions whenever a new job classification is created. Such designation shall be effective pending amendment of the Code or this Appendix by the Board of Directors.

The Members of the Board of Directors, the General Manager, the Director of Finance and the Treasurer are designated as “other public officials who manage public investments” under Government Code Section 87200 and 2 Cal. Code of Regs. Section 18700.3. Persons in these positions are required to disclose financial interests pursuant to Government Code sections 87200 - 87210 and are, therefore, not included in the list set forth below. However, such persons are subject to the disqualification requirements of the San Diego County Water Authority Local Conflict of Interest Code.

SECTION 2: EFFECTIVE DATE

This 2016 update of the Appendix shall be effective the day following its approval by the code reviewing body. The San Diego County Board of Supervisors is designated by statute as the code reviewing body for the San Diego County Water Authority. Following approval by the code reviewing body, this Appendix remains in effect until repealed or superseded.

SECTION 3: LIST OF DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

The positions within the Water Authority listed in this section are “designated positions.” Any person whose employment position (whether full time, part time or temporary) with the Water Authority is a designated position, is a “designated employee” for the purposes of the local conflict of interest code. Designated employees shall disclose in the manner provided in the local conflict of interest code, those reportable financial interests which are within each of the categories represented by the numerals following each listed position. Each disclosure category is identified
Disclosure requirements for interests in each disclosure category are set forth in subsection (b)(7) [Manner of Reporting] of 2 Cal. Code of Regs. Section 18730.

<table>
<thead>
<tr>
<th>Category Number</th>
<th>Reportable Financial Interests</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>All investments</td>
</tr>
<tr>
<td>2</td>
<td>All sources of income</td>
</tr>
<tr>
<td>3</td>
<td>All interests in real property</td>
</tr>
<tr>
<td>4</td>
<td>All business positions</td>
</tr>
<tr>
<td>5</td>
<td>Investments and business positions in business entities, and sources of income, engaged directly or indirectly, in land development, construction, civil engineering, environmental consulting, land planning, real estate (including without limitation brokerage, sales, marketing, leasing, appraisal, and lending), commercial lending, banking or farming.</td>
</tr>
<tr>
<td>6</td>
<td>Investments and business positions in business entities, and sources of income, engaged, directly or indirectly, in development, distribution, transfer, conservation, storage, treatment, reclamation or marketing of water.</td>
</tr>
<tr>
<td>7</td>
<td>Investments and business positions in business entities, and sources of income, engaged in architecture, engineering, accounting, auditing, law, public relations, provision of temporary employees, office products, telecommunications, computer hardware and software, personnel services, management services, or in the manufacture, production, vending or servicing of goods, materials, machinery or equipment of the type routinely used or purchased by public water agencies; including those entities and sources within the scope of category 8.</td>
</tr>
<tr>
<td>8</td>
<td>Investments and business positions in business entities, and sources of income who have contracted with the Authority within the past two years or who in the future may foreseeably contract with the Authority to provide services, supplies, materials, machinery or equipment. Reporting under this category shall apply to those contracts for services, supplies, materials, machinery or equipment acquisition, the solicitation, negotiation, or administration of which are within the scope of regular and customary job duties of the employee.</td>
</tr>
</tbody>
</table>
### Designated Positions

#### General Manager’s Office
- **Assistant General Manager**: 1, 2, 3, 4
- **Deputy General Manager**: 1, 2, 3, 4
- **Energy Program Manager**: 1, 2, 3, 4
- **Executive Administrative Assistant**: 8
- **Government Relations Manager**: 5, 6, 7
- **Management Analyst**: 5, 6, 7
- **Senior Management Analyst**: 5, 6, 7

#### General Counsel’s Office
- **General Counsel**: 1, 2, 3, 4
- **Assistant General Counsel**: 1, 2, 3, 4
- **Deputy General Counsel**: 1, 2, 3, 4
- **Legal Administrative Assistant**: 8

#### Administrative Services Department
- **Director of Administrative Services**: 1, 2, 3, 4
- **Administrative Services Manager**: 1, 2, 3, 4
- **Facilities Services Technician**: 7
- **Information Security Officer**: 1, 2, 3, 4
- **Information Systems Manager**: 7
- **Information Systems Supervisor**: 7
- **Management Analyst**: 7
- **Purchasing Technician I and II**: 8
- **Safety Officer**: 8
- **Senior Management Analyst**: 1, 2, 3, 4
- **Supervising Management Analyst**: 1, 2, 3, 4

#### Clerk of the Board
- **Clerk of the Board**: 7
- **Deputy Clerk of the Board**: 7

#### Colorado River Program
- **Colorado River Program Director**: 1, 2, 3, 4
- **Assistant Water Resource Specialist**: 8
- **Engineer (P.E.)**: 5, 6, 7
- **QSA Outreach Coordinator**: 5, 6, 7
- **Senior Water Resources Specialist**: 5, 6, 7
- **Water Resources Specialist**: 5, 6, 7

#### Engineering Department
- **Director of Engineering**: 1, 2, 3, 4
- **Assistant Management Analyst**: 5, 7
- **Engineer (P.E.)**: 5, 7
- **Engineer I**: 5, 7
<table>
<thead>
<tr>
<th>Position</th>
<th>Code(s)</th>
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</thead>
<tbody>
<tr>
<td>Engineer II</td>
<td>5, 7</td>
</tr>
<tr>
<td>Engineering Manager</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Engineering Technician I</td>
<td>5</td>
</tr>
<tr>
<td>Engineering Technician II</td>
<td>5</td>
</tr>
<tr>
<td>Land Surveyor (P.L.S.)</td>
<td>5, 7</td>
</tr>
<tr>
<td>Management Analyst</td>
<td>5, 7</td>
</tr>
<tr>
<td>Principal Construction Manager</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Principal Engineer</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Right of Way Agent</td>
<td>5, 7</td>
</tr>
<tr>
<td>Right of Way Manager</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Right of Way Supervisor</td>
<td>5, 7</td>
</tr>
<tr>
<td>Right of Way Technician I</td>
<td>5, 7</td>
</tr>
<tr>
<td>Right of Way Technician II</td>
<td>5, 7</td>
</tr>
<tr>
<td>Right of Way Technician III</td>
<td>5, 7</td>
</tr>
<tr>
<td>Right of Way Technician IV</td>
<td>5, 7</td>
</tr>
<tr>
<td>Senior Construction Manager</td>
<td>5, 7</td>
</tr>
<tr>
<td>Senior Engineer</td>
<td>5, 7</td>
</tr>
<tr>
<td>Senior Engineering Manager</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Senior Engineering Technician</td>
<td>5, 7</td>
</tr>
<tr>
<td>Senior Management Analyst</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Senior Project Scheduler</td>
<td>5, 7</td>
</tr>
<tr>
<td>Senior Right of Way Agent</td>
<td>5, 7</td>
</tr>
<tr>
<td>Senior Survey Technician</td>
<td>5, 8</td>
</tr>
<tr>
<td>Supervising Engineering Technician</td>
<td>5, 7</td>
</tr>
<tr>
<td>Supervising Land Surveyor</td>
<td>5, 7</td>
</tr>
<tr>
<td>Supervising Management Analyst</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Survey Technician</td>
<td>5, 8</td>
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</tbody>
</table>

**Finance Department**

<table>
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<tr>
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<th>Code(s)</th>
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</thead>
<tbody>
<tr>
<td>Accounting Supervisor</td>
<td>5, 7</td>
</tr>
<tr>
<td>Budget and Analysis Manager</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Controller</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Financial Planning Manager</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Investment Analyst</td>
<td>5, 7</td>
</tr>
<tr>
<td>Management Analyst</td>
<td>5, 7</td>
</tr>
<tr>
<td>Rate and Budget Analyst Debt Manager</td>
<td>71, 2, 3, 4</td>
</tr>
<tr>
<td>Senior Management Analyst</td>
<td>5, 7</td>
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</tbody>
</table>

**Human Resources Program**

<table>
<thead>
<tr>
<th>Position</th>
<th>Code(s)</th>
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</thead>
<tbody>
<tr>
<td>Human Resources Analyst</td>
<td>7</td>
</tr>
<tr>
<td>Human Resources Assistant</td>
<td>7</td>
</tr>
<tr>
<td>Human Resources Manager</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Senior Human Resources Manager</td>
<td>7</td>
</tr>
</tbody>
</table>

**MWD Program**

<table>
<thead>
<tr>
<th>Position</th>
<th>Code(s)</th>
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<tbody>
<tr>
<td>MWD Program Director</td>
<td>1, 2, 3, 4</td>
</tr>
<tr>
<td>Assistant Management Analyst</td>
<td>8</td>
</tr>
</tbody>
</table>
### Water Resources Specialist
- Management Analyst 5, 6, 7
- Senior Water Resources Specialist 5, 6, 7

### Operations and Maintenance Department
- Director of Operations and Maintenance 1, 2, 3, 4
- Electrical/Electronics Supervisor 7
- Facilities Services Technician 7
- Management Analyst 5, 6, 7
- Operations and Maintenance Manager 5, 7
- Principal Water Resources Specialist 5, 6, 7
- Senior Electrical/Electronics Technician 7
- Senior Engineering Technician 7
- Senior Maintenance Technician 7
- Senior System Operator 8
- Senior Water Resources Specialist 5, 6, 7
- Supervising Management Analyst 1, 2, 3, 4
- System Maintenance Supervisor 7
- Systems Operations Supervisor 7
- Water Resources Specialist 5, 6, 7

### Public Outreach and Conservation Department
- Director of Public Outreach and Conservation 1, 2, 3, 4
- Management Analyst 5, 7
- Principal Public Affairs Representative 5, 7
- Principal Water Resources Specialist 4, 5, 6, 7
- Public Affairs Manager 1, 2, 3, 4
- Public Affairs Representative I 8
- Public Affairs Representative II 8
- Public Affairs Supervisor 5, 7
- Senior Public Affairs Representative 7
- Senior Water Resources Specialist 5, 6, 7
- Water Resources Specialist 5, 6, 7

### Water Resources Department
- Director of Water Resources 1, 2, 3, 4
- Engineer (P.E.) 5, 6, 7
- Management Analyst 5, 6, 7
- Principal Engineer (P.E.) 1, 2, 3, 4
- Principal Water Resources Specialist 5, 6, 7
- Senior Management Analyst 5, 6, 7
- Senior Water Resources Specialist 5, 6, 7
- Water Resources Manager 1, 2, 3, 4
- Water Resources Specialist 5, 6, 7
Consultants

Fair Political Practices Commission regulation [2 Cal. Code of Regs. Section 18700.3] defines “consultant” as an individual whom, pursuant to a contract with a state or local governmental agency:

(a) Makes a governmental decision whether to:

(1) Approve a rate, rule or regulation;
(2) Adopt or enforce a law;
(3) Issue, deny, suspend, or revoke a permit, license, application, certificate, approval, order, or similar authorization or entitlement;
(4) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;
(5) Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract;
(6) Grant agency approval to a plan, design, report, study, or similar item;
(7) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision of the agency; or

(b) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency’s local conflict of interest code.

Disclosure required:

Disclosure required by consultants shall be determined on a case-by-case basis by the General Manager, or in the case of legal service contracts, by the General Counsel. The General Manager, in consultation with the General Counsel, or General Counsel may determine whether a person is a consultant and what disclosure, if any, is required by the consultant. The determination shall be in writing and shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The written determination is a public record and shall be retained for public inspection in the office of the Clerk of the Board. The written determination may be made as a part of the contract pursuant to which the consultant provides services to the Authority. Subject to the foregoing, consultants that meet the definition of paragraph (b), above, generally will disclose financial interests in the same manner as is required for the designated position the duties of which are performed, in whole or in part, by the consultant.
September 19, 2018

Attention: Administrative and Finance Committee

Report on purchase orders and contracts for goods and services above $10,000. (Information)

Purpose
This information item complies with the reporting requirements of the Water Authority’s Administrative Code for goods and services above $10,000 not previously approved by the Board for the period of July 1, 2017 through June 30, 2018.

Background
The Water Authority’s Administrative Code (Code) Chapters 4.04 and 4.08 establish the general provisions to be followed for competitive acquisition of goods and services, reporting requirements, and signature authority limitations. The Code requires that an annual report be submitted to the Board listing all purchase orders and contracts for goods and services greater than $10,000 not previously approved by the Board.

Discussion
The General Manager’s signature authority of $150,000, authorized by section 4.04.020 of the Code, applies to competitive procurements as well as the following three exceptions to competition:

1. “Sole Source” procurements [section 4.04.140] may be authorized when only one vendor possesses the unique capability to meet the requirements of the solicitation, such as technical qualifications matching to currently owned equipment or supplies, or the ability to deliver at a particular time.

2. “Special Circumstances” procurements [section 4.04.060] may be authorized when the General Manager, in consultation with the General Counsel, determines in writing, that implementation of the competitive acquisition process is infeasible, impractical, or otherwise not in the best interest of the Water Authority.

3. “Specialized and Professional Service” procurements [section 4.04.060] such as services rendered by appraisers, attorneys, accountants, auditors, economists, financial advisors, and lobbyists, may be authorized if the General Manager or General Counsel determines the contract is in the best interest of the Water Authority.

The General Manager may exceed the signature authority under the following conditions:

1. In furtherance of the pipeline inspection program and to maintain system reliability, the General Manager may award and execute contracts in excess of $150,000 for either (a) work during the period of the annual pipeline shutdown to repair or correct a condition discovered during the shutdown, or (b) repair or relining work to an area of pipeline at which the electronic pipeline monitoring systems indicate a condition requiring an urgent response [sections 4.04.020 and 4.08.040]. The General Manager shall report to the Board the details of the condition and of the repair or corrective action not later than seven days after the
discovery of the condition requiring repair or correction, or at its next regularly scheduled meeting, if that meeting will occur not later than 14 days after the action. Any contract in excess of $250,000 for goods and services or $500,000 for public works is subject to ratification by the Board at its first regular meeting following the discovery of the condition.

2. In an emergency, as defined by section 2.04.050(e), the General Manager may award and execute contracts in excess of $150,000 provided that the goods and services are of an urgent nature, directly and immediately required by the emergency [sections 4.04.030 and 4.08.040]. The General Manager shall report to the Board not later than seven days after the emergency action or at its next regularly scheduled meeting, if that meeting will occur not later than 14 days after the action, the details of the emergency and reasons justifying the actions taken. Any contract having a value more than $250,000 for goods and services or $500,000 for public works shall be subject to ratification by the Board at its first regular meeting following the onset of the emergency.

3. When the original contract amount is more than $150,000, the General Manager is authorized to issue amendments to contracts up to a cumulative total of $150,000 or 10 percent of the original contract amount, whichever is greater [sections 4.04.040 and 4.08.040]. The cumulative sum of all amendments that have not been previously approved by the Board may not exceed $250,000 for goods and services or $500,000 for public works. When the cumulative sum of amendments to a contract would exceed the limits noted above, a report of such amendments will be presented to the Board at its next regular meeting. Upon acceptance of the amendments by the Board, the General Manager shall have additional authorization to issue amendments as if the original contract amount were the total of the original amount and all accepted amendments.

4. The General Manager is authorized to enter into contracts greater than $150,000 for the purchase of goods and services available through a cooperative purchasing agreement provided: (a) goods and services to be purchased were approved in the budget, and (b) the cooperative purchasing agreement being utilized was awarded as a result of a competitive pricing procedure containing a public agency clause [section 4.04.150].

5. The General Manager may enter into contracts with a federal, state or local agency, including public educational institutions, for the performance of landscaping, refuse removal, and surface maintenance of Water Authority rights-of-way through labor provided by inmates, community service workers, students and other persons under work programs established and supervised by the federal, state or local agency provided that the contract does not exceed $250,000 per year [section 4.08.110].
The attached reports list procurements above $10,000 that were not previously approved by the Board. Attachment 1 lists service contracts and amendments; Attachment 2 lists purchase orders issued for materials, supplies, equipment and miscellaneous services. The accumulated totals for each report are $5,327,630 and $3,628,129 respectively, for a total of $8,955,759. Both reports are for the period of July 1, 2017 through June 30, 2018.

The Operations and Maintenance department accounted for the largest proportion of contract and amendment transactions ($1,595,592) in fiscal year 2018, as indicated in Chart A below. This was primarily due to as needed and preventative maintenance services (i.e. radio equipment, bridge cranes rental, welding services, generator, fabrication, etc.).
The Operations and Maintenance department accounted for the largest proportion of purchase order expenditures ($2,647,142), as indicated in Chart B below. The majority of these expenditures are attributable to heavy equipment and vehicle purchases made using cooperative contracts (i.e. State of California Department of General Services contract with Bob Wondries Ford, Elk Grove Auto Group, and Winner Chevrolet, and National Joint Powers Alliance contract with Caterpillar).

![Chart B: PURCHASE ORDERS ISSUED BY DEPARTMENT ABOVE $10,000 NOT BOARD APPROVED JULY 1, 2017 THROUGH JUNE 30, 2018](image)

Prepared by: Baldemar J. Troche, Administrative Services Manager
Reviewed by: Jason Foster, Director of Administrative Services
Approved by: Dan Denham, Assistant General Manager

Attachments:
Attachment 1 – Contracts and Amendments above $10,000 not Board approved
Attachment 2 – Purchase Orders above $10,000 not Board approved
### ATTACHMENT 1

**CONTRACTS AND AMENDMENTS ISSUED (Above $10,000 not Board approved)**

**BETWEEN JULY 1, 2017 - JUNE 30, 2018**

<table>
<thead>
<tr>
<th>Contractor Name</th>
<th>Contract Description</th>
<th>Procurement Type</th>
<th>Original Contract Term</th>
<th>Original Contract Amount (Bold indicates Board approved)</th>
<th>Total # of Amendments above $10,000 not approved by Board in FY18</th>
<th>Amendment # and Description</th>
<th>Current Contract End Date</th>
<th>Amount of Contract or Amendment(s) above $10,000 not approved by Board in FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ADMINISTRATIVE SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cathy Jon Enterprises Inc.</td>
<td>As needed temporary administrative staffing services for Water Authority departments.</td>
<td>Competitive</td>
<td>7/1/17-6/30/19</td>
<td>$75,000</td>
<td>1</td>
<td>#1: Amount revised ($75,000)</td>
<td>6/30/2019</td>
<td>$150,000</td>
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<tr>
<td>Manpower of San Diego</td>
<td>As needed temporary administrative staffing services for Water Authority departments.</td>
<td>Competitive</td>
<td>7/1/17-6/30/19</td>
<td>$75,000</td>
<td>N/A</td>
<td></td>
<td>6/30/2019</td>
<td>$75,000</td>
</tr>
<tr>
<td>Quick Dispense Inc</td>
<td>As needed coffee services, rental of equipment, and purchase of consumables for Kearny Mesa and Escondido.</td>
<td>Competitive</td>
<td>8/1/17-7/31/18</td>
<td>$25,000</td>
<td>N/A</td>
<td></td>
<td>7/31/2020</td>
<td>$25,000</td>
</tr>
<tr>
<td>Trane</td>
<td>Preventative maintenance of the Kearny Mesa building HVAC system.</td>
<td>Competitive</td>
<td>10/1/17-9/3/20</td>
<td>$100,000</td>
<td>N/A</td>
<td></td>
<td>9/30/2020</td>
<td>$100,000</td>
</tr>
<tr>
<td><strong>ENGINEERING</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beyaz &amp; Patel Inc</td>
<td>As needed structural engineering services.</td>
<td>Competitive</td>
<td>8/26/13-7/31/16</td>
<td><strong>$300,000</strong></td>
<td>1</td>
<td>#3: Amount revised ($30,000) and term extension.</td>
<td>12/30/2018</td>
<td><strong>$30,000</strong></td>
</tr>
<tr>
<td>California Tree Service Inc</td>
<td>As needed tree trimming and removal services.</td>
<td>Competitive</td>
<td>12/21/17-12/30/19</td>
<td>$150,000</td>
<td>N/A</td>
<td></td>
<td>12/30/2019</td>
<td><strong>$150,000</strong></td>
</tr>
<tr>
<td>Cathy Jon Enterprises Inc.</td>
<td>As needed temporary engineering technician staffing services.</td>
<td>Competitive</td>
<td>12/7/17-12/31/19</td>
<td>$50,000</td>
<td>N/A</td>
<td></td>
<td>12/31/2019</td>
<td><strong>$50,000</strong></td>
</tr>
</tbody>
</table>

**ADMINISTRATIVE SERVICES TOTAL**: $416,900
### ATTACHMENT 1
### CONTRACTS AND AMENDMENTS ISSUED (Above $10,000 not Board approved)
### BETWEEN JULY 1, 2017 - JUNE 30, 2018

<table>
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<tr>
<th>Contractor Name</th>
<th>Contract Description</th>
<th>Procurement Type</th>
<th>Original Contract Term</th>
<th>Original Contract Amount (Bold indicates Board approved)</th>
<th>Total # of Amendments above $10,000 not approved by Board in FY18</th>
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<th>Current Contract End Date</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Field Automated Communication Systems</td>
<td>Web based document control system.</td>
<td>Exempt Admin Code</td>
<td>4/12/18-4/1/19</td>
<td><strong>$23,100</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>4/1/2019</td>
<td><strong>$23,100</strong></td>
</tr>
<tr>
<td>General Consolidated Constructors Inc.</td>
<td>San Vicente Dam raise structural steel improvements.</td>
<td>Competitive</td>
<td>4/12/18-7/27/18</td>
<td><strong>$116,740</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>7/27/2018</td>
<td><strong>$116,740</strong></td>
</tr>
<tr>
<td>General Consolidated Constructors Inc.</td>
<td>San Vicente Dam raise valve operator stand improvements.</td>
<td>Competitive</td>
<td>5/11/18-9/13/18</td>
<td><strong>$59,870</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>9/13/2018</td>
<td><strong>$59,870</strong></td>
</tr>
<tr>
<td>Helix Water District</td>
<td>Relocation of water lines for the Pipeline 3 relining - Lake Murray to Sweetwater Reservoir Project.</td>
<td>Exempt Admin Code</td>
<td>7/7/17-12/31/18</td>
<td><strong>$131,750</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>12/31/2018</td>
<td><strong>$131,750</strong></td>
</tr>
<tr>
<td>Lake Arrowhead Construction</td>
<td>San Vicente Reservoir floating dock improvements.</td>
<td>Special Circumstances: to maintain construction warranties, improvements must be performed by Contractor.</td>
<td>1/4/18-4/8/18</td>
<td><strong>$68,975</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>4/8/2018</td>
<td><strong>$68,975</strong></td>
</tr>
<tr>
<td>Lee and Ro Inc</td>
<td>Hauck Mesa Storage Reservoir and Pipeline Surge Projection project design and engineering support services.</td>
<td>Competitive</td>
<td>7/25/16-6/30/19</td>
<td><strong>$1,023,404</strong></td>
<td>1</td>
<td>#2: Amount revised ($150,000) and term extension.</td>
<td>6/30/2020</td>
<td><strong>$150,000</strong></td>
</tr>
<tr>
<td>Project Partners Inc</td>
<td>As needed temporary engineering technician staffing services.</td>
<td>Competitive</td>
<td>12/7/17-12/31/19</td>
<td><strong>$100,000</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>12/31/2019</td>
<td><strong>$100,000</strong></td>
</tr>
<tr>
<td>Telliard Construction</td>
<td>Construction of an access walkway and stairs over existing riprap at the exterior of the downstream control facility building near San Vicente Dam.</td>
<td>Competitive</td>
<td>5/9/18-8/4/18</td>
<td><strong>$86,160</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>8/4/2018</td>
<td><strong>$86,160</strong></td>
</tr>
<tr>
<td>Tetra Tech Inc</td>
<td>As needed structural engineering services.</td>
<td>Competitive</td>
<td>10/4/16-9/30/21</td>
<td><strong>$350,000</strong></td>
<td>1</td>
<td>#1: Amount revised ($147,583).</td>
<td>9/30/2021</td>
<td><strong>$147,583</strong></td>
</tr>
</tbody>
</table>
## CONTRACTS AND AMENDMENTS ISSUED (Above $10,000 not Board approved)

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<tr>
<td><strong>FINANCE</strong></td>
<td><strong>ENGINEERING TOTAL</strong> $1,114,178</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Hyas Group</td>
<td>Ongoing plan investment consultation services.</td>
<td>Competitive</td>
<td>2/4/15-1/1/17</td>
<td>$74,000</td>
<td>1</td>
<td>#2: Amount revised ($37,000) and term extension.</td>
<td>1/1/2019</td>
<td>$37,000</td>
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<tr>
<td>Solomon Page Group LLC</td>
<td>As needed temporary accounting assistant staffing services.</td>
<td>Competitive</td>
<td>10/27/17-5/31/18</td>
<td>$25,000</td>
<td>1</td>
<td>#1: Amount revised ($25,000) and term extension.</td>
<td>8/31/2018</td>
<td>$50,000</td>
</tr>
<tr>
<td>Robert Half International Inc</td>
<td>As needed temporary accounting supervisor staffing services.</td>
<td>Competitive</td>
<td>1/22/18-6/30/18</td>
<td>$50,000</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2018</td>
<td>$50,000</td>
</tr>
<tr>
<td>Questica Ltd</td>
<td>Budget system software and services.</td>
<td>Competitive</td>
<td>5/28/14-12/31/16</td>
<td>$111,800</td>
<td>1</td>
<td>#3: Contract assigned, amount revised ($24,000) and term extension.</td>
<td>6/30/2019</td>
<td>$24,000</td>
</tr>
<tr>
<td>Clean Energy Capital Securities LLC</td>
<td>Consultant services for financial strategy and analysis in support of bond-related work for the pipeline and other related projects. Support for Carlsbad Desal WPA</td>
<td>Special Circumstances: Contractor is uniquely qualified to perform project as they assisted in developing and negotiating WPA business and financial terms.</td>
<td>11/13/17-8/30/19</td>
<td>$80,000</td>
<td>N/A</td>
<td>N/A</td>
<td>8/30/2019</td>
<td>$80,000</td>
</tr>
<tr>
<td><strong>FINANCE TOTAL</strong></td>
<td><strong>$241,000</strong></td>
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<tr>
<td>Alliant Insurance Services, Inc.</td>
<td>Employer benefits broker services.</td>
<td>Competitive</td>
<td>6/25/15-6/30/18</td>
<td><strong>$165,000</strong></td>
<td>1</td>
<td>#1: Amount revised ($116,000) and term extension.</td>
<td>6/30/2020</td>
<td><strong>$116,000</strong></td>
</tr>
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<td>Contractor Name</td>
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</tr>
<tr>
<td>Capstone Fire Management Inc</td>
<td>As needed standby confined space rescue services during O&amp;M shutdowns</td>
<td>Competitive</td>
<td>1/19/16-12/31/18</td>
<td>$100,000</td>
<td>1</td>
<td>#1: Amount revised ($50,000) and term extension.</td>
<td>12/31/2019</td>
<td>$50,000</td>
</tr>
<tr>
<td>Industrial Scientific Corporation</td>
<td>Lease of air/gas monitoring equipment used by O&amp;M and Engineering staff</td>
<td>Special Circumstances: Contractor is the only company that offers an air/gas monitor internet program (iNet) that provides calibration status, age of sensors, sensors with marginal reserves, and calibration gas pressure status and expiration.</td>
<td>11/1/15-10/31/19</td>
<td>$124,658</td>
<td>1</td>
<td>#3: Amount revised ($13,950).</td>
<td>10/31/2019</td>
<td>$13,950</td>
</tr>
<tr>
<td>OSTS Inc.</td>
<td>Certified crane operator training services.</td>
<td>Exempt Admin Code</td>
<td>4/10/18-6/30/18</td>
<td>$14,020</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2018</td>
<td>$14,020</td>
</tr>
<tr>
<td>Ralph Andersen &amp; Assoc</td>
<td>Classification and compensation study services.</td>
<td>Competitive</td>
<td>11/9/17-3/6/18</td>
<td>$79,000</td>
<td>N/A</td>
<td>N/A</td>
<td>9/30/2018</td>
<td>$79,000</td>
</tr>
<tr>
<td>Sharp Rees Stealy Medical Group Inc</td>
<td>As needed occupational health care services.</td>
<td>Competitive</td>
<td>8/24/17-9/30/18</td>
<td>$25,000</td>
<td>N/A</td>
<td>N/A</td>
<td>9/30/2018</td>
<td>$25,000</td>
</tr>
<tr>
<td>Smith, Watts and Hartmann</td>
<td>Regulatory advocacy and consulting services.</td>
<td>Competitive</td>
<td>8/3/17-6/30/18</td>
<td>$93,500</td>
<td>1</td>
<td>#1: Amount revised ($45,000) and term extension.</td>
<td>12/31/2018</td>
<td>$138,500</td>
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<tr>
<td>Total Safety US Inc.</td>
<td>As needed standby confined space rescue services during O&amp;M shutdowns</td>
<td>Competitive</td>
<td>1/19/16-12/31/18</td>
<td>$100,000</td>
<td>1</td>
<td>#1: Amount revised ($50,000) and term extension.</td>
<td>12/31/2019</td>
<td>$50,000</td>
</tr>
<tr>
<td>MWD PROGRAM</td>
<td>Coordinate roundtable sessions</td>
<td>Specialized &amp; Prof Services: Contractor collaborates with local and state agencies, elected officials, media outlets, regional partners, and businesses.</td>
<td>8/25/13-6/30/14</td>
<td>$25,000</td>
<td>1</td>
<td>#3: Amount revised ($25,000), task added and term extension.</td>
<td>6/30/2019</td>
<td>$25,000</td>
</tr>
</tbody>
</table>

GENERAL MANAGER TOTAL $486,470

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### ATTACHMENT 1

**CONTRACTS AND AMENDMENTS ISSUED (Above $10,000 not Board approved)**

**BETWEEN JULY 1, 2017 - JUNE 30, 2018**

<table>
<thead>
<tr>
<th>Contractor Name</th>
<th>Contract Description</th>
<th>Procurement Type</th>
<th>Original Contract Term</th>
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</tr>
</thead>
<tbody>
<tr>
<td>M Strategic Communications Inc</td>
<td>Development and implementation of a public education program.</td>
<td>Specialized &amp; Prof Services:</td>
<td>6/14/14-12/31/14</td>
<td>$150,000</td>
<td>1</td>
<td>#5: Amount revised ($15,000) and term extension.</td>
<td>12/31/2018</td>
<td>$15,000</td>
</tr>
<tr>
<td>MWD PROGRAM TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$40,000</td>
</tr>
<tr>
<td>Accurate Measurement Systems Inc</td>
<td>Testing, calibration and repairs of Rittmeyer Rysonic Ultrasonic flowmeters.</td>
<td>Special Circumstances: Contractor is the only Rittmeyer authorized company to perform services in San Diego County.</td>
<td>9/12/17-6/30/19</td>
<td>$145,000</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2019</td>
<td>$145,000</td>
</tr>
<tr>
<td>American Innovations Limited</td>
<td>Remote monitoring services for cathodic protection facilities.</td>
<td>Special Circumstances: The remote monitoring system utilized in providing remote monitoring services is proprietary to Contractor.</td>
<td>9/20/17-6/30/19</td>
<td>$50,000</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2019</td>
<td>$50,000</td>
</tr>
<tr>
<td>Comtronix Communications Inc</td>
<td>2-Way radio equipment preventative maintenance, inspection, testing and repair services.</td>
<td>Competitive</td>
<td>12/21/17-12/11/18</td>
<td>$150,000</td>
<td>N/A</td>
<td>N/A</td>
<td>12/11/2018</td>
<td>$150,000</td>
</tr>
<tr>
<td>Craley Group Europe S.L.</td>
<td>Training services on the Atlantis Hydrotec System.</td>
<td>Exempt Admin Code</td>
<td>4/19/18-6/30/18</td>
<td>$11,998</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2018</td>
<td>$11,998</td>
</tr>
<tr>
<td>Craneveyor Corp</td>
<td>Bridge crane inspections.</td>
<td>Competitive</td>
<td>11/15/17-10/23/19</td>
<td>$80,000</td>
<td>N/A</td>
<td>N/A</td>
<td>10/23/2019</td>
<td>$80,000</td>
</tr>
<tr>
<td>Deans Certified Welding Inc</td>
<td>As needed welding services.</td>
<td>Competitive</td>
<td>6/20/18-5/31/19</td>
<td>$150,000</td>
<td>N/A</td>
<td>N/A</td>
<td>5/31/2019</td>
<td>$150,000</td>
</tr>
<tr>
<td>Control or Security System Service Provider¹</td>
<td>As needed Supervisory Control and Data Acquisition (SCADA) software maintenance.</td>
<td>Special Circumstances: Contractor has extensive knowledge of the Water Authority's SCADA system and aqueduct operating parameters.</td>
<td>1/21/10-2/8/12</td>
<td><strong>$800,000</strong></td>
<td>1</td>
<td>#6: Amount revised ($50,000).</td>
<td>6/30/2019</td>
<td><strong>$50,000</strong></td>
</tr>
<tr>
<td>Global Power Group Inc</td>
<td>Generator preventative maintenance services.</td>
<td>Competitive</td>
<td>10/12/17-10/2/18</td>
<td>$149,000</td>
<td>N/A</td>
<td>N/A</td>
<td>10/2/2018</td>
<td>$149,000</td>
</tr>
<tr>
<td>Contractor Name</td>
<td>Contract Description</td>
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<td>-------------------------------------------------</td>
</tr>
<tr>
<td>Hach Company</td>
<td>Preventative maintenance, calibration, technical support and as needed repair of Hach water quality analyzers, totalizers and sensors. Special Circumstances: Contractor is the sole proprietor of the equipment and only authorized company to perform repairs.</td>
<td>Special</td>
<td>12/8/17-12/31/19</td>
<td>$18,977</td>
<td>N/A</td>
<td>N/A</td>
<td>12/31/2019</td>
<td>$18,977</td>
</tr>
<tr>
<td>Nash Fabricators Inc</td>
<td>As needed in shop fabrication, repair and machine shop services.</td>
<td>Competitive</td>
<td>9/8/15-8/31/16</td>
<td>$140,000</td>
<td>1</td>
<td>#3: Amount revised ($150,000).</td>
<td>8/31/2018</td>
<td>$150,000</td>
</tr>
<tr>
<td>Networkfleet Inc</td>
<td>Water Authority vehicle GPS monitoring services.</td>
<td>Cooperative</td>
<td>7/1/17-6/30/19</td>
<td>$44,323</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2019</td>
<td>$44,323</td>
</tr>
<tr>
<td>One Source Distributors LLC</td>
<td>Preventative maintenance, technical support, software updates and as needed repair of low voltage variable frequency (VFD) drives at Valley Center Pump Station. Special Circumstances: Contractor is the exclusive distributor and only factory authorized parts and service provider for the low voltage VFD's used by the Water Authority.</td>
<td>Competitive</td>
<td>10/16/17-10/16/20</td>
<td>$83,874</td>
<td>N/A</td>
<td>N/A</td>
<td>10/16/2020</td>
<td>$83,874</td>
</tr>
<tr>
<td>Precision Air Inc</td>
<td>Escondido HVAC preventative maintenance and as needed repairs.</td>
<td>Competitive</td>
<td>10/25/17-10/27/19</td>
<td>$40,000</td>
<td>N/A</td>
<td>N/A</td>
<td>10/27/2019</td>
<td>$40,000</td>
</tr>
<tr>
<td>R &amp; B Automation Inc</td>
<td>As needed repair of aqueduct valve actuators.</td>
<td>Competitive</td>
<td>1/31/18-2/15/19</td>
<td>$140,000</td>
<td>N/A</td>
<td>N/A</td>
<td>2/15/2019</td>
<td>$140,000</td>
</tr>
<tr>
<td>R &amp; B Automation Inc</td>
<td>Purchase and install electric continuous duty valve actuators at various Water Authority facilities.</td>
<td>Competitive</td>
<td>4/27/16-2/24/19</td>
<td>$1,907,590</td>
<td>1</td>
<td>#3: Amount revised ($46,880).</td>
<td>2/24/2019</td>
<td>$46,880</td>
</tr>
<tr>
<td>Rain for Rent</td>
<td>As needed rental of water filtering equipment to filter quagga mussels</td>
<td>Competitive</td>
<td>9/1/17-8/31/21</td>
<td>$140,000</td>
<td>N/A</td>
<td>N/A</td>
<td>8/31/2021</td>
<td>$140,000</td>
</tr>
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<tbody>
<tr>
<td>Control or Security System Service Provider¹</td>
<td>Upgrades, programming and licensing of central processing units for the Lake Hodges Pumped Storage Hydroelectric facility governor system.</td>
<td>Cooperative</td>
<td>5/23/18-7/31/18</td>
<td>$37,876</td>
<td>N/A</td>
<td>7/31/2018</td>
<td>$37,876</td>
<td></td>
</tr>
<tr>
<td>Control or Security System Service Provider¹</td>
<td>Mission Trails flow regulatory structure surveillance system.</td>
<td>Cooperative</td>
<td>1/11/18-8/19/18</td>
<td>$27,660</td>
<td>N/A</td>
<td>8/19/2018</td>
<td>$27,660</td>
<td></td>
</tr>
<tr>
<td>Control or Security System Service Provider¹</td>
<td>Miramar pump station surveillance system</td>
<td>Cooperative</td>
<td>3/13/18-10/19/18</td>
<td>$27,107</td>
<td>N/A</td>
<td>10/19/2018</td>
<td>$27,107</td>
<td></td>
</tr>
<tr>
<td>Control or Security System Service Provider¹</td>
<td>San Marco's pipeline interconnect facility surveillance system</td>
<td>Cooperative</td>
<td>4/2/18-11/8/18</td>
<td>$52,897</td>
<td>N/A</td>
<td>11/8/2018</td>
<td>$52,897</td>
<td></td>
</tr>
</tbody>
</table>

**PUBLIC OUTREACH & CONSERVATION**

<table>
<thead>
<tr>
<th>Contractor Name</th>
<th>Contract Description</th>
<th>Procurement Type</th>
<th>Original Contract Term</th>
<th>Original Contract Amount (Bold indicates Board approved)</th>
<th>Total # of Amendments above $10,000 not approved by Board in FY18</th>
<th>Amendment # and Description</th>
<th>Current Contract End Date</th>
<th>Amount of Contract or Amendment(s) above $10,000 not approved by Board in FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bubba's Chop Shop</td>
<td>Production of video for Citizens Water Academy.</td>
<td>Competitive</td>
<td>9/1/17-6/30/18</td>
<td>$29,279</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2018</td>
<td>$29,279</td>
</tr>
<tr>
<td>The Color Bar Inc</td>
<td>Video Series Brought to You By Water.</td>
<td>Competitive</td>
<td>5/16/18-8/1/18</td>
<td>$44,437</td>
<td>N/A</td>
<td>N/A</td>
<td>8/1/2018</td>
<td>$44,437</td>
</tr>
<tr>
<td>BrainShine</td>
<td>As needed graphic design services.</td>
<td>Special Circumstances: Contractor is familiar with Water Authority Word Press websites and is able to provide services on urgent web and graphic design projects to assist and supplement staff to ensure projects are completed in a timely manner to meet board and management expectations.</td>
<td>4/19/17-3/31/18</td>
<td>$25,000</td>
<td>1</td>
<td>#1: Amount revised ($25,000) and term extension.</td>
<td>6/30/2019</td>
<td>$25,000</td>
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<tr>
<td>Contractor Name</td>
<td>Contract Description</td>
<td>Procurement Type</td>
<td>Original Contract Term</td>
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</tr>
<tr>
<td>Building Block Entertainment Inc</td>
<td>Provide informative water education assembly programs to San Diego County public and private elementary schools.</td>
<td>Competitive</td>
<td>8/16/17-6/30/19</td>
<td>$100,000</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2019</td>
<td>$100,000</td>
</tr>
<tr>
<td>Falcon Valley Group</td>
<td>Content development and management of the Water News Network website.</td>
<td>Special Circumstances: Contractor is a public relations firm with a background in water-related outreach, significant local writing experience and resources available to perform the project.</td>
<td>3/19/18-11/30/18</td>
<td>$50,000</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2019</td>
<td>$50,000</td>
</tr>
<tr>
<td>Mission Resource Conservation District</td>
<td>Manage customer participation in the Agriculture Water Management Program which includes agriculture irrigation system evaluations, an Agriculture Recycled Water Retrofit Program, and a Soil Moisture Demonstration Project.</td>
<td>Competitive</td>
<td>7/10/15-6/30/18</td>
<td><strong>$470,000</strong></td>
<td>1</td>
<td>#1: Amount revised ($150,000) and term extension.</td>
<td>6/30/2020</td>
<td>$150,000</td>
</tr>
<tr>
<td>Helix Water District</td>
<td>WaterSmart field services program.</td>
<td>Government Agency Agreement</td>
<td>7/1/17-6/30/19</td>
<td>$30,000</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2019</td>
<td>$30,000</td>
</tr>
<tr>
<td>Olivenhain Municipal Water District</td>
<td>WaterSmart field services program.</td>
<td>Government Agency Agreement</td>
<td>7/1/17-6/30/19</td>
<td>$52,000</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2019</td>
<td>$52,000</td>
</tr>
<tr>
<td>Rincon Del Diablo MWD</td>
<td>WaterSmart field services program.</td>
<td>Government Agency Agreement</td>
<td>7/1/17-6/30/19</td>
<td>$10,452</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2019</td>
<td>$10,452</td>
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<tr>
<td>City of San Diego</td>
<td>WaterSmart field services program.</td>
<td>Government Agency Agreement</td>
<td>7/1/17-6/30/19</td>
<td>$90,000</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2019</td>
<td>$90,000</td>
</tr>
<tr>
<td>WMBE Payrolling Inc</td>
<td>As needed payrolling services.</td>
<td>Competitive</td>
<td>6/5/18-6/30/19</td>
<td>$50,000</td>
<td>N/A</td>
<td>N/A</td>
<td>6/30/2019</td>
<td>$50,000</td>
</tr>
<tr>
<td>Contractor Name</td>
<td>Contract Description</td>
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</tr>
<tr>
<td>San Diego Gas &amp; Electric</td>
<td>Residential low income water-energy collaboration to facilitate energy and water usage efficiencies.</td>
<td>Memorandum of Understanding</td>
<td>6/21/18-12/31/20</td>
<td>$150,000</td>
<td>N/A</td>
<td>N/A</td>
<td>12/31/2020</td>
<td>$150,000</td>
</tr>
<tr>
<td>Kleinfelder Inc</td>
<td>Perform technical support services to perform a system vulnerability assessment of certain facilities, with emphasis on structural and seismic vulnerability.</td>
<td>Competitive</td>
<td>9/28/17-9/30/18</td>
<td>$250,000</td>
<td>1</td>
<td>#1: Task added and amount revised ($110,040).</td>
<td>9/30/2018</td>
<td>$110,040</td>
</tr>
<tr>
<td>WQTS Inc</td>
<td>Provide technical support services to develop a strategic plan regarding solids handling requirements at the Water Authority's and member agencies' water treatment plants.</td>
<td>Special Circumstances: Contractor specializes in technical water treatment/water quality solutions and has assisted member agencies on treatment and regulatory tasks.</td>
<td>9/26/17-6/30/18</td>
<td>$61,280</td>
<td>N/A</td>
<td>N/A</td>
<td>12/31/2018</td>
<td>$61,280</td>
</tr>
<tr>
<td>J Whalen Associates Inc</td>
<td>Management services for the sell of San Miguel Mitigation Credits.</td>
<td>Special Circumstances: Contractor is experienced in managing habitat credit sales, does not have an actual or perceived conflict of interest, nor does it represent clients that would be competing for the same type of habitat credit sale.</td>
<td>4/27/18-12/31/20</td>
<td>$150,000</td>
<td>N/A</td>
<td>N/A</td>
<td>12/31/2020</td>
<td>$150,000</td>
</tr>
<tr>
<td>Contractor Name</td>
<td>Contract Description</td>
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</tr>
<tr>
<td>DCSE Inc</td>
<td>As needed technical support services for the Planning Resources Information Management Application (PRIMA) database</td>
<td>Special Circumstances: PRIMA was developed and is proprietary to Contractor.</td>
<td>12/14/11-6/30/13</td>
<td>$24,000</td>
<td>1</td>
<td>#4: Amount revised ($150,000) and term extension.</td>
<td>6/30/2019</td>
<td>$24,000</td>
</tr>
<tr>
<td>Woodard &amp; Curran Inc</td>
<td>Preparation and submittal of Department of Water Resources (DWR) Proposition 1, grant application to help fund the Carlsbad Desalination Facility replacement intake structure.</td>
<td>Specialized &amp; Prof Services: Contractor is the Water Authority's designee responsible for preparing grant applications for the DWR under the Integrated Regional Water Management program. Many of the cross cutting grant and application requirements are the same for both DWR's IRWM program and Water Desalination Program</td>
<td>8/7/17-9/1/17</td>
<td>$19,892</td>
<td>N/A</td>
<td>N/A</td>
<td>9/1/2017</td>
<td>$19,892</td>
</tr>
<tr>
<td>Clean Energy Capital Securities LLC</td>
<td>Provide financial analysis in support of the Water Authority's exercise of rights and obligations under Section 4.8 (Cabrillo Raw Seawater Intake System Improvements) of the Carlsbad Seawater Desalination Project Water Purchase Agreement (WPA)</td>
<td>Specialized &amp; Prof Services: Contractor has been the primary advisor to the Water Authority on the financial aspects of the Carlsbad Desalination Plant, and has developed complex analysis pertaining to the WPA.</td>
<td>11/20/17-12/31/18</td>
<td>$140,000</td>
<td>N/A</td>
<td>N/A</td>
<td>12/31/2018</td>
<td>$140,000</td>
</tr>
<tr>
<td>Contractor Name</td>
<td>Contract Description</td>
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<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Water Quality Solutions Inc</td>
<td>Provide three dimensional modeling to investigate water quality changes at the Lake Hodges and Olivenhain Reservoir.</td>
<td>Special Circumstances: Contractor performed a one dimensional modeling in 2014 for the Hodges Reservoir Water Quality and Quagga Mitigation Project. The concepts, knowledge, and input data of Contractor's previous work is foundational to complete the three dimensional modeling project.</td>
<td>4/10/18-10/31/18</td>
<td>$147,110</td>
<td>N/A</td>
<td>N/A</td>
<td>10/31/2018</td>
<td>$147,110</td>
</tr>
</tbody>
</table>

WATER RESOURCES TOTAL $652,322

Notes:
1: Vendor name not provided due to control and/or security concerns
General Counsel expenditures are reported to the Board in the monthly General Counsel's Report

TOTAL FOR ALL DEPARTMENTS $5,327,630
<table>
<thead>
<tr>
<th>PO No.</th>
<th>Vendor</th>
<th>Description</th>
<th>Procurement Type</th>
<th>Issue Date</th>
<th>PO Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>36325</td>
<td>Carahsoft Technology Corporation</td>
<td>Secure Web Gateway-Annual ZIA Business Bundle; Zscaler, Inc.</td>
<td>Cooperative</td>
<td>5/15/2018</td>
<td>$14,936</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Subtotal Carahsoft Technology Corporation</td>
<td></td>
<td></td>
<td>$55,897</td>
</tr>
<tr>
<td>35566</td>
<td>CDW Government Inc</td>
<td>Anti-Virus Software-Trend Micro Smart protection for Endpoints maintenance.</td>
<td>Competitive</td>
<td>9/19/2017</td>
<td>$12,783</td>
</tr>
<tr>
<td>36424</td>
<td>Dataskill Inc</td>
<td>IBM Maximo Asset Management Authorized User annual subscription and support.</td>
<td>Competitive</td>
<td>6/18/2018</td>
<td>$78,895</td>
</tr>
<tr>
<td>35761</td>
<td>Dell Marketing LP</td>
<td>Storage server - Compellent SC200 Enclosure with 4TB of disk space.</td>
<td>Cooperative</td>
<td>11/9/2017</td>
<td>$63,560</td>
</tr>
<tr>
<td>35781</td>
<td></td>
<td>Server Virtualization Software-VLA Basic SNS for Vcenter Site Recovery Manager 6 Enterprise.</td>
<td>Cooperative</td>
<td>11/16/2017</td>
<td>$10,703</td>
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<tr>
<td>36317</td>
<td></td>
<td>Subtotal Dell Marketing LP</td>
<td></td>
<td></td>
<td>$74,263</td>
</tr>
<tr>
<td>35607</td>
<td>ESRI - Environmental Systems Research Inc</td>
<td>Mapping Software-ArcGIS for Desktop Advanced Concurrent use primary maintenance.</td>
<td>Special Circumstances: Maintenance is only available from software creator, ESRI</td>
<td>10/2/2017</td>
<td>$14,900</td>
</tr>
<tr>
<td>35255</td>
<td>Oracle America Inc</td>
<td>Project Management Software-Primavera software licenses and support.</td>
<td>Exempt Admin Code</td>
<td>7/24/2017</td>
<td>$12,213</td>
</tr>
<tr>
<td>35277</td>
<td>Old American Incorporated</td>
<td>IBM Maximo Asset Management annual subscription and support.</td>
<td>Competitive</td>
<td>7/26/2017</td>
<td>$71,986</td>
</tr>
<tr>
<td>35725</td>
<td>Software One Inc</td>
<td>Endpoint Security One 3-year subscription license.</td>
<td>Competitive</td>
<td>10/26/2017</td>
<td>$16,190</td>
</tr>
<tr>
<td>35903</td>
<td>SHI International Corp.</td>
<td>Qualys Vulnerability Management - Enterprise - Public Sector.</td>
<td>Competitive</td>
<td>12/21/2017</td>
<td>$10,053</td>
</tr>
</tbody>
</table>
## PURCHASE ORDERS ISSUED (Above $10,000 not Board approved)
### BETWEEN JULY 1, 2017 - JUNE 30, 2018

**ADMINISTRATIVE SERVICES TOTAL**  $394,449

### ENGINEERING

<table>
<thead>
<tr>
<th>#</th>
<th>Company</th>
<th>Description</th>
<th>Type</th>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>35316</td>
<td>Advanced Infrastructure Technologies, LL</td>
<td>Radio detection locator receiver, transmitter and locators.</td>
<td>Competitive</td>
<td>8/3/2017</td>
<td>$23,575</td>
</tr>
<tr>
<td>35828</td>
<td>ADJ Holdings LLC</td>
<td>Pipeline Protection Easement.</td>
<td>Exempt Admin Code</td>
<td>12/4/2017</td>
<td>$38,093</td>
</tr>
<tr>
<td>35454</td>
<td>Allen Instruments &amp; Supplies LLC</td>
<td>Survey equipment.</td>
<td>Special Circumstances: Technical support, in-house service, repair capabilities, and maintenance is provided by Vendor, the sole authorized provider and direct regional distributor for Trimble servicing in Southern California.</td>
<td>8/28/2017</td>
<td>$100,000</td>
</tr>
<tr>
<td>35460</td>
<td>City of La Mesa</td>
<td>License Agreement for temporary use of vacant land.</td>
<td>Exempt Admin Code</td>
<td>8/28/2017</td>
<td>$41,171</td>
</tr>
<tr>
<td>35406</td>
<td>Corelogic Solutions LLC</td>
<td>RealQuest property reports and user license fee.</td>
<td>Exempt Admin Code</td>
<td>8/14/2017</td>
<td>$12,000</td>
</tr>
<tr>
<td>35706</td>
<td>GCL LLC</td>
<td>Real Property Contract for Gregory Canyon Access Road Settlement.</td>
<td>Exempt Admin Code</td>
<td>10/24/2017</td>
<td>$99,000</td>
</tr>
<tr>
<td>35331</td>
<td>Otay Mesa Internation Plaza, LLC</td>
<td>Grant of Temporary Easement.</td>
<td>Exempt Admin Code</td>
<td>8/7/2017</td>
<td>$79,220</td>
</tr>
<tr>
<td>35435</td>
<td>The Hellan Strainer Company</td>
<td>Bid Item 3 - Split case mechanical shaft seal and spare parts.</td>
<td>Competitive</td>
<td>8/22/2017</td>
<td>$51,366</td>
</tr>
</tbody>
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**ENGINEERING TOTAL**  $444,425

### FINANCE

<table>
<thead>
<tr>
<th>#</th>
<th>Company</th>
<th>Description</th>
<th>Type</th>
<th>Date</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>35602</td>
<td>Moodys Investors Service</td>
<td>Credit rating fees (CP and Bank note).</td>
<td>Special Circumstances: Rating agency is a global leader in credit rating and risk analysis.</td>
<td>9/28/2017</td>
<td>$52,000</td>
</tr>
<tr>
<td>36439</td>
<td>Standard &amp; Poors Corp</td>
<td>Commercial Paper rating fees. Analytical services rendered in connection with CP Series 1, 8 &amp; 9 (06/01/18 thru 5/31/19).</td>
<td>Special Circumstances: Rating agency is a global leader in credit rating and risk analysis.</td>
<td>6/20/2018</td>
<td>$18,000</td>
</tr>
</tbody>
</table>
## ATTACHMENT 2
**PURCHASE ORDERS ISSUED (Above $10,000 not Board approved)**
**BETWEEN JULY 1, 2017 - JUNE 30, 2018**

### MWD PROGRAM

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>35231</td>
<td>Advertising for MWD Facts website FY18. Exempt Admin Code</td>
<td>$19,992</td>
</tr>
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</table>

### OPERATIONS & MAINTENANCE

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Cost</th>
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</thead>
<tbody>
<tr>
<td>36287</td>
<td>6 SMAR HART Smart Differential Pressure Indicating Transmitter w/High Line Pressure Capable - Model:LD301H51I-BU11-012//I1/A1/Z.</td>
<td>$41,921</td>
</tr>
<tr>
<td>36415</td>
<td>16 SMAR HART Smart Pressure Indicating Transmitters.</td>
<td>$37,932</td>
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</table>

### Subtotal Accurate Measurement Systems Inc

| Subtotal | $118,930 |

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>35981</td>
<td>Adams Valves Inc HLX 2 FCF, Q0312 - 30-inch, class 150 lb., stainless steel, metal seated, triple-offset, butterfly valve with manual actuator. Competitive</td>
<td>$85,327</td>
</tr>
</tbody>
</table>

### Control or Security System

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Cost</th>
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<tbody>
<tr>
<td>35734</td>
<td>Premiere Service maintenance agreement.</td>
<td>$21,037</td>
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<tr>
<td>36174</td>
<td>Product per list on quote #YH79005814YH.</td>
<td>$15,321</td>
</tr>
<tr>
<td>36414</td>
<td>Equipment per quote #ET81147534QZ.</td>
<td>$17,302</td>
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</table>

### Subtotal

| Subtotal | $53,660 |

FINANCE TOTAL $70,000
<table>
<thead>
<tr>
<th>PO Number</th>
<th>Vendor Name</th>
<th>Description</th>
<th>Special Circumstances</th>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>35311</td>
<td>Bass Corrosion Services Inc</td>
<td>Bass Triton Test Station Vertical w/30' Leads.</td>
<td>Special Circumstances: Coupons are used to determine the level of corrosion protection provided by a cathodic protection system to our buried pipelines. Vendor is the only one that compiles three distinct matrixes for measuring coupled with a reference electrode.</td>
<td>8/2/17</td>
<td>$17,448</td>
</tr>
<tr>
<td>35636</td>
<td>Beamex Inc</td>
<td>CMX Professional Floating Server User License; Product Code 9050229.</td>
<td>Special Circumstances: Hardware and software is proprietary to vendor, and is the sole distributor of product being procured.</td>
<td>10/3/17</td>
<td>$12,663</td>
</tr>
<tr>
<td>35767</td>
<td>BOB Wondries Ford</td>
<td>Purchase of Ford F350 Regular Cab.</td>
<td>Cooperative</td>
<td>11/13/17</td>
<td>$34,931</td>
</tr>
<tr>
<td>35624</td>
<td>Collicutt Energy Services Inc</td>
<td>Zenith Automatic Transfer Switch including ModBus Converter.</td>
<td>Competitive</td>
<td>10/3/17</td>
<td>$10,493</td>
</tr>
<tr>
<td>35314</td>
<td>Copperstate Technical Solutions LLC</td>
<td>Ultraprobe 15,000 Touch Digital Ultrasonic Inspection System.</td>
<td>Competitive</td>
<td>8/3/17</td>
<td>$18,029</td>
</tr>
<tr>
<td>36103</td>
<td>Craley Group Europe S.L.</td>
<td>Atlantis Hydrotec System in-pipe SCADA communication system materials.</td>
<td>Special Circumstances: Pilot test of vendor’s messenger pipe to house a fiber-optic communication cable within existing aqueduct pipelines. Product is National Sanitation Foundation approved.</td>
<td>3/8/18</td>
<td>$25,542</td>
</tr>
<tr>
<td>35889</td>
<td>Control or Security System Service Provider¹</td>
<td>Camera server. Annual software support. Camera servers.</td>
<td>Cooperative</td>
<td>12/19/17</td>
<td>$15,264</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cooperative</td>
<td>3/14/18</td>
<td>$24,762</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cooperative</td>
<td>4/9/18</td>
<td>$75,967</td>
</tr>
</tbody>
</table>

Subtotal $115,993
### ATTACHMENT 2

**PURCHASE ORDERS ISSUED (Above $10,000 not Board approved)**

**BETWEEN JULY 1, 2017 - JUNE 30, 2018**

<table>
<thead>
<tr>
<th>PO No.</th>
<th>Vendor Name</th>
<th>Item Description</th>
<th>Circumstances</th>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>36525</td>
<td>DXP Enterprises Inc</td>
<td>Lake Hodges cooling pump repair.</td>
<td>Special Circumstances: Diagnostics of the cooling pump showed further shaft damage than anticipated requiring repair at vendor facility.</td>
<td>6/30/2018</td>
<td>$16,908</td>
</tr>
<tr>
<td>35586</td>
<td>E&amp;M Electric and Machinery Inc</td>
<td>CFP #52344 - Customer FIRST - Standard Level.</td>
<td>Exempt Admin Code</td>
<td>9/26/2017</td>
<td>$33,668</td>
</tr>
<tr>
<td>35543</td>
<td>Fotronic Corporation</td>
<td>Thermal imaging camera.</td>
<td>Competitive</td>
<td>9/15/2017</td>
<td>$24,298</td>
</tr>
<tr>
<td>35498</td>
<td>Hawthorne Machinery Company</td>
<td>Caterpillar Backhoe model 430F2 HRC.</td>
<td>Cooperative</td>
<td>9/5/2017</td>
<td>$136,726</td>
</tr>
<tr>
<td>35531</td>
<td>Caterpillar Motor Grader model 140M3 LR.</td>
<td>Cooperative</td>
<td>9/13/2017</td>
<td>$309,480</td>
<td></td>
</tr>
<tr>
<td>35533</td>
<td>Caterpillar Mini Excavator model 305E2 HEXMN DCA3.</td>
<td>Cooperative</td>
<td>9/13/2017</td>
<td>$70,544</td>
<td></td>
</tr>
<tr>
<td>35535</td>
<td>Caterpillar Skid Steer model 289D CCE.</td>
<td>Cooperative</td>
<td>9/13/2017</td>
<td>$82,939</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal Hawthorne Machinery Company</strong></td>
<td></td>
<td></td>
<td></td>
<td>$614,478</td>
</tr>
<tr>
<td>36395</td>
<td>Inland Kenworth Inc</td>
<td>Kenworth 4x4 utility service truck model T880.</td>
<td>Cooperative</td>
<td>6/4/2018</td>
<td>$681,940</td>
</tr>
<tr>
<td>35568</td>
<td>Control or Security System Service Provider¹</td>
<td>Terminals.</td>
<td>Special Circumstances: Water Authority selected Allen-Bradley hardware and Rockwell software to provide controls for the Aqueduct Vendor is the sole</td>
<td>9/25/2017</td>
<td>$22,520</td>
</tr>
<tr>
<td>35671</td>
<td>Control or Security System Service Provider¹</td>
<td>Automation control hardware product support.</td>
<td>Authority selected Allen-Bradley hardware and Rockwell software to provide controls for the Aqueduct</td>
<td>10/11/2017</td>
<td>$15,126</td>
</tr>
<tr>
<td>36196</td>
<td>Controllers.</td>
<td>Control System. Vendor is the sole</td>
<td>Competitive</td>
<td>3/19/2018</td>
<td>$13,042</td>
</tr>
<tr>
<td>36441</td>
<td>Interface modules.</td>
<td>Control System. Vendor is the sole</td>
<td>Competitive</td>
<td>6/21/2018</td>
<td>$22,432</td>
</tr>
<tr>
<td>36453</td>
<td>PLC hardware.</td>
<td>Control System. Vendor is the sole</td>
<td>Competitive</td>
<td>6/26/2018</td>
<td>$77,147</td>
</tr>
<tr>
<td>36135</td>
<td>DLZ1/FB6 SCADA equipment.</td>
<td>Control System. Vendor is the sole</td>
<td>Competitive</td>
<td>3/19/2018</td>
<td>$13,042</td>
</tr>
<tr>
<td>36386</td>
<td>WIP-HOMC A907236SSFSDN4 with cutouts.</td>
<td>Control System. Vendor is the sole</td>
<td>Competitive</td>
<td>5/31/2018</td>
<td>$16,685</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td></td>
<td>$196,743</td>
</tr>
<tr>
<td>35298</td>
<td>Control or Security System Service Provider¹</td>
<td>Annual support maintenance.</td>
<td>Exempt Admin Code</td>
<td>7/31/2017</td>
<td>$13,236</td>
</tr>
<tr>
<td>36101</td>
<td>Control or Security System Service Provider¹</td>
<td>Annual support maintenance.</td>
<td>Exempt Admin Code</td>
<td>3/6/2018</td>
<td>$13,351</td>
</tr>
<tr>
<td>36029</td>
<td>The SoCo Group Inc</td>
<td>Lake Hodges turbine oil and lubricants.</td>
<td>Exempt Admin Code</td>
<td>2/13/2018</td>
<td>$13,882</td>
</tr>
</tbody>
</table>
### ATTACHMENT 2

**PURCHASE ORDERS ISSUED (Above $10,000 not Board approved)**
**BETWEEN JULY 1, 2017 - JUNE 30, 2018**

<table>
<thead>
<tr>
<th>#</th>
<th>Vendor Name/Description</th>
<th>Description</th>
<th>Special Circumstances</th>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>35925</td>
<td>Thomson Technology Power Systems ULC</td>
<td>Emergency Generator Olivenhain Reservoir load bank frames.</td>
<td>Replacement load bank frames must be purchased directly from the vendor (manufacturer).</td>
<td>1/9/2018</td>
<td>$31,423</td>
</tr>
<tr>
<td>35257</td>
<td>TM Industrial Supply Inc</td>
<td>New, unused, skid mounted, stainless steel multi-bag filter units.</td>
<td>Competitive</td>
<td>7/24/2017</td>
<td>$133,357</td>
</tr>
<tr>
<td>36476</td>
<td>United West Inc</td>
<td>Cargo utility trailer.</td>
<td>Competitive</td>
<td>6/30/2018</td>
<td>$14,854</td>
</tr>
<tr>
<td>35703</td>
<td>Winner Chevrolet Inc</td>
<td>2018 Chevrolet Silverado 1500 4WD 1/2 ton crew cab.</td>
<td>Cooperative</td>
<td>10/23/2017</td>
<td>$31,780</td>
</tr>
<tr>
<td>35757</td>
<td>2018 Chevrolet Traverse AWD 4dr LS.</td>
<td>Cooperative</td>
<td>11/8/2017</td>
<td>$29,534</td>
<td></td>
</tr>
<tr>
<td>35758</td>
<td>2018 Chevrolet Silverado 2500HD 4WD crew cab.</td>
<td>Cooperative</td>
<td>11/8/2017</td>
<td>$33,833</td>
<td></td>
</tr>
</tbody>
</table>

**Subtotal Winner Chevrolet Inc** | $340,754 |

**OPERATIONS & MAINTENANCE TOTAL** | $2,647,142 |

<table>
<thead>
<tr>
<th>#</th>
<th>Vendor Name/Description</th>
<th>Description</th>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>35240</td>
<td>CitySourced Inc</td>
<td>Mobile app software license - Live WaterSmart.</td>
<td>Exempt Admin Code</td>
<td>7/20/2017</td>
</tr>
<tr>
<td>36037</td>
<td>Neyenesch Printers Inc</td>
<td>Printing of Sustainable Landscape guidelines.</td>
<td>Competitive</td>
<td>2/14/2018</td>
</tr>
</tbody>
</table>

**PUBLIC OUTREACH & CONSERVATION TOTAL** | $52,121 |

**TOTAL FOR ALL DEPARTMENTS** | $3,628,129 |

**Note:**
1: Vendor name not provided due to control and/or security concerns
2: General Counsel expenditures are reported to the Board in the monthly General Counsel's Report
BOARD CALENDAR

OCTOBER 2018
• 03 MWD Delegates meeting at 11:00 a.m.
• 11 Tentative Special Board Meeting at 1:30 p.m.
• 25 Committees begin at 9:00 a.m.
  Formal Board meeting begins at 3:00 p.m.
• 31 MWD Delegates meeting at 11:00 a.m.

NOVEMBER 2018
• 08 Tentative Special Board Meeting at 1:30 p.m.
• 22 No Formal Board Meeting

DECEMBER 2018
• 05 MWD Delegates meeting at 11:00 a.m.
• 06 Combined November & December Board Meeting
  Committees begin at 9:00 a.m.
  Formal Board meeting begins at 3:00 p.m.
WATER PLANNING COMMITTEE

AGENDA FOR

SEPTEMBER 27, 2018

David Cherashore – Chair     Kathleen Coates Hedberg
Brian Boyle – Vice Chair     Tom Kennedy
Betty Evans – Vice Chair     Barry Leonard
Jimmy Ayala       Keith Lewinger
David Barnum       Mark Muir
Jack Bebee       Jose Preciado
Vic Bianes       Tim Smith
Chris Cate

1. Roll call – determination of quorum.

2. Additions to agenda (Government Code Section 54954.2(b)).

3. Public comment – opportunities for members of the public to address the Committee on matters within the Committee’s jurisdiction.

4. Chair’s report.
   4-A Directors’ comments.

I. CONSENT CALENDAR

1. Professional services contract with Hazen and Sawyer for the Long Range Demand Forecast Update project.
   Staff recommendation: Authorize General Manager to award a professional services contract to Hazen and Sawyer, for a not-to-exceed contract amount of $529,603 for the Long Range Demand Forecast Update project. (Action)

II. ACTION/DISCUSSION/PRESENTATION

1. Metropolitan Water District 2018 Request for Proposals for Future Supply Actions Funding Program. (Presentation)

2. Update on Camp Pendleton Desalination Intake Testing Program. (Presentation)

III. INFORMATION

IV. CLOSED SESSION

V. ADJOURNMENT

NOTE: This meeting is called as a Water Planning Committee meeting. Because a quorum of the Board may be present, the meeting is also noticed as a Board meeting. Members of the Board who are not members of the Committee may participate in the meeting pursuant to Section 2.00.060(g) of the Authority Administrative Code (Recodified). All items on the agenda, including information items, may be deliberated and become subject to action. All public documents provided to the committee or Board for this meeting including materials related to an item on this agenda and submitted to the Board of Directors within 72 hours prior to this meeting may be reviewed at the San Diego County Water Authority headquarters located at 4677 Overland Avenue, San Diego, CA 92123 at the reception desk during normal business hours.

Melinda Nelson
Clerk of the Board
Attention:  Water Planning Committee

Professional services contract with Hazen and Sawyer for the Long Range Demand Forecast Update project  (Action)

Staff recommendation
Authorize General Manager to award a professional services contract to Hazen and Sawyer, for a not-to-exceed contract amount of $529,603 for the Long Range Demand Forecast Update project.

Alternatives
1) Do not approve the professional services contract and direct staff to re-negotiate with Hazen and Sawyer or with other contractors.
2) Do not approve the professional services contract and direct staff to solicit new proposals.

Fiscal Impact
There is $335,000 available in the adopted Water Resources Fiscal Years 2018 and 2019 Operating Budget to support the staff recommendation. The remaining funds in the amount of $194,603 will be requested during the Fiscal Years 2020 and 2021 budget process and is dependent upon Board approval. This project relates to the Customer Service rate category.

Executive Summary
- The Water Authority’s long-range demand forecast, developed for the 2015 Urban Water Management Plan (UWMP), is outdated and requires updating.
- 2015 UWMP demand projections do not reflect the impact of the 2015 mandatory water use reductions on regional water use, or SANDAG’s growth forecast currently being prepared.
- The water demand forecast is a critical element of the Water Authority’s financial, infrastructure, and supply planning efforts.
- A full-scale reestimation of the residential, non-residential and agricultural water demand forecast models is required as part of the 2020 UWMP.
- Staff recommends a not-to-exceed contract of $529,603 with Hazen and Sawyer for the Long Range Demand Forecast Update project.
- The project is anticipated to take approximately 22 months to complete.

Background

Water demand forecasts are an essential part of the Water Authority’s long-term planning efforts, and influence financial, infrastructure, and supply planning decisions. These demand forecasts are typically updated every five years to coincide with the development of the Water Authority’s latest UWMP - as required by the California Department of Water Resources. Since water
demands are influenced by socio-economic variables and the price of water, the Water Authority has adopted a forecast methodology based on an econometric modeling approach.

The Water Authority’s econometric demand forecast model (CWA-MAIN) is based on an industry accepted forecasting approach, originally developed by the Army Corps of Engineers, that utilizes rate-of-use equations multiplied by driver variables to project water demands. Driver variables (such as housing units and employment counts) are based on demographic and economic projections provided by SANDAG and rate-of-use equations are derived from multiple regression analysis of historic member agency sectoral-level water use. These equations take into account the influence of changing conditions on water demand trends – like the 2015 statewide mandatory water use reductions.

**Discussion**

The Water Authority’s 2015 UWMP demand forecast was developed using member agency sector-level consumption data compiled through the year 2013, as well as SANDAG’s Series 13 Regional Growth Forecast released in October 2013. Since this time, significant changed conditions have occurred that have drastically impacted water use levels in the San Diego region. These factors include Governor Brown’s state-wide drought emergency proclamation and the State Water Resources Control Board’s mandatory conservation standards – imposing unprecedented municipal and industrial water use reductions of up to 36 percent for some Water Authority member agencies. In addition, SANDAG is currently working with local jurisdictions to update the official growth forecast for the San Diego region. The new Series 14 Regional Growth Forecast incorporates changes in land use planning assumptions for new residential housing units, employment counts, as well as county population estimates since adoption of the Series 13 Regional Growth Forecast.

The Governor’s historic mandatory water use reductions triggered a significant drop in Water Authority service area demands. Based on the new demand trend it is highly unlikely that total regional consumptive water use will rebound to the projected year 2020 total water demand of 587,581 acre-feet listed in the 2015 UWMP. As a result, Water Authority staff developed an Interim Water Demand Forecast Reset in early 2018 as a provisional update to support Water Authority supply, infrastructure and financial planning efforts until a full-scale update of the water demand forecast could be completed as part of the Water Authority’s 2020 UWMP.

As a first step in the full-scale demand forecast update, staff developed a detailed demand forecast modeling scope of work. On July 12, 2018, a request for proposals (RFP) for the Long-Range Demand Forecast project (Demand Forecast Project) was released on The Network Bid System. Proposals from two highly qualified contactors (A&N Technical Services, Inc. and Hazen and Sawyer) were received by the August 9, 2018 due date. To oversee the proposal review process, a project panel was assembled from Water Authority staff and a staff member from the City of San Diego. Panelists reviewed and ranked each proposal based on the evaluation criteria contained in Section 9 of the RFP. Based on panelists’ proposal rankings, both firms were selected for interviews. Taking into consideration the strength of proposals, interview responses and prior work efforts on Water Authority projects, Hazen & Sawyer was selected for the Demand Forecast Project.
The project team assembled by Hazen & Sawyer is composed of highly skilled subject matter experts in the fields of statistical modeling, econometric water demand forecasting and climate change modeling. Additionally, Hazen & Sawyer project manager Dr. Jack Kiefer not only has extensive experience with modeling San Diego area water demands, he is also a leader in the water demand forecasting research arena – heading many Water Research Foundation projects focusing on short and long-range water demand modeling. This combination of relevant experience and technical expertise make Hazen & Sawyer exceedingly qualified to successfully complete the Demand Forecast Project deliverables.

The project scope of work is focused on development of a normal-year baseline demand forecast that reflects the impacts of historic water use efficiency and extraordinary conservation savings. Staff recognizes that the baseline forecast must incorporate the lingering impacts associated with recent mandatory water use reductions. The scope of work also includes construction of single and multiple dry-year demand projections, as well as a climate change scenario for the San Diego region. The impact of future active and passive long-term water savings measures will be developed as part of a separate contract. Additionally, the scope includes briefings with member agencies and the Water Authority Board of Directors to present an overview of the modeling approach, review of modeling assumptions and input variables (such as, SANDAG’s Series 14 housing units and employment counts) and an analysis of member agency level water demand projections.

The Demand Forecast Project is anticipated to take 22 months for full forecast development and final report preparation. Due to limited subcontracting opportunities with this type of service, SCOOP outreach was not required.

Prepared by: Tim Bombardier, Principal Water Resources Specialist
Reviewed by: Robert R. Yamada, Director of Water Resources
Approved by: Sandra L. Kerl, Deputy General Manager
September 19, 2018

Attention: Water Planning Committee

Metropolitan Water District 2018 Request for Proposals for Future Supply Actions Funding Program (Presentation)

Purpose
This discussion item provides a summary of the 2018 Request for Proposals for Future Supply Actions Finding (FSA) Program solicitation announced by Metropolitan Water District (MWD) on July 6, 2018. In response to the solicitation, the Water Authority formed a member agency workgroup to identify and prioritize potential Water Authority and member agency projects in our region and ultimately submitted a proposal package that included three projects requesting the maximum FSA Program cap per MWD member agency of $500,000.

Executive Summary
- The MWD FSA Funding Program addresses future uncertainties like climate change by funding studies that remove barriers to the development of local groundwater, recycling, seawater desalination and storm water supplies.
- The total funding available under the MWD FSA Funding Program is $3.5 million. MWD member agencies may submit proposal funding requests of up to $500,000 per agency or up to $500,000 for a single proposal.
- The Water Authority staff organized a member agency workgroup that identified three projects to include in the San Diego Region Proposal.
- Staff submitted a grant request of $500,000 for the three projects.
- MWD anticipates proposal award announcements in November 2018 (contingent upon Board action) and has a goal of executing agreements by the end of the year.

Background

On August 3, 2018, MWD released a solicitation for proposals to fund technical studies or pilot/demonstration projects that “enable effective resource planning”. Program funding is intended to support advanced planning activities for future projects and is not intended to fund project activities beyond planning such as design and construction.

Proposals were due to MWD on August 31, 2018. The FSA program is similar to MWD’s 2013 Foundational Actions Funding Program and is focused around advancing knowledge for future resource development in four water supply areas: groundwater, recycled water, stormwater and seawater desalination. The FSA program will provide a total of $3.5 million in funding to MWD member agencies. Up to $500,000 is being made available to each MWD member agency. The applications can include up to three projects sponsored by the MWD member agency and its sub-agencies. Implementation of the submitted projects must meet the FSA Program’s stated...
objectives to: reduce barriers to future water resource production; advance the field knowledge for the three resources [seawater desalination, brackish groundwater and recycled water]; provide results that are unique, yet transferable to other areas in the region; and represent a catalytic/critical path to water resource implementation.

Discussion

Due to MWD’s short time frame for submittal of proposals, the Water Authority immediately requested pre-proposals from member agencies interested in participating in this funding opportunity and formed a member agency workgroup to prioritize, select projects and determine the funding request for submittal to MWD. Six pre-proposals were submitted for consideration. The workgroup met on August 7 and August 15, 2018, to refine and provide recommendations for the final submittal. During this process, two proposals were withdrawn, and two member agencies partnered together to get the number of proposals down to three.

The following three projects were proposed by the Water Authority in conjunction with our member agencies:

1. **Lewis Carlsbad Desalination Plant Wedge Wire Screen Demonstration Project (Water Authority).** The purpose of the Demonstration Project is to confirm the design, operation, maintenance and feasibility requirements for submerged wedge wire screens (WWS) as the intake technology for the stand-alone Carlsbad Desalination Plant’s seawater intake. The Demonstration Project will provide data comparing side-by-side, the capabilities of active and passive WWS technologies to manage free-floating debris and biofouling in the Aqua Hedionda Lagoon. In addition to confirming the feasibility of the current intake design, the Demonstration Project will validate the cost-effectiveness and environmental impact under various screen and operating configurations. The findings will also provide valuable feedback for potential California seawater desalination projects that are contemplating various types of intake technologies. The Demonstration Project will add to the currently limited data available for MWD member agencies and regulators regarding side-by-side evaluation of different WWS configurations and their ability to comply with new Ocean Plan Amendment requirements.

2. **Multi-Jurisdictional Optimization of Surface and Groundwater Supplies in the San Dieguito River Watershed: Brackish Groundwater Design Pilot and Scenario Planning Tool (Olivenhain Municipal Water District and City of San Diego Public Utilities Department).** This proposal involves two inter-related pilot studies that work together to optimize surface water and groundwater supplies in the San Dieguito River watershed through multi-agency collaboration, data collection and sharing, and decision support. The Brackish Groundwater Design Pilot Study will address the barriers that currently hinder the development of groundwater resources in deep coastal aquifers. The project includes construction of a test well and a 12- to 14-month pump test at flow rates up to 600 gallons per minute that will be used to refine and recalibrate the groundwater model developed during the feasibility study and confirm the water balance in the groundwater basin. The study will also field test greensand filtration equipment to refine the design.
criteria for manganese removal pretreatment. The pilot could lead to construction of a brackish groundwater desalination facility that will offset regional potable water demands by a minimum of 1,120 acre-feet per year. Data gained through the design pilot as well as construction of the ultimate desalination facility is expected to facilitate the pursuit by other MWD member agencies of potable water supply from low-yield basins. Project results will enhance research benefits in groundwater modeling, water quality improvement, coastal basin response, and treatment processes. The development of a Scenario Planning Tool, led by the City of San Diego, includes a data management and decision support pilot that will provide water quantity and quality information for surface and groundwater in a federated data warehouse for use by entities in the San Dieguito River watershed, including OWMD, City of San Diego, Santa Fe Irrigation District, San Dieguito Water District, and the Water Authority. The planning tool is expected to provide a model approach for data sharing on a watershed scale.

3. Demonstration of Preformed Chloramines for Biofouling Control and California Toxics Rule Compliance (Padre Dam Municipal Water District [Padre Dam]). The objective of the proposed project is to install a preformed chloramines system at Padre Dam’s existing 100,000 gallons per day advanced treatment demonstration facility and test the system for one year to ensure California Toxics Rule (CTR) compliance and provide valuable information for full-scale design and implementation. Padre Dam will provide in-kind support through daily operation of the demonstration facility which is currently comprised of the 4-step advanced treatment process as the current full-scale design. The testing will include high frequency sampling of trihalomethanes (THMs) to investigate the effectiveness of preformed chloramines at preventing THM formation. The results from this yearlong testing will be instrumental towards satisfying the goals of this project, which are to inform planning for surface water augmentation potable reuse projects and CTR-compliant advanced water purification designs for agencies across the State.

Member agencies completed their proposals, which were reviewed by staff prior to submittal to MWD. Each member agency indicated their ability to meet the established FSA Program requirements for completion schedules, and local funding and staff labor. Based on MWD’s 2018 RFP FSA Program solicitation, proposal awards will be announced by November 6, 2018, contingent upon Board Action. MWD has a target of executing all proposal agreements by December 31, 2018. Awarded projects should be initiated by February 28, 2019 and completed within two years.

Prepared by: Goldy Herbon, Senior Water Resources Specialist
Reviewed by: Toby J. Roy, Water Resources Manager
Robert R. Yamada, Director of Water Resources
Approved by: Sandra L. Kerl, Deputy General Manager
Attention: Water Planning Committee

Update on Camp Pendleton Desalination Intake Testing Program (Presentation)

Purpose
Provide an update on the Camp Pendleton Desalination Intake Testing Program.

Executive Summary
- The Water Authority was awarded two separate grants from the Department of Water Resources ($1,000,000) and the Bureau of Reclamation ($400,000) to support an intake testing pilot program.
- In 2015, Michael Baker International was awarded a contract and initiated the Intake Testing Program to thoroughly evaluate different intake and discharge configurations consistent with maintaining the Camp Pendleton project as a potential adaptive management supply for the region.
- The Intake Testing Program has been delayed for two years due to the extraordinary permitting challenges, that go above and beyond the normal statutory and regulatory requirements for a 20-gallon per minute pilot testing unit.
- Given the challenges and additional costs that would be required to permit the Intake Testing Program, as well as reduced demand projections and advancement of member agency local supplies, staff plans to terminate the Intake Testing Program and attempt to redirect grant funding. No further activities related to a potential Camp Pendleton Desalination Project are planned.

Background
In 2009, the Water Authority, in collaboration with the MCBCP, completed a feasibility study for a 50 to 150 million gallon per day (56,000 – 168,000 acre-feet per year) seawater desalination project at Camp Pendleton focusing on two possible seawater desalination plant sites in the southwest corner of the base near the mouth of the Santa Margarita River. In October 2013, additional planning-level studies and field investigations were finalized to further define project requirements, including the feasibility of subsurface and screened open ocean intake alternatives, brine discharge methods, treatment processes and plant configurations, power supply requirements, alternative conveyance alignments, the integration of new supplies into the regional aqueduct system, and impacts to MCBCP operations.

The 2013 Water Facilities Master Plan Update identifies a potential future Camp Pendleton Desalination Project as a long-range supply project, an adaptive management strategy that could serve as a viable contingency for the region and maintain the region’s flexibility to pursue multiple paths to reliability in the face of continued water supply uncertainty. The 2015 UWMP, adopted in
June 2016, also identifies the Camp Pendleton Desalination Project as a long-range resource strategy to manage future supply uncertainties. It also states that the ultimate decision to move forward on the project by the Water Authority Board would be considered in context of the development of member agency local supplies, changes in imported supply reliability, and regional water demand levels.

Unlike the Lewis Carlsbad Desalination Plant, a Camp Pendleton Desalination Project would include the construction of new ocean intake and discharge infrastructure. Given the focus on desalination intakes and discharges as a key permitting issue in the California Ocean Plan Amendment (OPA) adopted by the State Water Resources Control Board in May 2015, it was essential that the planning for a potential Camp Pendleton project thoroughly evaluate different intake and discharge configurations, including subsurface intake and multi-port diffuser discharge technologies, identified by regulators as preferred technologies. To support this evaluation, the Water Authority applied for and was awarded grant funds totaling $1.4 million from the state and from the US Bureau of Reclamation.

<table>
<thead>
<tr>
<th>Dept. of Water Resources Proposition 50, Round 3 Desalination Grant Funding</th>
<th>Bureau of Reclamation Desalination and Water Purification Research Program</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Award Amount</strong></td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>Award Date</strong></td>
<td>Aug 14, 2014</td>
</tr>
<tr>
<td><strong>Matching Fund Requirement</strong></td>
<td>50 percent</td>
</tr>
<tr>
<td><strong>Required Funding Parameter</strong></td>
<td>Evaluate/compare open ocean and subsurface intakes</td>
</tr>
</tbody>
</table>

In September 2015, the Water Authority awarded a contract to Michael Baker International, Inc. (MBI) for $4,050,000 to complete the intake evaluation. The contract value was to be partially offset by the grant funding.

Since the award of the MBI contract, demand forecasts have steadily decreased and significant progress has been made in member agency local supplies, most notably the certification of the environmental impact report (EIR) for the City of San Diego’s Pure Water Program. The 2015 UWMP total demand in 2035 decreased 12 percent, as compared to the same year in the 2010 UWMP. In the Interim Demand Forecast Reset presented to the Board in March 2018, the 2035 total demand forecast dropped an additional nine percent.

**Previous Board Actions**

On March 26, 2015 the Board approved the Camp Pendleton Intake Testing Program and accepted grant funding for up to $1.4 million from the California Department of Water Resources and the U.S. Bureau of Reclamation to conduct an intake testing program.
On September 24, 2015 the Board authorized the General Manager to:

1. Execute a Memorandum of Understanding between the San Diego County Water Authority and United States Marine Corps Base Camp Pendleton to conduct the Intake Testing Program.

2. Award a professional services contract to Michael Baker International, Inc., in an amount not-to-exceed $4,050,000, to perform the design, permitting, construction, operation, testing and reporting required for the Intake Testing Program associated with a potential Camp Pendleton Seawater Desalination Project.

Discussion

The primary objective of the Intake Testing Program was to determine the highest performing and most cost-effective combined intake and pretreatment system, on a pilot scale, to support future development and permitting for a potential reverse osmosis seawater desalination plant at Camp Pendleton. The testing program was also intended to provide important technical information on the feasibility of a new subsurface intake technology that could help California projects comply with the OPA. After receiving its Notice to Proceed, MBI developed a preliminary design of the 20-gallon per minute (gpm) pilot plant and intake facilities, recommending a one-year study comparing the water quality and pretreatment requirements of seawater from both an open-ocean intake and subsurface intake to accomplish this objective. The open-ocean intake would consist of a 1-millimeter wedge wire screen in compliance with OPA requirements and the subsurface intake would be horizontally directionally drilled underneath the seafloor with innovative Neodren® technology.

Supporting the preliminary design, a Permitting Work Plan was developed identifying the following permits/approvals required for the Intake Testing Program:

- MCBCP
  - Base Access License
  - Site Approval
  - National Environmental Policy Act Determination
- U.S Army Corps of Engineers
  - Section 10 Rivers and Harbors Act Permit
  - Nationwide Permit No. 7
- Regional Water Quality Control Board
  - 401 Water Quality Certification
  - Waste Discharge Requirements/National Pollutant Discharge Elimination System Permit
  - 2015 OPA Compliance
- California Department of Fish and Wildlife Coordination Consistency Determination/Incidental Take Permit
- California Coastal Commission Coastal Development Permit
- California State Lands Commission Surface and Submerged Lands Lease
MBI, with support from Water Authority staff, initiated consultations and submitted permit applications to these agencies in 2016. In parallel, the Water Authority completed its California Environmental Quality Act (CEQA) review and filed a Statutory Exemption for the project under Public Resources Code §21150 on August 5, 2016, consistent with the legislative intent supporting feasibility studies.

State Lands Commission staff took exception to the Water Authority’s CEQA exemption determination, and in a letter to the Water Authority indicated that a mitigated negative declaration would be needed for approval of a land lease permit. In the interest of full public disclosure, and to support the State Lands Commission’s CEQA determination, the Water Authority prepared and submitted to State Lands staff on March 2, 2018, a 214-page draft Negative Declaration with full supporting documentation. The documentation provided shows that the Intake Testing Program, consisting primarily of 20 gpm pilot-scale intake facilities and a desalination unit, would have no significant impact on the environment. However, upon review of the draft Negative Declaration, State Lands staff concluded that a full EIR would be required, further delaying development of the project. State Lands staff estimated the cost of the EIR at an additional $625,000. The effort to develop an EIR for the Intake Testing Program was not included in MBI’s contract and cannot be supported with the current project budget.

Staff has taken this opportunity to reconsider pursuit of the Intake Testing Program permits and, in general, the adaptive management support activities related to a potential full-scale Camp Pendleton Desalination Project. The decreased demands identified in the 2015 UWMP and further substantiated in the 2018 Interim Demand Forecast Reset, combined with the continued advancement of member agency local supplies, coupled with the permitting challenges and costs discussed above, has led staff to initiate the cessation of all activities associated with the Camp Pendleton Desalination Intake Testing Program. This process will include withdrawing all permit applications, consultations with non-permitting project stakeholders, discussions with grant funding agencies to request the redirection of funds to the Lewis Carlsbad Desalination Plant Intake Screen Demonstration Project and addressing the remaining $3.2 million earmarked for the project as part of the Fiscal Years 2019/2020 CIP budget development for Board approval. No further activities related to a potential Camp Pendleton Desalination Project are planned.

In total, the Water Authority has spent $5.4 million to validate the Camp Pendleton Desalination Project as a viable adaptive management supply and incrementally advance the project. Approximately $4.2 million of that was spent on the feasibility and advanced technical studies completed in 2009 and 2013, respectively. It is important to note that the feasibility and advanced technical studies performed to date will allow the Camp Pendleton project to remain a viable contingency for the region and maintain the region’s flexibility to pursue multiple paths to reliability if conditions change and such supply development becomes necessary.

Prepared by: Jeremy Crutchfield, Principal Engineer
Reviewed by: Toby J. Roy, Water Resources Manager
Reviewed by: Robert R. Yamada, Director of Water Resources
Approved by: Sandra L. Kerl, Deputy General Manager
September 19, 2018

Attention: Water Planning Committee

Water Resources Report

Purpose
This report includes the following exhibits for August 2018:

- Rainfall and Temperature data
- Deliveries to Member Agencies (Exhibit A)
- Water Use by Member Agencies (Exhibit B)
- Potable M&I Water Use (Exhibit C)
- Storage Available to Member Agencies (Exhibit D)
- Firm Water Deliveries to Member Agencies (Exhibit E)
- Summary of Water Authority Member Agency Operations (Exhibit F)

### RAINFALL TOTALS (inches)

<table>
<thead>
<tr>
<th>Station</th>
<th>August 2018</th>
<th>Normal</th>
<th>WATER YEAR 2018 TO DATE (October 2017 through August 2018)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Normal</td>
<td>Actual</td>
</tr>
<tr>
<td>Lindbergh Field</td>
<td>0.02</td>
<td>0.02</td>
<td>3.34</td>
</tr>
<tr>
<td>(N.O.A.A.)</td>
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<td></td>
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</tr>
<tr>
<td>Ramona Airport</td>
<td>0.00</td>
<td>0.15</td>
<td>5.80</td>
</tr>
<tr>
<td>(N.O.A.A.)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lake Henshaw</td>
<td>0.00</td>
<td>0.48</td>
<td>9.98</td>
</tr>
<tr>
<td>(Vista I.D.)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: National Weather Service, Vista Irrigation District.

### AVERAGE DAILY MAXIMUM TEMPERATURE (°F)

<table>
<thead>
<tr>
<th>Station</th>
<th>August 2018 Actual</th>
<th>August 2018 Normal</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lindbergh Field</td>
<td>83.3</td>
<td>76.4</td>
<td>6.9</td>
</tr>
<tr>
<td>(N.O.A.A.)</td>
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<td></td>
<td></td>
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</tbody>
</table>

Since November 2014, 55 of last 58 months were hotter than normal at Lindbergh Field
## MONTHLY WATER RESOURCES REPORT

### Water Deliveries to Member Agencies

#### (acre-feet)

#### AUGUST 2018

<table>
<thead>
<tr>
<th>Member Agency</th>
<th>August 2018</th>
<th>August 2017</th>
<th>12 Months Ended August 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad M.W.D.</td>
<td>1,705.2</td>
<td>1,581.3</td>
<td>16,192.8</td>
</tr>
<tr>
<td>Del Mar, City of</td>
<td>125.6</td>
<td>122.7</td>
<td>1,099.5</td>
</tr>
<tr>
<td>Escondido, City of</td>
<td>2,311.6</td>
<td>486.3</td>
<td>13,284.0</td>
</tr>
<tr>
<td>Fallbrook P.U.D.</td>
<td>891.6</td>
<td>872.5</td>
<td>10,241.7</td>
</tr>
<tr>
<td>Helix W.D.</td>
<td>4,391.7</td>
<td>2,431.3</td>
<td>28,842.9</td>
</tr>
<tr>
<td>Lakeside W.D.</td>
<td>323.8</td>
<td>295.3</td>
<td>2,890.0</td>
</tr>
<tr>
<td>National City, City of</td>
<td>15.4</td>
<td>50.6</td>
<td>107.2</td>
</tr>
<tr>
<td>Oceanside, City of</td>
<td>2,377.0</td>
<td>2,308.4</td>
<td>22,499.9</td>
</tr>
<tr>
<td>Olivenhain M.W.D.</td>
<td>2,199.7</td>
<td>2,085.3</td>
<td>19,621.2</td>
</tr>
<tr>
<td>Otay W.D.</td>
<td>3,162.0</td>
<td>2,967.9</td>
<td>29,993.9</td>
</tr>
<tr>
<td>Padre Dam M.W.D.</td>
<td>1,083.5</td>
<td>1,014.5</td>
<td>10,446.8</td>
</tr>
<tr>
<td>Pendleton M.C.B.</td>
<td>2.8</td>
<td>14.5</td>
<td>68.2</td>
</tr>
<tr>
<td>Poway, City of</td>
<td>1,254.0</td>
<td>1,077.8</td>
<td>10,860.4</td>
</tr>
<tr>
<td>Rainbow M.W.D.</td>
<td>2,530.7</td>
<td>2,298.0</td>
<td>19,787.5</td>
</tr>
<tr>
<td>Ramona M.W.D.</td>
<td>743.1</td>
<td>439.2</td>
<td>5,907.2</td>
</tr>
<tr>
<td>Rincon Del Diablo M.W.D.</td>
<td>620.1</td>
<td>585.0</td>
<td>5,534.4</td>
</tr>
<tr>
<td>San Diego, City of</td>
<td>19,444.9</td>
<td>18,290.2</td>
<td>166,620.8</td>
</tr>
<tr>
<td>San Dieguito W.D.</td>
<td>513.8</td>
<td>302.7</td>
<td>3,052.4</td>
</tr>
<tr>
<td>Santa Fe I.D.</td>
<td>1,081.3</td>
<td>697.3</td>
<td>6,453.6</td>
</tr>
<tr>
<td>South Bay I.D.</td>
<td>853.3</td>
<td>693.1</td>
<td>1,561.3</td>
</tr>
<tr>
<td>Vallecitos W.D.</td>
<td>1,706.2</td>
<td>1,650.6</td>
<td>16,387.9</td>
</tr>
<tr>
<td>Valley Center M.W.D.</td>
<td>2,627.3</td>
<td>2,535.1</td>
<td>22,849.0</td>
</tr>
<tr>
<td>Vista I.D.</td>
<td>1,854.4</td>
<td>-</td>
<td>7,429.6</td>
</tr>
<tr>
<td>Yuima M.W.D.</td>
<td>896.9</td>
<td>697.1</td>
<td>6,502.7</td>
</tr>
</tbody>
</table>

| Deliveries To SDCWA Agencies        | 52,715.9    | 43,496.7    | 428,234.9        | 444,601.5     |
| Less: Deliveries to SDCWA Storage   | 388.1       | 1,902.9     | 5,348.9          | 42,352.3      |

**TOTAL MEMBER AGENCY DELIVERIES**

|                          | 52,327.8    | 41,593.8    | 422,886.0        | 402,249.2     |

1. There were no Supplemental wheeled water deliveries to Escondido and Vista I.D. in August.

2. Member agency deliveries include puts into Water Authority storage accounts. For August 2018, storage account deliveries totaled 355.2 AF and 32.9 AF to San Vicente Reservoir and Lower Otay Reservoir, respectively, through city of San Diego connections. August 2017 storage account deliveries totaled 743.7 AF to Sweetwater Reservoir; and 188.6 AF and 1,714.3 AF to San Vicente Reservoir and Lower Otay Reservoir, respectively, through city of San Diego connections. There were no storage sales to the city of San Diego from San Vicente Reservoir in August 2017.
## Estimated Water Use by Member Agency (acre-feet)

### AUGUST 2018

<table>
<thead>
<tr>
<th>Member Agency</th>
<th>Imported/Desal</th>
<th>Surface</th>
<th>Groundwater</th>
<th>Recycled</th>
<th>Desal / Supplemental</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad M.W.D.</td>
<td>1,501.9</td>
<td>1,367.0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Del Mar, City of</td>
<td>125.6</td>
<td>122.7</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Escondido, City of</td>
<td>2,292.1</td>
<td>479.9</td>
<td>0.0</td>
<td>28.2</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Fallbrook P.U.D. 2</td>
<td>1,137.0</td>
<td>1,110.1</td>
<td>-</td>
<td>-</td>
<td>6.0</td>
<td>8.0</td>
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<tr>
<td>Helix W.D.</td>
<td>3,081.5</td>
<td>2,863.9</td>
<td>0.0</td>
<td>129.9</td>
<td>12.5</td>
<td>1.8</td>
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<tr>
<td>Lakeside W.D.</td>
<td>323.8</td>
<td>297.5</td>
<td>-</td>
<td>-</td>
<td>63.4</td>
<td>77.3</td>
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<td>National City, City of 3</td>
<td>15.1</td>
<td>46.1</td>
<td>-</td>
<td>24.7</td>
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<td>359.3</td>
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<td>-</td>
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<td>281.9</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Otay W.D.</td>
<td>3,153.6</td>
<td>2,967.9</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Padre Dam M.W.D.</td>
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<td>1,022.1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pendleton M.C.B. 4</td>
<td>15.3</td>
<td>22.7</td>
<td>-</td>
<td>-</td>
<td>650.0</td>
<td>663.6</td>
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<tr>
<td>Poway, City of 5</td>
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<td>1,102.7</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
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<td>564.9</td>
<td>520.2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rincon Del Diablo M.W.D.</td>
<td>585.4</td>
<td>585.0</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>San Diego, City of</td>
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<td>15,622.5</td>
<td>1.7</td>
<td>904.2</td>
<td>-</td>
<td>40.8</td>
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<td>-</td>
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<td>408.8</td>
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<td>-</td>
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<td>631.4</td>
<td>-</td>
<td>0.0</td>
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<td>448.2</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Valley Center M.W.D.</td>
<td>2,627.3</td>
<td>2,535.1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
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<td>Vista I.D.</td>
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<td>-</td>
<td>48.6</td>
<td>1,348.8</td>
<td>-</td>
<td>-</td>
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<td>Yuima M.W.D.</td>
<td>896.9</td>
<td>697.1</td>
<td>-</td>
<td>-</td>
<td>593.0</td>
<td>657.9</td>
</tr>
<tr>
<td><strong>TOTAL USE</strong></td>
<td><strong>49,600.7</strong></td>
<td><strong>40,792.1</strong></td>
<td><strong>337.5</strong></td>
<td><strong>3,138.9</strong></td>
<td><strong>2,482.7</strong></td>
<td><strong>2,538.8</strong></td>
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<tr>
<td><strong>PERCENT CHANGE</strong></td>
<td>22%</td>
<td>-89%</td>
<td>-2%</td>
<td>1%</td>
<td>-80%</td>
<td>-8%</td>
</tr>
</tbody>
</table>

1. Supplemental Water was added as a local supply source beginning in December 2017, for Escondido and Vista I.D. only.
2. Carlsbad M.W.D. figures include deluz figures in Fallbrook P.U.D. totals.
3. Brackish groundwater figures included in Groundwater figures.
4. Pendleton M.C.B. Imported Use includes South Coast Water District deliveries.
5. Poway’s recycled use is reported quarterly and is estimated at 1/3 of that amount, monthly.
### MONTHLY WATER RESOURCES REPORT

#### Potable M&I Water Use for State Water Resources Control Board Emergency Regulation Tracking

#### AUGUST 2018

<table>
<thead>
<tr>
<th>Member Agency</th>
<th>August 2018</th>
<th>39 Months Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2013</td>
</tr>
<tr>
<td>Carlsbad M.W.D.</td>
<td>1,710.2</td>
<td>1,806.0</td>
</tr>
<tr>
<td>Del Mar, City of</td>
<td>125.6</td>
<td>183.8</td>
</tr>
<tr>
<td>Escondido, City of</td>
<td>1,922.2</td>
<td>2,403.4</td>
</tr>
<tr>
<td>Fallbrook P.U.D.</td>
<td>787.1</td>
<td>977.3</td>
</tr>
<tr>
<td>Helix W.D.</td>
<td>3,094.0</td>
<td>3,585.2</td>
</tr>
<tr>
<td>Lakeside W.D.</td>
<td>387.2</td>
<td>461.0</td>
</tr>
<tr>
<td>Oceanside, City of</td>
<td>2,603.0</td>
<td>3,052.5</td>
</tr>
<tr>
<td>Olivenhain M.W.D.</td>
<td>2,190.0</td>
<td>2,401.0</td>
</tr>
<tr>
<td>Otay W.D.</td>
<td>3,153.6</td>
<td>3,455.5</td>
</tr>
<tr>
<td>Padre Dam M.W.D.</td>
<td>1,071.6</td>
<td>1,208.0</td>
</tr>
<tr>
<td>Pendleton M.C.B.</td>
<td>665.3</td>
<td>762.1</td>
</tr>
<tr>
<td>Poway, City of</td>
<td>1,140.0</td>
<td>1,402.2</td>
</tr>
<tr>
<td>Rainbow M.W.D.</td>
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<td>1,289.8</td>
</tr>
<tr>
<td>Ramona M.W.D.</td>
<td>407.9</td>
<td>443.8</td>
</tr>
<tr>
<td>Rincon Del Diablo M.W.D.</td>
<td>585.4</td>
<td>759.0</td>
</tr>
<tr>
<td>San Diego, City of</td>
<td>18,406.9</td>
<td>19,980.9</td>
</tr>
<tr>
<td>San Dieguito W.D.</td>
<td>636.3</td>
<td>673.1</td>
</tr>
<tr>
<td>Santa Fe I.D.</td>
<td>1,246.0</td>
<td>1,339.2</td>
</tr>
<tr>
<td>Sweetwater Authority</td>
<td>1,772.5</td>
<td>2,144.4</td>
</tr>
<tr>
<td>Vallecitos W.D.</td>
<td>1,620.7</td>
<td>1,748.1</td>
</tr>
<tr>
<td>Valley Center M.W.D.</td>
<td>885.9</td>
<td>1,126.1</td>
</tr>
<tr>
<td>Vista I.D.</td>
<td>1,903.0</td>
<td>2,123.1</td>
</tr>
<tr>
<td>Yuima M.W.D.</td>
<td>864.8</td>
<td>1,010.9</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>48,422.2</strong></td>
<td><strong>54,336.4</strong></td>
</tr>
<tr>
<td><strong>PERCENT CHANGE</strong></td>
<td><strong>-11%</strong></td>
<td></td>
</tr>
</tbody>
</table>

**NOTES:**

1. SWRCB emergency regulation went into effect June 2015.
2. The 2013 baseline is utilized to be consistent with the May 2015 SWRCB emergency drought regulation, which was partially rescinded on April 26, 2017. The conservation regulation expired completely on November 25, 2017. Agencies have continued to report to SWRCB beyond November.
3. Excludes recycled water use and Transitional Special Agricultural Water Rate program deliveries. TSAWR deliveries are estimated for months where agencies have not reported.
4. Baseline includes January-December 2013 three times; and June-August once, in order to establish the base period of 39 months
5. Sweetwater Authority is comprised of member agencies city of National City and South Bay Irrigation District.

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## Monthly Water Resources Report

### Reservoir Storage

#### August 2018

<table>
<thead>
<tr>
<th>Member Agency</th>
<th>Reservoir</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>August 2018</td>
<td>% of Capacity</td>
</tr>
<tr>
<td></td>
<td>August 2017</td>
<td>% of Capacity</td>
</tr>
<tr>
<td></td>
<td>Change During Month</td>
<td></td>
</tr>
<tr>
<td>Carlsbad M.W.D.</td>
<td>Maerkle</td>
<td>600</td>
</tr>
<tr>
<td>Escondido, City of</td>
<td>Dixon</td>
<td>2,696</td>
</tr>
<tr>
<td></td>
<td>Wohlford</td>
<td>6,506</td>
</tr>
<tr>
<td>Fallbrook P.U.D.</td>
<td>Red Mountain</td>
<td>1,335</td>
</tr>
<tr>
<td>Helix W.D.</td>
<td>Guymarca</td>
<td>8,195</td>
</tr>
<tr>
<td></td>
<td>Jennings</td>
<td>9,790</td>
</tr>
<tr>
<td>Poway, City of</td>
<td></td>
<td>17,985</td>
</tr>
<tr>
<td>Rainbow M.W.D.</td>
<td>Morro Hill</td>
<td>12,000</td>
</tr>
<tr>
<td>San Diego, City of</td>
<td></td>
<td>9,112</td>
</tr>
<tr>
<td>San Dieguito WD / Santa Fe ID</td>
<td>San Dieguito</td>
<td>883</td>
</tr>
<tr>
<td>Sweetwater Authority</td>
<td></td>
<td>53,479</td>
</tr>
<tr>
<td>Valley Center M.W.D.</td>
<td></td>
<td>1,612</td>
</tr>
<tr>
<td>Vista I.D.</td>
<td></td>
<td>51,774</td>
</tr>
<tr>
<td>Water Authority Storage Accounts</td>
<td></td>
<td>541,253</td>
</tr>
<tr>
<td>Water Authority 5</td>
<td>Olivenhain</td>
<td>24,774</td>
</tr>
<tr>
<td></td>
<td>San Vicente</td>
<td>25,400</td>
</tr>
<tr>
<td></td>
<td>Sweetwater</td>
<td>28,079</td>
</tr>
<tr>
<td></td>
<td>53,479</td>
<td>16,893</td>
</tr>
<tr>
<td></td>
<td>1,612</td>
<td>1,125</td>
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<tr>
<td></td>
<td>51,774</td>
<td>2,272</td>
</tr>
<tr>
<td>Water Authority Storage Accounts</td>
<td></td>
<td>541,253</td>
</tr>
<tr>
<td>Water Authority Storage Accounts</td>
<td></td>
<td>541,253</td>
</tr>
</tbody>
</table>

### OTHER AGENCIES

| Metropolitan Water District | Skinner     | 44,254 | 40,411 | 91% | 36,895 | 93% | 7,474 |
|                            | Diamond Valley | 810,000 | 709,237 | 88% | 702,342 | 87% | (537) |
| State Water Project        | Oroville     | 3,537,577 | 1,596,780 | 45% | 1,704,000 | 48% | (347,152) |

### TOTAL OTHER WATER IN STORAGE

|                                                         | 4,391,841 | 2,346,428 | 53% | 2,443,237 | 56% | (344,915) |

---

1. Excludes storage allocated to Escondido Mutual Water Co. or its rights to a portion of the unallocated water in Lake Henshaw.
2. City of Poway updated capacity volume.
3. Includes reserves subject to city’s outstanding commitments to San Dieguito WD, and California American Mutual (Cal-Am) Water Company.
4. Includes allocated and unallocated water in Lake Henshaw.
5. Water Authority carryover, emergency and operating pools in San Vicente Reservoir were established in June 2015. City of San Diego presently states total capacity in San Vicente at 249,358 AF, with the Water Authority portion being 157,663 AF and the remaining capacity, 91,695 AF, allocable to the city. Figures for August 2018 include evaporation/seepage estimates. Figures for February 2018 include evaporation/seepage estimates.
6. No defined capacities for storage accounts in El Capitan, Lower Otay and Sweetwater Authority reservoirs. Figures for February 2018 include evaporation/seepage estimates.

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## Monthly Water Resources Report

### Tier 1 Estimated Deliveries to Member Agencies

**Figures in acre-feet**

#### Calendar Year 2018 (8 Months)

<table>
<thead>
<tr>
<th>Member Agency</th>
<th>CY2018 Tier 1 Threshold</th>
<th>CYTD Firm Deliveries</th>
<th>% of Tier 1 Threshold (Pre-QSA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlsbad M.W.D.</td>
<td>12,376.0</td>
<td>9,005.0</td>
<td>72.8%</td>
</tr>
<tr>
<td>Del Mar, City of</td>
<td>935.0</td>
<td>741.6</td>
<td>79.3%</td>
</tr>
<tr>
<td>Escondido, City of 3</td>
<td>17,859.0</td>
<td>6,011.4</td>
<td>33.7%</td>
</tr>
<tr>
<td>Fallbrook P.U.D.</td>
<td>10,325.0</td>
<td>6,670.2</td>
<td>64.6%</td>
</tr>
<tr>
<td>Helix W.D.</td>
<td>25,519.0</td>
<td>18,649.3</td>
<td>73.1%</td>
</tr>
<tr>
<td>Lakeside M.W.D.</td>
<td>3,168.0</td>
<td>1,920.6</td>
<td>60.6%</td>
</tr>
<tr>
<td>Oceanside, City of</td>
<td>19,383.0</td>
<td>14,357.3</td>
<td>74.1%</td>
</tr>
<tr>
<td>Olivenhain M.W.D.</td>
<td>13,071.0</td>
<td>12,774.8</td>
<td>97.7%</td>
</tr>
<tr>
<td>Otay W.D.</td>
<td>21,390.0</td>
<td>19,764.7</td>
<td>92.4%</td>
</tr>
<tr>
<td>Padre Dam M.W.D.</td>
<td>9,939.0</td>
<td>6,949.7</td>
<td>69.9%</td>
</tr>
<tr>
<td>Pendleton M.C.B. / South Coast W.D.</td>
<td>758.0</td>
<td>115.5</td>
<td>15.2%</td>
</tr>
<tr>
<td>Poway, City of</td>
<td>9,348.0</td>
<td>6,685.6</td>
<td>71.5%</td>
</tr>
<tr>
<td>Rainbow M.W.D.</td>
<td>19,018.0</td>
<td>12,621.9</td>
<td>66.4%</td>
</tr>
<tr>
<td>Ramona M.W.D.</td>
<td>8,052.0</td>
<td>3,807.6</td>
<td>47.3%</td>
</tr>
<tr>
<td>Rincon Del Diablo M.W.D.</td>
<td>5,482.0</td>
<td>3,612.6</td>
<td>65.9%</td>
</tr>
<tr>
<td>San Diego, City of</td>
<td>144,555.0</td>
<td>110,801.9</td>
<td>76.7%</td>
</tr>
<tr>
<td>San Dieguito W.D.</td>
<td>3,116.0</td>
<td>2,183.0</td>
<td>70.1%</td>
</tr>
<tr>
<td>Santa Fe I.D.</td>
<td>5,226.0</td>
<td>4,535.6</td>
<td>86.8%</td>
</tr>
<tr>
<td>Sweetwater Authority 4</td>
<td>9,650.0</td>
<td>1,235.6</td>
<td>12.8%</td>
</tr>
<tr>
<td>Vallecitos W.D.</td>
<td>10,557.0</td>
<td>8,345.9</td>
<td>79.1%</td>
</tr>
<tr>
<td>Valley Center M.W.D.</td>
<td>29,774.0</td>
<td>14,473.4</td>
<td>48.6%</td>
</tr>
<tr>
<td>Vista I.D. 3</td>
<td>11,876.0</td>
<td>3,733.0</td>
<td>31.4%</td>
</tr>
<tr>
<td>Yuima M.W.D.</td>
<td>2,165.0</td>
<td>4,286.7</td>
<td>198.0%</td>
</tr>
</tbody>
</table>

**MEMBER AGENCY TOTALS**

|                      | 393,542.0               | 273,282.9             | 69.4%                           |

Less: QSA deliveries-calender year 2018 (138,466.4)

Deliveries to CWA storage-calender year 2018 5 5,404.6
MWD Under-10% Flows-calender year 2018 35.8
Deliveries from CWA storage-calender year 2018 6 (879.5)
Water Authority WPA desalination deliveries-calender year 2018 (28,368.4)

Estimated Tier 1 deliveries calendar year to date 7 111,009.0 28.2%

Invoiced Tier 1 deliveries calendar year to date 7 109,923.7 27.9%

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1 Tier 1 threshold is 60% of a member agency's historic maximum year firm demand.
2 Carlsbad MWD and Vallecitos WD deliveries exclude local desalination supply transported via Water Authority system.
3 There were no Supplemental wheeled water deliveries to Escondido and Vista I.D. this month.
4 Sweetwater Authority is comprised of member agencies city of National City and South Bay Irrigation District.
5 Includes storage puts to San Vicente Reservoir, forced deliveries or deliveries to Olivenhain Reservoir.
6 Includes sales from Water Authority storage accounts, including Olivenhain Reservoir.
7 Estimated Tier 1 deliveries are based on member agency deliveries net of QSA deliveries, seawater desalination and storage puts/takes. Invoiced deliveries are as reported on Metropolitan’s invoice. Difference between Estimated and Invoiced Deliveries is explained by storage puts or takes of pre-deliveries in Twin Oaks Valley Water Treatment Plant (TOVWTP) or member agency treatment plants.
MONTHLY WATER RESOURCES REPORT
Summary of Water Authority Member Agency Operations
AUGUST 2018

Member Agency Deliveries (AF)

August
- 2018: 52,328 AF
- 2017: 41,594 AF

Trailing 12 Months
- 2018: 422,886 AF
- 2017: 402,249 AF

Member Agency Water Use

August 2018
- Imported & Desal: 88%
- Surface: 1%
- Well & Brackish Recovery: 4%
- Recycled, Supplemental & Local Desal: 7%

Previous 12 Months
- Imported & Desal: 73%
- Surface: 11%
- Well & Brackish Recovery: 3%
- Recycled, Supplemental & Local Desal: 13%

Member Agency Storage (AF)

August
- 2018: 196,791 AF
- 2017: 247,060 AF

Trailing 12-Month Average
- 2018: 216,818 AF
- 2017: 216,575 AF
AGENDA
FORMAL BOARD OF DIRECTORS’ MEETING

The mission of the San Diego County Water Authority is to provide a safe and reliable supply of water to its member agencies serving the San Diego region.

SEPTEMBER 27, 2018
3:00 p.m.

1. Call to Order.

2. Salute to the flag.

3. Roll call, determination of quorum.
   3-A Report on proxies received.

4. Additions to Agenda. (Government code Sec. 54954.2(b)).

5. Approve the minutes of the Special Board Meeting of August 9, 2018 and the Formal Board of Directors’ meeting of August 23, 2018.

6. Opportunity for members of the public who wish to address the Board on matters within the Board’s jurisdiction.

7. PRESENTATIONS & PUBLIC HEARINGS


7-B Presentation of Directors’ Service Certificates

8. REPORTS BY CHAIRS

8-A Chair’s Report: Chair Muir

8-B Report by Committee Chairs
   Engineering and Operations Committee Director Heinrichs
   Imported Water Committee Director Fong-Sakai
   Legislation and Public Outreach Committee Director Guerin
   Administrative and Finance Committee Director Saxod
   Water Planning Committee Director Boyle

9. CONSENT CALENDAR
9-1. Construction contract with Sylvester Roofing for Kearny Mesa Headquarters Roof Rehabilitation.

a. Determine that the bid protest is valid.

b. Authorize the General Manager to award a construction contract to Sylvester Roofing in the amount of $347,500 for the Kearny Mesa Headquarters Roof Rehabilitation project.

9-2. Notice of Completion for the Pipeline 3 Relining Lake Murray to Sweetwater Reservoir project.

Authorize the General Manager to accept the Pipeline 3 Relining Lake Murray to Sweetwater Reservoir project as complete, record the Notice of Completion, and release all funds held in retention to L.H. Woods and Sons Inc., following the expiration of Notice of Completion period.


Approve the following actions to support the condition assessment of the First Aqueduct pipelines:

a. Authorize the General Manager to award a professional services contract to Diakont Advanced Technologies, Inc., for a not-to-exceed amount of $480,000 for pipeline condition assessment services for a period of four years.

b. Authorize the General Manager to award a professional services contract to Pure Technologies U.S. Inc., for a not-to-exceed amount of $1,001,000 for pipeline condition assessment services for a period of four years, with an option to renew for an additional two years.

c. Authorize the General Manager to award a professional services contract to Pipeline Inspection and Condition Analysis Corporation, for a not-to-exceed amount of $2,242,000 for pipeline condition assessment services for a period of four years with, an option to renew for an additional two years.


Note and file the Treasurer’s report.

9-5. Amendments to the San Diego County Water Authority Local Conflict of Interest Code.

a. Conduct the Public Hearing.

b. Adopt Resolution No. 2018 - ___ approving amendments to the San Diego County Water Authority Local Conflict of Interest Code.

9-6. Professional services contract with Hazen and Sawyer for the Long Range Demand Forecast Update project.
Authorize General Manager to award a professional services contract to Hazen and Sawyer, for a not-to-exceed contract amount of $529,603 for the Long Range Demand Forecast Update project.

10. **ACTION / DISCUSSION**

10-A Election of Board Officers for October 1, 2018 – September 30, 2020. (Action)
The following Board Members were nominated:
Chair: Jim Madaffer
Vice Chair: Gary Croucher
Secretary: Christy Guerin

10-B Presentation to Outgoing Chair Muir.

11. **SPECIAL REPORTS**

11-A GENERAL MANAGER’S REPORT – Ms. Stapleton
11-B GENERAL COUNSEL’S REPORT – Mr. Hattam
11-C SANDAG REPORT – Chair Muir
   SANDAG Subcommittees: Borders Committee – Director Croucher
   Regional Planning Committee – Director Gallo
11-D AB 1234 Compliance Reports – Directors

12. **CLOSED SESSION(S)**

12-A Conference with Legal Counsel – Anticipated Litigation
   Government Code §54956.9(d)(2)
   One Case

12-B Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   SDCWA v. Metropolitan Water District of Southern California; San Francisco Superior Court Case Nos. CPF-10-510830; CPF-12-512466; CPF-14-514004; CPF-16-515282; CPF-16-515391; CGC-17-563350; California Court of Appeal (1st District) Case Nos. A146901; A148266; A154325; California Supreme Court Case Nos. S243500; S251025; and Los Angeles Superior Court Case No. BS 173868

12-C Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   California Department of Water Resources v. All Persons Interested; Sacramento Superior Court Case No. 34-2017-00215965-CU-MC-GDS; and JCCP 4942

12-D Conference with Legal Counsel – Existing Litigation/Anticipated Litigation
   Government Code §§54956.9(d)(1) and/or (d)(4)
   Food & Water Watch and Center for Food Safety v. Metropolitan Water District of Southern California and All Persons Interested in the Matter; Los Angeles Superior Court Case No. BC 720692

13. **ACTION FOLLOWING CLOSED SESSION**
14. OTHER COMMUNICATIONS

15. ADJOURNMENT

NOTE: The agendas for the Formal Board meeting and the meetings of the Standing Committees held on the day of the regular Board meeting are considered a single agenda. All information or possible action items on the agenda of committees or the Board may be deliberated by and become subject to consideration and action by the Board.
1. **CALL TO ORDER** Chair Muir called the Special Board of Directors’ meeting to order at 1:34 p.m.

2. **SALUTE TO THE FLAG** Director Katz led the salute to the flag.

3. **ROLL CALL, DETERMINATION OF QUORUM**
   Vice Chair Madaffer called the Special Board of Directors’ meeting to order at 1:34 p.m.
   Directors present were Arant, Bebee, Bienes, Boyle, Cherashore, Fong-Sakai, Gallo, Guerin, Hedberg, Heinrichs, Hilliker, Hogan, Katz, Kennedy, Madaffer, Miller, Morrison, Muir, Murtland, Scalzitti, Steiner, Watkins, Weston, and Wilson. Directors absent were Ayala, Barnum, Butkiewicz, Cate, Croucher, Evans, Hall, Lewinger, Preciado, Saxod, Simpson, Smith, and Supervisor Roberts.

   Staff present was General Manager Stapleton, General Counsel Hattam, Deputy General Manager Kerl, Assistant General Managers Cushman and Denham, MWD Program Director Chen, and Colorado River Program Director Rodgers.

3-A **Report on proxies received.** There were no proxies received.

4. **ADDITIONS TO AGENDA**
   There were no additions to the agenda.

5. **PUBLIC COMMENT**
   There were no members of the public who wished to speak.

6. **ACTION/DISCUSSION**

   6-1. **Adopt Revised Bay Delta Policy Principles and Position Statement on the California WaterFix Project.**

   Chair Muir turned the meeting over to Imported Water Committee Chair Weston.

   Director Weston provided a recap of California WaterFix’s potential impact on Water Authority’s ratepayers, and offered for the committee’s consideration, the revised policy principles, and proposed position statement he and the committee vice chairs developed with staff.

   Director Fong-Sakai announced the City 10 met and had additional proposed edits, which was then distributed to board members. Vice Chair Madaffer and Director Fong-Sakai reviewed the red-line version with the board.

   After discussion, re-wording and re-organization of the document, Chair Muir moved the motion to accept proposed documents from the City 10, with exception of changes
applied by the board. Director Steiner seconded the motion, and the motion passed unanimously.

7. OTHER COMMUNICATIONS
   There were no other communications.

8. ADJOURNMENT
   There being no further business to come before the Special Board Meeting, Chair Weston adjourned the meeting at 2:57 p.m.
MINUTES OF THE FORMAL BOARD OF DIRECTORS’ MEETING
AUGUST 23, 2018

ADMINISTRATIVE AND FINANCE COMMITTEE
CALL TO ORDER / ROLL CALL

Chair Saxod called the Administrative and Finance Committee meeting to order at 9:01 a.m. Committee members present were Chair Saxod, Vice Chairs Arant and Wilson, and Directors Ayala, Cherashore, Gallo*, Hall*, Hedberg, Heinrichs, Murtland and Watkins. Committee members absent were Directors Croucher, Guerin and Simpson. Also present were Directors Barnum, Boyle, Butkiewicz, Evans, Fong-Sakai, Hilliker, Hogan, Katz, Kennedy, Madaffer, Muir, Scalzitti, Smith, Steiner and Weston. At that time, there was a quorum of the Board and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present was General Manager Stapleton, General Counsel Hattam, Deputy General Manager Kerl, Assistant General Managers Cushman and Denham, Director of Finance/Treasurer Harris, Director of Administrative Services Foster, Controller Woidzik, and Budget and Analysis Manager Whyte.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

There were no members of the public who wished to speak.

CHAIR’S REPORT

There was no Chair’s report.

DIRECTORS’ COMMENTS

There were no Directors’ comments.

I. CONSENT CALENDAR

   Staff recommendation: Note and file the Treasurer’s report.

2. A Resolution setting the time and date for a Public Hearing to consider amendments to the San Diego County Water Authority Conflict of Interest Code.
   Staff recommendation: Adopt Resolution No. 2018-14 setting the September regular meeting of the Administrative and Finance Committee as the time and date of a public hearing to consider amendments to the San Diego County Water Authority Local Conflict of Interest Code.
3. Resolution establishing amount due from the city of San Diego for the In-Lieu Charge as a condition of providing water service for fiscal year 2019. 
   Staff recommendation: Adopt Resolution No 2018-15 establishing an amount due of $2,385,815.24 from the city of San Diego for the In-Lieu Charge for fiscal year 2019.

* Director Hall arrived at 9:06 a.m. and Director Gallo arrived at 9:08 a.m.

   Director Ayala moved, Director Cherashore seconded, and the motion to approve the Consent Calendar passed unanimously.

   Chair Saxod stated that the agenda would be taken out of order.

II. ACTION/DISCUSSION/PRESENTATION
   2. Investment Manager’s Performance Report.

   Ms. Harris introduced Bill Dennehy with Chandler Investment firm. Mr. Dennehy presented the Investment report for the fourth quarter of FY2018.

   Directors commented, and asked questions and Mr. Dennehy provided answers.

   1. Funding Strategy for Water Authority Pension.
      (3-Part Presentation Series).
      Part 3: Recommendations for Funding Water Authority Pension Plan.

   Ms. Harris and Mr. Woidzik presented on the Water Authority Pension Plan Funding Strategy Discussion. The presentation included discussion of the pension liability, key data, historical view, and pension options.

   Staff responded to questions and comments posed by Directors. Director Cherashore explained the topic in detail.

III. INFORMATION
   The following information items were received and filed:
   1. Report on Water Authority memberships.
   4. Board Calendar.

IV. CLOSED SESSION
   Mr. Hattam took the committee into Closed Session at 10:10 a.m.
1. Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   San Diego County Water Authority v. San Luis Rey Indian Water Authority,
   et al.; American Arbitration Association Case No. 01-18-0000-9314

   Mr. Hattam brought the committee out of Closed Session at 10:16 a.m. and stated there
   was no reportable action.

V. ADJOURNMENT
   There being no further business to come before the Administrative and Finance
   Committee, Chair Saxod adjourned the meeting at 10:17 a.m.

LEGISLATION AND PUBLIC OUTREACH COMMITTEE
CALL TO ORDER/ROLL CALL
   Vice Chair Butkiewicz called the Legislation and Public Outreach Committee to order at
   10:24 a.m. Committee members present were Vice Chairs Butkiewicz and Hall, and Directors
   Arant, Cate, Croucher, Evans, Gallo, Hilliker, Madaffer, Muir, Scalzitti and Steiner. Committee
   members absent were Chair Guerin, Director Morrison and Supervisor Roberts. Also present
   were Directors Barnum, Bebee, Bienes, Boyle, Cherashore, Fong-Sakai, Hedberg, Heinrichs,
   Hogan, Katz, Kennedy, Preciado, Saxod, Smith, Watkins, Weston and Wilson. At that time,
   there was a quorum of the Board, and the meeting was conducted as a meeting of the Board;
   however, only committee members participated in the vote.

   Staff present was General Manager Stapleton, General Counsel Hattam, Deputy General
   Manager Kerl, Assistant General Managers Cushman and Denham, Director of Public Outreach
   and Conservation Vedder, Government Relations Manager Farrel, and Public Affairs
   Representative Balben. Also present were Water Academy Alumni Chevelle Newell-Tate, and
   Fabian Rodriguez.

ADDITIONS TO AGENDA
   There were no additions to the agenda.

PUBLIC COMMENT
   There were no members of the public who wished to speak.

CHAIR’S REPORT
   Vice Chair Butkiewicz reminded the Board of the August 27, 2018 deadline for
   providing comments to staff on the Public Opinion Research Assessment project.

DIRECTORS’ COMMENTS
   There were no Directors’ comments.
I. CONSENT CALENDAR
   1. Adopt positions on various state bills.
      Staff recommendation: Adopt a position of Support on AB 2787 (Quirk), relating
to pumped hydropower storage.

      Director Steiner moved, Director Croucher seconded, and the motion to approve staffs’
recommendation passed unanimously.

II. ACTION/DISCUSSION/PRESENTATION
   1. Legislative issues.
      1-B Sacramento Report.

      Mr. Farrel provided a Sacramento report which included an update on status of the water
tax and Water Authority Sponsored bills.

      2. Citizen’s Water Academy program update.

      Mr. Balben introduced Water Academy Alumni Chevelle Newell-Tate and Fabian
Rodriguez, who both spoke regarding their experience attending the Citizens Water Academy
sessions.


      Director Evans provided a report on activities at the Water Conservation Garden,
including expansion of the classroom space, and the upcoming Executive Director vacancy.

III. INFORMATION
   The following Information item was received and filed:
   1. Government Relations Update.

IV. CLOSED SESSION
   There were no Closed Session items.

V. ADJOURNMENT
   There being no further business to come before the Legislation and Public Outreach
Committee, Vice Chair Butkiewicz adjourned the meeting at 11:22 a.m.
present were Directors Arant, Bebee, Bianes, Boyle, Butkiewicz, Cherashore, Croucher, Evans, Gallo, Hall, Hedberg, Heinrichs, Hilliker, Muir, Smith, and Watkins. At that time, there was a quorum of the Board, and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present was General Manager Stapleton, General Counsel Hattam, Deputy General Manager Kerl, Assistant General Managers Cushman and Denham, MWD Program Director Chen, Colorado River Program Director Rodgers, and Senior Engineer Fountain.

ADDITIONS TO AGENDA
Chair Weston announced there would be no Closed Session items.

PUBLIC COMMENT
There were no members of the public who wished to speak.

CHAIR’S REPORT
Chair Weston thanked the Board and made comments about his upcoming retirement. He also shared a time-elapsed video of the Oroville spillway construction progress.

DIRECTORS’ COMMENTS
There were no Directors’ comments.

I. CONSENT CALENDAR.
There were no Consent Calendar items.

II. ACTION/DISCUSSION/PRESENTATION
1. MWD issues and activities update.
   1-A Metropolitan Water District Delegates’ Report.

   Delegates Steiner, Hogan, and Butkiewicz reported on discussion and action taken at the recent MWD Board meetings.

2. Colorado River Programs.
   2-A Colorado River Board Representative’s report.

   Director Wilson reported on recent events at the Colorado River Board meeting and announced Peter Nelson was elected as the new Chair, who represents Coachella Valley Water District

   Ms. Rodgers presented Part 1 of a three-part update on Colorado River Issues. She began with background of events leading up to approval of the Quantification Settlement Agreement (QSA), and an overview of activities regarding early years of implementation of the QSA. She covered policy background, California’s growing water needs in the 1990s, and the
State Water Board hearing process phases. In closing, she announced topics to be covered in the Part 2 and 3 updates in upcoming months.

3. Metropolitan Water District of Southern California Meter Workgroup Update.

Mr. Fountain reviewed MWD Meter workgroup’s purpose, technical analysis, and alternate processes.

III. INFORMATION
The following information item was received and filed:
1. Metropolitan Water District Program Report.

V. ADJOURNMENT
There being no further business to come before the Imported Water Committee, Chair Weston adjourned the meeting at 12:03 p.m.

WATER PLANNING COMMITTEE
CALL TO ORDER/ROLL CALL
Chair Cherashore called the Water Planning Committee meeting to order at 1:02 p.m.
Committee members present were Chair Cherashore, Vice Chairs Boyle and Evans, and Directors Barnum, Bebee, Bianes, Hedberg, Kennedy, Muir, Preciado, and Weston. Committee members absent were Directors Ayala, Cate, Lewinger, and Smith. Also present were Directors Arant, Butkiewicz, Croucher, Fong-Sakai, Gallo, Hall, Heinrichs, Hilliker, Hogan, Katz, Madaffer, Miller, Morrison, Murtland, Saxod, Scalzitti, Steiner, and Watkins. At that time, there was a quorum of the Board, and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present was General Manager Stapleton, General Counsel Hattam, Deputy General Manager Kerl, Assistant General Managers Cushman and Denham, Director of Water Resources Yamada, Director of Public Outreach and Conservation Vedder, Water Resources Manager Friehauf, Principal Engineer Crutchfield, Principal Water Resources Specialist Michelon, and Management Analyst Luksic.

ADDITIONS TO THE AGENDA
There were no additions to the agenda.

PUBLIC COMMENT
There were no members of the public who wished to speak.

CHAIR’S REPORT
Chair Cherashore welcomed everyone in attendance.

Mr. Luksic provided a quick demonstration on how to access the Water Authority’s website regarding new state laws pertaining to future water-use efficiency objectives.
DIRECTORS’ COMMENTS

There were no Directors’ comments.

I. CONSENT CALENDAR

1. Resolution adopting the Final Mitigation Negative Declaration for the San Luis Rey Habitat Management Area Habitat Restoration Project.
   Staff recommendation: Adopt Resolution No. 2018-16 that:
   a) Finds that the project will not have a significant effect on the environment;
   b) Adopts the Final Mitigated Negative Declaration;
   c) Adopts the Mitigation Monitoring and Reporting Program;
   d) Approves the San Luis Rey Habitat Management Area Habitat Restoration Project;
      and;
   e) Authorizes filing a Notice of Determination.

   Director Kennedy moved, Vice Chair Evans seconded, and the motion to approve staffs’ recommendations passed unanimously.

II. ACTION/DISCUSSION/PRESENTATIONS


   Mr. Crutchfield provided a presentation on fiscal year 2018 operational performance of the Claude “Bud” Lewis Carlsbad Desalination Plant, including water delivery, water quality, and regulatory compliance and costs.

   Peter MacLaggan, Poseidon Water, provided a presentation on operational challenges presented during 2018 and steps taken as we move forward.

   In conclusion, Mr. MacLaggan invited Carlos Riva, Chief Executive Officer of Poseidon Water, to provide a few final remarks regarding the Claude “Bud” Lewis Carlsbad Desalination Plant.

   Director Preciado requested a memo or presentation regarding the benefits of water quality improvements.

2. MWD and Water Authority Conservation Program Update.

   Mr. Michelon provided an update on the Metropolitan Water District and Water Authority conservation program including the landscape transformation program, water efficiency education programs, and Member Agency Administered Program.


   Item II-3. was deferred to the September 27, 2018 meeting.
III. INFORMATION
The following Information item was received and filed:

IV. CLOSED SESSION
Mr. Hattam took the committee into Closed Session at 1:54 p.m.

1. Conference with Legal counsel – Existing Litigation
   Government Code § 54956.9(d) (1)
   Significant Exposure – One Case

Mr. Hattam brought the committee out of Closed Session at 2:00 p.m. and announced there was no reportable action.

V. ADJOURNMENT
There being no further business to come before the Water Planning Committee, Chair Cherashore adjourned the meeting at 2:01 p.m.

ENGINEERING AND OPERATIONS COMMITTEE
CALL TO ORDER / ROLL CALL
Chair Heinrichs called the Engineering and Operations Committee meeting to order at 2:05 p.m. Committee members present were Chair Heinrichs, Vice Chairs Hilliker and Miller, and Directors Bebee, Bianes, Boyle, Butkiewicz*, Fong-Sakai, Hogan, Katz, Morrison*, Preciado and Watkins. Committee members absent were Directors Simpson and Smith. Also present were Directors Arant, Ayala, Cherashore, Croucher, Evans, Gallo, Hall, Hedberg, Kennedy, Madaffer, Muir, Saxod, Scalzitti, Steiner, and Weston. At that time, there was a quorum of the Board, and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present was General Manager Stapleton, General Counsel Hattam, Deputy General Manager Kerl, Assistant General Managers Cushman and Denham, Director of Operations and Maintenance Fisher, Director of Engineering Reed, Senior Engineering Manager Bousquet, and Senior Water Resource Specialist Coghill.

* Director Butkiewicz arrived at 2:13 p.m. and Director Morrison arrived at 2:14 p.m.

ADDITIONS TO AGENDA
There were no additions to the agenda.

PUBLIC COMMENT
There were no members of the public who wished to speak.

DIRECTORS’ COMMENTS
There were no Directors’ comments.
CHAIR’S REPORT
Chair Heinrichs announced that following the last presentation on the Condition Assessment Technology Showcase, the entire Board was invited to the lobby to view, and learn more about, the different tools used by the Asset Management Program.

I. CONSENT CALENDAR
There were no Consent Calendar items.

II. ACTION/DISCUSSION/PRESENTATION

   Director Hogan reported that the Task Force met with staff on August 13, 2018. He stated staff had reported that the Project Team had conducted Legislative outreach meetings in Sacramento on August 8, 2018 to advocate for the Quirk Bill. He also reported that staff provided status of the term sheet development and stated that Water Authority, City of San Diego, and Brookfield Renewable Partners L.P. staff held two workshops on July 10 and July 11, 2018 as well as a follow-up meeting on August 7, 2018. He announced that a draft term sheet would be presented to the Task Force and results presented to Engineering & Operations committee in the following months. The next Task Force meeting was scheduled for September 24, 2018.

   2. Energy Program Update.

      Item II-2. was continued to the September 27, 2018 meeting.

   3. Condition Assessment Technology Showcase.

       Mr. Coghill presented information on the Technology Showcase, including pipeline condition assessment, Water Authority’s influence, electromagnetics, and asset management.

III. INFORMATION
There were no Information items.

IV. CLOSED SESSION
There were no Closed Session items.

V. ADJOURNMENT
There being no further business to come before the Engineering and Operations Committee, Chair Heinrichs adjourned the meeting at 2:28 p.m.

FORMAL BOARD OF DIRECTORS’ MEETING OF AUGUST 23, 2018

1. CALL TO ORDER Chair Muir called the Formal Board of Directors’ meeting to order at 3:00 p.m.
2. **SALUTE TO THE FLAG** Director Weston led the salute to the flag.

3. **ROLL CALL, DETERMINATION OF QUORUM**
   Secretary Croucher called the roll. Directors present were Arant, Ayala, Bebee, Bianes, Boyle, Butkiewicz, Cate, Cherashore, Croucher, Evans, Fong-Sakai, Gallo, Hall, Hedberg, Heinrichs, Hilliker, Hogan, Katz, Kennedy, Madaffer, Miller, Morrison, Muir, Murtland, Preciado, Saxod, Scalzitti, Steiner, Watkins, Weston, and Wilson. Directors absent were Barnum, Guerin(p), Lewinger(p), Simpson, Smith(p), and Supervisor Roberts.

   3-A **Report on proxies received.** Director Croucher was the proxy for Director Smith, Director Hogan was the proxy for Director Guerin, and Director Hall was the proxy for Director Lewinger.

4. **ADDITIONS TO AGENDA**
   There were no additions to the agenda.

5. **APPROVAL OF MINUTES**
   Director Evans moved, Director Scalzitti seconded, and the motion carried at 98.41% of the vote to approve the minutes of the Formal Board of Directors’ meeting of July 26, 2018.

6. **OPPORTUNITY FOR MEMBERS OF THE PUBLIC WHO WISH TO ADDRESS THE BOARD ON MATTERS WITHIN THE BOARD’S JURISDICTION.**
   There were no members of the public who wished to speak.

7. **PRESENTATIONS & PUBLIC HEARINGS**
   7-A **Reappointment of Director.** Reappointment of Director Jose Preciado representing South Bay Irrigation District. Term ending September 8, 2024.

   Chair Muir announced the reappointment of Director Preciado.

   7-B **MWD Delegates Service Appreciation.** Service appreciation for MWD Delegates Keith Lewinger and Elsa Saxod.

   Chair Muir thanked Directors Lewinger and Saxod for service as MWD Delegates and presented Director Saxod with a plaque of appreciation. Director Lewinger was recognized in his absence.

   7-C **Recognition of Tim Bombardier, Principal Water Resources Specialist, Employee of the 4th Quarter.**

   Chair Muir introduced Mr. Bombardier and congratulated him on being named the employee of the quarter.
8. **REPORTS BY CHAIRS**

8-A Chairs report: Chair Muir reported on meetings attended in August including meeting with several Metropolitan Water District Delegates from the city of Los Angeles to discuss future collaborative work.

Chair Muir stated that he sent a letter to MWD Chairman Randy Record expressing interest in resolving our disputes and he provided an outline of issues which needed to be addressed. He advised the Board that a copy of the letter had been provided.

He reported on discussion at the August 21, 2018 MWD Litigation Settlement meeting that took place with the MWD team and announced that the first meeting was successful. The second meeting was scheduled for September.

In closing, he announced that nominations for Board Officers was closed and that the nominations would be announced at the September 27, 2018 Board Meeting.

8-B Report by Committee Chairs:
- **Administrative and Finance Committee.** Director Saxod reviewed the meeting and the action taken.
- **Legislation and Public Outreach Committee.** Director Butkiewicz reviewed the meeting and the action taken.
- **Imported Water Committee.** Director Weston reviewed the meeting and stated that no action was taken.
- **Engineering and Operations Committee.** Director Heinrichs reviewed the meeting and stated that no action was taken.
- **Water Planning Committee.** Director Cherashore reviewed the meeting and the action taken.

9. **CONSENT CALENDAR**

Director Murtland moved, Director Cherashore seconded, and the motion carried at 98.41% of the vote to approve the Consent Calendar. Directors voting no or abstaining are listed under the item.

9- 1. **Monthly Treasurer’s Report on Investments and Cash Flow.**
   The Board noted and filed the Treasurer’s report.

9- 2. **A Resolution setting the time and date for a Public Hearing to consider amendments to the San Diego County Water Authority Local Conflict of Interest Code.**
   The Board adopted Resolution No. 2018-14 setting the September regular meeting of the Administrative and Finance Committee as the time and date of a public hearing to consider amendments to the San Diego County Water Authority Local Conflict of Interest Code.
9-3. Resolution establishing amount due from the city of San Diego for the In-Lieu Charge as a condition of providing water service for fiscal year 2019.
The Board adopted Resolution No. 2018-15 establishing an amount due of $2,385,815.24 from the city of San Diego for the In-Lieu Charge for fiscal year 2019.

Director Cate Abstained on 9-3.

9-4. Adopt positions on various state bills.
The Board adopted a position of Support on AB 2787 (Quirk), relating to pumped hydropower storage.

9-5. Resolution adopting the Final Mitigated Negative Declaration for the San Luis Rey Habitat Management Area Habitat Restoration Project.
The Board adopted Resolution No. 2018-16 that: a) finds that the project will not have a significant effect on the environment; b) adopts the Final Mitigated Negative Declaration; c) adopts the Mitigation Monitoring and Reporting Program; d) approves the San Luis Rey Habitat Management Area Habitat Restoration Project; and e) authorizes filing a Notice of Determination.

10. **ACTION/DISCUSSION**

11. **SPECIAL REPORTS**

11-A GENERAL MANAGER’S REPORT – Ms. Stapleton announced there would be no Special Board Meeting on September 13, 2018.

11-B GENERAL COUNSEL’S REPORT – Mr. Hattam stated he had nothing further to report.

11-C SANDAG REPORT – Chair Muir stated he had nothing to report.
SANDAG Subcommittees:
Borders Committee – Director Croucher reported on discussion and action taken at the recent meeting of the Borders Committee. He added that the August Board Meeting was cancelled.
Regional Planning Committee – Director Gallo stated that no meeting had taken place.

11-D AB 1234 Compliance Reports – No reports were given.

12. **CLOSED SESSION(S)**
Mr. Hattam took the Board into Closed Session on items 12-C and 12-G at 3:17 p.m.
12-A  Conference with Legal Counsel – Anticipated Litigation
Government Code §54956.9(d)(2)
One Case

12-B  Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
San Diego County Water Authority v. San Luis Rey Indian Water Authority, et al.; American Arbitration Association Case No. 01-18-0000-9314

12-C  Public Employee Discipline/Dismissal/Release
Government Code §§ 54957 and 54954.5
Hear and make determinations on complaint brought against public employee and, if complaint is substantiated, consider remedial and/or disciplinary action. Use of the statutory agenda title shall not be construed to suggest, nor operate as a finding, that any complaint has been substantiated.

12-D  Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
SDCWA v. Metropolitan Water District of Southern California; San Francisco Superior Court Case Nos. CPF-10-510830; CPF-12-512466; CPF-14-514004; CPF-16-515282; CPF-16-515391; CGC-17-563350; California Court of Appeal (1st District) Case Nos. A146901; A148266; A154325; California Supreme Court Case No. S243500; and Los Angeles Superior Court Case No. BS 173868

12-E  Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
California Department of Water Resources v. All Persons Interested; Sacramento Superior Court Case No. 34-2017-00215965-CU-MC-GDS; and JCCP 4942

12-F  Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
William J. Kimball and Diana Kimball, as Trustees of the William J. Kimball and Diana L. Kimball Living Trust dated October 29, 1992 v. Bryan J. Holland, Teresa K. Holland, and SDCWA; San Diego Superior Court Case No. 37-2018-00036570-CU-OR-CTL

12-G  Public Employee Performance Evaluation
Government Code §54957 - Title: General Manager
Conference with Labor Negotiators, Government Code §54957.6  
Designated Board Representatives: Chair, Vice-Chair, Secretary  
Unrepresented Employee: General Manager

13. **ACTION FOLLOWING CLOSED SESSION**

Mr. Hattam brought the committee out of Closed Session at 5.55 p.m. and stated the Board recommended not to approve any salary increase or bonus for the General Manager for the year.

Director Weston moved, Director Cherashore seconded, and the motion carried at 56.83% of the vote.

14. **OTHER COMMUNICATIONS**

15. **ADJOURNMENT**

There being no further business to come before the Board, Chair Muir adjourned the meeting at 5:57 p.m.

____________________________________  _______________________________
Mark Muir, Chair               Gary Croucher, Secretary

____________________________________
Melinda Nelson, Clerk of the Board
DATE: September 19, 2018

TO: Board of Directors

FROM: Mark J. Hattam, General Counsel

RE: Credentials of Barry Leonard
    The City of Poway

Transmitted herewith is notification submitted by the City of Poway appointing Barry Leonard to the Water Authority’s Board of Directors. Mr. Leonard replaces Mark Weston. His term will expire on April 22, 2020.

The credentials furnished are sufficient for the qualifications of Mr. Leonard as a member of the Water Authority Board.

Mark J. Hattam
General Counsel

mkn

Attachment
August 22, 2018

Melinda Nelson, Clerk of the Board
San Diego County Water Authority
4677 Overland Avenue
San Diego, CA 92123-1233

Re: Poway Representative on SDCWA Board of Directors

Dear Ms. Nelson:

Following Mark Weston’s resignation (effective September 1, 2018) as Poway’s representative, our City Council acted to replace him on the SDCWA Board of Directors.

At a regular meeting of the Poway City Council on Tuesday, August 21, 2018, Councilmember Barry Leonard was appointed to represent Poway on the SDCWA Board. Councilmember Leonard will fulfill the remainder of Mark Weston’s term, scheduled to expire on April 22, 2020.

For your records, Barry Leonard’s contact information is shown here:

858-668-4520 office
858-442-6820 mobile
858-668-1205 fax
bleonard@poway.org
13325 Civic Center Drive, Poway CA 92064

If possible, Councilmember Leonard would appreciate and benefit from an orientation for this position. For scheduling with him, please consider Carol Legg your best contact: Clegg@poway.org, 858-668-4504.

Thank you for your assistance with this transition. Please contact me at 858-668-4501 if you have any questions.

Sincerely,

Tina White
City Manager
September 19, 2018

Attention: Board of Directors

Election of Board Officers for October 1, 2018 to September 30, 2020. (Action)

Staff recommendation
Elect the Board Officers nominated for the term October 1, 2018 to September 30, 2020.

Alternative
Do not elect the Board Officers nominated for the term October 1, 2018 to September 30, 2020.

Discussion
Every two years the Board of Directors elects its Officers. The nomination period for the upcoming term, October 1, 2018 to September 30, 2020, was opened July 9, 2018 and closed at the August 23, 2018 Board meeting.

During the open nomination period, the clerk’s office received the following written nominations:

Chair: Jim Madaffer
Vice Chair: Gary Croucher
Secretary: Christy Guerin

Prepared by: Melinda Nelson, Clerk of the Board
Approved by: Maureen Stapleton, General Manager
September 19, 2018

Attention: Board of Directors

General Counsel’s Report – August/September 2018

Purpose
This report discusses certain meaningful legal matters receiving attention during the months of August/September 2018.

Significant Developments in Pending Litigation

MWD Rate Cases

2010/2012 Rate Cases: After being remitted to the trial court in San Francisco by the Court of Appeal on October 24, 2017, these cases are now pending before Judge Mary Wiss.

On July 25, 2018, Judge Wiss issued an order defining the scope of the case on remand. In that order, she ruled that (1) MWD is not entitled to relitigate in this case the existence or amount of contract damages due to the Water Authority for MWD's imposition of its Water Stewardship Rate on Exchange Water; (2) the Water Authority is entitled to declaratory relief, and may be entitled to monetary restitution, for MWD's imposition of its illegal RSI clause and termination of Water Authority-related Local Resource Project contracts; and (3) the Water Authority waived, and thus may not relitigate in this case, the issue whether MWD was required to provide the Water Authority with a credit against Exchange Water wheeling charges for the offsetting benefits to MWD provided by that Exchange Water. Judge Wiss set a further CMC for September 17, 2018, and ordered the parties to submit proposals on a briefing and hearing schedule for the Water Authority’s RSI restitution claim. At the September 17 CMC Judge Wiss then ordered additional October briefing on the restitution claim by both parties.

2014 Rate Case: The case filed on May 30, 2014 challenging MWD’s rates adopted in 2014 for 2015 and 2016 was transferred to San Francisco Superior Court, assigned to Judge Karnow, and remains stayed.

2016 Rate Case: The case filed on April 13, 2016 challenging MWD’s rates adopted in 2016 for 2017 and 2018 was transferred to San Francisco Superior Court and, following MWD’s exercise of a peremptory challenge against Judge Karnow, assigned to Judge Wiss. The 2016 case was initially stayed by the parties pending resolution of the 2010/2012 case appeal. The parties have agreed to a further stay pending resolution of post-remand proceedings in the 2010/2012 cases, and have prepared a stipulation to that effect.

2017 Rate Case: The case was filed in Los Angeles Superior Court on June 9, 2017, following MWD’s April 2017 approval of Readiness-to-Serve and Capacity Charges to be charged in 2018, and amended on July 18, 2017, after the MWD Board approved an amended RTS Charge for 2018. The case was transferred to San Francisco Superior Court, and has been assigned to Judge Wiss.
The parties have agreed that a continued stay is appropriate pending resolution of post-remand proceedings in the 2010/2012 case and a stipulation has been prepared to that effect.

2018 Rate Case: The case was filed in Los Angeles Superior Court on June 8, 2018, following MWD’s April 2018 approval of its rates and charges. The case is in the process of being transferred to San Francisco Superior Court, and likely will be assigned to Judge Wiss. The parties are expected to agree to stay this case until the conclusion of post-remand proceedings in the 2010/2012 cases.

Public Records Act Case: On May 21, 2018, the Water Authority filed a writ with the Court of Appeal, asking it to overturn the trial court’s ruling in favor of MWD, finding that its rate model is "computer software" within the meaning of the California Public Records Act. MWD filed its opposition on June 27. Both the Howard Jarvis Taxpayers Association and Project on Government Oversight (POGO) filed letters with the Court of Appeal supporting the Water Authority’s Petition. The Water Authority filed is reply to MWD’s Opposition on July 23, 2018. The same day, MWD filed a short response to the amicus letters filed by Howard Jarvis and POGO. On August 24, the Court of Appeal summarily denied the Petition. On August 31, the Water Authority filed a petition for review to the California Supreme Court of the Court of Appeal's order. The Project on Government Oversight and Howard Jarvis Taxpayers Association have filed amicus letters supporting the Water Authority's petition for review. The Supreme Court may summarily grant or deny the petition, request further briefing, set a hearing, issue a substantive ruling or order the Court of Appeal to issue a substantive ruling.

Kimball Matter

This dispute over a real property conveyance is subject to a Demurrer filed by the Water Authority and set to be heard on October 26, 2018 in San Diego Superior Court.

Amicus Issues

No new issues to report.

Requests Pursuant to the Public Records Act

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<th>Requestor</th>
<th>Documents Requested</th>
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<tr>
<td>Center for Contract Compliance</td>
<td>Bid documents for San Vicente Dam Raise Structural Steel Improvements</td>
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<tr>
<td>Center for Contract Compliance</td>
<td>Bid documents for Fallbrook 7/Rainbow 14 Flow Control Facility</td>
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<tr>
<td>Elite</td>
<td>Bid documents for security services</td>
</tr>
<tr>
<td>Center for Contract Compliance</td>
<td>Bid documents for Second Aqueduct Structures Coatings Rehabilitation Project</td>
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</table>
Rusinek Law Office       Warner Ranch project
SmartProcure           Purchase orders dated 5/31/18 to current

Prepared by:  Mark J. Hattam, General Counsel

Attachment:  Special Counsel Expenditure Report
### On-going Litigation

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<th>Special Counsel</th>
<th>Project</th>
<th>Total $ Expended for Aug/Sept-18 (Fees &amp; Costs)</th>
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<td>Aviles, Kelly A.</td>
<td>Enforcing Requests for Public Records</td>
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<tr>
<td>Brownstein Hyatt Farber Schreck</td>
<td>MWD Rate Litigation</td>
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<td>QSA Implementation</td>
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<td>Daley &amp; Heft</td>
<td>Pipeline 3 Relining Project</td>
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<td>Keker Van Nest &amp; Peters</td>
<td>Metropolitan Rates</td>
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<td>DWR Validation Matter</td>
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<td>San Vicente Dam Raise Project</td>
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### Non-Litigation

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<td>Daley &amp; Heft</td>
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<td>Liebert Cassidy Whitmore</td>
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<td>Van Ness Feldman</td>
<td>San Vicente Water Storage Facility Project</td>
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1 The California Supreme Court has held that the amounts of monthly legal bills for ongoing litigation have privileged status, as they may disclose litigation strategy. *Los Angeles County Bd. of Supervisors v. Superior Court*, (2016) 2 Cal. 5th 282, 286.
September 19, 2018

Attention: Board of Directors

CLOSED SESSION:
Conference with Legal Counsel – Anticipated Litigation
Government Code §54956.9(d)(2)
One Case

Purpose
This memorandum is to recommend a closed session, pursuant to Government Code §54956.9(d)(2), to discuss the above-referenced matter at the September 27, 2018 meeting.

A closed session has been included on the agenda of the formal Board of Directors’ meeting.

Prepared by: Mark J. Hattam, General Counsel