



San Gabriel Valley Council of Governments
AGENDA AND NOTICE OF THE JOINT MEETING OF THE WATER
POLICY COMMITTEE & WATER TECHNICAL ADVISORY
COMMITTEE (TAC)

Tuesday, May 12, 2020, 10:00 AM

Teleconference Meeting: Livestream available via sgvcog.org

**Water Policy
Chair**

Diana Mahmud
City of South Pasadena

Vice-Chair

Gloria Crudgington
City of Monrovia

MEMBERS

*Claremont
Glendora
Monrovia
Rosemead
Sierra Madre
South Pasadena
LA County District 1*

**Water TAC
Chair**

Tom Love
Upper San Gabriel Valley
Municipal Water District

Vice Chair

Alex Tachiki
City of Monrovia

MEMBERS

*Alhambra
Arcadia
Bradbury
Covina
Duarte
Monrovia
Pomona
Sierra Madre
LA County DPW
Upper San Gabriel Valley
MWD*

EX-OFFICIO

*LA County Sanitation
Districts
SG Basin Watermaster*

Thank you for participating in today's meeting. The Water Committee encourages public participation and invites you to share your views on agenda items.

MEETINGS: *Regular Meetings of the Water Committee are held on the second Tuesday of each month at 10:00 AM at the Upper San Gabriel Valley Municipal Water District Offices (602 E. Huntington Drive, Suite B Monrovia, CA 91016).* The agenda packet is available at the San Gabriel Valley Council of Government's (SGVCOG) Office, 1000 South Fremont Avenue, Suite 10210, Alhambra, CA, and on the website, www.sgvcog.org. Copies are available via email upon request (sgv@sgvcog.org). Documents distributed to a majority of the Committee after the posting will be available for review in the SGVCOG office and on the SGVCOG website. Your attendance at this public meeting may result in the recording of your voice.

PUBLIC PARTICIPATION: Your participation is welcomed and invited at all Water Committee and Water TAC meetings. Time is reserved at each regular meeting for those who wish to address the Committee. SGVCOG requests that persons addressing the Committee refrain from making personal, slanderous, profane or disruptive remarks.

TO ADDRESS THE COMMITTEE: At a regular meeting, the public may comment on any matter within the jurisdiction of the Committee during the public comment period and may also comment on any agenda item at the time it is discussed. At a special meeting, the public may only comment on items that are on the agenda. Members of the public wishing to speak are asked to complete a comment card or simply rise to be recognized when the Chair asks for public comments to speak. We ask that members of the public state their name for the record and keep their remarks brief. If several persons wish to address the Committee on a single item, the Chair may impose a time limit on individual remarks at the beginning of discussion. **The Water Committee and Water TAC may not discuss or vote on items not on the agenda.**

AGENDA ITEMS: The Agenda contains the regular order of business of the Water Committee and the Water TAC. Items on the Agenda have generally been reviewed and investigated by the staff in advance of the meeting so that the Committee/TAC can be fully informed about a matter before making its decision.

CONSENT CALENDAR: Items listed on the Consent Calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion on these items unless a Committee member or citizen so requests. In this event, the item will be removed from the Consent Calendar and considered after the Consent Calendar. If you would like an item on the Consent Calendar discussed, simply tell Staff or a member of the Committee.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SGVCOG office at (626) 457-1800. Notification 48 hours prior to the meeting will enable the SGVCOG to make reasonable arrangement to ensure accessibility to this meeting.



***MEETING MODIFICATIONS DUE TO THE STATE AND LOCAL STATE OF EMERGENCY RESULTING FROM THE THREAT OF COVID-19:** On March 17, 2020, Governor Gavin Newsom issued Executive Order N-29-20 authorizing a local legislative body to hold public meetings via teleconferencing and allows for members of the public to observe and address the meeting telephonically or electronically to promote social distancing due to the state and local State of Emergency resulting from the threat of the Novel Coronavirus (COVID-19).

To follow the new Order issued by the Governor and ensure the safety of committee members and staff for the purpose of limiting the risk of COVID-19, in-person public participation at the Regular Water Committee/TAC meeting scheduled for May 12, 2020 at 10:00am will be not be allowed. Members of the public may view the meeting live on the SGVCOG's website. To access the meeting video, log onto www.sgvkog.org, click on the Water Committee Agenda text on the right-hand side of the homepage, then follow prompts to watch the meeting live during the scheduled meeting time.

Public comments can be submitted electronically by emailing smatthews@sgvcog.org at least 1 hour prior to the scheduled meeting time. Emailed public comments will be read into the record. If you wish to comment on a specific agenda item, please identify the item in your email. General public comments will be addressed during the general public comment item on the agenda.

Any member of the public requiring a reasonable accommodation to participate in this meeting should contact Samantha Matthews at least 48 hours prior to the meeting at (626) 457-1800 or at smatthews@sgvcog.org.

PRELIMINARY BUSINESS

1. Call to Order
2. Roll Call
3. Public Comment (*If necessary, the Chair may place reasonable time limits on all comments*).
4. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting.

CONSENT CALENDAR (*It is anticipated that the Water Committee/TAC may act on the following matters*)

5. Water Committee/TAC Meeting Minutes (Page 1)
Recommended Action: Approve March 10, 2020 Water Committee/TAC meeting minutes.

DISCUSSION ITEMS

6. Safe Clean Water Program (Page 5)
 - a. Program and WASC Updates
 - b. Round 2 Applications
 - c. Watershed Coordinators
 - d. Scoring Committee and Scoring Criteria*Recommended Action: For discussion.*
7. COVID-19 Stimulus Funding
Recommended Action: For discussion.

UPDATE ITEMS (*It is anticipated that the Water Committee/TAC may act on the following matters*)

8. Safe Clean Water Program Transfer Agreement Templates (Page 7)
Recommended Action: For information only.
9. Legislative Updates (Page 16)
Recommended Action: For information only.
10. Litigation Update
Recommended Action: For information only
11. E/WMP Updates
Recommended Action: For information only.
12. Water TAC Chair Report
Recommended Action: For information only.
13. Water Supply Update
Recommended Action: For information only.
14. Water Boards Update
Recommended Action: For information only.

CHAIR'S REPORT

ANNOUNCEMENTS

ADJOURN



**SGVCOG Joint Water Policy Committee/TAC Meeting
Unapproved Minutes**

Date: March 10, 2020
Time: 10:00 AM
Location: Upper San Gabriel Valley Municipal Water District Office
602 E. Huntington Drive; Monrovia, CA 91016

PRELIMINARY BUSINESS

1. Call to Order: The meeting was called to order at 10:05 A.M.
2. Roll Call

Water Policy Committee Members Present

J. Stark; Claremont
G. Boyer, J. Nelson; Glendora
G. Crudgington; Monrovia
D. Mahmud; South Pasadena

Water TAC Members Present

D. Dolphin; Alhambra
S. Santos; Bradbury
S. Costandi; Covina
R. Wang; LA County Public Works
A. Tachiki, J. Louie; Monrovia
J. Carver; Pomona
J. Carlson; Sierra Madre
T. Love; USGVMWD

Ex Officio Members Present

L. Augino; SG Basin Watermaster

Guests

K. Allen; LA County Public Works
B. Ruiz Hoffmann; LA County Parks & Recreation
J. Caprile; LA County Parks & Recreation
R. Tahir; TECS Environmental
G. Kau; City of Norwalk
O. Galang; Craftwater Engineering
B. Kadel;

SGVCOG Staff

C. Sims
S. Matthews

Water Policy Committee Members Absent

Rosemead
Sierra Madre
LA County District #1

Water TAC Members Absent

Arcadia
Duarte

Ex Officio Members Absent

LACSD

3. Public Comment

R. Tahir presented a PowerPoint entitled, “No Need for Bacteria Study.” He stated that the proposed bacteria study that had been submitted to the Safe Clean Water Program for funding consideration is not needed because bacteria is not an MS4 compliance issue and because spreading grounds infiltrate and treat bacteria. He stated that cities can do outfall monitoring instead and do not need to address bacteria until 2023.

G. Kau announced that the City of Norwalk is not interested in supporting a bacteria study, that it was not aware of the study, and is concerned that the consultant appeared to be selected without a competitive process. He stated that the consultant does not have the appropriate experience.

- 4. Changes to Agenda Order.
No changes to agenda order.

CONSENT CALENDAR

- 5. Water Committee/TAC February Meeting Minutes
There was a motion to approve the consent calendar.
(M/S: J. Nelson/G. Crudgington)

[MOTION PASSED]

AYES:	Claremont; Glendora; Monrovia; South Pasadena; Alhambra; Bradbury; Covina; Monrovia; Pomona; Sierra Madre; LA County Public Works; USGVMWD
NOES:	
ABSTAIN:	
ABSENT:	LA County District 1; Arcadia; Duarte; Rosemead

ACTION ITEMS

- 6. Election of Vice Chair

There was a motion to approve the election of Gloria Crudgington as Vice Chair of the Water Policy Committee.
(M/S: J. Nelson/J. Stark)

[MOTION PASSED]

AYES:	Claremont; Glendora; Monrovia; South Pasadena
NOES:	
ABSTAIN:	
ABSENT:	Rosemead; Sierra Madre; LA County District 1

- 7. Safe Clean Water Program Transfer Agreement Templates – Kirk Allen, Los Angeles County Public Works

K. Allen from Los Angeles County Public Works presented on the Safe Clean Water program, the Transfer Agreement templates, and the status of executing with cities. He provided background information on Measure W and on tax relief and exemption options for low-income individual-owned and senior-owned property. He provided an overview of the Municipal Program, which allocates 40% of the annual revenues to cities as local return - about \$114 million annually – proportional to the revenues generated within municipal boundaries. He also provided updates on

the first tax year and announced that the District will have the full \$275-\$280 million first-year revenue by May 20, 2020.

K. Allen announced that the County released the Municipal Transfer Agreement and Regional Transfer Agreement Templates for public review on March 9, 2020. The County Board of Supervisors will approve the final agreements in June. The District plans to execute the agreements with municipalities in June and July and will transfer funds within 30 days of a completed agreement.

There was a discussion about the local return program and concern about ensuring municipalities receive the funds. There were discussions on the program reporting schedule, the Scoring Committee makeup and vacancy, the scoring criteria for water supply, and the bias created against the San Gabriel Valley.

DISCUSSION ITEMS

8. Safe Clean Water Program Management

A. Tachiki provided updates from the Rio Hondo WASC. The WASC Chairs next meeting will take place May 21, 2020. There was a discussion on how the program is structured to benefit LA County and the City of LA and how bias against the San Gabriel Valley resulted in a low scoring of Monrovia's Arcadia Wash Diversion project. This project can now withdraw or go through the County's Technical Resources Program ("TRP") and work with Flood Control District staff. A. Tachiki explained how TRP funding can be used by Cities to conduct feasibility studies, something the City of LA will be doing.

D. Mahmud expressed concerned with the Scoring Committee and the heavy presence of environmental interests rather than municipal interests and described the need for a Scoring Committee member who represents small city interests. J. Nelson noted that the Regional Oversight Committee is also heavily balanced toward environmental interests. There was a discussion on how the Watershed Coordinators must be independent. K. Allen announced that the Watershed Coordinator solicitation will be released by April and the recruitment process will require applicants to interview in front of the WASCs, which will provide feedback to the District.

9. State Water Resources Control Board Draft Order

C. Sims announced that the State Water Resources Control Board was providing an additional month to provide further comments on the Draft Order. D. Mahmud asked for further comments and there were none.

There was a motion to approve the comments.

(M/S: G. Crudgington/D. Diamond)

[MOTION PASSED]

AYES:	Alhambra; Claremont; Duarte; Glendora; Monrovia; Rosemead; Sierra Madre; South Pasadena; Monrovia; USGVMWD
NOES:	
ABSTAIN:	LA County Public Works
ABSENT:	LA County District 1; Arcadia; Bradbury; Covina; Pomona

UPDATE ITEMS

- 8.** Legislative Updates
S. Matthews provided an update on three bills introduced in 2020. D. Mahmud discussed the November water bond.
- 9.** Litigation Update
There was no litigation update.
- 10.** Safe Clean Water Updates
 - a. Overall Updates
 - b. Rio Hondo WASC
 - c. Upper Los Angeles River WASC
 - d. Upper San Gabriel River WASCThere were no Safe Clean Water updates.
- 11.** E/WMP Updates
There were no E/WMP updates.
- 12.** Water TAC Chair Report
There was no Water TAC update.
- 13.** Water Supply Update
T. Love provided an update on the water supply of the Metropolitan Water District. Currently, 80% of water is local water (stormwater capture) and 20% is imported. Colorado River water is not used for groundwater. 2019 saw a record storage balance of 3.1 MAF. T. Love announced that we are currently at 44% of average local rainfall. State Water Project's allocation is limited at 15%. The Colorado River allocation is at 79%.
- 14.** Water Boards Update
Meeting on the Water Board is scheduled for Thursday, March 12.

CHAIR'S REPORT

There was no Chair's report.

ANNOUNCEMENTS

There were no announcements.

The meeting was adjourned at 11:56 AM.

DATE: May 12, 2020

TO: Water Policy Committee/Water TAC

FROM: Marisa Creter, Executive Director

RE: **SAFE CLEAN WATER PROGRAM**

RECOMMENDED ACTION

For information only.

PROGRAM AND WASC UPDATES

The Safe Clean Water Program's Regional Oversight Committee, Scoring Committee, and Watershed Area Steering Committees ("WASCs") have resumed meeting via Cisco Webex video conference. Upcoming meetings are listed below. The full schedule and Webex details can be found on the Program's website here: safecleanwaterla.org. The WASCs are expected to approve Stormwater Investment Plans ("SIPs") in late May with Board approval in August.

ROUND 2 APPLICATIONS

The Fiscal Year 2021-22 Regional Program call for projects is open and the deadline to submit project applications is July 31, 2020. The WASCs will review these projects in August before sending to the Scoring Committee in September.

WATERSHED COORDINATORS

The Program will be onboarding Watershed Coordinators to assist each WASC. Watershed Coordinators' qualifications are to be finalized by the District in May. The WASCs will review potential candidates in August with Board approval in September.

SCORING COMMITTEE AND SCORING CRITERIA

The SGVCOG has identified a number of concerns related to the implementation of the Safe Clean Water Program. These include the following:

- The scoring criteria for water supply and the created bias against the San Gabriel Valley
- The Scoring Committee makeup and vacancy
- The need for independent Watershed Coordinators
- The need for an extension of the FY 2021-22 application deadline

SGVCOG staff and Water Committee Chair and Vice Chair will be meeting with leadership from County Public Works – including Director Mark Pestrella – to discuss these concerns. The

REPORT

SGVCOG is seeking feedback from Committee members on any additional implementation concerns that should be discussed with County Public Works leadership.

UPCOMING MEETINGS


Regional Oversight Committee – Wednesday, May 20 at 12:30pm – 2:30pm

Scoring Committee – Tuesday, June 2 at 9:00am – 12:00pm

Upper Los Angeles River WASC – Thursday, May 14 at 2:00pm – 4:00pm

Upper San Gabriel River WASC – Monday, May 18 at 1:30pm – 3:30pm

Rio Hondo WASC – Wednesday, May 20 at 9:00am – 11:00am

Prepared by: 

Samantha Matthews
Management Analyst

Approved by: 

Marisa Creter
Executive Director

REPORT

DATE: May 12, 2020

TO: Water Policy Committee/Water TAC

FROM: Marisa Creter, Executive Director

RE: **SAFE CLEAN WATER PROGRAM TRANSFER AGREEMENT TEMPLATES
COMMENT LETTER**


RECOMMENDED ACTION

For information only.

BACKGROUND

The Safe Clean Water Program's Municipal Transfer Agreement Template and Regional Program Transfer Agreement Template were released for a 30-day public review on March 9, 2020. That review period was subsequently extended by two weeks until April 21, 2020. SGVCOG staff requested comments from Water Committee and Water TAC members and summarized those comments in a letter to the Los Angeles County Flood Control District. The letter is included as Attachment A.

The District is reviewing the public comments received and will transmit the requested changes to the Los Angeles County Board of Supervisors. The Board is expected to approve the final Transfer Agreements at its meeting on June 2, 2020. After approval, the District will email the final Municipal Transfer Agreement to municipalities and will provide funding within 30 days of agreement execution. It is expected that funding will be provided to municipalities by the end of August. For the Regional Program, the District will provide funding to WASCs within 45 days of agreement execution.

Prepared by: 

Samantha Matthews
Management Analyst

Approved by: 

Marisa Creter
Executive Director

ATTACHMENTS

Attachment A – Safe Clean Water Program Transfer Agreement Templates Comment Letter



April 21, 2020

Mark Pestrella, Director
Los Angeles County Flood Control District
900 S. Fremont Ave.
Alhambra, CA 91803

OFFICERS

President
Cynthia Sternquist

1st Vice President
Margaret Clark

2nd Vice President
Becky Shevlin

3rd Vice President
Tim Hepburn

MEMBERS

Alhambra
Arcadia
Azusa
Baldwin Park
Bradbury
Claremont
Covina
Diamond Bar
Duarte
El Monte
Glendora
Industry
Irwindale
La Cañada Flintridge
La Puente
La Verne
Monrovia
Montebello
Monterey Park
Pomona
Rosemead
San Dimas
San Gabriel
San Marino
Sierra Madre
South El Monte
South Pasadena
Temple City
Walnut
West Covina

First District, LA County
Unincorporated Communities
Fourth District, LA County
Unincorporated Communities
Fifth District, LA County
Unincorporated Communities
SGV Water Districts

RE: COMMENTS ON THE SAFE CLEAN WATER PROGRAM TRANSFER AGREEMENT TEMPLATES

Dear Mr. Mark Pestrella and District Staff:

This submittal is being made on behalf of the San Gabriel Valley Council of Governments (“SGVCOG”) and its member cities. The SGVCOG is submitting these comments in response to District staff’s request for written comments on the Safe Clean Water Program’s (“SCW”) Municipal Transfer Agreement Template and Regional Program Transfer Agreement Template, which were circulated to the community on March 9, 2020.

As fellow public agencies, the SGVCOG’s member agencies appreciate the opportunity to comment on the Transfer Agreement Templates and hope to continue to work collaboratively with the District and its staff to create final Transfer Agreements that include terms that are technically and financially feasible, while also achieving concrete environmental benefits to our communities.

The SGVCOG’s member agencies conducted a thorough and comprehensive review of the Transfer Agreement Templates. Those specific comments and concerns are as follows.

- **Party Contacts:**
 - *Municipal/Regional Transfer Agreement Section II:* The SGVCOG requests that the Agreements include two points of contact. Most recipients and municipalities will include one staff member for reporting and one staff member for estimating revenues. We will need to ensure that both departments are updated on necessary information.
- **Terms of Agreement:**
 - *Municipal Transfer Agreement Section VI:* The District should clarify what and who decides the timeline of the first agreement (between 3 and 5 years).
- **SCW Program Funding for Funded Activity:**
 - *Regional Transfer Agreement Section V.B.:* The District should allow for the WASCs to allocate multi-year funding for multi-year projects and, when the WASC allocates multi-year funding, remove the requirement for the

Addendum to the Agreement, as shown in Exhibit D. The duration of the Agreement should be for each year for which the WASC has recommended a funding allocation. It would be extremely difficult to complete these complex, multi-year, regional projects if funding is not guaranteed for the duration of the project. Unsecured funding will also make these projects less competitive for other sources of funding, as other funders will likely be hesitant to award funding to a project that does not have its future years' funding secured. Continued funding in subsequent years would be contingent upon the project demonstrating the anticipated progress, or strongly justifying the lack of continued progress.

- It should be noted that other Special Revenues (e.g. the Los Angeles County Metropolitan Transportation Agency's Proposition A, Proposition C, Measure R, and Measure M awards) allow for multi-year project funding without requiring agreement addendums. For example, Metro's Proposition A and Proposition C allow multi-year projects to be carried into the next fiscal year without resubmitting a project description or requiring an agreement addendum. Such projects must continue to submit annual reports. The SGVCOG strongly recommends a similar multi-year project funding structure as proposed in the preceding paragraph.
- **Annual Plan & Scope of Work:** The SGVCOG requests the following modifications regarding the Municipal Program Annual Plan and the Regional Program Scope of Work:
 - *Municipal Transfer Agreement Section IV. A:* Increase the time to submit the 2020-21 Fiscal Year Annual Plan to 90 days after the execution of the Agreement by the last party to sign. Especially in light of COVID-19, 45 days following the execution of an Agreement is not sufficient time to prepare and submit an Annual Plan. The SGVCOG also recommends an Annual Plan deadline of May 1, as this date better coincides with the municipal budgeting timeline.
 - *Municipal Transfer Agreement Exhibit A:* The District should further clarify what needs to be included in the Annual Plan Contents, particularly the programmatic budget, as the current requirement (A-7) is vague. Moreover, the Annual Plan includes a request for status update on the Institute for Sustainable Infrastructure (ISI) verification, a verification that is not referenced in the enabling ordinance and is not a widely established verification process. However, pursuing this verification adds additional cost to educate and train staffing to complete the certification request. Until the ISI verification obtains greater acceptance, we suggest a reference to it be deleted. If the District is strongly interested in promoting ISO

verification, it should consider offering training or orientation for ISI project certification.

- *Regional Transfer Agreement Exhibit A:* Section A.1 requires that the recipient submits a detailed budget plan for all phases and tasks included in the work schedule for the Funded Activity, including for each fiscal year if the project is over multiple fiscal years. The detailed budget plan should only be required for the current fiscal year of funding. A high-level budget estimate – equivalent to what is submitted for the SCW Call for Projects application – should be sufficient for future years’ budgets. Similarly, Section A.4, which requires a detailed scope of work for each task of the Funded Activity, should require only a detailed scope of work for the current fiscal year and a high-level scope of work – equivalent to the SCW Call for Projects application – for future years.
- **Accounting and Deposit of Funding:** The SGVCOG has significant concerns with the accounting and deposit of funding disbursement requirements.
 - *Municipal/Regional Transfer Agreement Exhibit B-1:* Section B-1.1 indicates that “interest earned from each account shall be used by the account holder only for eligible expenditures consistent with the requirements of the SCW Program.” This provision is consistent with how other Special Revenues (e.g. the Los Angeles County Metropolitan Transportation Agency’s Proposition A, Proposition C, Measure R, and Measure M awards) operate. However, Section B-1. 2. notes that the Recipient/Municipality “shall not be entitled to interest earned on undisbursed SCW Program Payments,” seemingly in opposition to the previous section. If Section B-1. 2. is accurate, it does not clarify why this is the case and who would otherwise receive the earned interest. The SGVCOG recommends that earned interest be allocated to recipients and municipalities to use toward expenditures allowed under the SCW Program.
- **Audit and Recordkeeping:** The Transfer Agreement Templates include audit and recordkeeping requirements that are unreasonable and inconsistent with best practices conducted by other agencies.
 - *Municipal/Regional Transfer Agreement Exhibit B-6. 2:* It is highly unusual for an awarding entity to not audit its own funds but to instead require the grantee to conduct its own audit. Typically, for other Special Revenues (e.g. the Los Angeles County Metropolitan Transportation Agency’s Proposition A, Proposition C, Measure R, and Measure M awards), those respective entities fund the independent auditor to ensure that its expectations for managing the funds are met. Requiring recipients and municipalities to

fund an audit every 3 years places an additional and uncertain financial burden and may result in inconsistent results which would be avoided if a single entity performed all municipal audits. Accordingly, the SGVCOG requests that the requirement for the receiving entity to obtain an independent audit be removed and that the District be responsible for auditing these contracts, as it deems appropriate.

- *Municipal/Regional Transfer Agreement Exhibit B-6. 1:* The District should also clarify as to why recipients and municipalities need to retain all records for 7 years after Activity Completion, when the limitations period for breach of contract is 4 years. Other Special Revenues (e.g. the Los Angeles County Metropolitan Transportation Agency’s Proposition A, Proposition C, Measure R, and Measure M awards) require that municipalities and projects retain records for 4 years after project completion.
- *Municipal/Regional Transfer Agreement Exhibit B-6. 4:* The District should modify “at all reasonable times” to “upon reasonable advanced request.”
- **Availability of Funds:** The SGVCOG has significant concerns with the unrestricted and unspecified reasons for a lack of sufficient funds.
 - *Municipal/Regional Transfer Agreement Exhibit B-7:* For the Municipal Program, with a direct 40 percent of all revenue raised in the jurisdiction under the Safe Clean Water Program, it is unclear under what conditions would funds be unavailable. The expectation is that 40 percent of all funds collected within each municipality will be allocated to that entity and that 50 percent of all funds collected will be allocation to regional projects. This section should be clarified to affirm that.
 - *Regional Transfer Agreement V.B.:* If the Funded Activity is included in an approved SIP for a subsequent Fiscal Year, the required Addendum must be executed prior to the beginning of the Fiscal Year.
- **Project Access:**
 - *Municipal Transfer Agreement Exhibit B-16/Regional Transfer Agreement Exhibit B-17:* The District should modify “at all reasonable times” to “upon reasonable advanced request.”
- **Funding Considerations and Exclusions:**
 - *Municipal Transfer Agreement Exhibit B-17. 1./Regional Transfer Agreement Exhibit B-18. 1.:* The District should insert “of Title 20” after “Chapters 16 and 18...” and wherever reference to such Chapters is made or clarify that all future references to such Chapters are to them as contained in Title 20.

- **Lapsed Funds:**
 - *Municipal Transfer Agreement Exhibit B-21:* The requirement to use funds within five years is too rigid. These requirements are not consistent with how municipalities operate other enterprise or business funds, which aim to build a capital improvement project (CIP) fund that will allow municipalities to complete expensive and longer-term projects. The District has recommended that agencies use their local SCW funding to match funds on regional projects, so the requirement that all local funding be spent within a 5-year period creates unreasonable challenges to ensure that sufficient funding is available. Other Special Revenues (e.g. the Los Angeles County Metropolitan Transportation Agency’s Proposition A, Proposition C, Measure R, and Measure M awards) allow cities to establish a reserve fund account to reserve funds for a period of time over the timely use provision. The SGVCOG recommends that municipalities be permitted to accumulate designated municipal funds over a period of greater than 5 years to fund its contribution to a regional project in an approved WMP and to build CIP funds that support SCW-eligible projects, providing annual reports based on Governmental Accounting Standards Board (GASB) standards.

- **Municipal Program Reporting:** The SGVCOG has the following concerns with the Municipal Transfer Agreement reporting requirements:
 - *Exhibit B-26. 1. c:* The District should clarify exactly what the “documentation that the SCW Program Payment was used for eligible expenditures” should include.
 - *Exhibit B-26. 1. e:* Including work anticipated for the next reporting period in the Annual Report is redundant as municipalities will already be reporting this information in the Annual Plan for the next fiscal year.
 - *Exhibit B-26. 1. g:* This District should clarify what “Additional financial or Project-related information” might include as the current requirement is vague.
 - *Section B-26. 1. h:* This section is overly onerous as it requires a licensed PE to certify that projects were conducted in accordance with Chapters 16 and 18 of the Code. The SGVCOG recommends that this certification be completed by the Public Works Director.
 - *Exhibit B-26. 1. i:* The task of calculating total benefits provided since inception of the program should be a function of the District as this work will already be done in District reports to the Regional Oversight Committee and, moreover, this calculation would be incredibly difficult to calculate and likely only feasible for larger projects.

- *Exhibit B-26. 3:* Requiring “As Needed Information or Reports” is vague. Moreover, there should not be any further reporting requirements for this County assessment that is already defined by an Ordinance.
- *Exhibit D:* The reporting requirements for Nature-Based Solutions Best Management Practices are inappropriate for municipalities’ reporting. It creates an undue reporting burden that is inconsistent with the types of projects and programs that are likely to be funded by the municipalities’ local SCW funds. This section also includes a reference to quarterly reporting when there is no requirement for a quarterly report in other areas of the contract. Quarterly reporting should not be required as it would be unduly burdensome for municipalities relative to the benefit gained. Other Special Revenues (e.g. the Los Angeles County Metropolitan Transportation Agency’s Proposition A, Proposition C, Measure R, and Measure M awards) do not require this. Moreover, quarterly reporting requirements are not required for regional funding where the expenditures are much greater, thus they should not be required for the municipal funding.
- **Regional Program Reporting:** The SGVCOG has the following concerns with the Regional Transfer Agreement reporting requirements:
 - *Exhibit B-32. 1. d:* The District should clarify exactly what the “documentation that the SCW Program Payment was used for eligible expenditures” should include.
 - *Exhibit B-32. 1. j:* This District should clarify what “Additional financial or project-related information” might include as the current requirement is vague.
 - *Exhibit B-32. 1. k:* This section is overly onerous as it requires a licensed PE to certify that projects were conducted in accordance with Chapters 16 and 18 of the Code. The SGVCOG recommends that this certification be completed by the Project Manager.
 - *Exhibit B-32.5:* Requiring “As Needed Information or Reports” is vague. Moreover, there should not be any further reporting requirements for this County assessment that is already defined by an Ordinance.
- **Good Standing:**
 - *Municipal Transfer Agreement Exhibit B-27/Regional Transfer Agreement Exhibit B-34:* Requiring recipients and municipalities to “demonstrate it has not failed to comply with previous County and/or District audit disallowances” within the last 10 years is exceptionally harsh and there is no precedent for this requirement in other Special Revenues. This provision

harms municipalities for the past misdeeds of long-departed personnel and particularly harms residents who pay the Safe Clean Water Program parcel tax. This requirement also raises the question of how funds that would have been allocated to a municipality would otherwise be allocated. The SGVCOG recommends limiting this provision to 5 years.

- **Withholding of Disbursements and Material Violations:**
 - *Municipal Transfer Agreement Exhibit B-30. 2/Regional Transfer Agreement Exhibit B-39.3:* The District should clarify what is “reasonable progress” towards “achieving SCW Program Goals” and “Project Completion” as the current requirement is particularly vague.

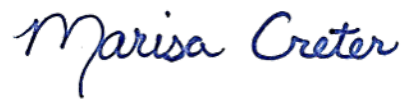
- **Funding Activity Termination:**
 - *Municipal Transfer Agreement Exhibit C-4:* The SGVCOG recommends that in the event of terminating the implementation of a portion of a Funded Activity, the Recipient, upon 30 days advance notice to the District, should be permitted to use funds for another purpose so long as it is consistent with the SCW Program.

- **Operations and Maintenance Guidance:**
 - *Municipal Transfer Agreement Exhibit E/Regional Transfer Agreement Exhibit F:* The SGVCOG requests that the Operations and Maintenance Guidance (Exhibit E in the Municipal Transfer Agreement and Exhibit F in the Regional Transfer Agreement) be removed. For the Municipal Transfer Agreement, the County should defer to the local municipalities’ existing maintenance for facilities, as the County does in other instances. The operations and maintenance requirements set forth are unreasonable, very costly, and beyond that which is performed by the County for its own projects. Specifically, requiring weekly removal of weeds, weekly inspections for dead or diseased plants, and weekly inspections for rodent and insect infestations would be incredibly expensive and time consuming for municipalities and projects and does not demonstrably support the water quality benefits that are the goal of the SCW Program. In addition, in Section A-5 of the Regional Transfer Agreement already requires that an Operations and Maintenance Plan is required for Infrastructure Program projects.

The SGVCOG sincerely appreciates the District’s patience in allowing us to provide these comments and willingness to work together adaptatively. We look forward to continuing to work with your staff to ensure that Transfer Agreements are adopted that meet the needs of all

stakeholders. Please feel free to contact Caitlin Sims on my staff at (626) 457-1800 if you have any additional questions.

Best,

A handwritten signature in blue ink that reads "Marisa Creter". The signature is written in a cursive, flowing style.

Marisa Creter
Executive Director

DATE: May 12, 2020
TO: Water Policy Committee/Water TAC
FROM: Marisa Creter, Executive Director
RE: **LEGISLATIVE UPDATES**

RECOMMENDED ACTION

For information only.

BACKGROUND

Below is an overview of legislation that the Water Committee and Water TAC have taken positions on or are currently tracking:

SB 45 (Allen, Portantino, and Stern) – Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020

- **Summary:** This bill would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$5,510,000,000 pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program.
- **Status:** Introduced in December 2018. Read first time in Assembly on January 31, 2020.
- **SGVCOG Position:** TBD

SB 971 (Hertzberg) – Small Water Supplier and Countywide Water Shortage Contingency Planning

- **Summary:** This bill would require small water suppliers to prepare and adopt a water shortage contingency plan and would require a county at risk of drought or water shortage to take specified actions related to water shortage planning and response, including establishing a county drought and water shortage task force. This bill would impose requirements on the department and the state board to support implementation of the recommendations of the department's County Drought and Advisory Group.
- **Status:** Introduced by Senator Hertzberg in February 2020. The bill was set for hearing on March 24, but the hearing was postponed by the committee.
- **SGVCOG Position:** TBD

SB 996 (Portantino) – State Water Resources Control Board: Constituents of Emerging Concern Program

- **Summary:** This bill would require the State Water Board to establish a Constituents of Emerging Concern (CEC) Drinking Water Program which would identify, evaluate, and prioritize actions for CECs in drinking water sources. A dedicated funding source would be created to establish and maintain the program. This fund would additionally support the

creation of a Science Advisory Panel to assist the State Water Board in its considerations when prioritizing and making regulatory determinations for CECs, as well as a Stakeholder Advisory Group that would advise the State Water Board in meeting the purposes of the CEC program.

- **Status:** Introduced by Senator Portantino in February 2020. Read second time and amended on April 1, 2020. Re-referred to Committee on Environmental Quality.
- **SGVCOG Position:** TBD

SB 1217 (Dahle) – Urban Water Use Targets: Indoor Residential Water Use:

- **Summary:** This bill would eliminate the prescribed per capita use standards for indoor residential water use (55 gallons per capita daily), but would still require the department and board to conduct studies and investigations and provide a recommendation and a report to the Legislature regarding a standard for indoor residential water use that more appropriately reflects best practices. The bill would require the department and board to allow individual urban water suppliers the flexibility to consider existing local hydrologic conditions on an annual basis. The bill would extend the date the report is due to January 1, 2022.
- **Status:** Introduced by Senator Dahle in February 2020. Read second time and amended on March 26, 2020. Re-referred to Committee on Natural Resources and Water.
- **SGVCOG Position:** TBD

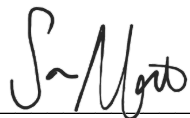
AB 2182 (Rubio) – Emergency Backup Generators: Water and Wastewater Facilities: Exemption

- **Summary:** This bill was introduced to address the unintended consequences of Public Safety Power Shutoff (PSPS) events for water and wastewater agencies. The bill proposes a narrow exemption from existing laws that limit the emissions of air contaminants when operating an alternative power source during events.
- **Status:** Introduced by Assembly Member Rubio in February 2020. Hearing postponed by committee on March 16, 2020.
- **SGVCOG Position:** TBD

AB 2364 (Rubio) – Municipal Separate Storm Sewer Systems: Financial Capability Analysis

- **Summary:** This bill would require the State Water Resources Control Board, by July 1, 2021, to establish financial capability assessment guidelines for municipal separate storm sewer system permittees that are adequate and consistent when considering the costs to local jurisdictions. The bill would require the state board and the regional boards to continue using available regulatory tools and other approaches to foster collaboration with permittees to implement permit requirements in light of the costs of implementation.
- **Status:** Introduced by Assembly Member Rubio in February 2020. Hearing postponed by committee on March 17, 2020.
- **SGVCOG Position:** TBD

Prepared by:



Samantha Matthews
Management Analyst

REPORT

Approved by: Marisa Creter
Marisa Creter
Executive Director