LEGISLATION, CONSERVATION AND OUTREACH COMMITTEE

AGENDA FOR

OCTOBER 28, 2010

Marilyn Dailey – Chair    Jeremy Jungreis
Ron Morrison – Vice Chair    Vincent Mudd
Elsa Saxod – Vice Chair    Mark Muir
Gary Arant    Yen Tu
Keith Blackburn     Mark Watton
Gary Croucher      Howard Williams
Mitch Dion       Ken Williams
Frank Hilliker

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

1. Legislative Issues.
   1-A Report by Carpi and Clay. (pickup packet) Carpi & Clay

   1-B Draft proposed 2011 Legislative Policy Guidelines and solicitation of ideas for 2011 legislation. (Discussion) Jeff Volberg

III. INFORMATION


2. New Water Authority Website walk through presentation. Tenille Otero
3. SCOOP Annual report.  Emily Yanushka
5. Government relations update.  Jeff Volberg

IV. ADJOURNMENT

Doria F. Lore
Clerk of the Board

NOTE: This meeting is called as a Legislation, Conservation, and 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 (Revised). 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.
October 20, 2010

Attention: Legislation, Conservation and Outreach Committee

Draft proposed 2011 Legislative Policy Guidelines and Solicitation of Ideas for 2011 Legislation. (Discussion)

Purpose
Present proposed 2011 Legislative Policy Guidelines to the Board for review and comment and elicit ideas for 2011 Water Authority sponsored legislation.

Background
2011 Legislative Policy Guidelines
The Water Authority maintains a set of legislative policy guidelines to direct staff and the Water Authority’s legislative advocates on issues of importance to the Water Authority, its member agencies, and the San Diego region. The attached draft 2011 Legislative Policy Guidelines represent positions on legislation, policy principles adopted by the Board, and initial recommendations from staff. Staff is soliciting input from the member agencies through the General Managers and the Legislative Alert Program liaisons.

The Board approved an original set of Legislative Policy Guidelines in December 1993. They are reviewed and updated annually. This report presents staff’s initial recommendations for the Board’s annual review and seeks the Board’s recommendations for changes. Staff will incorporate feedback from the Board, the General Managers, and Legislative Alert liaisons and bring the 2011 Legislative Policy Guidelines to the Board for approval and adoption at its December 2010 meeting.

The guidelines provide a useful framework for staff and legislative advocates to evaluate the potential impact of state and federal legislation on the Water Authority and its member agencies. Staff and legislative advocates consult the guidelines to determine positions on legislation. Legislation that meets or fails to meet the principles set forth in the guidelines is supported or opposed accordingly. Bills for which staff recommends a position are brought before the Legislation, Conservation and Outreach Committee and the Board for consideration. Prior to each board meeting, staff provides information on recommended positions, and analysis of each bill, and a discussion of the bill’s consistency with the Legislative Policy Guidelines and other Board policies.

The guidelines also provide direction to staff in day-to-day planning and decision-making; they direct staff and the Water Authority’s legislative advocates to communicate support for, or opposition to legislation or amendments between board meetings. Each position is brought to the Board at the next regularly scheduled board meeting for the Board’s consideration. Based on positions adopted by the Board, staff and legislative advocates are able to work as effectively as possible with other concerned parties to support or address legislative issues of critical importance to the Water Authority.
Previous Board action: The Board approved the 2010 Legislative Policy Guidelines at its meeting on December 17, 2009.

2011 Water Authority Sponsored Legislation
The Water Authority has successfully sponsored legislation in the state Legislature many times in the past. For example, the Water Authority sponsored AB 2717 (Laird), which authorized the formation of a Landscape Water Conservation Task Force in 2004. The bill passed, and the Task Force met and made a series of recommendations for reducing water demand for urban landscapes. In 2006, the Water Authority sponsored AB 1881 (Laird), which put a number of the task force recommendations into statute.

Unfortunately, this year’s Water Authority-sponsored bills were not as successful. AB 1744 (Saldaña) was held in the Senate Natural Resources and Water Committee. The bill would have required state agencies to use recycled water for landscape irrigation, if local agencies made it available. AB 1793 (Saldaña) passed out of the Legislature, but was vetoed by the Governor. The bill would prohibit homeowners’ associations from banning the use of artificial turf for landscaping.

Water Authority staff is seeking suggestions and ideas from the Board for sponsored legislation in the 2011 session, and soliciting ideas from the member agencies. Staff will bring proposed sponsored legislation to the Legislation, Conservation and Outreach Committee and the Board at the December 9, 2010 meeting for approval.

Discussion
This report presents a draft of the Board’s Legislative Policy Guidelines updated for calendar year 2011 (Attachment 1) that reflects initial changes recommended by staff. In addition, this board memo seeks legislative proposals for Water Authority sponsorship in 2011 with the use of a Legislative Proposal Worksheet (Attachment 2).

Staff requests that the Legislative Proposal Worksheet and suggested additions or deletions to the 2011 Legislative Policy Guidelines be provided to Jeffrey Volberg on or before November 12, 2010, by FAX at (916) 492-6084, or by email to jvolberg@sdcwa.org.

Prepared by: Jeffrey A. Volberg, Government Relations Manager
Approved by: Dennis A. Cushman, Assistant General Manager

Attachments: 1. Draft Legislative Policy Guidelines
2. Legislative Proposal Worksheet
2010-2011 Legislative Policy Guidelines

Purpose

The San Diego County Water Authority’s legislative policy guidelines reflect policy positions adopted by the Board of Directors in 20092010. The guidelines provide direction to staff and the legislative advocates when they evaluate proposed legislation that may affect the Water Authority, its member agencies, or regional water management and use. Legislation that meets, or fails to meet, the principles set forth in the guidelines may be supported or opposed accordingly. The guidelines permit staff and the Water Authority’s legislative advocates to act in a timely fashion between board meetings on issues that are clearly within the guidelines. Such actions are then reported to the board during the next regular monthly board meeting.

Legislation that does not meet the principles set forth in the guidelines or that has potentially complicated or varied implications will not be acted upon by staff or the legislative advocates in between board meetings and will instead be presented to the Board directly for guidance in advance of any position being taken. Additionally, ideas for new legislation are presented to the Board for action when the Water Authority is seeking sponsorship of a bill.
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Imported Water Supply

It shall be the Water Authority's policy to support legislation that:

1. Provides for development of a comprehensive state water plan that balances California's competing water needs and results in a reliable and affordable supply of high-quality water for the San Diego region.

2. Requires the Delta Stewardship Council or DWR to provide periodic analyses of the cost of proposed Delta improvements to the Legislature and the public.

3. Provides conveyance and storage facilities that are cost-effective, improve the reliability and quality of the San Diego region's water supplies and protect the Bay-Delta's ecosystem.

4. Implements a long-term, comprehensive solution for the Bay-Delta that:
   a) Focuses on resolution of conflicts between water management and the environment in the Bay-Delta.
   b) Provides reliable water supplies to meet California's short- and long-term needs.
   c) Improves the ability to transport water to enhance State Water Project deliveries and facilitate transfers from north of the Delta to south of the Delta.
   d) Improves the quality of water delivered by the Metropolitan Water District to San Diego County.
   e) Enhances the Bay-Delta's ecological health, taking into account all factors that have degraded Bay-Delta habitat and wildlife.
   f) Encourages cost-effective water use efficiency measures.
   g) Provides a cost-effective solution when compared with other water supply development options.
   h) Equitably allocates costs of the Bay-Delta solution to all those benefiting from improvements to the Bay-Delta system.
   i) Provides a firm commitment that the state will pursue water supply reliability and environmental restoration as co-equal goals.
   j) Encourages the development of local supplies such as seawater desalination, groundwater, storage, and recycled water (including indirect potable reuse), in order to make water supplies more reliable, reduce demand on the Bay-Delta and improve water quality.
   k) Encourages the development of water transfers that will reduce demand on the Bay-Delta.
   l) Provides better coordination of Central Valley Project and State Water Project operations.
   m) Improves Delta levees to control flooding, maintain water supply reliability and reduce seawater intrusion to protect water quality.
   n) Develops adequate and reliable funding for maintenance of Delta levees.
5. Authorizes and appropriates the federal share of funding for the long-term Bay-Delta solution.

6. Provides the ongoing state share of funding for the long-term Bay-Delta solution.

7. Provides state funding for aquatic toxicity monitoring in the Bay-Delta. Such legislation should not place a surcharge on water supply exports nor should it substantively reduce funding for other measures that protect environment and public health.

8. Supports implementation and funding of the California Colorado River Water Use Plan, including the Lower Colorado River Multi-Species Conservation Program.

9. Provides funding for Colorado River salinity control projects and other water quality management efforts.

10. Encourages and facilitates voluntary water transfers consistent with other Water Authority policies and agreements.

11. Provides appropriate protection or mitigation for the environment, groundwater basins, water-rights holders and third-party impacts within the district transferring water.

12. Creates a water transfer clearinghouse that serves as a neutral information resource that focuses on the collection, assembly and dissemination of information on water transfers.

13. Streamlines the permitting and approval process for implementing transfers.

14. Encourages efficient use of existing facilities to advance voluntary transfers of water.

15. Provides that any water transfer between users within counties, watersheds or other areas of origin shall be deemed not to operate to the injury of any use of water with a point of diversion that is not located within the same hydrologic area as the transferer of the water.

16. Amends the Metropolitan Water District Act to change voting allocation on its Board of Directors based on a member agency’s total financial contribution to MWD, and in a manner similar to the voting allocation method of the County Water Authority Act.
Imported Water Supply (cont.)

17. Provides an appropriate level of accountability and cost control over MWD spending. When time permits, legislation on this issue is to be brought to the board before any action is taken.

18. Repeals Section 135 (Preferential Rights) of the Metropolitan Water District Act

19. Requires MWD to refund or credit to its member agencies revenues collected from them that result in reserve balances greater than the maximum reserve levels established pursuant to state legislation.

20. Investigates and provides financial support to projects designed to mitigate potential negative impacts of climate change on water supply reliability.

It shall be the Water Authority's policy to oppose legislation that:

1. Establishes a broad-based user fee that does not support a specific program activity; any fee must provide a clear nexus to the benefit the fee would provide.

2. Makes urban water supplies less reliable or substantially increases the cost of imported water without also improving the reliability and/or quality of the water.

3. Adversely affects water management efforts by granting property rights status for the right to use or receive water and requires compensation for federal actions that impact users of water from federal projects.

4. Revises the Central Valley Project Improvement Act to jeopardize the Act's environmental integrity, compromise State Water Project supply reliability and/or limit the ability of urban agencies to transfer and/or bank CVP water for use both within and outside the CVP service area.

5. Creates a water transfer clearinghouse that is anything other than a neutral information resource.

6. Increases regulatory or procedural impediments to water transfers at the local or state level.

6.7. Requires additional reviews or approvals of Delta conveyance options beyond those provided by SBX7-1 (2009).
Local Water Resources

It shall be the Water Authority's policy to support legislation that:

1. Provides funding for conservation, peak management programs, water recycling (including indirect potable reuse), groundwater recovery and recharge, surface water development and management projects, including reservoir management, source water protection and watershed planning studies and facilities that sustain long-term reliable water resources.

2. Provides funding for seawater and brackish groundwater desalination studies and facilities, including concentrate disposal facilities.

3. Recognizes and supports the development of seawater desalination as a critical new water supply for the state and especially San Diego County.

4. Encourages seawater desalination facilities to collocate with existing coastal power stations.

5. Preserves and protects potential seawater desalination sites and existing coastal facilities including intake and discharge infrastructure that could be used or reused by a seawater desalination facility.

6. Authorizes and facilitates expanded use of local water resources including water recycling, indirect potable reuse, and brackish groundwater.

7. Authorizes local governmental agencies to regulate the discharge of contaminants to the sewer collection system that may adversely affect water recycling and reuse.

8. Encourages dual plumbing in all new development to enable utilization of recycled water when available.

9. Encourages the use of recycled water in residential settings.

10. Provides financial incentives to assist in the disposal of concentrate, sludge and other byproducts created in the water treatment process.

11. Ensures the Water Authority and its member agencies receive the dry-year water supply benefits of its investment in local water supply sources.

12. Provides for the interchangeability of funding for groundwater and surface water enhancements to fit best the hydrogeologic attributes of a particular region.

13. Provides for watershed planning, watershed signage and protection of source water, including reservoirs, such as land acquisition around reservoirs, limited
land use and increased buffer areas.

14. Promotes uniform regulatory interpretation of state recycled water system standards.

15. Supports beneficial revisions to Appendix J of the California Plumbing Code that address recycled water systems.

16. Authorizes, promotes, and provides incentives for indirect potable reuse projects.

17. Requires regulatory processes to encourage and support the development of potable reuse as a drinking water supply.

18. Provides funding for potable reuse demonstration projects and studies.

19. Ensures that decision-making with regard to stormwater management and recapture is kept at the local or regional level through local water agencies, stormwater districts, cities, counties, and regional water management groups.

20. Recognizes that stormwater management and recapture are important tools in a diversified water portfolio that can help to achieve improved water quality in local water supplies, augment water supplies for local water agencies, and promote landscape conservation from a water runoff perspective.

21. Promotes and encourages the use of stormwater management and recapture to increase local municipal water supplies and improve water quality through low-impact development.

22. Provides incentives for the local or regional use of stormwater management and recapture.

23. Reduces or removes regulatory hurdles that hinder the use of stormwater management and recapture.

It shall be the Water Authority's policy to oppose legislation that:

1. Limits the ability of local governmental agencies to regulate the discharge of contaminants to the sewer collection system that may adversely affect water recycling and reuse.

2. Establishes unreasonable regulatory requirements relative to the safe use of recycled water.

3. Contributes to the degradation of source water quality around reservoirs and groundwater basins.
4. Restricts the ability of the Water Authority or its member agencies to manage, store, or distribute water supplies through actions to manage or recapture stormwater.

5. Diminishes the water rights or legal historical uses of downstream water users through actions to manage or recapture stormwater.
Water Facilities/Facility Improvement

It shall be the Water Authority’s policy to support legislation that:

1. Funds or otherwise facilitates construction and/or maintenance of public water storage, watershed areas, and treatment and delivery facilities and facilitates maintenance and/or enhancement of groundwater recharge spreading areas and groundwater basin rehabilitation that benefit San Diego County.

2. Provides funding for water infrastructure development, infrastructure security, and infrastructure rehabilitation and replacement projects that benefit San Diego County.

2.1. Funds enhancements to water treatment and recycling facilities to meet increased regulations.

3. Funds improvements to water treatment facilities that allow greater use of State Project water.

4. Provides funding for the preservation of cultural resources affected by construction or operation of water conveyance and storage facilities.

5. Provides funding for habitat preservation programs that address impacts resulting from construction or operation of water conveyance and storage facilities.

6. Recognizes water agencies as emergency responders to damage and challenges caused by wildfires, earthquakes, and other natural disasters, as well as terrorist and other criminal activities that threaten water operations, facilities, and supplies.

7. Provides funding for projects that enhance security against terrorist acts or other criminal threats to water operations, facilities, or supplies.

8. Provides funding for the control or eradication of non-indigenous aquatic species, including dreissenid mussels.

9. Authorizes state and federal wildlife agencies to provide assistance to local water agencies in the control and eradication of non-indigenous aquatic species, including dreissenid mussels.

10. Exempts owners and operators of water supply facilities from criminal and civil liabilities associated with dreissenid mussel infestations if due diligence requirements are being met.

11. Provides incentives that encourage the optimization, expansion and cooperative
use of existing surface reservoirs.

12.11. Provides funding for projects that improve the security of the facilities and operations of the Water Authority and its member agencies.

13.12. Provides funding to water agencies for the voluntary retrofit of facilities for on-site generation of chlorine.

14.13. Requires mandatory inspections of boats for evidence of potential *dreissenid* mussel infestation before allowing boat launching in reservoirs.

It shall be the Water Authority's policy to oppose legislation that:

1. Imposes or mandates recreational activities on drinking water reservoirs and reservoir property where such activities have been determined to be inappropriate by the reservoirs' owners and operators.

2. Impairs the Water Authority's and/or its member agencies' ability to provide and operate the necessary facilities for a safe, reliable and operationally flexible water storage, treatment and delivery system.

3. Limits the Water Authority's and/or its member agencies' sole jurisdiction over the planning, design, routing, approval, construction, operation or maintenance of its or their water facilities.

3.4. Shifts the risks of indemnity for damages and defense of claims from contractors to the Water Authority and/or its member agencies.

4.5. Impairs the Water Authority's and/or its member agencies' ability to execute construction projects using its own employees.

5.6. Restricts the Water Authority's and/or its member agencies' ability to respond swiftly and decisively to an emergency that threatens to disrupt water deliveries or restricts the draining of pipelines or other facilities in emergencies or for repairs or preventive maintenance.

6.7. Authorizes state and federal wildlife agencies to control or eradicate invasive species in a way that excessively interferes with the operations or water supplies of local water agencies.
Water Use Efficiency

It shall be the Water Authority’s policy to support legislation that:

1. Furthers the statewide goal of a 20 percent reduction in per capita water use by 2020 as set forth in SBX7-7, enacted in November 2009.

2. Promotes statewide implementation of foundational Best Management Practices (BMPs) as defined by the California Urban Water Conservation Council (CUWCC) and Demand Management Measures (DMMs) as defined in the Urban Water Management Planning Act.

3. Provides loans and grants to fund incentives for water-conserving devices or practices.

4. Ensures accurate and meaningful reporting of implementation of water conservation measures.

5. Encourages implementation of effective water management practices for agricultural irrigation.

6. Ensures achievement of urban and agricultural water-use efficiency standards established in the 20 percent by 2020 statute.

7. Designates the CUWCC or other entity representing stakeholder interests as being responsible for developing a framework for determining water agency compliance with water conservation BMPs. This framework should promote water agency incentives for BMP compliance and avoid prescriptive regulations.

8. Encourages the use of graywater where it complies with local health department guidelines and regulations and is cost-effective.

9. Establishes standards for the utilization of high-efficiency commercial coin-operated and residential clothes washers.

10. Requires submetering connections to be built in new construction of multiple commercial or residential buildings.

11. Encourages plumbing fixture retrofit upon real property resale.

12. Encourages stakeholders to investigate and develop statewide landscape water conservation standards and regulations.

13. Supports recommendations of the AB 2717 Landscape Taskforce.
14. Restricts Property Owner Associations from forbidding the use of California native plants or other low water use plants in well-maintained landscapes.

15. Restricts Property Owner Associations from forbidding retrofits of multiple unit facilities for the purpose of submetering, if feasible.

16. Ensures plumbing codes and standards that facilitate the installation and/or retrofit of water-saving devices.

17. Provides incentives, funding, and other assistance in meeting the Governor's goal of reducing per capita water use statewide by 20 percent by the year 2020.

18. Provides incentives, funding, and assistance to water agencies so that they can comply with AB 1420 (2007) requirements and meet the coverage requirements for foundational DMMs in the Urban Water Management Planning Act.

It shall be the Water Authority’s policy to oppose legislation that:

1. Repeals cost-effective efficiency standards for water-using devices.

2. Prescribes statewide mandatory urban water conservation management practices that override the authority of the boards of directors of local water agencies to adopt management practices that are most appropriate for the specific needs of their water agencies.

3. Prescribes mandatory conservation-based rate structures that override the authority of the boards of directors of local water agencies to set rate structures according to the specific needs of the water agencies.
Biological and Habitat Preservation

It shall be the Water Authority's policy to support legislation that:

1. Supports development of comprehensive multi-species habitat conservation plans that anticipate and mitigate project development impacts while preserving representative ecosystems, rather than individual species.

2. Exempts operation, maintenance, and repair of water conveyance and storage facilities from endangered species and other habitat conservation regulations because they provide beneficial cyclical habitat values to declining species and foster biological diversity in California.

3. Provides environmental regulatory certainty for implementation of existing and proposed long-term water supply programs.

4. Authorizes federal and state funding to develop and implement regional or subregional conservation programs, including but not limited to property acquisition, revegetation programs and watershed plans.

5. Incorporates an emergency exemption for "take" of a listed species listed under the state or federal Endangered Species Acts when necessary to mitigate or prevent loss of or damage to life, health, property or essential public services.

6. Encourages species listings, critical habitat designation and recovery plans developed pursuant to the state or federal Endangered Species Acts to be consistent with existing interstate compacts, tribal treaties and other state and federal agreements.

7. Provides state and/or federal funding for the restoration of the Salton Sea.

8. Provides federal and/or state funding to implement actions that address the ecological and water supply management issues of the Lower Colorado River from Lee's Ferry to the southerly international border with Mexico.

9. Facilitates implementation of the Conserved Water Transfer Agreement with the Imperial Irrigation District and other Quantification Settlement Agreement programs with impacts or potential impacts to species and habitat along the lower Colorado River and at the Salton Sea.

10. Consolidates wetlands regulations.
Biological and Habitat Preservation (cont.)

It shall be the Water Authority's policy to oppose legislation that:

1. Provides for after-the-fact reduction in quantity or quality of a public water supply due to new restrictions on the operation or use of water supply facilities unless funding for alternate sources of water is provided.

2. Imposes endangered species or habitat conservation requirements that restrict the operation, maintenance or repair of public water supply, conveyance, or storage facilities.

Fiscal Policy and Water Rates

It shall be the Water Authority's policy to support legislation that:

1. Requires the federal and state governments to provide a subvention to reimburse local governments for all mandated costs or regulatory actions.

2. Provides the Water Authority and its member agencies with additional forms of cost-effective financing for public facilities.

3. Provides the Water Authority and its member agencies with grant funding for public facilities.

4. Is consistent with the policy principles adopted by the Board of Directors on February 23, 2006, regarding a proposed Water Resources Investment Fund.

5. Maintains the ability of water agencies to establish water rates locally.

6. Maximizes the flexibility of water agencies to design rate structures to meet local water supply goals.

It shall be the Water Authority's policy to oppose legislation that:

1. Imposes mandated costs or regulatory constraints on local governments without providing subventions to reimburse local governments for such costs.

2. Is inconsistent with the Water Authority's and its member agencies' current investment policies and practices.

3. Makes any unilateral reallocation of Water Authority or its member agencies' revenues by the state unless the state takes compensatory measures to restore those funds.

4. Impairs the Water Authority's or its member agencies' ability to provide reasonable service at reasonable costs to member agencies or to charge all
member agencies the same rate for each class of service regardless of delivery costs.

5. Pre-empts the Water Authority's or its member agencies' ability to impose or change rate charges, fees or assessments.

6. Impairs the Water Authority's or its member agencies' ability to maintain reasonable reserve funds and obtain and retain reasonable rates of return on its reserve accounts.

7. Imposes additional administrative requirements and/or restricts the Water Authority's or its member agencies' ability to finance public facilities through the issuance of long-term debt.

8. Reduces the Water Authority's or its member agencies' revenues without giving the Water Authority and its member agencies a commensurate public benefit that is clearly identifiable and separate from a general statewide benefit.

9. Restructures the Water Authority's or its member agencies' responsibilities without also providing the commensurate restructuring of revenues.

10. Requires the expenditure of Water Authority or member agency funds to accomplish federal water supply commitments such as may be required in national treaties.

11. Weakens the protections afforded the Water Authority or its member agencies under California's Proposition 1A (November 2, 2004).

12. Mandates a specific rate structure for retail water agencies.

13. Imposes a water user fee on water agencies or water users that does not provide a commensurate benefit in the local area or region from which the water user fee is collected.

14. Imposes a water user fee for statewide projects or programs, for which the projects or programs are not clearly defined, the beneficiaries identified, and the reasonable costs identified.

15. Imposes a water user fee in order to create a state fund that can be used to finance undefined future projects and programs.

16. Allows the state to retain more than five percent of water user fees for administrative costs.

17. Does not restrict the use of water user fees to only the specific purposes for which they are imposed, without any possibility of diversion to meet other fiscal
needs of the state.

18. Imposes a "public goods charge" on public water agencies or their ratepayers.

19. Imposes a fee on water users to repay the principal and interest on a statewide general obligation bond.

20. Interferes with the responsibility of a region, operating under an Integrated Regional Water Management Plan for setting priorities and generating projects to be paid from any IRWM accounts and grants.

21. Interferes with the control exercised by the San Diego funding subregion over the use and expenditure of any water user fee revenues that may be dedicated to the region.
Right of Way and Property

It shall be the Water Authority's policy to support legislation that:

1. Improves the Water Authority's and its member agencies' efforts to maintain and protect its property, rights of way, easements, pipelines and related facilities and minimizes liability to the Water Authority.

It shall be the Water Authority's policy to oppose legislation that:

1. Impairs the Water Authority's or its member agencies' efforts to acquire property or property interests required for essential capital improvement projects.

2. Increases the cost of property and right of way acquisition.

3. Restricts the Water Authority's or its member agencies' use of public rights of way or increases the cost of using public rights of way.

4. Restricts the transfer of property acquired for purposes of environmental mitigation or environmental mitigation credits to other public or private entities for long-term management.
Power Supply

It shall be the Water Authority's policy to support legislation that:

1. Provides opportunities for reduced energy rates under tariff schedules for the Water Authority and its member agencies.

2. Provides greater flexibility in the utilization of Water Authority and its member agencies' facilities for generation and acquisition of electrical power.

3. Provides the Water Authority and its member agencies with greater flexibility in the permitting, construction, and operation of its existing and potential in-line hydroelectric and off-stream pumped-storage projects.

4. Provides protection to water agencies in San Diego County from energy rate increases and provides rate relief for member agencies.

5. Makes SWP power available for seawater desalination.

6. Promotes the classification of electricity generated by in-line hydroelectric and off-stream pumped storage facilities as a clean, environmentally sound and renewable energy resource.

7. Provides funding for in-line hydroelectric and off-stream pumped storage facilities as a means for reducing greenhouse gas emissions.

8. Provides state and federal grants for the construction of in-line hydroelectric and off-stream pumped storage facilities.

9. Promotes funding for use of renewable energy in the operation of water agency facilities in San Diego County.

It shall be the Water Authority’s policy to oppose legislation that:

1. Adversely affects the cost of electricity needed to move water through the Colorado River Aqueduct or the State Water Project.

2. Adversely affects the ability of the Water Authority or its member agencies to own, operate and/or construct work for supplying its member public agencies, or its own facilities with natural gas and electricity.

3. Impedes the Water Authority's or its members agencies' ability to contract for the purchase of gas and electricity from the United States, the State of California, and any other public agency or private entity and sell the gas and electricity to any public agency or private entity engaged in retail sales of electricity and gas.
Local Autonomy

It shall be the Water Authority's policy to oppose legislation that:

1. Diminishes the power of the Water Authority Board of Directors to govern the Water Authority's affairs.

2. Modifies the committee or board voting structure or member agency board representation unless such changes have been expressly authorized by the Water Authority Board of Directors.

3. Diminishes the power or rights of the Water Authority to govern relations with its employees.
Land Use and Water Management Planning

It shall be the Water Authority's policy to support legislation that:

1. Promotes enhanced coordination and linkage of general plans and water management plans.

2. Recognizes regional efforts to coordinate land use planning and water management planning in a manner consistent with the goals and objectives established by regional growth management strategies, affordable housing mandates and local general plans.

3. Discourages piecemeal or uncoordinated land use and water management planning.

4. Requires that projected population and other demographic factors utilized in forecasting future water demands in accordance with the Urban Water Management Planning Act, SB 220, and SB 610, be consistent with the regional growth management plans and general plans applicable to the territory within the service area of the supplier.

5. Allows and funds land exchanges between local public agencies and federal or state agencies when mutually beneficial to all agencies and enhances water resources for the region.

6. Designates public lands that are tributary to drinking source water reservoirs as wilderness, habitat preserve, open space, or other protected status.

It shall be the Water Authority's policy to oppose legislation that:

1. Restricts or limits the effectiveness of the Water Authority or its member agencies in its continuing efforts to meet its obligations under the Regional Comprehensive Plan and develop demand forecasts based on SANDAG regional growth forecasts and general plan use information.

2. Restricts the Water Authority’s or its member agencies’ ability to utilize a demand forecasting methodology that is best suited for the region.
Integrated Regional Water Management Planning

It shall be the Water Authority's policy to support legislation that:

1. Defines the "San Diego sub-region" and "San Diego county watersheds" as "those portions of the westward-flowing watersheds of the South Coast hydrologic region situated within the boundaries of San Diego County."

2. Requires the state agencies responsible for preparing the integrated regional water management grant program guidelines to conduct a comprehensive public outreach process that ensures stakeholders have an opportunity to provide adequate input on preparation of the guidelines and that the state agencies consider and respond to comments received through the outreach process.

3. Provides for population-based distribution of funds to ensure adequate distribution of grant funding throughout the state.

4. Allows for creation of sub-area plans that enhance, but do not duplicate or replace a larger recognized integrated regional water management plan.

5. Requires the state to rely on the local process for selection and ranking of projects included in an approved integrated regional water management plan.

6. Establishes a task force to provide recommendations to the state on improving the integrated regional water management planning process in California.

6-7. Provides for the use of state funds for binational projects where the projects benefit water supply or water quality in the San Diego region.

It shall be the Water Authority's policy to oppose legislation that:

1. Mandates a specific composition and management structure of the regional water management group that oversees integrated regional water management planning efforts within a region.

2. Precludes water wholesalers from serving on a regional water management group.

3. Dilutes public water agency participation on the regional water management group.
Jurisdictional Authority

It shall be the Water Authority's policy to refer all such legislation to the Board of Directors.
Binational Issues

It shall be the Water Authority’s policy to support legislation that:

1. Provides funding for development of Board-approved water supply and infrastructure projects to serve the San Diego/Baja California region while protecting local interests.

2. Encourages enhanced cooperation between entities in San Diego and Baja California in development of supply and infrastructure projects that will benefit the entire border region.

It shall be the Water Authority’s policy to oppose legislation that:

1. Would usurp local control over the financing and construction of water supply and infrastructure projects in the San Diego/Baja California region.
Water Quality Issues

It shall be the Water Authority's policy to support legislation that:

1. Assists in achieving a year-round blend of imported water supplies that achieve board-adopted water quality objectives from Metropolitan that allows the region to maximize development of recycled water and reduce financial costs to the customer due to high levels of total dissolved solids in imported water supplies.

2. Assures cost-effective remediation and cleanup of contaminants of concern that have impacted groundwater and surface water.

3. Provides the necessary funding for research on the occurrence, treatment, health effects and environmental clean-up related to contamination of drinking water sources.

4. Incorporates sound scientific principles in adopting drinking water standards for drinking water contaminants.

5. Provides for the protection of source water such as reservoirs and groundwater basins so that the waters can be beneficially used for consumptive purposes.

6. Implements and funds the San Diego Regional Water Quality Control Board's triennial review of water quality standards.

7. Exempts the conveyance, storage, or release of water supplies from regulation as a discharge under the Clean Water Act and other water quality control laws.

8. Recognizes drinking source water reservoirs as extensively managed, special-purpose, man-made water bodies different in character than the natural waterways, rivers, lakes, and coastal waters which are the appropriate focus of protection under the Clean Water Act and other water quality control laws.

9. Revises NPDES standards and procedures to facilitate inland discharge of recycled water.

10. Establishes quality standards, testing procedures, and treatment processes for emerging contaminants.

11. Directs the state's participation or assistance in water quality issues related to or threatening the Colorado River water source.

10-12. Provides funding and support for Colorado River salinity control projects and other water quality management efforts.

It shall be the Water Authority's policy to oppose legislation that:
1. Regulates the conveyance, storage, or release of water supplies as a discharge under the Clean Water Act and other water quality control laws.
California State Reorganization

It shall be the Water Authority's policy to support legislation that:

1. Preserves the California Colorado River Board.

2. Ensures the interests of the members of the California Colorado River Board continue to be addressed in any state government reorganization.

3. Ensures consistent application of the law by the State Water Resources Control Board and the nine Regional Water Quality Control boards.

4. Provides for continued certification by the state of urban water agency conservation efforts and achievements as reported to the CUWCC by signatories to the CUWCC Memorandum of Understanding.

5. Ensures that any reorganization of the State Water Project, including operations and management, preserves the ability for non-State Water Project contractors to access the facility for transportation of water to a non-State Water Project contractor.

It shall be the Water Authority's policy to oppose legislation that:

1. Eliminates the California Colorado River Board without providing a comparable structure or forum that ensures the Water Authority's interests in the Colorado River are preserved.

2. Eliminates the State Water Resources Control Board and/or the nine Regional Water Quality Control boards without ensuring that the functions and expertise of the boards is maintained in any reorganized entity.
Metropolitan Water District Board of Directors

It shall be the Water Authority’s policy to oppose legislation that:

1. Returns the Metropolitan Water District to its membership structure prior to the enactment of SB 1885 (Ayala) in 1998.
Climate Change

It shall be the Water Authority's policy to support legislation that:

1. Incorporates considerations of climate change into statewide, regional, and local water management planning, with climate change information provided by the state.

2. Investigates and provides financial support to projects designed to mitigate or adapt to potential negative impacts of climate change on water supply reliability.

3. Allows water agencies to partner with energy providers to help fund water conservation and other programs that result in reduction of greenhouse gas emissions and provides funding for projects that assist in adapting to the effects of climate change on the state's water supply or in reducing the emissions of greenhouse gases.

4. Promotes public-private partnerships, encourages innovation, and focuses on quantifiable performance goals as opposed to top-down, "one size fits all" mandates.

5. Provides opportunities and incentives for voluntary implementation of local water and renewable energy projects that directly or indirectly reduce greenhouse gas emissions.

6. Promotes continued development and deployment of more sophisticated and integrated hydrological, water quality, and meteorological water monitoring for the purpose of assessing changing conditions resulting from climate change.

7. Promotes the incorporation of anticipated climate change impacts in long-range water supply planning statewide.

8. Promotes the coordination and integration of local, state and federal climate change policies and practices to the greatest extent feasible.

It shall be the Water Authority's policy to oppose legislation that:

1. Requires incorporation of considerations of climate change into statewide, regional, and local water management planning, without climate change information provided by the state.

2. Imposes top-down, "one size fits all" mandates without taking into account hydrological, meteorological, economic, and social variation across the state and without deferring to local and regional planning and implementation priorities and protocols.

3. Does not allow water agency participation in the carbon credits market.
Water Bonds

It shall be the Water Authority’s policy to support water bond legislation or an initiative that:

1. Provides an equitable share of funding to San Diego County, with major funding categories being divided by county and funded on a per-capita basis to ensure bond proceeds are distributed throughout the state in proportion to taxpayers’ payments on the bonds.

2. Focuses on statewide priorities, including restoration of fish and wildlife habitat, construction of an improved method of conveyance of water through or around the Delta that provides water supply reliability to Delta water users, promotion of greater regional and local self-sufficiency, surface storage, and promotion of water use efficiency.

3. Provides the states’ share of funding for Bay-Delta conveyance projects.

4. Provides funding for water infrastructure that resolves conflicts in the state’s water system and provides long-term benefits to water supply, water supply reliability, water quality and ecosystem restoration.

5. Defines the “San Diego sub-region” and “San Diego county watersheds” as “those portions of the westward-flowing watershed of the South Coast hydrologic region situated within the boundaries of San Diego County.”

6. Includes within IRWM funding money that a region may use over time to develop and refine its plan and to develop institutional structures necessary to establish and implement the plan.

7. Gives primary consideration to funding priorities established by local and regional entities through their IRWM planning process.

8. Ensures that the application process for funding is not unnecessarily burdensome and costly, with an emphasis on streamlining the process.

9. Limits state overhead to no more than five percent of bond funding amounts.

10. Places as much emphasis and provides at least as much funding for surface storage as for groundwater storage.

11. Funds emergency and carryover storage projects such as the San Vicente dam raise project.

12. Consolidates administration of all voter-approved water-related bond funding in one place, preserves existing expertise within the state bureaucracy to manage bond funding processes, and provides consistent application and evaluation of bond funding applications.
Water Bonds (cont.)

It shall be the Water Authority’s policy to oppose water bond legislation or an initiative that:

1. Does not provide an equitable share of funding to San Diego County, based on San Diego County taxpayers’ proportional contribution to repayment of the bond.

2. Does not provide funding for infrastructure that resolves statewide or regional conflicts over water supplies.

3. Does not provide funding that results in net increases in real water supply and water supply reliability.
SAN DIEGO COUNTY WATER AUTHORITY
LEGISLATIVE PROPOSAL

BACKGROUND

A. Is this a state or federal bill proposal?

B. Please describe your proposal.

C. Please describe the problem or deficiency in existing law your proposal seeks to fix.

D. What would be accomplished or remedied through this proposal?

E. How would this proposal impact the Water Authority and its member agencies?

ACTIONS

A. Please list statewide or local organizations likely to support or oppose this legislative proposal and state why (include specific reasons).

PROPOSAL

A. Please attach the text of the proposed bill and any additional background information that could assist in assessing your proposal, such as newspaper articles, internal water agency correspondence, newsletters, and legal advice or opinions.

B. Describe specific examples illustrating the problem you are trying to fix. Attach additional sheets if necessary.
October 20, 2010

Attention: Legislation, Conservation and Outreach Committee

Small Contractor Outreach and Opportunities Program Annual Report (Information)

Discussion
The purpose of SCOOP is to maximize small business participation on Water Authority contracts and procurements through networking, training, and technical assistance. Program elements focus on conducting outreach to the business community, communicating information on contracting opportunities, and providing businesses with the skills and tools needed to compete in the Water Authority’s solicitation process. This report provides a summary of SCOOP activities and program measurements from July 1, 2009 through June 30, 2010.

Networking
Water Authority representatives participated in 87 business outreach events during the fiscal year, as listed in Exhibit A (SCOOP Outreach Activities). Staff reached out to 58 organizations through a variety of forums, expositions, and workshops. Two of the larger and more prominent events attended during the fourth quarter of the fiscal year were the San Diego Supplier Development Council’s “Operation Opportunity” and the Centre City Development Corporation’s “Subs for Subs 2010.” These small business conferences are co-sponsored by the Public Agency Consortium, a collaboration among 12 San Diego-area public agencies, including the Water Authority, that assists small businesses with public procurement.

Training
Through the end of the fiscal year, 288 trainees, representing 246 individual firms, attended “Get the SCOOP” training. This represented a 15 percent increase over the previous year’s attendance. In order to provide information in a more streamlined format to an even wider audience, SCOOP developed online curriculum for the most popular of its instructional courses, including “Registering with The Network,” a step-by-step guide to enrolling in the Water Authority’s vendor registration, solicitation, and notification system. The online versions of “Doing Business with the Water Authority” and “Bidding and Estimating” will go live in 2011.

Technical Assistance
SCOOP sponsors mentor-protégé programs in both the construction and service sectors. Small business protégés are paired with large, established industry leaders for mentoring, coaching and partnering. Protégés are matched to mentors based on fit and disciplines that will enhance their ability to become more competitive. Currently, there are nine construction teams and seven service consultant teams in these developmental programs.

SCOOP collaborates with three technical assistance centers that provide counseling, information, and additional training opportunities to small businesses. The North County Small Business Development Center, Small Business Development and International Trade Center, and the
Contracting Opportunity Center are staffed with experts in business planning, entrepreneurship, and government procurement. They provide an enhanced level of service to SCOOP firms in establishing, operating, and developing their businesses.

Small Business Participation
Although specific small business participation goals are not required on individual procurements, the overall goal for the SCOOP program is 20 percent of total procurement dollars awarded for the fiscal year. For fiscal year 2010, the Water Authority’s cumulative contract and purchase order awards for the year was approximately $170 million. Total dollars committed to small businesses exceeded $21 million, or 12 percent, of total dollars awarded by the Water Authority. These figures include the contract award for San Vicente Package Three, one of the largest and most high-profile projects awarded during the fiscal year.

While a major portion of Package Three consists of specialized work that will be performed by the prime contractor, $15,200,000 was committed to small businesses. This represented 11 percent of the $140,206,050 total contract award. Six of the 14 listed subcontractors and suppliers were small businesses; four of these firms were also identified as minority/women-owned firms.

The procurement awards not associated with Package Three totaled $30 million. The Water Authority issued 23 percent fewer contracts and purchase orders than in the previous fiscal year, with only 74 contracts and 251 purchase orders. Yet small businesses still received nearly $6 million, or 20 percent, and minority/women-owned businesses received $2 million, or seven percent, of these remaining dollars.

Exhibit B (SCOOP Program Measurements Summary) provides an overview of SCOOP outreach results. Information on minority-owned and women-owned businesses is made available to the Board for statistical purposes only.

Prepared by: Emily Yanushka, SCOOP Manager
Reviewed by: Jason Foster, Director of Public Affairs

Attachment(s)
1. Exhibit A – SCOOP Outreach Activities
2. Exhibit B – SCOOP Program Measurements Summary
EXHIBIT A  
SCOOP Outreach Activities  
July 1, 2009 – June 30, 2010

Through fiscal year 2010, Water Authority representatives attended 87 outreach events with 58 small business, trade, and community organizations as indicated in the following chart.

Figure A-1 Summary of outreach organizations and events attended from July 1, 2009 – June 30, 2010

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>EVENT</th>
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<tr>
<td>African American Business Women of Vision</td>
<td>Anniversary Celebration</td>
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<td>All Business Women’s Networking</td>
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<td>American Public Works Association</td>
<td>Awards Program</td>
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<td>American Subcontractors Association</td>
<td>Networking Outreach Event</td>
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<td>Asian Business Association</td>
<td>Monthly Rice Club meetings</td>
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<td>Annual Awards</td>
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<td>Lunar New Year</td>
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<td>Focus on Business Training</td>
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<td>Associated General Contractors (AGC) of San Diego</td>
<td>Quarterly Water Authority Liaison meetings</td>
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<td>Annual Installation and Awards</td>
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<td>Association of Black MBAs</td>
<td>Association meeting</td>
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<td>BlueBook</td>
<td>Blue Book Showcase Expo</td>
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<td>California Hispanic Chamber of Commerce</td>
<td>Annual State Convention</td>
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<td>Caltrans District 11</td>
<td>District 11 Small Business Council</td>
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<td>Catfish Club</td>
<td>Weekly African American Forum on local issues</td>
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<td>Centre City Development Corporation</td>
<td>Multicultural Festival</td>
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<td>Cesar E. Chavez Memorial Committee</td>
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<td>Chicano Federation</td>
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<td>City of San Diego</td>
<td>Mentor Protégé Advisory Board</td>
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<td>Bonding and Insurance Seminar</td>
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<td>City of Santee</td>
<td>Small Business Outreach Procurement Seminar</td>
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<td>Contract Management Association of America (CMAA)</td>
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<td>Owners Night</td>
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<td>Department of Defense</td>
<td>2009 Navy Gold Coast Conference</td>
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<td>Small Business Expo</td>
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<td>East County Economic Development Council</td>
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<td>Engineering and General Contractors Association</td>
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<td>Filipino American Chamber of Commerce</td>
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<td>Jackie Robinson YMCA</td>
<td>Martin Luther King, Jr. All People’s Breakfast</td>
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<td>L-3</td>
<td>Small Business Trade Fair</td>
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<td>Lead San Diego</td>
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<td>Procurement Advantage Training Program</td>
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<td>California Construction (CalCon) Expo</td>
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<td>Mexican American Business Professional Association (MABPA)</td>
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<td>National Association of Black Engineers</td>
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<td>National Association of Woman in Construction (NAWIC)</td>
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<td>Anniversary Awards</td>
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<td>National Association of Women Business Owners (NAWBO)</td>
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<td>Annual Dinner</td>
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<td>National City Chamber of Commerce</td>
<td>Federal Stimulus Opportunities for Small Businesses</td>
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<td>National Latina Business Women’s Association</td>
<td>The Power of Connecting</td>
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<table>
<thead>
<tr>
<th>Organization</th>
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<tr>
<td>North County Chamber of Commerce</td>
<td>Women’s Week Conference</td>
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<td>North County Small Business Development Center</td>
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<td>Otay Mesa Chamber of Commerce</td>
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<td>Public Agency Consortium</td>
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<td>11th Annual Paths to Partnerships</td>
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<td>Caltrans Small Business Exchange</td>
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<td>Operation Opportunity</td>
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<td>Subs for Subs</td>
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<td>Representative Susan Davis</td>
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<td>San Diego Black Professionals Organization</td>
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<td>San Diego County Hispanic Chamber of Commerce</td>
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<td>San Diego County Regional Airport Authority</td>
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<td>San Diego Disabled Veteran-Owned Businesses Elite</td>
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<td>National DVBE Conference</td>
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<td>Annual Awards</td>
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<td>San Diego Mexican American National Association (MANA)</td>
<td>Latina Success</td>
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<td>San Diego Minority Supplier Development Council</td>
<td>2009 Business Opportunity Conference</td>
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<td>San Diego North Chamber of Commerce</td>
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<td>San Diego North Economic Development Council</td>
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<td>San Diego Regional Chamber of Commerce</td>
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<td>Small Business Advocacy Committee</td>
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<td>San Diego Supplier Development Council</td>
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<td>San Diego Urban Economic Development Corporation</td>
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<td>SDUEDC Summit</td>
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<td>Senior Corps of Retired Executives (SCORE)</td>
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<td>All-Networking Council meeting</td>
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<td>Union of Pan Asian Communities</td>
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<td>United States Small Business Administration (SBA)</td>
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<td>Third Annual Diversity Summit &amp; Equal Opportunity Awards Luncheon</td>
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<td>Women Construction Owners and Executives</td>
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<td>Women in Transportation</td>
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EXHIBIT B
SCOOP Program Measurements Summary
July 1, 2009 – June 30, 2010

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<tr>
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<td>Total</td>
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<tr>
<td>1. Number of small businesses capable of bidding on Water Authority projects (Number of firms registered in The Network system)</td>
<td>5757</td>
<td>2293</td>
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<tr>
<td>2. Number of bidders submitting bids and proposals</td>
<td>485</td>
<td>253</td>
</tr>
<tr>
<td>3. Number of businesses participating on Water Authority procurements</td>
<td>407</td>
<td>188</td>
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<tr>
<td>4. Number of contracting opportunities (Number of prime contractors and consultants)</td>
<td>75</td>
<td>46</td>
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<td>5. Amount committed to small businesses</td>
<td>$170,571,174</td>
<td>$21,167,391</td>
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<td>Total</td>
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<td>1. Number of small businesses capable of bidding on Water Authority projects (Number of firms registered in The Network system)</td>
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<td>2. Number of bidders submitting bids and proposals</td>
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<tr>
<td>3. Number of businesses participating on Water Authority procurements</td>
<td>407</td>
<td>62</td>
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<tr>
<td>4. Number of contracting opportunities (Number of prime contractors and consultants)</td>
<td>75</td>
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<tr>
<td>5. Amount committed to minority and women-owned businesses</td>
<td>$170,571,174</td>
<td>$13,584,791</td>
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October 20, 2010

Attention: Legislation Conservation and Outreach Committee


Background
Throughout the 2009-2010 state legislative session, the Water Authority reviewed and monitored more than 180 bills in the Legislature for potential impact on the organization and its member agencies. Ten bills in Congress continue to be monitored. The Water Authority’s staff and legislative advocates reviewed each bill in the context of the adopted 2010 Legislative Policy Guidelines. The Legislative Policy Guidelines provide direction to staff and the Water Authority’s legislative advocates to communicate support or opposition to legislation and amendments. Bills for which staff recommended a position were brought before the Legislation, Conservation and Outreach Committee and the board for consideration.

Discussion
During the 2009-2010 legislative session, the board took positions on 59 bills, including 48 state and 11 federal bills. Of the 48 state bills the Water Authority board acted on, 15 bills made it to the Governor’s desk. The Governor had until September 30 to sign or veto bills. The Water Authority sponsored three bills in this legislative session. One sponsored bill was signed into law, one was vetoed by the Governor, and one failed passage in the Legislature. Of the 18 bills the Water Authority supported, eight were signed into law, two were vetoed, and eight failed passage in the Legislature. Of the 10 bills the Water Authority opposed, one was signed into law and nine failed passage in the Legislature. Throughout the session, five bills with Water Authority positions were amended to subject matter no longer relevant to the Water Authority.

The board adopted positions on 11 federal bills: Support positions on eight bills, a Support and seek amendments position on one bill, and Oppose positions on two bills. Water Authority staff and its legislative advocates will continue to track this legislation and monitor amendments to ensure consistency with board policies, positions and the current Legislative Policy Guidelines.

In addition to positions taken on legislation, the Water Authority adopted positions on three state ballot measures. The board adopted a position of Support on the Safe, Clean and Reliable Water Supply Act of 2010, the water bond measure which was set to appear on the November 2, 2010 ballot as Proposition 18. The Legislature voted to delay the water bond measure until the November 2012 General Election, as requested by the Governor. The board adopted a position of Oppose on Proposition 16 which appeared on the June 8, 2010 statewide ballot; that measure was defeated by voters 52.5 percent to 47.5 percent. The board also took a position of Support on Proposition 22, which will appear on the statewide ballot on November 2, 2010.

A chronological matrix outlining all Water Authority positions on state and federal legislation of interest as of October 8, 2010 is attached. Provided below is a state close-of-session report and summary information on bills the Water Authority board sponsored this legislative session. The sponsored legislation report is followed by a summary listing the outcome of state bills the Water Authority board supported and opposed.
Outcome of Water Authority Sponsored Legislation, 2009-2010 Legislative Session:

- **AB 1465** (Hill) Urban Water Management Planning
  Updates the Urban Water Management Planning Act to incorporate the latest set of best management practices (BMPs) adopted by the California Urban Water Conservation Council.
  Outcome: Signed by the Governor 10/11/2009, Chaptered by Secretary of State, Chapter No. 534.

- **AB 1774** (Saldaña) Recycled Water: state agency landscape irrigation
  Would specifically require state agencies to use recycled water for landscape irrigation if a local agency makes recycled water available that meets the conditions specified by law.
  Outcome: Failed passage in the Legislature.

- **AB 1793** (Saldaña) Common Interest Developments: artificial turf
  Would ban homeowners’ associations (HOAs) from prohibiting the use of artificial turf for landscaping purposes, but would allow HOAs to implement design guidelines for its use.
  Outcome: Vetoed by the Governor.

Outcome of State Legislation with Water Authority Positions, 2009-2010 Legislative Session:

**Position: Support**

Bills the Water Authority supported that were signed into law:
- **AB 1061** (Lieu) Common Interest Developments: water-efficient landscapes
- **AB 1366** (Feuer) Residential Self-Regenerating Water Softeners
- **AB 1929** (Hall) Invasive Aquatic Species: mussels
- **AB 2277** (Fletcher) Water Conservation
- **SB 407** (Padilla) Property Transfers: plumbing fixtures replacement
- **SB 808** (Wolk) Delta Levee Maintenance
- **SB 918** (Pavley) Water Recycling
- **SB 1478** (NR&WC) Water Conservation: urban water management

Bills the Water Authority supported that were vetoed:
- **AB 804** (Hall) Invasive Aquatic Species: mussels (was later addressed in the successful AB 1929)
- **SB 555** (Kehoe) Eminent Domain: Conservation Easements

Bills the Water Authority supported that failed in the Legislature:
- **AB 13** (Salas) Sacramento-San Joaquin Delta Conservancy
- **AB 28** (Jeffries) Natural Gas Engines: water movement: emissions limitation requirements
- **AB 410** (De La Torre) Recycled Water
- **AB 1100** (Duvall) Potable Reuse Demonstration Water
- **AB 1975** (Fong) Building Standards: water charges and meters: multiunit structures
- **AB 2336** (Fuller) Delta Stewardship Council
- **ACA 9** (Huffman) Local Government Bonds: special taxes: voter approval
- **SB 207** (Florez) Delta Smelt Preservation and Restoration Act
Position: Oppose

Bills the Water Authority opposed that failed in the Legislature:

- **AB 1594** (Huber) Sacramento-San Joaquin Delta: peripheral canal
- **AB 1664** (Swanson) Metropolitan Water District Act
- **AB 2049** (Arambula) State Water Resources Development System: transfers of water
- **AB 2422** (Berryhill, T.) Urban Water Demand Management: model water efficient landscape ordinance
- **AB 2583** (Hall) Water Treatment: hazardous materials
- **AB 2776** (Huffman) Transfers of Water: agricultural use to municipal use
- **SB 42** (Corbett) Coastal Resources: once-through cooling
- **SB 565** (Pavley) Water Resources
- **SB 711** (Leno) Public Meetings: closed sessions: labor negotiations

Bills the Water Authority opposed that were vetoed:
None

Bills the Water Authority opposed that were signed into law:
- **SB 972** (Wolk) Indemnity: design professionals

Position Removed

Bills that changed subject matter or intent:

- **AB 234** (Huffman) Federal Stimulus Funds for Energy and Water Use Efficiency
- **AB 900** (De Leon) Water Diversion: statements of water diversion and use
- **AB 1253** (Fuller) Sacramento-San Joaquin Delta
- **AB 1677** (Caballero) Public Resources
- **AB 1955** (De La Torre) Public Officers: incompatible offices

Status of Federal Legislation with Water Authority Positions:

Position: Support

- **H.R. 146** (Holt) Omnibus Public Land Management
  (Contents of S. 22 (Bingaman) was amended into H.R. 146)
  Status: Signed by President 03/30/09: Public Law No: 111-11

- **H.R. 856** (Radanovich) California Drought Alleviation Act of 2009
  Status: House Committee on Natural Resources

- **H.R. 4132** (Becerra) Clean Renewable Water Supply Act of 2009
  Status: House Committee on Ways and Means

- **H.R. 4225** (Costa) Stimulus Funds: drought assistance
  Status: House Committee on Natural Resources
Legislation, Conservation and Outreach Committee  
October 20, 2010  
Page 4 of 4

  Status: On Senate Legislative Calendar

- **H.R. 4579** * (Filner) South San Diego County Water Reclamation Project of 2010  
  Status: House Committee on Natural Resources  
  (*Support position with agreement of support/implementation of AB 3030 – Groundwater Basin Study)

- **S. 531** (Bingaman) Energy and Water Integration Act of 2009  
  Status: Senate Committee on Energy and Natural Resources

- **S. 1759** (Feinstein) The Water Transfer Facilitation Act of 2009  
  Status: On Senate Legislative Calendar

**Position: Oppose**

- **H.R. 5088** (Oberstar) America’s Commitment to Clean Water Act  
  Status: House Committee on Transportation and Infrastructure

- **S. 787** (Feingold) Clean Water Restoration Act  
  Status: Senate Committee on Environment and Public Works

**Position: Support and seek amendments**

- **H.R. 1908** (Coffman) Water Accountability Tax Efficiency Reinvestment Act of 2009  
  Status: House Committee on Ways and Means

Prepared by: Alexandra Schnell, Management Analyst  
Reviewed by: Jeffrey A. Volberg, Government Relations Manager  
Reviewed by: Dennis A. Cushman, Assistant General Manager

Attachment: 1. Chronological chart summarizing the Water Authority’s positions on 2009-2010 state and federal legislation as of October 8, 2010
## San Diego County Water Authority
### Summary of Current Positions on
#### 2009-2010 Legislation
##### as of October 8, 2010

<table>
<thead>
<tr>
<th>Date of Board Action/Activity</th>
<th>Position</th>
<th>Bill Number</th>
<th>Author</th>
<th>Bill Name</th>
<th>Status</th>
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<tbody>
<tr>
<td>18-Dec-08</td>
<td>Sponsor</td>
<td>AB 1465</td>
<td>Hill</td>
<td>Urban Water Management Planning</td>
<td>Chapter 534, Statutes of 2009</td>
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<tr>
<td>22-Jan-09</td>
<td>Support</td>
<td>AB 13</td>
<td>Salas</td>
<td>Sacramento-San Joaquin Delta Conservancy</td>
<td>Senate Committee on Natural Resources and Water</td>
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<tr>
<td>22-Jan-09</td>
<td>Oppose</td>
<td>SB 42</td>
<td>Corbett</td>
<td>Coastal Resources: once-through cooling</td>
<td>Dead; failed to meet the deadline for a 2-year bill to pass out of the house of origin.</td>
</tr>
<tr>
<td>26-Feb-09</td>
<td>Support</td>
<td>AB 28</td>
<td>Jeffries</td>
<td>Natural Gas Engines: water movement: emissions limitation requirements</td>
<td>Dead; failed to meet the deadline for a 2-year bill to pass out of the house of origin.</td>
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<td>26-Mar-09</td>
<td>Support</td>
<td>AB 804</td>
<td>Hall</td>
<td>Invasive Aquatic Species: mussels</td>
<td>Vetoed</td>
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<td>Date of Board Action/Activity</td>
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<tr>
<td>26-Mar-09</td>
<td>Support</td>
<td>AB 1061</td>
<td>Lieu</td>
<td>Common Interest Developments: water-efficient landscapes</td>
<td>Chapter 503, Statutes of 2009</td>
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<tr>
<td>26-Mar-09</td>
<td>Support</td>
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<td>Feuer</td>
<td>Residential Self-Regenerating Water Softeners</td>
<td>Chapter 527, Statutes of 2009</td>
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<tr>
<td>26-Mar-09</td>
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<td>S. 22</td>
<td>Bingaman</td>
<td>Omnibus Public Land Management Act of 2009</td>
<td>Failed in House</td>
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<tr>
<td>23-Apr-09</td>
<td>Support</td>
<td>AB 900</td>
<td>De Leon</td>
<td>Water Diversion: statements of water diversion and use</td>
<td>Bill was amended to another subject</td>
</tr>
<tr>
<td>Date of Board Action/Activity</td>
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<td>23-Apr-09</td>
<td>Support, if amended</td>
<td>AB 1408</td>
<td>Krekorian</td>
<td>Subdivisions: Water Demand Mitigation Fund</td>
<td>Died on Inactive File</td>
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<td>23-Apr-09</td>
<td>Oppose, unless amended</td>
<td>SB 565</td>
<td>Pavley</td>
<td>Water Recycling</td>
<td>Bill was amended to another subject</td>
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<td>22-Jul-10</td>
<td>Oppose</td>
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<td>Water Resources</td>
<td>Assembly Inactive File</td>
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<td>23-Apr-09</td>
<td>Support, if amended</td>
<td>ACA 9</td>
<td>Huffman</td>
<td>Local Government Bonds: special taxes: voter approval</td>
<td>Assembly Inactive File</td>
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<td>28-May-09</td>
<td>Support</td>
<td>AB 234</td>
<td>Huffman</td>
<td>Federal Stimulus Funds for Energy and Water Use Efficiency</td>
<td>Bill was amended to another subject</td>
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<td>Date of Board Action/Activity</td>
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<td>Bill Number</td>
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<td>28-May-09</td>
<td>Support, if amended</td>
<td>AB 262</td>
<td>Bass</td>
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<td>Chapter 227, Statutes of 2009</td>
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<td>AB 300</td>
<td>Caballero</td>
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<td>Senate Committee on Natural Resources and Water</td>
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<td>28-May-09</td>
<td>Support</td>
<td>AB 410</td>
<td>De La Torre</td>
<td>Recycled Water</td>
<td>Senate Appropriations Committee</td>
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<td>28-May-09</td>
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<td>Duvall</td>
<td>Potable Reuse Demonstration Water</td>
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<td>28-May-09</td>
<td>Support</td>
<td>SB 207</td>
<td>Florez</td>
<td>Delta Smelt Preservation and Restoration Act</td>
<td>Dead; failed to meet the deadline for a 2-year bill to pass out of the house of origin.</td>
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<tr>
<td>28-May-09</td>
<td>Support</td>
<td>SB 555</td>
<td>Kehoe</td>
<td>Eminent Domain: Conservation Easements</td>
<td>Vetoed</td>
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<tr>
<td>28-May-09</td>
<td>Oppose</td>
<td>SB 711</td>
<td>Leno</td>
<td>Public Meetings: Closed Sessions: Labor Negotiations</td>
<td>Dead; failed to meet the deadline for a 2-year bill to pass out of the house of origin.</td>
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<td>Date of Board Action/Activity</td>
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<td>28-May-09</td>
<td>Oppose</td>
<td>S. 787</td>
<td>Feingold</td>
<td>Clean Water Restoration Act</td>
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<td>Support</td>
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<td>Sacramento-San Joaquin Delta</td>
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<td></td>
<td>and seek amendments</td>
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<td>AB 49</td>
<td>Feuer/Huffman</td>
<td>Water Conservation</td>
<td>Assembly Inactive File</td>
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</table>
## San Diego County Water Authority

### Summary of Current Positions on 2009-2010 Legislation

as of October 8, 2010

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<tr>
<td>23-Jul-09</td>
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<td>SB 261</td>
<td>Dutton/ Ducheny</td>
<td>Water Use: Water Management Plans</td>
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<td>27-Aug-09</td>
<td>Support, if amended</td>
<td>PAB 1</td>
<td>Huffman</td>
<td>Sacramento-San Joaquin Delta Plan</td>
<td>Incorporated into SBX7, 1 - 8</td>
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<td>27-Aug-09</td>
<td>Support, if amended</td>
<td>PSB 1</td>
<td>Simitian</td>
<td>Sacramento-San Joaquin Delta</td>
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<td>27-Aug-09</td>
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<td>PSB 2</td>
<td>Pavley</td>
<td>Water Diversion and Use; Groundwater</td>
<td>Incorporated into SBX7, 1 - 8</td>
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<td>27-Aug-09</td>
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<td>PSB 3</td>
<td>Wolk</td>
<td>Delta Protection Commission; Delta Conservancy</td>
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<td>17-Dec-09</td>
<td>Sponsor</td>
<td>AB 1774</td>
<td>Salda. a</td>
<td>Recycled Water: state agency landscape irrigation</td>
<td>Senate Committee on Natural Resources and Water</td>
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<td>17-Dec-09</td>
<td>Sponsor</td>
<td>AB 1793</td>
<td>Saldaña</td>
<td>Common Interest Developments: artificial turf</td>
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<td>28-Jan-10</td>
<td>Support</td>
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<td>Feinstein</td>
<td>The Water Transfer Facilitation Act of 2009</td>
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<td>28-Jan-10</td>
<td>Support</td>
<td>H.R. 4349</td>
<td>Napolitano</td>
<td>The Hoover Power Allocation Act of 2009</td>
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<td>(S. 2891 is the companion bill in the Senate)</td>
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<tr>
<td>25-Feb-10</td>
<td>Oppose</td>
<td>AB 1594</td>
<td>Huber</td>
<td>Sacramento-San Joaquin Delta: peripheral canal</td>
<td>Assembly Committee on Water, Parks &amp; Wildlife</td>
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<td>25-Mar-10</td>
<td>Support</td>
<td>AB 1929</td>
<td>Hall</td>
<td>Invasive Aquatic Species: mussels</td>
<td>Chapter 152, Statutes of 2010</td>
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<td>25-Mar-10</td>
<td>Support</td>
<td>AB 1975</td>
<td>Fong</td>
<td>Building Standards: water charges and meters: multiunit structures</td>
<td>Senate Appropriations Committee</td>
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<td>25-Mar-10</td>
<td>Oppose</td>
<td>AB 2049</td>
<td>Arambula</td>
<td>State Water Resources Development System: transfers of water</td>
<td>Failed to pass Assembly</td>
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</tbody>
</table>
## San Diego County Water Authority
### Summary of Current Positions on 2009-2010 Legislation
#### as of October 8, 2010

<table>
<thead>
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<tr>
<td>25-Mar-10</td>
<td>Oppose, unless amended</td>
<td>AB 2092</td>
<td>Huffman</td>
<td>Delta Stewardship Council: planning and administration fee</td>
<td>Failed to pass Senate</td>
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<td>April 2010</td>
<td>Neutral (bill amended)</td>
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<td>25-Mar-10</td>
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<td>AB 2336</td>
<td>Fuller</td>
<td>Delta Stewardship Council</td>
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<td>25-Mar-10</td>
<td>Support</td>
<td>SB 808</td>
<td>Wolk</td>
<td>Delta Levee Maintenance</td>
<td>Chapter 23, Statutes of 2010</td>
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<td>25-Mar-10</td>
<td>Support, if amended</td>
<td>SB 918</td>
<td>Pavley</td>
<td>Water Recycling</td>
<td>Chapter 700, Statutes of 2010</td>
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<tr>
<td>April 2010</td>
<td>Support (bill amended)</td>
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San Diego County Water Authority  
Summary of Current Positions on  
2009-2010 Legislation  
as of October 8, 2010

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<td>(S. 1371 is the companion bill in the Senate)</td>
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<td>22-Apr-10</td>
<td>Support</td>
<td>AB 1677</td>
<td>Caballero</td>
<td>Public Resources</td>
<td>Bill was amended to another subject</td>
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<td>22-Apr-10</td>
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<td>AB 2277</td>
<td>Fletcher</td>
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<td>22-Apr-10</td>
<td>Oppose</td>
<td>AB 2422</td>
<td>Berryhill, T.</td>
<td>Urban Water Demand Management: model water efficient landscape ordinance</td>
<td>Failed passage; Assembly Committee on Water, Parks and Wildlife</td>
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</tbody>
</table>
## San Diego County Water Authority
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<tr>
<td>22-Apr-10</td>
<td>Support, if amended</td>
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<td>Sacramento-San Joaquin Delta</td>
<td>Senate Appropriations Committee</td>
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<td>22-Apr-10</td>
<td>Support</td>
<td>SB 1478</td>
<td>Natural Resources &amp; Water Committee</td>
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<td>Support</td>
<td>H.R. 4225</td>
<td>Costa</td>
<td>Stimulus Funds: drought assistance</td>
<td>House Committee on Natural Resources</td>
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<td>27-May-10</td>
<td>Oppose</td>
<td>AB 1664</td>
<td>Swanson</td>
<td>Metropolitan Water District Act</td>
<td>Assembly Committee on Local Government</td>
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<td>27-May-10</td>
<td>Oppose</td>
<td>AB 2583</td>
<td>Hall</td>
<td>Water Treatment: hazardous materials</td>
<td>Assembly Appropriations Committee</td>
</tr>
<tr>
<td>27-May-10</td>
<td>Support (with inclusion of Support/implementation of AB 3030 - Groundwater Basin Study)</td>
<td>H.R. 4579</td>
<td>Filner</td>
<td>South San Diego County Water Reclamation Project of 2010</td>
<td>House Committee on Natural Resources</td>
</tr>
<tr>
<td>Date of Board Action/Activity</td>
<td>Position</td>
<td>Bill Number</td>
<td>Author</td>
<td>Bill Name</td>
<td>Status</td>
</tr>
<tr>
<td>------------------------------</td>
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</tr>
<tr>
<td>27-May-10 Oppose</td>
<td>H.R. 5088</td>
<td>Oberstar</td>
<td>America’s Commitment to Clean Water Act</td>
<td>House Committee on Transportation and Infrastructure</td>
<td></td>
</tr>
<tr>
<td>22-Jul-10 Oppose (Modified to No Position; bill subject changed)</td>
<td>AB 1955</td>
<td>De La Torre</td>
<td>Public Officers: incompatible offices</td>
<td>Bill was amended to another subject</td>
<td></td>
</tr>
<tr>
<td>22-Jul-10 Oppose</td>
<td>AB 2776</td>
<td>Huffman</td>
<td>Transfers of Water: agricultural use to municipal use</td>
<td>Failed passage</td>
<td></td>
</tr>
<tr>
<td>22-Jul-10 Oppose</td>
<td>SB 972</td>
<td>Wolk</td>
<td>Indemnity: design professionals</td>
<td>Chapter 510, Statutes of 2010</td>
<td></td>
</tr>
</tbody>
</table>
San Diego County Water Authority  
Summary of Current Positions on  
2009-2010 Legislation  
as of October 8, 2010

<table>
<thead>
<tr>
<th>Date of Board Action/Activity</th>
<th>Position</th>
<th>Bill Number</th>
<th>Author</th>
<th>Bill Name</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>22-Jul-10</td>
<td>Support, if amended, as described in the board memo</td>
<td>SB 1173</td>
<td>Wolk</td>
<td>Recycled Water</td>
<td>Vetoed</td>
</tr>
</tbody>
</table>

Current Positions on  
2010 Ballot Measures and Initiatives  
as of October 8, 2010

<table>
<thead>
<tr>
<th>Date of Board Action/Activity</th>
<th>Position</th>
<th>Initiative or Measure Name</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>28-Jan-10</td>
<td>Support</td>
<td>Proposition 18 - Safe, Clean and Reliable Water Supply Act of 2010 (Water Bond)</td>
<td>The Legislature has voted to delay the measure until the Nov. 2012 General Election, as requested by the Governor.</td>
</tr>
<tr>
<td>25-Feb-10</td>
<td>Support</td>
<td>Proposition 22 - Local Taxpayer, Public Safety and Transportation Protection Act of 2010</td>
<td>Measure will appear on November 2, 2010 General Election ballot as a constitutional amendment.</td>
</tr>
<tr>
<td>27-May-10</td>
<td>Oppose</td>
<td>Proposition 16 - New Two-thirds Voter Approval Requirement for Local Public Electricity Providers</td>
<td>Measure failed on the June 8, 2010 statewide primary election ballot.</td>
</tr>
</tbody>
</table>
At	ention: Legislation, Conservation and Outreach Committee

Government Relations Update (Information)

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

Legislative Activities
The 2010 legislative session ended on August 31. The Legislature has been in joint recess since then, but reconvened on October 7 to take up the state budget.

One of the Water Authority’s sponsored bills, AB 1793 (Saldaña), passed out of the Legislature but was vetoed by the Governor. The bill would prohibit homeowners’ association from banning outright the use of artificial turf in landscaping. The Governor’s veto message stated that the members of homeowners’ associations have the power to amend their rules in order to permit the use of artificial turf, if they so desire. Another Water Authority sponsored bill, AB 1774 (Saldaña), which would have required state agencies to use recycled water for landscaping, was held in committee. The Water Authority sponsored AB 1465 (Hill) in the first year of the 2009-2010 legislative session. AB 1465, signed into law in October 2009, updated the Urban Water Management Planning Act to incorporate the latest set of best management practices (BMPs) adopted by the California Urban Water Conservation Council.

State Budget
The Legislature passed the state budget on October 8, 2010, 100 days into the 2010-2011 fiscal year. The previous record delay was in 2008, when the budget was 83 days late. The Governor signed the budget the same day and used his line item veto power to cut $962 million from health and welfare programs.

The budget closes a $19 billion deficit, from January 2010 to June 30, 2011. The budget uses program cuts, optimistic projections of revenues, anticipated actions by public employees’ unions and the federal government, and the use of funds from sources outside the general fund. Despite the $7.5 billion in program cuts, the general fund spending of $87.5 billion is $1 billion more than the previous budget. However, general fund spending is $16 billion less than three years ago. If the revenue projections and anticipated actions do not hold up, the Legislature may have to revisit the budget within the next few months.

The budget was followed by 26 “trailer bills” that make policy changes necessary to make the budget work. The budget trailer bills include provisions to defer up to $5 billion in payments to local governments and vendors in order to protect the state’s cash balance, in case the Controller is not able to borrow sufficient funds to cover expenses.
The budget trailer bills include a roll-back of the expanded pension benefits for public employees that were enacted in 2002. Employees hired after enactment of this budget will not receive the expanded pension benefits and will have to contribute a greater portion of their pensions. On October 7, the Governor announced he had reached agreement during contract negotiations with the Service Employees International Union (SEIU) on pension cuts for new public employees.

**Legislative Alert System**

The Legislative Alert system was used in September to seek letters from the member agencies requesting that the Governor sign AB 1173. The system was also used to seek input from the member agencies on the 2011 draft Legislative Policy Guidelines.

**Lobbyist Activities**

Jonathan Clay of Carpi and Clay will provide a separate report of the firm’s monthly activities.

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

- Met with legislative leaders and their staff to track progress on the state budget and to report to the Water Authority on whether the state budget would seek revenues from local governments and special districts.

- Participated in weekly conference calls with board Chair Bud Lewis and Legislation, Conservation and Outreach Committee Chair Marilyn Dailey.

John White’s activities in August included:

- Meeting and discussions with Jeff Volberg, Jonathan Clay, and Bob Giroux regarding legislation and state budget issues and political developments.

- Participated in weekly conference calls with board Chair Bud Lewis and Legislation, Conservation and Outreach Committee Chair Marilyn Dailey.

**Washington, D.C.**

Congress returned on September 13 from its summer recess. The House and Senate recessed again on October 5 and are scheduled to meet again in a lame duck session after the election. The lame duck session is expected to begin on November 15.

Congress has not been able to pass its appropriations bills this year, so those will be brought up in the lame duck session in November. Before adjourning in October, Congress passed a continuing resolution to carry forward the previous fiscal year’s appropriations until December 3. Congress will also have to act to extend or modify the tax cuts that will expire at the end of the calendar year.
Ken Carpi of Carpi & Clay will provide a separate report of the firm’s monthly activities in Washington, D.C.

Prepared by:  Jeffrey A. Volberg, Government Relations Manager
Reviewed by:  Dennis A. Cushman, Assistant General Manager