Review of MPWMD Legislative Outreach for Calendar Year 2018

SUMMARY: During the course of the 2018 calendar year, the District has undertaken a variety of outreach efforts with the legislature, government agencies, and industry groups consistent with its adopted 2018 Legislative Advocacy Plan. Several of these activities are identified chronologically below.

Federal:

- Hired federal lobbying firm The Ferguson Group in January 2017. Monthly conference
 calls. Notifications of bills and federal activity. Consultation on other western water
 recycling lobbying activities. Accompanied MPWMD staff at meetings with US Bureau
 of Reclamation and during Washington DC board visit.
- ACWA in Washington DC attended by Directors Adams, Brower, Clarke, and Evans in February.
- Tuesday, February 27: Briefing Meeting with Roger Gwinn (The Ferguson Group) in DC; Meeting with John Watts, Legislative Counsel, Office of Senator Dianne Feinstein; Meeting with Representative Jimmy Panetta and Brandon Honeycutt, Legislative Assistant; Meeting with Austin Ewell, Deputy Assistant Secretary of Interior and Grayford Payne, Deputy Commissioner – Policy, Administration and Budget, USBR
- Thursday, March 1: Meeting with Monica Pham, Legislative Counsel, Office of Senator Kamala Harris; Meeting with Kelly Colyar, Chief and Alex Hettinger, Program Manager, Office of Management and Budget (OMB) Water and Power Branch.
- Meeting with USBR staff to update on Pure Water Monterey May 9th and another meeting scheduled for November 28th.
- Meeting with Congressman Panetta August 11st to discuss letter of support for USBR grant application.
- Submitted USBR Title XVI WaterSMART grant application in July (awaiting notification.).
- District co-signed letters of support for WRDA/WIIN Act legislation (see attached)

State:

• Miscellaneous meetings with JEA Associates to discuss Sacramento strategy.

- Multiple meetings and correspondence regarding CDO Condition 2
- Numerous letters regarding proposed Statewide legislation, several in consultation with ACWA (see attached)
- Attended conferences and maintained visibility for Association of California Water Agencies, California Special Districts Association, California Water Association.

Local:

- Continue to attend Mayor Authority meetings as needed, as well as meet separately with mayors and council members.
- Meet regularly with local interest groups (e.g. Coalition of Peninsula Businesses, Hospitality Association, Chambers of Commerce, Carmel Valley Association, LandWatch, Public Water Now, among others) and their representatives as requested.
- Sponsored, exhibited, and attended public events such as the County Fair water wise landscape competition, golf outings for Hospitality Association, and Commercial Property Owners Association.

Attached are examples of legislative/governmental outreach efforts.

MPWMD 2018 Legislative Advocacy Correspondence



September 14, 2018

The Honorable John Barrasso Chairman Senate Environment and Public Works Committee 410 Dirksen Senate Office Building Washington, DC 20510

The Honorable Bill Shuster Chairman House Transportation & Infrastructure Committee 2165 Rayburn House Office Building Washington, DC 20515 The Honorable Tom Carper Ranking Member Senate Environment and Public Works Committee 456 Dirksen Senate Office Building Washington, DC 20510

The Honorable Peter DeFazio Ranking Member House Transportation & Infrastructure Committee 2164 Rayburn House Office Building Washington, DC 20515

Subject: Reauthorization of Bureau of Reclamation Title XVI Grant Program

Dear Chairman Barrasso, Ranking Member Carper, Chairman Shuster, and Ranking Member DeFazio:

I am writing on behalf of the Monterey Peninsula Water Management District to urge your support for the reauthorization of the Bureau of Reclamation Title XVI Water Reclamation and Reuse competitive grant process authorized in the 2016 Water Infrastructure Improvements for the Nation (WIIN) Act (Title XVI-WIIN) and to include a reauthorization in the 2018 Water Resources Development Act (WRDA) during conference negotiations.

Since Title XVI's inception in 1992, Congress has authorized 53 Title XVI recycling projects producing more than 400,000 acre-feet of drought-resistant water supply. However, as no new projects had been authorized by Congress since 2009, WIIN 2016 created a mechanism to continue support for Western water reuse projects by establishing a competitive grant process within Title XVI and enable new projects to be eligible for funding. This program allows local agencies such as ours to leverage our own financial resources to produce innovative and effective recycled water projects. Water reuse provides a sustainable and secure water supply for communities which is increasingly important in the face of more frequent and severe droughts and changing hydrologic conditions throughout the West.

There are currently 44 Title XVI-WIIN eligible projects awaiting assistance and this list will only grow as more projects become eligible. To address this backlog, we urge that Title XVI-WIIN be reauthorized at \$225 million over five years, paid for by deauthorizing "inactive" Title XVI projects following a similar deauthorization process Congress enacted for the U.S. Army Corps of Engineers projects in the 2014 Water Resources Reform and Development Act.

Reauthorization of Bureau of Reclamation Title XVI Grant Program Page 2 of 2 September 14, 2018

However, sponsors of those projects proposed for deauthorization should have a transparent and public process to submit information demonstrating the project's active status to the Bureau of Reclamation with a request to revoke the deauthorization.

Clean and reliable water is the backbone of a community's health and economy. Water recycling is a future cornerstone to ensure that communities across the West have safe, secure, and sustainable water supplies.

For these reasons, we urge you to support the inclusion of a five-year, \$225 million reauthorization for Title XVI-WIIN in the 2018 Water Resources Development Act. Thank you for your consideration of this request.

Sincerely,

David J. Stoldt General Manager



August 8, 2018

The Honorable Edmund G. Brown Chair, Governor State of California State Capitol Building, 1st Floor Sacramento, CA 95814

Subject: SB 998 (Dodd) – Request for VETO

Dear Governor Brown:

On behalf of the Monterey Peninsula Water Management District, I would like express opposition to SB 998 by Sen. Bill Dodd (D-Napa), which would completely change the practice of public water agencies regarding interruption of water service for non-payment. Our water agencies deliver safe, reliable, high-quality and affordable water to customers in a dependable and responsible manner. In current practice, such agencies undertake multiple protocols to ensure that water service is discontinued for non-payment only when a customer fails to follow-through with safeguards that are built into the operations and management of water systems.

This proposed new statewide mandate would among other things prevent service shut- offs for at least 60 days for delinquent customers, create a cap on reconnection fees for some customers that may or may not cover the actual cost of these physical reconnections potentially triggering Prop. 218 concerns for public water agencies, and expand authority to both the State Water Resources Control Board and the Attorney General to enforce provisions of the bill.

Water districts are overseen by their locally-elected boards of directors. They make decisions in their geographic service territories based on what works locally. Water agencies are in the business of delivering water – they don't disconnect delinquent customers without prior substantial engagement. This bill is unnecessary and appears to be a solution in search of a problem that does not currently exist in California.

For these reasons, we oppose SB 998 and respectfully request your VETO. Thank you.

Sincerely,

David Stoldt

General Manager

cc: Catalina Hayes-Bautista, Deputy Legislative Secretary, Office of Governor Brown Hon, Bill Dodd



August 8, 2018

The Honorable Lorena Gonzalez Fletcher Chair, Assembly Committee on Appropriations State Capitol, Room 2114 Sacramento, CA 95814

Subject: SB 998 (Dodd) - Oppose

Dear Chair Gonzalez Fletcher:

On behalf of the Monterey Peninsula Water Management District, I would like express opposition to SB 998 by Sen. Bill Dodd (D-Napa), which would completely change the practice of public water agencies regarding interruption of water service for non-payment. Our water agencies deliver safe, reliable, high-quality and affordable water to customers in a dependable and responsible manner. In current practice, such agencies undertake multiple protocols to ensure that water service is discontinued for non-payment only when a customer fails to follow-through with safeguards that are built into the operations and management of water systems.

This proposed new one-size-fits-all statewide mandate would among other things prevent service shut-offs for at least 60 days for delinquent customers, create a cap on reconnection fees for some customers that may or may not cover the actual cost of these physical reconnections potentially triggering Prop. 218 concerns for public water agencies, and expand authority to both the State Water Resources Control Board and the Attorney General to enforce provisions of the bill.

Water districts are overseen by their locally-elected boards of directors. They make decisions in their geographic service territories based on what works locally. Water agencies are in the business of delivering water – they don't disconnect delinquent customers without prior substantial engagement. This bill is unnecessary and appears to be a solution in search of a problem that does not currently exist in California.

For these reasons, we oppose SB 998 and respectfully request your "no" vote when the bill is heard in the Assembly Committee on Appropriations on August 15, 2018.

Sincerely,

David Stoldt

General Manager

cc: Senator Bill Dodd

Senator Anthony Cannella Senator Bill Monning Assemblymember Anna Caballe

Assemblymember Anna Caballero Assemblymember Mark Stone

Dave Stoldt

From:

Honeycutt, Brandon < Brandon.Honeycutt@mail.house.gov>

Sent:

Friday, July 20, 2018 9:28 AM

To:

Dave Stoldt; Lee, Kathleen

Cc:

Roger Gwinn; Stephanie Missert (SMissert@tfgnet.com)

Subject:

RE: WRDA Bill

Dave – Thanks for passing this along! I'll keep this for my records. The Congressman has good relationships with House T&I members, so this will be helpful for us to have.

Brandon Honeycutt

Legislative Assistant Congressman Jimmy Panetta (CA-20) 228 Cannon House Office Building 202-225-2861

From: Dave Stoldt [mailto:dstoldt@mpwmd.net]

Sent: Thursday, July 19, 2018 4:17 PM

To: Honeycutt, Brandon <Brandon.Honeycutt@mail.house.gov>; Lee, Kathleen <Kathleen.Lee@mail.house.gov> **Cc:** Roger Gwinn <rgwinn@tfgnet.com>; Stephanie Missert (SMissert@tfgnet.com) <SMissert@tfgnet.com>

Subject: WRDA Bill

Hi Brandon and Kathleen:

I just wanted to give you a heads-up that we sent the attached letter to the House Transportation and Infrastructure Committee this week. Anything you are willing to do to help is appreciated.

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David J. Stoldt General Manager Monterey Peninsula Water Management District 5 Harris Court – Bldg G Monterey, CA 93940

831.658.5651

Dave Stoldt

From:

Dave Stoldt

Sent:

Thursday, July 19, 2018 1:29 PM

To:

Alexis Segal; John Watts 2018 WRDA (AWIA) Bill

Subject: Attachments:

Federal WRDA Letter 7-17-18.pdf

Hi Alexis & John,

I was told today that Senator Burr has put a hold on the 2018 WRDA bill. Earlier this week, we sent the attached letter and remain very interested to see this bill move forward. Hopefully your office can help urge the Senator to release his hold.

Thank you for anything you can do to help!

Regards,

Dave

David J. Stoldt General Manager Monterey Peninsula Water Management District 5 Harris Court – Bldg G Monterey, CA 93940

831.658.5651

Dave Stoldt

From:

Dave Stoldt

Sent:

Thursday, July 19, 2018 1:37 PM

To:

Isaac Irby (isaac_irby@harris.senate.gov)

Subject:

2018 WRDA (AWIA) Bill

Attachments:

Federal WRDA Letter 7-17-18.pdf

Hi Isaac,

We haven't met yet, but I did meet with Kevin Chang last October about the innovative Pure Water Monterey project we are working on.

I was told today that Senator Burr has put a hold on the 2018 WRDA bill. Earlier this week, we sent the attached letter and remain very interested to see this bill move forward. Hopefully your office can help urge the Senator to release his hold.

Thank you for anything you can do to help!

Regards,

Dave

David J. Stoldt General Manager Monterey Peninsula Water Management District 5 Harris Court – Bldg G Monterey, CA 93940

831.658.5651



July 17, 2018

The Honorable John Barrasso Chairman, Senate Environment and Public Works Committee 410 Dirksen Senate Office Building Washington, DC 20510

The Honorable Tom Carper Ranking Member, Senate Environment and Public Works Committee 456 Dirksen Senate Office Building Washington, DC 20510 The Honorable Bill Shuster Chairman, House Transportation and Infrastructure Committee 2165 Rayburn House Office Building Washington, DC 20515

The Honorable Peter DeFazio Ranking Member, House Transportation and Infrastructure Committee 2164 Rayburn House Office Building Washington, DC 20515

RE: Support for Wastewater and Stormwater Provisions in the Senate WRDA Bill

Dear Chairman Barrasso, Ranking Member Carper, Chairman Shuster and Ranking Member DeFazio:

On behalf of the Monterey Peninsula Water Management District (MPWMD), I write to express support for several wastewater and stormwater provisions included in the Senate's 2018 Water Resources Development Act (WRDA) bill, titled the *America's Water Infrastructure Act of 2018* (AWIA), specifically Sections 5001, 5002, and 5005. We appreciate the inclusion of these provisions in AWIA, as it shows that Congress understands the importance of investing more in our nation's wastewater and stormwater infrastructure. As the committees work to conference their respective WRDA bills in 2018, we respectfully ask that these important provisions be retained in the final compromise bill.

MPWMD is a water management agency that serves 112,000 customers in portions of Monterey County, California. MPWMD is working jointly with five other agencies to implement Pure Water Monterey, a multi-benefit regional water recycling solution to provide a safe, reliable and sustainable drinking water supply. Pure Water Monterey consists of three primary project components: source water collection, including the collection of wastewater, stormwater, agricultural irrigation runoff, and agricultural produce wash water; treatment of the source water through a new Advanced Water Purification Facility; and water conveyance and groundwater injection. In total, the Pure Water Monterey project will contribute 8,000 AFY of highly treated recycled water to urban, agricultural and environmental users.

We know that funding major wastewater and stormwater projects can come at a significant cost to local governments, their water agencies, and ratepayers. Section 5001 of AWIA aims to ensure that federal funding is providing the most effective assistance to communities by establishing a task force to develop recommendations on improving the federal government's funding and financing of stormwater infrastructure, with a focus on ensuring that funding is

Monterey Peninsula Water Management District Support for Senate WRDA Provisions July 17, 2018

affordable and adequately supports capital expenditures and long-term operation and maintenance costs.

Sections 5002 and 5005 provide much needed funding for wastewater and stormwater projects. Section 5002 of AWIA authorizes \$200 million for the Water Infrastructure Finance and Innovation Act (WIFIA) loan program for Fiscal Years (FYs) 2020 and 2021, a significant increase from the current funding level of \$63 million. WIFIA's low-interest loans help communities replace, rehabilitate or upgrade a wide variety of water infrastructure, and the highdemand for WIFIA loans illustrates the need for this funding. Additional funding for the program will allow more communities to compete for and secure loans to complete important water infrastructure projects. Section 5005 of AWIA authorizes \$450 million for Sewer Overflow Control Grants for FYs 2019 and 2020 and amends the program to make stormwater management measures eligible for funding.

Enactment of Sections 5001, 5002, and 5005 of AWIA will greatly benefit agencies like MPWMD that are working to make important and expensive improvements to their water supply, stormwater, and wastewater systems. We respectfully ask that the committees retain these provisions in any final 2018 WRDA legislation so entities like MPWMD can continue to serve their communities, meet their regulatory obligations, and improve and protect the nation's valuable water resources.

Sincerely,

David J. Stoldt General Manager



June 4, 2018

The Honorable Mark Stone State Capitol Rm. 3146 Sacramento, CA 95814

Re: Oppose-Unless-Amended to Statewide Water Tax: Budget Trailer Bill

Dear Assemblymember Stone,

Monterey Peninsula Water Management District strongly <u>opposes</u> the proposed statewide tax on water before the California Legislature that was advanced through a Brown Administration budget trailer bill, initially approved by Assembly Budget Subcommittee No. 3. While we agree that everyone in California deserves safe drinking water, there are more appropriate funding alternatives being advanced by the Association of California Water Agencies and its coalition members that can solve the drinking water needs without a tax on water. (See the link http://watertaxfacts.org/.)

Our District <u>opposes</u> the proposed statewide water tax in the budget trailer bill for the following reasons:

- It is not sound policy to tax something that is an essential service;
- Water rates on the Monterey Peninsula are already among the highest in the state. Adding a tax on water works against keeping water affordable;
- It is inefficient to turn thousands of local water agencies into taxation entities for the state and require them to collect the tax and send it to Sacramento;
- No policy committee has heard the proposed tax on drinking water; and
- A survey conducted in January 2018 shows 73% of likely voters oppose a drinking water tax

For these reasons, we respectfully urges you to vote "NO" on any proposal to tax California's water.

Sincerely,

David J. Stoldt General Manager

cc: Ms. Kim Craig, Deputy Cabinet Secretary, Office of the Governor



September 11, 2017

The Honorable Mark Stone California State Assemblymember State Capitol, Room 3146 Sacramento, CA 95814

Dear Assemblymember Stone:

The Monterey Peninsula Water Management District asks you to support Senate Concurrent Resolution (SCR) 80, introduced in the Senate on Aug. 23, that seeks to designate an annual Water Professionals Appreciation Week during the month of October.

Water Professionals Appreciation Week would provide a platform to highlight the important role of water industry professionals and local public water agencies in ensuring safe and reliable water, wastewater, and recycled water in California.

We would like you to support SCR 80 and consider adding on as a coauthor of the resolution. The legislature has until Sept. 15 to take action on the resolution.

Authored by Sen. Bill Dodd (D-Napa) and coauthored by Assembly Member Bill Quirk (D-Hayward), the Senate Concurrent Resolution would establish an annual Water Professionals Appreciation Week that would begin on the first Saturday of October and end on the Sunday of the following weekend each year. The timing of the week is planned for the month of October specifically because Oct. 1 marks the start of each new Water Year. It also allows members of the state Legislature to attend associated events while on interim recess.

During Water Professionals Appreciation Week, local water agencies would be encouraged to organize programs and events to educate their customers and other audiences and highlight the valuable role played by the water industry. It will also be an opportunity to promote jobs in the water industry as part of ACWA's Next Generation Initiative.

On behalf of the jurisdictions within the Monterey Peninsula, we appreciate the attention you personally give to us and your work for the good people of the Monterey Peninsula.

Sincerely yours,

David J. Stoldt General Manager

cc: MPWMD Board

John Arriaga ACWA



April 2, 2018

The Honorable Anna Caballero State Capitol, Room 5158 Sacramento, CA 95814

RE: AB 2050 (Caballero) - The Small System Water Authority Act of 2018 - SUPPORT

Dear Assemblymember Caballero:

On behalf of the Monterey Peninsula Water Management District (MPWMD), we are pleased to support AB 2050, the Small System Water Authority Act of 2018. This bill offers sustainable governance reforms necessary to address small water systems that chronically fail to provide safe and reliable drinking eater. It establishes a new category of public water agency by merging formerly non-compliant drinking water systems to provide sustainable, technical, managerial and financial capabilities to ensure the provision of safe and reliable drinking water.

MPWMD recognizes that water accessibility is a concern in a number of regions throughout the state and we must act to resolve this issue. The State Water Resources Control Board has identified 331 systems (as of February 12, 2018) that cannot provide safe drinking water to its customers. These systems often serve less than 10,000 people, are usually located in disadvantaged communities, and are largely privately owned or mutual water companies. Systems that fail to provide access to clean, reliable drinking water must be held accountable and have a plan to mitigate contaminants or fix their under-maintained water systems.

AB 2050 authorizes the creation of a Small System Water Authority that will be authorized to absorb, improve, and competently operate non-compliant public water systems with either contiguous or non-contiguous boundaries. By establishing lasting changes to the governance structures of failing water systems, California will take a substantial step toward achieving its goal of making safe, clean and reliable drinking water a reality for all Californians.

MPWMD appreciates your stewardship on this critical issue and for the reasons above supports AB 2050.

Sincerely,

David Stoldt General Manager

March 22, 2018

The Honorable Scott Pruitt Administrator U.S. Environmental Protection Agency 1200 Pennsylvania Avenue, NW Washington, DC 20460

Dear Administrator Pruitt:

The Alliance for Water Efficiency and the undersigned water utilities, manufacturers, distributors, consumer groups, and water efficiency advocates join in urging you to continue to fund EPA's highly successful WaterSense® program, a voluntary public-private partnership that has saved American consumers more than \$46 billion on their water and energy bills since 2006 through the end of 2016.

WaterSense is a voluntary program, not a regulatory one, and it costs less than \$2 million dollars per year to administer. It is universally supported by consumers, manufacturers and the public and private agencies charged with supplying water to American households and businesses. Since its inception in 2006, it has been immensely successful at achieving its goal of reducing water consumption. Through the end of 2016 an estimated 2.1 trillion gallons have been saved using WaterSense-labeled products. To underscore this, a report conducted by the U.S. EPA Office of Inspector General in 2017 found that the WaterSense program adhered to good practices in program management, achieved significant returns on investment, documented its controls on water savings and product performance, and obtained broad partner and consumer support.

WaterSense is Good for American Businesses and American Jobs

- WaterSense fuels innovation in American manufacturing and is strongly supported by the
 plumbing and irrigation industry. WaterSense performance standards and independent
 certifying process helps start-ups get to market more quickly and helps companies differentiate
 their products in the marketplace.
- More than 1,800 manufacturers, retailers and distributors, water and energy utilities, state and local government, non-profit and trade organizations, irrigation training organizations, and home-builders strengthen their businesses through partnerships with WaterSense.
- Businesses can reduce their operating costs and increase resiliency by updating their facilities with WaterSense-labeled fixtures and appliances.
- Homeowners and businesses can hire any of the 2,625 WaterSense-certified irrigation professionals to help design, install, and maintain an irrigation system that delivers a healthy landscape while minimizing waste.

WaterSense Helps Americans Save Money and Provides Choices

- WaterSense-labeled products have saved more than \$46 billion on American consumers' water, sewer, and energy bills.
- Water utilities, many of whom have been facing drought and other supply constraints in recent years, utilize WaterSense certified products as a vital tool that they can promote through conservation outreach and rebate programs, saving ratepayers the expense of each utility certifying water savings of products separately.

- Thanks to WaterSense and its partners, American families and businesses can buy WaterSenselabeled products that use at least 20 percent less water and work as well as or better than standard models.
- Americans can choose from more than 21,000 available models of WaterSense-labeled products for bathrooms, commercial kitchens and irrigation systems.

WaterSense Helps Create Thriving and Resilient Communities

- WaterSense has already saved more than 2.1 trillion gallons of water. That's more than the amount of water used by all of the households in California for one year!
- Saving water helps protect our water future. It means we can serve more people today and secure supplies for future generations. It saves water for emergencies. And, it leaves more water in lakes, rivers and underground aquifers to support water-based recreation and wildlife habitat.

WaterSense is a Cost-Effective Investment and Eliminating WaterSense Endangers Our Economy and Our Communities

- With an annual budget of \$2 million, WaterSense produces benefits that far outweigh its costs strengthening our economy, protecting water for our communities, and helping families maximize their budgets.
- Without WaterSense, 284 billion kilowatt hours of electricity would not have been saved. That is one year's worth of power to more than 26.3 million American homes.

WaterSense Enjoys Broad, Bipartisan Support

- Support has been clearly demonstrated this past year by actions taken in the House and Senate.
 Both chambers included the language below categorically rejecting the elimination of this important program.
 - "The Committee rejects the proposed elimination of the WaterSense program, and provides not less than the fiscal year 2017 level." Senate report, Dept. of the Interior, Environment, and Related Agencies Appropriations Bill, 2018
 - "The Committee...rejects the proposed elimination of the WaterSense program." H. Rep. 115-238 Dept. of the Interior, Environment, and Related Agencies Appropriations Bill, 2018

Since the WaterSense program has never been specifically authorized by Congress, its modest costs have been paid from discretionary funds available to previous EPA administrators of both parties. We urge you to continue this practice for FY 2019 and beyond, so that this valuable and highly productive partnership between government and the private sector can continue.

Sincerely,

The following 169 national, regional, and local organizations:

Alliance for Water Efficiency AIQ
Chicago, IL Aus

AIQUEOUS Austin, TX American Council for an Energy-Efficient Economy Washington, DC

Monterey Peninsula Water Management Dist. Monterey, CA

Murray City Corporation Murray City, UT

National Turfgrass Evaluation Program Beltsville, MD

National Wildlife Federation Reston, VA

Natural Resources Defense Council New York, NY

Neponset River Watershed Association Canton, MA

Niagara Conservation Corp. Flower Mound, TX

North Marin Water District Novato, CA

Northern Arizona Municipal Water Users Assoc. Scottsdale, AZ

Olivenhain Municipal Water District Encinitas, CA

PAC Properties St. Paul, MN

Panhandle Groundwater Conservation District White Deer, TX

PCR Resources Santa Fe, NM

Plumbing-Heating-Cooling Contractors Association

Milwaukee, WI

Plumbing Manufacturers International Rolling Meadows, IL

Pluvial Solutions Atlanta, GA

Prescription Landscape, Inc. St. Paul, MN

Purlin, LLC Sarasota, FL

Ramona's
Plumber/diyplumbingadvice.com
Ramona, CA

Rancho California Water District Temecula, CA

Rain Bird Corp. Azusa, CA

Recycled Hydro Solutions Rogers, AR

Regional Water Authority Citrus Heights, CA

Regional Water Providers Consortium Portland, OR

River Network Boulder, CO

Sacramento Suburban Water District Sacramento, CA

Same Drop San Francisco, CA

Sammamish Plateau Water Sammamish, WA

San Francisco Public Utilities Commission San Francisco, CA Santa Clarita Valley Water Agency Santa Clarita. CA

Santa Margarita Water District Rancho Santa Margarita, CA

Scottsdale Water Scottsdale, AZ

Seelig and Associates Livermore, CA

Sierra Club Oakland, CA

SLOAN Franklin Park, IL

Sonoma County Water Agency Santa Rosa, CA

Sonoma-Marin Saving Water Partnership Santa Rosa, CA

South Central CT Regional Water Authority New Haven, CT

South Tahoe Public Utility District South Lake Tahoe, CA

Southern Environmental Law Center Birmingham, AL

Southern Nevada Water Authority Las Vegas, NV

Southern Oregon Landscape Association Medford, OR

Spokane Aquifer Joint Board Spokane, WA

Sustainable Waters Crozet, VA

othersignature pages omitted

Dave Stoldt

From:

Dave Stoldt

Sent:

Wednesday, March 7, 2018 3:06 PM

To:

'Ansel, Peter'

Cc:

Mike McCullough

Subject:

FW: coalition update regarding AB 1668/SB 606

Attachments:

Pending Amends to AB 1668 SB 606 merged as amends.pdf; Summary of Requested &

Proposed Amendments to AB 1668 SB 606 (030618).pdf

FYI:

As you may have heard, the authors of AB 1668 & SB 606 recently released proposed amendments to their bills; please see attached for a merged version of the two bills circulated by the authors' offices that includes the proposed amendments.

For your reference, we have attached an additional document which provides a side-by-side comparison of the requested amendments from late 2017 with the authors' proposed amendments to AB 1668/SB 606. (The citations and page numbers in the side-by-side document refer to the merged version of the bills.)

At this time, the proposed amendments have not yet appeared in print.



Monterey One Water

Providing Cooperative Water Solutions

ADMINISTRATION OFFICE: 5 Harris Court, Bldg D, Monterey, CA 93940 Main: (831) 372-3367 or (831) 422-1001 FAX: (831) 372-6178 WEBSITE: www.montereyonewater.org

Joint/effer

March 1, 2018

The Honorable Grace F. Napolitano United States House of Representatives 1610 Longworth House Office Building Washington, D.C. 20510

RE: SUPPORT FOR H.R. 5127, THE WATER RECYCLING INVESTMENT AND

IMPROVEMENT ACT

Dear Congresswoman Napolitano:

While the WIIN Act of 2016 provided a new pathway for recycled water funding, there are improvements which your legislation will provide to improve the program and funding authorization. These changes will help make the program more efficient and of greater value to local agencies for developing recycled water and alternative water supplies which are needed in their communities.

Our Agency submitted an application for WIIN funding last year. Our project application was not awarded funds from this round of funding. Our project is a smaller recycled water supply project which will be providing a significant percentage of water for several of our communities.

Many communities along the Central Coast of California have the lowest household per capita water use in the State. The options for new water supplies at a reasonable price in these areas are very limited which makes reusing water for those communities a high priority. The availability of federal funds to assist smaller communities or Agencies like ours is paramount.

In summary, special consideration by WIIN should be given to projects that are:

- First-time projects that have to build everything and absorb high fixed costs
- Multi-region and multi-benefit, which provide benefits to agriculture in conjunction with Municipal & Industrial users
- Smaller projects where there is no water supply available from other sources such as Cal-Fed, Colorado River, water transfers, or large-scale storage
- Projects which have only high-cost, high-impact alternatives such as desalination
- More environmentally and socially preferred projects

Thank you for providing these improvements to the Title XVI Water Reclamation and Reuse program, and for providing new opportunities through the alternative water source projects program.

JOINT POWERS AUTHORITY MEMBER ENTITIES: Boronda County Sanitation District, Castroville Community Services District, County of Monterey, Del Rey Oaks, Fort Ord, Marina Coast Water District, Monterey, Moss Landing County Sanitation District, Pacific Grove, Salinas, Sand City, and Seaside

The Honorable Grace F. Napolitano March 1, 2018 Page 2

We appreciate your leadership and support for the development of sustainable water supplies. We strongly support your efforts and look forward to working with you and others to support passage of this legislation.

Sincerely,

Paul A. Sciuto

Monterey One Water

David J. Stoldt

Monterey Peninsula Water Management District

cc: Joe Sheehy, Legislative Director, Office of Congresswoman Grace Napolitano via email only to joe.sheehy@mail.house.gov



February 21, 2018

The Honorable Richard Bloom State Capitol Sacramento, CA 95814

Re: Proposed Drinking Water Tax in Budget Trailer Bill – OPPOSE UNLESS AMENDED

Dear Assembly Member Bloom

I am writing to express our strong opposition to a proposed state tax on drinking water before the California Legislature being advanced through a budget trailer bill.

As a local water agency, we are committed to delivering affordable, safe, and reliable water. While we support the goal of ensuring safe drinking water for all Californians, we believe a transfer of funds from sound and reliable water systems to those in need is not the best path forward. Rather than taxing an essential service such as water – especially in our region with already some of the highest water rates in the country – we believe that this is a social justice issue, precisely what the General Fund is designed for.

There already exist alternate sources of funds for the capital costs of such projects, and the ongoing operating expenses would be a small dent to the State's general fund.

Therefore, the Monterey Peninsula Water Management District opposes the budget trailer bill related to a tax on drinking water respectfully requests your "NO" vote on the measure at the Budget Subcommittee #3 meeting March 14th..

If you or members of your staff have any questions, please contact me at dstoldt@mpwmd.net.

Sincerely,

David J. Stoldt

General Manager

cc: Ms. Kim Craig, Deputy Cabinet Secretary, Office of the Governor



February 21, 2018

The Honorable Bob Wieckowski State Capitol Sacramento, CA 95814

Re: Proposed Drinking Water Tax in Budget Trailer Bill – OPPOSE UNLESS AMENDED

Dear Senator Wieckowski,

I am writing to express our strong opposition to a proposed state tax on drinking water before the California Legislature being advanced through a budget trailer bill.

As a local water agency, we are committed to delivering affordable, safe, and reliable water. While we support the goal of ensuring safe drinking water for all Californians, we believe a transfer of funds from sound and reliable water systems to those in need is not the best path forward. Rather than taxing an essential service such as water – especially in our region with already some of the highest water rates in the country – we believe that this is a social justice issue, precisely what the General Fund is designed for.

There already exist alternate sources of funds for the capital costs of such projects, and the ongoing operating expenses would be a small dent to the State's general fund.

Therefore, the Monterey Peninsula Water Management District opposes the budget trailer bill related to a tax on drinking water respectfully requests your "NO" vote on the measure at the Budget Subcommittee #2 meeting March 15th.

If you or members of your staff have any questions, please contact me at dstoldt@mpwmd.net.

Sincerely,

David J. Stoldt

General Manager

cc: Ms. Kim Craig, Deputy Cabinet Secretary, Office of the Governor

Dave Stoldt

From:

Dave Stoldt

Sent:

Wednesday, February 21, 2018 1:00 PM

To:

'Ansel, Peter'; Mike McCullough

Cc:

Paul Sciuto

Subject:

RE: Conference Call - update on water conservation legislation

Peter,

There is a nice graphic in this link that shows the range of the price of various water supply options:

http://www.ppic.org/publication/alternative-water-supplies/

Dave

From: Ansel, Peter [mailto:Peter.Ansel@asm.ca.gov]

Sent: Tuesday, February 20, 2018 2:50 PM

To: Dave Stoldt <dstoldt@mpwmd.net>; Mike McCullough <MikeM@my1water.org>

Cc: Paul Sciuto <Paul@my1water.org>

Subject: RE: Conference Call - update on water conservation legislation

The bills are attached. Start with SB606 section 1069.20, as it has the language regarding a "bonus incentive" of 10% for urban water agencies that have potable reuse.

Dave is correct, the bonus incentive allows an urban water manager to adjust the urban water objective by the amount on a per acre foot delivered of potable resuse.

Does it come down to the costs? If potable reuse is \$1900 an acre foot, and 35% of the regions supply is acquired at that expensive level because there is not a substitute, than setting a higher target means you can still reach 100% and do something each year with that supply to offset the cost of creating it, if you have some extra path to get to over 100%. Is that right?

From: Dave Stoldt [mailto:dstoldt@mpwmd.net]
Sent: Tuesday, February 20, 2018 2:14 PM

To: Mike McCullough; Ansel, Peter

Cc: Paul Sciuto

Subject: RE: Conference Call - update on water conservation legislation

The credit is to allow a slightly higher target for urban water use than would be calculated using the prescribed formula. It is easier to see in the SB 606 language.

From: Mike McCullough [mailto:MikeM@my1water.org]

Sent: Tuesday, February 20, 2018 2:05 PM

To: Ansel, Peter < Peter. Ansel@asm.ca.gov >; Dave Stoldt < dstoldt@mpwmd.net >

Cc: Paul Sciuto <Paul@my1water.org>

Subject: Re: Conference Call - update on water conservation legislation

I'm sort of in the ditch because of the	potable reuse credit	- what are the sup	pliers getting credit for?
	P		

Most of the suppliers are or have implemented many of these conservation measures.

I would need to see the actual language and intent of what is being considered. We know there is opposition and we know why there is opposition.

Some of this is localized and shouldn't be a one size fits all methodology.

We are way different than folks in more urban areas.

Mike McCullough, MPA

Government Affairs Administrator

P:831-645-4618





From: Ansel, Peter < Peter.Ansel@asm.ca.gov>
Sent: Tuesday, February 20, 2018 1:33 PM

To: Dave Stoldt

Cc: Mike McCullough; Paul Sciuto

Subject: RE: Conference Call - update on water conservation legislation

I am pushing off my afternoon meeting with Friedman's staff to give Mike time to think this through. I think there is a cost / value to the ratepayers, even if we can come up with a rough number. What do you think?

From: Dave Stoldt [mailto:dstoldt@mpwmd.net]
Sent: Tuesday, February 20, 2018 1:31 PM

To: Ansel, Peter

Cc: Mike McCullough; Paul Sciuto

Subject: RE: Conference Call - update on water conservation legislation

Correct. Without potable reuse, we would be forced to up-size the desalination project to make up for it – ostensibly more expensive water.

From: Ansel, Peter [mailto:Peter.Ansel@asm.ca.gov]

Sent: Tuesday, February 20, 2018 1:29 PM **To:** Dave Stoldt < <u>dstoldt@mpwmd.net</u>>

Cc: Mike McCullough <MikeM@my1water.org>; Paul Sciuto <Paul@my1water.org>

Subject: RE: Conference Call - update on water conservation legislation

But saving it from where? Without potable reuse, the region would have 65% of its needed water supply, right? And does it mean they are less efficient at saving water over regions that are doing zero percent through potable reuse? Or more efficient because they are reusing in the first instance? Yes – confusing!

From: Dave Stoldt [mailto:dstoldt@mpwmd.net]
Sent: Tuesday, February 20, 2018 1:19 PM

To: Ansel, Peter

Cc: Mike McCullough; Paul Sciuto

Subject: RE: Conference Call - update on water conservation legislation

Typically recycled water is more expensive. For example, it may be \$200 per acre-foot to pump groundwater from wells, yet \$1,900 per acre foot for potable reuse. (and \$3,500 per acre foot for desalinated water...)

I suppose it does allow for some ROI because that urban water provider can be 10% less efficient at saving water.

I think you can argue either side of the efficiency case — and it is confusing.

From: Ansel, Peter [mailto:Peter.Ansel@asm.ca.gov]

Sent: Tuesday, February 20, 2018 1:09 PM **To:** Dave Stoldt dstoldt@mpwmd.net>

Cc: Mike McCullough < MikeM@my1water.org>; Paul Sciuto < Paul@my1water.org>

Subject: RE: Conference Call - update on water conservation legislation

Hi Dave.

But is it being less efficient to create so much supply from recycling or more efficient because its using water that is otherwise wastewater? This is where it is confusing. Is the cost of supply the same from source to source? Does a credit allow the ratepayers to better realize an ROI on the investment made to create new supply?

From: Dave Stoldt [mailto:dstoldt@mpwmd.net]
Sent: Tuesday, February 20, 2018 12:57 PM

To: Ansel, Peter

Cc: Mike McCullough; Paul Sciuto

Subject: RE: Conference Call - update on water conservation legislation

Peter,

I have read and re-read the section on the "urban water use objective" and am concluding that – contrary to our coalition's conclusion – the recycled water credit does not need to be greater than 10%. The up to 10% credit actually could encourage inefficiency. If the Section 10609.20 (c) calculation is done right, it shouldn't matter whether it is met with standard supply or potable reuse – supply is just supply. I guess it provides a marginal incentive to develop recycled projects, but we shouldn't be allowing those water agencies doing so a free pass to be less efficient.

Dave

From: Ansel, Peter [mailto:Peter.Ansel@asm.ca.gov]

Sent: Saturday, February 17, 2018 2:07 PM **To:** Dave Stoldt < dstoldt@mpwmd.net >

Cc: Mike McCullough <MikeM@my1water.org>; Paul Sciuto <Paul@my1water.org>

Subject: Re: Conference Call - update on water conservation legislation

I'm trying to talk with you before a noon meeting with staff from another office that wants to discuss our opposition to the 10% credit being offered on potable reuse currently.

If you can't do earlier, let's keep Tuesday afternoon and I'll push the other staff off until Wednesday.

On Feb 17, 2018 1:26 PM, Dave Stoldt <<u>dstoldt@mpwmd.net</u>> wrote:

Any chance Wednesday works?

Dave Stoldt

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Sent from my iPhone

On Feb 16, 2018, at 4:21 PM, Ansel, Peter < Peter. Ansel@asm.ca.gov > wrote:

Any chance we can do this before 12 noon on Tuesday?

Thanks, Peter

On Feb 16, 2018 4:19 PM, Mike McCullough < MikeM@my1water.org > wrote:

Call in number 831-645-4647

#### **Dave Stoldt**

From:

Dave Stoldt

Sent:

Tuesday, February 20, 2018 8:26 AM

To:

Ansel, Peter

**Subject:** 

Info Re AB 1668/SB 606

**Attachments:** 

AB1668 SB606 - requested amendments for technical issues and policy concerns

(121217).pdf; Water Supplier Cost Estimates (122717).pdf

Peter,

The attached is from a coalition of public water agencies:

**Status Update:** AB 1668/SB 606 were not taken up at the end of the 2017 legislative session in September 2017. As two year bills, AB 1668/SB 606 will remain active heading into 2018, with the potential to be acted on in short order once the Legislature reconvenes on January 3, 2018.

In December 2017, the authors of AB 1668/SB 606 convened a series of "listening sessions." The listening sessions provided an opportunity for stakeholders to discuss four technical issues that have been identified as areas where the authors are interested in potential refinements to the legislation: Variances, MWELO "Principles", Cost Effectiveness of CII Performance Measures, and Reporting Requirements.

Water suppliers around the state have identified a number of technical issues with the legislation (including the four issues discussed at the listening sessions) and provided amendments that would address the issues. Water suppliers have also articulated several key policy concerns related to the bills and provided detailed amendments to address these concerns.

Moving into 2018, water suppliers around the state are committed to engaging constructively in the Legislature's continued efforts to develop legislation that advances water use efficiency and enhances drought planning and preparation requirements.

#### Attachments:

- 1. A matrix which identifies a number of technical issues with the legislation and details the amendments that have been requested to address each issues. The document also identifies remaining policy concerns with the bills and summarizes amendments that would be required to address each concern.
- 2. For informational purposes only, a summary of the results of a survey of 19 urban retail water suppliers from the South Coast, Bay Area, and Sacramento regions was conducted to estimate the costs that local water suppliers are anticipating to meet the calculation and reporting requirements currently proposed in AB 1668 and SB 606.



At MANMD'S Request.

October 18, 2017

The Honorable Bill Monning Majority Leader State Capitol Room 313 Sacramento, CA 95814

Re: SB 623 (Monning) - Oppose

The Monterey County Hospitality Association strongly opposes SB 623 (Monning). MCHA has approximately 250 member entities representing more than 24, 000 employees who generate more than \$2 billion in local revenues. This bill would establish a special fund to be administered by the State Water Resources Control Board to assist those who do not have safe drinking water.

While we agree with the goal of assisting disadvantaged communities that do not have safe drinking water, SB 623 has several fundamental flaws related to funding categories, eligibility and Sate Water Board authority, as detailed by the Association of California Water Agencies. Additionally, if language proposing a statewide tax or fee on water, also known as a public goods charge, is amended into the bill as planned, SB 623 would become completely unacceptable to public water agencies.

While there is clearly a need to help fund sensible long-term solutions and assist disadvantaged communities that do not have safe drinking water, a tax on local water bills is not the solution. Layering a tax on water bills in order to send money to Sacramento, where a portion will be carved out to fund administration, is not efficient. This a social issue for the state. MCHA believes that the state's General Fund is an appropriate source of funding for this important social issue.

For these reasons, MCHA opposes SB623.

If you or your staff have any questions, please contact me at 831-262-3310

Sincerely,

Gary Cursio,

Director of Government Affairs

Monterey County Hospitality Association