



A Meeting of the
**BOARD OF DIRECTORS
OF THE
CENTRAL COAST WATER AUTHORITY**

will be held at 9:00 a.m., on Thursday, April 25, 2024
at 255 Industrial Way, Buellton, California 93427

Members of the public may participate by video call or telephone via
URL: <https://meetings.ringcentral.com/j/1472676079>
or by dialing (623)404-9000 and entering access Code/Meeting ID: 1472 676 079#

Eric Friedman
Chairman
Jeff Clay
Vice Chairman
Ray A. Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton
Carpinteria Valley
Water District
City of Guadalupe
City of Santa Barbara
City of Santa Maria
Goleta Water District
Montecito Water District
Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

Public Comment on agenda items may occur via video call or telephonically, or by submission to the Board Secretary via email at lfw@ccwa.com no later than 8:00 a.m. on the day of the meeting. In your email, please specify (1) the meeting date and agenda item (number and title) on which you are providing a comment and (2) that you would like your comment read into the record during the meeting. If you would like your comment read into the record during the meeting (as either general public comment or on a specific agenda item), please limit your comments to no more than 250 words.

Every effort will be made to read comments into the record, but some comments may not be read due to time limitations. Please also note that if you submit a written comment and do not specify that you would like this comment read into the record during the meeting, your comment will be forwarded to Board members for their consideration.

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available on the CCWA internet website, accessible at <https://www.ccwa.com>.

I. Call to Order and Roll Call

II. CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Initiation of litigation pursuant to Government Code section 54956.9(d) (4): 1 case
- B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code section 54956.9(d) (1)
Name of case: Central Coast Water Authority, et al. v. Santa Barbara County Flood Control and Water Conservation District, et al. (Case No. 21CV02432)
- C. Public Employee Performance Evaluation - Government Code Section 54957
Title: Executive Director
- D. Conference with Labor Negotiator - Government Code Section 54957.6
Name of Negotiator: Jeffrey Dinkin
Unrepresented Employees: Executive Director

III. Return to Open Session

- A. Report on Closed Session Actions (if any)
- B. CCWA Board Consideration of Executive Director Compensation Adjustment
Staff Recommendation: Consider matter.

IV. Public Comment – (Any member of the public may address the Board relating to any matter within the Board’s jurisdiction. Individual Speakers may be limited to five minutes; all speakers to a total of fifteen minutes.)

V. Consent Calendar

- * A. Minutes of the March 28, 2024 Regular Meeting
- * B. Bills
- * C. Controller’s Report
- * D. Operations Report

Staff Recommendation: Approve the Consent Calendar

255 Industrial Way
Buellton, CA 93427
(805) 688-2292
Fax (805) 686-4700
www.ccwa.com

* Indicates attachment of document to original agenda packet.

Continued

#51780

VI. Executive Director's Report

- A. Water Supply Situation Report
Staff Recommendation: Informational item only.
- * B. Proposed Administrative Rules for the Transfer or Exchange of Water
Staff Recommendation: Approve and adopt Resolution No. 24-02 Approving Administrative Rules for the Transfer or Exchange of Water
- * C. Personnel Committee
 - 1. 2024 Review of Personnel Policy Manual
Staff Recommendation: Approve the proposed changes to the Personnel Policy Manual as outlined in Personnel Counsel's memo dated March 14, 2024.
 - 2. Employee Benefit Adjustments
Staff Recommendation: Approve the suggestions and direct staff to work with Personnel Counsel to make appropriate changes to the CCWA Personnel Policy Manual and include the necessary amounts in the Final FY 2024/25 Budget.
- * D. FY 2023/24 Third Quarter Investment Report
Staff Recommendation: Approve the Third Quarter FY 2023/24 Investment Report.
- * E. Annual Review of the CCWA Investment Policy
Staff Recommendation: Informational item only.
- * F. Adoption of Final CCWA FY 2024/25 Budget
Staff Recommendation: Adopt Final CCWA FY 2024/25 Budget.
- G. State Water Contractors Update
Staff Recommendation: Informational item only.
- * H. Legislative Report
Staff Recommendation: Informational item only.

VII. Reports from Board Members for Information Only

VIII. Items for Next Regular Meeting Agenda

IX. Date of Next Regular Meeting: May 23, 2024

X. Adjournment

**MINUTES OF THE
CENTRAL COAST WATER AUTHORITY
BOARD OF DIRECTORS**

March 28, 2024

I. Call to Order and Roll Call

Chair Friedman called the March 28, 2024 Central Coast Water Authority (CCWA) Board of Directors meeting to order at 9:00 AM.

CCWA member agencies with voting privileges were represented by:

| <u>Representative</u> | <u>Agency/City</u> | <u>Voting %</u> |
|-----------------------|---|-----------------|
| Farfalla Borah | Goleta Water District | 17.20% |
| Jeff Clay | Santa Ynez River Water Conservation District, ID #1 | 7.64% |
| Ken Coates | Montecito Water District | 9.50% |
| Eric Friedman | City of Santa Barbara | 11.47% |
| Shirley Johnson | Carpinteria Valley Water District | 7.64% |
| John Sanchez | City of Buellton | 2.21% |
| Shad Springer | City of Santa Maria | 43.19% |

II. Closed Session

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Initiation of litigation pursuant to Government Code section 54956.9(d) (4): 1 case
- B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code section 54956.9(d) (1)
Name of case: Central Coast Water Authority, et al. v. Santa Barbara County Flood Control and Water Conservation District, et al. (Case No. 21CV02432)

The Board went to closed session at 9:01 AM.

III. Return to Open Session

The Board returned to open session at 10:00 AM.

Ms. Hastings stated there were no reportable actions as a result of closed session.

IV. Public Comment

There was no public comment related to items not on the agenda.

V. Consent Calendar

- A. Minutes of the February 22, 2024 Regular Meeting
- B. Bills
- C. Controller's Report
- D. Operations Report
- E. Budget Transfer

Upon a motion by Director Coates, seconded by Director Springer and carried with Directors Borah, Clay, Coates, Friedman, Johnson, Sanchez and Springer in favor and none opposed the Board approved the Consent Calendar.

VI. Executive Director's Report

A. Water Supply Situation Report

Ray Stokes, CCWA Executive Director, reviewed graphs showing precipitation in various locations and noted that due to the significant storms in California the indexes show precipitation close to historical averages for the northern indices and improving in the southern portion of the state. He reviewed storage levels at Oroville and San Luis Reservoirs, and noted operators are keeping reservoirs close to flood control levels. Current snow pack levels have increased to close to historical averages.

DWR has increased Table A allocation to 30% from 15%, which increases CCWA's Table A allocation to 13,647 AF. To date CCWA has delivered approximately 1,108 AF to participants.

DWR currently is limited on pumping through the end of March due to restrictions related to the take limit for the federally listed steelhead trout. Mr. Stokes reviewed several of the environmental regulations which will be affecting pumping in the Sacramento Delta in upcoming months.

B. Final Draft Proposed Administrative Rules for the Transfer or Exchange of Water

The proposed final draft of the Proposed Administrative Rules for the Transfer or Exchange of Water were provided in the meeting materials. Mr. Stokes explained the purpose of the rules is to standardize CCWA procedures and to implement the Water Management amendment to the State Water Contract.

The timeline for consideration of the rules was reviewed, and Mr. Stokes stated that the Board was not requested to take any action at this meeting, but would be requested to adopt the rules at the next meeting of the Board.

The proposed rules would apply to both internal (within CCWA) and external (outside Santa Barbara County) transfers and exchanges. The proposed rules were discussed.

C. CCWA FY 2024/25 Preliminary Budget

A macro view of the budget, comparing current year to prior years and reviewing capital costs was provided by Ms. Dessi Mladenova, CCWA Controller. CCWA operating expenses are increasing by about \$300K or 2.7%, and DWR expenses are increasing by about \$1.5 million. CCWA's FY 2024/25 Capital Improvement Project (CIP) Budget has decreased approximately \$700K from FY 2023/24.

Ms. Mladenova provided additional detail regarding various components of the budget. Specific projects were detailed, including the budget impact of projects,

the financial reaches that will be charged for different projects, and the impact to each project participant.

No action was requested, and the Board will vote on adoption of the final budget at its next meeting.

D. State Water Contractors Report

The SWC are working on the voluntary agreements. A workshop will be conducted by the State Water Resources Control Board in late April. SWC are also working with regulators on the various environmental regulations affecting the ability to pump water from the Delta.

E. Legislative Report

The report was included in the meeting materials for the information of the Board. Mr. Stokes reviewed bill SB1218 related to Emergency Water Supplies and stated the bill is being reviewed by SWC and he will have more information at the next meeting.

VII. Reports from Board Members for Information Only

There were no reports from Board members.

VIII. Items for Next Regular Meeting Agenda

A. CCWA FY 2024/25 Final Budget

IX. Date of Next Regular Meeting: April 25, 2024

X. Adjournment

The meeting was adjourned at 11:31 AM.

Respectfully submitted,

Elizabeth Watkins
Secretary to the Board



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - March 2024

| VENDOR | INVOICE AMOUNT | DESCRIPTION |
|--|--------------------|---|
| GENERAL & ADMINISTRATIVE EXPENSES | | |
| Bank of America Business Card | 745.00 | CWEA Training |
| Bank of America Business Card | 221.00 | Dues and Membership |
| Bank of America Business Card | 15.68 | Travel and Meetings |
| Bank of America Business Card | 99.00 | Advertising |
| California Chamber of Commerce | 192.86 | CA Labor Law Digest |
| Cardmember Service | 1,794.69 | Travel and Meetings |
| Cardmember Service | 16.00 | Publications, subscriptions, postage |
| Federal Express | 210.07 | Express shipping |
| Ladd, Brandon | 75.00 | Reimbursable expenses - Certification renewal |
| Pitney Bowes | 1,000.00 | Postage - postage machine |
| Rogers, Scott | 314.30 | Reimburseable expenses- Interview Travel and Meetings |
| Ultrex Business Products | 106.76 | Printing and Binding expenses |
| US Bank | 353.52 | Travel and Meetings |
| US Bank | 350.00 | Training |
| US Bank | 140.00 | Dues and Memberships |
| US Bank | 22.00 | Postage |
| Valley Oaks Printing | 502.60 | Printing and Binding expenses |
| Watkins, Lisa | 19.94 | Travel and Meetings |
| | \$ 6,178.42 | Total General & Administrative |
| MONITORING EXPENSES | | |
| Aramark | 74.75 | Lab supplies |
| Culligan Industries Water Systems | 170.00 | Lab supplies(2 months) |
| Eurofins Eaton Analytical | 882.00 | Lab testing |
| Hach Company | 521.13 | Lab supplies |
| IDEXX Distribution Corp. | 269.78 | Lab supplies |
| Linde Gas & Equipment | 72.54 | Lab supplies |
| US Bank | 78.66 | Lab supplies |
| VWR International | 1,128.10 | Lab supplies |
| | \$ 3,196.96 | Total Monitoring Expenses |
| OFFICE EXPENSES | | |
| Bank of America Business Card | 161.81 | Office and kitchen supplies |
| Office Depot | 442.63 | Office, janitorial & kitchen supplies |
| Pitney Bowes, Inc | 71.54 | Office supplies |
| Safeguard Business System | 899.30 | Accounts payable checks - Montecito Bank & Trust |
| Solvang Bakery | 76.40 | Board and Committee meeting pastries |
| US Bank | 271.47 | Office and kitchen supplies |
| | \$ 1,923.15 | Total Office Expenses |
| OTHER EXPENSES | | |
| 3E Company Environmental | 6,380.00 | Safety Data Sheet Management System |
| Comcast | 364.63 | Internet Service |
| CompuVision | 5,977.51 | Managed Service Agreement |
| CompuVision | 2,164.75 | EndPoint Detection |
| CompuVision | 995.00 | Datto Cloud Backup |
| CompuVision | 574.35 | Licenses/Software Support Service |



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - March 2024

| VENDOR | INVOICE AMOUNT | DESCRIPTION |
|--|------------------------|---|
| De Lage Landen Financial Services | 482.89 | Copier Lease - BAO and WTP |
| Frontier Communications | 74.99 | Internet Service |
| Marborg Industries | 548.78 | Tank 5/Tank 7/Tank 2/ EDV |
| Nicklaus Joseph Schwaller | 4,375.00 | Carpet Replacement-Suite B BAO & Santa Ynez Pumping Plant |
| Pitney Bowes Global Financial | 147.35 | Postage Machine Lease |
| Sympro, Inc. | 10,523.53 | Sympro Annual Maintenance Agreement |
| US Bank | 99.51 | Miscellaneous Computer Equipment |
| | \$ 32,708.29 | Total Other Expenses |
| OTHER MISCELLANEOUS EXPENSES | | |
| Department of Water Resources | 2,069,582.00 | Variable OMP&R, Delta Water & Transport Charge |
| | \$ 2,069,582.00 | Total Other Miscellaneous Expenses |
| PERSONNEL EXPENSES | | |
| Aschle, Jason | 135.00 | Reimbursable expenses - Employee Physical |
| CalPERS Health | 49,726.72 | Health Insurance |
| CalPERS Retirement | 62,755.46 | Pension Contributions |
| CCWA Payroll Wages/Taxes | 472,277.67 | Gross Payroll Wages/Taxes |
| Dental/Vision Payments | 8,472.62 | Dental/Vision Benefits |
| MetLife SBC Insurance | 1,906.74 | Life Insurance |
| Other Misc Employee Benefits | 19,092.32 | Vehicle, Uniform, Deferred Comp & Cafeteria Plan Benefits |
| Standard Insurance Company | 1,347.14 | Disability Insurance |
| | \$ 615,713.67 | Total Personnel Expenses |
| PROFESSIONAL SERVICES | | |
| Air Pollution Control District | 536.48 | Equipment permit renewals |
| B&T Service Station Contractor | 2,450.00 | Annual Monitor Certification |
| Brownstein Hyatt Farber | 107,035.45 | Legal Services (2 months) |
| Elecsys International LLC | 150.00 | Monitor Rectifiers |
| Environmental Health- Santa Barbara County | 1,018.00 | Annual Business Plan Renewal FY 2024 |
| HDR Engineering Inc | 3,696.00 | Engineering Services |
| R. Bruce Coggin | 2,257.00 | Safety Consultant |
| Samba Holdings, Inc. | 95.32 | DMV driver reports |
| Securitas Technology Corp. | 1,352.47 | Security Service BAO/SYPS |
| Sentry Alarm Systems | 450.00 | Security Service WTP |
| State Water Resources Control | 5,525.00 | Annual Permit Fee 2024-2025 |
| Stradling Yocca Carlson Rauth | 1,753.50 | Legal - Employee Matters/General Matters |
| Underground Service Alert | 50.25 | New USA tickets |
| | \$ 126,369.47 | Total Professional Services |
| CIP PROJECTS - MATERIALS & OVERHEAD | | |
| AECOM USA, Inc. | 4,280.00 | SYPP Surge Tank Pedestal Repair |
| Cal Coast Irrigation, Inc. | 1,618.81 | Serving and Expanding Portable Dosing Equipment |
| Cal-Coast Machinery Inc | 8,972.99 | Right-of-Way Mower |
| Grainger Inc. | 162.63 | Serving and Expanding Portable Dosing Equipment |
| Harrison Hardware | 30.95 | Serving and Expanding Portable Dosing Equipment |
| HDR Engineering Inc | 32,311.75 | Tank 5 Inlet Chemical Dosing Facility |
| HDR Engineering Inc | 16,332.50 | WTP Office Building |
| HDR Engineering Inc | 5,518.50 | Carport |
| US Bank | 1,830.63 | Serving and Expanding Portable Dosing Equipment |
| | \$ 71,058.76 | Total CIP Project - Materials and Overhead |



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - March 2024

| VENDOR | INVOICE AMOUNT | DESCRIPTION |
|----------------------------------|---------------------|--|
| REPAIRS & MAINTENANCE | | |
| Airgas USA, LLC | 92.98 | Equipment repairs and maintenance |
| Aramark | 322.03 | Building maintenance supplies |
| Aschle, Jason | 100.00 | Vehicles repairs and maintenance |
| Bank of America Business Card | 58.07 | Vehicles repairs and maintenance |
| Bazzell, David | 176.15 | Equipment repairs and maintenance |
| Big Brand Tire & Service | 382.09 | Vehicles repairs and maintenance |
| Carquest Auto Parts | 48.77 | Auto parts and supplies |
| City of Buellton | 96.89 | Landscape maintenance - water |
| Coverall North America, Inc | 1,402.00 | Janitorial service - BAO/SYPS |
| Department of Motor Vehicles | 10.00 | Equipment Registration |
| Grainger Inc. | 415.89 | Parts, repairs and maintenance |
| Ground Penetrating Rador-System | 1,525.00 | Parts, repairs and maintenance |
| Harrington Industrial Plastics | 3,792.80 | Parts, repairs and maintenance |
| Home Depot | 271.89 | Parts, repairs and maintenance |
| Independent Electric Supply | 777.95 | Equipment repairs and maintenance |
| Knechts Plumbing and Heating | 4,534.00 | HVAC service and repairs |
| Lowe's | 866.05 | Building maintenance |
| Lowe's | 99.44 | Parts, repairs and maintenance |
| Office Depot | 140.59 | Janitorial supplies |
| Paso Robles Chevrolet | 224.22 | Vehicle repairs and maintenance |
| Procure Janitorial Supply | 199.44 | Janitorial supplies - WTP |
| Progressive Greenery | 395.00 | Landscape maintenance - WTP |
| Reece Plumbing | 18.10 | Equipment repairs and maintenance |
| Rio Vista Chevrolet | 441.17 | Vehicle repairs and maintenance |
| RS Americas, Inc. | 370.89 | Equipment parts and repairs |
| Shimadzu Scientific Instrument | 3,132.27 | Equipment repairs and maintenance |
| Star Janitorial | 1,550.00 | Janitorial Service - WTP |
| Ultrex Business Products | 189.04 | Copier maintenance |
| Universal Rectifiers, Inc | 2,801.34 | Equipment repairs and maintenance |
| US Bank | 485.42 | Equipment repairs and maintenance |
| US Bank | 107.64 | Vehicle repairs and maintenance |
| Western Exterminator Co | 255.35 | Pest control spraying - BAO and SYPS |
| Zaca Creek Landscapes, Inc | 450.00 | Landscape Maintenance BAO/SYPS |
| | \$ 25,732.47 | Total Repairs & Maintenance |

SUPPLIES & EQUIPMENT

| | | |
|--------------------------------|-----------|--|
| Aramark | 1,050.97 | Uniform expenses |
| Bank of America Business Card | 327.29 | Safety supplies |
| Carquest Auto Parts | 112.02 | Equipment, Maintenance Supplies, Fuel & Lub |
| Chemtrade Chemicals US, LLC | 13,836.88 | Chemicals - WTP |
| Eagle Energy | 1,070.03 | Equipment service, Fuel & Lubricants |
| Fastenal Company | 134.21 | Maintenance supplies and hardware, safety supplies |
| Grainger Inc. | 1,127.02 | Minor tools, equipment & maintenance supplies, safety supplies |
| Harrison Hardware | 145.52 | Maintenance supplies and hardware |
| Herc Rentals, Inc | 644.88 | Safety supplies |
| Hill Brothers Chemical Company | 7,266.20 | Chemicals - WTP |
| Hilti, Inc. | 911.39 | Small tools, maintenance supplies |
| Home Depot | 185.38 | Minor tools, equipment & maintenance supplies |
| Humphreys, Benjamin | 204.44 | Uniform expenses |



CENTRAL COAST WATER AUTHORITY

Normal and Recurring Costs

Bills for Ratification - March 2024

| VENDOR | INVOICE AMOUNT | DESCRIPTION |
|--|------------------------|---|
| Sterling Water Technologies, LLC | 1,091.38 | Chemicals - WTP |
| Thatcher Company of Nevada, Inc | 34,384.00 | Chemicals - WTP |
| Univar Solutions USA, Inc. | 23,549.76 | Chemicals - WTP |
| US Bank | 814.27 | Maintenance supplies, Minor Tools, Safety Supplies |
| WEX Bank - Wright Express | 7,209.82 | Fuel - Autos |
| Winema Industrial & Safety Supply | 350.00 | Safety supplies |
| | \$ 94,415.46 | Total Supplies & Equipment |
| UTILITIES | | |
| City of Buellton | 218.62 | Water - BAO |
| Delta Liquid Energy | 2,472.90 | Propane gas |
| First Choice Technology | 13.45 | Phone - Long distance carrier, 800# |
| Frontier | 517.50 | Telephone charges |
| Marborg Industries | 732.78 | Waste Disposal - BAO/Trash roll off |
| Pacific Gas & Electric | 23,788.91 | Utilities - BAO/SYPS/WTP |
| San Miguel Garbage Company | 272.71 | Waste Disposal - WTP |
| Santa Ynez River Water Conservation | 358.67 | Water - SYPS (2 months) |
| SoCalGas | 245.38 | Natural Gas - BAO |
| Stokes, Ray | 431.14 | Reimbursable Expenses - Cell Phone charges (5 months) |
| Surfnet Communications, Inc. | 75.00 | Wireless Internet - Chorro |
| US Bank | 29.04 | Miscellaneous phone accessories |
| Verizon Wireless | 937.20 | Cell phone charges |
| WM Coporate Services, Inc | 366.67 | Waste Disposal - SYPS |
| | \$ 30,459.97 | Total Utilities |
| Subtotal - Bills for Ratification | \$ 3,077,338.62 | |



CENTRAL COAST WATER AUTHORITY

Bills for Approval

| VENDOR | INVOICE AMOUNT | DESCRIPTION |
|--|-------------------------------|---|
| State of California DWR | \$ 1,510,008.00 | Capital Cost and Minimum OMP&R Charges Apr'24 |
| Subtotal - Bills for Approval | \$ 1,510,008.00 | |
| Total Ratification and Approval Bills | <u>\$ 4,587,346.62</u> | |



Statements of Net Position

ASSETS

| | <u>March 31, 2024</u> | <u>February 29, 2024</u> |
|--|------------------------------|------------------------------|
| <u>Current Assets</u> | | |
| Cash and investments | \$ 9,684,452 | \$ 10,375,380 |
| Accounts Receivable (Note 1) | 263 | 263 |
| Accrued interest receivable | 75,945 | 79,251 |
| Other assets | 3,669,857 | 3,687,039 |
| Total Current Assets | <u>13,430,517</u> | <u>14,141,934</u> |
| <u>Restricted Assets</u> | | |
| Operations and Maintenance Reserve Fund (Note 2) | 2,056,113 | 2,047,465 |
| DWR Reserve Fund (Note 3) | 6,020,604 | 5,995,364 |
| Rate Coverage Reserve Fund (Note 4) | 9,861,339 | 9,819,941 |
| Department of Water Resources (Note 5a) | 4,069,166 | 5,910,909 |
| CCWA and DWR Variable Fund (Note 5b) | 4,473,313 | 3,531,390 |
| Credits Payable (Note 6) | 209,971 | 209,137 |
| Escrow Deposits (Note 7) | 530,003 | 527,773 |
| Total Restricted Assets | <u>27,220,509</u> | <u>28,041,978</u> |
| <u>Property, Plant and Equipment</u> | | |
| Construction in progress (Note 8) | 1,473,110 | 1,397,606 |
| Fixed assets (net of accumulated depreciation) | 84,286,642 | 84,506,568 |
| Total Property, Plant and Equipment | <u>85,759,752</u> | <u>85,904,174</u> |
| Total Assets | <u>\$ 126,410,777</u> | <u>\$ 128,088,086</u> |



Statements of Net Position

LIABILITIES AND FUND EQUITY

| | <u>March 31, 2024</u> | <u>February 29, 2024</u> |
|---|------------------------------|---------------------------------|
| <u>Current Liabilities</u> | | |
| Accounts Payable | \$ 188,084 | \$ 41,910 |
| DWR and Warren Act Charge Deposits (Note 5a) | 4,069,166 | 5,910,909 |
| CCWA & DWR Variable Charge Deposits (Note 5b) | 4,473,313 | 3,531,390 |
| Other liabilities | 971,791 | 984,129 |
| DWR Reserve Fund | 6,020,604 | 5,995,364 |
| Rate Coverage Reserve Fund | 9,861,339 | 9,819,941 |
| Unearned Revenue | 128,602 | 105,801 |
| Credits Payable to Project Participants | 681,557 | 631,475 |
| Total Current Liabilities | <u>26,394,454</u> | <u>27,020,919</u> |
| <u>Non-Current Liabilities</u> | | |
| OPEB Liability | 1,113,716 | 1,113,716 |
| Escrow Deposits | 530,003 | 527,773 |
| Net Pension Liability | 4,744,132 | 4,744,132 |
| Total Non-Current Liabilities | <u>6,387,851</u> | <u>6,385,621</u> |
| <u>Commitments and Uncertainties</u> | | |
| <u>Net Assets</u> | | |
| Contributed capital, net (Note 9) | 22,562,433 | 22,562,433 |
| Retained earnings | 71,066,039 | 72,119,113 |
| Total Net Assets | <u>93,628,472</u> | <u>94,681,546</u> |
| Total Liabilities and Net Assets | <u>\$ 126,410,777</u> | <u>\$ 128,088,086</u> |



Statements of Revenues, Expenses and Changes in Net Position

| | <u>March 31, 2024</u> | <u>February 29, 2024</u> |
|---|-----------------------|--------------------------|
| <u>Operating Revenues</u> | | |
| Operating reimbursements from project participants | \$ 16,007,013 | \$ 15,898,027 |
| Other revenues | 23,649 | 23,519 |
| Total Operating Revenues | <u>16,030,662</u> | <u>15,921,546</u> |
| <u>Operating Expenses</u> | | |
| Personnel expenses | 4,363,926 | 3,764,060 |
| Office expenses | 16,480 | 14,556 |
| General and administrative | 166,681 | 149,552 |
| Professional Services | 1,092,110 | 965,226 |
| Supplies and equipment | 837,737 | 742,377 |
| Monitoring expenses | 81,453 | 78,256 |
| Repairs and maintenance | 238,076 | 212,344 |
| Utilities | 413,163 | 382,858 |
| Depreciation and amortization | 1,991,322 | 1,771,395 |
| Other expenses | 539,134 | 500,574 |
| Total Operating Expenses | <u>9,740,082</u> | <u>8,581,199</u> |
| Operating Income | <u>6,290,580</u> | <u>7,340,348</u> |
| <u>Non-Operating Revenues</u> | | |
| Investment income | 2,034,152 | 1,871,716 |
| Gain on sale of fixed assets | 8,540 | 8,540 |
| Total Non-Operating Revenues | <u>2,042,692</u> | <u>1,880,256</u> |
| <u>Non-Operating Expenses</u> | | |
| Current year credits payable | 1,958,207 | 1,792,465 |
| Total Non-Operating Expenses | <u>1,958,207</u> | <u>1,792,465</u> |
| Net Income | <u>6,375,065</u> | <u>7,428,139</u> |
| <u>Retained Earnings</u> | | |
| Retained earnings at beginning of period | <u>64,690,974</u> | <u>64,690,974</u> |
| Retained earnings at end of period | <u>\$ 71,066,039</u> | <u>\$ 72,119,113</u> |



Budget and Actual All Reaches

| | March 31, 2024 | | |
|--|---------------------|---------------------|---------------------------------|
| | Budget | Actual | Percent Expended ⁽¹⁾ |
| Revenues | | | |
| Fixed operating assessments ⁽²⁾ | \$ 14,944,972 | \$ 14,944,972 | |
| Variable operating assessments | 1,787,950 | 1,062,042 | 59.40% |
| Miscellaneous income | - | 23,649 | |
| Investment income | - | 434,114 | |
| Total Revenues | 16,732,922 | 16,464,776 | 98.40% |
| Expenses ⁽²⁾ | | | |
| Personnel expenses | 6,309,960 | 4,363,926 | 69.16% |
| Office expenses | 21,800 | 16,480 | 75.59% |
| General and administrative | 298,802 | 166,681 | 55.78% |
| Professional Services | 2,126,169 | 1,092,110 | 51.37% |
| Supplies and equipment | 1,622,928 | 837,737 | 51.62% |
| Monitoring expenses | 130,332 | 81,453 | 62.50% |
| Repairs and maintenance | 326,140 | 238,076 | 73.00% |
| Utilities | 640,818 | 413,163 | 64.47% |
| Other expenses | 828,377 | 486,768 | 58.76% |
| Capital and Non-Capital Expenditures | 2,806,978 | 1,525,476 | 54.35% |
| Total Expenses | 15,112,304 | 9,221,870 | 61.02% |
| Operating Income | 1,620,618 | 7,242,906 | |
| Net Income (Loss) | \$ 1,620,618 | \$ 7,242,906 | |

(1) Percent of year expended 75%

(2) Includes revenues and expenses for Turnouts and adjusted for carryover revenues from FY 2022/23 to FY 2023/24

Central Coast Water Authority
Notes to Financial Statements
March 31, 2024

Note 1: Accounts Receivable

Accounts receivable consists of amounts payable by the State Water Project contractors and other miscellaneous receivables.

Note 2: O&M Reserve Fund

The O&M reserve fund represents cash reserves for emergency uses. The funding requirement is \$2,000,000 allocated on an entitlement basis for the Santa Barbara County project participants. Investment earnings on O&M reserve fund balances are credited against CCWA O&M assessments.

| <u>Project Participant</u> | <u>Amount</u> |
|-----------------------------------|---------------------|
| City of Guadalupe | \$ 28,383 |
| City of Santa Maria | 846,138 |
| Golden State Water Company | 25,803 |
| Vandenberg SFB | 293,920 |
| City of Buellton | 29,828 |
| Santa Ynez ID #1 (Solvang) | 77,407 |
| Santa Ynez ID #1 | 26,718 |
| Goleta Water District | 240,466 |
| Morehart Land Co. | 10,687 |
| La Cumbre Mutual Water Company | 51,600 |
| Raytheon Systems Company | 2,672 |
| City of Santa Barbara | 154,818 |
| Montecito Water District | 160,800 |
| Carpinteria Valley Water District | 106,873 |
| TOTAL: | <u>\$ 2,056,113</u> |

Central Coast Water Authority
Notes to Financial Statements
 March 31, 2024

Note 3: DWR Reserve Fund

The DWR Reserve Fund was established to provide a funding source for payments to the State of California Department of Water Resources (DWR) when there is a difference between estimates used to prepare the DWR portion of the annual CCWA budget and the actual amounts billed to the Authority by DWR. Contributions to the DWR Reserve Fund are voluntary. Funding of each participating Project Participant's share of the DWR Reserve Fund will come from a combination of (1) CCWA Operating Expense budget surpluses, if any (2) Interest earnings on funds held in all other accounts on behalf of the participating Project Participant and (3) excess amounts, if any, from any of the DWR Statement of Charges cost components until the funding Target Amount is reached. The Target Amount will be equal to the participating Project Participant's proportional share of a \$10 million allocation of DWR Transportation Minimum OMP&R charges. The following schedule shows the current fund balance of the participating Project Participants.

| Project Participant | Amount |
|--------------------------------|---------------|
| City of Guadalupe | \$ 147,616 |
| City of Santa Maria | 4,403,901 |
| Golden State Water Company | 96,166 |
| City of Buellton | 139,723 |
| Santa Ynez ID #1 (Solvang) | 385,000 |
| Santa Ynez ID #1 | 131,763 |
| Morehart Land Co. | 51,500 |
| La Cumbre Mutual Water Company | 200,722 |
| Raytheon Systems Co. | 12,874 |
| City of Santa Barbara | 451,339 |
| TOTAL: | \$ 6,020,604 |

Note 4: Rate Coverage Reserve Fund Cash Deposits

The rate coverage reserve fund was established to provide CCWA project participants a mechanism to satisfy a portion of their obligation under Section 20(a) of the Water Supply Agreement to impose rates and charges sufficient to collect 125% of their contract payments. The following schedule shows the current balances plus accrued interest receivable in the rate coverage reserve fund.

| Project Participant | Amount |
|-----------------------------------|---------------|
| City of Guadalupe | \$ 192,615 |
| City of Santa Maria | 5,371,872 |
| City of Buellton | 275,976 |
| Santa Ynez ID #1 (Solvang) | 634,664 |
| Santa Ynez ID #1 | 479,249 |
| La Cumbre Mutual Water Company | 401,984 |
| Montecito Water District | 1,553,310 |
| Carpinteria Valley Water District | 893,939 |
| Shandon | 16,333 |
| TOTAL: | \$ 9,819,940 |

Central Coast Water Authority
Notes to Financial Statements
 March 31, 2024

Note 5a: Cash and Investments Payment to DWR

Cash deposits for DWR payments.

| <u>Project Participant</u> | <u>Amount</u> |
|-----------------------------------|---------------------|
| City of Guadalupe | \$ 40,981 |
| City of Santa Maria | 1,168,171 |
| Golden State Water Company | 36,532 |
| Vandenberg SFB | 1,637,581 |
| City of Buellton | 38,520 |
| Santa Ynez ID #1 (Solvang) | 98,150 |
| Santa Ynez ID #1 | 36,074 |
| Goleta Water District | 355,479 |
| Morehart Land Co. | 12,930 |
| La Cumbre Mutual Water Company | 69,694 |
| Raytheon Systems Co. | 10,782 |
| City of Santa Barbara | 211,910 |
| Montecito Water District | 211,661 |
| Carpinteria Valley Water District | 140,700 |
| TOTAL: | <u>\$ 4,069,166</u> |

Note 5b: Cash Payments for CCWA, Warren Act and DWR Variable Charges

Cash deposits for payments to CCWA, Warren Act and DWR for Variable Assessments.

| <u>Project Participant</u> | <u>Amount</u> |
|-----------------------------------|---------------------|
| City of Guadalupe | \$ 40,577 |
| City of Santa Maria | 1,558,801 |
| Golden State Water Company | 49,349 |
| Vandenberg SFB | 484,339 |
| City of Buellton | 53,015 |
| Santa Ynez ID #1 (Solvang) | 129,528 |
| Santa Ynez ID #1 | 141,472 |
| Goleta Water District | 648,449 |
| Morehart Land Co. | 31,357 |
| La Cumbre Mutual Water Company | 151,483 |
| Raytheon Systems Co. | 7,996 |
| City of Santa Barbara | 453,201 |
| Montecito Water District | 438,835 |
| Carpinteria Valley Water District | 284,912 |
| TOTAL: | <u>\$ 4,473,313</u> |

Central Coast Water Authority
Notes to Financial Statements
 March 31, 2024

Note 6: Credits Payable

Credits payable to, or (due from) CCWA project participants for investment earnings and O&M assessment credits.

| <u>Project Participant</u> | <u>Amount</u> |
|-----------------------------------|-------------------|
| City of Guadalupe | \$ - |
| City of Santa Maria | 36 |
| Golden State Water Company | - |
| Vandenberg SFB | 30,850 |
| City of Buellton | 1 |
| Santa Ynez ID #1 (Solvang) | 13 |
| Santa Ynez ID #1 | 142,153 |
| Goleta Water District | 10,247 |
| Morehart Land Co. | 848 |
| La Cumbre Mutual Water Company | 5 |
| Raytheon Systems Co. | 125 |
| City of Santa Barbara | 8 |
| Montecito Water District | 5,730 |
| Carpinteria Valley Water District | 5,336 |
| Shandon | 1,107 |
| Lopez Turnout | 9,257 |
| Chorro Turnout | 4,259 |
| TOTAL: | <u>\$ 209,974</u> |

Note 7: Escrow Deposits

Cash deposits from certain project participants as required under the Water Supply Agreements.

| <u>Project Participant</u> | <u>Amount</u> |
|----------------------------|-------------------|
| Morehart Land Company | \$ 418,555 |
| Raytheon Systems Company | 111,449 |
| TOTAL: | <u>\$ 530,003</u> |

Central Coast Water Authority
Notes to Financial Statements
March 31, 2024

Note 8: Construction in Progress

Amounts in construction in progress represent expenditures incurred during FY 2023/24 and amounts retained in construction in progress at March 31, 2024. The following schedule shows the CIP expenditures for CCWA projects.

| <u>Financial Reach</u> | <u>Amount</u> |
|------------------------|---------------------|
| Labor | \$ 27,282 |
| Materials | 85,202 |
| Overhead | 1,360,626 |
| Project CIP Total: | <u>\$ 1,473,110</u> |

Note 9: Contributed Capital

Certain project participants elected to pay their share of CCWA project construction costs in cash. The amounts listed below show the capital contributions by project participant less the cost of local facilities and refunds to the project participants.

| <u>Project Participant</u> | <u>Amount</u> |
|-----------------------------|----------------------|
| Avila Valley Water Company | \$ 15,979 |
| City of Guadalupe | 81,119 |
| San Luis Schools | 5,608 |
| San Miguelito Water Company | 233,605 |
| Golden State Water Company | 866,277 |
| City of Santa Maria | 13,498,802 |
| Vandenberg SFB | 7,861,043 |
| TOTAL: | <u>\$ 22,562,433</u> |

Central Coast Water Authority

Calendar Year 2024 Actual and Requested Deliveries in Acre Feet

| Project Participant | Total Available AF Amounts ⁽¹⁾ | ACTUALS | | | | | | | | | | | | Subtotal | REQUESTED | | | | | | | | | | | | Subtotal | Estimated Annual Delivery Total |
|-----------------------------------|---|---------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|------|----------|-----------|------|------|------|-----|------|------|------|-------|------|------|------|----------|---------------------------------|
| | | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | | |
| Guadalupe | 455 | 37 | 26 | 27 | 90 | 23 | 27 | 27 | 21 | 18 | 18 | 8 | 19 | 187 | 277 | | | | | | | | | | | | | |
| Santa Maria | 15,172 | 287 | 271 | 288 | 846 | 368 | 476 | 552 | 571 | 571 | 571 | 111 | 380 | 4,152 | 4,998 | | | | | | | | | | | | | |
| So. Cal. Water Co. | 469 | 10 | 0 | 0 | 10 | 24 | 26 | 44 | 45 | 45 | 24 | 24 | 16 | 293 | 303 | | | | | | | | | | | | | |
| Vandenberg AFB | 5,151 | 180 | 155 | 173 | 508 | 154 | 187 | 206 | 219 | 225 | 190 | 39 | 76 | 1,508 | 2,016 | | | | | | | | | | | | | |
| Buellton | 542 | 14 | 14 | 14 | 42 | 12 | 17 | 23 | 30 | 29 | 25 | 4 | 11 | 176 | 218 | | | | | | | | | | | | | |
| Solvang (Billed to SY) | 1,284 | 49 | 40 | 43 | 132 | 38 | 56 | 71 | 87 | 77 | 56 | 8 | 30 | 514 | 646 | | | | | | | | | | | | | |
| Santa Ynez ID#1 | 590 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | |
| Goleta | 6,231 | 0 | 0 | 833 | 833 | 54 | 72 | 162 | 171 | 162 | 54 | 0 | 0 | 837 | 1,670 | | | | | | | | | | | | | |
| Morehart Land Co. | 187 | 2 | 0 | 0 | 2 | 3 | 5 | 4 | 3 | 5 | 4 | 1 | 7 | 37 | 39 | | | | | | | | | | | | | |
| La Cumbre | 936 | 123 | 0 | 0 | 123 | 40 | 40 | 50 | 50 | 40 | 40 | 30 | 20 | 360 | 483 | | | | | | | | | | | | | |
| Raytheon | 46 | 0 | 0 | 0 | 0 | 2 | 3 | 2 | 1 | 0 | 0 | 2 | 3 | 14 | 14 | | | | | | | | | | | | | |
| Santa Barbara | 2,809 | 0 | 0 | 0 | 0 | 36 | 48 | 108 | 114 | 108 | 36 | 0 | 0 | 558 | 558 | | | | | | | | | | | | | |
| Montecito | 2,577 | 0 | 560 | 385 | 945 | 36 | 48 | 108 | 114 | 108 | 36 | 0 | 0 | 558 | 1,503 | | | | | | | | | | | | | |
| Carpinteria | 1,873 | 0 | 0 | 0 | 0 | 24 | 32 | 172 | 76 | 72 | 24 | 0 | 0 | 472 | 472 | | | | | | | | | | | | | |
| Subtotal Santa Barbara: | 38,322 | 702 | 1,066 | 1,763 | 3,531 | 814 | 1,036 | 1,529 | 1,483 | 1,441 | 1,078 | 227 | 562 | 9,666 | 13,197 | | | | | | | | | | | | | |
| Shandon | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | |
| Chorro Valley | 7500 | 123 | 109 | 137 | 369 | 184 | 184 | 189 | 189 | 189 | 184 | 174 | 174 | 1,656 | 2,025 | | | | | | | | | | | | | |
| Lopez | 7500 | 134 | 113 | 321 | 568 | 182 | 182 | 182 | 183 | 181 | 181 | 180 | 180 | 1,633 | 2,201 | | | | | | | | | | | | | |
| Subtotal SLO County: | 15,000 | 257 | 222 | 458 | 937 | 366 | 366 | 371 | 371 | 370 | 365 | 354 | 354 | 3,289 | 4,226 | | | | | | | | | | | | | |
| TOTAL ENTITLEMENT DELIVERIES | 53,322 | 959 | 1,288 | 2,221 | 4,468 | 1,180 | 1,402 | 1,900 | 1,854 | 1,811 | 1,443 | 581 | 916 | 12,955 | 17,423 | | | | | | | | | | | | | |
| EXCHANGE DELIVERIES | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Santa Ynez-Exchange | | 0 | 0 | 0 | 0 | (150) | (200) | (450) | (450) | (450) | (150) | 0 | 0 | (2,325) | (2,325) | | | | | | | | | | | | | |
| Goleta-Exchange | | 0 | 0 | 0 | 0 | 54 | 72 | 162 | 171 | 162 | 54 | 0 | 0 | 837 | 837 | | | | | | | | | | | | | |
| Santa Barbara-Exchange | | 0 | 0 | 0 | 0 | 36 | 48 | 108 | 108 | 108 | 36 | 0 | 0 | 558 | 558 | | | | | | | | | | | | | |
| Montecito-Exchange | | 0 | 0 | 0 | 0 | 36 | 48 | 108 | 114 | 108 | 36 | 0 | 0 | 558 | 558 | | | | | | | | | | | | | |
| Carpinteria-Exchange | | 0 | 0 | 0 | 0 | 24 | 32 | 72 | 76 | 72 | 24 | 0 | 0 | 372 | 372 | | | | | | | | | | | | | |
| TOTAL EXCHANGE DELIVERIES | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | | | | | | | | | | | | |
| Total Lake Deliveries only | | 125 | 560 | 1,218 | 195 | 248 | 606 | 504 | 531 | 495 | 194 | 33 | 30 | 4,739 | 4,739 | | | | | | | | | | | | | |

(1) Total AF of Table A allocation, carryover amounts, and water transfers



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 18, 2024

TO: CCWA Board of Directors
FROM: Ray A. Stokes, Executive Director
SUBJECT: Proposed Administrative Rules for the Transfer or Exchange of Water

SUMMARY

At the January and March Operations Committee Meetings and at the January, February and March Board Meetings, Staff proposed adopting administrative rules for the transfer or exchange of water.

After receipt of feedback from the Board, Operations Committee, and Participants, Staff has developed its proposed "Administrative Rules for the Transfer or Exchange of Water" ("**Transfer Rules**"). (See **Attachment A, Exhibit A.**)

RECOMMENDATION

Staff recommends that the Board of Directors:

1. Approve and adopt Resolution No. 24-02 Approving Administrative Rules for the Transfer or Exchange of Water; and
2. Find that pursuant to CEQA Guidelines Section 15061(b)(3) (the "common sense" exemption), the Board's approval of the proposed Administrative Rules for the Transfer or Exchange of Water is exempt from CEQA because the Board's approval of the proposed Administrative Rules for the Transfer or Exchange of Water does not have a potential for causing a significant effect on the environment.

DISCUSSION

Background

On March 28, 1996, the CCWA Board of Directors approved Water Transfer Procedures ("**1996 Transfer Procedures**"). The 1996 Transfer Procedures, which are attached as Appendix C to the proposed Transfer Rules, address the following topics which are not addressed by the proposed Transfer Rules:

1. The permanent transfer of a Participant's "Project Allotment," as that term is defined in each Water Supply Agreement, pursuant to Section 9 of each Water Supply Agreement
2. CCWA's transfer of unutilized Project Allotment to one or more Participants pursuant to Section 17 of each Water Supply Agreement, and

3. Third party use of unused capacity in CCWA facilities.

During the extended drought of 2012-2016, Participants purchased supplemental water supplies from outside of Santa Barbara County to meet their demands. At the time, the transfer of Project Water was not permitted by the SWP Contract and exchanges were limited. To assist the Participants in effectuating supplemental water purchases, Staff adopted standard operating procedures for all transfers and exchanges (“**2013 Staff procedures**”).¹ The 2013 Staff procedures generally establish administrative rules for internal transfers from one Participant to another and the delivery or return of Project Water stored in a groundwater bank outside of Santa Barbara County or as part of an exchange.

On February 17, 2021, the Board adopted Resolution No. 21-01 granting to all Participants a right of first refusal (“**ROFR**”) to purchase SWP water before it is transferred outside Santa Barbara County to a third party. Resolution No. 21-01 anticipated the need to adopt policies and procedures to implement Resolution No. 21-01 and the Water Management Amendment.

In 2021, the SWP Contract was amended by the Water Management Amendment to authorize transfers and exchanges of Project Water, subject to its terms and conditions.

In January of this year, Staff commenced discussions with the Operations Committee and the Board regarding amending and supplementing the 2013 Staff procedures to implement the Water Management Amendment and standardize CCWA procedures regarding transfers and exchanges.

On February 15, 2024, Staff’s initial draft proposed Transfer Rules was made available for review by Participants and the public in advance of the February 22, 2024 Board Meeting, where the matter was agendized.

On March 5, 2024, Staff’s second draft of the proposed Transfer Rules was made available to the Participants and the public for review and comment. At its March 14, 2024 meeting, the Operations Committee reviewed and provided further comment on the draft proposed Transfer Rules.

On March 21, 2024, Staff’s final draft of the proposed Transfer Rules was made available to Participants and the public for review and comment. At its March 28, 2024 meeting, the Board reviewed and provided further comment on the final draft of the proposed Transfer Rules.

Feedback from the Board, the Operations Committee and Participants have been received and consolidated in the Transfer Rules proposed for approval and adoption by the Board.

Summary of Proposed Transfer Rules and Changes from Prior Draft

Staff proposes updating and supplementing the 2013 Staff procedures for water transfers to implement the Water Management Amendment and standardizing CCWA’s procedures for all transfers and exchanges. If the Board of Directors elects to adopt the proposed Transfer Rules, they would replace the 2013 Staff procedures.

The proposed Transfer Rules would apply to:

¹ See <https://www.ccwa.com/files/ec75ac706/H2OTrans.pdf>

1. Transfers and exchange of Project Water between and among Participants;
2. Transfers and exchanges of Project Water with parties outside Santa Barbara County;
3. The temporary delivery of Project Water to a groundwater storage program or facility for later use within CCWA's service area; and
4. A Participant's transfer and conveyance of Nonproject Water through the SWP for delivery to CCWA's service area.

The proposed Transfer Rules include procedures for each of these types of transactions, as may be permitted by the SWP Contract, and compliance with Resolution No. 21-01.

If approved and adopted, the proposed Transfer Rules would supersede and replace the 2013 Staff procedures. However, 1996 Water Transfer Procedures, which address different transfer topics, would remain in effect. The 1996 Water Transfer Procedures are described in the proposed Transfer Rules (see Section I) and attached as Appendix C to the proposed Transfer Rules.

Changes between the final draft of the Transfer rules reviewed by the Board at its March meeting and the proposed Transfer Rules for approval and adoption are reflected in **Attachment B** to this report.

ENVIRONMENTAL REVIEW

CEQA Guidelines Section 15061(b)(3) provides a "common sense" exemption to environmental review that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to review.

Because adoption of policy documents, such as the proposed Transfer Rules, will not in themselves cause any physical changes to the environment, there will be no impact from their adoption. Upon approval of Resolution No. 24-02, staff will file the appropriate Notice of Exemption.

Attachments:

- A. Resolution No. 24-02 Approving an Amendment to the Administrative Rules for the Transfer or Exchange of Water
Exhibit A: Administrative Rules for the Transfer or Exchange of Water
- B. Redline comparison of changes between the final draft Transfer Rules (dated March 20, 2024) and the proposed Transfer Rules for adoption on April 25, 2024)

RESOLUTION NO. 24-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CENTRAL COAST WATER AUTHORITY APPROVING ADMINISTRATIVE RULES FOR THE TRANSFER OR EXCHANGE OF WATER

RECITALS

- A. In 1963, the Santa Barbara County Flood Control and Water Conservation District (“**District**”) and the Department of Water Resources (“**DWR**”), acting on behalf of the State of California, executed that certain agreement dated February 26, 1963 for the supply and delivery of State Water Project (“**SWP**”) water (“**SWP Contract**”).
- B. On November 12, 1991, the District and Central Coast Water Authority (“**CCWA**”) entered into the Transfer of Financial Responsibility Agreement whereby the District transferred to CCWA and CCWA accepted and assumed responsibility for the SWP Contract.
- C. CCWA is a party to a series of “Water Supply Agreements” with various cities, water districts, and other water supply retailers who purchase and deliver water to their customers, and other end users, in Santa Barbara County (each a “**Participant**” and collectively, the “**Participants**”).
- D. On or about October 30, 2013, CCWA staff adopted standard operating procedures for all transfers and exchanges (“**2013 Staff procedures**”).
- E. On February 17, 2021, CCWA’s Board of Directors adopted Resolution 21-01 granting a right of first refusal to all Participants to purchase Project Water before it is transferred outside Santa Barbara County.
- F. On April 22, 2021, the SWP Contract was amended by the Water Management Amendment (the “**Water Management Amendment**”). The Water Management Amendment provides Participants with flexibility to manage their water supplies in a changing environment by permitting transfers and exchanges of SWP water which in turn improves water supply reliability.
- G. To implement the Water Management Amendment and to standardize CCWA procedures with respect to the transfer and exchange of water, and in consultation with the Board of Directors (“**Board**”), the Operations Committee and the Participants, CCWA Staff has developed the proposed “Administrative Rules for the Transfer or Exchange of Water,” which are attached hereto as **Exhibit A**.
- H. As described in its report to this Board dated April 18, 2024, CCWA Staff has determined that the Board’s approval of the proposed Administrative Rules for the Transfer or Exchange of Water does not have a potential for causing a significant effect on the environment because the adoption of policy documents, such as the proposed Administrative Rules for the Transfer or Exchange of Water, will not in themselves cause any physical changes to the environment and there will be no impact from their adoption.

NOW THEREFORE, THE BOARD OF DIRECTORS DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. Approval of Administrative Rules for the Transfer or Exchange of Water. The Board hereby approves the “Administrative Rules for the Transfer or Exchange of Water” attached hereto as **Exhibit A** and incorporated herein by reference. The approved Administrative Rules for the Transfer or Exchange of Water replace and supersede the 2013 Staff procedures.

SECTION 3. CEQA Finding. The Board hereby finds and determines that the adoption of this Resolution is exempt from review under the California Environmental Quality Act (“**CEQA**”) Guidelines Section 15061(b)(3) (the “common sense exemption”) because the adoption of policy documents, such as the proposed Transfer Rules, will not in themselves cause any physical changes to the environment and there will be no impact from their adoption. Staff is therefore directed to file a Notice of Exemption under CEQA Guidelines section 15061(b)(3).

Section 4. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Directors of the Central Coast Water Authority, this 25th day of April, 2024, by the following vote:

| | VOTING PERCENTAGE | AYE | NAY | ABSTAIN | ABSENT |
|--|-------------------|-------|-------|---------|--------|
| City of Buellton | 2.21% | _____ | _____ | _____ | _____ |
| Carpinteria Valley Water District | 7.64% | _____ | _____ | _____ | _____ |
| Goleta Water District | 17.20% | _____ | _____ | _____ | _____ |
| City of Guadalupe | 1.15% | _____ | _____ | _____ | _____ |
| Montecito Water District | 9.50% | _____ | _____ | _____ | _____ |
| City of Santa Barbara | 11.47% | _____ | _____ | _____ | _____ |
| City of Santa Maria | 43.19% | _____ | _____ | _____ | _____ |
| Santa Ynez River Water Conservation District, Improvement District No. 1 | 7.64% | _____ | _____ | _____ | _____ |

I hereby certify that the foregoing resolution was adopted at a regular meeting of the Central Coast Water Authority held on April 25, 2024.

Eric Friedman, Chairman

Attest:

Elizabeth Watkins
Secretary to the Board of Directors

APPROVED AS TO FORM:
Brownstein Hyatt Farber Schreck LLP

Stephanie Osler Hastings

Exhibit A

Administrative Rules for the Transfer or Exchange of Water

Central Coast Water Authority

**ADMINISTRATIVE RULES FOR THE
TRANSFER OR EXCHANGE OF WATER**

Adopted _____, 2024

TABLE OF CONTENTS

| | PAGE |
|---|------|
| I. INTRODUCTION AND BACKGROUND | 1 |
| II. GENERAL | 2 |
| A. Application and Interpretation | 2 |
| B. Prioritize Needs of Participants | 2 |
| C. Compliance With All Obligations and Laws | 2 |
| D. Notices, Forms and Contracts | 2 |
| III. TRANSFERS AND EXCHANGES BETWEEN/AMONG PARTICIPANTS | 3 |
| A. Project Water Freely Transferrable Within CCWA | 3 |
| B. Procedures for Transfers of Project Water Between or Among Participants | 3 |
| IV. TRANSFERS AND EXCHANGES WITH PARTIES OUTSIDE CCWA’S SERVICE AREA | 4 |
| A. Exchanges | 4 |
| B. Supplemental Water Purchases | 4 |
| 1. CCWA’s Supplemental Water Purchase Program..... | 4 |
| 2. Participant Purchases Outside the Purchase Program..... | 5 |
| C. Surplus Water Transfers | 5 |
| 1. CCWA’s Surplus Water Transfer Program..... | 5 |
| 2. Participant Transfers Outside of Transfer Program..... | 5 |
| 3. Article 56 Carryover Water..... | 6 |
| 4. Procedure for Compliance with Resolution No. 21-01..... | 7 |
| a. <i>Participant Seller to Give Notice of Sale Terms and Set Deadlines</i> | 7 |
| b. <i>Exercise of ROFR</i> | 7 |
| D. Temporary Delivery to a Storage Program or Facility Outside Santa Barbara County | 8 |
| 1. Article 21 Interruptible Water..... | 8 |
| E. SBCFCWCD Execution of DWR Agreements | 9 |
| V. DELIVERY OF WATER TO CCWA SERVICE AREA | 9 |
| A. Delivery of Purchased Water | 9 |
| B. Delivery of Transferred/Exchanged Water | 9 |
| APPENDIX A | 10 |
| APPENDIX B | 11 |
| APPENDIX C | 34 |

I. INTRODUCTION AND BACKGROUND

The State Water Supply Contract (**SWP Contract**) between the Department of Water Resources (**DWR**) and Santa Barbara County Flood Control and Water Conservation District (**SBCFCWCD**) provides for the purchase and delivery of water from the State Water Project (**SWP**) to Santa Barbara County. In 1991, CCWA assumed responsibility for the SWP Contract. CCWA has contracted with retail water providers and others within its service area (each a **Participant** and collectively, the **Participants**) pursuant to certain agreements for the delivery of water from the SWP (**Project Water**) to them (each a **Water Supply Agreement**).

Amendment No. 21 to the SWP Contract (the **Water Management Amendment**)¹ allows the parties that contract with DWR (the **SWP Contractors**) for delivery of Project Water to transfer and exchange their Project Water with other SWP Contractors and to utilize the SWP for the conveyance of other water supplies (**Nonproject Water**), with DWR's approval and subject to the terms and conditions set forth in the SWP Contract, as amended by the Water Management Amendment. The Water Management Amendment provides CCWA and the Participants with flexibility to manage their water supplies in a changing environment and to improve water supply reliability.

In conjunction with its approval of the Water Management Amendment, the CCWA Board of Directors adopted Resolution No. 21-01, "A Resolution of the Board of Directors of the Central Coast Water Authority Adopting A Right of First Refusal Rule for Any Transfer of State Water Project Water Outside the County of Santa Barbara Pursuant to the SWP Contract, as Amended by Amendment No. 21 (The Water Management Amendment)." Resolution No. 21-01 requires Participants to offer any Project Water the Participant intends to transfer out of Santa Barbara County to a third party first to the other Participants on the same terms and conditions.² Accordingly, Resolution No. 21-01 grants all Participants with a right of first refusal (**ROFR**) to purchase Project Water from the other Participants before it is transferred out of Santa Barbara County to a third party.

In past years, CCWA has administered the Supplemental Water Purchase Program (**SWPP**) to assist Participants with the purchase of additional water supplies (**Supplemental Water**) when Project Water is not sufficient to meet Participant needs. Beginning in 2024, CCWA will maintain the SWPP in all years. Participants may opt in to the SWPP at any time and remain in the program from year to year.

In past years, CCWA has administered the Surplus Water Transfer Program (**SWTP**) to assist Participants with the sale of Project Water in excess of their needs (**Surplus Water**) outside the CCWA service area. Beginning in 2024, CCWA will maintain the SWTP in all years. Participants may opt in to the SWTP at any time and remain in the program from year to year.

These Administrative Rules for the Transfer or Exchange of Water (**Transfer Rules**) set forth CCWA's administrative procedures for implementing the Water Management Amendment, specifically transfers

¹ The Water Management Amendment is attached as **Appendix B**.

² Resolution 21-01 provides: "A Participant may transfer all or any portion of its available SWP Water within its boundaries or to another Participant without approval by the Authority. As may be permitted by the SWP Contract, a Participant may transfer all or any portion of its available SWP Water outside the County of Santa Barbara County with the approval of the Authority, which approval shall not be unreasonably withheld, provided that the Authority shall require that any such proposed transfer outside of the County of Santa Barbara shall be subject to a right of first refusal of all Participants on a pro rata basis to take delivery of such SWP Water on the same terms and conditions."

and exchanges involving CCWA and its Participants, whether pursuant to the SWPP or SWTP, or independent of those programs, such as when an individual Participant engages in a transfer or exchange directly with a third party.

CCWA's Water Transfer Procedures adopted by the Board of Directors in March, 1996 (**1996 Water Transfer Procedures**), which addresses other topics not addressed by these Transfer Rules—namely (i) permanent transfers of a Participant's "**Project Allotment**," as that term is defined in each Water Supply Agreement, pursuant to Section 9 of each Water Supply Agreement, (ii) CCWA's transfer of unutilized Project Allotment pursuant to Section 17 of each Water Supply Agreement, and (iii) the use of unused capacity in CCWA facilities by third parties—remains in effect.³

II. GENERAL

A. Application and Interpretation

These Transfer Rules apply to: (i) the transfer (purchase or sale) or exchange of Project Water, (ii) the temporary delivery of Project Water to a groundwater storage program or facility for later use within CCWA's service area, and (iii) the transfer and conveyance of Nonproject Water through the SWP for delivery to CCWA's service area—by Participants and as may be permitted by the SWP Contract.

The purpose of these Transfer Rules is to implement the Water Management Amendment. These Transfer Rules are intended to be consistent with all applicable contracts, including all provisions of the SWP Contract and each Participant's Water Supply Agreement, and are not intended to modify the terms and conditions of any contract. In the event of a conflict between these Transfer Rules and any applicable contract, the terms and conditions of the contract shall prevail.

B. Prioritize Needs of Participants

For the purposes of implementing the Water Management Amendment, CCWA will endeavor to meet the needs of its Participants before transferring available Project Water to third parties. Therefore, if any Participant plans to transfer Project Water, either to acquire additional supplies or to sell surplus supplies, CCWA will attempt to meet the needs of the Participants first, before entering into transactions outside the CCWA service area.

C. Compliance With All Obligations and Laws

All CCWA and Participant transfers and exchanges shall be carried out consistent with all applicable requirements and obligations, including but not limited to these Transfer Rules, the SWP Contract, each Participant's Water Supply Agreement, Resolution No. 2021-01, and all applicable laws, including but not limited to the California Environmental Quality Act (CEQA).

D. Notices, Forms and Contracts

The Executive Director may, in his/her discretion, develop standardized notices, forms and contracts as may be necessary or convenient to implement these Transfer Rules. These Transfer Rules refer to several such notices, forms and contracts by title. However, these titles are for convenience only and may change over time without amendment of these Transfer Rules. Further, CCWA retains all discretion to modify the

³ The 1996 Transfer Procedures is attached as **Appendix C**.

terms, conditions and other provisions of such notices, forms and contracts in the future as necessary or convenient.⁴

All notices required by these Transfer Rules shall be in writing and shall be transmitted by electronic mail.

III. TRANSFERS AND EXCHANGES BETWEEN/AMONG PARTICIPANTS

A. Project Water Freely Transferrable Within CCWA

Participants may transfer or exchange Project Water between or among themselves. CCWA is not, and will not be, a party to any agreement that may exist involving such transfers and exchanges and is not responsible for any terms or conditions of such agreement.

CCWA approval is not required for any transfer or exchange between or among Participants, but the Participant that sells some or all of its Project Water (**Participant Seller**) must communicate the terms and conditions of the transfer or exchange to CCWA so that CCWA may account for and implement the transfer or exchange. Unless otherwise agreed by the Participant Seller and the Participant that purchases Project Water (**Participant Buyer**), CCWA staff will take direction from the Participant Seller.

B. Procedures for Transfers of Project Water Between or Among Participants

At any time, a Participant may notify CCWA of its intention to buy or sell Project Water to one or more other Participants.⁵ CCWA will maintain a record of this information, distribute it to all Participants at least quarterly (every three months), and endeavor to timely process all such requests within CCWA.

The procedure for communicating and directing CCWA to affect a one-time transfer or exchange between or among Participants is as follows:

- The Participant Seller will complete the **Internal Transfer Form**. This form requires the signatures of both the Participant Seller and Participant Buyer as well as the volume of Project Water planned for transfer and the planned date of the transfer. All requests must be submitted to CCWA a reasonable amount of time before the planned date of transfer.
- CCWA staff will verify that the Participant Seller has the volume of water available to complete the transfer. The verification will be completed by at least two CCWA staff members. One staff to process the request and a second staff member for quality control review.
- CCWA staff will update the **Delivery Status Report** to reflect the transfer, complete CCWA's portion of the Water Transfer Form, and will return the completed Water Transfer Form to the Participant Seller and Participant Buyer. This will serve as confirmation that the transfer is complete.

⁴ The various forms and contracts referenced in these Transfer Rules are listed in **Appendix A**.

⁵ Pursuant to Section 17 of the Water Supply Agreements, Participants may request that CCWA transfer unutilized Project Allotment to other Participants. In such circumstance, the procedures set forth in Section 17 of the Water Supply Agreements and the 1996 Water Transfer Procedures apply.

IV. TRANSFERS AND EXCHANGES WITH PARTIES OUTSIDE CCWA'S SERVICE AREA

The SWP Contract permits various transfers and exchanges, such as: balanced and unbalanced exchanges of Project Water between and among SWP Contractors, transfers (purchases and sales) of Project Water between and among SWP Contractors, the transfer and conveyance of Nonproject Water through the SWP, and the temporary delivery and storage of Project Water in a groundwater storage program, project surface conservation facility or nonproject surface storage facility located outside a SWP Contractor's service area.

A. Exchanges

CCWA will process all Participant requests for balanced and unbalanced exchanges in favor of the Participant (i.e., a greater quantity of water will be transferred to the Participant during the term of the transaction) using the same procedures that apply to the purchase of Supplemental Water. (See Section IV.B.)

CCWA will process all Participant requests for unbalanced exchanges in favor of a third party (i.e., a greater quantity of water will be transferred to the third party during the term of the transaction) using the same procedures that apply to the sale of Surplus Water. (See Section IV.C.)

Exchanges do not require compliance with Resolution No. 21-01.

B. Supplemental Water Purchases

As described in Section III.B CCWA will maintain and regularly update a schedule of all Participant requests to buy Supplemental Water and to sell Surplus Water. If a Participant elects to purchase Supplemental Water, CCWA will assist in transferring the Supplemental Water, either through the SWPP or directly with the individual Participant, as further described in this Section.

1. CCWA's Supplemental Water Purchase Program

Any Participant that elects to retain CCWA's services in identifying and facilitating the purchase of Supplemental Water (**SWPP Participant**) must first execute a **SWPP Participation Agreement**. SWPP Participants may execute the SWPP Participation Agreement at any time and may remain in the SWPP from year to year. As described in the SWPP Participation Agreement, SWPP Participants share in any costs and liabilities of the program. Generally, SWPP costs are allocated among the SWPP Participants pro-rata on an annual basis.

From time to time, CCWA will make opportunities to purchase Project Water or Nonproject Water available to the SWPP Participants. If a SWPP Participant elects to purchase a particular supply, the SWPP Participant must execute a **Purchase Agreement** with CCWA for that water supply. As described in the Purchase Agreement, any SWPP Participants that execute a Purchase Agreement (**Project Participant(s)**) will share in any costs and liabilities of the particular transaction. CCWA will contract with the third-party seller on behalf of the Project Participant(s).

As described in the Purchase Agreement, the Project Participant agrees to fully indemnify and defend CCWA and all other Participants that are not Project Participants (**Non-Project Participants**) from all liability associated with the transaction.

Project Participants are responsible for compliance with CEQA and Article 57(g) of the SWP Contract.

2. Participant Purchases Outside the Purchase Program

Participants that purchase Supplemental Water supplies outside of the SWPP must execute an Assistance Agreement with CCWA.

In this context, the Participant, and not CCWA, will contract directly with the third-party seller for the transfer and delivery of the Supplemental Water. As described in the Assistance Agreement, CCWA will assist the Participant in facilitating the transfer and delivery of the supply, including all communications with DWR, but otherwise will not be responsible for ensuring compliance with the terms and conditions of the transfer. Further, the Participant agrees to fully indemnify and defend CCWA and all other Participants from all liability associated with the transaction.

C. Surplus Water Transfers

As described in Section II.B, CCWA will maintain and regularly update a schedule of all Participant requests to buy Supplemental Water and to sell Surplus Water. If a Participant elects to sell Surplus Water, CCWA will assist in transferring the Surplus Water, either through the SWTP or directly with the individual Participant, as further described in this Section.

1. CCWA's Surplus Water Transfer Program

All Participants that wish to retain CCWA's services in identifying and facilitating the sale of Surplus Water must execute a SWTP Participation Agreement. Participants may execute the SWTP Participation Agreement at any time and may remain in the SWTP from year to year. As described in the SWTP Participation Agreement, SWTP Participants share in any costs and liabilities of the program. Generally, SWTP costs are allocated among the SWTP Participants pro-rata on an annual basis.

From time to time, CCWA will make the opportunity to sell Surplus Water available to the SWTP Participants. If a SWTP Participant elects to sell Surplus Water, the SWTP Participant must execute a **Sale Agreement** with CCWA for that supply. As described in the Participation Agreement, any SWTP Participants that execute a Sale Agreement (**Project Participant(s)**) will share in any costs and liabilities of the particular transaction. CCWA will contract with the third-party buyer on behalf of the Project Participant.

As described in the Sale Agreement, the Project Participant agrees to fully indemnify and defend CCWA and all other Participants that are not Project Participants (**Non-Project Participants**) from all liability associated with the transaction.

Project Participants are responsible for compliance with CEQA and Article 57(g) of the SWP Contract.

2. Participant Transfers Outside of Transfer Program

Participants that plan to sell Surplus Water outside of the SWTP must first execute an Assistance Agreement with CCWA.

In this context, the Participant, and not CCWA, will contract directly with the third-party buyer for the transfer and delivery of the Surplus Water. As described in the Assistance Agreement, CCWA will assist

the Participant in facilitating the transfer and delivery of the Surplus Water, including all communications with DWR, but otherwise will not be responsible for ensuring compliance with the terms and conditions of the transfer. Further, the Participant agrees to fully indemnify and defend CCWA and all other Participants from all liability associated with the transaction.

3. Article 56 Carryover Water

Article 56 of the SWP Contract allows SWP Contractors to carryover into storage at San Luis Reservoir a portion of the SWP Contractor's "Table A Amount" that was not delivered in the prior year (**Carryover Water**). Further, the SWP Contract allows SWP Contractors to transfer or exchange a portion, depending on DWR's final water supply allocation, of its Carryover Water.⁶

On or about January 15 of each year, DWR determines each SWP Contractor's maximum amount of Carryover Water based on the availability of storage in San Luis Reservoir. After receipt of DWR's calculation of CCWA's Carryover Water, CCWA will calculate each Participant's pro-rata share of CCWA's Carryover Water based on each Participant's use of Project Water in the prior year and notify the Participants of the amount allocated to them.

Participants may elect to take delivery of any portion of their allocated share of the CCWA Carryover Water and may transfer or exchange up to 50% of their allocated share of the CCWA Carryover Water. By **April 15**, Participants shall give CCWA notice of their election to transfer or exchange any Carryover Water.

If, after April 15, the total amount of Carryover Water requested to be transferred or exchanged by all Participants is less than the amount available for transfer or exchange by CCWA (e.g., less than 50% of CCWA's Carryover Water),⁷ CCWA will notify the Participants who requested to transfer a portion of their allocated share of CCWA's Carryover Water of the opportunity to transfer or exchange additional quantities of the Carryover Water allocated to them. By **April 30**, the requesting Participants shall give CCWA notice of their election to transfer or exchange additional quantities of Carryover Water. The requesting Participants will share in the balance of the available transfer capacity (up to 50% of CCWA's Carryover Water) pro-rata based on each Participant's Project Allocation, as provided in each Participant's Water Supply Agreement.

Example:

Assume the CCWA's Carryover Water is 20,000 AF for the year and therefore that CCWA is permitted to transfer or exchange 10,000 AF for the year.

If Participants A, B and C collectively request transfer of 8,000 AF of CCWA's Carryover Water, CCWA will allocate the remaining additional transfer capacity (2,000 AF) to Participants A, B and C pro-rata based on each Participant's Project Allotment.

⁶ See Appendix B: Article 56(c).

⁷ The SWP Contractor may request from DWR an exception to the 50% limitation. (See Article 56(c)(4)(iii).) If DWR grants an exception, the approved percentage shall apply for purposes of implementing this Section IV.C.3.

4. Procedure for Compliance with Resolution No. 21-01

As described in Section I above, the transfer of Project Water for use outside Santa Barbara County is subject to Resolution No. 21-01. Although CCWA will assist the Participant Seller with coordination among the Participants, compliance with Resolution No. 21-01 is the sole responsibility of the Participant Seller. Early and regular communication between the Participant Seller and the other Participants is encouraged.

Because the SWP Contract permits multi-year transfers and exchanges, a Participant Seller may elect to enter into a long-term contract that includes one or more transfers and/or exchanges over multiple years. In this circumstance, Resolution No. 21-01 applies to the entire transaction, not to each transfer and/or exchange that is performed as part of the multi-year transaction. Accordingly, the Participants' ROFR occurs only once—at the time the multi-year transaction is first proposed.

The Resolution No. 21-01 applies only to a Participant's transfer of Project Water to a third party for use outside of Santa Barbara County. It does not apply to exchanges or to the temporary delivery of Project Water to a groundwater storage program or facility outside of Santa Barbara County for later use within CCWA's service area.

a. *Participant Seller to Give Notice of Sale Terms and Set Deadlines*

Upon execution of a letter of intent, term sheet, or other document that memorializes the key terms and conditions of a transfer of Project Water from a Participant Seller to a third-party buyer—i.e., quantity, price and duration (**Sale Terms**), the Participant Seller shall promptly provide all of the following to all other Participants: (i) notice of the proposed transfer of Project Water (**Notice of Transfer**), (ii) the Sale Terms, (iii) the Participant Seller's contact information, and (iv) the deadline by which any Participant must give notice of its preliminary intention to exercise its ROFR pursuant to Resolution No. 21-01, which deadline shall be **at least 10 days** from the date the Participant Seller delivers the Notice of Transfer to all other Participants.

If no Participant gives notice of its intention to exercise its ROFR, all Participants shall be deemed to have waived their ROFR and the Participant Seller may continue to process the transaction with a third party.

Notwithstanding the foregoing, if at any time the Sale Terms change materially, the Participant Seller shall comply with Resolution No. 21-01 and give notice of the new Sale Terms to all Participants in the same manner as provided in this Section.

b. *Exercise of ROFR*

If a Participant Buyer gives notice of its intention to exercise its ROFR pursuant to Section IV.C.4.a, it must deliver its *binding commitment* to the Sale Terms in writing to the Participant Seller's contact person(s) within **45 days of the Notice of Transfer**, or such other period to which the Participant Seller and Participant Buyer may agree. The Participant Seller and the Participant Buyer will work expeditiously to execute any desired contracts between them and comply with the procedures in Section III.

Unless otherwise agreed to in writing by the Participant Seller and Participant Buyer, if the Participant Buyer fails to deliver its binding commitment to the Sale Terms, as provided in this Section, the Participant Buyer shall be deemed to have waived its ROFR and the Participant Seller may continue to process the transaction with a third party.

D. Temporary Delivery to a Storage Program or Facility Outside Santa Barbara County

The SWP Contract permits the storing of Project Water in a groundwater storage program, project surface conservation facilities and in nonproject surface storage facilities located outside a SWP's service area for later use by the SWP Contractor within its service area.

CCWA will process the temporary transfer and delivery of Project Water to out-of-county storage projects or facilities in the same manner as Participant transfers outside of CCWA's SWTP. (See Section IV.C.2.)

Resolution No. 21-01 does not apply to these transactions, so long as the water temporarily stored outside of Santa Barbara County is later used within CCWA's service area.

1. Article 21 Interruptible Water

Pursuant to Article 21 of the SWP Contract, each year DWR makes available and allocates among the SWP Contractors interruptible water (**Interruptible Water**). Generally, Interruptible Water is not available for transfer or exchange, unless the acquiring SWP Contractor can demonstrate a special need for the water. In the event a Participant has a special need for the purchase of water, CCWA will assist the Participant as part of the SWPP.

However, Interruptible Water may be delivered to an alternate point of delivery temporarily, for example to a non-SWP water bank outside of Santa Barbara County. SWP Contractors make take delivery of Interruptible Water and simultaneously re-direct some portion of the Interruptible Water to another point of delivery.

DWR determines the estimated Interruptible Water available for delivery to each SWP Contractor on a weekly basis, and Interruptible Water must be taken in "real-time" by the receiving SWP Contractor. When Interruptible Water is available to CCWA, CCWA will promptly notify the Participants of their right to take delivery of their allocated share of the Interruptible Water and the deadline for any Participant to elect to take the available supply. A Participant's failure to notify CCWA of its election to take Interruptible Water forfeits the Participant's right to Interruptible Water.

If a Participant elects to take delivery of its allocated share of CCWA's Interruptible Water in a different location other than the CCWA facilities, it may do so, but only if all required approvals providing for the Participant's delivery to the alternate point of delivery and temporary storage have been obtained and all associated contracts have been executed in advance of the availability of Interruptible Water. Participants that elect to re-direct some portion of their allocated share of Interruptible Water to another point of delivery shall provide CCWA's Executive Director with copies of all required approvals and associated contracts.

Resolution No. 21-01 does not apply to the delivery of Interruptible Water because transfer of Interruptible Water out of Santa Barbara County is not permitted.

E. SBCFCWCD Execution of DWR Agreements

As the contracting party to the SWP Contract with DWR for Santa Barbara County, DWR requires SBCFCWCD's execution of all agreements with DWR required to administer any transfer or exchange involving Project Water or that utilizes the SWP for conveyance of Nonproject Water (each a **DWR Agreement**).

On behalf of Project Participants, CCWA will endeavor to secure SBCFCWCD's execution of any DWR Agreement.

V. DELIVERY OF WATER TO CCWA SERVICE AREA

A. Delivery of Purchased Water

The procedure for the delivery of water purchased by any Participant (see Section IV.B), whether Project Water or Nonproject Water, is the same as for the delivery of each Participant's Project Allotment.⁸

B. Delivery of Transferred/Exchanged Water

The procedure for Participants to request the return of Project Water that is stored outside CCWA's service area (see Section 0) or the delivery of water exchanged with a party outside CCWA's service area (see Section IV.A) is as follows:

- A Participant makes a request to return water to CCWA using the **Banked/Exchange Water Return Request Form**.
- If other Participants also have rights in/to the same water storage program or exchange transaction, CCWA will advise all such Participants of the request to return water and set a deadline for all such Participants to add their request to return water at the same time.
- CCWA will facilitate all communications with third parties and DWR and schedule all deliveries.

⁸ See Water Supply Agreement, § 4.

APPENDIX A

List of Standard Notices, Forms and Contracts

NOTE: The forms and contracts listed here are for convenience only. The titles and contents of these documents may change at any time and without amendment of the Transfer Rules.

Standard Forms:

1. Banked/Exchange Water Return Request Form
2. Delivery Status Report
3. Internal Transfer Form

Standard Contracts:

1. Assistance Agreement — CCWA and a Participant
2. DWR Agreement — DWR, SBCFCWCD and another SWP Contractor
3. Purchase Agreement — CCWA and a Participant
4. Sale Agreement — CCWA and a Participant
5. SWPP Participation Agreement — CCWA and all SWPP Participants
6. SWTP Participation Agreement — CCWA and all SWTP Participants

APPENDIX B

The Water Management Amendment

STATE OF CALIFORNIA
CALIFORNIA NATURAL RESOURCES AGENCY
DEPARTMENT OF WATER RESOURCES

AMENDMENT NO. 21 (THE WATER MANAGEMENT AMENDMENT)
TO WATER SUPPLY CONTRACT
BETWEEN
THE STATE OF CALIFORNIA DEPARTMENT OF WATER RESOURCES
AND
SANTA BARBARA COUNTY FLOOD CONTROL AND WATER CONSERVATION
DISTRICT

THIS AMENDMENT to the Water Supply Contract is made this 22nd day of April, 2021 pursuant to the provisions of the California Water Resources Development Bond Act, the Central Valley Project Act, and other applicable laws of the State of California, between the State of California, acting by and through its Department of Water Resources, herein referred to as the "State," and Santa Barbara County Flood Control and Water Conservation District, herein referred to as the "Agency."

TABLE OF CONTENTS

| | |
|--|-----------|
| Recitals | 3 |
| Amended Contract Text..... | 5 |
| Article 1: Definitions | 5 |
| Article 21: Interruptible Water | 5 |
| Article 56: Use and Storage of Project Water Outside of Service Area and Article 56 Carryover Water | 7 |
| New Contract Articles | 17 |
| Article 57: Provisions Applicable to Both Transfers and Exchanges of Water | 17 |
| Water Management Amendment Implementing and Administrative Provisions ... | 20 |
| Effective Date of Water Management Amendment..... | 20 |
| Administration of Contracts Without Water Management Amendment | 21 |
| Other Contract Provisions..... | 21 |
| DocuSign | 21 |

RECITALS

- A. The State and the Agency entered into and subsequently amended a water supply contract (the “contract”), dated February 26, 1963, providing that the State shall supply certain quantities of water to the Agency and providing that the Agency shall make certain payments to the State, and setting forth the terms and conditions of such supply and such payments; and
- B. The State and the Agency, in an effort to manage water supplies in a changing environment, explored non-structural solutions to provide greater flexibility in managing State Water Project (SWP) water supplies; and
- C. The State and the Agency, in an effort to support the achievement of the coequal goals for the Delta set forth in the Delta Reform Act, sought solutions to develop water supply management practices to enhance flexibility and reliability of SWP water supplies while the Agency is also demonstrating its commitment to expand its water supply portfolio by investing in local water supplies; and
- D. The State and the Agency, in response to the Governor’s Water Resiliency Portfolio, wish to maintain and diversify water supplies while protecting and enhancing natural systems without changing the way in which the SWP operates; and
- E. The State and the Agency sought to create a programmatic solution through transfers or exchanges of SWP water supplies that encourages regional approaches among water users sharing watersheds and strengthening partnerships with local water agencies, irrigation districts, and other stakeholders; and
- F. The State and the Agency, in an effort to comply with the Open and Transparent Water Data Platform Act (Assembly Bill 1755), sought means to create greater transparency in water transfers and exchanges; and
- G. The State, the Agency and representatives of certain other SWP Contractors have negotiated and agreed upon a document (dated May 20, 2019), the subject of which is “ Draft Agreement in Principle for the SWP Water Supply Contract Amendment for Water Management” (the “Agreement in Principle”); and
- H. The Agreement in Principle describes that the SWP Water Supply Contract Amendment for Water Management “supplements and clarifies terms of the SWP water supply contract that will provide greater water management regarding transfers and exchanges of SWP water within the SWP service area”; the principles agreed to achieve this without relying upon increased SWP diversions or changing the way in which the SWP operates, and are consistent with all applicable contract and regulatory requirements; and

- I. The State, the Agency and those Contractors intending to be subject to the contract amendments contemplated by the Agreement in Principle subsequently prepared an amendment to their respective Contracts to implement the provisions of the Agreement in Principle, and such amendment was named the "SWP Water Supply Contract Amendment for Water Management"; and
- J. The State and the Agency desire to implement continued service through the contract and under the terms and conditions of this "SWP Water Supply Contract Amendment for Water Management";

NOW, THEREFORE, IT IS MUTUALLY AGREED that the following changes and additions are hereby made to the Agency's water supply contract with that State:

AMENDED CONTRACT TEXT

ARTICLE 1 IS AMENDED TO ADD THE FOLLOWING DEFINITIONS, PROVIDED THAT IF THIS WATER MANAGEMENT AMENDMENT TAKES EFFECT BEFORE THE CONTRACT EXTENSION AMENDMENT TAKES EFFECT, THE ADDITIONS HEREIN SHALL CONTINUE IN EFFECT AFTER THE CONTRACT EXTENSION AMENDMENT TAKES EFFECT NOTWITHSTANDING THE CONTRACT EXTENSION AMENDMENT'S DELETION AND REPLACEMENT OF ARTICLE 1 IN ITS ENTIRETY:

1. Definitions

- (au) **"Article 56 Carryover Water"** shall mean water that the Agency elects to store under Article 56 in project surface conservation facilities for delivery in a subsequent year or years.

ARTICLES 21 and 56 ARE DELETED IN THEIR ENTIRETY AND REPLACED WITH THE FOLLOWING TEXT:

21. Interruptible Water Service

(a) Allocation of Interruptible Water

Each year from water sources available to the project, the State shall make available and allocate interruptible water to contractors in accordance with the procedure in Article 18(a). Allocations of interruptible water in any one year may not be carried over for delivery in a subsequent year, nor shall the delivery of interruptible water in any year impact the Agency's approved deliveries of Annual Table A Amount or the Agency's allocation of water for the next year. Deliveries of interruptible water in excess of the Agency's Annual Table A Amount may be made if the deliveries do not adversely affect the State's delivery of Annual Table A Amount to other contractors or adversely affect project operations. Any amounts of water owed to the Agency as of the date of this amendment pursuant to former Article 12(d), any contract provisions or letter agreements relating to wet weather water, and any Article 14(b) balances accumulated prior to 1995, are canceled. The State shall hereafter use its best efforts, in a manner that causes no adverse impacts upon other contractors or the project, to avoid adverse economic impacts due to the Agency's inability to take water during wet weather.

(b) Notice and Process for Obtaining Interruptible Water

The State shall periodically prepare and publish a notice to contractors describing the availability of interruptible water under this Article. To obtain a supply of interruptible water, including a supply from a transfer of interruptible water, the Agency shall execute a further agreement with the State. The State will timely process such requests for scheduling the delivery of the interruptible water.

(c) Rates

For any interruptible water delivered pursuant to this Article, the Agency shall pay the State the same (including adjustments) for power resources (including on-aqueduct, off-aqueduct, and any other power) incurred in the transportation of such water as if such interruptible water were Table A Amount water, as well as all incremental operation, maintenance, and replacement costs, and any other incremental costs, as determined by the State. The State shall not include any administrative or contract preparation charge. Incremental costs shall mean those nonpower costs which would not be incurred if interruptible water were not scheduled for or delivered to the Agency. Only those contractors not participating in the repayment of the capital costs of a reach shall be required to pay any use of facilities charge for the delivery of interruptible water through that reach.

(d) Transfers of Interruptible Water

- (1) Tulare Lake Basin Water Storage District, Empire West-Side Irrigation District, Oak Flat Water District, and County of Kings may transfer to other contractors a portion of interruptible water allocated to them under subdivision (a) when the State determines that interruptible water is available.
- (2) The State may approve the transfer of a portion of interruptible water allocated under subdivision (a) to contractors other than those listed in (d)(1) if the contractor acquiring the water can demonstrate a special need for the transfer of interruptible water.
- (3) The contractors participating in the transfer shall determine the cost compensation for the transfers of interruptible water.

The transfers of interruptible water shall be consistent with Articles 56(d) and 57.

56. Use and Storage of Project Water Outside of Service Area and Article 56 Carryover Water

(a) State Consent to Use of Project Water Outside of Service Area

Notwithstanding the provisions of Article 15(a), the State hereby consents to the Agency storing Project Water in a groundwater storage program, project surface conservation facilities and in nonproject surface storage facilities located outside its service area for later use by the Agency within its service area and to the Agency transferring or exchanging Project Water outside its service area consistent with agreements executed under this contract.

(b) Groundwater Storage Programs

The Agency shall cooperate with other contractors in the development and establishment of groundwater storage programs. The Agency may elect to store Project Water in a groundwater storage program outside its service area for later use within its service area. There shall be no limit on the amount of Project Water the Agency can store outside its service area during any year in a then existing and operational groundwater storage program.

(1) Transfers of Annual Table A Amount stored in a groundwater storage program outside a contractor's service area.

In accordance with applicable water rights law and the terms of this Article, the Agency may transfer any Annual Table A Amount stored on or after the effective date of the Water Management Amendment in a groundwater storage program outside its service area to another contractor for use in that contractor's service area. These transfers must comply with the requirements of Articles 56(c)(4)(i)-(v), (6) and (7), and Article 57. The Agency will include these transfers in its preliminary water delivery schedule required in Article 12(a).

(2) Exchanges of any Annual Table A Amount stored in a groundwater storage program outside a contractor's service area.

In accordance with applicable water rights law and the terms of this Article, the Agency may exchange any Annual Table A Amount stored on or after the effective date of the Water Management Amendment in a groundwater storage program outside its service area with another contractor for use in that contractor's service area. These exchanges must comply with the requirements in Article 56(c)(4)(i)-(v). The Agency shall include these exchanges in its preliminary water delivery schedule pursuant to Article 12(a).

(c) Article 56 Carryover Water and Transfers or Exchanges of Article 56 Carryover Water

- (1) In accordance with any applicable water rights laws, the Agency may elect to use Article 56 Carryover Water within its service area, or transfer or exchange Article 56 Carryover Water to another contractor for use in that contractor's service area in accordance with the provisions of subdivision (c)(4) of this Article. The Agency shall submit to the State a preliminary water delivery schedule on or before October 1 of each year pursuant to Article 12(a), the quantity of water it wishes to store as Article 56 Carryover Water in the next succeeding year, and the quantity of Article 56 Carryover Water it wishes to transfer or exchange with another contractor in the next succeeding year. The amount of Project Water the Agency can add to storage in project surface conservation facilities and in nonproject surface storage facilities located outside the Agency's service area each year shall be limited to the lesser of the percent of the Agency's Annual Table A Amount shown in column 2 or the acre-feet shown in column 3 of the following table, depending on the State's final Table A water supply allocation percentage as shown in column 1. For the purpose of determining the amount of Project Water the Agency can store, the final water supply allocation percentage shown in column 1 of the table below shall apply to the Agency. However, there shall be no limit to storage in nonproject facilities in a year in which the State's final water supply allocation percentage is one hundred percent. These limits shall not apply to water stored pursuant to Articles 12(e) and 14(b).

| 1. Final Water Supply Allocation Percentage | 2. Maximum Percentage of Agency's Annual Table A Amount That Can Be Stored | 3. Maximum Acre-Foot That Can Be Stored |
|---|--|---|
| 50% or less | 25% | 100,000 |
| 51% | 26% | 104,000 |
| 52% | 27% | 108,000 |
| 53% | 28% | 112,000 |
| 54% | 29% | 116,000 |
| 55% | 30% | 120,000 |
| 56% | 31% | 124,000 |
| 57% | 32% | 128,000 |
| 58% | 33% | 132,000 |
| 59% | 34% | 136,000 |
| 60% | 35% | 140,000 |
| 61% | 36% | 144,000 |
| 62% | 37% | 148,000 |
| 63% | 38% | 152,000 |
| 64% | 39% | 156,000 |
| 65% | 40% | 160,000 |
| 66% | 41% | 164,000 |
| 67% | 42% | 168,000 |
| 68% | 43% | 172,000 |
| 69% | 44% | 176,000 |
| 70% | 45% | 180,000 |
| 71% | 46% | 184,000 |
| 72% | 47% | 188,000 |
| 73% | 48% | 192,000 |
| 74% | 49% | 196,000 |
| 75% or more | 50% | 200,000 |

- (2) Storage capacity in project surface conservation facilities at any time in excess of that needed for project operations shall be made available to requesting contractors for storage of project and Nonproject Water. If such storage requests exceed the available storage capacity, the available capacity shall be allocated among contractors requesting storage in proportion to their Annual Table A Amounts for that year. The Agency may store water in excess of its allocated share of capacity as long as capacity is available for such storage.
- (3) If the State determines that a reallocation of excess storage capacity is needed as a result of project operations or because of the exercise of a contractor's storage right, the available capacity shall be reallocated among contractors requesting storage in proportion to their respective Annual

Table A Amounts for that year. If such reallocation results in the need to displace water from the storage balance for any contractor or noncontractor, the water to be displaced shall be displaced in the following order of priority:

First, water, if any, stored for noncontractors;

Second, water stored for a contractor that previously was in excess of that contractor's allocation of storage capacity; and

Third, water stored for a contractor that previously was within that contractor's allocated storage capacity.

The State shall determine whether water stored in a project surface water conservation facility is subject to displacement and give as much notice as feasible of a potential displacement. If the Agency transfers or exchanges Article 56 Carryover Water pursuant to this subdivision to another contractor for storage in such facility, the State shall recalculate the amount of water that is subject to potential displacement for both contractors participating in the transfer or exchange. The State's recalculation shall be made pursuant to subdivision (4) of this Article.

(4) Transfers or Exchanges of Article 56 Carryover Water

The Agency may transfer or exchange its Article 56 Carryover Water as provided in this subdivision under a transfer or an exchange agreement with another contractor. Water stored pursuant to Articles 12(e) and 14(b) and Nonproject Water shall not be transferred or exchanged. Transfers or exchanges of Article 56 Carryover Water under this subdivision shall comply with subdivision (f) of this Article and Article 57 as applicable, which shall constitute the exclusive means to transfer or exchange Article 56 Carryover Water.

On or around January 15 of each year, the State shall determine the maximum amount of Article 56 Carryover Water as of January 1 that will be available for transfers or exchanges during that year. The State's determination shall be consistent with subdivisions (c)(1) and (c)(2) of this Article.

The State shall timely process requests for transfers or exchanges of Article 56 Carryover Water by participating contractors. After execution of the transfer or exchange agreement between the State and the contractors participating in the transfer or exchange, the State shall recalculate each contractor's storage amounts for the contractors participating in the transfer or exchange. The State's recalculation shall result in an increase by an amount of water within the storage amounts for the contractor receiving the water and a decrease by the same amount of water for the contractor transferring or exchanging water. The State's recalculation shall be based on the criteria set forth in the State's transfer or exchange agreement with the participating contractors. The State's calculations shall also apply when a contractor uses Article 56 Carryover Water to complete an exchange.

Transfers and exchanges of Article 56 Carryover Water shall meet all of the following criteria:

- (i) Transfers or exchanges of Article 56 Carryover Water are limited to a single-year. Project Water returned as part of an exchange under subdivision (c)(4) may be returned over multiple years.
- (ii) The Agency may transfer or exchange an amount up to fifty percent (50%) of its Article 56 Carryover Water to another contractor for use in that contractor's service area.
- (iii) Subject to approval of the State, the Agency may transfer or exchange an amount greater than 50% of its Article 56 Carryover Water to another contractor for use in that contractor's service area. The Agency seeking to transfer or exchange greater than 50% of its Article 56 Carryover Water shall submit a written request to the State for approval. The Agency making such a request shall demonstrate to the State how it will continue to meet its critical water needs in the current year of the transfer or exchange and in the following year.

- (iv) The contractor receiving the water transferred or exchanged under subdivisions (4)(i) or (ii) above shall confirm in writing to the State its need for the water that year and shall take delivery of the water transferred or exchanged in the same year.
 - (v) Subject to the approval of the State, the Agency may seek an exception to the requirements of subdivisions (4)(i), (ii), and (iii) above. The Agency seeking an exception shall submit a written request to the State demonstrating to the State the need for 1) using project surface conservation facilities as the transfer or exchange point for Article 56 Carryover Water if the receiving contractor cannot take delivery of the transfer or exchange water in that same year, 2) using project surface conservation facilities for the transfer or exchange of one contractor's Article 56 Carryover Water to another contractor to reduce the risk of the water being displaced, or 3) for some other need.
- (5) The restrictions on storage of Project Water outside the Agency's service area provided for in this subdivision (c), shall not apply to storage in any project off-stream storage facilities constructed south of the Delta after the date of the Monterey Amendment.
- (6) For any Project Water stored outside its service area pursuant to subdivisions (b) and (c), the Agency shall pay the State the same (including adjustments) for power resources (including on-aqueduct, off-aqueduct, and any other power) incurred in the transportation of such water as the Agency pays for the transportation of Annual Table A Amount to the reach of the project transportation facility from which the water is delivered to storage. If Table A Amount is stored, the Delta Water Charge shall be charged only in the year of delivery to interim storage. For any stored water returned to a project transportation facility for final delivery to its service area, the Agency shall pay the State the same for power resources (including on-aqueduct, off-aqueduct, and any other power) incurred in the transportation of such water calculated from the point of

return to the aqueduct to the turn-out in the Agency's service area. In addition, the Agency shall pay all incremental operation, maintenance, and replacement costs, and any other incremental costs, as determined by the State, which shall not include any administrative or contract preparation charge. Incremental costs shall mean those nonpower costs which would not be incurred if such water were scheduled for or delivered to the Agency's service area instead of to interim storage outside the service area. Only those contractors not participating in the repayment of a reach shall be required to pay a use of facilities charge for use of a reach for the delivery of water to, or return of water from, interim storage.

- (7) If the Agency elects to store Project Water in a nonproject facility within the service area of another contractor it shall execute a contract with that other contractor prior to storing such water which shall be in conformity with this Article and will include at least provisions concerning the point of delivery and the time and method for transporting such water.

(d) Non-Permanent Water Transfers of Project Water

Notwithstanding the provisions of Article 15(a), the State hereby consents to the Agency transferring Project Water outside its service area in accordance with the following:

- (1) The participating contractors shall determine the duration and compensation for all water transfers, including single-year transfers, Transfer Packages and multi-year transfers.
- (2) The duration of a multi-year transfer shall be determined by the participating contractors to the transfer, but the term of the transfer agreement shall not extend beyond the term of the Contract with the earliest term.
- (3) A Transfer Package shall be comprised of two or more water transfer agreements between the same contractors. The State shall consider each proposed water transfer within the package at the same time and shall apply the transfer criteria pursuant to Article 57 in the review and approval of each transfer. The State shall not consider a Transfer Package as an exchange.

(e) Continuance of Article 12(e) Carry-over Provisions

The provisions of this Article are in addition to the provisions of Article 12(e), and nothing in this Article shall be construed to modify or amend the provisions of Article 12(e). Any contractor electing to transfer or exchange Project Water during any year in accordance with the provisions of subdivision (c) of this Article, shall not be precluded from using the provisions of Article 12(e) for carrying over water from the last three months of that year into the first three months of the succeeding year.

(f) Bona Fide Exchanges Permitted

Notwithstanding the provisions of Article 15(a), the State hereby consents to the Agency exchanging Project Water outside its service area consistent with this Article. Nothing in this Article shall prevent the Agency from entering into bona fide exchanges of Project Water for use outside the Agency's service area with other parties for Project Water or Nonproject Water if the State consents to the use of the Project Water outside the Agency's service area. Also, nothing in this Article shall prevent the Agency from continuing those exchange or sale arrangements entered into prior to September 1, 1995. Nothing in this Article shall prevent the Agency from continuing those exchange or sale arrangements entered into prior to the effective date of this Amendment which had previously received any required State approvals. The State recognizes that the hydrology in any given year is an important factor in exchanges. A "bona fide exchange" shall mean an exchange of water involving the Agency and another party where the primary consideration for one party furnishing water to another party is the return of a substantially similar amount of water, after giving due consideration to the hydrology, the length of time during which the water will be returned, and reasonable payment for costs incurred. In addition, the State shall consider reasonable deductions based on expected storage or transportation losses that may be made from water delivered. The State may also consider any other nonfinancial conditions of the return. A "bona fide exchange" shall not involve a significant payment unrelated to costs incurred in effectuating the exchange. The State, in consultation with the contractors, shall have authority to determine whether a proposed exchange of water constitutes a "bona fide exchange" within the meaning of this paragraph and not a disguised sale.

Exchanges of Project Water

Exchanges of Project Water shall be consistent with Article 57. In addition, the State shall apply the following criteria to its review of each exchange of Project Water as set forth below:

(1) **Exchange Ratio**

Exchange ratio shall mean the amount of water delivered from a contractor's project supply in a year to another contractor compared to the amount of water returned to the first contractor in a subsequent year by the other contractor. All exchanges shall be subject to the applicable exchange ratio in this Article as determined by the allocation of available supply for the Annual Table A Amount at the time the exchange transaction between the contractors is executed.

- (a) For allocations greater than or equal to 50%, the exchange ratio shall be no greater than 2 to 1.
- (b) For allocations greater than 25% and less than 50%, the exchange ratio shall be no greater than 3 to 1.
- (c) For allocations greater than 15% and less than or equal to 25%, the exchange ratio shall be no greater than 4 to 1.
- (d) For allocations less than or equal to 15%, the exchange ratio shall be no greater than 5 to 1.

(2) **Cost Compensation**

The State shall determine the maximum cost compensation calculation using the following formula:

The numerator shall be the exchanging contractor's conservation minimum and capital and transportation minimum and capital charges, including capital surcharges. DWR will set the denominator using the State Water Project allocation which incorporates the May 1 monthly Bulletin 120 runoff forecast.

If the Agency submits a request for approval of an exchange prior to May 1, the State shall provide timely approval with the obligation of the contractors to meet the requirement of the maximum compensation. If the maximum compensation is exceeded because the agreement between the

contractors is executed prior to the State Water Project allocation as defined in (c)(2) above, the contractors will revisit the agreement between the two contractors and make any necessary adjustments to the compensation. If the contractors make any adjustments to the compensation, they shall notify the State.

(3) Period During Which the Water May Be Returned:

The period for the water to be returned shall not be greater than 10 years and shall not go beyond the expiration date of this Contract. If the return of the exchange water cannot be completed within 10 years, the State may approve a request for an extension of time.

(g) Other Transfers

Nothing in this Article shall modify or amend the provisions of Articles 15(a), 18(a) or Article 41, except as expressly provided for in subdivisions (c) and (d) of this Article and in subdivision (d) of Article 21.

NEW CONTRACT ARTICLES

ARTICLE 57 IS ADDED TO THE CONTRACT AS A NEW ARTICLE AS FOLLOWS:

57. Provisions Applicable to Both Transfers and Exchanges of Project Water

- (a) Nothing in this Article modifies or limits Article 18 (a).
- (b) Transfers and exchanges shall not have the protection of Article 14(b).
- (c) The Agency may be both a buyer and seller in the same year and enter into multiple transfers and exchanges within the same year.
- (d) Subject to the State's review and approval, all transfers and exchanges shall satisfy the following criteria:
 - (1) Transfers and exchanges shall comply with all applicable laws and regulations.
 - (2) Transfers and exchanges shall not impact the financial integrity of the State Water Project. Transfers and exchange agreements shall include provisions to cover all costs to the State for the movement of water such as power costs and use of facility charge.
 - (3) Transfers and exchanges shall be transparent, including compliance with subdivisions (g) and (h) of this Article.
 - (4) Transfers and exchanges shall not harm other contractors not participating in the transfer or exchange.
 - (5) Transfers and exchanges shall not create significant adverse impacts to the service area of each contractor participating in the transfer or exchange.
 - (6) Transfers and exchanges shall not adversely impact State Water Project operations.
- (e) The Agency may petition the State and the State shall have discretion to approve an exception to the criteria set forth in subdivision (d) in the following cases:
 - (1) When a transfer or an exchange does not meet the criteria, but the Agency has determined that there is a compelling need to proceed with the transfer or exchange.

- (2) When the Agency has received water in a transfer or an exchange and cannot take all of the water identified in the transaction in the same year, the Agency may request to store its water consistent with Article 56(c), including in San Luis Reservoir.
- (f) The State will timely process such requests for scheduling the delivery of the transferred or exchanged water. Contractors participating in a transfer or an exchange shall submit the request in a timely manner.
- (g) The Agency shall, for each transfer or exchange it participates in, confirm to the State in a resolution or other appropriate document approving the transfer or exchange, including use of Article 56(c) stored water, that:
 - (1) The Agency has complied with all applicable laws.
 - (2) The Agency has provided any required notices to public agencies and the public.
 - (3) The Agency has provided the relevant terms to all contractors and to the Water Transfers Committee of the State Water Contractors Association.
 - (4) The Agency is informed and believes that the transfer or exchange will not harm other contractors.
 - (5) The Agency is informed and believes that the transfer or exchange will not adversely impact State Water Project operations.
 - (6) The Agency is informed and believes that the transfer or exchange will not affect its ability to make all payments, including payments when due under its Contract for its share of the financing costs of the State's Central Valley Project Revenue Bonds.
 - (7) The Agency has considered the potential impacts of the transfer or exchange within its service area.
- (h) **Dispute Resolution Process Prior to Executing an Agreement**

The State and the contractors shall comply with the following process to resolve disputes if a contractor that is not participating in the transfer or exchange claims that the proposed transfer and/or exchange has a significant adverse impact.

 - (1) Any claim to a significant adverse impact may only be made after the Agency has submitted the relevant terms pursuant to Article

57(g)(3) and before the State approves a transfer or an exchange agreement.

- (2) In the event that any dispute cannot be resolved among the contractors, the State will convene a group including the Department's Chief of the State Water Project Analysis Office, the Department's Chief Counsel and the Department's Chief of the Division of Operations or their designees and the contractors involved. The contractor's representatives shall be chosen by each contractor. Any contractor claiming a significant adverse impact must submit written documentation to support this claim and identify a proposed solution. This documentation must be provided 2 weeks in advance of a meeting of the group that includes the representatives identified in this paragraph.
- (3) If this group cannot resolve the dispute, the issue will be taken to the Director of the Department of Water Resources and that decision will be final.

**WATER MANAGEMENT AMENDMENT IMPLEMENTING
AND ADMINISTRATIVE PROVISIONS**

IT IS FURTHER MUTUALLY AGREED that the following provisions, which shall not be part of the Water Supply Contract text, shall be a part of this Amendment and be binding on the Parties.

1. EFFECTIVE DATE OF WATER MANAGEMENT AMENDMENT

- (a) The Water Management Amendment shall take effect (“Water Management Amendment effective date”) on the last day of the calendar month in which the State and 24 or more contractors have executed the Water Management Amendment, unless a final judgment by a court of competent jurisdiction has been entered that the Water Management Amendment is invalid or unenforceable or a final order has been entered that enjoins the implementation of the Water Management Amendment.
- (b) If any part of the Water Management Amendment of any contractor is determined by a court of competent jurisdiction in a final judgment or order to be invalid or unenforceable, the Water Management Amendments of all contractors shall be of no force and effect unless the State and 24 or more contractors agree any the remaining provisions of the contract may remain in full force and effect.
- (c) If 24 or more contractors have not executed the Water Management Amendment by February 28, 2021 then within 30 days the State, after consultation with the contractors that have executed the amendment, shall make a determination whether to waive the requirement of subdivision (a) of this effective date provision. The State shall promptly notify all contractors of the State’s determination. If the State determines, pursuant to this Article to allow the Water Management Amendment to take effect, it shall take effect only as to those consenting contractors.
- (d) If any contractor has not executed the Water Management Amendment within sixty (60) days after its effective date pursuant to subdivisions (a) through (c) of this effective date provision, this Amendment shall not take effect as to such contractor unless the contractor and the State, in its discretion, thereafter execute such contractor’s Water Management Amendment, in which case the Water Management Amendment effective date for purposes of that contractor’s Amendment shall be as agreed upon by the State and contractor, and shall replace the effective date identified in subdivision (a) for that contractor.

2. ADMINISTRATION OF CONTRACTS WITHOUT WATER MANAGEMENT AMENDMENT

The State shall administer the water supply contracts of any contractors that do not execute the Water Management Amendment in a manner that is consistent with the contractual rights of such contractors. These contractors' rights are not anticipated to be affected adversely or benefited by the Water Management Amendments.

3. OTHER CONTRACT PROVISIONS

Except as amended by this Amendment, all provisions of the contract shall be and remain the same and in full force and effect, provided, however, that any reference to the definition of a term in Article 1, shall be deemed to be a reference to the definition of that term, notwithstanding that the definition has been re-lettered within Article 1. In preparing a consolidated contract, the parties agree to update all such references to reflect the definitions' lettering within Article 1.

4. DocuSign

The Parties agree to accept electronic signatures generated using DocuSign as original signatures.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on the date first above written.

Approved as to Legal Form and Sufficiency:

Spencer Kenner _____ ^{LD}
City Counselor
Department of Water Resources

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

[Signature] _____
Director

4/22/2021
Date

Michael G. Ghizzoni
County Counsel
Approved as to Form:
Johannah Hartley _____
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~~General Counsel~~ Deputy
Santa Barbara County Flood Control
and Water Conservation District

SANTA BARBARA COUNTY FLOOD
CONTROL AND WATER
CONSERVATION DISTRICT
DocuSigned by:
Scott McGolpin _____
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~~General Manager~~
Scott D. McGolpin, Public Works Director
4/20/2021 | 4:14 PM PDT

Date

APPENDIX C

1996 Water Transfer Procedures

CENTRAL COAST WATER AUTHORITY

WATER TRANSFER PROCEDURES

March 1996

Preamble: The following Procedures are intended to implement Sections 9 and 17 of the Water Supply Agreements between CCWA and its Project Participants. There is no intent to alter any of the substantive or procedural rights or obligations of the parties to the Water Supply Agreements. The Procedures specify CCWA staff's responsibilities under those sections.¹

1. Authority.

The following procedures which relate to transfer of Project Allotment are authorized by, and implement, certain provisions of the Water Supply Agreements (WSAs) between CCWA and its Project Participants.

The following procedures which relate to wheeling of water through CCWA conveyance facilities are authorized by various provisions of California law, including California Water Code section 1810 *et seq.*

2. Scope.

The following procedures govern CCWA's handling of requests to CCWA for:

- a. Approval of a Project Allotment sale pursuant to WSA Section 9.
- b. Transfer of unutilized Project Allotment pursuant to WSA Section 17.
- c. The use of unused capacity in CCWA owned facilities to convey water.

Section 9 of the Water Supply Agreement authorizes Project Allotment sales by Project Participants and requires that certain sales or other dispositions of Project Allotment are subject to the approval of CCWA, which approval shall not be unreasonably withheld. Section 17 is alternative to Section 9, at the option of the Project Participants, and provides for CCWA assistance in transfers of unutilized Project Allotment.

¹ The terms used in this document, unless otherwise defined herein, shall have the meaning set forth in the WSA. "Unutilized Project Allotment," as it appears in Section 17 of the WSAs, means Project Allotment which (a) has not been either (i) delivered to the Project Participant's turnout, or (ii) placed in storage by CCWA, at the request of the Project Participant, at a location outside of the Project Participant's boundaries, and (b) is excess to the Project Participant's needs in the coming year.

3. List of Prospective Purchasers.

CCWA will maintain a list of prospective sellers and purchasers of Project Allotment. A person or entity may be added to the list by submitting to CCWA a written request which includes the amount of Project Allotment sought to be sold or acquired, and such other information as CCWA shall request, accompanied by a processing fee in an amount sufficient to reimburse CCWA for its actual costs of processing the request. The processing fee shall be in accordance with a fee schedule adopted by the Board of Directors.

4. Securing CCWA Approval of Project Allotment Sale Under Section 9.

a. Requirement. Under WSA Section 9, CCWA approval must be secured, and shall not be unreasonably withheld, for any Project Allotment sale or other disposition except (i) within the Project Participant's boundaries, or (ii) to a Project Participant.

b. Request. A Project Participant may seek such approval from CCWA by submitting a written request therefor, accompanied by such information as CCWA shall require and a processing fee in an amount sufficient to reimburse CCWA for its actual costs of processing the request. The processing fee shall be in accordance with a fee schedule adopted by the Board of Directors. At a minimum, the request shall disclose the name of the prospective purchaser of the Project Allotment, the quantity of water subject to the sale, the price proposed to be paid therefor, the proposed delivery schedule, and the terms and conditions of the sale.

c. Proposed Sale Outside County.

(i) Notice. If the request proposes a sale or other disposition outside of Santa Barbara County, upon receipt thereof CCWA shall send a copy of the request to each Project Participant accompanied by a notice of the Project Participants' right of first refusal to acquire the Project Allotment. The notice shall set a deadline by which each Project Participant is to exercise that right of first refusal by submission to CCWA of a written notice of exercise, or that right will be deemed waived. The deadline shall be not less than thirty (30) days from the date the notice is given to each Project Participant.

(ii) Response to Notice. In the event that no Project Participant exercises its right of first refusal by submitting to CCWA a written notice of exercise prior to the deadline, the proposed sale shall be submitted to the CCWA Board for its consideration. In the event that one or more Project Participants exercises the right of first refusal, CCWA shall provide to the Project Participant which submitted the request for approval a written copy of each such notice of exercise. The interested Project Participants shall thereafter make arrangements among themselves to complete the transaction.

(iii) DWR Approval. Any transfer of Project Allotment outside of Santa

Barbara County will be subject to the provisions of the Water Supply Contract between the Santa Barbara County Flood Control and Water Conservation District and the State Department of Water Resources (DWR). Article 15(a) of this contract requires that such transfers be approved by DWR.

d. Proposed Sale Inside County. If the request proposes a sale or other disposition to a person or entity inside Santa Barbara County (which person or entity is not a Project Participant), CCWA shall present said request to the CCWA Board of Directors at its next regularly scheduled meeting.

5. Transfers of Unutilized Project Allotment Under Section 17.

a. CCWA Responsibility. Under Section 17, CCWA has certain responsibilities in the event that a Project Participant requests that CCWA transfer unutilized Project Allotment.

b. Request. A Project Participant may submit to CCWA a written request for CCWA assistance in a transfer of unutilized Project Allotment, accompanied by such information as CCWA shall require and a processing fee in an amount sufficient to reimburse CCWA for its actual costs of processing the request. The processing fee shall be in accordance with a fee schedule approved by the Board of Directors. At a minimum, the request shall disclose the quantity of water subject to the sale, the proposed offering price therefor (which shall be sufficient to recover the Project Participant's Fixed Project Costs, Fixed O&M Costs, Variable O&M Costs and any other reasonable identifiable costs therefor, referred to hereinafter as the "Full Cost Recovery Price"), the proposed delivery schedule, and the terms and conditions of the sale. CCWA shall have authority to set a deadline each year by which any such request shall be submitted, in order to ensure that all such transfers are considered at the same time and to minimize the CCWA staff resources required to handle such requests. A Project Participant shall have the option of instructing CCWA that it is willing to accept an amount less than its Full Cost Recovery Price.

c. Aggregation of Requests; Notice to Project Participants. CCWA shall aggregate all requests under WSA Section 17, shall establish a single price at which any purchaser may acquire all or a portion of the Project Allotment offered, and shall provide written notice of said requests and the offering price to all Project Participants, the Department of Water Resources, the Santa Barbara County Water Agency, and such other persons or entities who have requested such notice. The notice shall state a deadline by which responses to the notice are to be received, not less than thirty (30) days from the date notice is given, and shall state that Project Participants have a right of first refusal to take delivery of the offered Project Allotment.

d. Adjustments to Offering Price. The WSA requires that CCWA utilize its "best efforts" in assisting Project Participants in transferring Project Allotment and, accordingly, CCWA shall have the authority to adjust the offering price for water it is offering for transfer in order to maximize (i) the quantity of water transferred, and (ii) the

revenue to be derived therefrom. CCWA shall consult with the Project Participants involved in a transaction prior to adjusting the offering price and, in any event, shall not reduce the offering price below the level set by the Project Participant without the Project Participant's prior written approval.

e. Response to Notice. In the event that one or more Project Participants exercises the right of first refusal, CCWA shall provide to each Project Participant which submitted the request a written copy of each such notice of exercise. The interested Project Participants shall directly negotiate the terms and conditions of the transaction and shall advise CCWA thereof. CCWA shall assist, as requested, in the completion of those terms and conditions.

f. Where Available Project Allotment Exceeds Requests to Acquire. In the event that CCWA has been asked to assist in the transfer of unutilized Project Allotment which exceeds the quantities set forth in responses to the notice given under Subsection above, CCWA shall transfer unutilized Project Allotment on a pro rata basis based upon the respective quantities of water offered by the various Project Participants who have submitted transfer requests.

g. Where Available Project Allotment is Exceeded by Requests to Acquire. In the event that CCWA receives requests to acquire unutilized Project Allotment which exceeds the quantities offered for transfer, CCWA shall transfer unutilized Project Allotment on a pro rata basis based on the respective requests to acquire.

h. Distribution of Revenues from Transfer. Revenues derived from a sale of Project Allotment hereunder shall be distributed to the Project Participants as follows:

(i) Each Project Participant who has offered Project Allotment for sale shall receive an amount equal to the quantity of that Project Participant's Project Allotment transferred multiplied by the Full Cost Recovery Price for that Project Participant, or such lower price stated by the Project Participant pursuant to Subsection b of this Section 65, as said price may have been adjusted pursuant to Subsection d of this Section 65.

(ii) In the event there are revenues in excess of the amounts distributed pursuant to the foregoing sentence ("Excess Revenues"), such Excess Revenues shall be distributed to the Project Participants who have participated in the sale of Project Allotment on a pro rata basis using the amounts distributed pursuant to subparagraph (i) above as the pro ration basis.

6. Unused CCWA Capacity; Requests to Convey Water

a. Request. Any person or entity seeking to transfer water may submit to CCWA a request to convey said water through CCWA-owned conveyance facilities pursuant to California Water Code section 1810 including all provisions relating to water quality. The request shall include the facilities to be used, the quantity of water to be conveyed,

the dates of the conveyance, and such other information as CCWA may require. The request shall be accompanied by a processing fee in an amount sufficient to reimburse CCWA for its actual costs of processing the request, which shall be in accordance with a fee schedule adopted by the CCWA Board of Directors.

b. Determinations by CCWA. As soon as reasonably feasible after receipt of a request to convey water through CCWA-owned conveyance facilities, the CCWA Board of Directors shall determine (i) the amount and availability of unused capacity, (ii) the terms and conditions, including operation and maintenance requirements and scheduling, quality requirements, term of use, priorities and fair compensation, and (iii) the manner in which revenues derived from use of said capacity shall be divided among the Project Participants. The division of revenues derived from the use of said capacity among the Project Participants shall, as far as practicable, be based on the following principles: First, revenues shall be distributed only to Project Participants who contributed to the construction of each reach used for the conveyance, and who are not using all of the capacity in each said reach allocated to them. Second, each Participant's share of the revenues derived from use of a reach shall be calculated by dividing the unused capacity allocated to that Participant by the total unused capacity in said reach.

7. CEQA Compliance. Each Project Participant submitting a request to CCWA pursuant to WSA Section 9 or Section 17 shall be considered the Lead Agency with respect to compliance with the California Environmental Quality Act (CEQA), and CCWA shall be considered a Responsible Agency thereunder. Each such Project Participant shall be responsible for ensuring compliance with CEQA in connection with any such request.

Each person or entity submitting a request to CCWA to convey water pursuant to Water Code section 1810 *et seq.* shall be considered the Lead Agency with respect to compliance with the California Environmental Quality Act (CEQA), and CCWA shall be considered a Responsible Agency thereunder. Each such requesting party shall be responsible for ensuring compliance with CEQA in connection with any such request.

The processing fee paid by a Project Participant under Sections 5,b or 6,b shall include an amount sufficient to reimburse CCWA for any costs it incurs in serving as a Responsible Agency hereunder.

8. Indemnification. All agreements for the sale or transfer of Project Allotment, or for the use of CCWA facilities to transfer water, shall provide that the CCWA and all other Project Participants not a party to the sale, transfer or conveyance shall be held harmless, indemnified and defended from and against any and all claims of whatever nature arising from the proposed sale, transfer or conveyance.

Appendices:

- A Water Supply Agreement Contract Provisions (Section 9, 17, 18a).
- B California Water Code Section 1810 *et seq.*

Appendix A

Water Supply Agreement Contract Provisions

Section 9. Sale or Other Disposition of Project Allotment by Contractor.

The Contractor may sell or otherwise dispose of all of any portion of its Project Allotment within its boundaries or to another Project Participant without approval by the Authority. The Contractor may otherwise sell or dispose of all or any portion of its Project Allotment, with the approval of the Authority which approval shall not be unreasonably withheld, provided that the Authority shall require that such a sale or other disposition outside of Santa Barbara County shall be subject to a right of first refusal of all Project Participants on a pro rata basis to take delivery of such Project Allotment on the same terms and conditions. This Section shall be an alternative to, and shall not be limited to, Section 17 hereof.

Section 17. Unutilized Project Allotment.

When the Contractor has a Project Allotment that exceeds that Contractor's needs or demands in any one Year, the Authority shall, if requested by the Contractor to do so, transfer unutilized Project Allotment in the following manner:

(a) The Authority shall use its best efforts to transfer such unutilized Project Allotment at a cost at least equal to the Contractor's Fixed Project Cost, Fixed O&M Cost, Variable O&M Costs, and any other reasonable identifiable costs therefor with respect to such unutilized Project Allotment and credit such payments received therefor to the Contractor; provided that if the Authority has received requests from Project Participants to transfer more State Water Project water than can be transferred, the Authority shall transfer unutilized State Water Project water on a pro rata basis based upon such requesting Project Participants' Project Allotments.

(b) Other Project Participants shall have a right of first refusal to take delivery of the Contractor unutilized Project Allotment, at the costs set forth in subsection (a) of this Section.

In the event the Authority is unable to transfer unutilized Project Allotment, the provisions of Section 5 hereof shall apply. To the extent that the Authority is unable to transfer the Contractor's unutilized Project Allotment to other Project Participants, the Authority may make such unutilized Project Allotment available to other water purveyors within Santa Barbara County: provided that the Contractor shall not be relieved of any of its obligations hereunder as a result of such water being made available to other water purveyors.

This Section shall be an alternative to, and shall not be limited by, Section 9 hereof, and shall in no way affect the rights of the Contractor to sell or otherwise dispose of its Project Allocation in accordance with Section 9 hereof.

Section 18. Transfers, Sales and Assignments of Project Allotment.

(a) Transfer of Project Allotment. The Contractor has rights to make transfers, sales, assignments or exchanges (collectively "transfers") of its Project Allotment only as expressly provided in this Agreement.

Appendix B

Chapter 11

JOINT USE AND DEVELOPMENT

| | |
|---|---------|
| Article | Section |
| 4. Joint Use of Capacity in Water Conveyance Facilities | 1810 |

Article 4

JOINT USE OF CAPACITY IN WATER CONVEYANCE FACILITIES

| Section | Section |
|---|--|
| 1810. Unused capacity; right of person or public agency with long-term water service contract to use; water treatment; emergency use. | 1812. Determination of amount and availability of unused capacity; terms and conditions for use. |
| 1811. Definitions. | 1813. Findings by public agency. |
| | 1814. Application of article. |

Article 4 was added by Stats.1986, c. 918, § 2.

§ 1810. Unused capacity; right of person or public agency with long-term water service contract to use; water treatment; emergency use

Notwithstanding any other provision of law, neither the state, nor any regional or local public agency may deny a bona fide transferor of water the use of a water conveyance facility which has unused capacity, for the period of time for which that capacity is available, if fair compensation is paid for that use, subject to the following:

(a) Any person or public agency that has a long-term water service contract with or the right to receive water from the owner of the conveyance facility shall have the right to use any unused capacity prior to any bona fide transferor.

(b) The commingling of transferred water does not result in a diminution of the beneficial uses or quality of the water in the facility, except that the transferor may, at the transferor's own expense, provide for treatment to prevent the diminution, and the transferred water is of substantially the same quality as the water in the facility.

(c) Any person or public agency that has a water service contract with or the right to receive water from the owner of the conveyance facility who has an emergency need may utilize the unused capacity that was made available pursuant to this section for the duration of the emergency.

(d) This use of a water conveyance facility is to be made without injuring any legal user of water and without unreasonably affecting fish, wildlife, or other instream beneficial uses and without unreasonably affecting the overall economy or the environment of the county from which the water is being transferred.

(Added by Stats.1986, c. 918, § 2.)

Historical and Statutory Notes

1986 Legislation.

Section 1 of Stats.1986, c. 918 provides:

"The Legislature hereby finds and declares as follows:

"(a) There has been a severe downturn in the state's agricultural economy which has made it difficult for many farmers to meet their financial obligations to the state or, regional or local public agencies for water facilities already in place.

"(b) In addition, many agricultural operations and public agencies experiencing financial difficulties or facing default may desire to sell, lease, or exchange water as a means of obtaining financial relief or augmenting their income.

"(c) Since the sale, lease, or exchange of conserved water does not result in the forfeiture of an appropriate right to water, the marketing of water may provide finan-

Additions or changes indicated by underline; deletions by asterisks * * *

92

cial relief or supplemental income during periods of economic hardship.

"(d) It is the policy of the state to facilitate the voluntary sale, lease, or exchange of water or water rights in order to promote efficient use.

"(e) The sales, leases, or exchanges of water are to be made without injuring any legal user of water and without unreasonably affecting fish, wildlife, or other instream beneficial uses and without unreasonably affecting the overall economy of the area from which the water is being transferred."

Law Review Commentaries

Institutional perspectives on water policy and markets.
Barton H. Thompson, Jr., 81 Cal.L.Rev. 671 (1993).

§ 1811. Definitions

As used in this article, the following terms shall have the following meanings:

(a) "Bona fide transferor" means a person or public agency as defined in Section 20009 of the Government Code with a contract for sale of water which may be conditioned upon the acquisition of conveyance facility capacity to convey the water that is the subject of the contract.

(b) "Emergency" means a sudden occurrence such as a storm, flood, fire, or an unexpected equipment outage impairing the ability of a person or public agency to make water deliveries.

(c) "Fair compensation" means the reasonable charges incurred by the owner of the conveyance system, including capital, operation, maintenance, and replacement costs, increased costs from any necessitated purchase of supplemental power, and including reasonable credit for any offsetting benefits for the use of the conveyance system.

(d) "Replacement costs" mean the reasonable portion of costs associated with material acquisition for the correction of unrepairable wear or other deterioration of conveyance facility parts which have an anticipated life which is less than the conveyance facility repayment period and which costs are attributable to the proposed use.

(e) "Unused capacity" means space that is available within the operational limits of the conveyance system and which the owner is not using during the period for which the transfer is proposed and which space is sufficient to convey the quantity of water proposed to be transferred.

(Added by Stats.1986, c. 918, § 2.)

Library References

Words and Phrases (Perm.Ed.)

§ 1812. Determination of amount and availability of unused capacity; terms and conditions for use

The state, regional, or local public agency owning the water conveyance facility shall in a timely manner determine the following:

(a) The amount and availability of unused capacity.

(b) The terms and conditions, including operation and maintenance requirements and scheduling, quality requirements, term or use, priorities, and fair compensation.

(Added by Stats.1986, c. 918, § 2.)

§ 1813. Findings by public agency

In making the determinations required by this article, the respective public agency shall act in a reasonable manner consistent with the requirements of law to facilitate the voluntary sale, lease, or exchange of water and shall support its determinations by written findings. In any judicial action challenging any determination made under this article the court shall consider all relevant evidence, and the court shall give due consideration to the purposes and policies of this article. In any such case the court shall sustain the determination of the public agency if it finds that the determination is supported by substantial evidence.

(Added by Stats.1986, c. 918, § 2.)

§ 1814. Application of article

This article shall apply to only 70 percent of the unused capacity.

(Added by Stats.1986, c. 918, § 2.)

Central Coast Water Authority

ADMINISTRATIVE RULES FOR THE TRANSFER OR EXCHANGE OF WATER

Adopted _____, 2024

TABLE OF CONTENTS

| | PAGE |
|---|-----------|
| I. INTRODUCTION AND BACKGROUND | 1 |
| II. GENERAL | 2 |
| A. Application and Interpretation | 2 |
| B. Prioritize Needs of Participants | 2 |
| C. Compliance With All Obligations and Laws | 2 |
| D. Standardized Notices, Forms and Contracts | 2 |
| III. TRANSFERS AND EXCHANGES BETWEEN/AMONG PARTICIPANTS | 3 |
| A. Project Water Freely Transferrable Within CCWA | 3 |
| B. Procedures for Internal Transfers of Project Water <u>Between or Among Participants</u> 3 | 3 |
| IV. TRANSFERS AND EXCHANGES WITH PARTIES OUTSIDE CCWA'S SERVICE AREA | <u>34</u> |
| A. Exchanges | 4 |
| B. Supplemental Water Purchases | 4 |
| 1. CCWA's Supplemental Water Purchase Program | 4 |
| 2. Participant Purchases Outside the Purchase Program | 5 |
| C. Surplus Water Transfers | 5 |
| 1. CCWA's Surplus Water Transfer Program | 5 |
| 2. Participant Transfers Outside of Transfer Program | 5 |
| 3. Article 56 Carryover Water | 6 |
| 4. Procedure for Compliance with Resolution No. 21-01 | <u>67</u> |
| a. <i>Participant Seller to Give Notice of Sale Terms and Set Deadlines</i> | 7 |
| b. <i>Exercise of ROFR</i> | 7 |
| D. Temporary Delivery to a Storage Program or Facility Outside Santa Barbara County <u>78</u> | <u>78</u> |
| 1. Article 21 Interruptible Water | 8 |
| E. SBCFCWCD Execution of DWR Agreements | <u>89</u> |
| V. DELIVERY OF TRANSFERRED/EXCHANGED WATER TO CCWA SERVICE AREA | 9 |
| <u>1A.</u> Procedure <u>Delivery of Purchased Water</u> | 9 |
| <u>2B.</u> Allocation of Supply Between/Among Multiple Participants <u>Delivery of Transferred/Exchanged Water</u> | 9 |
| <u>APPENDIX A</u> | <u>10</u> |
| <u>APPENDIX B</u> | <u>11</u> |

APPENDIX C

34

I. INTRODUCTION AND BACKGROUND

The State Water Supply Contract (**SWP Contract**) between the Department of Water Resources (**DWR**) and Santa Barbara County Flood Control and Water Conservation District (**SBCFCWCD**) provides for the purchase and delivery of water from the State Water Project (**SWP**) to Santa Barbara County. In 1991, CCWA assumed responsibility for the SWP Contract. CCWA has contracted with retail water providers and others within its service area (each a **Participant** and collectively, the **Participants**) pursuant to certain agreements for the delivery of water from the SWP (**Project Water**) to them (each a **Water Supply Agreement**).

Amendment No. 21 to the SWP Contract (the **Water Management Amendment**)¹ allows the parties that contract with DWR (the **SWP Contractors**) for delivery of Project Water to transfer and exchange their Project Water with other SWP Contractors and to utilize the SWP for the conveyance of other water supplies (**Nonproject Water**), with DWR's approval and subject to the terms and conditions set forth in the SWP Contract, as amended by the Water Management Amendment. The Water Management Amendment provides CCWA and the Participants with flexibility to manage their water supplies in a changing environment and to improve water supply reliability.

In conjunction with its approval of the Water Management Amendment, the CCWA Board of Directors adopted Resolution No. 21-01, "A Resolution of the Board of Directors of the Central Coast Water Authority Adopting A Right of First Refusal Rule for Any Transfer of State Water Project Water Outside the County of Santa Barbara Pursuant to the SWP Contract, as Amended by Amendment No. 21 (The Water Management Amendment)." Resolution No. 21-01 requires Participants to offer any Project Water the Participant intends to transfer out of Santa Barbara County to a third party first to the other Participants on the same terms and conditions.² Accordingly, Resolution No. 21-01 grants all Participants with a right of first refusal (**ROFR**) to purchase Project Water from the other Participants before it is transferred out of Santa Barbara County to a third party.

In past years, CCWA has administered the Supplemental Water Purchase Program (**SWPP**) to assist Participants with the purchase of additional water supplies (**Supplemental Water**) when Project Water is not sufficient to meet Participant needs. Beginning in 2024, CCWA will maintain the SWPP in all years. Participants may opt in to the SWPP at any time and remain in the program from year to year.

~~On July 27, 2023, CCWA's Board of Directors adopted Resolution No. 23-26 approving CCWA's~~
In past years, CCWA has administered the Surplus Water Transfer Program (**SWTP**) to assist Participants with the sale of Project Water in excess of their needs (**Surplus Water**) outside the CCWA service area. Beginning in 2024, CCWA will maintain the SWPP in all years. Participants may opt in to the SWTP at any time and remain in the program from year to year.

¹ The Water Management Amendment is attached as Appendix B.

² Resolution 21-01 provides: "A Participant may transfer all or any portion of its available SWP Water within its boundaries or to another Participant without approval by the Authority. As may be permitted by the SWP Contract, a Participant may transfer all or any portion of its available SWP Water outside the County of Santa Barbara County with the approval of the Authority, which approval shall not be unreasonably withheld, provided that the Authority shall require that any such proposed transfer outside of the County of Santa Barbara shall be subject to a right of first refusal of all Participants on a pro rata basis to take delivery of such SWP Water on the same terms and conditions."

These Administrative Rules for the Transfer or Exchange of Water (**Transfer Rules**) set forth CCWA’s administrative procedures for implementing the Water Management Amendment, specifically transfers and exchanges involving CCWA and its Participants, whether pursuant to the SWPP or SWTP, or independent of those programs, such as when an individual Participant engages in a transfer or exchange directly with a third party.

CCWA’s Water Transfer Procedures adopted by the Board of Directors in March, 1996 (1996 Water Transfer Procedures), which addresses other topics not addressed by these Transfer Rules—namely (i) permanent transfers of a Participant’s “Project Allotment,” as that term is defined in each Water Supply Agreement, pursuant to Section 9 of each Water Supply Agreement, (ii) CCWA’s transfer of unutilized Project Allotment pursuant to Section 17 of each Water Supply Agreement, and (iii) the use of unused capacity in CCWA facilities by third parties—remains in effect.³

II. GENERAL

A. Application and Interpretation

These Transfer Rules apply to: (i) the transfer (purchase or sale) or exchange of Project Water, (ii) the temporary delivery of Project Water to a groundwater storage program or facility for later use within CCWA’s service area, and (iii) the transfer and conveyance of Nonproject Water through the SWP for delivery to CCWA’s service area—~~all~~ by Participants and as may be permitted by the SWP Contract.

~~These Transfer Rules do not apply to the permanent transfer of “Project Allotment,” as that term is defined in each Water Supply Agreement.~~

The purpose of these Transfer Rules is to implement the Water Management Amendment. These Transfer Rules are intended to be consistent with all applicable contracts, including all provisions of the SWP Contract and each Participant’s Water Supply Agreement, and are not intended to modify the terms and conditions of any contract. In the event of a conflict between these Transfer Rules and any applicable contract, the terms and conditions of the contract shall prevail.

B. Prioritize Needs of Participants

For the purposes of implementing the Water Management Amendment, CCWA will endeavor to meet the needs of its Participants before transferring available Project Water to third parties. Therefore, if any Participant plans to transfer Project Water, either to acquire additional supplies or to sell surplus supplies, CCWA will attempt to meet the needs of the Participants first, before entering into transactions outside the CCWA service area.

C. Compliance With All Obligations and Laws

All CCWA and Participant transfers and exchanges shall be carried out consistent with all applicable requirements and obligations, including but not limited to these Transfer Rules, the SWP Contract, each Participant’s Water Supply Agreement, Resolution No. 2021-01, and all applicable laws, including but not limited to the California Environmental Quality Act (CEQA).

³ The 1996 Transfer Procedures is attached as Appendix C.

D. ~~Standardized~~ Notices, Forms and Contracts

The Executive Director may, in his/her discretion, develop standardized notices, forms and contracts as may be necessary or convenient to implement these Transfer Rules. These Transfer Rules refer to several such notices, forms and contracts by title. However, these titles are for convenience only and may change over time without amendment of these Transfer Rules. Further, CCWA retains all discretion to modify the terms, conditions and other provisions of such notices, forms and contracts in the future as necessary or convenient.²⁴

All notices required by these Transfer Rules shall be in writing and shall be transmitted by electronic mail.

²⁴ The various forms and contracts referenced in these Transfer Rules are listed in **Appendix A**.

III. TRANSFERS AND EXCHANGES BETWEEN/AMONG PARTICIPANTS

A. Project Water Freely Transferrable Within CCWA

Participants may transfer or exchange Project Water between or among themselves. CCWA is not, and will not be, a party to any agreement that may exist involving such transfers and exchanges and is not responsible for any terms or conditions of such agreement.

CCWA approval is not required for any transfer or exchange between or among Participants, but the Participant that sells some or all of its Project Water (**Participant Seller**) must communicate the terms and conditions of the transfer or exchange to CCWA so that CCWA may account for and implement the transfer or exchange. Unless otherwise agreed by the Participant Seller and the Participant that purchases Project Water (**Participant Buyer**), CCWA staff will take direction from the Participant Seller.

B. Procedures for ~~Internal~~ Transfers of Project Water Between or Among Participants

At any time, a Participant may notify CCWA of its intention to buy or sell Project Water ~~to one or more other Participants.~~⁵ CCWA will maintain a record of this information, distribute it to all Participants at least quarterly (every three months), and endeavor to timely process all such requests within CCWA.

The procedure for communicating and directing CCWA to affect a one-time ~~internal~~ transfer or exchange between or among Participants is as follows:

- The Participant Seller will complete ~~a Water~~ the Internal Transfer Form. This form requires the signatures of both the Participant Seller and Participant Buyer as well as the volume of Project Water planned for transfer and the planned date of the transfer. All requests must be submitted to CCWA a reasonable amount of time before the planned date of transfer.
- CCWA staff will verify that the Participant Seller has the volume of water available to complete the transfer. The verification will be completed by at least two CCWA staff members. One staff to process the request and a second staff member for quality control review.
- CCWA staff will update the **Delivery Status Report** to reflect the transfer, complete CCWA's portion of the Water Transfer Form, and will return the completed Water Transfer Form to the Participant Seller and Participant Buyer. This will serve as confirmation that the transfer is complete.

IV. TRANSFERS AND EXCHANGES WITH PARTIES OUTSIDE CCWA'S SERVICE AREA

The SWP Contract permits various transfers and exchanges, such as: balanced and unbalanced exchanges of Project Water between and among SWP Contractors, transfers (purchases and sales) of

⁵ Pursuant to Section 17 of the Water Supply Agreements, Participants may request that CCWA transfer unutilized Project Allotment to other Participants. In such circumstance, the procedures set forth in Section 17 of the Water Supply Agreements and the 1996 Water Transfer Procedures apply.

Project Water between and among SWP Contractors, the transfer and conveyance of Nonproject Water through the SWP, and the temporary delivery and storage of Project Water in a groundwater storage program, project surface conservation facility or nonproject surface storage facility located outside a SWP Contractor's service area.

A. Exchanges

CCWA will process all Participant requests for balanced and unbalanced exchanges in favor of the Participant (i.e., a greater quantity of water will be transferred to the Participant during the term of the transaction) using the same procedures that apply to the purchase of Supplemental Water. (See Section IV.B.)

CCWA will process all Participant requests for unbalanced exchanges in favor of a third party (i.e., a greater quantity of water will be transferred to the third party during the term of the transaction) using the same procedures that apply to the sale of Surplus Water. (See Section IV.C.)

Exchanges do not require compliance with Resolution No. 21-01.

B. Supplemental Water Purchases

As described in Section ~~II.B~~,III.B CCWA will maintain and regularly update a schedule of all Participant requests to buy Supplemental Water and to sell Surplus Water. If a Participant elects to purchase Supplemental Water, CCWA will assist in transferring the Supplemental Water, either through the SWPP or directly with the individual Participant, as further described in this Section.

1. CCWA's Supplemental Water Purchase Program

Any Participant that elects to retain CCWA's services in identifying and facilitating the purchase of Supplemental Water (**SWPP Participant**) must first execute a **SWPP Participation Agreement**. SWPP Participants may execute the SWPP Participation Agreement at any time and may remain in the SWPP from year to year. As described in the SWPP Participation Agreement, SWPP Participants share in any costs and liabilities of the program. Generally, SWPP costs are allocated among the SWPP Participants pro-rata on an annual basis.

From time to time, CCWA will make opportunities to purchase Project Water or Nonproject Water available to the SWPP Participants. If a SWPP Participant elects to purchase a particular supply, the SWPP Participant must execute a **Purchase Agreement** with CCWA for that water supply. As described in the Purchase Agreement, any SWPP Participants that execute a Purchase Agreement (**Project Participant(s)**) will share in any costs and liabilities of the particular transaction. CCWA will contract with the third-party seller on behalf of the Project Participant(s).

As described in the Purchase Agreement, the Project Participant agrees to fully indemnify and defend CCWA and all other Participants that are not Project Participants (**Non-Project Participants**) from all liability associated with the transaction.

Project Participants are responsible for compliance with CEQA and Article 57(g) of the SWP Contract. (See Appendix A: The Water Management Amendment.)

2. Participant Purchases Outside the Purchase Program

Participants that purchase Supplemental Water supplies outside of the SWPP must execute an Assistance Agreement with CCWA.

In this context, the Participant, and not CCWA, will contract directly with the third-party seller for the transfer and delivery of the Supplemental Water. As described in the Assistance Agreement, CCWA will assist the Participant in facilitating the transfer and delivery of the supply, including all communications with DWR, but otherwise will not be responsible for ensuring compliance with the terms and conditions of the transfer. Further, the Participant agrees to fully indemnify and defend CCWA and all other Participants from all liability associated with the transaction.

C. Surplus Water Transfers

As described in Section II.B, CCWA will maintain and regularly update a schedule of all Participant requests to buy Supplemental Water and to sell Surplus Water. If a Participant elects to sell Surplus Water, CCWA will assist in transferring the Surplus Water, either through the SWTP or directly with the individual Participant, as further described in this Section.

1. CCWA's Surplus Water Transfer Program

All Participants that wish to retain CCWA's services in identifying and facilitating the sale of Surplus Water must execute a SWTP Participation Agreement. Participants may execute the SWTP Participation Agreement at any time and may remain in the SWTP from year to year. As described in the SWTP Participation Agreement, SWTP Participants share in any costs and liabilities of the program. Generally, SWTP costs are allocated among the SWTP Participants pro-rata on an annual basis.

From time to time, CCWA will make the opportunity to sell Surplus Water available to the SWTP Participants. If a SWTP Participant elects to sell Surplus Water, the SWTP Participant must execute a **Sale Agreement** with CCWA for that supply. As described in the Participation Agreement, any SWTP Participants that execute a Sale Agreement (**Project Participant(s)**) will share in any costs and liabilities of the particular transaction. CCWA will contract with the third-party buyer on behalf of the Project Participant.

As described in the Sale Agreement, the Project Participant agrees to fully indemnify and defend CCWA and all other Participants that are not Project Participants (**Non-Project Participants**) from all liability associated with the transaction.

Project Participants are responsible for compliance with CEQA and Article 57(g) of the SWP Contract. ~~(See Appendix A.)~~

2. Participant Transfers Outside of Transfer Program

Participants that plan to sell Surplus Water outside of the SWTP must first execute an Assistance Agreement with CCWA.

In this context, the Participant, and not CCWA, will contract directly with the third-party buyer for the transfer and delivery of the Surplus Water. As described in the Assistance Agreement, CCWA will assist the Participant in facilitating the transfer and delivery of the Surplus Water, including all

communications with DWR, but otherwise will not be responsible for ensuring compliance with the terms and conditions of the transfer. Further, the Participant agrees to fully indemnify and defend CCWA and all other Participants from all liability associated with the transaction.

3. Article 56 Carryover Water

Article 56 of the SWP Contract allows SWP Contractors to carryover into storage at San Luis Reservoir a portion of the SWP Contractor's "Table A Amount" that was not delivered in the prior year (**Carryover Water**). Further, the SWP Contract allows SWP Contractors to transfer or exchange a portion, depending on DWR's final water supply allocation, of its Carryover Water. ~~(See Appendix A: Article 56(c).)~~⁶

On or about January 15 of each year, DWR determines each SWP Contractor's maximum amount of Carryover Water based on the availability of storage in San Luis Reservoir. After receipt of DWR's calculation of CCWA's Carryover Water, CCWA will calculate each Participant's pro-rata share of CCWA's Carryover Water based on each Participant's use of Project Water in the prior year and notify the Participants of the amount allocated to them.

Participants may elect to take delivery of any portion of their allocated share of the CCWA Carryover Water and may transfer or exchange up to 50% of their allocated share of the CCWA Carryover Water. By **April 15**, Participants shall give CCWA notice of their election to transfer or exchange any Carryover Water.

If, after April 15, the total amount of Carryover Water requested to be transferred or exchanged by all Participants is less than the amount available for transfer or exchange by CCWA (e.g., less than 50% of CCWA's Carryover Water),³⁷ CCWA will notify the Participants who requested to transfer a portion of their allocated share of CCWA's Carryover Water of the opportunity to transfer or exchange additional quantities of the Carryover Water allocated to them. By **April 30**, the requesting Participants shall give CCWA notice of their election to transfer or exchange additional quantities of Carryover Water. The requesting Participants will share in the balance of the available transfer capacity (up to 50% of CCWA's Carryover Water) pro-rata based on each Participant's Project Allocation, as provided in each Participant's Water Supply Agreement.

Example:

Assume the CCWA's Carryover Water is 20,000 AF for the year and therefore that CCWA is permitted to transfer or exchange 10,000 AF for the year.

If Participants A, B and C collectively request transfer of 8,000 AF of CCWA's Carryover Water, CCWA will allocate the remaining additional transfer capacity (2,000 AF) to Participants A, B and C pro-rata based on each Participant's Project Allotment.

⁶ See Appendix B: Article 56(c).

³⁷ The SWP Contractor may request from DWR an exception to the 50% limitation. (See Article 56(c)(4)(iii).) If DWR grants an exception, the approved percentage shall apply for purposes of implementing this Section ~~IV.C.4~~IV.C.3.

4. Procedure for Compliance with Resolution No. 21-01

As described in Section I above, the transfer of Project Water for use outside Santa Barbara County is subject to Resolution No. 21-01. Although CCWA will assist the Participant Seller with coordination among the Participants, compliance with Resolution No. 21-01 is the sole responsibility of the Participant Seller. Early and regular communication between the Participant Seller and the other Participants is encouraged.

Because the SWP Contract permits multi-year transfers and exchanges, a Participant Seller may elect to enter into a long-term contract that includes one or more transfers and/or exchanges over multiple years. In this circumstance, Resolution No. 21-01 applies to the entire transaction, not to each transfer and/or exchange that is performed as part of the multi-year transaction. Accordingly, the Participants' ROFR occurs only once—at the time the multi-year transaction is first proposed.

The Resolution No. 21-01 applies only to a Participant's transfer of Project Water to a third party for use outside of Santa Barbara County. It does not apply to exchanges or to the temporary delivery of Project Water to a groundwater storage program or facility outside of Santa Barbara County for later use within CCWA's service area.

a. *Participant Seller to Give Notice of Sale Terms and Set Deadlines*

Upon execution of a letter of intent, term sheet, or other document that memorializes the essential key terms and conditions (~~Sale Terms~~) of a transfer of Project Water from a Participant Seller to a third-party buyer—i.e., quantity, price and duration (Sale Terms), the Participant Seller shall promptly provide all of the following to all other Participants: (i) notice of the ~~propose~~proposed transfer of Project Water (**Notice of Transfer**), (ii) the Sale Terms, (iii) the Participant Seller's contact information, and (iv) the deadline by which any Participant must give notice of its preliminary intention to exercise its ROFR pursuant to Resolution No. 21-01, which deadline shall be **at least 10 days** from the date the Participant Seller delivers the Notice of Transfer to all other Participants.

If no Participant gives notice of its intention to exercise its ROFR, all Participants shall be deemed to have waived their ROFR and the Participant Seller may continue to process the transaction with a third party.

Notwithstanding the foregoing, if at any time the Sale Terms change materially, the Participant Seller shall comply with Resolution No. 21-01 and give notice of the new Sale Terms to all Participants in the same manner as provided in this ~~section~~Section.

b. *Exercise of ROFR*

If a Participant Buyer gives notice of its intention to exercise its ROFR pursuant to Section IV.C.4.a, it must deliver its *binding commitment* to the Sale Terms in writing to the Participant Seller's contact person(s) within **45 days of the Notice of Transfer, or such other period to which the Participant Seller and Participant Buyer may agree**. The Participant Seller and the Participant Buyer will work expeditiously to execute any desired contracts between them and comply with the procedures in Section III.

Unless otherwise agreed to in writing by the Participant Seller and Participant Buyer, if the Participant Buyer fails to deliver its binding commitment to the Sale Terms, as provided in this Section, the Participant Buyer shall be deemed to have waived its ROFR and the Participant Seller may continue to process the transaction with a third party.

D. Temporary Delivery to a Storage Program or Facility Outside Santa Barbara County

The SWP Contract permits the storing of Project Water in a groundwater storage program, project surface conservation facilities and in nonproject surface storage facilities located outside a SWP's service area for later use by the SWP Contractor within its service area.

CCWA will process the temporary transfer and delivery of Project Water to out-of-county storage ~~programs~~projects or facilities in the same manner as Participant transfers outside of CCWA's SWTP. (See Section ~~IV.C.2~~IV.C.2.)

Resolution No. 21-01 does not apply to these transactions, so long as the water temporarily stored outside of Santa Barbara County is later used within CCWA's service area.

1. Article 21 Interruptible Water

Pursuant to Article 21 of the SWP Contract, each year DWR makes available and allocates among the SWP Contractors interruptible water (**Interruptible Water**). Generally, Interruptible Water is not available for transfer or exchange, unless the acquiring SWP Contractor can demonstrate a special need for the water. In the event a Participant has a special need for the purchase of water, CCWA will assist the Participant as part of the SWPP.

However, Interruptible Water may be delivered to an alternate point of delivery temporarily, for example to a non-SWP water bank outside of Santa Barbara County. SWP Contractors make take delivery of Interruptible Water and simultaneously re-direct some portion of the Interruptible Water to another point of delivery.

DWR determines the estimated Interruptible Water available for delivery to each SWP Contractor on a weekly basis, and Interruptible Water must be taken in "real-time" by the receiving SWP Contractor. When Interruptible Water is available to CCWA, CCWA will promptly notify the Participants of their right to take delivery of their allocated share of the Interruptible Water and the deadline for any Participant to elect to take the available supply. A Participant's failure to notify CCWA of its election to take Interruptible Water forfeits the Participant's right to Interruptible Water.

If a Participant elects to take delivery of its allocated share of CCWA's Interruptible Water in a different location other than the CCWA facilities, it may do so, but only if all required approvals providing for the Participant's delivery to the alternate point of delivery and temporary storage have been obtained and all associated contracts have been executed in advance of the availability of Interruptible Water. Participants that elect to re-direct some portion of their allocated share of Interruptible Water to another point of delivery shall provide CCWA's Executive Director with copies of all required approvals and associated contracts.

Resolution No. 21-01 does not apply to the delivery of Interruptible Water because transfer of Interruptible Water out of Santa Barbara County is not permitted.

E. SBCFCWCD Execution of DWR Agreements

As the contracting party to the SWP Contract with DWR for Santa Barbara County, DWR requires SBCFCWCD's execution of all agreements with DWR required to administer any transfer or exchange involving Project Water or that utilizes the SWP for conveyance of Nonproject Water (each a **DWR Agreement**).

On behalf of Project Participants, CCWA will endeavor to secure SBCFCWCD's execution of any DWR Agreement.

V. DELIVERY OF ~~TRANSFERRED/EXCHANGED~~ WATER TO CCWA SERVICE AREA

1. Procedure

A. Delivery of Purchased Water

The procedure for the delivery of water purchased by any Participant (see Section IV.B), whether Project Water or Nonproject Water, is the same as for the delivery of each Participant's Project Allotment.⁸

B. Delivery of Transferred/Exchanged Water

The procedure for ~~requesting a~~Participants to request the return of Project Water that is stored outside CCWA's service area (see Section 0) or the delivery of ~~exchanged~~ water ~~from~~exchanged with a party outside CCWA's service area (see Section IV.A) is as follows:

- A Participant makes a request to return water to CCWA using the **Banked/Exchange Water Return Request Form**.
- If other Participants also have ~~a right~~ rights in/ to the same water ~~to be returned~~storage program or exchange transaction, CCWA will advise ~~those~~all such Participants of ~~a Participant's~~the request to return water. ~~CCWA will provide and set~~ a deadline ~~to the other~~for all such Participants ~~for adding to~~ add their request to return water. ~~If Participants are in agreement with the terms of the returned water, CCWA will formally request the return of the banked or exchanged water at the same time.~~
- CCWA will facilitate all communications with third parties and DWR and schedule all deliveries.

2. Allocation of Supply Between/Among Multiple Participants

~~CCWA will advise Participants of the total volume to be returned. The volume of returned water will be proportioned as follows:~~

~~For the first return request for the particular transfer agreement, the volume of returned water will be proportioned according to amount of initial contribution to the original water bank or exchange. For second and subsequent return request for the particular transfer agreement, the volume of returned water will be proportioned according to amount of water remaining in the water bank or exchange.~~

⁸ See Water Supply Agreement, § 4.

APPENDIX A

List of Standard Notices, Forms and Contracts

NOTE: The forms and contracts listed here are for convenience only. The titles and contents of these documents may change at any time and without amendment of the Transfer Rules.

Standard Forms:

1. Banked/Exchange Water Return Request Form
2. Delivery Status Report
3. ~~Water~~[Internal](#) Transfer Form

Standard Contracts:


1. Assistance Agreement — CCWA and a Participant
2. DWR Agreement — DWR, SBCFCWCD and another SWP Contractor
3. Purchase Agreement — CCWA and a Participant
4. Sale Agreement — CCWA and a Participant
5. SWPP Participation Agreement — CCWA and all SWPP Participants
6. SWTP Participation Agreement — CCWA and all SWTP Participants



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 18, 2024

TO: CCWA Board of Directors
FROM: Ray A. Stokes 
Executive Director
SUBJECT: 2024 Review of Personnel Policy Manual

DISCUSSION

Each year, the CCWA personnel attorney and CCWA staff review the personnel policy manual to identify needed changes based on personnel law changes and operational changes requiring changes or modifications to the manual.

Attached is a memo from the CCWA personnel attorney describing the proposed changes to the CCWA Personnel Policies and Procedures Manual.

Staff will provide an overview of the proposed changes at the Board meeting.

RECOMMENDATION

That the CCWA Board approve the proposed changes to the Personnel Policy Manual as outlined in the attached memo.

RAS

Attachment

STRADLING YOCCA CARLSON & RAUTH, P.C.

MEMORANDUM

TO: Ray Stokes, Executive Director **FILE NUMBER:** 102869-0001
FROM: Jeffrey Dinkin and Jared Speier
DATE: March 14, 2024
SUBJECT: 2024 Review of Personnel Policy Manual

We have reviewed the CCWA Personnel Policy Manual (“Manual”), consulted with Lisa Watkins, and suggest the following revisions.

1. Sick Leave. Legislation effective January 1, 2024 revised the requirements of the paid sick leave law. This requires revision to the second paragraph of Section 3.4.1 of the Manual as follows:

...

Temporary and casual employees do not accrue sick leave benefits unless, effective July 1, 2015, they work for CCWA at least 30 hours within a one year period. A temporary or casual employee who qualifies for the accrual of sick leave will accrue sick leave at the rate of 1 hour of sick leave for every 30 hours worked based on all time worked for CCWA and can begin to use accrued sick leave as of their 90 days of employment with CCWA. Temporary and casual employees are limited to the use of 24-40 hours of sick leave per year, and can only accrue and carry over 48-80 hours of sick leave.

...

2. Pregnancy-Related Disability. New federal regulations clarified an employer’s obligations in relation to accommodating a pregnant employee who is unable to perform all essential functions of her job. This requires adding a new second paragraph to Section 3.6 of the Manual as follows:

...

If medically advisable due to an employee’s pregnancy or a related medical condition, she is also eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties. Additionally, except as otherwise specifically provided in this section, generally, CCWA will treat pregnancy-related disability the same as CCWA treats other disabilities of similarly situated employees. However, even if the employee is unable to perform an essential function of her job for a temporary period due to pregnancy, childbirth or related medical condition, reasonable accommodation will be provided so long as she can perform the essential function in the near future and doing so would not cause undue hardship.

...

3. Family Bereavement Leave. To ensure that this leave provision covers the full scope of family members for whom bereavement leave may be taken. Section 3.11 of the Manual will be

SUBJECT TO ATTORNEY-CLIENT PRIVILEGE

revised to add “grandchild” to the list of covered family members.

4. Reproductive Loss Leave. . Legislation effective January 1, 2024 added reproductive loss leave as a new statutory leave entitlement for employees. Accordingly, Section 3.24 would be added to the Manual as follows:

CCWA will provide up to 5 days of reproductive loss leave following a reproductive loss event which is defined as the day or, for a multiple-day event, the final day of a failed adoption, failed surrogacy, miscarriage, stillbirth, or an unsuccessful assisted reproduction. Reproductive loss leave is unpaid. Employees can use their accrued and available paid sick leave and vacation during the leave.

The leave must be taken within 3 months of the event or within 3 months of the end date of any related leave entitlement. The days off can be nonconsecutive. If an employee experiences more than one reproductive loss leave event within a 12-month period, the total amount of the leave cannot exceed 20 days within a 12-month period.

CCWA will maintain employee confidentiality related to reproductive loss leave. Retaliation against employees for using reproductive loss leave or giving information or testimony as to their or another person’s reproductive loss leave in any inquiry or proceeding is strictly prohibited.

5. Recharge Time. To employees who are required to work overtime has sufficient time off before reporting to work, a new section would be added to provide this time buffer as follows:

3.5.1 Recharge Time

The purpose of recharge time is to allow an employee an eight (8) hour rest period before requiring them to return to work after working overtime hours.

Employees shall have an eight (8) hour period from the time overtime work is completed to the time they are required to return to work. If the eight (8) hour recharge time period extends into the employee’s next regularly scheduled workday, they shall be paid at the straight time rate of pay for the recharge time that is part of their regular workday.

6. Harassment, Discrimination and Retaliation Prevent Policy. Recent administrative guidance from the State Civil Rights Department causes a recommendation to replace the current Section 4.16 with the below provisions. However, the overall substance of the Section remains the same.

CCWA is committed to providing a workplace free of sexual harassment and discrimination (which includes harassment or discrimination based on pregnancy, childbirth, and related medical conditions) as well as unlawful harassment and discrimination based on such factors as actual or perceived race (includes traits historically associated with race including, but not limited to, hair texture and protective hairstyles such as braids, locks, and twists), color, religious creed, national origin, ancestry, age for individuals over forty years of age, physical disability, mental disability, medical condition, genetic information, marital status, sexual orientation, gender, gender identity, gender expression, citizenship status, military and veteran status, denial or use of family and medical care leave, reproductive health decision

making, and any other factor made unlawful by federal, state, or local law. CCWA strongly disapproves of and will not tolerate unlawful harassment or discrimination against employees by managers, supervisors, or co-workers, as well as by third parties in the workplace or with whom you come into contact in connection with your employment. This policy applies to all CCWA employees, paid or unpaid interns, volunteers, and any other persons providing services to CCWA pursuant to a contract.

Harassment includes verbal, physical, and visual conduct, as well as communication through electronic media of any type, that creates an intimidating, offensive or hostile working environment or interferes with work performance. Such conduct constitutes harassment when (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission to or rejection of the conduct is used as the basis for an employment decision; or (3) the harassment interferes with an employee's work performance or creates an intimidating, hostile or offensive work environment. Harassing conduct can take many forms and includes, but is not limited to, slurs, jokes, statements, gestures, pictures, or cartoons regarding an employee's sex, race, color, national origin, religion, age, physical disability, medical condition, ancestry, marital status, sexual orientation, gender, gender identity, veteran status, or other protected status.

Sexually harassing conduct in particular includes all of these prohibited actions as well as other unwelcome conduct such as requests for sexual favors, unwelcome sexual advances, verbal conduct of a sexual nature (like name calling, suggestive comments, or lewd talk) or physical conduct (including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex or any other protected basis). An employee who unlawfully harasses a co-worker may be personally liable for the harassment.

If you believe you or a co-worker has been subjected to any form of unlawful discrimination or harassment, including sexual harassment, you should immediately contact your supervisor, the Office Manager, or the Executive Director, either orally or in writing. A manager or supervisor who learns of any misconduct which may be in violation of this policy or learns of an employee's complaint or concern about a possible violation of this policy must immediately report the issue to the Office Manager or Executive Director.

Upon receipt of any complaint, CCWA will immediately undertake a prompt, impartial, and thorough investigation conducted by qualified personnel, preserving confidentiality to the extent possible. The investigation will provide all parties appropriate due process and reach reasonable conclusions based on the evidence collected, as well as determine appropriate options for remedial action to resolve the situation. If you have a complaint being investigated under this policy, you can find out about the progress of the investigation by contacting the Office Manager.

Retaliation against CCWA employees or any other person for engaging in lawful conduct or for the good faith reporting of possible acts or incidents of discrimination or harassment, as well as participation in any workplace investigation, will not be tolerated. If you believe you or a co-worker has been subjected to any form of unlawful retaliation, you should immediately contact your supervisor, the Office Manager, or the Executive Director, either orally or in writing. Upon receipt of a retaliation complaint, CCWA will undertake an

investigation consistent with the provisions of this policy. CCWA employees shown to have engaged in such retaliation will be disciplined, up to and including discharge.

All employees are required to undergo harassment prevention training as required by applicable law. This training is provided by CCWA. For more information about this training requirement, visit <https://calcivilrights.ca.gov/shpt/>.

Sexual harassment and retaliation for opposing sexual harassment or participating in investigations of sexual harassment are illegal. In addition to notifying CCWA about discrimination, harassment, or retaliation complaints, affected employees may also direct their complaints to the California Civil Rights Department (CRD) and/or United States Equal Employment Opportunity Commission (“EEOC”), which has the authority to conduct investigations of the facts. The deadline for filing complaints with the CRD is three (3) years from the date of the alleged unlawful conduct, with that deadline being extended by ninety (90) days in limited circumstances. If the CRD believes that a complaint is valid and settlement efforts fail, the CRD may seek an administrative hearing before the California Civil Rights Council (CCRC) or file a lawsuit in court. Both the CCRC and the courts have the authority to award monetary and non-monetary relief in meritorious cases. You can contact the nearest CRD office, EEOC office or the CCRC at the locations listed in CCWA’s CRD poster or by checking the state government listings online or in the local telephone directory.

7. Lactation Accommodation. Federal regulations were issued regarding the requirements association with lactation accommodation. As a result, the first sentence of Section 4/24 of the Manual would be revised as follows: “CCWA will provide a reasonable amount of break time and an appropriate location, consistent with federal, state and local requirements, to any employee desiring to express breast milk for the employee’s infant child.”

8. Appendix B – Travel and Reimbursement Expenses. This change is to address commute time for employees traveling to facilities with limited travel routes, such as the Water Treatment Plant. On occasion there are traffic delays due to roadwork, accidents, or the like that greatly increase the time of the commute. This revision allows the Executive Director or their designee to consider the extended commute time as paid travel time on a case-by-case basis. The first section of Appendix B would be revised as follows:

COMMUTE TIME

Time spent by an employee traveling to their primary work location is not counted as hours worked. However, due to the remote location of some of CCWA’s facilities, occasionally there may be extended delays in commute times due various circumstances , i.e., shutting down the road due to traffic accidents, impassible roads) When these circumstances occur, extraordinary travel time will be considered by the Executive Director or their designee on a case-by-case basis.

Pursuant to the Residency Requirements detailed in Section 4 of the CCWA Personnel Policy Manual, certain employees are required to reside within a defined area (generally 35 miles to their primary work location) to prevent detrimental impact to operations. Living beyond the defined radius requires the approval of the Executive Director or their designee. When employees are requested to report to a

location other than their primary work location, if the commute time is longer than their regular commute, the extended commute time is considered paid travel time. For employees who live outside the designated residency requirement, their regular commute time is capped at 30 minutes, and any commute to another assigned work location beyond 30 minutes is considered paid travel time as well as hours worked that should be accurately recorded on the employee's time records. Subject to the approval of the employee's supervisor, an employee commuting to another assigned work location where the commute is beyond 30 minutes may adjust their work schedule to allow the paid travel time to be within their regular work hours.

Time spent by an employee in travel as part of their principal activity, such as travel from job site to job site during the workday is counted as hours worked and should be accurately recorded on the employee's time records..

Travel Time Away from Home

If an employee attends a business meeting, training session, or any other event away from their regular work location, time spent driving, or as a passenger on an airplane, train, bus, taxi cab or car, or other mode of transportation, in traveling to and from this event, and time spent waiting to purchase a ticket, check baggage, or get on board is considered hours worked which should be accurately recorded on the employee's time records. Time spent taking a break from travel in order to eat a meal, sleep or engage in purely personal pursuits not connected with traveling to the designated location such as spending an extra day in a city before the start or following the conclusion of a conference to sightsee, going to see a friend, or going shopping, is not compensable.

TRAVEL PLANNING GUIDELINES

Employees are requested to plan travel to occur within regular scheduled work periods whenever possible. Employees are allowed to travel by commercial aircraft whenever such travel expedites the conduct of official CCWA business. CCWA employees shall travel by the least expensive class available.

Travel arrangements should be made well in advance of the planned travel date to receive the most favorable fares. Assistance in making travel arrangements can be provided by the Administrative Assistant.

Travel by private automobile will be made in accordance with the Use of Personal Vehicles Policy (Section 4.10 of the Personnel Policy Manual) and will be reimbursed in accordance with current IRS guidelines for mileage reimbursement (contact Accounting for current rate).



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 18, 2024

TO: CCWA Board of Directors
FROM: Ray A. Stokes, Executive Director
SUBJECT: Employee Benefit Adjustments

SUMMARY

On March 27, 2024 I met with employees from each CCWA department to listen to their “wish list” of new or revised benefits, some of which were specific to positions, some were based on tenure, and some were applicable not only to current staff but may be desirable to potential candidates when hiring. In considering the resulting list, and discussing it with management, we considered the costs of each listed item and the effect on CCWA operations including employee retention, attracting staff for open positions, and rewarding staff for accomplishments. We also considered the benefit packages offered by our member agencies.

There were a number of suggested benefit improvements that we felt were not appropriate for further consideration at this time. The items that are recommended for consideration and possible adoption are summarized below along with the anticipated annual cost to implement each of the changes.

These suggestions were reviewed with the Personnel Committee at its meeting on April 11, 2024. Following review, the Personnel Committee recommended Board approval.

DISCUSSION

Additional holiday All Staff and potential staff
CCWA currently offers eleven fixed and two floating holidays. The request is to add Juneteenth (June 19th) to the fixed holiday schedule. This would be in keeping with some member agencies. Juneteenth is also a federal legal holiday while California considers it a day of observation but not a paid holiday for state workers.

Since employees are entitled to be paid at time and one-half for work performed on a holiday, there would be \$1,835 financial impact in FY 2024/25. The additional holiday would also result in closure of CCWA offices on that day.

Increase Vacation Accrual Potential staff and long-term staff
CCWA currently provides the following accrual schedule for vacation: Less than 5 years of service = 10 days of vacation, less than 10 years of service = 15 days of vacation, after 10 years of service accrual increases to 20 days per year of vacation, which is the maximum amount accrued.

Two requests were made:

- Increase accrual by one day annually during first five years of service to 15 days at 5 years and 20 days at ten years of service.
- Increase vacation accrual for staff with more than 20 years of service to 25 days.

There is no immediate financial impact to providing the additional five days of vacation after 20 years as salary amounts will not change. The potential financial impact would be related to the accrued leave time for the 9 staff members who would currently benefit from this change, which totals a \$21,300 increase to the accrued leave for FY 2024/25.

The direct impact would be the loss of operational hours.

Adjust/Increase the Dental/Vision plan

All Staff

CCWA provides a self-funded Dental/Vision plan benefit to employees, with a set allowance for all staff regardless of the number of dependents covered. In FY 2023/24 the allowance amount was \$4,179. The amount changes annually based on the change in the CPI. Several suggestions were made.

- Provide a larger allowance for family coverage, \$5,000 is recommended
- Increase dependent coverage age to match Medical Insurance age (currently dental/vision coverage ends at age 21, health coverage continues to age 26)
- Increase the amount allowed for reimbursement for glasses (currently the plan covers \$167 for frames and \$334 for lenses) – to \$250 for frames and \$500 for lenses
- Pay 100% of dental x-rays (currently the plan covers 85% of x-rays)

If the change were made to restructure to a tiered allowance and Employee + Family allowance was set to \$5,000, it would result in an increase of approximately \$10,467 to the FY 2024/25 budget.

Cost would be minimal for most of the suggested changes to the Dental/Vision allowance and would not change budgeted amounts.

Change Salary Pool calculation to CPI or 5%

All Staff

Currently the Salary Pool for employees is set to the change in the LA/Riverside Consumer Price Index (CPI) or 4%, whichever is higher. The CCWA salary pool percentage is multiplied by the current CCWA salary budget, creating a “pool” of funds to be administered by the Executive Director in the form of salary increases based on merit.

If implemented in FY 2024/25, the cost would be an additional \$38,920 to the annual budget.

Increase Night Shift Differential

WTP Operators

Treatment Plant Operators are assigned to a schedule of 12 hour rotating shifts that involve working day time hours and night time hours. Currently CCWA provides shift differential pay at 5% of the employee’s straight time rate. The suggestion is to increase night shift differential to 7.5%.

An increase to night shift to 7.5% would increase the FY 2024/25 budget \$5,805.

Include additional family members in bereavement eligibility

All Staff

Currently bereavement is limited to immediate family and grandparents and the suggestion was made to allow bereavement time for aunts, uncles and cousins.

Anticipated cost would be minimal, as most staff rarely use bereavement leave. It is unknown how much more bereavement would be used with the addition of these family classifications to the eligible family member listing.

Allow cash out for unused floating holidays

All Staff

Currently if a floating holiday is not used, the time is lost in the new calendar year. While employees are “required” to use their floating holiday, various factors sometimes prevent that from happening.

Most staff attempt to use floating holidays and there is unlikely to be any additional cost incurred as holidays are budgeted. The issue would be most impactful for shift employees who potentially have schedule issues. There would be benefit to CCWA in not having to make shift adjustments to accommodate floating holidays.

Additional Compensation for Certifications

WTP Ops, Distribution and I&C

Currently, WTP Operators are required to have T3 and Distribution Technicians are required to have D3 certification from the California Water Resources Control Board. Instrumentation & Control (I&C) staff are recommended to maintain or possess certification CCST Level 1 through International Society of Automation. The request is to provide incentive compensation for positions requiring certifications.

This would provide the succession planning benefit to CCWA of staff members with potential for advancement to lead positions, which require certification at T5 and D5 by the California Department of Drinking Water.

If CCWA were to provide a 2.5% incentive for each certification level above the requirement for the positions listed above, with a 5% maximum incentive, the additional budgeted amount would be \$34,200 in FY 2024/25.

Increase minimum pay for late night call out

Dist and I&C

Currently staff receive a minimum of one hour pay for call outs when on call. Request is to increase this to two hours if between 11:00 PM and 4:00 AM, as essentially a call out at that time of night impacts the remaining hours of sleep.

The anticipated additional annual cost would be up to \$8,000 for an increase to two hours.

| Recommended Change | Fiscal Impact | Effective Date |
|--|------------------|----------------|
| Add Juneteenth Holiday | \$ 1,835 | Immediate |
| Increase annual vacation accrual through years 1 -10 | \$ 0 | FY 2024/25 |
| Increase vacation accrual to 25 days after 20 years' service (increase in accrued liability) | \$ 21,300 | FY 2024/25 |
| Increase Dental/Vision Plan for Family Coverage to \$5,000 | \$ 10,467 | FY 2024/25 |
| Provide Dental/Vision coverage to age 26 for dependents | \$ 0 | FY 2024/25 |
| Increase reimbursement for lenses/frames | \$ 0 | FY 2024/25 |
| Fully cover dental x-rays | \$ 0 | FY 2024/25 |
| Change Salary Pool calculation to CPI or 5% | \$ 38,920 | FY 2024/25 |
| Increase Night Shift Differential | \$ 5,805 | FY 2024/25 |
| Include additional family members in bereavement eligibility | \$ 0 | Immediate |
| Allow cash out for unused floating holidays | \$ 0 | 1/1/2025 |
| Additional Compensation for Certifications | \$ 34,200 | FY 2024/25 |
| Increase minimum pay for late night call out | \$ 8,000 | FY 2024/25 |
| Total Anticipated Annual Financial Impact | \$120,527 | |

RECOMMENDATION

That the Board of Directors approve the suggestions and direct staff to work with Personnel Counsel to make appropriate changes to the CCWA Personnel Policy Manual and include the necessary amounts in the Final FY 2024/25 Budget.




CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 25, 2024

TO: CCWA Board of Directors

FROM: Ray A. Stokes
Executive Director 

SUBJECT: FY 2023/24 Third Quarter Investment Report

SUMMARY

Attached is the third quarter FY 2023/24 investment report covering the three-month period of January to March 2024. In accordance with the CCWA Statement of Investment Policy, the quarterly report includes a statement of compliance of the portfolio with the investment policy and confirmation of the Authority's ability to meet expenditure requirements for the next six months.

DISCUSSION

As of March 31, 2024 the investment portfolio totaled \$36.5 million and had an effective rate of return of 5.30% on an average daily balance for the month of March 2024 of about \$37.4 million. The investments were comprised of Montecito Bank & Trust money market accounts (\$1.2 million), and Charles Schwab market funds (\$35.3 million).

All investments during the quarter complied with the CCWA investment policy provisions.

CASH MANAGEMENT PRO FORMA PROJECTIONS

Current pro forma projections indicate that the Authority will have sufficient cash with which to operate for the next six months.

RECOMMENDATION

That the Board of Directors approve the third quarter FY 2023/24 investment report.

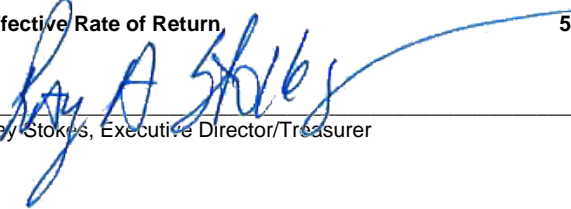
RAS
Attachments



Investment Portfolio Portfolio Management Portfolio Summary March 31, 2024

| Investments | Par Value | Market Value | Book Value | % of Portfolio | Term | Days to Maturity | YTM 360 Equiv. | YTM 365 Equiv. |
|------------------------------------|----------------------|----------------------|----------------------|----------------|----------|------------------|----------------|----------------|
| Pool-Money Market Accounts | 1,187,070.20 | 1,187,070.20 | 1,187,070.20 | 3.25 | 1 | 1 | 1.677 | 1.700 |
| Treasury Money Market fund account | 35,325,125.89 | 35,325,125.89 | 35,325,125.89 | 96.75 | 1 | 1 | 5.099 | 5.170 |
| Investments | 36,512,196.09 | 36,512,196.09 | 36,512,196.09 | 100.00% | 1 | 1 | 4.988 | 5.057 |

| Total Earnings | March 31 Month Ending | Fiscal Year To Date |
|---------------------------------|-----------------------|---------------------|
| Current Year | 168,503.70 | 2,022,115.36 |
| Average Daily Balance | 37,446,666.97 | |
| Effective Rate of Return | 5.30% | |



 _____ April 16, 2024

Ray Stokes, Executive Director/Treasurer



Investment Pool
Total Return
Sorted by Fund - Investment Number
March 1, 2024 - March 31, 2024
Yield on Time Weighted Value

| CUSIP | Investment # | Fund | Investment Class | Beginning Invested Value | Time Weighted Invested Value | Ending Invested Value | Maturity Date | Current Rate | Total Return | Investment Income | | |
|--|--------------|--------|------------------|--------------------------|------------------------------|-----------------------|---------------|--------------|--------------|-------------------|---------------------|-----------------------|
| | | | | | | | | | | Interest Earned | Adjustment in Value | Net Investment Income |
| Fund: General Account | | | | | | | | | | | | |
| SYS10.0000 | 10.0000 | 0000 | Amortized | 9,804,497.54 | 9,314,635.25 | 9,291,687.22 | | 5.120 | 5.119 | 40,497.16 | 0.00 | 40,497.16 |
| | | | Subtotal | 9,804,497.54 | 9,314,635.25 | 9,291,687.22 | | | 5.119 | 40,497.16 | 0.00 | 40,497.16 |
| Fund: Credits Payable | | | | | | | | | | | | |
| SYS70.BUEL | 70.BUEL | CREDIT | Amortized | 1.43 | 1.42 | 1.19 | | 8.234 | 8.279 | 0.01 | 0.00 | 0.01 |
| SYS70.CARP | 70.CARP | CREDIT | Amortized | 5,314.00 | 5,314.70 | 5,335.60 | | 5.120 | 5.120 | 23.11 | 0.00 | 23.11 |
| SYS70.CHORRO | 70.CHORRO | CREDIT | Amortized | 4,243.13 | 4,243.66 | 4,259.49 | | 5.120 | 5.119 | 18.45 | 0.00 | 18.45 |
| SYS70.GOLETA | 70.GOLETA | CREDIT | Amortized | 10,207.94 | 10,209.21 | 10,247.26 | | 5.120 | 5.119 | 44.39 | 0.00 | 44.39 |
| SYS70.GUAD | 70.GUAD | CREDIT | Amortized | - | - | - | | 5.085 | 5.021 | - | 0.00 | - |
| SYS70.LACUMB | 70.LACUMB | CREDIT | Amortized | 3.65 | 3.69 | 4.80 | | 6.452 | 6.387 | 0.02 | 0.00 | 0.02 |
| SYS70.LOPEZ | 70.LOPEZ | CREDIT | Amortized | 9,221.05 | 9,222.20 | 9,256.58 | | 5.120 | 5.120 | 40.10 | 0.00 | 40.10 |
| SYS70.MONT | 70.MONT | CREDIT | Amortized | 5,705.63 | 5,706.40 | 5,729.63 | | 5.120 | 5.119 | 24.81 | 0.00 | 24.81 |
| SYS70.MORHRT | 70.MORHRT | CREDIT | Amortized | 844.63 | 844.73 | 847.88 | | 5.116 | 5.115 | 3.67 | 0.00 | 3.67 |
| SYS70.SBAR | 70.SBAR | CREDIT | Amortized | 6.20 | 6.26 | 8.15 | | 5.697 | 5.640 | 0.03 | 0.00 | 0.03 |
| SYS70.SBRC | 70.SBRC | CREDIT | Amortized | 124.12 | 124.14 | 124.60 | | 5.123 | 5.122 | 0.54 | 0.00 | 0.54 |
| SYS70.SHAN | 70.SHAN | CREDIT | Amortized | 1,103.09 | 1,103.23 | 1,107.36 | | 5.123 | 5.123 | 4.80 | 0.00 | 4.80 |
| SYS70.SLOC | 70.SLOC | CREDIT | Amortized | -0.09 | -0.09 | -0.09 | | 0.698 | | 0.00 | 0.00 | 0.00 |
| SYS70.SMARIA | 70.SMARIA | CREDIT | Amortized | 27.06 | 27.33 | 35.57 | | 5.221 | 5.169 | 0.12 | 0.00 | 0.12 |
| SYS70.SOCAL | 70.SOCAL | CREDIT | Amortized | - | - | - | | 4.474 | 4.418 | - | 0.00 | - |
| SYS70.SOLV | 70.SOLV | CREDIT | Amortized | 10.26 | 10.36 | 13.48 | | 4.590 | 4.544 | 0.04 | 0.00 | 0.04 |
| SYS70.SYNEZ | 70.SYNEZ | CREDIT | Amortized | 141,606.66 | 141,624.27 | 142,152.52 | | 5.120 | 5.119 | 615.73 | 0.00 | 615.73 |
| SYS70.VAFB | 70.VAFB | CREDIT | Amortized | 30,731.14 | 30,734.98 | 30,850.07 | | 5.120 | 5.119 | 133.63 | 0.00 | 133.63 |
| | | | Subtotal | 209,149.99 | 209,176.58 | 209,974.18 | | | 5.119 | 909.45 | 0.00 | 909.45 |
| Fund: DWR & Warren Act Deposits | | | | | | | | | | | | |
| SYS60.BUEL | 60.BUEL | DWR | Amortized | 100,627.35 | 108,469.46 | 90,162.02 | | 5.120 | 5.119 | 471.58 | 0.00 | 471.58 |
| SYS60.CARP | 60.CARP | DWR | Amortized | 509,456.77 | 509,399.91 | 420,860.44 | | 5.120 | 5.119 | 2,214.67 | 0.00 | 2,214.67 |
| SYS60.GOLETA | 60.GOLETA | DWR | Amortized | 1,208,102.49 | 1,189,743.28 | 993,732.15 | | 5.120 | 5.119 | 5,172.53 | 0.00 | 5,172.53 |
| SYS60.GUAD | 60.GUAD | DWR | Amortized | 79,787.84 | 89,724.32 | 84,927.99 | | 5.120 | 5.119 | 390.08 | 0.00 | 390.08 |
| SYS60.LACUMB | 60.LACUMB | DWR | Amortized | 127,612.08 | 146,083.94 | 218,801.36 | | 5.120 | 5.119 | 635.10 | 0.00 | 635.10 |
| SYS60.MONT | 60.MONT | DWR | Amortized | 798,602.29 | 783,329.63 | 643,369.30 | | 5.120 | 5.119 | 3,405.61 | 0.00 | 3,405.61 |

Investment Pool
Total Return
Sorted by Fund - Investment Number

| CUSIP | Investment # | Fund | Investment Class | Beginning Invested Value | Time Weighted Invested Value | Ending Invested Value | Maturity Date | Current Rate | Total Return | Investment Income | | |
|--|--------------|--------|------------------|--------------------------|------------------------------|-----------------------|---------------|--------------|--------------|-------------------|---------------------|-----------------------|
| | | | | | | | | | | Interest Earned | Adjustment in Value | Net Investment Income |
| Fund: DWR & Warren Act Deposits | | | | | | | | | | | | |
| SYS60.MORHRT | 60.MORHRT | DWR | Amortized | 34,771.58 | 47,281.87 | 43,812.22 | | 5.120 | 5.119 | 205.56 | 0.00 | 205.56 |
| SYS60.SBAR | 60.SBAR | DWR | Amortized | 813,203.84 | 797,931.62 | 657,984.49 | | 5.120 | 5.119 | 3,469.10 | 0.00 | 3,469.10 |
| SYS60.SBRC | 60.SBRC | DWR | Amortized | 175,439.20 | 175,909.35 | 174,529.95 | | 5.120 | 5.119 | 764.80 | 0.00 | 764.80 |
| SYS60.SMARIA | 60.SMARIA | DWR | Amortized | 2,717,860.25 | 2,726,840.11 | 2,617,653.70 | | 5.120 | 5.119 | 11,855.11 | 0.00 | 11,855.11 |
| SYS60.SOCAL | 60.SOCAL | DWR | Amortized | 90,783.21 | 94,843.66 | 87,318.71 | | 5.120 | 5.119 | 412.34 | 0.00 | 412.34 |
| SYS60.SOLV | 60.SOLV | DWR | Amortized | 281,595.78 | 280,546.57 | 224,020.54 | | 5.120 | 5.119 | 1,219.70 | 0.00 | 1,219.70 |
| SYS60.SYNEZ | 60.SYNEZ | DWR | Amortized | 121,164.03 | 137,179.49 | 176,452.47 | | 5.120 | 5.119 | 596.41 | 0.00 | 596.41 |
| SYS60.VAFB | 60.VAFB | DWR | Amortized | 2,383,292.65 | 2,357,369.44 | 2,108,853.00 | | 5.120 | 5.119 | 10,249.04 | 0.00 | 10,249.04 |
| | | | Subtotal | 9,442,299.36 | 9,444,652.65 | 8,542,478.34 | | | 5.119 | 41,061.63 | 0.00 | 41,061.63 |
| Fund: Escrow Deposits | | | | | | | | | | | | |
| SYS65.MORHRT | 65.MORHRT | ESCROW | Amortized | 416,793.60 | 416,850.40 | 418,554.52 | | 5.120 | 5.119 | 1,812.34 | 0.00 | 1,812.34 |
| SYS65.SBRC | 65.SBRC | ESCROW | Amortized | 110,979.38 | 110,994.51 | 111,448.50 | | 5.120 | 5.119 | 482.57 | 0.00 | 482.57 |
| | | | Subtotal | 527,772.98 | 527,844.91 | 530,003.02 | | | 5.119 | 2,294.91 | 0.00 | 2,294.91 |
| Fund: DWR Reserve Fund | | | | | | | | | | | | |
| SYS45.AVBCH | 45.AVBCH | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.364 | | 0.00 | 0.00 | 0.00 |
| SYS45.AVLWTR | 45.AVLWTR | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.576 | | 0.00 | 0.00 | 0.00 |
| SYS45.BUEL | 45.BUEL | NARES | Amortized | 139,138.09 | 139,156.95 | 139,722.77 | | 5.120 | 5.119 | 605.01 | 0.00 | 605.01 |
| SYS45.CAMC | 45.CAMC | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.349 | | 0.00 | 0.00 | 0.00 |
| SYS45.CARP | 45.CARP | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.359 | | 0.00 | 0.00 | 0.00 |
| SYS45.CUESTA | 45.CUESTA | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.300 | | 0.00 | 0.00 | 0.00 |
| SYS45.GOLETA | 45.GOLETA | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.359 | | 0.00 | 0.00 | 0.00 |
| SYS45.GUAD | 45.GUAD | NARES | Amortized | 146,997.41 | 147,017.38 | 147,616.49 | | 5.120 | 5.119 | 639.19 | 0.00 | 639.19 |
| SYS45.LACUMB | 45.LACUMB | NARES | Amortized | 199,891.62 | 199,918.39 | 200,721.53 | | 5.120 | 5.119 | 869.19 | 0.00 | 869.19 |
| SYS45.MONT | 45.MONT | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.359 | | 0.00 | 0.00 | 0.00 |
| SYS45.MORBAY | 45.MORBAY | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.359 | | 0.00 | 0.00 | 0.00 |
| SYS45.MORHRT | 45.MORHRT | NARES | Amortized | 51,287.08 | 51,293.93 | 51,499.52 | | 5.120 | 5.119 | 223.01 | 0.00 | 223.01 |
| SYS45.OCEANO | 45.OCEANO | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.352 | | 0.00 | 0.00 | 0.00 |
| SYS45.PISMO | 45.PISMO | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.365 | | 0.00 | 0.00 | 0.00 |
| SYS45.SBAR | 45.SBAR | NARES | Amortized | 449,440.80 | 449,502.03 | 451,338.84 | | 5.120 | 5.119 | 1,954.30 | 0.00 | 1,954.30 |
| SYS45.SBRC | 45.SBRC | NARES | Amortized | 12,821.34 | 12,823.04 | 12,874.19 | | 5.120 | 5.119 | 55.75 | 0.00 | 55.75 |
| SYS45.SHAN | 45.SHAN | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.305 | | 0.00 | 0.00 | 0.00 |
| SYS45.SLOC | 45.SLOC | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.347 | | 0.00 | 0.00 | 0.00 |
| SYS45.SLSCHL | 45.SLSCHL | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 2.931 | | 0.00 | 0.00 | 0.00 |
| SYS45.SMARIA | 45.SMARIA | NARES | Amortized | 4,385,432.02 | 4,386,027.80 | 4,403,901.23 | | 5.120 | 5.119 | 19,069.19 | 0.00 | 19,069.19 |

Investment Pool
Total Return
Sorted by Fund - Investment Number

| CUSIP | Investment # | Fund | Investment Class | Beginning Invested Value | Time Weighted Invested Value | Ending Invested Value | Maturity Date | Current Rate | Total Return | Investment Income | | | |
|---|--------------|-------|------------------|--------------------------|------------------------------|-----------------------|---------------|--------------|--------------|-------------------|---------------------|-----------------------|------------------|
| | | | | | | | | | | Interest Earned | Adjustment in Value | Net Investment Income | |
| Fund: DWR Reserve Fund | | | | | | | | | | | | | |
| SYS45.SMGLTO | 45.SMGLTO | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.322 | | | 0.00 | 0.00 | 0.00 |
| SYS45.SOCAL | 45.SOCAL | NARES | Amortized | 95,760.37 | 95,773.46 | 96,166.22 | | 5.120 | 5.119 | | 416.40 | 0.00 | 416.40 |
| SYS45.SOLV | 45.SOLV | NARES | Amortized | 383,398.15 | 383,449.84 | 385,000.40 | | 5.120 | 5.119 | | 1,667.13 | 0.00 | 1,667.13 |
| SYS45.SYNEZ | 45.SYNEZ | NARES | Amortized | 131,197.23 | 131,215.48 | 131,762.91 | | 5.120 | 5.119 | | 570.49 | 0.00 | 570.49 |
| SYS45.VAFB | 45.VAFB | NARES | Amortized | 0.00 | 0.00 | 0.00 | | 3.359 | | | 0.00 | 0.00 | 0.00 |
| Subtotal | | | | 5,995,364.11 | 5,996,178.30 | 6,020,604.10 | | | 5.119 | | 26,069.66 | 0.00 | 26,069.66 |
| Fund: O&M Reserve Fund | | | | | | | | | | | | | |
| 35.BUEL | 35.BUEL | O&M | Amortized | 29,701.77 | 29,705.83 | 29,827.65 | | 5.120 | 5.119 | | 129.15 | 0.00 | 129.15 |
| 35.CARP | 35.CARP | O&M | Amortized | 106,424.75 | 106,439.21 | 106,872.96 | | 5.120 | 5.119 | | 462.77 | 0.00 | 462.77 |
| 35.GOLETA | 35.GOLETA | O&M | Amortized | 239,457.71 | 239,490.24 | 240,466.18 | | 5.120 | 5.119 | | 1,041.23 | 0.00 | 1,041.23 |
| 35.GUAD | 35.GUAD | O&M | Amortized | 28,262.94 | 28,266.80 | 28,382.72 | | 5.120 | 5.119 | | 122.90 | 0.00 | 122.90 |
| 35.LACUMB | 35.LACUMB | O&M | Amortized | 51,382.16 | 51,389.19 | 51,600.19 | | 5.120 | 5.119 | | 223.43 | 0.00 | 223.43 |
| 35.MONT | 35.MONT | O&M | Amortized | 160,125.23 | 160,146.98 | 160,799.59 | | 5.120 | 5.119 | | 696.27 | 0.00 | 696.27 |
| 35.MORHRT | 35.MORHRT | O&M | Amortized | 10,642.18 | 10,643.63 | 10,687.00 | | 5.120 | 5.120 | | 46.28 | 0.00 | 46.28 |
| 35.SBAR | 35.SBAR | O&M | Amortized | 154,164.08 | 154,185.18 | 154,818.25 | | 5.120 | 5.119 | | 670.35 | 0.00 | 670.35 |
| 35.SBRC | 35.SBRC | O&M | Amortized | 2,660.61 | 2,660.97 | 2,671.82 | | 5.120 | 5.119 | | 11.57 | 0.00 | 11.57 |
| 35.SMARIA | 35.SMARIA | O&M | Amortized | 842,574.73 | 842,689.67 | 846,137.83 | | 5.120 | 5.119 | | 3,663.77 | 0.00 | 3,663.77 |
| 35.SOCAL | 35.SOCAL | O&M | Amortized | 25,694.01 | 25,697.53 | 25,803.04 | | 5.120 | 5.119 | | 111.73 | 0.00 | 111.73 |
| 35.SOLV | 35.SOLV | O&M | Amortized | 77,080.74 | 77,091.28 | 77,407.42 | | 5.120 | 5.119 | | 335.17 | 0.00 | 335.17 |
| 35.SYNEZ | 35.SYNEZ | O&M | Amortized | 26,606.15 | 26,609.76 | 26,718.20 | | 5.120 | 5.119 | | 115.69 | 0.00 | 115.69 |
| 35.VAFB | 35.VAFB | O&M | Amortized | 292,687.79 | 292,727.55 | 293,920.44 | | 5.120 | 5.119 | | 1,272.69 | 0.00 | 1,272.69 |
| Subtotal | | | | 2,047,464.85 | 2,047,743.82 | 2,056,113.29 | | | 5.119 | | 8,903.00 | 0.00 | 8,903.00 |
| Fund: Rate Coverage Reserve Fund | | | | | | | | | | | | | |
| 40.BUEL | 40.BUEL | RATE | Amortized | 275,975.78 | 276,013.51 | 277,145.40 | | 5.120 | 5.119 | | 1,200.03 | 0.00 | 1,200.03 |
| 40.CARP | 40.CARP | RATE | Amortized | 893,938.59 | 894,060.04 | 897,703.41 | | 5.120 | 5.119 | | 3,887.12 | 0.00 | 3,887.12 |
| 40.GUAD | 40.GUAD | RATE | Amortized | 192,614.93 | 192,641.24 | 193,430.62 | | 5.120 | 5.119 | | 837.55 | 0.00 | 837.55 |
| 40.LACUMB | 40.LACUMB | RATE | Amortized | 401,983.68 | 402,038.70 | 403,689.43 | | 5.120 | 5.119 | | 1,747.95 | 0.00 | 1,747.95 |
| 40.MONT | 40.MONT | RATE | Amortized | 1,553,310.12 | 1,553,521.14 | 1,559,851.87 | | 5.120 | 5.119 | | 6,754.26 | 0.00 | 6,754.26 |
| 40.OCEANO | 40.OCEANO | RATE | Amortized | - | - | - | | 0.631 | | | 0.00 | 0.00 | 0.00 |
| 40.SHAN | 40.SHAN | RATE | Amortized | 16,332.97 | 16,335.19 | 16,401.75 | | 5.120 | 5.119 | | 71.02 | 0.00 | 71.02 |
| 40.SMARIA | 40.SMARIA | RATE | Amortized | 5,371,872.02 | 5,372,601.81 | 5,394,495.60 | | 5.120 | 5.119 | | 23,358.52 | 0.00 | 23,358.52 |
| 40.SOLV | 40.SOLV | RATE | Amortized | 634,663.63 | 634,750.40 | 637,353.42 | | 5.120 | 5.119 | | 2,759.71 | 0.00 | 2,759.71 |
| 40.SYNEZ | 40.SYNEZ | RATE | Amortized | 479,248.86 | 479,313.97 | 481,267.21 | | 5.120 | 5.119 | | 2,083.92 | 0.00 | 2,083.92 |
| Subtotal | | | | 9,819,940.54 | 9,821,275.96 | 9,861,338.67 | | | 5.119 | | 42,700.08 | 0.00 | 42,700.08 |

**Investment Pool
Total Return
Sorted by Fund - Investment Number**

| CUSIP | Investment # | Fund | Investment Class | Beginning Invested Value | Time Weighted Invested Value | Ending Invested Value | Maturity Date | Current Rate | Total Return | Investment Income | | |
|-------|--------------|------|------------------|--------------------------|------------------------------|-----------------------|-----------------------|---------------|--------------|-------------------|---------------------|-----------------------|
| | | | | | | | | | | Interest Earned | Adjustment in Value | Net Investment Income |
| | | | Total | 37,846,489.39 | 37,361,507.49 | 36,512,198.84 | | | 5.119 | 162,435.89 | 0.00 | 162,435.89 |
| | | | | | | | Components of Return: | Interest: | 5.119 | | | |
| | | | | | | | | Amortization: | | | | |
| | | | | | | | | Market Value: | | | | |



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 25, 2024

TO: CCWA Board of Directors

FROM: Dessi Mladenova
Controller

SUBJECT: Annual Review of the CCWA Investment Policy

SUMMARY

Section XV of the CCWA Investment Policy states the "...investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return, and its relevance to current law and financial and economic trends."

This memo is intended to provide the Board of Directors an opportunity to review the attached CCWA Investment Policy and consider changes to the policy as appropriate.

DISCUSSION

The CCWA Investment Policy is prepared in conformance with Government Code Section 53630-53686 which addresses investment of surplus funds by local government agencies. There have been no significant changes in Government Code Section 53630-53686 since the last review of the CCWA Investment Policy.

DHM

Attachment

CENTRAL COAST WATER AUTHORITY
STATEMENT OF INVESTMENT POLICY

I. PURPOSE:

This statement is intended to provide guidelines for the prudent investment of the Authority's cash balances, and outline the policies for maximizing the efficiency of the Authority's cash management system. The ultimate goal is to enhance the economic status of the Authority while protecting its assets.

II. SCOPE

It is intended that this policy cover all funds and investment activities under the direct authority of the Authority Board of Directors.

III. OBJECTIVES

- A. Safety. Safety of principal is the foremost objective of the Authority. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they be from securities defaults or erosion of market value.

- B. Liquidity. An adequate percentage of the portfolio should be maintained in liquid short-term securities which can be converted to cash if necessary to meet cash requirements.

- C. Yield. Yield shall become a consideration only after the basic requirements of safety and liquidity have been met.

- D. Market-Average Rate of Return. The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the Authority's risk constraints, the cash flow characteristics of the portfolio, and State and local laws, ordinances or resolutions that restrict investments.
- E. Diversification. The investment portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.
- F. Prudence. The standard of prudence to be used by investment officials shall be the "Prudent Investor Standard" per Government Code section 53600.3 which states: "care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency". This "Prudent Investor Standard" shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectation are reported in a timely fashion, and appropriate action is taken to control adverse developments.
- G. Public Trust. All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. In a diversified portfolio it must be recognized that occasional measured losses are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

IV. DELEGATION OF AUTHORITY:

A. Investment Officer. Management responsibility for the investment program is hereby delegated to the Treasurer, who shall establish written procedures for the operation of the investment program, consistent with this policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer. The Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

B.

Investment Oversight. The Board of Directors will (1) review the investment practices used by the Investment Officer for compliance with the investment policy and written procedures, (2) analyze the quarterly Treasurer's report for adherence to established guidelines and (3) review for deviations from guidelines or any practices which are deemed to be imprudent for a public agency.

V. INTERNAL CONTROLS:

The Investment Officer shall establish a system of internal controls which shall be documented in writing. The internal controls shall be reviewed with the independent auditor. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent action by employees and officers of the Authority.

VI. REPORTING:

The Investment Officer shall submit quarterly to the Board an investment report that summarizes all securities. For those securities with a maturity of more than 12 months, the type of investment, institution, date of maturity, investment amount, market value, and yield will also be provided. The Investment Officer shall also provide, on a quarterly basis, a statement of compliance of the portfolio with the Statement of Investment Policy and a statement of the Authority's ability to meet the expenditure requirements for the next six months.

VII. APPROVED INSTRUMENTS:

The Authority shall be governed by the California Government Code, Sections 53600 et seq. Where this policy specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Within the context of these limitations, the following investments are authorized, provided, however, that where there is no limitation on the term of the investment, no investment shall be made in any security which, at the time of the investment, has a term remaining to maturity in excess of 5 years, unless specifically exempted in Section X of this Investment Policy or the Board has granted express authority to make that investment no less than 3 months prior to the investment:

- (a) United States notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest.

- (b) Obligations issued by government sponsored corporations such as the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank Board (FHLB), and the Federal National Mortgage Association (FNMA).

- (c) Commercial paper of prime quality of the highest ranking or of the highest letter and numerical rating as provided by Moody's Investors Service, Inc. or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars and have a rating of A-1+ by Standard & Poor's Corporation and P-1 by Moody's Investors Service and which matures not more than 270 days after the date of purchase. Purchases of commercial paper may not exceed 25 percent of the Authority's surplus money invested.

Commercial paper investments with one company may not exceed one-third (33 1/3%) of total commercial paper investments.

- (d) Time deposits. The Authority may invest in non-negotiable Certificates of Deposit at commercial banks and savings and loan associations that are collateralized in accordance with the California Government Code.
- (e) Local Agency Investment Fund. The Authority may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer up to the maximum permitted by State law.
- (f) Money market funds rated "AAAm" or AAAM-G" or better by Standard & Poor's Corporation.
- (g) Collateralized money market accounts. The Authority may invest in money market accounts at commercial banks and savings and loan associations that are collateralized in accordance with the California Government Code.

VIII. DEPOSITORIES:

The Treasurer will establish selection criteria in conformance with Government Code Sections 53630.5, 53635.8, and 53638 for pre-approval of institutions with which to do business. To qualify for selection an institution must be a California branch office of a foreign, state, or national bank that is authorized under the law of its domicile and federal law. Pre-approved institutions will carry sufficient insurance from the Federal Deposit Insurance Corporation or the National Credit Union Administration insurance, and maintain policies as indicated in Government Code Section 53635.8 regarding insurance and capitalization of deposits. A written list of approved institutions will be maintained by the Investment Officer.

IX. BROKER/DEALERS:

To provide for the optimum yield in the investment of the Authority's funds, the Authority's investment procedures shall be designed to encourage competitive bidding on transactions from approved brokers/dealers. In order to be approved by the Authority, the dealer must be a primary dealer reporting to the New York Federal Reserve, unless a comprehensive credit and capitalization analysis reveals that the firm is adequately financed to conduct public business; the dealer must be experienced in institutional trading practices and familiar with the California Government Code as related to investments; and other criteria as may be established in the investment procedures.

X. MATURITY RESTRICTIONS:

In addition to the 5 year limitation on investments specified in this policy, the average maturity of the Authority's combined portfolio shall not exceed 2 years without prior approval of the Board (for a specified period). Reserve Fund investments are exempt from this restriction; however, reserve fund investment maturities shall be limited to or prior to final maturity of the Authority's Bond Financing.

XI. RISK TOLERANCE

The Authority recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Portfolio diversification is employed as a way to control risk. The Investment Officer is expected to display prudence in the selection of securities as a way to minimize default risk. No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio. The Investment Officer shall periodically establish guidelines and strategies to control risks of default, market price changes, and illiquidity. In addition to these general policy considerations, the following specific policies will be strictly observed.

XII. SAFEKEEPING AND CUSTODY:

To protect against potential fraud and embezzlement, the assets of the Authority shall be secured through third-party custody and safekeeping procedures. The Investment Officer shall be bonded to protect the public against possible embezzlement and malfeasance. Safekeeping procedures shall be reviewed annually by the independent auditor and any irregularities noted should be reported promptly to the Treasurer and the Board.

XIII. PERFORMANCE EVALUATION AND OPERATIONS AUDIT:

The quarterly investment reports submitted to the Board shall contain sufficient information to permit an independent organization to evaluate the performance of the investment program.

XIV. ETHICS:

All persons authorized to place or approve investments shall report annually on Form 700 of the Fair Political Practices Commission all required economic interests for that year.

XV. UPDATE OF POLICY:

This investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return, and its relevance to current law and financial and economic trends.

TABLE OF CONTENTS

| | |
|--|---|
| I. PURPOSE | 1 |
| II. SCOPE | 1 |
| III. OBJECTIVES | 1 |
| A. Safety | 1 |
| B. Liquidity | 1 |
| C. Yield | 1 |
| D. Market-Average Rate of Return | 2 |
| E. Diversification | 2 |
| F. Prudence | 2 |
| G. Public Trust | 2 |
| IV. DELEGATION OF AUTHORITY | 3 |
| A. Investment Officer | 3 |
| B. Investment Oversight | |
| V. INTERNAL CONTROLS | 3 |
| VI. REPORTING | 4 |
| VII. APPROVED INSTRUMENTS | 4 |
| VIII. DEPOSITORIES | 6 |
| IX. BROKER/DEALERS | 6 |
| X. MATURITY RESTRICTIONS | 6 |
| XI. RISK TOLERANCE | 7 |
| XII. SAFEKEEPING AND CUSTODY | 7 |
| XIII. PERFORMANCE EVALUATION AND OPERATIONS AUDIT | 7 |
| XIV. ETHICS | 7 |
| XV. UPDATE OF POLICY | 8 |



CENTRAL COAST WATER AUTHORITY

MEMORANDUM

April 25, 2024

TO: CCWA Board of Directors

FROM: Dessi Mladenova
Controller

SUBJECT: Adoption of Final FY 2024/25 Budget

SUMMARY

The Preliminary FY 2024/25 Budget was provided to the CCWA Board of Directors at its regular meeting on March 22, 2024. This report will highlight the proposed changes to the FY 2024/25 Preliminary Budget and request that the Board approve the proposed final budget.

DISCUSSION

The following changes are presented for the Board's consideration and inclusion in the final FY 2024/25 Budget. The proposed final FY 2024/25 Budget is \$60 million or \$0.6 million more from the Preliminary FY 2024/25 Budget and \$2 million more than the final FY 2023/24 Budget.

- Decrease of \$28,350 in project costs for Americans with Disability Act Compliant Doors.
- Increase of \$28,350 in project costs for the Sodium Bisulfate Dosing Line Replacement at Santa Ynez Pumping Plant.
- Increase of \$313,551 in project costs for the construction of Tank 7 Dosing Facility.
- Increase of \$136,080 in project costs for the Water Treatment Plant Kitchen Remodel.
- Increase of \$141,330 in project costs for the Water Treatment Plant Backwash Pumps procurement.
- Decrease of \$13,260 in CCWA Fixed O&M costs due to a \$25,000 decrease in professional services, offset by an increase in utility fees of \$11,000.
- CCWA employee benefits adjustment estimated fiscal impact of \$120,527 not included in the proposed final budget report.

Proposed Final FY 2024/25 Budget

The following table shows a summary of the proposed final FY 2024/25 Budget and a comparison to the prior year budget.

| Budget Item | Final FY 2023/24 Budget | Final FY 2024/25 Budget | Increase (Decrease) |
|-------------------------------------|--|--|--------------------------------|
| <u>CCWA Expenses</u> | | | |
| CCWA Operating Expenses - Fixed | \$ 10,542,387 | \$ 10,623,302 | \$ 80,915 |
| CCWA Operating Expenses - Variable | 1,787,951 | 2,026,353 | 238,402 |
| Capital/Non-Capital Projects | 2,806,978 | 2,651,691 | (155,287) |
| Total CCWA Expenses: | 15,137,316 | 15,301,347 | 164,031 |
| <u>Pass-Through Expenses</u> | | | |
| DWR Fixed Costs | 41,332,415 | 41,624,633 | 292,218 |
| DWR Variable Costs | 2,192,585 | 3,446,897 | 1,254,312 |
| Warren Act and Trust Fund Payments | 331,429 | 216,960 | (114,469) |
| Total Pass-Through Expenses: | 43,856,429 | 45,288,489 | 1,432,060 |
| | | | |
| Subtotal Gross Budget: | 58,993,745 | 60,589,836 | 1,596,091 |
| CCWA (Credits) Due | (971,784) | (546,086) | 425,698 |
| TOTAL: | \$ 58,021,961 | \$ 60,043,750 | \$ 2,021,789 |

As the table above shows, the proposed final FY 2024/25 budget is about \$2 million more than the prior year budget. The increase is primarily attributed to \$1.5 million increase in DWR costs, and \$0.6 million increase in CCWA costs and decreased credits.

The attached FY 2024/25 Proposed Final Budget in Brief document will provide a full overview of the proposed final budget and changes when compared to the FY 2024/25 Budget. Additionally, the attached FY 2024/25 Total Expenditures Summary provides each project participant a summary of the total expenditures by component for their agency.

Ten-Year Financial Plan Projections

The Ten-Year Financial Plan Projections for each project participant will be updated based on the Board approved Final FY 2024/25 Budget and posted on the CCWA web server in each participant’s folder. These projections are estimates only, and are intended to provide a basis for anticipated future costs associated with the large DWR capital expenditures.

Approval to Obtain Bids for Projects Included in the Budget

In conjunction with the requested approval of the FY 2024/25 Budget, staff is also requesting approval to obtain bids for those projects included in the budget which require a formal bidding process. As always, CCWA staff will present the results of the bids for each project to the Board for final acceptance and approval.

RECOMMENDATION

That the Board approve the Final FY 2024/25 Budget as outlined in this report and that CCWA staff be authorized to obtain bids for those projects included in the FY 2024/25 Budget which require formal bids.

Attachments

DHM



Central Coast Water Authority FY 2024/25 Proposed Final Budget in Brief

FY 2024/25 BUDGET SUMMARY

| | FY 2023/24 | FY 2024/25 | Increase |
|--|----------------------|----------------------|---------------------|
| | Budget | Budget | (Decrease) |
| CCWA Operating Expenses | \$ 12,330,339 | \$ 12,649,656 | \$ 319,317 |
| DWR Fixed and Variable Costs | 43,525,000 | 45,071,530 | 1,546,530 |
| Capital Improvement & Non Capital Projects | 2,806,978 | 2,651,691 | (155,287) |
| Warren Act Charges | 331,429 | 216,960 | (114,469) |
| Subtotal | 58,993,745 | 60,589,836 | 1,596,091 |
| CCWA Credits | (971,784) | (546,086) | 425,698 |
| TOTAL : | \$ 58,021,961 | \$ 60,043,750 | \$ 2,021,789 |

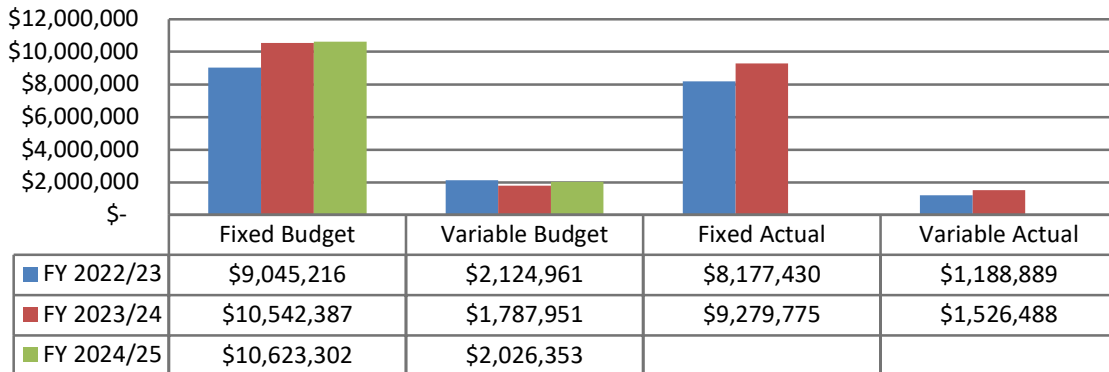
\$1.6 million increase in the gross budget, excluding CCWA credits

CCWA OPERATING EXPENSES

| | FY 2023/24 | FY 2024/25 | Increase |
|--------------------------------|----------------------|----------------------|-------------------|
| | Budget | Budget | (Decrease) |
| Personnel | \$ 6,309,955 | \$ 6,799,750 | \$ 489,795 |
| Office Expenses | 21,800 | 22,800 | 1,000 |
| Supplies & Equipment | 1,622,928 | 1,602,500 | (20,428) |
| Monitoring Expenses | 130,332 | 120,497 | (9,835) |
| Repairs & Maintenance | 326,140 | 378,800 | 52,660 |
| Professional Services | 2,126,169 | 1,476,203 | (649,966) |
| General & Administrative | 298,802 | 308,228 | 9,426 |
| Utilities | 640,818 | 933,180 | 292,362 |
| Other Expenses | 853,395 | 1,007,697 | 154,302 |
| Total Operating Expense | \$ 12,330,339 | \$ 12,649,656 | \$ 319,317 |

Total operating expense increase of \$0.3 million inclusive of the following factors:
 Personnel costs: increase in salaries and wages, retirement, health insurance, OPEB
 Supplies and equipment: decreased cost of chemicals
 Professional services: decrease in legal costs
 G&A: increase in meeting and travel and membership dues
 Other expenses-increase in insurance and computer expenses
 Repairs and Maintenance: increased building repair costs
 Utilities: higher electric costs for SYPP due to decreased water delivery requests.

Operating Expenses Fixed and Variable Expenses



DWR FIXED AND VARIABLE CHARGES

DWR Fixed cost increase of \$0.9 million due to:
 Transportation Capital: Decrease in Rate Management Credits
 Transportation Minimum OMP&R: Decrease in Prior Year Over/Under Adjustment
 Delta Water charges: No prior year credits
 Coastal Branch Phase II: Increase in P&I
 WSRB: Decrease in bond debt service.

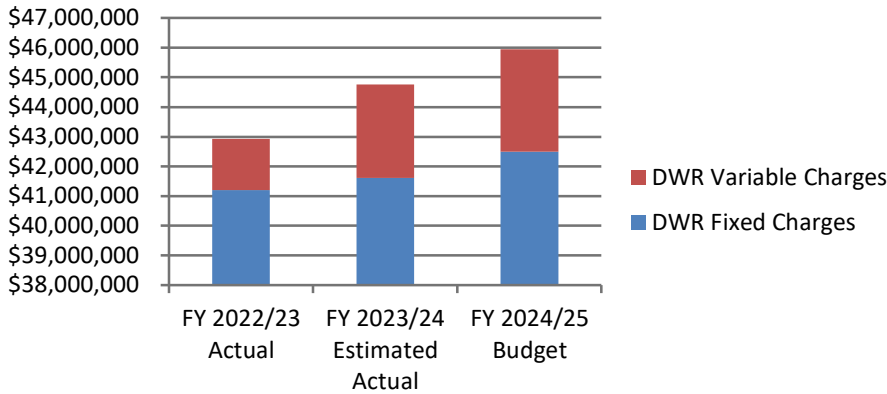
Transportation Capital
 Coastal Branch Phase II
 Transportation Minimum OMP&R
 Water System Revenue Bond
 Delta Water Charge
 Subtotal Fixed DWR Charges

Off-Aqueduct Charges
 Variable OMP&R
 Subtotal Variable DWR Charges
 DWR Account Investment Income
Total DWR Charges

| | FY 2023/24 Budget | FY 2024/25 Budget | Increase (Decrease) |
|--------------------------------------|----------------------|----------------------|------------------------|
| Transportation Capital | \$ 19,228,880 | \$ 21,257,321 | \$ 2,028,440 |
| Coastal Branch Phase II | 1,591,233 | 2,222,303 | 631,070 |
| Transportation Minimum OMP&R | 15,686,106 | 13,985,604 | (1,700,502) |
| Water System Revenue Bond | 935,693 | 497,985 | (437,708) |
| Delta Water Charge | 4,171,553 | 4,531,665 | 360,112 |
| Subtotal Fixed DWR Charges | 41,613,465 | 42,494,877 | 881,412 |
| Off-Aqueduct Charges | 39,304 | 21,220 | (18,084) |
| Variable OMP&R | 2,153,282 | 3,425,677 | 1,272,395 |
| Subtotal Variable DWR Charges | 2,192,585 | 3,446,897 | 1,254,311 |
| DWR Account Investment Income | (281,050) | (870,244) | (589,194) |
| Total DWR Charges | \$ 43,525,000 | \$ 45,071,530 | \$ 1,546,530 |

DWR Variable cost increase of \$1.3M. over FY 2023/24 is largely due to an increase in the variable cost per AF.

DWR Fixed and Variable Charges

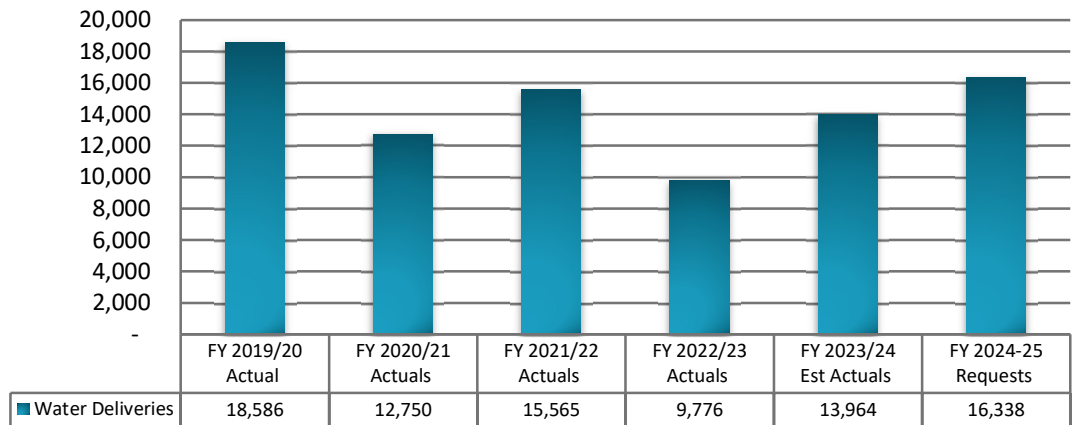


The significant fluctuations in DWR fixed costs year-to-year is due to the DWR Transportation Minimum OMP&R cost component and its calculation for annual over and under-collections. Historically, the Transportation Minimum cost component of DWR Statement of Charges has been the most volatile DWR charge. The volatility is partly based on DWR's Statement of Charges being based on estimates and then reconciling or preparing a "true-up" based on the actual costs incurred.

DWR Delivery Allocation Percentage

| Calendar | |
|--------------|------------|
| Year | Percentage |
| 2013 | 60% |
| 2014 | 5% |
| 2015 | 20% |
| 2016 | 60% |
| 2017 | 85% |
| 2018 | 35% |
| 2019 | 75% |
| 2020 | 20% |
| 2021 | 5% |
| 2022 | 15% |
| 2023 | 100% |
| 2024-Current | 30% |

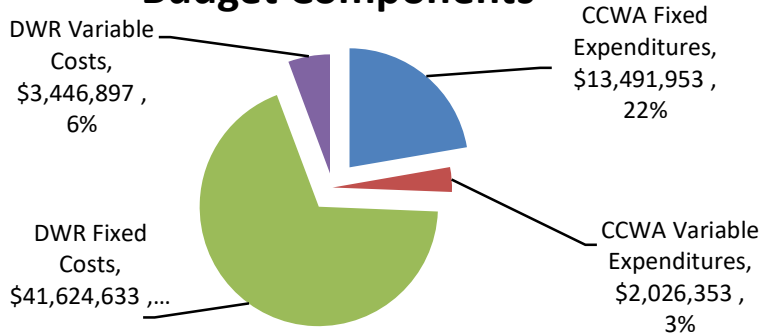
Water Deliveries and Requests



OTHER EXPENDITURES

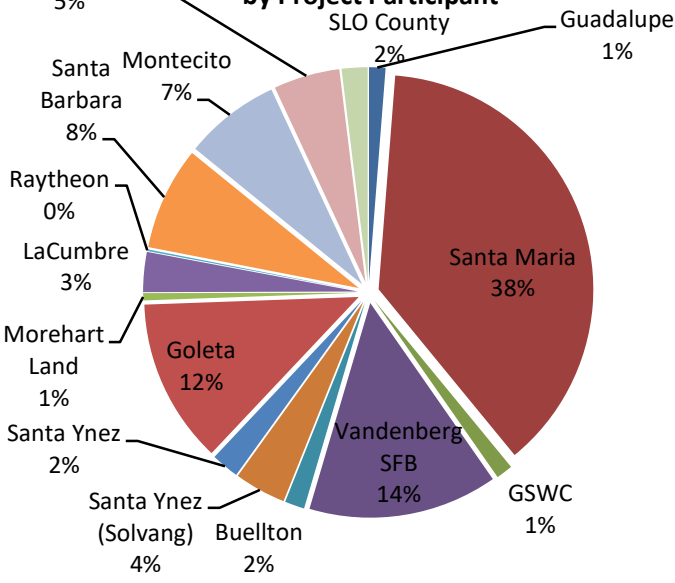
| | FY 2023/24 Budget | FY 2024/25 Budget | Increase (Decrease) |
|--|----------------------|----------------------|------------------------|
| Capital Improvement & Non-Capital Projects | \$ 2,806,978 | \$ 2,651,691 | \$ (155,287) |
| Warren Act Charges | 331,429 | 216,960 | (114,469) |
| Total Other Expenditures | \$ 3,138,407 | \$ 2,868,651 | \$ (269,756) |

FY 2024/25 Budget Components



75% of the CCWA Budget is outside of the direct control of CCWA. DWR costs comprise 75% of the total CCWA Budget .

FY 2024/25 Percent of Total Payments by Project Participant



FY 2024/25 Variable Cost Per Acre-Foot

| <u>Table A Water</u> | |
|-----------------------------------|-----------|
| North Santa Barbara County | \$ 389.90 |
| South Santa Barbara County | \$ 864.18 |
| <u>Santa Ynez Exchange Water</u> | |
| Santa Ynez ID#1 | \$ 215.91 |
| South Coast Exchange Participants | \$ 287.77 |

For more information, please contact the Central Coast Water Authority at (805) 688-2292 or visit our website at: ccwa.com

Central Coast Water Authority
Total Expenditures Summary
 Fiscal Year 2024/25 Budget

| Project Participant | Unadjusted Fixed CCWA Operating Expense ⁽¹⁾ | Unadjusted Variable CCWA Operating Expense | Exchange Agreement Adjustment Fixed | Exchange Agreement Adjustment Variable | Regional WTP Allocation | Regional WTP Allocation Credit | Adjusted Charge | Warren Act Charges | 2016A Revenue Bond Debt Service | Subtotal FY 2024/25 CCWA | Non-Annual Recurring Expenses | CCWA (Credits) Amount Due | Total FY 2024/25 CCWA |
|----------------------|--|--|-------------------------------------|--|-------------------------|--------------------------------|----------------------|--------------------|---------------------------------|--------------------------|-------------------------------|---------------------------|-----------------------|
| Guadalupe | \$ 130,299 | \$ 10,776 | \$ - | \$ - | \$ 20,907 | \$ - | \$ 161,982 | \$ - | \$ - | \$ 161,982 | \$ - | \$ (826) | \$ 161,156 |
| Santa Maria | 3,798,810 | 460,234 | - | - | \$631,361 | - | 4,890,406 | - | - | 4,890,406 | - | (194,091) | 4,696,315 |
| Golden State Water | 121,387 | 24,315 | - | - | \$20,587 | - | 166,289 | - | - | 166,289 | - | - | 166,289 |
| Vandenberg SFB | 1,516,702 | 201,325 | - | - | \$219,258 | - | 1,937,285 | - | - | 1,937,285 | - | (40,686) | 1,896,598 |
| Buellton | 196,239 | 12,802 | - | - | \$22,132 | - | 231,173 | - | - | 231,173 | - | - | 231,173 |
| Santa Ynez (Solvang) | 505,362 | 50,288 | - | - | \$59,295 | - | 614,944 | - | - | 614,944 | - | - | 614,944 |
| Santa Ynez | 169,333 | - | 300,233 | 223,348 | \$129,264 | - | 822,178 | - | - | 822,178 | - | (158,533) | 663,645 |
| Goleta | 1,979,848 | 277,738 | (108,084) | (80,405) | \$134,158 | (\$485,983) | 1,717,272 | 66,718 | - | 1,783,990 | - | (18,382) | 1,765,608 |
| Morehart Land | 87,993 | 30,018 | - | - | \$7,788 | (\$30,380) | 95,419 | 10,149 | - | 105,569 | - | (11,335) | 94,234 |
| La Cumbre | 439,966 | 214,064 | - | - | \$40,242 | (\$163,872) | 530,400 | 72,375 | - | 602,776 | - | - | 602,776 |
| Raytheon | 21,998 | 3,445 | - | - | \$1,864 | (\$6,835) | 20,472 | 1,165 | - | 21,637 | - | (2,750) | 18,887 |
| Santa Barbara | 1,319,899 | 201,234 | (72,056) | (53,603) | \$89,766 | (\$326,997) | 1,158,242 | 49,914 | - | 1,208,156 | - | - | 1,208,156 |
| Montecito | 1,319,899 | 53,603 | (72,056) | (53,603) | \$86,758 | (\$299,367) | 1,035,234 | - | - | 1,035,234 | - | (64,842) | 970,392 |
| Carpinteria | 879,932 | 84,946 | (48,037) | (35,736) | \$58,841 | (\$208,788) | 731,159 | 16,638 | - | 747,797 | - | (39,556) | 708,241 |
| Shandon | 16,811 | - | - | - | - | - | 16,811 | - | - | 16,811 | - | (1,659) | 15,152 |
| Chorro Valley | 408,027 | 201,519 | - | - | - | - | 609,547 | - | - | 609,547 | - | (4,231) | 605,316 |
| Lopez | 362,488 | 200,046 | - | - | - | - | 562,533 | - | - | 562,533 | - | (9,195) | 553,338 |
| TOTAL: | \$ 13,274,993 | \$ 2,026,353 | \$ (0) | \$ 0 | \$ 1,522,222 | \$ (1,522,222) | \$ 15,301,347 | \$ 216,960 | \$ - | \$ 15,518,306 | \$ - | \$ (546,086) | \$ 14,972,220 |

(1) Includes Capital and Non-Capital Projects.

| Project Participant | DWR FIXED CHARGES | | | | | | DWR VARIABLE CHARGES | | | | | | TOTAL DWR and CCWA |
|----------------------|---|---|---|------------------------------|---------------------------|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| | Transportation Capital Through Reach 35 | Transportation Capital Through Reach 37 | Transportation Capital Through Reach 38 | Transportation Minimum OMP&R | Water System Revenue Bond | Delta Water Charges | Total Fixed | Off-Aqueduct Charges | Variable OMP&R | Total Variable | DWR Interest Income | Total DWR Charges | |
| Guadalupe | \$ 298,554 | \$ - | \$ - | \$ 194,298 | \$ 6,535 | \$ 60,286 | \$ 559,674 | \$ 160 | \$ 33,462 | \$ 33,622 | \$ (13,188) | \$ 580,107 | \$ 741,264 |
| Santa Maria | 8,793,786 | 484,403 | - | 5,722,965 | 192,475 | 1,775,691 | 16,969,319 | 8,725 | 1,429,142 | 1,437,867 | (387,677) | 18,019,509 | 22,715,824 |
| Golden State Water | 271,413 | 14,951 | - | 176,635 | 5,941 | 54,805 | 523,745 | 410 | 75,504 | 75,914 | (12,454) | 587,204 | 753,493 |
| Vandenberg SFB | 2,985,545 | 164,458 | 269,674 | 1,942,982 | 65,347 | 602,858 | 6,030,863 | 4,051 | 625,165 | 629,215 | - | 6,660,078 | 8,556,676 |
| Buellton | 313,754 | 17,283 | 28,340 | 204,190 | 6,868 | 63,375 | 633,809 | 197 | 39,754 | 39,951 | (14,693) | 659,068 | 890,241 |
| Santa Ynez (Solvang) | 804,931 | 44,852 | 73,547 | 515,288 | 14,878 | 148,926 | 1,602,422 | 908 | 156,156 | 157,064 | (37,631) | 1,721,855 | 2,336,799 |
| Santa Ynez | 280,722 | 14,951 | 24,516 | 191,251 | 8,884 | 69,752 | 590,075 | - | - | - | (10,457) | 579,619 | 1,243,264 |
| Goleta | 2,442,718 | 134,556 | 220,642 | 1,589,712 | 51,596 | 493,247 | 4,932,473 | 2,372 | 364,364 | 366,736 | (130,779) | 5,168,430 | 6,934,037 |
| Morehart Land | 108,565 | 5,980 | 9,806 | 70,654 | 2,376 | 21,922 | 219,304 | 115 | 17,446 | 17,561 | (4,781) | 232,084 | 326,318 |
| La Cumbre | 542,826 | 29,901 | 49,032 | 353,269 | 11,881 | 109,611 | 1,096,521 | 769 | 124,410 | 125,179 | (27,212) | 1,194,487 | 1,797,263 |
| Raytheon | 27,141 | 1,495 | 2,452 | 17,663 | 594 | 5,481 | 54,826 | 9 | 2,002 | 2,011 | (8,036) | 48,802 | 67,689 |
| Santa Barbara | 1,628,479 | 89,704 | 147,095 | 1,059,808 | 35,643 | 328,832 | 3,289,561 | 1,655 | 252,252 | 253,907 | (83,895) | 3,459,573 | 4,667,729 |
| Montecito | 1,628,479 | 89,704 | 147,095 | 1,059,808 | 35,643 | 328,832 | 3,289,561 | 973 | 166,452 | 167,425 | (83,563) | 3,373,423 | 4,343,814 |
| Carpinteria | 1,085,653 | 59,803 | 98,063 | 706,539 | 23,763 | 219,221 | 2,193,041 | 876 | 139,568 | 140,444 | (55,878) | 2,277,608 | 2,985,848 |
| Goleta 2500 AF | 44,754 | - | - | 180,541 | 35,560 | 248,828 | 509,683 | - | - | - | - | 509,683 | 509,683 |
| Shandon | - | - | - | - | - | - | - | - | - | - | - | - | 15,152 |
| Chorro Valley | - | - | - | - | - | - | - | - | - | - | - | - | 605,316 |
| Lopez | - | - | - | - | - | - | - | - | - | - | - | - | 553,338 |
| TOTAL: | \$ 21,257,321 | \$ 1,152,042 | \$ 1,070,261 | \$ 13,985,604 | \$ 497,985 | \$ 4,531,665 | \$ 42,494,877 | \$ 21,220 | \$ 3,425,677 | \$ 3,446,897 | \$ (870,244) | \$ 45,071,530 | \$ 60,043,750 |

State Water Contractors Legislative Update



April 17, 2024

2024 Legislative Session

- Upcoming legislative deadlines:
 - **April 26** – Policy committee deadline
 - **May 10** – Anticipated release of Governor’s May Revise of the proposed State Budget
 - **May 17** – Fiscal committee deadline
 - **May 24** – House of origin deadline

- **June 15** – Legislature’s budget approval deadline
- **June 26** – Deadline for placement of legislatively-approved measures on November general election ballot
- **July 4** – Summer recess begins
- **August 5** – Legislature returns from Summer recess
- **August 31** – Conclusion of legislative session



State Budget Update

- Projected budget shortfall from the Legislature and Administration: \$38 billion - \$53 billion
- March 14 – Senate Democrats unveiled a “Shrink the Shortfall” proposal – early budgetary actions to reduce the shortfall by ~\$17 B plus use of “rainy day” fund - \$12.2 B
- April 11 – Legislature approved AB 106, a package of early budget actions intended to reduce the budget shortfall by approximately \$17 billion
- Remaining budget shortfall: **\$9 billion - \$24 billion** (after early actions + planned use of ~\$12 B from rainy-day fund)

Early Action Package

| | |
|--------------------|---------|
| Reductions: | \$3.6 B |
| Revenue/Borrowing: | \$5.2 B |
| Delays/Deferrals: | \$5.2 B |
| Fund Shifts: | \$3.4 B |

3

State Budget Update

- Resources spending affected by early action (AB 106):
 - Reductions/Delays
 - \$206.5 M for watershed climate resilience (reduction)
 - \$6.8 M for FIRO (reduction)
 - \$55M for Strategic Reliability Reserve (delay)
 - \$90 M for Oroville pumped storage project (delay)
 - Appropriations:
 - \$16.5 M to DWR and \$13 M to DFW for purposes of addressing statewide facility repairs associated with 2023 storms



4

SWC Position Bills

| Bill/Author | Summary | Status | SWC Position |
|-----------------------------|--|--|---------------------------|
| AB 460 (Bauer-Kahan) | Would authorize the SWRCB to issue interim relief orders to enforce water rights | Two-year bill – Action not likely until May/June | OPPOSE |
| AB 1337 (Wicks) | Would authorize the SWRCB to issue a curtailment order for any diversion under any water year type | Two-year bill – Action not likely until May/June | OPPOSE |
| AB 1567 (Garcia) | Would place a \$15.995 B resources and climate resilience bond on the March 2024 primary election ballot | Two-year bill – Discussions likely during Spring | SUPPORT IF AMENDED |
| SB 366 (Caballero) | Would require DWR to develop long-term water supply planning targets | Two-year bill – Action not likely until May/June | SUPPORT |
| SB 867 (Allen) | Would place a \$15.5 B resources and climate resilience bond on the March 2024 primary election ballot | Two-year bill – Discussions likely during Spring | SUPPORT IF AMENDED |

5

2024 Bills for Discussion

| BILL | SUMMARY | NOTES | SWC RECOMMENDED POSITION |
|----------------------------|---|---|---------------------------|
| AB 1798 (Papan) | Would require CalTrans (w/SWRCB) to develop an environmental review process to prevent 6PPD and 6PPD-quinone from entering salmon and steelhead trout-bearing surface waters | | SUPPORT |
| AB 2060 (Soria) | Would exempt from Lake/Streambed Alteration Agreement requirements, the temporary operation of facilities for diversion of flood flows for groundwater recharge | Sponsored by Merced ID – reintroduction of AB 830 | SUPPORT IF AMENDED |
| AB 2409 (Papan) | Would require OPR to create and maintain a permitting accountability transparency website (dashboard) | Sponsored by CMUA | SUPPORT |
| AB 2614 (Ramos) | Would define “tribal water uses” and require the SWRCB and regional boards – when approving a project or regulatory program – to describe how it would impact tribal water uses | | WATCH |
| AB 2661 (Soria) | Would authorize a water district to provide, generate, and deliver zero-emission electricity, and to construct, operate, and maintain necessary transmission infrastructure | Sponsored by Westlands WD | SUPPORT IF AMENDED |
| SB 1390 (Caballero) | Would revise provisions of SB 122 (budget trailer bill) to clarify determination of imminent flood risk and extend sunset from 2029 to 2034 | Sponsored by Sustainable Conservation | SUPPORT IF AMENDED |

Resources/Climate Resilience Bond

- **Latest information:**

Expectations remain relatively low for a substantial resources/climate resilience bond

- State fiscal condition
- Competition for space on a crowded General Election ballot
- Competition for State debt capacity
- Prop 1 (March primary) creates concerns re: voter sentiment

- SWC interests also being advanced through other coalition efforts

- Southern CA Water Coalition
- New California Coalition

- Ongoing conversations in Legislature to discuss bond options for the November 2024 general election ballot

- Target for legislative approval: June 26

CALIFORNIA LEGISLATURE—2023-24 REGULAR SESSION

ASSEMBLY BILL No. 1567

Introduced by Assembly Members Garcia, Wendy Carrillo, Camacho, Fradette, Hayes, Berry, and LaBianca
(Principal coauthors: Assembly Members Arambulo, Lee, and Villalón)
(Coauthors: Assembly Members) Adán, Bryan, Calderon, Mike Ferguson, Hince, Hinkley, Kahn, Loveloh, Marinovich, Ramos, Robert Rivas, Schiro, and Wood

February 17, 2023

SENATE BILL No. 867


Introduced by Senators Allen, Becker, Partington, and Stone
(Principal coauthor: Senator Dodd)
February 17, 2023

LEGISLATIVE COUNCIL'S SUMMARY

AB 1567, as amended, creates State Division 88 (concerning Public Resources Code, relating to salt production, drought prevention, flood mitigation, clean energy, and wastewater) providing the funds necessary for the issuance and sale of bonds of the State of California and the disposition of those funds.

AB 1567, as amended, creates State Division 89 (concerning with Section 90000) in the Public Resources Code, relating to drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, park creation and outdoor access, and clean energy programs, by providing the funds necessary therefor through the issuance and sale of bonds of the State of California and for the handling and disposition of those funds.

SB 867, as amended, relates to Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024.



April 8, 2024

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|---|---|
| <p>Responsible State Senator Senators: Lee, Villalón 2025 O Street, Suite 800 Sacramento, CA 95811</p> <p>Responsible State Assembly Member Assembly Members: Garcia, Wendy Carrillo, Camacho, Fradette, Hayes, Berry, and LaBianca 2025 O Street, Suite 800 Sacramento, CA 95811</p> <p>Responsible State Senator Senators: Allen, Becker, Partington, and Stone 2025 O Street, Suite 800 Sacramento, CA 95811</p> <p>Responsible State Assembly Member Assembly Members: Adán, Bryan, Calderon, Mike Ferguson, Hince, Hinkley, Kahn, Loveloh, Marinovich, Ramos, Robert Rivas, Schiro, and Wood 2025 O Street, Suite 800 Sacramento, CA 95811</p> | <p>Responsible State Senator Senators: Allen, Villalón 2025 O Street, Suite 800 Sacramento, CA 95811</p> <p>Responsible State Assembly Member Assembly Members: Garcia, Wendy Carrillo, Camacho, Fradette, Hayes, Berry, and LaBianca 2025 O Street, Suite 800 Sacramento, CA 95811</p> <p>Responsible State Senator Senators: Allen, Becker, Partington, and Stone 2025 O Street, Suite 800 Sacramento, CA 95811</p> <p>Responsible State Assembly Member Assembly Members: Adán, Bryan, Calderon, Mike Ferguson, Hince, Hinkley, Kahn, Loveloh, Marinovich, Ramos, Robert Rivas, Schiro, and Wood 2025 O Street, Suite 800 Sacramento, CA 95811</p> |
|---|---|

QUESTIONS?

State Water Contractors - Priority 1 4/15/2024

[AB 277](#)

(Rodriguez D) Extreme Weather Forecast and Threat Intelligence Integration Center.

Current Text: Amended: 7/3/2023 [html](#) [pdf](#)

Introduced: 1/23/2023

Last Amend: 7/3/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/21/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-S. 2 YEAR

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|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law establishes the Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program within the department to, upon appropriation of special fund moneys, research climate forecasting and the causes and impacts that climate change has on atmospheric rivers, to operate reservoirs in a manner that improves flood protection in the state, and to reoperate flood control and water storage facilities to capture water generated by atmospheric rivers. This bill would establish the State-Federal Flood Operations Center within the Department of Water Resources and would authorize the department to administer the center in the department's divisions, offices, or programs. The bill would provide that the purpose of the center is to function as the focal point for gathering, analyzing, and disseminating flood and water-related information to stakeholders and would authorize the center to take specified actions for that purpose, including to function during emergency situations to enable the department to centrally coordinate statewide emergency responses.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - W | Priority 1 | ACWA - F | CMUA - W |

[AB 305](#)

(Villapudua D) California Flood Protection Bond Act of 2024.

Current Text: Amended: 4/25/2023 [html](#) [pdf](#)

Introduced: 1/26/2023

Last Amend: 4/25/2023

Status: 6/14/2023-Referred to Coms. on N.R. & W. and GOV. & F.

Location: 6/14/2023-S. N.R. & W.

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|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would enact the California Flood Protection Bond Act of 2024 which, if approved by the voters, would authorize the issuance of bonds in the amount of \$4,500,000,000 pursuant to the State General Obligation Bond Law for flood protection projects, as specified. The bill would provide for the submission of these provisions to the voters at the November 5, 2024, statewide general election.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|------------|-------|
| State Water Contractors | SWC - W | Priority 1 | ACWA - F/A | |

[AB 408](#)

(Wilson D) Climate-resilient Farms, Sustainable Healthy Food Access, and Farmworker Protection Bond Act of 2024.

Current Text: Amended: 8/14/2023 [html](#) [pdf](#)

Introduced: 2/2/2023

Last Amend: 8/14/2023

Status: 9/1/2023-In committee: Held under submission.

Location: 8/21/2023-S. APPR. SUSPENSE FILE

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would enact the Climate-resilient Farms, Sustainable Healthy Food Access, and Farmworker Protection Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$3,650,000,000 pursuant to the State General Obligation Bond Law, to finance programs related to, among other things, agricultural lands, food and fiber infrastructure, climate resilience, agricultural professionals, including farmers, ranchers, and farmworkers, workforce development and training, air quality, tribes, disadvantaged communities, nutrition, food aid, meat processing facilities, and fishing facilities.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[AB 460](#) (Bauer-Kahan D) State Water Resources Control Board: water rights and usage: interim relief: procedures.

Current Text: Amended: 5/18/2023 [html](#) [pdf](#)

Introduced: 2/6/2023

Last Amend: 5/18/2023

Status: 7/14/2023-Failed Deadline pursuant to Rule 61(a)(10). (Last location was N.R. & W. on 6/7/2023)(May be acted upon Jan 2024)

Location: 7/14/2023-S. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | 2 year | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law authorizes the State Water Resources Control Board to investigate all streams, stream systems, lakes, or other bodies of water, take testimony relating to the rights to water or the use of water, and ascertain whether water filed upon or attempted to be appropriated is appropriated under the laws of the state. Current law requires the board to take appropriate actions to prevent waste or the unreasonable use of water. This bill would authorize the board, in conducting specified investigations or proceedings to inspect the property or facilities of a person or entity, as specified. The bill would authorize the board, if consent is denied for an inspection, to obtain an inspection warrant, as specified, or in the event of an emergency affecting public health and safety, to conduct an inspection without consent or a warrant.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - O | Priority 1 | ACWA - O | CMUA - O |

[AB 560](#) (Bennett D) Sustainable Groundwater Management Act: groundwater adjudication.

Current Text: Amended: 6/26/2023 [html](#) [pdf](#)

Introduced: 2/8/2023

Last Amend: 6/26/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/14/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-S. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law prohibits a court from approving entry of judgment in certain adjudication actions for a basin required to have a groundwater sustainability plan under the Sustainable Groundwater Management Act, unless the court finds that the judgment would not substantially impair the ability of a groundwater sustainability agency, the State Water Resources Control Board, or the Department of Water Resources to comply with the act and to achieve sustainable groundwater management. This bill would require the parties to an adjudication action to submit a proposed settlement agreement determining rights to water to the board for a nonbinding advisory determination as to whether the proposed settlement agreement will substantially impair the ability of a groundwater sustainability agency, the board, or the department to achieve sustainable groundwater management before filing the proposed settlement agreement with the court. The bill would require the board to provide its nonbinding advisory determination to the parties no later than 120 days after the proposed settlement agreement was submitted, and would require the parties to include the board's nonbinding advisory determination in the court filing, as provided.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-----------|-------|
| State Water Contractors | SWC - W | Priority 1 | ACWA - NF | |

[AB 754](#) (Papan D) Water management planning: water shortages.

Current Text: Amended: 8/14/2023 [html](#) [pdf](#)

Introduced: 2/13/2023

Last Amend: 8/14/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE

on 8/21/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-S. 2 YEAR

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| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires an urban water management plan to quantify past, current, and projected water use, identifying the uses among water use sectors, including, among others, commercial, agricultural, and industrial. Current law requires every urban water supplier to prepare and adopt a water shortage contingency plan as part of its urban water management plan. Current law requires the water shortage contingency plan to include the procedures used in conducting an annual water supply and demand assessment, including the key data inputs and assessment methodology used to evaluate the urban water supplier’s water supply reliability for the current year and one dry year. Current law requires the key data inputs and assessment methodology to include specified information, including, among other things, a description and quantification of each source of water supply. This bill would require a water shortage contingency plan to include, if, based on a description and quantification of each source of water supply, a single reservoir constitutes at least 50% of the total water supply, an identification of the dam and description of existing reservoir management operations, as specified, and if the reservoir is owned and operated by the urban water supplier, a description of operational practices and approaches, as specified.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - W | Priority 1 | | |
| | | | ACWA - O | CMUA - O |

AB 830 (Soria D) Lake and streambed alteration agreements: exemptions.

Current Text: Amended: 6/27/2023 [html](#) [pdf](#)

Introduced: 2/13/2023

Last Amend: 6/27/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/21/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-S. 2 YEAR

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|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law prohibits a person, a state or local governmental agency, or a public utility from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or depositing or disposing of debris, waste, or other material containing crumbled, flaked, or ground pavement where it may pass into any river, stream, or lake, unless prescribed requirements are met, including written notification to the Department of Fish and Wildlife regarding the activity. Current law prescribes various requirements for lake and streambed alteration agreements. Current law also establishes various exemptions from these provisions, including exemptions for specified emergency work. This bill would additionally exempt from these provisions the temporary operation of existing infrastructure or temporary pumps being used to divert flood stage flows, as identified by the California Nevada River Forecast Center or the State Water Resources Control Board, or near-flood stage flows, as defined, to groundwater recharge as long as certain conditions are met.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - W | Priority 1 | | |
| | | | ACWA - F | CMUA - F |

AB 914 (Friedman D) Electrical infrastructure: California Environmental Quality Act: review time period.

Current Text: Amended: 7/13/2023 [html](#) [pdf](#)

Introduced: 2/14/2023

Last Amend: 7/13/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/21/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-S. 2 YEAR

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| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Environmental Quality Act (CEQA) requires each state agency to establish, by resolution or order, time limits for completing the environmental review of a project where the state agency is the lead agency for the project, as specified. This bill, until January 1, 2031, would require a state agency, acting as the lead agency, to complete its environmental review for an electrical

infrastructure project and to approve or deny the project within 2 years of the submission and acceptance of a complete application for the issuance of a lease, permit, license, certificate, or other entitlement for use for electrical infrastructure to the state agency. If the state agency fails to meet this deadline, the bill would require the state agency to submit to the Legislature a report setting forth the reasons that the review could not be completed within the time period and identifying potential impacts to the electrical system that could result from the delay.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | CMUA - W |

AB 923 (Bauer-Kahan D) Flood plain restoration projects: Central Valley: study.

Current Text: Amended: 7/12/2023 [html](#) [pdf](#)

Introduced: 2/14/2023

Last Amend: 7/12/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/14/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-S. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: The Central Valley Flood Protection Act of 2008 requires the Department of Water Resources to prepare, and the Central Valley Flood Protection Board, a state agency, to adopt, a plan identified as the Central Valley Flood Protection Plan. This bill would require the board, in coordination with the department, to identify priority flood plain restoration or floodway expansion projects where increased flows due to climate change are likely to overwhelm existing flood protection infrastructure, as specified. The bill would require the department and the board to conduct broad stakeholder outreach to identify priority projects and would require that those projects provide at least 2 of 4 specified public benefits. The bill would require the board, upon the appropriation of funds for this purpose, to begin preconstruction activities, including acquisition of land, easements, or rights of way, to expedite the priority projects identified.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | ACWA - W |

AB 1205 (Bauer-Kahan D) Water rights: sale, transfer, or lease: agricultural lands.

Current Text: Amended: 7/13/2023 [html](#) [pdf](#)

Introduced: 2/16/2023

Last Amend: 7/13/2023

Status: 9/14/2023-Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/11/2023)(May be acted upon Jan 2024)

Location: 9/14/2023-S. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | 2 year | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|--------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law declares that, because of the conditions prevailing in this state, the general welfare requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable, that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of the water is to be exercised with a view to the reasonable and beneficial use of the water in the interest of the people and for the public welfare. This bill would require the State Water Resources Control Board to, on or before January 1, 2027, conduct a study and report to the Legislature and appropriate policy committees on the existence of speculation or profiteering by an investment fund in the sale, transfer, or lease of an interest in any surface water right or groundwater right previously put to beneficial use on agricultural lands, as specified. The bill would repeal this provision on January 1, 2031.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-----------|
| State Water Contractors | SWC - W | Priority 1 | | ACWA - NF |

AB 1272 (Wood D) State Water Resources Control Board: drought planning.

Current Text: Enrollment: 9/12/2023 [html](#) [pdf](#)

Introduced: 2/16/2023

Last Amend: 9/1/2023

Status: 9/14/2023-Withdrawn from Engrossing and Enrolling. Ordered to the Senate. In Senate. Held at Desk.

Location: 9/14/2023-S. DESK

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the State Water Resources Control Board, in consultation with the Department of Fish and Wildlife, to adopt principles and guidelines for diversion and use of water in coastal watersheds, as specified, during times of water shortage for drought preparedness and climate resiliency. The bill would require that the principles and guidelines allow for the development of locally generated watershed-level plans to support public trust uses, public health and safety, and the human right to water in times of water shortage, among other things. The bill also would require the state board, prior to adopting those principles and guidelines, to allow for public comment and hearing, as provided. The bill would make the implementation of these provisions contingent upon an appropriation of funds by the Legislature for this purpose.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | CMUA - W |

AB 1337 (Wicks D) State Water Resources Control Board: water diversion curtailment.

Current Text: Amended: 5/18/2023 [html](#) [pdf](#)

Introduced: 2/16/2023

Last Amend: 5/18/2023

Status: 7/14/2023-Failed Deadline pursuant to Rule 61(a)(10). (Last location was N.R. & W. on 6/7/2023)(May be acted upon Jan 2024)

Location: 7/14/2023-S. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | 2 year | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Under existing law, the diversion or use of water other than as authorized by specified provisions of law is a trespass, subject to specified civil liability. This bill would expand the instances when the diversion or use of water is considered a trespass. This bill contains other related provisions and other existing laws.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - O | Priority 1 | ACWA - O | CMUA - O |

AB 1563 (Bennett D) Groundwater sustainability agency: groundwater extraction permit: verification.

Current Text: Amended: 6/28/2023 [html](#) [pdf](#)

Introduced: 2/17/2023

Last Amend: 6/28/2023

Status: 7/14/2023-Failed Deadline pursuant to Rule 61(a)(10). (Last location was GOV. & F. on 6/22/2023)(May be acted upon Jan 2024)

Location: 7/14/2023-S. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | 2 year | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law authorizes any local agency or combination of local agencies overlying a groundwater basin to decide to become a groundwater sustainability agency for that basin and imposes specified duties upon that agency or combination of agencies, as provided. Current law authorizes a groundwater sustainability agency to request of the county, and requires a county to consider, that the county forward permit requests for the construction of new groundwater wells, the enlarging of existing groundwater wells, and the reactivation of abandoned groundwater wells to the agency before permit approval. This bill would instead require a county to forward permit requests for the construction of new groundwater wells, the enlarging of existing groundwater wells, and the reactivation of abandoned groundwater wells to the groundwater sustainability agency before permit approval.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - W | Priority 1 | ACWA - O | CMUA - W |

[AB 1567](#) (Garcia D) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024.

Current Text: Amended: 5/26/2023 [html](#) [pdf](#)

Introduced: 2/17/2023

Last Amend: 5/26/2023

Status: 6/14/2023-Referred to Coms. on N.R. & W. and GOV. & F.

Location: 6/14/2023-S. N.R. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,995,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, clean energy, and workforce development programs.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|-----------|------------|------------|------------|
| State Water Contractors | SWC - S/A | Priority 1 | ACWA - S/A | CMUA - S&A |

[AB 1857](#) (Jackson D) State Air Resources Board: air quality regulation: valleys.

Current Text: Introduced: 1/18/2024 [html](#) [pdf](#)

Introduced: 1/18/2024

Status: 4/10/2024-In committee: Set, first hearing. Referred to suspense file.

Location: 4/10/2024-A. APPR. SUSPENSE FILE

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the State Air Resources Board to adopt regulations to improve air quality in population centers located in valleys and would require each local air district to implement those regulations with regard to stationary sources located within its jurisdiction. The bill would make those requirements inoperative on January 1, 2029, and would require the state board, on or before January 1, 2030, to submit a report to the Legislature and specified committees of the Legislature describing any air quality improvements resulting from those regulations.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[AB 1921](#) (Papan D) Energy: renewable electrical generation facilities: linear generators.

Current Text: Amended: 4/8/2024 [html](#) [pdf](#)

Introduced: 1/25/2024

Last Amend: 4/8/2024

Status: 4/9/2024-Re-referred to Com. on NAT. RES.

Location: 4/3/2024-A. NAT. RES.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law incorporates the definition of a renewable electrical generation facility into various programs, including the California Renewables Portfolio Standard Program, which requires the Public Utilities Commission to establish a renewables portfolio standard requiring all retail sellers, as defined, to procure a minimum quantity of electricity products from electrical generating facilities that meet the definition of "renewable electrical generation facility," and the net energy metering program, in which residential customers, small commercial customers, and commercial, industrial, or agricultural customers of an electrical utility, who use a renewable electrical generation facility, are eligible to participate, as specified. This bill would expand the definition of "renewable electrical generation facility" to include a facility that uses linear generators that use specified fuels.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | CMUA - W |

[AB 1998](#)

(Mathis R) California Environmental Quality Act: Department of Fish and Wildlife: review of environmental documents: revenue and cost tracking and accounting.

Current Text: Introduced: 1/30/2024 [html](#) [pdf](#)

Introduced: 1/30/2024

Status: 2/12/2024-Referred to Com. on W., P., & W.

Location: 2/12/2024-A. W.,P. & W.

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|-----------|---------------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA requires the lead agency to consult with a public agency that is a responsible agency or a trustee agency during the environmental review process. Current law authorizes the Department of Fish and Wildlife to impose and collect filing fees in specified amounts to defray the costs of managing and protecting fish and wildlife trust resources, including, but not limited to, consulting with other public agencies, reviewing environmental documents, recommending mitigation measures, developing monitoring requirements for purposes of CEQA, and other activities protecting those trust resources identified in a review pursuant to CEQA. This bill would require the department to separately track and account for all revenues collected under the above filing fee provision and all costs incurred in its role as a responsible agency or trustee agency under CEQA.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[AB 2000](#)

(Mathis R) State Water Project: permit and license conditions.

Current Text: Introduced: 1/30/2024 [html](#) [pdf](#)

Introduced: 1/30/2024

Status: 1/31/2024-From printer. May be heard in committee March 1.

Location: 1/30/2024-A. PRINT

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Under current law, the State Water Resources Control Board administers a water rights program pursuant to which the State Water Resources Control Board grants permits and licenses to appropriate water. Current law requires the director of the department, in collaboration with the Secretary of the Interior, to prepare a plan, on or before January 1, 2006, to meet the existing permit and license conditions for which the department has an obligation, and to submit copies of the plan to the state board and the California Bay-Delta Authority prior to increasing the existing permitted diversion rate at the State Water Project's Harvey O. Banks Pumping Plant. This bill would make a nonsubstantive change to the latter provision.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[AB 2060](#)

(Soria D) Lake and streambed alteration agreements: exemptions.

Current Text: Introduced: 2/1/2024 [html](#) [pdf](#)

Introduced: 2/1/2024

Status: 4/4/2024-In committee: Hearing postponed by committee.

Location: 2/12/2024-A. W.,P. & W.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law prohibits a person, a state or local governmental agency, or a public utility from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or depositing or disposing of debris, waste, or other material containing crumbled, flaked, or ground pavement where it may pass into any river, stream, or lake, unless prescribed requirements are met, including written notification to the Department of Fish and Wildlife regarding the activity. Current law prescribes various requirements for lake and streambed alteration agreements. Current law also establishes various exemptions from these provisions, including, until January 1, 2029, the diversion of floodflows for groundwater recharge, as provided. This bill would indefinitely exempt from these provisions the temporary operation of existing infrastructure or temporary pumps being used to divert flood stage flows, as

identified by the California Nevada River Forecast Center or the State Water Resources Control Board, or near-flood stage flows, as defined, to groundwater recharge as long as certain conditions are met.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | CMUA - W |

AB 2079 (Bennett D) Groundwater extraction: large-diameter, high-capacity wells: permits.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/5/2024

Last Amend: 3/21/2024

Status: 4/1/2024-Re-referred to Com. on W., P., & W.

Location: 3/21/2024-A. W.,P. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans, except as specified. Current law authorizes any local agency or combination of local agencies overlying a groundwater basin to decide to become a groundwater sustainability agency for that basin and imposes specified duties upon that agency or combination of agencies, as provided. Current law requires the State Water Resources Control Board to adopt a model water well, cathodic protection well, and monitoring well drilling and abandonment ordinance implementing certain standards for water well construction, maintenance, and abandonment and requires each county, city, or water agency, where appropriate, not later than January 15, 1990, to adopt a water well, cathodic protection well, and monitoring well drilling and abandonment ordinance that meets or exceeds certain standards. Under current law, if a county, city, or water agency, where appropriate, fails to adopt an ordinance establishing water well, cathodic protection well, and monitoring well drilling and abandonment standards, the model ordinance adopted by the state board is required to take effect on February 15, 1990, and is required to be enforced by the county or city and have the same force and effect as if adopted as a county or city ordinance. This bill would require a local enforcement agency, as defined, to perform specified activities at least 30 days before determining whether to approve a permit for a new large-diameter, high-capacity well, as defined. By imposing additional requirements on a local enforcement agency, the bill would impose a state-mandated local program.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|------------|------------|
| State Water Contractors | SWC - W | Priority 1 | ACWA - O/A | CMUA - O/A |

AB 2204 (Bennett D) Green hydrogen.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/7/2024

Last Amend: 3/21/2024

Status: 4/1/2024-Re-referred to Com. on U. & E.

Location: 3/21/2024-A. U. & E.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require, on and after an unspecified date, all hydrogen produced or used in California to be green hydrogen that excludes the use of any fossil fuel as a feedstock or as an energy source in the production process and that complies with any applicable requirements to show the use of new and incremental renewable generation resources, temporal matching of renewable generation resources, and geographic deliverability of renewable energy resources.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | CMUA - O |

AB 2285 (Rendon D) Natural resources: equitable outdoor access: 30x30 goal: urban nature-based projects.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/8/2024

Last Amend: 3/21/2024

Status: 4/11/2024-From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 14. Noes 0.) (April 9).

Location: 4/9/2024-A. APPR.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law declares that it is state policy, among other things, to ensure that all Californians have equitable opportunities to safe and affordable access to nature and access to the benefits of nature, and to prevent and minimize the intentional and unwarranted limitation of sustainable public access to public lands, where appropriate, including, but not limited to, local, regional, state, and federal parks, rivers, lakes, beaches, forests, mountain ranges, deserts, and other natural landscapes. Current law requires specified state agencies to consider and incorporate, as appropriate, the state policy when revising, adopting, or establishing policies, regulations, or grant criteria, or making expenditures, as specified. Current law requires all state agencies implementing the above-described state policy to do so in a manner consistent with the mission of their agency and that protects the health and safety of the public and conserves natural and cultural resources. This bill would provide that, to advance and promote environmental and conservation policies and budget actions, the Governor’s office, state agencies, and the Legislature, when distributing resources, shall aspire to recognize the coequal goals and benefits of the 30x30 goal and Outdoors for All, and would require consideration to include, among other things, higher land value acquisition and development costs per acre, the acute health needs of a local population due to historic lack of greenspace access and development externalities, local park needs assessment plans, and the availability of mobility options near a proposed land conservation site. The bill would encourage regulatory agencies, including the Department of Toxic Substances Control, to work with local communities to restore degraded lands that could contribute to a more equitable strategy for meeting the state’s goals. The bill would require state funding agencies, including certain state conservancies and the Wildlife Conservation Board, when programming and awarding funds to revise, modify, or amend guidelines as necessary to meet the state’s goals, to allow for urban nature-based projects on degraded lands to be eligible and competitive for state funds.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

AB 2409 (Papan D) Office of Planning and Research: permitting accountability transparency dashboard.

Current Text: Amended: 4/11/2024 [html](#) [pdf](#)

Introduced: 2/12/2024

Last Amend: 4/11/2024

Status: 4/11/2024-From committee chair, with author's amendments: Amend, and re-refer to Com. on W., P., & W. Read second time and amended.

Location: 3/21/2024-A. W.,P. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the Office of Planning and Research, on or before January 1, 2026, to create and maintain, as specified, a permitting accountability transparency internet website (dashboard). The bill would require the dashboard to include a display for each permit to be issued by specified state agencies for all covered projects. The bill would define various terms for these purposes. The bill would also require the dashboard to include, but not be limited to, information for each permit to be issued by a state agency that is required for the completion of the project, including, among other requirements, the permit application submission date. The bill would require each state agency with a responsibility for issuing a permit for a covered project to provide information in the appropriate time and manner as determined by the office. The bill would also make related findings and declarations.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------------|
| State Water Contractors | SWC - W | Priority 1 | | |
| | | | ACWA - F | CMUA - Sponsor |

AB 2439 (Quirk-Silva D) Public works: prevailing wages: access to records.

Current Text: Amended: 4/1/2024 [html](#) [pdf](#)

Introduced: 2/13/2024

Last Amend: 4/1/2024

Status: 4/4/2024-Re-referred to Com. on L. & E. pursuant to Assembly Rule 96.

Location: 4/4/2024-A. L. & E.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Existing law defines "public works," for the purposes of regulating public works contracts, as, among other things, construction, alteration, demolition, installation, or repair work done under contract and paid for, in whole or in part, out of public funds. Existing law requires each contractor and subcontractor on a public works project to keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the contractor or subcontractor in connection with the public work. Existing law requires any copy of records made available for inspection as copies and furnished upon request to the public or any public agency to be marked or obliterated to prevent disclosure of an individual's name, address, and social security number but specifies that any copy of records made available to a Taft-Hartley trust fund for the purposes of allocating contributions to participants be marked or obliterated only to prevent disclosure of an individual's full social security number, as specified. This bill would require an owner, a developer, or the agent of an owner or developer, that, among other things, receives public funds from a public agency to perform specified public works projects, to make available upon written request from a joint labor-management committee, a multiemployer Taft-Hartley trust fund, or a specified tax-exempt organization specified public works records in their possession, including requests for bids and submitted bid documents, inspection and work logs, and funding documentation.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[AB 2450](#) (Aguiar-Curry D) Flood control: City of Woodland: Lower Cache Creek.

Current Text: Amended: 4/11/2024 [html](#) [pdf](#)

Introduced: 2/13/2024

Last Amend: 4/11/2024

Status: 4/11/2024-Read second time and amended.

Location: 4/9/2024-A. APPR.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law provides for state cooperation with the federal government in the construction of specified flood control projects. For certain flood control projects authorized on or after January 1, 2002, or for small flood management projects for which specified findings have been made on or after that date, existing law requires the state to pay 50% of specified nonfederal costs. Current law authorizes the state to pay up to 70% of those nonfederal costs upon the recommendation of the Department of Water Resources or the Central Valley Flood Protection Board if either entity determines that the project will advance one of several specified objectives. Current law authorizes a plan of improvement for flood control and water conservation on Cache Creek, including Clear Lake, in the Counties of Yolo and Lake. This bill would specifically adopt and approve the Lower Cache Creek Flood Risk Management Project, as provided. The bill would also authorize the state to provide funds, up to 99% of the costs, as specified, for the project for flood control on the Lower Cache Creek in the County of Yolo, and would authorize the City of Woodland to receive funds for these purposes under specified conditions.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[AB 2614](#) (Ramos D) Water policy: California tribal communities.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/14/2024

Last Amend: 3/21/2024

Status: 4/10/2024-Coauthors revised. From committee: Do pass and re-refer to Com. on W., P., & W. (Ayes 6. Noes 0.) (April 9). Re-referred to Com. on W., P., & W.

Location: 4/10/2024-A. W.,P. & W.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Porter-Cologne Water Quality Control Act establishes a statewide program for the control of the quality of all the waters in the state and makes certain legislative findings and declarations. Existing law defines the term "beneficial uses" for the purposes of water quality as

certain waters of the state that may be protected against quality degradation, to include, among others, domestic, municipal, agricultural, and industrial supplies. This bill would add findings and declarations related to California tribal communities and the importance of protecting tribal water use, as those terms are defined. The bill would add tribal water uses as waters of the state that may be protected against quality degradation for purposes of the defined term "beneficial uses."

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|------------|-----------------|
| State Water Contractors | SWC - W | Priority 1 | ACWA - W&A | CMUA - Concerns |

AB 2661 (Soria D) Electricity: transmission facility planning: water districts.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/14/2024

Last Amend: 3/21/2024

Status: 4/1/2024-Re-referred to Com. on U. & E.

Location: 3/21/2024-A. U. & E.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptured |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires the Public Utilities Commission (PUC), in consultation with the State Energy Resources Conservation and Development Commission, to provide, not later than March 31, 2024, transmission-focused guidance to the ISO about resource portfolios of expected future renewable energy resources and zero-carbon resources. Current law requires the guidance to include the allocation of those resources by region based on technical feasibility and commercial interest in each region. This bill would require the PUC to evaluate the potential for 10,000 to 30,000 megawatts of solar electrical generation located in the Central Valley beyond the amount of solar electrical generation described in the most recently adopted preferred system plan as of January 1, 2025. If the PUC determines that solar electrical generation to be cost effective, the bill would require the PUC to provide, no later than the March 31 immediately following that determination, transmission-focused guidance to the ISO that includes the solar electrical generation in the resource portfolios of expected future renewable energy resources and zero-carbon resources.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | CMUA - W |

AB 2827 (Reyes D) Invasive species: prevention.

Current Text: Introduced: 2/15/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Status: 4/11/2024-Coauthors revised. From committee: Do pass and re-refer to Com. on E.S. & T.M. (Ayes 10. Noes 0.) (April 10). Re-referred to Com. on E.S. & T.M.

Location: 2/15/2024-A. E.S. & T.M.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptured |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires the Department of Food and Agriculture, headed by the Secretary of Food and Agriculture, to promote and protect the agricultural industry of the state. Current law authorizes the department to expend in accordance with law all money that is made available for its use. This bill would find and declare that it is a primary goal of the state to prevent the introduction, and suppress the spread, of invasive species within its borders. The bill would require, in carrying out this goal, state agencies, in collaboration with relevant stakeholders, to, among other things, develop and implement strategies to detect, control, monitor, and eradicate invasive species to protect the state's agriculture, environment, and natural resources.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

AB 2875 (Friedman D) Wetlands: state policy.

Current Text: Introduced: 2/15/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Status: 4/9/2024-From committee: Do pass and re-refer to Com. on APPR. (Ayes 14. Noes 0.) (April 9). Re-referred to Com. on APPR.

Location: 4/9/2024-A. APPR.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Existing law, the Keene-Nejedly California Wetlands Preservation Act, requires the Natural Resources Agency to prepare a plan for the acquisition, protection, preservation, restoration, and enhancement of wetlands, including funding requirements and the priority status of specific proposed wetlands projects. By Executive Order No. W-59-93, former Governor Pete Wilson declared it to be the policy of the state that its Comprehensive Wetlands Policy rests on three primary objectives, including the objective of ensuring no overall net loss and long-term net gain in the quantity, quality, and permanence of wetlands acreage and values, as provided. This bill would declare that it is the policy of the state to ensure no net loss and long-term gain in the quantity, quality, and permanence of wetlands acreage and values in California. The bill would make related legislative findings and declarations.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[AB 2916](#) (Friedman D) Environmental health: floating devices: expanded polystyrene.

Current Text: Introduced: 2/15/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Status: 4/2/2024-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 3/11/2024-A. E.S. & T.M.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Existing law regulates certain consumer products and services for the purposes of public health and environmental protection. This bill would prohibit, beginning January 1, 2026, a buoy, dock, pier, or other floating device that is comprised of expanded polystyrene, as defined, from being installed, placed into, or used in the waters of the state, except when completely encased in another material that prevents the release of the expanded polystyrene into the waters of the state or the environment, as provided. The bill would require a buoy, dock, pier, or other floating device that is installed, placed into, or used in the waters of this state before January 1, 2026, and that is repaired or maintained after January 1, 2026, to also comply with this requirement.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[AB 3084](#) (Soria D) Groundwater basin management.

Current Text: Introduced: 2/16/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Status: 2/17/2024-From printer. May be heard in committee March 18.

Location: 2/16/2024-A. PRINT

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: The Sustainable Groundwater Management Act states the intent of the Legislature to provide for the sustainable management of groundwater basins and to provide local groundwater agencies with the authority and the technical and financial assistance necessary to sustainably manage groundwater, among other purposes of the act. This bill would express the intent of the Legislature to enact future legislation to improve groundwater basin management.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[AB 3238](#) (Garcia D) Electrical infrastructure projects: endangered species: natural community conservation plans.

Current Text: Amended: 4/8/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 4/8/2024

Status: 4/9/2024-Re-referred to Com. on W., P., & W.

Location: 4/3/2024-A. W.,P. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Endangered Species Act (CESA), except as authorized by the Director of Fish and Wildlife, generally prohibits the take of a species determined to be an endangered, threatened, or candidate species under the act. The CESA provides that no further authorization or approval from the director is necessary for a person who obtained an incidental take statement or an incidental take permit under the federal Endangered Species Act if the person provides to the director a copy of the incidental take statement or incidental take permit and the director determines that the incidental take statement or incidental take permit is consistent with the requirements of the act. This bill would, for an electrical infrastructure project, as defined, require the director to publish a determination authorizing the incidental take of a species under the same terms and condition provided under federal law if the public utility undertaking the project has obtained an incidental take statement or incidental take permit under the federal act.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[ACA 2](#)

(Alanis R) Water Resiliency Act of 2024.

Current Text: Amended: 3/6/2024 [html](#) [pdf](#)

Introduced: 12/5/2022

Last Amend: 3/6/2024

Status: 3/19/2024-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 4/20/2023-A. W.,P. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Constitution declares that the general welfare requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable, and that the right to the use of water does not extend to the waste or unreasonable use, method of use, or method of diversion of water. This measure would require the Treasurer to annually transfer an amount equal to 1.5% of all state revenues from the General Fund to the California Water Resiliency Trust Fund, which the measure would create. The measure would continuously appropriate moneys in the fund to the California Water Commission for its actual costs of implementing these provisions and for specified water infrastructure projects.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[ACA 16](#)

(Bryan D) Environmental rights.

Current Text: Introduced: 1/25/2024 [html](#) [pdf](#)

Introduced: 1/25/2024

Status: 4/9/2024-Coauthors revised. From committee: Be adopted, and re-refer to Com. on APPR. Re-referred. (Ayes 8. Noes 3.) (April 8). Re-referred to Com. on APPR.

Location: 4/9/2024-A. APPR.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Would amend the California Constitution to declare that the people have a right to clean air and water and a healthy environment.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

CMUA - W

[SB 231](#)

(Hurtado D) Department of Water Resources: water supply forecasting.

Current Text: Amended: 7/12/2023 [html](#) [pdf](#)

Introduced: 1/23/2023

Last Amend: 7/12/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/23/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-A. 2 YEAR

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| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the Department of Water Resources, on or before December 31, 2025, to establish a formal process for annually evaluating and improving the accuracy of its water supply forecasts, adopt a new water supply forecasting model that better addresses the effects of climate change, and implement a formal policy and procedures for documenting its operational plans for the state's water supply and its rationale for its operating procedures. The bill would require the department, by December 1, 2024, to prepare, and submit to the Legislature, a report on its progress toward meeting these requirements.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

SB 265

(Hurtado D) Cybersecurity preparedness: critical infrastructure sectors.

Current Text: Amended: 6/19/2023 [html](#) [pdf](#)

Introduced: 1/31/2023

Last Amend: 6/19/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. on 7/10/2023) (May be acted upon Jan 2024)

Location: 9/1/2023-A. 2 YEAR

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| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Emergency Services Act, among other things, creates the Office of Emergency Services (Cal OES), which is responsible for the state's emergency and disaster response services, as specified. Current law requires Cal OES to establish the California Cybersecurity Integration Center (Cal-CSIC) with the primary mission of reducing the likelihood and severity of cyber incidents that could damage California's economy, its critical infrastructure, or public and private sector computer networks in the state. This bill would require Cal OES to direct Cal-CSIC to prepare, and Cal OES to submit to the Legislature on or before January 1, 2025, a strategic, multiyear outreach plan to assist critical infrastructure sectors, as defined, in their efforts to improve cybersecurity and an evaluation of options for providing grants or alternative forms of funding to, and potential voluntary actions that do not require funding and that assist, that sector in their efforts to improve cybersecurity preparedness.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | CMUA - W |

SB 308

(Becker D) Carbon Dioxide Removal Market Development Act.

Current Text: Amended: 5/18/2023 [html](#) [pdf](#)

Introduced: 2/2/2023

Last Amend: 5/18/2023

Status: 7/14/2023-Failed Deadline pursuant to Rule 61(a)(10). (Last location was NAT. RES. on 6/8/2023)(May be acted upon Jan 2024)

Location: 7/14/2023-A. 2 YEAR

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| Desk | Policy | Fiscal | Floor | Desk | 2 year | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would enact the Carbon Dioxide Removal Market Development Act that would require the State Air Resources Board, no later than December 31, 2027, to adopt a regulation to require certain emitting entities to purchase negative emissions credits equal to a specified amount of their greenhouse gas emissions, as determined by the state board, in each calendar year beginning in the 2028 calendar year in accordance with specified requirements. The bill would require the state board, no later than December 31, 2027, to establish rules and processes for certifying carbon dioxide removal processes that may be used to create negative emissions credits and for tracking negative emissions credits in accordance with certain criteria. The bill would also require negative emissions resulting from the use of negative emissions credits to be included in the calculation of the state's net greenhouse gas emissions, as specified.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

SB 366 (Caballero D) The California Water Plan: long-term supply targets.

Current Text: Amended: 4/8/2024 [html](#) [pdf](#)

Introduced: 2/8/2023

Last Amend: 4/8/2024

Status: 4/8/2024-From committee with author's amendments. Read second time and amended. Re-referred to Com. on W., P., & W.

Location: 6/8/2023-A. W.,P. & W.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as "The California Water Plan." Current law requires the department to include a discussion of various strategies in the plan update, including, but not limited to, strategies relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, water transfers, and alternative pricing policies that may be pursued in order to meet the future needs of the state. Current law requires the department to establish an advisory committee to assist the department in updating the plan. This bill would revise and recast certain provisions regarding The California Water Plan to, among other things, require the department to instead establish a stakeholder advisory committee and to expand the membership of the committee to include tribes, labor, and environmental justice interests. The bill would require the department to coordinate with the California Water Commission, the State Water Resources Control Board, other state and federal agencies as appropriate, and the stakeholder advisory committee to develop a comprehensive plan for addressing the state's water needs and meeting specified long-term water supply targets established by the bill for purposes of The California Water Plan. The bill would require the plan to provide recommendations and strategies to ensure enough water supply for all designated beneficial uses.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------------|
| State Water Contractors | SWC - S | Priority 1 | ACWA - S | CMUA - Sponsor |

SB 422 (Portantino D) California Environmental Quality Act: expedited environmental review: climate change regulations.

Current Text: Amended: 3/20/2023 [html](#) [pdf](#)

Introduced: 2/13/2023

Last Amend: 3/20/2023

Status: 9/14/2023-Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/12/2023)(May be acted upon Jan 2024)

Location: 9/14/2023-A. 2 YEAR

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | 2 year | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA requires specified public agencies, including air pollution control districts and air quality management districts, to perform, at the time of adoption of a rule or regulation requiring the installation of pollution control equipment or a performance standard or treatment requirement, an environmental analysis of the reasonably foreseeable methods of compliance. This bill would also require those specified public agencies, at the time of adoption of a rule or regulation requiring the reduction in emissions of greenhouse gases, criteria air pollutants, or toxic air contaminants, to perform an environmental analysis of the reasonably foreseeable methods of compliance.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

SB 638 (Eggman D) Climate Resiliency and Flood Protection Bond Act of 2024.

Current Text: Amended: 6/28/2023 [html](#) [pdf](#)

Introduced: 2/16/2023

Last Amend: 6/28/2023

Status: 7/6/2023-July 11 hearing postponed by committee.

Location: 6/15/2023-A. W.,P. & W.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would enact the Climate Resiliency and Flood Protection Bond Act of 2024 which, if approved by the voters, would authorize the issuance of bonds in the amount of \$6,000,000,000 pursuant to the State General Obligation Bond Law, for flood protection and climate resiliency projects.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|------------|------------|
| State Water Contractors | SWC - W | Priority 1 | ACWA - F/A | CMUA - F/A |

SB 651

(Grove R) California Environmental Quality Act: groundwater recharge projects: Judicial Council rules of court.

Current Text: Amended: 6/22/2023 [html](#) [pdf](#)

Introduced: 2/16/2023

Last Amend: 6/22/2023

Status: 7/14/2023-Failed Deadline pursuant to Rule 61(a)(10). (Last location was NAT. RES. on 6/20/2023)(May be acted upon Jan 2024)

Location: 7/14/2023-A. 2 YEAR

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| Desk | Policy | Fiscal | Floor | Desk | 2 year | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the Judicial Council to adopt a rule of court to establish procedures requiring actions or proceedings brought to attack, review, set aside, void, or annul the certification of an environmental impact report, or the granting of any project approvals, for groundwater recharge projects, as described, except as provided, that implement a groundwater sustainability plan or an interim groundwater sustainability plan, as described, that would require the actions or proceedings, including any appeals, to be resolved within 270 days of the filing of the certified record of proceedings with the court. The bill would also include a related statement of legislative intent.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

SB 867

(Allen D) Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024.

Current Text: Amended: 6/22/2023 [html](#) [pdf](#)

Introduced: 2/17/2023

Last Amend: 6/22/2023

Status: 7/6/2023-July 10 hearing postponed by committee.

Location: 6/20/2023-A. NAT. RES.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would enact the Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,500,000,000 pursuant to the State General Obligation Bond Law to finance projects for drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, park creation and outdoor access, and clean energy programs.

| Organization | Position | Priority | Misc1 | Misc2 |
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| State Water Contractors | SWC - S/A | Priority 1 | ACWA - S/A | CMUA - S&A |

SB 955

(Seyarto R) Office of Planning and Research: Infrastructure Gap-Fund Program.

Current Text: Amended: 4/4/2024 [html](#) [pdf](#)

Introduced: 1/22/2024

Last Amend: 4/4/2024

Status: 4/9/2024-Set for hearing April 15.

Location: 4/3/2024-S. APPR.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the Office of Planning and Research, upon appropriation by the Legislature, to establish the Infrastructure Gap-Fund Program to provide grants to local agencies to develop and construct infrastructure projects, as defined. The bill would authorize the office to provide funding for up to 20% of a project's total cost, subject to specified requirements, including, among other things, that the office is prohibited from awarding a grant to a local agency unless the local agency provides funding that has been raised through local taxes for at least 10% of the infrastructure project's total cost. The bill would require the office to develop guidelines to implement the program that establish the criteria by which grant applications will be evaluated and funded. The bill would make these provisions operative January 1, 2027.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

SB 984

(Wahab D) Public agencies: project labor agreements.

Current Text: Amended: 4/11/2024 [html](#) [pdf](#)

Introduced: 1/29/2024

Last Amend: 4/11/2024

Status: 4/11/2024-From committee with author's amendments. Read second time and amended. Re-referred to Com. on G.O.

Location: 2/14/2024-S. G.O.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law establishes procedures for state agencies to enter into contracts for goods and services, including generally requiring that certain contracts by a state agency, including, but not limited to, contracts for the construction, alteration, improvement, repair, or maintenance of property, be approved by the Department of General Services. Current law authorizes a public entity to use, enter into, or require contractors to enter into, a project labor agreement, as defined, for a construction project, if the agreement includes specified taxpayer protection provisions. This bill would require a state agency, by January 1, 2027, to identify and select a minimum of 3 major state construction projects that are required to be governed by a project labor agreement, as specified, and would define various terms for these purposes. The bill would require the Department of General Services, commencing January 1, 2029, to report to the Legislature about the use of project labor agreements, the advancement of community benefit goals, and apprenticeships, as specified.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

SB 1073

(Skinner D) State acquisition of goods and services: low-carbon cement or concrete products.

Current Text: Introduced: 2/12/2024 [html](#) [pdf](#)

Introduced: 2/12/2024

Status: 4/11/2024-Set for hearing April 24.

Location: 4/9/2024-S. E.Q.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Climate Crisis Act, sets forth the policy of the state, including, among other things, to achieve net zero greenhouse gas emissions, as soon as possible, but no later than 2045, and to achieve and maintain net negative greenhouse gas emissions thereafter. This bill would authorize a state agency to enter into forward contracts to purchase low-carbon cement or concrete products up to 10 years in advance to facilitate the commercialization of concrete, cement, and supplementary cementitious materials and in furtherance of either of the policy and comprehensive strategy relating to net-zero greenhouse gas emissions, as specified.

| Organization | Position | Priority | Misc1 | Misc2 |
|--------------|----------|------------|-------|-------|
| State Water | SWC - W | Priority 1 | | |

SB 1088 (Alvarado-Gil D) Office of Emergency Services: state matching funds: water system infrastructure improvements.

Current Text: Amended: 3/18/2024 [html](#) [pdf](#)

Introduced: 2/12/2024

Last Amend: 3/18/2024

Status: 4/11/2024-Set for hearing April 23.

Location: 4/9/2024-S. N.R. & W.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would, contingent on funding being appropriated pursuant to a bond act, as specified, establish the Rural and Small Community Fire Resilience Program within the OES for the distribution of state matching funds to communities within the Wildland Urban Interface to improve water system infrastructure, as prescribed. The bill would require the OES to work in coordination with the Department of Water Resources, the State Water Resources Control Board, the Office of the State Fire Marshal, and other state entities as the office determines to be appropriate, to achieve the purposes of the program.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

SB 1156 (Hurtado D) Groundwater sustainability agencies: financial disclosures.

Current Text: Introduced: 2/14/2024 [html](#) [pdf](#)

Introduced: 2/14/2024

Status: 4/9/2024-From committee: Do pass and re-refer to Com. on E. & C.A. with recommendation: To consent calendar. (Ayes 11. Noes 0.) (April 9). Re-referred to Com. on E. & C.A.

Location: 4/9/2024-S. E. & C.A.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans, except as specified. Existing law requires a groundwater sustainability plan to be developed and implemented for each medium- or high-priority basin by a groundwater sustainability agency. Current law authorizes any local agency or combination of local agencies overlying a groundwater basin to decide to become a groundwater sustainability agency for that basin, as provided. Current provisions of the Political Reform Act of 1974 prohibit a public official from making, participating in making, or attempting to use their official position to influence a governmental decision in which they know or have reason to know that they have a financial interest, as defined. However, current law permits a public official to make or participate in the making of a governmental decision, even if the public official knows or has reason to know that the official has a financial interest, if the official's participation is legally required for the action or decision to be made. Current law makes a knowing or willful violation of the act a misdemeanor and subjects offenders to criminal penalties. This bill would require members of the executive team, board of directors, and other groundwater management decision makers of groundwater sustainability agencies to annually disclose any economic or financial interests pursuant to the Political Reform Act of 1974 that may reasonably be considered to affect their decision-making related to groundwater management, as provided.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|------------|----------|
| State Water Contractors | SWC - W | Priority 1 | | |
| | | | ACWA - W&A | CMUA - W |

SB 1162 (Cortese D) Public contracts: employment compliance reports and payroll records: workers' dates of birth.

Current Text: Amended: 4/1/2024 [html](#) [pdf](#)

Introduced: 2/14/2024

Last Amend: 4/1/2024

Status: 4/12/2024-Set for hearing April 23 in JUD. pending receipt.

Location: 2/21/2024-S. L., P.E. & R.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Existing law establishes requirements that apply when a public entity is required by statute or regulation to obtain an enforceable commitment that a bidder, contractor, or other entity will use a skilled and trained workforce to complete a contract or project. Existing law requires the enforceable commitment to provide that the contractor, bidder, or other entity will provide to the public entity or other awarding body a report on a monthly basis demonstrating its compliance with these requirements. This bill would additionally require the enforceable commitment to provide that the above-described report will include the date of birth of each worker. This bill contains other existing laws.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

[SB 1165](#) (Padilla D) State Energy Resources Conservation and Development Commission: certification of facilities: electrical transmission projects.

Current Text: Introduced: 2/14/2024 [html](#) [pdf](#)

Introduced: 2/14/2024

Status: 4/10/2024-Set for hearing April 24.

Location: 4/2/2024-S. E.Q.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: (1) The California Environmental Quality Act (CEQA) requires preparation of specified documentation before a public agency approves or carries out certain projects. Existing law makes an environmental leadership development project, as defined, that meets specified requirements and is certified by the Governor eligible for streamlined procedures under CEQA. In particular, existing law requires the adoption of rules of court that expedite certain CEQA actions and proceedings related to an environmental leadership development project to resolve those actions and proceedings, to the extent feasible, within 270 days. This bill would expand the facilities eligible to be certified pursuant to the provisions described above by the Energy Commission and deemed environmental leadership development projects to include electrical transmission projects. The bill would require an applicant applying for certification of an electrical transmission project to take certain actions, including, among other actions, to avoid or minimize significant environmental impacts in any disadvantaged community.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | CMUA - W |

[SB 1218](#) (Newman D) Water: emergency water supplies.

Current Text: Introduced: 2/15/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Status: 4/2/2024-Set for hearing April 23.

Location: 2/29/2024-S. N.R. & W.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would declare that it is the established policy of the state to encourage and incentivize, but not mandate, the development of emergency water supplies, and to support their use during times of water shortage.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - W | Priority 1 | ACWA - F | CMUA - F |

[SB 1255](#) (Durazo D) Public water systems: needs analysis.

Current Text: Amended: 4/1/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Last Amend: 4/1/2024

Status: 4/3/2024-Set for hearing April 17.

Location: 2/29/2024-S. E.Q.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Safe Drinking Water Act provides for the operation of public water systems and imposes on the State Water Resources Control Board various responsibilities and duties relating to the regulation of drinking water to protect public health. Existing law establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. Existing law requires the state board to annually adopt a fund expenditure plan, as provided, and requires expenditures from the fund to be consistent with the fund expenditure plan. Existing law requires the state board to base the fund expenditure plan on data and analysis drawn from a specified drinking water needs assessment. This bill would require the state board to update a needs analysis of the state's public water systems to include an assessment, as specified, of the funds necessary to provide a 20% discount for low-income households served by community water systems with fewer than 3,000 service connections and for community water systems with fewer than 3,000 service connections to meet a specified affordability threshold on or before July 1, 2026, and on or before July 1 of every 3 years thereafter.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|------------|----------|
| State Water Contractors | SWC - W | Priority 1 | ACWA - W&A | CMUA - W |

SB 1303 (Caballero D) Public works.

Current Text: Amended: 4/10/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Last Amend: 4/10/2024

Status: 4/12/2024-Set for hearing April 23 in JUD. pending receipt.

Location: 4/3/2024-S. L., P.E. & R.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires that, except as specified, not less than the general prevailing rate of per diem wages, determined by the Director of Industrial Relations, be paid to workers employed on public works projects. Current law defines the term "public works" for purposes of requirements regarding the payment of prevailing wages to include construction, alteration, demolition, installation, or repair work done under contract and paid for using public funds, except as specified. Current law requires an awarding body, as part of a labor compliance program, to withhold contract payments when, among other things, payroll records are delinquent or inadequate. Current law requires an awarding body, as specified, to provide notice of withholding of contract payments to the contractor or subcontractor. Current law requires the notice to be in writing, and describe the nature of the violation and the amount of wages, penalties, and forfeitures withheld. This bill would require an awarding body or its agent, prior to withholding funds for an alleged violation, to, among other things, notify the Division of Labor Standards Enforcement and confer with the negotiating parties to review relevant public works law. The bill would require the awarding body or its agent to participate in a revised process authorizing the contractor or subcontractor to review and respond to the alleged violations.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | CMUA - W |

SB 1311 (Stern D) Energy: reliability planning assessment: integrated energy policy report.

Current Text: Introduced: 2/15/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Status: 4/4/2024-Set for hearing April 16.

Location: 2/29/2024-S. E. U., & C.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires the State Energy Resources Conservation and Development Commission (Energy Commission) and the Public Utilities Commission (PUC), on or before December 15, 2022, and quarterly thereafter, to submit to the Legislature a joint Reliability Planning Assessment that, among other things, includes prospective information on existing and expected resources, including updates on the interconnection status for renewable projects and any delays in interconnection, and expected retirements for both system and local resources. Existing law requires the Energy Commission to report in the energy almanac on California energy resources that serve load in California. This bill would require that the assessment also include the status of utility transmission

upgrades and electrical grid infrastructure capacity, PUC approvals of applications for certificates of public convenience and necessity and permits to construct utility and independent projects, and applications for permits for projects from the Energy Commission and the queue of projects from the Independent System Operator, include the expected completion dates for both system and local resources, and report on the use of fossil fuel by certain facilities constructed by, purchased by, or under contract with the Department of Water Resources, as specified. This bill contains other related provisions and other existing laws.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 1 | | |

SB 1373 (Cortese D) Water data dashboard.

Current Text: Amended: 4/11/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 4/11/2024

Status: 4/11/2024-From committee with author's amendments. Read second time and amended. Re-referred to Com. on N.R. & W.

Location: 4/3/2024-S. N.R. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: The Open and Transparent Water Data Act requires the Department of Water Resources, in consultation with the California Water Quality Monitoring Council, the State Water Resources Control Board, and the Department of Fish and Wildlife, to create, operate, and maintain a statewide integrated water data platform that, among other things, integrates existing water and ecological data information from multiple databases and provides data on completed water transfers and exchanges. This bill would require the department, while seeking input from the California Water Data Consortium, as defined, to create a water data dashboard that is accessible through its internet website, as specified. The bill would include related findings and declarations.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | CMUA - W |

SB 1390 (Caballero D) Groundwater recharge: floodflows: diversion.

Current Text: Introduced: 2/16/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Status: 4/2/2024-Set for hearing April 23.

Location: 2/29/2024-S. N.R. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law declares that all water within the state is the property of the people of the state, but the right to the use of the water may be acquired by appropriation in the manner provided by law. Current law requires the appropriation to be for some useful or beneficial purpose. Current law provides, however, that the diversion of flood flows for groundwater recharge does not require an appropriative water right if certain conditions are met, including that a local or regional agency has adopted a local plan of flood control or has considered flood risks part of its most recently adopted general plan. Current law also requires the person or entity making the diversion to file with the State Water Resources Control Board a final report after the diversions cease, as provided. These requirements apply to diversions commenced before January 1, 2029. This bill would extend the operation of these requirements to diversions commenced before January 1, 2034. The bill would revise, recast, and expand the conditions that are required to be met to include a requirement that a local or regional agency make a declaration that its proposed diversion is in accordance with one of certain enumerated plans relating to flood control or flood risk, as specified, or a county emergency operations plan.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 1 | | CMUA - W |

SB 1402 (Min D) 30x30 goal: state agencies: adoption, revision, or establishment of plans, policies, and regulations.

Current Text: Amended: 4/10/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 4/10/2024

Status: 4/12/2024-Set for hearing April 23.

Location: 4/9/2024-S. N.R. & W.

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|-----------|---------------|--------|-------|-----------|--------|--------|-------|----------------|----------|--------|-----------|
| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires the Secretary of the Natural Resources Agency to prepare and submit, on or before March 31, 2024, and annually thereafter, a report to the Legislature on the progress made in the prior calendar year toward achieving the goal to conserve 30% of California's lands and coastal waters by 2030. Current law provides that it is the goal of the state to conserve at least 30% of California's lands and coastal waters by 2030, known as the 30x30 goal. This bill would require all state agencies, departments, boards, offices, commissions, and conservancies to consider the 30x30 goal when adopting, revising, or establishing plans, policies, and regulations that directly affect land use, management of natural resources, water use and quality, or biodiversity conservation.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|-----------------|-----------------|--------------|--------------|
| State Water Contractors | SWC - W | Priority 1 | | |

Total Measures: 56

Total Tracking Forms: 56

State Water Contractors - Priority 2 4/15/2024

[AB 828](#)

(Connolly D) Sustainable groundwater management: managed wetlands.

Current Text: Amended: 1/11/2024 [html](#) [pdf](#)

Introduced: 2/13/2023

Last Amend: 1/11/2024

Status: 1/29/2024-Read third time. Passed. Ordered to the Senate. (Ayes 47. Noes 15.) In Senate. Read first time. To Com. on RLS. for assignment.

Location: 1/29/2024-S. RLS.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans, except as specified. Current law defines various terms for purposes of the act. This bill would add various defined terms for purposes of the act, including the terms "managed wetland" and "small community water system."

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |
| | | | ACWA - O | |

[AB 841](#)

(Berman D) State Energy Resources Conservation and Development Commission: Industrial Heat Electrification Roadmap.

Current Text: Amended: 7/6/2023 [html](#) [pdf](#)

Introduced: 2/14/2023

Last Amend: 7/6/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/21/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-S. 2 YEAR

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|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the State Energy Resources Conservation and Development Commission, on or before January 1, 2025, to submit to the Legislature an Industrial Heat Electrification Roadmap, which would, among other things, identify the industrial subsectors for various California facilities that use heat application equipment operating at or below 1,000 degrees Celsius and their locations and evaluate various issues related to industrial electrification, as specified. The bill would authorize the commission to consult with the State Air Resources Board to include in the roadmap an estimate of the reductions in emissions of greenhouse gases and criteria air pollutants, and commensurate health benefits, from electrifying the identified industrial subsectors.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | |
| | | | | CMUA - F |

[AB 998](#)

(Connolly D) Biomass energy facilities: State Energy Resources Conservation and Development Commission: report.

Current Text: Amended: 6/26/2023 [html](#) [pdf](#)

Introduced: 2/15/2023

Last Amend: 6/26/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 7/10/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-S. 2 YEAR

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|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the State Energy Resources Conservation and Development Commission, on or before December 31, 2025, to issue a report on the utility-scale biomass combustion facilities still in operation as of January 1, 2024. The bill would require the report to include various assessments of biomass combustion facilities still in operation as of January 1, 2024, and options to maximize the environmental benefits of these facilities. The bill would also require the report to include a recommended strategy to upgrade biomass combustion facilities, where appropriate, that considers impacts on disadvantaged, rural, forested, and agricultural communities, impacts on the ability to

maintain existing capacity for managing forest or other excess biomass, the cost of upgrading facilities and financing opportunities, impacts of upgrading biomass combustion facilities on the procurement costs of the energy produced and the associated impacts to ratepayer costs, and job creation or job loss that may result from the strategy. The bill would require the report to include recommendations related to baseload energy generation and managing excess biomass if biomass combustion facilities cease operation and strategies related to processing waste and job training in areas where biomass combustion facilities cease operation. The bill would require the commission to include in the report an evaluation of the practicality and cost-effectiveness of upgrading utility-scale biomass combustion facilities that ceased operation before January 1, 2024, to determine whether such facilities could help California increase its capacity to manage forest and other excess biomass.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |
| | | | ACWA - F | |

AB 1024 (Aguiar-Curry D) Water rights: small irrigation use: lake or streambed alteration agreements.

Current Text: Amended: 5/18/2023 [html](#) [pdf](#)

Introduced: 2/15/2023

Last Amend: 5/18/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/21/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-S. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Water Rights Permitting Reform Act of 1988 authorizes a person to obtain a right to appropriate water for a small domestic use, small irrigation use, or livestock stockpond use upon first registering the use, as those uses are defined by the act, with the State Water Resources Control Board and thereafter applying the water to reasonable and beneficial use with due diligence. The act requires the registration of water use to be made upon a form prescribed by the board that requires, among other things, a certification that the registrant has contacted a representative of the Department of Fish and Wildlife and has agreed to comply with conditions set forth by the department. The act requires the board to establish reasonable general conditions to which all appropriations made pursuant to the act are required to be subject, including, among other things, that all conditions lawfully required by the department are conditions upon the appropriations. The act provides that the board is not required to adopt general conditions for small irrigation use until the board determines that funds are available for that purpose, and that a registration for small irrigation use pursuant to the act is not authorized until the board establishes general conditions for small irrigation use to protect instream beneficial uses, as specified. This bill would require the board to give priority to adopting, on or before June 30, 2027, except as provided, general conditions that permit specified registrants to store water for small irrigation use during times of high streamflow in exchange for those registrants reducing diversions during periods of low streamflow, as specified.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 1182 (Petrie-Norris D) Energy: Decarbonization Funding Plan.

Current Text: Amended: 6/20/2023 [html](#) [pdf](#)

Introduced: 2/16/2023

Last Amend: 6/20/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/14/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-S. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Climate Crisis Act declares that it is the policy of the state both to achieve net-zero greenhouse gas emissions as soon as possible, but no later than 2045, and achieve and maintain net-negative greenhouse gas emissions thereafter, and to ensure that by 2045, statewide anthropogenic greenhouse gas emissions are reduced to at least 85% below the 1990 levels. This bill would require the Department of Finance, in conjunction with the Governor's Budget, to submit a decarbonization funding plan (plan) to the Joint Legislative Committee on Climate Change and to post the plan on its internet website. The bill would require the plan to, among other things, identify decarbonization opportunities to help the state reach its targets to reduce the effects of climate change and set out priorities for funding, suggest efficiencies distributing decarbonization funds,

including expediting the application and award process, and provide recommendations on how to effectively align state decarbonization incentives and allocated general fund moneys with federal funds from the Inflation Reduction Act of 2022 and the Infrastructure Investment and Jobs Act. The bill would require, by July 1, 2024, the department to establish an internet web portal for purposes of identifying decarbonization funding opportunities with specified information. The bill would require GO-Biz to post a link to the internet web portal on its internet website.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - F |

AB 1211 (Mathis R) Safe Drinking Water State Revolving Fund: internet website information: updates.

Current Text: Introduced: 2/16/2023 [html](#) [pdf](#)

Introduced: 2/16/2023

Status: 7/14/2023-Failed Deadline pursuant to Rule 61(a)(10). (Last location was E.Q. on 5/10/2023) (May be acted upon Jan 2024)

Location: 7/14/2023-S. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | 2 year | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Safe Drinking Water State Revolving Fund Law of 1997, administered by the State Water Resources Control Board, establishes the Safe Drinking Water State Revolving Fund to provide grants or revolving fund loans for the design and construction of projects for public water systems that will enable those systems to meet safe drinking water standards. Current law requires the board, at least once every 2 years, to post information on its internet website regarding implementation of the Safe Drinking Water State Revolving Fund Law and expenditures from the Safe Drinking Water State Revolving Fund, as specified This bill would require the board to post the information at least annually.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 1573 (Friedman D) Water conservation: landscape design: model ordinance.

Current Text: Amended: 9/1/2023 [html](#) [pdf](#)

Introduced: 2/17/2023

Last Amend: 9/1/2023

Status: 9/14/2023-Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/7/2023)(May be acted upon Jan 2024)

Location: 9/14/2023-S. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | 2 year | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|--------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Water Conservation in Landscaping Act provides for a Model Water Efficient Landscape Ordinance that is adopted and updated at least every 3 years by the Department of Water Resources, unless the department makes a specified finding. Current law requires a local agency to adopt the model ordinance or to adopt a water efficient landscape ordinance that is at least as effective in conserving water as the updated model ordinance, except as specified. Current law specifies the provisions of the updated model ordinance, as provided. Current law includes a related statement of legislative findings and declarations. This bill would require the updated model ordinance to include provisions that require that plants included in a landscape design plan be selected based on their adaptability to climatic, geological, and topographical conditions of the project site, as specified. The bill would also exempt landscaping that is part of a culturally specific project, as defined, ecological restoration projects that do not require a permanent irrigation system, mined-land reclamation projects that do not require a permanent irrigation system, and existing plant collections, as part of botanical gardens and arboretums open to the public, from the model ordinance. The bill would require the updated model ordinance to include provisions that, among other changes, prohibit the use of traditional overhead sprinklers on all new and rehabilitated landscapes and require that new and rehabilitated landscapes use only water efficient irrigation devices.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|-------------|
| State Water Contractors | SWC - W | Priority 2 | ACWA - W | CMUA - NF/A |

AB 1581 (Kalra D) Diversion or obstruction of rivers, streams, or lakes: lake or streambed alteration

agreement.

Current Text: Amended: 4/7/2023 [html](#) [pdf](#)

Introduced: 2/17/2023

Last Amend: 4/7/2023

Status: 7/14/2023-Failed Deadline pursuant to Rule 61(a)(10). (Last location was N.R. & W. on 6/14/2023)(May be acted upon Jan 2024)

Location: 7/14/2023-S. 2 YEAR

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| Desk | Policy | Fiscal | Floor | Desk | 2 year | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered | |
| 1st House | | | | 2nd House | | | | | | | | |

Summary: Would exempt certain individuals, public agencies, universities, zoological gardens, and scientific or educational institutions authorized to import, export, take, or possess any endangered species, threatened species, or candidate species for scientific, educational, or management purposes from the requirement to obtain an agreement with the department, as specified. The bill would instead require these entities to submit to the department a written notification, fee, and, if applicable, a copy of proposed environmental protection measures authorized by other agencies' programmatic habitat restoration permits, as specified. The bill would require the department to notify the entity in writing whether the exemption applies within 60 days from the date that the notification is complete and the fee has been paid. Because a violation of this provision would be a crime, the bill would impose a state-mandated local program.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

[AB 1820](#)

(Schiavo D) Housing development projects: applications: fees and exactions.

Current Text: Amended: 4/1/2024 [html](#) [pdf](#)

Introduced: 1/11/2024

Last Amend: 4/1/2024

Status: 4/11/2024-From committee: Amend, and do pass as amended and re-refer to Com. on L. GOV. (Ayes 9. Noes 0.) (April 10).

Location: 4/10/2024-A. L. GOV.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered | |
| 1st House | | | | 2nd House | | | | | | | | |

Summary: Would authorize a development proponent that submits a preliminary application for a housing development project to request a preliminary fee and exaction estimate, as defined, and would require the local agency to provide the estimate within 20 business days of the submission of the preliminary application. For development fees imposed by an agency other than a city or county, the bill would require the development proponent to request the preliminary fee and exaction estimate from the agency that imposes the fee.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - W | Priority 2 | | |
| | | | ACWA - W | CMUA - W |

[AB 1827](#)

(Papan D) Local government: fees and charges: water: higher consumptive water parcels.

Current Text: Amended: 4/4/2024 [html](#) [pdf](#)

Introduced: 1/12/2024

Last Amend: 4/4/2024

Status: 4/8/2024-Re-referred to Com. on L. GOV.

Location: 1/29/2024-A. L. GOV.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered | |
| 1st House | | | | 2nd House | | | | | | | | |

Summary: The California Constitution specifies various requirements with respect to the levying of assessments and property-related fees and charges by a local agency, including requiring that the local agency provide public notice and a majority protest procedure in the case of assessments and submit property-related fees and charges for approval by property owners subject to the fee or charge or the electorate residing in the affected area following a public hearing. Current law, known as the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with these requirements and, among other things, authorizes an agency providing water, wastewater, sewer, or refuse collection services to adopt a schedule of fees or charges authorizing automatic adjustments that pass through increases in wholesale charges for water, sewage treatment, or wastewater treatment or adjustments for inflation under certain

circumstances. Current law defines, among other terms, the term “water” for these purposes to mean any system of public improvements intended to provide for the production, storage, supply, treatment, or distribution of water from any source. This bill would provide that the fees or charges for property-related water service imposed or increased, as specified, may include the incrementally higher costs of water service due to specified factors, including the higher water usage demand of parcels.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - W | Priority 2 | ACWA - S | CMUA - S |

AB 1912 (Pacheco D) Electricity: legislation imposing mandated programs and requirements: third-party review.

Current Text: Amended: 3/18/2024 [html](#) [pdf](#)

Introduced: 1/24/2024

Last Amend: 3/18/2024

Status: 3/19/2024-Re-referred to Com. on APPR.

Location: 3/13/2024-A. APPR.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law regulates public utilities, including electrical corporations. The California Council on Science and Technology is organized as a nonprofit corporation in response to an Assembly Concurrent Resolution in 1988. This bill would request the council to establish a program to, upon request of the Legislature, assess legislation that would establish a mandated requirement or program or otherwise affect electrical ratepayers, as specified. The bill would request the council to develop and implement conflict-of-interest provisions that would prohibit a person from participating in an analysis for which the person knows or has reasons to know that the person has a financial interest. The bill would request the council to annually inform the State Controller of the amount necessary to fund the work of the council pursuant to the bill, not to exceed \$2,000,000. The bill would require the State Controller, on June 15 of each year, to assess large electrical corporations, as defined, their proportionate share of the amount reported by the council, as provided.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

AB 1999 (Irwin D) Electricity: fixed charges.

Current Text: Introduced: 1/30/2024 [html](#) [pdf](#)

Introduced: 1/30/2024

Status: 2/12/2024-Referred to Com. on U. & E.

Location: 2/12/2024-A. U. & E.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Under current law, the Public Utilities Commission may authorize fixed charges for any rate schedule applicable to a residential customer account. Current law requires the commission, no later than July 1, 2024, to authorize a fixed charge for default residential rates. Current law requires these fixed charges to be established on an income-graduated basis, with no fewer than 3 income thresholds, so that low-income ratepayers in each baseline territory would realize a lower average monthly bill without making any changes in usage. This bill would repeal the provisions described in the preceding paragraph. The bill would instead permit the commission to authorize fixed charges that, as of January 1, 2015, do not exceed \$5 per residential customer account per month for low-income customers enrolled in the California Alternate Rates for Energy (CARE) program and that do not exceed \$10 per residential customer account per month for customers not enrolled in the CARE program. The bill would authorize these maximum allowable fixed charges to be adjusted by no more than the annual percentage increase in the Consumer Price Index for the prior calendar year, beginning January 1, 2016.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

AB 2083 (Berman D) Industrial facilities’ heat application equipment and process emissions.

Current Text: Amended: 4/1/2024 [html](#) [pdf](#)

Introduced: 2/5/2024

Last Amend: 4/1/2024

Status: 4/9/2024-Coauthors revised. From committee: Do pass and re-refer to Com. on U. & E. (Ayes 9. Noes 0.) (April 8). Re-referred to Com. on U. & E.

Location: 4/9/2024-A. U. & E.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Warren-Alquist State Energy Resources Conservation and Development Act requires the State Energy Resources Conservation and Development Commission to adopt building design and construction standards and energy and water conservation standards for new residential and nonresidential buildings to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy, including energy associated with the use of water. The act requires those standards to be cost effective when taken in their entirety and when amortized over the economic life of the structure compared with historic practice. The act requires the commission to adopt, on a biennial basis, an integrated energy policy report containing an overview of major energy trends and issues facing the state, as specified. This bill would require the commission, on or before July 1, 2026, to assess the potential for the state to reduce the emissions of greenhouse gases from the state’s industrial facilities’ heat application equipment and processes by at least 85% below 1990 levels by January 1, 2045, as specified.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2092 (Mathis R) Energy: small modular reactors: feasibility study.

Current Text: Amended: 3/18/2024 [html](#) [pdf](#)

Introduced: 2/5/2024

Last Amend: 3/18/2024

Status: 4/10/2024-In committee: Set, first hearing. Referred to suspense file.

Location: 4/10/2024-A. APPR. SUSPENSE FILE

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the Public Utilities Commission (PUC) to conduct a feasibility study on the use of small modular reactors, as defined, for energy generation in the state, including, among other things, an evaluation of the benefits of small modular reactors in comparison with other renewable resources used, or planned for use, in the state. The bill would require the PUC to submit a report on the results of the feasibility study to the Legislature on or before January 1, 2027.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2171 (Bennett D) Water: Department of Water Resources.

Current Text: Introduced: 2/7/2024 [html](#) [pdf](#)

Introduced: 2/7/2024

Status: 2/8/2024-From printer. May be heard in committee March 9.

Location: 2/7/2024-A. PRINT

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law establishes in the Natural Resources Agency the Department of Water Resources, which is under the control of the Director of Water Resources. Current law provides for the appointment of the director by the Governor, subject to confirmation by the Senate. This bill would make nonsubstantive changes to that provision.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2172 (Wallis R) Irrigation districts: Imperial Irrigation District: electricity: assessment and inventory of assets.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/7/2024
Last Amend: 3/21/2024
Status: 4/1/2024-Re-referred to Com. on U. & E.
Location: 3/21/2024-A. U. & E.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the California State Auditor’s Office to conduct a comprehensive assessment and inventory of the Imperial Irrigation District’s assets related to its distribution of electricity, as provided. The bill would require the California State Auditor, on or before September 30, 2025, to submit the assessment and inventory to the Legislature, as provided.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - O |

AB 2196 (Connolly D) Beaver restoration.

Current Text: Amended: 3/19/2024 [html](#) [pdf](#)
Introduced: 2/7/2024
Last Amend: 3/19/2024
Status: 4/9/2024-From committee: Do pass and re-refer to Com. on APPR. (Ayes 13. Noes 0.) (April 9). Re-referred to Com. on APPR.
Location: 4/9/2024-A. APPR.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law, except as provided, authorizes any owner or tenant of land or property that is being damaged or destroyed or is in danger of being damaged or destroyed by certain animals, including, among others, the beaver, to apply to the Department of Fish and Wildlife for a permit to kill the animals. Under current law, it is unlawful for any person to trap any fur-bearing mammal for purposes of recreation or commerce in fur. Under existing law, a violation of the Fish and Game Code, or of any rule, regulation, or order made or adopted under that code, is a crime. This bill would require the department to, through consultation with beaver restoration program partners, as defined, develop a program to promote beaver restoration across California, as provided.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2208 (Zbur D) California Ports Development and Offshore Wind Infrastructure Bond Act of 2024.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)
Introduced: 2/7/2024
Last Amend: 3/21/2024
Status: 4/8/2024-In committee: Set, first hearing. Hearing canceled at the request of author.
Location: 3/21/2024-A. NAT. RES.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would enact the California Ports Development and Offshore Wind Infrastructure Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$ 1,000,000,000, pursuant to the State General Obligation Bond Law to support activities related to the development of offshore wind energy generation, as provided. This bill would provide for the submission of the bond act to the voters at the next statewide election.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

AB 2212 (Lowenthal D) Energy: offshore wind energy development.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)
Introduced: 2/7/2024
Last Amend: 3/21/2024
Status: 4/8/2024-In committee: Hearing postponed by committee.

Location: 3/21/2024-A. NAT. RES.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would enact, only until an unspecified date, the Offshore Wind Training Facility Development Act. The bill would require the State Energy Resources Conservation and Development Commission to oversee the allocation and use of funds allocated for the development of training facilities and to develop standardized training curricula tailored to the specific needs of the offshore wind industry, as specified. The bill would require the commission to submit an annual report to the Governor and the Legislature summarizing the progress made in establishing and operating training facilities, as provided.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

[AB 2257](#) ([Wilson D](#)) Local government: property-related water and sewer fees and assessments: remedies.

Current Text: Amended: 3/20/2024 [html](#) [pdf](#)

Introduced: 2/8/2024

Last Amend: 3/20/2024

Status: 3/21/2024-Re-referred to Com. on L. GOV.

Location: 3/19/2024-A. L. GOV.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Constitution specifies various requirements with respect to the levying of assessments and property-related fees and charges by a local agency, including notice, hearing, and protest procedures, depending on the character of the assessment, fee, or charge. Current law, known as the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with these requirements. This bill would prohibit, if a local agency complies with specified procedures, a person or entity from bringing a judicial action or proceeding alleging noncompliance with the constitutional provisions for any new, increased, or extended fee or assessment, as defined, unless that person or entity has timely submitted to the local agency a written objection to that fee or assessment that specifies the grounds for alleging noncompliance, as specified. This bill would provide that local agency responses to the timely submitted written objections shall go to the weight of the evidence supporting the agency's compliance with the substantive limitations on fees and assessments imposed by the constitutional provisions.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------------|----------|
| State Water Contractors | SWC - W | Priority 2 | ACWA - Sponsor | CMUA - S |

[AB 2320](#) ([Irwin D](#)) Wildlife Connectivity and Climate Adaptation Act of 2024: wildlife corridors.

Current Text: Amended: 4/10/2024 [html](#) [pdf](#)

Introduced: 2/12/2024

Last Amend: 4/10/2024

Status: 4/11/2024-Re-referred to Com. on NAT. RES.

Location: 4/9/2024-A. NAT. RES.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires the Natural Resources Agency, in implementing actions to achieve the goal to conserve at least 30% of the state's lands and coastal waters by 2030 established by executive order, to prioritize specified actions. Current law requires the Secretary of the Natural Resources Agency to prepare and submit an annual report to the Legislature on the progress made during the prior calendar year toward achieving that goal, as provided. Current law requires that annual report to include certain information, including, among other information, the progress made in the prior calendar year to address equity as part of the above-described goal. This bill, the Wildlife Connectivity and Climate Adaptation Act of 2024, would additionally require the agency, as part of that report, to identify key wildlife corridors, as defined, in the state, connections between large blocks of natural areas and habitats, progress on protecting additional acres of wildlife corridors, and goals for wildlife corridor protection in the next 5 years, as provided.

| Organization | Position | Priority |
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State Water Contractors SWC - W Priority 2 **Misc1** **Misc2**

AB 2330 (Holden D) Endangered species: incidental take: wildfire preparedness activities.

Current Text: Amended: 4/1/2024 [html](#) [pdf](#)
Introduced: 2/12/2024
Last Amend: 4/1/2024
Status: 4/2/2024-Re-referred to Com. on W., P., & W.
Location: 2/26/2024-A. W.,P. & W.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Endangered Species Act prohibits the taking of an endangered, threatened, or candidate species, except as specified. Under the act, the Department of Fish and Wildlife (department) may authorize the take of listed species by certain entities through permits or memorandums of understanding for specified purposes. Current law requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Current law requires a local agency to designate, by ordinance, moderate, high, and very high fire hazard severity zones in its jurisdiction within 120 days of receiving recommendations from the State Fire Marshal, as provided. This bill would authorize a city, county, city and county, special district, or other local agency to submit to the department a locally designed voluntary program to conduct wildfire preparedness activities on land designated as a fire hazard severity zone, as defined, that minimizes impacts to wildlife and habitat for candidate, threatened, and endangered species, and meets specified criteria. The bill would require the department to approve or deny the application and notify the local agency of the approval or denial within 90 days of receipt of the application, and would allow for resubmission of a denied application, as specified. The bill would require the department to provide an approved applicant with the terms and conditions within 30 days of approval to initiate the locally designed voluntary program, in lieu of an incidental take permit, as provided. The bill would require the department, commencing January 1, 2026, to annually post a summary of the locally designed voluntary program submissions on its internet website, as specified.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |
| | | | ACWA - F | |

AB 2488 (Ting D) Downtown revitalization and economic recovery financing districts.

Current Text: Amended: 3/18/2024 [html](#) [pdf](#)
Introduced: 2/13/2024
Last Amend: 3/18/2024
Status: 3/19/2024-Re-referred to Com. on L. GOV.
Location: 3/18/2024-A. L. GOV.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law authorizes the legislative body of a city or a county to establish an enhanced infrastructure financing district to finance public capital facilities or other specified projects of communitywide significance, including the acquisition, construction, or rehabilitation of housing for persons of very low, low, and moderate income. Current law requires the legislative body to establish a public financing authority, defined as the governing board of the enhanced infrastructure financing district, at the same time the resolution to form an enhanced infrastructure district is adopted. Current law requires the public financing authority to adopt an infrastructure financing plan that includes specified information, including a finding that the development and financial assistance are of communitywide significance and provide significant benefits to an area larger than the area of the district. This bill would authorize a local government to designate one or more downtown revitalization and economic recovery financing districts for the purpose of financing office-to-residential conversion projects with incremental tax revenues generated by office-to-residential conversion projects within the district.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2495 (Muratsuchi D) Electricity: state policy: joint report.

Current Text: Amended: 4/8/2024 [html](#) [pdf](#)
Introduced: 2/13/2024
Last Amend: 4/8/2024
Status: 4/9/2024-Re-referred to Com. on U. & E.
Location: 3/21/2024-A. U. & E.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law establishes a state policy that eligible renewable energy resources and zero-carbon resources supply 90% of all retail sales of electricity to California end-use customers by December 31, 2035, 95% of all retail sales of electricity to California end-use customers by December 31, 2040, 100% of all retail sales of electricity to California end-use customers by December 31, 2045, and 100% of electricity procured to serve all state agencies by December 31, 2035, as provided. Current law requires the PUC, the State Energy Resources Conservation and Development Commission (Energy Commission), and the State Air Resources Board, in consultation with all California balancing authorities, as defined, as part of a public process, to issue, on or before January 1, 2021, and at least every 4 years thereafter, a joint report to the Legislature containing certain information, including, among other information, the barriers to, and benefits of, achieving the state policy, as specified. This bill would additionally require the Public Utilities Commission (PUC), the Energy Commission, and the State Air Resources Board, in each joint report issued on or after January 1, 2026, to additionally include an evaluation identifying the geographic locations for development of certain renewable energy resources and zero-carbon resources, a review of certain decarbonization needs from the building, heavy industry, and transportation sectors, and a statewide transmission plan, as specified.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

AB 2501 (Alvarez D) Water quality control plans: donations and grants.

Current Text: Amended: 3/11/2024 [html](#) [pdf](#)
Introduced: 2/13/2024
Last Amend: 3/11/2024
Status: 4/10/2024-In committee: Set, first hearing. Referred to suspense file.
Location: 4/10/2024-A. APPR. SUSPENSE FILE

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law authorizes the State Water Resources Control Board on behalf of itself or a regional board, to accept donations of moneys from a permittee for the purpose of updating a water quality control plan. This bill would authorize the state board, on behalf of itself or a regional board, to accept moneys from donations, grants, or contributions, or through contractual agreements, from public agencies, foundations, or other not-for-profit entities for the purpose of planning, permitting, or providing technical support for projects of public benefit, as defined, within the state board's or regional board's jurisdiction. The bill would require all funds received to be deposited, and separately accounted for, in the State Water Pollution Cleanup and Abatement Account, for expenditure in accordance with the terms of the donation, grant, contribution, or contractual agreement. The bill would require the state board to provide notice, as specified, before accepting those moneys. Because the funds deposited would be a new source of funds in the continuously appropriated State Water Pollution Cleanup and Abatement Account within the continuously appropriated State Water Quality Control Fund, the bill would make an appropriation.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2502 (Rivas, Luz D) Public contracts: emergencies.

Current Text: Introduced: 2/13/2024 [html](#) [pdf](#)
Introduced: 2/13/2024
Status: 3/4/2024-Referred to Com. on L. GOV.
Location: 3/4/2024-A. L. GOV.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: For purposes of the Public Contract Code, current law defines an emergency as a sudden unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services. This bill would

additionally define an emergency as an immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services caused by the impacts of homelessness.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2517 (Fong, Vince R) Water: water districts: irrigation districts: long-term maintenance agreements.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)
Introduced: 2/13/2024
Last Amend: 3/21/2024
Status: 4/1/2024-Re-referred to Com. on W., P., & W.
Location: 3/21/2024-A. W.,P. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: The law authorizes an irrigation district to control, distribute, store, spread, sink, treat, purify, recapture, and salvage any water, as specified. Current law requires the Department of Water Resources to give information so far as it may be practicable to persons contemplating the formation of districts. This bill would require the department to respond to long-term maintenance agreement requests from irrigation districts within 120 days and to prioritize responding to long-term maintenance agreements for waterways that already have existing short-term maintenance agreements.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2528 (Arambula D) Williamson Act contracts: cancellation: energy projects.

Current Text: Amended: 3/18/2024 [html](#) [pdf](#)
Introduced: 2/13/2024
Last Amend: 3/18/2024
Status: 4/8/2024-Re-referred to Coms. on U. & E. and AGRI. pursuant to Assembly Rule 96.
Location: 4/8/2024-A. U. & E.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Land Conservation Act of 1965, otherwise known as the Williamson Act, authorizes a city or county to enter into contracts with owners of agricultural land to preserve the land for agricultural use, as specified, in return for reduced property tax assessments. The act authorizes a landowner to petition the city council or board of supervisors, as applicable, for cancellation of the Williamson Act contract under specified circumstances and imposes a cancellation fee equal to 12.5% of the fair market value of the land without the restriction of the Williamson Act contract. The act also authorizes a landowner of specified agricultural land to petition the board to cancel the Williamson Act contract in order to designate the land as a farmland security zone, whereby the land is eligible for a specified property tax valuation and taxed at a reduced rate for specified special taxes. The act authorizes a landowner to petition the council or board, as applicable, to cancel a farmland security zone contract under specified circumstances and imposes a cancellation fee equal to 25% of the fair market value of the land without the restriction of the contract. This bill would authorize a landowner to petition the board or council to cancel a Williamson Act contract or a farmland security zone contract if the land meets specified criteria, including, among other things, not having permanent access to sufficient water to support commercially viable irrigated agricultural use on the land, and the landowner would be subject to a land use entitlement for specified energy projects.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2537 (Addis D) Energy: offshore wind energy development: Offshore Wind Community Capacity Building Fund Grant Program.

Current Text: Amended: 4/10/2024 [html](#) [pdf](#)
Introduced: 2/13/2024
Last Amend: 4/10/2024
Status: 4/11/2024-Re-referred to Com. on NAT. RES.

Location: 3/21/2024-A. NAT. RES.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires the State Energy Resources Conservation and Development Commission (Energy Commission), in coordination with specified entities, to develop a strategic plan for offshore wind energy developments installed off the California coast in federal waters and a second-phase plan and strategy for seaport readiness that builds on the recommendations and alternatives in the strategic plan, as specified. Current law establishes the Voluntary Offshore Wind and Coastal Resources Protection Program, which is administered by the Energy Commission for the purpose of supporting state activities that complement and are in furtherance of federal laws related to the development of offshore wind facilities, including environmental impacts monitoring and workforce development grants. This bill would establish in the State Treasury the Offshore Wind Community Capacity Building Fund and authorize moneys in the fund to be used, upon appropriation by the Legislature, by the Energy Commission to establish the Offshore Wind Community Capacity Building Fund Grant Program to award grants for the purpose of building capacity within local communities and California tribal communities to engage in the process of offshore wind energy development, as specified.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

[AB 2558](#) (Hart D) Department of Transportation: projects: fish passage.

Current Text: Introduced: 2/14/2024 [html](#) [pdf](#)

Introduced: 2/14/2024

Status: 4/2/2024-From committee: Do pass and re-refer to Com. on W., P., & W. (Ayes 12. Noes 0.) (April 1). Re-referred to Com. on W., P., & W.

Location: 4/1/2024-A. W.,P. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law, through the year 2025, requires the Department of Transportation to prepare an annual report to the Legislature describing the status of the department's progress in locating, assessing, and remediating barriers to fish passage. Current law requires the department to pursue development of a programmatic environmental review process with appropriate state and federal regulatory agencies for remediating barriers to fish passage that will streamline the permitting process for projects. This bill would extend this annual reporting requirement until the year 2030 and would require the reports to include other specified information. The bill would impose a deadline of January 1, 2026, for the department to implement the programmatic environmental review process.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

[AB 2569](#) (Connolly D) Climate change.

Current Text: Introduced: 2/14/2024 [html](#) [pdf](#)

Introduced: 2/14/2024

Status: 2/15/2024-From printer. May be heard in committee March 16.

Location: 2/14/2024-A. PRINT

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to adopt rules and regulations to achieve the maximum technologically feasible and cost-effective greenhouse gas emissions reductions to ensure that the statewide greenhouse gas emissions are reduced to at least 40% below the statewide greenhouse gas emissions limit, as defined, no later than December 31, 2030. This bill would state the intent of the Legislature to enact subsequent legislation to improve California's response to climate change.

| Organization | Position | Priority | Misc1 | Misc2 |
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| State Water Contractors | SWC - W | Priority 2 | | |

[AB 2750](#)

(Gallagher R) Electricity: procurement: generation from biomass.

Current Text: Amended: 4/4/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Last Amend: 4/4/2024

Status: 4/8/2024-Re-referred to Com. on U. & E.

Location: 3/18/2024-A. U. & E.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations, while local publicly owned electric utilities are under the direction of their governing boards. Current law requires electrical corporations, in addition to other requirements to procure generating capacity from bioenergy projects, to collectively procure, by December 1, 2023, their proportionate share of 125 megawatts of cumulative rated generating capacity from bioenergy projects that commenced operations before June 1, 2013, and that use certain feedstocks. This bill would extend that procurement deadline to July 1, 2025.

| Organization | Position | Priority | Misc1 | Misc2 |
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| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

[AB 2779](#)

(Petrie-Norris D) Independent System Operator: transmission planning.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Last Amend: 3/21/2024

Status: 4/1/2024-Re-referred to Com. on U. & E.

Location: 3/21/2024-A. U. & E.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the Independent System Operator, upon approval of each transmission plan, to report to the Public Utilities Commission and to the relevant policy committees of each house of the Legislature any new use of any grid enhancing technology that is deemed reasonable by the Independent System Operator in that plan and the cost or efficiency savings of the deployment of that grid enhancing technology.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

[AB 2799](#)

(Fong, Vince R) Sustainable groundwater management: small farms: fees.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Last Amend: 3/21/2024

Status: 4/1/2024-Re-referred to Com. on W., P., & W.

Location: 3/21/2024-A. W.,P. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law authorizes any local agency or combination of local agencies overlying a groundwater basin to decide to become a groundwater sustainability agency for that basin and imposes specified duties upon that agency or combination of agencies, as provided. Current law authorizes a groundwater sustainability agency that adopts a groundwater sustainability plan to impose fees on the extraction of groundwater from the basin to fund costs of groundwater management, as specified. This bill would require a groundwater sustainability agency to consider the efforts of small farms, as defined, that recharge groundwater into the basin upon which their property is located when imposing or increasing fees.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

[AB 2813](#)

(Aguilar-Curry D) Government Investment Act.

Current Text: Introduced: 2/15/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Status: 4/1/2024-Referred to Com. on L. GOV.

Location: 4/1/2024-A. L. GOV.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | Conc. | | | |

Summary: The Legislature adopted ACA 1 at the 2023–24 Regular Session of the Legislature, which, if approved by the voters, would amend and add provisions of the California Constitution to (1) create an additional exception to the 1% limit on the ad valorem tax rate on real property by authorizing a local jurisdiction to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, if the proposition proposing that tax is approved by 55% of the voters in that local jurisdiction; and (2) authorize a local jurisdiction to impose, extend, or increase a sales and use tax to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, if the proposition proposing that tax is approved by 55% of the voters in that local jurisdiction. Pursuant to the existing law described above, ACA 1 is scheduled to appear on the ballot at the November 5, 2024, statewide general election. This bill would authorize a local government that imposes a tax under ACA 1 to commit revenues to affordable housing programs, including downpayment assistance, first-time home buyer programs, and owner-occupied affordable housing rehabilitation programs. The bill would require a local government to ensure that any project that is funded with ACA 1 bonded indebtedness or ACA 1 special taxes to have an estimated useful life of at least 15 years or 5 years if the funds are for specified public safety buildings, facilities, and equipment.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2855 (Flora R) Skilled and trained workforce requirements.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Last Amend: 3/21/2024

Status: 4/1/2024-Re-referred to Com. on L. & E.

Location: 3/21/2024-A. L. & E.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | Conc. | | | |

Summary: Current law establishes requirements that apply when a public entity is required by statute or regulation to obtain an enforceable commitment that a bidder, contractor, or other entity will use a skilled and trained workforce to complete a contract or project. This bill would exempt from these requirements a contractor or subcontractor that is subject to a valid collective bargaining agreement requiring participation in a state-approved apprenticeship program provided that the contractor or subcontractor performs only work within the scope of that agreement and provides a declaration verifying the existence of that agreement. The bill would make its provisions severable.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2937 (Wicks D) California Environmental Quality Act: streamlined environmental reviews.

Current Text: Introduced: 2/15/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Status: 2/16/2024-From printer. May be heard in committee March 17.

Location: 2/15/2024-A. PRINT

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | Conc. | | | |

Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA establishes certain processes, such as the preparation of a master EIR or a focused EIR, to streamline the environmental review of projects. CEQA states the intentions of the

Legislature in enacting those streamlined environmental review processes. This bill would make nonsubstantive changes to those statements of intent.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2940 (Muratsuchi D) California Environmental Quality Act: environmental leadership development projects: transmission projects.

Current Text: Introduced: 2/15/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Status: 3/18/2024-Referred to Coms. on NAT. RES. and JUD.

Location: 3/18/2024-A. NAT. RES.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. The Jobs and Economic Improvement Through Environmental Leadership Act of 2021 (the act) authorizes the Governor, until January 1, 2032, to certify environmental leadership development projects that meet specified requirements for certain streamlining benefits related to CEQA. The act requires the lead agency for an environmental leadership development project certified by the Governor to prepare the record of proceedings under CEQA concurrently with the administrative process. This bill would make transmission projects that bring new renewable energy generation onto the grid to be environmental leadership development projects for purposes of the act. Because the lead agency for those transmission projects would be required to prepare concurrently the record of proceedings, this bill would impose a state-mandated local program.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

AB 2945 (Alvarez D) Reconnecting Communities Redevelopment Act.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 3/21/2024

Status: 4/1/2024-Re-referred to Com. on L. GOV.

Location: 3/21/2024-A. L. GOV.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Constitution, with respect to any taxes levied on taxable property in a redevelopment project established under the Community Redevelopment Law, as it then read or may be amended, authorizes the Legislature to provide for the division of those taxes under a redevelopment plan between the taxing agencies and the redevelopment agency, as provided. Existing law dissolved redevelopment agencies as of February 1, 2012, and designates successor agencies to act as successor entities to the dissolved redevelopment agencies. This bill, the Reconnecting Communities Redevelopment Act, would authorize a city or county, or two or more cities acting jointly, to propose the formation of a reconnecting communities investment agency by adoption of a resolution of intention that meets specified requirements, including that the resolution of intention include a passthrough provision and an override passthrough provision, as defined. The bill would require the city or county to submit that resolution to each affected taxing entity and would authorize an entity that receives that resolution to elect to not receive a passthrough payment, as provided.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 2947 (Lackey R) Water: turfgrass conversion.

Current Text: Amended: 4/8/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 4/8/2024

Status: 4/9/2024-Re-referred to Com. on W., P., & W.

Location: 3/11/2024-A. W.,P. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Would prohibit the Department of Water Resources, when it allocates funding for turf replacement programs, from excluding urban water suppliers' turfgrass conversion rebate programs if the rebate program requires the recipient of a rebate to achieve a net water savings and to use the most efficient turfgrass irrigation equipment, as provided. The bill would require an urban water supplier that offers a turfgrass conversion rebate program using funds awarded by the department after January 1, 2025, to report annually to the department on the number of turfgrass conversions that are funded through the program and the estimated water savings from the program until the funds are exhausted.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

[AB 2962](#) (Papan D) Wholesale Regional Water System Security and Reliability Act.

Current Text: Amended: 4/10/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 4/10/2024

Status: 4/11/2024-Re-referred to Com. on L. GOV.

Location: 4/9/2024-A. L. GOV.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: The Wholesale Regional Water System Security and Reliability Act requires the City and County of San Francisco to adopt a specified program of capital improvement projects designed to restore and improve the bay area regional water system, as defined. Current law makes the act inoperative and repeals these provisions on January 1, 2026. This bill would extend the repeal date of the act to January 1, 2036, and make technical nonsubstantive changes. By extending the period of time during which certain requirements would apply to regional wholesale water suppliers and the City and County of San Francisco, the bill would impose a state-mandated local program.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

[AB 2970](#) (Petrie-Norris D) Electricity: state policy: renewable resources.

Current Text: Introduced: 2/16/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Status: 2/17/2024-From printer. May be heard in committee March 18.

Location: 2/16/2024-A. PRINT

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law declares that it is policy of the state and the intent of the Legislature that state and municipal electrical resource acquisition programs recognize and include a value for the resource diversity provided by renewable resources. This bill would make nonsubstantive changes to that declaration.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

[AB 3006](#) (Zbur D) Energy: offshore wind generation.

Current Text: Amended: 4/8/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 4/8/2024

Status: 4/9/2024-Re-referred to Com. on APPR.

Location: 4/3/2024-A. APPR.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires the State Energy Resources Conservation and Development Commission (Energy Commission), in coordination with specified agencies, to develop a strategic plan for offshore wind energy developments installed off the California coast in federal waters, and requires the Energy Commission to submit the strategic plan to the Natural Resources Agency and the Legislature on or before June 30, 2023, as specified. Current law requires the Energy Commission, in coordination with relevant state and local agencies, to develop a plan to improve waterfront facilities that could support a range of floating offshore wind energy development activities, as specified. The California Infrastructure Planning Act requires the Governor to annually submit a 5-year infrastructure plan to the Legislature in conjunction with the Governor’s Budget. Under current law, “infrastructure” means real property, including land and improvements to the land, structures and equipment integral to the operation of structures, easements, rights-of-way, and other forms of interest in property, roadways, and water conveyances. This bill would amend the definition of “infrastructure” described above to include port infrastructure for offshore wind energy development, and would require the 5-year infrastructure plan to include, beginning in the 2026–27 fiscal year, an assessment of funding needs for port infrastructure for offshore wind energy development.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

AB 3007 (Hoover R) California Environmental Quality Act: record of environmental documents: format.

Current Text: Introduced: 2/16/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Status: 3/11/2024-Referred to Com. on W., P., & W.

Location: 3/11/2024-A. W.,P. & W.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires project applicants and public agencies subject to the California Environmental Quality Act to pay a filing fee to the Department of Fish and Wildlife for each proposed project for the purpose of defraying the costs of managing and protecting fish and wildlife trust resources, as specified. Current law specifies the required filing fees and provides that a filing fee is not required to be paid if specified conditions exist. Current law also authorizes a county clerk to charge a documentary handling fee of \$50 per filing in addition to the filing fee, and requires the county clerk of each county and the Office of Planning and Research to maintain a record, both electronic and in paper, of all environmental documents received, as specified. This bill would instead require the county clerk of each county and the Office of Planning and Research to maintain the record either electronically or on paper, or both.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

AB 3012 (Grayson D) Development fees: fee schedule template: fee estimate tool.

Current Text: Amended: 3/11/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 3/11/2024

Status: 3/12/2024-Re-referred to Com. on L. GOV.

Location: 3/11/2024-A. L. GOV.

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| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Permit Streamlining Act, which is part of the Planning and Zoning Law, requires each public agency to provide a development project applicant with a list that specifies the information that will be required from any applicant for a development project. This bill would require a city or county that has an internet website to make a fee estimate tool that the public can use to calculate an estimate of fees and exactions, as specified, for a proposed housing development project available on its internet website. The bill authorizes the city or county to choose the format of the fee estimate tool. The bill would require a city or county with a population of greater than 500,000 to meet these requirements on or before July 1, 2031. The bill would require a city or county with a population of 500,000 or less to meet these requirements on or before July 1, 2032. By requiring a city or county to include a fee estimate tool on its internet website, the bill would impose a state-mandated local program.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

[AB 3016](#) (Petrie-Norris D) Renewable electrical generation facilities: interagency coordination.

Current Text: Amended: 3/11/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 3/11/2024

Status: 3/21/2024-In committee: Hearing postponed by committee.

Location: 3/11/2024-A. U. & E.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law establishes the Governor’s Office of Business and Economic Development to, among other duties, serve the Governor as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. Current law imposes various requirements relating to the environmental review and governmental approval of certain types of projects, including renewable electricity generation projects. This bill would require the office, on or before January 1, 2026, to create and oversee a process for interagency coordination for all state and local agencies with known or likely environmental review or permitting jurisdiction relating to proposed renewable electrical generation facilities.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

[AB 3023](#) (Papan D) Wildfire and Forest Resilience Task Force: watershed restoration plans: forest resilience actions.

Current Text: Amended: 4/2/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 4/2/2024

Status: 4/10/2024-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 3/21/2024-A. NAT. RES.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law establishes the Wildfire and Forest Resilience Task Force and requires the task force to develop a comprehensive implementation strategy to track and ensure the achievement of the goals and key actions identified in the state’s “Wildfire and Forest Resilience Action Plan” issued by the task force in January 2021. Current law declares that the Department of Forestry and Fire Protection has extensive technical expertise in wildland fire prevention and vegetation management on forest, range, and watershed land, and, when appropriately applied, this expertise can have significant public resource benefits, including decreasing high-intensity wildland fires, improving watershed management, and improving carbon resilience, among other benefits. This bill would require the state to align watershed restoration plans and initiatives with forest resilience actions to achieve more integrated and holistic outcomes. The bill would require the state to coordinate relevant boards, departments, and other stakeholders to incorporate planning for permanent conservation into forest and watershed restoration actions to ensure that landscapes are protected and managed for climate resilience.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

[AB 3044](#) (Alanis R) Urban retail water suppliers: urban water use objectives: report.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 3/21/2024

Status: 4/1/2024-Re-referred to Com. on W., P., & W.

Location: 3/21/2024-A. W.,P. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires the Department of Water Resources, on or before January 1, 2028, and in coordination with the State Water Resources Control Board, to submit a report to the Legislature on the progress of urban retail water suppliers towards achieving their urban water use objective. This bill would instead require the report to be submitted to the Legislature on or before January 1, 2029.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

AB 3107 (Connolly D) Electrical corporations: definition.

Current Text: Amended: 3/18/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 3/18/2024

Status: 4/2/2024-In committee: Hearing postponed by committee.

Location: 3/18/2024-A. U. & E.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law defines "electrical corporation" for purposes of the Public Utilities Act to include every corporation or person owning, controlling, operating, or managing any electric plant for compensation within this state, except as provided. This bill would revise and recast the definition of "electrical corporation" to, among other things, eliminate certain existing exceptions to the definition of "electrical corporation," thereby expanding the scope of that term and the entities over which the Public Utilities Commission (PUC) has regulatory authority. The bill would additionally exempt from that definition a corporation or person employing one or more distributed energy resources, as defined, that has the capacity to be coupled with one or more energy storage systems for the generation of electricity primarily for specified uses. The bill would also exempt from the definition of "electrical corporation" a microgrid, as defined, that primarily serves the included load of the microgrid, as provided. The bill would also make various conforming changes.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 3157 (Papan D) California Water District Law.

Current Text: Introduced: 2/16/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Status: 2/17/2024-From printer. May be heard in committee March 18.

Location: 2/16/2024-A. PRINT

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Water District Law (CWDL) authorizes a water district, by using any water or water supplies furnished to the district or used by the district, to construct, maintain, and operate plants for the generation of hydroelectric power from those water and transmission lines for the conveyance of that power. The CWDL authorizes a water district to join with any other district engaged in distributing water in exercising the powers granted to the district pursuant to that authorization, as described, or to execute joint power agreements with any agency formed for that purpose. This bill would make a nonsubstantive change to the latter authorization.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 3187 (Carrillo, Juan D) Safe Drinking Water Plan.

Current Text: Introduced: 2/16/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Status: 2/17/2024-From printer. May be heard in committee March 18.

Location: 2/16/2024-A. PRINT

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Safe Drinking Water Act requires the State Water Resources Control Board to

maintain a drinking water program and carry out various duties, responsibilities, and functions relating to drinking water, including submission to the Legislature, every 5 years, of a comprehensive Safe Drinking Water Plan for California. This bill would make nonsubstantive changes to the provision requiring submission of a Safe Drinking Water Plan.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 3198 (Garcia D) Joint powers agreements: revenue bonds.

Current Text: Introduced: 2/16/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Status: 3/11/2024-Referred to Com. on L. GOV.

Location: 3/11/2024-A. L. GOV.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
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| 1st House | | | | 2nd House | | | | | | | |

Summary: The Joint Exercise of Powers Act, under a provision that has become inoperative, authorized an entity created by a joint powers agreement between an irrigation district and a city and having the power to acquire, construct, maintain, or operate facilities and property for supplying water for specified purposes to issue revenue bonds to pay the costs of acquiring, constructing, improving, or financing these facilities. This bill would repeal this provision.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 3230 (Petrie-Norris D) Greenhouse gas emissions reduction: state agencies.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 3/21/2024

Status: 4/1/2024-Re-referred to Com. on NAT. RES.

Location: 3/21/2024-A. NAT. RES.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Global Warming Solutions Act of 2006 requires all state agencies to consider and implement strategies to reduce their greenhouse gas emissions. Current law defines "greenhouse gases" for purposes of the act to include specified gases including methane. Existing law requires the state board to approve and begin implementing a comprehensive strategy to reduce emissions of short-lived climate pollutants in the state, including to achieve a reduction in methane emissions of 40% below 2013 levels by 2030. This bill would additionally require state agencies to prioritize strategies to reduce methane emissions, including emissions from imported natural gas, where feasible and cost effective. The bill would also require the state board, the Public Utilities Commission, and other relevant agencies to timely consider programs, or changes to existing programs, to reduce methane emissions, including emissions from imported natural gas.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

AB 3246 (Garcia D) Electricity: permit to construct: advanced reconductoring: exemption.

Current Text: Amended: 3/18/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 3/18/2024

Status: 3/19/2024-Re-referred to Com. on U. & E.

Location: 3/18/2024-A. U. & E.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the Public Utilities Commission, on or before January 1, 2026, to update the above-described general order to provide an exemption that would instead authorize an electrical corporation to seek the commission's approval of advanced reconductoring, as defined, of its existing electrical transmission facilities through the commission's informal advice letter process, as specified.

The bill would require this advice letter to contain certain information, including, among other information, an estimate of the increased capacity expansion. Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime. Because the provisions of this bill would be a part of the act and a violation of a commission action implementing its requirements would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

SB 414

(Allen D) Climate change: applications using hydrogen: assessment.

Current Text: Amended: 5/18/2023 [html](#) [pdf](#)

Introduced: 2/9/2023

Last Amend: 5/18/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/16/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-A. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would, on or before December 31, 2025, require the State Air Resources Board, in consultation with the State Energy Resources Conservation and Development Commission (Energy Commission) and the Public Utilities Commission (PUC), upon appropriation by the Legislature, to complete an assessment of the use of hydrogen in certain applications, as specified. The bill would require the assessment to incorporate the findings of, and not duplicate, the above-described evaluation. The bill would require the state board, the Energy Commission, and the PUC to consider the findings in the assessment in their plans, rulemakings, reports, or other process related to the planning, implementation, or regulation of hydrogen production, distribution, storage, or usage in the state.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - W | Priority 2 | ACWA - F | CMUA - W |

SB 769

(Gonzalez D) Local government: fiscal and financial training.

Current Text: Amended: 6/22/2023 [html](#) [pdf](#)

Introduced: 2/17/2023

Last Amend: 6/22/2023

Status: 9/1/2023-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 7/12/2023)(May be acted upon Jan 2024)

Location: 9/1/2023-A. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | Policy | 2 year | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require if a local agency provides any type of compensation, salary, or stipend to a member of a legislative body, or provides reimbursement for actual and necessary expenses incurred by a member of a legislative body in the performance of official duties, all local agency officials, as defined, to receive at least 2 hours of fiscal and financial training, as described. The bill would require the training to be received at least once every 2 years, as provided. The bill would exempt a local agency official from the training requirements if they comply with specified criteria under existing law relating to eligibility for appointment or election to, and continuing education for, the office of county auditor, county treasurer, county tax collector, or county treasurer-tax collector.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

SB 778

(Ochoa Bogh R) Excavations: subsurface installations.

Current Text: Amended: 6/15/2023 [html](#) [pdf](#)

Introduced: 2/17/2023

Last Amend: 6/15/2023

Status: 7/14/2023-Failed Deadline pursuant to Rule 61(a)(10). (Last location was U. & E. on 6/8/2023)
(May be acted upon Jan 2024)

Location: 7/14/2023-A. 2 YEAR

| Desk | Policy | Fiscal | Floor | Desk | 2 year | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Safe Dig Act establishes a regional notification system to provide certain entities, defined as operators, that own, operate, and maintain subsurface installations with advance warning of nearby excavations or other work for the purpose of protecting those installations from damage, removal, relocation, or repair. Current law establishes the California Underground Facilities Safe Excavation Board, also known as the Dig Safe Board, composed of 9 members, for the enforcement and administration of the Safe Dig Act. Current law requires the Governor to appoint 7 of the board members. This bill would revise the knowledge and experience requirements for 3 of the members appointed by the Governor.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

SB 908

(Cortese D) Fentanyl: child deaths.

Current Text: Amended: 3/20/2024 [html](#) [pdf](#)

Introduced: 1/8/2024

Last Amend: 3/20/2024

Status: 4/5/2024-Set for hearing April 24.

Location: 4/3/2024-S. HEALTH

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law establishes the State Department of Public Health to implement and administer various programs relating to public health. The department administers the California Overdose Surveillance Dashboard that provides data on state- and local-level drug-related overdose outcomes for California, including, among other data, the number of deaths related to fentanyl overdoses. Current law requires the department to update the dashboard to reflect additional information, as specified. This bill would require the department to utilize its data to monitor and identify current trends of fentanyl-related deaths of children 0 to 5 years of age, inclusive. The bill would require the department to develop guidance and spread awareness of the trends to protect and prevent children from fentanyl exposure.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

SB 937

(Wiener D) Development projects: permits and other entitlements: fees and charges.

Current Text: Amended: 4/8/2024 [html](#) [pdf](#)

Introduced: 1/17/2024

Last Amend: 4/8/2024

Status: 4/9/2024-Set for hearing April 16.

Location: 4/3/2024-S. HOUSING

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Permit Streamlining Act, among other things, requires a public agency that is the lead agency for a development project to approve or disapprove that project within specified time periods. Current law extended by 18 months the period for the expiration, effectuation, or utilization of a housing entitlement, as defined, that was issued before, and was in effect on, March 4, 2020, and that would expire before December 31, 2021, except as specified. Current law provides that if the state or a local agency extended the otherwise applicable time for the expiration, effectuation, or utilization of a housing entitlement for not less than 18 months, as specified, that housing entitlement would not be extended an additional 18 months pursuant to these provisions. This bill would extend by 24 months the period for the expiration, effectuation, or utilization of a housing entitlement, entitlement for a priority residential development project, as those terms are defined, that was issued before January 1, 2024, and that will expire before December 31, 2025, except as specified. The bill would toll this 24-month extension during any time that the housing entitlement is the subject of a legal challenge. By adding to the duties of local officials with respect to housing entitlements, this bill would impose a state-mandated local program. The bill would include findings that changes proposed by this bill

address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - W | Priority 2 | | |
| | | | ACWA - W | CMUA - W |

SB 938 (Min D) Electrical and gas corporations: rate recovery: political activities and advertising.

Current Text: Amended: 3/21/2024 [html](#) [pdf](#)
Introduced: 1/17/2024
Last Amend: 3/21/2024
Status: 4/4/2024-Set for hearing April 16.
Location: 2/14/2024-S. E. U., & C.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would prohibit, except as provided, an electrical or gas corporation from recording various expenses associated with political influence activities, as defined, or with advertising, as defined, to accounts that contain expenses that the electrical or gas corporation recovers from ratepayers. The bill also would require an electrical or gas corporation, for each business unit of the corporation that performs work associated with political influence activities or advertising, to annually file with the commission a report containing specified information. The bill would require the commission to make the report publicly available.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

SB 939 (Umburg D) Educational equity: schoolsite and community resources: neurodivergent pupils.

Current Text: Amended: 3/11/2024 [html](#) [pdf](#)
Introduced: 1/17/2024
Last Amend: 3/11/2024
Status: 4/5/2024-Set for hearing April 17.
Location: 3/20/2024-S. ED.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Safe Place to Learn Act requires the State Department of Education, as part of its regular monitoring and review of a local educational agency, to assess whether the local educational agency has, among other things, adopted a policy that prohibits discrimination, harassment, intimidation, and bullying, as specified, and has publicized that policy to pupils, parents, employees, agents of the governing board, and the general public. Current law also requires the department to assess whether the local educational agency has provided to certificated schoolsite employees who serve pupils in any of grades 7 to 12, inclusive, information on existing schoolsite and community resources related to the support of lesbian, gay, bisexual, transgender, and questioning pupils or pupils who may face bias or bullying on the basis of religious affiliation or perceived religious affiliation, as specified. This bill would require the department to additionally assess whether the local educational agency has provided information on existing schoolsite and community resources related to the support of neurodivergent pupils.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

SB 973 (Grove R) Williamson Act: cancellation: solar energy projects.

Current Text: Introduced: 1/29/2024 [html](#) [pdf](#)
Introduced: 1/29/2024
Status: 2/21/2024-Referred to Coms. on L. GOV. and E.Q.
Location: 2/21/2024-S. L. GOV.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law, known as the Williamson Act, authorizes a city or county to contract with a landowner to limit the use of agricultural land located in an agricultural preserve designated by the city

or county to preserve the land, subject to conditions of the contract, that may include an agreement to a specified valuation of the land for purposes of property taxation. The act authorizes a landowner to petition the city council or board of supervisors, as applicable, for cancellation of the contract under specified circumstances and imposes a cancellation fee equal to 12.5% of the fair market value of the land without the restriction of the contract. This bill would authorize a board or council to grant a petition for cancellation where the land subject to the contract is located in a basin under the jurisdiction of an adjudicated watermaster or the groundwater sustainability agency. The bill would require the landowner to commit to limiting the amount of water rights to a specific solar energy project, as defined, that uses less water than the agricultural use. The bill would also require the board or council to make specified findings, including that the solar energy project use is being permitted that will use less water than the agricultural use.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

[SB 993](#) (Becker D) Clean energy development incentive rate tariff.

Current Text: Introduced: 1/31/2024 [html](#) [pdf](#)

Introduced: 1/31/2024

Status: 4/4/2024-Set for hearing April 16.

Location: 2/14/2024-S. E. U., & C.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the Public Utilities Commission, on or before July 1, 2026, in a new or existing proceeding, to evaluate and, if just and reasonable, establish a clean energy development incentive rate time-of-use tariff to encourage the development of new commercial or industrial electrical loads that contribute to the state's efforts to reduce the emissions of greenhouse gases. The bill would require the tariff to offer lower rates for customers and to meet specified requirements, including, among other things, that the program only be open to new electrical customers that did not establish service before January 1, 2025, or to existing electrical customers that are expected to increase their total annual electrical demand by more than 50% after beginning service under the tariff. The bill would require that the tariff only be open to customers with certain uses, including producing hydrogen using an electrolysis of water and using electricity to provide industrial process heat.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

[SB 1072](#) (Padilla D) Local government: Proposition 218: remedies.

Current Text: Introduced: 2/12/2024 [html](#) [pdf](#)

Introduced: 2/12/2024

Status: 2/21/2024-Referred to Com. on L. GOV.

Location: 2/21/2024-S. L. GOV.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The California Constitution sets forth various requirements for the imposition of local taxes. The California Constitution excludes from classification as a tax assessments and property-related fees imposed in accordance with provisions of the California Constitution that establish requirements for those assessments and property-related fees. Under these requirements, an assessment is prohibited from being imposed on any parcel if it exceeds the reasonable cost of the proportional special benefit conferred on that parcel, and a fee or charge imposed on any parcel or person as an incident of property ownership is prohibited from exceeding the proportional cost of the service attributable to the parcel. This bill would require, if a property-related fee or charge creates revenues in excess of the local government's reasonable cost of providing the specific benefit or specific government service, that the excess revenues be used only to reduce the subsequently adopted and following property-related fee or charge. The bill would declare that this provision is declaratory of existing law.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - W | Priority 2 | ACWA - F | CMUA - S |

[SB 1085](#) (Nguyen R) Offshore energy production: wildlife impacts: report.

Current Text: Introduced: 2/12/2024 [html](#) [pdf](#)
Introduced: 2/12/2024
Status: 2/21/2024-Referred to Com. on N.R. & W.
Location: 2/21/2024-S. N.R. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the Department of Fish and Wildlife to prepare and submit a report to the Legislature on or before January 1, 2029, regarding the environmental impact on marine mammals and wildlife from offshore energy production off the California coast.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

[SB 1110](#) (Ashby D) Urban retail water suppliers: informational order: conservation order.

Current Text: Introduced: 2/13/2024 [html](#) [pdf](#)
Introduced: 2/13/2024
Status: 4/2/2024-Set for hearing April 23.
Location: 2/21/2024-S. N.R. & W.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law authorizes the State Water Resources Control Board, on and after January 1, 2024, to issue informational orders pertaining to water production, water use, and water conservation to an urban retail water supplier that does not meet its urban water use objective. Current law requires the board to consider certain information in determining whether to issue an informational order. This bill would require the board to additionally consider lower cost actions the water supplier has implemented or will implement in order to help the water supplier achieve overall water supply resiliency in determining whether to issue an informational order.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |
| | | | ACWA - F | |

[SB 1153](#) (Hurtado D) Agricultural land: hedge fund ownership and interests.

Current Text: Introduced: 2/14/2024 [html](#) [pdf](#)
Introduced: 2/14/2024
Status: 2/21/2024-Referred to Coms. on JUD. and AGRI.
Location: 2/21/2024-S. JUD.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires the Department of Food and Agriculture to promote and protect the agricultural industry of the state. Current law requires the department to enhance, protect, and perpetuate the ability of the private sector to produce food and fiber in a way that benefits the general welfare and economy of the state. This bill would prohibit a hedge fund from purchasing, acquiring, leasing, or holding a controlling interest, as defined, in agricultural land within the State of California. The bill would define a "hedge fund," for these purposes, to mean a privately offered investment vehicle, foreign or domestic, that pools the contributions of private investors in order to invest in a variety of asset classes, such as securities, futures contracts, options, bonds, currencies, real estate, agricultural land, water, energy, and other resources or commodities. This bill would exempt from this prohibition any agricultural land held by a hedge fund before the bill's effective date. The bill would make land transferred in violation of these provisions subject to divestiture, as specified.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

[SB 1305](#) (Stern D) Electricity: virtual power plant procurement.

Current Text: Amended: 3/18/2024 [html](#) [pdf](#)
Introduced: 2/15/2024
Last Amend: 3/18/2024
Status: 4/4/2024-Set for hearing April 22.

Location: 2/29/2024-S. E. U., & C.

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|-----------|---------------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Would require the Public Utilities Commission (PUC), in coordination with the State Energy Resources Conservation and Development Commission and the Independent System Operator, to take specified actions in relation to virtual power plants, as defined. The bill would require the PUC, on or before March 1, 2026, to begin a proceeding to determine targets for each electrical corporation to procure generation from cost-effective virtual power plants, and would require the PUC, on or before October 1, 2026, to finalize its proceeding and issue a decision adopting virtual power plant procurement targets to be achieved by each electrical corporation on or before December 31, 2028, and on or before December 31, 2033. The bill would, upon the PUC adopting virtual power plant procurement targets, require each electrical corporation, beginning January 30, 2028, and each year thereafter, to file a report with the PUC on its progress toward complying with the virtual power plant procurement targets.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

SB 1325 (Durazo D) Public contracts: best value procurement: goods.

Current Text: Amended: 4/10/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 4/10/2024

Status: 4/10/2024-From committee with author's amendments. Read second time and amended. Re-referred to Com. on L. GOV.

Location: 4/9/2024-S. L. GOV.

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|-----------|---------------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law imposes requirements on, and authorizes procedures for, public contracting for equipment and services, among other things, by local and state agencies. Current law authorizes certain procurements to be facilitated through a lowest responsible bidder requirement. This bill would authorize a public entity, as defined, to award contracts through a best value procurement method, as described, for the purchase of goods with a base value of \$250,000 or more. The bill would require the public entity to adopt and publish procedures and guidelines for evaluating the qualifications of the bidders to ensure the best value selections are conducted in a fair and impartial manner, as described. The bill would authorize the procedures and guidelines to include the adoption of a high road jobs plan policy that evaluates bidders' high road jobs plan commitments as part of the overall score for the public contract, as specified. This bill would require the solicitation document to include certain information and would direct the public entity to use a scoring method based on price and the factors described in the solicitation document, as specified.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

SB 1330 (Archuleta D) Urban retail water supplier: water use.

Current Text: Amended: 3/19/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 3/19/2024

Status: 4/2/2024-Set for hearing April 23.

Location: 2/29/2024-S. N.R. & W.

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|-----------|---------------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | | | | |

Summary: Current law requires the Department of Water Resources, in coordination with the State Water Resources Control Board, to conduct necessary studies and investigations, and recommend for adoption by the board appropriate variances for unique uses that can have a material effect on an urban retail water supplier's urban water use objective. Current law requires the department, in recommending variances, to also recommend a threshold of significance for each recommended variance. Current law requires an urban retail water supplier to request and receive approval by the board for inclusion of a variance in calculating their water use objective. Current law requires the board to post specified information on its internet website relating to variances, including a list of all urban retail water suppliers with approved variances. This bill would require the board to adopt variances recommended by the department for unique uses that can have a material effect on an

urban retail water supplier’s urban water use objective. The bill would provide that variances adopted by the board shall not be subject to a threshold of significance. The bill would require an urban retail water supplier to self-certify the amount of water included in its urban water use objective that is attributable to a variance.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|----------|----------|
| State Water Contractors | SWC - W | Priority 2 | ACWA - F | CMUA - S |

SB 1360 (Alvarado-Gil D) Water quality: state board certification.

Current Text: Amended: 3/18/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 3/18/2024

Status: 3/18/2024-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Location: 2/16/2024-S. RLS.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The Porter-Cologne Water Quality Control Act authorizes the State Water Resources Control Board to certify or provide a statement to a federal agency, as required pursuant to federal law, that there is reasonable assurance that an activity of any person subject to the jurisdiction of the state board will not reduce water quality below applicable standards. The federal act provides that if a state fails or refuses to act on a request for this certification within a reasonable period of time, which shall not exceed one year after receipt of the request, then the state certification requirements are waived with respect to the federal application. Current law authorizes the state board to issue the certificate or statement before completion of the required environmental review if the state board determines that waiting until completion of that environmental review to issue the certificate or statement poses a substantial risk of waiver of the state board’s certification authority under the Federal Water Pollution Control Act or any other federal water quality control law, as provided. This bill would require the state board to issue the certificate or statement before completion of the required environmental review if the state board and Governor’s Office of Business and Economic Development, in consultation with an applicant, jointly determine that the applicant’s project will help the state meet its clean energy goals and increase electric reliability and waiting until completion of that environmental review to issue the certificate or statement poses a risk to the applicant of not being eligible for federal tax credits or incentives, as provided.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|-------|
| State Water Contractors | SWC - W | Priority 2 | | |

SB 1440 (Laird D) Water quality: stormwater: reporting.

Current Text: Amended: 3/20/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 3/20/2024

Status: 4/5/2024-Set for hearing April 24.

Location: 4/3/2024-S. E.Q.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptered |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary: The State Water Resources Control Board and the California regional water quality control boards prescribe waste discharge requirements for the discharge of stormwater in accordance with the national pollutant discharge elimination system permit program and the Porter-Cologne Water Quality Control Act. Current law requires the regional boards to undertake reasonable efforts to identify dischargers of stormwater that have not obtained an appropriate permit. Current law requires the state board, on or before December 31, to annually prepare a report that includes, among other things, a list of persons notified of their duty to comply with applicable stormwater permits and a description of the responses received to those notifications. This bill would require the annual report to additionally include a description of reasonable efforts undertaken by regional boards to identify dischargers of stormwater that have not obtained coverage under an appropriate stormwater permit.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|----------|------------|-------|----------|
| State Water Contractors | SWC - W | Priority 2 | | CMUA - W |

[SB 1467](#) (Rubio D) California Water District Law.

Current Text: Introduced: 2/16/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Status: 2/29/2024-Referred to Com. on RLS.

Location: 2/16/2024-S. RLS.

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|-----------|---------------|--------|-------|-----------|--------|--------|-------|-------|----------|--------|-----------|
| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. | Enrolled | Vetoed | Chaptered |
| 1st House | | | | 2nd House | | | | Conc. | | | |

Summary: The California Water District Law (CWDL) provides for the establishment of water districts, and grants a district the power to acquire, plan, construct, maintain, improve, operate, and keep in repair the necessary works for the production, storage, transmission, and distribution of water for irrigation, domestic, industrial, and municipal purposes. This bill would make a nonsubstantive change to the latter authorization.

| Organization | Position | Priority | Misc1 | Misc2 |
|-------------------------|-----------------|-----------------|--------------|--------------|
| State Water Contractors | SWC - W | Priority 2 | | |

Total Measures: 73

Total Tracking Forms: 73