San Gabriel Valley Council of Governments

AGENDA AND NOTICE
OF THE JOINT MEETING OF THE WATER POLICY COMMITTEE & WATER TECHNICAL ADVISORY COMMITTEE (TAC)
Wednesday, September 20, 2017, 10:00 AM
Upper San Gabriel Valley Municipal Water District – 602 E. Huntington Dr., Monrovia, CA

Water Policy Committee

Chair: Diana Mahmud
City of South Pasadena

Vice-Chair: Judy Nelson
City of Glendora

Members
Claremont
Diamond Bar
Glendora
Monrovia
Rosemead
Sierra Madre
South Pasadena

Water TAC

Chair: Vacant

Vice Chair:
David Dolphin
City of Alhambra

Members
Alhambra
Arcadia
Covina
Monrovia
Sierra Madre
LA County DPW
Upper San Gabriel Valley MWD

Ex-Officio Members
Foothill MWD
LA County Sanitation Districts
SG Basin Watermaster

Thank you for participating in today's meeting. The Water Committee encourages public participation and invites you to share your views on agenda items.

MEETINGS: ***Regular Meetings of the Water Committee are held on the third Wednesday of each month at 10:00 AM at the Upper San Gabriel Valley Municipal Water District Offices 602 E. Huntington Drive, Suite B Monrovia, CA 91016.*** The agenda packet is available at the San Gabriel Valley Council of Government's (SGVCOG) Office, 1000 South Fremont Avenue, Suite 10210, Alhambra, CA, and on the website, www.sgvcog.org. Copies are available via email upon request (sgv@sgvcog.org). Documents distributed to a majority of the Committee after the posting will be available for review in the SGVCOG office and on the SGVCOG website. Your attendance at this public meeting may result in the recording of your voice.

CITIZEN PARTICIPATION: Your participation is welcomed and invited at all Water Committee and Water TAC meetings. Time is reserved at each regular meeting for those who wish to address the Committee. SGVCOG requests that persons addressing the Committee refrain from making personal, slanderous, profane or disruptive remarks.

TO ADDRESS THE COMMITTEE: At a regular meeting, the public may comment on any matter within the jurisdiction of the Committee during the public comment period and may also comment on any agenda item at the time it is discussed. At a special meeting, the public may only comment on items that are on the agenda. Members of the public wishing to speak are asked to complete a comment card or simply rise to be recognized when the Chair asks for public comments to speak. We ask that members of the public state their name for the record and keep their remarks brief. If several persons wish to address the Committee on a single item, the Chair may impose a time limit on individual remarks at the beginning of discussion. **The Water Committee and Water TAC may not discuss or vote on items not on the agenda.**

AGENDA ITEMS: The Agenda contains the regular order of business of the Water Committee and the Water TAC. Items on the Agenda have generally been reviewed and investigated by the staff in advance of the meeting so that the WRWG Committee can be fully informed about a matter before making its decision.

CONSENT CALENDAR: Items listed on the Consent Calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion on these items unless a Committee member or citizen so requests. In this event, the item will be removed from the Consent Calendar and considered after the Consent Calendar. If you would like an item on the Consent Calendar discussed, simply tell Staff or a member of the Committee.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SGVCOG office at (626) 457-1800. Notification 48 hours prior to the meeting will enable the SGVCOG to make reasonable arrangement to ensure accessibility to this meeting.

Preliminary Business

1. Call to Order
2. Roll Call
3. Public Comment *(If necessary, the Chair may place reasonable time limits on all comments)*

CONSENT CALENDAR *(It is anticipated that the Water Committee/TAC may act on the following matters)*

4. Water Committee/TAC Meeting Minutes – 7/19/2017
Recommended Action: Approve.

PRESENTATION

5. Industrial Permit Program: Presentation by Judy Nelson
Recommended Action: for information.

ACTION ITEMS *(It is anticipated that the Water Committee/TAC may act on the following matters)*

6. Election of Chair for the Water Technical Advisory Committee for 2017-2018
Recommended action: receive nominations and elect Chair of the Water TAC for 2017-2018

DISCUSSION ITEMS *(It is anticipated that the Water Committee/TAC may act on the following matters)*
INFORMATION ITEMS

7. Legislative Updates
- State Legislation: AB 1668 (Friedman), SB 231 (Hertzberg), AB 1180 (Holden), SB 589 (Hernandez), SB 633 (Portantino)
- Federal Legislation: H.R. 465/2355, H.R. 2510

Recommended Action: for information.

8. San Gabriel Valley Legislative Caucus
- Sacramento Caucus: Aug 30th
- SGV Legislative Staff Water Working Group: Presentation of 2018 Legislative Agenda

Recommended Action: for information.

9. Regulatory Updates
- Waters of the United States: Teleconference Sessions
- 1, 2, 3-Trichloralpropane

Recommended Action: for information.

10. Water Boards Update
- State Board
  - 303(d) List
  - Waters of the State
- Regional Board

Recommended Action: for information.

11. LA County Water Resilience Update
Recommended Action: for information.

12. Water Supply Update
- California Water Fix Resolution 15-29

Recommended Action: for information.

13. Litigation Update
Recommended Action: for information.

14. Stormwater Outreach Updates
- Judy Nelson's Stormwater Presentation to South Bay Cities COG
- Congresswoman Napolitano tour of County Flood Control Infrastructure
- Upcoming Tours of County Flood Control Infrastructure

- Los Angeles County Division, League of California Cities, Regional Stormwater Policy

Recommended Action: for information.

15. E/WMP Updates

- MOA for SGVCOG Financial Management of the Upper LA River EWMP's Coordinated Integrated Monitoring Program

Recommended Action: for information.

EXECUTIVE DIRECTOR'S COMMENTS

CHAIR'S REPORT

ANNOUNCEMENTS

- LA Water Board meeting: Oct 5th

ADJOURN

SGVCOG Joint Water Policy Committee/TAC Unapproved Minutes

Date: July 19, 2017
Time: 10:00 AM
Location: Upper San Gabriel Valley Municipal Water District
602 E. Huntington Drive, Monrovia, CA

PRELIMINARY BUSINESS

1. Call to Order: The meeting was called to order at 10:04 AM.

2. Roll Call

Water Policy Committee Members Present
S. Pedroza, Claremont
N. Lyons, Diamond Bar
J. Nelson, Glendora
J. Capoccia, Sierra Madre
D. Mahmud, South Pasadena

Water Policy Committee Members Absent
Monrovia
Rosemead

Water TAC Members Present
V. Hevener, Arcadia
A. Tachiki, Monrovia
M. Lombos, F. Villaluna, LACDPW
M. Gouveia, E. Chavez, USGVMWD

Water TAC Members Absent
Covina
Sierra Madre

Ex Officio Members Present
S. Green, LA County Sanitation District
K. Gardner, R. Serna, Watermaster

Ex Officio Members Absent
Foothill Municipal Water District

Guests
M. Cansino, Pomona
R. Tahir, TECS Environmental
B. Pence, Congresswoman Napolitano
E. Reyes, SGVMWD
J. Shimmin, South Pasadena
C. Gabaldon, CGRME
M. Lyons, S. Helland, S. Heieh, Assembly Member Holden
M. Lutz
H. Lee, Sen Hernandez
K. Kearney, Bradbury

SGVCOG Staff
P. Hawkey
E. Wolf

3. Public Comment. There were no public comments.

CONSENT CALENDAR

4. Water Committee/TAC Meeting Minutes – 6/21/2017
There was a motion to approve the minutes. (M/S: J. Capoccia/J. Nelson). [MOTION PASSED]

AYES:	Claremont, Diamond Bar, Glendora, Sierra Madre, South Pasadena, Arcadia, Monrovia, LACDPW, USGVMWD
NOES:	

ABSTAIN:	
ABSENT:	Monrovia, Rosemead, Alhambra, Covina, Sierra Madre, Foothill Municipal Water District

PRESENTATION

ACTION ITEMS

DISCUSSION ITEMS

5. AB 1180 (Holden)

D. Mahmud reviewed the history of AB 1180 ending with what the current version of the bill is attempting to do, namely give the LA County Flood Control District the authority to raise a stormwater related fee. She reviewed how the revenue raised will be allocated: 40% returned to the jurisdictions where the money was raised, 50% for regional projects, and 10% for administration. She noted that the only opposition at this point is from the Howard Jarvis Taxpayer Association.

Several concerns were raised. First, members wanted to know if the 10% dedicated to administration was the right amount; perhaps that is too high. Second, members were concerned that the 50% toward regional projects lacked specificity as to how those projects would be selected. One member noted that the bill gives taxing authority to the county that it did not have before, expanding their power. The Watermaster was concerned that the bill is vague regarding the proposed projects capturing "new" water, as opposed to taking water that currently goes to the spreading grounds.

There were supportive comments as well. Members noted that, given the MS4 permit structure, AB 1180 is a step in the right direction, and may be the best, if not only, opportunity to help fund compliance. One member offered that this county-sponsored bill would be an easier approach to raising funds than passing a city tax increase. Finally, members also discussed what, if any, role the subregional COGs would or should play in administering the funds within their subregions. The committee declined to take a position on the bill at this time.

INFORMATION ITEMS

6. Legislative Updates

- State Legislation

  J. Nelson updated members on the various drought response bills. AB 1654 (Rubio) and several other bills were competing approaches to drought response. The Rubio bill preserved local control whereas other bills vested more control over reforms in the hands of state regulators. The chair of the Senate Committee on Natural Resources and Water gutted each of the bills and asked members to convene and work out their differences. The only bill to survive is AB 1323 (Weber) which tasks the Department of Water Resources with convening a working group to that end. Members requested that since the Governing Board has already accepted the Water Committee's recommendation to support the Rubio bill (now gutted), that the Governing Board send a letter to the committee stating its support for the principle of local control embodied in AB 1654.

- Federal Legislation

  S. Green updated members on HR 465, stating that congress members are beginning to work on bipartisan changes to the bill.

7. State Audit of Regional Boards MS4 Permits

D. Mahmud reviewed the purpose of the audit and noted that the SGVCOG has been asked for our input to the audit. Water Policy Committee officers and COG staff will provide background and documentation.

8. Regulatory Updates

- 303(d) List

  M. Lombos updated the group on the County's comment letter submitted to the State Water Board, in which they requested that the Public Hearing be held in the Los Angeles area. The County has so far not received a response.

9. Water Boards Update

- State Board

  D. Mahmud stated that the State Board has issued a response to a request for extension of implementation of new water quality standards for TCTP.

- Regional Board: Industrial Permit meeting

  J. Nelson discussed a meeting she attended with the Regional Board regarding Industrial Permittees, and cities' responsibility to monitor their compliance. She stated that for the most part, recyclers are trying to comply but are unfairly taking the blame for other businesses' noncompliance. Recyclers would like more frequent inspections in order to confirm their compliance. Nelson stated that Glendora is accomplishing inspections through a contracted program paid for through business licensing fees. The Regional Board plans to initiate an education campaign aimed at closing the gap in inspections.

10. LA County Water Resilience Update. There was no discussion of this item.

11. Water Supply Update

K. Gardner discussed the Watermaster's five-year plan of fee increases to purchase supplemental water to augment the basin. She stated that the basin is currently 28 feet below operating range. Gardner also gave an update on the concern that there may be invasive quagga muscles in the State Water Project system. This has limited the Watermaster's ability to accept deliveries of SWP water from northern California. Tests so far have been inconclusive.

12. Litigation Update

D. Mahmud updated the Gardena case. The hearing date has been postponed. Regarding the San Diego case against MWD, Metropolitan won appellate court reversal of the trial court's ruling in favor of San Diego County Water Authority but it's expected that San Diego will appeal to the State Supreme Court.

13. Stormwater Outreach Updates

- Supervisor Barger, June 22nd

  J. Nelson discussed the SGVCOG meeting with Supervisor Barger where we talked about the County's Water Resilience plan and how it aligns with the regional approach to MS4 compliance that the COG has been advocating. Nelson stated that the Stormwater Funding group will be adopting the SGVCOG Stormwater Policy (with modifications). This action will establish our policy as a county-wide approach.

- Flood Control Tour w/ Congresswoman Napolitano, Aug 3rd

E. Wolf reviewed the itinerary and objectives of the tour.

14. E/WMP Updates. There was no discussion of this item.

EXECUTIVE DIRECTOR'S COMMENTS

CHAIR'S REPORT

ANNOUNCEMENTS

ADJOURN

The meeting was adjourned at 12:10 p.m.

REPORT

DATE: September 20, 2017

TO: Water Policy/Technical Advisory Committee

FROM: Phil Hawkey, Executive Director

RE: AB 1668 (Friedman)

RECOMMENDED ACTION

For information only.

BACKGROUND

In May of 2016, Governor Brown signed Executive Order (B-37-16) (EO) that updated the drought emergency declaration, and directed state agencies to take specific additional actions designed to *make water conservation a California way of life.* In response to the EO, several pieces of legislation were drafted this year. On July 11, 2017, the Senate Committee on Natural Resources and Water, had a special order of business to hear four bills related to the administration's proposed framework in response to the EO. The four bills took diverse approaches to drought response.

- AB 1668 (Friedman) – This bill would require the State Water Resources Control Board, in coordination with the Department of Water Resources, to adopt long-term standards for the efficient use of water, as provided, and performance measures for commercial, industrial, and institutional water use on or before June 30, 2021.

- AB 1654 (Rubio) – The bill would require the urban retail water supplier to implement the appropriate responses as described in its water shortage contingency analysis if the urban retail water supplier reports that all available water supplies for the applicable water year will not be adequate to meet projected customer demand.

- AB 1667 (Friedman) – would require the board to adopt long-term standards for urban water conservation and water use by May 20, 2021; would revise the provisions governing urban water management plans; and would revise the provisions governing agricultural water management plans. Heard and held in this committee on 7/11/17.

- AB 1323 (Weber) – if a statute is not chaptered in the 2017–18 Regular Session that establishes water conservation targets and long-term drought contingency planning for urban water suppliers, this bill would require DWR to convene a stakeholder workgroup by February 1, 2018, to recommend new water use targets for urban water suppliers. In Senate Appropriations Committee on Suspense File.

The committee heard presentations from the administration and the three authors on their objectives for their proposals. The Chair then laid out a process for harmonizing the interests of the Senate, Assembly, administration, and the various interest groups. The committee passed AB 1323 (Weber), stripped AB 1654 (Rubio) and AB 1668 (Friedman) to intent language, and held AB 1667 (Friedman) in committee without prejudice. During the summer break, staff from the Senate committee, the

Assembly Water Parks and Wildlife Committee, and the authors' offices worked with the administration and the various interest groups to come to agreement on bill language. The committee received letters listing signatures from 225 organizations raising 115 separate comments. With this input, the ultimate package emerged as AB 1668 (Freidman).

AB 1668 (FRIEDMAN)

AB 1668 would:

1) Establish urban water use objectives and water use reporting requirements, including:

   a) Establish in statute an initial standard of 55 of gallons per capita daily (gpcd) for indoor residential water use. Beginning January 1, 2025, the standard would become 50 gpcd.

   b) Require DWR to recommend, and the State Water Resources Control Board (board) to adopt, long-term standards for outdoor residential water use.

   c) Require DWR to provide each urban retail water supplier with data regarding the area of residential irrigable lands in a manner that can reasonably be applied to the standards adopted pursuant to this section.

   d) Require an urban water supplier to calculate an urban water use objective for the previous calendar year by July 1 of each year, beginning July 1, 2022.

   e) Provide a credit for recycled water that starts at 10 percent of the urban water supplier's water use objective and declines one percentage point a year until it reaches 0 percent in 2031.

   f) Authorizes an urban retail water supplier to use alternative data in calculating the urban water use objective if the water supplier demonstrates to DWR that the alternative data are equivalent, or superior, in quality and accuracy to the data provided by the department.

   g) Require an urban water supplier to submit an annual report to DWR that reports the urban water use objective and actual water use by July 1 of each year.

   h) Authorize the board to issue information orders, written notices, and conservation orders to an urban water supplier that does not meet its water use objective. Conservation orders are prohibited from curtailing or otherwise limiting the supplier's exercise of water rights.

2) Revise Urban Water Management Planning, including:

   a) Require Urban Water Management Plans (UWMPs) to include a simple lay description of the reliability of its water supplies, the agency's strategy for meeting its water needs, and other information necessary to provide a general understanding of the agency's plan.

   b) Require UWMPs to contain a drought risk assessment that examines water shortage risks for a drought lasting the next 5 or more consecutive years.

   c) Require an urban water supplier to prepare, adopt, and periodically review a water shortage contingency plan as part of its UWMP. That plan must include annual water budget forecast procedures, standard water shortage levels, shortage response actions, and

communication protocols and procedures.

d) Require, as a part of the shortage contingency plan, a determination of the reliability of each source of supply under a variety of water shortage conditions.

e) Require, instead of authorize, the governing body of a distributor of a public water supply to declare a water shortage emergency condition to prevail within the area served by the distributor whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be insufficient water for human consumption, sanitation, and fire protection.

3) Add and revise findings and declarations and statements of legislative intent regarding a number of issues, including:

a) That local urban water suppliers should have primary responsibility for meeting standards-based water use targets, and they shall retain the flexibility to develop their water supply portfolios, design and implement water conservation strategies, educate their customers, and enforce their rules.

b) That, upon proclamation by the Governor of a state of emergency based on drought conditions, the board shall defer to implementation of locally adopted water shortage contingency plans to the extent practicable.

ARGUMENTS IN SUPPORT

There is much to like in the bill including:

- The bill makes clear that local urban water suppliers have primary responsibility for meeting standards-based water use targets, and they shall retain the flexibility to develop their water supply portfolios, design and implement water conservation strategies, educate their customers, and enforce their rules.

- AB 1668 gives water agencies the authority to determine the reliability of each source of supply under a variety of water shortage conditions.

- The bill explicitly states that nothing regarding the establishment and implementation of the urban water use objectives shall be construed to determine or alter water rights.

- Finally, AB 1668 requires the State Water Board is to defer to implementation of locally adopted water shortage contingency plans to the extent practicable upon proclamation by the Governor of a state of emergency based on drought conditions.

ARGUMENTS IN OPPOSITION

A coalition comprised largely of water agencies are "Oppose Unless Amended." They cite the following reasons:

- AB 1668 provides only a limited and temporary credit for potable reuse. This provision does not adequately protect and encourage investments in recycled water and potable reuse and should be amended to provide full credit for potable reuse.

- The bill includes a one-time requirement for the Department of Water Resources to provide limited elements of the data needed for water suppliers to calculate the required annual water use objective. For urban water suppliers to be able to calculate the water use objective annually, as required by AB 1668, suppliers will need regularly updated data. AB 1668 should be amended to either remove the annual reporting requirement or ensure that water suppliers will be provided with the resources necessary to calculate accurate water use objectives.

- AB 1668 grants state agencies the discretion to decide whether to adopt variances from standards based on local conditions such as arid climate, seasonality, etc. The bill should be amended to require the establishment of variances and implementation processes that account for unique local conditions as well as technical, economic, and administrative feasibility.

RECOMMENDATION

Staff is presenting AB 1668 for information only and recommending that the Water Policy Committee not take a position on this bill.

Prepared by: _____
Eric Wolf
Senior Management Analyst

Approved by: _____
Marisa Creter
Assistant Executive Director

ATTACHMENTS

Attachment A – AB 1668 (Friedman)
Attachment B – AB 1668 Legislative Analysis by the Senate Committee on Natural Resources and Water

AMENDED IN SENATE SEPTEMBER 8, 2017

AMENDED IN SENATE SEPTEMBER 6, 2017

AMENDED IN SENATE AUGUST 29, 2017

AMENDED IN SENATE AUGUST 21, 2017

AMENDED IN SENATE JULY 12, 2017

AMENDED IN SENATE JULY 3, 2017

AMENDED IN ASSEMBLY APRIL 18, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL No. 1668

Introduced by Assembly Member Friedman
(Principal coauthors: Senators Hertzberg and Skinner)
(Coauthors: Senators Allen and Wiener)

February 17, 2017

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

LEGISLATIVE COUNSEL'S DIGEST

AB 1668, as amended, Friedman. Water management planning.

(1) Existing law requires the state to achieve a 20% reduction in urban per capita water use in California by December 31, 2020. Existing

law requires each urban retail water supplier to develop urban water use targets and an interim urban water use target, as specified.

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

The bill would require the department, in consultation with the board, to propose to the Governor and the Legislature, by January 1, 2019, recommendations and guidance relating to the development and implementation of countywide drought and water shortage contingency plans to address the planning needs of small water suppliers and rural communities, as provided. The bill would require the department, in consultation with the board and other relevant state and local agencies and stakeholders, to use available data to identify small water suppliers and rural communities that may be at risk of drought and water shortage vulnerability, no later than January 1, 2019, and would require the department to notify counties and groundwater sustainability agencies of those suppliers or communities.

(2) Existing law establishes procedures for reconsideration and amendment of specified decisions and orders of the board. Existing law authorizes any party aggrieved by a specified decision or order of the board to file, not later than 30 days from the date of final board action, a petition for writ of mandate for judicial review of the decision or order.

This bill would apply these procedures to decisions and orders of the board issued pursuant to the provisions described in paragraph (1), including existing provisions and those added by this bill.

(3) Existing law requires an agricultural water supplier to submit an annual report to the department that summarizes aggregated farm-gate delivery data using best professional practices.

This bill would require the annual report for the prior year to be submitted to the department by April 1 of each year, as provided, and to be organized by groundwater basin or subbasin within the service area of the agricultural water supplier, if applicable.

(4) Existing law requires an agricultural water supplier to prepare and adopt an agricultural water management plan with specified components on or before December 31, 2012, and to update those plans on or before December 31, 2015, and on or before December 31 every 5 years thereafter. Existing law requires the agricultural water supplier to submit copies of its plan to specified entities no later than 30 days after the adoption of the plan, and requires the department to prepare and submit to the Legislature, on or before December 31 in the years ending in 6 and one, a report summarizing the status of the plans.

This bill would revise the components of the plan and additionally require a plan to include an annual water budget based on the quantification of all inflow and outflow components for the service area of the agricultural water supplier and a drought plan describing the actions of the agricultural water supplier for drought preparedness and management of water supplies and allocations during drought conditions.

The bill would require an agricultural water supplier to update its agricultural water management plan on or before April 1, 2021, and thereafter on or before April 1 in the years ending in 6 and one. The bill would require an agricultural water supplier to submit its plan to the department no later than 30 days after the adoption of the plan. The bill would require the department to review an agricultural water management plan and notify an agricultural water supplier if the department determines that it is noncompliant, as provided. The bill would authorize the department, if it has not received a plan or determined that the plan submitted is noncompliant, to contract with certain entities to prepare or complete a plan on behalf of the agricultural water supplier.

The bill would require an agricultural water supplier to submit copies of its plan to specified entities no later than 30 days after the department's review of the plan. The bill would require the department

to submit its report summarizing the status of the plans to the Legislature on or before April 30 in the years ending in 7 and 2.

(5) This bill would make its operation contingent on the enactment of SB 606 of the 2017-18 Regular Session.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

SECTION 1. Section 531.10 of the Water Code is amended to read:

531.10. (a) (1) An agricultural water supplier shall submit an annual report to the department that summarizes aggregated farm-gate delivery data, on a monthly or bimonthly basis, using best professional practices. The annual report for the prior year shall be submitted to the department by April 1 of each year. The annual report shall be organized by basin, as defined in Section 10721, within the service area of the agricultural water supplier, if applicable.

(2) The report, and any amendments to the report, submitted to the department pursuant to this subdivision shall be submitted electronically and shall include any standardized forms, tables, or displays specified by the department.

(3) The department shall post all reports on its Internet Web site in a manner that allows for comparisons across water suppliers. The department shall make the reports available for public viewing in a timely manner after it receives them.

(b) Nothing in this article shall be construed to require the implementation of water measurement programs or practices that are not locally cost effective.

(c) It is the intent of the Legislature that the requirements of this section shall complement and not affect the scope of authority granted to the department or the board by provisions of law other than this article.

SEC. 2. Section 1120 of the Water Code is amended to read:

1120. This chapter applies to any decision or order issued under this part or Section 275, Part 2 (commencing with Section 1200), Part 2 (commencing with Section 10500) of Division 6, Part 2.55 (commencing with Section 10608) of Division 6, or Chapter 11 (commencing with Section 10735) of Part 2.74 of Division 6,

Article 7 (commencing with Section 13550) of Chapter 7 of Division 7, or the public trust doctrine.

SEC. 3. Section 1846.5 is added to the Water Code, to read:

1846.5. (a) An urban retail water supplier who commits any of the violations identified in subdivision (b) may be liable in an amount not to exceed the following, as applicable:

(1) If the violation occurs in a critically dry year immediately preceded by two or more consecutive below normal, dry, or critically dry years or during a period for which the Governor has issued a proclamation of a state of emergency under the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code) based on drought conditions, ten thousand dollars ($10,000) for each day in which the violation occurs.

(2) For all violations other than those described in paragraph (1), one thousand dollars ($1,000) for each day in which the violation occurs.

(b) Liability pursuant to this section may be imposed for any of the following violations:

(1) Violation of an order issued under Chapter 9 (commencing with Section 10609) of Part 2.55 of Division 6.

(2) Violation of a regulation issued under Chapter 9 (commencing with Section 10609) of Part 2.55 of Division 6, if the violation occurs after July 1, 2026.

(c) Civil liability may be imposed by the superior court. The Attorney General, upon the request of the board, shall petition the superior court to impose, assess, and recover those sums.

(d) Civil liability may be imposed administratively by the board pursuant to Section 1055.

SEC. 4. Section 10608.12 of the Water Code is amended to read:

10608.12. Unless the context otherwise requires, the following definitions govern the construction of this part:

(a) “Agricultural water supplier” means a water supplier, either publicly or privately owned, providing water to 10,000 or more irrigated acres, excluding recycled water. “Agricultural water supplier” includes a supplier or contractor for water, regardless of the basis of right, that distributes or sells water for ultimate resale to customers. “Agricultural water supplier” does not include the department.

(b) "Base daily per capita water use" means any of the following:

(1) The urban retail water supplier's estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous 10-year period ending no earlier than December 31, 2004, and no later than December 31, 2010.

(2) For an urban retail water supplier that meets at least 10 percent of its 2008 measured retail water demand through recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier, the urban retail water supplier may extend the calculation described in paragraph (1) up to an additional five years to a maximum of a continuous 15-year period ending no earlier than December 31, 2004, and no later than December 31, 2010.

(3) For the purposes of Section 10608.22, the urban retail water supplier's estimate of its average gross water use, reported in gallons per capita per day and calculated over a continuous five-year period ending no earlier than December 31, 2007, and no later than December 31, 2010.

(c) "Baseline commercial, industrial, and institutional water use" means an urban retail water supplier's base daily per capita water use for commercial, industrial, and institutional users.

(d) "CII water use" means water used by commercial water users, industrial water users, institutional water users, and large landscape water users.

(e) "Commercial water user" means a water user that provides or distributes a product or service.

(f) "Compliance daily per capita water use" means the gross water use during the final year of the reporting period, reported in gallons per capita per day.

(g) "Disadvantaged community" means a community with an annual median household income that is less than 80 percent of the statewide annual median household income.

(h) "Gross water use" means the total volume of water, whether treated or untreated, entering the distribution system of an urban retail water supplier, excluding all of the following:

(1) Recycled water that is delivered within the service area of an urban retail water supplier or its urban wholesale water supplier.

(2) The net volume of water that the urban retail water supplier places into long-term storage.

(3) The volume of water the urban retail water supplier conveys for use by another urban water supplier.

(4) The volume of water delivered for agricultural use, except as otherwise provided in subdivision (f) of Section 10608.24.

(i) "Industrial water user" means a water user that is primarily a manufacturer or processor of materials as defined by the North American Industry Classification System code sectors 31 to 33, inclusive, or an entity that is a water user primarily engaged in research and development.

(j) "Institutional water user" means a water user dedicated to public service. This type of user includes, among other users, higher education institutions, schools, courts, churches, hospitals, government facilities, and nonprofit research institutions.

(k) "Interim urban water use target" means the midpoint between the urban retail water supplier's base daily per capita water use and the urban retail water supplier's urban water use target for 2020.

(*l*) "Large landscape" means a nonresidential landscape as described in the performance measures for CII water use adopted pursuant to Section 10609.10.

(m) "Locally cost effective" means that the present value of the local benefits of implementing an agricultural efficiency water management practice is greater than or equal to the present value of the local cost of implementing that measure.

(n) "Performance measures" means actions to be taken by urban retail water suppliers that will result in increased water use efficiency by CII water users. Performance measures include, but are not limited to, educating CII water users on best management practices, conducting water use audits, and preparing water management plans. Performance measures do not include process water.

(o) "Process water" means water used by industrial water users for producing a product or product content or water used for research and development. Process water includes, but is not limited to, continuous manufacturing processes, and water used for testing, cleaning, and maintaining equipment. Water used to cool machinery or buildings used in the manufacturing process or necessary to maintain product quality or chemical characteristics for product manufacturing or control rooms, data centers, laboratories, clean rooms, and other industrial facility units that

are integral to the manufacturing or research and development process is process water. Water used in the manufacturing process that is necessary for complying with local, state, and federal health and safety laws, and is not incidental water, is process water. Process water does not mean incidental water uses.

(p) "Recycled water" means recycled water, as defined in subdivision (n) of Section 13050.

(q) "Regional water resources management" means sources of supply resulting from watershed-based planning for sustainable local water reliability or any of the following alternative sources of water:

(1) The capture and reuse of stormwater or rainwater.

(2) The use of recycled water.

(3) The desalination of brackish groundwater.

(4) The conjunctive use of surface water and groundwater in a manner that is consistent with the safe yield of the groundwater basin.

(r) "Reporting period" means the years for which an urban retail water supplier reports compliance with the urban water use targets.

(s) "Urban retail water supplier" means a water supplier, either publicly or privately owned, that directly provides potable municipal water to more than 3,000 end users or that supplies more than 3,000 acre-feet of potable water annually at retail for municipal purposes.

(t) "Urban water use objective" means an estimate of aggregate efficient water use for the previous year based on adopted water use efficiency standards and local service area characteristics for that year, as described in Section 10609.20.

(u) "Urban water use target" means the urban retail water supplier's targeted future daily per capita water use.

(v) "Urban wholesale water supplier," means a water supplier, either publicly or privately owned, that provides more than 3,000 acre-feet of water annually at wholesale for potable municipal purposes.

SEC. 5. Section 10608.20 of the Water Code is amended to read:

10608.20. (a) (1) Each urban retail water supplier shall develop urban water use targets and an interim urban water use target by July 1, 2011. Urban retail water suppliers may elect to determine and report progress toward achieving these targets on

an individual or regional basis, as provided in subdivision (a) of Section 10608.28, and may determine the targets on a fiscal year or calendar year basis.

(2) It is the intent of the Legislature that the urban water use targets described in paragraph (1) cumulatively result in a 20-percent reduction from the baseline daily per capita water use by December 31, 2020.

(b) An urban retail water supplier shall adopt one of the following methods for determining its urban water use target pursuant to subdivision (a):

(1) Eighty percent of the urban retail water supplier's baseline per capita daily water use.

(2) The per capita daily water use that is estimated using the sum of the following performance standards:

(A) For indoor residential water use, 55 gallons per capita daily water use as a provisional standard. Upon completion of the department's 2016 report to the Legislature pursuant to Section 10608.42, this standard may be adjusted by the Legislature by statute.

(B) For landscape irrigated through dedicated or residential meters or connections, water efficiency equivalent to the standards of the Model Water Efficient Landscape Ordinance set forth in Chapter 2.7 (commencing with Section 490) of Division 2 of Title 23 of the California Code of Regulations, as in effect the later of the year of the landscape's installation or 1992. An urban retail water supplier using the approach specified in this subparagraph shall use satellite imagery, site visits, or other best available technology to develop an accurate estimate of landscaped areas.

(C) For commercial, industrial, and institutional uses, a 10-percent reduction in water use from the baseline commercial, industrial, and institutional water use by 2020.

(3) Ninety-five percent of the applicable state hydrologic region target, as set forth in the state's draft 20x2020 Water Conservation Plan (dated April 30, 2009). If the service area of an urban water supplier includes more than one hydrologic region, the supplier shall apportion its service area to each region based on population or area.

(4) A method that shall be identified and developed by the department, through a public process, and reported to the Legislature no later than December 31, 2010. The method

developed by the department shall identify per capita targets that cumulatively result in a statewide 20-percent reduction in urban daily per capita water use by December 31, 2020. In developing urban daily per capita water use targets, the department shall do all of the following:

(A) Consider climatic differences within the state.

(B) Consider population density differences within the state.

(C) Provide flexibility to communities and regions in meeting the targets.

(D) Consider different levels of per capita water use according to plant water needs in different regions.

(E) Consider different levels of commercial, industrial, and institutional water use in different regions of the state.

(F) Avoid placing an undue hardship on communities that have implemented conservation measures or taken actions to keep per capita water use low.

(c) If the department adopts a regulation pursuant to paragraph (4) of subdivision (b) that results in a requirement that an urban retail water supplier achieve a reduction in daily per capita water use that is greater than 20 percent by December 31, 2020, an urban retail water supplier that adopted the method described in paragraph (4) of subdivision (b) may limit its urban water use target to a reduction of not more than 20 percent by December 31, 2020, by adopting the method described in paragraph (1) of subdivision (b).

(d) The department shall update the method described in paragraph (4) of subdivision (b) and report to the Legislature by December 31, 2014. An urban retail water supplier that adopted the method described in paragraph (4) of subdivision (b) may adopt a new urban daily per capita water use target pursuant to this updated method.

(e) An urban retail water supplier shall include in its urban water management plan due in 2010 pursuant to Part 2.6 (commencing with Section 10610) the baseline daily per capita water use, urban water use target, interim urban water use target, and compliance daily per capita water use, along with the bases for determining those estimates, including references to supporting data.

(f) When calculating per capita values for the purposes of this chapter, an urban retail water supplier shall determine population using federal, state, and local population reports and projections.

(g) An urban retail water supplier may update its 2020 urban water use target in its 2015 urban water management plan required pursuant to Part 2.6 (commencing with Section 10610).

(h) (1) The department, through a public process and in consultation with the California Urban Water Conservation Council, shall develop technical methodologies and criteria for the consistent implementation of this part, including, but not limited to, both of the following:

(A) Methodologies for calculating base daily per capita water use, baseline commercial, industrial, and institutional water use, compliance daily per capita water use, gross water use, service area population, indoor residential water use, and landscaped area water use.

(B) Criteria for adjustments pursuant to subdivisions (d) and (e) of Section 10608.24.

(2) The department shall post the methodologies and criteria developed pursuant to this subdivision on its Internet Web site, and make written copies available, by October 1, 2010. An urban retail water supplier shall use the methods developed by the department in compliance with this part.

(i) (1) The department shall adopt regulations for implementation of the provisions relating to process water in accordance with Section 10608.12, subdivision (e) of Section 10608.24, and subdivision (d) of Section 10608.26.

(2) The initial adoption of a regulation authorized by this subdivision is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted for that purpose from the requirements of subdivision (b) of Section 11346.1 of the Government Code. After the initial adoption of an emergency regulation pursuant to this subdivision, the department shall not request approval from the Office of Administrative Law to readopt the regulation as an emergency regulation pursuant to Section 11346.1 of the Government Code.

(j) (1) An urban retail water supplier is granted an extension to July 1, 2011, for adoption of an urban water management plan pursuant to Part 2.6 (commencing with Section 10610) due in 2010 to allow the use of technical methodologies developed by the department pursuant to paragraph (4) of subdivision (b) and subdivision (h). An urban retail water supplier that adopts an urban

water management plan due in 2010 that does not use the methodologies developed by the department pursuant to subdivision (h) shall amend the plan by July 1, 2011, to comply with this part.

(2) An urban wholesale water supplier whose urban water management plan prepared pursuant to Part 2.6 (commencing with Section 10610) was due and not submitted in 2010 is granted an extension to July 1, 2011, to permit coordination between an urban wholesale water supplier and urban retail water suppliers.

SEC. 6. Section 10608.48 of the Water Code is amended to read:

10608.48. (a) On or before July 31, 2012, an agricultural water supplier shall implement efficient water management practices pursuant to subdivisions (b) and (c).

(b) Agricultural water suppliers shall implement both of the following critical efficient management practices:

(1) Measure the volume of water delivered to customers with sufficient accuracy to comply with subdivision (a) of Section 531.10 and to implement paragraph (2).

(2) Adopt a pricing structure for water customers based at least in part on quantity delivered.

(c) Agricultural water suppliers shall implement additional efficient management practices, including, but not limited to, practices to accomplish all of the following, if the measures are locally cost effective and technically feasible:

(1) Facilitate alternative land use for lands with exceptionally high water duties or whose irrigation contributes to significant problems, including drainage.

(2) Facilitate use of available recycled water that otherwise would not be used beneficially, meets all health and safety criteria, and does not harm crops or soils.

(3) Facilitate the financing of capital improvements for on-farm irrigation systems.

(4) Implement an incentive pricing structure that promotes one or more of the following goals:

(A) More efficient water use at the farm level.

(B) Conjunctive use of groundwater.

(C) Appropriate increase of groundwater recharge.

(D) Reduction in problem drainage.

(E) Improved management of environmental resources.

(F) Effective management of all water sources throughout the year by adjusting seasonal pricing structures based on current conditions.

(5) Expand line or pipe distribution systems, and construct regulatory reservoirs to increase distribution system flexibility and capacity, decrease maintenance, and reduce seepage.

(6) Increase flexibility in water ordering by, and delivery to, water customers within operational limits.

(7) Construct and operate supplier spill and tailwater recovery systems.

(8) Increase planned conjunctive use of surface water and groundwater within the supplier service area.

(9) Automate canal control structures.

(10) Facilitate or promote customer pump testing and evaluation.

(11) Designate a water conservation coordinator who will develop and implement the water management plan and prepare progress reports.

(12) Provide for the availability of water management services to water users. These services may include, but are not limited to, all of the following:

(A) On-farm irrigation and drainage system evaluations.

(B) Normal year and real-time irrigation scheduling and crop evapotranspiration information.

(C) Surface water, groundwater, and drainage water quantity and quality data.

(D) Agricultural water management educational programs and materials for farmers, staff, and the public.

(13) Evaluate the policies of agencies that provide the supplier with water to identify the potential for institutional changes to allow more flexible water deliveries and storage.

(14) Evaluate and improve the efficiencies of the supplier's pumps.

(d) Agricultural water suppliers shall include in the agricultural water management plans required pursuant to Part 2.8 (commencing with Section 10800) a report on which efficient water management practices have been implemented and are planned to be implemented, an estimate of the water use efficiency improvements that have occurred since the last report, and an estimate of the water use efficiency improvements estimated to occur five and 10 years in the future. If an agricultural water

supplier determines that an efficient water management practice is not locally cost effective or technically feasible, the supplier shall submit information documenting that determination.

(e) The department shall require information about the implementation of efficient water management practices to be reported using a standardized form developed pursuant to Section 10608.52.

(f) An agricultural water supplier may meet the requirements of subdivisions (d) and (e) by submitting to the department a water conservation plan submitted to the United States Bureau of Reclamation that meets the requirements described in Section 10828.

(g) On or before December 31, 2013, December 31, 2016, and December 31, 2021, the department, in consultation with the board, shall submit to the Legislature a report on the agricultural efficient water management practices that have been implemented and are planned to be implemented and an assessment of the manner in which the implementation of those efficient water management practices has affected and will affect agricultural operations, including estimated water use efficiency improvements, if any.

(h) The department may update the efficient water management practices required pursuant to subdivision (c), in consultation with the Agricultural Water Management Council, the United States Bureau of Reclamation, and the board. All efficient water management practices for agricultural water use pursuant to this chapter shall be adopted or revised by the department only after the department conducts public hearings to allow participation of the diverse geographical areas and interests of the state.

(i) (1) The department shall adopt regulations that provide for a range of options that agricultural water suppliers may use or implement to comply with the measurement requirement in paragraph (1) of subdivision (b).

(2) The initial adoption of a regulation authorized by this subdivision is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted for that purpose from the requirements of subdivision (b) of Section 11346.1 of the Government Code. After the initial adoption of an emergency regulation pursuant to this subdivision, the department shall not request approval from the Office of Administrative Law to readopt

the regulation as an emergency regulation pursuant to Section 11346.1 of the Government Code.

SEC. 7. Chapter 9 (commencing with Section 10609) is added to Part 2.55 of Division 6 of the Water Code, to read:

Chapter 9. Urban Water Use Objectives and Water Use Reporting

10609. (a) The Legislature finds and declares that this chapter establishes a method to estimate the aggregate amount of water that would have been delivered the previous year by an urban retail water supplier if all that water had been used efficiently. This estimated aggregate water use is the urban retail water supplier's urban water use objective. The method is based on water use efficiency standards and local service area characteristics for that year. By comparing the amount of water actually used in the previous year with the urban water use objective, local urban water suppliers will be in a better position to help eliminate unnecessary use of water; that is, water used in excess of that needed to accomplish the intended beneficial use.

(b) The Legislature further finds and declares all of the following:

(1) This chapter establishes standards and practices for the following water uses:

(A) Indoor residential use.

(B) Outdoor residential use.

(C) CII water use.

(D) Water losses.

(E) Other unique local uses and situations that can have a material effect on an urban water supplier's total water use.

(2) This chapter further does all of the following:

(A) Establishes a method to calculate each urban water use objective.

(B) Considers recycled water quality in establishing efficient irrigation standards.

(C) Requires the department to provide or otherwise identify data regarding the unique local conditions to support the calculation of an urban water use objective.

(D) Provides for the use of alternative sources of data if alternative sources are shown to be as accurate as, or more accurate than, the data provided by the department.

(E) Requires annual reporting of the previous year's water use with the urban water use objective.

(F) Provides a credit for the amount of potable recycled water used the previous year when comparing the previous year's water use with the urban water use objective, of up to 10 percent of the urban water use objective.

(3) This chapter requires the department and the board to solicit broad public participation from stakeholders and other interested persons in the development of the standards and the adoption of regulations pursuant to this chapter.

(4) This chapter preserves the Legislature's authority over long-term water use efficiency target setting and ensures appropriate legislative oversight of the implementation of this chapter by doing all of the following:

(A) Requiring the Legislative Analyst to conduct a review of the implementation of this act, including compliance with the adopted standards and regulations, accuracy of the data, use of alternate data, and other issues the Legislative Analyst deems appropriate.

(B) Stating legislative intent that the director of the department and the chairperson of the board appear before the appropriate Senate and Assembly policy committees to report on progress in implementing this chapter.

(C) Providing one-time-only authority to the department and board to adopt water use efficiency standards, except as explicitly provided in this chapter. Authorization to update the standards shall require separate legislation.

(c) It is the intent of the Legislature that the following principles apply to the development and implementation of long-term standards and urban water use objectives:

(1) Local urban retail water suppliers should have primary responsibility for meeting standards-based water use targets, and they shall retain the flexibility to develop their water supply portfolios, design and implement water conservation strategies, educate their customers, and enforce their rules.

(2) Long-term standards and urban water use objectives should advance the state's goals to mitigate and adapt to climate change.

(3) Long-term standards and urban water use objectives should acknowledge the shade, air quality, and heat-island reduction benefits provided to communities by trees through the support of water-efficient irrigation practices that keep trees healthy.

(4) The state should identify opportunities for streamlined reporting, eliminate redundant data submissions, and incentivize open access to data collected by urban and agricultural water suppliers.

10609.2. (a) The board, in coordination with the department, shall adopt long-term standards for the efficient use of water pursuant to this chapter on or before June 30, 2021.

(b) Standards shall be adopted for all of the following:

(1) Outdoor residential water use.

(2) Outdoor irrigation of landscape areas with dedicated irrigation meters in connection with CII water use.

(3) A volume for water loss.

(c) When adopting the standards under this section, the board shall consider the policies of this chapter and the proposed efficiency standards' effects on local wastewater management, developed and natural parklands, and urban tree health. The standards and potential effects shall be identified by May 30, 2021. The board shall allow for public comment on potential effects identified by the board under this subdivision.

~~(c)~~

(d) The long-term standards shall be set at a level designed so that together with the standard for indoor residential water use, the standards together would exceed the statewide conservation targets required pursuant to Chapter 3 (commencing with Section 10608.16).

~~(d)~~

(e) The board, in coordination with the department, may adopt by regulation variances recommended by the department pursuant to Section 10609.14 and guidelines and methodologies pertaining to the calculation of an urban retail water supplier's urban water use objective recommended by the department pursuant to Section 10609.16.

10609.4. (a) (1) Until January 1, 2025, the standard for indoor residential water use shall be 55 gallons per capita daily.

(2) Beginning January 1, 2025, and until January 1, 2030, the standard for indoor residential water use shall be 52.5 gallons per capita daily.

(3) Beginning January 1, 2030, the standard for indoor residential water use shall be 50 gallons per capita daily.

(b) The department, in coordination with the board, shall conduct necessary studies and investigations to jointly recommend to the Legislature a standard for indoor residential water use that more appropriately reflects best practices for indoor residential water use than the standard described in subdivision (a). A recommendation pursuant to this subdivision, if there is one, shall be made to the chairpersons of the relevant policy committees of each house of the Legislature by January 1, 2020, and shall include information necessary to support the recommended standard.

10609.6. (a) (1) The department, in coordination with the board, shall conduct necessary studies and investigations and recommend, no later than October 1, 2020, standards for outdoor residential use for adoption by the board in accordance with this chapter.

(2) (A) The standards shall incorporate the principles of the model water efficient landscape ordinance adopted by the department pursuant to the Water Conservation in Landscaping Act (Article 10.8 (commencing with Section 65591) of Chapter 3 of Division 1 of Title 7 of the Government Code).

(B) The standards shall apply to irrigable lands.

(C) The standards shall include provisions for swimming pools, spas, and other water features. Ornamental water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, shall be analyzed separately from swimming pools and spas.

(b) The department shall, by January 1, 2020, provide each urban retail water supplier with data regarding the area of residential irrigable lands in a manner that can reasonably be applied to the standards adopted pursuant to this section.

(c) The department shall not recommend standards pursuant to this section until it has conducted pilot projects or studies, or some combination of the two, to ensure that the data provided to local agencies are reasonably accurate for the data's intended uses, taking into consideration California's diverse landscapes and community characteristics.

10609.8. (a) The department, in coordination with the board, shall conduct necessary studies and investigations and recommend, no later than October 1, 2020, standards for outdoor irrigation of landscape areas with dedicated irrigation meters or other means of calculating outdoor irrigation use in connection with CII water use for adoption by the board in accordance with this chapter.

(b) The standards shall incorporate the principles of the model water efficient landscape ordinance adopted by the department pursuant to the Water Conservation in Landscaping Act (Article 10.8 (commencing with Section 65591) of Chapter 3 of Division 1 of Title 7 of the Government Code).

(c) The standards shall include an exclusion for water for commercial agricultural use meeting the definition of subdivision (b) of Section 51201 of the Government Code.

10609.10. (a) The department, in coordination with the board, shall conduct necessary studies and investigations and recommend, no later than October 1, 2020, performance measures for CII water use for adoption by the board in accordance with this chapter.

(b) Prior to recommending performance measures for CII water use, the department shall solicit broad public participation from stakeholders and other interested persons relating to all of the following:

(1) Recommendations for a CII water use classification system for California that address significant uses of water.

(2) Recommendations for setting minimum size thresholds for converting mixed CII meters to dedicated irrigation meters, and evaluation of, and recommendations for, technologies that could be used in lieu of requiring dedicated irrigation meters.

(3) Recommendations for CII water use best management practices, including, but not limited to, water audits and water management plans for those CII customers that exceed a recommended size, volume of water use, or other threshold.

(c) Recommendations of appropriate performance measures for CII water use shall consider the October 21, 2013, report to the Legislature by the Commercial, Industrial, and Institutional Task Force entitled “Water Use Best Management Practices,” and shall support the economic productivity of California’s commercial, industrial, and institutional sectors.

(d) (1) The board, in coordination with the department, shall adopt performance measures for CII water use on or before June 30, 2021.

(2) Each urban retail water supplier shall implement the performance measures adopted by the board pursuant to paragraph (1).

10609.12. The standards for water loss for urban retail water suppliers shall be the standards adopted by the board pursuant to subdivision (i) of Section 10608.34.

10609.14. (a) The department, in coordination with the board, shall conduct necessary studies and investigations and, no later than October 1, 2020, recommend for adoption by the board in accordance with this chapter appropriate variances for unique uses that can have a material effect on an urban retail water supplier's urban water use objective.

(b) Appropriate variances may include, but are not limited to, allowances for the following:

(1) Significant use of evaporative coolers.

(2) Significant populations of horses and other livestock.

(3) Significant fluctuations in seasonal populations.

(4) Significant landscaped areas irrigated with recycled water having high levels of total dissolved solids.

(5) Significant use of water for soil compaction and dust control.

(6) Significant use of water to supplement ponds and lakes to sustain wildlife.

(7) Significant use of water to irrigate vegetation for fire protection.

(8) Significant use of water for commercial or noncommercial agricultural use.

10609.16. The department, in coordination with the board, shall conduct necessary studies and investigations and recommend, no later than October 1, 2020, guidelines and methodologies for the board to adopt that identify how an urban retail water supplier calculates its urban water use objective. The guidelines and methodologies shall address, as necessary, all of the following:

(a) Determining the irrigable lands within the urban retail water supplier's service area.

(b) Updating and revising methodologies described pursuant to subparagraph (A) of paragraph (1) of subdivision (h) of Section

10608.20, as appropriate, including methodologies for calculating the population in an urban retail water supplier's service area.

(c) Using landscape area data provided by the department or alternative data.

(d) Incorporating precipitation data and climate data into estimates of a urban retail water supplier's outdoor irrigation budget for its urban water use objective.

(e) Estimating changes in outdoor landscape area and population, and calculating the urban water use objective, for years when updated landscape imagery is not available from the department.

(f) Determining acceptable levels of accuracy for the supporting data and the urban water use objective.

10609.18. The department and the board shall solicit broad public participation from stakeholders and other interested persons in the development of the standards and the adoption of regulations pursuant to this chapter. The board shall hold at least one public meeting before taking any action on any standard or variance recommended by the department.

SEC. 8. Chapter 10 (commencing with Section 10609.40) is added to Part 2.55 of Division 6 of the Water Code, to read:

Chapter 10. Countywide Drought and Water Shortage Contingency Plans

10609.40. The Legislature finds and declares both of the following:

(a) Small water suppliers and rural communities are not covered by established water shortage planning requirements. Currently, most counties do not address water shortages or do so minimally in their general plan or the local hazard mitigation plan.

(b) The state should provide guidance to improve drought planning for small water suppliers and rural communities.

10609.42. (a) No later than January 1, 2019, the department, in consultation with the board and other relevant state and local agencies and stakeholders, shall use available data to identify small water suppliers and rural communities that may be at risk of drought and water shortage vulnerability. The department shall notify counties and groundwater sustainability agencies of those suppliers or communities that may be at risk within its jurisdiction,

and may make the information publicly accessible on its Internet Web site.

(b) The department shall, in consultation with the board, by January 1, 2019, propose to the Governor and the Legislature recommendations and guidance relating to the development and implementation of countywide drought and water shortage contingency plans to address the planning needs of small water suppliers and rural communities. The department shall recommend how these plans can be included in county local hazard mitigation plans or otherwise integrated with complementary existing planning processes. The guidance from the department shall outline goals of the countywide drought and water shortage contingency plans and recommend components including, but not limited to, all of the following:

(1) Assessment of drought vulnerability.

(2) Actions to reduce drought vulnerability.

(3) Response, financing, and local communication and outreach planning efforts that may be implemented in times of drought.

(4) Data needs and reporting.

(5) Roles and responsibilities of interested parties and coordination with other relevant water management planning efforts.

(c) In formulating the proposal, the department shall utilize a public process involving state agencies, cities, counties, small communities, small water suppliers, and other stakeholders.

SEC. 9. Section 10801 of the Water Code is amended to read:

10801. The Legislature finds and declares all of the following:

(a) The waters of the state are a limited and renewable resource.

(b) The California Constitution requires that water in the state be used in a reasonable and beneficial manner.

(c) The efficient use of agricultural water supplies is of great statewide concern.

(d) There is a great amount of reuse of delivered water, both inside and outside the water service areas of agricultural water suppliers.

(e) Significant noncrop beneficial uses are associated with agricultural water use, including the preservation and enhancement of fish and wildlife resources.

(f) Significant opportunities exist in some areas, through improved irrigation water management, to conserve water or to reduce the quantity of highly saline or toxic drainage water.

(g) Changes in water management practices should be carefully planned and implemented to minimize adverse effects on other beneficial uses currently being served.

(h) Agricultural water suppliers that receive water from the federal Central Valley Project are required by federal law to prepare and implement water conservation plans.

(i) Agricultural water users applying for a permit to appropriate water from the board are required to prepare and implement water conservation plans.

SEC. 10. Section 10802 of the Water Code is amended to read:

10802. The Legislature finds and declares that all of the following are the policies of the state:

(a) The efficient use of water shall be pursued actively to protect both the people of the state and the state's water resources.

(b) The efficient use of agricultural water supplies shall be an important criterion in public decisions with regard to water.

(c) Agricultural water suppliers shall be required to prepare water management plans to achieve greater efficiency in the use of water.

SEC. 11. Section 10814 of the Water Code is amended to read:

10814. "Person" has the same meaning as defined in Section 10614.

SEC. 12. Section 10817 of the Water Code is amended to read:

10817. "Water use efficiency" means the efficient management of water resources for beneficial uses, preventing waste, or accomplishing additional benefits with the same amount of water.

SEC. 13. Section 10820 of the Water Code is amended to read:

10820. (a) (1) Except as provided in paragraph (2), an agricultural water supplier shall prepare and adopt an agricultural water management plan in the manner set forth in this chapter on or before December 31, 2012, and shall update that plan on December 31, 2015.

(2) (A) The agricultural water management plan shall be updated on or before April 1, 2021, and thereafter on or before April 1 in the years ending in six and one. The plan shall satisfy the requirements of Section 10826.

(B) An agricultural water supplier shall submit its plan to the department no later than 30 days after the adoption of the plan. The plan shall be submitted electronically and shall include any standardized forms, tables, or displays specified by the department.

(b) (1) The department shall review each plan that is due pursuant to paragraph (2) of subdivision (a). The department may coordinate its review with the Department of Food and Agriculture and the board.

(2) The department shall notify an agricultural water supplier that it is not in compliance with this part if the department determines that actions are required to comply with the requirements of this part or if a supplier fails to update a plan as provided in paragraph (2) of subdivision (a). The department shall identify the specific deficiencies and the supplier shall have 120 days to remedy an identified deficiency. The department may provide additional time to remedy a deficiency if it finds that a supplier is making substantial progress toward remedying the deficiency. An agricultural water supplier that fails to submit corrective actions or a completed plan shall not be in compliance with this part.

(3) If the department has not received a plan or the department has determined that the plan submitted does not comply with the requirements of this part, and a revised plan has not been submitted, the department may undertake the following actions:

(A) Contract with a state academic institution or qualified entity to prepare or complete an agricultural water management plan on behalf of the supplier. The costs and expenses related to preparation or completion of a plan, including the costs of the contract and contract administration, shall be recoverable by the department from the supplier.

(B) If a supplier does not provide data necessary for the preparation or completion of a plan to the department or the contracting entity as determined by the department in accordance with subparagraph (A), the department may assess a fine of one thousand dollars ($1,000) per day, not to exceed twenty-five thousand dollars ($25,000), until data is made available.

(4) (A) A plan prepared or completed pursuant to paragraph (3) shall be deemed the adopted plan for the supplier.

(B) Any action to challenge or invalidate the adequacy of the plan prepared or completed pursuant to paragraph (3) shall be brought against the supplier for whom the plan was prepared.

(c) Every supplier that becomes an agricultural water supplier after December 31, 2012, shall prepare and adopt an agricultural water management plan within one year after the date it has become an agricultural water supplier.

(d) A water supplier that indirectly provides water to customers for agricultural purposes shall not prepare a plan pursuant to this part without the consent of each agricultural water supplier that directly provides that water to its customers.

SEC. 14. Section 10825 of the Water Code is amended to read:

10825. (a) It is the intent of the Legislature in enacting this part to allow levels of water management planning commensurate with the numbers of customers served and the volume of water supplied.

(b) This part does not require the implementation of water use efficiency programs or practices that are not locally cost effective.

SEC. 15. Section 10826 of the Water Code is amended to read:

10826. An agricultural water management plan shall be adopted in accordance with this chapter. The plan shall do all of the following:

(a) Describe the agricultural water supplier and the service area, including all of the following:

(1) Size of the service area.

(2) Location of the service area and its water management facilities.

(3) Terrain and soils.

(4) Climate.

(5) Operating rules and regulations.

(6) Water delivery measurements or calculations.

(7) Water rate schedules and billing.

(8) Water shortage allocation policies.

(b) Describe the quantity and quality of water resources of the agricultural water supplier, including all of the following:

(1) Surface water supply.

(2) Groundwater supply.

(3) Other water supplies, including recycled water.

(4) Source water quality monitoring practices.

(5) Water uses within the agricultural water supplier's service area, including all of the following:

(A) Agricultural.

(B) Environmental.

(C) Recreational.

(D) Municipal and industrial.

(E) Groundwater recharge, including estimated flows from deep percolation from irrigation and seepage.

(c) Include an annual water budget based on the quantification of all inflow and outflow components for the service area of the agricultural water supplier. Components of inflow shall include surface inflow, groundwater pumping in the service area, and effective precipitation. Components of outflow shall include surface outflow, deep percolation, and evapotranspiration. An agricultural water supplier shall report the annual water budget on a water-year basis. The department shall provide tools and resources to assist agricultural water suppliers in developing and quantifying components necessary to develop a water budget.

(d) Include an analysis, based on available information, of the effect of climate change on future water supplies.

(e) Describe previous water management activities.

(f) Identify water management objectives based on the water budget to improve water system efficiency or to meet other water management objectives. The agricultural water supplier shall identify, prioritize, and implement actions to reduce water loss, improve water system management, and meet other water management objectives identified in the plan.

(g) Include in the plan information regarding efficient water management practices required pursuant to Section 10608.48.

(h) Quantify the efficiency of agricultural water use within the service area of the agricultural water supplier using the appropriate method or methods from among the four water use efficiency quantification methods developed by the department in the May 8, 2012, report to the Legislature entitled "A Proposed Methodology for Quantifying the Efficiency of Agricultural Water Use." The agricultural water supplier shall account for all water uses, including crop water use, agronomic water use, environmental water use, and recoverable surface flows.

SEC. 16. Section 10826.2 is added to the Water Code, to read:

10826.2. As part of its agricultural water management plan, each agricultural water supplier shall develop a drought plan for periods of limited water supply describing the actions of the agricultural water supplier for drought preparedness and management of water supplies and allocations during drought conditions. The drought plan shall contain both of the following:

(a) Resilience planning, including all of the following:

(1) Data, indicators, and information needed to determine the water supply availability and levels of drought severity.

(2) Analyses and identification of potential vulnerability to drought.

(3) A description of the opportunities and constraints for improving drought resilience planning, including all of the following:

(A) The availability of new technology or information.

(B) The ability of the agricultural water supplier to obtain or use additional water supplies during drought conditions.

(C) A description of other actions planned for implementation to improve drought resilience.

(b) Drought response planning, including all of the following:

(1) Policies and a process for declaring a water shortage and for implementing water shortage allocations and related response actions.

(2) Methods and procedures for the enforcement or appeal of, or exemption from, triggered shortage response actions.

(3) Methods and procedures for monitoring and evaluation of the effectiveness of the drought plan.

(4) Communication protocols and procedures to inform and coordinate customers, the public, interested parties, and local, regional, and state government.

(5) A description of the potential impacts on the revenues, financial condition, and planned expenditures of the agricultural water supplier during drought conditions that reduce water allocations, and proposed measures to overcome those impacts, including reserve-level policies.

SEC. 17. Section 10843 of the Water Code is amended to read:

10843. (a) An agricultural water supplier shall submit to the entities identified in subdivision (b) a copy of its plan no later than 30 days after review of the plan pursuant to subdivision (b) of Section 10820.

(b) An agricultural water supplier shall submit a copy of its plan to each of the following entities:

(1) The department.

(2) Any city, county, or city and county within which the agricultural water supplier provides water supplies.

(3) Any groundwater management entity within which jurisdiction the agricultural water supplier extracts or provides water supplies.

(4) The California State Library.

SEC. 18. Section 10845 of the Water Code is amended to read:

10845. (a) The department shall prepare and submit to the Legislature, on or before April 30, 2022, and thereafter in the years ending in seven and years ending in two, a report summarizing the status of the plans adopted pursuant to this part.

(b) The report prepared by the department shall identify the outstanding elements of any plan adopted pursuant to this part. The report shall include an evaluation of the effectiveness of this part in promoting efficient agricultural water management practices and recommendations relating to proposed changes to this part, as appropriate.

(c) The department shall provide a copy of the report to each agricultural water supplier that has submitted its plan to the department. The department shall also prepare reports and provide data for any legislative hearing designed to consider the effectiveness of plans submitted pursuant to this part.

(d) This section does not authorize the department, in preparing the report, to approve, disapprove, or critique individual plans submitted pursuant to this part.

SEC. 19. Section 10910 of the Water Code is amended to read:

10910. (a) Any city or county that determines that a project, as defined in Section 10912, is subject to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) under Section 21080 of the Public Resources Code shall comply with this part.

(b) The city or county, at the time that it determines whether an environmental impact report, a negative declaration, or a mitigated negative declaration is required for any project subject to the California Environmental Quality Act pursuant to Section 21080.1 of the Public Resources Code, shall identify any water system whose service area includes the project site and any water system

adjacent to the project site that is, or may become as a result of supplying water to the project identified pursuant to this subdivision, a public water system, as defined in Section 10912, that may supply water for the project. If the city or county is not able to identify any public water system that may supply water for the project, the city or county shall prepare the water assessment required by this part after consulting with any entity serving domestic water supplies whose service area includes the project site, the local agency formation commission, and any public water system adjacent to the project site.

(c) (1) The city or county, at the time it makes the determination required under Section 21080.1 of the Public Resources Code, shall request each public water system identified pursuant to subdivision (b) to determine whether the projected water demand associated with a proposed project was included as part of the most recently adopted urban water management plan adopted pursuant to Part 2.6 (commencing with Section 10610).

(2) If the projected water demand associated with the proposed project was accounted for in the most recently adopted urban water management plan, the public water system may incorporate the requested information from the urban water management plan in preparing the elements of the assessment required to comply with subdivisions (d), (e), (f), and (g).

(3) If the projected water demand associated with the proposed project was not accounted for in the most recently adopted urban water management plan, or the public water system has no urban water management plan, the water supply assessment for the project shall include a discussion with regard to whether the public water system's total projected water supplies available during normal, single dry, and multiple dry water years during a 20-year projection will meet the projected water demand associated with the proposed project, in addition to the public water system's existing and planned future uses, including agricultural and manufacturing uses.

(4) If the city or county is required to comply with this part pursuant to subdivision (b), the water supply assessment for the project shall include a discussion with regard to whether the total projected water supplies, determined to be available by the city or county for the project during normal, single dry, and multiple dry water years during a 20-year projection, will meet the projected water demand associated with the proposed project, in addition to

existing and planned future uses, including agricultural and manufacturing uses.

(d) (1) The assessment required by this section shall include an identification of any existing water supply entitlements, water rights, or water service contracts relevant to the identified water supply for the proposed project, and a description of the quantities of water received in prior years by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), under the existing water supply entitlements, water rights, or water service contracts.

(2) An identification of existing water supply entitlements, water rights, or water service contracts held by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), shall be demonstrated by providing information related to all of the following:

(A) Written contracts or other proof of entitlement to an identified water supply.

(B) Copies of a capital outlay program for financing the delivery of a water supply that has been adopted by the public water system.

(C) Federal, state, and local permits for construction of necessary infrastructure associated with delivering the water supply.

(D) Any necessary regulatory approvals that are required in order to be able to convey or deliver the water supply.

(e) If no water has been received in prior years by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), under the existing water supply entitlements, water rights, or water service contracts, the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), shall also include in its water supply assessment pursuant to subdivision (c), an identification of the other public water systems or water service contractholders that receive a water supply or have existing water supply entitlements, water rights, or water service contracts, to the same source of water as the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), has identified as a source of water supply within its water supply assessments.

(f) If a water supply for a proposed project includes groundwater, the following additional information shall be included in the water supply assessment:

(1) A review of any information contained in the urban water management plan relevant to the identified water supply for the proposed project.

(2) (A) A description of any groundwater basin or basins from which the proposed project will be supplied.

(B) For those basins for which a court or the board has adjudicated the rights to pump groundwater, a copy of the order or decree adopted by the court or the board and a description of the amount of groundwater the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), has the legal right to pump under the order or decree.

(C) For a basin that has not been adjudicated that is a basin designated as high- or medium-priority pursuant to Section 10722.4, information regarding the following:

(i) Whether the department has identified the basin as being subject to critical conditions of overdraft pursuant to Section 12924.

(ii) If a groundwater sustainability agency has adopted a groundwater sustainability plan or has an approved alternative, a copy of that alternative or plan.

(D) For a basin that has not been adjudicated that is a basin designated as low- or very low priority pursuant to Section 10722.4, information as to whether the department has identified the basin or basins as overdrafted or has projected that the basin will become overdrafted if present management conditions continue, in the most current bulletin of the department that characterizes the condition of the groundwater basin, and a detailed description by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), of the efforts being undertaken in the basin or basins to eliminate the long-term overdraft condition.

(3) A detailed description and analysis of the amount and location of groundwater pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), for the past five years from any groundwater basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

(4) A detailed description and analysis of the amount and location of groundwater that is projected to be pumped by the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), from any basin from which the proposed project will be supplied. The description and analysis shall be based on information that is reasonably available, including, but not limited to, historic use records.

(5) An analysis of the sufficiency of the groundwater from the basin or basins from which the proposed project will be supplied to meet the projected water demand associated with the proposed project. A water supply assessment shall not be required to include the information required by this paragraph if the public water system determines, as part of the review required by paragraph (1), that the sufficiency of groundwater necessary to meet the initial and projected water demand associated with the project was addressed in the description and analysis required by subparagraph (D) of paragraph (4) of subdivision (b) of Section 10631.

(g) (1) Subject to paragraph (2), the governing body of each public water system shall submit the assessment to the city or county not later than 90 days from the date on which the request was received. The governing body of each public water system, or the city or county if either is required to comply with this act pursuant to subdivision (b), shall approve the assessment prepared pursuant to this section at a regular or special meeting.

(2) Prior to the expiration of the 90-day period, if the public water system intends to request an extension of time to prepare and adopt the assessment, the public water system shall meet with the city or county to request an extension of time, which shall not exceed 30 days, to prepare and adopt the assessment.

(3) If the public water system fails to request an extension of time, or fails to submit the assessment notwithstanding the extension of time granted pursuant to paragraph (2), the city or county may seek a writ of mandamus to compel the governing body of the public water system to comply with the requirements of this part relating to the submission of the water supply assessment.

(h) Notwithstanding any other provision of this part, if a project has been the subject of a water supply assessment that complies with the requirements of this part, no additional water supply assessment shall be required for subsequent projects that were part

of a larger project for which a water supply assessment was completed and that has complied with the requirements of this part and for which the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), has concluded that its water supplies are sufficient to meet the projected water demand associated with the proposed project, in addition to the existing and planned future uses, including, but not limited to, agricultural and industrial uses, unless one or more of the following changes occurs:

(1) Changes in the project that result in a substantial increase in water demand for the project.

(2) Changes in the circumstances or conditions substantially affecting the ability of the public water system, or the city or county if either is required to comply with this part pursuant to subdivision (b), to provide a sufficient supply of water for the project.

(3) Significant new information becomes available that was not known and could not have been known at the time when the assessment was prepared.

(i) For the purposes of this section, hauled water is not considered as a source of water.

SEC. 20. This act shall become operative only if Senate Bill 606 of the 2017–18 Regular Session is enacted and becomes effective.

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SENATE COMMITTEE ON NATURAL RESOURCES AND WATER
Senator Robert Hertzberg, Chair
2017 - 2018 Regular

Bill No:	AB 1668	**Hearing Date:**	August 31, 2017
Author:	Friedman		
Version:	August 29, 2017		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Dennis O'Connor		

Subject: Water management planning

Existing Law:

1) Article X, Section 2, of the California Constitution declares "that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented …"

2) One of the bills in the 2009 water package was SBX7 7 (Steinberg). That bill, sometimes known as the 20X2020 bill, requires the state to achieve 20% reduction in urban per capita water use by December 31, 2020. The bill provided four methods for urban water suppliers to meet the 20% reduction goal. Urban water suppliers were to report their progress in meeting the goal in their 2015 urban water management plans (UWMPs).

   SBX7 7 (Steinberg) also required agricultural water suppliers that provide water to 10,000 or more irrigated acres to adopt a volumetric water pricing system and to implement locally cost effective and technically feasible water use efficiency measures, as specified.

3) The Urban Water Management Act requires urban water suppliers to produce an urban water management plan (UWMP) in years ending in 0 and 5 (except for 2015, where the deadline was extended to July 1, 2016). Among other requirements, urban water management plans are to describe and evaluate sources of supply, reasonable and practical efficient uses, reclamation, and demand management activities. Plans are also to include a water shortage contingency analysis, and a strategy and time schedule for implementation of the plan. An urban water supplier that does not prepare, adopt, and submit its urban water management plan to the Department of Water Resources (DWR) is ineligible to receive funding from Proposition 204 (1996) or Proposition 13 (2000).

4) The Agricultural Water Management Act requires agricultural water suppliers with over 10,000 irrigated acres of land to produce an agricultural water management plan (AWMP) in years ending in 0 and 5. Agricultural water suppliers that provide water to less than 25,000 irrigated acres are exempt unless sufficient funding has specifically been provided to that water supplier for these purposes. Among other requirements, agricultural water management plans are required to describe and evaluate sources of supply, evaluate various efficient water management practices as specified in SBX7 7, and include a time schedule for implementation of the plan.

An agricultural water supplier is not eligible for a water grant or loan awarded or administered by the state unless the supplier complies with this act.

Background:

1) In May of 2016 Governor Edmund G. Brown Jr. signed Executive Order (B-37-16) (EO) that updated the drought emergency declaration, and directed state agencies to take specific additional actions designed to make water conservation a California way of life.

2) Beginning in June 2016, the administration had a series of meetings and workshops with key interest groups to develop specific proposals for implementing the EO. In April 2017, the administration released a report titled "Making Water Conservation a California Way of Life: Implementing Executive Order B-37-16." That report, often referred to as "the framework," made specific recommendations for long-term improvements to water supply management that support water conservation.

   Also in April 2017, the administration released trailer bill language that purported to make the changes in law necessary to implement the recommendations in the framework. Ultimately, neither the Senate nor Assembly budget committees approved that language. However, the language in the trailer bill was subsequently amended into AB 1667 (Friedman) on July 3, 2017.

3) On July 11, 2017, this committee had a special order of business to hear four bills related to the administration's proposed framework. These were AB 1323 (Weber), AB 1654 (Rubio), AB 1667 (Friedman), and AB 1668 (Friedman). The committee heard presentations from the administration and three authors on their objectives for their proposals. The chair then laid out a process for harmonizing the interests of the Senate, Assembly, administration, and the various interest groups.

   At the Chair's direction, the committee heard public testimony on perspectives on the different proposals; he was not looking for support or opposition, but instead searching for insights. The chair also was concerned that some important issues might "fall through the cracks," so he asked interest groups to send a letter to this committee and the chair of the Assembly Water Parks and Wildlife Committee listing their concerns. This committee then passed AB 1323 (Weber), stripped AB 1654 (Rubio) and AB 1668 (Friedman) to intent language, and held AB 1667 (Friedman) in committee without prejudice. During the summer break, staff from this committee, the Assembly Water Parks and Wildlife Committee, and the authors' offices worked with the administration and the various interest groups to develop an ultimate package which is now back to committee.

PROPOSED LAW

This bill would:

1) Establish urban water use objectives and water use reporting requirements, including:

a) Establish in statute an initial standard of 55 of gallons per capita daily (gpcd) for indoor residential water use. Beginning January 1, 2025, the standard would become 50 gpcd.

b) Require DWR to recommend, and the State Water Resources Control Board (board) to adopt, long-term standards for outdoor residential water use and commercial, industrial, and institutional (CII) landscape areas with dedicated irrigation meters that incorporate the relevant principles of the model water efficient landscape ordinance by May 20, 2021.

c) Require DWR, by January 1, 2020, to provide each urban retail water supplier with data regarding the area of residential irrigable lands in a manner that can reasonably be applied to the standards adopted pursuant to this section.

d) Require DWR, prior to recommending standards for outdoor residential water use, to conduct pilot projects or studies, or some combination of the two, to ensure that the data provided to local agencies are reasonably accurate for the data's intended uses.

e) Require DWR to recommend and the board to adopt performance measures for CII water use. The performance measures shall not include process water.

f) Require an urban water supplier to calculate an urban water use objective for the previous calendar year by July 1 of each year, beginning July 1, 2022.

g) Provide a credit for recycled water that starts at 10 percent of the urban water supplier's water use objective and declines one percentage point a year until it reaches 0 percent in 2031.

h) Authorizes an urban retail water supplier to use alternative data in calculating the urban water use objective if the water supplier demonstrates to DWR that the alternative data are equivalent, or superior, in quality and accuracy to the data provided by the department.

i) Require an urban water supplier to submit an annual report to DWR that reports the urban water use objective and actual water use by July 1 of each year.

j) Authorize the board to issue information orders, written notices, and conservation orders to an urban water supplier that does not meet its water use objective. Conservation orders are prohibited from curtailing or otherwise limiting the supplier's exercise of water rights.

k) Authorize the board, after July 1, 2026, to impose fines for violating regulations adopted to implement these provisions. The fines may be up to $1,000 for each day in which the violation occurs, unless the violation occurs during a critical water year of a multi-year drought or a governor declared drought emergency, in which case the fine could go to $10,000 per day of violation.

l) Authorize the board to issue a regulation or informational order requiring a wholesale water supplier, and urban retail water supplier, or distributor of a public water supply to submit information relating to water production, water use, or water conservation.

m) Require the Legislative Analyst's Office, by January 10, 2023, to evaluate and report to the Legislature on the implementation of the urban water conservation standards and water use reporting established by this bill.

n) State the Legislature's intent that the chair of the board and director of DWR, on or about January 1, 2025, appear before the appropriate policy committees of both houses and report on the implementation of urban water conservation standards and water use reporting established by this bill.

2) Revise Urban Water Management Planning, including:

a) Require UWMPs to include a simple lay description of the reliability of its water supplies, the agency's strategy for meeting its water needs, and other information necessary to provide a general understanding of the agency's plan.

b) Require UWMPs to contain a drought risk assessment that examines water shortage risks for a drought lasting the next 5 or more consecutive years.

c) Require an urban water supplier to prepare, adopt, and periodically review a water shortage contingency plan as part of its UWMP.

d) Require a water shortage contingency plan to include, among other things, annual water budget forecast procedures, standard water shortage levels, shortage response actions, and communication protocols and procedures.

e) Require, as a part of the shortage contingency plan, a determination of the reliability of each source of supply under a variety of water shortage conditions. This may include a determination that a particular source of water supply is fully reliable under most, if not all, conditions.

f) Require an urban water supplier to make the water shortage contingency plan available to its customers and any city or county within which it provides water supplies no later than 30 days after adoption.

g) Require an urban water supplier to conduct a water supply and demand assessment and provide that information to DWR with information for anticipated shortage, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with the supplier's water shortage contingency plan each May.

h) Require the DWR to prepare and submit to the board, by June 1 of each year, a report summarizing the submitted water supply and demand assessment results along with appropriate reported water shortage conditions developed by DWR and information regarding various shortage response actions implemented as a result of water budget forecast assessments, as prescribed, for the board to determine if noncompliance enforcement is necessary.

i) Make other changes regarding UWMPs to also apply to water shortage contingency plans.

j) Revise the funding restrictions on non-compliant water agencies to match that which applies to AWMPs.

k) Require, instead of authorize, the governing body of a distributor of a public water supply to declare a water shortage emergency condition to prevail within the area served by the distributor whenever it finds and determines that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be insufficient water for human consumption, sanitation, and fire protection.

3) Revise Agricultural Water Management Planning, including:
   a) Require AWMPs to quantify measures to increase the efficiency of agricultural water use efficiency, include an annual water budget, describe the agricultural water supplier's water management strategy with specified elements, and include a drought plan describing the actions of the agricultural water supplier for drought preparedness and management of water supplies and allocations during drought conditions.
   b) Require DWR to provide tools and resources to assist an agricultural water supplier in developing and quantifying components necessary to develop a water budget.
   c) Require DWR to submit its report summarizing and evaluating AWMPs to the Legislature on or before April 30 in years ending in 7 and in years ending in 2.

4) Include other miscellaneous provisions, including:
   a) Require agricultural water suppliers to submit their annual report that summarizes aggregated farm-gate delivery data to DWR by April 1 of each year, and to be organized by groundwater basin.
   b) Require DWR, by January 1, 2019, and in consultation with the state board and other relevant state and local agencies and stakeholders, to identify small water suppliers and rural communities that may be at risk of drought and water shortage vulnerability.
   c) Require DWR to propose to the Governor and the Legislature, by January 1, 2019, recommendations and guidance regarding the development and use of countywide drought contingency plans to address drought planning for small water suppliers and rural communities.

5) Add and revise findings and declarations and statements of legislative intent regarding a number of issues, including:
   a) The purpose and content of the new chapter on urban water use objectives and water use reporting.
   b) The principles that shall apply to the development and implementation of long-term standards and urban water use objectives.
   c) That local urban water suppliers should have primary responsibility for meeting standards-based water use targets, and they shall retain the flexibility to develop their water supply portfolios, design and implement water conservation strategies, educate their customers, and enforce their rules.
   d) The need for countywide drought and water shortage contingency plans.
   e) That energy use is only one factor in water supply planning and shall not be considered independently of other factors.
   f) That, upon proclamation by the Governor of a state of emergency based on drought conditions, the board shall defer to implementation of locally adopted water shortage contingency plans to the extent practicable.

ARGUMENTS IN SUPPORT

According to the author, "Water powers California's economy, sustains our communities, and nourishes our environment. But we can no longer take it for granted. California's water supply is under intense pressure from climate change, increasing population and aging infrastructure. The financial demands from communities around the state for additional water and wastewater infrastructure currently exceed the available state and federal budgetary resources. Thus, it is essential that all California communities use existing water supplies as efficiently as possible."

"California needs a new framework for water use efficiency standards that is fair and flexible and addresses each of the concerns expressed by water suppliers regarding the state's previous conservation efforts. The new standards should recognize that each community has unique water needs and savings potential, but require everyone to do their part to ensure there is enough water to go around. AB 1668 provides the State Water Resources Control Board with one time authority to establish long-term standards for 2026 urban water management plans."

"During the past five years of unprecedented drought, it became clear that requirements under the existing urban water management plans were not adequate to deal with the longer and more intense droughts that California is experiencing. AB 1668 updates and revises the requirements for urban water management plans. It standardizes these plans to be more effective in responding to shortages in a timely manner, communicating conservation strategies and goals to customers, and mitigating impacts to financial stability."

"Although agricultural water management regulations have been in effect for nearly a decade, compliance has been poor. AB 1668 modernizes the reporting process by adopting standard formats and electronic filing of plans and reports, requiring the addition of a drought plan that includes a resilience plan and a response plan and improves accountability for existing water conservation and planning practices."

ARGUMENTS IN OPPOSITION

A coalition comprised largely of water agencies are "Oppose Unless Amended." They acknowledge that AB 1668 includes several provisions consistent with the framework and its objectives of establishing new water use targets for urban retail water suppliers and enhancing drought planning, preparation, and reporting requirements. Nonetheless, they state that they remain far apart on several fundamental policy issues.

Those issues that were not at least partly addressed in the amendments of 8/29/17 include:

- AB 1668 provides only a limited and temporary credit for potable reuse. This provision does not adequately protect and encourage investments in recycled water and potable reuse. AB 1668 should be amended to provide full credit for potable reuse.
- AB 1668 includes a one-time requirement for the Department of Water Resources to provide limited elements of the data needed for water suppliers to calculate the required annual water use objective. For urban water suppliers to be able to

calculate the water use objective annually, as required by AB 1668, suppliers will need regularly updated data. AB 1668 should be amended to either remove the annual reporting requirement or ensure that water suppliers will be provided with the resources necessary to calculate accurate water use objectives.

- AB 1668 grants state agencies the discretion to decide whether to adopt variances from standards. AB 1668 should be amended to require the establishment of variances and implementation processes that account for unique local conditions as well as technical, economic, and administrative feasibility.
- AB 1668 grants state agencies expansive new enforcement powers, including the ability to require water suppliers to take punitive enforcement actions on their customers and the authority to deny state grant and loan funds for failure to meet an undefined standard of "compliance." AB 1668 should be amended to shift the emphasis away from providing new punitive enforcement authorities to state agencies and toward technical assistance and information-sharing, along with appropriate authorities to ensure that reporting, planning and other requirements are satisfied.

COMMENTS

Language Developed With Much Stakeholder Input. In response to the chair's request for letters to ensure no issues fall through the cracks, this committee received letters listing signatures from 225 organizations raising 115 separate comments. (This is in addition to the letters from a similar number of organizations received in support or opposition to AB 1323 (Weber), AB 1654 (Rubio), AB 1667 (Friedman), and AB 1668 (Friedman) for our 7/11/17 hearing.) There was strong agreement on some issues, such as the need to protect water rights and opposition to authorizing the board to issue cease and desist orders. Other issues, such as the need for and calculation of a credit for recycled water, revealed an extensive range of perspectives.

Staff also held a number of meetings with key interest groups seeking feedback on various options for resolving different issues, including one meeting open to all interested parties that was attended by approximately 70-75 individuals.

This bill reflects the input from all those efforts.

Focus Now Solely On Efficiency, Not Conservation. There was much concern expressed regarding earlier bills that these bills were going to require reductions in potable or recycled water sales. Much of this concern stemmed from the use of the term "urban water use targets," which the current water code defines in §10608.12(q) as "the urban retail water supplier's targeted future daily per capita water use."

This bill dropped the use of urban water use targets. Instead, it establishes an "urban water use objective," which the new §10608.12(s) defines as "an estimate of aggregate efficient water use for the previous year based on adopted water use efficiency standards and local service area characteristics for that year, as described in Section 10609.20."

The focus of this bill is now on efficient water use, not water conservation. Conforming changes were made throughout the bill.

Locals Now Clear Decision Makers. As noted above, the bill makes clear that local urban water suppliers have primary responsibility for meeting standards-based water use targets, and they shall retain the flexibility to develop their water supply portfolios, design and implement water conservation strategies, educate their customers, and enforce their rules.

Among the many provisions changed from earlier bills is the deletion of a requirement that urban water suppliers declare a water shortage emergency at a stage 4 water shortage. The bill also now makes clear that water agencies have the authority to determine of the reliability of each source of supply under a variety of water shortage conditions. This may include a determination that a particular source of water supply is fully reliable under most, if not all, conditions. Also, upon proclamation by the Governor of a state of emergency based on drought conditions, the board is to defer to implementation of locally adopted water shortage contingency plans to the extent practicable.

Role Of The Legislature. This bill preserves the Legislature's authority over long-term water use efficiency target setting and ensures appropriate legislative oversight of the implementation of this chapter by doing all of the following:

- Sets the standard for indoor residential water use in statute.
- Requires the water loss standard to be the same as that required by SB 555 (Wolk).
- Ties the irrigation standards to the Model Water Efficient Landscape Ordinance (MWELO).
- Requires the Legislative Analyst to conduct a review of the implementation of this act, including compliance with the adopted standards and regulations, accuracy of the data, use of alternate data, and other issues the Legislative Analyst deems appropriate.
- State legislative intent that the director of the department and the chairperson of the board appear before the appropriate Senate and Assembly policy committees to report on progress in implementing this chapter.
- Providing one-time-only authority to the department and board to adopt water use efficiency standards, except as explicitly provided in this chapter. Authorization to update the standards shall require separate legislation.

Outdoor Residential Water Use. There have been a lot of concerns raised with the data required to support establishing a water agency's urban water use objective for outdoor residential water use. This bill addresses those concerns as follows:

- DWR is required, by January 1, 2020, to provide each urban retail water supplier with data regarding the area of residential irrigable lands in a manner that can reasonably be applied to the standards adopted pursuant to this section.
- An urban retail water supplier may use alternative data in calculating the urban water use objective if the supplier demonstrates to DWR that the alternative data are equivalent, or superior, in quality and accuracy to the data provided by DWR.
- DWR is further prevented from recommending standards pursuant to this section until it has conducted pilot projects or studies, or some combination of the two, to

ensure that the data provided to local agencies are reasonably accurate for the data's intended uses.

Water Rights Protections. A number of concerns have also been raised about the potential for earlier bills to encroach on water rights. This bill addresses those issues as follows:

- It explicitly states that nothing regarding the establishment and implementation of the urban water use objectives shall be construed to determine or alter water rights. Sections 1010 and 1011 apply to water conserved through implementation of these objectives.
- It also provides that a conservation order issued by the board in accordance with these provisions shall not curtail or otherwise limit the exercise of water rights.

No Cease and Desist. Virtually every water agency and business interest that sent a letter to this committee in response to the chair's request at the 7/11/17 hearing raised objections to providing the board cease and desist authority in enforcing the urban water use objectives. The committee received not one letter arguing in support of granting the board such authority. This bill does not grant the board cease and desist authority.

Recycled Water. There have been numerous, often conflicting, comments on how recycled water should be treated in establishing urban water use objectives. Among the issues raised was a concern that the bills may require the use of less recycled water, especially during periods of drought. This bill addresses that and other concerns about recycled water as follows:

- The bill no longer focuses on water conservation. Instead, its focus is on the efficient use of all water resources, including recycled water.
- Standards for outdoor irrigation of landscape areas with dedicated irrigation meters in connection with CII water use is based on MWELO – that is, it must be efficient per MWELO. However, there is also a provision for the adoption of variances for significant landscaped areas irrigated with recycled water having high levels of total dissolved solids.
- All other CII use of recycled water is excluded from the calculation of the urban water use objective.
- There is no water loss standard for non-potable water, including recycled water. It is excluded from the calculation of the urban water use objective.
- The calculation of a credit for recycled water use is initially 10% of the urban water use objective, reducing 1 percentage point a year for 10 years. That is, water use may (initially) be less than efficient by up to 10%.
- The drought risk assessments now require urban water agencies to determine the reliability of each source of supply under a variety of water shortage conditions. This may include a determination that a particular source of water supply, such as recycled water, is fully reliable under most, if not all, conditions.
- Water shortage contingency plans are to be based on the drought risk assessments, including the reliability of each source of supply. The bill states the intent of the Legislature that, upon proclamation by the Governor of a state of emergency based

on drought conditions, the board defer to implementation of locally adopted water shortage contingency plans to the extent practicable.

That said, staff understands the author intends to amend the bill at its next opportunity to change the calculation of the credit as follows:

- A supplier shall receive a credit for the volume of its potable water reuse, on an acre-foot basis, to meet its objective.
- In no case shall a credit exceed ten percent of the supplier's water use objective.

Related Bills:

AB 869 (Rubio) – recently amended to require long-term standards for urban water conservation and water use to include a credit equal to the volume of potable water reuse. In this committee as a 2-year bill.

AB 968 (Rubio) – would establish new 2025 water use efficiency requirements for urban retail water suppliers. Held in Assembly Appropriations Committee.

AB 1323 (Weber) – if a statute is not chaptered in the 2017–18 Regular Session that establishes water conservation targets and long-term drought contingency planning for urban water suppliers, this bill would require DWR to convene a stakeholder workgroup by February 1, 2018, to recommend new water use targets for urban water suppliers. In Senate Appropriations Committee on Suspense File.

AB 1654 (Rubio) – stripped to intent language by this committee on 7/11/17. In Senate Rules Committee.

AB 1667 (Friedman) – would require the board to adopt long-term standards for urban water conservation and water use by May 20, 2021; would revise the provisions governing urban water management plans; and would revise the provisions governing agricultural water management plans. Heard and held in this committee on 7/11/17.

AB 1669 (Friedman) – would require the board to adopt long-term standards for urban water conservation and water use by May 20, 2021. Held in Assembly Appropriations Committee.

SB 606 (Skinner & Hertzberg) – language is identical to this bill. In Assembly Appropriations Committee.

Where Are The Supporters? There are a number of groups with "Support if Amended" positions that are reviewing the amendments of 8/29/17 to see if those amendments address their issues. Staff expects that at least some of those groups will revise their positions to "Support." Organizations that currently have a support if amended position are:

California Coastkeeper Alliance
Ca. League of Conservation Voters
CERES
City of Roseville
City of Sacramento
Climate Resolve
Community Water Center
Metropolitan Water District of So. Cal.
Natural Resources Defense Council
Pacific Institute
Placer County Water Authority

Chaptering Issues. This bill contains the same language as SB 606. Should both bills pass to the floor, chaptering amendments will be necessary.

SUGGESTED AMENDMENTS: None

SUPPORT:
East Bay Municipal Utility District

OPPOSITION:
Alameda County Water District
Association of California Water Agencies
Bay Area Water Supply & Conservation Agency
Bella Vista Water District
Calaveras County Water District
CalDesal
California Municipal Utilities Association
California Special Districts Association
California Water Association
Calleguas Municipal Water District
Citrus Heights Water District
City of Fairfield
City of Poway
City of Yuba City
County of Sacramento
Cucamonga Valley Water District
Desert Water Agency
Dublin San Ramon Services District
Eastern Municipal Water District
El Dorado Irrigation District
Elk Grove Water District
Elsinore Valley Municipal Water District
Humboldt Bay Municipal Water District
Irvine Ranch Water District
Laguna Beach County Water District
Mesa Water District
Mountain Counties Water Resources Assoc.
Olivenhain Municipal Water District
Orange County Water District
Otay Water District
Padre Dam Municipal Water District
Placer County Water Agency
City of Redding
Regional Water Authority
Rincon Del Diablo Municipal Water District
Rowland Water District
Rural County Representatives of California
Sacramento Suburban Water District
San Diego County Water Authority
San Francisco Public Utilities Commission
San Juan Water District
Santa Margarita Water District
Sierra Club California
Three Valleys Municipal Water District
Tuolumne Utilities District
Valley Center Municipal Water District
Western Municipal Water District

-- END --

STORMWATER COMPLIANCE LEGISLATION (MS4 PERMITS)

San Gabriel Valley Council of Governments (SGVCOG)
Diana Mahmud
Council Member, City of South Pasadena
Chair, Water Policy Committee, SGVCOG

MS4 Costs: LA County $20 billion
SGV $6 billion

Prjected EWMP/WMP MS4 Costs							
City/Agency	**Total**	**City/Agency**	**Total**	**City/Agency**	**Total**	**City/Agency**	**Total**
Agoura Hills	$113,336,905	Downey	$41,851,237	Lomita	$58,456,951	San Dimas	$150,833,214
Alhambra	$167,650,000	Duarte	$172,160,698	Long Beach	$235,120,990	San Fernando	$30,450,000
Arcadia	$407,986,602	El Monte	N/A	Los Angeles City	$8,758,005,653	San Gabriel	$83,720,000
Artesia	$840,000	El Segundo	$41,912,644	Los Angeles County	$2,671,286,769	San Marino	$50,890,000
Azusa	$332,232,746	Gardena	N/A	Lynwood	$34,770,000	Santa Clarita	$499,000,000
Baldwin Park	$194,616,000	Glendale	$304,140,000	Malibu	$20,100,000	Santa Fe Springs	$4,900,000
Bell	$49,000,000	Glendora	$233,338,000	Manhattan Beach	$45,600,000	Santa Monica	$276,860,000
Bell Gardens	$41,900,000	Hawaiian Gardens	$1,540,000	Maywood	$30,900,000	Sierra Madre	$30,478,919
Bellflower	$70,149,037	Hawthorne	$192,370,775	Monrovia	$261,638,275	Signal Hill	$24,091,899
Beverly Hills	$169,350,000	Hermosa Beach	$45,200,000	Montebello	$141,470,000	South El Monte	$82,210,000
Bradbury	$67,056,839	Hidden Hills	$12,418,049	Monterey Park	$131,630,000	South Gate	$61,200,000
Burbank	$253,900,000	Huntington Park	$49,600,000	Norwalk	$3,600,000	South Pasadena	$35,190,000
Calabasas	$166,866,306	Industry	$476,261,000	Palos Verdes Estates	$5,000,000	Temple City	$51,030,000
Carson	N/A	Inglewood	$197,193,651	Paramount	$58,755,896	Torrance	$15,134,000
Cerritos	$5,897,449	Irwindale	N/A	Pasadena	$247,850,000	Vernon	$35,700,000
Claremont	$101,268,635	La Canada Flintridge	$76,500,000	Pico Rivera	$22,600,000	Walnut	N/A
Commerce	$52,000,000	La Habra Heights	N/A	Pomona	$243,543,937	West Covina	$380,459,000
Compton	N/A	La Mirada	$5,500,000	Rancho Palos Verdes	$55,800,000	West Hollywood	$98,660,000
Covina	$156,413,000	La Puente	$136,827,000	Redondo Beach	$56,000,000	Westlake Village	$52,918,491
Cudahy	$31,000,000	La Verne	$150,833,214	Rolling Hills	N/A	Whittier	$14,700,000
Culver City	$220,434,605	Lakewood	$97,535,992	Rolling Hills Estates	$50,500,000	**Total**	**$20,068,404,378**
Diamond Bar	$6,400,000	Lawndale	N/A	Rosemead	$113,870,000		

SGVCOG 2017 MS4 Accomplishments

- Adopted Stormwater Policy
- Outreached to:
  - *Regulatory Agencies: the LA Regional Board, EPA*
  - *Legislators: state and federal representatives, city councils*
  - *Regional Groups: other COGs, the League of CA Cities, Stormwater Funding Steering Committee*
  - *Local Agencies: LA County Board of Supervisors, Department of Public Works*
  - *Stakeholders: environmental groups*
- With Stormwater Funding group, drafted and introduced four bills

2017 Stormwater Legislation

SGVCOG

- SB 541 (Allen) – recommends best design practices for water capture at public school facilities
- SB 589 (Hernandez) – adopts Financial Capability Assessment (FCA) analysis as a component of MS4 permits
- SB 633 (Portantino) – considers opportunities to convey stormwater to a regional site for capture and infiltration when determining past and probable future beneficial uses of water
- AB 1180 (Holden) – as originally drafted, created a $1.50 tire fee to address stormwater pollution due to zinc oxide, a tire component

SGVCOG 2018 MS4 Objectives

- Continue engaging stakeholders to build consensus for regional solutions to stormwater capture
- Revise LA's Basin Plan to facilitate stormwater capture and infiltration through regional facilities
- Clarify MS4 permit uncertainty regarding unfunded state mandates cases
- Confirm scientific basis for TMDL standards
- Move existing bills and introduce additional legislation to address outstanding issues
- Pursue stormwater project funding

SGVCOG 2018 Legislative Agenda

- SB 589 (Hernandez) – move this bill out of Sen. Appropriations
- SB 633 (Portantino) – move this bill out of Sen. Appropriations
- Source Control –address source control of stormwater pollutants such as zinc oxide in tires
  - *SB 346 (Kehoe, Ch. 307, Stat. 2010) prohibited the sale of brake pads containing more than trace amounts of copper*
- Create a Municipal Ombudsman at SWRCB and each Regional Board (exists for small business)
- Require Regional Board appointees to have expertise in water issues (similar to SWRCB)
- Municipal Liability – address potential municipal liability for groundwater contamination due to stormwater infiltration, or failure of infiltration to achieve water quality standards as provided through MS4

DEPARTMENT OF DEFENSE

Department of the Army, Corps of Engineers

33 CFR Part 328

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 110, 112, 116, 117, 122, 232, 300, 302, and 401

[EPA–HQ–OW–2017–0480; FRL–9966–99–OW]

Definition of "Waters of the United States"—Schedule of Public Meetings

AGENCY: Department of the Army; and Environmental Protection Agency (EPA).

ACTION: Announcement of public meeting dates.

SUMMARY: The Environmental Protection Agency (EPA) and the U.S. Department of the Army (the agencies) will hold ten teleconferences to hear from stakeholders their recommendations to revise the definition of "Waters of the United States" under the Clean Water Act (CWA). Nine of the teleconferences will be tailored to a specific sector, *i.e.*, agriculture (row crop, livestock, silviculture); conservation (hunters and anglers); small entities (small businesses, small organizations, small jurisdictions); construction and transportation; environment and public advocacy (including health and environmental justice); mining; industry (energy, chemical, oil/gas); scientific organizations and academia; and stormwater, wastewater management, and drinking water agencies. One of the teleconferences will be open to the public at large. The teleconferences will run throughout the fall on Tuesdays from 1:00 p.m.–3:00 p.m. eastern time, beginning on September 19, 2017. In addition, the agencies will hold an in-person meeting with small entities on October 23, 2017 from 9:00 a.m.–11 a.m., and will accept written recommendations from any member of the public.

DATES: Written recommendation must be received on or before November 28, 2017.

ADDRESSES: Submit your recommendations, identified by Docket ID No. EPA–HQ–OW–2017–0480, at *http://www.regulations.gov.* This docket, established as a courtesy to the stakeholder community, will be included in the administrative record of the regulation revising the definition of "Waters of the United States" under the Clean Water Act (CWA). The agencies will not be formally responding to the recommendations. Follow the online instructions for submitting recommendations. Once submitted, your submission cannot be edited or removed from *Regulations.gov.* The agencies may publish any submission received to the public docket. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.

FOR FURTHER INFORMATION CONTACT: Ms. Damaris Christensen, Office of Water (4504–T), Environmental Protection Agency, 1200 Pennsylvania Avenue NW., Washington, DC 20460; telephone number: (202) 566–2428; email address: *CWAwotus@epa.gov;* or Ms. Stacey Jensen, Regulatory Community of Practice (CECW–CO–R), U.S. Army Corps of Engineers, 441 G Street NW., Washington, DC 20314; telephone number: (202) 761–5903; email address: *USACE_CWA_Rule@usace.army.mil.*

SUPPLEMENTARY INFORMATION: On February 28, 2017, the President issued an Executive Order (E.O.) entitled "Restoring the Rule of Law, Federalism, and Economic Growth by Reviewing the "Waters of the United States" Rule". This E.O. states that it is in the national interest to ensure that the Nation's navigable waters are kept free from pollution, while at the same time promoting economic growth, minimizing regulatory uncertainty, and showing due regard for the roles of the Congress and the States under the Constitution. The E.O. directs the agencies to review the Clean Water Rule for consistency with these priorities and publish for notice and comment a proposed rule rescinding or revising the rule, as appropriate and consistent with law. Further, the E.O. directs that the agencies shall consider interpreting the term "navigable waters," as defined in 33 U.S.C. 1362(7), in a manner consistent with the opinion of Justice Antonin Scalia in *Rapanos* v. *United States,* 547 U.S. 715 (2006). Justice Scalia's opinion considers CWA jurisdiction as including relatively permanent waters and wetlands with a continuous surface connection to relatively permanent waters.

The agencies are implementing the E.O. in two steps to provide as much certainty as possible as quickly as possible to the regulated community and the public during the development of the ultimate replacement rule. For the first step, the agencies proposed on July 27, 2017, a rule to re-codify the regulation that was in place prior to issuance of the Clean Water Rule and that is being implemented now under the U.S. Court of Appeals for the Sixth Circuit's stay of that rule.[1] The comment period for this first step proposed rule is open until September 27, 2017.

For the second step, the agencies plan to propose a new definition that would replace the approach in the 2015 Clean Water Rule with one that is consistent with the approach outlined in the E.O. In June 2017, the agencies completed consultation processes with tribes as well as state and local governments on the step 2 rulemaking. The meetings described below will provide other interested stakeholders opportunity to provide pre-proposal feedback on this second step rule to revise the definition of "waters of the U.S."

Both EPA and the Corps are aware that the scope of CWA jurisdiction is of intense interest to a broad array of stakeholders and therefore want to provide time for broad pre-proposal input. The teleconferences in this notice are intended to solicit recommendations for Step 2 and potential approaches to defining "waters of the United States." During the upcoming teleconferences, EPA will provide brief background information on the step 2 rulemaking, and progress to date. Stakeholders will have the opportunity to provide input, particularly with regard to the charge in the E.O. and opinion of Justice Scalia.

The teleconferences will be held on a weekly basis beginning September 19 and will continue each Tuesday thereafter for ten weeks. Each will run from 1:00 p.m. to 3:00 p.m. eastern time. Information on how to register for each of these meetings is available on the EPA Web site at *https://www.epa.gov/wotus-rule/outreach-meetings.* Registration for each webinar will close a week prior. Persons or organizations wishing to provide verbal recommendations during the teleconference will be selected on a first-come, first-serve basis. Due to the expected volume of participants, individuals will be asked to limit their oral presentation to three minutes.

Supporting materials and comments from those who did not have an opportunity to speak can be submitted to the docket as discussed above. The schedule for the Waters of the US webinars is as follows:

- Tuesday, September 19, 2017—small entities (small businesses, small

[1] The Clean Water Rule was promulgated on June 29, 2015 (80 FR 37054). It was in effect in most of the country for a two-month period before the Sixth Circuit Court of Appeals issued a nation-wide stay. The agencies are currently implementing the previous regulatory definition of "waters of the United States" in light of the stay.

organizations and small governmental jurisdictions);

- Tuesday, September 26, 2017—environment and public advocacy;
- Tuesday, October 3, 2017—conservation, *e.g.*, hunters and anglers;
- Tuesday, October 10, 2017—construction and transportation;
- Tuesday, October 17, 2017—agriculture;
- Tuesday, October 24, 2017—industry;
- Tuesday, October 31, 2017—mining;
- Tuesday, November 7, 2017—scientific organizations and academia;
- Tuesday, November 14, 2017—stormwater, wastewater management and drinking water agencies; and
- Tuesday, November 21, 2017—open to general public.

The agencies are also planning an in-person meeting with small entities, which will be held on Monday, October 23, 2017, from 9:00 to 11:00 a.m. Eastern Time at the U.S. EPA's Headquarters located at 1200 Pennsylvania Avenue NW., Washington, DC 20003. To facilitate the building security process, and to request reasonable accommodation, *those who wish to attend must contact Joan B. Rogers* (202–564–6568 or *rogers.joanb@epa.gov*), no later than Friday, October 13, 2017. RSVPs will be accepted until October 13, or until room capacity has been reached (100 max), whichever occurs first.

Dated: August 18, 2017.

John Goodin,

Acting Director, Office of Wetlands, Oceans and Watersheds, Office of Water, Environmental Protection Agency.

Dated: August 18, 2017.

Douglas W. Lamont,

Deputy Assistant Secretary of the Army (Project Planning and Review), performing the duties of the Assistant Secretary of the Army for Civil Works.

[FR Doc. 2017–18214 Filed 8–25–17; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R03–OAR–2017–0394; FRL–9966–95–Region 3]

Approval and Promulgation of Air Quality Implementation Plans; Maryland; Approval of an Alternative Volatile Organic Compound Emission Standard

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) proposes to approve the state implementation plan (SIP) revision submitted by the State of Maryland. This revision incorporates by reference a Maryland Department of the Environment (MDE) order that establishes an alternative volatile organic compound (VOC) emission standard for National Gypsum Company (NGC) to ensure that it remains a minor VOC source. In the Final Rules section of this issue of the **Federal Register**, EPA is approving Maryland's SIP submittal as a direct final rule without prior proposal because the Agency views this as a noncontroversial submittal and anticipates no adverse comments. If no adverse comments are received in response to this action, no further activity is contemplated. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period. Any parties interested in commenting on this action should do so at this time.

DATES: Comments must be received in writing by September 27, 2017.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–R03–OAR–2017–0394 at *http://www.regulations.gov*, or via email to *stahl.cynthia@epa.gov*. For comments submitted at *Regulations.gov*, follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from *Regulations.gov*. For either manner of submission, the EPA may publish any comment received to its public docket. Do not submit electronically any information you consider to be confidential business information (CBI) or other information whose disclosure is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.*, on the web, cloud, or other file sharing system). For additional submission methods, please contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section. For the full EPA public comment policy, information about CBI or multimedia submissions, and general guidance on making effective comments, please visit *http://www2.epa.gov/dockets/commenting-epa-dockets.*

FOR FURTHER INFORMATION CONTACT: Gregory A. Becoat, (215) 814–2036, or by email at *becoat.gregory@epa.gov.*

SUPPLEMENTARY INFORMATION: For further information, please see the information provided in the direct final action, with the same title, that is located in the "Rules and Regulations" section of this issue of the **Federal Register** publication. Please note that if EPA receives adverse comment on an amendment, paragraph, or section of this rule and if that provision may be severed from the remainder of the rule, EPA may adopt as final those provisions of the rule that are not the subject of an adverse comment.

Dated: August 12, 2017.

Cecil Rodrigues,

Acting Regional Administrator, Region III.

[FR Doc. 2017–18085 Filed 8–25–17; 8:45 am]

BILLING CODE 6560–50–P

June 19, 2017

Andrew Hanson
Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

San Gabriel Valley Council of Governments: Informal Comments Submitted in Response to Environmental Protection Agency Call Re: Waters of the United States

Dear Mr. Hanson,

The San Gabriel Valley Council of Governments (SGVCOG) is a joint powers authority made up of representatives from 31 cities, 3 Los Angeles County Supervisorial Districts, and 3 Municipal Water Districts located in the San Gabriel Valley of Southern California. The COG seeks to address important issues impacting our member cities, in this case, access to safe and clean drinking water, as well as the proper treatment of stormwater and urban runoff. We understand that protection of the environment must be an overarching goal. In balancing these, the COG takes special interest in regulatory decisions that affect interpretation of the Clean Water Act.

Our Water Policy Committee has followed very closely the various court cases and interpretations of Waters of the United States (WOTUS), including the Environmental Protection Agency's (EPA) and U.S. Army Corps of Engineers' (USACE) 2008 *Rapanos* Memorandum, as well as the 2015 Clean Water Rule. These decisions have great bearing on how the San Gabriel Valley is able to treat and convey stormwater and urban runoff. The Los Angeles County flood control system is an amalgamation of under-street storm drains, open channels, and river beds, both concrete lined and natural. Most segments of this system are regulated by water quality standards, so any changes to the interpretation and reach of federal jurisdiction have major impacts on our member cities and their ability to use the flood control system, as intended, to convey stormwater.

Attached please find our submission to your informal call for comments expressed in the attached PowerPoint the EPA circulated. We are thankful for your collaborative approach to addressing this very difficult issue. If you have questions or would like to consult with our staff please contact Eric Wolf, Senior Management Analyst, at ewolf@sgvcog.org, 626 457-1800.

Sincerely,

Phil Hawkey
Executive Director
San Gabriel Valley Council of Governments

ATTACHMENTS
Attachment A: EPA PowerPoint
Attachment B: SGVCOG Informal Comments in Response to WOTUS Call

San Gabriel Valley Council of Governments

Response to the Environmental Protection Agency (EPA) Informal Call for Comments on Redefining Waters of the United States (WOTUS)

1. How would you like to see the concepts of "relatively permanent" and "continuous surface connection" defined and implemented?
    - "Relatively permanent" and "continuous surface connection" should be defined according to Justice Scalia's statement in *Rapanos*, without further applying the "significant nexus" test. Scalia stated that relatively permanent waters do not include tributaries "whose flow is 'coming and going at intervals… broken, fitful.'"[1]

      Engineered waterways within the San Gabriel Valley consist of various under-street storm drains, open boxed-shaped concrete channels, and trapezoidal concrete rivers. They were designed to capture, contain, divert, and/or rapidly convey urban runoff and stormwater either downstream or into spreading grounds. The entire system is under continuous control of the Los Angeles County Flood Control District and subject to release of upstream water and urban runoff at times set by them and to destinations of their choosing. These engineered channels do have a continuous surface connection to both upstream and downstream navigable waters but the highly engineered nature of the system subjects water flows to the discretion of the Flood Control District. For this reason, the flow is 'coming and going at intervals… broken, fitful."
2. How would you like to see the agencies interpret "consistent with" Scalia?
    - The agencies should interpret Scalia strictly, without applying the "significant nexus" test.
3. Are there particular features or implications of any such approaches that the agencies should be mindful of in developing the Step 2 proposed rule?
    - As the agencies develop the proposed rule they should consider how application of WOTUS jurisdiction to flood control systems impacts the intended use of those systems.
4. What opportunities and challenges exist for your state or locality with taking a Scalia approach?
    - Strictly defining jurisdictional waters according to Scalia, as relatively permanent waters which do not include tributaries "whose flow is 'coming and going at intervals… broken, fitful,' provides the opportunity to repeal regulatory control over the flood control system. Declassifying this system as WOTUS removes the requirement to establish and meet CWA standards.
5. Do you anticipate any changes to the scope of your state or local programs (e.g., regulations, statutes or emergency response scope) regarding CWA jurisdiction?
    - The application of WOTUS jurisdiction to flood control infrastructure has already brought about the requirement to control upstream non-point source pollution (stormwater and urban runoff) at the source. In order to do this, the existing flood control infrastructure must, to some extent, be replicated at the city level. It is hoped that by rescinding CWA jurisdiction over flood control infrastructure, those facilities may continue to be used for the efficient conveyance of stormwater and urban runoff.

[1] 547 U.S. 715 (2006)

Adoption of 1,2,3-Trichloropropane (1,2,3-TCP) Maximum Contaminant Level (MCL)

State Water Resources Control Board (State Water Board)

Division of Drinking Water (DDW)

Public Meeting

July 18, 2017

Board Meeting

- Proposed resolution adopting the regulations for 1,2,3-TCP, including a maximum contaminant level, a detection limit for purposes of reporting, a best available technology, and substitution of sample results.
- Adoption of the Initial Study/Mitigated Negative Declaration

Schedule

- Focused Stakeholder Meetings: May 2016
- Public Workshops: July 2016
- Public Comment Period: March 4 – April 21, 2017, 5:00 pm
- Public Hearing: April 19, 2017
- Board Adoption: July 18, 2017
- *Effective Date of Regulations: October 1, 2017*

Presentation Outline

- Regulations for Adoption
  - Maximum Contaminant Level (MCL)
  - Detection Limit for purposes of Reporting (DLR)
  - Best Available Technology (BAT)
  - Public Notification & Consumer Confidence Report
  - “Grandfathering”
- Response to Common Public Comments

1,2,3-TCP MCL – Proposed Regulation

Proposed MCL of **5 parts per trillion (ppt)** is based on **Health and Safety Code Section 116365:**

State Water Board must set the MCL "at a level that is as close as feasible to the corresponding public health goal placing primary emphasis on the protection of public health, and that, to the extent technologically and economically feasible…"

1,2,3-TCP DLR – Proposed Regulation

- Proposed DLR of 5 ppt
- Provides a consistent definition of “non-detect” when monitoring for 1,2,3-TCP
- Analytical methods have been in use for over a decade
- More than 20 CA-certified laboratories using the methods

1,2,3-TCP BAT – Proposed Regulation

- The proposed BAT is **Granular Activated Carbon (GAC)**
  - Already in use for 1,2,3-TCP treatment
  - Removes 1,2,3-TCP to less than the proposed DLR
  - Readily available and reliable technology
- BAT designation does not prevent permitting of alternative technologies capable of removing 1,2,3-TCP.

1,2,3-TCP Public Notification & Consumer Confidence Report – Proposed Regulation

- Public Notification & Consumer Confidence Report
  - New language for 1,2,3-TCP health effects
  - New language for sources of 1,2,3-TCP contamination

Proposed "Grandfathering" Regulations

- Addition to Organic Chemical Initial Monitoring regulations
- Allows samples collected two years prior to MCL effective date to be substituted for initial monitoring samples
  - Requests must be made in writing to applicable District Office
  - Can only substitute samples in like calendar quarters (e.g. Q2 2016 for Q2 2018)
  - Can only substitute three of the four quarterly samples – must collect at least one sample during initial monitoring
  - Will also apply to future organic chemical MCLs

Response to Comments

- 465 written comments submitted
- 20 verbal comments at the public hearing
- Majority in support of the proposed regulations

Comment - “Compliance Period”

Comments that regulations should include a compliance period so that water supplier is not deemed ‘out-of-compliance’ while following approved compliance plan

Response - “Compliance Period”

- GAC is neither new nor novel technology
- Unique cost and implementation issues are not anticipated
- Extensive research to develop better treatment technologies is NOT necessary
- Inclusion of a Compliance Period can be confusing to the public

No Proposed Change to Regulations

Comment - “Include Blending as a Best Available Technology”

Comments that blending should be included as a BAT or approved treatment and that blending criteria should be included in regulations

Response - “Include Blending as Best Available Technology”

- Blending does not need to be designated as a BAT to be approved by a District Office for treatment of 1,2,3-TCP
- Blending is highly site-specific and variable, making criteria in regulations inappropriate

No Proposed Change to Regulations

Comment- “Disproportionate Impact on Small, Rural, Disadvantaged Communities ”

Comments that the cost of treatment for 1,2,3-TCP disproportionately affects small, poor, rural communities.

Treatment will be difficult to afford for disadvantaged communities

Response - “Disproportionate Impact on Small, Rural, Disadvantaged Communities”

- The occurrence data shows that the contamination has a large impact on small communities in several rural agricultural counties
- Financial and technical assistance is available from DFA funding programs and DDW District Offices
- Consolidation of facilities, management or operation with nearby large water systems will be evaluated

No Proposed Change to Regulations

Comment- “Cost Recovery”

Comments suggesting that the regulations should specifically address and support ‘cost recovery’ of compliance costs and other impacts from potential responsible parties

Response - “Cost Recovery”

- The 1,2,3-TCP MCL was developed without consideration of cost recovery
- Cost recovery actions by water systems do not require the proposed regulations to allow those actions

No Proposed Change to Regulations

Comment – Cost-Benefit Analysis

- *Comment stating that the State Water Board should have performed a cost-benefit analysis*
- Response – The State Water Board is required by the Health and Safety Code to set MCLs as close to the PHG as is economically and technologically feasible.
- Economic methods required of the U.S. EPA are not what the State Water Board is required to use.
- *No Proposed Change to Regulations*

Comment – Wastewater Treatment

- *Comment – The State Water Board should have considered the factors in Water Code 13241 and the economic impact of the 1,2,3-TCP MCL to wastewater systems.*
- Response – Water Code factors were considered to the extent they were relevant
- The State Water Board does not believe there will be economic impacts to wastewater from 1,2,3-TCP
- *No Proposed Change to Regulations*

Additional Information

- 1,2,3-TCP information website
  - http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/123TCP.shtml
  - Or search for "SWRCB 123"
- 1,2,3-TCP proposed regulation website
  - http://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/123TCP_SBDDW-17-001.shtml

Questions

SGVCOG

September 7, 2017

Ms. Jeanine Townsend
Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

RE: PUBLIC HEARING FOR 303(D) LIST OF WATERBODIES IN THE LOS ANGELES AREA

Dear Ms. Townsend,

Unlike other regions, the Los Angeles Region 303(d) list has not been formally adopted by the Los Angeles Regional Water Quality Control Board. Thus, the San Gabriel Valley Council of Governments, representing 31 cities, 3 water agencies, and 3 supervisorial districts in San Gabriel Valley, requests the opportunity to express our concerns to the State Water Board during the October 3rd hearing. Travel to Sacramento can be cost prohibitive for many, therefore we respectfully ask that the Public Hearing be held in the LA region to encourage robust stakeholder participation.

If you have questions or would like to consult with our staff, please contact Eric Wolf, Senior Management Analyst, at ewolf@sgvcog.org, 626 457-1800.

Sincerely,

Phil Hawkey
Executive Director
San Gabriel Valley Council of Governments

RESOLUTION NO. 15-29

RESOLUTION OF THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS (SGVCOG) IN SUPPORT OF ALTERNATIVE 4A OF THE BAY DELTA CONSERVATION PLAN/CALIFORNIA WATER FIX

WHEREAS, water supplies from Northern California that move across the Sacramento-San Joaquin Delta are vital to the economy of California, serving 25 million people from the Bay Area to the Mexican border and supporting agriculture throughout the Central Valley; and

WHEREAS, the Bay Delta is the 550,000-acre estuary where the rivers of the Sierra Nevada merge before heading west to the San Francisco Bay; and

WHEREAS, the Bay Delta is in a state of environmental stress due to the loss of wetlands habitat, invasive species, pesticide runoff, a depletion of native food supplies, pumping operations, and other factors; and

WHEREAS, the decline in the Bay Delta's health threatens the unique environment and water supplies that are key to the California economy; and

WHEREAS, the Bay Delta's levees are not engineered to protect the State's water supply distribution systems from a major earthquake, and multiple levee failures could disrupt water deliveries and the State economy for up to three years, particularly in the San Gabriel Valley region of Southern California, where significant areas are 100% dependent on the State Water Project for imported water supplies; and

WHEREAS, State and Federal agencies, via the Bay Delta Conservation Plan (BDCP) process, have worked for nine years towards developing a comprehensive package of ecosystem and water system improvements to address both current conflicts in the Bay Delta and long-term threats to the State's water supplies; and

WHEREAS, the modified preferred alternative, "Alternative 4A", delineates a new approach, with the WaterFix intake/conveyance improvements proceeding as a stand-alone project; and

WHEREAS, the approximately 30,000 acres of proposed Delta ecosystem improvements, would proceed on a parallel, but separate program now known as California EcoRestore; and

WHEREAS, the rationale of the modification, "Alternative 4A", is to identify an achievable path to permitting given overwhelming scientific uncertainty on how to best manage the Delta in the coming decades; and

WHEREAS, a successful final plan would accomplish several water supply reliability needs, such as a consistent ability to capture wet-period supplies, and would improve reliability of deliveries in an average year and would protect supplies long-term; and

WHEREAS, "Alternative 4A" continues to advance the objective of improving water quality of State Water Project supplies and the objective of avoiding conflicts with migrating fish species; and

WHEREAS, "Alternative 4A" continues to provide the necessary design and system redundancy to reduce both seismic and climate change risks, as reducing these risks is paramount to water supply reliability; and

WHEREAS, failure to take decisive actions would be an unacceptable risk to the environment of the Bay Delta and the economy of California, specifically in Southern California and the San Gabriel Valley; and

WHEREAS, the Governing Board supported the Bay Delta Conservation Plan by adopting Resolution 14-03 in February 2014 and continues to support the overall proposed configuration of the water supply improvements;

NOW, THEREFORE, BE IT RESOLVED that the Governing Board hereby supports "Alternative 4A" of the Bay Delta Conservation Plan/California Water Fix process and the concepts in the modified Plan advanced by Governor Brown and Interior Secretary Jewell.

PASSED AND ADOPTED by the Governing Board of San Gabriel Valley Council of Governments, County of Los Angeles, in the County of Los Angeles, State of California, on the 15th day of October, 2015.

San Gabriel Valley Council of Governments

Gene Murabito

Gene Murabito, President

Attest:

I, Philip A. Hawkey, Executive Director and Secretary of the Board of Directors of the San Gabriel Valley Council of Governments, do hereby certify that Resolution 15-29 was adopted at a regular meeting of the Governing Board held on the 15th day of October, 2015, by the following roll call vote:

AYES: Alhambra, Arcadia, Azusa, Covina, Claremont, Diamond Bar, Duarte, Glendora, La Canada Flintridge, Monrovia, Monterey Park, Pasadena, Rosemead, San Dimas, San Gabriel, South El Monte, South Pasadena, Temple City, Walnut, West Covina, Fourth District (LA County), First District (LA County), SGV Water Districts

NOES:

ABSTAIN:

ABSENT: Baldwin Park, Bradbury, El Monte, Industry, La Puente, La Verne, Montebello, Monterey Park, Pomona, San Marino, Sierra Madre, South Pasadena, Fifth District (LA County)

Philip A. Hawkey, Secretary

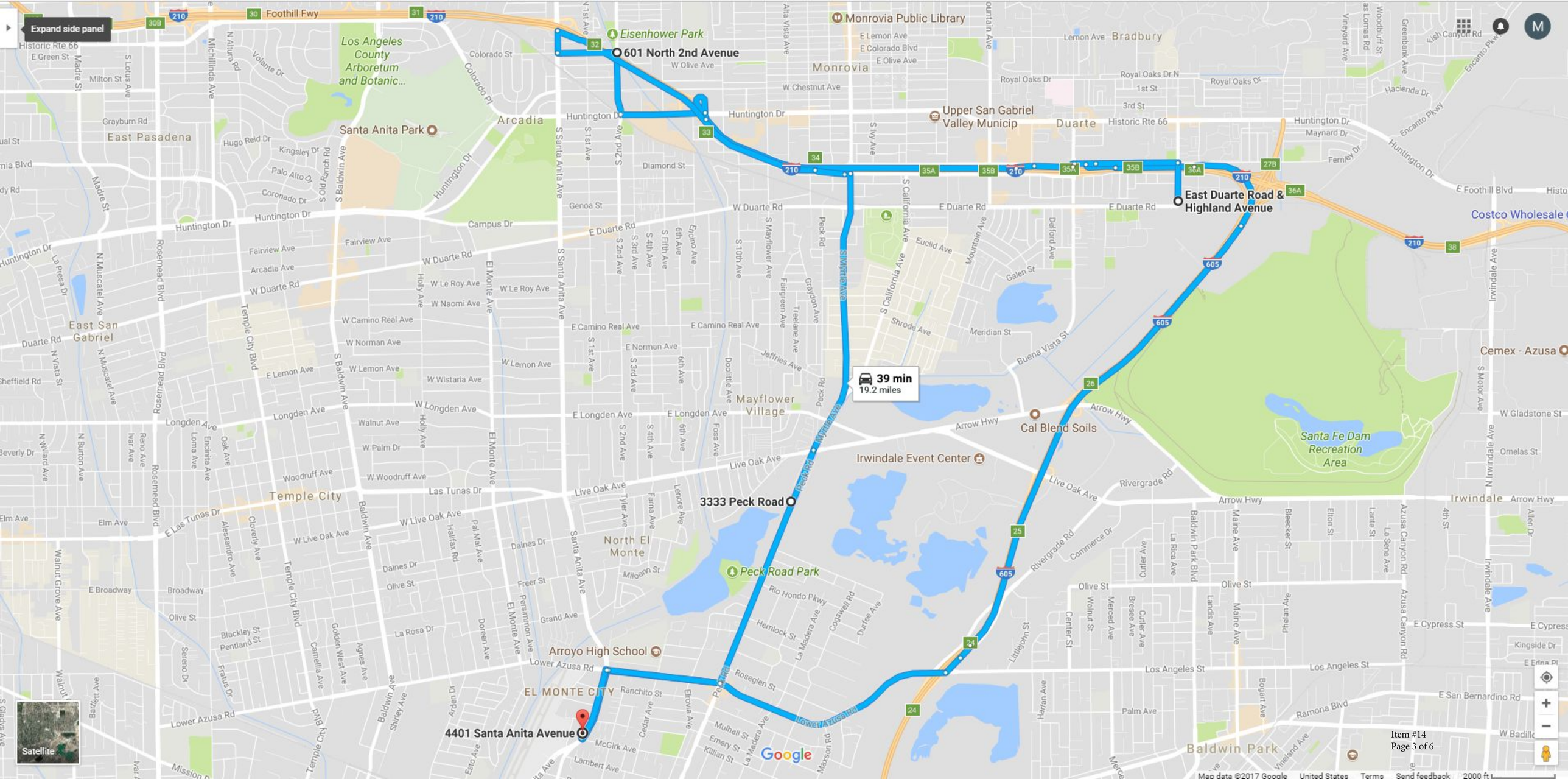
TOUR OF LOS ANGELES COUNTY FLOOD CONTROL FACILITIES

August 3, 2017
9:00 to 11:00 a.m.

ITINERARY

8:00 a.m.	Meet at LACDPW Headquarters (flag pole) 900 S. Fremont Ave Alhambra, CA 91803
8:15 a.m.	Depart LACDPW Headquarters
	Travel time – 30 minutes
8:45 a.m.	Arrive at El Monte District Office 4401 Santa Anita Ave, Suite 201 El Monte, CA 91731
9:00 a.m.	Depart El Monte District Office
	Travel time – 20 minutes
9:20 a.m.	Arrive at Santa Fe Spreading Grounds
	Discussion on LACFCD water conservation efforts and operations (Duration – 20 minutes)
9:40 a.m.	Depart Santa Fe Spreading Grounds
	Travel time – 10 minutes
9:50 a.m.	Arrive at Eisenhower Park 601 N 2nd Ave Arcadia, CA 91006
	Discussion on example EWMP project, LACFCD flood control system, receiving waters, beneficial uses, and Waters of the US (Duration – 20 minutes)
10:10 a.m.	Depart Eisenhower Park
	Travel time – 15 minutes
10:25 a.m.	Sawpit Wash (near Peck Road Park) 3333 Peck Road Monrovia, CA 91016

	Discussion on proposed regional project by RH/SGR EWMP Group, regional projects, water resilience (Duration – 20 minutes)
10:45 a.m.	Depart Sawpit Wash
	Travel time – 10 minutes
10:55 a.m.	Arrive at El Monte District Office
11:00 a.m.	Depart El Monte District Office
	Travel time – 30 minutes
11:30 a.m.	Arrive at LACDPW Headquarters


Expand side panel
601 North 2nd Avenue
East Duarte Road & Highland Avenue
3333 Peck Road
4401 Santa Anita Avenue
39 min
19.2 miles
Eisenhower Park
Monrovia Public Library
Los Angeles County Arboretum and Botanic...
Santa Anita Park
Upper San Gabriel Valley Municip
Costco Wholesale
Cemex - Azusa
Cal Blend Soils
Santa Fe Dam Recreation Area
Irwindale Event Center
Peck Road Park
Arroyo High School
Foothill Fwy
Monrovia
Arcadia
Duarte
Bradbury
East Pasadena
East San Gabriel
Temple City
North El Monte
Mayflower Village
EL MONTE CITY
Irwindale
Baldwin Park
Satellite
Google
Map data ©2017 Google
United States
Terms
Send feedback
2000 ft

WATER RESOURCES

Santa Fe Spreading Grounds

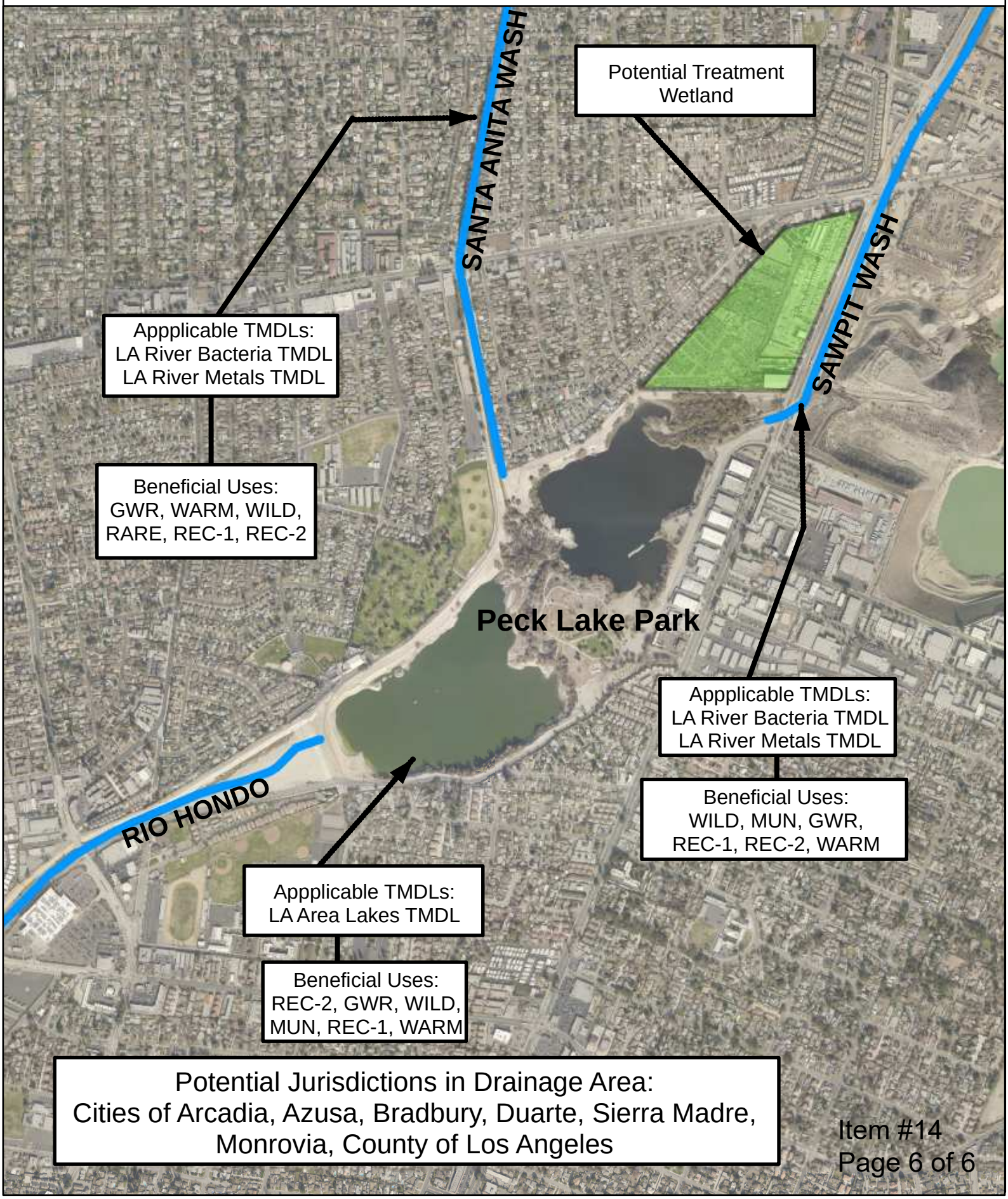
The Santa Fe Spreading Grounds (SFSG) are one of the 27 spreading ground facilities operated by Public Works to recharge the local groundwater. Approximately one-third of the water used by Los Angeles County residents is extracted from the local underground supplies. Constructed in 1953, the SFSG are located in the City of Irwindale along the San Gabriel River, south of the 210 Freeway. The SFSG are used to capture local storm water from dam releases and imported water deliveries for percolation into the Main San Gabriel Groundwater Basin. They encompass over 338 acres and have a maximum storage capacity of 540 acre-feet (176 million gallons) with a percolation rate of 400 cubic feet per second. On average, the SFSG recharge 26,000 acre-feet (8.5 billion gallons) annually with a historical high of 124,000 acre feet (40.4 billion gallons) in 1983.

The SFSG consist of twenty-two shallow basins, including six basins on the east, three basins on the west, and thirteen basins located immediately downstream of the Santa Fe Dam spillway structure. Water is diverted into the SFSG utilizing an inflatable rubber dam that stretches across the entire San Gabriel River.

Operated and Maintained By: Los Angeles County Flood Control District

Eisenhower Park

Potential Treatment Wetland Above Peck Lake Park



Los Angeles County Division
League of California Cities®

Regional Stormwater Policy

August 30, 2017

Policy Statement

Cities of Los Angeles County seek to promote quality of life for all residents by preserving and protecting waterways and the natural environment from polluted stormwater as well as polluted dry-weather urban runoff and capturing it to augment local water supplies. They support compliance with water quality standards and strive to comply in a practical, feasible, and affordable manner.

Summary

While most cities in the portions of the County regulated by municipal separate storm sewer (MS4) permits joined Watershed Management Programs (WMPs) or Enhanced Watershed Management Programs (EWMPs), the capital and operation & maintenance costs associated with implementing these programs greatly exceed the ability of cities to pay for these programs in the absence of special dedicated revenue streams. The costs are estimated at $20 billion over the next 20-25 years and cannot be funded out of general funds without jeopardizing cities' ability to continue providing quality of life, health, and safety services to their residents. In addition, there are other challenges that complicate MS4 permit implementation and compliance. Among these are:

- Regulatory and legal restrictions that impede the use of existing regional stormwater infrastructure sites, the use of which would result in economies of scale and greatly reduced costs;
- Unrealistically short timelines for total maximum daily load (TMDL) compliance in the absence of sufficient funding;
- Uncertainty over "ownership" of captured stormwater to permit monetization of augmented groundwater supplies;
- Potential future liability resulting from unintended dispersion of pollutants through stormwater infiltration;
- Disagreement over the scientific evidence supporting some numerical TMDL compliance pollutant targets, which may necessitate costly studies; and

How are water quality standards implemented in California?

Statewide, nine Regional Water Boards, whose members are appointed by the Governor, issue local Municipal Separate Stormwater Sewer System (MS4) permits for operation of local stormwater infrastructure. In 2012, the Los Angeles Regional Board issued a new MS4 permit that strongly favors attaining water quality standards through Enhanced/Watershed Management Programs (E/WMPs) by capture and infiltration of stormwater and dry weather runoff.

- Concern that some funded projects may fail to remove pollutants before captured stormwater and/or dry-weather runoff is added to the groundwater or discharged to receiving waters.

Policy Objectives

To overcome these constraints, the Los Angeles County Division of the League of California Cities and the California Contract Cities Association, together with partnering Councils of Governments and related organizations, will assist cities in their efforts to comply with water quality standards by coordinating efforts and supporting relevant progress and legislation. Specifically, the League and Contract Cities will pursue strategies that include, but are not limited to the following:

- Support legislative and other source control measures to prevent constituents of concern from entering the storm sewer system and the receiving waters;
- Seek Regional Board support for comparatively cost-effective regional, multiagency projects that use existing regional infrastructure, such as LAFCD facilities;
- Develop new dedicated funding sources, including credit for existing fees for local projects and programs;
- Extend WMP and EWMP compliance deadlines, possibly through water quality standards variances issued in accordance with 40 CFR 131.14;
- Modify Porter-Cologne to include a simplified version of the Financial Capability Assessment (FCA) guidance issued by US EPA in November 2014 for consideration in adoption of or amendments to MS4 permits;
- Clarify ownership of captured stormwater;
- Indemnify local public agencies from liability for infiltration;
- Undertake scientific studies when there are disagreements over the scientific evidence supporting TMDL targets;
- Support cost recovery from manufacturers for products that contribute pollutants to stormwater;
- Modify criteria for appointment of Regional Board membership to more fully represent the diverse views of stakeholders appearing before the Regional Water Boards;
- Create a Municipal Ombudsman position at Regional Boards to represent the interests of residents and the public;
- Seek state funding for MS4 permit compliance requirements that exceed Clean Water Act requirements;
- Seek state tax credit or other financial incentives for private projects that capture and infiltrate stormwater;
- Regularly engage with Regional and State Water Boards to ensure that they are aware of local concerns, including the need for flexibility in implementing programs to comply with water quality requirements;
- Coordinate and disseminate information among member cities and regional COGs; and

- Continually educate local elected officials and residents regarding water quality standards and efforts to meet standards, including costs and potential trade-offs.

REPORT

DATE: September 6, 2017

TO: City Managers' Steering Committee
Executive Committee
Governing Board

FROM: Phil Hawkey, Executive Director

RE: UPPER LOS ANGELES RIVER COORDINATED INTEGRATED MONITORING PROGRAM

RECOMMENDED ACTION

Authorize the Executive Director to execute Memorandums of Agreement with participating agencies to administer contracts related to the Upper Los Angeles River (ULAR) Coordinated Integrated Management Program (CIMP).

BACKGROUND

In 2012, the Los Angeles Regional Water Quality Control Board (Regional Board) issued new Municipal Separate Storm Sewer System (MS4) permits. Under this permitting structure, local agencies (permittees) were allowed to form Enhanced Watershed Management Programs (EWMP), consisting of multiple permittees within a watershed, for the purpose of consolidating their compliance efforts. The Upper Los Angeles River (ULAR) EWMP consists of nineteen permittees[1], eleven of which are members of the San Gabriel Valley Council of Governments (SGVCOG) as follows:

- City of Alhambra
- City of La Canada Flintridge
- City of Montebello
- City of Monterey Park
- City of Pasadena
- City of Rosemead
- City of San Gabriel
- City of San Marino
- City of South El Monte
- City of South Pasadena
- City of Temple City

CIMP MOA AND FUNDING

One of the requirements under the permit is to establish a Coordinated Integrated Monitoring Program (CIMP) to monitor the progress of the EWMP toward meeting clean water goals. The CIMP scope of work includes program development, establishing monitoring stations at key waterbody outfalls, measuring pollutants and constituents at receiving waters, monitoring stormwater and non-stormwater outfalls, developing and tracking studies, and annual reporting to the Regional Board. There are both technical and managerial aspects of the CIMP function, including regular laboratory work such as water testing, and administrative interaction with the Regional Board. Members of the EWMP meet monthly to review the CIMP program and other aspects of the EWMP.

[1] The other eight members of the ULAR CIMP are: Los Angeles County Flood Control District, County of Los Angeles, City of Los Angeles, City of Burbank, City of Calabasas, City of Glendale, City of Hidden Hills, and City of San Fernando.

For the past four years, the City of Los Angeles (the City) Watershed Protection Division has performed this function by agreement of all permittees in the EWMP. The City has the technical capability to perform CIMP functions integral to its organizational structure. In 2015, all ULAR permittees voluntarily entered into a Memorandum of Agreement (MOA) with the City to perform CIMP functions on behalf of the EWMP. The current MOA is structured such that in general, total monitoring and non-monitoring costs are distributed according to each permittee's land area relative to the total land area in the ULAR EWMP. For example, the City of Los Angeles has 58% of the land area in the EWMP so they pay 58% of the total cost of the CIMP program. (With the initial MOA, there were additional startup costs and overhead so the formula is not exact.)

Agency	**Land Area (acres)**	**% of Area**
LACFCD[2]		
City of Los Angeles	181,288.00	58.53%
County of Los Angeles	41,048.07	13.25%
City of Alhambra	4,884.31	1.58%
City of Burbank	11,095.20	3.58%
City of Calabasas	4,005.68	1.29%
City of Glendale	19,587.50	6.32%
City of Hidden Hills	961.03	0.31%
City of La Canada Flintridge	5,534.46	1.79%
City of Montebello	5,356.38	1.73%
City of Monterey Park	4,951.51	1.60%
City of Pasadena	14,805.30	4.78%
City of Rosemead	3,310.87	1.07%
City of San Fernando	1,517.64	0.49%
City of San Gabriel	2,644.87	0.85%
City of San Marino	2,409.64	0.78%
City of South Et Monte	1,594.16	0.51%
City of South Pasadena	2,186.20	0.71%
City of Temple City	2,576.50	0.83%
Total	**309,757.32**	**100.00%**

Table 1: Relative and Total Land Area in the ULAR EWMP/CIMP

SGVCOG ROLE

When the MOA is renewed in 2018, the City is asking that the SGVCOG take over the billing portion of the MOA. The structure of the new five-year agreement would be identical to the current MOA with the exception of the following changes:

- Separate the technical execution of the CIMP and the financial management of the program in order to provide third-party oversight.
- Implement a flat rate financial management fee, as opposed to a percent-based fee, in order to stabilize budgeting.

[2] The Los Angeles County Flood Control District does not own any land; hence they are charged a percentage of the overcall cost of the CIMP rather than a percentage of the land area.

- Separate monitoring and non-monitoring costs in order to support the City's internal accounting procedures. (Two MOAs will be required, one monitoring and one for non-monitoring.)

Additionally, the City would like to incorporate an added role of marketing the City's CIMP services to Individual Industrial Permittees (IIP), commercial businesses such as recyclers whose day-to-day functions require them to be permitted by the Regional Board. The rationale is that the monitoring functions the City is already performing for the EWMP can also serve IIPs. Given a list of IIPs provided by the City, SGVCOG would send a form letter to each IIP offering them membership in the CIMP as an alternative to implementing a monitoring program on their own or through a contractor. The City will charge $12,300 for this service which includes a 10% financial management fee ($1,230) for each IIP that joins the CIMP. The SGVCOG would retain the financial management fee.

The two MOAs (monitoring and non-monitoring), beginning in 2018, would include the following SGVCOG tasks:

- Execute five-year MOAs (Monitoring and Non-Monitoring) with each individual permittee for their proportionate share of the costs of the CIMP program which include program costs, a 10% contingency, and a financial management fee.
- By May 31st of each year, bill each permittee for their proportionate share of the program.
- By July 1st of each year, collect CIMP fees to be used to execute the program during that fiscal year.
- Retain the CIMP contingency funds in a secured account to fund overages in monitoring, special studies, exceedances, or other needs upon agreement and approval of EWMP members.
- Execute five-year MOAs (Monitoring and Non-Monitoring) with the City of Los Angles to pay the collected amounts to the City.
- Execute contracts with individual consultants, as needed, to support special studies and other uses of the contingency funds.
- Provide an annual reconciliation report each fiscal year.
- Market the CIMP to IIPs and serve as the financial manager receiving 10% for each IIP that joins.

In exchange for these services, the SGVCOG would retain financial management fees amounting to $100,000 per year.

BENEFITS AND CONSIDERATIONS

The City has a similar arrangement with the South Bay Cities COG (SBCCOG) for the Dominguez Channel Watershed Management Group which includes nine permittees. For this service, SBCCOG receives approximately $50,000 per year. Given that there are twice the number of permittees in the ULAR EWMP, the City is proposing a financial management fee of $100,000 per year for the SGVCOG. At a regular meeting of the ULAR EWMP, members agreed to this financial management fee. SBCCOG also performs the marketing function to IIPs in their region for which they receive $1,230 annually per IIP, as described above.

Staff has identified the following soft costs:

- Initiating the MOAs will require staff time for persistent dialogs with member permittees in order to obtain signatures on the MOAs.

- Enacting the MOAs will require additional legal fees for review of the documents.
- Once established, annual billing and management should be minimal.

This would not be the first time the SGVCOG has filled this type of role. In 2011 – 2012, the SGVCOG entered into a contract with a consultant for development of the Los Angeles River (Reach 2) Total Maximum Daily Load (TMDL) Implementation Plan. Each agency bordering Reach 2 paid the SGVCOG a portion of the total cost of the contract according to their percentage of area relative to the total area of the Reach.

This arrangement presents several benefits to the City and permittees. Primarily, the MOAs provide comfort to the EWMP members at having third-party oversight of the expenditures of the program. Also, the SGVCOG would serve as a conduit for the City to expedite contracting of specialized outside consultant services as needed for issues beyond the City's organic capability. This contracting is otherwise a lengthy process for the City based on their layered procurement process. Extending CIMP services to IIPs also provides a service to businesses that may otherwise find it hard to comply with monitoring requirements. Finally, assuming this role increases the value of the SGVCOG to its member agencies in the strategic area of Water Quality and Stormwater.

Staff initially prepared this item for presentation and decision at the August Governing Board but the item was postponed in order to provide time for staff to answer additional questions. No questions were received.

RECOMMENDATION

Authorize the Executive Director to execute Memorandums of Agreement with participating agencies to administer contracts related to the Upper Los Angeles River (ULAR) Coordinated Integrated Management Program (CIMP).

Prepared by: _____
Eric Wolf
Senior Management Analyst

Approved by: Marisa Creter
Marisa Creter
Assistant Executive Director

ATTACHMENTS

Attachment A – Current City of Los Angeles Memorandum of Agreement