CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Non-Agendized Matters: Members of the public are invited to address the Board on matters which are not on the Agenda. Each speaker is limited to three (3) minutes. The Board will set aside thirty (30) minutes for public comments.

Agendized Matters: Members of the public may comment on Agenda items before action is taken, or after the Board has discussed the item. Each speaker is limited to five (5) minutes.

PRESENTATION AND DISCUSSION ITEMS:

Items recommended for approval at this meeting may be agendized for approval at a future Board meeting.

1. Orange County Water District Legislative Update
2. MesaWater.org Upgrade

ACTION ITEMS:

None

REPORTS:

3. Advocacy Consulting Services Report
4. Legislative Consulting Services Report
5. Report of the General Manager
6. Directors' Reports and Comments

INFORMATION ITEMS:

7. Drought-Reach 2.0 Update
8. Outreach Update
ADJOURNMENT
MEMORANDUM

TO: Legislative & Public Affairs Committee
FROM: Stacy Taylor, Public & Government Affairs Manager
DATE: July 23, 2015
SUBJECT: Orange County Water District Legislative Update

RECOMMENDATION

Receive the presentation for information only. No action is requested at this time.

STRATEGIC PLAN

Goal #4: Increase public awareness about Mesa Water® and about water.
Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

Mesa Water District (Mesa Water®) works collaboratively with Orange County Water District (OCWD) on legislative issues of mutual interest. Alicia Dunkin, OCWD’s Legislative Liaison, will present an update to the Committee regarding OCWD’s key Federal, State and regional legislative achievements for calendar year 2015.

This presentation can be provided annually at a meeting of the Legislative & Public Affairs Committee (LPAC). The next presentation can be planned for a 2016 LPAC meeting.

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: OCWD 2015 Legislation Platform
Introduction

The Orange County Water District (District) works to influence legislation and funding in Sacramento and Washington, D.C. to ensure Orange County’s water basin is protected and supports a reliable, affordable, and safe water supply for the 2.4 million people that it serves.

Maintaining an active presence in the government arena is a vital part of what the District does to forge and maintain long-term, positive and proactive relationships with legislative offices, support water supplies from the State Water Project and Colorado River, to expand water reuse, enable the development of new water supplies, expand the use of new technologies, and to promote water conservation.

Purpose

The District’s legislative platform reflects policy positions adopted by the Board of Directors in 2015. Legislation of interest to the District is brought before the Board’s Communication and Legislative Committee (Comm/Leg) for consideration. It is also the primary committee in which the staff recommends action on bills. Additionally, ideas for new legislation are presented to the Board for action when the District or member agencies are seeking sponsorship of a bill. Recommended action items from the Comm/Leg Committee then go to the full board at Board meetings.

However, during the legislative session the timing of votes on a bill and/or deadlines to draft legislation may not coincide with the Comm/Leg meeting schedule for formal board positions on a particular bill. Legislation that needs to be acted upon in between board meetings will be taken to the Board President and General Manager for guidance in advance of any position being taken by staff or District consultants.

This legislative platform provides guidance to the Board President and General Manager when they evaluate proposed legislation that may affect the District, its member agencies, or regional water management and use. Legislation that meets or fails to meet, the principles set forth in the guidelines may be supported or opposed accordingly. Pending approval by the Board President and General Manager, the guidelines also allow staff and the District’s legislative advocates to act in a timely fashion in between Board meetings on issues that are clearly within the guidelines. Such actions are then reported to the Board during the next regular monthly Comm/Leg meeting or Board meeting.

The 2015 legislative platform is a summary of District goals, key issues and policy positions. The following legislative policies have been developed by District staff and legislative advocates in consideration of District’s member agencies and policy needs. These Board-approved policies serve as District’s official positions of support or opposition on issues of importance to the agency. The legislative plan is a dynamic document, which will be adopted annually and changes to meet the needs of the Board.
Policies adopted by the Board subsequently to the adoption of the annual legislative platform will be added to this document.

The legislative team, in conjunction with the Board, may take appropriate action consistent with the legislative platform, including, but not limited to, drafting letters, lobbying legislators and staff, engaging in legislative work groups, and drafting bills.

**Procedure for Taking Positions on Bills**

1. Staff will track bills of greatest interest to OCWD, particularly those that fall within the goals and objectives identified by the Board of Directors. Staff will monitor bills being watched by similar agencies in Orange County as well as state, federal and national associations such as the California Special Districts Association (CSDA) National Association of California Water Agencies (NACWA), Association of California Water Agencies (ACWA) and WateReuse (WRA).

2. For those bills that are being tracked, where there is clear policy direction stated in the Board-adopted legislative platform or adopted goals, staff can send letters and give direction to the lobbyists to advocate that position.

3. When a bill does not fall within the scope of the legislative plan or is a politically controversial issue, staff will seek direction from the Board President, General Manager, and if the issue is not time critical the Communications and Legislative Committee.

4. If a bill does not fall within the scope of the legislative platform, but the California Association of Water Agencies (ACWA) or WateReuse has an adopted position, staff will inform the Board President and General Manager about the organization’s position for approval to follow the organizations position, but must inform the Communications and Legislative Committee of such action at the next regularly scheduled meeting.

5. All bills that are of potential interest or concern to the District are monitored by staff and legislative advocates, as reflected on the monthly bill matrix provided to the Board. If any of those measures are amended, they are re-evaluated to determine if a formal position should be recommended for Board consideration.

**Bill Positions Considered by District Board of Directors**

The following represent active bill positions that may be recommended by District staff for consideration by the District’s Board in providing guidance to staff and legislative advocates. Once adopted by the Board of Directors, the bill position will be communicated with the author of the legislation and may be communicated with other legislators, legislative staff, the Administration, water agencies, and the public.
Advocacy strategies and activities will be directed toward implementation of the Board’s policies through advancement of the District adopted bill position.

- **SUPPORT**: This position reflects District’s interest to see the legislation become law. District staff and legislative advocates will work for passage of the bill in its present form.

- **SUPPORT IF AMENDED**: This is an affirmative position that connotes conditional support for a measure, but only if it is amended to incorporate specific amendments approved by District Board. Water District staff and legislative advocates will not advocate in support of the legislation unless it is amended as requested by the District.

- **WATCH**: Take no action but monitor the bill during the legislative process, to see if any amendments are added that may change District’s position.

- **OPPOSE**: This position reflects the District’s interest to defeat the legislation. Water District staff and legislative advocates will work for defeat of the measure in its present form, and will not pursue amendments to address the measure’s shortcomings.

- **OPPOSE UNLESS AMENDED**: This position reflects the District’s interest to defeat the legislation, but only if it is not amended to incorporate specific amendments approved by the District’s Board. Water District staff and legislative advocates will not advocate in opposition of the legislation if it is amended as requested by the District.
LEGISLATIVE TEAM

**District Staff**

Michael Markus, General Manager  (714) 378-3305   mmarkus@ocwd.com

Greg Woodside, Executive Director, Planning and Natural Resources  (714) 378-3275   gwoodside@ocwd.com

Eleanor Torres, Director of Public Affairs  (714) 378-3268   etorres@ocwd.com

Alicia Dunkin, Legislative Affairs Liaison*  (714) 378-8232   adunkin@ocwd.com

Adam Hutchinson, Recharge Planning Manager  (714) 378-3214   ahutchinson@ocwd.com

**Federal Lobbying Team**

Eric Sapirstein, President of ENS Resources  (202) 466-3755   esap@ensresources.com

James F. McConnell  (202) 223-2451   jmccconnell@tfgnet.com

**State Lobbying Team – Townsend Public Affairs**

Christopher Townsend  (949) 399-9050   ctownsend@townsendpa.com

Heather Stratman  (949) 399-9050   hstratman@townsendpa.com

Casey Elliott  (916) 447-4086   celliott@townsendpa.com

Cori Williams  (949) 399-9050   cwilliams@townsendpa.com

*Main point of contact
LEGISLATIVE DELEGATION

United States Senate

Diane Feinstein  
State of California  
www.feinstein.senate.gov/public

Barbara Boxer  
State of California  
www.boxer.senate.gov

United States House of Representatives

Linda Sanchez  
38th District  
http://lindasanchez.house.gov

Alan Lowenthal  
47th District  
http://lowenthal.house.gov

Ed Royce  
39th District  
http://royce.house.gov

Dana Rohrabacher  
48th District  
http://rohrabacher.house.gov

Mimi Walters  
45th District  
https://walters.house.gov

Darrell Issa  
49th District  
http://issa.house.gov

Loretta Sanchez  
46th District  
http://lorettasanchez.house.gov
Orange County State Senate

Bob Huff
29th Senate District
http://huff.cssrc.us

Janet Nguyen
34th Senate District
http://district34.cssrc.us

Tony Mendoza
32nd Senate District
http://sd32.senate.ca.gov

Patricia Bates
36th Senate District
http://district36.cssrc.us

*37th District Vacant

Orange County State Assembly

Ling Ling Chang
55th Assembly District
https://ad55.assemblygop.com

Travis Allen
72nd Assembly District
https://ad72.assemblygop.com

Young Kim
65th Assembly District
http://ad65.asmrc.org

William Brough
73rd Assembly District
http://ad73.asmrc.org

Donald Wagner
68th Assembly District
https://ad68.assemblygop.com

Matthew Harper
74th Assembly District
https://ad74.assemblygop.com

Tom Daly
69th Assembly District
http://asmdc.org/members/a69
Orange County Supervisors

Todd Spitzer
Board Chairman
3rd District
http://ocgov.com/gov/bos/3

Andrew Do
1st District
http://ocgov.com/gov/bos/1

Lisa Bartlett
Vice Chair
5th District
http://ocgov.com/gov/bos/5

Michelle Steel
2nd District
http://ocgov.com/gov/bos/2

Shawn Nelson
4th District
http://ocgov.com/gov/bos/4
1. Legislation should not interfere with the authority of governance of adjudicated and special act basins.

2. Existing laws and court/agency decisions that effectively govern groundwater production and recharge should not be disturbed. The rights of parties to take water pursuant to prior court decisions, decision of the State Water Resources Control Board, or inter-agency agreements must be protected, and existing legal obligations imposed on parties should remain enforceable.

3. Support legislation that modernizes CERCLA and/or leads to the clean-up of toxic chemical contamination in groundwater.

4. Existing groundwater basin management boundaries created through statute or court decision should not be modified, and new groundwater management areas should not be carved out of existing groundwater management plan areas without the approval of the affected groundwater management agency (ies). Similarly, where a statute or a court decree has authorized an entity to manage a groundwater basin, legislation should not create or empower other local entities with duplicative or overlapping authority.

5. Local agencies are in the best position to implement sustainable groundwater management. Groundwater management can best be accomplished at the local level - by agencies that have the technical expertise and existing or newly-granted authority to ensure aquifer health is maintained and competing uses balanced.

6. Any definition of sustainable groundwater management should allow groundwater managers, including the District, sufficient flexibility to manage groundwater, recognizing the following:
   a. Sustainability varies as a function of local hydrogeologic conditions, water supply availability, and historic groundwater utilization.
   b. Sustainable groundwater management can include periods when groundwater withdrawals exceed recharge as long as it causes no long-term negative impacts and there is a commitment to balance pumping over time with natural or artificial replenishment.
7. Managed aquifer recharge is a key tool that allows for sustainable groundwater management. As such, groundwater recharge should be recognized as a beneficial use of the water supplies of the state.

**Prado Dam and Wetlands**

8. Support projects and policies that enhance stormwater capture, sediment management, water conservation, and ecosystem restoration.

**Environment**

9. Support legislation to streamline and modernize CEQA.

10. Protect OCWD’s rights to seek cost recovery for groundwater clean-up projects that are compliant with the National Contingency Plan.

**Supply**

11. Support legislation that adds to the reliability and security of water supplies to Orange County.

12. Protect the quality of surface and groundwater, and support entities to meet state and federal water quality standards.

13. Encourage water conservation and climate-based landscape development, where appropriate.

14. Expand water recycling, potable reuse, groundwater recharge, storage, brackish and ocean water desalination, and surface water development.

15. Recognize that recycled water is a resource.

16. Authorize local government agencies to regulate the discharge of contaminants to the sewer collection system that may adversely affect water recycling and reuse.

17. Reduce regulatory burdens on water recycling and ocean or brackish water desalination projects.

18. Authorize, promote, and provide incentives for indirect and direct potable reuse projects.

19. Allow for local governmental agencies to provide input to state-wide water resource planning decisions.

20. Encourage and facilitate voluntary water transfers.
Energy

21. Encourage energy efficiency through incentives, funding, and other assistance to facilitate water use efficiency partnerships with the energy sector.

Distribution of Proposition 1 Bond Funds

22. Support adequate funding to expand statewide and/or regional above ground and/or below ground water storage, newly created water supplies through water recycling/reuse, brackish water desalination and seawater desalination, storm water capture, and remediation of groundwater contamination.


24. Funding for any Delta restoration project shall support the co-equal goals of water supply reliability and ecosystem restoration.

25. Bond proceeds should be distributed to beneficial projects throughout the State in an equitable, balanced and reasonable manner;

26. Any water infrastructure financing measure should include specific criteria which must be met before a project obtains funding. The specific criteria should include cost-effectiveness, a project proponent’s ability to implement the project, specific timelines for project implementation and a high level of measureable benefit;

27. Bond proceeds should be leveraged to the maximum extent possible utilizing local or federal matching funds. Projects funded with a higher percentage of non-state funds should be given priority; and

28. The allocation of bond funds should be handled within existing State resources to minimize bond administration costs.

Fiscal

29. No unfunded mandates. For newly mandated Federal and State costs or regulatory actions, support legislation that requires the federal and/or state governments to provide reimbursement to local governments.

30. Protects special district ad valorem tax revenues.

Local

31. Annexations would be cost neutral to other producers.
STATE PRIORITIES

- Secure state funding, including Proposition 1, for water reliability projects, including:
  - North Basin Groundwater Protection Project
  - South Basin Groundwater Protection Project
  - Groundwater Replenishment System: Final Expansion
  - Mid-Basin Injection Project

- Work with the current administration, legislators and their staff, key stakeholders, and statewide associations to advocate for OCWD’s desired goals. Amend, support and/or oppose legislation that may impact OCWD and its operations.

- Continue to monitor the state budget and budget trailer bills.

- Monitor clean-up bills related to the Sustainable Groundwater Management Act, and bills that could affect or hinder OCWD’s ability to collect groundwater clean-up costs.

- Support efforts to competitively seek funding for projects that meet the state’s goals of expanded water supply and reduces ecosystem impacts to the Delta or Delta tributaries.

- Support development of ACWA’s legislative priorities.

- Collaborate and meet with legislative work groups and committees, including but not limited to ACWA, WRA, CSDA, GRA, OCCOG, ACCOC, ISDOC, SAWPA, and MET

FEDERAL PRIORITIES

- Support the Prado Dam Ecosystem Project Feasibility Study.

- Support the development of emergency and long-term drought legislation and provisions to extend assistance to water infrastructure needs, including desalination and water reuse.
• Support at least $1.0 billion in annual federal appropriations to drinking water State Revolving Fund (SRF).

• Support legislation to revise the SRF allocation formula to reflect appropriate and fair share of funding to California.

• Oppose restrictions on tax-exempt financing for public infrastructure.

• Seek Federal funding for projects, including infrastructure funding, water recycling, ecosystem restoration, for OCWD's Water Education Festival, and water-energy efficiency projects.

• Support development of ACWA's legislative priorities.

• Work with Congress to develop cost effective mandates to reduce compliance costs.

• Collaborate and meet with federal legislative work groups and committees.
MEMORANDUM

TO: Legislative & Public Affairs Committee
FROM: Noelle Collins, Public Affairs Coordinator
DATE: July 23, 2015
SUBJECT: Website Upgrades RFP

RECOMMENDATION

This item is provided for information only. No action is requested at this time.

STRATEGIC PLAN

Goal #3: Be financially responsible and transparent.
Goal #4: Increase public awareness about Mesa Water® and about water.
Goal #5: Attract and retain skilled employees.
Goal #6: Provide outstanding customer service.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

Mesa Water® staff is developing a Request for Proposals for a consultant to re-design and upgrade MesaWater.org to improve the user experience through increased availability, performance, and accessibility of the website and to include the following features:

• Updated look and appearance;
• Content Management System (CMS) to allow key staff to make timely updates;
• FTP portal for large file attachments;
• Mobile device optimization and Search Engine Optimization strategy;
• Integrated online newsroom and social media platforms;
• Easier access to Customer Service paperless billing portal;
• Improved search function to more easily locate desired topics and documents;
• Interactive map to identify whether a property is in the service area and, if so, which director division represents that resident, business, or agency;
• Virtual tour of the MWRF;
• Online RSVP capability for District events and tours;
• Expanded and updated water use efficiency section;
• Hyperlinked newsletter stories and archives to allow easier access; and more.

FINANCIAL IMPACT

$50,000 is approved in the FY 2016 Budget from the Public & Government Affairs department.
ATTACHMENTS

None.
MEMORANDUM

TO: Legislative & Public Affairs Committee
FROM: Stacy Taylor, Public & Government Affairs Manager
DATE: July 23, 2015
SUBJECT: Advocacy Consulting Services Report

RECOMMENDATION

This item is provided for information only. No action is requested at this time.

STRATEGIC PLAN

Goal #4: Increase public awareness about Mesa Water® and about water.
Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

This item is updated for the monthly meeting of the Legislative & Public Affairs Committee.

DISCUSSION

Staff will provide a verbal report to the Board.

FINANCIAL IMPACT

$48,000 was budgeted in the FY 2015 budget for advocacy consulting services, funded from the Public & Government Affairs department’s expense budget. An additional $12,000 was allocated in September 2014, followed by an additional $18,000 allocated in December 2014, for a grand total of $78,000 in the FY 2015 budget for advocacy consulting services, funded from the Public & Government Affairs department’s expense budget. To date, $70,840 has been spent, with a remaining balance of $7,160 in this account.

ATTACHMENTS

None.
MEMORANDUM

TO: Legislative & Public Affairs Committee
FROM: Stacy Taylor, Public & Government Affairs Manager
DATE: July 23, 2015
SUBJECT: Legislative Consulting Services Report

RECOMMENDATION

This item is provided for information only. No action is requested at this time.

STRATEGIC PLAN

Goal #4: Increase public awareness about Mesa Water® and about water.
Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

This item is updated for the monthly meeting of the Legislative & Public Affairs Committee.

DISCUSSION

Mesa Water District (Mesa Water®) receives legislative consulting services from Townsend Public Affairs (TPA). As part of its service to Mesa Water®, TPA submits a monthly written report of its activities on behalf of the District, including a legislation matrix.

FINANCIAL IMPACT

$36,000 was budgeted in the FY 2015 budget for legislative consulting services, funded from the Public & Government Affairs department’s expense budget. An additional $12,000 was allocated in December 2014, for a grand total of $48,000 in the FY 2015 budget for legislative consulting services, funded from the Public & Government Affairs department’s expense budget. To date, $46,000 has been spent, with a remaining balance of $2,000 in this account.

ATTACHMENTS

Attachment A: Report & Legislation Matrix
MEMORANDUM

To: Mesa Water®
From: Townsend Public Affairs, Inc.
Date: July 13, 2015
Subject: Monthly Political and Activity Report

Specific Activities for the Month:

- TPA provided Mesa Water with timely updates on the budget process as well as on the accompanying trailer bills.

- TPA provided Mesa Water with timely updates on the federal drought related legislation.

- On Thursday, June 25, TPA presented a state and federal legislative update at the Mesa Water Legislative and Public Affairs committee meeting.

- On Friday, June 26 TPA attended the ACWA State Legislative Committee meeting and provided staff with notes.

- On July 9, TPA participated in the Metropolitan Water Legislative Update call and provided staff with notes

- Throughout the month of June, TPA provided timely updates to Mesa Water staff about Congressman Valadao’s Western Water and American Food Security Act of 2015.
State Political Update

All attention in the Capitol over the past several weeks has been centered on finalizing the State Budget and moving legislation through the second House. All bills will need to be reported to the floor by their policy committees by July 17. On July 18 the Legislature will adjourn for summer recess, and return on August 18. August 28 will be the last day for fiscal committees to report bills to the floor and the Legislature will adjourn on September 11.

In addition to the funding included in the Governor’s May Revise to address the ongoing drought, the Administration released several proposals in late May and early June, relating to the drought and water districts, for possible inclusion in budget trailer bills. While a few of the proposals, such as local enforcement authority to enforce drought related fines, are new items that are directly tied to the current drought, many of the proposals were re-introductions of legislation that has previously stalled in the Legislature. The items that were introduced as being drought related include: public well logs, sub-metering for multi-unit structures, and mandated consolidation for small water systems that fail to provide safe drinking water. The water community, along with many other public agency advocates, expressed strong opposition to many of the proposals that were brought forward for potential inclusion in the final budget package. Unfortunately, the Administration is increasingly releasing major policy changes through the budget trailer bill process, as opposed to introducing legislation that can be more thoroughly vetted through the normal legislative process. This results in significantly less time to evaluate proposals for potential impacts, and less time for legislators to consider such policy changes and how they would impact their districts.

The week of June 8, the Budget Conference Committee met to work out the differences in the budget actions that were taken by the Assembly and Senate Budget committees. On June 15, the Legislature passed a budget on party-line votes, thereby meeting their constitutional mandate to adopt a spending plan. The spending plan included $117.5 billion in General Fund spending and established total reserves of $5.7 billion ($1.5 billion in regular reserve and $4.2 billion in the State’s rainy day fund). The budget spending level is based on the Legislative Analyst’s Office revenue projections for the upcoming year, which are over $3 billion above the projections from the Governor’s Office. However, the action taken, to pass the main budget bill and four of the trailer bills, did not address many of the outstanding issues that were still pending between the Legislature and the Governor, including the drought trailer bill.

On June 16, an agreement on a spending plan was announced between the Governor and Legislative Leadership. The total spending in the budget agreement was approximately $2 billion less than what the Legislature approved on June 15. The Governor signed the FY 2015-16 Budget Act as well as the Natural Resources and Environmental Protection Agency trailer bills on June 24.

The final budget package contained significant funding from Proposition 1 to provide resources to help address the drought and other related water infrastructure. Specifically, the budget contained:

- $783 million for competitive grants and loans to address groundwater contamination
- $210 million for competitive grants and loans for water recycling
• $50 million for grants and loans for desalination projects
• $180 million for public water system infrastructure improvements to meet safe drinking water standards
• $160 million for grants for wastewater treatment projects
• $100 million for grants for storm water management projects

Despite significant opposition from Republican members of both Houses, the final package included SB 88, a trailer bill related to the drought. The drought trailer bill contained:

• Language authorizing the SWRCB to require consolidation for water systems that are serving disadvantaged communities in unincorporated areas with unreliable and unsafe drinking water. This language was significantly narrowed in scope from its original version which would have authorized the SWRCB to require consolidation for any public water system that failed to provide an adequate supply of safe drinking water.

• A CEQA exemption, during a drought state of emergency, for building or expanding a recycled water pipeline and related groundwater replenishment infrastructure if it is within existing rights of way, does not impact wetlands, and where construction impacts are fully mitigated.

• Expanded local enforcement authority for local water agencies to issue penalties for violations of state water conservation requirements. The penalties can be up to $1,000 for the first violation and increase for subsequent violations up to $10,000 unless the residential user had actual notice of the requirement, the conduct was intentional, and the amount of water was substantial.

• Allows the SWRCB to account for penalties assessed for violations of the emergency conservation regulations and deposit the funds into an account to support for water conservation activities.

Another item that the Administration had proposed, and the water community conducted a significant amount of advocacy on, pertained to the structure of the state drinking water fee. While the Governor’s original proposal would have provided the SWRCB broad authority and latitude to modify the fee structure in the best way they saw fit, the final language that was included in the resources trailer bill, SB 83, represented a compromise with the water community. The provisions in SB 83 maintain the existing drinking water fee structure for FY 15-16 and create a public stakeholder process to provide input on proposed changes moving forward. The language requires the SWRCB to adopt the first round of changes through the complete Office of Administrative Law regulatory process, which will allow ample opportunity for public comment and input on the best way to amend the fee structure. Future modifications of the drinking water fee would be done through an emergency regulations process. In addition to the regulatory process, the trailer bill indicated that the revenue collection level of the drinking water fee would remain at its current level, and that future increases in the fee would be capped at 5 percent per year, as is currently the case.

The Governor has called special sessions to deal with issues surrounding the funding of transportation infrastructure and issues relating to healthcare. Proposals have been introduced in those special sessions and will be considered by the Legislature. The transportation funding...
special session dialogue will be focused around a special gas tax and fee increases on car registration in order to fund transportation infrastructure projects. The health care trailer bill talks will be centered around providing Medi-Cal coverage to undocumented children and extending Covered California's rule making authority while expanding board meeting transparency.

**Turf Replacement Initiative**

On July 2, TPA monitored the Department of Water Resources (DWR) meeting on the statewide Turf Replacement Initiative—a partnership with local agencies that aims to collectively replace 50 million square feet of lawns and ornamental turf with drought tolerant landscapes. The main purpose of the meeting was to describe the programmatic components, receive public comments and seek assistance in further developing and refining the initiative, as well as to answer clarifying questions.

It is important to note that some of the higher level themes that came up from the comments include the dual program coordination. This was categorized as an important component, as it demonstrates DWR’s responsibility in coordinating with local agencies, nonprofits, California Conservation Corps, EGIA and other possible groups to ensure they have been educated and provided the necessary tools.

Additionally, DWR stated that they would be very interested in receiving any comments or ideas in terms of assistance with coordination and outreach efforts. Setting standards for interagency coordination was also a strong theme throughout the meeting. This includes whether DWR should take more of a watershed approach, so that this program doesn’t compete with local programs or conflict with the goals of the local agencies.

Concerns were also raised on the type of impact this program would have on soil health and how some of these materials contribute to solarization, soil compaction, and so forth. Finally, there were several comments that the project timeframe for completion should increase from 90 to 120 days.

Three potential programs were laid out at the workshop:

1. **Residential Turf Rebates**
   a. $2 per square foot
   b. Capped at $2,000 per household

2. **Commercial, Industrial, and Institutional Turf Replacement**
   a. Partnering with the California Conservation Corps
   b. Total number of projects will depend on the size of projects submitted
   c. Projects will be prioritized based on benefit to the community and potential to provide water conservation educational opportunity

3. **Statewide Campaign**
   a. Communicate benefits and importance of converting lawn to water-efficient landscapes
   b. Specific activities will include outreach, community engagement and technical support for public participation at landscape conversion events

By August 2015, DWR plans to start giving out residential rebates applications, and begin Commercial, Industrial, and Institutional Turf Replacement.

**Bay Delta Conservation Plan**
In response to comments received on the Draft Bay Delta Conservation Plan (BDCP) Environmental Impact Report/Environmental Impact Statement (EIR/EIS), the Department of Water Resources (DWR) and the U.S. Bureau of Reclamation are no longer proposing the original BDCP Alternative 4 plan. Instead, they have made modifications to the project plan and have released a draft EIR/EIS for Alternative 4a which includes changes or modifications in sections that necessitate additional public review according to the California Environmental Quality Act (CEQA) and the National Environmental Quality Act (NEQA). Alternative 4a includes two components: California WaterFix and California EcoRestore. California WaterFix is a state of the art two-tunnel water delivery system that will modernize California’s aging water delivery system, as well as provide over 15,000 acres of Delta restoration and protection. California EcoRestore creates a program that aims to restore and protect more than 30,000 acres of Delta habitat, funded partially by Proposition 1. Instead of a 50 year Habitat Conservation Program as proposed in Alternative 4, California EcoRestore will address critical Delta habitat restoration over the next five years. Alternative 4a essentially split up Alternative 4 into two components and scaled back the environmental duties. The public comment period will be from July 10 – August 31 2015.

California Energy Commission: Water Energy Technology Program

The California Energy Commission, jointly with the Department of Water Resources and the State Water Resources Control Board will implement a Water Energy Technology (WET) Program to provide funding for innovation technologies that meet certain criteria:

- Display significant water savings, energy savings, and greenhouse gas emission reductions
- Demonstrate actual operation beyond the research and development stage
- Document readiness for rapid, large-scale deployment (but not yet widely deployed) in California

This program will be funded with $30 million from the California Climate Investments Program and will be implemented in three phases:

1. Agricultural
   - Draft guidelines are available now

2. Industrial, Commercial, and Residential
   - Guidelines being developed, expected sometime in August 2015
     - Projects must result in on-site, direct GHG reduction
     - Embedded energy in water cannot count toward GHG reductions
     - Examples:
       - Integrated on-site use of recycled water coupled with reduction of on-site pumping energy or waste heat recovery
       - $16 million available in competitive grant funds for industrial, commercial, and residential areas
         - $7 million for industrial
         - $7 million for commercial
         - $2 million for residential
       - Potential grant amount $500,000 to $1 million

3. Renewable Energy Powered Desalination Grants
   - Projects must be commercially available, not conceptual
- Projects must result in on-site, direct GHG emission reductions through the use of renewable energy integration while increasing water production efficiency
- $1-3$ million for grant awards
- Guidelines development will begin after the implementation of the Industrial, Commercial and Residential Program

**Legislation**

All legislation needed to pass out of the house of origin by June 5. Legislation that has made it out of the initial house will now move to the opposite house and be assigned to policy committees. July 17 is the last day for policy committees to meet and report bills, before the Legislature adjourns for Summer Recess on the 17. The Legislature will return on August 17 to continue the legislative process before the last day of session on September 11.

TPA has provided an attached matrix which outlines high priority legislation of interest to Mesa Water. A few key bills are further detailed below.

**SB 385 (Hueso) Primary drinking water standards: hexavalent chromium: compliance plan.**

The bill would allow, until January 1, 2020, the SWRCB to grant a period of time to reach compliance with the state’s hexavalent chromium standard by approving a compliance plan. The legislation passed the Senate and was double referred in the Assembly to the Committee on Environmental Safety and Toxic Materials and the Assembly Judiciary Committee. On June 30, SB 385 passed the Assembly Environmental Safety and Toxic Materials Committee, and on July 7, it passed out of the Assembly Judiciary Committee. It is now on its way to the Assembly Appropriations Committee.

**AB 291 (Medina) - CEQA**

The Association of California Water Agencies (ACWA) sponsored bill has passed the Assembly and is scheduled to be heard in the Senate Environmental Quality Committee on July 15. The bill was amended on April 15, and allows any notice that was previously to be filed with each county clerk to instead be mailed to the county clerk. Previous language in AB 291 allowed notices to be filed exclusively with the clerk in the county where the local agency’s principal office was located in lieu of filing with each county.

**SB 355 (Lara) – San Gabriel and Lower Los Angeles Rivers and Mountain Conservancy**

On June 25, this bill was amended to increase the governing board to 15 voting members and 9 ex-officio members. The additional two voting seats will be filled by one resident of a city bordering the San Gabriel River and one resident of a city bordering the Lower Los Angeles River, both appointed by the Governor. The ex-officio membership also was raised from 7 to 9 members, filled by one member of the Senate and one member of the Assembly. This bill was also amended to preserve the two Orange County seats but makes amendments to how those seats will be selected. One member shall be appointed by a majority of the membership of the city selection committee of Orange County. The other member shall be appointed by the Governor from a list of two or more potential members submitted by the city selection committee. TPA was working closely with Mesa Water and the bill author on this legislation. The bill passed the Assembly Appropriations Committee on June 8, and is now on the Assembly floor.

**Federal Policy Update**
After the Independence Day recess, Congress continued to focus efforts on marking-up the remaining appropriations bills – most recently, the Interior-Environment bill the week of July 6th. The Senate has now addressed 10 of the 12 appropriations bills in committee, and is now moving onto the Financial Services and Agriculture bills. The final two bills could be released as soon as the week of July 13 and will then be prepared for markups. Throughout the week of July 13, the House Chamber is expected to consider the Financial Services spending bill as well as mark up the Homeland Security bill in Committee. Congress will be in session throughout the remainder of July, and will continue to address spending bills in the lead up to the August recess.

**FY16 Appropriations Related to Water Policy**

Regarding the Energy & Water (E&W) Appropriations bill, the House passed their version of the bill in early May. The Senate also passed their version of the E&W appropriations bill in subcommittee and full committee. The bill bill now awaits a Senate floor vote.

The Interior-Environment bill has proved to be one of the more contentious spending bills, with policy riders preventing the bill from moving forward. Both the House and the Senate have released language, but neither Chamber has passed a bill.

Both the House and Senate bills include cuts to the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) – EPA funds that go directly to States for projects that provide access to clean water, including drinking water.

The House Interior-Environment bill includes the following provisions:

- Reduces EPA’s funding for fiscal 2016 by about $717.7 million compared with fiscal 2015.
- $1.02 billion would be provided for Clean Water State Revolving Fund activities within EPA, of which $757 million would be dedicated to making grants for the Drinking Water State Revolving Funds.
  - Overall, the bill cuts $580 million in funding from the EPA’s Clean Water and Safe Drinking Water revolving loan funds.

The Senate Interior-Environment bill includes the following provisions:

- Provides $7.6 billion for EPA, $538.8 million below the FY2015 enacted level.
- $1 billion shall be for making grants for the Clean Water State Revolving Funds, of which $776 million shall be for making capitalization grants for the Drinking Water State Revolving Funds.
  - Provides $1.8 billion for both the Clean Water and Drinking Water revolving funds.

The FY15 Interior-Environment Appropriations Bill provided $1.45 billion for the CWSRF and $1.186 billion for the DWSRF.

**Water/Drought Legislation**

On Thursday, June 25, Congressmen Valadao (CA-21) introduced “The Western Water and American Food Security Act of 2015” to update water policies in California and the West. The bill essentially has the same framework as the Congressman’s previously introduced water resources bill in the 113th Congress. However, there are new provisions in this bill that would put new deadlines on the Interior
Department’s Bureau of Reclamation to finish all of its studies on Shasta, Temperance Flat and two other dams.

The primary goal of Valadao’s bill is to provide more river water to the Central Valley Project (a federal water management system) over the next four years and prevent that water from washing back out into the Pacific Ocean. However, this entails compromising state and federal concerns over protecting fish (The Endangered Species Act), a sticking point for Senator Boxer and Senator Feinstein, in addition to environmental violations. The bill has full support from the California Republican delegation, but lacks Democratic support particularly from the California Senators. Representative Costa is the only Democrat co-sponsor who signed on.

House Majority Leader Kevin McCarthy listed House passage of this drought bill as a priority for July. Most recently, the House Natural Resources Committee approved the Western Water and American Food Security Act of 2015 (HR 2898), setting it up for a full floor vote potentially later this month.
<table>
<thead>
<tr>
<th>BILL</th>
<th>AUTHOR</th>
<th>HIGH PRIORITY</th>
<th>SUMMARY</th>
<th>LATEST ACTION</th>
<th>MESA WATER POSITION</th>
<th>OTHER POSITIONS</th>
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</thead>
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<tr>
<td>AB 1</td>
<td>Brown [D]</td>
<td></td>
<td>Drought: local governments: fines. Would prohibit a city, county, or city and county from imposing a fine under any local maintenance ordinance or other relevant ordinance for a failure to water a lawn or having a brown lawn during a period for which the Governor has issued a proclamation of a state of emergency based on drought conditions.</td>
<td>7/1/15 Enrolled and presented to the Governor</td>
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<td>ACWA-NYC Met- NYC MWDOC-Support OCWD-NYC IRWD-NYC CSDA-NYC</td>
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<td>AB 2</td>
<td>Alejo [D]</td>
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<td>Community revitalization authority. Would authorize certain local agencies to form a community revitalization authority (authority) within a community revitalization and investment area, as defined, to carry out provisions of the Community Redevelopment Law in that area for purposes related to, among other things, infrastructure, affordable housing, and economic revitalization. The bill would provide for the financing of these activities by, among other things, the issuance of bonds serviced by tax increment revenues, and would require the authority to adopt a community revitalization plan for the community revitalization and investment area that includes elements describing and governing revitalization activities.</td>
<td>7/7/15 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on T. &amp; H.</td>
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<td>ACWA-NYC Met- NYC MWDOC-NYC OCWD-NYC IRWD-NYC CSDA-Support</td>
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<td>AB 149</td>
<td>Chavez [R]</td>
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<td>Urban water management plans. The Urban Water Management Planning Act requires an urban water supplier to submit to the Department of Water Resources a copy of its urban water management plan and requires the department to prepare and submit to the Legislature, on or before December 31, in the years ending in 6 and 1, a report summarizing the status of plans adopted pursuant to the act. This bill, commencing January 1, 2017, would instead require an urban water supplier to update its plan at least once every 5 years on or before December 31 in years ending in 6 and one. The bill would instead require the department to submit its report to the Legislature, on or before December 31, in years ending in 7 and two.</td>
<td>7/6/15 Chaptered by Secretary of State - Chapter 49, Statutes of 2015.</td>
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<td>ACWA-Favor Met- Support MWDOC-Support OCWD-NYC IRWD-NYC CSDA-Support</td>
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<td>AB 291</td>
<td>Medina [D]</td>
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<td>California Environmental Quality Act: local agencies: notice of determination: water. Would authorize a local agency, for certain water projects, to file the notice with the county clerk of the county in which the local agency's principal office is located in lieu of the county clerk of each county in which the project is located and would, if the local agency exercises this authorization, require the local agency to file the notice with the Office of Planning and Research. This bill contains other existing laws.</td>
<td>6/30/15 in committee: Set, second hearing. Hearing canceled at the request of author.</td>
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<td>ACWA-Support Met- Support MWDOC-Support OCWD-NYC IRWD-NYC CSDA-NYC</td>
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<td>Bill Number</td>
<td>Sponsor [Party]</td>
<td>Description</td>
<td>Status Details</td>
<td>Supporting or Opposing Groups</td>
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<td>AB 327</td>
<td>Gordon [D]</td>
<td>Public works: volunteers. All workers employed on public works projects are required to be paid not less than the general prevailing rate of per diem wages for work, except as specified. Current law governing public works does not apply to specified work performed by a volunteer, a volunteer coordinator, or a member of the California Conservation Corps or a community conservation corps. These provisions are effective only until January 1, 2017, and as of that date are repealed. This bill would extend those provisions until January 1, 2024, at which date those provisions would be repealed. The bill would also delete an obsolete provision. This bill contains other existing laws.</td>
<td>7/6/15 Chaptered by Secretary of State - Chapter 53, Statutes of 2015.</td>
<td>ACWA-NYC, Met-NYC, MWDOC-NYC, OCWD-NYC, IRWD-NYC, CSDA-Support</td>
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<td>AB 341</td>
<td>Achadjian [R]</td>
<td>Financial affairs: reports. Current law requires the officer of each local agency, who has charge of the financial records of the local agency, to furnish to the Controller a report of all the financial transactions of the local agency during the next preceding fiscal year within 90 days of the close of each fiscal year, or within 110 days if the report is furnished in an electronic format. This bill would require the report to contain underlying data from audited financial statements, as specified, if this data is available.</td>
<td>7/2/15 Chaptered by Secretary of State - Chapter 37, Statutes of 2015.</td>
<td>ACWA-NYC, Met-NYC, MWDOC-NYC, OCWD-NYC, IRWD-NYC, CSDA-Support</td>
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<td>AB 606</td>
<td>Levine [D]</td>
<td>Water Conservation. Would, when the Department of General Services replaces landscaping or irrigation on public property or when new public property is added to the department's statewide property inventory, require the department to reduce water consumption and increase water efficiencies for that property, where feasible, through replacement of landscaping, irrigation timers, or spray sprinkler heads, implementation of recycled water irrigation, or any combination thereof.</td>
<td>7/6/15 In committee: Hearing postponed by committee.</td>
<td>ACWA-NYC, Met-Support, MWDOC-NYC, OCWD-NYC, IRWD-NYC, CSDA-NYC</td>
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<td>AB 617</td>
<td>Perea [D]</td>
<td>Groundwater. Would revise the definition of &quot;groundwater recharge&quot; for the purposes of the Sustainable Groundwater Management Act to permit the inclusion of in-lieu recharge through delivery of water to persons that otherwise extract groundwater, leaving groundwater in the basin. This bill contains other related provisions and other existing laws.</td>
<td>6/29/15 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on N.R. &amp; W.</td>
<td>ACWA-Support, Met- NYC, MWDOC-NYC, OCWD-NYC, IRWD-NYC, CSDA-NYC</td>
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<td>AB 647</td>
<td>Eggman [D]</td>
<td>Groundwater: Would declare that the storing of water underground constitutes a beneficial use of water if the diverted water is used while it is in underground storage for specified purposes. This bill would state the intent of the Legislature that this storage of water underground not injure any legal user of the water involved. This bill would provide that the period for the reversion of a water right does not include any period when the water is being used in the aquifer or storage area or is being held in storage for later application to beneficial use, as prescribed.</td>
<td>6/30/15 From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on N.R. &amp; W.</td>
<td>ACWA - NYC, Met - Support, MWDOC - NYC, OCWD - Oppose if Amended, IRWD - NYC, CSDA - NYC</td>
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<td>Bill Number</td>
<td>Sponsor</td>
<td>Legislation Description</td>
<td>Action Details</td>
<td>Supporting Organizations</td>
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<td>AB 1139</td>
<td>Campos</td>
<td>Personal income taxes: credit: turf removal. The Personal Income Tax Law allows various credits against the taxes imposed by that law. This bill would, for taxable years beginning on and after January 1, 2015, allow a credit to a taxpayer participating in a lawn replacement program, as defined, in an amount equal to $2 per square foot of conventional lawn removed from the taxpayer's property, up to $50,000 per taxable year, as provided. The bill would make findings and declarations in this regard.</td>
<td>5/4/2015: In committee: Set, first hearing. Hearing canceled at the request of author.</td>
<td>ACWA-NYC, Met-Support, MWDOC-NYC, OCWD-NYC, IRWD-NYC, CSDA-NYC</td>
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<td>AB 1201</td>
<td>Salas</td>
<td>Fish and wildlife: Sacramento-San Joaquin Delta: predation by nonnative species. Under the California Endangered Species Act, the Department of Fish and Wildlife may authorize the take of listed species if the take is incidental to an otherwise lawful activity and the impacts are minimized and fully mitigated. This bill would require the department, by June 30, 2016, to develop and initiate a science-based approach that addresses predation by nonnative species upon species of fish listed pursuant to the act that reside all or a portion of their lives in the Sacramento-San Joaquin Delta.</td>
<td>7/7/15: From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on N.R. &amp; W.</td>
<td>ACWA-Support, Met-Support, MWDOC-NYC, OCWD-NYC, IRWD-Support, CSDA-NYC</td>
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<td>AB 1347</td>
<td>Chiu</td>
<td>Public contracts: claims. Would establish, for contracts entered into on or after January 1, 2016, a claim resolution process applicable to all public entity contracts. The bill would define a claim as a contractor's written demand or assertion, including a request for a modification, contract amendment, or change order, seeking an adjustment or interpretation of the terms of the contract documents, payment of money, extension of time, or other relief, including a determination of disputes or matters arising out of, or related to, the contract documents or the performance of work on a public work. This bill contains other related provisions and other existing laws.</td>
<td>7/6/15: Read second time and amended. Re-referred to Com. on APPR.</td>
<td>ACWA-NYC, Met- NYC, MWDOC-Oppose, OCWD-Oppose, IRWD-NYC, CSDA-NYC</td>
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<td>SB 239</td>
<td>Hertzberg</td>
<td>Local Services: Contracts. Current law permits a city or district to provide extended services, as defined, outside its jurisdictional boundaries only if it first requests and receives written approval from the local agency formation commission in the affected county. Under current law, the commission may authorize a city or district to provide new or extended services outside both its jurisdictional boundaries and its sphere of influence under specified circumstances. This bill would permit a public agency to exercise new or extended services outside the public agency's current service area pursuant to a fire protection reorganization contract, as defined, only if the public agency receives written approval from the local agency formation commission in the affected county.</td>
<td>6/15/15: Referred to Com. on L. GOV.</td>
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<td>Bill</td>
<td>Author(s)</td>
<td>Description</td>
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<td>SB 272 Hertzberg (D)</td>
<td>The California Public Records Act: Local Agencies: Inventory</td>
<td>Would require each local agency, in implementing the California Public Records Act, to create a catalog of enterprise systems, as defined, to make the catalog publicly available upon request in the office of the clerk of the agency's legislative body, and to post the catalog on the local agency's Internet Web site. The bill would require the catalog to disclose a list of the enterprise systems utilized by the agency, and, among other things, the current system vendor and product. Because the bill would require local agencies to perform additional duties, it would impose a state-mandated local program. This bill contains other related provisions and other existing laws.</td>
<td>7/6/15 From committee with author's amendments. Read second time and amended. Referred to Com. on L. GOV.</td>
<td>ACWA-Oppose Met - NYC MWDOC - NYC CSDA - NYC OCWD -NYC IRWD - NYC</td>
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<td>SB 355 Lara [D]</td>
<td>San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy</td>
<td>Would require that only one member of the Orange County Division of the League of California Cities be a voting member of the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, and would require that a resident of a city bordering the Lower Los Angeles River, appointed by the Senator Committee on Rules, be a voting member. The bill would also increase the number of nonvoting members to 9, and would require that one Member of the Senate, appointed by the Senate Committee on Rules, and one Member of the Assembly, appointed by the Speaker of the Assembly, serve as those nonvoting members.</td>
<td>7/9/15 Read second time. Ordered to consent calendar.</td>
<td>OCWD - Oppose unless amended MWDOC - Oppose unless amended</td>
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<td>SB 385 Hueso [D]</td>
<td>Primary drinking water standards: hexavalent chromium: compliance plan</td>
<td>Would authorize, until January 1, 2020, the State Water Resources Control Board, at the request of a public water system that prepares and submits a compliance plan to the state board, to grant a period of time to achieve compliance with the primary drinking water standard for hexavalent chromium by approving the compliance plan, as prescribed. This bill would require a public water system to provide specified notice regarding the compliance plan to its customers and the public water system to send written status reports to the state board.</td>
<td>7/7/15 From committee: Do pass and re-refer to Com. on APPR. with recommendation: To consent calendar. (Ayes 10. Noes 0.) (July 7). Referred to Com. on APPR.</td>
<td>ACWA-Support Met- Support MWDOC-NYC OCWD-NYC IRWD-NYC CSDA-NYC</td>
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REPORTS AND INFORMATION ITEMS:

5. REPORT OF THE GENERAL MANAGER:
REPORTS AND INFORMATION ITEMS:

6. DIRECTORS’ REPORTS AND COMMENTS:
MEMORANDUM

TO: Legislative & Public Affairs Committee

FROM: Stacy Taylor, Public & Government Affairs Manager

DATE: July 23, 2015

SUBJECT: Drought-Reach 2.0 Update

RECOMMENDATION

This item is provided for information only. No action is requested at this time.

STRATEGIC PLAN

Goal #1: Provide a safe, abundant, and reliable water supply.
Goal #4: Increase public awareness about Mesa Water® and about water.
Goal #6: Provide outstanding customer service.
Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

At the District’s August 28, 2014, Board meeting, staff presented an update on the Mesa Water District (Mesa Water®) drought-related outreach activities -- called “Drought-Reach” -- in response to the State Water Resources Control Board’s regulations that became effective on July 29, 2014.

At its October 30, 2014 meeting, the Legislative and Public Affairs Committee approved staff conducting a selection process to retain a “Drought-Reach” campaign consultant, and bringing a recommendation to the Board at its November 13, 2014 meeting.

At its November 13, 2014 meeting, the Board determined to retain Fraser Communications as the District’s “Drought-Reach” campaign consultant for the total amount of $178,731.

DISCUSSION

Due to the seriousness of this drought, Governor Brown declared a drought state of emergency in January 2014 and, in April 2014, he called on all Californian’s to reduce their water use by 20 percent. In June 2014, the State Water Resources Control Board (SWRCB) issued curtailments to junior water-rights holders and, in July 2014, the SWRCB adopted two resolutions for drought emergency regulations—the first resolution mandated water curtailments, and the second resolution mandated urban water conservation.

The SWRCB’s drought emergency regulations for urban water conservation mandated that all water providers enact water shortage contingency plans with outdoor watering restrictions and prohibitions on specific outdoor watering activities. In response, Mesa Water® ensured its Water Conservation Ordinance (Ordinance 21) is in compliance, and the District initiated Drought-Reach
activities to further educate the public about the drought and inform its service area about the State’s requirements.

In anticipation of additional water conservation mandates from the SWRCB, the high probability of allocations implementation by the Metropolitan Water District of Southern California, and to encourage continued water conservation results in the District’s service area, staff recommended a grassroots Drought-Reach campaign to reach all Mesa Water® residents with multiple touchpoints via the following tactical elements (starting in December 2014): 1-2 automated calls; 1-2 mailers; 1 door hanger; and, canvassing. Per the Board’s direction, the campaign included a District-wide bill insert as one of the mailer elements.

Following the initial Drought-Reach campaign’s success, Mesa Water® determined to retain Fraser Communications to implement “Drought-Reach 2.0” in order to leverage and extend the initial campaign. New multi-media creative was developed emphasizing the new outdoor watering rules and featuring the number 2 throughout all elements. Additionally, the campaign is continuing to use the Mesa Water Saver campaign icon.

Attached is Fraser Communications’ status update memo to Mesa Water® regarding the campaign. Following are the campaign’s key messages developed for Mesa Water’s Board and staff:

• This is one of the worst droughts in California’s history and we are now into the fourth consecutive year of this drought which began in 2012.

• Furthermore, 2013 was the driest year on record in terms of rain; 2014 was the hottest year on record; and, 2015 had the lowest snow levels on record for California.

• Although we’ve had some rain, it is nowhere near enough to get us out of drought.

• While Mesa Water® has enough water, other areas across California are running low or running out of water.

• We are all in this together as one state with one water, and Governor Brown has asked everyone to reduce their water use; the State Water Board has determined Mesa Water’s reduction to be 20%.

• To achieve this goal, Mesa Water’s drought-reach campaign asks everyone -- businesses, public agencies, and residents -- to do only two days of outdoor watering per week (Tuesday and Saturday) before 8:00 a.m. or after 5:00 p.m.

• For questions or to request water conservation information, items, and rebates, go to MesaWaterSaver.org, email info@MesaWater.org, call 949.631.1200, or visit the District’s office.

• Thanks for being a Mesa Water Saver!

FINANCIAL IMPACT

The total campaign budget approved by the Board is not-to-exceed $240,000 with a maximum of $60,000 allocated for FY 2015 and the remainder allocated for FY 2016. To date, $228,488 has
been committed with $11,512 pending allocation. Spending to date totals $177,997.

The Public & Government Affairs department’s FY 2015 expense budget totals $669,656 (representing the initial $388,925 budget, plus $42,000 for additional advocacy, and $178,731 for “drought-reach”, plus $60,000 for “drought-reach 2.0”). To date, $571,840 has been spent, with a remaining balance of $97,816.

ATTACHMENTS

Attachment A: Fraser Communications memo
Attachment B: Water Use Comparisons 2013/2014/2015
MESA WATER DISTRICT “DROUGHT-REACH” STATUS MEMO
July 16, 2015

Campaign Scope
On April 1, 2015, Governor Brown issued an Executive Order for a 25% reduction of water use statewide. To comply with the mandated water use restrictions, at its May 14, 2015 Board meeting, Mesa Water District (Mesa Water®) approved the adoption of an updated Water Conservation Ordinance and a Water Supply Emergency Program encouraging continued water conservation results in Mesa Water’s service area by extending the grassroots Drought-Reach campaign – including business, commercial, industrial, institutional, and residential water users – via multiple communications touchpoints – developed and executed again by Fraser Communications.

The purpose of the new campaign is to educate all ratepayers and residents to include to all residences, businesses, industrial and institutional water users in the 18-square-mile area covered by Mesa Water®’s service area, of the new outdoor watering restrictions that took effect on May 14, 2015. The intent of the new ordinance is to reduce aggregate potable water consumption by at least 20%. The strategy for the campaign messaging is to clearly outline the new outdoor watering restrictions, with the campaign’s focus is on outdoor water usage.

Overarching Campaign Theme Development
Fraser developed a strong campaign theme “Let’s All Be Mesa Water Savers” with an impactful/fast read hose graphic that clearly highlights the new water restrictions of only watering two (2) days a week, Tuesday and Saturday, before 8 AM or after 5 PM.

In addition to the new graphics, Fraser has developed a highly graphic animated :30 video to be used In-Cinema, on Gas Pump Toppers, and as video pre-roll. Fraser is carrying forward several key elements from the previous campaign – to include the “heart” graphic and the MesaWaterSaver.org as the campaign destination URL.

The outreach campaign includes the following grassroots District-wide outreach elements listed in chronological order of implementation:

JUNE
- KOCI Radio :15 second messages–6/1 start
- Digital Ad Campaign, geo-fenced to the Mesa Water service area –6/22 start
- Pandora streaming radio, geo-fenced to the Mesa Water service area Mesa Water Bill Stuffer, 2-sided, English and Spanish–6/22 start
- Mesa Water Truck Magnets/Vinyl’s, English and Spanish
JULY

- Mailer, 2-sided, 6" x 11" English and Spanish to 30,500 residents and rate payers–week of 7/6
- Door Hanger, 2-sided, English and Spanish to 20,007 residential and renters–week of 7/6
- Print, full page color insertion: Costa Mesa Chamber Newsletter

JULY/AUGUST

- KOCI Radio Interview dates: 7/19 and 8/16
- (2) In-Cinema Advertising; :30 Video–started 6/29
- (4) Gas Pump Toppers; :30 Video–started 7/6
- (12) Office Building Lobby and Elevators–started 7/6
- Newspaper, two full page color insertions each:
  o Daily Pilot–7/10 & 8/7
  o Newport Beach Costa Mesa Current w/ front page “Post-it Note”–7/23 & 8/13
  o Excelsior (Spanish)–7/17 & 8/14
- (2) E-Mails to 87,497 all residents and those who work in the Mesa Water service area–7/21 & 8/18
- OC Fair Sponsorship to include (5) Information Booth Signs and Flyer handout–runs 7/17-8/16

JULY/AUGUST/SEPTEMBER

- (4) Outdoor Billboard, high-profile/visibility 14’ x 48’ bulletins–started 7/6

AUGUST

- (9) Bus Shelters–starts 7/27

AUGUST/SEPTEMBER

- Print, full page color insertions:
  o South Coast Metro 360 Magazine–August/September
  o Costa Mesa Recreation Guide–September

Completed as of July 15, 2015

- KOCI radio 15’s running
- Social Media posts written and posting
- Digital ad banner program running (includes video pre-roll and Pandora)
- Costa Mesa Recreation Guide and Costa Mesa Chamber Newsletter final ads released to pubs
- Mesa Water Saver webpage text translated into Spanish
- Bill Stuffer completed and printed
- :30 Animated Video completed and running
- Outdoor Billboard vinyl’s posted
- OC Fair Sign and Flyer mechanicals printed
- Bus Shelter art released to print
• Lobby and Elevator signs completed and posted
• Daily Pilot newspaper ad ran
• Postcard mailer printed and dropped in the mail
• Door Hangers printed and delivered
• Costa Mesa Aquatics Banner art delivered for printing

Total Rated Paid Media Campaign Impressions:
• 10,989,362
### Monthly Residential-GPCD

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MEMORANDUM

TO: Legislative & Public Affairs Committee
FROM: Noelle Collins, Public Affairs Coordinator
DATE: July 23, 2015
SUBJECT: Outreach Update

RECOMMENDATION

This item is provided for information only. No action is requested at this time.

STRATEGIC PLAN

Goal #4: Increase public awareness about Mesa Water® and about water.
Goal #6: Provide outstanding customer service.
Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSION

This item is updated for the monthly meeting of the Legislative & Public Affairs Committee.

DISCUSSION

In addition to ongoing communications, industry and internal relations, legislative relations, media relations (News Bureau), publications, water education and the annual Water Issues Study Group (WISG) series, the Mesa Water District (Mesa Water®) outreach program includes constituent relations via Community Outreach events, Speaker’s Bureau opportunities, Town Hall talks, and “Well Wisher” meetings.

Each of these activities is designed to connect Mesa Water® with its constituents in order to achieve the awareness goal in the District’s strategic plan. These activities are also designed to achieve the human resources, customer services, and/or regional water issues involvement goals by educating and informing the District’s constituents about Mesa Water®, water issues, and water in general.

Mesa Water® constituents include external audiences -- such as customers; community members; elected officials; industry colleagues, water districts and special districts; and, media -- as well as internal audiences such as current and former Mesa Water® staff and Board members.

Following is an update on outreach activities designed to educate and inform the District’s constituents about Mesa Water®, water issues, and water in general.

1. Community Outreach Events – Staff has planned Mesa Water’s participation in and/or sponsorship support of the following events: Concerts in the Park every Tuesday in July, (7/7, 7/14, 7/21, & 7/28), from 5:30-8:00 pm; and Water Wise Wednesdays at the OC Fair on 7/22 & 7/29 and 8/5 & 8/13 from 1-5 pm.
2. Speaker’s Bureau – Includes presentations by Mesa Water Board and/or staff member(s) in the community as well as media interviews, including Mesa Water Reliability Facility (MWRF) tours. Mesa Water® directors are participating live on the “Sunday Brunch” radio program on KOCI 101.5 on Sunday, July 19th at 11am and Sunday, August 23rd at 11am.

3. Town Hall Talks – Mesa Water® staff is planning two town hall talks at the MWRF to address questions regarding the drought and Mesa Water’s emergency conservation regulations—Thursday, August 20th from 5:30-7:00 pm and Thursday, September, 17th from 5:30-7:00 pm.

4. “Well Wisher” Meetings – To date, Mesa Water® has received 312 “Well Wisher” support cards and hosted 983 constituents at the MWRF.

Staff will continue to provide updates to the Board regarding Mesa Water’s Community Outreach events, Speaker’s Bureau opportunities, Town Hall talks, and “Well Wisher” meetings.

For the “Well Wisher” meetings, staff will continue to develop, prioritize, and update the contact information list of appropriate representatives at key businesses, charities, churches, community service organizations, customers, HOAs, Mesa Water former directors/staff, WISG alums, and other groups/individuals in the District’s service area. Also, staff will work with the Board to designate the appropriate Mesa Water® representative(s) to participate in specific “Well Wisher” meetings, arrange the “Well Wisher” meetings, and notify the appropriate Mesa Water® representative(s).

Following are the benefits of Mesa Water’s outreach program:

- Informing constituents about Southern California’s perpetual drought, the historical drought now facing California, and the importance of developing local and cost-effective sources of safe, reliable water for Mesa Water’s service area and the region at large;
- Educating Mesa Water® constituents about the importance of water -- and water stewardship -- in order to sustain Southern California’s population, quality of life, business, and economy;
- Educating constituents about Mesa Water’s stewardship of ratepayer funds and financial responsibility to fund, invest in, and save for the current and future provision of safe and reliable water for the District’s service area;
- Informing Mesa Water® constituents of the District’s infrastructure improvements to ensure water quality and water reliability for its service area;
- Learning from constituents and evolving as a well-informed Board of Directors;
- Promoting water use efficiency to Mesa Water’s customers (ratepayers) and community members to help them save water, money, and the environment;
- For public health and safety reasons, ensuring that Mesa Water® customers and community members know the District as their water provider and as the source of information about water in emergency situations;
- Supporting Mesa Water’s service area as an actively involved participant in programs that provide added value and benefits to the community;
• Informing the media of Mesa Water’s activities that benefit the District’s customers and community;
• Empowering Mesa Water’s Board and staff with information that will help them provide the best possible service to the District’s customers and community members; and,
• Strengthening Mesa Water’s industry relations to provide opportunities for improving the District’s business and operations -- including the areas of financial and human resources strength, infrastructure and technological innovation, and setting/supporting policies that have a positive impact on Mesa Water’s service area -- so that the District can continue to provide safe, high-quality, reliable, and affordable water to its customers.

FINANCIAL IMPACT

The Public & Government Affairs department’s FY 2015 expense budget totals $669,656 (representing the initial $388,925 budget, plus $42,000 for additional advocacy, and $178,731 for “drought-reach”, plus $60,000 for “drought-reach 2.0”). To date, $571,840 has been spent, with a remaining balance of $97,816.

ATTACHMENTS

None.