



**BOARD OF DIRECTORS' MEETING  
MOULTON NIGUEL WATER DISTRICT  
27500 La Paz Road, Laguna Niguel  
February 20, 2014  
5:30 PM  
Approximate Meeting Time: 2 Hours**

**1. CALL MEETING TO ORDER**

**2. PLEDGE OF ALLEGIANCE**

**3. MINUTE APPROVAL:**

Minutes of the January 16, 2013 Board of Directors Meeting

**4. PUBLIC COMMENTS:**

*Persons wishing to address the Board of Directors on matters not listed on the Agenda may do so at this time. "Request To Be Heard" forms are available at the entrance to the Board Room. Comments are limited to five minutes unless further time is granted by the Presiding Officer. Submit form to the Recording Secretary prior to the beginning of the meeting.*

*Those wishing to address the Board of Directors on any item listed on the Agenda should submit a "Request To Be Heard" form to the Recording Secretary before the Presiding Officer announces that agenda item. Your name will be called to speak at that time.*

**CONSENT CALENDAR ITEMS:(Items on the Consent Calendar have been discussed at the regularly scheduled Engineering/Operations and Finance/IT Board meetings)**

*Consent items: Unless the General Manager or the Board requests that an item be removed from the Consent Calendar, all items will be acted upon as a whole and by one vote. Requests for discussion of any specific item should be made to the Presiding Officer in conjunction with the discussion of the consent motion.*

**5. REGIONAL LIFT STATION PUMP REPLACEMENT CONTRACT**

It is recommended that the Board of Directors award the Construction Services Contract to Schuler Engineering Corporation in the amount of \$246,400; authorize the General Manager to execute the contract; and authorize the General Manager or designee to execute contract change orders up to 10% of the contract value.

**6. AWARD OF ENGINEERING SERVICES AGREEMENT FOR INSPECTION SERVICES, PROJECT NO. 2013.003 & 2013.011**

It is recommended that the Board of Directors approve the Engineering Services Agreement with Harper and Associates, Inc. in the amount of \$68,919; and authorize the General manager to execute the agreement.

7. ARCON CONTRACT AMENDMENT, PROJECT NO. 2006.038

It is recommended that the Board of Directors approve Amendment No. 1 to the Professional Services Agreement with Arcon Structural Engineers, Inc. for a not-to-exceed fee of \$6,930.00 and a total contract value not-to-exceed \$66,318.00; and authorize the General Manager to execute the amendment.

8. CONTRACT AMENDMENT FOR ASPHALT AND CONCRETE REPAIR CONSTRUCTION SERVICES FISCAL YEAR 2013/14

It is recommended that the Board of Directors authorize the General Manager to execute a contract amendment to increase the contract with Sanders Paving by \$225,000 for a total contract value not-to-exceed \$600,000.

9. AGREEMENT FOR PARTICIPATION AND CO-FUNDING IN MUNICIPAL WATER DISTRICT OF ORANGE COUNTY REBATE PROGRAM

It is recommended that the Board of Directors authorize the General Manager to execute the "Agreement for Participation and Co-Funding by Moulton Niguel Water District in Specified Municipal Water District of Orange County Rebate Programs" subject to non-substantive changes approved by Legal Counsel and the District staff.

10. CITY OF LAGUNA NIGUEL CROWN VALLEY PARKWAY MEDIANS PROJECT

It is recommended that the Board of Directors authorize an expenditure of \$417,119 from the Efficiency Fund for the City of Laguna Niguel Crown Valley Parkway Medians Project subject to the execution of a reimbursement agreement with the city of Laguna Niguel.

**GENERAL MANAGER MATTERS:**

11. ASSOCIATION OF CALIFORNIA WATER AGENCIES STATEWIDE WATER ACTION PLAN FOR CALIFORNIA, RESOLUTION NO. 14-\_\_\_\_\_

It is recommended that the Board of Directors approve and adopt Resolution No. 14-\_\_ entitled "SUPPORTING THE ASSOCIATION OF CALIFORNIA WATER AGENCIES STATEWIDE WATER ACTION PLAN".

12. DROUGHT UPDATE, RESOLUTION NO. 14-\_\_\_\_\_

It is recommended that the Board of Directors approve and adopt Resolution No. 14-\_\_\_\_ entitled "IMPLEMENTING CONSERVATION MEASURES IN RESPONSE TO 2014 DROUGHT CONDITIONS".

**FINANCE & INFORMATION TECHNOLOGY MATTERS:**

**13. UPDATED METER PACKAGE PRICING, RESOLUTION NO. 14-\_\_\_\_\_**

It is recommended that the Board of Directors approve and adopt Resolution No. 14-\_\_\_\_\_ entitled, "RESOLUTION OF THE BOARD OF DIRECTORS OF MOULTON NIGUEL WATER DISTRICT APPROVING WATER METER CHARGE INCREASE AND ADOPTING REVISIONS TO THE SCHEDULE OF RATES AND CHARGES SET FORTH IN EXHIBIT B TO THE RULES AND REGULATIONS OF MOULTON NIGUEL WATER DISTRICT FOR WATER AND SEWER SERVICE".

**LEGAL MATTERS:**

**PRESIDENT'S REPORT:**

**BOARD REPORTS:**

**CLOSED SESSION:**

**14. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Pursuant to Government Code Section 54956.9(b)(1), a Closed Session will be conducted to confer with Legal Counsel regarding the following two claims:

- a. Claim of Mercury Insurance Group for Subrogation – K. & E. Tiber*
- b. Claim of USAA for Subrogation – C. Jones*

**15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (FIVE CASES)**

Pursuant to Government Code Section 54956.9(A), a Closed Session will be conducted to confer with Legal Counsel regarding the following cases:

- a. Shapell Industries, Inc., a Delaware Corporation vs Moulton Niguel Water District (Orange County Superior Court)*
- b. Briosa Owners Association, a California Corporation vs Moulton Niguel Water District (Orange County Superior Court)*
- c. Cantora Community Association vs Metropolitan Water District of Southern California, Moulton Niguel Water District (Orange County Superior Court)*
- d. Eckert, Repetti vs. Metropolitan Water District of Southern California, Moulton Niguel Water District (Orange County Superior Court)*
- e. Caito, Cenicerros vs. Metropolitan Water District of Southern California, Moulton Niguel Water District (Orange County Superior Court)*

**16. CONFERENCE ON EXISTING LITIGATION (ONE CASE)**

Pursuant to Government Code Section 54956.96 (a) (1) and (b), a Closed Session will be

conducted to CONFERENCE INVOLVING A JOINT POWERS AGENCY: SOUTH ORANGE COUNTY WASTEWATER AUTHORITY (SOCWA)

Discussion will concern: Government Code Section 54956.9(a)-(d)(1), Existing Litigation of SOCWA: One Case (Legal Counsel will be present)

*South Orange County Wastewater Authority vs Michael Demaree, Does 1 through 25, related cross complaint (Orange County Superior Court).*

Name of MNWD representative on SOCWA Board: Director Larry Lizotte

**LATE ITEMS: (Appropriate Findings to be Made)**

- a. Need to take immediate action; and
- b. Need for action came to District's attention after Agenda Posting. [Requires 2/3 vote (5 members) or unanimous vote if less than 2/3 are present]

**ADJOURNMENT**

The Board of Directors' Meeting Room is wheelchair accessible. If you require any special disability related accommodations (i.e., access to an amplified sound system, etc.), please contact the Moulton Niguel Water District Secretary's office at (949) 831-2500 at least forty-eight (48) hours prior to the scheduled meeting. This agenda can be obtained in alternate format upon written request to the Moulton Niguel Water District Secretary at least forty-eight (48) hours prior to the scheduled meeting.

Agenda exhibits and other writings that are disclosable public records distributed to all, or a majority of, the members of the Moulton Niguel Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection at the District Office, 27500 La Paz Road, Laguna Niguel, CA ("District Office"). If such writings are distributed to members of the Board less than seventy-two (72) hours prior to the meeting, they will be available in the reception area of the District Office at the same time as they are distributed except that, if such writings are distributed immediately prior to, or during the meeting, they will be available in the Board meeting room and on the District website at [www.mnwd.com](http://www.mnwd.com).



**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
MOULTON NIGUEL WATER DISTRICT**

**January 16, 2014**

A Regular Meeting of the Board of Directors of the Moulton Niguel Water District was held at the District offices, 27500 La Paz Road, Laguna Niguel, California, at 5:30 PM on January 16, 2014. There were present and participating:

**DIRECTORS**

Larry McKenney	President
Scott Colton	Director
Richard Fiore	Director
Donald Froelich	Vice President (arrived at 6:10 p.m.)
Gary Kurtz	Director
Larry Lizotte	Director
Brian Probolsky	Vice President (arrived at 6:03 p.m.)

Also present and participating were:

**STAFF MEMBERS, LEGAL COUNSEL, AND MEMBERS OF THE PUBLIC**

Joone Lopez	General Manager
Matt Collings	Assistant General Manager
Marc Serna	Director of Engineering & Operations
Gina Hillary	Director of Human Resources
Kelly Winsor	Assistant to the General Manager
Megan Geer	MNWD
Eva Plajzer	MNWD
Ruby Yuen	MNWD
Carol Lagner	Member of CAC
Julie Larson	Member of the Public
Eric Espino	PFM
Pat Giannone	Bowie, Arneson, Wiles & Giannone
Paige Gulck	Board Secretary

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1. **CALL MEETING TO ORDER**

*The meeting was called to order by Larry McKenney at 5:34 p.m.*

2. **PLEDGE OF ALLEGIANCE**

3. **MINUTE APPROVAL:**

*MOTION DULY MADE BY GARY KURTZ AND SECONDED BY SCOTT COLTON, MINUTES OF THE REGULAR BOARD OF DIRECTORS' MEETING DATED DECEMBER 19, 2013 WERE APPROVED AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, GARY KURTZ, LARRY LIZOTTE, AND LARRY MCKENNEY VOTING 'AYE'; DONALD FROELICH AND BRIAN PROBOLSKY WERE ABSENT.*

4. **PUBLIC COMMENTS**

*None.*

**CONSENT CALENDAR ITEMS:(Items on the Consent Calendar have been discussed at the regularly scheduled Engineering/Operations and Finance/IT Board meetings)**

5. **SPOILS REMOVAL SERVICE AGREEMENTS FOR FISCAL YEARS 2013-14 AND 2014-15**

It is recommended that the Board of Directors award a two-year service agreement for Spoils Removal Services to Goodwin Construction for a not-to-exceed amount of \$81,000, and to KB Miramontes for a not-to-exceed amount of \$81,000; and authorize the General Manager to execute the service agreements on behalf of the District.

*MOTION DULY MADE BY GARY KURTZ AND SECONDED BY LARRY LIZOTTE, THE BOARD OF DIRECTORS APPROVED CONSENT ITEM 5 AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, GARY KURTZ, LARRY LIZOTTE, AND LARRY MCKENNEY VOTING 'AYE'; DONALD FROELICH AND BRIAN PROBOLSKY WERE ABSENT.*

**GENERAL MANAGER MATTERS:**

6. **REQUEST FOR NEW POSITION**

It is recommended that the Board of Directors approve the position of the Deputy General Manager of Intergovernmental and External Affairs. *(Action on this item was postponed to allow time for all Board members to arrive.)*

*Joone Lopez reported that the South Orange County Operations Managers meeting is January 21, 2014 at 11:00 a.m. The South Orange County Agencies meeting is January 29, 2014 at noon.*

*Updates on the Aliso Watershed Management Agency (AWMA) bridge will be forthcoming.*

*Kelly Winsor was named Ambassador of the Month for Laguna Niguel Chamber of Commerce.*

*The District received the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA) President's Special Recognition Award for having a Loss Ratio of 20% or less in either Liability, Property, or Workers' Compensation programs.*

**LEGAL MATTERS:**

**7. CONDUCT HEARING ON RESOLUTION TO ISSUE 2014 CONSOLIDATED GENERAL OBLIGATION REFUNDING BONDS OF IMPROVEMENT DISTRICT NOS. 6 AND 7; ADOPT RESOLUTION OF ISSUANCE FOR THE 2014 CONSOLIDATED REFUNDING BONDS**

*Pat Giannone entered the Proof of Publication of Hearing Notice and Affidavit of Posting of Hearing Notice into the record.*

It is recommended that the Board of Directors conduct a hearing pursuant to Resolution of Intention No. 13-24 on the Proposed Resolution of Issuance for the 2014 Consolidated Refunding Bonds.

*Larry McKenney opened the public hearing at 5:46 p.m. No landowner protests were recorded in the hearing record, and no prior protests were received by staff. The hearing was closed at 5:47 p.m.*

It is recommended that the Board of Directors adopt Resolution No. 14-01 entitled "Resolution of the Board of Directors of the Moulton Niguel Water District Providing for the Issuance of 2014 Consolidated Refunding Bonds to Refund its 2003 Consolidated Refunding Bonds, Approving Certain Documents and Authorizing and Ratifying Certain Action."

***MOTION DULY MADE BY GARY KURTZ AND SECONDED BY LARRY MCKENNEY, THE BOARD OF DIRECTORS APPROVED ITEM 7 UNDER LEGAL MATTERS AS PRESENTED. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, GARY KURTZ, LARRY LIZOTTE, AND LARRY MCKENNEY VOTING 'AYE'; DONALD FROELICH AND BRIAN PROBOLSKY WERE ABSENT.***

**PRESIDENT'S REPORT**

*Larry McKenney stated that California is having a dry year. It is expected that the governor will announce a statewide drought emergency in the coming days.*

**BOARD REPORTS**

*None*

**CLOSED SESSION:**

*The Board of Directors went into closed session at 5:59 p.m.*

**CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (ONE CASE)**

Pursuant to Government Code Section 54956.9(a), a Closed Session will be conducted to confer with Legal Counsel regarding the following case:

*United States of America, and the States of California, Florida, Hawaii, Illinois, Massachusetts, Nevada, Virginia, District of Columbia and State and City of New York ex rel. Ann-Marie Shaw v. CA, Inc., Civil Action No. 06-3552, Federal District Court for the Eastern Division of New York*

*Brian Probolsky arrived at 6:03 p.m.*

*Donald Froelich arrived at 6:10 p.m.*

**CONFERENCE ON EXISTING LITIGATION (ONE CASE)**

Pursuant to Government Code Section 54956.96 (a) and (b), a Closed Session will be conducted to confer on existing litigation of SOUTH ORANGE COUNTY WASTEWATER AUTHORITY: ONE CASE (Legal Counsel present)

*South Orange County Wastewater Authority vs Michael Demaree, Does 1 through 25, related cross complaint (Orange County Superior Court).*

***Open session reconvened at 6:33 p.m.***

*United States of America, and the States of California, et al v. CA, Inc.*

***LARRY MCKENNEY REPORTED THAT THE BOARD APPROVED THE SETTLEMENT AND EXECUTION OF THE SETTLEMENT CHECK IN THE AMOUNT OF \$992.19 BY THE DISTRICT AS RECOMMENDED BY THE CALIFORNIA ATTORNEY GENERAL. DIRECTORS SCOTT COLTON, RICHARD FIORE, GARY KURTZ, LARRY LIZOTTE, LARRY MCKENNEY, AND BRIAN PROBOLSKY VOTED 'AYE', DONALD FROELICH ABSTAINED.***



*South Orange County Wastewater Authority vs Michael Demaree, Does 1 through 25, related cross complaint (Orange County Superior Court)*

*LARRY MCKENNEY REPORTED THAT NO REPORTABLE ACTION WAS TAKEN ON THIS ITEM.*

*The Board deliberated on Item 6, REQUEST FOR NEW POSITION.*

*MOTION DULY MADE BY GARY KURTZ AND SECONDED BY SCOTT COLTON, THE BOARD OF DIRECTORS APPROVED THE POSITION OF THE DEPUTY GENERAL MANAGER OF INTERGOVERNMENTAL AND EXTERNAL AFFAIRS AND AUTHORIZED THE GENERAL MANAGER TO FILL THE POSITION. THE VOTE WAS UNANIMOUS WITH DIRECTORS SCOTT COLTON, RICHARD FIORE, DONALD FROELICH, GARY KURTZ, LARRY LIZOTTE, LARRY MCKENNEY, AND BRIAN PROBOLSKY VOTING 'AYE'.*

**LATE ITEMS (Appropriate Findings to be Made)**

*Staff has none.*

**ADJOURNMENT**

*The meeting was adjourned at 6:34 p.m.*

Respectfully submitted,

Paige Gulck  
Board Secretary





**Statewide Water Action Plan Participation by Region**

<p><b><u>Delta and Sacramento Region</u></b></p> <p>City of Sacramento San Juan Water District Regional Water Authority Reclamation District 2068</p> <p><b><u>Bay Area</u></b></p> <p>East Bay Municipal Utility District Contra Costa Water District Sonoma County Water Agency Santa Clara Valley Water District</p> <p><b><u>Sacramento Valley</u></b></p> <p>Glenn-Colusa Irrigation District Northern California Water Association</p>	<p><b><u>Mountain Counties</u></b></p> <p>Mountain Counties Water Resources Association El Dorado County Water Agency Placer County Water Agency</p> <p><b><u>San Joaquin &amp; Kings Rivers</u></b></p> <p>San Joaquin Tributaries Authority Merced Irrigation District Friant Water Authority Turlock Irrigation District Kings River Conservation</p>
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On September 27, 2013, the ACWA Board of Directors approved the Statewide Water Action Plan, and submitted it to Governor Brown as the water community's recommendations for developing the Administration's water plan for the State. ACWA is asking its members to adopt a resolution in support of the Statewide Water Action Plan. A copy of the resolution is included.

**DISCUSSION:**

ACWA's Statewide Water Action Plan calls for the State to take a number of specific actions in order to improve the State's overall water supply reliability. A copy of the ACWA Statewide Water Action Plan is attached, as well as a list of organizations that have adopted a resolution or sent letters supporting the plan.

If the proposed recommendation were adopted by the State, ACWA suggests that it would provide the context for a Delta solution and other critical actions as components of a broader set of strategies to secure California's water future.

ACWA's Statewide Water Action Plan outlines six guiding principles. Each of the principles is meant to guide the implementation of the recommended actions

contained in the plan. The six guiding principles focus on long-term water supply reliability and improved ecosystem health; a new regulatory approach; use of the best available science; water rights and contract terms; bold actions guided by strong leadership; and the need for state financing of water infrastructure.

The plan also identifies 15 statewide action categories and recommended actions in each category in order to improve water supply reliability, protect water rights, protect the integrity of the State's water system and promote better stewardship. The 15 categories are as follows:

1. Storage
2. Water Use Efficiency
3. Water Supply Assurances
4. Operational Assurances
5. Improved Regional Self-Reliance
6. Headwaters
7. Water Quality
8. Bay Delta Conservation Plan
9. Levee Improvement and Maintenance
10. Emergency Preparedness and Public Safety
11. Bay-Delta Water Quality Control Plan
12. Water Bond
13. Groundwater Resources
14. Water Transfers
15. Governmental Coordination

The ACWA Statewide Water Action Plan strives to present a balanced set of recommendations for securing California's water future, and outlines a path forward to improve water supply reliability and water quality in the state. Given the need for water supply reliability in California and the balanced approach towards that goal outlined in the plan, staff recommends the Board adopt a resolution supporting the ACWA Statewide Water Action Plan.

Attachments:

1. Resolution of the Board of Directors of Moulton Niguel Water District Supporting the Association of California Water Agencies Statewide Water Action Plan
2. Association of California Water Agencies Statewide Water Action Plan
3. List of Supporters of the Statewide Water Action Plan



**RESOLUTION NO. 14- \_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF MOULTON NIGUEL WATER DISTRICT SUPPORTING THE ASSOCIATION OF CALIFORNIA WATER AGENCIES STATEWIDE WATER ACTION PLAN**

**WHEREAS**, a broad cross-section of water interests convened by the Association of California Water Agencies (ACWA) has developed a Statewide Water Action Plan to address overall water supply reliability and ecosystem health in California; and

**WHEREAS**, the ACWA Board of Directors unanimously approved the Statewide Water Action Plan at its Sept. 27, 2013, meeting and directed that it be submitted to California Governor Jerry Brown as the water community’s recommendations for developing the Administration’s water plan; and

**WHEREAS**, ACWA’s Statewide Water Action Plan outlines 15 actions to improve water supply reliability, protect water rights, protect the integrity of the state’s water system, and promote better stewardship; and

**WHEREAS**, the plan also includes guiding principles for implementation to help ensure actions benefit the entire state, respect water rights and contract terms, and reflect a new regulatory approach that can better meet the needs of California water users and ecosystems; and

**WHEREAS**, the Statewide Water Action Plan provides context for a Delta solution and other critical actions as components of a broader set of strategies to secure California’s water future; and

**WHEREAS**, when implemented together, this suite of statewide actions will serve as a sustainable path forward for California; and

**NOW, THEREFORE**, the Board of Directors of Moulton Niguel Water District does hereby support ACWA’s Statewide Water Action Plan

**#11.**

**APPROVED, ADOPTED and SIGNED** this 20th day of February, 2014.

**MOULTON NIGUEL WATER DISTRICT**

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President  
MOULTON NIGUEL WATER DISTRICT and the  
Board of Directors thereof

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Secretary  
MOULTON NIGUEL WATER DISTRICT and the  
Board of Directors thereof

APPROVED AS TO FORM:

BOWIE, ARNESON, WILES & GIANNONE  
Legal Counsel - MOULTON NIGUEL WATER DISTRICT

By: \_\_\_\_\_  
Patricia B. Giannone





ASSOCIATION OF CALIFORNIA WATER AGENCIES

# STATEWIDE WATER

## ACTION PLAN FOR CALIFORNIA



**Association  
of California  
Water Agencies**  
*Since 1910*  
Leadership • Advocacy  
Information • Service

## About the Statewide Water Action Plan

The Association of California Water Agencies (ACWA) convened a broad cross-section of member water interests in spring 2013 to develop a statewide plan addressing the state's overall water supply reliability and ecosystem health. The goal was to craft a specific plan that could be broadly supported by water interests throughout the state and serve as a sustainable path forward for California.

The resulting Statewide Water Action Plan was completed in September and unanimously approved by the ACWA Board of Directors on Sept. 27, 2013. ACWA submitted the Statewide Water Action Plan to California Governor Edmund G Brown Jr. on Oct. 2, 2013, as the water community's recommendations for developing the Administration's water plan for the state.

Association of California  
Water Agencies

### Contacts and Location:

**Sacramento Office**  
910 K Street, Suite 100  
Sacramento CA, 95814  
tel 916.441.4545

**Randy Record**  
ACWA President

**John Coleman**  
ACWA Vice President

**Timothy Quinn**  
Executive Director

ACWA's mission is to assist its members in promoting the development, management and reasonable beneficial use of good quality water at the lowest practical cost in an environmentally balanced manner.

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ASSOCIATION OF CALIFORNIA WATER AGENCIES

# STATEWIDE WATER ACTION PLAN FOR CALIFORNIA

## Introduction

California's complex water management system is facing unprecedented challenges. Local investments in water supply reliability and ecosystem health have built upon the legacy infrastructure projects that served us well in the past, but the backbone water supply system we rely on today no longer satisfies the state's needs. California's statewide water system cannot respond effectively to our growing population, changing ecosystem needs, increasing flood risks and consecutive years of drought. Climate change and its impacts on public safety and long-term water supply reliability also pose a significant challenge to this generation of water and flood managers.

These problems are extraordinary, and their solutions will require an extraordinary commitment from state, local and federal agencies. They also will require a more evolved regulatory approach that will allow the system to operate efficiently and predictably to meet 21st century water supply and ecosystem needs.

The state has recognized the need for action in venues and initiatives such as the Department of Water Resources' (DWR) California Water Plan, the Delta Stewardship Council's Delta Plan, and the multi-agency Bay Delta Conservation Plan (BDCP). Now California's public water agencies are stepping forward to recommend this set of principles and actions to enhance these individual efforts and integrate them in a comprehensive Statewide Water Action Plan. Our recommended plan, submitted to the Governor for his consideration, provides context for a Delta solution and other critical actions as components of a broader set of strategies to address overall water supply reliability and ecosystem health in California.

When implemented together, this suite of statewide actions will serve as a sustainable path forward for California. Governor Brown's leadership and commitment will be central to the success of this action plan and to moving water policy forward in California.

## Guiding Principles for Implementation of the Statewide Water Action Plan

1. **Long-term water supply reliability and improved ecosystem health** are the core objectives of this statewide water action plan. In the course of achieving them, however, we must ensure that one region's increased reliability does not adversely affect another's near- or long-term water supplies.
2. **A new regulatory approach** is essential to reflect today's realities and better serve the needs of California water users and the ecosystem. This is critical if we are to reduce scientific uncertainty and incorporate new understanding of operational and ecosystem dynamics. Under the current approach, regulatory agencies tend to focus only on their specific goals, resulting in duplicative and contradictory requirements that fail to deliver benefits to our water supply, water quality or ecosystem. To combat this, state agencies should commit to using collaborative processes as extensively and transparently as possible to achieve regulatory goals in a way that satisfies water supply, water quality, and ecosystem needs. This new approach should embrace enhanced sharing of data, consistent use of peer-reviewed science (including climate change models), coordinated review under the California Environmental Quality Act (CEQA), and improved integration and coordination of all related processes. This approach will help ensure continued ecosystem protections and increase the water community's confidence that regulatory investments will achieve benefits.
3. **The best available science** should be used to support every action, report or decision made as part of this Statewide Water Action Plan. The science should be inclusive, objective, transparent, and peer reviewed.
4. **Water rights and contract terms**, including area-of-origin protections, are foundational to our water system and should be respected and adhered to whenever projects and initiatives are implemented. State and federal facilities should be operated consistent with the conditions of water rights, contracts, and other entitlements.
5. **Bold actions guided by strong leadership** at the state, federal and local levels are essential for the successful implementation of this action plan. In particular, increased commitments by federal partners are needed to ensure the plan moves forward. The Department of Water Resources should provide leadership and support for these efforts from the department's highest level.
6. **Financing:** The state should fund investments that provide broad public benefits such as improved water supply reliability, water quality and ecosystem health. The state should also incentivize local projects that advance statewide water priorities and require public assistance to be cost effective.

## Statewide Actions

To be most effective, the following suite of statewide actions should be implemented as a comprehensive package. Indeed, many elements — including a Delta conveyance solution — are much more likely to succeed if they are part of a broader action plan. Statewide support for the action plan is essential. Advancing all elements of the plan simultaneously will help secure and maintain that support and build a statewide coalition capable of achieving these ambitious goals.

### 1. Storage

California's water infrastructure has proven inadequate to meet the state's needs in a two-year drought, let alone a multi-year drought. This deficiency, coupled with the already measurable effects of climate change, makes construction of new storage facilities and expansion of existing storage imperative. A wide range of options should be on the table, including new surface water projects; re-operation and expansion/enlargement of existing storage projects; groundwater and conjunctive use; and development of other local and regional storage facilities. Additional storage will add flexibility to the water management system and help ensure a more reliable water supply to serve California's diverse needs, including drought resilience and ecosystem protection (e.g., improved temperatures and flows for fish).

#### Actions

- **Studies.** In coordination with DWR, the responsible state, federal or local water agency proponents of projects should complete storage studies by June 2014 and formally determine whether a particular project is environmentally and economically sound and will provide benefits for water supply and the ecosystem.
- **Permitting.** Within six months of a local determination based on these studies, DWR and the California Department of Fish and Wildlife (CDF&W) should begin coordinating with local agencies to expedite permitting and CEQA compliance for new storage facilities. For storage projects found to have statewide benefit, DWR and CDF&W should take the lead in expediting the permitting process.

The state also should coordinate with federal agencies as needed on permitting, the National Environmental Policy Act (NEPA), water rights issues and potentially construction.

- **Financing.** Under comprehensive water legislation enacted in 2009, the California Water Commission is tasked with defining and quantifying the public benefits of water storage projects eligible for funding with state dollars. By June 2014, local water agencies that would receive identifiable water supply benefits from water storage projects should provide a plan outlining their commitment and steps they will take to pay for those benefits. This Statewide Water Action Plan recommends that any water bond that moves forward in 2014 provide for continuous appropriation of funding for the public benefits of storage as outlined in the bond measure currently slated for the November 2014 ballot.
- **Construction.** By January 2018, construction should commence for new groundwater and surface water storage projects with an initial target of 1.5 million acre-feet of new storage capacity, as documented in the 2000 CALFED Record of Decision.
- **Local Construction.** As soon as practicable, construction of local facilities with a target of 1 million acre-feet should be completed.
- **Reoperation.** DWR should complete its study of reservoir reoperation by June 2014, including reoperation of existing reservoirs and integration of new storage into system operations.

### 2. Water Use Efficiency

Water conservation and water use efficiency are central elements of the state's strategy to enhance water supply reliability, restore ecosystems and respond to climate change and a growing population. It should continue to be the state's policy to encourage investments in water conservation and water use efficiency by ensuring that the right to conserved water remains with the conserving entity. Local and regional water agencies have made significant multi-decade investments in water conservation and water use-efficiency activities and continue to do so under new state requirements

# #11.

enacted in law. The state should acknowledge that local agencies are in the best position to determine compliance with these requirements and should respect local determinations as sufficient.

## Actions

- The state should provide funding for water use efficiency activities in disadvantaged communities and support programs that are not locally cost effective but contribute broad benefits to California.
- DWR and local water agencies should coordinate with groundwater management agencies where applicable to enhance conjunctive use opportunities and minimize potential impacts on groundwater recharge that may result from water use efficiency and conservation efforts.

## 3. Water Supply Assurances

California law establishes a goal of improving water supply reliability throughout the state. Water supply reliability in regions that rely on water conveyed across the Delta is of obvious importance to the California economy. A BDCP is being developed in part to improve and protect water supply reliability for the agencies that will benefit from its completion. However, it is important that these improvements be accomplished in a manner consistent with this principle.

When the Central Valley Project (CVP) and the State Water Project (SWP) were built, assurances were incorporated in their authorizing statutes that water needed to meet present and future beneficial uses in the areas of origin (i.e., the Sacramento Valley, the east side of the San Joaquin Valley and the Delta) would be available to those areas when needed. All of California has benefited from these fundamental assurances. The state should commit to implementing an action plan that augments storage and modifies regulatory approaches to ensure that positive storage balances can be maintained at all times to provide for improved water supply reliability and ecosystem health and protection of the state's economy.

## Actions

- As the state implements this plan, all relevant agencies should adhere to water rights protections in state law and comply with existing water rights and contractual requirements.
- The Administration should continue to affirm through its policies and actions that the

implementation of a BDCP will not adversely affect existing water rights of those in the watershed of the Delta, nor will it impose any obligations on area-of-origin water users, including in the Delta, to supplement flows in and through the Delta.

- Those seeking to secure permits for a BDCP will be responsible for meeting all applicable conditions in their BDCP permits, including any obligations in those permits for Delta flow, which as required by law must avoid redirected impacts to area-of-origin water users, including in the Delta, unless provided for in voluntary agreements or settlements.

## 4. Operational Assurances

Recent modeling indicates that, in the driest 10% of years, some major reservoirs will hit "dead pool," the condition in which water levels fall below a dam's lowest outlets and no operable storage exists to deliver water for supply, environmental, and power generation purposes. The ramifications of hitting dead pool at that frequency could be catastrophic for water users who rely on these facilities for a portion of their supply, for the environment, and particularly for affected water agencies that do not have another viable source of water supply for their customers.

Allowing reservoirs to reach dead pool is not sound policy and is at odds with overall efforts by the state and federal governments to address California's water supply reliability and ecosystem health. Adaptive strategies that address this issue are critical to ensure that the operational rules for California's water delivery system will provide the water supply assurances needed by water users throughout the state. It should be the policy of the state to adopt regulations, develop operating rules, or take other actions that will ensure that reservoirs are not drawn to dead pool conditions, even in multiple dry years.

## Actions

- The Administration should develop a strategy in coordination with state agency leadership and federal agency partners by January 1, 2015, to ensure reservoirs are not driven to dead pool levels. This strategy should identify needed regulatory changes, infrastructure improvements including increased storage capacity, and changes in reservoir operations, as well as support for additional local resources development.

- Initial actions identified through this process that can be implemented prior to January 1, 2015, should be included as part of the report outlined in the Governmental Coordination section of this Statewide Water Action Plan.
- As part of this strategy, the Governor should direct state agencies to implement new and existing water management and water quality programs in a manner that will help ensure California's reservoirs do not reach dead pool conditions.

## 5. Improved Regional Self-Reliance

In addition to water use efficiency and water conservation, California's water agencies utilize a variety of methods to increase local water supplies and reliability for water users and the environment. The state should continue to support development of local and regional water resources that improve each region's water supply reliability and, where applicable, augment imported water supplies. This includes surface water diversions for in-basin uses, conjunctive use, stormwater capture, recycled water, desalination, and groundwater cleanup. Projects and programs that achieve multiple benefits should be a priority.

### Actions

- Local agencies should improve self-reliance by planning and implementing projects consistent with decisions made by local and regional water agencies.
- DWR should consult with local and regional agencies to develop a statewide strategy to improve regional supplies, in accordance with the Sacramento-San Joaquin Delta Reform Act.
- The state should continue to support Integrated Regional Water Management Plan (IRWMP) efforts that successfully provide for regional and local needs.
- DWR should work with existing IRWMP programs and stakeholders to evaluate the state's Integrated Regional Water Management program and identify areas for improvement, including streamlining the application process, developing specific criteria to determine successful plan implementation, and reducing transaction costs. This effort should include ways to enhance the program's effectiveness in serving disadvantaged communities in IRWMP-eligible areas.

## 6. Headwaters

Because nearly all of the state's water supplies originate in California's headwaters, more effectively managing these areas is integral to optimizing the water supplies that nature provides. Adapting to climate change and improving watershed resiliency to reduce the likelihood of catastrophic wildfires and increase water yield and quality will require substantial investments by the state.

### Actions

- State land and resource management agencies with jurisdiction in headwaters areas should draft a joint report to the Governor and the Legislature analyzing the impacts of climate change on headwaters. The report should identify the benefits that headwaters currently provide, identify models to assess the impacts of climate change on these resources and outline strategies to adapt to those impacts. The appropriate state agencies should invite their federal agency partners to participate in the development of the report.
- The Natural Resources Agency, in consultation with the Sierra Nevada Research Institute (UC Merced) and the U.S. Departments of Agriculture and the Interior, should provide a report to the Governor outlining and prioritizing investments that can be made on public lands to improve the condition and functions of California's headwaters to benefit water supply reliability for the state.
- Working with local agencies, the state should assess and support solutions for legacy issues affecting water quality and supply to improve the condition of affected watersheds.
- The state should seek to partner with the U.S. Forest Service in meadow restoration projects that can control excessive soil erosion and sediment delivery in California's watersheds to help maintain reservoir storage capacity, reduce flood risks and increase conjunctive use capability.

## 7. Water Quality

Protecting water quality is a critical aspect of water management in California. The state should continue to pursue actions to protect, maintain and enhance surface water and groundwater quality for all applicable beneficial uses, consistent with meeting all applicable standards, agreements and regulatory requirements.

# #11.

## Actions

- The Department of Public Health should fund the development and use of new analytical methods and cost-effective treatment technologies to better detect and remove chemical and microbial contaminants from drinking water supplies.
- The state should provide funding support for local water agencies to develop and implement salt and nutrient management plans that will reduce salinity in surface and groundwater supplies and provide enhanced conjunctive use opportunities.
- The State Water Resources Control Board and the Regional Boards should review and better match water quality standards to the locally appropriate and demonstrated use of the water. Water quality program expenditures should be focused where they will provide the greatest water quality benefits. Source water quality for municipal uses should continue to be protected.
- The state should continue to develop solutions for assisting disadvantaged communities that do not have safe drinking water.

## 8. Bay Delta Conservation Plan

A Delta solution, including a BDCP, is a critical component of a broader set of actions that will address water supply reliability and ecosystem health in California.

### Actions

- Within the scope of existing regulatory statutes, all state agencies involved in developing a BDCP should exercise their discretion and authority to ensure the final project is consistent with the principles of this Statewide Water Action Plan.
- A Delta solution is expected to provide substantial public benefits, which will be funded from public sources including a revised 2014 water bond. The state should work with its federal partners to secure long-term, non-reimbursable federal funding to pay for the federal share of these public benefits.
- Any large construction project, including a BDCP, may have adverse impacts related to the project's "footprint." Where feasible, a BDCP should be designed to avoid or minimize adverse impacts in the first place. When adverse impacts cannot be avoided, the permittees of a BDCP should

mitigate project-related environmental impacts, including water supply impacts, in accordance with existing law.

- The permittees of a BDCP, including the Central Valley Project and State Water Project contractors, should work collaboratively with other water users in good faith on all statewide water issues to find mutually acceptable solutions on the broader statewide water issues.

## 9. Levee Improvement and Maintenance

Levees in the Delta and throughout California are key features of the state's water system and are subject to many risks, including those associated with earthquakes and floods. To protect against and prepare for future levee failures, the state should continue to support and prioritize the maintenance of levees in accordance with state law, including critical near-term actions and the Central Valley Flood Protection Plan.

### Actions

- The Delta Stewardship Council should complete its prioritization plan by July 1, 2014.
- The state should continue to support DWR's Delta Levee Maintenance and Special Projects programs and provide support for local flood protection measures throughout the Central Valley by partnering with local agencies in projects that can incorporate public benefits.

## 10. Emergency Preparedness and Public Safety

Recent events in California and other states have demonstrated that water-related emergencies can have significant impacts and put public safety at risk. A robust emergency response plan is essential for minimizing disruption due to floods, earthquakes, wildfires, power outages or contamination of drinking water supplies. The state, working with federal partners, should continue efforts to improve response strategies to enhance public safety during these unforeseen events.

### Actions

- DWR should implement pertinent recommendations of the Sacramento-San Joaquin Delta Multi-Hazard Coordination Task Force Report of 2012.



- To reduce the risk of catastrophic wildfires, the California Department of Forestry and Fire Protection (CAL FIRE) should review and, if necessary, revise relevant state regulations to better accommodate and effectuate the use of forest management tools such as forest thinning, biomass removal and controlled burns that reduce fuel loading.
- DWR should coordinate with the California Governor's Office of Emergency Services and the U.S. Army Corps of Engineers to ensure public safety in the Delta and upstream will not be compromised by actions that might otherwise degrade the performance of flood management facilities; create or redirect hydraulic impacts; or, interfere with or impede flood facility improvements, operations or maintenance.
- DWR should implement the pathway strategy adopted in its draft Delta Flood Emergency Preparedness and Response Plan and supported by the U.S. Army Corps of Engineers. This effort includes all measures to facilitate restoration of an emergency freshwater pathway to water export facilities in approximately six months.

## 11. Bay-Delta Water Quality Control Plan

Multiple regulatory agencies, including, but not limited to, the State Water Resources Control Board (State Water Board), National Oceanic and Atmospheric Administration (NOAA) Fisheries, U.S. Fish and Wildlife Service (USFWS), CDF&W, U.S. Environmental Protection Agency (USEPA), DWR, Army Corps of Engineers, and the Delta Stewardship Council are tasked with making decisions affecting California's water supplies. Continued coordination among these agencies is essential to avoid duplicative and possibly conflicting policies and regulations, and to make the most efficient use of the state's resources. Negotiated programs and planning efforts have been and likely will be the most effective tools to protect beneficial uses in the Bay-Delta. The State Water Board has the opportunity to lead this coordination through its review and update of the 2006 Water Quality Control Plan (Bay-Delta Plan). In its review of the Bay-Delta Plan, the State Water Board should:

### Actions

- Encourage and facilitate negotiated programs, planning efforts and settlements that will implement flow and non-flow actions consistent

with the need to protect beneficial uses and public trust balancing.

- Require a tri-annual review of water quality objectives and implementation accountability through annual reports by local agencies, state offices, departments and boards with responsibility to implement the Bay-Delta Plan.

## 12. Water Bond

Significant investments in California's water infrastructure, water management improvements and ecosystem health are critically needed and long overdue.

### Actions

- The water bond currently set for the November 2014 ballot should be modified, consistent with the ACWA Board of Directors' Water Bond Policy Principles, in early 2014 to ensure its placement on the November ballot. An appropriately crafted general obligation bond can fund broad public benefits associated with investments identified in this Statewide Water Action Plan. Priorities for funding should include new surface and groundwater storage; local and regional projects that support greater regional self-sufficiency; investments in Delta ecosystem restoration; safe drinking water projects and water quality improvements; water conservation and water use efficiency; and watershed management.

## 13. Groundwater Resources

Many regions of the state rely on groundwater for a significant portion of their water supply. In recent years, climate change, regulatory restrictions on surface water supplies, and increased demands have forced greater reliance on groundwater as a principal or supplemental supply for urban, agricultural and environmental uses. More sustainable management of groundwater is needed, but in order to succeed the state must invest in improvements to its water storage and Delta conveyance infrastructure to optimize both surface and groundwater supplies. Consistent with ACWA's strategic policy document, *Sustainability from the Ground Up: A Framework for Groundwater Management in California*, the state should support and incentivize effective local and regional groundwater management, resolve conflicting state regulatory requirements and streamline its policies to optimize and increase surface and groundwater storage opportunities.

# #11.

## Actions

- DWR should convene a multi-agency workgroup with participation by local groundwater agencies to coordinate, review and facilitate implementation of local and regional groundwater management performance objectives.
- Groundwater recharge, banking and conjunctive use projects are critical to the future sustainability of California's groundwater resources. DWR and State Water Board (and Regional Boards) should support and facilitate these activities when programs are implemented as part of an IRWMP or legally recognized groundwater management plan.
- DWR, in consultation with other agencies that gather data, should develop a single data portal on a publicly accessible website for groundwater quality information. DWR also should continue to expand the CASGEM database for groundwater quantity.
- The state, through the Regional Boards, should support and incentivize local agencies' efforts to develop long-term, sustainable solutions for cleanup of existing groundwater contamination and prevention of future contamination.

## 14. Water Transfers

Water transfers can provide much-needed flexibility in meeting water supply and environmental needs and have proven invaluable in dry years and droughts. A well-defined set of policies and procedures that provide certainty to transferring parties is essential to facilitate future transfers and promote local and statewide economic, social and environmental sustainability.

While federal and state laws promote transfers, DWR's current approval processes should be streamlined. These issues should be resolved as expeditiously as possible so water transfers can be implemented quickly — when they are needed — without adversely affecting third parties.

## Actions

- DWR should convene stakeholder meetings, including with the U.S. Bureau of Reclamation, to identify and resolve, at a minimum, the following issues by December 1, 2013:

- Identify a process to expedite transfers within a region;
  - Assess the role of CEQA in water transfers,
  - Review DWR and Reclamation processes and criteria that are used to determine what water is transferable; and
  - Investigate and review contracting practices within Reclamation and DWR for approving agreements to use conveyance and storage facilities of the Central Valley Project and the State Water Project.
- DWR also should review the 2002 SWRCB report, *Water Transfers Issues in California*, for background and relevant recommendations to further facilitate water transfers.

## 15. Governmental Coordination

For this plan to be successful, improved coordination among state agencies and between the state and federal government will be critical.

## Actions

- The Governor and state agency leadership should follow up with their federal counterparts, including the President, to assess actions, policy direction and commitments in response to the memo from the President's Council on Environmental Quality (CEQ) to his cabinet directing that a BDCP be a priority for the Obama Administration. The state should further coordinate with federal agencies to advance other actions identified in the CEQ memo, including conservation and water use efficiency, enhancing water supplies and storage, and facilitating water transfers during times of shortage.
- The secretaries of the Natural Resources Agency, California Environmental Protection Agency and the Health and Human Services Agency, in coordination with their respective boards, departments, offices, councils, commissions and conservancies that have a role in implementation of this plan, should produce within 90 days of the Governor's approval of this plan a joint report that details how the agencies and entities they oversee will exercise their authorities to implement this plan in an expeditious and integrated manner.

# Statewide Water Action Plan Participation



#11.



**Association  
of California  
Water Agencies**  
*Since 1910*  
Leadership • Advocacy  
Information • Service



# STATEWIDE WATER ACTION PLAN FOR CALIFORNIA

## Statewide Water Action Plan for California

*Last updated: January 24, 2014*

The following organizations have adopted support resolutions or sent letters of support for the ACWA'S Statewide Water Action Plan.

### Supporters

- Alameda County Water District
- Alta Irrigation District
- American Society of Civil Engineers
- Angiola Water District
- Big Bear Municipal Water District
- Browns Valley Irrigation District
- Calaveras County Water District
- Calleguas Municipal Water District
- Carmichael Water District
- Casitas Municipal Water District
- Chino Basin Water Conservation District
- Citrus Heights Water District
- City of Corona
- City of Lincoln
- City of Roseville
- City of Sacramento
- City of San Diego
- City of San Juan Bautista
- Clear Creek Community Services District
- Coachella Valley Water District
- Contra Costa Water District
- Crestline Village Water District
- Cucamonga Valley Water District
- Desert Water Agency
- East Bay Municipal Utility District
- Eastern Municipal Water District
- El Dorado County Water Agency
- El Dorado Irrigation District
- Elsinore Valley Municipal Water District
- Fresno Metropolitan Flood Control District
- Friant Water Authority
- Glenn-Colusa Irrigation District
- Helix Water District
- Hidden Valley Lake Community Services District
- Irvine Ranch Water District
- James Irrigation District
- Kern County Water Agency
- Kings River Conservation District
- La Puente Valley County Water District
- Las Virgenes Municipal Water District
- Madera Irrigation District
- Mammoth Community Water District
- Missions Springs Water District
- Mesa Water District
- Metropolitan Water District So. Cal
- Monterey Peninsula Water Management District
- Monte Vista Water District
- Mountain Counties Water Resources Association

# STATEWIDE WATER

## ACTION PLAN FOR CALIFORNIA

- Oroquieta Public Utilities District
- Padre Dam Municipal Water District
- Placer County Water Agency
- Porterville Irrigation District
- Rancho California Water District
- Regional Water Authority
- Rincon Del Diablo Municipal Water District
- Rio Alto Water District
- Riverside County Flood Control & Water Conservation District
- Sacramento Suburban Water District
- San Benito County Water District
- San Bernardino Valley Municipal Water District
- San Bernardino Valley Water Conservation District
- San Gabriel County Water District
- San Geronimo Pass Water Agency
- San Joaquin River Exchange Contractors Water Authority
- San Juan Water District
- Santa Margarita Water District
- Saucelito Irrigation District
- Scotts Valley Water District
- Semitropic Water Storage District
- Southern San Joaquin Municipal Utility District
- South Feather Water & Power Authority
- South Lake Tahoe Public Utility District
- South Sutter Water District
- Sunnyslope County Water District
- Terra Bella Irrigation District
- Three Valleys Municipal Water District
- Tuolumne Utilities District
- Tulare Irrigation District
- Valley Center Water District
- Vista Irrigation District
- Walnut Valley Water District
- Western Canal Water District
- Western Municipal Water District
- Wheeler Ridge Maricopa Water Storage District
- Yolo County Flood Control and Water Conservation District

### **Presentations Requesting Support:**

- Bay Delta Conservation Forum for KVIE
- California Building Industry Association
- California Farm Bureau
- Clean Water & Jobs for California
- Orange County Water Leaders
- Sacramento Area Council of Governments
- San Bernardino Valley Municipal Water Advisory Committee



# STATEWIDE WATER ACTION PLAN FOR CALIFORNIA

- San Diego County Water Authority members
- San Francisco Public Utilities Commission
- Southern California Water Committee

SWAP also presented to ACWA members at ACWA Region programs

- November 15 – Regions 1 & 5
- November 4 – Regions 6 & 7
- November 5 – Regions 5 & 8
- October 17 – Region 10
- October 18 – Region 3
- October 24 – Regions 2 & 4
- October 30 – Region 9

### **Other Organizations Briefed on SWAP**

- California Natural Resources Agency
- California Department of Food and Agriculture
- California Environmental Protection Agency
- State Water Resources Control Board
- California Department of Fish and Wildlife
- California Water Commission
- Delta Stewardship Council

# #11.

## ACWA's Statewide Water Action Plan Supporters

As of January 24, 2014, the following organizations have adopted support resolutions or sent letters of support for ACWA's Statewide Water Action Plan organized by ACWA region.





**RESOLUTION NO. 14- \_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF MOULTON NIGUEL WATER DISTRICT IMPLEMENTING CONSERVATION MEASURES IN RESPONSE TO 2014 DROUGHT CONDITIONS**

**WHEREAS**, Governor Brown issued a Proclamation of State of Emergency in response to the State of California experiencing drought conditions; and

**WHEREAS**, the State of California is experiencing record dry conditions, with 2014 projected to become the driest year on record; and

**WHEREAS**, the Proclamation calls on Californians to reduce water usage by 20 percent; and

**WHEREAS**, the Proclamation also calls upon local agencies to implement local water storage contingency plans in order to avoid or forestall outright restrictions that could become necessary later in the drought season; and

**WHEREAS**, in 2008, the District adopted Resolution No. 08-46, Adopting Water Conservation Program Under Moulton Niguel Water District Rules and Regulations for Water Service which contains provisions to reduce water consumption and conserve supplies; and

**NOW, THEREFORE**, the Board of Directors of Moulton Niguel Water District does hereby **RESOLVE, DETERMINE** and **ORDER** as follows:

**Section 1.** The Board finds the foregoing Recitals, finds and determines that the Recitals of the Resolution are true and correct and are hereby incorporated into this Resolution as though fully set forth herein.

**Section 2.** The Board hereby requests all water users to reduce consumption by 20 percent.

**Section 3.** The Board hereby directs District staff to develop an education and outreach plan to inform customers about the drought.

**Section 4.** The Board directs District staff to develop regional coordination with the South Orange County Agencies Reliability Planning Group.

**#12.**

**APPROVED, ADOPTED and SIGNED** this 20th day of February, 2014.

**MOULTON NIGUEL WATER DISTRICT**

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President  
MOULTON NIGUEL WATER DISTRICT and the  
Board of Directors thereof

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Secretary  
MOULTON NIGUEL WATER DISTRICT and the  
Board of Directors thereof

APPROVED AS TO FORM:

BOWIE, ARNESON, WILES & GIANNONE  
Legal Counsel - MOULTON NIGUEL WATER DISTRICT

By: \_\_\_\_\_  
Patricia B. Giannone



## #13.

In December 2013, District Staff conducted a review of these meter packages in order to determine whether or not the current meter package prices enable the District to recover its meter costs effectively. Through this review it was determined that the meter package prices do not reflect the purchase price the District pays for the meters and components. The prices currently charged by the District were last approved by the Board in 2008, reflecting the 2008 meter manufacturer prices. Table 1 contains the meter pricing based on the 2008 Board approval.

There have been significant increases to the cost of meters and components since 2008. Additionally, the cost of the meter packages have further increased due to the inclusion of ball valves for the 1 ½” and 2” meters. The ball valves are a necessary component, but were not previously included in the 1 ½” and 2” meter packages. Table 2 lists the proposed prices for meter packages. These prices are based on recently received quotes from meter vendors for the meters that the District recently ordered and are firm through July 1, 2014. As the District receives new meter quotes the pricing of meter packages will be revalued and presented to the Board as necessary.

### Attachments:

1. Table 1: 2008 Current Meter and Component Charges
2. Table 2: 2014 Proposed Meter and Component Charges
3. Exhibit A: Resolution 14-\_\_\_\_

Table 1: 2008 - Current Meter and Component Charges						
	$\frac{3}{4}$ " Domestic Meter	1" Domestic Meter	1 $\frac{1}{2}$ " Domestic Meter	2" Domestic Meter	1 $\frac{1}{2}$ " Irrigation Meter	2" Irrigation Meter
<b>Complete Package</b>	\$195.00	\$250.00	\$425.00	\$525.00	\$650.00	\$775.00
<b>Individual Components</b>						
Gaskets (2)	\$0.50	\$0.80	\$2.40	\$3.16	\$2.40	\$3.16
Nuts & Bolts (4)	N/A	N/A	\$10.89	\$16.07	\$10.89	\$16.07
Concrete Box	\$15.50	\$15.50	\$33.00	\$33.00	\$33.00	\$33.00
Polymer Lid	\$30.00	\$30.00	\$60.00	\$60.00	\$60.00	\$60.00
Box & Lid	\$45.50	\$45.50	\$93.00	\$93.00	\$93.00	\$93.00
Diamond Plate Cast Iron Lid	\$70.00	\$70.00	\$120.00	\$120.00	\$120.00	\$120.00
Touchread/Pit Lid (TR/PL)	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Ball Valve	\$23.00	\$57.00	N/A	N/A	N/A	N/A
Meter Only	\$133.20	\$180.60	\$340.71	\$434.77	\$565.71	\$684.77

Table 2: 2014 Proposed Meter and Component Charges						
	3/4" Domestic Meter	1" Domestic Meter	1 1/2" Domestic Meter	2" Domestic Meter	1 1/2" Irrigation Meter	2" Irrigation Meter
<b>Complete Package</b>	\$193.18	\$304.53	\$1,448.13	\$1,712.72	\$1,095.51	\$1,330.57
<b>Individual Components</b>						
Gaskets (2)	\$0.23	\$0.28	\$0.98	\$1.67	\$0.98	\$1.67
Nuts & Bolts (4)	N/A	N/A	NUTS \$1.62 ea BOLTS \$2.87 ea \$4.49 \$4.49 X 4 = \$17.96	NUTS \$2.59 ea BOLT \$2.91 ea \$5.50 \$5.50 X 4 = \$22.00	NUTS \$1.62 ea BOLTS \$2.87 ea \$4.49 \$4.49 X 4 = \$17.96	NUTS \$2.59 ea BOLTS \$2.91 ea \$5.50 \$5.50 X 4 = \$22.00
Concrete Box	\$14.31	\$14.31	\$79.39	\$79.39	\$79.39	\$79.39
Polymer Lid	\$27.28	\$27.28	\$51.72	\$51.72	\$51.72	\$51.72
Box & Lid	\$41.59	\$41.59	\$131.11	\$131.11	\$131.11	\$131.11
Diamond Plate Cast Iron Lid	\$89.02	\$89.02	\$83.00	\$83.00	\$83.00	\$83.00
Touchread/Pit Lid (TR/PL)	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Ball Valve	\$20.50	\$98.91	\$166.00	\$254.00	\$166.00	\$254.00
Meter Only	\$115.86	\$148.75	\$1,117.08	\$1,288.94	\$764.46	\$906.79

**RESOLUTION NO. 14- \_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF MOULTON NIGUEL WATER DISTRICT APPROVING WATER METER CHARGE INCREASE AND ADOPTING REVISIONS TO THE *SCHEDULE OF RATES AND CHARGES* SET FORTH IN EXHIBIT B TO THE RULES AND REGULATIONS OF MOULTON NIGUEL WATER DISTRICT FOR WATER AND SEWER SERVICE**

**WHEREAS**, the Moulton Niguel Water District (“District”) is a California Water District organized and existing under the California Water District Law (California Water Code Section 34000 *et seq.*);

**WHEREAS**, Section 34000 *et seq.* of the California Water Code (the “Act”), specifically Sections 35423 and 35501, empower the District to prescribe and collect rates and other charges for water (which includes recycled water) service, and to establish, print and distribute equitable rules and regulations for the distribution of water and the provision of water service;

**WHEREAS**, the Board of Directors of the District (“Board”), previously approved and adopted *Rules and Regulations of Moulton Niguel Water District for Water and Sewer Service*, as amended from time to time (“*Rules and Regulations*”). Exhibit B of the *Rules and Regulations* sets forth water meter charges for providing meter packages, consisting of meters and related components, which Exhibit B may be changed from time to time by adoption of a revised Exhibit B or portion thereof;

**WHEREAS**, in accordance with the Act and Section 66013 of the California Government Code, the District has determined to revise the current water meter charges in order to reflect the actual prices paid by the District for purchase thereof;

**WHEREAS**, the proposed revised water meter charges were made available to the public in accordance with Government Code Section 66016 through posting on the District’s website, mnwd.com, and at the public notice location at the MNWD Administrative Offices;

**WHEREAS**, the Board has reviewed and considered the revised meter charges set forth in Attachment 1 to this Resolution and incorporated herein by reference, and determined the increases are necessary to cover the District costs for meter purchases;

**WHEREAS**, the Board by adoption of this Resolution will also authorize revisions to the *Schedule of Rates and Charges - Exhibit B to the Rules and Regulations* to incorporate revisions to Section 101. C consistent with the revised meter charges listed in Attachment 1; and

**WHEREAS**, Section 21080 (b) (8) of the California Public Resources Code provides that the establishment, modification, structuring or approval of rates, tolls, fares, or other charges or rates by public agencies are exempt from the requirements of the California Environmental Quality Act (CEQA).

# #13.

**NOW, THEREFORE**, the Board of Directors of Moulton Niguel Water District does hereby **RESOLVE, DETERMINE** and **ORDER** as follows:

**Section 1.** The above Recitals are true and correct and incorporated as findings in this Resolution.

**Section 2.** The revisions to the water meter charges as set forth in **Attachment 1** to this Resolution are approved and adopted by the Board, to be effective immediately upon adoption of this Resolution.

**Section 3.** Revisions to Section 101.C. of the *Schedule of Rates and Charges (Exhibit B)* of the *Rules and Regulations* are hereby authorized and approved. The General Manager, or her designees, is directed to incorporate the terms of **Attachment 1** into the *Schedule of Rates and Charges* with additional and conforming language in the *Rules and Regulations* as may be necessary for the implementation of the revised water meter charges.

**Section 4.** The Board hereby finds and determines that the increases to the water meter charges are within the purposes set forth in Section 21080 (b)(8) of the California Public Resources Code (California Environmental Quality Act (CEQA)), including but not by way of limitation, the purposes of (1) meeting operating expenses, (2) purchasing or leasing supplies, equipment or materials, (3) meeting financial reserve needs and requirements, and (4) obtaining funds for capital projects necessary to maintain service within existing areas; therefore, that such increases to the water meter charges are exempt from CEQA under section 21080 (b)(8) of the California Public Resources Code and CEQA Guidelines section 15273(a). The Secretary and Legal Counsel are authorized to file a Notice of Exemption relative to the revised water meter charges with the Clerk of the County of Orange.

**Section 5.** The Secretary and Legal Counsel are hereby ordered and directed to publish a summary of the revisions to the *Schedule of Rates and Charges (Exhibit B)* and any additional and conforming language to the *Rules and Regulations*, such summary to include the District's Internet address and a physical location where the complete text of the revised *Schedule of Rates and Charges (Exhibit B)* and the *Rules and Regulations* can be reviewed, in a newspaper of general circulation within the District pursuant to Section 35424 of the Act, and to post a certified copy of this Resolution at the public notice location at the MNWD Administrative Offices.

**Section 6.** The provisions of this Resolution shall be effective immediately upon adoption.



**APPROVED, ADOPTED and SIGNED** this 20<sup>th</sup> day of February, 2014.

**MOULTON NIGUEL WATER DISTRICT**

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President  
MOULTON NIGUEL WATER DISTRICT and the  
Board of Directors thereof

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Secretary  
MOULTON NIGUEL WATER DISTRICT and the  
Board of Directors thereof

APPROVED AS TO FORM:

BOWIE, ARNESON, WILES & GIANNONE  
Legal Counsel - MOULTON NIGUEL WATER DISTRICT

By: \_\_\_\_\_  
Patricia B. Giannone

**#13.**

**ATTACHMENT 1**  
**TO RESOLUTION NO. 14-**

**MOULTON NIGUEL WATER DISTRICT**  
**REVISED WATER METER CHARGES**

**MOULTON NIGUEL WATER DISTRICT  
METER AND COMPONENT CHARGES**

As of February 20, 2014

	¾" Domestic Meter	1" Domestic Meter	1 ½" Domestic Meter	2" Domestic Meter	1 ½" Irrigation Meter	2" Irrigation Meter
<b>Complete Package</b>	193.18	304.53	1448.13	1712.72	1095.51	1330.57
<b>Individual Components</b>						
Gaskets (2)	.23	.28	.98	1.67	.98	1.67
Nuts & Bolts (4)	N/A	N/A	NUTS 1.62 ea BOLTS 2.87 ea 4.49 4.49 X 4 = 17.96	NUTS 2.59 ea BOLTS 2.91 ea 5.50 5.50 X 4 = 22.00	NUTS 1.62 ea BOLTS 2.87 ea 4.49 4.49 X 4 = 17.96	NUTS 2.59 ea BOLTS 2.91 ea 5.50 5.50 X 4 = 22.00
Concrete Box	14.31	14.31	79.39	79.39	79.39	79.39
Polymer Lid	27.28	27.28	51.72	51.72	51.72	51.72
Box & Lid	41.59	41.59	131.11	131.11	131.11	131.11
Diamond Plate Cast Iron Lid	89.02	89.02	83.00	83.00	83.00	83.00
Touchread/Pit Lid (TR/PL)	15.00	15.00	15.00	15.00	15.00	15.00
Ball Valve	20.50	98.91	166.00	254.00	166.00	254.00
Meter Only	115.86	148.75	1,117.08	1,288.94	764.46	906.79





## ARTICLE IV

### REVISED SECTIONS OF RULES AND REGULATIONS RELATED TO PACKAGE PRICING ONLY

AUGUST 13, February 20, 2014

-1-

**SECTION 9. - WATER METER AND LATERAL SEWER CHARGES**

A. Water Meter Charge

1. New Meter Only

Applicants, owners and customers are responsible for all costs associated with the acquisition and installation of new water service lines and new water meters to provide water service to the customer. ~~the District as defined in the District's Standard Specifications for Construction of Potable Water, Recycled Water, and Sewer.~~ If meters and related component packages will be furnished by District to an applicant, owner or customer, at such person/entity's option. Said a meter charge to cover such costs, in addition to all other usual and regular charges of District, including the water connection charge, must be paid by applicant, owner, or customer before the water meter will be furnished. Current meter charges are set forth in Exhibit B hereto. Upon District acceptance of the installation and such facilities, operation, maintenance, and replacement of the water service line and meter become the responsibility of the District and are the property of the District. ~~are dedicated to the District.~~ The applicant provides (at no cost to District) the water service line and appurtenances thereto. The District shall make a change for the furnishing of and perpetual maintenance of a water meter only, the same to remain the property of District. Said charge, in addition to all other usual and regular charges of District, including the water connection charge, must be paid by applicant, owner, or customer before the water meter will be furnished.

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E. 'EXHIBIT "B" TO THE RULES AND REGULATIONS OF THE MOULTON NIGUEL WATER DISTRICT FOR WATER AND SEWER SERVICE

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**SCHEDULE OF RATES AND CHARGES**

**SECTION 101 - WATER SERVICE**

C. WATER METER CHARGE AND MISCELLANEOUS CHARGES

1. New Water Meter Charge - Provision of Meter by District

~~Applicants, owners and cCustomers are responsible for all costs associated with the acquisition and installation of new water service lines and new water meters to provide water service to the customer to the District as defined in the District's Standard Specifications for Construction of Potable Water, Recycled Water, and Sewer. Upon acceptance of the installation, operation, maintenance, and replacement of the water service line and meter become the responsibility of the District and are the property of the District. are dedicated to the District. As an optional service to the District's customers, the District provides meter packages, along with individual meter components, that meet the District's specifications for customers to purchase from the District for new meter installations. The charges for the meter package, and individual meter components, shall be as defined set forth in the following table:~~

~~The meter charge for providing a meter box for installation and perpetual maintenance thereof, where the applicant shall provide at no cost to the District the meter installation to water service line and appurtenances thereto, shall be based on the size of the water service line in accordance with the following table.~~

Determination of Water Meter and Component Charges

# #13.

	3/4" Domestic Meter	1" Domestic Meter	1 1/2" Domestic Meter	2" Domestic Meter	1 1/2" Irrigation Meter	2" Irrigation Meter
<b>Complete Package</b>	\$193.18	\$304.53	\$1,448.13	\$1,712.72	\$1,095.51	\$1,330.57
<b>Individual Components</b>						
Gaskets (2)	\$0.23	\$0.28	\$0.98	\$1.67	\$0.98	\$1.67
Nuts & Bolts (4)	N/A	N/A	NUTS \$1.62 ea	NUTS \$2.59 ea	NUTS \$1.62 ea	NUTS \$2.59 ea
			BOLTS \$2.87 ea	BOLTS \$2.91 ea	BOLTS \$2.87 ea	BOLTS \$2.91 ea
			\$4.49	\$5.50	\$4.49	\$5.50
			\$4.49 X 4 = <b>\$17.96</b>	\$5.50 X 4 = <b>\$22.00</b>	\$4.49 X 4 = <b>\$17.96</b>	\$5.50 X 4 = <b>\$22.00</b>
Concrete Box	\$14.31	\$14.31	\$79.39	\$79.39	\$79.39	\$79.39
Polymer Lid	\$27.28	\$27.28	\$51.72	\$51.72	\$51.72	\$51.72
Box & Lid	\$41.59	\$41.59	\$131.11	\$131.11	\$131.11	\$131.11
Diamond Plate Cast Iron Lid	\$89.02	\$89.02	\$83.00	\$83.00	\$83.00	\$83.00
Touchread/Pit Lid (TR/PL)	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Ball Valve	\$20.50	\$98.91	\$166.00	\$254.00	\$166.00	\$254.00
Meter Only	\$115.86	\$148.75	\$1,117.08	\$1,288.94	\$764.46	\$906.79

(for furnishing of meter only by District complete meter package)

Size of Water Service Line	Water Meter Charge
3/4" domestic	\$195.00 <u>193.18</u>
1" domestic	250.00 <u>304.53</u>
1 1/2" domestic	425.00 <u>1,448.13</u>
2" domestic	525.00 <u>1,712.72</u>



<del>1 1/2" irrigation</del>	<del>650.001,095.51</del>
<del>2" irrigation</del>	<del>775.001,330.57</del>



