

MINUTES OF BOARD OF DIRECTORS MEETING
WITH COMMUNICATIONS AND LEGISLATIVE LIAISON COMMITTEE
ORANGE COUNTY WATER DISTRICT
February 5, 2015 @ 8:00 a.m.

Director Anthony called the Communications and Legislative Liaison Committee meeting to order in Conference Room C-2 at the District office. The Assistant District Secretary called the roll as follows:

Committee Members

Harry Sidhu (not present)
Phil Anthony, Vice Chair
Dina Nguyen (arrived 8:25 a.m.)
Vincent Sarmiento
Steve Sheldon (not present)

OCWD Staff

Mike Markus - General Manager
Judy-Rae Karlsen – Assistant District Secretary
Eleanor Torres – Director of Public Relations
Alicia Dunkin, Adam Hutchinson, John Kennedy,
Dianne Pinnick, Greg Woodside

Alternates

Roger Yoh
Shawn Dewane (not present)
Jan Flory (not present)
Denis Bilodeau (arrived 8:29 a.m.)
Cathy Green

Teleconference

Eric Sapirstein – ENS Resources
Casey Elliott - Townsend Public Affairs

Others

Cori Williams - Townsend Public Affairs
Stacy Taylor – Mesa Water District
James McConnell - McConnell & Associates

VISITOR PARTICIPATION

Mesa Water District representative Stacy Taylor stated her appreciation for the cooperative spirit between OCWD and Mesa Water District. She noted that District staff has been helpful on joint projects and requested that OCWD support the Mesa Water District nomination of Fred Bockmiller to the Association of California Water Agencies/Joint Powers Insurance Agency Executive Committee.

CONSENT CALENDAR

The Consent Calendar was approved upon motion by Director Anthony, seconded by Director Sarmiento and carried [4-0] as follows.

[Yes –Anthony, Sarmiento, Yoh, Green /No – 0]

1. Minutes of Previous Meeting

The minutes of the January 8, 2015 Communications/Legislative Liaison Committee meeting are approved as presented.

MATTERS FOR CONSIDERATION

2. Federal Legislative Update

District legislative advisor Eric Sapirstein (ENS Resources) teleconferenced into the meeting and presented an update on current legislative activities in Washington. He discussed the budget, proposed appropriations and funding allocations. The Committee discussed upcoming meetings with key legislators on the groundwater contamination cleanup process. Director Sarmiento advised that he will be traveling to Washington in March and would be available for meetings with legislators. This matter was informational and no action was taken.

Director Nguyen arrived at 8:25 a.m. and Director Bilodeau arrived at 8:29 a.m. during the following discussion.

3. State Legislative Update

Townsend Public Affairs (TPA) representative Casey Elliott teleconferenced into the meeting and presented an update on legislative activities in Sacramento. The Committee discussed current issues that include meeting with elected officials and the collaborative approach to addressing groundwater contamination and developing a strategic plan to secure water bond funding. Legislative Affairs Liaison Alicia Dunkin reported on the Sustainable Groundwater Management Act (SGMA) legislation.

Public Affairs Director Eleanor Torres stated the Association of California Water Agencies (ACWA) State Legislative Committee recommends a "Support if Amended" position on the SGMA legislation. There was a consensus of the Committee members present to adopt the "Support if Amended" position and the Committee requested that staff provide updates on proposed amendments as they are developed. The Committee then took the following action.

Upon motion by Director Yoh, seconded by Director Sarmiento and carried [5-0], there was a consensus of the Committee to recommend the Board at its February 18 Board meeting adopt a "Support if Amended" position on the Sustainable Groundwater Management Act (SGMA) legislation sponsored by Semitropic Water Storage District and Sonoma Water Agency.

[Yes –Anthony, Nguyen, Sarmiento, Yoh, Bilodeau/No – 0]

4. 2015 OCWD Legislative Platform

Ms. Torres reported the OCWD 2015 Legislative Platform is comprehensive and contains legislative goals, key issues, policy positions and provides guidance to the Board President and General Manager when evaluating proposed legislation that may impact the District, its member agencies, or regional water management and use. She advised the document also provides guidance for the legislative team, in conjunction with the Board, to take appropriate action consistent with the agreed upon legislative platform, including, but not limited to, drafting letters, lobbying legislators and staff, engaging in legislative work groups, and drafting bills.

Ms. Dunkin reviewed the guiding principles within the 2015 OCWD Legislative Platform.

Groundwater

1. Legislation should not interfere with the authority of governance of adjudicated and special act basins.
2. Existing laws and court/agency decisions that effectively govern groundwater production and recharge should not be disturbed. The rights of parties to take water pursuant to prior court decisions, decision of the State Water Resources Control Board, or inter-agency agreements must be protected, and existing legal obligations imposed on parties should remain enforceable.
3. Support legislation that modernizes CERCLA and/or leads to the clean-up of toxic chemical contamination in groundwater.
4. Existing groundwater basin management boundaries created through statute or court decision should not be modified, and new groundwater management areas should not be carved out of existing groundwater management plan areas without the approval of the affected groundwater management agency (ies). Similarly, where a statute or a court decree has authorized an entity to manage a groundwater basin, legislation should not create or empower other local entities with duplicative or overlapping authority.

5. Local agencies are in the best position to implement sustainable groundwater management. Groundwater management can best be accomplished at the local level - by agencies that have the technical expertise and existing or newly-granted authority to ensure aquifer health is maintained and competing uses balanced.
6. Any definition of sustainable groundwater management should allow groundwater managers, including the District, sufficient flexibility to manage groundwater, recognizing the following:
 - a. Sustainability varies as a function of local hydrogeologic conditions, water supply availability, and historic groundwater utilization.
 - b. Sustainable groundwater management can include periods when groundwater withdrawals exceed recharge as long as it causes no long-term negative impacts and there is a commitment to balance pumping over time with natural or artificial replenishment.
7. Managed aquifer recharge is a key tool that allows for sustainable groundwater management. As such, groundwater recharge should be recognized as a beneficial use of the water supplies of the state.

Prado Dam and Wetlands

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

Environment

9. Support legislation to streamline and modernize CEQA.
10. Protect OCWD's rights to seek cost recovery for groundwater clean-up projects that are compliant with the National Contingency Plan.

Supply

11. Support legislation that adds to the reliability and security of water supplies to Orange County.
12. Protect the quality of surface and groundwater, and support entities to meet state and federal water quality standards.
13. Encourage water conservation and climate-based landscape development, where appropriate.
14. Expand water recycling, potable reuse, groundwater recharge, storage, brackish and ocean water desalination, and surface water development.
15. Recognize that recycled water is a resource.
16. Authorize local government agencies to regulate the discharge of contaminants to the sewer collection system that may adversely affect water recycling and reuse.
17. Reduce regulatory burdens on water recycling and ocean or brackish water desalination projects.
18. Authorize, promote, and provide incentives for indirect and direct potable reuse projects.
19. Allow for local governmental agencies to provide input to state-wide water resource planning decisions.
20. Encourage and facilitate voluntary water transfers.

Energy

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

Distribution of Proposition 1 Bond Funds

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

23. Support regional projects through the Integrated Regional Water Management Planning (IRWMP) process.
24. Funding for any Delta restoration project shall support the co-equal goals of water supply reliability and ecosystem restoration.
25. Bond proceeds should be distributed to beneficial projects throughout the State in an equitable, balanced and reasonable manner;
26. Any water infrastructure financing measure should include specific criteria which must be met before a project obtains funding. The specific criteria should include cost-effectiveness, a project proponent's ability to implement the project, specific timelines for project implementation and a high level of measureable benefit;
27. Bond proceeds should be leveraged to the maximum extent possible utilizing local or federal matching funds. Projects funded with a higher percentage of non-state funds should be given priority; and
28. The allocation of bond funds should be handled within existing State resources to minimize bond administration costs.

Fiscal

29. No unfunded mandates. For newly mandated Federal and State costs or regulatory actions, support legislation that requires the federal and/or state governments to provide reimbursement to local governments.
30. Protects special district ad valorem tax revenues.

Local

31. Annexations would be cost neutral to other producers.

STATE PRIORITIES

- Secure state funding, including Proposition 1, for water reliability projects, including:
 - North Basin Groundwater Protection Project
 - South Basin Groundwater Protection Project
 - Groundwater Replenishment System: Final Expansion
 - Mid-Basin Injection Project
- Work with the current administration, legislators and their staff, key stakeholders, and statewide associations to advocate for OCWD's desired goals. Amend, support and/or oppose legislation that may impact OCWD and its operations.
- Continue to monitor the state budget and budget trailer bills.
- Monitor clean-up bills related to the Sustainable Groundwater Management Act, and bills that could affect or hinder OCWD's ability to collect groundwater clean-up costs.
- Support efforts to competitively seek funding for projects that meet the state's goals of expanded water supply and reduces ecosystem impacts to the Delta or Delta tributaries.
- Support development of ACWA's legislative priorities.
- Collaborate and meet with legislative work groups and committees, including but not limited to ACWA, WRA, CSDA, GRA, OCCOG, ACCOC, ISDOC, SAWPA, and MET

FEDERAL PRIORITIES

- Support the Prado Dam Ecosystem Project Feasibility Study.
- Support the development of emergency and long-term drought legislation and provisions to extend assistance to water infrastructure needs, including desalination and water reuse.

- Support at least \$1.0 billion in annual federal appropriations to drinking water State Revolving Fund (SRF).
- Support legislation to revise the SRF allocation formula to reflect appropriate and fair share of funding to California.
- Oppose restrictions on tax-exempt financing for public infrastructure.
- Seek Federal funding for projects, including infrastructure funding, water recycling, ecosystem restoration, for OCWD's Water Education Festival, and water-energy efficiency projects.
- Support development of ACWA's legislative priorities.
- Work with Congress to develop cost effective mandates to reduce compliance costs.
- Collaborate and meet with federal legislative work groups and committees.

General Manager Mike Markus advised the 2015 OCWD Legislative Platform was developed to provide clear direction and to address legislative issues with recommendations to the Board that are within parameters that are consistent with established legislative goals. There was a consensus of the Committee members present to approve the 2015 OCWD Legislative Platform as presented. The Committee then took the following action.

Upon motion by Director Sarmiento, seconded by Director Nguyen and carried [5-0], there was a consensus of the Committee to recommend the Board at its February 18 Board meeting approve the 2015 OCWD Legislative Platform.

[Yes –Anthony, Nguyen, Sarmiento, Yoh, Bilodeau/No – 0]

5. Priority District Projects for Water Bond and Other Funding

Mr. Markus reported the Board had previously requested staff and District legislative advisors to compile a list of projects that could potentially qualify for grant funding, and requested that staff prioritize projects for which the District should seek Proposition 1, Water Bond funding. He advised that only projects with completed California Environmental Quality Act (CEQA) documentation may qualify for funding and additional projects will be submitted as CEQA is completed. He briefly reviewed the following list of projects; 1) Groundwater Replenishment System (GWRS) Final Expansion, 2) Mid-basin Injection Project, 3) North Basin Groundwater Protection Project: Contamination Cleanup; and 4) South Basin Groundwater Protection project: Contamination Cleanup.

The Committee briefly discussed the priority projects as presented and there was a consensus of the Committee to approve the 2015 OCWD Priority Projects as presented. The Committee then took the following action.

Upon motion by Director Yoh, seconded by Director Bilodeau and carried [5-0], there was a consensus of the Committee to recommend the Board at its February 18 Board meeting approve OCWD Priority Projects for 2015 Water Bond and Other Funding Opportunities.

6. Santa Ana River Conservancy Advisory Group

Director Anthony briefly reviewed the activities of the Santa Ana River Conservancy Advisory Group and requested the staff report on the Santa Ana River Advisory Group be agendized as an Informational Item at the February 18 Board meeting.

INFORMATIONAL ITEMS

7. 2015 Children's Water Education Festival Update

Ms. Torres gave a brief report on the current planning activities and an update on donations received for the 2015 Children's Water Education Festival.

8. Public Affairs Outreach Report: January 2015

Ms. Torres advised the Public Affairs Outreach Report for January 2015 is in today's packet. She noted the TET Parade would be held on February 21, 2015.

Director Bilodeau reported that he moderated the Association of Southern California Engineers luncheon on Friday, February 28, 2015.

ITEMS TO BE PLACED ON CONSENT CALENDAR FOR FEBRUARY 18 BOARD MEETING

The Committee recommended that Agenda Item Nos. 3-5 be placed on the Consent Calendar for the February 18 Board meeting.

There being no further business to come before the Committee, the meeting was adjourned at 8:55 a.m.


Phil Anthony, Acting Chair