

Calaveras Local Agency Formation Commission

Regular Meeting Agenda

Monday – September 17, 2018 – 6:00 p.m.

**Calaveras County Board of Supervisors Chambers
County Administrative Center
San Andreas**

6:00 PM Regular LAFCo Meeting Items:

1. Call to Order/Pledge of Allegiance/Roll Call

Commissioners

Anita Paque, Chair, Public Member

Linda Hermann, City Member

Amanda Folendorf, City Member

Gary Tofanelli, County Member

Michael Oliveira, County Member

Tony Tyrrell, Vice-Chair Special District Member

John Lavaroni, Special District Member

Roark Weber, Public Member Alt.

Dennis Mills, County Member Alt.

Joseph Oliveira, City Member Alt.

Jon Dashner, Special Dist. Member Alt.

Staff:

John Benoit, Executive Officer

Nancy Mees, LAFCO Clerk

Michael Colantuono, LAFCO Counsel

2. Approval of Agenda (Deletions/Additions)

3. *Consider minutes of July 16, 2018*

a. Approve July 16, 2018 LAFCo Minutes

4. Consent Agenda:

a. Review and Authorize Claims for July and August 2018

5. Discussion regarding Water Efficiency Legislation

- a. *Receive report and discuss SB 606 and AB 1668*

OTHER ITEMS:

6. 2018 Biennial Review of LAFCo's Conflict of Interest Code

- a. *Authorize Chair to sign Biennial Review form and send to Code reviewing body.*

7. 2018 Ethics Training

- a. *Ethics Training (AB 1234) to occur on Friday October 19th at Board of Supervisor's Room - 2:00 PM until 4:00 PM*

8. Legislative Intent of LAFCo

- a) *Review and Discuss Legislative Intent of LAFCo*

9. MSR and SOI updates for Water and Wastewater Districts

- a. *Discussion of Status of MSR and SOI updates.*

10. Executive Officer's report

*Calafco Conference Schedule
SOI amendment and Annex to the UPUD (Padou-Metzger)
Community Services District Service Reviews and Sphere of Influence- ongoing
RCD MSR and SOI?*

11. Commissioners Reports

This item is placed on the agenda for Commissioners to discuss items and issues of concern to their constituency, LAFCO, and legislative matters

12. Public Comment

This is the time set aside for citizens to address the Commission on any item of interest to the public that is within the subject matter jurisdiction of the Commission. For items that were on the agenda, public comment was heard when the item is discussed. If your comments concern an item that is noted as a public hearing, please address the Commission after the public hearing is opened for public testimony. The Chair reserves the right to limit each speaker to three (3) minutes. Please understand that by law, the Commission cannot make decisions on matters not on the agenda.

13. Adjourn to Regular meeting of November 19th 2018 6:00 PM in San Andreas

Calaveras LAFCO

September 17, 2018

The Commission may take action upon any item listed on the agenda. Unless otherwise noted, items may be taken up at any time during the meeting.

Any member appointed on behalf of local government shall represent the interests of the public as a whole and not solely the interest of the appointing authority Government Code Section 56325.1

Public Comment

Members of the public may address the Commission on items not appearing on the agenda, as well as any item that does appear on the agenda, subject to the following restrictions:

- Items not appearing on the agenda must be of interest to the public and within the Commission's subject matter jurisdiction.
- No action shall be taken on items not appearing on the agenda unless otherwise authorized by Government Code Section 54954.2 (known as the Brown Act, or California Open Meeting Law).

Public Hearings

Members of the public may address the Commission on any item appearing on the agenda as a Public Hearing. The Commission may limit any person's input to a specified time. Written statements may be submitted in lieu of or to supplement oral statements made during a public hearing.

Agenda Materials

Materials related to an item on this agenda will be available on the Calaveras LAFCO website as noted below to the extent practicable and subject to staff's ability to post the documents prior to the meeting.

Accessibility

The location of this meeting is wheelchair-accessible.

Disclosure & Disqualification Requirements

Any person or group of persons acting in concert who directly or indirectly contribute \$1,000 or more in support of or in opposition to a change of organization or reorganization that has been submitted to Calaveras LAFCO must comply with the disclosure requirements of the Political Reform Act of 1974 applicable to local initiative measures to be submitted to the electorate. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals; they may be reviewed at Government Code §§56700.1 and 81000 *et seq.* Additional information about the requirements pertaining to local initiative measures to be presented to the electorate can be obtained by calling the Fair Political Practices Commission at (916) 322-5660. A LAFCO Commissioner must disqualify herself or himself from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from the applicant, any financially interested person who actively supports or opposes the application, or an agency (such as an attorney, engineer, or planning consultant) representing the applicant or an interested party. The law (Government Code Section 84308) also requires any applicant or other participant in a LAFCO proceeding to disclose the contribution amount and name of the recipient Commissioner on the official record of the proceeding.

Contact LAFCO Staff at (209) 754-6511

LAFCO Webpage: www.calaveraslafco.org

Email LAFCO at: johnbenoit@surewest.net

Calaveras Local Agency Formation Commission

Regular Meeting Minutes – Monday, July 16, 2018

1. **Call to Order/Pledge of Allegiance/Roll Call** – Order was called by Chair Paque at 6:02 p.m., on Monday, July 16, 2018, in the Calaveras County Board of Supervisors Chambers, County Administrative Center, San Andreas, California.

Commissioners Present

Anita Paque, Chair, Public Member
 Tony Tyrrell, Vice Chair, Special Dist. Mem.
 Amanda Folendorf, City Member
 Gary Tofanelli, County Member
 John Lavaroni, Special Dist. Member
 Roark Weber, Public Member Alt
 Dennis Mills, County Member Alt.
 John Dashner, Special Dist. Mem. Alt.

Commissioners Absent

Michael Oliveira, County Member
 Linda Hermann, City Member
 Joseph Oliveira, City Member Alt.

Staff Present

John Benoit, Executive Officer
 Nancy Mees, LAFCO Clerk

Others Present

2. **Approval of Agenda:**

MOTION by Commissioner Tofanelli to approve the Agenda, second by Commissioner Folendorf. Motion passed 6 yes, 0 no, 1 absent, 0 abstention.

3. **Consider Minutes from the May 21, 2018, LAFCo meeting:**

MOTION by Commissioner Tofanelli to approve the Minutes as presented, second by Commissioner Tyrrell. Motion passed 4 yes, 0 no, 1 absent, 2 abstention.

4. **Consent Agenda:**

a. Review and Authorize Claims for May and June 2018.

MOTION by Commissioner Mills to approve the Consent Agenda and Claims for May and June 2018 as presented, second by Commissioner Tofanelli. Motion passed 6 yes, 0 no, 1 absent, 0 abstention.

5. **Discussion regarding Calaveras County Draft General Plan EIR:**

Calaveras LAFCO

Executive Officer Benoit reported that he had written a letter of response to the County Draft General Plan EIR. He stated that a year or so ago he had made many of these same comments in response to the County Draft General Plan, but apparently those comments had not been considered, and therefore the comments are being repeated in this letter.

The letter states that LAFCO intends to use the County's General Plan EIR as its environmental document for upcoming Spheres of Influence adoptions as much as possible to avoid having to prepare new environmental documents. There are also other agencies that would likewise use the County EIR. Therefore, LAFCo would like language to that effect in the "Purposes of the EIR" section of the county document.

Mr. Benoit also requested the addition of possible mitigation measures to the section of the Draft EIR relating to the conversion of Prime Farmland which stated "and no mitigation measures are found feasible." Mr. Benoit emphasized that there *are* mitigation measures available.

Mr. Benoit also commented that the provisions in the Draft EIR regarding coordinated planning between the City of Angels Camp and the County with respect to development proposals and the City's Sphere of Influence were insufficient. As written, Mr. Benoit commented, neither policy is sufficient to prohibit inefficient and unordered growth. He proposed language that would require any development within the City's SOI to first go to the City for possible annexation.

Finally, Mr. Benoit's letter stated that LAFCO has been in the process of updating Municipal Service Reviews for water and wastewater since the Adoption of the MSR in 2012, as well as the MSRs for County Service Areas, Community Service Districts, and the Mark Twain Healthcare District. His purpose in making this statement was to remind the County that it can use the existing MSRs and EIR documentation, but that they need to realize some of those are now old and not necessarily accurate any longer.

Mr. Benoit concluded by saying that, when the second Draft General Plan comes out, LAFCO may want to review it again.

Chair Paque advised that there needs to be care taken if a parcel division outside of the Angels Camp city boundary is allowed to be first governed by the City as to an annexation. There could be concern on the part of property owners that the city council, for whose members they cannot vote, is deciding what happens to their property. Mr. Benoit replied that his concern really was about the parcel maps being processed by the city. Ms. Paque stated that there is a fine line between the two, but thought Mr. Benoit had addressed it well.

There was further discussion among the Commissioners regarding the issues of annexation, the efficiency problems of providing services to and between larger parcels, and the need for better communication between the City and County.

Commissioner Tofanelli then stated that he felt he ought to recuse himself as he is also a member of the Board of Supervisors. He thought there might be a conflict in his signing his name to this letter when it would then come before him as a Supervisor. Chair Paque said, unless he has a personal conflict, she saw no problem with him remaining and discussing the letter. Commissioner Tofanelli then added that he also had some disagreements with the letter. There was some discussion as to the fact that when members sit on the LAFCO Commission, they are acting independently from their other roles in the city or county. However, it can be hard to make those distinctions on some issues, and the public doesn't necessarily see them either. The Commission commented that he should then just abstain on the vote.

One of Commissioner Tofanelli's issues was the wording regarding the requirement of buffer zones in the section on Prime Farmland Mitigations. Mr. Benoit said he could add in words to the effect that the suggested mitigation measures were "possible" mitigations. He added that this is a programmatic EIR document, and other environmental documents would be necessary for specific projects.

There was no public comment.

MOTION by Commissioner Tyrrell to direct Executive Officer Benoit to send the letter to the county with the changes in wording discussed, second by Commissioner Lavaroni. Motion passed 4 yes, 0 no, 1 absent, 2 abstention.

6. Authorize Staff and Commissioners to attend the CALAFCo annual conference at the Tenaya Lodge near Yosemite, October 3-5, 2018:

Executive Officer Benoit stated that he had put Commissioners Tofanelli and Folendorf down as alternates. It was also noted that Chair Paque will be the conference chair, and that she and Mr. Benoit will be running one of the general sessions on the topic of natural disaster preparedness. Commissioner Tofanelli commented that some changes regarding the handling of drought situations will be coming from the state in 2020 and beyond, and that they might want to include some discussion of that in their session.

MOTION by Commissioner Mills to direct Commissioners Dashner, Tyrrell and Paque to attend the conference, with Commissioner Tyrrell as the voting member, second by Commissioner Tofanelli. Motion passed 6 yes, 0 no, 1 absent, 0 abstention.

7. CALAFCo Achievement Awards 2018 (due August 1, 2018):

No action was taken.

**8. Consider nomination for the CALAFCo Board of Directors (due Sept. 4, 2018),
County Member or District Member:**

In response to a Commissioner question, it was stated that a CALAFCo board member must attend four quarterly meetings, a biannual two-day meeting, and must be on at least one committee, which would entail additional meetings.

No action was taken.

**9. Designate LAFCo member or staff to vote on behalf of Calaveras LAFCo at the
CALAFCo Annual Conference:**

This item was voted on under Agenda item 6.

10. Executive Officer's report:

Current and Anticipated Projects

Executive Officer Benoit reported that he is still waiting on documentation from Murphys Sanitation District regarding an annexation. Commissioner Folendorf stated she had talked to them about that fact and told them they need to file the application.

Water and Wastewater Service Reviews and Spheres of Influence – ongoing

Executive Officer Benoit is working on several of these and hopes to have one ready for the September meeting.

Community Services District Service Reviews and Spheres of Influence – ongoing

RCD MSR and SOI

Commissioner Mills commented that county counsel has some information on CSDs regarding some recurring issues that Mr. Benoit might like to look at.

Executive Officer Benoit reported that he met with RCD regarding their MSR and SOI, and sent them a questionnaire, but has not received a response. Their sphere needs to be set, however, since it has been over a year and they do not have a sphere.

11. Commissioners Reports:

Commissioner Folendorf reported that the City of Angels Camp has a new Finance Officer, Emily Orr.

Chair Paque updated the Commission on the status of AB2258 which would provide grant money for the dissolution of inactive districts. The CSDA had opposed the bill because they believed the protest threshold was too low. CSDA proposed a change which would follow the same thresholds as for elections: 30% if under 1,000 people in the district; 10% if more than 1,000 people. With that change, CSDA withdrew its opposition.

Chair Paque also commented that this year the emphasis of the sessions at the CALAFCo Annual State Conference will be on providing information useful to Commissioners rather to Executive Officers and other staff.

12. Adjournment:

Meeting was adjourned at 6:58 p.m. The next regular meeting will be Monday, September 17, 2018, at 6:00 p.m., in San Andreas.

Minutes submitted by Nancy Mees.

DATED:

APPROVED:

Anita Paque, Chair, or Tony Tyrrell, Vice Chair,
Calaveras Local Agency Formation

CALAVERAS LAFCO**LAFCO CLAIM AUTHORIZATION FORM**

for

July and August 2018

Authorize payment of the following claims:

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
FY 2018-2019 Expenses:		
Aug 1, 2018	Staff Svcs and MSr and SOI	\$ 5,196.08
Sept 1, 2018	Staff Svcs and MSR and SOI	\$ 3,766.77
	TOTAL:	\$ 8,962.85

DATED: Sept 17, 2018

APPROVED: Sept 17, 2018

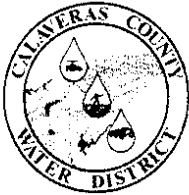
Anita Paque, Chair or Tony Tyrrell, Vice-Chair
Calaveras Local Agency Formation Commission

Attest:

John Benoit
Executive Officer

Item	Comm Stipends	Insurance	Communications	Memberships	GenOfficeExp	Postage	copies	MSR	SOI	Ex. OFF. Svcs	City Fin Chrgs
Account Number	62001	62050	62051	62052	62053	62054	62055	62057	62058	62059	62060
Total Budgeted	\$ 3,300.00	\$ 1,721.00	\$ 800.00	\$ 925.00	\$ 350.00	\$ 500.00	\$ 1,500.00	\$ 25,000.00	\$ 20,000.00	\$ 42,500.00	\$ 3,600.00
Calafco dues 18-19				\$ (925.00)							
SDRMA Insurance 18-19		\$ (1,198.00)									
reimb JD one night conf. lodging											
Clafco Conf. reg TT, JD and AP											
Commission Stipends 7.16.18	\$ (400.00)		(44.36)			(7.97)	(20.60)	(1,050.00)		(3,956.25)	
JB claim staff Svcs July 18 2018-0068											
Revenue for Metzger and Padou			(43.27)			(1.00)	(10.00)	(1,650.00)		(2,062.50)	
JB claim MSR and Svcs Aug 2018											
TOTAL EXPENDED	\$ (400.00)	\$ (1,198.00)	\$ (87.63)	\$ (925.00)	\$ -	\$ (8.97)	\$ (30.60)	\$ (2,700.00)	\$ -	\$ (6,018.75)	\$ -
TOTAL REMAINING	\$ 2,900.00	\$ 523.00	\$ 712.37	\$ -	\$ 350.00	\$ 491.03	\$ 1,469.40	\$ 22,300.00	\$ 20,000.00	\$ 36,481.25	\$ 3,600.00

[illegible]



CALAVERAS COUNTY WATER DISTRICT

120 Toma Court • PO Box 608 • San Andreas, CA 95249 • Main line (209) 754-3543

Newly Approved Water-Use Efficiency Legislation

Frequently Asked Questions

On May 31, 2018, two long-term water-use efficiency conservation bills (SB 606 and AB 1668) were signed into law by Gov. Jerry Brown that call for the creation of indoor and outdoor water-use targets for water agencies. The following information provides an overview of how these bills will affect water agencies and residents across the state.

Q. What are urban water use objectives?

A. Starting in 2023, urban water suppliers (which have 3,000 or more service connections or annually serve more than 3,000 acre feet of water) will be required to submit a calculated urban water-use objective to the state. Urban water suppliers will be required to meet their urban water use objective by 2027, or face the possibility of fines. The urban water use objective will be based on residential water use efficiency standards for indoor and outdoor water use, and system-wide water loss standards.

Q. Will the state issue these urban water-use objectives for individual water users?

A. No. The water-use objectives are for local water suppliers' system-wide, aggregate water use. There is no requirement in these bills that individual households must adhere to a specific water-use standard.

Q. Will individual water users be fined for exceeding water-use objectives?

A. No. The bills establish possible fines, starting in 2024, on local water agencies that do not meet their water-use objectives. These fines would be levied on the agencies, not individuals. However, CCWD does have the ability to fine customers who habitually waste water and to not take steps to correct the problems.

Q. How will local water agencies meet these new urban water use objectives?

A. Each year, local water agencies like Calaveras County Water District will be responsible for ensuring that their system-wide, aggregate water use meets the objective, and how to best help their customers use water more efficiently to help the water agency meet the objective. CCWD has a rebate program that helps customers use water efficiently by upgrading their washing machines, toilets, irrigation timers and irrigation systems. Learn more at www.ccwd.org/rebate-program.

Q. How will the state's water efficiency standards be calculated?

A. In an effort to ensure the water efficiency goals are fair, they will be calculated using water efficiency standards for indoor and outdoor water use that are developed through research and public input. The indoor calculation will initially be based on a provisional standard of 55 gallons of water a day per person in each household. The outdoor calculation is still being determined, but will account for local climate and the number of irrigable acres, including residential and commercial outdoor landscaping in the district's service area. Variances for special circumstances will also be allowed.

In 2025, the indoor standard is provisionally scheduled to change to 52.5 gallons of water a day per person. In 2030, it is provisionally scheduled to change to 50 gallons of water a day per person.

Q. Is it easy to limit indoor water use to 55 gallons per person per day?

A. Based on industry estimates, many households already meet this standard. The Alliance for Water Efficiency has an online water calculator (www.home-water-works.org/calculator) that will help customers estimate how much water is used in their household. Households with water-efficient appliances are likely using 55 gallons or less per person per day.

Remember, the state water efficiency standards will use this calculation to develop an aggregate goal for water agencies. For example, a local water agency with 1,000 connections that estimates it's serving a population of 2,500 people would have a water efficiency standard based on 2,500 X 55 gallons per day, plus the outdoor and system water loss calculations are still being determined.

Q. Will commercial water users be required to use water more efficiently?

A. Yes. By 2022, the state will adopt water use efficiency performance measures for various commercial, industrial and institutional (schools, parks, etc.) water users.

Q. Will agricultural water users be required to use water more efficiently?

A. Yes. Every five years, agricultural water suppliers will be required to update agricultural water management plans to include an annual water budget, drought contingency actions, and actions to reduce water loss and improve system efficiency.

Q. Where can I get more information?

A. Contact the Calaveras County Water District Customer Service Department at customerservice@ccwd.org or call (209) 754-3543.

SB 606 and AB 1668 Implementation Deadlines

When	Who	What	Code Section
Beginning April 1, 2019, and annually thereafter	Agricultural water suppliers	Submit annual aggregated farm-gate delivery data reports for the prior year to DWR.	§531.10 (a)(1)
No later than January 1, 2020	Department of Water Resources (DWR)	Coordinate with the State Water Resources Control Board (State Water Board) to identify small water suppliers and rural communities that may be at risk of drought and water shortage vulnerability.	§10609.42(a)
By January 1, 2020	DWR	Consult with the State Water Board to propose recommendations and guidance to the Governor and the Legislature relating to the development and implementation of countywide drought and water shortage contingency plans to address the planning needs of small water suppliers and rural communities.	§10609.42(b)
By January 1, 2020	DWR	Coordinate with the State Water Board to recommend to the Legislature the feasibility of developing and enacting water loss reporting requirements for urban wholesale water suppliers.	§10608.35(a)
No later than October 1, 2021	State Water Board	Coordinate with DWR to adopt variances, guidelines, and methodologies pertaining to the calculation of an urban retail water supplier's urban water use objective.	§10609.2(e)
By January 1, 2021	DWR	Coordinate with the State Water Board to conduct studies and investigations to report and recommend to the Legislature an alternative standard for indoor residential water use that more appropriately reflects best practices for indoor residential water use than the standard described in §10609.4(a).	§10609.4(b)(1)
By January 1, 2021	DWR	Provide each urban retail water supplier with data regarding the area of residential irrigable lands.	§10609.6(C)(b)



When	Who	What	Code Section
On or before April 1, 2021	Agricultural water suppliers	Update agricultural water management plan (AWMP) and submit the AWMP to DWR every five years on or before April 1.	§10820(2)(A)
No later than October 1, 2021	State Water Board and DWR	Jointly conduct studies and investigations and recommend standards for outdoor residential use for adoption by the State Water Board.	§10609.6(a)(1)
No later than October 1, 2021	DWR	Coordinate with the State Water Board to conduct studies and investigations and recommend standards for outdoor irrigation of landscape areas with dedicated irrigation meters or other means of calculating outdoor irrigation use in connection with CII water use for adoption by the State Water Board.	§10609.8(a)
No later than October 1, 2021	DWR	Coordinate with the State Water Board to conduct studies and investigations and recommend performance measures for commercial, industrial, institutional (CII) and large landscape water use for adoption by the State Water Board.	§10609.10(a)
No later than October 1, 2021	DWR	Coordinate with the State Water Board to conduct studies and investigations and recommend appropriate variances for unique uses for adoption by the State Water Board.	§10609.14(a)
No later than October 1, 2021	DWR	Coordinate with the State Water Board to conduct studies and investigations and recommend guidelines and methodologies for the board to adopt that identify how an urban retail water supplier calculates its urban water use objective for adoption by the State Water Board.	§10609.16
On or before April 30, 2022	DWR	Submit a report every five years that summarizes the status and evaluation of AWMP of agricultural water suppliers.	§10845(a)
By May 30, 2022	State Water Board	Identify the standards and potential effects on local wastewater management, developed and natural parklands, and urban tree health.	§10609.2(c)
On or before June 30, 2022	State Water Board	Coordinate with DWR to adopt long-term standards for the efficient use of water.	§10609.2 (a)



When	Who	What	Code Section
On or before June 30, 2022	State Water Board	Coordinate with DWR and adopt performance measures for CII water use.	§10609.10(d)(1)
June 1, 2022, and annually thereafter	Urban Water Supplier	Submit an annual water supply and demand (water shortage) assessment report to DWR.	§10632.1
July 1, 2022, and every five years thereafter	DWR	Submit a report summarizing the status of 2020 plans and water shortage contingency plans (WSCPs) to the Legislature.	§10644(c)(1)(A)
By November 1, 2023, and annually thereafter	Urban Retail Water Suppliers	Deadline to calculate urban water use objective and report to DWR.	§10609.20(a)
By November 1, 2023, and annually thereafter	Urban Retail Water Suppliers	Deadline to calculate the previous years' actual urban water use and report to DWR.	§10609.22(a)
On and after November 1, 2023	State Water Board	Issue informational orders for water production, water use, and water conservation to urban retail water suppliers that do not meet their urban water use objectives.	§10609.26(a)(1)
On or before January 10, 2024	Legislative Analyst's Office	Provide to the appropriate policy committees of both houses of the Legislature and the public a report evaluating the implementation of the water use efficiency standards and water use reporting.	§10609.30
On and after November 1, 2024	State Water Board	Issue written notices to urban retail water suppliers that do not meet their urban water use objectives.	§10609.26(4)(b)
By January 1, 2024	Urban Retail Water Suppliers	Submit to DWR a supplement to the adopted 2020 plan.	§10621(f)(2)



When	Who	What	Code Section
Beginning January 1, 2025	Urban Retail Water Suppliers	Abide by a standard for indoor residential water use of 52.5 gpcd.	§10609.4(a)(2)
On and after November 1, 2025	State Water Board	Issue conservation orders to urban retail water suppliers that do not meet their urban water use objectives.	§10609.26(4)(c)(1)
On or around January 1, 2026	Chair, State Water Board & Director, DWR	Appear before the appropriate policy committees of both houses of the Legislature to report on the implementation of the water use efficiency standards and water use reporting.	§10609.32
By January 1, 2027	Urban Retail Water Suppliers	Provide a narrative in addition to the supplement that describes the water demand management measures that the supplier plans to implement to achieve its urban water use objective.	§10631(e)(1)(B)
After November 1, 2027	State Water Board	Impose fines for violations of long-term standards for efficient water use (from a minimum of \$1,000/day to a maximum of \$10,000/day in a drought emergency or critically dry year).	§1846.5(a)(1)(2)
Beginning January 1, 2030	Urban Retail Water Suppliers	Abide by a standard for indoor residential water use of 50 gpcd.	§10609.4(a)(3)

SB 606 (Hertzberg) Summary

As Chaptered on 5/31/18

Urban Water Use Objectives and Water Use Reporting Requirements:

SB 606 requires the State Water Resources Control Board (State Water Board) and the Department of Water Resources (DWR) to adopt water efficiency regulations, outlines requirements for urban water suppliers, and specifies penalties for violations. The bill also requires annual calculation of the urban water use objective and annual reporting of the previous year's water use that is consistent with the urban water use objective. The bill provides a bonus incentive, up to 15 percent, on top of the urban water use objective for the amount of potable reuse water delivered the previous year.

SB 606 also revises specific provisions related to urban drought planning. Specifically, the bill:

- Changes in requirements for urban water management plans;
- Requires the adoption of a water shortage contingency plan (WSCP), which must include certain elements, annual drought risk assessment (drought risk assessment) procedures and standard water shortage levels; and
- Requires urban water suppliers to conduct annual drought risk assessments and to submit an annual report to DWR.

Urban Use Objectives

SB 606 establishes urban water use objectives and reporting requirements for urban water suppliers by requiring an urban water supplier to calculate an aggregate urban water use objective each year for the previous calendar year by November 1, beginning November 1, 2023, and by November 1 every year after that. If an urban water supplier does not meet its water use objective, the bill authorizes the State Water Board to issue specified orders. Each urban water supplier's urban water use objective will include the sum of aggregate estimated efficient indoor and outdoor residential water use, efficient outdoor irrigation of landscape areas with dedicated irrigation meters (or equivalent technology in connection with commercial, industrial, and institutional (CII) landscape area water use), efficient water losses, and water use in accordance with appropriate variances. The details of each of the standards used to calculate the urban water use objective are included in AB 1668. This bill authorizes urban retail water suppliers to use alternative data in calculating the urban water use objective. Urban water suppliers must demonstrate to DWR that the alternative data is equivalent or superior in quality and accuracy compared to the data provided by DWR. The bill requires an urban water supplier to submit a report to DWR no later than November 1, 2023, and by November 1 every year thereafter, that includes 1) the urban water use objective along with relevant supporting data, 2) the actual

urban water use along with appropriate supporting data, 3) documentation of the implementation of the performance measures for CII water use, and 4) a description of the progress made towards meeting the urban water use objective.

Bonus Incentive

SB 606 establishes a bonus incentive for potable reuse water equal to the volume delivered. The incentive will allow urban retail water suppliers that provide water from a groundwater basin, reservoir or another source that is augmented by potable reuse water to adjust its yearly urban water use objective by the bonus incentive. Urban retail water suppliers are eligible for a bonus of up to fifteen percent for any potable reuse water produced at an existing facility. The bonus incentive shall not exceed ten percent for any potable reuse water produced at any facility that does not 1) possess a certified environmental impact report (EIR), mitigated negative declaration (MND), or negative declaration (ND) on or before January 1, 2019, 2) begin producing and delivering potable reuse water on or before January 1, 2022, or 3) use microfiltration and reverse osmosis technologies to produce the potable reuse water.

Reporting

SB 606 authorizes the State Water Board to issue a regulation requiring wholesale water suppliers, urban retail water suppliers, or distributors of public water supply to submit information relating to water production, water use, or water conservation. By January 1, 2020, DWR, in coordination with the State Water Board, shall conduct necessary studies and investigations and provide recommendations to the Legislature, on the feasibility of developing and enacting water loss reporting requirements for urban wholesale water suppliers. By January 10, 2024, the Legislative Analyst's Office (LAO) is required to evaluate and report to the Legislature on the implementation of the urban water conservation standards and water use reporting requirements established by the bill. By January 1, 2026, the chair of State Water Board and director of DWR are required to appear before the appropriate policy committees of both houses and report on the implementation of urban water conservation standards and water use reporting.

Enforcement

The bill authorizes the State Water Board, on and after November 1, 2023, to issue informational orders pertaining to water production, water use, and water conservation to an urban water supplier that does not meet its urban water use objective. Informational orders are intended to obtain information on supplier activities, water production, and conservation efforts in order to identify technical assistance needs and assist urban water suppliers in meeting their urban water use objectives. The bill authorizes the State Water Board, on and after November 1, 2024, to issue a written notice to an urban water supplier that does not meet its urban water use objective. The written notice may warn the urban water supplier that it is not fulfilling its urban water use objective and is not making adequate progress in achieving the urban water use objective, and may request that the urban water supplier address areas of concern in its next annual report. In deciding whether to issue a written notice, the State Water Board may

consider whether the urban water supplier has received an informational order, the degree to which the urban retail water supplier is not meeting its urban water use objective, information provided in the annual report, and actions the urban water supplier has implemented or will implement in order to help achieve its urban water use objective. Finally, the bill authorizes the State Water Board, on and after November 1, 2025, to issue a conservation order to an urban water supplier that does not meet its urban water use objective. A conservation order may consist of, but is not limited to, referral to DWR for technical assistance, requirements for education and outreach, requirements for local enforcement, and other efforts to assist urban retail water suppliers in meeting their urban water use objective. A conservation order may include requiring actions intended to increase water-use efficiency, but shall not curtail or otherwise limit the exercise of a water right and shall not require the imposition of civil liability according to section 377 of the Water Code.

Miscellaneous

The bill provides that an action of the State Water Board taken under the “Urban Water Use Objectives and Water Use Reporting” chapter will be exempt from California Environmental Quality Act (CEQA) review provided that the action not involve relaxation of existing water conservation or water use standards.

The bill provides that no provision of the “Urban Water Use Objectives and Water Use Reporting” chapter can be construed to 1) determine or alter water rights; that Sections 1010 and 1011 of the water code apply to water conserved through implementation of this bill, 2) authorize the State Water Board to update or revise water use efficiency standards authorized by the “Urban Water Use Objectives and Water Use Reporting” chapter except as explicitly provided by this bill; authorization to update the standards beyond that expressly provided in this bill will require separate legislation, or 3) limit or otherwise affect the use of recycled water as seawater barriers for groundwater salinity management.

The bill also expands local agency fining authority under Water Code section 377 to include violations of specific regulations adopted by the State Water Board related to the urban water use objective and emergency regulations.

Urban Water Management Planning Act Revisions:

SB 606 makes substantive revisions to the Urban Water Management Planning Act and the Water Shortage Contingency Plans (WSCPs) currently required under existing law.

Overview of Revisions

New requirements for urban water management plans (UWMPs) include that urban water suppliers provide simple descriptions of the reliability of its water supplies, the agency’s strategy for meeting its water needs, and other information necessary to provide a general understanding of the agency’s plan. UWMPs must contain a drought risk assessment that

examines water shortage risks for a drought that will last five years. The bill requires that UWMPs be updated and submitted to DWR by July 1, every five years, and incorporate updated and new information from the five years preceding the UWMP update. An urban water supplier is required to prepare, adopt, and periodically review WSCPs as part of its UWMP. In the UWMP due July 1, 2021, and in each update after that, data must be included to show whether the urban water supplier met the distribution loss standards enacted by the State Water Board.

Urban Water Management Plans

Urban water suppliers now have a duty to ensure that their UWMP include an assessment of the reliability of its water service to its customers during normal, dry, and multiple dry water years. The UWMP must also include a drought risk assessment to compare the total water supply sources available to the water supplier with the long-term total projected water use over the next 20 years, in five-year increments, for an average water year, a single dry water year, and a drought lasting five consecutive water years. By January 1, 2024, each urban retail water supplier shall adopt and submit to DWR a supplement to the adopted plan to meet a targeted 20 percent reduction in per-capita urban water consumption by the year 2020 (2020 plan). The supplement must include information that describes the water demand management measures that the supplier plans to implement to achieve its urban water use objective. The bill specifies that the supplement is not an update or an amendment to the UWMP, so an urban water supplier is not required to comply with the public notice, hearing, and adoption requirements before submitting the information to the DWR.

The bill requires that the UWMP due July 1, 2021, and in each update thereafter, shall include data to show whether the urban retail water supplier met the distribution loss standards enacted by the State Water Board. When updating a UWMP to submit to DWR, urban water suppliers are now required to include, in the description of their UWMPs, social and economic factors that affect their planning. The description shall also include the current and projected land uses within the existing or anticipated service area affecting the supplier's UWMP. Urban water suppliers are required to coordinate with local or regional land use authorities to determine the most appropriate land use information and include land use information obtained from local or regional land use authorities, where appropriate. UWMPs must identify and quantify the existing and planned sources of water available to the supplier over the same five-year increments as the drought risk assessments, and provide supporting and related information that includes:

- 1) A detailed discussion of anticipated supply availability under a normal water year, single dry year, and droughts lasting at least five years, as well as more frequent and severe periods of drought, as described in the drought risk assessment. For each source of water supply, consider any information pertinent to the reliability analysis that is conducted under current law, including changes in supply due to climate change
- 2) When multiple sources of water supply are identified, a description of the management of each supply in correlation with the other identified supplies.

- 3) For any planned sources of water supply, descriptions of the measures that are being undertaken to acquire and develop those water supplies.
- 4) The distribution system water loss shall be quantified for each of the five years preceding the UWMP update.
- 5) If groundwater is identified as an existing or planned source of water available to the supplier, all of the following information must also be included in the UWMP:
 - a. The current version of any groundwater sustainability plan or adopted alternative and any groundwater management plan adopted by the urban water supplier, including plans adopted or any other specific authorization for groundwater management for basins underlying the urban water supplier's service area.
 - b. For a basin that has not been adjudicated, information as to whether DWR has identified the basin as a high or medium priority basin in the most current official departmental bulletin that characterizes the condition of the groundwater basin. A detailed description of the efforts being undertaken by the urban water supplier to coordinate with groundwater sustainability agencies or groundwater management agencies to maintain or achieve sustainable groundwater conditions in accordance with a groundwater sustainability plan or adopted alternative.
 - c. For an urban retail water supplier, quantify, to the extent records are available, past and current water use, over the same five-year increments as the drought risk assessments and projected water use, based upon the information required and developed in the UWMP description.

Current law requires a description of the supplier's water demand management measures. SB 606 now requires a narrative, in the newly required supplement, that describes the water demand management measures that the supplier plans to implement to achieve its urban water use objective by January 1, 2027. UWMPs must also include information that the urban water supplier can readily obtain relating to the energy used to extract or divert, treat or convey to a treatment plant, distribute, or store water supplies. The bill states that the Legislature finds and declares that energy use is only one factor in water supply planning and shall not be considered independently of other factors.

Annual Drought Risk Assessment Procedures

Urban water suppliers must conduct an annual drought risk assessment and include information for anticipated shortage, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with their WSCP. Results from the assessment must be submitted to DWR.

DWR must prepare and submit to the State Water Board, by June 1 of each year, a report summarizing the presented drought risk assessment results and appropriate, reported water shortage conditions developed by DWR. Information must also be included in the report

regarding various shortage response actions implemented as a result of water budget forecast assessments for the State Water Board to determine if noncompliance enforcement is necessary.

Water Shortage Contingency Plans

Every urban water supplier shall prepare and adopt a WSCP as part of its UWMP. WSCPs must include 1) annual drought risk assessment procedures, 2) six standard water shortage levels, 3) shortage response actions, 4) communication protocols and procedures, 5) a description of legal authorities that empower the urban water supplier to implement and enforce its shortage response actions, and 6) a description of the financial consequences of, and response for, drought conditions, among other things. More detail is provided on several of these categories below.

WSCPs must include the following criteria:

- 1) Annual Drought Risk Assessment Procedures: An urban water supplier shall conduct an annual drought risk assessment on or before June 1 of each year and submit the assessment to DWR. An urban water supplier that relies on imported water from the State Water Project or the Bureau of Reclamation shall submit its annual drought risk assessment within 14 days of receiving its final allocations, or by June 1 of each year, whichever is later. The written decision-making process that an urban water supplier will use annually to determine water supply reliability must be included, along with key data inputs and assessment methodology used to evaluate the urban water supplier's water supply reliability for the current year and one dry year, including all of the following:
 - (i) Current year unconstrained demand, considering weather, growth, and other influencing factors, such as policies to manage current supplies to meet demand objectives in future years, as applicable.
 - (ii) Current year available supply, considering hydrological and regulatory conditions in the current year and one dry year. The annual drought risk assessment may consider more than one dry year solely at the discretion of the urban water supplier.
 - (iii) Existing infrastructure capabilities and plausible constraints.
 - (iv) A defined set of locally applicable evaluation criteria that are consistently relied upon for each annual drought risk assessment.
 - (v) A description and quantification of each source of water supply.
- 2) Six Standard Water Shortage Levels: Urban water suppliers shall follow, where feasible and appropriate, the procedures in its WSCP and implement determined shortage response actions or reasonable alternative actions. Descriptions of the alternative actions must be submitted with the annual water shortage assessment report. Six standard water shortage levels corresponding to progressive ranges of up to 10, 20, 30, 40, and 50 percent shortages and greater than 50 percent shortage. Urban water suppliers shall define these shortage levels based on the suppliers' water supply

conditions, including percentage reductions in water supply, changes in groundwater levels, changes in surface elevation or level of subsidence, or other changes in hydrological or other local conditions indicative of the water supply available for use. Shortage levels shall also apply to catastrophic interruption of water supplies, including, but not limited to, a regional power outage, an earthquake, and other potential emergency events.

- (i) An urban water supplier with an existing WSCP that uses different water shortage levels may comply with the shortage level requirements by developing and including a cross-reference relating its existing categories to the six standard water shortage levels.
 - (ii) An urban water supplier regulated by the Public Utilities Commission (PUC) shall include its most recent plan and WSCP as part of the supplier's general rate case filings.
- 3) **Shortage Response Actions:** Urban water suppliers must align with the defined shortage levels and include, at a minimum, all of the following and locally appropriate 1) supply augmentation actions, 2) demand reduction actions to adequately respond to shortages, 3) operational changes, and 4) mandatory prohibitions against specific water use practices that are in addition to state-mandated prohibitions, and appropriate to local conditions. The bill requires that for each action, an estimate of the extent to which the gap between supplies and demand will be reduced by implementation of the action. The bill also requires the governing body of a distributor of a public water supply to declare a water shortage emergency condition whenever it finds that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there would be no water for human consumption, sanitation, and fire protection.
- 4) **Communication Protocols and Procedures:** Urban water suppliers must make WSCPs available to inform customers, the public, interested parties, and local, regional, and state governments regarding any current or predicted shortages determined by the annual drought risk assessment. Any shortage response actions triggered, or anticipated to be triggered by the annual drought risk assessment, must also be made available to all parties and stakeholders. The bill also revises the funding restrictions on non-compliant water agencies to match that which applies to the agricultural water management plans outlined in AB 1668. The bill makes an urban water supplier ineligible to receive any water grant or loan unless the urban water supplier complies with the requirements relating to UWMPs.
- 5) **Descriptions of the Legal Authorities:** Must empower the urban water supplier to implement and enforce its shortage response actions that may include, but are not limited to:
 - (i) Statutory authorities, ordinances, resolutions, and contract provisions.
 - (ii) A statement that an urban water supplier shall declare a water shortage emergency.

- (iii) A statement that an urban water supplier shall coordinate with any city or county within which it provides water supply services for the possible proclamation of a local emergency.
- 6) *A Description of the Financial Consequences:* Must include responses for drought conditions, including, but not limited to, descriptions of all of the following:
 - (i) Potential revenue reductions and expense increases associated with activated shortage response actions.
 - (ii) Mitigation actions needed to address revenue reductions and expense increases associated with activated shortage response actions.
 - (iii) Cost of compliance.

WSCPs must include monitoring and reporting requirements and procedures that ensure appropriate data is collected, tracked, and analyzed for purposes of monitoring customer compliance and to meet state reporting requirements. Urban water suppliers shall also reevaluate and explore improvement procedures for monitoring and evaluating the functionality of the WSCP to ensure shortage risk tolerance is adequate, and appropriate water shortage mitigation strategies are implemented as needed. For purposes of developing the WSCP, an urban water supplier shall analyze and define water features that are artificially supplied with water, including ponds, lakes, waterfalls, and fountains, separately from swimming pools and spas.

The bill states the intent of the Legislature that, upon proclamation by the Governor of a state of emergency under the California Emergency Services Act based on drought conditions, the State Water Board defer to the implementation of locally adopted WSCPs to the extent practicable. This bill will not prohibit an urban water supplier from taking actions not specified in its WSCP, if needed, without having to formally amend its UWMP or WSCP. Further, urban water suppliers are required to make the WSCP, no later than 30 days after adoption, available to its customers as well as any city or county in which it provides water supplies, and if an urban water supplier revises its WSCP, a copy of the updated version must be submitted to DWR no later than 30 days after adoption.

AB 1668 Contingency and Implementation:

The bill includes language that the enactment and implementation of SB 606 are contingent upon the enactment of AB 1668 (Friedman).

AB 1668 (Friedman) Summary

As Chaptered on 5/31/18

Urban Water Use Objectives and Water Use Reporting Requirements:

AB 1668 establishes urban water use objectives, which encompass standards and reporting requirements for indoor and outdoor residential use, commercial, industrial, and institutional (CII) landscape areas, water losses, and other unique local uses and situations that have a material effect on an urban water supplier's total water use. The bill requires the State Water Resources Control Board (State Water Board) to coordinate with Department of Water Resources (DWR) to recommend and adopt long-term standards for efficient water use, as well as conduct studies and investigations to report to the Legislature.

How the Urban Water Use Objective is Calculated

AB 1668 details the provisions included in the urban water use objective while SB 606 provides how the urban water use objective is calculated. Each urban water supplier's urban water use objective will include the sum of aggregate estimated efficient indoor and outdoor residential water use, efficient outdoor irrigation of landscape areas with dedicated irrigation meters (or equivalent technology in connection with CII landscape area water use), efficient water losses, water use in accordance with appropriate variances, and, where allowed, the potable reuse bonus incentive. The estimated efficient water use for each segment uses the standards defined in or directed to be developed by the State Water Board and DWR pursuant to AB 1668.

Indoor Residential Water Use Standards, Studies and Reporting Requirements

Once enacted, the bill sets the initial standard to 55 of gallons per capita daily (gpcd) for indoor residential water use. Beginning January 1, 2025, the standard for indoor residential water use will become 52.5 gpcd, and beginning January 1, 2030, the standard will decline to 50 gpcd. The bill requires that DWR and the State Water Board conduct studies, investigations, and recommends to the Legislature a standard for indoor residential water use that more appropriately reflects best practices for indoor residential water use than the criteria currently outlined in the bill. The indoor standard will be the greater of the recommendation or the statutorily provided gpcd. A report on the results of the studies and investigations is required to be made to the chairpersons of the relevant policy committees of each house of the Legislature by January 1, 2021. The studies and investigations must include an analysis of the benefits and impacts of how the changing standard for indoor residential water use will affect water and wastewater management, including potable water usage, wastewater, recycling and reuse systems, infrastructure, operations, and supplies. The studies and investigations must include collaboration with, and input from, a broad group of stakeholders.

Outdoor Residential & CII Water Use Standards, Studies and Reporting Requirements

The bill requires that DWR recommend, and the State Water Board adopt, long-term standards for outdoor residential water use and CII landscape areas with dedicated irrigation meters or

other means of calculating outdoor irrigation use. Both outdoor residential water use and CII landscape area standards shall be included to incorporate the principles of the model water efficient landscape ordinance (MWELo) by May 20, 2021. The tenets of MWELo are defined to include but are not limited to, evapotranspiration adjustment factors, landscape areas, maximum applied water allowance, reference evapotranspiration, and special landscape areas including the provisions governing evapotranspiration adjustment factors for different types of water used for irrigation. For residential outdoor water use, the standards adopted by the State Water Board will apply to irrigable lands and swimming pools/spas; ornamental water features shall be analyzed separately. The bill requires that DWR conduct pilot projects or studies before recommending standards to ensure that the data provided to local agencies is accurate for the data's uses, and considers California's diverse landscapes and community characteristics.

AB 1668 also requires, by June 30, 2022, that DWR and the State Water Board adopt performance measures for CII water use that are consistent with the October 21, 2013 "Report to the Legislature" by the CII Task Force. These performance measures are not included in the urban water use objective and must exclude provisions related to "process water," as defined in the bill. Before the recommendations for performance measures for CII water use, DWR is required to solicit broad public participation from stakeholders. The law also requires the State Water Board, in coordination with DWR, to adopt long-term standards for the efficient use of water by June 30, 2022, for outdoor residential water use, outdoor irrigation of landscape areas with dedicated irrigation meters in connection with CII water use, and a volume for water loss.

Water Loss

For purposes of the urban water use objective, AB 1668 provides that the water loss standards set by the State Water Board under SB 555 (Chapter 679, Statutes of 2015) will be the standards used in the urban water use objective calculation.

Variances for Water Use Objectives and Unique Uses

By October 1, 2021, the bill requires that DWR recommend, and the State Water Board adopt, variances for unique uses that can affect an urban retail water supplier's urban water use objective. Examples of variances for unique uses include, but are not limited to, significant: populations of horses and other livestock, fluctuations in seasonal populations, use of water for soil compaction and dust control, use of water to supplement ponds and lakes to sustain wildlife, use of water to irrigate vegetation for fire protection, and use of water for commercial or noncommercial agricultural use.

Data Sharing and Reporting

The bill also requires that DWR and the State Water Board analyze opportunities to streamline data reporting, as well as how agencies can integrate various data sets in publicly accessible locations. The bill requires DWR, in coordination with the State Water Board, to conduct necessary studies and investigations and recommend, no later than October 1, 2021, guidelines

and methodologies for DWR to adopt that identify how an urban retail water supplier calculates its urban water use objective.

Fines for Violations

The bill authorizes the State Water Board, after November 1, 2027, to impose fines for violating regulations adopted to implement the provisions of AB 1668. The fines are required to be up to \$1,000 for each day that the violation occurs. If the violation occurs during a critical water year of a multi-year drought or a governor declared drought emergency, the fine could go up to \$10,000 per day of violation.

Agricultural Water Management Planning Act Revisions and Water Use Objectives:

Overview of Revisions

AB 1668 revises the Agricultural Water Management Planning Act and establishes agricultural water use objectives and reporting requirements. The bill requires an agricultural management plan (AWMP) to 1) quantify measures to increase the efficiency of agricultural water use efficiency, 2) include an annual water budget, 3) describe the agricultural water supplier's water management strategy with specified elements, and 4) include a drought plan describing the actions of the agricultural water supplier for drought preparedness and management of water supplies and allocations during drought conditions.

Fines for Failure to Comply and Update AWMPs

The bill requires DWR to review each AWMP. DWR may coordinate its review with the Department of Food and Agriculture (DFA) and the State Water Board. DWR must notify an agricultural water supplier if DWR determines that actions are required to comply with the requirements of the bill or if a supplier fails to update its AWMP. DWR is authorized to take corrective actions and may assess a fine of \$1,000 per day, not to exceed \$25,000, if an agricultural water supplier withholds data necessary for the preparation or completion of a plan.

Reporting Requirements

DWR, in consultation with the State Water Board, must submit a report to the Legislature on the agricultural efficient water management practices that have been implemented and are planned to be executed by December 31, 2021. The report shall include an assessment of the manner in which the implementation of efficient water management practices has affected and how it will affect agricultural operations, including estimated water use efficiency improvements.

Small Water Supplier and Rural Community Requirements:

Identification and Recommendations

AB 1668 requires DWR, by January 1, 2020, in consultation with the State Water Board and other relevant stakeholders, to identify small water suppliers and rural communities that may be at risk of drought and water shortage vulnerability. The bill also requires DWR to propose to the Governor and the Legislature, by January 1, 2020, recommendations and guidance regarding

the development and use of countywide drought contingency plans to address drought planning for the identified small water suppliers and rural communities. The recommendations shall include 1) assessment of drought vulnerability, 2) actions to reduce drought vulnerability, 3) response, financing, and local communication and outreach planning efforts that may be implemented in times of drought, 4) data needs and reporting, and lastly, 5) the roles and responsibilities of interested parties and coordination with other relevant water management planning efforts.

Definitions:

The bill defines the following for purposes of the standards set forth in SB 606:

Large landscape: means a nonresidential landscape as described in the performance measures for CII water use.

Performance measures: means actions to be taken by urban retail water suppliers that will result in increased water use efficiency by CII water users. Performance measures may include, but are not limited to, educating CII water users on best management practices, conducting water use audits, and preparing water management plans. Performance measures do not include process water.

Process water: means water used by industrial water users for producing a product or product content or water used for research and development. Process water includes, but is not limited to, continuous manufacturing processes, and water used for testing, cleaning, and maintaining equipment. Water used to cool machinery or buildings used in the manufacturing process or necessary to maintain product quality or chemical characteristics for product manufacturing or control rooms, data centers, laboratories, clean rooms, and other industrial facility units that are integral to the manufacturing or research and development process is process water. Water used in the manufacturing process that is necessary for complying with local, state, and federal health and safety laws, and is not incidental water, is process water. Process water does not mean incidental water uses.

SB 606 Contingency and Implementation:


The bill includes language that the enactment and implementation of AB 1668 are contingent upon the enactment of SB 606 (Hertzberg).

Calaveras Local Agency Formation Commission

Memorandum

September 17, 2018

TO: LAFCo Commissioners

FROM: John Benoit, Executive Officer 

SUBJECT: 2018 Biennial Review of the Conflict of Interest Code.

Attachments:

1. Resolution 2014-0005 adopting LAFCO's Conflict of Interest Code
2. 2018 Local Agency Biennial Notice

Government code section 87300 et. seq. (the Political Reform Act) requires each local government agency to maintain a conflict of interest code and update it to reflect changes occurring in the organization of an entity. The Local Agency Formation Commission (as well as other local agencies) is required adopt, review and amend its Conflict of Interest code during even-numbered years. The County Clerk normally sends out a biennial notice or other official designated by the Board of Supervisors during the summer of even numbered years to each agency required to review its Conflict of Interest Code.

Government code section 87311 requires review of a conflict of interest code to be carried out under procedures which guarantee to officers, employees, members and consultants of the agency and to residents of the County adequate notice and a fair opportunity to present their views. In 2014 the County passed Resolution 2014-0093 stating it will no longer be the filing agency and the designated filing officer. In 2014 after review or approval of the Conflict of Interest Code (see Attachment #1), LAFCO adopted Resolution 2014-0005 on July 21, 2014 and was required to submit the proposed changes to the Board of Supervisors acting as the code reviewing body for approval.

Attachment #2, is the 2018 Biennial Notice stating after review, LAFCo's Conflict of Interest code is not in need of any revisions for 2018.

Recommendation:

Authorize the Executive Officer to sign and transmit the 2018 Biennial Local Agency Notice (Attachment #2) to the County Clerk to the Board.

Calaveras Local Agency Formation Commission, COUNTY OF CALAVERAS
STATE OF CALIFORNIA
July 21, 2014

RESOLUTION NO.2014-0005 **RESOLUTION ADOPTING A CONFLICT OF INTEREST CODE AND APPENDIX OF DESIGNATED POSITIONS**

WHEREAS, pursuant to the provisions of the Political Reform Act (Govt. Code § 81000, *et seq.*), the **Calaveras Local Agency Formation Commission (LAFCo)** is required to adopt a Conflict of Interest Code and Appendix of designated positions; and

WHEREAS, biennial review of the Appendix to the Conflict of Interest Code is required by state law and changes to the designated positions and disclosure categories and thereafter adopt necessary amendments.

NOW, THEREFORE, BE IT RESOLVED that the Conflict of Interest Code (Exhibit A) and list of designated positions and disclosure categories as set forth in the Appendix to the Conflict of Interest Code attached hereto is hereby adopted.

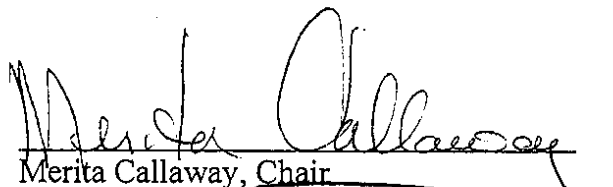
ON A MOTION by Commissioner Lynch, seconded by Commissioner Tyrrell, the foregoing Resolution was duly passed and adopted by the **Calaveras Local Agency Formation Commission (LAFCo)** of the County of Calaveras, State of California this 21st day of July, 2014, by the following vote:

AYES: Lynch, Tyrrell, Paque, Lavaroni, Sobon and Callaway

NOES:

ABSENT: Spellman

ABSTAINED:


Merita Callaway, Chair
Calaveras LAFCo

ATTEST:


John Benoit, Executive Officer

EXHIBIT A

CALAVERAS LOCAL AGENCY FORMATION COMMISSION (LAFCo)

CONFLICT-OF-INTEREST CODE

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code of the **Calaveras Local Agency Formation Commission**

Individuals holding designated positions shall file their statements of economic interests with the **Calaveras Local Agency Formation Commission's Executive Officer**, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) All statements will be retained by the **Calaveras Local Agency Formation Commission**.

CONFLICT-OF-INTEREST CODE (Calaveras LAFCo)

APPENDIX A-DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Category</u>
Members of the Commission**	1, 2
Executive Officer	1, 2
LAFCo Counsel	1, 2
Consultants*	*

*Consultants shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Executive Officer may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code (Gov. Code Section 81008).

CONFLICT-OF-INTEREST CODE (Calaveras LAFCo)

APPENDIX B-DISCLOSURE CATEGORIES

Disclosure Category 1

Designated positions assigned to this category shall report:

Interests in real property located within or not more than two miles outside the boundaries of LAFCo's jurisdiction or within two miles of the County Boundary.

Persons shall not be required to disclose property used primarily as their residence or for personal recreational purposes.

Disclosure Category 2

Designated positions assigned to this category shall report:

Investments and business positions in business entities, and sources of income, including loans, gifts, and travel payments, from sources of the type that provide services, supplies, materials, machinery, or equipment to LAFCo. Such sources include but are not limited to architects, engineering and construction firms.

2018 Local Agency Biennial Notice

Name of Agency: Calaveras LAFCo

Mailing Address: P.O. Box 2694 Granite Bay, CA 96746

Contact Person: John Benoit Phone No. 209.754.6511

Email: johnbenoit@surewest.net Alternate Email: _____

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (*check one BOX*):

☐ **An amendment is required. The following amendments are necessary:**

(*Check all that apply.*)

- ☐ Include new positions
- ☐ Revise disclosure categories
- ☐ Revise the titles of existing positions
- ☐ Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- ☐ Other (*describe*) _____

☐ **The code is currently under review by the code reviewing body.**

☒ **No amendment is required.** (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.

September 17, 2018

Signature of Chief Executive Officer

Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2018**, or by the date specified by your agency, if earlier, to:

**Diane Severud
Administration
891 Mountain Ranch Road
San Andreas, CA 95249**

2018 ETHICS TRAINING

CALAVERAS LAFCO

Ethics Training (AB 1234) designed for Special District and Local Government Boards and Staff within Calaveras County

WHEN: Friday, **October 19, 2018:** 2:00 PM until 4:00 PM

WHERE: **Calaveras County Board of Supervisor's Room 891
Mountain Ranch Road, San Andreas CA**

COST: This training is sponsored by Best Best and Krieger, LLP and Calaveras LAFCO with the Calaveras County Clerk to the Board of Supervisors and LAFCo at no cost to local agencies.

It is the goal of the Calaveras Local Agency Formation Commission (LAFCO) to sponsor training for special districts and agencies within Calaveras County.

The session will cover the Brown Act, the Public Records Act, conflicts of interest, and general ethics principles, and will satisfy your AB 1234 training requirements for this year. Josh Nelson and Kara Ueda of Best Best and Krieger will be providing the training.

No reservations are necessary. Certificates will be mailed after the training to those who attend. If you have any questions regarding AB-1234 requirements please contact Diane Severud, Clerk to the Board of Supervisors at (209) 754-6370 or dseverud@co.calaveras.ca.us John Benoit, LAFCo Executive Officer at (209) 754-6511 or johnbenoit@surewest.net. We will look forward to seeing you.

Please see the attached Memo from Josh Nelson of Best Best and Krieger, LLP for more information.

BEST BEST & KRIEGER

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TO: CALAVERAS COUNTY PUBLIC AGENCIES AND OFFICIALS
FROM: BEST BEST & KRIEGER LLP
RE: AB 1234 MANDATORY ETHICS TRAINING REQUIREMENTS

Local elected officials and some public agency employees in California are required to receive at least two hours of training, every two years, in general ethics principles and ethics laws relevant to their public service. (This is sometimes known as AB 1234 training.) For most affected officials and employees, 2018 is a year in which this training is required.

Although this training can be completed online, we have found that receiving the training from a live presenter is helpful, because it allows officials and employees to ask questions and hear the questions and experiences shared by other people. Because we recognize the financial strains currently affecting many public agencies, we would like to invite the officials and employees from every public agency in Calaveras County to attend a completely free ethics training session, to be conducted on Friday, October 19, 2018. The training session will be conducted at the Board of Supervisor's Chambers 891 Mountain Ranch Road San Andreas, CA from 2:00 PM until 4:00 PM. The session will cover the Brown Act, the Public Records Act, conflicts of interest, and general ethics principles, and will satisfy your training requirements for this year. Along with the training, we will also provide certificates of participation, all free of charge.

Our firm acts as city attorneys for more than 40 cities in California, general counsel or special counsel for more than 60 special districts, and we have conducted dozens of ethics training sessions, so we should be able to answer most questions you have during the training session.

This training is being offered jointly by Calaveras LAFCo, and by our firm. No RSVP is necessary. You may contact me at (916) 325-4000 with any questions, and we will look forward to seeing you.

Josh Nelson
for BEST BEST & KRIEGER LLP
Public Policy & Ethics Group

PART 1. GENERAL

CHAPTER 1. LEGISLATIVE FINDINGS AND DECLARATIONS

Title 56000. This division shall be known and may be cited as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

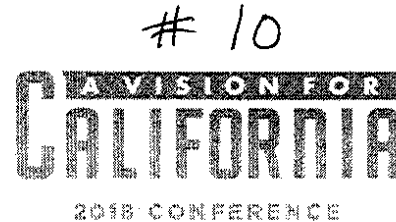
LEGISLATIVE FINDINGS AND DECLARATIONS; STATE INTERESTS:

56001. The Legislature finds and declares that it is the policy of the state to encourage orderly growth and development which are essential to the social, fiscal, and economic well-being of the state. The Legislature recognizes that the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services. The Legislature also recognizes that providing housing for persons and families of all incomes is an important factor in promoting orderly development. Therefore, the Legislature further finds and declares that this policy should be effected by the logical formation and modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services and housing for persons and families of all incomes in the most efficient manner feasible.

The Legislature recognizes that urban population densities and intensive residential, commercial, and industrial development necessitate a broad spectrum and high level of community services and controls. The Legislature also recognizes that when areas become urbanized to the extent that they need the full range of community services, priorities are required to be established regarding the type and levels of services that the residents of an urban community need and desire; that community service priorities be established by weighing the total community service needs against the total financial resources available for securing community services; and that those community service priorities are required to reflect local circumstances, conditions and limited financial resources. The Legislature finds and declares that a single multipurpose governmental agency is accountable for community service needs and financial resources and, therefore, may be the best mechanism for establishing community service priorities especially in urban areas. Nonetheless, the Legislature recognizes the critical role of many limited purpose agencies, especially in rural communities. The Legislature also finds that, whether governmental services are proposed to be provided by a single-purpose agency, several agencies, or a multipurpose agency, responsibility should be given to the agency or agencies that can best provide government services.



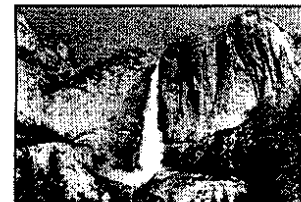
Announcing The 2018 CALAFCO Annual Conference



Hosted by CALAFCO

October 3 – 5, 2018

Tenaya Lodge, Yosemite
Fish Camp, CA



Wednesday, October 3

7:30 am – 12:30 pm – Mobile Workshop (bus boards at 7:15 am)
10 am – Noon LAFCO 101
1:30 – 2:00 pm Conference opening session
2:00 – 3:30 General Session: *The natural disaster phenomenon: How they are changing the way LAFCOs plan and respond*
3:30 – 3:45 Break and time with Sponsors
3:45 – 5:00 General Session: *Municipal Service Reviews: Friend or foe? Using MSRs for more than a bookend*
5:30 – 7:00 CALAFCO Welcome Reception
Dinner on your own

Thursday, October 4

7:00 – 9:00 am Continental Breakfast Buffet
8:00 – 8:45 Regional Caucuses and Elections/Legal Counsel roundtable begins
9:00 – 10:00 General Session: *CALAFCO Annual Business Meeting*
10:00 – 10:30 Refreshment break with Sponsors
10:30 – 11:45 Regional and Legal Counsel Roundtables
Noon – 1:30 pm Lunch and Keynote Speaker – *Madera County Supervisor Tom Wheeler and Chief of Staff Brittany Dyer; Representatives from CalFire and CA Dept. of Forestry on Tree Mortality and the impacts*
1:45 – 3:15 Breakout Sessions:
 ★ *Agriculture preservation: From vision to action*
 ★ *LAFCOs role to encourage and support local agency accountability and transparency*
 ★ *LAFCOs and affordable housing: What's the connection?*
3:15 – 3:30 Refreshment break
3:30 – 5:00 Breakout Sessions:
 ★ *State tools for climate smart growth*
 ★ *LAFCO in a perfect world: A facilitated creative discussion on making LAFCOs more effective*
 ★ *LAFCOs and fire protection services: Synching up spheres, boundaries, contracts and auto-aid*
6:00 – 7:00 Pre-dinner no-host reception with Conference Sponsors
7:00 – 9:00 Dinner and Annual Achievement Awards Presentation

Friday, October 5

7:30 – 9:00 am Breakfast Buffet
7:30 – 8:45 CALAFCO Board of Directors Meeting
9:00 – 10:15 General Session: *Promoting adaptive change in a messy world featuring Dr. Frank Benest*
10:15 – 10:30 Light refreshment break
10:30 – Noon General Session: *CALAFCO Legislative update – a conversation with the Assembly Local Government Committee Chair, the Honorable Cecilia Aguiar-Curry and 2018 legislative impacts*

Tenaya Lodge, Yosemite



Mark your calendar and
plan to attend!



Conference registration
is open until 9/14.
Visit www.calafco.org

Tenaya Lodge still has a few rooms available, however all rooms at the \$179/night conference rate are sold out. However, you are encouraged to continue to check in with the hotel as cancellations are received and rooms are released by calling 888-514-2167.

Nearby overflow hotels include Yosemite Gateway Inn (13 miles from Tenaya) at 559-683-2378. The Houndstooth Inn (11 miles from Tenaya) – only book by calling 559-642-6600, ask for Amy and say you are with CALAFCO. The Pines (16 miles from Tenaya) can be reached at 559-692-8838.