



Southeast Water Coalition

A joint powers authority to protect the Central Groundwater Basin

AGENDA

SOUTHEAST WATER COALITION

SPECIAL MEETING OF THE ADMINISTRATIVE ENTITY

**CITY OF WHITTIER
PALM PARK AQUATICS CENTER
5703 PALM AVE.
WHITTIER, CA 90601**

**THURSDAY, MARCH 21, 2019
11:30 AM**

- 1. ROLL CALL**
- 2. PUBLIC COMMENTS**
- 3. CONSENT CALENDAR**

*****Consent Calendar items will be considered and approved in one motion unless removed by an Administrative Entity Member for discussion.*****

- a. **SEWC ADMINISTRATIVE ENTITY MINUTES OF JANUARY 22, 2019
SPECIAL MEETING**

Recommendation: Approve minutes as submitted.

*****End of Consent Calendar*****

4. FISCAL YEAR 2017-2018 SOUTHEAST WATER COALITION (SEWC) DRAFT AUDIT

Kyle Cason, AE Chair, City of Whittier

Recommendation: That the Administrative Entity take the following actions:

- 1) Accept the Southeast Water Coalition (SEWC) Draft Financial Statements for Fiscal Year 2017-2018 with Report on Audit; and
- 2) Recommend the Board of Directors approve the SEWC Draft Financial Statements for Fiscal Year 2017-2018 with Report on Audit, dated June 30, 2018, and to authorize the draft audit report be finalized and filed with the County.

5. FISCAL YEAR 2019-2020 SOUTHEAST WATER COALITION (SEWC) DRAFT BUDGET

Kyle Cason, AE Chair, City of Whittier

Recommendation: That the Administrative Entity take the following actions:

- 1) Review current SEWC expenditures for the remainder of the current Fiscal Year 2018-2019 from Lead Agency City of Whittier; and
- 2) Discuss options for drafting the SEWC Fiscal Year 2019-2020 Budget.

6. DISCUSS CHANGING SOUTHEAST WATER COALITION (SEWC) MEETING SCHEDULE

Kyle Cason, AE Chair, City of Whittier

Recommendation: That the Administrative Entity take the following action:

Discuss changing the frequency of Southeast Water Coalition (SEWC) Administrative Entity and Board of Directors meetings from bimonthly to quarterly.

7. FORM 700 ANNUAL FILINGS

Kyle Cason, AE Chair, City of Whittier

Recommendation: That the Administrative Entity take the following action:

Receive and file an update on the April 1, 2019 Annual Filing deadline for Fiscal Year 2018-2019 Statement of Economic Interests (Form 700).

8. LEGISLATIVE UPDATE

Kyle Cason, AE Chair, City of Whittier

Recommendation: That the Administrative Entity take the following action:

Receive and file an update on current water-related bills under consideration in State Legislature.

9. PROGRAM MANAGEMENT SERVICES RFP

Kyle Cason, AE Chair, City of Whittier

Recommendation: That the Administrative Entity take the following action:

Receive and file a status on the Request for Proposals for SEWC Program Management Services.

10. APRIL 4, 2019 BOARD OF DIRECTORS AGENDA

Kristen Sales, KJServices Environmental Consulting

Recommendation: Consider Draft SEWC JPA Board of Directors Agenda

11. WRITTEN COMMUNICATIONS

12. ADMINISTRATIVE ENTITY MEMBER COMMENTS

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act of 1990, the City of Whittier is committed to providing reasonable accommodations for a person with a disability. Please call Veronica Barrios with the City of Whittier at (562) 567-9501, if special accommodations are necessary and/or if information is needed in an alternative format. Special requests must be made in a reasonable amount of time in order that accommodations can be arranged.

The next meeting of the Southeast Water Coalition Administrative Entity will be on Thursday, May 16, 2019, 11:30 am, City of Whittier, Emergency Operations Center,

13200 Penn Street, Whittier, CA 90602.

I, Veronica Barrios, City of Whittier, do hereby certify, under penalty of perjury under the laws of the State of California that the foregoing notice was posted pursuant to Government Code Section 54950 Et. Seq. and City of Whittier Ordinance at the following locations: Whittier City Hall, Whittier Public Library, and the Whittwood Branch Library.

Dated: March 18, 2019

A handwritten signature in blue ink that reads "Veronica Barrios". The signature is written in a cursive style with a large, looped initial "V".

Veronica Barrios
Administrative Secretary
Department of Public Works

**MINUTES OF THE
SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
SPECIAL MEETING OF THE ADMINISTRATIVE ENTITY**

**CITY OF WHITTIER
PALM PARK AQUATIC CENTER
5703 PALM AVE.
WHITTIER, CA 90601**

**TUESDAY, JANUARY 22, 2019
11:30 AM**

The special meeting of the Southeast Water Coalition Joint Powers Authority Administrative Entity was called to order at 11:39 a.m. by AE Chair Kyle Cason. At the time the meeting was called to order a quorum of members were present. Roll call was taken with the following Administrative Entity members present:

1. ROLL CALL

Gina Nila, AE Vice-Chair	City of Commerce
Dan Mueller	City of Downey
Derwin Dy	City of Lakewood
Julian Lee	City of Norwalk
Adriana Figueroa	City of Paramount
Matt Tryon	City of Santa Fe Springs
Gladis Deras	City of South Gate
Joanna Hurtado-Moreno	City of Vernon
Kyle Cason, AE Chair	City of Whittier
Phuong Nguyen	City of Whittier
Others in Attendance	
Toyasha Sebagg	City of Lakewood
Kristen Sales	KJServices Environmental Consulting

2. PUBLIC COMMENTS

No Public Comments were received.

3. **CONSENT CALENDAR**

Administrative Entity (AE) Chair Kyle Cason (Whittier) called for a motion to approve the Consent Calendar.

Julian Lee (Norwalk) made a motion to approve the Consent Calendar. The motion was seconded by Dan Mueller (Downey). With abstentions from Gladis Deras (South Gate) and Adriana Figueroa (Paramount), the motion was approved by a unanimous voice vote of the Administrative Entity members.

4. **NOTICE OF OPPORTUNITY FOR PUBLIC COMMENT: LOW-INCOME WATER RATE ASSISTANCE DRAFT REPORT**

Administrative Entity (AE) Chair Kyle Cason (Whittier) introduced this item and Kristen Sales (KJServices Environmental Consulting) provided a brief overview of the item staff report.

The Administrative Entity members asked if the W-LIRA address cities that already have rebate programs, and inquired if the burden to collect revenue fell on the community water system, how it would impact their rates. Ms. Sales answered that the current W-LIRA draft report lists CWS as one possible administrator for the program, along with a tax credit, electric or gas bill, or the State program CalFresh, or a new EBT program. Ms. Sales explained that if the Water Board determined the administration responsibility fell to CWS, they would have to distribute fund benefits via their water bills, requiring CWS to modify their billing systems to add a monthly W-LIRA credit and bill the State for their expenditures and administrative costs (not to exceed 10% of the W-LIRA's estimated annual revenue of \$606.4 million).

Ms. Sales stated that ACWA had sent a comment letter on the W-LIRA and would forward a copy of this letter to AE members so that they could review.

AE Member Adriana Figueroa (Paramount) made a motion that SEWC should send a letter using ACWA's letter as a template, after the AE members have reviewed it to make sure it is consistent with SEWC's views. The motion was seconded by AE Vice-Chair Gina Nila (Commerce). The motion was approved by a unanimous voice vote of the Administrative Entity.

5. **DRAFT SCOPE OF WORK FOR EMERGENCY INTERCONNECTS PROJECT**

Administrative Entity (AE) Chair Kyle Cason (Whittier) provided an overview of this item.

Kristen Sales (KJServices Environmental Consulting) stated that she had drafted the Draft Scope of Work for the Emergency Interconnects Project, and asked the AE members for their comments, edits and suggestions on the draft. Ms. Sales stated that the draft re-stated the strategies, goals and objectives of the SEWC Strategic Plan with regard to the development of "shovel-ready" projects. Ms. Sales

stated the draft including a number of requirements for a project consultant, but clarified that additional responsibilities may be required as the project plan develops. Ms. Sales stated that SEWC has a budget of \$58,700 for Consultant Services in the remainder of the current fiscal year. Ms. Sales recommended that the SEWC hire an Emergency Interconnects Project consultant prior to June 30, 2018, in order to expend the remaining Consultant Services funds.

AE Member Adriana Figueroa (Paramount) asked if the consultant would only advise on the Emergency Interconnects Project, or if the consultant would prepare abstracts for other projects. AE Chair Cason stated that the Emergency Interconnects Project was the priority, but SEWC would engage the consultant to research funding opportunities for other relevant projects.

AE Member Figueroa asked who would submit the RFP for the project. AE Chair Cason stated that the City of Whittier, as SEWC Lead Agency, would submit to a candidate shortlist of consultants. AE Member Figueroa stated that South Gate should have an RFP template that they used during the Strategic Plan process. AE Member Gladis Deras (South Gate) stated that she would look for that template and send it to Whittier.

AE Chair Kyle Cason called for a motion to authorize submittal of the draft Scope of Work to the SEWC Board of Directors for approval at their February 7, 2019 meeting. The motion was made by AE Member Deras (South Gate), and seconded by AE Member Figueroa (Paramount). The motion was approved by a unanimous voice vote of the Administrative Entity.

6. **LEGISLATIVE UPDATE**

AE Chair Kyle Cason (Whittier) provided an overview of this item. Kristen Sales (KJServices Environmental Consulting) stated that since the agenda was posted, there had been updates to the status of SB-45 (Allen) Wildfire, Drought, and Flood Protection Bond Act of 2020. Ms. Sales stated that SB-45 had been referred to the Assembly Committees on Natural Resources & Water, Environmental Quality, and Governance & Finance.

AE Member Adriana Figueroa (Paramount) stated that SB-45 was a bill that SEWC should keep a watch on and monitor once it has been re-written to include more specifics on groundwater resources specifically. AE Member Figueroa also added that AB-134 was a placeholder bill that SEWC should watch closely because it is a gut and re-submit template that could include a number of water-related legislation relevant to SEWC's goals.

Ms. Sales also added that the Governor's 2019-2020 Budget included appropriations for the Safe and Affordable Drinking Water Fund. Ms. Sales stated that the first revision of the Governor's Budget will be available in May and SEWC should review the status of the Safe and Affordable Drinking Water Fund at that time.

AE Chair Kyle Cason (Whittier) called for a motion to receive and file the item. The motion was made by AE Member Matt Tryon (Santa Fe Springs), and seconded by AE Vice-Chair Gina Nila (Commerce). The motion was approved by a unanimous voice vote of the Administrative Entity.

7. **FISCAL YEAR (FY) 2017-2018 WNDE AUDIT PLANNING LETTER**

Administrative Entity (AE) Chair Kyle Cason (Whittier) provided an overview of this item. AE Chair Cason stated that the City of Whittier had received the planning letter for the Fiscal Year (FY) 2017-2018 SEWC Audit from White, Nelson, Diehl, Evans (WNDE). WNDE expects to issue their draft audit report by January 31, 2019.

AE Chair Cason stated that after Whittier receives the draft audit, the AE could submit this for approval to the Board of Directors at their February 7, 2019 meeting.

AE Member Adriana Figueroa (Paramount) stated that the Administrative Entity would have to review the draft audit prior to submittal to the Board. AE Member Figueroa explained this would mean the AE approve the draft audit at their March 21, 2019 meeting and then the Board of Directors would vote to accept and finalize the audit at their April 4, 2019 meeting.

AE Chair Cason (Whittier) called for a motion to receive and file the item. The motion was made by AE Member Figueroa (Paramount), and seconded by AE Member Gladis Deras (South Gate). The motion was approved by a unanimous voice vote of the Administrative Entity.

8. **FEBRUARY 7, 2019 BOARD OF DIRECTORS AGENDA**

Ms. Kristen Sales (KJServices) provided an overview of the following items to present at the next Policy Board meeting on February 7, 2019:

- 1) Approval of Informal Program Management Services RFP
- 2) Approval of Draft Scope of Work for Emergency Interconnects Project
- 3) Legislative Update
- 4) Update on the Omega Plume from DTSC representative Christine Bucklin

9. **WRITTEN COMMUNICATIONS**

No Written Communications were received.

10. **ADMINISTRATIVE ENTITY MEMBER COMMENTS**

The Administrative Entity Members discussed several topics for future meetings. These included an update on meetings with the County regarding Measure W, an update on the Central Basin Board of Directors elections.

AE Chair Kyle Cason (Whittier) stated that Whittier would like to invite a speaker from DTSC to provide an update on the Omega Plume Superfund Site. AE Chair Cason also stated that SEWC could invite a representative from the State Water Board's Water Quality Committee to provide an update on mandatory lead testing in schools.

AE Member Gladis Deras (South Gate) suggested that the AE members devise staff reports on the status of other agencies, including the Central Basin Water Association, Central Basin Watermaster, and Central Basin Municipal Water District.

AE Member Dan Mueller (Downey) stated that the City of Downey has received directions with regard to the implementation of SB-998 on water shut-off procedures. AE Member Mueller stated that they are required to have their shut-off policies in place by 2020, and the City of Downey is already working on modifying their existing policies to comply with SB-998.

11. **ADJOURNMENT**

AE Chair Cason adjourned the meeting at 12:56 p.m.

CHAIR

ATTEST:



Southeast Water Coalition

A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY AGENDA REPORT

Date: March 21, 2019
To: Southeast Water Coalition Administrative Entity
From: Kyle Cason, AE Chair, City of Whittier
Subject: **Fiscal Year 2017-2018 Southeast Water Coalition (SEWC) Draft Audit**

Recommendation: That the Administrative Entity take the following actions:

- 1) Accept the Southeast Water Coalition (SEWC) Draft Financial Statements for Fiscal Year 2017-2018 with Report on Audit; and
- 2) Recommend the Board of Directors approve the SEWC Draft Financial Statements for Fiscal Year 2017-2018 with Report on Audit, dated June 30, 2018, and to authorize the draft audit report be finalized and filed with the County.

Discussion

Sections 7.i. and 14.b. of the Southeast Water Coalition (SEWC) Joint Powers Agreement (Agreement), dated June 28, 2005, outline SEWC's budget policies. According to the Agreement, an independent annual audit of SEWC's financial statements shall be conducted by a certified public accountant in compliance with Government Code Section 26909. Additionally, the report of said audit shall be filed as a public record with each agency and the County Auditor.

On October 4, 2018 the SEWC Board of Directors authorized the City of Whittier's Director of Finance, servicing as SEWC Treasurer and Controller, to award a sole source contract to White Nelson Diehl Evans, LLP to administer the annual audit of SEWC financial documents for Fiscal Year (FY) 2017-2018 and prepare the Financial Transactions Report and Supplement for the total cost of \$5,300.

SEWC received the Draft Financial Statements from WNDE on January 31, 2019. The audit finds that SEWC's financial statements were presented in conformity and in accordance with accounting principles generally accepted in the United States of America.

If the draft audit report is accepted by the Administrative Entity, the next steps are to bring the report to the SEWC Board of Directors at their April 4, 2019 meeting for approval and to direct White Nelson Diehl Evans to submit the Finalized Audit Report.

Attachment(s):

1. Draft SEWC Audit Committee Letter from WNDE
2. Draft SEWC Financial Statements from WNDE
3. Draft Management Representation Letter from City of Downey
4. Draft Management Representation Letter from City of Whittier

To the Administrative Entity Members
of the Southeast Water Coalition
Whittier, California

We have audited the financial statements of the Southeast Water Coalition (the Coalition) for the year ended June 30, 2018, and have issued our report thereon dated **REPORT DATE**. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated August 3, 2018 and our letter on planning matters dated December 10, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Coalition are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Coalition during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the Coalition's financial statements is management's estimate of the fair value of investments, the price that would be received to sell an asset in an orderly transaction between market participants, of investments which is based on market values provided by outside sources.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Significant Audit Findings (Continued)

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. As a result of our audit related testwork, we proposed no corrections to the financial statements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management of the Lead Agency, the City of Downey, that are included in separate management representation letter dated **MRL DATE**.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Coalition's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Coalition's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Restriction on Use

This information is intended solely for the use of the Board of Directors, Administrative Entity Members, management, and others within the Southeast Water Coalition and is not intended to be and should not be used by anyone other than these specified parties.

Irvine, California

DATE

SOUTHEAST WATER COALITION

FINANCIAL STATEMENTS

**WITH REPORT ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS**

JUNE 30, 2018

DRAFT

SOUTHEAST WATER COALITION

TABLE OF CONTENTS

June 30, 2018

	<u>Page Number</u>
Independent Auditors' Report	1 - 2
Basic Financial Statements:	
Statement of Net Position and Governmental Fund Balance Sheet	3
Statement of Activities and Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance	4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	5
Notes to Financial Statements	6 - 11

DRAFT

INDEPENDENT AUDITORS' REPORT

Board of Directors
Southeast Water Coalition
Downey, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activity and general fund of the Southeast Water Coalition (the Coalition) as of June 30, 2018, and the related notes to the financial statements, which collectively comprise the Coalition's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Coalition's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Coalition's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activity and the general fund of the Coalition as of June 30, 2018, and the respective changes in financial position thereof and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Irvine, California

REPORT DATE

DRAFT

SOUTHEAST WATER COALITION

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

June 30, 2018

	General Fund	Adjustments (Note 1D)	Statement of Net Position
ASSETS			
Cash and investments	\$ 195,108	\$ -	\$ 195,108
TOTAL ASSETS	\$ 195,108	-	195,108
LIABILITIES			
CURRENT LIABILITIES:			
Accounts payable	\$ 2,303	-	2,303
FUND BALANCE/NET POSITION			
FUND BALANCE:			
Unassigned	192,805	(192,805)	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 195,108		
NET POSITION:			
Unrestricted net position		\$ 192,805	\$ 192,805

See accompanying notes to financial statements.

SOUTHEAST WATER COALITION

STATEMENT OF ACTIVITIES AND STATEMENT OF GOVERNMENTAL FUND
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

For the year ended June 30, 2018

	General Fund	Adjustments (Note 1D)	Statement of Activities
EXPENDITURES/EXPENSES:			
Current:			
Contract services	\$ 17,400	\$ -	\$ 17,400
Professional services	17,831	-	17,831
Travel, supplies, and meetings	2,741	-	2,741
Policy Board compensation	5,700	-	5,700
 TOTAL EXPENDITURES/EXPENSES	 43,672	 -	 43,672
 PROGRAM REVENUES:			
Operating grants and contributions:			
Contributions from members	55,000	-	55,000
Investment income	1,120	-	1,120
 TOTAL PROGRAM REVENUES	 56,120	 -	 56,120
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES/ CHANGE IN NET POSITION	 12,448	 -	 12,448
 FUND BALANCE/NET POSITION:			
BEGINNING OF YEAR	180,357	-	180,357
 END OF YEAR	 \$ 192,805	 \$ -	 \$ 192,805

See accompanying notes to financial statements.

SOUTHEAST WATER COALITION

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the year ended June 30, 2018

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Operating contributions from members	\$ 55,000	\$ 55,000	\$ -
Investment income	1,353	1,120	(233)
TOTAL REVENUES	<u>56,353</u>	<u>56,120</u>	<u>(233)</u>
EXPENDITURES:			
Current:			
Contract services	37,000	17,400	19,600
Professional services	58,600	17,831	40,769
Travel, supplies, and meetings	5,100	2,741	2,359
Policy Board compensation	<u>9,900</u>	<u>5,700</u>	<u>4,200</u>
TOTAL EXPENDITURES	<u>110,600</u>	<u>43,672</u>	<u>66,928</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(54,247)	12,448	66,695
FUND BALANCE - BEGINNING OF YEAR	<u>180,357</u>	<u>180,357</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 126,110</u></u>	<u><u>\$ 192,805</u></u>	<u><u>\$ 66,695</u></u>

See accompanying notes to financial statements.

SOUTHEAST WATER COALITION
NOTES TO FINANCIAL STATEMENTS

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Description of Reporting Entity:

On July 1, 1991, certain public agencies entered into a joint powers agreement to form the Southeast Water Coalition (the Coalition). Each member has one representative on the Policy Board and on the Administrative Entity. The purpose of the Coalition is to jointly exercise its powers for the purpose of improving the quality and quantity of potable water in the Southeast Area of Los Angeles County. The Coalition members are the cities of Downey, Whittier, Paramount, Pico Rivera, Lakewood, Norwalk, Commerce, Vernon, Cerritos, South Gate, and Santa Fe Springs.

It is the firm position of the Coalition that both the containment at Whittier Narrows and cleanup of the San Gabriel Basin are essential to the protection of the Central Basin. The containment program is the Coalition's primary short-term focus because the Whittier Narrows containment program serves primarily to protect the Central Basin.

In addition, the Coalition will work with communities and agencies in the San Gabriel Basin to expedite the cleanup of the San Gabriel Basin as a no less important, but longer term, focus. In addition, it is the goal of the Coalition to return the decision-making authority, both in terms of alternatives chosen and lead agency status with respect to the implementation of the containment program at Whittier Narrows and the cleanup of the San Gabriel Basin, to agencies at the local or state level while pursuing funds at the federal, state, and local levels.

B. Financial Statement Presentation:

Governmental entities are required to report information on a government-wide basis and on a fund basis (with emphasis placed on major funds of the entity). The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The governmental fund financial statements (i.e., the balance sheet and the statement of revenues, expenditures, and changes in fund balance) report information on individual funds of the government. A fund is considered to be a separate accounting entity with a self-balancing set of accounts.

SOUTHEAST WATER COALITION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

B. Financial Statement Presentation (Continued):

Since the Coalition is engaged in a single governmental activity and has no component units, the government-wide and governmental fund financial statements have been combined on the same statement with a reconciliation of the individual line items in a separate column titled "Adjustments." The government-wide financial statements are reported in the "Statement of Net Position" and the "Statement of Activities" columns. The governmental fund financial statements are reported in the "General Fund" column.

C. Measurement Focus and Basis of Accounting:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activity are included on their Statement of Net Position. The Statement of Activities presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period. Under the modified accrual basis of accounting, revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Coalition considers revenues to be available if they are collected within a 60-day period to pay current liabilities at the end of the fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Amounts reported as program revenues are charges to member cities for goods, services, or privileges provided and related investment income.

SOUTHEAST WATER COALITION

NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

D. Reconciliation of Government-wide and Fund Financial Statements:

Certain line items in the basic financial statements may require adjustments to convert from the fund financial statements, which are reported using the current financial resources measurement focus and modified accrual basis of accounting, to the government-wide financial statements, which are reported using the economic resources measurement focus and the accrual basis of accounting. For the year ended June 30, 2018, the Coalition did not have any adjustments to make.

E. New Accounting Pronouncements:

Current Year Standards:

GASB 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for periods beginning after June 15, 2017. This standard did not impact the Coalition.

GASB 82 - *Pension Issues*, effective for periods beginning after June 15, 2016, except for certain provisions on selection of assumptions, which are effective in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. This standard did not impact the Coalition.

GASB 85 - *Omnibus 2017*, effective for periods beginning after June 15, 2017. This standard did not impact the Coalition.

GASB 86 - *Certain Debt Extinguishment Issues*, effective for periods beginning after June 15, 2017. This standard did not impact the Coalition.

SOUTHEAST WATER COALITION
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

E. New Accounting Pronouncements (Continued):

Pending Accounting Standards

GASB has issued the following statements that may impact the Coalition's financial reporting requirements in the future:

- GASB 83 - *Certain Asset Retirement Obligations*, effective for periods beginning after June 15, 2018.
- GASB 84 - *Fiduciary Activities*, effective for periods beginning after December 15, 2018.
- GASB 87 - *Leases*, effective for periods beginning after December 15, 2019.
- GASB 88 - *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, effective for periods beginning after June 15, 2018.
- GASB 89 - *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for periods beginning after December 15, 2019.
- GASB 90 - *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, effective for periods beginning after December 15, 2018.

F. Budgetary Data:

The Coalition adopts an annual budget at the beginning of each fiscal year. The budget is prepared by the Budget Adhoc Committee and submitted to the Administrative Entity. The Administrative Entity reviews the budget, makes adjustments, and prepares the budget report for presentation to the Policy Board. The budget is legally enacted by a majority vote of the Policy Board at a noticed meeting. Any amendments must be approved by the Policy Board in accordance with prescribed procedures.

SOUTHEAST WATER COALITION
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

G. Net Position and Fund Balances:

Classification of Net Position

Net position in the government-wide financial statements is reported as follows:

Unrestricted Net Position - This category represents the net position of the Coalition that is not restricted for any project or other purpose.

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Coalition's policy is to apply restricted net position first. The Coalition did not have restricted net position during the current year.

Governmental Fund Balance Classifications

Fund balance is reported on the fund statements as follows:

Unassigned Fund Balance - This classification includes the residual balance for the Coalition's general fund and includes all spendable amounts that have not been restricted, committed, or assigned.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Coalition's policy is to apply the restricted fund balance first. When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balances are available, the Coalition's policy is to apply the committed fund balance first, then the assigned fund balance, and the finally unassigned fund balance. The Coalition did not have restricted, committed, or assigned fund balances during the current year.

H. Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

SOUTHEAST WATER COALITION
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

I. Subsequent Events:

As of July 1, 2018, the lead agency and accounting duties were transferred from the City of Downey to the City of Whittier. The Coalition's cash was transferred to the City of Whittier in two separate wires that occurred on July 16, 2018 and December 5, 2018.

In preparing these financial statements, the Coalition has evaluated events and transactions for potential recognition or disclosure through **REPORT DATE**, the date the financial statements were available to be issued.

2. CASH AND INVESTMENTS:

The Coalition's cash was maintained in a deposit and investment pool managed by the City of Downey during the year ended June 30, 2018. This pool is governed by and under the regulatory oversight of the investment policy adopted by the City Council of the City of Downey. The Coalition has not adopted a deposit and investment policy separate from that of the City of Downey.

Information regarding the City of Downey's deposit and investment pool, including interest rate, credit, and custodial credit risks can be found in the City of Downey's Comprehensive Annual Financial Report for the year ended June 30, 2018 located at City Hall and on the City's website.

DATE

White Nelson Diehl Evans LLP
2875 Michelle Drive, Suite 300
Irvine, CA 92606

This representation letter is provided in connection with the audit of the financial statements of Southeast Water Coalition (Coalition), which comprise the respective financial position of the governmental activity and General Fund as of June 30, 2018 and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of **DATE**, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 3, 2018, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the required supplementary information (if applicable) in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the Coalition and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements, if applicable.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the Coalition is contingently liable, if any have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons involved with administering the Coalition's activities from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Policy Board and Administrative Entity or summaries of actions of recent meeting for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud, which are that we have no knowledge of any fraud or suspected fraud that affects the Coalition and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or

c) Others where the fraud could have a material effect on the financial statements.

- 13) We have no knowledge of any allegations of fraud or suspected fraud affecting the Coalition's financial statements communicated by administrative staff, member agencies, regulators, or others.
- 14) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 15) We have disclosed to you all known or actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 16) We have disclosed to you the identity of the Coalition's related parties and all the related party relationships and transactions of which we are aware.

Government- specific

- 17) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 18) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 19) The Coalition has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 20) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the Coalition.
- 21) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 22) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 23) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 24) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), or provisions of contracts and

grant agreements, whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

- 25) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those non-audit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.

- 26) The Coalition has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

- 27) The Coalition has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

- 28) We acknowledge our responsibility for the required supplementary information (RSI), if applicable. We have disclosed to you that we will not be including the Management's Discussion and Analysis with the financial statements.

Signature: _____

Print Name: James Fructuoso _____

Title: Assistant Finance Director, _____
City of Downey _____

DATE

White Nelson Diehl Evans LLP
2875 Michelle Drive, Suite 300
Irvine, CA 92606

This representation letter is provided in connection with the audit of the financial statements of Southeast Water Coalition (Coalition), which comprise the respective financial position of the governmental activity and General Fund as of June 30, 2018 and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of DATE, the following representations made to you during your audit.

Financial Statements

- 1) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the Coalition and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 2) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

- 4) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 5) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 6) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements, if applicable.
- 7) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 8) Guarantees, whether written or oral, under which the Coalition is contingently liable, if any have been properly recorded or disclosed.

Information Provided

- 9) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons involved with administering the Coalition's activities from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Policy Board and Administrative Entity or summaries of actions of recent meeting for which minutes have not yet been prepared.
- 10) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 11) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud, which are that we have no knowledge of any fraud or suspected fraud that affects the Coalition and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.

- 12) We have no knowledge of any allegations of fraud or suspected fraud affecting the Coalition's financial statements communicated by administrative staff, member agencies, regulators, or others.
- 13) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 14) We have disclosed to you all known or actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 15) We have disclosed to you the identity of the Coalition's related parties and all the related party relationships and transactions of which we are aware.

Government- specific

- 16) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 17) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 18) The Coalition has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 19) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the Coalition.
- 20) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 21) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 22) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 23) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), or provisions of contracts and grant agreements, whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

24) The Coalition has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

25) The Coalition has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Signature: _____

Print Name: Rod Hill

Title: Treasurer,
City of Whittier



Southeast Water Coalition

A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY AGENDA REPORT

Date: March 21, 2019
To: Southeast Water Coalition Administrative Entity
From: Kyle Cason, AE Chair, City of Whittier
Subject: **Fiscal Year 2019-2020 Southeast Water Coalition (SEWC) Draft Budget**

Recommendation: That the Administrative Entity take the following actions:

- 1) Review current SEWC expenditures for the remainder of the current Fiscal Year 2018-2019 from Lead Agency City of Whittier; and
- 2) Discuss options for drafting the SEWC Fiscal Year 2019-2020 Budget.

Discussion:

Each year, SEWC approves the Fiscal Year (FY) budget for the year that follows. Budgets commonly include revenue from memberships and anticipated expenditures for services such as program management, legal services, legislative advocacy services, financial audit, and Policy Board compensation.

The SEWC Budget for FY 2019-2020 should be approved prior to the beginning of the new Fiscal Year. As such, it is recommended that the AE review the their draft budget options and recommend to the Board of Directors to approve the Fiscal Year 2019-2020 SEWC Draft Budget at their June 6, 2019 meeting.

Attachment(s):

1. Southeast Water Coalition (SEWC) Budget Worksheet

**SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY
FISCAL YEAR 2018-2019 BUDGET - APPROVED JUNE 7, 2018**

	FY 2017-2018		FY 2018-2019		FY 2018-2019
	Approved Budget	Total Projected Expenditures	Approved Budget	Total Projected Expenditures	Draft Budget
Carryover Balance	\$181,709	\$181,709	\$191,157		
Revenues:					
Annual Assessments for Member Agencies	\$110,000	\$110,000	\$110,000		
Less Credits to Member Agencies	(\$55,000)	(\$55,000)	(\$55,000)		
Interest Income	\$1,000	\$1,000	\$1,000		
Total Revenues	\$56,000	\$56,000	\$56,000		
Available Funds	\$237,709	\$237,709	\$247,157		
Expenditures:					
Program Management Services	\$17,000	\$16,000	\$17,000		
As Needed Government Relations	\$20,000	\$0	\$20,000		
Legal Services	\$5,000	\$4,000	\$7,500		
Board/Staff Travel/Meeting Expense	\$1,000	\$0	\$1,000		
Financial Audit	\$3,600	\$3,600	\$4,000		
Policy Board Compensation	\$9,900	\$6,000	\$9,900		
Office Supplies	\$100	\$12	\$100		
Policy Board Meetings	\$3,000	\$2,450	\$3,000		
Administrative Entity Meetings	\$1,000	\$875	\$1,000		
Consultant Services	\$50,000	\$13,615	\$60,000		
Consultant Services Contingencies	\$0	\$0	\$0		
Total Expenditures	\$110,600	\$46,552	\$123,500		
Ending Balance	\$127,109	\$191,157	\$123,657		

Notes:

1. FY 2017-2018 and FY 2018-2019 - Assumes credit of \$5,000 off of \$10,000 member agency annual dues resulting in total annual dues of \$5,000



Southeast Water Coalition

A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY AGENDA REPORT

Date: March 21, 2019
To: Southeast Water Coalition Administrative Entity
From: Kyle Cason, AE Chair, City of Whittier
Subject: **Discuss Changing Southeast Water Coalition (SEWC) Meeting Schedule**

Recommendation: That the Board take the following action:

Discuss changing the frequency of Southeast Water Coalition (SEWC) Administrative Entity and Board of Directors meetings from bimonthly to quarterly.

Background:

On July 7, 2018, the Board of Directors adopted Resolution 2018-01, designating the City of Whittier as the SEWC Lead Agency for the period beginning July 1, 2018 through June 30, 2020 and providing for meetings of the Board of Directors and Administrative Entity.

Currently, the SEWC AE meets bimonthly on odd-numbered months, while the SEWC Board of Directors meets bimonthly on even-numbered months. There are six regularly scheduled meetings for the AE and Board each Fiscal Year. The current Meeting Schedule for FY 2018-2019 and 2019-2020 is attached.

According to Section 7.f of the Amendment and Complete Restatement of the Southeast Water Coalition Joint Powers Agreement (2005),

“The Policy Board shall provide for its regular and special meetings, provided however that it shall hold at least one regular meeting in each year and such additional meetings as may be necessary.”

Section 4.b of the original Southeast Water Coalition Joint Powers Agreement (1991) states that.

“The Administrative Entity shall provide for its regular and special meetings,

SEWC ADMINISTRATIVE ENTITY AGENDA REPORT- REGULAR MTG. OF 03/21/19
DISCUSS CHANGING SEWC MEETING SCHEDULE

Page 2 of 2

provided, however, that it shall hold at least one regular meeting in each year and such further additional meetings as may be necessary. The dates upon which, and the hour, date and place at which any regular meeting shall be held shall be fixed by the Administrative Entity and copies filed with each party.”

It is recommended the Administrative Entity members discuss reducing the frequency of SEWC meetings, from bimonthly to quarterly.

If the Administrative Entity votes to propose a change to the AE meeting schedule, it is recommended the AE draft a Resolution outlining these changes, to present for approval to the Board of Directors.

Attachment(s):

1. Calendar Year 2019 and Fiscal Year 2019-2020 SEWC Meeting Calendar

**Southeast Water Coalition
Joint Powers Authority
Meeting Calendar
Calendar Year 2019**

Board of Directors (1st Thursday)

February 7, 2019

April 4, 2019

June 6, 2019

City of Whittier – Emergency Operations Center
13200 Penn Street
Whittier, CA 90602

Dinner Served at 6:00 p.m.

Meeting begins at 6:30 p.m.

Administrative Entity (3rd Thursday)

January 22, 2019 (Special Meeting)

March 21, 2019

May 16, 2019

City of Whittier – Emergency Operations Center
13200 Penn Street
Whittier, CA 90602

Lunch Served at 11:15 a.m.

Meeting begins at 11:30 a.m.

**Southeast Water Coalition
Joint Powers Authority
Meeting Calendar
Fiscal Year 2019/2020**

Board of Directors (1st Thursday)

August 1, 2019
October 3, 2019
December 5, 2019
February 6, 2020
April 2, 2020
June 4, 2020

City of Whittier – Emergency Operations Center
13200 Penn Street
Whittier, CA 90602

Dinner Served at 6:00 p.m.
Meeting begins at 6:30 p.m.

Administrative Entity (3rd Thursday)

July 18, 2019
September 19, 2019
November 21, 2019
January 16, 2020
March 19, 2020
May 21, 2020

City of Whittier – Emergency Operations Center
13200 Penn Street
Whittier, CA 90602

Lunch Served at 11:15 a.m.
Meeting begins at 11:30 a.m.



Southeast Water Coalition

A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY AGENDA REPORT

Date: March 21, 2019
To: Southeast Water Coalition Administrative Entity
From: Kyle Cason, AE Chair, City of Whittier

Subject: Form 700 Annual Filings

Recommendation: That the Administrative Entity take the following action:

Receive and file an update on the April 1, 2019 Annual Filing deadline for Fiscal Year 2018-2019 Statement of Economic Interests (Form 700).

Background

In accordance with the Southeast Water Coalition Conflict of Interest and Disclosure Code, Exhibit "B", all appointed representatives of the Administrative Entity and Board (including alternates) are required to file a Form 700 (Fiscal Year 2018-2019 Statement of Economic Interest) when assuming and leaving office, as well as on an annual basis.

SEWC members may file online. Original documents should be mailed to the City of Whittier, and digital copies sent to KJServices Environmental Consulting.

The deadline for filing these forms with the Lead Agency Whittier is Monday, April 1, 2019.

Attached is a list of all the Annual Filings received by the Lead Agency Whittier to-date.

Attachments:

1. Status of Calendar Year 2018 Forms 700 Received

**Southeast Water Coalition
Joint Powers Authority
Statement of Economic Interests**

Tax Year: 2018 (to be filed April 1, 2019) ** Accurate as of 3/18/19

Agency	Representative	Member	Appoint.	Type of Filing	Disclosure Categories	Date
Cerritos	Grace Hu	PB	Primary	Annual	1,2	
	Naresh Solanki	PB	Alternate	Annual	1,2	
	Bob Ortega	AE	Primary	Annual	1,2	
	Vince Brar	AE	Alternate	Leaving Office	1,2	
Commerce	Oralia Rebollo	PB	Primary	Annual	1,2	
	John Soria	PB	Alternate	Annual	1,2	
	Gina Nila	AE	Primary	Annual	1,2	
	Michelle Keshishian	AE	Alternate	Annual	1,2	
Downey	Alex Saab	PB	Primary	Annual	1,2	
	Sean Ashton	PB	Primary	Annual	1,2	
	Dan Mueller	AE	Primary	Annual	1,2	
	Lourdes Vargas	AE	Alternate	Leaving Office	1,2	Received 9/7/18
Lakewood	Todd Rogers	PB	Primary	Annual	1,2	
	Steve Croft	PB	Alternate	Annual	1,2	Received 1/16/19
	Jason Wen	AE	Primary	Annual	1,2	
	Derwin Dy	AE	Alternate	Annual	1,2	
Norwalk	Margarita L. Rios	PB	Primary	Annual	1,2	
	Leonard Shryock	PB	Alternate	Annual	1,2	
	Adriana Figueroa	AE	Primary	Leaving Office	1,2	Received 9/6/18
	Julian Lee	AE	Alternate	Annual	1,2	Received 3/12/19
Paramount	Tom Hansen	PB	Primary	Annual	1,2	
	Laurie Guillen	PB	Alternate	Annual	1,2	
	Adriana Figueroa	AE	Primary	Annual	1,2	Received 1/30/19
	Sarah Ho	AE	Alternate	Annual	1,2	Received 1/29/19
Pico Rivera	Gustavo Camacho	PB	Primary	Annual	1,2	
	Brent Tercero	PB	Alternate	Annual	1,2	
	James Enriquez	AE	Primary	Leaving Office	1,2	
	[blank]	AE	Alternate	Annual	1,2	

Agency	Representative	Member	Appoint.	Type of Filing	Disclosure Categories	Date
Santa Fe Springs	Juanita Trujillo	PB	Primary	Annual	1,2	
	Richard Moore	PB	Alternate	Annual	1,2	
	Matt Tryon	AE	Primary	Annual	1,2	
	Noe Negrete	AE	Alternate	Annual	1,2	
South Gate	Maria Davila	PB	Alternate	Annual	1,2	Received 1/29/19
	Maria Belen Bernal	PB	Primary	Annual	1,2	Received 3/15/19
	Art Cervantes	AE	Primary	Annual	1,2	
	Chris Castillo	AE	Alternate	Annual	1,2	
	Gladis Deras	AE	Alternate	Annual	1,2	Received 3/18/19
Vernon	Melissa Ybarra	PB	Primary	Annual	1,2	
	Yvette Woodruff-Perez	PB	Alternate	Annual	1,2	e-filed
	William J. Davis	PB	Primary	Leaving Office	1,2	Received 5/31/18
	Todd Dusenberry	AE	Primary	Annual	1,2	
	Joanna Hurtado-Torres	AE	Alternate	Annual	1,2	
Whittier	Fernado Dutra	PB	Primary	Annual	1,2	
	Josue Alvarado	PB	Alternate	Annual	1,2	
	Kyle Cason	AE	Primary	Annual	1,2	
	Phuong Nguyen	AE	Alternate	Annual	1,2	

Legal Counsel	Steve Dorsey	RW&G	Annual	1,2
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Southeast Water Coalition

A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY AGENDA REPORT

Date: March 21, 2019
To: Southeast Water Coalition Administrative Entity
From: Kyle Cason, AE Chair, City of Whittier

Subject: Legislative Update

Recommendation: That the Administrative Entity take the following action:

Receive and file an update on current water-related bills under consideration in State Legislature

SB-45 (Allen) Wildfire, Drought, and Flood Protection Bond Act of 2020

This bill would enact the Wildfire, Drought, and Flood Protection Bond Act of 2020, which, if approved by the voters, would authorize the issuance of \$4,300,000,000 worth of bonds pursuant to the State General Obligation Bond Law to finance projects to restore fire damaged areas, reduce wildfire risk, create healthy forest and watersheds, reduce climate impacts on urban areas and vulnerable populations, protect water supply and water quality, protect rivers, lakes, and streams, reduce flood risk, protect fish and wildlife from climate impacts, improve climate resilience of agricultural lands, and protect coastal lands and resources.

The current draft of the bill defines "Protection" as including

B) Stormwater capture and storage, or to otherwise reduce stormwater pollution.

and allocates

Six hundred million dollars (\$600,000,000) for protecting water supply and water quality.

CHAPTER 6. Protecting Water Supply and Water Quality

80260. The sum of six hundred million dollars (\$600,000,000) shall be available for appropriation by the Legislature for the protection of California's water supply and water quality. Eligible projects include, but are not limited to, the following:

(1) Safe drinking water projects. projects that include either of the following:

(A) Grants and loans for public water system infrastructure improvements and related actions to meet safe drinking water standards and ensure affordable drinking water.

(B) Upgrade projects for at-risk rural and small community water systems.

(2) Preference shall be given to projects that provide treatment for contamination or access to an alternative drinking water source or sources for small community water systems or state small water systems in disadvantaged communities whose drinking water source is impaired by chemical, including nitrate contaminants, and other health hazards identified by the water board. Eligible recipients are public water systems or public agencies that serve disadvantaged communities.

(b) Projects that improve water quality, promote water conservation, improve water use efficiency, or capture, treat, and use stormwater flows.

(c) Sustainable groundwater management. projects that use captured stormwater and floodwaters for recharge purposes.

(d) Source watershed conservation and restoration activities consistent with Section 108.5 of the Water Code.

(e) Projects that improve water data management through enhanced quality and availability of water data.

This draft of the bill was last amended on March 5, 2019 and is scheduled to be heard in the Senate Committee on Natural Resources and Water on March 26, 2019. The full text of the bill is attached.

AB-134 (Bloom) Safe, clean, affordable, and accessible drinking water

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. This bill would state findings and declarations relating to the intent of the Legislature to adopt policies to ensure that every Californian has the right to safe, clean, affordable, and accessible drinking water.

Bill was read for the first time on January 7, 2019. No action since.

AB-217 Safe and Affordable Drinking Water Fund

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are available, upon appropriation by the Legislature, to the board to provide a stable source of funding to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure.

This bill was referred to the Assembly Committee on Environmental Safety and Toxic Materials on February 4, 2019. No update since.

SB-200 Safe and Affordable Drinking Water Fund

This bill works in tandem with AB-217 to amend the Health and Safety Code relating to water, “making an appropriation therefor.” The bill would require the State Water Resources Control Board to administer the Safe and Affordable Drinking Water Fund

This bill was last amended on March 11, 2019 and is scheduled to be heard in the Senate Committee on Environmental Quality on March 20, 2019.

AB-756 Public water systems: perfluorooctanoic acid and perfluorooctane sulfonate (Cristina Garcia)

This bill would amend the Health and Safety Code to state, “A public water system shall monitor for perfluorooctanoic acid (PFOA) and perfluorooctane sulfonate (PFOS).”

This bill is scheduled to be heard in the Assembly Committee on Environmental Safety and Toxic Materials on March 26, 2019.

Attachment(s):

1. Text of SB-45 (Allen) Wildfire, Drought, and Flood Protection Bond Act of 2020
2. Text of AB-134 (Bloom) Safe, clean, affordable, and accessible drinking water
3. Text of SB-200 (Monning, Eduardo Garcia) Safe and Affordable Drinking Water Fund
4. Text of AB-217 (Eduardo Garcia, Bloom) Safe and Affordable Drinking Water Fund

AMENDED IN SENATE MARCH 5, 2019

SENATE BILL

No. 45

Introduced by Senator Allen

December 3, 2018

An act to add Division 46 (commencing with Section 80200) to the Public Resources Code, relating to public resources, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 45, as amended, Allen. Wildfire, Drought, and Flood Protection Bond Act of 2020.

The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, approved by the voters as Proposition 68 at the June 5, 2018, statewide primary direct election, authorizes the issuance of bonds in an amount of \$4,000,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program.

This bill would enact the Wildfire, Drought, and Flood Protection Bond Act of 2020, which, if approved by the voters, would authorize the issuance of bonds in an ~~unspecified~~ amount *of \$4,300,000,000* pursuant to the State General Obligation Bond Law to finance projects to restore fire damaged areas, reduce wildfire risk, create healthy forest and watersheds, reduce climate impacts on urban areas and vulnerable populations, protect water supply and water quality, protect rivers, lakes, and streams, reduce flood risk, protect fish and wildlife from climate

impacts, improve climate resilience of agricultural lands, and protect coastal lands and resources.

This bill would provide for the submission of these provisions to the voters at the ____, 2020, ____ election.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Division 46 (commencing with Section 80200)
2 is added to the Public Resources Code, to read:

3
4 DIVISION 46. WILDFIRE, DROUGHT, AND FLOOD
5 PROTECTION BOND ACT OF 2020

6
7 CHAPTER 1. GENERAL PROVISIONS

8
9 80200. This division shall be known, and may be cited, as the
10 Wildfire, Drought, and Flood Protection Bond Act of 2020.

11 80201. The people of California find and declare all of the
12 following:

13 (a) California’s changing climate creates increased risk of
14 catastrophic wildfire, drought, *floods*, severe heat events, *intense*
15 *rain events*, sea level rise, as well as impacts to agriculture, water
16 supply and water quality, and the health of the forests, ~~watershed~~
17 *watersheds*, and wildlife.

18 (b) These risks and impacts vary by region and can overwhelm
19 the resources of local governments that must cope with severe
20 climate change-related events.

21 (c) Reducing vulnerability to fire, flood, drought, and other
22 climate-change related events require a statewide investment to
23 increase climate resilience of communities and natural systems.

24 80202. For purposes of this division, the following definitions
25 apply:

26 (a) “Committee” means the Wildfire, Drought, and Flood
27 Protection Finance Committee created pursuant to Section 80402.

28 (b) “*Conservation actions on private lands*” means *actions*
29 *undertaken on private land with the consent of the landowner that*

1 *involve the adaptive flexible management of protection of natural*
2 *resources in response to changing conditions and threats to habitat*
3 *and wildlife and that result in habitat conditions on private lands*
4 *that, when managed dynamically over time, contribute to the*
5 *long-term health and resiliency of vital ecosystems and enhanced*
6 *wildlife populations. The actions undertaken may include the*
7 *acquisition of conservation interest or fee interests in the private*
8 *land.*

9 ~~(b)~~

10 (c) “Disadvantaged community” means a community with a
11 median household income less than 80 percent of the statewide
12 average.

13 ~~(e)~~

14 (d) “Fund” means the Wildfire, Drought, and Flood Protection
15 Fund created pursuant to Section 80210.

16 (e) “Natural infrastructure project” means a project for the
17 preservation or restoration of ecological systems, or utilization of
18 engineered systems that use ecological processes, to increase
19 resiliency to climate change, contribute to the long-term health
20 and resiliency of vital ecosystems, and enhance wildlife
21 populations.

22 (f) (1) “Protection” means any of the following:

23 (A) Actions necessary to prevent harm or damage to persons,
24 property, or natural, cultural, or historic resources.

25 (B) Actions to improve access to public open-space areas.

26 (C) Actions to allow for the continued use and enjoyment of
27 property or natural, cultural, or historic resources.

28 (2) For purposes of the subdivision, “actions” include, but are
29 not limited to, site monitoring, development, restoration,
30 preservation, interpretation, and acquisition, including both
31 fee-title and easements.

32 (g) (1) “Restoration” means the improvement of physical
33 structures or facilities, and, in the case of natural systems and
34 landscape features, includes, but is not limited to, any of the
35 following:

36 (A) The control of erosion.

37 (B) Stormwater capture and storage, or to otherwise reduce
38 stormwater pollution.

39 (C) The control and elimination of invasive species.

40 (D) The planting of native species.

1 (E) *The removal of waste and debris.*

2 (F) *Prescribed burning.*

3 (G) *Fuel hazard reduction.*

4 (H) *Fencing out threats to existing or restored natural resources.*

5 (I) *Road elimination.*

6 (J) *Improving instream, riparian, or managed wetland habitat*
7 *conditions.*

8 (K) *Other plant and wildlife habitat improvement to increase*
9 *the natural system value of the property, or coastal or ocean*
10 *resources.*

11 (2) *“Restoration” includes activities described in subdivision*
12 *(b) of Section 79737 of the Water Code.*

13 (3) *“Restoration” also includes activities, such as the planning,*
14 *monitoring, and reporting that are necessary to ensure successful*
15 *implementation of the restoration objectives.*

16 (h) *“Socially disadvantaged farmer or rancher” has the same*
17 *meaning as set forth in Section 512 of the Food and Agricultural*
18 *Code.*

19 (i) *“State board” means the State Air Resources Board.*

20 (j) *“Tribe” means a federally recognized Native American tribe*
21 *or a nonfederally recognized Native American tribe listed on the*
22 *California Tribal Consultation List maintained by the Native*
23 *American Heritage Commission.*

24 (k) *“Vulnerable population” means a subgroup of population*
25 *within a region or community that faces a significantly greater*
26 *likelihood of injury from extreme climate events or natural*
27 *disasters, including, but not limited to, wildfire, extreme heat, and*
28 *flood, than the general population of that region or community.*

29 (l) *“Water board” means the State Water Resources Control*
30 *Board.*

31 80203. An amount that equals not more than 5 percent of the
32 funds allocated for a grant program pursuant to this division may
33 be used to pay the administrative costs of that program.

34 80204. (a) Except as provided in subdivision (b), up to 10
35 percent of funds allocated for each program funded by this division
36 may be expended, including, but not limited to, by grants, for
37 planning and monitoring necessary for the successful design,
38 selection, and implementation of the projects authorized under that
39 program. This section shall not otherwise restrict funds ordinarily
40 used by an agency for “preliminary plans,” “working drawings,”

1 and “construction” as defined in the annual Budget Act for a capital
2 outlay project or grant project. Planning may include feasibility
3 studies for environmental site cleanup that would further the
4 purpose of a project that is eligible for funding under this division.
5 Monitoring may include measuring greenhouse gas emissions
6 reductions and carbon sequestration associated with program
7 expenditures under this division.

8 (b) Funds used for planning projects that benefit disadvantaged
9 communities *or socially disadvantaged farmers or ranchers* may
10 exceed 10 percent of the funds allocated if the state agency
11 administering the moneys determines that there is a need for the
12 additional funding.

13 ~~80205. To the extent feasible, a project that includes water~~
14 ~~efficiencies, stormwater capture for infiltration or reuse, or carbon~~
15 ~~sequestration features in the project design may be given priority~~
16 ~~for grant funding under this division.~~

17 ~~80206. Moneys allocated pursuant to this division shall not be~~
18 ~~used to fulfill any mitigation requirements imposed by law.~~

19 ~~80207. (a) To the extent feasible in implementing this division~~
20 ~~and except as provided in subdivision (b), a state agency receiving~~
21 ~~funding under this division shall seek to achieve wildlife~~
22 ~~conservation objectives through projects on public lands or~~
23 ~~voluntary projects on private lands. Projects on private lands shall~~
24 ~~be evaluated based on the durability of the benefits created by the~~
25 ~~investment. Funds may be used for payments for the protection or~~
26 ~~creation of measurable habitat improvements or other~~
27 ~~improvements to the condition of endangered or threatened species,~~
28 ~~including through the development and implementation of habitat~~
29 ~~credit exchanges.~~

30 ~~(b) This section shall not apply to Chapter 3 (commencing with~~
31 ~~Section 80230), Chapter 5 (commencing with Section 80250),~~
32 ~~Chapter 6 (commencing with Section 80260), Chapter 8~~
33 ~~(commencing with Section 80280), or Chapter 10 (commencing~~
34 ~~with Section 80300).~~

35 ~~80205. (a) Moneys allocated pursuant to this division shall~~
36 ~~not be used to fulfill any environmental mitigation requirements~~
37 ~~imposed by law.~~

38 ~~(b) Subdivision (a) does not preclude the use of moneys awarded~~
39 ~~pursuant to this division for purposes of providing safe drinking~~
40 ~~water or improving water quality.~~

1 ~~80208.~~

2 80206. Funds provided pursuant to this division, and any
3 appropriation or transfer of those funds, shall not be deemed to be
4 a transfer of funds for the purposes of Chapter 9 (commencing
5 with Section 2780) of Division 3 of the Fish and Game Code.

6 ~~80209.~~

7 80207. For grants awarded for projects that serve a
8 disadvantaged ~~community~~, *community or socially disadvantaged*
9 *farmers or ranchers*, the administering entity may provide
10 advanced payments in the amount of 25 percent of the grant award
11 to the recipient to initiate the project in a timely manner. The
12 administering entity shall adopt additional requirements for the
13 recipient of the grant regarding the use of the advanced payments
14 to ensure that the moneys are used properly.

15 ~~80210.~~

16 80208. (a) The proceeds of bonds issued and sold pursuant to
17 this division, exclusive of refunding bonds issued and sold pursuant
18 to Section 80412, shall be deposited in the Wildfire, Drought, and
19 Flood Protection Fund, which is hereby created in the State
20 Treasury.

21 (b) Proceeds of bonds issued and sold pursuant to this division
22 shall be allocated according to the following schedule:

23 (1) ~~_____ dollars (\$_____)~~ *Two hundred million dollars*
24 *(\$200,000,000) for restoring ~~fire damaged areas~~. *areas impacted**
25 *by wildfire, flood, drought, or other natural disasters resulting*
26 *from climate change.*

27 (2) ~~_____ dollars (\$_____)~~ *One billion dollars (\$1,000,000,000)*
28 *for reducing wildfire risk.*

29 (3) ~~_____ dollars (\$_____)~~ *Six hundred million dollars*
30 *(\$600,000,000) for creating healthy forests and watersheds.*

31 (4) ~~_____ dollars (\$_____)~~ *Three hundred million dollars*
32 *(\$300,000,000) for reducing climate impacts on urban areas and*
33 *vulnerable populations.*

34 (5) ~~_____ dollars (\$_____)~~ *Six hundred million dollars*
35 *(\$600,000,000) for protecting water supply and water quality.*

36 (6) ~~_____ dollars (\$_____)~~ *Three hundred million dollars*
37 *(\$300,000,000) for protecting rivers, lakes, and streams.*

38 (7) ~~_____ dollars (\$_____)~~ *Three hundred million dollars*
39 *(\$300,000,000) for ~~reducing flood risks~~. *multibenefit flood**
40 *management projects.*

1 (8) ~~_____ dollars (\$_____)~~ *Three hundred million dollars*
2 *(\$300,000,000) for protecting fish and wildlife and natural*
3 *resources from climate impacts.*

4 (9) ~~_____ dollars (\$_____)~~ *Two hundred million dollars*
5 *(\$200,000,000) for improving climate resilience of agricultural*
6 *lands.*

7 (10) ~~_____ dollars (\$_____)~~ *Three hundred million dollars*
8 *(\$300,000,000) for protecting coastal ~~lands and resources:~~ lands,*
9 *waters, natural resources, and wildlife.*

10 (11) *One hundred fifty million dollars (\$150,000,000) for*
11 *improving regional climate resilience.*

12 (12) *Fifty million dollars (\$50,000,000) for enhancing workforce*
13 *development.*

14 ~~80211.~~

15 80209. The Legislature may enact legislation necessary to
16 implement programs funded by this division.

17

18 CHAPTER 2. RESTORING ~~FIRE DAMAGED~~ AREAS IMPACTED BY
19 FIRE, FLOOD, DROUGHT, AND OTHER CLIMATE IMPACTS

20

21 80220. The sum of ~~_____ dollars (\$_____)~~ *two hundred million*
22 *dollars (\$200,000,000) shall be available for appropriation by the*
23 *Legislature to the Office of Emergency Services for the restoration*
24 *of ~~wildfire damaged areas:~~ areas impacted by wildfire, flood,*
25 *drought, or other natural disasters resulting from climate change.*

26 Eligible projects include, but are not limited to, grants to public
27 agencies for revegetation and other projects to reduce erosion,
28 flood, and mudslide risk, clean up of *damaged or hazardous sites,*
29 ~~and habitat restoration:~~ *upgrades to damaged or destroyed*
30 *infrastructure to make the infrastructure more resilient to future*
31 *fire, flood, and other natural disasters, and habitation restoration*
32 *on both public and private lands. Funds authorized by this chapter*
33 *may be used to meet matching grant requirements for the Federal*
34 *Emergency Management Agency or other federal mitigation and*
35 *resiliency grant programs.*

CHAPTER 3. REDUCING WILDFIRE RISK IN WILDLAND URBAN
INTERFACE

80230. The sum of _____ dollars (\$_____) *one billion dollars* (\$1,000,000,000) shall be available for appropriation by the Legislature for the reduction in the risk of wildfire threat to lives, properties, and natural habitats. ~~Eligible projects include, but are not limited to, grants to assist with any of the following:~~

- ~~(a) Structure and community retrofit projects.~~
- ~~(b) Improvement in the alert and evacuation systems.~~
- ~~(c) Establishment of urban-wildland buffers in high fire hazard areas.~~
- ~~(d) Science-based vegetation treatment programs near urban areas.~~

80231. *Of the funds made available by Section 80230, the sum of _____ dollars (\$_____) shall be available to the Office of Emergency Services for a prehazard mitigation grant program. The grant program shall be allocated to assist local and state agencies to leverage additional funds, including matching grants from federal agencies. Eligible projects include, but are not limited to, the following:*

- (a) Grants to local and state agencies for projects that reduce wildfire risks to people and property consistent with approved local hazard mitigation plans.*
- (b) Grants to local and state agencies for improvements to warning and evacuation systems and improvements in fire and disaster response communication and infrastructure.*
- (c) Grants to fire safe councils for development and implementation of community wildfire protection plans that promote and incentivize structural and community retrofit projects, defensible space, fuel breaks, and other projects to improve fire resilience.*

80232. *Of the funds made available by Section 80230, the sum of _____ dollars (\$_____) shall be available to the Natural Resources Agency and to its departments, boards, and conservancies for projects to reduce the risk of wildfire spreading into populated areas from wildlands and to support the development and implementation of regional priority plans to improve forest health and fire resiliency. The Natural Resources Agency shall identify the highest risk areas and recommend to the Legislature allocations*

1 *by region based on wildfire risk and affected population. Eligible*
2 *projects include, but are not limited to, either of the following:*

3 *(a) Restoration of natural ecosystem functions in high fire*
4 *hazard areas with preference given to those projects that provide*
5 *multiple benefits, including, but not limited to, protection of*
6 *agricultural lands, habitat protection, watershed improvement,*
7 *and science-based vegetation treatment programs that provide*
8 *long-term reduction of wildfire risk and protect lives and*
9 *properties.*

10 *(b) Other projects that reduce wildfire risk to populated areas,*
11 *protect habitat, wildfire, or watershed resources, and increase*
12 *wildfire resilience through enhancing the long-term ecological*
13 *health of natural systems.*

14

15 CHAPTER 4. ~~CREATING~~ REDUCING FIRE RISK THROUGH THE
16 CREATION OF HEALTHY ~~FOREST~~ FORESTS AND WATERSHEDS

17

18 80240. The sum of ~~_____~~ dollars (\$~~_____~~) *six hundred million*
19 *dollars (\$600,000,000) shall be available for appropriation by the*
20 *Legislature to the Natural Resources Agency and its departments,*
21 *boards, and conservancies for the ~~protection and restoration~~*
22 *protection, restoration, and improvement of forests, including*
23 *redwoods, conifers, oak woodlands, chaparral, deserts, coastal*
24 *forests, and other habitat types to ensure the long-term ecological*
25 *health of these natural systems, to reduce risk of extreme wildfires,*
26 *floods, and other climate impacts, and to improve water supply*
27 *and water quality, carbon sequestration, community access, and*
28 *other public benefits. Projects shall be consistent with the*
29 *California Forest Carbon Plan, based on the best available science*
30 *regarding forest and ecosystem restoration, and shall be*
31 *undertaken to protect and restore ecological values and to promote*
32 *conditions that are more resilient to wildfire, climate change, and*
33 *other disturbances. Eligible projects include, but are not limited*
34 *to, grants to assist with the following:*

35 *(a) Protection and restoration of large, intact forests and other*
36 *natural landscape, prevention of forest fragmentation through*
37 *subdivision, and restoration of natural fire regimes and climate*
38 *resilient conditions.*

39 *(b) Protection and restoration of watersheds, wet meadows,*
40 *floodplains, and wetlands, including efforts to prevent increased*

1 *sedimentation in streams, and loss of groundwater retention*
2 *capacity.*

3 *(c) Improvement of forest and ecosystem resilience, and*
4 *reduction of tree-pest mortality and impacts from invasive species.*

5 *(d) Infrastructure investments consistent with the*
6 *recommendations developed pursuant to Section 717.*

7 *(e) Establishment of regional forest and ecosystem restoration*
8 *projects that include plant nurseries, reforestation, and*
9 *revegetation projects, to promote climate resilient ecosystems in*
10 *climate stressed areas.*

11 *(f) Development and implementation of plans developed as part*
12 *of the Natural Resources Agency’s Regional Forest and Fire*
13 *Capacity Program.*

14
15 CHAPTER 5. REDUCING CLIMATE RISKS IN URBAN AREAS AND
16 ON VULNERABLE POPULATIONS
17

18 80250. The sum of ~~_____~~ dollars (\$~~_____~~) *three hundred million*
19 *dollars (\$300,000,000)* shall be available for appropriation by the
20 Legislature for the reduction of climate impacts on urban areas
21 and vulnerable populations. ~~Eligible projects include, but are not~~
22 ~~limited to, urban greening, urban forestry projects, and other~~
23 ~~projects to reduce urban heat island effects, to establish cooling~~
24 ~~centers, and to safeguard vulnerable populations. Eligible projects~~
25 *include, but are not limited to, the following:*

26 *(a) Multibenefit green infrastructure projects that reduce heat*
27 *island effects.*

28 *(b) Establishment of cooling centers, hydration stations, and*
29 *facilities to safeguard vulnerable populations from extreme heat*
30 *events.*

31 *(c) Improvements to public infrastructure that provide climate*
32 *resilience benefits, including, but not limited to, sustainable*
33 *stormwater capture technologies, permeable pavement projects,*
34 *rain gardens, cool roofs, and stormwater detention basins.*

35 *(d) Improvements to city, county, and regional park*
36 *infrastructure to promote resilience and adaptation or the*
37 *promotion and enhancement of natural resources and water*
38 *conservation and efficiencies on local and regional public park*
39 *lands.*

1 CHAPTER 6. PROTECTING WATER SUPPLY AND WATER QUALITY

2
3 80260. The sum of ~~_____~~ dollars (~~\$ _____~~) *six hundred million*
4 *dollars (\$600,000,000)* shall be available for appropriation by the
5 Legislature for the protection of California’s water supply and
6 water quality. Eligible projects include, but are not limited to, the
7 following:

8 (a) ~~(1) Safe drinking water projects.~~ *projects that include either*
9 *of the following:*

10 ~~(b) Water quality projects.~~
11 (A) *Grants and loans for public water system infrastructure*
12 *improvements and related actions to meet safe drinking water*
13 *standards and ensure affordable drinking water.*

14 (B) *Upgrade projects for at-risk rural and small community*
15 *water systems.*

16 (2) *Preference shall be given to projects that provide treatment*
17 *for contamination or access to an alternative drinking water source*
18 *or sources for small community water systems or state small water*
19 *systems in disadvantaged communities whose drinking water*
20 *source is impaired by chemical, including nitrate contaminants,*
21 *and other health hazards identified by the water board. Eligible*
22 *recipients are public water systems or public agencies that serve*
23 *disadvantaged communities.*

24 (b) *Projects that improve water quality, promote water*
25 *conservation, improve water use efficiency, or capture, treat, and*
26 *use stormwater flows.*

27 (c) ~~Sustainable groundwater management projects.~~ *projects that*
28 *use captured stormwater and floodwaters for recharge purposes.*

29 (d) *Source watershed conservation and restoration activities*
30 *consistent with Section 108.5 of the Water Code.*

31 (e) *Projects that improve water data management through*
32 *enhanced quality and availability of water data.*

33
34 CHAPTER 7. PROTECTING RIVERS, LAKES, AND STREAMS

35
36 80270. The sum of ~~_____~~ dollars (~~\$ _____~~) *three hundred million*
37 *dollars (\$300,000,000)* shall be available for appropriation by the
38 Legislature for the protection and restoration of rivers, lakes, and
39 ~~streams.~~ *streams to improve climate resiliency. To the extent*
40 *feasible, preference shall be given to natural infrastructure*

1 *projects. Eligible projects include, but are not limited to, the*
2 *following:*

3 (a) ~~River~~ *Multibenefit river and urban stream parkway projects.*
4 *projects that improve climate resilience, watershed protection,*
5 *and urban access.*

6 (b) ~~Projects to implement~~ *Climate resilience projects identified*
7 *in the Lake Tahoe Environmental Improvement Program.*

8 (c) ~~Projects to restore pursuant to the Salton Sea authorized~~
9 ~~pursuant to Public Law 105-372, the Salton Sea Reclamation Act~~
10 ~~of 1998: Management Program that provide climate resilience~~
11 ~~benefits.~~

12 (d) ~~Projects for the acquisition or~~ *Multibenefit watershed*
13 *protection or restoration of public lands projects that improve*
14 *climate resilience within the Los Angeles River Watershed.*
15 *Watershed and are implemented pursuant to Section 79508 of the*
16 *Water Code.*

17 (e) *Watershed protection and restoration project pursuant to*
18 *Sierra Nevada Watershed Improvement Program established*
19 *pursuant to Section 33345.1.*

20 (f) *Projects that restore anadromous fish access to historic*
21 *spawning grounds by implementing passage improvements at*
22 *migration barriers through mechanisms approved by state and*
23 *federal wildlife agencies.*

24

25 CHAPTER 8. ~~REDUCING FLOOD RISK~~ FLOOD MANAGEMENT
26 PROJECTS

27

28 80280. The sum of _____ dollars (\$ _____) *three hundred million*
29 *dollars (\$300,000,000) shall be available for appropriation by the*
30 *Legislature to the Department of Water Resources for the reduction*
31 ~~*of flood risks, including the establishment of flood corridors,*~~
32 ~~*bypasses, and associated infrastructure.*~~ *multibenefit flood*
33 *management projects that reduce risks to public safety and provide*
34 *improvement to wildlife habitat. Eligible project types include, but*
35 *are not limited to, levee setbacks, connecting rivers with flood*
36 *plains, enhancement of floodplains and bypasses, offstream*
37 *groundwater recharge, and land acquisitions and easements*
38 *necessary for these project types. To the extent feasible, project*
39 *selection shall be guided by approved local hazard mitigation*
40 *plans. Eligible projects include the following:*

1 (a) *Multibenefit flood management projects that reduce the*
2 *impacts of climate change on coastal infrastructure, communities,*
3 *or ecosystems, and provide ecosystem, wildlife, or groundwater*
4 *recharge benefits.*

5 (b) *Natural infrastructure projects to reduce flood intensity and*
6 *slow watershed runoff.*

7 (c) *Projects that capture, clean, or otherwise productively use*
8 *stormwater.*

9 (d) *Projects that provide matching grants for, or otherwise*
10 *leverage funding from the Federal Emergency Management Agency*
11 *or other federal mitigation and resiliency funding.*

12 (e) *Projects that provide benefits to anadromous and other*
13 *native fish species along migratory corridors.*

14 (f) *Projects that improve the ability of lands to buffer extreme*
15 *precipitation events.*

16 (g) *Projects that restore streams to a more natural state by*
17 *removing culverts and paved channels to enable more stormwater*
18 *to be absorbed and gradually released by soil and plants.*

19

20 CHAPTER 9. PROTECTING FISH AND WILDLIFE FROM CLIMATE
21 IMPACTS

22

23 80290. The sum of ~~_____~~ dollars (~~\$_____~~) *three hundred million*
24 *dollars (\$300,000,000) shall be available for appropriation by the*
25 *Legislature to the Wildlife Conservation Board for the protection*
26 *of California’s fish and wildlife ~~resources; resources in response~~*
27 *to changing climate conditions and the highly variable habitat*
28 *needs of fish and wildlife. Eligible projects include, but are not*
29 *limited to, the following:*

30 (a) *Salmon and other fishery ~~preservation and habitat restoration~~*
31 *~~projects; projects, including implementation of recovery actions~~*
32 *~~identified by the Department of Fish and Wildlife or the National~~*
33 *~~Marine Fisheries Service, and aligned with planning guidance~~*
34 *~~under the federal Magnuson-Stevens Fishery Conservation and~~*
35 *~~Management Act (16 U.S.C. Sec. 1801 et seq.).~~*

36 (b) *Projects to protect and restore wetlands and ~~wildfire~~ wildlife*
37 *habitat, including, but not limited to, refuges for migratory birds.*

38 (c) ~~Establishment, protection,~~ *Projects for the protection and*
39 *restoration of wildlife corridors and habitat ~~linkages; linkages,~~*

1 including land acquisition and the construction, repair, or removal
2 of barriers.

3 (d) Land acquisition projects that protect land from
4 development.

5 (e) Restoration and stewardship projects that restore or manage
6 the land to improve its resilience to climate impacts and natural
7 disasters.

8 ~~(d) Conservation actions~~

9 (f) Projects for conservation actions on private ~~lands~~ lands,
10 including, but not limited to, incentives and technical assistance
11 for private landowners to implement conservation actions.

12 (g) Projects for the protection of threatened and endangered
13 species, including projects within natural community conservation
14 plans or habitat conservation plans. Projects may include land
15 acquisition through either easement or fee title.

16 (h) Projects that include acquisition of water from willing
17 sellers, acquisition of land that includes water rights or right to
18 water, and other projects that provide water for fish and wildlife
19 or improve aquatic or riparian habitat conditions.

20 (i) Project for the development and implementation of regional
21 conservation investment strategies that include climate resilience
22 elements.

23 (j) Multibenefit water diversion projects that eliminate
24 entrainment of migratory fish species consistent with the Bay-Delta
25 Water Quality Control Plan requirements and the Recovery Plan
26 For The Evolutionarily Significant Units of Sacramento River
27 Winter-run Chinook Salmon and Central Valley Spring-Run
28 Chinook Salmon and The Distinct Population Segment of
29 California Central Valley Steelhead, issued by the federal National
30 Marine Fisheries Service in July 2014.

31

32 CHAPTER 10. IMPROVING CLIMATE RESILIENCE OF
33 AGRICULTURAL LANDS

34

35 80300. The sum of _____ dollars (\$ _____) one hundred million
36 dollars (\$100,000,000) shall be available for appropriation by the
37 Legislature to the Department of Food and Agriculture for the
38 improvement in climate resilience of agricultural lands. Eligible
39 projects include, but are not limited to, the following:

1 (a) Grants to promote practices on farms and ranches that
2 improve agricultural and ~~open space~~ soil health, carbon
3 sequestration, and erosion control, water quality and water
4 retention.

5 ~~(b) California Farmland Conservancy Program established~~
6 ~~pursuant to Division 10.2 (commencing with Section 10200) of~~
7 ~~the Public Resources Code.~~

8 *(b) Grants to promote on-farm water use efficiency with a focus*
9 *on multibenefit projects that improve groundwater management,*
10 *surface water use efficiency, or that improve drought and flood*
11 *tolerance.*

12 *(c) Invasive species projects and restoration activities*
13 *recommended by the Invasive Species Council of California.*

14 80301. *(a) The sum of one hundred million dollars*
15 *(\$100,000,000) shall be available for appropriation by the*
16 *Legislature to the Department of Conservation for the protection*
17 *and restoration of farmland and rangelands, including the*
18 *acquisition of fee title or easements, that improve climate resilience*
19 *and provide multiple benefits. Eligible projects include, but are*
20 *not limited to, the following:*

21 *(1) Grants for the protection and restoration of agricultural*
22 *lands, including supporting the implementation of approved*
23 *sustainable groundwater management plans.*

24 *(2) Restoration activities to control or eradicate invasive*
25 *species.*

26 *(b) In awarding funds for farmland projects pursuant to this*
27 *section, the Department of Conservation shall give preference to*
28 *projects for small- and medium-sized farms.*

29

30 CHAPTER 11. PROTECTING COASTAL ~~LANDS AND RESOURCES~~
31 ~~LANDS, RESOURCES, WATERS, AND WILDLIFE~~

32

33 80310. The sum of ~~_____ dollars (\$_____)~~ *three hundred million*
34 *dollars (\$300,000,000) shall be available for appropriation by the*
35 *Legislature for the protection of coastal lands, ~~waters and beaches,~~*
36 *bluffs, grassland, chaparral, shrubland, forests, and the waters,*
37 *natural resources, trails and public access facilities, and wildlife*
38 *in coastal areas from climate impacts. Eligible projects include,*
39 *but are not limited to, projects to restore ~~coastal wetlands and~~*
40 *projects to address ~~and forests,~~ to ameliorate sea level rise and*

1 ~~temperature increase.~~ *increase, to reduce risks of coastal flooding*
 2 *or inundation, or to sustain native species populations impacted*
 3 *by various effects of climate change, including, but not limited to,*
 4 *ocean acidification and warming seas.*

5 80311. (a) *Of the funds provided in this chapter, the sum of*
 6 *_____ dollars (\$_____) shall be available for projects identified by*
 7 *the San Francisco Bay Area Restoration Authority to address sea*
 8 *level rise, flood management, and wetlands restoration.*

9 (b) *Of the funds provided in this chapter, the sum of _____ dollars*
 10 *(\$_____) shall be available for projects identified by the California*
 11 *Coastal Conservancy.*

12 (c) *Projects funded pursuant to this chapter shall be consistent*
 13 *with the sea level rise guidelines established by the California*
 14 *Coastal Commission and the State Coastal Conservancy, if*
 15 *applicable.*

16

17 CHAPTER 12. PLANNING FOR FIRE, FLOOD, DROUGHT, AND
 18 OTHER CLIMATE IMPACTS

19

20 80320. *The sum of one hundred fifty million dollars*
 21 *(\$150,000,000) shall be available to the Strategic Growth Council*
 22 *to fund the development and implementation of regional climate*
 23 *strategies to improve the resiliency of local communities and*
 24 *natural resources to the impacts of climate change and to help*
 25 *local communities and natural resources adapt to a changing*
 26 *climate.*

27 80321. (a) *The Strategic Growth Council shall collaborate*
 28 *with state conservancies, regional climate collaboratives, and*
 29 *public agencies from each region of the state to determine*
 30 *appropriate geographic boundaries for regional and subregional*
 31 *strategies. The formation of the regions may be based on, or*
 32 *adapted from, the nine regions identified in California's Fourth*
 33 *Climate Change Assessment and shall cover the entire geographic*
 34 *area of California.*

35 (b) *Each regional strategy shall include an assessment of climate*
 36 *vulnerabilities and risks and identification of environmental,*
 37 *economic, and social climate vulnerabilities, including impacts to*
 38 *vulnerable populations. Relevant regional or local plans may be*
 39 *used to develop the assessment.*

1 (c) *Of the funds made available pursuant to this chapter, not*
2 *less than one hundred million dollars (\$100,000,000) shall be*
3 *available for competitive grants for the implementation of regional*
4 *climate strategies.*

5
6 CHAPTER 13. CLIMATE RESILIENCE WORKFORCE DEVELOPMENT

7
8 80330. (a) *The sum of fifty million dollars (\$50,000,000) shall*
9 *be available for appropriation by the Legislature for resiliency*
10 *and natural disaster prevention and restoration projects and*
11 *programs that promote workforce development and career pathway*
12 *opportunities for careers in fire prevention and management,*
13 *watershed restoration, forestry, forest and vegetation management,*
14 *park and open-space operations and management, fisheries*
15 *management, and nature-based recreation and tourism, and*
16 *sustainable forest products industries.*

17 (b) (1) *Of the moneys made available pursuant to this chapter,*
18 *up to thirty million dollars (\$30,000,000) shall be available for*
19 *appropriation by the Legislature to the California Conservation*
20 *Corps for purposes specified in subdivision (a).*

21 (2) *The California Conservation Corps may expend up to 50*
22 *percent of the funds made available pursuant to paragraph (1) as*
23 *grants to certified local conservation corps for purposes specified*
24 *in subdivision (a).*

25
26 CHAPTER ~~12~~.14. FISCAL PROVISIONS

27
28 80400. (a) Bonds in the total amount of dollars (\$),
29 *four billion three hundred million dollars (\$4,300,000,000) and*
30 *any additional bonds authorized, issued, and appropriated in*
31 *accordance with this division pursuant to other provisions of law,*
32 *not including the amount of any refunding bonds issued in*
33 *accordance with Section 80412, may be issued and sold to provide*
34 *a fund to be used for carrying out the purposes expressed in this*
35 *division and to reimburse the General Obligation Bond Expense*
36 *Revolving Fund pursuant to Section 16724.5 of the Government*
37 *Code. The bonds, when sold, issued, and delivered, shall be and*
38 *constitute a valid and binding obligation of the State of California,*
39 *and the full faith and credit of the State of California is hereby*
40 *pledged for the punctual payment of both the principal of, and*

1 interest on, the bonds as the principal and interest become due and
2 payable.

3 (b) The Treasurer shall sell the bonds authorized by the
4 committee pursuant to this section. The bonds shall be sold upon
5 the terms and conditions specified in a resolution to be adopted
6 by the committee pursuant to Section 16731 of the Government
7 Code.

8 80401. The bonds authorized by this division shall be prepared,
9 executed, issued, sold, paid, and redeemed as provided in the State
10 General Obligation Bond Law (Chapter 4 (commencing with
11 Section 16720) of Part 3 of Division 4 of Title 2 of the Government
12 Code), as amended from time to time, and all of the provisions of
13 that ~~law~~ law, *except subdivisions (a) and (b) of Section 16727 of*
14 *the Government Code*, apply to the bonds and to this division.

15 80402. (a) Solely for the purpose of authorizing the issuance
16 and sale, pursuant to the State General Obligation Bond Law
17 (Chapter 4 (commencing with Section 16720) of Part 3 of Division
18 4 of Title 2 of the Government Code), of the bonds authorized by
19 this division, the Wildfire, Drought, and Flood Protection Finance
20 Committee is hereby created. For purposes of this division, the
21 Wildfire, Drought, and Flood Protection Finance Committee is the
22 “committee” as that term is used in the State General Obligation
23 Bond Law.

24 (b) The committee consists of the Director of Finance, the
25 Treasurer, ~~and the Controller.~~ *the Controller, the Secretary of the*
26 *Natural Resources Agency, and the executive director of the*
27 *Strategic Growth Council.* Notwithstanding any other law, any
28 member may designate a representative to act as that member in
29 ~~his or her~~ *that member’s* place for all purposes, as though the
30 member were personally present.

31 (c) The Treasurer shall serve as the chairperson of the
32 committee.

33 (d) A majority of the committee may act for the committee.

34 80403. The committee shall determine whether or not it is
35 necessary or desirable to issue bonds authorized by this division
36 in order to carry out the actions specified in this division and, if
37 so, the amount of bonds to be issued and sold. Successive issues
38 of bonds may be authorized and sold to carry out those actions
39 progressively, and it is not necessary that all of the bonds
40 authorized to be issued be sold at any one time.

1 80404. For purposes of the State General Obligation Bond
2 Law, “board,” as defined in Section 16722 of the Government
3 Code, means the Secretary of the Natural Resources Agency.

4 80405. There shall be collected each year and in the same
5 manner and at the same time as other state revenue is collected,
6 in addition to the ordinary revenues of the state, a sum in an amount
7 required to pay the principal of, and interest on, the bonds each
8 year. It is the duty of all officers charged by law with any duty in
9 regard to the collection of the revenue to do and perform each and
10 every act that is necessary to collect that additional sum.

11 80406. Notwithstanding Section 13340 of the Government
12 Code, there is hereby appropriated from the General Fund in the
13 State Treasury, for the purposes of this division, an amount that
14 will equal the total of the following:

15 (a) The sum annually necessary to pay the principal of, and
16 interest on, bonds issued and sold pursuant to this division, as the
17 principal and interest become due and payable.

18 (b) The sum that is necessary to carry out the provisions of
19 Section 80409, appropriated without regard to fiscal years.

20 80407. The board may request the Pooled Money Investment
21 Board to make a loan from the Pooled Money Investment Account,
22 including other authorized forms of interim financing that include,
23 but are not limited to, commercial paper, in accordance with
24 Section 16312 of the Government Code for the purpose of carrying
25 out this division. The amount of the request shall not exceed the
26 amount of the unsold bonds that the committee has, by resolution,
27 authorized to be sold for the purpose of carrying out this division,
28 excluding refunding bonds authorized pursuant to Section 80412,
29 less any amount loaned and not yet repaid pursuant to this section
30 and withdrawn from the General Fund pursuant to Section 80409
31 and not yet returned to the General Fund. The board shall execute
32 those documents required by the Pooled Money Investment Board
33 to obtain and repay the loan. Any amounts loaned shall be
34 deposited in the fund to be allocated in accordance with this
35 division.

36 80408. Notwithstanding any other provision of this division,
37 or of the State General Obligation Bond Law, if the Treasurer sells
38 bonds that include a bond counsel opinion to the effect that the
39 interest on the bonds is excluded from gross income for federal
40 tax purposes under designated conditions or is otherwise entitled

1 to any federal tax advantage, the Treasurer may maintain separate
2 accounts for the bond proceeds invested and for the investment
3 earnings on those proceeds, and may use or direct the use of those
4 proceeds or earnings to pay any rebate, penalty, or other payment
5 required under federal law or take any other action with respect
6 to the investment and use of those bond proceeds, as may be
7 required or desirable under federal law in order to maintain the
8 tax-exempt status of those bonds and to obtain any other advantage
9 under federal law on behalf of the funds of this state.

10 80409. For the purposes of carrying out this division, the
11 Director of Finance may authorize the withdrawal from the General
12 Fund of an amount or amounts not to exceed the amount of the
13 unsold bonds that have been authorized by the committee to be
14 sold for the purpose of carrying out this division, excluding
15 refunding bonds authorized pursuant to Section 80412, less any
16 amount loaned pursuant to Section 80407 and not yet repaid and
17 any amount withdrawn from the General Fund pursuant to this
18 section and not yet returned to the General Fund. Any amounts
19 withdrawn shall be deposited in the fund to be allocated in
20 accordance with this division. Any moneys made available under
21 this section shall be returned to the General Fund, with interest at
22 the rate earned by the moneys in the Pooled Money Investment
23 Account, from proceeds received from the sale of bonds for the
24 purpose of carrying out this division.

25 80410. All moneys deposited in the fund that are derived from
26 premium and accrued interest on bonds sold pursuant to this
27 division shall be reserved in the fund and shall be available for
28 transfer to the General Fund as a credit to expenditures for bond
29 interest, except that amounts derived from premiums may be
30 reserved and used to pay the cost of bond issuance before any
31 transfer to the General Fund.

32 80411. Pursuant to Chapter 4 (commencing with Section
33 16720) of Part 3 of Division 4 of Title 2 of the Government Code,
34 the cost of bond issuance shall be paid or reimbursed out of the
35 bond proceeds, including premiums, if any. To the extent the cost
36 of bond issuance is not paid from premiums received from the sale
37 of bonds, these costs shall be allocated proportionally to each
38 program funded through this division by the applicable bond sale.

39 80412. The bonds issued and sold pursuant to this division
40 may be refunded in accordance with Article 6 (commencing with

1 Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of
2 the Government Code, which is a part of the State General
3 Obligation Bond Law. Approval by the voters of the state for the
4 issuance of the bonds under this division shall include approval
5 of the issuance of any bonds issued to refund any bonds originally
6 issued under this division or any previously issued refunding bonds.
7 Any bond refunded with the proceeds of a refunding bond as
8 authorized by this section may be legally defeased to the extent
9 permitted by law in the manner and to the extent set forth in the
10 resolution, as amended from time to time, authorizing that refunded
11 bond.

12 80413. The proceeds from the sale of bonds authorized by this
13 division are not “proceeds of taxes” as that term is used in Article
14 XIII B of the California Constitution, and the disbursement of these
15 proceeds is not subject to the limitations imposed by that article.

16 SEC. 2. Section 1 of this act shall take effect upon the approval
17 by the voters of the Wildfire, Drought, and Flood Protection Bond
18 Act of 2020.

19 SEC. 3. Section 1 of this act shall be submitted to the voters
20 at the ____, 2020, statewide ____ election in accordance with
21 provisions of the Government Code and the Elections Code
22 governing the submission of a statewide measure to the voters.

23 SEC. 4. This act is an urgency statute necessary for the
24 immediate preservation of the public peace, health, or safety within
25 the meaning of Article IV of the Constitution and shall go into
26 immediate effect. The facts constituting the necessity are:

27 In order to fund wildfire, drought, and flood protection programs
28 at the earliest possible date, it is necessary that this act take effect
29 immediately.

ASSEMBLY BILL

No. 134

Introduced by Assembly Member Bloom

December 5, 2018

An act relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 134, as introduced, Bloom. Safe, clean, affordable, and accessible drinking water.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would state findings and declarations relating to the intent of the Legislature to adopt policies to ensure that every Californian has the right to safe, clean, affordable, and accessible drinking water.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) Pursuant to Section 106.3 of the Water Code, every human
4 being in the State of California has the right to safe, clean,
5 affordable, and accessible water adequate for human consumption.

- 1 (b) Unfortunately, over one million Californians are exposed
2 to unsafe drinking water each year. Children are particularly at
3 risk because as many as one in four schools in the Central Valley
4 have been impacted by unsafe drinking water.
- 5 (c) In fact, a significant number of California communities,
6 especially disadvantaged communities, rely on a contaminated
7 groundwater source for their drinking water supply. Contaminants
8 include nitrate, arsenic, and disinfectant byproducts.
- 9 (d) The State Water Resources Control Board has identified a
10 total of 331 water systems that are in violation of water quality
11 standards. These water systems serve an estimated 500,000 people
12 throughout the state. Additionally, the number of water systems
13 with 14 or fewer connections that are currently in violation of
14 water quality standards is estimated to be in the thousands.
- 15 (e) Of the 331 systems identified by the State Water Resources
16 Control Board, 68 have violations associated with nitrates and in
17 some cases, additional contaminants. In some of these water
18 systems, unsafe contamination levels persist over time because
19 the local agency cannot generate sufficient revenue from its
20 customer base to implement, operate, or maintain the improvements
21 necessary to address the problem.
- 22 (f) The challenge in these systems is often a product of a
23 combination of factors, including the high costs of the investments
24 required, low income of the customers, and the small number of
25 customers across whom the costs would need to be spread.
- 26 (g) Water treatment systems are the key to providing safe
27 drinking water to these communities, but the installation, operation,
28 and maintenance of such systems are often very costly and there
29 is no source of funding dedicated to this ongoing need.
- 30 (h) Therefore, it is the intent of the Legislature to adopt policies
31 that will end this injustice and ensure that pursuant to California
32 law, every Californian has the right to safe, clean, affordable, and
33 accessible drinking water.

AMENDED IN SENATE MARCH 11, 2019

SENATE BILL

No. 200

Introduced by Senator Monning

(Principal coauthor: Assembly Member Eduardo Garcia)

January 31, 2019

An act to add Chapter 4.6 (commencing with Section 116765) to Part 12 of Division 104 of the Health and Safety Code, relating to ~~water~~ *water, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

SB 200, as amended, Monning. Safe and Affordable Drinking Water Fund.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are ~~available, upon appropriation by the Legislature,~~ *continuously appropriated to the ~~board~~ board. The bill would require the board to administer the fund* to provide a stable source of funding to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. *The bill would authorize the board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and bequests. The bill would require the board to expend moneys in the fund for grants, loans, contracts, or services to assist eligible applicants*

with projects relating to the provision of safe and affordable drinking water. The bill would require the board, working with a multistakeholder advisory group, to adopt a fund implementation plan and policy handbook with priorities and guidelines for expenditures of the fund. The bill would require the board annually to prepare and make available a report of expenditures from the fund. The bill would require the board to adopt annually, after a public hearing, an assessment of funding need that estimates the anticipated funding needed for the next fiscal year to achieve the purposes of the fund. The bill would require, by January 1, 2021, the board, in consultation with local health officers and other relevant stakeholders, to make available a map of aquifers that are used or likely to be used as a source of drinking water that are at high risk of containing contaminants and to make available a map of residential areas that are at high risk of containing contaminants at the tap that exceed health standards. For purposes of the map, the bill would require local health officers and other relevant local agencies to provide all results of, and data associated with, water quality testing performed by certified laboratories to the board, as specified. By imposing additional duties on local health officers and local agencies, the bill would impose a state-mandated local program. By creating a new continuously appropriated fund, this bill would make an appropriation.

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 if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Chapter 4.6 (commencing with Section 116765)
- 2 is added to Part 12 of Division 104 of the Health and Safety Code,
- 3 to read:

1
2 *CHAPTER 4.6. SAFE AND AFFORDABLE DRINKING WATER*

3
4 *Article 1. Legislative Findings and Declarations*

5
6 *116765. The Legislature finds and declares all of the following:*

7 *(a) Section 106.3 of the Water Code declares that it is the policy*
8 *of the state that every human being has the right to safe, clean,*
9 *affordable, and accessible water adequate for human consumption,*
10 *cooking, and sanitary purposes.*

11 *(b) For all public water systems, the operation and maintenance*
12 *costs to supply, treat, and distribute potable water that complies*
13 *with federal and state drinking water standards on a routine and*
14 *consistent basis may be significant.*

15 *(c) All community water systems are currently required to set,*
16 *establish, and charge a schedule of rates and fees that are sufficient*
17 *to recover the operation and maintenance costs required to supply,*
18 *treat, and distribute potable water that complies with federal and*
19 *state drinking water standards on a routine and consistent basis.*

20 *(d) Hundreds of community water systems in the state cannot*
21 *charge rates and fees that are affordable and sufficient to recover*
22 *the full operation and maintenance costs required to supply, treat,*
23 *and distribute potable water that complies with federal and state*
24 *drinking water standards on a routine and consistent basis due to*
25 *a combination of low income levels of customers, high treatment*
26 *costs for contaminated water sources, and a lack of economies of*
27 *scale that result in high unit costs for water service. Many schools*
28 *that serve as their own regulated public water systems and have*
29 *contaminated water sources cannot afford the full operation and*
30 *maintenance costs required to provide water that meets federal*
31 *and state drinking water standards.*

32 *(e) Nearly all state or federal drinking water project funding*
33 *sources prohibit the use of that funding for long-term operation*
34 *and maintenance costs, and as a result, those systems that cannot*
35 *afford required operation and maintenance costs are unable to*
36 *access funding for capital projects to meet federal and state*
37 *drinking water standards.*

38 *(f) As a result, hundreds of thousands of Californians,*
39 *particularly those living in small disadvantaged communities, may*
40 *be exposed to unsafe drinking water in their homes and schools,*

1 *which impacts human health, household costs, and community*
2 *economic development.*

3 *(g) A significant number of California residents rely on state*
4 *small water systems and domestic wells to provide their drinking*
5 *water.*

6 *(h) The state small water systems and individual domestic wells*
7 *face a serious threat of contamination because they often draw*
8 *their water from shallow groundwater sources and have fewer or*
9 *no chemical monitoring requirements.*

10 *(i) To ensure that the right of every Californian to safe, clean,*
11 *affordable, and accessible water adequate for human consumption,*
12 *cooking, and sanitary purposes is protected, it is in the interest of*
13 *the State of California to identify where Californians are at high*
14 *risk of lacking reliable access to safe drinking water or are known*
15 *to lack reliable access to safe drinking water, whether they rely*
16 *on a public water system, state small water system, or domestic*
17 *well for their potable water supply.*

18 *(j) Long-term sustainability of drinking water infrastructure*
19 *and service provision is necessary to secure safe drinking water*
20 *for all Californians and therefore it is in the interest of the state*
21 *to discourage the proliferation of new, unsustainable public water*
22 *systems and state small water systems, to prevent waste, and to*
23 *encourage consolidation and service extension when feasible.*

24 *(k) It is in the interest of all Californians to establish a fund*
25 *with a stable source of revenue to provide financial support,*
26 *particularly for operation and maintenance, necessary to secure*
27 *access to safe drinking water for all Californians, while also*
28 *ensuring the long term sustainability of drinking water service*
29 *and infrastructure.*

30

31

Article 2. Definitions

32

33 *116766. For the purposes of this chapter:*

34 *(a) “Administrator” has the same meaning as defined in Section*
35 *116686.*

36 *(b) “Board” means the State Water Resources Control Board.*

37 *(c) “Community water system” has the same meaning as defined*
38 *in Section 116275.*

39 *(d) “Disadvantaged community” has the same meaning as*
40 *defined in Section 116275.*

1 (e) “Domestic well” means a groundwater well used to supply
2 water for the domestic needs of an individual residence or water
3 systems that are not public water systems and that have no more
4 than four service connections.

5 (f) “Eligible applicant” means a public water system, including,
6 but not limited to, a mutual water company; a public utility; a
7 public agency, including, but not limited to, a local educational
8 agency that owns or operates a public water system; a nonprofit
9 organization; a federally recognized Indian tribe; a state Indian
10 tribe listed on the Native American Heritage Commission’s
11 California Tribal Consultation List; an administrator; or a
12 groundwater sustainability agency.

13 (g) “Fund” means the Safe and Affordable Drinking Water
14 Fund established pursuant to Section 116767.

15 (h) “Fund implementation plan” means the fund implementation
16 plan adopted pursuant to Section 116769.

17 (i) “Groundwater sustainability agency” has the same meaning
18 as defined in Section 10721 of the Water Code.

19 (j) “Low-income household” means a household with an income
20 that is less than 80 percent of the statewide median household
21 income.

22 (k) “Public water system” has the same meaning as defined in
23 Section 116275.

24 (l) “Replacement water” includes, but is not limited to, bottled
25 water, vended water, point-of-use, or point-of-entry treatment
26 units.

27 (m) “Safe drinking water” has the same meaning as defined in
28 Section 116681.

29 (n) “Service connection” has the same meaning as defined in
30 Section 116275.

31 (o) “State small water system” has the same meaning as defined
32 in Section 116275.

33 (p) “Vended water” has the same meaning as defined in Section
34 111070.

35
36 *Article 3. Safe and Affordable Drinking Water Fund*

37
38 *116767. The Safe and Affordable Drinking Water Fund is*
39 *hereby established in the State Treasury. Notwithstanding Section*
40 *13340 of the Government Code, all moneys in the fund are*

1 continuously appropriated to the board without regard to fiscal
2 years, in accordance with this chapter. Moneys in the fund at the
3 close of the fiscal year shall remain in the fund and shall not revert
4 to the General Fund. Moneys in the fund shall not be available for
5 appropriation or borrowed for use for any purpose not established
6 in this chapter unless that use of the moneys receives an affirmative
7 vote of two-thirds of the membership in each house of the
8 Legislature.

9 116768. (a) The board shall administer the fund for the
10 purposes of this chapter to provide a source of funding to secure
11 access to safe drinking water for all Californians, while also
12 ensuring the long-term sustainability of drinking water service
13 and infrastructure. The board shall prioritize the use of this funding
14 to assist disadvantaged communities served by a public water
15 system and low-income households served by a state small water
16 system or a domestic well. The board shall consider and prioritize,
17 where appropriate, the use of funding for consolidation or
18 extension of service or both. In order to maximize the use of other
19 funding sources for capital construction projects when available,
20 the board shall prioritize use of this funding for costs other than
21 those related to capital construction costs, except for capital
22 construction costs associated with consolidation and service
23 extension to reduce the ongoing unit cost of service and to increase
24 sustainability of drinking water infrastructure and service delivery.
25 Beginning January 1, 2021, an expenditure from the fund shall be
26 consistent with the annual fund implementation plan.

27 (b) In accordance with subdivision (a), the board shall expend
28 moneys in the fund for grants, loans, contracts, or services to assist
29 eligible applicants with any of the following:

30 (1) The provision of replacement water, as needed, to ensure
31 immediate protection of health and safety as a short-term solution.

32 (2) The development, implementation, and sustainability of
33 long-term drinking water solutions, including, but not limited to,
34 technical assistance, planning, construction, repair, and operation
35 and maintenance costs associated with replacing, blending, or
36 treating contaminated drinking water, or with fixing failing water
37 systems, pipes, or fixtures; operation and maintenance costs
38 associated with consolidated water systems, extended drinking
39 water services, or reliance on a substituted drinking water source;
40 creating and maintaining natural means and green infrastructure

1 solutions that contribute to sustainable drinking water;
2 consolidating water systems; extending drinking water services
3 to other public water systems, domestic wells, or state small water
4 systems; and the satisfaction of outstanding long-term debt
5 obligations of public water systems where the board determines
6 that a system's lack of access to capital markets renders this
7 solution the most cost-effective for removing a financial barrier
8 to the system's sustainable, long-term provision of drinking water.
9 Technical assistance and planning costs may include, but are not
10 limited to, analyses to identify, and efforts to further, opportunities
11 to reduce the unit cost of providing drinking water through
12 organizational and operational efficiency improvements, system
13 consolidation and service extension, implementation of new
14 technology, and other options and approaches to reduce costs.

15 (3) Identifying and providing outreach to Californians who are
16 eligible to receive assistance from the fund.

17 (4) Testing the drinking water quality of domestic wells serving
18 low-income households, prioritizing those in high-risk areas
19 identified pursuant to Article 4 (commencing with Section 116770).

20 (5) The provision of administrative and managerial services
21 under Section 116686.

22 (c) Notwithstanding Section 11019 of the Government Code,
23 the board may make advance payments as necessary to implement
24 the purposes of this chapter.

25 (d) The board may expend moneys from the fund for reasonable
26 costs associated with administration of this section. Beginning
27 July 1, 2023, the board may expend no more than 5 percent of the
28 annual revenues of the fund for reasonable costs associated with
29 administration of this section.

30 (e) The board may undertake any of the following actions to
31 implement the fund:

32 (1) Provide for the deposit of both of the following moneys into
33 the fund:

34 (A) Federal contributions.

35 (B) Voluntary contributions, gifts, grants, or bequests.

36 (2) Enter into agreements for contributions to the fund from the
37 federal government, local or state agencies, and private
38 corporations or nonprofit organizations.

39 (3) Provide for appropriate audit, accounting, and fiscal
40 management services, plans, and reports relative to the fund.

1 (4) Direct portions of the fund to a subset of eligible applicants
2 as required or appropriate based on funding source and consistent
3 with the annual fund implementation plan.

4 (5) Direct moneys deposited into the fund described in
5 subparagraph (B) of paragraph (1) towards a specific project,
6 program, or study.

7 (6) Take additional action as may be appropriate for adequate
8 administration and operation of the fund.

9 (f) In administering the fund, the board shall make reasonable
10 efforts to ensure both of the following:

11 (1) That funds are used to secure the long-term sustainability
12 of drinking water service and infrastructure, including, but not
13 limited to, requiring adequate technical, managerial, and financial
14 capacity of eligible applicants as part of funding agreement
15 outcomes. Funding shall be prioritized to implement consolidations
16 and service extensions when feasible, and administrative and
17 managerial contracts or grants entered into pursuant to Section
18 116686 where applicable. Funds shall not be used to delay,
19 prevent, or avoid the consolidation or extension of service to public
20 water systems where it is feasible and the least-cost alternative.
21 The board may set appropriate requirements as a condition of
22 funding, including, but not limited to, a system technical,
23 managerial, or financial capacity audit, improvements to reduce
24 costs and increase efficiencies, an evaluation of alternative
25 treatment technologies, and a consolidation or service extension
26 feasibility study. As a condition of funding, the board may require
27 a domestic well with nitrate contamination where ongoing septic
28 system failure may be causing or contributing to contamination
29 of a drinking water source to conduct an investigation and project
30 to address the septic system failure if adequate funding sources
31 are identified and accessible.

32 (2) That funds are not used to subsidize large-scale nonpotable
33 use.

34 (g) At least once every 10 years, the board shall conduct a public
35 review and assessment of the fund to determine all of the following:

36 (1) The effectiveness of the fund in securing access to safe
37 drinking water for all Californians, while also ensuring the
38 long-term sustainability of drinking water service and
39 infrastructure.

1 (2) *If the moneys deposited into the fund have been appropriately*
2 *expended.*

3 (3) *What other actions are necessary to carry out the purposes*
4 *of this chapter.*

5 (h) *Neither the board nor any employee of the board may be*
6 *held liable for any act that is necessary to carry out the purposes*
7 *of this chapter. The board or any authorized person shall not be*
8 *deemed to have incurred or to be required to incur any obligation*
9 *to provide additional funding or undertake additional action solely*
10 *as a result of having undertaken an action pursuant to this chapter.*

11 116769. *By July 1 of each year, the board shall do all of the*
12 *following:*

13 (a) *Prepare and make available a report of expenditures from*
14 *the fund.*

15 (b) *Adopt, after a public hearing, an assessment of funding need,*
16 *based on available data, that includes all of the following:*

17 (1) *Identification of systems and populations potentially in need*
18 *of assistance, including, but not limited to, all of the following:*

19 (A) *A list of systems that consistently fail to provide an adequate*
20 *supply of safe drinking water. The list shall include, but is not*
21 *limited to, all of the following:*

22 (i) *Any public water system that consistently fails to provide an*
23 *adequate supply of safe drinking water.*

24 (ii) *Any community water system that serves a disadvantaged*
25 *community that must charge fees that exceed the affordability*
26 *threshold established by the board in order to supply, treat, and*
27 *distribute potable water that complies with federal and state*
28 *drinking water standards.*

29 (iii) *Any state small water system that consistently fails to*
30 *provide an adequate supply of safe drinking water.*

31 (B) *A list of programs that assist, or that will assist, households*
32 *supplied by a domestic well that consistently fails to provide an*
33 *adequate supply of safe drinking water. This list shall include the*
34 *number and approximate location of households served by each*
35 *program without identifying exact addresses or other personal*
36 *information.*

37 (C) *A list of public water systems and state small water systems*
38 *that may be at risk of failing to provide an adequate supply of safe*
39 *drinking water.*

1 (D) An estimate of the number of households that are served by
2 domestic wells or state small water systems in high-risk areas
3 identified pursuant to Article 4 (commencing with Section 116770).
4 The estimate shall identify approximate locations of households,
5 without identifying exact addresses or other personal information,
6 in order to identify potential target areas for outreach and
7 assistance programs.

8 (E) A list of programs that assist, or that will assist, households
9 and schools whose tap water contains contaminants, such as lead
10 or other secondary contaminants, at levels that exceed
11 recommended standards. This list shall include the number and
12 approximate location of households served by each program
13 without identifying exact addresses or other personal information.

14 (2) An analysis of anticipated funding, per contaminant, needed
15 for known projects, services, or programs by eligible applicants,
16 consistent with the fund implementation plan, including any funding
17 needed for existing long-term funding commitments from the fund.
18 The board shall identify and consider other existing funding
19 sources able to support any projects, services, or programs
20 identified, including, but not limited to, local funding capacity,
21 state or federal funding sources for capital projects, funding from
22 responsible parties, and specialized funding sources contributing
23 to the fund.

24 (3) An estimate of the funding needed for the next fiscal year
25 based on the amount available in the fund, anticipated funding
26 needs, other existing funding sources, and other relevant data and
27 information.

28 (c) (1) Adopt, after a public hearing, a fund implementation
29 plan and policy handbook with priorities and guidelines for
30 expenditures of the fund.

31 (2) The board shall work with a multistakeholder advisory group
32 to establish priorities and guidelines for the fund implementation
33 plan and policy handbook. The multistakeholder advisory group
34 shall be open to participation by all of the following:

35 (A) Representatives of entities paying into the fund.

36 (B) Public water systems.

37 (C) Technical assistance providers.

38 (D) Local agencies.

39 (E) Nongovernmental organizations.

1 (F) Residents served by community water systems in
2 disadvantaged communities, state small water systems, and
3 domestic wells.

4 (G) The public.

5 (3) The adoption of a fund implementation plan and policy
6 handbook and the implementation of the fund pursuant to the policy
7 handbook are not subject to the Administrative Procedure Act
8 (Chapter 3.5 (commencing with Section 11340) of Part 1 of
9 Division 3 of Title 2 of the Government Code).

10 116769.5. The board may expend moneys from the fund for
11 reasonable costs associated with the administration of Section
12 116769 and Article 4 (commencing with Section 116770).
13 Beginning July 1, 2023, the board shall not expend more than 3
14 percent of the annual revenue of the fund for the reasonable costs
15 of administering Section 116769 and Article 4 (commencing with
16 Section 116770).

17

18

Article 4. Information on High-risk Areas

19

20 116770. (a) (1) By January 1, 2021, the board, in consultation
21 with local health officers and other relevant stakeholders, shall
22 use available data to make available a map of aquifers that are at
23 high risk of containing contaminants and that exceed primary
24 federal and state drinking water standards that are used or likely
25 to be used as a source of drinking water for a state small water
26 system or a domestic well. The board shall update the map at least
27 annually based on any newly available data.

28 (2) The board shall make the map of high-risk areas, as well as
29 the data used to make the map, publicly accessible on its internet
30 website in a manner that does not identify exact addresses or other
31 personal information and that complies with the Information
32 Practices Act of 1977 (Chapter 1 (commencing with Section 1798)
33 of Title 1.8 of Part 4 of Division 3 of the Civil Code). The board
34 shall notify local health officers and county planning agencies of
35 high-risk areas within their jurisdictions.

36 (b) (1) By January 1, 2021, a local health officer or other
37 relevant local agency shall provide to the board all results of, and
38 data associated with, water quality testing performed by certified
39 laboratories for a state small water system or domestic well that

1 was collected after January 1, 2014, and that is in the possession
2 of the local health officer or other relevant local agency.

3 (2) By January 1, 2022, and by January 1 of each year
4 thereafter, all results of, and data associated with, water quality
5 testing performed by a certified laboratory for a state small water
6 system or domestic well that is submitted to a local health officer
7 or other relevant local agency shall also be submitted directly to
8 the board in electronic format.

9 (c) By January 1, 2021, the board, in consultation with local
10 health officers and other relevant stakeholders, shall use available
11 data to make available a map of residential areas that are at high
12 risk of containing contaminants at the tap that exceed health
13 standards, including, but not limited to, lead and secondary
14 contaminants. The board shall update the map at least annually
15 based on any newly available data.

16 (d) A map of high-risk areas developed pursuant to this article
17 is not subject to the Administrative Procedure Act (Chapter 3.5
18 (commencing with Section 11340) of Part 1 of Division 3 of Title
19 2 of the Government Code).

20 SEC. 2. If the Commission on State Mandates determines that
21 this act contains costs mandated by the state, reimbursement to
22 local agencies and school districts for those costs shall be made
23 pursuant to Part 7 (commencing with Section 17500) of Division
24 4 of Title 2 of the Government Code.

25 SECTION 1. ~~Chapter 4.6 (commencing with Section 116765)~~
26 ~~is added to Part 12 of Division 104 of the Health and Safety Code,~~
27 ~~to read:~~

28
29 ~~CHAPTER 4.6. SAFE AND AFFORDABLE DRINKING WATER~~

30
31 ~~116765. The Legislature finds and declares all of the following:~~

32 ~~(a) Section 106.3 of the Water Code declares that it is the policy~~
33 ~~of the state that every human being has the right to safe, clean,~~
34 ~~affordable, and accessible water adequate for human consumption,~~
35 ~~cooking, and sanitary purposes.~~

36 ~~(b) For all public water systems, the operation and maintenance~~
37 ~~costs to supply, treat, and distribute potable water that complies~~
38 ~~with federal and state drinking water standards on a routine and~~
39 ~~consistent basis may be significant.~~

1 ~~(e) All public water systems are currently required to set,~~
2 ~~establish, and charge a schedule of rates and fees that are sufficient~~
3 ~~to recover the operation and maintenance costs required to supply,~~
4 ~~treat, and distribute potable water that complies with federal and~~
5 ~~state drinking water standards on a routine and consistent basis.~~

6 ~~(d) Hundreds of public water systems in the state cannot charge~~
7 ~~rates and fees that are affordable and sufficient to recover the full~~
8 ~~operation and maintenance costs required to supply, treat, and~~
9 ~~distribute potable water that complies with federal and state~~
10 ~~drinking water standards on a routine and consistent basis due to~~
11 ~~a combination of low-income levels of customers, high treatment~~
12 ~~costs for contaminated water sources, and a lack of economies of~~
13 ~~scale that result in high unit costs for water service. Many schools~~
14 ~~that serve as their own regulated public water systems and have~~
15 ~~contaminated water sources cannot afford the full operation and~~
16 ~~maintenance costs required to provide water that meets federal~~
17 ~~and state drinking water standards.~~

18 ~~(e) Nearly all state or federal drinking water project funding~~
19 ~~sources prohibit the use of that funding for operation and~~
20 ~~maintenance costs, and as a result, those systems that cannot afford~~
21 ~~required operation and maintenance costs are unable to access~~
22 ~~funding for capital projects to meet federal and state drinking water~~
23 ~~standards.~~

24 ~~(f) As a result, close to one million Californians, particularly~~
25 ~~those living in small disadvantaged communities, may be exposed~~
26 ~~to unsafe drinking water in their homes and schools, which impacts~~
27 ~~human health, household costs, and community economic~~
28 ~~development.~~

29 ~~(g) A significant number of California residents rely on state~~
30 ~~small water systems and domestic wells to provide their drinking~~
31 ~~water.~~

32 ~~(h) State small water systems and individual domestic wells~~
33 ~~face a serious threat of contamination because they often draw~~
34 ~~their water from shallow groundwater sources and have fewer or~~
35 ~~no chemical monitoring requirements.~~

36 ~~(i) State small water systems and domestic wells are not~~
37 ~~currently subject to any comprehensive federal or state~~
38 ~~requirements for chemical water quality monitoring. Many local~~
39 ~~agencies do not require any monitoring beyond what is required~~

1 by state law and there are wide discrepancies among local
2 jurisdictions in well monitoring programs.

3 (j) To ensure that the right of every Californian to safe, clean,
4 affordable, and accessible water adequate for human consumption,
5 cooking, and sanitary purposes is protected, it is in the interest of
6 the State of California to identify where Californians are at high
7 risk of lacking reliable access to safe drinking water or are known
8 to lack reliable access to safe drinking water, whether they rely on
9 a public water system, state small water system, or domestic well
10 for their potable water supply.

11 (k) Long-term sustainability of drinking water infrastructure
12 and service provision is necessary to secure safe drinking water
13 for all Californians and therefore it is in the interest of the state to
14 discourage the proliferation of new, unsustainable public water
15 systems and state small water systems, to prevent waste, and to
16 encourage consolidation and service extension when feasible.

17 (l) It is in the interest of all Californians to establish a fund with
18 a stable source of revenue to provide financial support, particularly
19 for operation and maintenance, necessary to secure access to safe
20 drinking water for all Californians, while also ensuring the
21 long-term sustainability of drinking water service and
22 infrastructure.

23 116766. The Safe and Affordable Drinking Water Fund is
24 hereby established in the State Treasury. Moneys in the fund shall
25 be available to the State Water Resources Control Board, upon
26 appropriation by the Legislature, for the purposes of this chapter
27 to provide a stable source of funding to secure access to safe
28 drinking water for all Californians, while also ensuring the
29 long-term sustainability of drinking water service and
30 infrastructure.

ASSEMBLY BILL

No. 217

**Introduced by Assembly Member Eduardo Garcia
(Coauthor: Assembly Member Bloom)**

January 16, 2019

An act to add Chapter 4.6 (commencing with Section 116765) to Part 12 of Division 104 of the Health and Safety Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 217, as introduced, Eduardo Garcia. Safe and Affordable Drinking Water Fund.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are available, upon appropriation by the Legislature, to the board to provide a stable source of funding to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 4.6 (commencing with Section 116765)
2 is added to Part 12 of Division 104 of the Health and Safety Code,
3 to read:

4
5 CHAPTER 4.6. SAFE AND AFFORDABLE DRINKING WATER

6
7 116765. The Safe and Affordable Drinking Water Fund is
8 hereby established in the State Treasury. Moneys in the fund shall
9 be available to the State Water Resources Control Board, upon
10 appropriation by the Legislature, for the purposes of this chapter
11 to provide a stable source of funding to secure access to safe
12 drinking water for all Californians, while also ensuring the
13 long-term sustainability of drinking water service and
14 infrastructure.

O



Southeast Water Coalition

A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION JOINT POWERS AUTHORITY AGENDA REPORT

Date: March 21, 2019
To: Southeast Water Coalition Administrative Entity
From: Kyle Cason, AE Chair, City of Whittier
Subject: **Program Management Services RFP**

Recommendation: That the Board of Directors take the following action:

Receive and file a status on the Request for Proposals for SEWC Program Management Services.

Background:

At their February 7, 2019 Board of Directors meeting, the SEWC Policy Board voted to approve the Request for Proposals for Program Management Services for the Southeast Water Coalition (attached), and authorized the Administrative Entity to begin informal bid process for Program Management Services.

The Standard Consultant Agreement stipulates a two-year contract for Program Management Services. The agreement also includes the Scope of Work (Attachment A) and the SEWC Strategic Plan (Appendix C).

The RFP was sent out to prospective candidates on March 13, 2019. Proposals are due on April 10, 2019 by 5pm.

It is recommended the Administrative Entity receive and file a status on the Program Management Services RFP.

Attachment(s):

1. SEWC Program Management Services RFP

REQUEST FOR PROPOSALS

Program Management Services

Southeast Water Coalition

The Southeast Water Coalition (SEWC) invites qualified consultants to submit qualifications and a proposal to provide administrative support for the SEWC's Administrative Entity and Policy Board. For additional information with regard to this Request for Proposals, please contact Phuong Nguyen at (562)-567-9507 or via email at pnguyen@cityofwhittier.org.

Submission of a proposal shall constitute acknowledgement and acceptance of all terms and conditions contained in this RFP and all appendices hereto.

REQUIREMENTS OF PROPOSAL CONTENTS:

I. Statement of Qualification:

The statement of qualifications must include the following elements:

1. Cover Letter:
Proposal shall include a letter of interest signed by a principal or authorized representative who can make legally binding commitments for the entity. Include type of business entity.
2. Firm & Team Experience:
Proposal shall demonstrate firm's experience in managing tasks listed in Appendix A-Scope of Work and relevant experience in water resources and groundwater contaminated plume in Los Angeles County. Include resumes of key personnel who will perform the proposed services.
3. Scope of Services:
Proposal shall include a Scope of Services, which details the tasks to be accomplished and the deliverables to be provided.

II. Compensation & Reimbursable Cost:

1. Proposal shall include a not to exceed limit Fee Proposal and a Fee Schedule that clearly breaks down costs by task.
2. Include the firm's Standard Hourly Fee Schedule.
3. Provide a list of what your firm considers reimbursable.

TERM OF CONTRACT AGREEMENT:

The SEWC desires to enter into a contract with a two-year term. This term is outlined in the Standard Consultant Agreement, as contained in Appendix B: Standard Agreement in the Appendix of this RFP.

APPENDIX A
SCOPE OF WORK

SEWC PROGRAM MANAGEMENT SERVICES

SCOPE OF WORK

BACKGROUND

The Southeast Water Coalition Joint Powers (SEWC) was created in July 1991 and is comprised of eleven cities. These agencies formed a joint power authority to improve and protect the quantity and quality of the regional water supply. SEWC's water purveyors service a population of 670,000 in a service area of 93+ square miles.

The SEWC Board of Directors consists of one representative (normally a Councilmember) from each member city. The Administrative Entity acts as a steering committee consisting of one Public Works type staff member from each member city plus three non-voting (advisory) members from the Central Basin Watermaster, Golden State Water Company, and California Water Service (two private utilities serving several member cities).

SEWC's mission is to prevent the contamination of the Central Groundwater Basin from migrating contaminated groundwater and to encourage good governance of water policies to ensure the availability of reliable, quality, and affordable water.

DESCRIPTION OF WORK

Monthly Meetings

The consultant shall provide administrative support for the Southeast Water Coalition's Administrative Entity (AE) and Policy Board's bi-monthly meetings as well as prepare the meetings' agenda, staff reports (as requested) and the previous meetings' minutes. Responsibilities also include researching and providing supporting documents for each meetings' agenda items.

The consultant shall attend each monthly meetings and provide general administrative support including, but not limited to, the following:

1. Provide a meeting sign-in list.
2. Supply additional copies of the agenda packet and copies of supporting documents, as required.
3. Ensure that the approved minutes of the previous meeting are signed by the AE Chair or Policy Board Chair and provide them to the Lead Agency representative for retention.
4. Take minutes at each meeting.
5. Ensure necessary A/V or meeting equipment is provided at the meeting venue.
6. Ensure proper meeting room setup and assist with the coordination of meeting catering, as requested.
7. Provide general administrative support for the monthly meetings.
8. Coordinate meeting presentations with other agencies.

Monthly Support

The Consultant shall provide general administrative support to the AE and Policy Board. These activities may include the following:

1. Preparation of administrative documents such as the annual budget.
2. Preparation and submittal of State or Federal forms.
3. Preparation and submittal of position letters to regulatory agencies, elected officials, water providers, and other interested parties.
4. Assist with the coordination of communication and notifications among the AE members and between the AE and the Policy Board.
5. Coordinate meetings and presentations with other agencies.
6. Other duties as assigned.

Tracking and Updating

1. Track Strategic Plan progress and update project list (Appendix C-SEWC Strategic Plan).
2. Track grant opportunities.
3. Update and submit JPA and Form 700 filings.
4. Monitoring of legislative bills which affect SEWC member agencies and provide monthly updates.

APPENDIX B

STANDARD AGREEMENT FOR PROFESSIONAL SERVICES (SAMPLE)

**SOUTHEAST WATER COALITION
PROFESSIONAL SERVICES AGREEMENT
WITH MEANS CONSULTING, LLC
FOR STRATEGIC PLANNING SERVICES**

THIS AGREEMENT is made and entered into as of the ___day of _____ by and between the **Southeast Water Coalition**, a California joint powers entity, (hereinafter referred to as “SEWC”) and _____, (“Consultant”). SEWC and Consultant are sometimes individually referred to as “Party” and collectively as “Parties.”

R E C I T A L S

A. Consultant desires to assist SEWC in providing administrative support for the SEWC’s Administrative Entity and Policy Board on the terms and conditions set forth in this Agreement; and

B. Consultant represents that it has demonstrated competence and experience in providing professional consulting services for the specific services described in Exhibit “B” (Consultant’s Proposal); and

C. SEWC desires to retain Consultant to render such services subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of performance by the parties of the mutual promises, covenants, and conditions herein contained, the Parties hereto agree as follows:

1. Consultant’s Services.

1.1 Scope of Services. Consultant shall provide the professional services described in the Consultant’s Proposal (“Proposal”), attached hereto as Exhibit “B” and incorporated herein by this reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

1.2 Personnel. Consultant represents that it has, or will secure at its own expense, all personnel required to perform the Services. All of the Services will be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such work.

1.3 Party Representatives. For the purposes of this Agreement, SEWC Representative shall be the Chair of the Administrative Entity or such other person designated by the SEWC Policy Board (the “SEWC Representative”). For the purposes

of this Agreement, the Consultant Representative shall be Mr. Ed Means (the "Consultant Representative").

1.4 Time of Performance. Consultant shall commence the Services upon receipt of a Notice to Proceed and shall perform and complete the Services within the time required in Exhibit B.

2. Term of Agreement. This Agreement shall commence on the Effective Date and continue for a period of _____ months, ending on _____, 20____, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

3. Compensation. Subject to the maximum sum hereafter provided, SEWC shall pay Consultant at the rate of _____ (\$_____.00) per hour. The maximum amount of compensation which Consultant shall be entitled to receive pursuant to this Agreement is \$_____ for the term set forth in Section 2. SEWC shall not withhold applicable federal or state payroll and other required taxes, or other deductions from payments made to the Consultant. No claims for additional services performed by Consultant will be allowed unless such additional work is authorized by the SEWC Policy Board in writing prior to the performance of such services or the incurrence of such expenses. Any additional services authorized by the SEWC Policy Board shall be compensated at a rate mutually agreed to by the parties.

4. Method of Payment.

4.1 Invoices. Not later than the fifteenth (15th) day, Consultant shall submit to SEWC an invoice for all services performed. The invoices shall describe in detail the services rendered during the period and shall show the hours worked and services provided each day, SEWC Administrative Entity and Policy Board meetings attended, and expenses incurred since the last bill. SEWC shall review each invoice and notify Consultant in writing within ten (10) business days of any disputed amounts.

4.2 Payment. SEWC shall pay all undisputed portions of each invoice within thirty (30) calendar days after receipt of the invoice up to the maximum amount set forth in Exhibit B.

4.3 Audit of Records. Upon SEWC providing 24-hour prior notice, Consultant shall make all records, invoices, time cards, cost control sheets and other records created or maintained by Consultant in connection with this Agreement available to SEWC for review and audit by SEWC. SEWC shall conduct any such review and audit at any time during Consultant's regular working hours.

5. Standard of Performance. Consultant shall perform all Services under this Agreement in accordance with the standard of care generally exercised by like professionals under similar circumstances and in a manner reasonably satisfactory to SEWC.

6. Ownership of Work Product. All reports, documents or other written material developed by Consultant in the performance of this Agreement shall be and remain the property of SEWC without restriction or limitation upon its use or dissemination by SEWC. Such material shall not be the subject of a copyright application by Consultant. Any alteration or reuse by SEWC of any such materials on any project other than the project for which they were prepared shall be at the sole risk of SEWC unless SEWC compensates Consultant for such reuse.

7. Status as Independent Contractor. Consultant is, and shall at all times remain as to SEWC, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of SEWC. Neither SEWC nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its officers, agents or employees are in any manner employees of SEWC, provided, however, that nothing contained in this provision shall be construed or interpreted so as to deprive Consultant of any and all defenses or immunities available to public officials acting in their official capacities. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold SEWC harmless from any and all taxes, assessments, penalties, and interest asserted against SEWC by reason of the independent contractor relationship created by this Agreement. Consultant shall fully comply with the workers' compensation law regarding Consultant and Consultant's employees. Consultant further agrees to indemnify and hold SEWC harmless from any failure of Consultant to comply with applicable workers' compensation laws. SEWC shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to SEWC from Consultant as a result of Consultant's failure to promptly pay to SEWC any reimbursement or indemnification arising under this Section 7.

8. Confidentiality. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant to any person or entity without prior written authorization by SEWC. SEWC shall grant such authorization if disclosure is required by law. All SEWC data shall be returned to SEWC upon the termination of this Agreement. Consultant's covenant under this section shall survive the termination of this Agreement.

9. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, *et seq.*) and Government Code Section 1090. During the term of this Agreement, Consultant shall retain the right to perform similar services for other clients, but Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the SEWC Administrative Entity Chair, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

10. Indemnification. Consultant agrees to indemnify, defend and hold harmless SEWC, and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors and assigns in accordance with the Indemnification and Hold Harmless Agreement and Waiver of Subrogation and Contribution attached hereto as Exhibit A and incorporated herein by this reference. Consultant's covenant under this Section 10 shall survive the termination of this Agreement.

11. Insurance. Consultant shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, with an insurance company admitted to do business in California, rated "A" or better in the most recent Best's Key Insurance Rating Guide, and approved by SEWC, workers' compensation insurance with a minimum limit of \$1,000,000 or the amount required by law, whichever is greater.

12. Cooperation. In the event any claim or action is brought against SEWC relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation, which SEWC might require.

13. Termination. Either party may terminate this Agreement for any reason without penalty or obligation on thirty (30) calendar days' written notice to the other party. Consultant shall be paid for services satisfactorily rendered to the last working day the Agreement is in effect, and Consultant shall deliver all materials, reports, documents, notes, or other written materials compiled through the last working day the Agreement is in effect. Neither party shall have any other claim against the other party by reason of such termination.

14. Notices. Any notices, bills, invoices, or reports required by this Agreement shall be given by first class U.S. mail or by personal service. Notices shall be deemed received on (a) the day of delivery if delivered by hand or overnight courier service during Consultant's and SEWC's regular business hours or by facsimile before or during Consultant's regular business hours; or (b) on the third business day following deposit in the United States mail, postage prepaid, to the addresses heretofore set forth in the Agreement, or to such other addresses as the parties may, from time to time, designate in writing pursuant to the provisions of this section. All notices shall be delivered to the parties at the following addresses:

If to SEWC: City of Whittier (SEWC Lead Agency)
 13230 Penn St
 Whittier, CA 90602
 Phone: (562) 904-9500
 Attn: Kyle Cason, P.E., Assistant Director of Public Works

If to Consultant: _____

Phone: _____
Attn: _____

15. Non-Discrimination and Equal Employment Opportunity. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation.

16. Non-Assignability; Subcontracting. Consultant shall not assign or subcontract all or any portion of this Agreement. Any attempted or purported assignment or sub-contracting by Consultant shall be null, void and of no effect.

17. Compliance with Laws. Consultant shall comply with all applicable federal, state and local laws, ordinances, codes and regulations in the performance of this Agreement.

18. Non-Waiver of Terms, Rights and Remedies. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by SEWC of any payment to Consultant constitute or be construed as a waiver by SEWC of any breach of covenant, or any default which may then exist on the part of Consultant, and the making of any such payment by SEWC shall in no way impair or prejudice any right or remedy available to SEWC with regard to such breach or default.

19. Attorney's Fees. In the event that either party to this Agreement shall commence any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover its costs of suit, including reasonable attorney's fees.

20. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

21. Entire Agreement. This Agreement, and any other documents incorporated herein by specific reference, represents the entire and integrated agreement between Consultant and SEWC. This Agreement supersedes all prior oral or written negotiations, representations or agreements. This Agreement may not be amended, nor

any provision or breach hereof waived, except if approved by the SEWC Policy Board in a writing signed by the parties which expressly refers to this Agreement.

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

Southeast Water Coalition

By: _____
Fernando Dutra, Chair
SEWC Policy Board

ATTEST:

By: _____
Kyle Cason, Administrative Entity Chair

APPROVED AS TO FORM:

By: _____
Steve Dorsey
SEWC Attorney

_____ (Consultant)

By: _____
Name:
Title:

By: _____
Name:
Title:

(Please note, two signatures required for corporations pursuant to California Corporations Code Section 313.)

**INDEMNIFICATION AND HOLD HARMLESS AGREEMENT
AND WAIVER OF SUBROGATION AND CONTRIBUTION**

Contract/Agreement/License/Permit No. or description: SOUTHEAST WATER COALITION PROFESSIONAL SERVICES AGREEMENT WITH MEANS CONSULTING, LLC. FOR STRATEGIC PLANNING SERVICES

Indemnitor(s) *(list all names)*:

To the fullest extent permitted by law, Indemnitor hereby agrees, at its sole cost and expense, to protect, defend, indemnify, and hold harmless the Southeast Water Coalition and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, and assigns (collectively "Indemnitees") from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith (collectively "Liabilities"), resulting from any negligent act, failure to act, error, or omission of Indemnitor or any of its officers, agents, servants, employees, subcontractors, materialmen, suppliers or their officers, agents, servants or employees, arising or claimed to arise, directly or indirectly, out of, in connection with, resulting from, or related to the above-referenced contract, agreement, license, or permit (the "Agreement") or the performance or failure to perform any term, provision, covenant, or condition of the Agreement, including this indemnity provision. This indemnity provision is effective regardless of any prior, concurrent, or subsequent passive negligence by Indemnitees and shall operate to fully indemnify Indemnitees against any such negligence. This indemnity provision shall survive the termination of the Agreement and is in addition to any other rights or remedies which Indemnitees may have under the law. Payment is not required as a condition precedent to an Indemnitee's right to recover under this indemnity provision, and an entry of judgment against the Indemnitor shall be conclusive in favor of the Indemnitee's right to recover under this indemnity provision. Indemnitor shall pay Indemnitees for any attorneys fees and costs incurred in enforcing this indemnification provision. Notwithstanding the foregoing, nothing in this instrument shall be construed to encompass (a) Indemnitees' active negligence or willful misconduct to the limited extent that the underlying Agreement is subject to Civil Code § 2782(a), or (b) the contracting public agency's active negligence to the limited extent that the underlying Agreement is subject to Civil Code § 2782(b). This indemnity is effective without reference to the existence or applicability of any insurance coverages which may have been required under the Agreement or any additional insured endorsements which may extend to Indemnitees.

SEWC agrees to promptly inform Indemnitor in writing of any claim that SEWC believes to be subject to this Indemnification Agreement.

EXHIBIT A

Indemnitor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees, while acting within the

scope of their duties, from all claims, losses and liabilities arising out of or incident to activities or operations performed by or on behalf of the Indemnitor regardless of any prior, concurrent, or subsequent non-active negligence by the Indemnitees.

In the event there is more than one person or entity named in the Agreement as an Indemnitor, then all obligations, liabilities, covenants and conditions under this instrument shall be joint and several.

“Indemnitor”

Name _____

Name _____

By: _____
Its

By: _____
Its

APPENDIX C

SEWC STRATEGIC PLAN

2017 Southeast Water Coalition Strategic Plan

Message from the Board

Welcome to the Southeast Water Coalition's (SEWC) Strategic Plan. This document is a blueprint for how SEWC will respond to current challenges and make the best of future opportunities for the benefit of our customers. It confirms our vision, mission, goals, strategies, and objectives as a Joint Powers Authority dedicated to providing regional water service, supporting the high quality of life and economy of the region.

SEWC was created in July 1991 and is comprised of eleven member cities. The SEWC "region" represents the combined boundaries of the member cities. These agencies formed a Joint Powers Authority (JPA) to improve and protect the quantity and quality of their regional water supply. SEWC's water purveyors service a population of approximately 670,000 in a service area of 93+ square miles.



The initial purpose for the formation of the Southeast Water Coalition was to protect the Central Groundwater Basin from contamination migrating from the San Gabriel Valley Groundwater Basin. Over the years, SEWC has worked diligently with the U.S. Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers to improve the monitoring of groundwater contaminants, determine cost-effective remediation to protect the Whittier Narrows and Central Groundwater Basin from the South El Monte plume, and lobby the EPA for early implementation of remediation projects.

The SEWC Policy Board consists of one representative (normally a Councilmember) from each member city. The Administrative Entity carries out the policies of the Policy Board and consists of: one representative from each member city; three representatives that are employees of three Public Utility Commission-regulated private water companies providing retail water service within the SEWC area; and one ex-officio, non-voting advisory member nominated by California Department of Water Resources. The member cities are:

- Commerce
- Cerritos
- Downey

2017 Southeast Water Coalition Strategic Plan

- Lakewood
- Norwalk
- Paramount
- Pico Rivera
- Santa Fe Springs
- South Gate
- Vernon
- Whittier

SEWC's Policy Board is charting a course for continued success in the future through the development and execution of this Strategic Plan. The Strategic Plan defines the vision, mission, goals, and future business strategy for SEWC. Our commitments to the communities we serve fall into three areas: Groundwater Protection, Advocacy and Communications, and Funding. These commitments are established as the six goals of the Strategic Plan. Our Board actions will consistently support these commitments and we will track the progress against this plan, revisiting the Strategic Plan regularly to adjust as conditions warrant.

Board Member Naresh Solanki
City of Cerritos

Board Member Oralia Rebollo
City of Commerce

Board Chairman Alex Saab
City of Downey

Board Member Todd Rogers
City of Lakewood

Board Member Leonard Shryock
City of Norwalk

Board Member Tom Hansen
City of Paramount

2017 Southeast Water Coalition Strategic Plan

Board Member Gustavo Camacho
City of Pico Rivera

Board Member Juanita Trujillo
City of Santa Fe Springs

Board Member Maria Davila
City of South Gate

Board Member Kelly Nguyen
City of Vernon

Board Member Fernando Dutra
City of Whittier

Administrative Entity Members

- Charlie Emig – Cerritos
- Vince Brar – Cerritos
- Maryam Babaki – Commerce
- Gina Nila – Commerce
- Dan Mueller – Downey
- Lourdes Vargas – Downey
- Jason Wen – Lakewood
- Adriana Figueroa – Norwalk
- Julian Lee – Norwalk
- Chris Cash – Paramount
- Sarah Ho – Paramount
- James Enriquez – Pico Rivera
- Gabriel Gomez – Pico Rivera
- Frank Beach – Santa Fe Springs
- Noe Negrete – Santa Fe Springs



2017 Southeast Water Coalition Strategic Plan

- Arturo Cervantes – South Gate
- Chris Castillo – South Gate
- Gladis Deras – South Gate
- Mike DeFrank – Vernon
- Todd Dusenberry -- Vernon
- David Schickling – Whittier

Consultant Support

- Ed Means – Means Consulting LLC
- Kristen Sales – KJ Services Environmental Consulting
- Kevin Sales - KJ Services Environmental Consulting

Introduction

The Strategic Plan was developed under the guidance of the SEWC Board of Directors and Administrative Entity. This team met over an approximate six-month period including multiple Administrative Entity and Board workshops.

The focus of strategic deliberations was the recognition of key issues SEWC will face in the next five-year planning horizon (and beyond). Workshops identified strengths, weaknesses, opportunities, and threats (SWOT Analysis) that the Strategic Plan should consider. Major challenges for SEWC include actively tracking and synthesizing information for Policy Board consideration related to protecting the Central Basin from contamination, advocating for water policy that is in the interest of the Central Basin, and seeking funding to support SEWC programs and member projects. The Board adopted the Strategic Plan in April of 2017.

The five-year Strategic Plan will be implemented and tracked through the annual budget process. Strategic Plan activities will be budgeted in later years and subject to Board review and approval. In the future, staff will ensure the proposed budgets reflect the priorities established in the Strategic Plan.

2017 Southeast Water Coalition Strategic Plan

Vision Statement

“SEWC is a valued advocate for safe and reliable water supplies that support the quality of life and economy of the southeast Los Angeles region”



Mission Statement

SEWC's mission is to advocate for water policies that ensure the availability of reliable, quality, and affordable water.

Values

The Policy Board and Administrative Entity have adopted the following values to guide the internal and external interactions of SEWC:

- Integrity - the quality of being honest and having strong moral principles
- Open communication – we will communicate in an unreserved and objective fashion
- Collaboration – we will work jointly to achieve the Coalition’s goals
- Public stewardship of resources – we will carefully and prudently manage the resources that are entrusted to us
- Transparency – our Coalition activities will be visible and information/deliberations accessible

2017 Southeast Water Coalition Strategic Plan

Goals / Strategies / Objectives

The Board developed three goals that represent SEWC's key commitments to the community it serves. SEWC is committed to:

- **Goal 1: Groundwater Protection** – SEWC will provide leadership and collaborate to protect and sustain the Central Basin groundwater supply of the SEWC region
- **Goal 2: Advocacy and Communications** – SEWC will track, develop, coordinate, and communicate input into water policy affecting the SEWC region
- **Goal 3: Funding** – SEWC will seek funding for water resource projects and programs benefiting the SEWC region

Goal 1: Groundwater Protection – SEWC will provide leadership and collaborate to protect and sustain the Central Basin groundwater supply of the SEWC region

Strategy 1.1 – Enhance understanding of area hydrogeology:

Objective 1.1.1 Support tracking of groundwater quality/plume information (including modeling)

Objective 1.1.2 Engage Water Replenishment agencies, to periodically update SEWC on existing contamination plume movement



2017 Southeast Water Coalition Strategic Plan

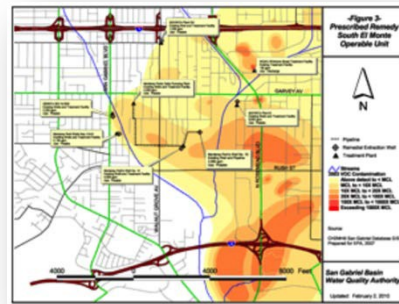
Strategy 1.2 – Identify and support projects that enhance and protect groundwater in the SEWC region to “shovel-ready” status to take advantage of funding opportunities:

- Objective 1.2.1 Develop a SEWC region plan including projects, policies, or programs that protect and enhance water quality within the SEWC region
- Objective 1.2.2 Identify and collaborate to develop the conceptual project components required to achieve “shovel-ready” status, including preparation of preliminary studies for regional projects (including groundwater storage)
- Objective 1.2.3 Analyze opportunities for developing system interties between member agencies to increase water supply resiliency

Goal 2: Advocacy and Communications – SEWC will track, develop, coordinate, and communicate input into water policy affecting the SEWC region

Strategy 2.1 – As directed by the Board, monitor and advocate for improvements to State, federal, and regional water policy and regulations:

- Objective 2.1.1 Monitor and track State, federal and regional water-related legislation including tracking of Central Basin Water Association legislative reports
- Objective 2.1.2 Develop and present water policy positions to the Board for action
- Objective 2.1.3 Advocate Board positions



2017 Southeast Water Coalition Strategic Plan

Objective 2.1.4 Support good governance policy changes at regional water agencies

Objective 2.1.5 Actively develop relationships with regulators

Strategy 2.2 – Work in partnership with the Gateway Water Management Authority (GWMA) to implement the Integrated Regional Water Management Plan (IRWMP) for the southeast Los Angeles County and lower Los Angeles and San Gabriel Rivers Watershed:

Objective 2.2.1 Establish SEWC project priorities

Objective 2.2.2 Attend meetings of the GWMA

Objective 2.2.3 Advocate for SEWC priorities

Strategy 2.3 – Represent the regions' interests before local, State and federal agencies:

Objective 2.3.1 Work in partnership with USEPA and other agencies to continue to protect Central Basin drinking water wells from detectable contamination

Objective 2.3.2 Work in partnership with USEPA, State and local agencies to continue to prioritize cleanup of the Omega Chemical Site, to ensure compliance with State and federal drinking water standards



Objective 2.3.3 Work in partnership with DTSC, federal, and local agencies to continue to prioritize cleanup of the Whittier Narrows Operable Unit (WNOU), to ensure compliance with State and federal drinking water standards

2017 Southeast Water Coalition Strategic Plan

Objective 2.3.4 Track the San Gabriel Basin Water Quality Authority (SGBWQA) / South El Monte Operable Unit (SEMOU) barrier project and the long term SEMOU remediation project by USEPA/SGBWQA

Objective 2.3.5 Track the Water Quality Protection Program monitoring results

Strategy 2.4 – Support the development of recycled water:

Objective 2.4.1 Track the Groundwater Reliability Improvement Project (GRIP) including monitoring of costs, benefits, and mitigation of impacts on local agencies

Objective 2.4.2 Track and engage the Sanitation Districts of Los Angeles County /Metropolitan Water District of Southern California Joint Water Pollution Control Facility recycled water indirect potable reuse project, and other potable reuse projects that affect the SEWC region

Objective 2.4.3 Track other regional recycled water projects (e.g. Central Basin MWD projects)

Strategy 2.5 – Communications: SEWC will inform, engage and respond to the community it serves:

Objective 2.5.1 Prepare coordinated message points for members to ensure uniform factual communications

Strategy 2.6 – Track and participate in area water policy groups:

Objective 2.6.1 Monitor Central Basin Municipal Water District activities

Objective 2.6.2 Monitor WRD activities

2017 Southeast Water Coalition Strategic Plan

Objective 2.6.3 Monitor Central Basin Water Association activities

Objective 2.6.4 Participate in activities of the Central Basin Watermaster

Goal 3: Funding and Effective SEWC Administration – SEWC will seek funding for water resource projects and programs benefiting the SEWC region

Strategy 3.1 – Identify funding opportunities for SEWC priority projects:

Objective 3.1.1 Maintain an updated list of funding resources for SEWC region projects and programs

Objective 3.1.2 Where appropriate, identify, advocate and pursue local, State, and federal commitment to fund projects and programs (including groundwater contamination cleanup) in the SEWC region

Objective 3.1.3 Track funding success

Strategy 3.2 – Identify, advocate and pursue improvements to the State and federal funding process for water, wastewater, and storm water projects and facilities:

Objective 3.2.1 Engage in State and federal funding initiatives to ensure the terms are supportive of SEWC project funding objectives

Strategy 3.3 – Administration of SEWC:

Objective 3.3.1 Schedule and support the activities of the Administrative Entity and the Policy Board

2017 Southeast Water Coalition Strategic Plan

Objective 3.3.2 Develop a staffing strategy/plan that meets the resource needs of SEWC

Objective 3.3.3 Create and present annual budgets to the Policy Board for approval
Objective 3.3.4 Effectively manage consultants to achieve the directives of the Policy Board

Objective 3.3.5 Develop an “on-boarding” process for new SEWC Administrative Entity and Policy Board members (consider mentoring, communication of JPA, responsibilities, “SEWC 101”, etc.)

Objective 3.3.6 Periodically review JPA documents to ensure they are current

- - - - -

Implementation

The Strategic Plan is intended to be a living document that will be reviewed and updated periodically. It will be used in planning and budgeting the activities of SEWC. Implementation will occur through the SEWC management plans, action/implementation plans, programs, and the allocation of resources through the annual budget process.

We will establish clear priorities for implementation of our Strategic Plan in order to use our limited resources as effectively as possible. We will set these priorities using criteria developed by the Policy Board and staff, and will assess them regularly to ensure they reflect changes in our internal and external environments. We will effectively communicate these priorities so that staff can adjust their work program and our customers and ratepayers will understand the basis for our actions.

2017 Southeast Water Coalition Strategic Plan

Glossary

The following key terms are used in this strategic plan:

Goal – SEWC’s commitment to the community it serves

Issue – a problem or opportunity facing SEWC

Mission – the primary reason(s) for the existence of the organization

Objective – measurable work activity that, when accomplished, will directly lead to the success of the strategy

Plume – areas of elevated concentrations of groundwater contaminants

Strategy – how an issue is solved to achieve the goal

Strategic Plan – a structured plan to drive SEWC to achieve its goals

SWOT Analysis – description of strengths, weaknesses, opportunities, and threats to identify areas of focus in the strategic plan

Vision – what effect SEWC aspires to have