



San Diego County Water Authority

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December 10, 2017

Randy Record
and members of the Board
P. O. Box 54153
Los Angeles, CA 90054-0153

MEMBER AGENCIES

- Carlsbad Municipal Water District
 - City of Del Mar
 - City of Escondido
 - City of National City
 - City of Oceanside
 - City of Poway
 - City of San Diego
 - Fallbrook Public Utility District
 - Helix Water District
 - Lakeside Water District
 - Olivenhain Municipal Water District
 - Otay Water District
 - Padre Dam Municipal Water District
 - Camp Pendleton Marine Corps Base
 - Rainbow Municipal Water District
 - Ramona Municipal Water District
 - Rincon del Diablo Municipal Water District
 - San Dieguito Water District
 - Santa Fe Irrigation District
 - South Bay Irrigation District
 - Vallecitos Water District
 - Valley Center Municipal Water District
 - Vista Irrigation District
 - Yuima Municipal Water District
- OTHER REPRESENTATIVE**
- County of San Diego

RE Board Memo 8-6 – Adopt CEQA determination and adopt Federal Legislative Priorities and Principles for 2018 and Board Memo 8-7 – Adopt CEQA determination and adopt State Legislative Priorities and Principles for 2018

Dear Chairman Record and MWD Board Members,

We reviewed MWD’s proposed state and federal legislative priorities and principles for 2018 and offer our recommendations in the attached matrix for consideration in order to clarify the meaning of these principles. Since many of the priorities and principles are very broad in nature, we understand that staff would bring back specific legislation and regulatory measures as they develop, in order to allow the Board to provide more specific policy guidance and foster coordination between MWD and member agencies.

In addition to these edits, we suggest that MWD establish a policy priority to address the polluter’s responsibility by adding a “polluter pays” principle, expressly recognizing the polluter’s responsibility with regard to water quality contamination. Water suppliers should not be held financially responsible to clean up pollution caused by third parties.

We look forward to discussing these comments at the Communications and Legislation Committee.

			
Michael T. Hogan Director	Keith Lewinger Director	Elsa Saxod Director	Fern Steiner Director

cc: Water Authority Board of Directors

Attachment

Priority	Suggested Draft	Reasons
Federal		
<i>Federal Drought Related Legislation</i> (4 th bullet)	<ul style="list-style-type: none"> Provide funding and regulatory incentives for conservation, water use efficiency measures, recycled water, <u>desalination</u>, and groundwater recovery. 	To allow desalination to be one of the opportunities MWD could also pursue through Congress.
<i>Federal Drought Related Legislation</i> (5 th bullet)	<ul style="list-style-type: none"> Protect SWP, <u>Colorado River</u>, and local water supplies and ensure SWP, <u>Colorado River</u>, and local water supply reliability 	
<i>Federal Drought Related Legislation</i> (7 th bullet)	<ul style="list-style-type: none"> Work within the current federal and state Endangered Species Acts to increase operational flexibility while <u>maintaining the current level of regulatory and statutory protections for listed species.</u> 	We assume MWD does not intend to reduce the current level of protection so this should be made clear.
State		
<i>Top State Priorities</i> (2 nd bullet)	<ul style="list-style-type: none"> Work proactively to advance state water infrastructure financing that reflects “beneficiary pays” principle, as opposed to a fee or assessment <u>that is disproportionately levied solely on water agencies for funding broader public benefits.</u> 	To clarify the intent of the proposal is to ensure that a fee or assessment is not disproportionately levied as proposed legislation may include other industries.
<i>Bay Delta and State Water Project Improvements</i> (last bullet)	<ul style="list-style-type: none"> Oppose administrative/legislative action that would shift <u>mandated or compelled</u> procurement of renewable resources to the SWP, irrespective of transmission limitations, cost, and portfolio availability. 	To make clear that the concern focuses on only efforts that “force” the State Water Project to utilize renewable resources.
<i>Water Quality</i> (3 rd bullet)	<ul style="list-style-type: none"> Support administrative/legislative action to ensure that all affected public water systems are consulted on proposed consolidations or extension of service area <u>and that the consolidation or extension of service complies with all applicable state laws.</u> 	To allow MWD the flexibility to support water service extension to Indian tribal lands so long as water agencies are consulted in advance and their issues addressed and protected through a side agreement.
<i>Infrastructure and Public Financing</i> (5 th bullet)	<ul style="list-style-type: none"> Oppose public goods charge or other charges levied solely or <u>disproportionately on water agencies or their ratepayers</u> for funding broader public benefits. Support proposals <u>with equitable and multi-stakeholder cost-sharing that rely on the principles of “beneficiary pays” and provide a commensurate and directly linked benefit in the local area or region from which the water user fee is</u> 	To clarify that water agencies should not be asked to fund public goods charges disproportionately and that there is benefit to the region charged.

	<p><u>collected</u> for provision of safe drinking water and water rate affordability</p>	
<p><i>Water System Governance</i> (2nd bullet)</p>	<ul style="list-style-type: none"> Support administrative/legislative actions that reform <u>Proposition 218 identify water financing mechanisms</u> to provide water systems with voluntary options for financing low-income rate assistance programs. 	<p>Rather than seeking to “reform” the state’s constitution, which may only be done by ballot measure, we suggest exploring other ways to address assistance for low-income families.</p>