

SAN JUAN WATER DISTRICT

Board of Director's Board Meeting Minutes

March 27, 2024 – 6:00 p.m.

BOARD OF DIRECTORS

Manuel Zamorano	President
Ted Costa	Vice President
Ken Miller	Director
Dan Rich	Director
Pam Tobin	Director

SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Paul Helliker	General Manager
Donna Silva	Director of Finance
Tony Barela	Director of Operations
Andrew Pierson	Director of Engineering
Devon Barrett	Customer Service Manager
Adam Larsen	Field Services Manager
Greg Turner	Water Treatment Manager
Greg Zlotnick	Water Resources Manager
Teri Grant	Board Secretary/Administrative Assistant
Ryan Jones	General Counsel
Elizabeth Ewens	Water Counsel

OTHER ATTENDEES

Roger Canfield	
Christine Kohn	
Stacy Helliker	
Paul Selsky	Carmichael Water District
Tom Gray	Fair Oaks & Citrus Height Water Districts
Chris Petersen	Fair Oaks Water District
Danielle Williams	Jones & Mayer
Jay Martinez	JVM Landscaping, Inc.
Brett Ewart	Regional Water Authority, Chair
William Roberts	Regional Water Authority, Vice Chair
Jim Peifer	Regional Water Authority, Executive Director
Trevor Joseph	Regional Water Authority, Manager of Technical Services
Ryan Ojakian	Regional Water Authority, Manager of Government Relations
Jay Boatwright	Sacramento Suburban Water District
Craig Locke	Sacramento Suburban Water District
Dan York	Sacramento Suburban Water District
Mark Hargrove	SJWD Employee
Mike Spencer	SJWD Employee

AGENDA ITEMS

- I. Roll Call**
- II. Public Forum and Comments**
- III. Consent Calendar**
- IV. Old Business**
- V. New Business**
- VI. Information Items**
- VII. Directors' Reports**
- VIII. Committee Meetings**
- IX. Upcoming Events**
- X. Closed Session**
- XI. Open Session**
- XII. Adjourn**

President Zamorano called the meeting to order at 6:00 p.m. He asked that the audience introduce themselves, and the names are listed in the attendance list.

I. ROLL CALL

The Board Secretary took a roll call of the Board. The following directors were present in the Boardroom: Ted Costa, Ken Miller, Dan Rich, Pam Tobin and Manuel Zamorano.

II. PUBLIC FORUM

There were no public comments.

III. CONSENT CALENDAR

All items under the Consent Calendar are considered to be routine and are approved by one motion. There was no separate discussion of these items unless a member of the Board, audience, or staff requested a specific item removed. Consent Calendar item documents are available for review in the Board packet.

1. Minutes of the Board of Directors Meeting, February 28, 2024 (W & R)

Recommendation: Approve draft minutes

2. Minutes of the Board of Directors Workshop, March 6, 2024 (W & R)

Recommendation: Approve draft minutes

3. Investment Policy FIN-5.6 Revision (W & R)

Recommendation: Approve revisions to policy

Vice President Costa moved to approve the Consent Calendar. Director Rich seconded the motion and it carried unanimously.

IV. OLD BUSINESS

1. San Juan and the Regional Water Authority (W & R)

GM Helliker provided a written staff report which was included in the Board packet. He reviewed some of the items that RWA and San Juan have cooperatively worked on and some items that San Juan had issues with. He stated that staff appreciates the work that RWA does and looks forward to hearing from them.

President Zamorano requested that the RWA members limit their comments to allow time for the Board to ask questions. Various members of RWA addressed the Board, introduced themselves and provided more information about RWA and the work that they do for the region.

Vice President Costa expressed concern that there is no organized plan, water banking is not happening, and more groundwater wells are needed. Mr. Brett Ewart, RWA Chair, addressed Vice President Costa's concerns stating that the RWA completed the Regional Reliability Plan several years ago which addressed conjunctive use. GM Helliker commented that the District started transferring water to SSWD in 2020 and they got credit for banking the water. Vice President Costa stated that the District needs to show beneficial use on all the District's water and should be banking the water for future use.

GM Helliker informed the Board that SGA and FOWD are willing to work with the District and the eastern unit of SGA to develop a water accounting framework which is the next step to be able to do in lieu banking in the District's service area.

Vice President Costa voiced concern regarding the amount of time it takes for SGA to start the process of confirming a representative to SGA via the Board of Supervisors. In addition, he voiced concern regarding the voting rights of various member agencies of RWA versus the size of the agency and suggested that there is an imbalance. Mr. Ewart commented that having one vote per agency allows RWA to see the perspective of all the agencies.

In response to Director Rich's question, Mr. Jim Peifer informed the Board that a new project description should be released soon and work on the environmental documents will continue. He explained that RWA is looking for federal acknowledgement of the water bank in 2025 so that CVP water supplies can be stored in the groundwater basin. In addition, he stated that the water bank will help with SGMA, sustainability, and will help facilitate future groundwater substitution transfers. Mr. Peifer commented on the District's Mission Statement and explained that RWA has helped the District achieve its mission by advocating against onerous legislative mandates that would increase costs to the District and RWA has worked on the Voluntary Agreements to help ensure uninterrupted access to the water.

Director Miller voiced concern that RWA has not assisted the District or attended any of the San Juan Board meetings in order to be proactive with the Board. GM Helliker

stated that Mr. Peifer had attended a Board meeting several years ago to address the Board.

In response to Director Tobin's question, Mr. Ewart explained that RWA is working on the definitions for water banking. He explained that the water accounting methodology is still under development and there is broad participation and interest in the water bank. Mr. Trevor Joseph commented that RWA is about three quarters of the way through the development process on the water accounting system for the water bank which will not be extremely different from the water accounting framework that was established approximately 10 years ago.

In response to Director Tobin's question, Mr. Ryan Ojakian informed the Board that RWA is looking at earmarks with Senator Padilla for federal funding. In addition, he stated that RWA recently agreed to take \$2 million from the State to build a watershed of resilience program as a pilot project which will be very extensive and will benefit the region with regard to how the State is likely to do funding in the future. In addition, he believes that bond funding will also be available.

Mr. Tom Gray, representing CHWD and FOWD, addressed the Board and commented that they are both members of RWA and support their collaborative efforts and stated that it's a good financial decision on behalf of the rate payers to be a member of RWA. He also stated that, as an RWA Board member, they listen to San Juan and even if they are not in agreement with San Juan, San Juan is still heard. In addition, he stated that RWA Board makes decisions by consensus of the whole and once a decision is made then the members should work together in collaboration. In response to Director Miller's comment, Mr. Ewart commented that all RWA members have a voice, there may be disagreements, and he encourages everyone to understand everyone's interests as opposed to just their own.

In response to Director Rich's question of what San Juan can do with regard to helping RWA's mission, Mr. Ewart commented that working together, fostering good relationships, and communicating, will help RWA obtain its mission.

In response to Director Tobin's question regarding the letter removing San Juan from the Common Interest Agreement, Mr. Ewart stated that he could not fully answer the question. GM Helliker stated that, last year, the State decided to have confidentiality re-imposed on the Voluntary Agreement (VA) deliberations; therefore, all parties to the VA, including San Juan, had to sign a confidentiality agreement, and the District is directly involved with the VA. GM Helliker provided the Board with a timeline of the activity surrounding the VA.

The Board thanked the RWA representatives for their time in attending the meeting.

2. Mid-Year Budget Review (W & R)

Ms. Silva reviewed the staff report which was included in the Board packet. She reported that Wholesale Operations revenue is tracking greater than the budget

while expenses are tracking slightly below budget. This should result in an anticipated transfer out to Wholesale Capital reserves in excess of \$1.3 million, mainly due to water deliveries to Sacramento Suburban Water District. She reported that the Wholesale Capital revenue is tracking 0.5% above the budget while expenses are tracking about 44% less than budgeted with the anticipation of 11 projects being delayed until next fiscal year.

Ms. Silva reported that Retail Operations revenue is tracking 1.9% above the budget while expenses are tracking about 6.6% below the budget. Ms. Silva explained that this should result in an anticipated transfer to Retail Capital reserves as high as \$3.9 million.

Ms. Silva reported that Retail Capital revenues are anticipated to be substantially below the budget due to the timing of the Kokila Reservoir project and the funds to be received for that project which will now be reflected in the next fiscal year budget. She explained that the Retail Capital expenditure budget anticipated expenses of \$8.8 million to fund 37 projects: 4 are already complete, 15 more are expected to be completed by the end of the year, 12 have either already started, or are expected to start, but not finish by years' end, and 2 won't be started until next fiscal year. Of the 37 total projects, 4 were deemed not needed and will not be re-budgeted. The mid-year estimated expenses are \$8,813,600.

3. Director Compensation (W & R)

Vice President Costa mentioned that at the last meeting he suggested that the Board reduce the number of meetings compensated each month to five per month for efficiency purposes. However, after receiving feedback, he would like the Board to discuss the number of meetings. The Board discussed the number of meetings and suggested that eight meetings per month seemed more realistic. GM Helliker provided a staff report which was included in the Board packet.

President Zamorano moved to change the proposed Ordinance from five meetings per month to ten meetings per month at \$200 per meeting and retaining the language regarding filing a written statement to the General Manager to receive the increased amount. The motion failed with no second.

Vice President Costa moved to amend proposed Ordinance No. 24-01 – An Ordinance of the Board of Directors of the San Juan Water District Concerning Compensation of Board Members to reflect \$200 per meeting not to exceed eight meetings per month and delete paragraph 3 regarding the written statement to the General Manager. Director Tobin seconded the motion and it carried with four Aye votes and one No vote (Miller).

Legal Counsel Jones informed the Board that the revised ordinance will be brought to the April Board meeting for the second reading and potential adoption.

4. Conjunctive Use and Groundwater Banking Activities Update (W & R)

GM Helliker informed the Board that meetings with Citrus Heights (CHWD) and Fair Oaks (FOWD) water districts are on hold at this time. He reported that he and Mr. Zlotnick have met with Sacramento Suburban Water District and will meet again to discuss the financial structure of an agreement for groundwater banking. He explained the three alternatives of buying part of a well, buying capacity, or buying water, and SSWD will provide an estimate of what the financial arrangements would be for each scenario.

GM Helliker reported that the proposed edits for the project description on the water bank were received and are being reviewed. He informed the Board that there are concerns about expanding the scope of the environmental impact report to include water transfers since there seems to be no reason for the environmental impact report in the first place since the only action covered is RWA's proposed water accounting system. He explained that federal acknowledgement is only required when banking CVP water outside of the service area.

GM Helliker informed the Board that RWA's draft language proposes a 5% leave behind (tax) on water that is banked. He explained that this means if the District were to bank CVP water outside of the service area then 5% would have to be left behind which would not then be included in the District's historic use. He noted that, while this is standard practice in other parts of the state, our water bank is owned and operated by the agencies that own the facilities and it is their water going in the groundwater basin and therefore there should not be an unnecessary 5% tax.

5. 2024 Hydrology and Operations Update (W & R)

GM Helliker reviewed data which included the current reservoir storage levels across the state, data on releases, temperature and precipitation outlooks, and storage levels and projections at Folsom Reservoir. In addition, he informed the Board that Sacramento Suburban Water District should be taking their water via their PCWA contract, and he is not sure whether or not they will take any SJWD water. In any case, a proposed water transfer with SSWD will be placed on the April Board meeting agenda.

V. NEW BUSINESS

1. Hydrant and Valve Maintenance FY 2023/24 (R)

Mr. Barela provided a staff report which was included in the Board packet. He explained that this is the first of three amendments that were included in the original contract. In response to Vice President Costa's question, Mr. Barela explained that these types of requests typically go to the Engineering Committee for review. GM Helliker informed the Board that he checked with the Engineering Committee Chair, Director Rich, and he directed staff to bring this directly to the Board. In response to Director Tobin's question, Ms. Silva explained that when contracts are approved by the Board, or executed within staff expenditure authority, she reviews them and issues a purchase order to ensure that there is no over-spending on the contract.

Director Tobin moved to authorize and approve Amendment #1, 1st year renewal to the contract with Wachs Water Services (WWS) for professional services related to the inspection and maintenance of the District's hydrants and valves for the fiscal year 2023/24. Vice President Costa seconded the motion and it carried unanimously.

2. 2024 Legislation (W & R)

GM Helliker reviewed a staff report which was included in the Board packet. He explained the three bills that staff are requesting support on: AB 1827, SB 1110, and SB 1330. He also reviewed Initiative 1935 which staff are requesting that the Board oppose. GM Helliker informed the Board that there is language in the initiative that has to do with providing evidence that water rates and fees are exempt from following the tax provision for voter approval, and showing that water rates and fees cover actual costs rather than reasonable costs. He explained that this creates uncertainty and risk for the District. He informed the Board that ACWA, RWA and CSDA oppose the initiative.

Director Tobin moved to support AB 1827, SB 1110, and SB 1330, and oppose Initiative 1935. There was no second so the motion failed.

The Board discussed Initiative 1935. GM Helliker explained the negative impact on the District. President Zamorano, as well as Vice President Costa, voiced support for the initiative and added that the initiative is good for the people. Ms. Silva explained that, should the initiative pass, the District may no longer be able to save reserves for pay as you go projects since the rates would seemingly have to be set based on actual costs not on projected costs. She explained that if the District is unable to set rates that cover future estimated costs that are based on historical actual costs then the District would not be able to save money nor potentially issue debt for infrastructure, and she, therefore, does not recommend the Board support the initiative.

President Zamorano moved to support AB 1827, SB 1110, and SB 1330, and take a neutral position on Initiative 1935. There was no second so the motion failed.

Vice President Costa moved to support AB 1827, SB 1110, and SB 1330. Director Tobin seconded the motion and it carried unanimously.

Vice President Costa moved to support Initiative 1935. President Zamorano seconded the motion.

Director Tobin provided a substitute motion to take a neutral position on Initiative 1935. There was no second so the motion failed.

President Zamorano called for the question to support Initiative 1935.

The motion carried with 4 Aye votes and 1 No vote (Tobin).

3. Property Contract/Lease Projects (W & R)

Mr. Tony Barela conducted a presentation on the District's Property Contract/Lease Projects and a copy of the presentation will be attached to the meeting minutes. He reviewed the five properties that he has been working on in order to resolve some issues. He reviewed each property, the items of concern, and potential solutions. The Board discussed each property and provided staff with their comments.

VI. INFORMATION ITEMS

1. GENERAL MANAGER'S REPORT

1.1 General Manager's Monthly Report (W & R)

GM Helliker provided the Board with a written report for February which was included in the Board packet.

1.2 Miscellaneous District Issues and Correspondence

GM Helliker reported that a letter from ACWA was received asking for re-consideration of the recent decision to not financially support Director Pam Tobin's service to ACWA. He informed the Board that he drafted a response for their consideration. The Board discussed the response letter; however, Legal Counsel Jones directed the Board to place this item on the next Board meeting for discussion since it was not specifically listed on this agenda.

GM Helliker informed the Board that he submitted comments on the conservation standards with roughly 25 other agencies signed onto the joint comment letter. In addition, ACWA submitted their comments on the issue as well.

GM Helliker informed the Board that another Public Records Act (PRA) request was received from FOWD and CHWD for documents associated with the Wholesale Financial Plan for the timeframe of November 7, 2023 to March 26, 2024.

2. DIRECTOR OF FINANCE'S REPORT

2.1 Miscellaneous District Issues and Correspondence

Ms. Silva informed the Board that Director Tobin requested the last six months of legal expenses so she provided a printout to the Board – a copy will be attached to the meeting minutes. In addition, she informed the Board that the final loan draw was received for the Eureka Road Pipeline Replacement Project.

3. DIRECTOR OF OPERATIONS' REPORT

3.1 Miscellaneous District Issues and Correspondence

Mr. Barela informed the Board that the U.S. Environmental Protection Agency (EPA) revised their lead and copper rule in 2021. He explained that an inspection of all service lines was required for pipelines older than 1987, which was approximately 7,000 connections. The inspections were completed and there were no service lines with lead. He noted that the next phase will be testing schools and childcare facilities, which equates to identifying all facilities, notifying and educating them on lead testing, then testing 20% of childcare facilities and schools every year. Mr. Barela commended the Field Services team for their hard work on this project.

4. DIRECTOR OF ENGINEERING SERVICES' REPORT

4.1 Miscellaneous District Issues and Correspondence

No report.

5. LEGAL COUNSEL'S REPORT

5.1 Legal Matters

No report.

VII. DIRECTORS' REPORTS

1. SACRAMENTO GROUNDWATER AUTHORITY (SGA)

Vice President Costa reported that SGA meets April 11th. He reported that they are offering well monitoring training which is very beneficial to the region.

2. REGIONAL WATER AUTHORITY (RWA)

No report.

3. ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)

3.1 ACWA - Pam Tobin

Director Tobin provided the Board with some handouts regarding sponsorships for the Women in Water reception. She reported that ACWA urged its membership to contact their House Representative regarding the floor vote to support the HR7023 amendment which is happening tomorrow. In addition, she reported on ACWA's new election process, redesigned conferences, the QuenchCA campaign, and legislative advocacy. A copy of her written report will be attached to the meeting minutes.

3.2 Joint Powers Insurance Authority (JPIA) - Pam Tobin

Director Tobin provided a written report which will be attached to the meeting minutes.

4. CVP WATER USERS ASSOCIATION

Vice President Costa reported that the CVP Water Users Association met last week and they met the new Executive Director, who is getting orientated in her job and will be a great asset to the association with her prior experience.

5. OTHER REPORTS, CORRESPONDENCE, COMMENTS, IDEAS AND SUGGESTIONS

In response to Director Miller's comment, Director Tobin informed the Board that Mr. Brett Ewart works for the City of Sacramento but is also the RWA Chair.

VIII. COMMITTEE MEETINGS

1. Finance Committee – March 19, 2024

The committee meeting minutes were included in the Board packet.

IX. UPCOMING EVENTS

1. 2024 ACWA Spring Conference

May 7-9, 2024
Sacramento, CA

At 9:07 p.m., President Zamorano announced that the Board was adjourning to Closed Session.

X. CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Section 54956.9)

Citrus Heights Water District, et al. vs. San Juan Water District, Case Number: 23WM000080, Sacramento County Superior Court

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code § 54957
Title: General Manager

3. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code § 54957.6
Agency designated representatives: Ted Costa and Ken Miller
Employee group: Unrepresented employee (General Manager)

XI. OPEN SESSION

The Board gave GM Helliker direction to prepare a contract amendment for consideration at the April 24 Board meeting.

XII. ADJOURN

The meeting was adjourned at 9:17 p.m.

MANUEL ZAMORANO, President
Board of Directors
San Juan Water District

ATTEST: _____
TERI GRANT, Board Secretary



San Juan Water District Property Contract/Lease Projects

BOARD OF DIRECTORS

MARCH 27, 2024

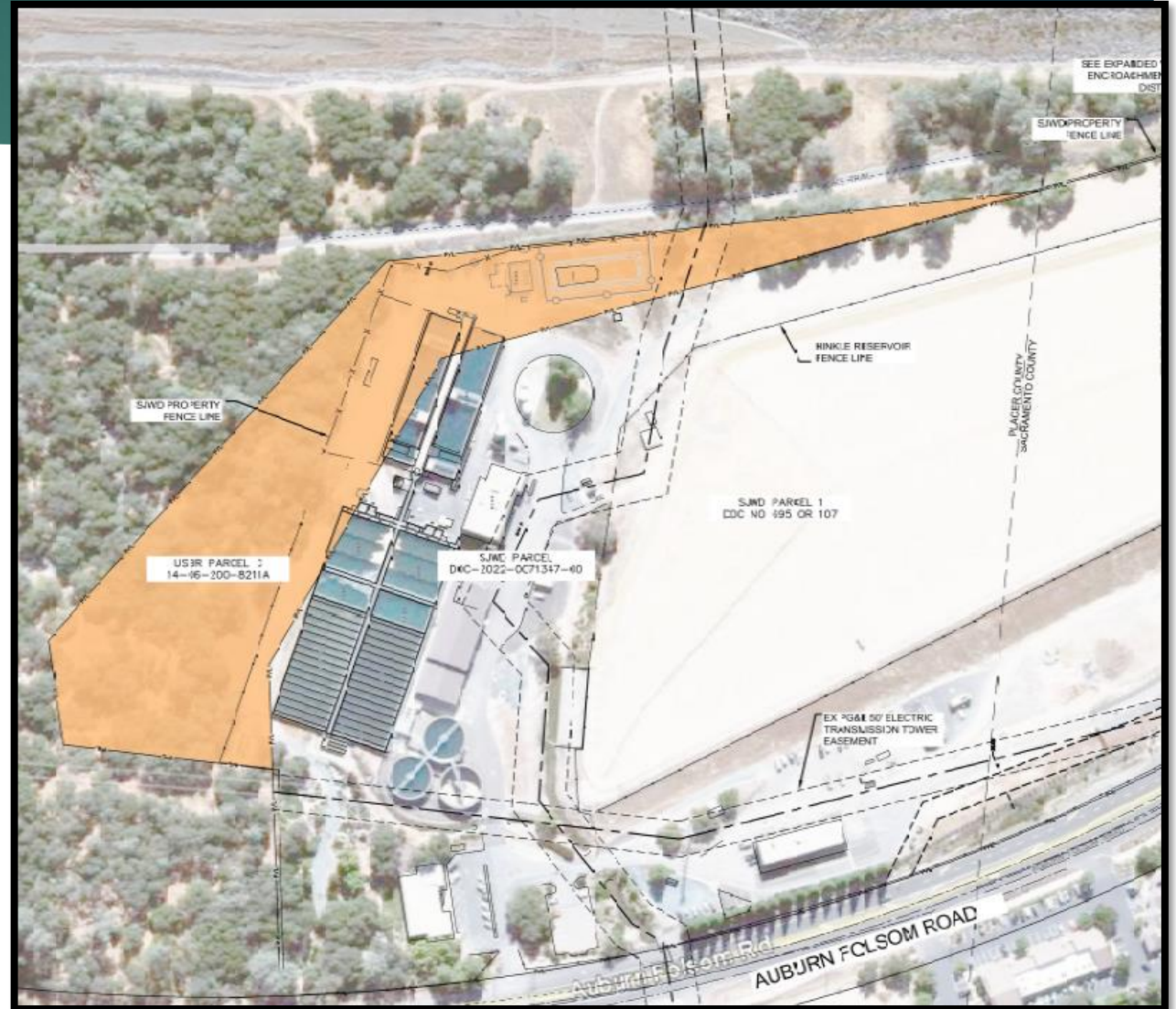


Property Item Location Map



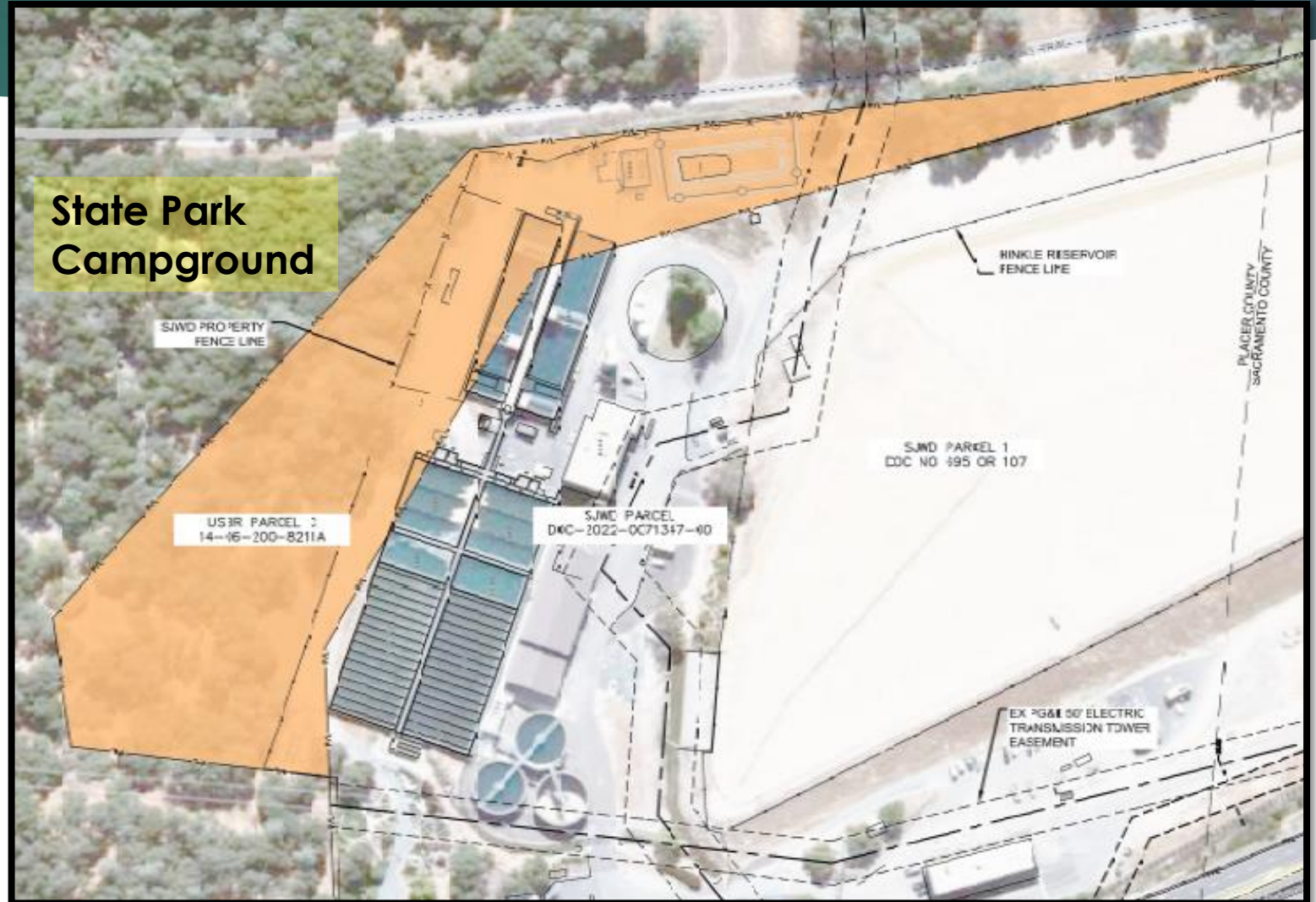
#1 USBR PARCEL C

- ▶ Bureau of Reclamation – Leased Property
- ▶ Contract Signed February 25, 1976
- ▶ Initial Term: 50 Year Contract
- ▶ Renewal: 50 Years
 - ▶ Request 365 days Prior to Expiration
- ▶ \$100/Year Cost



#1 USBR PARCEL C

- ▶ Concerns
 - ▶ Overlaps WTP Facilities
 - ▶ Extends into State Park
- ▶ Potential Remedies
 - ▶ Obtain Ownership of Property w/in Fenceline
 - ▶ Renew Lease for 50 Years
 - ▶ Change Lease to Exclude Park Property



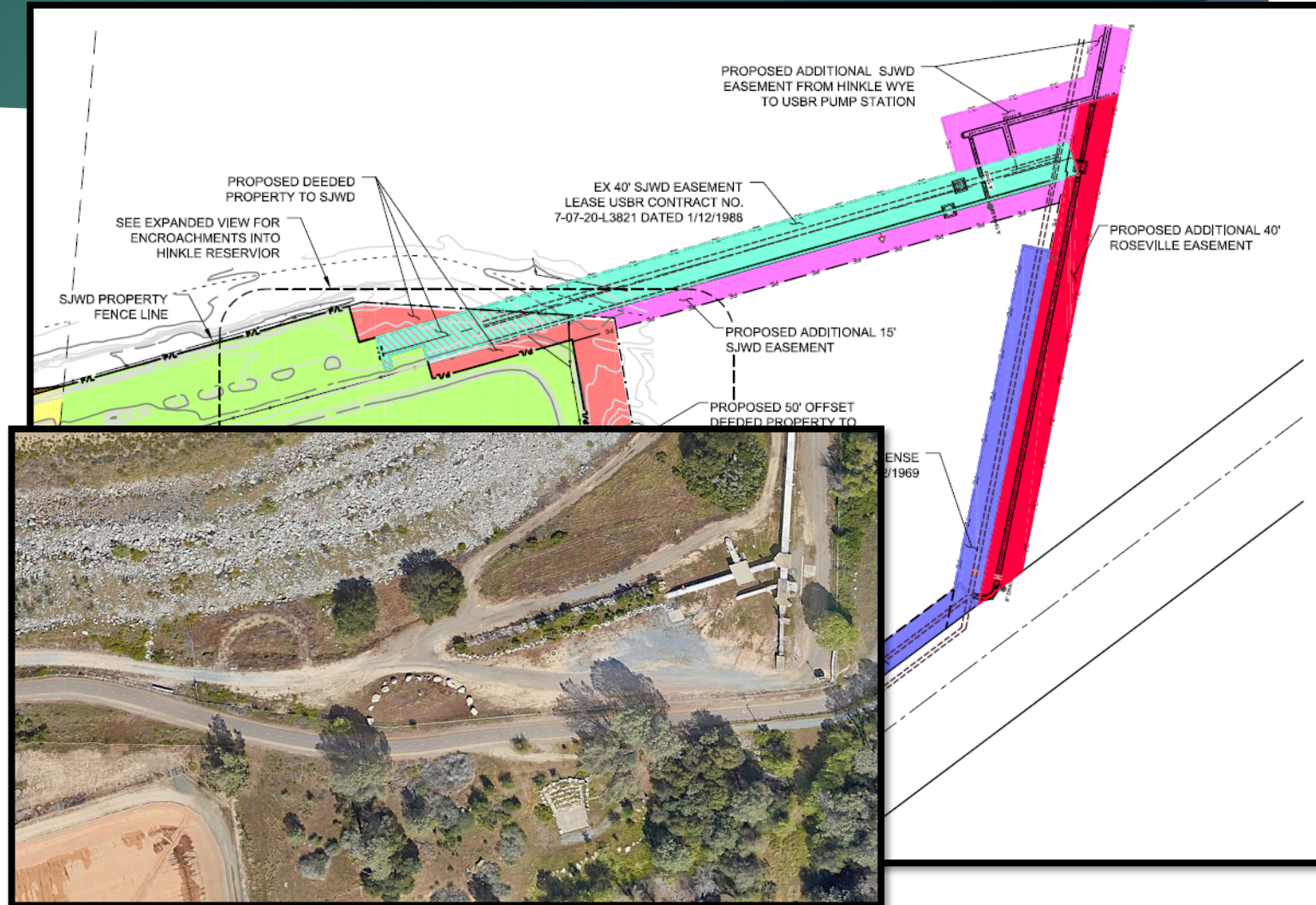
#2 USBR 72" RAW WATER PIPELINE EASEMENT

- ▶ 72" Raw Water Pipeline
 - ▶ Folsom Dam to Hinkle Wye
- ▶ Constructed 2010
 - ▶ SJWD/Roseville Owned
- ▶ Parallel Raw Water Pipeline



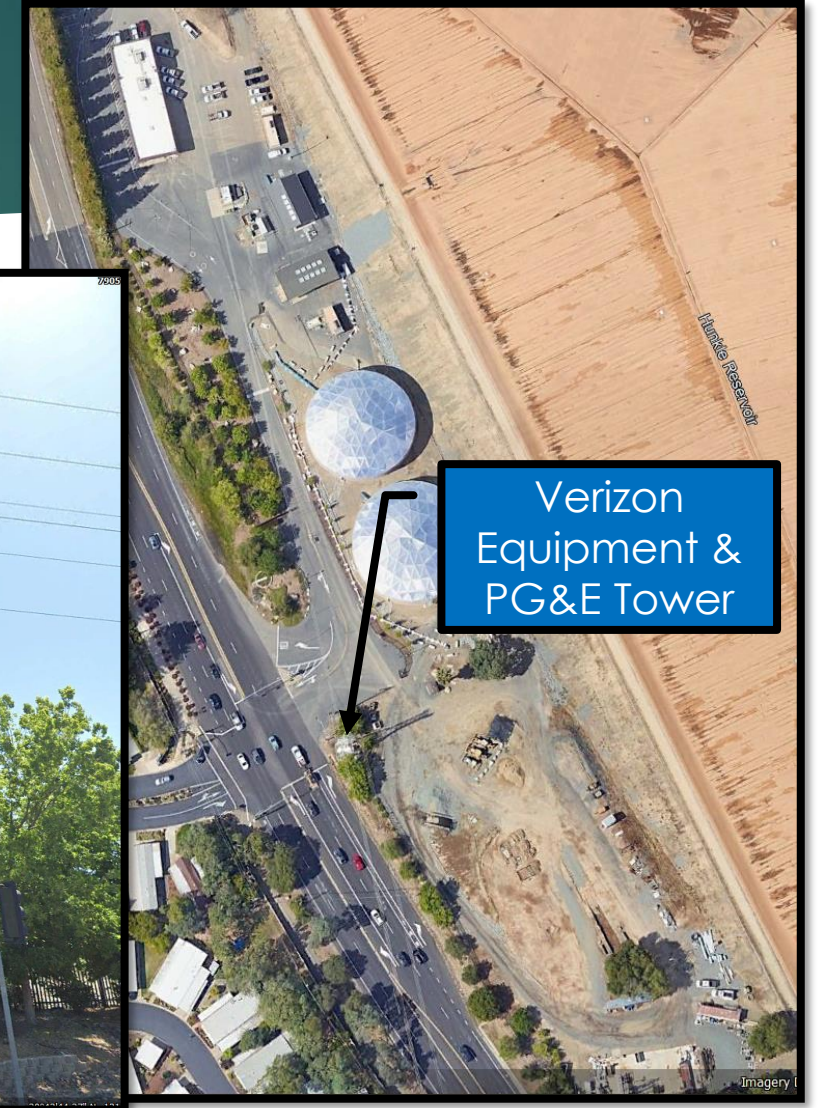
#2 USBR 72" RAW WATER PIPELINE EASEMENT

- ▶ Concerns
 - ▶ No License or Easement Agreement
 - ▶ No Maintenance Agreement in Place
 - ▶ Ex. Easement at Hinkle Wye Insufficient & Overlaps SJWD Fenceline
 - ▶ No Easement Roseville's 60" Pipeline
- ▶ Potential Solutions
 - ▶ Perpetual Easement
 - ▶ Finalize O&M Manual
 - ▶ 25-Year License w/ Five 5-Year Extensions



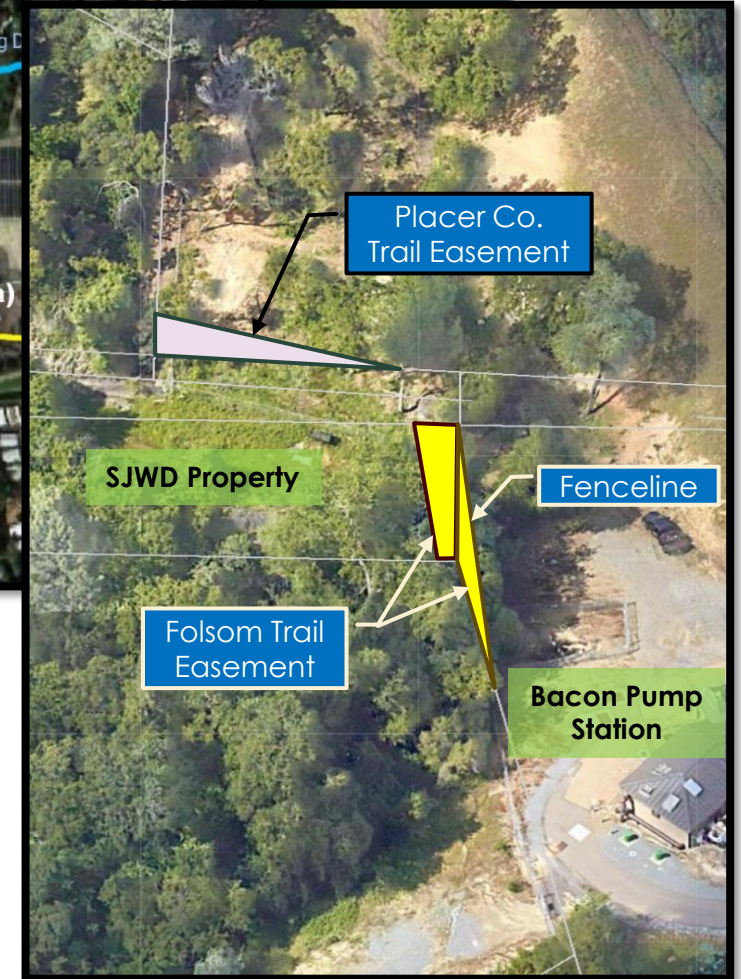
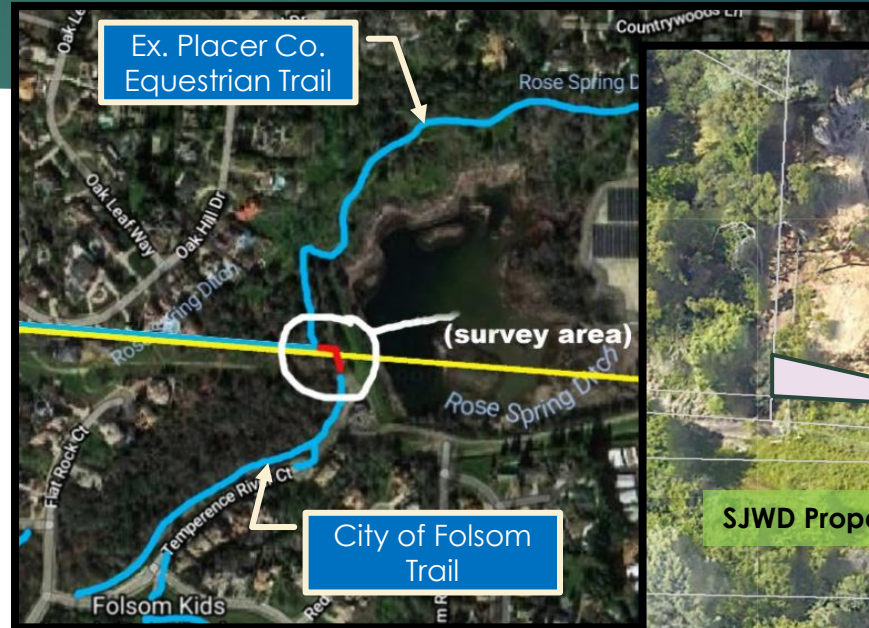
#4 Verizon Cellular

- ▶ Verizon Cellular– Leased Property
 - ▶ Equipment Under and On PG&E Tower
- ▶ Contract Signed November 4, 1999
- ▶ Initial Term: 30-Year Contract
 - ▶ Expires 2029
- ▶ Negotiating Lease Renewal
 - ▶ 20-Year Amendment Requested
 - ▶ Legal Reviewing Proposed Amendment
 - ▶ Updating Terms and Conditions



#5 CITY OF FOLSOM TRAIL EASEMENT

- ▶ Project
 - ▶ Connect Ex. Placer Co. Equestrian Trail to City of Folsom Trail System.
 - ▶ Placer County Equestrian and Pedestrian Easement
 - ▶ Signed February 23, 1983
 - ▶ No End Date
 - ▶ Easement Property West of Fenceline
- ▶ SJWD/City of Roseville Pipelines
- ▶ Legal Review Underway



Questions??



#1 USBR PARCEL C

#5 CITY OF FOLSOM TRAIL EASEMENT

#4 Verizon Cellular

#3 USBR PROPOSED TREATED WATER RESERVOIR

#2 USBR 72" RAW WATER PIPELINE EASEMENT



Thank You...





San Juan Water District
 Analysis of Legal Bills by Category, Month and Fiscal Year

STOEL RIVES, LLP Fiscal Year 2023-2024												
	Water Fix	Water Transfer	SWRCB Flow & WQCP	Biological Opinion Litigation	Water Rights	CVP Contract Litigation	General Services*	General American River	CHWD Litigation	Total Invoice	Total Hours	\$/Hour
July	-	-	3,523.50	-	-	391.50	8,059.00	-	-	11,974.00	29.40	\$ 407.28
August	-	-	10,593.00	-	-	-	11,927.50	-	-	22,520.50	56.90	\$ 395.79
September	-	-	13,755.05	43.50	-	87.00	9,898.50	-	14,014.00	37,798.05	93.30	\$ 405.12
October	-	-	13,277.50	43.50	-	174.00	20,107.00	5,929.00	11,938.50	51,469.50	126.70	\$ 406.23
November	-	-	8,477.50	2,218.50	-	-	16,071.00	231.00	20,475.00	47,473.00	124.70	\$ 380.70
December	-	-	2,914.50	435.00	-	-	7,127.00	900.50	8,853.00	20,230.00	54.60	\$ 370.51
January	-	-	9,169.40	1,653.00	-	174.00	19,683.05	-	-	30,679.45	77.80	\$ 394.34
February	-	-	-	-	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-	-	-	0.00	#DIV/0!
April	-	-	-	-	-	-	-	-	-	-	0.00	#DIV/0!
May	-	-	-	-	-	-	-	-	-	-	0.00	#DIV/0!
June	-	-	-	-	-	-	-	-	-	-	0.00	#DIV/0!
Total	\$ -	\$ -	\$ 61,710.45	\$ 4,393.50	\$ -	\$ 826.50	\$ 92,873.05	\$ 7,060.50	\$ 55,280.50	\$ 222,144.50	563.40	\$ 394.29

Jones & Mayer Fiscal Year 2023-2024							
Biological Opinion Litigation	CVP	COVID Related	Labor	General Services	Total Invoice	Total Hours	\$/Hour
July	-	-	-	1,620.00	1,620.00	7.20	225.00
August	-	-	675.00	967.50	1,642.50	7.30	225.00
September	-	-	202.50	3,195.00	3,397.50	15.10	225.00
October	-	-	427.50	2,340.00	2,767.50	12.30	225.00
November	-	-	247.50	3,667.50	3,915.00	17.40	225.00
December	-	-	-	4,342.50	4,342.50	19.30	225.00
January	-	-	-	-	-	-	-
February	-	-	337.50	2,925.00	3,262.50	14.50	225.00
March	-	-	-	-	-	-	#DIV/0!
April	-	-	-	-	-	-	#DIV/0!
May	-	-	-	-	-	-	#DIV/0!
June	-	-	-	-	-	-	#DIV/0!
Total	\$ -	\$ -	\$ 1,890.00	\$ 19,057.50	\$ 20,947.50	93.10	\$ 225.00

Combined Total		
Total Legal Expenses	Total Hours	\$/Hour
\$ 13,594.00	36.60	\$ 371.42
\$ 24,163.00	64.20	\$ 376.37
\$ 41,195.55	108.40	\$ 380.03
\$ 54,237.00	139.00	\$ 390.19
\$ 51,388.00	142.10	\$ 361.63
\$ 24,572.50	73.90	\$ 332.51
\$ -	-	#DIV/0!
\$ 3,262.50	14.50	\$ 225.00
\$ -	0.00	#DIV/0!
\$ -	0.00	#DIV/0!
\$ -	0.00	#DIV/0!
\$ -	0.00	#DIV/0!
\$ -	0.00	#DIV/0!
\$ 212,412.55	656.50	\$ 323.55

Tobin Report: 3/27/2024

ACWA: is urging member agencies to contact their representatives in the U.S. House of Representatives in time for tomorrow's floor vote to help build support for the bipartisan Garamendi-Graves amendment to H.R. 7023 House of Representatives **Thursday, March 21**. ACWA members are encouraged to act now to build support for passage of the amendment.

The Garamendi-Graves amendment is based on H.R. 1181 legislation ACWA and many national water organizations have supported.

- support the bipartisan Garamendi-Graves amendment to H.R.7023.
- The amendment gives the EPA the discretion to extend NPDES permit terms from 5 years to 10 years. Allowing terms of up to 10 years makes better use of resources without hindering EPA's authority to enforce water quality standards.
- NPDES permits are necessary for many critical water infrastructure projects, including most water recycling projects.
- Increasing NPDES permit terms from 5 to 10 years ensures federal permitting requirements accurately reflect the timeframe to construct a public water project while upholding Clean Water Act protections.
- The Garamendi-Graves amendment makes better use of limited resources and allows regulatory staff to focus on the highest priority water quality issues.

New this Year.

- ACWA revamped our election process, resulting in the highest voter engagement in the association's history.
- Newly redesigned conferences with new features used at our 2023 Fall Conference held in Indian Wells

QuenchCA

The award-winning association's Quench California campaign continued educating people about the vital need for infrastructure investment and how it affects them locally and statewide. ACWA's statewide public education campaign, Quench California, has released new social media graphics and customizable posts.

Advocacy of 2023

The year opened with a tough situation in California's capital where state legislative efforts aimed to fundamentally change the state's long-standing water rights system. ACWA led a broad coalition that prevailed in our opposition through a combination of strong member agency and partner engagement and the incredibly hard work of our advocacy team. While that issue is likely to return in 2024, our collaborative advocacy work puts us in the best possible position to prevail during this year.

ACWA worked with our water industry partners and others on the federal and state levels and secured approx. \$2 billion toward clean water and water infrastructure in 2023. We continued to support allocations of the Bipartisan Infrastructure Law and the Inflation Reduction Act to advance CA water projects and water supply reliability.

ADVOCY

Draft Regulation for Water Use Efficiency/ Conservation a California Way of Life

The State Water Resources Control Board in 2023 initiated the formal rulemaking for Making Conservation a California Way of Life and released draft regulatory text intended to implement AB 1668 and SB 606 (signed into law in 2018). Under those proposed regulation, urban retail water suppliers– not individual households or businesses – will be required to meet annual “urban water use objectives.” An urban water use objective is a water budget that is the sum of efficiency standards for a subset of urban water uses, such as residential outdoor use and indoor use, along with unique local service area characteristics such as population, climate and landscape area.

Comment letters to the State Water Board are due tomorrow, March 27. There were 91 agencies who joined ACWA and added their signatures to the letter ACWA submitted. SJWD did not sign on but, instead sent their own letter keeping “litigation strategies” on the table. August 2023, the State Water Board initiated the formal rulemaking for Making Conservation a California Way of Life and released the draft regulatory text. A Public Workshop was held on Oct. 4, 2023, and written comments were due Oct. 17, 2023. Under the California Administrative Procedure Act, the State Water Board has one year, or until Aug. 2024, to adopt the regulation.

ACWA, has been highly engaged in the state's pre-rulemaking efforts, advocating for a final regulation that is feasible, cost-effective and does not impair water agencies' ability to make long-term investments for climate resilience. There were several member working groups on the technical aspects of the proposed regulation and submitted a coalition letter with proposed redline changes to the State Water Board. ACWA staff also participated in recurring meetings with State Water Board staff and other interested parties to discuss changes to the draft regulation. Working group meetings, coalition coordination and advocacy will be ongoing as the State Water Board is expected to adopt the regulation in summer 2024.

ADVOCACY Continued

A few highlights of work accomplished during 2023 in Sacramento and Washington, D.C. on key issues of importance for ACWA member agencies.

Water Rights

Built and led a large coalition in opposition to three landmark water rights bills in the California Legislature that would have fundamentally changed the state's longstanding water rights system.

- Result: Stopped two proposals that became two-year bills while successfully negotiating amendments to the third proposal, allowing ACWA to move to a neutral position.

Infrastructure

- Advocacy: Supported four climate resilience bond proposals (with amendments) and Gov. Gavin Newsom's infrastructure permit streamlining proposals, which reflected goals in ACWA-sponsored

- Result: The year ended with further momentum toward a climate resilience bond that could include funding for various water and natural resources issues in areas that align with ACWA priorities. We saw the allocation of \$2 billion in federal spending for clean water and water infrastructure in California.

Sustainable Groundwater

- Advocacy: Opposed legislation seeking new and burdensome hurdles to obtaining groundwater well permits.
- Results: Legislation stopped in Legislature.

Bay Delta

- Advocacy: Worked to stop legislation that would require the State Water Board to adopt a final update of the Bay-Delta before considering any water rights permit, which would have effectively prohibited operation of the Delta Conveyance Project until the updated Bay-Delta Plan is fully implemented while also delaying advancement of a Delta solution for water supply reliability and Delta ecosystem enhancements.
- Results: Legislation stopped in Legislature.

Voluntary Agreements

Advocacy: ACWA supported a bill that proposed to restore funding for the Agreements to Support Healthy Rivers and Landscapes (formerly referred to as the Voluntary Agreements) that had been rescinded.

- Results: It was enacted, and the funding was restored.

Water Use Efficiency

- Advocacy: Led negotiations on amending legislation that proposed to ban irrigation of nonfunctional turf with potable water.
- Results: Legislation signed into law after ACWA obtained numerous amendments that ensure ways that increase water savings while protecting the importance of green spaces in communities.

Forecasting and Climate Adaptation

- Advocacy: Supported enactment of legislation to reframe and update state law regarding improvement of flood protection and reoperation of storage facilities for the capture of water generated by atmospheric rivers.
- Result: Legislation signed and through a coalition successfully obtained \$10 million in the state budget for atmospheric rivers research.

Lead-Testing

- Advocacy: Opposed legislation that would have established a new program for the testing for lead in drinking water at public schools, even though testing has already been conducted under existing law. A revised federal regulation, expected to go into effect in 2024, will also require testing. ACWA requested that the governor veto the bill.
- Result: Legislation vetoed by Gov. Newsom.

Zero-Emission -Vehicle Rule

- Advocacy: ACWA secured amendments to legislation and led a coalition for numerous exemptions that were incorporated into the California Air Resources Board's (CARB) Advanced Clean Fleet Regulation. ACWA's and CARB complemented this work, by giving public water agencies flexibility when available vehicles models do not meet fleet needs, and when charging infrastructure is not yet available for use.
- Result: Legislation signed into law

ACWA-JPIA

AB 2735 Threat to ACWA JPIA

This bill could potentially impact JPIA's financial integrity and the insurance coverage it provides to ACWA Members. This bill seeks:

- to allow for mutuals and for-profit organizations to join their membership.
- This could impact how claims are handled and
- lead to concerns about increased premiums.
- Insurance carriers may view mutual companies as having higher risk due to their diverse list of risks, including police, fire, school districts.

The optics of the bills should be taken under consideration. The involvement of a board member with affiliations to one of the agencies and the Metropolitan Water District does raise questions about potential conflicts of interest and hidden agendas. More to follow at the April 11th SLC meeting. No position by ACWA was taken.