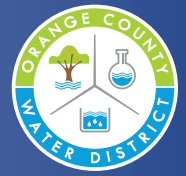


2025-2026

LEGISLATIVE POLICIES

GENERAL OCWD LEGISLATIVE POLICIES

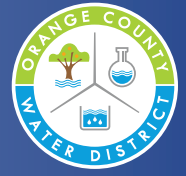


The Orange County Water District (OCWD; the District) works to influence legislation and funding in Sacramento and Washington, D.C. and ensures that OCWD's service area of 2.5 million people have a reliable, drought-resistant, affordable and safe water supply for now and the future. OCWD maintains an active presence in the government arena to forge and maintain long-term, positive and proactive relationships with legislative offices, to expand water reuse, advocate for the development of new water supplies, expand the use of new technologies, increase stormwater capture, among other topics.

Water Supply

- The federal and state government should prioritize the necessary funding to construct large scale water supply facilities to support urban and agricultural needs that provide a statewide or significant regional benefit which otherwise would not be constructed without such funding. Examples of these type of projects should include above and below ground storage of surface and storm water, water reuse, weather modification, brackish water, and seawater desalination. Local, state and federal officials should collaborate on projects and prioritize the necessary funding. Use of such funds for environmental restoration should be for project impact mitigation and funds for environmental improvements should be classified under their own category.
- Add “water supply” to the authorized use of Prado Dam.
- Support legislation that adds to the reliability, affordability, and security of water supplies to Orange County.
- Protect the quality of surface and groundwater and support entities to meet state and federal water quality standards.
- Encourage economical outdoor water use efficiency while preserving flows for existing reuse.
- Ensure indoor water use is not limited as outlined in the OCWD board adopted resolution number 23-9-134.
- Expand water recycling, potable reuse, groundwater recharge, storage, brackish and ocean water desalination, and surface water development.
- Allow for local governmental agencies to provide input to statewide water resource planning decisions.
- Support water storage and exchange/transfer programs where the primary benefits occur to OCWD, its local water suppliers and the ratepayers they serve.
- Engage on legislation and regulatory actions related to constituents of emerging concern that ensures continued access to safe and reliable drinking water supplies with regulation of constituents of emerging concerns based on sound, peer-reviewed science.

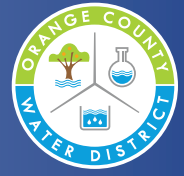
GENERAL OCWD LEGISLATIVE POLICIES (CONT.)



- Support state and federal legislation to manage salinity in source water supplies.

Groundwater

- Legislation should not interfere with the authority of governance of special act non-adjudicated basins.
- 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, decisions of the State Water Resources Control Board (the State Board) or inter-agency agreements must be protected, and existing legal obligations imposed on parties should remain enforceable.
- Support legislation and programmatic reforms that expedite the appropriate and applicable use of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and/or leads to the clean-up of toxic chemical contamination in groundwater.
- 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.
- 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.
- Any definition of sustainable groundwater management should allow groundwater managers, including OCWD, sufficient flexibility to manage groundwater, recognizing the following:
 - Sustainability varies as a function of local hydrogeologic conditions, water supply availability, and historic groundwater utilization.
 - Sustainable groundwater management can include periods when groundwater withdrawals exceed recharge if it causes no long-term negative impacts and there is a commitment to balance pumping over time with natural or artificial replenishment.
 - 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.
- Monitor activities related to Sustainable Groundwater Management Act and will take a position as appropriate.



Recycled Water

- Authorize local government agencies to regulate the discharge of contaminants to the sewer collection system that may adversely affect water recycling and reuse.
- Reduce regulatory burdens on water recycling and brackish or ocean water desalination projects.
- Authorize, promote and provide incentives for potable and non-potable reuse projects.
- Support funding for research needed by the State Board to be able to develop direct potable reuse regulations.
- Support the expansion of recycled/reused water for potable and non-potable purposes without the use of ocean discharge prohibitions or percentage reuse mandates.

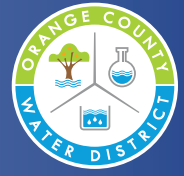
Stormwater

- Support stormwater capture projects that are cost-effective.
- Support policies, programs and projects that enhance stormwater capture, sediment management, water conservation, and ecosystem restoration.
- Support adequate state and federal funding to increase understanding and prediction of atmospheric rivers that provide most of California's precipitation.
- Support adequate state and federal funding for development of Forecast Informed Reservoir Operations (FIRO) and modifications to dam water control manuals to incorporate FIRO to increase water supplies to Orange County.
- Gain Congressional approval for a "reallocation" of the use of Prado Dam to maximize water capture through the use of FIRO and gain a permanent major deviation or greater.

Perfluorooctanoic acid (PFOA), perfluorooctane sulfonate (PFOS) and per- and polyfluoroalkyl substances (PFAS)

- Advocate to exempt water and wastewater entities for any liability for PFAS clean-up costs if PFAS is listed under CERCLA as a hazardous waste. A water utility that properly disposes of residuals containing PFAS, in a manner consistent with applicable laws, must not be held liable for current and future costs associated with PFAS cleanup.
- Support development of a maximum contaminant level (MCL) for perfluorooctanoic acid (PFOA), perfluorooctane sulfonate (PFOS) and per- and polyfluoroalkyl substances (PFAS) to be developed by the United States Environmental Protection Agency (EPA).
- Support development of PFAS MCLs through a rigorous health-based, scientific approach that promotes consistency across the nation.

GENERAL OCWD LEGISLATIVE POLICIES (CONT.)



- Oppose legislation that sets PFAS MCLs without following sound regulatory processes with stakeholder input.
- Advocate for state and federal funding to ensure that adequate funds are available to address costs associated with PFAS monitoring, research and potential groundwater treatment by OCWD and local water suppliers.
- Allow water and wastewater agencies to determine the PFAS treatment systems they will use; oppose tying federal funding to only EPA-approved treatment systems.

Imported Water Supply

- Support administrative/legislative action and state funding to keep the California Delta Conveyance Project on schedule to advance conveyance and ecosystem improvements to help achieve the coequal goals of water supply reliability and Delta ecosystem restoration.
- Support the California Delta Conveyance Project and EcoRestore and projects that facilitate delivery of high-quality water from the Bay-Delta and the Colorado River.
- Support projects that enhance the Bay-Delta's ecological health, while employing sound scientific research and ensuring that costs of such projects are shared equitably among beneficiaries.
- Oppose projects that would reduce water reliability or would increase the cost of imported water without improving reliability or quality. Also, oppose any water fee that does not fund water supply improvements in the Delta.

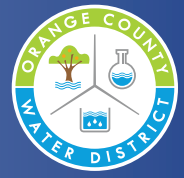
Greywater

- Any state greywater policy should encourage generating new water supplies for the state. Specifically,
 - Avoid adding a new upstream greywater system that would significantly impact the current flows to the Groundwater Replenishment System (GWRS) and waste capacity of OCWD's existing or future GWRS water recycling infrastructure.
 - Encourage the State Board's greywater policy to be flexible enough to consider local conditions where there is already an investment in water recycling facilities.
 - Advocate that the State Board not develop a uniform statewide policy, but instead address local conditions where extensive recycling is already occurring, and new greywater systems would lead to the diverting of water that could be recycled for potable reuse projects.

Water Transfers

- Oppose regulatory or procedural barriers to water transfers and legislation that interferes with the financial integrity of a water utility or compromises water quality.

GENERAL OCWD LEGISLATIVE POLICIES (CONT.)



Environment

- Support legislation to streamline and modernize the California Environmental Quality Act (CEQA).
- Preserve OCWD's state and federal rights to seek cost recovery for groundwater clean-up projects.

Energy

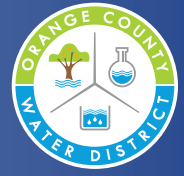
- Encourage energy efficiency through incentives, funding and other assistance to facilitate water use efficiency partnerships with the energy sector, including wastewater programs.
- Support legislation and policies that encourage and incentivize energy storage and creates incentives for demand response use by water districts.
- Seek available funding for water projects under existing programs for climate resiliency and/or climate change response.
- Support legislation or regulations that facilitate the development or expansion of clean, renewable energy in California if it does not significantly increase the cost of water.

Funding

Distribution of Bond Funds

- Support adequate funding to expand statewide and/or regional groundwater supplies, newly created water supplies through water recycling/reuse, weather modification, brackish water and seawater desalination, stormwater capture, and remediation of groundwater contamination.
- Support regional projects through the Integrated Regional Water Management Planning (IRWMP) process.
- Funding for any Delta restoration project shall support the co-equal goals of water supply reliability and ecosystem restoration.
- Bond proceeds should be distributed to beneficial projects throughout the state in an equitable, balanced and reasonable manner.
- 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 measurable benefit.
- 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.

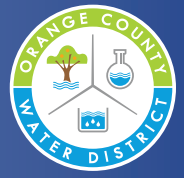
GENERAL OCWD LEGISLATIVE POLICIES (CONT.)



- The allocation of bond funds should be handled with minimal bond administration costs.
- Obtain funding for PFAS cleanup in any upcoming climate/water bond in the amount of \$50 to \$75 million (retroactive to when CA drinking water Response Levels were lowered in 2020).

Water Infrastructure Financing and Project Funding

- Support establishing grants or other funding opportunities for local and regional water infrastructure projects and support programs that reduce the cost of financing water infrastructure planning and construction, such as tax-credit financing, tax-exempt municipal bonds, advance refundings of tax-exempt municipal bonds, Water Resources Development Act (WRDA), Water Infrastructure Finance Innovation Act (WIFIA), Water Infrastructure Improvements for the Nation Act (WIIN), the Environmental Infrastructure Accounts, revitalization of the Bureau of Reclamation's Title XVI program, and other funding mechanisms.
- Support water infrastructure funding from the EPA, U.S. Army Corps of Engineers (USACE; Corps), and U.S. Bureau of Reclamation (Bureau) as part of a Congressional Infrastructure funding package.
- Advocate for funding and federal appropriations of low-interest loans through the EPA State Revolving Fund (SRF) to support water infrastructure funding in California.
- Gain allowance through SRF of multiple applications per applicant for PFAS cleanup funding up to 50% per project cost with a cap of \$15 million per project.
- For any PFAS state or federal grant funding expand cost eligibility, which should begin when regulation was adopted.
- Continue to build on federal appropriations of funding for expanding the existing Corps' FIRO program from Lake Mendocino to Prado Dam and support for study of atmospheric river precipitation events that impact California water supplies.
- Support funding for weather modification.
- Support legislation that allows for Congressional earmarks.
- 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.
- Ensure that regulations and legislative mandates are developed using sound science and cost benefit analysis and oppose imposition of unfunded mandates in accordance with existing law.

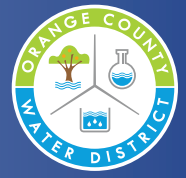


- Protect special district ad valorem tax revenues.
- Advocate for water infrastructure funding (grants) for OCWD’s water producers.
- Pursue additional PFAS cleanup funding through federal programs.
- Obtain WaterSMART grants of \$2 million for planning and CEQA compliance to support the Sunset Gap project and 50% grant funding for construction (estimated at \$150 million).

Water Rate Structures

- Support legislation that allows flexibility in water rate structures and does not mandate a specific rate structure for local water suppliers.
- Oppose a “public goods charge” or “water tax” on public water agencies or their ratepayers.

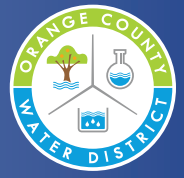
OCWD PROCESS FOR TAKING POSITIONS ON BILLS



Legislation that meets or fails to meet the principles set forth in the platform may be supported or opposed accordingly. Pending approval by the Board President and General Manager, the platform also allows staff and the District's legislative advocates to act in a timely fashion in between Board meetings on issues that are clearly within the legislative platform. Such actions are then reported to the Board at the next available monthly Comm/Leg Committee meeting or Board meeting. The legislative team, in conjunction with the Board, may take appropriate action consistent with the legislative platform, including, but not limited to, drafting letters, lobbying legislators and staff, engaging in legislative work groups, and drafting bills.

Procedure for Taking Positions on Bills

1. Staff and legislative advocates will track bills of greatest interest to OCWD, particularly those that fall within the goals and objectives identified by the Board of Directors. Staff will monitor bills being watched by similar agencies in Orange County as well as state, federal and national agencies and associations such as the California Special Districts Association (CSDA), National Association of California Water Agencies (NACWA), Association of California Water Agencies (ACWA), WaterReuse Association (WRA), and California Association of Municipal Water Companies (CalMutuals).
2. For those bills that are being tracked, where there is clear policy direction stated in the Board-adopted legislative platform, staff can send letters and give direction to its lobbyists to advocate.
3. When a bill does not fall within the scope of the legislative platform or is a politically controversial issue, but if a position may be needed before the next scheduled Comm/Leg Committee meeting or Board meeting, staff will seek direction from the Board President and General Manager.
4. If a bill does not fall within the scope of the legislative platform, but an association such as ACWA or WRA has adopted a position, and timing is critical, staff will inform the Board President and General Manager about the organization's position to seek approval to follow the organizations' position, but staff must inform the Comm/Leg Committee of such action at the next regularly scheduled meeting.
5. All bills that are of potential interest or concern to the District are monitored by staff and legislative advocates, as reflected on the monthly bill matrix provided to the Board. If any of those measures are amended, they are re-evaluated to determine if a formal position should be recommended for Board consideration.

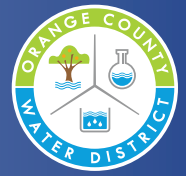


Bill Positions Considered by OCWD Board of Directors

The following represent active bill positions that may be recommended by District staff for consideration by the District's Board in providing guidance to the District's legislative advocates and staff. Once adopted by the Board of Directors, the bill position will be communicated with the author of the legislation and may be communicated with other legislators, legislative staff, the Administration, water agencies, and the public.

Advocacy strategies and activities will be directed toward implementation of the Board's policies through advancement of the District-adopted bill position.

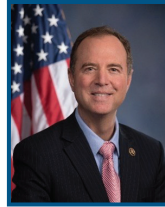
- **SUPPORT:** This position reflects the District's interest to see the legislation become law. District staff and legislative advocates will work for passage of the bill in its present form.
- **SUPPORT IF AMENDED:** This is an affirmative position that connotes conditional support for a measure, but only if it is amended to incorporate specific amendments approved by the District Board. District staff and legislative advocates will not advocate in support of the legislation unless it is amended as requested by the District.
- **WATCH:** Take no action, but monitor the bill during the legislative process to see if any amendments are added that may impact the District or its local water suppliers.
- **OPPOSE:** This position reflects the District's interest to defeat the legislation. District staff and legislative advocates will work for defeat of the measure in its present form, and will not pursue amendments to address the measure's shortcomings.
- **OPPOSE UNLESS AMENDED:** This position reflects the District's interest to defeat the legislation, but only if it is not amended to incorporate specific amendments approved by the District's Board. District staff and legislative advocates will not advocate in opposition of the legislation if it is amended as requested by the District.



United States Senate



Alex Padilla
State of California



Adam Schiff
State of California

United States House



Young Kim
40th District



Derek Tran
45th District



Jose Luis "Lou" Correa
46th District



Dave Min
47th District

California State Senate



Kelly Seyarto
32nd Senate District



Tom Umberg
34th Senate District

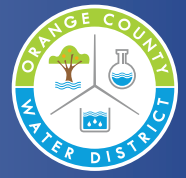


Tony Strickland
36th Senate District



Steven Choi
37th Senate District

LEGISLATIVE DELEGATION (CONT.)



California State Assembly



Phillip Chen
59th Assembly District



Sharon Quirk-Silva
67th Assembly District



Avelino Valencia
68th Assembly District



Tri Ta
70th Assembly District



Diane Dixon
72nd Assembly District



Cottie Petrie-Norris
73rd Assembly District

Orange County Board of Supervisors



Janet Nguyen
1st District



Vicente Sarmiento
2nd District



Donald P. Wagner
3rd District



Doug Chaffee
4th District



Katrina Foley
5th District

LEGISLATIVE TEAM



OCWD Staff

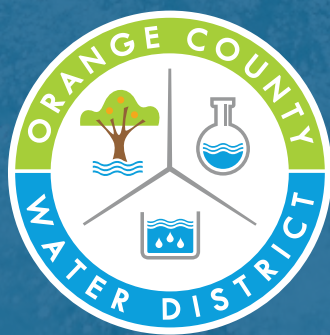
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Joe A. Gonsalves & Son Anthony D. Gonsalves Jason A. Gonsalves Paul A. Gonsalves	(916) 441-0597	gonsalves@gonsalvi.com



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