



Dedicated to
Satisfying our Community's
Water Needs

AGENDA
MESA WATER DISTRICT
BOARD OF DIRECTORS
Thursday, May 26, 2016
1965 Placentia Avenue, Costa Mesa, CA 92627
3:30 p.m. Special Board Meeting

LEGISLATIVE & PUBLIC AFFAIRS COMMITTEE MEETING
Thursday, May 26, 2016 at 3:30 p.m.

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.

None

ACTION ITEMS:

1. 2016 Election Information
2. CLOSED SESSION:

CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Pursuant to Government Code Section 54956.8:

Property: 1975-1985 Placentia Avenue, Costa Mesa (APN: 422-301-02)

District Negotiator: General Manager

Negotiating Parties: Voit Real Estate Services

Under Negotiation: Price and/or terms of purchase and sale

RETURN TO OPEN SESSION

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. Outreach Update

In compliance with California law and the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 631-1206. Notification 48 hours prior to the meeting will enable Mesa Water District (Mesa Water®) to make reasonable arrangements to accommodate your requests.

Agenda materials that are public records, which have been distributed to a majority of the Mesa Water Board of Directors (Board), will be available for public inspection at the District Boardroom, 1965 Placentia Avenue, Costa Mesa, CA and on Mesa Water's website at www.MesaWater.org. If materials are distributed to the Board less than 72 hours prior or during the meeting, the materials will be available at the time of the meeting.

ADJOURNMENT

Revised



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MEMORANDUM

TO: Legislative & Public Affairs Committee
FROM: Coleen L. Monteleone, Assistant General Manager
DATE: May 26, 2016
SUBJECT: 2016 Election Information

RECOMMENDATION

Approve the following for the November 8, 2016 General Election:

- Limit the number of words for the candidate's ballot statement to 200 words
- Have the candidates pay for their own ballot statements
- Direct staff to complete the Transmittal of Election Information form (due at the Orange County Registrar of Voters by May 31, 2016)

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- 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.
- Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION

None.

DISCUSSION

Attached is a memo from the Orange County Registrar of Voters' Office requesting information for the upcoming November 8, 2016 General Election. The Registrar of Voters needs the District to authorize the number of words contained in a candidate's ballot statement, either 200 or 400 words. They also need to know if the District will or will not pay for candidates' statements.

In past elections, it has been the practice of the District to limit the number of words to no more than 200, and not to pay for the candidates' statements.

Candidate Filing for the November 8, 2016 General Election will be July 18, 2016 through August 12, 2016, 5:00 p.m.

FINANCIAL IMPACT

In fiscal year 2017, \$25,000 is projected in the proposed budget for election expenses.

ATTACHMENTS

Attachment A: Registrar of Voters Election Information



REGISTRAR OF VOTERS
1300 South Grand Avenue, Bldg. C
Santa Ana, California 92705
(714) 567-7600
FAX (714) 567-7627
ocvote.com

NEAL KELLEY
Registrar of Voters

Mailing Address:
P.O. Box 11298
Santa Ana, California 92711

RECEIVED

MAY 18 2016

DISTRICT MANAGEMENT

May 10, 2016

TO: Manager/Director

FM: Marcia Nielsen, Acting Candidate & Voter Services Manager

RE: Election Information for the November 8, 2016 General Election

Enclosed is a Transmittal of Election Information form to be completed and returned to the Registrar of Voters' office by May 31, 2016.

On the Transmittal of Election Information form, please list the name(s) of Director(s) whose term(s) expire and whose seat(s) will be scheduled for election on November 8, 2016. This would include any Director(s) appointed since your last election. Appointed Directors must file for the two-year unexpired term if they were appointed to fill a vacancy which would not have been scheduled for election until 2018.

We also need to know if your District **will** or **will not** pay for a Candidate's Statement of Qualifications and if the District is authorizing 200 or 400 words to be used in that statement.

Please send the completed Transmittal of Election Information form to me at 1300 South Grand Avenue, Building C, Santa Ana, CA 92705 or email to marcia.nielsen@rov.ocgov.com.

Pursuant to Elections Code § 10522, the District is required to submit a map showing the current district boundary lines, with divisions (if any), regardless if changes have occurred. We would prefer to receive the map in shape file format by email to Johnson Tem at johnson.tem@rov.ocgov.com.

Candidate Filing for the November 8, 2016 General Election will be July 18, 2016 through August 12, 2016, 5:00 p.m. The Candidate's Handbook will be on our website at the middle of June. We ask that you post this information to advise your members of these important dates.

If you have any questions, please contact me at marcia.nielsen@rov.ocgov.com or (714) 567-7568. Thanks for your assistance.

Enclosure

**TRANSMITTAL OF ELECTION INFORMATION SPECIAL DISTRICT
(EC §10509, §10522)**

_____DISTRICT

DISTRICT BOUNDARIES:

Choose One:

I will send to the Registrar of Voters an electronic shape file of District boundaries and the boundaries of the Divisions of the District, if any, in which a Director is to be elected at the November 8, 2016 General Election.

(Note: This is the Registrar of Voters' preferred method of transmittal.)

Attached is a map showing the boundaries of this District and the boundaries of the Divisions of the District, if any, in which a Director is to be elected at the November 8, 2016 General Election.

Choose One:

Voters in the District will be voting: At-large By Division

THE ELECTIVE OFFICES FOR WHICH AN ELECTION WILL BE HELD WITHIN THE SPECIAL DISTRICT ON NOVEMBER 8, 2016 ARE:

Choose One:

_____ Director(s) to be elected at-large
(# of directors)

OR

Director(s) to be elected in the following Divisions:

_____ in Division _____
(# of directors) (# of division)

_____ in Division _____
(# of directors) (# of division)

_____ in Division _____
(# of directors) (# of division)

_____ in Division _____
(# of directors) (# of division)

Please list below the names of the Incumbents/Appointed Incumbents for the above-mentioned positions:

(Name) _____ Elected Appointed (If appointed, the term ends in 20__.)

(Name) _____ Elected Appointed (If appointed, the term ends in 20__.)

(Name) _____ Elected Appointed (If appointed, the term ends in 20__.)

(Name) _____ Elected Appointed (If appointed, the term ends in 20__.)

The District authorizes the Candidate's Statement of Qualifications to contain no more than:

(Circle one) (200) or (400) words.

The District (will) or (will not) pay for a Candidate's Statement of Qualifications.

Dated _____

(Signature)

(District Seal)

(Print Name)

Phone #: _____ Email: _____

NOTE: Please return the above information no later than **May 31, 2016** to the Registrar of Voters' office, 1300 South Grand Avenue, Building C, Santa Ana, CA 92705, Attn: Marcia Nielsen or email to marcia.nielsen@rov.ocgov.com. Send the boundary map to Johnson Tem at 1300 South Grand Avenue, Building C, Santa Ana, CA 92705 or at johnson.tem@rov.ocgov.com.

ACTION ITEMS:

2. CLOSED SESSION:

CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Pursuant to Government Code Section 54956.8:

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MEMORANDUM



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TO: Legislative & Public Affairs Committee
FROM: Stacy Taylor, Public & Government Affairs Manager
DATE: May 26, 2016
SUBJECT: Advocacy Consulting Services Report

RECOMMENDATION

This item is provided for information only.

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

In fiscal year 2016, \$84,000 is budgeted; \$70,000 has been spent to date.

ATTACHMENTS

None.



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MEMORANDUM

TO: Legislative & Public Affairs Committee
FROM: Stacy Taylor, Public & Government Affairs Manager
DATE: May 26, 2016
SUBJECT: Legislative Consulting Services Report

RECOMMENDATION

This item is provided for information only.

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

In fiscal year 2016, \$60,000 is budgeted; \$50,000 has been spent to date.

ATTACHMENTS

Attachment A: Report & Legislation Matrix

MEMORANDUM

To: Mesa Water®

From: Townsend Public Affairs, Inc.

Date: May 16, 2016

Subject: Monthly Political and Activity Report

Attached to this report is a summary of ballot initiatives that have thus far qualified for the ballot in November 2016.

Specific Activities for the Month:

- TPA reached out to several organizations and elected officials to request their participation on a panel for Mesa Water's Water Issues Study Group Alumni Reunion Event on June 25. TPA has continuously provided staff with updates on this task. Panelists TPA has reached out to for the event include:
 - Assemblymember Matthew Harper
 - State Senator John Moorlach
 - MWDOC Director Joan Finnegan
 - MWDOC/MET Director Larry Dick
 - Vice-Chair Michelle Steel
 - OCWD Board President Cathy Green
 - City of Costa Mesa Mayor Steve Mensinger
 - City of Newport Beach Mayor Diane Dixon
 - Congressman Rohrabacher's office
 - Senator Feinstein's office

- TPA provided Mesa Water with an update and summary of the Governor's Executive Order and the long term extension of the emergency regulations.

- TPA provided Mesa Water with draft language that is being circulated by the Water Foundation to amend the Proposition 218 Omnibus Implementation Act.

- On April 21, TPA participated in the SWRCB Urban Water Conservation Workshop and provided a summary of the discussion to Mesa Water staff.

State Political Update

The first major deadline of the current legislative session, the first-house policy committee deadline, was on April 22. Any bill tagged as fiscal that did not pass its respective policy committee will be ineligible for consideration for the remainder of the current legislative session. Approximately 15 percent of the bills that were introduced this year failed to meet this deadline. May 6 was also an important deadline, as it was the last day for policy committees to hear and report non-fiscal bills to the floor. The next major deadline that faces the Legislature is the fiscal committee deadline on May 27. All bills that are keyed fiscal must pass out of the Appropriations committees by this date. Below is a list of key upcoming deadlines in the Legislature:

- May 27 – Last day for fiscal committees to hear and report bills in their house of origin to the floor
- June 3 – Last day for each house to pass bills introduced in that house
- June 15 – Last day to pass the budget
- July 1 – Last day for policy committees to hear and report bills in their second-house

May Revise

On May 13, the Governor held a press conference to release his May Revise budget proposal. The main theme that the Governor spoke about during the release of the May Revise was the need for the State to prepare for a likely economic downturn. To that end, the May Revise does not contain any proposals that would require new ongoing General Fund spending and continues to allocate significant resources to the State's budget reserves and rainy day fund.

In total, the May Revise proposes \$122.2 billion in General Fund expenditures, which is approximately \$450 million less than was proposed in the Governor's January budget. The May Revise also anticipates that the State will collect nearly \$1.9 billion less in revenue than was included in the January Budget proposal. The majority of the revenue loss is addressed in the May Revise through lowered required budget reserves (reduction of budget reserves by \$1.6 billion).

The May Revise did not make significant changes to several of the initiatives that the Governor put forth in his January Budget; most notably, the May Revise still anticipates funding from a comprehensive transportation infrastructure funding plan, as well as a comprehensive spending plan for Cap and Trade funding. Both of these proposals will need review by the Legislature and are likely to be significantly altered before they sent to the Governor for his consideration. Based on the politics within the Legislature, it is likely that a comprehensive Cap and Trade funding proposal can be included as part of the budget, however a transportation funding proposal is unlikely to come together over the next month in time to be included as part of the budget.

The Legislature will now hold several Budget Committee hearings to discuss the components of the Governor's revised budget, as well as to develop proposals of their own. This process will culminate with a budget conference committee between the Senate and Assembly to hash out the final details of the budget, as well as a number of closed door meetings between the Governor and Legislative Leadership. The Legislature will ultimately approve the budget and a series of trailer bills on June 15th in order to meet their constitutional obligation.

State Water Use: March 2016

Californian's reduced their water use by 24.3 percent in March 2016, when compared to water use in March 2013. The cumulative water savings from June 2015 – March 2016, when compared to the same months in 2013, amounts to 1.3 million acre-feet of water. Additionally, Californian's reduced their

residential water use to 66 gallons per capita per day (GPCD), one of the lowest figures since the Governor's executive order in April 2015.

In March:

- Cumulative statewide percent reduction for June 2015 – March 2016 (ten months) is 23.9 percent, which equates to 1,295,703 acre-feet (422.2 billion gallons).
- Statewide water savings for March 2016 was 24.3 percent (107,468 acre feet or 35.0 billion gallons), more than double February 2016's 12.0 percent savings rate.
- Associated with higher monthly savings, and due to the adjustments and credits included in the extended emergency regulation, March 2016 saw an increased level of compliance with 71 percent of suppliers meeting their conservation standards
- Statewide average water use was 66 residential gallons per capita per day (R-GPCD) for March 2016, which was lower than 67 R-GPCD in February 2016 and 82.5 R-GPCD in March 2015.

Conservation Regulations: Amendments

On Wednesday, April 20, the State Water Resources Control Board (SWRCB) hosted an informational public workshop to receive input on the potential modifications to the existing urban water conservation regulations. The hearing started with testimony from the Office of Research, Planning, and Performance about California's current water supply conditions. In short, California and its reservoirs are having a much better year than last year, however the drought is not over. Two panels consisting of urban water suppliers, urban water retailers, and regional water authorities presented draft modified conservation regulations to the Board for their consideration. One of these suggestions included matching the targeted demand decrease with the actual supply decrease experienced by the supplier.

A major theme of the written public comment as well as the workshop public comment was the lack of autonomy given to regional water management groups and individual suppliers. Water suppliers from around the State advocated for local control as they commented that they should and can be responsible for identifying how much water they need to conserve. Several water suppliers in northern California argued that they have not seen a decrease in their local water supply, but are being forced to cut back their water demand, resulting in a decrease in revenue.

Executive Order B-37-16

On May 9, Governor Brown issued an executive order outlining long-term water conservation goals and restrictions with the intent of making water conservation a way of life. This executive order directs state agencies to shift their temporary emergency water conservation measures to permanent water conservation measures. The executive order was released in partnership with a SWRCB staff proposal, which will allow for more local control in regards to water conservation and will replace the mandatory conservation tiers with a target conservation based on local supply and conditions. Local water agencies would be expected to self-assess their water supply conditions and ensure they can withstand three dry weather years. Additionally, monthly reporting requirements will remain in place for urban water retailers. Details of the SWRCB staff proposal are below:

Use Water More Wisely

- SWRCB shall adjust emergency water conservation regulations through January 2017 that recognize the differing water supply conditions across the State.
- SWRCB shall develop, by January 2017, a proposal that builds off the mandatory 25% conservation regulations, in the event of continued drought.
- Department of Water Resources (DWR) shall work with SWRCB to develop new water use targets as part of a permanent framework for urban water agencies. DWR and SWRCB must consult with stakeholders and issue a proposed draft framework by January 10, 2017.
 - Targets should build upon existing state law that requires the state to achieve a 20% urban water usage by 2020.
 - Targets shall be customized to unique conditions of each water agency and shall generate more statewide conservation than existing requirements.
 - Shall be based on strengthened standards for:
 - Indoor residential per capita use
 - Outdoor irrigation
 - Commercial, industrial, and institutional water use
 - Water lost through leaks

Eliminate Water Waste

- SWRCB shall permanently prohibit the following practices:
 - Hosing off sidewalks, driveways, and other hardscapes
 - Washing automobiles without a hose with a shut-off nozzle
 - Using non-recirculated water in a fountain or decorative feature
 - Watering lawns in a manner that causes runoff within 48 hours after measureable precipitation
 - Irrigating ornamental turf on public street medians
- SWRCB and DWR shall direct actions to minimize water system leaks. Loans from the State Revolving Fund shall be used to prioritize projects that reduce leaks and water system losses.
- Accelerated data collection for urban and agricultural water suppliers.
- The California Energy Commission shall certify water conservation and water loss detection and control technologies.

Strengthen Local Drought Resilience

- DWR shall strengthen requirements for urban Water Shortage Contingency Plans to include adequate actions to respond to drought lasting at least five years. The updated requirements shall also create common statewide standards.
- DWR shall work with urban water suppliers, local governments, and other stakeholders to update requirements for Water Shortage Contingency Plans.
 - Updated requirements shall be publically released by January 10, 2017.
 - DWR shall work with areas not covered by Water Shortage Contingency Plans for improved drought planning.

Improve Agricultural Water Use Efficiency and Drought Planning

- DWR shall work with CDFA to update requirements for Agricultural Water Management Plans.
- DWR shall permanently require water suppliers with over 10,000 irrigated acres of land to complete an Agricultural Water Management Plan.
- DWR and CDFA shall work with water suppliers, local governments and stakeholders to update requirements for Agricultural Water Management Plans.
 - The updated requirements shall be publically released by January 10, 2017.

The SWRCB will consider this staff proposal during their board meeting on May 18. If adopted, the regulations will take effect on June 1 and last through January 2017.

Federal Political Update

Drought Legislation

The Senate Energy and Natural Resources Subcommittee on Water and Power will hold a legislative hearing on Tuesday, May 17 to receive testimony on Senator Feinstein's revised drought bill, the California Long-Term Provisions for Water Supply and Short-Term Provisions for Emergency Drought Relief Act (S. 2533). Other drought-related bills will also be discussed at the hearing, including bills by Sen. Harry Reid (D-NV) to extend a previously authorized project to store additional water in Lake Mead (S. 2907), Sen. Cory Gardner (R-CO) related to access to and cost-sharing rules for certain local projects in Colorado (S. 2524 and S. 2533), and Sen. Jeff Flake (R-AZ) to address a broad range of western water infrastructure, conservation and water rights issues (S. 2902).

Last October, the full Energy and Natural Resources Committee held a hearing on Feinstein's previous drought bill (S. 1894) as well as the House drought bill, the Western Water and American Food Security Act of 2015. (H.R. 2898). The timing of the hearing, just a week after introduction of the Flake bill, suggests that the committee may soon be prepared to introduce a comprehensive western water bill premised largely on S. 2902, but which may include all or parts of the Feinstein bill as well.

The Flake bill, which is co-sponsored by Senators John Barrasso (R-WY), John McCain (R-AZ), James Risch (R-ID), Dean Heller (R-NV), and Steve Daines (R-MT), is far reaching in its approach, addressing a number of controversial federal water and land management issues. Of particular concern for Southern California water districts is a provision that would allow other Colorado River water users to store water in Lake Mead in order to avoid triggering mandatory shortage provisions. Metropolitan Water District has long opposed previous attempts by Sen. Flake to include this provision in other bills in an effort to avoid cuts to Arizona's share of Colorado River supplies when the water level at Lake Mead falls below 1,075 feet. Under the longstanding agreement among Lower Colorado River states, Arizona stands to lose 320,000 acre feet of its 1.6 million acre foot Central Arizona Project allotment. Inclusion of this provision would draw strong, bipartisan objection from the California delegation.

FY 2017 Appropriations

After several failed attempts, the Senate passed the FY 2017 Energy and Water Development Appropriations bill on May 12 by a vote of 90-8. This is the first time the annual appropriations bill passed under "regular order" since 2009 and the first of the twelve appropriations bills to move out of the Senate this year. It is also worth noting that the bill's passage marks the earliest that the Senate has approved a stand-alone appropriations measure in more than 40 years, providing some hope that Congress may be able to enact 2017 appropriations bills without having to resort to a continuing resolution.

The bill provides \$37.5 billion to fund federal energy and water programs managed by the Army Corps of Engineers, Bureau of Reclamation and Department of Energy. FY 2017 funding represents a \$355 million increase over FY 2016 appropriations and \$261 million above the President's budget request. Overall Reclamation funding in the bill is \$1.275 billion, which includes \$100 million for the Bureau of Reclamation's Western Drought Response program to help combat drought in California and other Western states. If signed into law, Reclamation officials will be tasked with developing a work plan to

implement the drought spending. In addition to the \$100 million for urgent drought relief, the bill includes \$117.46 million for water projects in California.

The House Appropriations Committee approved its version of the bill in April and awaits a vote on the floor. That bill includes provisions drawn from Rep. David Valadao's drought bill (H.R. 2898) that propose increasing Delta pumping, capturing additional winter storm flows, protecting water rights, prohibit federal funding of the San Joaquin River Settlement and mandate Reclamation to provide additional storage at New Melones Reservoir. If these provisions survive the House and Senate conference committee, they are certain to be challenged by Democrats when the bill comes back to the Senate for final approval.

Water Resources Development Act of 2016 (WRDA)

The Senate Environment and Public Works Committee (EPW) reported out Water Resources Development Act of 2016 (S. 2848) on April 28 on a 19-1 vote. While past WRDA bills have been delayed due over spending and policy disagreements, the current bill developed by EPW Chairman Senator James Inhofe (R-OK) and Ranking Member Senator Barbara Boxer has bipartisan support. In addition to funding improvements for harbors, dams, locks, levees, navigation channels and ecosystem restoration projects, the new bill also provides greater financial assistance for drinking water and wastewater systems than in past WRDA bills. Specifically, the bill:

- Authorizes 25 Army Corps of Engineers projects in 17 states, which have undergone Congressional scrutiny and have completed reports of the Chief of Engineers. These include projects related to navigation, flood risk management, storm damage risk reduction and environmental restoration. Three California projects were included-- Encinitas-Solana Beach (coastal storm damage reduction), South San Francisco Bay (flood risk reduction), Los Angeles River (environmental restoration);
- Authorizes 26 project studies and modifications submitted to Congress by the Corps and four project modifications recommended by the Corps. The six California studies included in the bill pertain to the Santa Ana River Basin, Cache Creek Basin, Coyote Valley Dam, Del Rosa Drainage Area, Merced County, and the Mission-Zanja Drainage Area.
- Addresses California's drought by directing the Secretary of the Army to review proposals to increase water supply, storage capacity and access to released water.
- Provides emergency assistance to Flint, Michigan and other similar communities across the country facing drinking water contamination. WRDA 2016 would establish a variety of financial assistance packages to states and public drinking water systems where a federal or state emergency has been declared because of lead or other contaminants in the water.
- Requires the Corps of Engineers to provide Congress with a plan for expeditiously completing projects to restore ecosystems, such as the Salton Sea, that address an identified threat to public health and restore habitats for federally protected species, including migratory birds.
- Invests in innovative technologies to address drought, including desalination, water recycling, and groundwater recharge.
- Makes permanent the Water Infrastructure Finance and Innovation Act (WIFIA), which was included as a pilot program in the WRRDA 2014. This program helps leverage investment in critical drinking water and wastewater infrastructure projects.

EPW Chairman Jim Inhofe (R-Okla.) said May 10 he is aiming for Senate passage of the bill during the work period between June and July 15, before the Senate recesses until September 6. However, Senate Majority Leader Mitch McConnell hasn't indicated when he will put the water resources bill on the legislative calendar.

MEMORANDUM

To: Mesa Water®
From: Townsend Public Affairs, Inc.
Date: May 16, 2016
Subject: Summary of qualified ballot initiatives 2016

Summary

This memo is intended to serve as an overview of the qualified statewide ballot measures scheduled for the November 2016 Election. In an attempt to remain as accurate as possible to the official information developed by the Attorney General and Legislative Analyst's Office, and distributed by the Secretary of State, the majority of this information has been obtained directly from those sources.

Please note, one measure is on the June 7, 2016, election ballot and eight measures are on the November 8, 2016, ballot.

The ballot measures qualified for the June 7, 2016 are as follows:

- Legislative constitutional amendment for the suspension of legislators.

The ballot measures qualified for the November election are as follows:

- Adult film actors and required condom use.
- Statewide voter approval for revenue bonds.
- Statewide bond program for school facilities.
- Referendum overturning the ban on plastic bag use.
- Increasing the voting requirement for legislature to place fees on hospitals.
- Repeals Prop 227 of 1998, thus allowing for bilingual education in public schools.
- Pricing standards for State prescription drug purchases.
- Increases the minimum hourly wage to \$15 by 2021.

Suspension of Legislators Constitutional Amendment—Proposition 50

Qualified through legislatively referred constitutional amendment (Senate Constitutional Amendment 17).

The amendment would prohibit a suspended legislator from exercising any of the rights, privileges, duties, or powers of his or her office, or from utilizing any resources of the legislature while the suspension is in effect. Additionally, the suspended member could have his or her salary and benefits forfeited during the suspension period if such a provision is included in the suspension resolution. A two-thirds vote would be required to end the suspension unless a suspension termination date was included in the original suspension vote.

- **Support:** Arguments in support state that this would allow lawmakers the authority to police their own, which is the right next step to holding all lawmakers accountable for serving the public interest.
 - The League of Women Voters California.
 - California Forward.
- **Opposition:** Opponents argue that this amendment would result in California citizens having to face years of taxation without representation while their representatives sit in indefinite periods of suspension. Additionally, this would allow the majority party to use suspension as a tool for political retribution to punish members who question authority.
 - State Senator Joel Anderson (R-38)
- **Fiscal Impact:**
 - No information available.

Adult Films—Condoms. Health Requirements

Qualified through voter initiative.

Requires performers in adult films to use condoms during filming of sexual intercourse. Requires producers of adult films to pay for performer vaccinations, testing, and medical examinations related to sexually transmitted infections. Requires producers to obtain state health license at beginning of filming and to post condom requirement at film sites. Imposes liability on producers for violations, on certain distributors, on performers if they have a financial interest in the violating film, and on talent agents who knowingly refer performers to noncomplying producers. Permits state, performers, or any state resident to enforce violations.

- **Support:** Arguments in support state this protects the health and safety of performers working in the industry.
 - For Adult Industry Responsibility.
 - AIDS Healthcare Foundation.
- **Opposition:** Arguments in opposition note that regulations like the ones contained in this initiative would force porn production out of the state or underground.
 - The Free Speech Coalition—a trade organization representing the pornography industry.

- **Fiscal Impact:** As a result of such industry responses to the law, tens of millions or hundreds of millions of dollars of annual economic activity and hundreds of full- and part-time adult film industry jobs likely would be:
 - (1) Eliminated from the California economy or (2) “driven underground” in the California economy, thereby evading state and local regulation and, potentially, taxation.
 - Some adult film industry employees and contractors may (1) move out of California following the relocation of parts of their industry out of the state, (2) find new jobs, or (3) become unemployed. In total, these changes likely would reduce annual state and local tax revenue by millions or tens of millions of dollars per year.
 - There is also expected to be enforcement costs to state agencies.

Revenue Bonds—Statewide Voter Approval. Initiative Constitutional Amendment

Qualified through voter initiative.

This initiative would require statewide voter approval before any revenue bonds can be issued or sold by the state for projects that are financed, owned, operated, or managed by the state or any joint agency created by or including the state, if the bond amount exceeds \$2 billion. Prohibits dividing projects into multiple separate projects to avoid statewide voter approval requirement.

This initiative has the ability to affect many large-scale state projects, including transportation projects, college facilities projects, and the proposed Delta tunnels project.

- **Support:** Arguments in support state that his measure aims to address issues of state debt and limiting future debt.
 - Dean Cortopassi—a businessman and farmer from the Stockton area who is responsible for putting forward the initiative.
- **Opposition:** Arguments in opposition claim that the measure is misleading, as taxpayers or the State General fund does not repay revenue bonds, but rather revenue generated by a financed project.
 - California Chamber of Commerce.
 - State Building and Construction Trades Council.
 - Governor Jerry Brown, as well as a number of elected officials and interest groups.
- **Fiscal Impact:**
 - It is estimated that some existing state debts would be paid down faster, resulting in long-term savings for the state.
 - In addition, there would be changes in the level of state budget reserves, which would depend on the economy and future decisions by the Governor and the Legislature. Reserves kept by some school districts would be smaller.

School Bonds—Funding for K-12 and Community College Facilities. Statutory Amendment

Qualified through voter initiative.

Authorizes \$9 billion in general obligation bonds: \$3 billion for new construction and \$3 billion for modernization of K-12 public school facilities; \$1 billion for charter schools and vocational education facilities; and \$2 billion for California Community Colleges facilities. Bars amendment to existing authority to levy developer fees to fund school facilities, until new construction bond proceeds are spent or December 31, 2020, whichever is earlier. Bars amendment to existing State Allocation Board process for allocating school construction funding, as to these bonds. Appropriates money from the General Fund to pay off bonds

- **Support:** Arguments in support state investments made through the bond will provide for career technical education facilities to provide job training for many Californians and veterans who face challenges in completing their education and re-entering the workforce.
 - Californians for Quality Schools.
 - California Building Industry Association.
- **Opposition:** Arguments in opposition state that this is blunderbuss effort that promotes sprawl and squanders money that would be far better spent in low-income communities
 - Governor Jerry Brown
- **Fiscal Impact:**
 - The cost to the state of issuing these bonds would depend on the timing of the bond sales, the interest rates in effect at the time they are sold, and the time over which they are repaid.
 - The state would likely issue these bonds over a period of about five years and make principal and interest payments from the state's General Fund over a period of about 35 years.
 - If the bonds were sold at an average interest rate of 5 percent, the cost would be \$17.6 billion to pay off both principal (\$9 billion) and interest (\$8.6 billion).
 - Under these assumptions, the average payment would be about \$500 million per year. Annual debt service payments would ramp up in the initial few years, peak at \$585 million per year, and ramp down in the final few years.

Referendum— Overturn Ban on Single-Use Plastic Bags

Qualified through voter initiative.

This petition will place on the statewide ballot a challenge to a state law— Senate Bill 270 previously approved by the Legislature and the Governor. The challenged law must then be approved by a majority of voters at the next statewide election to go into effect. The law prohibits grocery and certain other retail stores from providing single-use bags but permits sale of recycled paper bags and reusable bags. Seeing as this measure is a veto referendum; this means that a "yes" vote would be a vote to uphold or ratify the contested legislation, while a "no" vote is a vote to overturn Senate Bill 270.

- **Support for “yes” vote:** Supporters of the plastic bag ban argue that out-of-state plastic companies who are not invested in protecting California’s environment fund the campaign fighting the ban. They say the ban will help protect the environment without hurting low-income consumers or decreasing job creation.
 - California vs. Big Plastic leads the campaign in support of the statute.
- **Opposition to “yes” vote:** Opposition claims that this particular piece of legislation seeks to ban a 100 percent recyclable product and put fees on consumers for other bag alternatives.

- The campaign attempting to overturn the measure through a "no" vote is being led by the American Progressive Bag Alliance.
- **Fiscal Impact:**
 - According to the Office of Senate Floor Analyses, this would create a \$2 million special fund appropriation to Cal Recycle to establish a loan program for reusable plastic bag manufacturing machinery and facilities conversion and worker training.
 - Significant one-time costs and ongoing costs to CalRecycle, potentially in the \$1 million to \$1.4 million range to oversee and implement the program.
 - \$500,000 or more for evaluation, bag testing, and data compiling requirements.

State Fees on Hospitals—Federal Medi-Cal Matching Funds. Initiative Statutory and Constitutional Amendment

Qualified through voter initiative.

Increases required vote to two-thirds for the Legislature to amend a certain existing law that imposes fees on hospitals (for purpose of obtaining federal Medi-Cal matching funds) and that directs those fees and federal matching funds to hospital-provided Medi-Cal health care services, to uncompensated care provided by hospitals to uninsured patients, and to children's health coverage. Eliminates law's ending date. Declares that law's fee proceeds shall not be considered revenues for purposes of applying state spending limit or determining required education funding.

- **Support:** Arguments in support state that this is the only way to ensure that the fees contributed by hospitals are used for their intended purpose is through a voter-approved ballot initiative. This will prohibit the Legislature and Administration from diverting the money for non-health care purposes.
 - The California Hospital Association developed the initiative.
 - Solano County Supervisors.
- **Opposition:** Opponents argue that several other ballot measures have already been filed with the Attorney General's office, which would potentially put billions of dollars at the disposal of hospital executives with little accountability around access, affordability, and quality.
 - Service Employees International Union.
 - United Health Care Workers West.
- **Fiscal Impact:**
 - For each year, the exact amount of fiscal benefits to state and local governments would depend on the total amount of fee revenue collected, the amount of quality assurance payments made to hospitals, and the resulting calculation of net benefit.
 - As these factors are currently, unknown and their estimation subject to some uncertainty. We estimate that the General Fund offset for children's coverage would be around \$500 million during the last six months of 2016-17, reach more than \$1 billion by 2019-20, and grow between 5 to 10 percent annually thereafter.
 - Will also eliminate quality assurance payments to state and local public hospitals would be around \$90 million during the last six months of 2016-17, reach around \$250 million by 2019-20, and grow between 5 percent to 10 percent annually thereafter.

SB 1174 (Chapter 753, Statutes of 2014), Lara. English language education

Qualified through legislatively referred state statute (Senate Bill 1174).

The measure would repeal the sheltered English immersion requirement and waiver provisions required by Proposition 227, and instead require that school districts and county offices of education shall provide English learners with a structured English immersion program.

- **Support:** Arguments in support assert that public perception has changed on the value of multilingual education programs, given the diversity of California, the vast body of research on the benefits of language-immersion programs, and the growing popularity of these schools.
 - State Senator Ricardo Lara (D-33).
 - California Teachers Association, California Language Teachers Association, National Association of Social Workers, as well a number of other elected officials, school districts, and organizations.
- **Opposition:** Opponents criticize the legislative referral and argued the proposal is ridiculous considering the fact that the academic performance of over a million immigrant students roughly doubled in the four years following the passage of Proposition 227.
 - Ron Unz—developer of Proposition 227.
 - U.S. English Chairperson Mauro E. Mujica, U.S.
- **Fiscal Impact:**
 - No information available.

State Prescription Drug Purchases. Pricing Standards. Initiative Statute

Qualified through voter initiative.

Prohibits state agencies from paying more for a prescription drug than the lowest price paid for the same drug by the United States Department of Veterans Affairs, an organization that falls under certain state laws regarding drug price negotiations.

- **Support:** Arguments in support state that the initiative would lower drug prices and increase transparency in the pharmaceutical industry.
 - AIDS Healthcare Foundation is leading support for the measure and provided major funding for the Californians for the Californians for Lower Drug Prices campaign.
- **Opposition:** Opponents argue that the initiative would be hard to implement and would drive up drug prices overall, reduce the availability of some drugs, and cost taxpayers millions of dollars in lawsuits triggered by the measure.
 - Pharmaceutical Research and Manufacturers of America
 - Johnson & Johnson, Inc.
 - Bristol-Myers Squibb Company.
 - California Life Sciences Association.

- **Fiscal Impact:**
 - It is the opinion of the Legislative Analyst and Director of Finance that the measure, that this may result in a substantial net change in state or local finances.
 - A reasonable estimate of the net impact of this proposed initiative measure cannot be prepared within the 50-day period from the date this proposed initiative was received.

Minimum Wage. Increases and Future Adjustments. Initiative Statute

Qualified through voter initiative.

This measure increases the minimum wage to \$11.00 per hour, effective January 1, 2017, and by \$1.00 each of the next four years, to \$15.00 per hour on January 1, 2021. However, this could be withdrawn due to the passage of Senate Bill 3—the Legislature’s alternative \$15 per hour minimum wage legislation that was signed into law on April 4, 2016.

- **Support:** Arguments in support address this as a critical and fundamental step in addressing income inequality.
 - SEIU United Healthcare Workers West Controller.
 - Lieutenant Governor Gavin Newsom.
- **Opposition:** Arguments in opposition raise concerns that the higher minimum wage does economic damage to the very people that they are intending to be helping.
 - The Employment Policies Institute.
- **Fiscal Impact:**
 - Change in annual state and local tax revenues potentially ranging from a loss of hundreds of millions of dollars to a gain of more than \$1 billion.
 - Changes in state revenues would affect required state budget reserves, debt payments, and funding for schools and community colleges. Increase in state and local government spending totaling billions of dollars per year.

BILL	AUTHOR	SUMMARY	LATEST ACTION	MESA WATER POSITION	OTHER POSITIONS
Mesa Water® Priority Legislation (FY 15-17)					
AB 291	Medina [D]	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.	Assemblymember Medina does not plan on pursuing AB 291 this session		ACWA-Support Met- Support MWDOC-Support OCWD-NYC IRWD-NYC CSDA-Support
AB 501	Levine [D]	Resources: Delta research Would require a person conducting Delta research, as defined, whose research is funded, in whole or in part, by the state, to take specified actions with regard to the sharing of the primary data, metadata, and other supporting materials created or gathered in the course of that research. The bill would make a researcher ineligible for state funding if the researcher does not substantially comply with these requirements within 6 months of completing the Delta research project, until the researcher complies with those requirements.	Referred to Senate Natural Resources and Water Committee		ACWA-Watch Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-NYC
AB 647	Eggman [D]	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.	Assemblymember Eggman plans on moving forward with this bill. No action yet		ACWA - Watch Met - Support MWDOC - Watch OCWD - Oppose if Amended IRWD - NYC CSDA - Watch
AB 1201	Salas [D]	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.	No action		ACWA-Support Met- Support MWDOC-NYC OCWD-NYC IRWD-Support CSDA-Watch

AB 1244	Grey [D]	<p>Workers' compensation: providers: suspension and revocation Previously a bill regarding impacts to fish and wildlife species, AB 1244 was amended on May 10 to require the Director of Health Care Services to notify the administrative director of a suspension imposed pursuant to the above provisions and would require the administrative director, upon that notification, to promptly suspend the physician or practitioner from participating in the workers' compensation system in any capacity, including, but not limited to, participation as a qualified medical examiner, a treating provider in a medical provider network, or an independent medical reviewer.</p>	Amended 5/10/16 Referred to Senate Rules Committee		ACWA - Watch Met- Support MWDOC-NYC OCWD-NYC IRWD-Support CSDA-Watch
AB 1463	Gatto [D]	<p>Onsite treated water. Would require the State Water Resources Control Board, in consultation with the State Department of Public Health, the California Building Standards Commission, and stakeholders, to establish water quality standards and distribution, monitoring, and reporting requirements for onsite water recycling systems prior to authorizing the use of onsite treated water in internal plumbing of residential and commercial buildings. This bill would require onsite treated water to be considered the same as recycled water that is produced on site.</p>	No action		ACWA-Not Favor Unless Amended Met- NYC MWDOC-NYC OCWD-NYC IRWD-NYC CSDA-Watch
AB 1588	Mathis [R]	<p>Water and Wastewater Loan Program: Would require the State Water Resources Control Board to establish a program to provide low-interest loans and grants to local agencies for low-interest loans and grants to eligible applicants for specified purposes relating to drinking water and wastewater treatment. This bill would transfer to the Water and Wastewater Loan and Grant Fund \$10,000,000 from the General Fund. This program will be focused on individual homeowners. 3/16/16 amendments were not substantial.</p>	Referred to the Assembly Appropriations Committee's Suspense File		ACWA-Favor Met-NYC MWDOC-Watch OCWD- NYC IRWD-NYC CSDA-Watch
AB 1647	Waldron [R]	<p>Environmental quality: water storage facilities. The California Environmental Quality Act requires the lead agency to determine whether a project may have a significant effect on the environment based on substantial evidence in light of the whole record. The act exempts certain specified projects from its requirements. This bill would exempt a project to expand the storage capacity of an existing surface water storage facility, or to replace an existing surface water storage facility, that is owned and operated by a public entity if that public entity adopts, by resolution, findings and declarations that the project meets specified criteria.</p>	AB 1647 failed to pass out of its policy committee by the deadline and is now dead.		ACWA-Favor Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch

AB 1649	Salas [D]	State water policy: priority: surface water storage projects and joint powers authorities: Would require the Department of Water Resources to develop a state water policy that gives priority to the formation of joint powers authorities that are formed to address critical surface water storage needs and to funding of the joint powers authorities' surface water projects. The bill would make findings and declarations of the Legislature, including, but not limited to, that, of the water storage projects available, the Temperance Flat Dam and Sites Reservoir will meet statewide goals and provide specified public benefits to the greatest extent.	Referred to Assembly Appropriations Committee		ACWA-Not Favor Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 1694	Lackey [R]	State Water Resources Control Board: grant program for school drinking water. Previously an appropriation bill for an additional \$90 million in grants for multibenefit stormwater management projects, amendments taken on 3/15/16 now would require the State Water Resources Control Board to establish a grant program to award grants to public elementary and secondary schools to improve access to, and the quality of, drinking water. The bill would specify various types of projects for which these grants could be awarded. The bill would require the state board to give priority to applicant public elementary and secondary schools that serve a disadvantaged community, as defined.	Referred to the Assembly Appropriations Committee's Suspense File		ACWA-Favor Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 1713	Eggman [D]	Sacramento-San Joaquin Delta: peripheral canal. Current law requires various state agencies to administer programs relating to water supply, water quality, and flood management in the Sacramento-San Joaquin Delta. The bill would prohibit the construction of a peripheral canal, as defined, unless expressly authorized by an initiative voted on by the voters of California on or after January 1, 2017, and would require the Legislative Analyst's Office to complete a prescribed economic feasibility analysis prior to a vote authorizing the construction of a peripheral canal.	Referred to the Assembly Appropriations Committee's Suspense File	Oppose	ACWA - Oppose Met-Oppose MWDOC-Oppose OCWD- NYC IRWD-Oppose CSDA-Watch
AB 1738	McCarty [D]	Building Standards: Dark Graywater Would define "dark graywater" as a specified wastewater that comes from kitchen sinks and dishwashers. This bill would require the Department of Housing and Community Development , at the next triennial building standards rulemaking cycle, to adopt and submit for approval building standards for the construction, installation, and alteration of dark graywater systems for indoor and outdoor uses. Amendments taken on 3/28/16 were insignificant	Referred to the Assembly Appropriations Committee's Suspense File		ACWA-NYC Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch

AB 1749	Mathis [R]	<p>California Environmental Quality Act: exemption: recycled water pipelines CEQA exempts from its requirements projects consisting of the construction or expansion of recycled water pipeline and directly related infrastructure within existing rights of way, and directly related groundwater replenishment, if the project does not affect wetlands or sensitive habitat, and where the construction impacts are fully mitigated, and undertaken for the purpose of mitigating drought conditions for which a state of emergency was proclaimed by the Governor on a certain date. CEQA provides that this exemption remains operative until the state of emergency has expired or until January 1, 2017, whichever occurs first. Amendments taken on 3/28/16 reduce the extension from 2022 to 2019.</p>	Referred to the Assembly Appropriations Committee		ACWA-Favor/Amend Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 1773	Obernolte [R]	<p>Local government renewable energy self-generation program. Public Utilities Commission (PUC) is vested with regulatory authority over public utilities. Existing law authorizes a local governmental entity, except a joint powers authority, to receive a bill credit to a designated benefiting account, for electricity exported to the electrical grid by an eligible renewable generating facility and requires the PUC to adopt a rate tariff for the benefiting account. This bill would grant a joint powers authority the existing authority of a local governmental entity to receive a bill credit to a designated benefiting account for electricity exported to the electrical grid by an eligible renewable generating facility. Amendments taken on 4/13/16 were minor.</p>	Referred to the Senate Rules Committee		ACWA-Favor Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 1842	Levine [D]	<p>Water: pollution: fines. Current law imposes a maximum civil penalty of \$25,000 on a person who discharges various pollutants or other designated materials into the waters of the state. This bill would impose an additional civil penalty of not more than \$10 for each gallon or pound of polluting material discharged. The bill would require that the civil penalty be reduced for every gallon or pound of the illegally discharged material that is recovered and properly disposed of by the responsible party. Amendments on 4/27/16 prohibit a person from being subject to both a civil penalty described above and a civil penalty imposed pursuant to the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act for the same act or failure to act.</p>	Amended 4/27/16. Currently on the Assembly Floor		ACWA-Not Favor Unless Amended Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch

AB 1866	Wilk [R]	<p>High-speed rail bond proceeds: redirection: water projects Would provide that no further bonds shall be sold for high-speed rail purposes pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, except as specifically provided with respect to an existing appropriation for high-speed rail purposes for early improvement projects in the Phase 1 blended system. The bill, subject to the above exception, would require redirection of the unspent proceeds received from outstanding bonds issued and sold for other high-speed rail purposes prior to the effective date of these provisions, upon appropriation, for use in retiring the debt incurred from the issuance and sale of those outstanding bonds.</p>	Referred to Assembly Transportation Committee and Assembly Water, Parks, and Wildlife Committee		ACWA-Watch Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 1871	Waldron [R]	<p>Desalination. Previously a bill that would state an intent of the Legislature regarding Desalination, amendments taken on 3/18/16 changed the bill to limit the growth-inducing impacts the Coastal Commission may consider in its review of a coastal development permit for a water supply project.</p>	AB 1871 failed to pass out of its policy committee by the deadline and is now dead.		ACWA-NYC Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 1925	Chang [D]	<p>Desalination: Statewide Goal: The law provides that is it the intention of the Legislature that the Department of Water Resources undertake to find economic and efficient methods of desalting saline water so that desalted water may be made available to help meet the growing water requirements of the state. This bill would establish a goal to desalinate 300,000 acre-feet of drinking water per year by the year 2025 and 500,000 acre-feet of drinking water per year by the year 2030. Amendments taken on 3/16/16 added the 300,000 and 500,000 acre-foot goals.</p>	Referred to the Assembly Appropriations Committee		ACWA- Favor/Amend Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 2022	Gordon [D]	<p>Advanced purified demonstration water: Would authorize the operator of a facility producing advanced purified demonstration water, as defined, to cause that water to be bottled and distributed as samples for educational purposes and to promote water recycling. The bill would prohibit the advanced purified demonstration water from being distributed unless the water meets or is superior to all federal and state drinking water standards. The bill would authorize advanced purified demonstration water to be bottled at a licensed water-bottling plant in compliance with specified provisions. Amendments taken on 3/31/16 were minor</p>	Referred to the Senate Environmental Quality Committee		ACWA-Favor Met-Support MWDOC-Support OCWD- Sponsor IRWD-Support CSDA-Support

AB 2040	Melendez [R]	Outdoor Water Efficiency Act of 2016: personal income tax credits: outdoor water efficiency. The Personal Income Tax Law allows various credits against the taxes imposed by that law. This bill, for taxable years beginning on or after January 1, 2016, and before January 1, 2021 would allow a credit equal to 25% of the amount paid or incurred by a qualified taxpayer for water-efficiency improvements, as defined, on qualified real property in this state, as specified. Amendments taken on 4/6/16 changed the taxable years to 2016 - 2021	Currently on the Assembly Floor		ACWA-Watch Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 2042	Harper [R]	Water desalination facilities. Would declare the intent of the Legislature to enact legislation relating to water desalination facilities.	AB 2042 failed to pass out of its policy committee by the deadline and is now dead.		ACWA-Watch Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 2043	Harper [R]	Desalination. Would state that the Legislature recognizes that desalination is an important local and regional sustainable water supply and reliability option	AB 2043 failed to pass out of its policy committee by the deadline and is now dead.		ACWA-Watch Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 2076	Garcia [D]	Water and energy use efficiency: certification: breweries. Previously a bill requiring the board to adopt uniform water recycling criteria for the use of recycled water in the manufacture of beer and wine, AB 2076 would now require the Department of Water Resources, in consultation with the California brewing industry, to develop water and energy use efficiency certification guidelines for the production of beer that include, among other things, uniform standards for the industry's use of efficiency certification seals and would require the Department of Alcoholic Beverage Control to consult in label design and approval for the use of a seal on a beer bottle.	AB 2076 failed to pass out of its policy committee by the deadline and is now dead.		ACWA-NYC Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 2198	Brough [R]	Coastal development permits: desalinization facilities. The California Coastal Act of 1976 requires any person wishing to perform or undertake any development in the coastal zone, as defined, to obtain a coastal development permit, except as specified, from the California Coastal Commission or from a local government. This bill would require an application for a coastal development permit for a desalinization project, as described, to be given priority for review, and would require the issuing agency to expedite the processing of any such permit application.	AB 2198 failed to pass out of its policy committee by the deadline and is now dead.		ACWA-Watch Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch

AB 2438	Waldron [R]	California Environmental Quality Act: exemption: recycled water pipelines Would, until January 1, 2020, additionally exempt from CEQA a project for the construction and installation of a new pipeline or the maintenance, repair, restoration, reconditioning, relocation, replacement, removal, or demolition of an existing pipeline, not exceeding 8 miles in length, for the distribution of recycled water within a public street, highway, or right-of-way and would require the lead agency to undertake specified activities, including the filing of a notice of exemption for the project with the Office of Planning and Research and the office of the county clerk of each county in which the project is located.	Currently on the Assembly Floor		ACWA-Favor if Amended Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 2444	Garcia [D]	California Parks, Water, Climate, and Coastal Protection and Outdoor Access For All Act of 2016. Previously a Legislative intent bill, AB 2444 would now enact the California Parks, Water, Climate, and Coastal Protection and Outdoor Access For All Act of 2016, which, if approved by the voters, would authorize the issuance of bonds in an unspecified amount pursuant to the State General Obligation Bond Law to finance a parks, water, climate, and coastal protection and outdoor access for all program. Amendments on 4/26/16 added a specific amount to the bond: \$2,950,000,000.	Amended 4/26/16. Currently on the Assembly Floor		ACWA-Favor if Amended Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 2525	Holden [D]	Water-efficient landscaping. Would require the Department of Water Resources to create the California Water Efficient Landscaping Program for the purpose of encouraging local agencies and water purveyors to use economic incentives that promote the efficient use of water, promote the benefits of consistent landscape ordinances, and support and enhance turf replacement. This bill would create the Water Efficient Landscaping Fund and provide that moneys in the fund are available, upon appropriation by the Legislature, to the department for certain purposes. Amendments made on 4/5/16 were minor.	Referred to the Assembly Appropriations Committee's Suspense File		ACWA-Watch Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
AB 2583	Frazier [R]	Sacramento-San Joaquin Delta Reform Act of 2009 This bill would add a definition of the California Water Fix to the Sacramento-San Joaquin Delta Reform Act of 2009. Amendments taken on 3/17/16 would eliminate certain provisions applicable to the BDCP and would revise other provisions to instead refer to a new Delta water conveyance project for the purpose of exporting water. Also, this bill would require new Delta water conveyance infrastructure to be considered as interdependent parts of a system and to be operated in a way that maximizes benefits for each of the coequal goals. This bill contains other related provisions and other existing laws.	AB 2583 failed to pass out of its policy committee by the deadline and is now dead.		ACWA-Oppose Met-Oppose MWDOC-Oppose OCWD- NYC IRWD-Oppose CSDA-Watch

AB 2613	Achadjian [R]	<p>County auditor: audits: special districts. Would authorize a special district to, by unanimous request of its governing board and with unanimous approval of the board of supervisors, replace the annual audit with an annual financial compilation and an annual review of the internal control procedures of the special district to be performed by the county auditor in accordance with professional standards if certain conditions are met. Amendments on 5/2/16 authorized this until January 2027, and does not allow a district to replace the annual audit more than 5 consecutive years in a row.</p>	Amended 5/2/16. Referred to the Senate Governance and Finance Committee.		ACWA-Favor Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Sponsor
ACA 8	Bloom [D]	<p>Local government financing: water facilities and infrastructure: voter approval. Would create an additional exception to the 1% limit for a rate imposed by a city, county, city and county, or special district to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of wastewater treatment facilities and related infrastructure, potable water producing facilities and related infrastructure, nonpotable water producing facilities and related infrastructure, and stormwater treatment facilities and related infrastructure, that is approved by 55% of the voters of the city, county, city and county, or special district, as applicable, if the proposition meets specified requirements, and would authorize a city, county, city and county, or special district to levy a 55% vote ad valorem tax. This bill contains other related provisions and other existing laws.</p>	Introduced 2/18/16		ACWA-Support Met-Support MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Support If Amended
SB 20	Pavley [D]	<p>California Water Resiliency Investment Act. This bill would create the California Water Resiliency Investment Fund in the State Treasury and provide that moneys in the fund are available, upon appropriation by the Legislature, for the purpose of providing a more dependable water supply for California. This bill would create various accounts within the fund for prescribed purposes. This bill was a last minute gut and amend in the first year of the two year session, and will spur conversation about a public goods charge on water in the upcoming session. The bill does not currently contain provisions relating to a public goods charge, but rather it establishes a state fund that can pay for water related projects.</p>	No action		ACWA-Oppose Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch

SB 122	Jackson [D]	<p>California Environmental Quality Act: record of proceedings Amended on June 1, 2015, this bill requires the Governor's Office of Planning and Research (OPR) to implement a public database of all environmental documents and notices required by the California Environmental Quality Act (CEQA). This bill also requires a CEQA lead agency, upon request of the project applicant and with consent of the lead agency, to prepare the record of proceeding concurrently with the administrative process and certify the record of proceeding within 30 days after filing notice of determination or approval.</p>	None		ACWA-Watch Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Concerns
SB 163	Hertzberg [D]	<p>Wastewater treatment: recycled water: SB 163 was amended the last week of the Legislative session to address wastewater treatment. The bill would declare that the discharge of treated wastewater from ocean outfalls, except in compliance with the bill's provisions, is a waste and unreasonable use of water in light of the cost-effective opportunities to recycle this water for further beneficial use. This bill, on or before January 1, 2026, would require a wastewater treatment facility discharging through an ocean outfall to achieve at least 50% reuse of the facility's actual annual flow, as defined, for beneficial purposes.</p>	None		ACWA-Not Favor Met-NYC MWDOC-Support if Amended OCWD- NYC IRWD-NYC CSDA-Watch
SB 223	Galgiani [D]	<p>Division of Boating and Waterways: oversight committee: invasive aquatic plants The Division of Boating and Waterways within the Department of Parks and Recreation is the lead agency in the state for purposes of cooperating with other state, local, and federal agencies in identifying, detecting, controlling, and administering programs to manage invasive aquatic plants in the Sacramento-San Joaquin Delta, its tributaries, and the Suisun Marsh, and prescribes the duties of the division with regard to the management and control or eradication of those plants. This bill would require the division, no later than 90 days after the effective date of the bill, to establish, and designate and provide staff support to, an advisory and oversight committee to evaluate and monitor the activities of the division relating to the management and control or eradication of those plants.</p>	None		ACWA-Favor/Amend Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-NYC
SB 471	Pavley [D]	<p>Water, energy, and reduction of greenhouse gas emissions: planning. Would include reduction of greenhouse gas emissions associated with water treatment among the investments that are eligible for funding from the Greenhouse Gas Reduction Fund. Would establish a grant and loan program for water projects that result in the net reduction of water-related greenhouse gas emissions</p>	None		ACWA-Support Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Support in Concept

SB 551	Wolk [D]	State water policy: water and energy efficiency: Would declare the policy of the state that water use and water treatment shall operate in a manner that is as energy efficient as is feasible and energy use and generation shall operate in a manner that is as water efficient as is feasible. This bill would require all relevant state agencies to consider this state policy when revising, adopting, or establishing policies, regulations, and grant criteria when pertinent to these uses of water and energy.	No action		ACWA - Watch Met - Watch MWDOC - NYC OCWD - Support IRWD - NYC CSDA - Watch
SB 554	Wolk [D]	Delta levee maintenance Current law establishes a delta levee maintenance program pursuant to which a local agency may request reimbursement for costs incurred in connection with the maintenance or improvement of project or nonproject levees in the Sacramento-San Joaquin Delta. This bill would declare legislative intent to reimburse up to 75% of those costs incurred in any year for the maintenance or improvement of levees in excess of \$1,000 per mile of levee and would authorize the board to advance funds in an amount that does not exceed 75% of the estimated state share to an eligible local agency.	Referred to the Assembly Water, Parks, and Wildlife Committee		ACWA-Favor Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
SB 814	Hill [D]	Drought: excessive water use: urban retail water suppliers. Would declare that excessive water use, as defined by each urban retail water supplier, is a waste or unreasonable use of water. This bill would prohibit excessive water use by a residential customer and would make a violation of this prohibition an infraction punishable by a fine of at least \$500 per 100 cubic feet of water used above the excessive water use definition in a billing cycle. By creating a new infraction, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws. Amendments on 3/30/16 removed a California Public Records Act requirement.	Passed the Senate Floor. Currently in the Assembly		ACWA-Oppose Unless Amended Met-NYC MWDOC-Oppose Unless Amended OCWD- NYC IRWD-Seek Amendments CSDA-Watch
SB 919	Hertzberg [D]	Water supply: creation or augmentation of local water supplies. This bill would require the CPUC to consult with the California Independent System Operator and adopt and implement policies or tariffs to address the oversupply of renewable energy resources by July 1, 2017. The adopted policies must include, but are not limited to, a tariff for use by facilities that create or augment local water supplies like desalination, brackish water desalting, water recycling, or water reuse facilities. Amendments taken on 4/14/16 were minor.	Passed the Senate Floor. Currently in the Assembly		ACWA-Favor if Amended Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch

SB 1141	Moorlach [R]	State highways: transfer to local agencies: pilot program. Would require the Department of Transportation to participate in a pilot program over a 5-year period under which 2 counties, one in northern California and one in southern California, may be selected to operate, maintain, and make improvements to all state highways, including freeways, in the affected county. The bill would require the department, with respect to those counties, for the duration of the pilot program, to convey all of its authority and responsibility over state highways in the county to the county or to a regional transportation agency that has jurisdiction in the county.	SB 1141 failed to pass out of its policy committee by the deadline and is now dead.		ACWA-NYC Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-NYC
SB 1170	Wieckowski [D]	Public contracts: water pollution prevention plans: delegation Would prohibit a public entity, charter city, or charter county from delegating to a contractor the development of a plan, as defined, used to prevent or reduce water pollution or runoff on a public works contract, except as provided. The bill would also prohibit a public entity, charter city, or charter county from requiring a contractor on a public works contract that includes compliance with a plan to assume responsibility for the completeness and accuracy of a plan developed by that entity. Amendments taken on 4/6/16 were minor in nature.	SB 1170 has been referred to the Senate Appropriations Committee		ACWA-Not Favor Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Oppose
SB 1317	Wolk [D]	Conditional use permit: groundwater extraction facility Would, by July 1, 2017, require a city or county overlying a basin designated as a high- or medium-priority basin to establish a process for the issuance of conditional use permits for the development of a groundwater extraction facility in order to prevent a new groundwater extraction facility from contributing to or creating an undesirable result, as prescribed. By increasing the duties of cities and counties, this bill would impose a state-mandated local program.	SB 1317 has been referred to the Senate Appropriations Committee		ACWA-Oppose Met-NYC MWDOC-NYC OCWD- NYC IRWD-Oppose Unless Amended CSDA-Watch
SB 1415	Bates [D]	California Environmental Quality Act: water projects: exemption. Would require a lead agency to call at least one scoping meeting to receive public comments for local projects for stormwater or dry weather runoff capture and reuse, water recycling, or wastewater treatment to improve water quality. Because a local lead agency would be required to conduct at least one scoping meeting, this bill would impose a state-mandated local program.	Amended 4/18/16. SB 1415 has been referred to the Senate Appropriations Committee		ACWA-Favor Met-NYC MWDOC-NYC OCWD- NYC IRWD-NYC CSDA-Watch
N/A		Public Goods Charge	No legislation yet, this concept will be discussed this year		ACWA - Oppose OCWD - Oppose

***AB 725 (Wagner) has been dropped due to IRWD resolving their issue regarding storm induced overflow administratively.**

REPORTS AND INFORMATION ITEMS:

5. REPORT OF THE GENERAL MANAGER:

REPORTS AND INFORMATION ITEMS:

6. DIRECTORS' REPORTS AND COMMENTS:

MEMORANDUM



*Dedicated to
Satisfying our Community's
Water Needs*

TO: Legislative & Public Affairs Committee
FROM: Noelle Collins, Public Affairs Coordinator
DATE: May 26, 2016
SUBJECT: Outreach Update

RECOMMENDATION

This item is provided for information only.

STRATEGIC PLAN

Goal #4: Increase public awareness about Mesa Water® and about water.

Goal #5: Attract and retain skilled employees.

Goal #6: Provide outstanding customer service.

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

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 Goal #4 in the District's Strategic Plan. These activities are also designed to achieve the Strategic Plan goals related to human resources, customer service, and/or regional water issues involvement 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 and water in general.

1. Community Outreach Events – Staff has planned Mesa Water's participation in and/or sponsorship support of the following events:
 - a. Costa Mesa Fish Fry at Fairview Park from June 3-5; staff will host a booth on Friday, June 3 at 5:00 p.m. and Saturday, June 4, from 12:00 p.m. to 5:00 p.m.



- b. 5th Grade Assembly at Paularino Elementary on June 7 at 1:15 p.m.
 - c. 5th Grade Assembly at Adams Elementary on June 14 at 1:00 p.m.
 - d. MWDOC Poster Slogan Contest Winners at Discovery Cube on June 14 from 6:00 p.m. to 9:00 p.m.
 - e. South Coast Business Alliance Business Roundtable at the Mesa Water Reliability Facility (MWRF) on June 15 from 11:45 a.m. to 1:00 p.m.
 - f. Costa Mesa Chamber Breakfast at the Costa Mesa Country Club on June 16 at 7:00 a.m.
 - g. 5th Grade Assembly at Rea Elementary on June 20 at 11:00 a.m.
2. Speaker's Bureau – Includes presentations by Mesa Water's Board and/or staff member(s) in the community as well as media interviews, including MWRF tours. Mesa Water hosted print media at the MWRF on May 16. Staff will also host ACWA President Tieggs for a MWRF tour and Mesa Water meeting on June 9. Lastly, staff is planning the annual WISG Alumni Reunion event to be held at the MWRF on June 25 from 10:30 a.m. to 1:00 p.m.
 3. Town Hall Talks – Mesa Water hosted three town hall talks and tours in fall 2015, with a combined total of 65 constituents in attendance.
 4. "Well Wisher" Meetings – To date, Mesa Water has received 341 "Well Wisher" support cards and hosted 1,138 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, former Mesa Water 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;
- Ensuring, for public health and safety reasons, that Mesa Water customers and community members identify 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

In fiscal year 2016, \$700,875 is budgeted (for the Public & Government Affairs department's total expenses); \$653,660 has been spent to date.

ATTACHMENTS

None.