Update on Hodges Dam

Engineering & Operations Committee
May 23, 2019

Jim Fisher
Director of Operations and Maintenance
History/Facts

- Built in 1918
- Multiple Arch Dam with ogee spillway
- Storage Capacity - 30,000 AF (orig 33,000 AF)
- Watershed Area - 248 sq mi
- 1998 ESP Agreement
- Shared storage
  - City of San Diego 5,000 AF
  - Santa Fe/San Dieguito 5,000 AF
  - Water Authority 20,000 AF
Area of Concerns

- Structural Stability
- Overtopping
- Emergency Drawdown Capacity
- Concrete Deterioration
- Spillway Condition
- Instrumentation for Monitoring Dam Safety
Restrictions

- Level restricted to elevation 295 ft (voluntary)
  - 13,000 AF

<table>
<thead>
<tr>
<th>Agency</th>
<th>Original Storage</th>
<th>Restricted Storage</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of San Diego</td>
<td>5,000 AF</td>
<td>2,210 AF</td>
</tr>
<tr>
<td>Santa Fe/San Dieguito</td>
<td>5,000 AF</td>
<td>2,210 AF</td>
</tr>
<tr>
<td>Water Authority</td>
<td>20,000 AF</td>
<td>8,580 AF</td>
</tr>
</tbody>
</table>

- Operational drawdown requirements
- Condition of dam to be classified as “Poor”
Operational Impacts - Water Authority

- ESP Storage Availability
  - Reduced by 11,420 AF
  - No impact in short term due to lower regional demands

- Pump Storage Operations
  - Minimum Operating Level 290 ft
  - No impact
Operational Impacts - City of San Diego & Districts

- Storage Availability
  - Reduced by 2,790 AF

- Local Water Capture
  - Required to transfer out transfer to other City reservoir or treatment facility in accordance with DSOD approved operational plan (to be developed)
Action Ahead

- Joint Public Outreach (City Lead)
- Analysis of concerns (12-18 months)
- Completion of remediation program (TBD)
- Cost Allocation

<table>
<thead>
<tr>
<th>Agency</th>
<th>Cost Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of San Diego</td>
<td>25%</td>
</tr>
<tr>
<td>Santa Fe/San Dieguito</td>
<td>25%</td>
</tr>
<tr>
<td>Water Authority</td>
<td>50%</td>
</tr>
</tbody>
</table>
San Vicente Energy Storage Facility

- City of San Diego/Water Authority Partnership
- December 2018: Term Sheet with Brookfield Renewables
- Valuation of pumped storage
Dr. David Victor

- University of California San Diego professor
  - Co-directs the university-wide Deep Decarbonization Initiative

- Energy and modeling studies looking at the expansion and integration of renewable and other zero-carbon energy sources into energy systems

- Decarbonization of modern power grids

- PhD from Massachusetts Institute of Technology
Meeting the State’s Environmental Goals

Supply trend

Updated: 05/20 PT 03/30/2019

03/29/2019

Renewables
Natural gas
Large hydro
Imports
Nuclear
Coal
Other

Our Region’s Trusted Water Leader
San Diego County Water Authority

The City of
SAN DIEGO

4
Four ways to keep the grid affordable, clean and reliable

1. Price signals
2. Interconnected Grids
3. Flexible generation
4. Energy Storage
What kind of storage? How much and where?

- **Batteries**
  - < 2 hours storage

- **Pumped Storage**
  - >= 8 hours
Pivotal role in large-scale energy storage

1. Balancing generation and demand
2. Improving transmission efficiency
3. Providing electric grid stability
4. Shifting power supply over long periods
Turning pumped storage into reality

- Policy
- Finance
- Investment
Key Benefits

- **Renewable energy integration** requires new thinking about energy grid operation.
- **Large-scale energy storage** is a vital part of renewable energy integration.
- Supports California’s goal to attain 60% renewables by 2030 & 100% carbon free by 2045

**Pumped Energy Storage**
- Cost-effective
- Long-term
- Proven track record
What Is Needed?

- Jump starting a new wave of investment
- Studying the future
- Understanding the value of large scale energy storage
- Identifying projects early
Rancho Peñasquitos Hydroelectric Facility Improvements Project

Engineering and Operations Committee
May 23, 2019
Condition Assessment

- Expand Turbine Operating Range
- Increase Turbine Efficiencies
- Improve Generator Performance
- Implement Maintenance Improvements
### Design Build Selection

<table>
<thead>
<tr>
<th>NO.</th>
<th>DESIGN-BUILDER</th>
<th>PROPOSED WORK</th>
<th>PROPOSAL</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Gracon, LLC</td>
<td>New Turbine and New Generator</td>
<td>$4,280,000</td>
</tr>
<tr>
<td>2.</td>
<td>Tesco Controls, Inc.</td>
<td>Modified Turbine and New Generator</td>
<td>$5,614,838</td>
</tr>
</tbody>
</table>

- Evaluated Proposals and Conducted Interviews
Revenue Comparison

Dry Year

$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
-$

New
Existing

Wet Year
Hydroelectric Improvements

- Gracon, LLC
  - Most cost effective
  - $4.28 million
  - Estimated Average Annual Revenue $870,000
  - 5 year Payback
# Design Build Schedule

<table>
<thead>
<tr>
<th>Turbine Improvements</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Award Design-Build Contract</td>
<td>May 2019</td>
</tr>
<tr>
<td>Design/Manufacture</td>
<td>June 2019 - Winter 2020</td>
</tr>
<tr>
<td>Installation</td>
<td>Winter 2020 - Spring 2021</td>
</tr>
</tbody>
</table>
Recommendation

- Authorize the General Manager to award a design-build contract to Gracon, LLC. in the amount of $4,280,000 for the Rancho Peñasquitos Hydroelectric Facility Improvements project.
Annual Storage Assessment

Water Planning and Environmental Committee Meeting
May 23, 2019

Jeremy Crutchfield
Water Resources Manager
Major San Diego County Reservoirs

- 24 Reservoirs
- 743,588 acre-feet capacity
- 57% full (as of April 2019)
- 8 Reservoirs connected to Water Authority Aqueduct:
  - San Vicente
  - Lower Otay
  - Sweetwater
  - Olivenhain
  - Miramar
  - Lake Murray
  - Lake Poway
  - Lake Dixon
Typical Reservoir Storage Pools

- Freeboard
- Operational Storage
- Carryover Storage
- Emergency Storage
- Dead Storage
Carryover Storage

- Dedicated storage in San Vicente Reservoir and in ground water basins in Central Valley

  - Utilization Trigger
  - Planned use over five consecutive dry years
  - Withdraw evenly
  - Not available to TSAWR customers
  - Annual storage evaluation
## Current Carryover Storage Levels

**Status as of April 2019**

<table>
<thead>
<tr>
<th>Location</th>
<th>Capacity - Total (AF)</th>
<th>Volume Stored (AF)</th>
<th>Capacity - Remaining (AF)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Carryover Storage</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>San Vicente Reservoir</td>
<td>105,563</td>
<td>86,618</td>
<td>18,945</td>
</tr>
<tr>
<td>Semitropic-Rosamond Water Bank Authority</td>
<td>40,000</td>
<td>0</td>
<td>40,000</td>
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<tr>
<td>Semitropic Original Water Bank</td>
<td>30,000</td>
<td>16,117</td>
<td>13,883</td>
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<tr>
<td><strong>Sub Total</strong></td>
<td><strong>175,563</strong></td>
<td><strong>102,735</strong></td>
<td><strong>72,828</strong></td>
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</tbody>
</table>
Management of Carryover Storage

- Carryover storage assessment considerations
  - Current hydrologic conditions
  - Availability of Water Authority and member agency supplies
  - Water demand trend
  - Current storage levels

- Planned withdrawals totaling approximately 6,000 AF from storage reserves through December 2020

- No storage puts through December 2020 to offset San Vicente Reservoir storage evaporation and seepage losses
Emergency Storage

- Protect region against catastrophic events
- Assures a minimum 75% level of service for M&I customers:
  - 2-month event is a complete outage of imported supplies
  - 6-month event is a partial outage of imported State Water Project/Colorado River supplies
- TSAWR customers will reduce use at twice the rate of M&I customers
## Emergency Storage Pools

**Status as of April 2019**

<table>
<thead>
<tr>
<th>Location</th>
<th>Capacity - Total (AF)</th>
<th>Volume Stored (AF)</th>
<th>Capacity - Remaining (AF)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Emergency Storage</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>San Vicente Reservoir</td>
<td>52,100</td>
<td>27,613</td>
<td>24,487</td>
</tr>
<tr>
<td>Lake Hodges</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
</tr>
<tr>
<td>Olivenhain Reservoir</td>
<td>18,000</td>
<td>18,000</td>
<td>0</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
<td>90,100</td>
<td>45,613</td>
<td>44,487</td>
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</tbody>
</table>

Current ESP storage is more than sufficient to meet ESP delivery obligations of approximately 19,000 AF
Management of Emergency Storage

- Emergency storage analysis considerations
  - Operational flexibility
  - Projected economic growth
  - Conservative perspective on emergency reserves

- Withdraw 6,000 AF from emergency storage during calendar year 2019 to bring storage more in-line with current modeled requirement
Next Steps

- Execute planned storage withdrawals
- Evaluate long-term need for Central Valley groundwater storage accounts as part of 2020 Urban Water Management Plan
Presentation Agenda

- San Diego County Reservoirs
- Water Authority Storage
  - Operational, Carryover and Emergency
- Carryover Storage Evaluation
- Emergency Storage Evaluation
Carryover Storage

- Supplement regional water supplies during extended periods of drought or water supply shortage

- Benefits:
  - Enhanced reliability
  - Increased system efficiency
  - Improved supply management
Carlsbad Desalination Plant Permit Update

Water Planning and Environmental Committee Meeting
May 23, 2019
Jeremy Crutchfield
Water Resources Manager
Adopted by San Diego Water Board May 8
Concludes that Poseidon is using the best available site, design, technology, and mitigation feasible to minimize intake and mortality of all forms of marine life

Key provisions:
- Authorizes phased implementation of intake improvements over 4.5 years
- “Conditional” approval of preferred discharge technology, subject to results of:
  - Multiport Diffuser Analysis
  - Brine Discharge Empirical Study
- Increase in maximum daily production from 54 MGD to 60 MGD
- Increased monitoring and reporting requirements
Phased Implementation

The transition to stand-alone operations will be completed in three phases starting with the retirement of the Encina Power Station in December 2018 and ending with the completion of the Permanent Improvements in December 2023.

**Temporary Dec 2018**
Continued use of the the existing Power Plant pumps

**Interim June 2020**
Replace power plant pumps with new fish-friendly dilution pumps

**Permanent Dec 2023**
1 mm intake screens operating with fish-friendly dilution pumps
## Stand-alone Permitting

<table>
<thead>
<tr>
<th>Permit</th>
<th>Permitting Agency</th>
<th>Permit Description</th>
<th>Interim Improvements</th>
<th>Permanent Improvements</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEQA</td>
<td>SDCWA</td>
<td>Environmental</td>
<td>Complete</td>
<td>Complete</td>
</tr>
<tr>
<td>NPDES Permit</td>
<td>SDRWQCB</td>
<td>Intake and Discharge</td>
<td>Complete</td>
<td>Complete</td>
</tr>
<tr>
<td>PDP, RP Amendments</td>
<td>City of Carlsbad</td>
<td>Land Use</td>
<td>2Q 2019</td>
<td>2Q 2022</td>
</tr>
<tr>
<td>Coastal Development Permit Amendment</td>
<td>CA Coastal Commission</td>
<td>Land Use, Coastal Development</td>
<td>2Q 2019</td>
<td>2Q 2022</td>
</tr>
<tr>
<td>USACE 401 &amp; 404</td>
<td>US Army Corps of Engineers</td>
<td>Dredge and Fill</td>
<td>NA</td>
<td>2Q 2022</td>
</tr>
<tr>
<td>NMFS / NOAA Opinion</td>
<td>National Marine Fisheries Service</td>
<td>Protection of Marine Mammals and Endangered Species</td>
<td>NA</td>
<td>2Q 2022</td>
</tr>
</tbody>
</table>
Status of Other Permits

- **Interim Improvements**
  - City of Carlsbad - Amendment of Precise Development Permit
    - Application for staff consistency determination under review
    - Staff approval expected in May
  - Coastal Commission - Amendment of Coastal Development Permit
    - Application for immaterial amendment under review
    - Commission approval expected June 2019

- **Permanent Improvements**
  - Permits required from City of Carlsbad, Coastal Commission, San Diego Water Board, and Army Corps of Engineers
Integrated Regional Water Management Program Update

Water Planning and Environmental Committee
May 23, 2019

Mark Stadler
Principal Water Resources Specialist
Agenda

- 2019 Integrated Water Management (IRWM) Plan Update
- Department of Water Resources’ (DWR) Proposition 1 IRWM Grant Program
- Water Needs Assessment
Integrated Regional Water Management Planning

- An innovative way to increase reliable water supplies, improve water quality and protect natural resources
- Fosters cooperation and planning among public agencies and non-profit public interest organizations
- A mechanism through which region is eligible for state grant funding from voter-approved bond measures
San Diego IRWM Planning Region

Region encompasses 11 regional hydrologic units that flow to the Pacific Ocean
IRWM Accomplishments by the Numbers

- Grants awarded by DWR: 8
- Grant funding awarded: $96.4 million
- $60.6 million awarded to 8 Water Authority and 23 member agency projects
- Number of Projects: 67, public and non-profit
- Completed projects: 30
San Diego IRWM Plan

- First San Diego IRWM Plan published 2007; updated 2013
- 2019 plan update under way
- Maintains eligibility for state grant funding
- IRWM Plan aligns with Water Authority’s mission
- Grant funds supports water supply goals
2019 IRWM Plan Update

- Updated to improve information and comply with new DWR requirements
  - Climate change, flood management
- Incorporates information from Urban Water Management Plan and six public workshops
- Maintains eligibility to receive state grant funds
- Adds material to enhance plan
  - Stormwater Capture Feasibility Study
  - Regional Water Needs Assessment
- Presentation to Board in July
DWR’s Proposition 1 IRWM Grant Program

- Estimated $33 million for San Diego projects in two rounds
  - Projects must meet “critical need”
  - Minimum 10% must go to DAC projects
- Initial call for projects at end of 2018
- Call reopened this month because of:
  - Long delay in release of program rules
  - Significant changes in draft requirements
DWR’s Proposition 1 IRWM Grant Program

- Selection process used successfully six times
- Process features intensive project review by technical experts
- Present project list to Board for consideration in late 2019
- Submit application to DWR, likely by end of year
Water Needs Assessment

- Focused on disadvantaged and tribal communities (DACs), especially those not involved in IRWM
  - Required by DWR
  - Supported by $120,000 grant

- Primary objectives
  - Describe water-related conditions of DACs in region
  - Engage DACs in identifying their water management needs
  - Encourage DAC engagement with IRWM

- Completed this month
Questions?
Update on Water Supply Conditions

Water Planning and Environmental Committee
May 23, 2019

Alexi Schnell
Water Resources Specialist
Northern Sierra Precipitation 8-Station Index

136% of Normal (May 22, 2019)

Accumulated Precipitation (in)

Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep

WY 2017 (record year)  WY 2018  WY 2019

Source: Department of Water Resources
Northern Sierra Snowpack

Peak Snowpack
48.7 inches
(March 31, 2019)

Source: Department of Water Resources
Lake Oroville Storage Volume - SWP

- Capacity
- Historical Average
- 96% of Capacity
- 115% of Average (May 21, 2019)

Source: Department of Water Resources
San Luis Reservoir Storage Volume - SWP

0.0 0.5 1.0 1.5 2.0 2.5
Million Acre-Feet

WY 2017  WY 2018  WY 2019

73% of Capacity  88% of Average  (May 21, 2019)

Historical Average

Current CY 2019 SWP Allocation: 70%

Source: Department of Water Resources
Upper Colorado River Basin

- As of May 20, 2019:
  - Precipitation 119% of normal
  - Snow water equivalent 193% of normal

Data Provided by the Natural Resource Conservation Service

Our Region’s Trusted Water Leader
San Diego County Water Authority
Local Conditions

<table>
<thead>
<tr>
<th></th>
<th>May 1-21, 2019</th>
<th></th>
<th>October 1, 2018 - May 21, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Station</strong></td>
<td><strong>Actual</strong></td>
<td><strong>% Normal</strong></td>
<td><strong>Actual</strong></td>
</tr>
<tr>
<td>Lindbergh Field</td>
<td>0.59 in.</td>
<td>656%</td>
<td>12.60 in.</td>
</tr>
<tr>
<td>Ramona Airport</td>
<td>1.04 in.</td>
<td>358%</td>
<td>20.02 in.</td>
</tr>
</tbody>
</table>

- **Local Reservoir Storage:**
  - Total reservoir storage as of May 13 at 425,000 AF
  - 57 percent of storage capacity
  - Increase of 81,000 AF since mid-January 2019
General Manager’s Recommended Budget for Fiscal Years 2020 & 2021

Administrative & Finance Committee
May 23, 2019

Sandra L. Kerl
Acting General Manager
Agenda

- Budget Document
- FYs 2018 & 2019 Accomplishments
- Factors Impacting the FYs 2020 & 2021 Budget
- Components of FYs 2020 & 2021 Budget
- FYs 2020 & 2021 Key Initiatives and Projects
- Schedule
Fiscal Years 2018 & 2019 Accomplishments

Pioneering.
Visionary.
Agile.
Driven.
Building and Safeguarding Assets

- CIP & Asset Management
  - Launched major rehabilitation project on First Aqueduct
  - Construction Completion of Carlsbad 6 Flow Control Facility
  - Pipeline 3 and Pipeline 5 relining
- Facility & Cyber Security
Advancing Water Supply Reliability

- Planned increases in IID transfer supplies
- Carlsbad desalination intake permit
- Water storage capacity in Lake Mead
- Member Agency Local Resource Program Application Support
Controlling Costs, Protecting Ratepayers

- Extensive Cost of Service review
- First year in-house operations at Lake Hodges
- $18M savings from pipeline bond refunding
- MWD advocacy
  - Greater preferential rights
  - Water Stewardship Rate savings
  - Conservation funding
  - Initiation of settlement talks
Effective Legislative, Regulatory Advocacy

- State Water Board’s draft Mercury Control Program for Reservoirs
- Stakeholder engagement for SB 606 and AB 1668 - “Conservation as a California Way of Life”
- State Recycled Water Policy - Constituents of Emerging Concern
- State Potable Reuse Regulations
  - Surface Water Augmentation
  - Proposed Framework for Regulating Direct Potable Reuse
Innovating Technologies

- Underwater inspection camera tools
- Laser pipe-diameter measuring
- Pipe-inspection vehicles
Promoting the Value of Water

- Economic Development Council’s Water Reliability Report
- Brought to You by Water
- Citizens Water Academy
Next Budget Implements Key Plans, Policies

- 2019-2023 Business Plan
- Long Range Financing Plan
- Urban Water Management Plan
- Climate Action Plan
- Energy Management Policy
- Water Facilities Optimization and Master Plan Update
Factors Impacting FYs 2020 & 2021
Overall Budget

- Water supply and demand
  - Water sales, purchases, and treatment
  - Decrease in projected water sales
- Rate Stabilization Fund use
- Capital Improvement Program
- Asset management
FYs 2020 & 2021 Sources of Funds

- Water Sales: $1,306,919 (77%)
- Net Fund Withdraws: $143,581 (9%)
- Infrastructure Access Charges: $81,656 (5%)
- Capacity Charges: $33,220 (2%)
- Build America Bonds & Investment Income: $32,605 (2%)
- Property Taxes & In-Lieu Charges: $28,304 (2%)
- Water Standby Availability Charges: $39,060 (2%)
- All Other Revenue Sources: $32,605 (2%)

Total: $1,687,566 (100%)

*Totals may not foot due to rounding.
FYs 2020 & 2021 Recommended Budget

- Water Purchases & Treatment: $1,083,174 (64%)
- Debt Service: 297,432 (18%)
- CIP Expenditures: 162,222 (10%)
- Operating Departments: 108,503 (6%)
- Equipment Replacement: 6,024 (<1%)
- Other & Grants: 30,211 (>1%)

Total: $1,687,566 (100%)

92% of TOTAL BUDGET
Factors Impacting Operating Departments

- Complexity of water supply and delivery systems
- CalPERS Employer Contribution Rate
- Utility increases
- Increased costs for cost share of O&M and capital costs at San Vicente, Lake Hodges, and Levy Treatment Plant
### FYs 2020 & 2021 Operating Departments Recommended Budget

<table>
<thead>
<tr>
<th>Category</th>
<th>Budget</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Labor &amp; Benefits</td>
<td>$74,068</td>
<td>64%</td>
</tr>
<tr>
<td>Services</td>
<td>28,771</td>
<td>25%</td>
</tr>
<tr>
<td>Supplies</td>
<td>3,422</td>
<td>3%</td>
</tr>
<tr>
<td>Utilities</td>
<td>3,387</td>
<td>3%</td>
</tr>
<tr>
<td>Insurance</td>
<td>2,131</td>
<td>2%</td>
</tr>
<tr>
<td>Lease/Rents</td>
<td>778</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>3,761</td>
<td>3%</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>185</td>
<td>&lt;1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$116,504</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

- Capitalized Overhead: (8,000)
- Grand Total: **$108,503**
Key Initiatives and Projects
Fiscal Years 2020 & 2021

- Colorado River Initiatives
  - Advance Water Authority QSA Policy
  - Develop flexibility in QSA Implementation
  - Regional Conveyance System Study
  - Storage opportunities in Lake Mead
Key Initiatives and Projects
Fiscal Years 2020 & 2021

- Water supply management
  - Desalination Intake Financing
  - Construction of Desalination Intake Modifications
- Local Projects Support – Local Water Supply Development Program and MWD’s Local Resources Program
- Integrated Regional Water Management Plan Update Activities
Key Initiatives and Projects
Fiscal Years 2020 & 2021

- System and Asset Management
- Major maintenance and replacement plan for Hodges Pumped Storage Facility
- Escondido Facility Space Needs Assessment Master Plan
Key Initiatives and Projects
Fiscal Years 2020 & 2021

- System and Asset Management
  - Cost Assessments and Project Prioritization
  - First Aqueduct Rehabilitation
  - Communication System Master Plan for Aqueduct Control System
- Member Agency Engineering Managers Forum
- Member Agency Asset Management Support Network
Key Initiatives and Projects
Fiscal Years 2020 & 2021

- Legislative and Regulatory Advocacy
  - Implementation of SB 606 and AB 1668 legislation – “Conservation as a California Way of Life”
  - State and Federal energy regulatory proceedings participation
  - Engage with Governor and Administration on water management portfolio

- Cyber and Facility Security
  - Security measures based on Center for Internet Security’s CIS-20 framework
  - Implement physical security assessment for critical facilities
Key Initiatives and Projects
Fiscal Years 2020 & 2021

- Critical plan updates
  - Urban Water Management Plan
  - Water Shortage Contingency Plan
  - Climate Action Plan
  - Long Range Financing Plan
Key Initiatives and Projects
Fiscal Years 2020 & 2021

- **Innovation and Business Services**
  - Complete water billing and water resources database
  - Evaluation of innovative tools and technology for robotic pipeline inspections
  - Use of Drone Aerial Technology

- **Energy**
  - Development Agreement for San Vicente Energy Storage
  - Update Energy Management Policy
Key Initiatives and Projects
Fiscal Years 2020 & 2021

- Workforce Planning
  - Complete agency-wide assessment of employee compensation
  - Continue with Employee Growth and Development Program
Key Initiatives and Projects
Fiscal Years 2020 & 2021

- Continue Regional and Community Outreach
  - Brought to You by Water
  - Citizens Water Academy
  - Small Business Participation
  - CIP Outreach
Partnerships and Collaboration

- Water Supply Solutions
- Operations
- Planning
- Communication and Outreach
- MWD Litigation Settlement
# Next Steps

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 23rd</td>
<td>Presentation of General Manager’s Recommended Budget for Fiscal Years 2020 &amp; 2021</td>
</tr>
<tr>
<td>May 29th</td>
<td>Department Heads meeting to review and discuss presentations</td>
</tr>
<tr>
<td>June 11th &amp; 13th</td>
<td>Special Board Workshops</td>
</tr>
<tr>
<td>June 27th</td>
<td>Consideration for Adoption of General Manager’s Recommended Budget for Fiscal Years 2020 &amp; 2021</td>
</tr>
</tbody>
</table>
AGENDA

• Innovation Program Overview
• Innovation Culture
• Bright Ideas Program
• External Outreach
INNOVATION PROGRAM GOALS

Capture the collective innovative power of the organization

Develop an innovation culture where all staff see themselves as innovators

Build external collaborative partnerships

Provide a conduit for outside vendors to participate
INNOVATION COMMITTEE STRUCTURE

• Program Management
• External Liaison
INTERNAL INNOVATION CULTURE

• Our Vision
• Interdepartmental Committee
• Bright Ideas
• Awards Program
• Outreach
78 BRIGHT IDEAS SINCE 2018
78 BRIGHT IDEAS SINCE 2018

Bright Idea Tracking Stages

- Not Pursued
- Concept/Pilot
- Implemented
- Research/Execution
- Virtual servers
- Decals on field locks
- Conduit in relining space
- Department operating plans
- 3-D reservoir technology
- Dash cams
- Abandoned right of way management
- Drone technology
- GPS navigation in fleet vehicles
- Utilize ground penetrating radar
- CIP dashboard
As the year comes to a close, we look back on the progress made in 2023. We featured the Technology Showcase in August which was a great display of innovative projects being implemented as part of condition assessments. In September, the Water Authority hosted a Regional Innovation Forum where many local stakeholders participated by sharing programs and ideas. Throughout the year there were additional events on regional innovation and growth of our internal Innovation Program. We look forward to continued advancement and participation in 2024.

—Gary Bankhead, Innovation Program Manager

Check out this video to learn more about an interesting and innovative solution O&M staff developed to house to help maintain safe air flow in the pipelines during shutdowns.
BRIGHT IDEA AWARDS PROGRAM

Annual Awards

- 1\textsuperscript{st} - $500 plus trophy
- 2\textsuperscript{nd} - $250
- 3\textsuperscript{rd} - $100

Quarterly Award

- Brief summary and recognition at GM’s Briefing
- $50 Gift Card
2018 BRIGHT IDEAS OF THE YEAR

1st Place – Pipeline Inspection Tool

2nd Place – PeopleSoft Manager Dashboard

3rd Place – Capstan Winch Tool

Martin Coghill

Ben Hebel

Darryl Akioka
BUILDING EXTERNAL RELATIONSHIPS

• Water Authority is an Innovation Leader
• Share best practices and lessons learned
• Partner with business and water organizations
BUILDING EXTERNAL RELATIONSHIPS

- Water Research Foundation Innovation Study
- Regional Innovation Forum with public agencies
- Identify water technology clusters
LOOKING FORWARD

- Developing innovation metrics
- Continuing to foster internal culture
  - Awards
  - GM Quarterly Meetings
  - Department Meetings
- Building external relationships
  - Share our ideas
- Adopt practices and procedures that fit our organization
- FY2020/FY2021 Innovation Budget
Recommended Calendar Year 2020
Rate & Charge Assessment

Administrative and Finance Committee
May 23, 2019

Pierce Rossum, Rate & Debt Manager
Agenda

- Review of Water Authority Cost of Service Activities
- CY 2020 Rate and Charge Drivers
- Recommended CY 2020 Rate & Charge Assessment
- Next Steps
Water Authority Cost of Service Review Process

- Comprehensive Cost of Service Review by Carollo
  - Rate Methodology
  - Board Policies
  - Compliance with CA law
  - Concluded Water Authority in full compliance

- Preparation of new Rate Modeling Program
  - 9 Month process (June 2018 - March 2019)
  - Streamline entire process, including the removal of circular calculations and macros
  - Will continue to be regularly maintained for continued cost of service compliance
Recommended Increases to IAC

Infrastructure Access Charge provides funding for at least 25% of the Authority’s fixed costs, when added to the standby availability charge and property tax revenues

- IAC to increase over two-year period (CY 2020 & CY 2021)
- Supports transition to PAYGO CIP
- Greater revenue stability affords ability to draw reserves and limit future increases
- Adjustment to IAC is revenue neutral, any reduction would be offset by corresponding rate increases
Rate Stabilization Target Forecast* ($M)

FYE 2019 FYE 2020 FYE 2021 FYE 2022 FYE 2023 FYE 2024
$189 $215 $223 $246 $270 $278
$126 $145 $149 $167 $182 $187
$105 $100 $113 $97 $98 $100
$100 $128 $85 $69 $69 $71
$50 $50 $50 $50 $50 $50

* RSF Target reflects amended RSF Policy (Ordinance No. 2018-03)
CY 2020 Rate and Charge Drivers

- Water Sales Demand Forecast
  - 397,000 AF Deliveries, down 7% from CY 2019 forecast
- MWD Rate Adjustments
  - QSA Exchange Rate increase of 6.4%
- Ramp-up of IID deliveries (+32,500 AF)
- Increased CIP expenditures
- Carlsbad Temporary Intake Operation Costs
### QSA Melded Supply Cost

<table>
<thead>
<tr>
<th>Description</th>
<th>CY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>IID Conserved Water</td>
<td>192,500 AF</td>
</tr>
<tr>
<td>Canal Lining Water</td>
<td>77,700 AF</td>
</tr>
<tr>
<td><strong>Total QSA Supplies</strong></td>
<td>270,200 AF</td>
</tr>
<tr>
<td>MWD Exchange</td>
<td>$130.2 M</td>
</tr>
<tr>
<td>Annual Canal O&amp;M</td>
<td>1.3 M</td>
</tr>
<tr>
<td>Annual Canal Debt</td>
<td>6.0 M</td>
</tr>
<tr>
<td>IID Conserved Water</td>
<td>130.9 M</td>
</tr>
<tr>
<td><strong>Total QSA Cost</strong></td>
<td>$268.4 M</td>
</tr>
</tbody>
</table>

**2020 QSA Melded Supply** $993 / AF
### “All-In” MWD Cost to Member Agencies

**CY 2020**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Tier 1 Purchases</td>
<td>75,100 AF</td>
</tr>
<tr>
<td>MWD Supply</td>
<td>$56.7 M</td>
</tr>
<tr>
<td>Total Readiness-to-Serve ¹</td>
<td>25.7 M</td>
</tr>
<tr>
<td>Capacity Charge</td>
<td>8.0 M</td>
</tr>
<tr>
<td><strong>Total MWD Cost</strong></td>
<td><strong>$90.4 M</strong></td>
</tr>
</tbody>
</table>

**2020 MWD “All-In” Supply Cost** $1,203 / AF

¹ The RTS Charge Pass Through is net of gross Standby Charge revenues collected on property tax rolls. Any Standby Charge amounts ($12.8M) collected are applied as a credit against the participating member agency’s Total RTS Charge obligation.
Historical & Forecasted Water Sales

Revenue Impact:
- In 2008 $1/AF = $620,000
- In 2015, $1/AF = $500,000
- In 2019, $1/AF = $395,000
- 56% increase ($1.56/AF) to generate 2008 levels ($620,000)
FY19 Water Sales Forecasted 10% Below Budget

**FY19 Water Sales (AF)**
Actual to Budget Comparison on Cumulative Basis

**For the Month of March 2019**
- Monthly Actual: 16,844 AF
- Monthly Budget: 27,660 AF
- Actual to Budget Comparison: -39.1%

**Year-To-Date (March 2019)**
- YTD Actual: 299,763 AF
- YTD Budget: 320,758 AF
- Actual to Budget Comparison: -6.5%

**For the Month of April 2019**
- Monthly Actual: 26,110 AF
- Monthly Budget: 33,367 AF
- Actual to Budget Comparison: -21.7%

**Year-To-Date (April 2019)**
- YTD Actual: 325,873 AF
- YTD Budget: 354,125 AF
- Actual to Budget Comparison: -8.0%
Recommended CY 2020 Untreated Rates

All-In Untreated Rate Guidance

<table>
<thead>
<tr>
<th>CYE2019</th>
<th>CYE2020</th>
<th>CYE2021</th>
<th>CYE2022</th>
<th>CYE2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,341</td>
<td>$1,406</td>
<td>$1,387</td>
<td>$1,423</td>
<td>$1,443</td>
</tr>
<tr>
<td>2.9%</td>
<td>4.8%</td>
<td>2.4%</td>
<td>2.6%</td>
<td>1.4%</td>
</tr>
<tr>
<td>$1,291</td>
<td>$1,355</td>
<td>$1,387</td>
<td>$1,423</td>
<td>$1,443</td>
</tr>
</tbody>
</table>

Update Rate Guidance High - Untreated (2019) ($/AF)
Updated Rate Guidance Low - Untreated (2019) ($/AF)

M&I Untreated All-In Rate ($/AF)
Recommended CY 2020 Treated Rates

All-In Treated Rate Guidance

<table>
<thead>
<tr>
<th>CYE</th>
<th>M&amp;I Treated All-In Rate ($/AF)</th>
<th>Update Rate Guidance High - Treated (2019) ($/AF)</th>
<th>Updated Rate Guidance Low - Treated (2019) ($/AF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CYE2019</td>
<td>$1,617</td>
<td>0.9% $1,888</td>
<td>0.9% $1,549</td>
</tr>
<tr>
<td>CYE2020</td>
<td>4.3% $1,686</td>
<td>5.0% $2,076</td>
<td>4.1% $1,613</td>
</tr>
<tr>
<td>CYE2021</td>
<td>2.5% $1,654</td>
<td>4.7% $2,076</td>
<td>2.5% $1,654</td>
</tr>
<tr>
<td>CYE2022</td>
<td>2.3% $1,692</td>
<td>3.0% $2,138</td>
<td>2.3% $1,692</td>
</tr>
<tr>
<td>CYE2023</td>
<td>1.4% $1,716</td>
<td>2.4% $2,189</td>
<td>1.4% $1,716</td>
</tr>
</tbody>
</table>
**Recommended CY 2020 Cost of Water Breakdown**

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>Approved CY 2019</th>
<th>Preliminary CY 2020</th>
<th>Δ</th>
<th>%Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation *</td>
<td>$120.00</td>
<td>$132.00</td>
<td>$12.00</td>
<td>10.0%</td>
</tr>
<tr>
<td>Supply Reliability *</td>
<td>$80.00</td>
<td>$104.00</td>
<td>$24.00</td>
<td>30.0%</td>
</tr>
<tr>
<td>Storage *</td>
<td>$171.00</td>
<td>$181.00</td>
<td>$10.00</td>
<td>5.8%</td>
</tr>
<tr>
<td>Customer Service *</td>
<td>$61.00</td>
<td>$64.00</td>
<td>$3.00</td>
<td>4.9%</td>
</tr>
<tr>
<td>Melded M&amp;I Treatment Rate</td>
<td>$276.00</td>
<td>$280.00</td>
<td>$4.00</td>
<td>1.4%</td>
</tr>
<tr>
<td>Melded M&amp;I Supply Rate</td>
<td>$909.00</td>
<td>$925.00</td>
<td>$16.00</td>
<td>1.8%</td>
</tr>
<tr>
<td>Untreated Water Cost</td>
<td>$1,341.00</td>
<td>$1,406.00</td>
<td>$65.00</td>
<td>4.8%</td>
</tr>
<tr>
<td>Treated Water Cost</td>
<td>$1,617.00</td>
<td>$1,686.00</td>
<td>$69.00</td>
<td>4.3%</td>
</tr>
</tbody>
</table>
RSF provides smooth and predictable rates

- Mitigating upward rate and charge pressures
  - prolonged low water sales environment
  - Increasing MWD costs
  - IID ramp up
  - Cost of desalinated water
- Reflects updated RSF methodology and target
- Utilizing the RSF
  - Projected fiscal year draw of:
    - $22M in FY 2019
    - $38M in FY 2020
  - Rate smoothing forecasted into FY 2022
RSF Forecast reflects conservative assumptions

Forecasted balances to fall below target, with plans rebuild fund starting in FY 2023

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San Diego County Water Authority

* Forecasted draws as of May 2019
Financials assume **planned** draw of Reserves (PayGo & RSF), while maintaining sufficient Cash on Hand.

End-of-Year Reserve Balances

<table>
<thead>
<tr>
<th></th>
<th>FYE 2019</th>
<th>FYE 2020</th>
<th>FYE 2021</th>
<th>FYE 2022</th>
<th>FYE 2023</th>
<th>FYE 2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Service Reserve Fund</td>
<td>$22.93</td>
<td>$23.21</td>
<td>$23.51</td>
<td>$23.83</td>
<td>$24.16</td>
<td>$24.49</td>
</tr>
<tr>
<td>Canal Maintenance Reserve</td>
<td>$-</td>
<td>$0.09</td>
<td>$0.29</td>
<td>$0.49</td>
<td>$0.71</td>
<td>$0.93</td>
</tr>
<tr>
<td>Equipment Replacement Fund</td>
<td>$0.93</td>
<td>$0.94</td>
<td>$0.95</td>
<td>$0.97</td>
<td>$0.98</td>
<td>$0.99</td>
</tr>
<tr>
<td>PAYGO Fund</td>
<td>$83.16</td>
<td>$28.19</td>
<td>$8.10</td>
<td>$6.20</td>
<td>$8.48</td>
<td>$8.78</td>
</tr>
<tr>
<td>Rate Stabilization Fund</td>
<td>$132.95</td>
<td>$96.59</td>
<td>$66.84</td>
<td>$56.75</td>
<td>$62.52</td>
<td>$79.37</td>
</tr>
<tr>
<td>Operating Fund</td>
<td>$94.81</td>
<td>$108.28</td>
<td>$116.45</td>
<td>$117.56</td>
<td>$122.45</td>
<td>$125.57</td>
</tr>
</tbody>
</table>
## Recommended CY 2020 Rates & Fixed Charges

<table>
<thead>
<tr>
<th></th>
<th>CYE 2019</th>
<th>CYE 2020</th>
<th>%Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Variable Rates ($/AF)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Melded M&amp;I Supply Rate</td>
<td>$909.00</td>
<td>$925.00</td>
<td>1.8%</td>
</tr>
<tr>
<td>Melded M&amp;I Treatment Rate</td>
<td>$276.00</td>
<td>$280.00</td>
<td>1.4%</td>
</tr>
<tr>
<td>Transportation</td>
<td>$120.00</td>
<td>$132.00</td>
<td>10.0%</td>
</tr>
<tr>
<td>Untreated SAWR¹</td>
<td>$731.00</td>
<td>$755.00</td>
<td>3.3%</td>
</tr>
<tr>
<td>Treated SAWR¹</td>
<td>$1,007.00</td>
<td>$1,035.00</td>
<td>2.8%</td>
</tr>
<tr>
<td><strong>Fixed Charges ($M)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Service</td>
<td>$25.60</td>
<td>$25.60</td>
<td>0.0%</td>
</tr>
<tr>
<td>Storage</td>
<td>$65.00</td>
<td>$65.00</td>
<td>0.0%</td>
</tr>
<tr>
<td>Supply Reliability</td>
<td>$30.20</td>
<td>$37.43</td>
<td>23.9%</td>
</tr>
<tr>
<td><strong>Other Charges</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure Access Charge ($/ME)²</td>
<td>$3.01</td>
<td>$3.66</td>
<td>21.6%</td>
</tr>
<tr>
<td>Standby Availability Charge ($)³</td>
<td>$10</td>
<td>$10</td>
<td>0.0%</td>
</tr>
<tr>
<td>System Capacity Charge ($/ME)²</td>
<td>$5,267</td>
<td>$5,301</td>
<td>0.6%</td>
</tr>
<tr>
<td>Treatment Capacity Charge ($/ME)²</td>
<td>$146</td>
<td>$147</td>
<td>0.6%</td>
</tr>
<tr>
<td>Annexation Application Fee ($)</td>
<td>$10,681</td>
<td>$10,749</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

1. Per current Board Policy, SAWR is set to end December 31, 2020.
2. ME means meter equivalent as defined in the resolution establishing the Infrastructure Access Charge.
3. Per parcel or acre, whichever is greater
4. Two year IAC ramp up. CY 2021 IAC forecasted at $4.43. In future years the IAC is forecasted to level.
Summary & Next Steps

- Rate and Charge Drivers
  - MWD rate increases
  - Persistent low sales environment
  - Cost of supply reliability

- Proactive financial management
  - Highlights how essential RSF is to rate smoothing
  - IAC ramp up to provide greater revenue predictability

- Rate and charge increases inline with guidance
  - Treated increase 4.3% | Untreated increase 4.8%

- Overall increase will vary by member agency based on fixed charge allocations

- Next Step: Public Hearing, adoption of CY 2020 Rates and Charges *(June 27th)*
Drought in the Colorado River Basin

- Prolonged drought conditions since 2000 caused Lake Mead storage to decline to record low levels
- Led to Drought Contingency Plan (DCP) to help protect Lake Mead
- Combination of factors in 2019 (DCP, hydrology, demands) have resulted in an improved outlook
Drought Contingency Plan Finalized

- Congress passed legislation - April 9
- President signed - April 16
- IID filed suit - April 16
- Execution of DCP documents - May 20

Next steps:
- Work with Mexico to implement binational DCP
- Implementation of US and Mexico’s plans in 2020 operations
DCP Changes that Impact Operations

- California can access Lake Mead storage (ICS) below 1,075'
- DCP contribution volumes triggered by Lake Mead elevation starting at 1,090'
- Updates to Lake Mead storage program including new projects approved and increased capacities for states
## Current Storage and Hydrology

- **WY 2019 Precipitation** - 119% of normal
- **Upper Basin peak snowpack** - 133% of normal
- **April-July runoff** - 129% of normal
- **Demands below Hoover** are record-setting low
- **Improved hydrology and reduced deliveries** = much-improved outlook for Lake Mead

### Storage and Elevation

<table>
<thead>
<tr>
<th><em>As of 5/20/19</em></th>
<th>% Full</th>
<th>Million Acre-Feet</th>
<th>Elevation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lake Powell</td>
<td>41%</td>
<td>9.9</td>
<td>3,579'</td>
</tr>
<tr>
<td>Lake Mead</td>
<td>41%</td>
<td>10.7</td>
<td>1,088'</td>
</tr>
<tr>
<td><strong>Total System</strong></td>
<td>47%</td>
<td><strong>28.1</strong></td>
<td><strong>-</strong></td>
</tr>
<tr>
<td><strong>Last Year</strong></td>
<td>51%</td>
<td><strong>30.5</strong></td>
<td><strong>-</strong></td>
</tr>
</tbody>
</table>
Projected Reservoir Operations

2019
Lake Powell Release - 9.0 MAF
End of Year Lake Mead Level* - 1,084'

2020
No shortage projected in 2020*
DCP contributions projected in 2020*
Lake Powell Release* - 9.0 MAF
End of Year Lake Mead Level* - 1,080'

2021
No shortage projected in 2021*
DCP contributions projected in 2021*

- April projections* give insight for next year
- Official determination for 2020 operations in August
- DCP not yet incorporated
Shortage Projections

- Shortage occurs at elevation-based triggers, 1st at 1,075'
- There's never been an official shortage to date
- Previous projections indicated a high chance of shortage in 2020
- Shortage no longer likely in 2020 or 2021
- Five-year outlook will be updated to include DCP

Projected Probability of 2020 Shortage

<table>
<thead>
<tr>
<th></th>
<th>April 18</th>
<th>Aug 18</th>
<th>Jan 19</th>
<th>Now</th>
</tr>
</thead>
<tbody>
<tr>
<td>Probability</td>
<td>52%</td>
<td>57%</td>
<td>69%</td>
<td>&lt;10%</td>
</tr>
</tbody>
</table>
Projected DCP Contributions for 2020

Annual Shortage Reductions & DCP Contributions
Lake Mead Elevation ≤1,090 to >1,075

- Arizona (AZ): 192 TAF
- Nevada (NV): 8 TAF
- California (CA): 0 TAF
- Mexico (Minute 323): 41 TAF
- US BOR: 100 TAF

341,000 AF of DCP Contributions

- California does not have any DCP contributions (1st CA trigger 1,045’)

Our Region’s Trusted Water Leader
San Diego County Water Authority
Key Points

Better outlook this year but mindful of long-term drought

DCP is complete with additional steps in progress

Continue efforts to obtain Lake Mead storage

Unknown effects of IID’s lawsuit on DCP
Sacramento Update

Legislation and Public Outreach Committee
May 23, 2019

Glenn Farrel, Government Relations Manager
Legislature

- May 31: Last day for bills to pass from house of origin - half-way point of the 2019 legislative session
- June 3 - Bills can begin to be considered in policy committees of second house
- June 15: Budget bill must be passed by Legislature
- July 12: Summer recess begins
Governor’s Executive Order

On April 29, Governor Newsom issued Executive Order N-10-19

- Directs the Natural Resources Agency, CalEPA, and the DFA to collaborate on a water resilience portfolio

  - "Identify and assess a suite of complementary actions to ensure safe and resilient water supplies, flood protection, and healthy waterways for the state’s communities, economy, and environment”

- Inventory and assess:
  - Current water supplies
  - Health of waterways
  - Future demands
  - Challenges

- Next steps: Outreach to stakeholders, listening sessions, workshops, public meetings
On May 2, the Administration announced formal steps to withdraw proposed permits for the WaterFix project.

- DWR will begin a renewed environmental review and planning process for a smaller, single tunnel project.
- Announcement is consistent with the Governor’s state-of-the-state address in January and the April 29 Executive Order regarding the development of a water resilience portfolio for the state.
May Revise of Proposed State Budget

- On May 9, the Governor released the May Revise of the proposed state budget

<table>
<thead>
<tr>
<th>BUDGET COMPONENT</th>
<th>JANUARY PROPOSED BUDGET</th>
<th>MAY REVISE PROPOSED BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Expenditures</td>
<td>$144 B</td>
<td>$147 B</td>
</tr>
<tr>
<td>Projected Budget Surplus</td>
<td>$21 B</td>
<td>$21.5 B</td>
</tr>
<tr>
<td>Safe Drinking Water</td>
<td>Promoted the establishment of a safe and affordable drinking water fund consistent with the policy framework of SB 623 (water tax legislation)</td>
<td>The Administration remains committed to working...on a comprehensive package that includes a sustainable and reliable source of funding to support safe and affordable drinking water...</td>
</tr>
</tbody>
</table>
Sponsored Legislation - AB 1588 (Gloria/Gray)

- AB 1588 is co-sponsored by the Water Authority and the Otay Water District

- AB 1588 is intended to address the lack of satisfactory crediting and equivalency standards for military veterans transitioning into civilian water and wastewater system operator occupations

- May 16 - Passed out of Assembly Appropriations Committee on 18-0 vote
  - Pending consideration on Assembly Floor
Support for AB 1588

Local government:
-City of San Diego
-Eastern MWD
-Irvine Ranch WD
-Mesa WD
-Metropolitan Water District
-Otay WD
-Padre Dam MWD
-Rainbow MWD
-Rincon del Diablo MWD
-San Diego County BOS
-San Diego CWA
-Santa Clara Valley WD
-Sweetwater Authority
-Turlock Irrigation District
-Valley Center MWD

Industry associations:
-ACWA
-CASA
-California Water Association
-Council of Water Utilities
-Northern CA Water Assn
-Rural County Reps of CA

Veterans’ groups:
-American GI Forum
-AMVETS – CA
-CA Assn of County Veterans’ Svc Officers
-CA State Commanders Veterans’ Council
-SD Military Advisory Council
-SD Veterans’ Coalition
-Veterans Chamber of Commerce
-Veterans Village of San Diego
-Vietnam Veterans of America

Business/Labor/Civic:
-AFSCME
-Chula Vista Chamber
-East County EDC
-East County Chamber
-Escondido Chamber
-National City Chamber
-Oceanside Chamber
-Otay Mesa Chamber
-San Diego North EDC
-SD Regional Chamber
-SD Regional EDC
-SD Workforce Partnership
-San Marcos Chamber
-San Ysidro Chamber
-South County EDC
-Spring Valley Chamber
-Vista Chamber
Safe and Affordable Drinking Water - Assembly

- AB 134 (Bloom) - Administrative structure for safe drinking water program
  - Assembly Floor

- AB 217 (Garcia)
  - Water tax - “water system charge”
  - Production agricultural taxes
  - Assembly Floor

- Administration Budget Trailer Bill - Water/agricultural production taxes
  - Implicitly rejected in Assembly Budget Subcommittee
    - “Defer the creation of a Safe and Affordable Drinking Water Program to the legislative bill process”
  - Expressly rejected in Senate Budget Subcommittee
Safe and Affordable Drinking Water - Senate

- Senate Budget Subcommittee #2 action
  - Rejected Administration’s BTB - water tax
  - Approved $150 M continuous appropriation from General Fund

- SB 200 (Monning) - Administrative structure for safe drinking water program
  - Senate Floor

- SB 414 (Caballero) - Small water system consolidation authority
  - Senate Floor

- SB 669 (Caballero) - Safe drinking water trust fund
  - Held in Senate Appropriations Committee
Recent Legislative Actions

- **AB 533 (Holden)** - Income tax exclusion for turf replacement rebates
  - Held in Assembly Appropriations Committee as a 2-year bill

- **AB 854 (Mayes)** - IID Board composition
  - Held in Assembly Appropriations Committee as a 2-year bill

- **SB 1 (Atkins)** - California Environmental, Public Health, and Workers Defense Act
  - Pending consideration on Senate Floor

- **SB 332 (Hertzberg)** - Limitation on ocean discharges
  - Held in Senate Appropriations Committee

- **SB 772 (Bradford)** - Pumped hydropower energy storage
  - Pending consideration on Senate Floor
San Diego
Brought to You by Water...

Legislation & Public Outreach Committee
May 23, 2019

Mike Lee
Public Affairs Supervisor
Ag Outreach Blossoms

- Farm-to-table dinner
- Water Academy alumni event
- Shopping bag giveaway events
- Truck wraps
- Airport ads
- CBS8 commercials
- Social media contest
Summer of Social Influence

- Social media campaign with Switchfoot lead singer Jon Foreman
- Short videos showcase facilities, promote water-use efficiency and economic value
- Conversational, informal approach
- Launch June 17 on social, web and email
Bro-Am Partnership

- Switchfoot Bro-Am surf-music event in Encinitas
  - June 29
  - 17,000+ people
  - Charity fundraiser

- Package includes
  - Sponsored water stations
  - Reusable water bottle contest
  - Public service announcements from the stage
  - Promotional radio spots, social media, and online ads with 94.9 & 105.3

- Water bottle stickers
Value of Water Videos