



**PUBLIC, LEGISLATIVE AFFAIRS, AND WATER RESOURCES
COMMITTEE MEETING
OF THE BOARD OF DIRECTORS
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CALIFORNIA**

**WEDNESDAY, NOVEMBER 9, 2016
10:00 A.M.**

CALL TO ORDER

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to complete and submit to the Board Secretary a "Request to Speak" form, which are available on the table in the Board Room. Comments will be limited to five minutes per speaker. Thank you.

ADDITIONS TO THE AGENDA

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

1. ACTION ITEMS

A. MINUTES

The Committee will be asked to approve the Public, Legislative Affairs, and Water Resources Committee meeting minutes of August 10, and September 14, 2016.

B. SUPPORT OF THE CALIFORNIA WATERFIX PROJECT PROCESS

It is recommended that the Committee/Board adopt a support position for the process of developing the California WaterFix project, noting that an official support position for the project is not recommended until costs are fully disclosed.

C. PROPOSED 2017 FEDERAL AND STATE LEGISLATIVE PRIORITIES

It is recommended that the Committee/Board adopt the 2017 Federal and State Legislative Priorities.

2. INFORMATION ITEMS

A. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)

B. LEGISLATIVE REPORTS (WRITTEN)

1. Innovative Federal Strategies
2. West Coast Advisors
3. Agricultural Resources

C. CALIFORNIA STRATEGIES MONTHLY REPORT (WRITTEN)

D. FY 2015/16 IEUA ANNUAL WATER USE EFFICIENCY PROGRAMS REPORT (WRITTEN)

E. ANNUAL WATER USE REPORT (WRITTEN)

F. BUILDING ACTIVITY SUMMARY AND 10-YEAR GROWTH SURVEY (POWERPOINT)

G. SEPTIC TO SEWER FEASIBILITY STUDY UPDATE (POWERPOINT)

H. QUARTERLY PLANNING AND ENVIRONMENTAL RESOURCES UPDATE (POWERPOINT)

3. GENERAL MANAGER'S COMMENTS

4. COMMITTEE MEMBER COMMENTS

5. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

6. ADJOURN

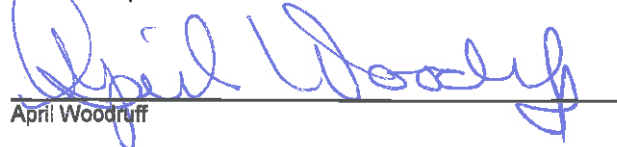
*A Municipal Water District

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary (909-993-1736), 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

Proofed by: 

DECLARATION OF POSTING

I, April Woodruff, Board Secretary of the Inland Empire Utilities Agency, A Municipal Water District, hereby certify that a copy of this agenda has been posted by 5:30 p.m. in the foyer at the Agency's main office, 6075 Kimball Avenue, Building A, Chino on Thursday, November 3, 2016.


April Woodruff

**ACTION
ITEM
1A**

MINUTES

**PUBLIC, LEGISLATIVE AFFAIRS, AND WATER RESOURCES
COMMITTEE MEETING
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CA**

**WEDNESDAY, AUGUST 10, 2016
9:00 A.M.**

COMMITTEE MEMBERS PRESENT

Steven J. Elie, Chair
Michael Camacho

STAFF PRESENT

P. Joseph Grindstaff, General Manager
Chris Berch, Executive Manager of Engineering /AGM
Christina Valencia, Chief Financial Officer/AGM
Joshua Aguilar, Senior Engineer
Kathryn Besser, Manager of External Affairs
Sylvie Lee, Manager of Planning and Environmental Resources
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

None.

The meeting was called to order at 9:00 a.m. There were no public comments received or additions to the agenda.

ACTION ITEMS

The Committee:

- ◆ Approved the Public, Legislative Affairs, and Water Resources Committee meeting minutes of July 13, 2016.
- ◆ Recommended that the Board:
 1. Approve a five-year contract with California Strategies, LLC to provide state legislative consulting services, for a monthly retainer fee of \$8,000, plus approved expenses; and
 2. Authorize the General Manager to finalize and execute the contract.

as a Consent Calendar Item on the August 17, 2016, Board meeting agenda.

- ◆ Recommended that the Board oppose Proposition 53, "California Vote on Public Bonds Initiative" that will appear as an initiated constitutional amendment on the November 8, 2016 ballot;

as a Consent Calendar Item on the August 17, 2016, Board meeting agenda.

◆ Recommended that the Board:

1. Adopt a position of "watch" for the following Bills; and

- a. SB 32 (Pavley)
- b. SB 1298 (Hertzberg)

2. Adopt a position of "oppose" for AB 2835 (Cooper);

as a Consent Calendar Item on the August 17, 2016, Board meeting agenda.

INFORMATION ITEMS

The following information items were presented or received and filed by the Committee:

- ◆ Public Outreach and Communications
- ◆ Legislative Reports
- ◆ California Strategies, LLC Activity Report
- ◆ Federal Legislative Matrix
- ◆ State Legislative Matrix
- ◆ Planning & Environmental Resources Salinity Update
- ◆ Chino Basin Water Storage and Recovery

GENERAL MANAGER'S COMMENTS

General Manager P. Joseph Grindstaff commented that the Agency has received some complaints regarding the water quality due to algae in the aqueduct, and in Lake Silverwood. He believes that DWR has treated Lake Silverwood and some of the numbers are going down. Mr. Grindstaff noted that we may hear about some taste and odor complaints; however, typically the complaints will not come directly to the Agency, but to the member agencies.

COMMITTEE MEMBER COMMENTS

None.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

Director Elie stated that it has been awhile since the Board has heard the status of the Salinity Management Water Softener Ordinance. He requested that staff provide a status update at the next Public, Legislative Affairs, and Water Resources Committee meeting.

With no further business, Director Elie adjourned the meeting at 10:01 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: OCTOBER 12, 2016

MINUTES

**PUBLIC, LEGISLATIVE AFFAIRS, AND WATER RESOURCES
COMMITTEE MEETING
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CA**

**WEDNESDAY, SEPTEMBER 14, 2016
9:00 A.M.**

COMMITTEE MEMBERS PRESENT

Steven J. Elie, Chair
Michael Camacho

STAFF PRESENT

P. Joseph Grindstaff, General Manager
Chris Berch, Executive Manager of Engineering /AGM
Kathryn Besser, Manager of External Affairs
Jerry Burke, Deputy Manager of Engineering
Andy Campbell, Deputy Manager of Planning and Environmental Resources
Jason Gu, Grants Officer
Sylvie Lee, Manager of Planning and Environmental Resources
Liza Munoz, Senior Engineer
Michelle O'Brien, External Affairs Specialist I
Jason Pivovarov, Senior Engineer
Craig Proctor, Source Control/Environmental Resources Supervisor
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

None.

The meeting was called to order at 9:03 a.m. There were no public comments received or additions to the agenda.

ACTION ITEMS

The Committee:

◆ Recommended that the Board:

1. Approve membership in the Coalition for Environmental Protection, Restoration and Development for FY 2016/17, in the amount of \$25,000; and

2. Authorize the General Manager to pay the annual dues;

as a Consent Calendar Item on the September 21, 2016, Board meeting agenda.

◆ Recommended that the Board:

1. Adopt Resolution No. 2016-9-2, approving and adopting the Initial Study/Mitigated Negative Declaration, and the Mitigation Monitoring and Reporting Program as a CEQA-Responsible Agency; and

2. Authorize IEUA's General Manager to file the Notice of Determination (NOD)

with the San Bernardino County Clerk of the Board;

as a Consent Calendar Item on the September 21, 2016, Board meeting agenda.

◆ Recommended that the Board:

1. Adopt the California Environmental Quality Act (CEQA) Initial Study/Mitigated Negative Declaration for the Fontana Water Company Recycled Water Improvement Project; and
2. Authorize the General Manager to file the Notice of Determination (NOD) with the San Bernardino County Clerk of the Board;

as a Consent Calendar Item on the September 21, 2016, Board meeting agenda.

◆ Recommended that the Board approve the appointment of IEUA's Santa Ana Watershed Project Authority (SAWPA) Commissioner to serve as the alternate committee member to the PA 23 Committee;

as a Consent Calendar Item on the September 21, 2016, Board meeting agenda.

◆ Recommended that the Board approve the proposed cost share for the ongoing O&M of the Prado Adaptive Management Plan;

as an Action Item on the September 21, 2016, Board meeting agenda.

◆ Recommended that the Board:

1. Approve the Imported Water Service Connection Shared Use Agreement with Western Municipal Water District; and
2. Authorize the General Manager to execute the agreement;

as a Consent Calendar Item on the September 21, 2016, Board meeting agenda.

◆ Recommended that the Board approve Resolution No. 2016-9-1, establishing allocations for the purchase of imported water within the IEUA service area;

as a Consent Calendar Item on the September 21, 2016, Board meeting agenda.

INFORMATION ITEMS

The following information items were presented or received and filed by the Committee:

- ◆ Public Outreach and Communications
- ◆ Legislative Reports
- ◆ California Strategies, LLC Activity Report
- ◆ State Legislative Matrix
- ◆ Water Softener Rebate Program Status Report
- ◆ Recycled Water Semi-Annual Update FY 2015/16 and the Annual Recycled Water Report for FY 2015/16
- ◆ Planning & Environmental Resources Update

GENERAL MANAGER'S COMMENTS

General Manager Joseph Grindstaff had no comments.

COMMITTEE MEMBER COMMENTS

There were no Committee member comments.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

There were no Committee member requests for future agenda items.

With no further business, Director Elie adjourned the meeting at 9:50 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District


APPROVED: OCTOBER 12, 2016


**ACTION
ITEM
1B**

Date: November 16, 2016

To: The Honorable Board of Directors

Through: Public, Legislative and Water Resources Committee (11/9/16)

From:  P. Joseph Grindstaff
General Manager

Submitted by:  Kathy Besser
Manager of External Affairs

Subject: Support of the California WaterFix Project Process

RECOMMENDATION

It is recommended that the Board of Directors adopt a support position for the process of developing the California WaterFix project, noting that an official support position for the project is not recommended until costs are fully disclosed.

BACKGROUND

Approximately 30% of Southern California's water comes from the State Water Project (SWP), the largest state-built water and power system in the nation. The project serves nearly 25 million Californians from the Bay Area to San Diego. The SWP is operated and maintained by the California Department of Water Resources (DWR). The SWP was built over 50 years ago, so the system is in need of significant infrastructure and efficiency improvements.

Previously called the Bay Delta Conservation Plan (BDCP), the purpose of the California WaterFix is to provide California with a secure and reliable water source, protecting against seismic activity, climate change and environmental decline. The original BDCP included a habitat restoration plan. WaterFix splits conveyance improvements from habitat. To ensure habitat restoration remained a key component in these efforts, DWR created a program called EcoRestore. The WaterFix project includes the construction of two tunnels up to 150' below ground designed to protect water supplies, construction of three new intakes and protection against water supply disruption from failure of aging levees. The total project is currently estimated at \$15 billion. However, how the project is going to be funded, as well as how the costs will be split between state and federal governments, as well as within California between the central valley and southern California is still unknown.

The IEUA Board of Directors and member agencies have done a tremendous job improving local supplies and reliability, with 70% of the region's water coming from local sources. IEUA and its

member agencies have spent hundreds of millions of dollars improving treatment systems, expanding pipelines, developing recycled water, capturing stormwater and developing conservation programs to ensure there is sufficient water for today and for future generations. Even with our growing reliance on local supplies and water efficiency, IEUA's service area still uses the SWP to meet 30% of the basin's water needs. The service area does not receive any water from the Colorado River due to its high salinity content, making SWP water important for ensuring sustainable and reliable provision of regional water supplies.

In October 2016, the Metropolitan Water District of Southern California (MWD) requested that IEUA include its logo, along with Eastern and Western Municipal Water Districts, on an Inland Empire-focused California WaterFix fact sheet. The fact sheet provides detailed information regarding the water challenges California is facing, as well as potential benefits of the WaterFix project within the Inland Empire region. The benefits include preserving quality of life, protecting the region's largest water supply, surviving droughts, maintaining high quality water, and improving the ability to capture big storms. The fact sheet also explains how the WaterFix fits into long-term water strategies of increasing local supplies to create drought resiliency.

The MWD Board of Directors has not yet taken a formal position on the California WaterFix; however, they have voted to support the process. According to MWD staff, they expect a position to be taken once the costs have been determined. In October 2015, IEUA sent written comments, which included support of the WaterFix process, but the Agency has yet to take an official position on this project. Since 2009, IEUA has continuously included the support of this process within the legislative priorities each year.

Final state and federal environmental review documents, which were expected at the end of this year, have now been delayed until March 2017 or later. The distribution of the fact sheet at this time is to ensure southern California residents are aware of the potential benefits of WaterFix.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.



Why a California Water "Fix?"

Five Benefits for the Inland Empire

The Inland Empire region depends on reliable supplies of imported water from Northern California and the Colorado River as new local supplies and more conservation help meet the needs of growth. The reliability of the Northern California supply for the Inland Empire and all of Southern California is at risk due to pumping restrictions, deteriorating environmental conditions in the Sacramento-San Joaquin Delta and an aging water system that was not designed to meet today's challenges. State and federal agencies want to modernize this system through a project known as the California WaterFix that has both water delivery and ecosystem benefits. Here are five potential benefits to the Inland Empire from the project.



Preserving Quality of Life

The majority of our imported supplies come solely from Northern California. Whether its excellent schools, or regional parks and recreation programs, it all starts with a supply of safe, reliable, high-quality water.



Protecting our Regions Largest Water Supply

Inland Empire water agencies have diversified their portfolios of imported and local water supplies. California Water Fix maintains access to the available Northern California supply, which is less than half the cost of new local supplies and which Metropolitan has a permanent right to via a renewable state contract.



Surviving Droughts

The water stored in the Inland Empire for drought and emergency needs comes either from the Northern California or the Colorado River.



Maintaining High Quality Water

A buildup of salt in the Inland Empire's groundwater basins requires the discharge of 90,000 tons of salt every year in a brine line to the Pacific Ocean. Importing low-salt water from Northern California maintains drinking water quality and keeps groundwater quality in balance.



Capturing Big Storms

California Water Fix seeks to improve the ability to reliably capture some of the state's major storm events and store it in local reservoirs and groundwater basins for the Inland Valley in years of drought.

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

PROPOSED
 10/04 v1

How California WaterFix is Part of Southland's "All of the Above" Water Strategy

There is no single solution to Southern California's many water challenges. Climate change, population growth and various regulatory challenges will require actions on every front to ensure a reliable water future. Maintaining – not increasing – imported supplies is part of the Southland's long-term water strategy. Here is how California WaterFix fits into the broader plan.




Public, Legislative Affairs, and Water Resources Committee


**ACTION
ITEM
1C**

Date: November 16, 2016

To: The Honorable Board of Directors

Through: Public, Legislative and Water Resources Committee (11/9/16)

From:  P. Joseph Grindstaff
General Manager

Submitted by:  Kathy Besser
Manager of External Affairs

Subject: Proposed 2017 Federal and State Legislative Priorities

RECOMMENDATION

It is recommended that the Board of Directors adopt the 2017 Federal and State Legislative Priorities.

BACKGROUND

Federal Legislative Priorities

FY 2016/17 Appropriations Priorities include:

- **Title XVI/WaterSMART Funding:** In 115th Congress, IEUA will be asking for an additional \$5.3 million for the Lower Chino Dairy Area Desalination Project, which is the amount remaining in the Title XVI authorization received in 2007. Staff will again seek the support of the entire congressional delegation, requesting signatures from IEUA's delegation on a letter of support to the Bureau of Reclamation.

Federal Action Priorities

- **Drought-Related Legislation:** Support federal funding for drought relief in California and reasonable reform of the Endangered Species Act (ESA); oppose any amendment to ESA that would shift responsibilities from federal contractors to state contractors or efforts that take control of water rights out of state jurisdiction and into federal jurisdiction.
- **U.S. Tax Code:** Continue to oppose removal of tax exempt status for municipal debt. Support congressional efforts to authorize and direct the U.S. Treasury's Internal Revenue Service to exempt water conservation-related rebates from being considered taxable under U.S. tax laws.

- **Water Quality:** Support administrative (EPA, Bureau of Reclamation) and legislative action to identify and promote the use of salt-less water softening technology. Oppose any efforts to endorse salt-based technologies. Support administration and legislative action related to the Water Resources Development Act (WRDA) that mitigates this ongoing issue.
- **Regional Water Resources Management:** Support additional federal funding of Title XVI grant program and for the federal EPA/State Revolving Loan program that enables the State Water Resources Control Board (SWRCB) to provide low interest loans for recycled water projects (currently used as a matching source of funds for the State's Proposition 1 grant program). Support revised Title XVI authorization for the Inland Empire Regional Recycled Water Program to permit additional projects, including research on recycled water, salinity management, water treatment, and renewable energy. Support incentive programs to promote water use efficiency, including EPA's *WaterSense* program.
- **Local Water Supply Management:** Support administrative and legislative initiatives to promote recycled water as a drought-proof water supply and protect the use of tertiary-treated recycled water while advancing potable reuse. Support initiatives to promote stormwater capture, expand groundwater management and clean-up of contaminated groundwater.
- **CyberSecurity:** Support national associations and coalition efforts to develop standard guidelines and best management practices to provide a consistent and ongoing course of action to reduce vulnerabilities in process control systems for major water system providers.

State Legislative Priorities

Legislative Initiative:

- Support legislative action to remove the requirement that all municipal water districts use the term "A Municipal Water District" in their titles.

State Action Priorities:

- **Renewable Energy:** Continue to support legislation and other programs that would increase the value of the Renewable Energy Credits (RECs) generated and sold by wastewater treatment agencies that utilize their renewable energy on-site in California; oppose administrative or legislative actions that impose financial obstacles to the implementation of low carbon energy initiatives; support the approval and funding of a bioenergy incentive program; monitor legislation and administrative initiatives that will modify targets/funding/requirements for the Cap and Trade program and the Governor's greenhouse gas reduction goals.

Support legislation and other programs that would facilitate self-generation projects interconnection to the electric grid by reducing interconnection costs, metering requirements, project review process and timeline.

Support legislation and other programs that would promote the use of renewable natural gas (RNG) by reducing pipeline injection interconnection costs, increasing and stabilizing the value of the Low Carbon Fuel Standard (LCFS) and Renewable Identification Number (RIN), updating the RNG specifications.

- **Compost:** Support programs that promote the use of compost recognizing the benefits to water conservation, ground water protection, landfill diversion, Green House Gas (GHG) avoidance and carbon sequestration.

Support items of California Air Resources Board (CARB) and Short Lived Climate Pollutants (SLCP) that relate to compost use and the development of composting infrastructure.

Support California Integrated Waste Management Board (CalRecycle) in compost procurement initiatives. Support legislation which would authorize a grant funding to assist with infrastructure improvements, expansion and market developments related to compost.

Support California Environmental Protection Agency (CalEPA) – AB1045 legislation promoting state agency collaboration to encourage the beneficial reuse of compost.

Support California Department of Food and Agriculture (CDFA) with the development of programs to implement the Healthy Soils Initiative.

- **Water/Energy Nexus:** Continue to support legislation which would authorize a grant and loan program for water projects that result in a net reduction of water-related GHGs; support legislation and budget proposals authorizing grant funding for energy efficiency, greenhouse gas reductions, development of renewable resources and energy storage projects.
- **Water Projects:** Monitor administrative/legislative actions to ensure ability of water agencies to conduct intrastate and interstate water transfers; monitor definition of eligible projects as those designed to reduce the amount of water imported or to be supplied by the publicly owned utility, including, “without limitation” stormwater capture and treatment, water recycling, development of local groundwater resources, groundwater recharging, and water reclamation that covers regional needs in the future.
- **Financial Initiatives:** Monitor initiative submitted by a coalition led by the California League of Cities (and includes the California State Association of Counties and the Association of California Water Agencies) that would amend Prop 218 and treat stormwater and flood control infrastructure the same as water and sewer, and expressly authorize conservation-based tiered water rates and lifeline rates; monitor legislation which

would impose a public goods charge to fund water infrastructure projects in low-income communities, support the introduction of lifeline rates, among other items; support measures to reduce the cost of financing water infrastructure planning and construction; continue to protect property tax receipts for local agencies.

- **Local Water Supply Management:** Support administrative and legislative initiatives to promote recycled water as a drought-proof water supply and protect use of tertiary-treated recycled water while advancing potable reuse; support administrative and legislative initiatives to promote stormwater capture, expand groundwater management and clean-up of contaminated groundwater.
- **Drought:** Support state funding for drought relief initiatives; monitor SWRCB administrative actions for new requirements and restrictions in response to the drought; promote the use of existing state standards for water efficiency as a performance measure for emergency and permanent conservation regulations.
- **California Water Action Plan:** Support implementation of the Governor's comprehensive water strategy, consistent with IEUA's goals and objectives.
- **California WaterFix:** Support administrative/legislative action and funding to keep the WaterFix on schedule; continue support for implementation of 2009 Delta/water management legislative package; continue to support administrative and legislative action and funding for advance emergency response and near-term Delta improvements.
- **Water Quality:** Support initiatives and state funding to protect/improve water quality from various constituents including salinity, perchlorates, nitrate and volatile organic compounds.
- **Drinking Water Program:** Support adoption of recycled water requirements.
- **Salinity Management:** Monitor water softener discussions and oppose legislation that would constrain the ability of local government to appropriately regulate the use of salt-discharging water softeners.
- **Water Bond:** Monitor discussions regarding the proposal of a new water bond in 2018.
- **Groundwater Legislation:** Monitor implementation of the 2014 Sustainable Groundwater Management Act, including subsequent legislation to address expedited adjudications and designation of groundwater as a beneficial use.
- **Human Resources:** Monitor legislation regarding nonmedical use of marijuana, including Proposition 64 – Control, Regulate and Tax Adult Use of Marijuana Act (AUMA).

Monitor legislation that increases healthcare costs, including the costs of prescription drugs. Monitor legislation that would remove the Cadillac tax, a 40% excise tax imposed on employers for certain health care plans in 2020.

- **CyberSecurity:** Support legislation requiring all water and wastewater agencies comply with a predefined minimum level of cybersecurity protection.
- **Public Works:** Monitor legislation relating the reform of the State Department of Industrial Relations (DIR) requirement to register all contracts that perform public works services more than \$1,000. Support legislations that increases the requirement from \$1,000 to \$50,000.

Proposed 2017 Strategy

The following are proposed actions intended to promote and monitor the Agency's administrative and legislative priorities in 2017.

- **Congressional and State Briefings:**
 - Continue regular meetings with members and their staff to provide an update on the Title XVI funding request, proposed drought legislation and other local priorities for the Agency. Also use these interactions to showcase IEUA programs and achievements.
 - Continue participation in the annual Federal Legislative Luncheon with Eastern MWD, Western MWD, and Metropolitan Water District of Orange County, including compilation of Legislative Briefing Book. In 2017, the Long Beach Water Department will be included to expand participation of regional Members of Congress.
 - Meet with state legislative staff in their state and local offices to discuss local issues, Agency projects/programs and the priorities of the region.
- **Facility Tours:**
 - Continue to invite congressional and state officials and their staff to tour IEUA's facilities. Showcase Agency's groundwater basins, inflatable dams (stormwater capture), renewable energy projects and one of the regional wastewater treatment plants and/or desalter.
- **Conferences:**
 - Monitor upcoming events/conferences. The following is a list of possible events/conferences:
 - Association of California Water Agencies (Sacramento and D.C.)
 - California Association of Sanitation Agencies (Palm Springs and D.C.)
 - Southern California Water Committee
 - WaterReuse Association (California Section and D.C.)
 - National Association of Clean Water Agencies
 - Water Environment Federation (WEF)
 - California Special Districts Association (CSDA)

- **Legislative calls/briefings:**
 - **Continue to participate in legislative coordination calls with the following:**
 - Santa Ana Watershed Project Authority
 - Metropolitan Water District of Southern California
 - WaterReuse
 - Southern California Water Committee
 - Association of California Water Agencies
 - Regional Legislation Workgroup

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

Proposed 2017 Federal and State Legislative Priorities

November 2016

Proposed Federal Legislative Priorities

Title XVI/ WaterSMART Funding

- IEUA will be asking for an additional \$5.3 million for the Lower Chino Dairy Area Desalination Project.

Drought

- Support federal funding for drought relief in California and reasonable reform of the Endangered Species Act (ESA).
- Oppose any amendment to ESA that would shift responsibilities.

U.S. Tax Code

- Continue to oppose removal of tax exempt status for municipal debt.
- Exempt water conservation rebates.

Water Quality

- Promote use of salt-less water softening technology.
- Support administration and legislative action related to the Water Resources Development Act (WRDA).

Proposed Federal Legislative Priorities

Regional Water Resources Mgmt.

- Support incentive programs to promote water use efficiency.

Local Water Supply Management

- Support recycled water and stormwater capture initiatives.

Cyber Security

- Support national associations and coalition efforts to develop standard guidelines and best management practices.

Proposed State Legislative Initiative

- Support legislative action to remove the requirement that all municipal water districts use the term “A Municipal Water District” in their titles.



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

Proposed State Legislative Priorities

Renewable Energy

- Support grant and loan programs for water projects.
- Grant funding for energy efficiency and GHG reductions.

Compost

- Support programs that promote the use of compost, including CARB, SLCP, CalRecycle.
- Support CalEPA – AB1045 promoting state agency collaboration.
- Support California Department of Food and Agriculture (CDFA) with the development of programs to implement the Healthy Soils Initiative

Water-Energy Nexus

- Support legislation that:
 - Increases the value of renewable energy credits.
 - Creates RECs and GHG reduction credits by water agencies.

Water Projects

- Ensure agencies can conduct intrastate and interstate water transfers.
- Monitor bond initiatives.

Financial Initiatives

- Monitor amendments to Prop. 218 and legislation that would impose a public goods charge.
- Support measures that reduce the costs of financing water projects.

Proposed State Legislative Priorities

Local Water Supply Mgmt.

- Support recycled water and stormwater capture initiatives.

Drought

- Support State funding for drought relief initiatives.
- Monitor SWRCB for new requirements.

California Water Action Plan

- Support implementation.

California WaterFix

- Support actions and funding that keep the project on schedule.

Water Quality

- Support initiatives and funding that improve/protect water requirements.

Drinking Water Program

- Support the adoption of recycled water requirements.

Proposed State Legislative Priorities

Salinity Management

- Oppose legislation that constrains local government from regulating use of salt-discharging water softeners.

Water Bond

- Monitor discussions regarding the proposal of a new water bond in 2018.

Groundwater

- Monitor implementation of the 2014 Sustainable Groundwater Management Act.

Human Resources

- Monitor legislation regarding nonmedical use of marijuana.
- Monitor legislation that increases healthcare costs.

CyberSecurity

- Support legislation that would require all water and wastewater agencies to comply with a predefined minimum level of cybersecurity protection.

Public Works

- Monitor legislation relating the reform of the State Department of Industrial Relations (DIR) requirement to register all contracts that perform public works services more than \$1,000.


INFORMATION
ITEM
2A




Date: November 16, 2016

To: The Honorable Board of Directors

Through: Public, Legislative Affairs and Water Resources Committee (11/9/16)

From:  P. Joseph Grindstaff
General Manager

Submitted by:  Kathy Besser
Manager of External Affairs

Subject: Public Outreach and Communication

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

November

- November 5 and 6, MWD Solar Cup Boat Building Workshop, Three Valleys Municipal Water District, 1021 E. Miramar Avenue, Claremont

December

- December 8, Water is Life Student Recognition Event, MWD Headquarters, 9:30 a.m.
- December 21, IEUA Holiday Luncheon, Los Serranos Country Club, 15656 Yorba Avenue, Chino Hills, 11:30 a.m.

Outreach/Education - Civic Publications Newspaper Campaign

- IEUA is working with Civic Publications to update the KickWaterWaste.com micro-site.
- IEUA is working with Civic Publications to create and distribute a fall email blast focused on not “falling back” into water wasting habits.
- IEUA ran two ads in the *Inland Valley Daily Bulletin* (10/23 and 10/28) for the Landscape and Water Conservation Festival.
- IEUA placed an article in the sustainability section of the *Inland Valley Daily Bulletin* the first week of November, focusing on the Agency’s renewable energy portfolio.

Media and Outreach

- IEUA is continuing to run banner ads through *Fontana Herald News* and *La Opinión* newspapers.
- IEUA has placed a movie theater trailer for the *Kick the Habit* campaign in the following theaters: Harkins (15 weeks – began 10/28); Ontario Palace (15 weeks – began 10/21); Ontario Mills (15 weeks – began 10/21); and Victoria Garden (15 weeks – began 10/21). The trailer has been placed on IEUA’s social media channels as well.
- Staff has developed fall messages for the season that align with the *Kick the Habit* brand and include a fall theme. The tips focus on the State Water Resources Control Board’s permanent restrictions following the Governor’s Executive Order.
- A *Kick the Habit* ad will run in the *Champion Newspaper*’s Thanksgiving Gift Guide on November 24.
- In October, 30 posts were published on the IEUA Facebook page and 28 tweets were sent using the @IEUAwater Twitter handle.
- IEUA’s first “Facebook Live” broadcast was at the RP-5 Battery Storage Dedication on October 20. Staff also did a “Facebook Live” broadcast at the Landscape & Water Conservation Festival on October 29.

Education and Outreach Updates

- Staff is marketing and scheduling Water Discovery field trips for program year 2016/17. To date, staff has scheduled 26 field trips.
 - Mount Vernon in San Bernardino took part in the first field trip of the school year on October 19.
 - Educators from Fontana Unified School District visited the Chino Creek Wetlands and Educational Park on November 2. Educators took part in a Nature Walk and learned about the multiple activities and programs that their students can take part in free of cost.
 - 120 Bloomington High School students took part in the Water Discovery Field Trip on November 3 and November 8.
 - Staff will host 3rd grade students from Etiwanda Colony Elementary School in Rancho Cucamonga for a Water Discovery Field Trip on November 15. Another field trip from Etiwanda Colony, for remaining 3rd grade students, will be held on November 17.
 - 5th Grade students from Urbita Elementary School in San Bernardino will participate in the Water Discovery Field Trip on November 16.
- Staff is working on updating the Water Discovery landing page to incorporate activity descriptions that include the new Next Generation Science Standards in addition to the already identified core and STEM curriculum standards.
- Staff has booked outreach/program meetings with principals within the service area for school year 2016/17.
- IEUA co-hosted the Annual Landscape and Water Conservation Festival on October 29. The festival drew in crowds that were interested to learn about water-use efficiency methods.

- IEUA is sponsoring four teams this year for MWD's 2017 Solar Cup: Chino High School (Chino), Chino Hills High School (Chino Hills), Los Osos High School (Rancho), and Henry J. Kaiser High School (Fontana). Schools attended the first boat building workshop on November 6th and 7th.
- Staff has awarded four schools the Garden in Every School® water-wise grant for program year 2016/17. Schools awarded include: Arroyo Elementary in Ontario, Rolling Ridge Elementary in Chino Hills, Townsend Junior High School in Chino Hills, and Montclair High School in Montclair. Staff has begun conducting site inspections to determine prep-work, establish a design and schedule an installation timeline. The garden construction and planting at Arroyo Elementary began on Monday, November 7th. The three remaining school sites will be completed by December 31, 2016. Dedication ceremonies will be planned for spring 2017.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The above-mentioned activities are budgeted in the FY 2016/17 Administrative Service Fund, External Affairs Services budget.

INFORMATION
ITEM
2B

Innovative Federal Strategies LLC

Comprehensive Government Relations

MEMORANDUM

To: Joe Grindstaff and Kathy Besser, IEUA

From: Letitia White, Jean Denton, and Drew Tatum

Date: October 28, 2016

Re: October Monthly Legislative Update

Emergency Spending to Complicate Lame Duck Appropriations Work

When Congress returns in November after the election, it already faces a December 9th deadline to fund the federal government for the remainder of FY17. With just 3 weeks of scheduled work before the current continuing resolution expires, Congress is facing a tight deadline determining how to deal with federal spending through September 30, 2017. In addition to the 12 annual spending bills, lawmakers will likely face calls for supplemental appropriations for recent natural disasters and money to fund additional troop activity in the Middle East.

Hurricane Matthew, which wreaked havoc on much of the southeastern U.S. coastline from Florida to North Carolina, promised to trigger request for federal emergency aid that could reach into the tens of billions of dollars. In response to the natural disaster, President Obama said that the Federal Emergency Management Agency has the resources it needs for the immediate response to the hurricane with approximately \$5 billion available in its Disaster Relief Fund.

That money, while immediately available, is not expected to cover the increasing cost of cleanup and rebuilding efforts in North Carolina, South Carolina, Georgia, and Florida. For comparison, the Obama Administration requested \$60.4 billion in emergency funding to help rebuild infrastructure, homes, businesses, and public facilities in the wake of Hurricane Sandy, which was only a category 2 storm at landfall. Matthew glided along the coast initially as a category 3 storm.

Any request for supplemental appropriations funding will likely renew a battle in Congress over whether, and to what extent, emergency funding should be offset by cuts elsewhere in the budget. That fight delayed funding after Hurricane Sandy and held up a supplemental appropriations package to respond to the Zika virus outbreak this year.

In addition to an emergency response to Hurricane Matthew, Congress must still consider how to address a \$2.6 billion funding request to respond to flooding in Louisiana that has left over 100,000 people homeless. Before the recess, Congress included \$500 million in supplemental funding to address flooding in certain states, but Senate Majority Leader Mitch McConnell (R-KY) indicated it was a down payment on future emergency funding. Democrats may also renew demands to help Flint, Michigan and other localities facing water contamination emergencies if

Innovative Federal Strategies LLC

the Water Resources Development Act is not passed before Congress acts on appropriations measures. Another driving force behind passing a supplemental appropriations package this year is a pending request from the White House for Department of Defense activities. President Obama indicated this summer that he would be sending Congress a request for additional Overseas Contingency Operations (OCO) funding after announcing that additional troops would be left in the Middle East longer than originally planned.

President Obama weighed in on emergency funding as lawmakers left town for the recess saying, “There is a backlog of need from natural disasters around the country that we’d like, hopefully during the lame-duck session, to figure out how to fund effectively. We’ll obviously make those assessments after the fact and then we’ll talk to Congress about how we can help out.”

Congress, FEMA May Look at Flood Map Changes

Congress and the Federal Emergency Management Agency (FEMA) may look to change the way flood insurance maps are drawn in the wake of disaster relief operations from Hurricane Matthew and catastrophic flooding in Louisiana, West Virginia, and Maryland. Lawmakers and the administration are looking at ways to limit the federal government’s liability for increasingly severe natural disasters. One way—among many proposals—in which they may address the increasing cost of natural disasters is designating more places as flood-prone, requiring flood insurance coverage to more homes when applying for a mortgage.

As more catastrophic weather events, including flooding from torrential rains and hurricanes, strain the federal flood insurance program, lawmakers are grappling with how to make sure the program remains solvent without tapping into additional taxpayer money. While the National Flood Insurance Program has taken in enough money to cover payouts during the last two fiscal years, the program paid out \$4.7 billion more than it took in in fiscal year 2013 as a result of Superstorm Sandy.

The administration believes the program needs to address issues related to climate change to make the program more resilient to the impacts of climate change. President Obama’s senior advisor on climate change, Brian Deese said earlier this month, “We’ve seen that [recently] ... and we know that the frequency and severity of natural disasters like hurricanes and droughts are increasing rapidly, and we need to deal with their impacts even if we succeed on the mitigation front.”

Authorization for the National Flood Insurance Program runs through September 30, 2017, meaning it could become a hot-button issue for the new Congress. Deese believes that Congress needs to look at ways in which the government can move from the reactive posture of paying for disasters after they occur to a more proactive approach of encouraging resiliency when working to reauthorize the program. Additionally, the White House believes changes to the designation of 100 year maps is necessary, as those events are occurring more frequently in areas of the country.

Any changes to current formulas, or the inclusion of new areas on FEMA flood maps could require more property owners to purchase flood insurance in order to qualify for mortgages. A 2015 General Accountability Office (GAO) report came to the conclusion that losses generated

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by the flood insurance program and the propensity for future losses creates substantial financial exposure for the federal government. A separate GAO report issued in March 2016 called on FEMA to do a better job of collecting information to ensure that flood insurance premiums align with changes to flood risks—especially as those risks grown in areas where flooding has historically been less frequent.

Congress has taken steps to boost FEMA's mapping efforts. In the fiscal year 2016 omnibus appropriations bill, they appropriated \$190 million for flood mapping and an additional \$175 million for mitigation grants, up from \$95 and \$96 million for flood mapping in the prior two fiscal years. Congress has taken additional steps to limit the government's liability exposure with the House passing a measure in April that would spur the development of a private insurance marketplace to offer competitive coverage for the National Flood Insurance Program.

Members of Congress have also proposed legislation that would encourage the mitigation of flooding in areas where repeat events have occurred. The bipartisan legislation, introduced by Representatives Ed Royce (R-CA) and Earl Blumenauer (D-OR) would direct FEMA to map the areas of flooded properties and public infrastructure that have experienced repeat flooding events and then implement a plan to mitigate risk in those areas.

Any changes to the National Flood Insurance Program are likely to spur a lively debate in Congress, as any additional costs to homeowners will likely draw opposition from those impacted by the changes.

Outlook for November

Congress is not set to return until the week of November 14 for the lame duck session. Both the House and Senate are scheduled to be in for one week, then out for a week for Thanksgiving. Post-Thanksgiving, lawmakers are scheduled to be in session for three weeks before adjourning the 114th Congress.

Looking forward toward the lame duck session, lawmakers will have several high profile items to address before the end of the year. Those items include:

- Addressing federal government funding beyond December 9 when the current continuing resolution expires;
- Conferencing the National Defense Authorization Act;
- Conferencing the Water Resources Development Act;
- Conferencing the Energy Policy Modernization Act; and
- Passing other non-controversial bills that have been backlogged in the Senate.

No schedule has been announced, but we do not anticipate seeing any government spending bills on the floor during the few in-sessions days in November. Lawmakers will likely consider a number of non-controversial and low-profile bills during its first week back, with much of the heavy lifting coming in December.



October 28, 2016

To: Inland Empire Utilities Agency
From: Michael Boccadoro
President
RE: October Legislative Report

Overview:

Sacramento has been very quiet with the election fast approaching. Members are in their districts campaigning and getting ready for the coming session.

In addition to a number of bills re-capped last month, the Governor also signed a suite of bills relating to energy storage. Increasing energy storage procurement mandates, increased funding for the Self Generation Incentive Program, and streamlining the interconnection dispute process between utilities and customers are a few of the energy storage changes that will go into effect on January 1, 2017.

Southern California Edison (SCE) has filed their 2018-2020 General Rate Case asking for more than a \$2.3 billion increase. The driving force behind the large request is a proposed \$2.1 billion plan to improve safety and reliability and support increased levels of distributed energy.

In a separate application, SCE has also proposed to revise the time-of-use periods. The proposal would shift the periods from between noon and 6:00 p.m. to between 4:00 p.m. and 9:00 p.m. The driving force behind the shift is to accommodate for the significant increase of solar energy on the grid during the day. The shift will potentially have significant effects on the pay-back period for any projects not tied to battery storage.

The Public Policy Institute of California (PPIC) recently released a series of short reports on different aspects in California water management. They include: climate change and water; the Colorado River; energy and water; managing droughts; paying for water; preparing for floods; protecting headwaters; the Sacramento-San Joaquin Delta; storing water; water for cities; water for the environment; and water for farms. The reports provide a solid overview of some of the many water supply management issues facing the state. They may also provide ideas for potential legislation in the upcoming legislative session.

The Little Hoover Commission recently met for a "Public Hearing on Special Districts." The Association of California Water Agencies (ACWA), East Bay Municipal Utility District (EBMUD), Rancho California Water District, Sanitation Districts of Los Angeles County (LACSD), Fresno Metropolitan Flood Control District and Santa Clara Valley Water District all spoke at the hearing....

Inland Empire Utilities Agency Status Report – October 2016

Energy Storage

Just days before the end of session deadline, Governor Brown signed a number of bills aimed to accelerate the market for distributed energy storage, and encourage greater utilization of bulk energy storage.

- AB 1637 (Low) adds \$249 million to the CPUC's Self Generation Incentive Program (SGIP), of which three-quarters is allocated to energy storage projects. The measure also allows fuel cells to net-energy meter up to 5 MWs, up from 1 MW.
- AB 2861 (Ting) creates a streamlined process for resolving disputes between utilities and their customers over the interconnection of behind-the-meter storage systems.
- AB 2868 (Gatto) expands the state's energy storage procurement target by 500 MWs to 1,825 MWs.
- AB 33 (Quirk) requires state energy regulators to give greater consideration to pumped storage and other long-duration bulk energy storage resources to help meet the state's renewable energy targets.

These measures are just the start of policies that will be needed to help achieve the state's aggressive renewable energy and greenhouse gas reduction goals. Storing energy during peak production times, and feeding it back into the grid during peak demand hours is a growing strategy to meet the state's goals. As more energy storage is tested and deployed, the cost will likely decrease making storage technology more accessible throughout California.

SCE files 2018-2020 Phase One General Rate Case

Southern California Edison (SCE) has kicked off their 2018-2020 General Rate Case proceeding with a significant rate increase request. The utility has asked for a more than \$2.3 billion cumulative increase. Broken down, they are requesting a 4 percent increase in 2018 and a 9 percent increase over present rates in both 2019 and 2020. The driving force behind the large request is a proposed \$2.1 billion plan to improve safety and reliability and support increased levels of distributed energy.

To bolster its case for a \$2.1 billion capital investment to "build the power grid of the future," SCE released a white paper outlining the utility's vision for an electric grid that relies heavily on distributed energy resources. SCE sees itself as uniquely situated to coordinate grid operations and networks.

Of the \$2.1 billion requested for grid modernization, SCE plans to spend about half on safety and reliability, with the other half to enable more distributed energy. The upgrades include existing infrastructure such as substations and areas where there are capacity problems. SCE estimates it will take about 10 years to modernize roughly 60 percent of SCE's total distribution circuits. The white paper also noted that while there are no estimates for future rate cases, it is likely that

they would require the same levels, or higher in the next few cases, which pencils out to more than \$6 billion in expenditures to modernize its distribution grid over the next decade or so.

The Office of Ratepayer Advocates, The Utility Reform Network and other “ratepayer advocacy groups” have all filed protests to the application and will now begin the process of attempting to negotiate a settlement with SCE.

SCE Files to Change Time-of-Use Periods

Southern California Edison (SCE) has filed an application at the California Public Utilities Commission (CPUC) to significantly shift time-of-use (TOU) periods. The proposal would move the peak period from weekday afternoons to weekday evenings to reflect the steep demand “ramps” during the hours when renewable resources trail-off and customer demand remains high. The proposal is to shift from a 12:00 p.m.-6:00 p.m. peak to a 4:00 p.m.- 9:00 p.m. peak.

PPIC Water Report

The Public Policy Institute of California (PPIC) recently released a series of short reports on different aspects in California water management. They include: climate change and water; the Colorado River; energy and water; managing droughts; paying for water; preparing for floods; protecting headwaters; the Sacramento-San Joaquin Delta; storing water; water for cities; water for the environment; and water for farms.

There are no new or revolutionary ideas developed in the reports, however taken together the series does a good job of pulling together a strong majority of the issues the state and local water agencies are working on. From healthy forests, which are essential for strong watersheds, to adapting to extreme weather events, to groundwater regulation, to statewide conservation mandates, and other important policy areas, the reports highlight the complex and ever changing nature of California water policy.

One of the most significant papers, “Paying for Water,” outlines strategies that could be used to inject capital into all of the initiatives discussed in the other papers. The report doesn’t offer any new information or creative solutions, but it does reiterate the barriers water and wastewater agencies face to raising capital, identifies statewide funding gaps, and offers potential solutions to fill the funding gaps.

The report notes that Propositions 13 (1978), 218 (1996) and 26 (2010), have made it very difficult for local water and wastewater agencies to raise funds. It states that Proposition 218 makes it particularly difficult for local agencies to invest in new supplies- including recycled water and conservation- and in pollution controls, such as stormwater capture and treatment.

The report identifies the “fiscal orphans” that the state is failing to adequately fund programs that protect public health, safety and the environment. These include: safe drinking water in small, disadvantaged communities; flood protection; control of stormwater and other polluted runoff; management of aquatic ecosystems; and integrated water management. \$2-3 billion in annual funding gaps are identified in each of the above mention categories.

Finally, PPIC identifies several key initiatives that could help fill the gaps. They note that a legislative priority should be to help local agencies raise needed funds by expanding local funding authority which will provide guidance to the courts on how their interpretations of Prop 218 may affect water program financing. Additionally, PPIC prioritizes enacting new state fees and taxes to boost funding for fiscal orphans. A “public goods charge” has been an ongoing recommendation from PPIC, but they are careful to not use those words anywhere in the report.

The second strategy is to adjust water rates to allow for “drought surcharges” to reduce the fiscal effects of conservation and encourage continued urban investment in drought resilience. They note that utilities must build strong administrative records of ratemaking decisions to meet potential Prop 218 court challenges.

Finally, they contend that in order to solidify local funding bases for water services, voters need to approve several constitutional changes including clarifying Prop 218’s cost-recovery requirements to allow for conservation and life-line rates and stipulating that flood and stormwater programs should be treated like water and wastewater programs.

Again, none of these ideas are new and several have been attempted in the most recent legislative session. The release of the report highlights belief that Prop 218 reform will likely re-surface when the Legislature gets back to work in January, and that a public goods charge might once again surface in legislation. Additionally, we will likely see legislation from some of the other short reports. Headwaters management could come back again as Assemblymember Bloom was only partially successful with his legislation to elevate headwaters to the same level as water infrastructure. With declining urban water conservation numbers the past several months, there will likely be legislation to codify conservation targets. There could also be an effort to address groundwater management issues, ahead of SGMA implementation. Addressing the effects of climate change, declining snowpack, ecosystem decline and other factors of climate change will likely remain at the top of many legislative priority lists.

As the legislature returns, WCA will keep a close eye on all legislation introduced.

Little Hoover Commission

The Little Hoover Commission (LHC) recently met for a “Public Hearing on Special Districts.” The Association of California Water Agencies (ACWA), East Bay Municipal Utility District (EBMUD), Rancho California Water District, Sanitation Districts of Los Angeles County (LACSD), Fresno Metropolitan Flood Control District and Santa Clara Valley Water District all testified to the measures their agencies are taking to adapt to and combat climate change. Most all spoke of conservation and recycled water measures to combat prolonged drought. And several highlighted renewable energy projects that will help reduce greenhouse gas emissions. There was a strong consensus that significant delays in permitting were problematic to getting projects up and running.

Members of the LHC seemed to be more interested in specific projects local agencies were describing than on special district use of reserves and property taxes. In fact, several agencies highlighted their prudent use of reserves and the importance of saving funds for large projects,

but there was not a single question from the Commission about the use of special district reserves or property taxes.

Commissioner and former State Senator, Don Perata, even asked if the state's ambitious climate change goals such as the provisions of AB 32, have an economic impact on water agencies. He noted that many of these policies are passed with a lack of understanding of the economic impact they will have on taxpayers.

The Commission did not reveal what their next steps might be, but they will likely put out some sort of paper. Overall, water agencies have done an excellent job of answering the Commission's questions regarding the use of reserve funds and property taxes and how they are adapting to climate change. They have made a very strong case that there is little need for broad state intervention or mandates. If or when they release a report, WCA will review for potential adverse legislation.

Reservoir Levels Update

Despite California lifting mandatory statewide water restrictions earlier this year, 60 percent of the state is still in a severe or extreme drought, officials concluded as the water year ended on September 30.

The recently concluded water year, which is used to measure precipitation totals, was officially classified as dry across the state even though parts of Northern California experienced average to slightly above-average precipitation in the past year, according to a California Department of Water Resources press release. The water year begins October 1 and ends September 30.

The end of the recent water year marks the fifth consecutive drought year for the state, according to the DWR. DWR also noted that the state is not likely to be out of the drought next year either.

Reservoir levels remain lower than average, in most cases, as the state crosses its fingers in the hopes of strong precipitation throughout the winter.

Reservoir	Percent of Capacity		Percent of Historical Average	
	Aug. 26	Oct 25	Aug. 26	Oct 25
Lake Shasta	71%	59%	109%	99%
Lake Oroville	54%	44%	81%	72%
Folsom Lake	36%	33%	57%	63%
San Luis Reservoir	13%	26%	31%	50%
Lake Perris	37%	37%	48%	48%
Castaic Lake	76%	72%	93%	94%

Legislative Update

With the Governor taking final action on all bills at the end of September and members campaigning feverishly, Sacramento has been very quiet on the legislative front. Next month we will report election results with an analysis on how it might affect the coming session. Members will return to Sacramento on December 5 to swear in newly elected members. The real start of the session will kick off after the new year.

Agricultural Resources

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Washington, D.C. 20002-5811
(202) 546-5115
dweiman@agriculturalresources.org

October 28, 2016

Legislative Report

TO: Joe Grindstaff
General Manager, Inland Empire Utility Agency

FR: David M. Weiman
Agricultural Resources
LEGISLATIVE REPRESENTATIVE, IEUA

SU: Legislative Report, October 2016

State of Affairs

- * New fiscal year now is underway.
- * Congress adjourned for all of October.
- * Congress to return on November 14, immediately after the election for the Lame Duck Session.
- * Short-term funding for entirety of Federal Departments/agencies in place until December 9.
- * A clash between Congress and the Administration over overall Federal (and Department-specific) spending/funding levels is/are anticipated.
- * Congress will have only a small window of time (two calendar weeks) to address annual funding (election outcome will almost assuredly influence what occurs).
- * October 1 – key date. Beginning of new fiscal year (Federal Level) AND beginning of new “water” year in California.
- * Concern about drought returning is ever-present.

Legislative Activities

- * Energy Bill. Staff discussions continue (albeit slowly). No public conference committee meetings. As they get closer to the election – the less being done.
- * Drought bill (part of Energy Bill). Discussions between House Majority Leader

McCarthy and Senator Feinstein have continued behind closed doors. Reportedly, the current focus (and sticking point) relates to statutorily imposing CVP operational directives and mandates into law. Senator Feinstein and others have requested and now, are waiting for proposed “flexibility” language from the impacted Federal agencies. Many view this as a very bad idea (if operational changes are required in the future to address unforeseen circumstances, then they would require a legislative enactment). If not precedential for BuRec projects, it would certainly be highly unusual.

- * **Energy Bill Options.** If the Energy bill gets gridlocked (likely over water issues), then look for the Senate to break out about 30-40 land protection provisions to attempt to move them separately. Same with various “energy” provisions.
- * **WRDA.** Staff discussions continue (as for WaterSense and the water softener issues, see below) and unlike the Energy bill, talks are moving more quickly. As of today, it is not expected that the House and Senate will convene a formal conference, but instead, will continue to negotiate the bill at a staff level.
- * **Tax Reform.** Considered a high priority 2017 issue. Speaker Ryan and Ways and Means Chair, Rep. Brady (R-TX) have indicated that this issue will be front and center early in 2017. Both presidential candidates have called for tax reform (albeit with different priorities). Among other things, the continued deductibility of municipal bonds is “in play.”

WRDA – Water Sense and Water Softener Language. During October, IEUA’s representatives participated in a series of meetings regarding:

- * Proposed amendment language being drafted.
- * Letters and explanations in support of the statutory language.
- * Targeting of both the pending Energy and/or WRDA bills.
- * Strategy development to advance the language.
- * Special discussions with Senator Boxer (in California and in DC) – Boxer is the ranking Democrat on EPW (Environment and Public Works).
- * Collaboration with WateReuse, ACWA, NACWA, CASA, Los Angeles Sanitation District and a growing list of others).
- * Targeting non-California Senators and Representatives for support of the pending language as Committee perceives this as a “California-only” issue.
- * Educational outreach to all parties (including EPA).

Meetings, conference calls and reports occurred or were circulated on a near-daily basis. The objective, secure statutory language that removes ambiguity and avoids conflict in the future.

As a result of our internal conversations, it was recognized that, with regard to water softeners, that EPA was in conflict with EPA (different offices and different subagencies have not, in the past, collaborated with one another). On one hand, with regard to water supply issues, EPA has recommended increase water recycling as part of the “solutions” mix.. On the other, EPA

(through the WaterSense program) was facilitating the use of water softeners in salt sensitive areas, which may result in compromising the ability to recycle water in those areas. The language already in the Senate version of the EPW bill and the pending request for statutory clarification is designed to eliminate those internal EPA agency conflicts.

The Election. The election is fast coming to a close. The Presidency, control of the Senate and control of the House are uncertain. At the risk of understatement, this election is like no other in decades. The outcomes, at every level, will have profound impact on politics and policy. We – all of us – are in uncharted territory (politically).

Both national presidential campaigns have transition teams in place. NJ Governor, Chris Christie is heading up the effort for Trump. David Barnhart, former Solicitor of the Interior under President George W. Bush, is heading up the Interior Department transition team. For Clinton, former Senator and former Senator Ken Salazar is doing the same for Clinton.

A week after the election, Congress will convene for a Lame Duck session. Funding the Federal government is the primary legislative obligation. Other major bills – Energy, WRDA – are pending. Leadership elections will also occur beginning in mid-November.

#

INFORMATION
ITEM
2C



CALIFORNIA STRATEGIES, LLC

Date: October 28, 2016
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: October Activity Report

Listed below is the California Strategies, LLC monthly activity report. Please feel free to call us if you have any questions or would like to receive any more information on any of the items mentioned below.


- Met with Executive Management Team to review priority issues and to discuss activities for October that Executive Staff wanted accomplished
- Discussed Little Hoover Commission hearing results and follow up
- Reviewed Chino Basin Water Bank project concept and formation JPA
- Support and advised on IEUA/SBVMWD transfer transaction on an as needed basis.
- Reviewed Water Rates progress with member agencies and Regional Contract renewal.
- Continue to monitor statewide water issues including The Water Fix, water bond, and drought relief act activities. Made recommendation regarding the request for money from various state special funds.
- Monitor Santa Ana Regional Board agenda and issues of interest to IEUA including the Ontario Plume settlement
- Respond to requests for information from IEUA Directors.


INFORMATION
ITEM
2D


Date: November 16, 2016

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (11/9/16)

From:  P. Joseph Grindstaff
General Manager

Submitted by: Chris Berch 
Executive Manager of Engineering/Assistant General Manager

Sylvie Lee 
Manager of Planning and Environmental Compliance

Subject: FY 2015/16 IEUA Annual Water Use Efficiency Programs Report

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Inland Empire Utilities Agency (IEUA) and its regional water use efficiency partners strive to increase regional sustainability through development of local water supplies and reduced dependence on more costly and increasingly less reliable imported water. Water use efficiency (WUE) is universally regarded as the most cost effective method to reduce water demands. The region has made substantial investments in WUE initiatives over the past 24 years and continues to strategically plan for present and future water supply challenges.

Each year, IEUA prepares a comprehensive WUE report that captures all activities that occurred during the prior fiscal year. This report tracks the progress that has been made toward goals and objectives outlined in IEUA's Regional WUE Business Plan. For each member agency a regional WUE summary perspective is included as well as service area specific data and activities that provide the foundation for regulatory compliance with State WUE statutes. The report serves as a benchmark for assessing and evaluating overall program performances for planning existing and future programs.

IEUA currently offers a suite of WUE programs to improve landscape management and reduce outdoor water use. Over the last fiscal year, approximately 65,942 water saving technologies/services were implemented throughout the service area.

The water savings achieved through these regional demand reduction activities is estimated to be 1,858 acre-feet (AF) per year, with an average lifetime savings of 21,470 AF, and adds to IEUA's cumulative lifetime water savings of 133,937 AF for all water conserving activities since 1992.

WUE and conservation are key fundamentals of the IEUA's short and long-term water resource management strategies. Over the last year, IEUA has taken proactive steps to boost conservation efforts through allocating IEUA's resources for the funding of data analytics, technology-based software, and support for development of sustainable water rate structures. In addition, IEUA currently participates in the Data Collaborative, a coalition of water utilities working together to pioneer new data infrastructure that supports water managers in meeting their reliability objectives.

Policies and practices are shaped largely by core strategies and programs designed to meet regulatory requirements of the following initiatives:

- State-mandated Drought Emergency Conservation Regulation (short-term)
- State-mandated Long-Term Conservation Regulations
- Surpassing SBX 7-7 - The Water Conservation Act of 2009 (reduction in per capita water use by 20% by 2020)
- Assembly Bill 1881 – The Model Water Efficient Landscape Ordinance
- State grant and loan eligibility requirements
- Future WUE legislation and regulations

Sustained reduction in water use, as mandated by state legislation, will be met through IEUA's member agency regional alliance and IEUA's continued commitment to implement innovative WUE programs that create market transformations. Many of these programs have been made possible through funding partnerships with local agencies, including the Metropolitan Water District of Southern California, the Department of Water Resources, the U.S. Bureau of Reclamation, and public/private partnerships.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

Attachment: FY 2015/16 IEUA Annual Water Use Efficiency Programs Report and Appendices can be viewed at the following link:

<https://ieua.hostedftp.com/CdDc3Jwk1f3K9colpiK9e1i4I>

Annual Water Use Efficiency Programs Report FY 2015-16



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

Lisa Morgan-Perales

IEUA Board of Directors Meeting
November 2016

FY 2015-2016 Annual WUE Programs Summary

- 65,942 WUE technologies/services implemented
- ~1,858 AF of annual water savings from WUE activities
- Projected lifetime water savings: 21,181 AF
- Total Conservation Program Funding (FY 2015-2016)
 - Outside sources: \$10,439,811
 - Agency funding: \$1,966,159
 - Imported Tier II (\$721) avoided cost: \$1,339,618
 - Water Use Efficiency Programmatic Cost Per AF: \$92

FY 2015-2016 Regional Priorities

- Statewide Mandatory Reduction Targets
- 2015 Emergency Drought Regulations
- Governor's Executive Order
- Senate Bill X7-7 - The Water Conservation Act of 2009
- Assembly Bill 1420-Demand Management Measures
- Maintain state grant and loan eligibility (IEUA & members)
- Regional Water Use Efficiency Business Plan (2010-2015)
- Compliance with future WUE legislation and regulations



DATA IN



Parcel Data



Imagery



Water Meter Data

FY 2015-2016 Water Use Efficiency Programs

IEUA Locally Implemented WUE Programs	Activity	Savings (AFY)
IEUA Residential Landscape Retrofit Program	501 sites (778 WBICs*; 9,135 HE* Nozzles)	293
Landscape Transformation Program (Turf Removal)	30 sites (26,750 sq. ft.)	4
Freesprinklernozzles.com Voucher Program	227 vouchers (16,874 HE nozzles – Res/CII)	87
Regional Landscape Evaluation and Audit Program	64 residential / 10 CII	58
Residential Pressure Regulation Pilot Program	20 sites (June 2016)	12
Rebates/Devices: Residential and CII*	45,671 rebates	1,404

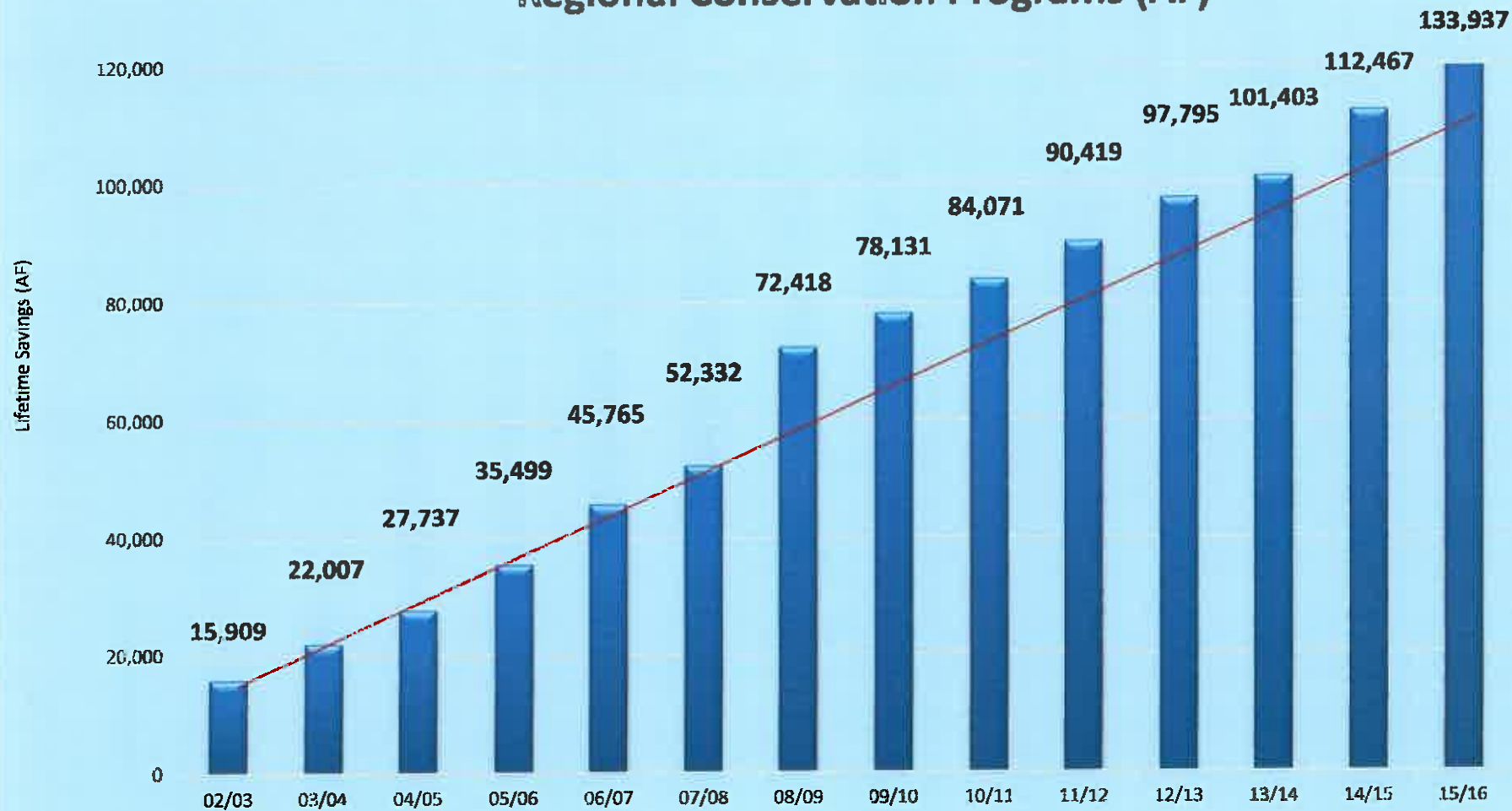
* WBICs: Weather-Based Irrigation Controllers, HE: High Efficiency, CII: Commercial, Industrial & Institutional

FY 2015-2016 Education & Outreach

- IEUA Regional Landscape Training Workshops
 - 18 residential courses conducted throughout IEUA's service areas
- National Theatre for Children
 - 101 Theater Performances – 27,990 K-6 students, teachers & parents reached
- Shows That Teach
 - 16 Theater Performances – 9,067 K-6 students, teachers & parents reached
- Garden-In-Every School
 - 4 new Gardens Installed – 5,849 students, teachers, and parents reached (Chino, Chino Hills, Fontana)
 - 2 Mini –Grant Gardens Installed (Rancho Cucamonga)
- Water Saving Garden Friendly Program
 - Home Depot Events – Cities of Chino, Rancho Cucamonga, Fontana, and Upland

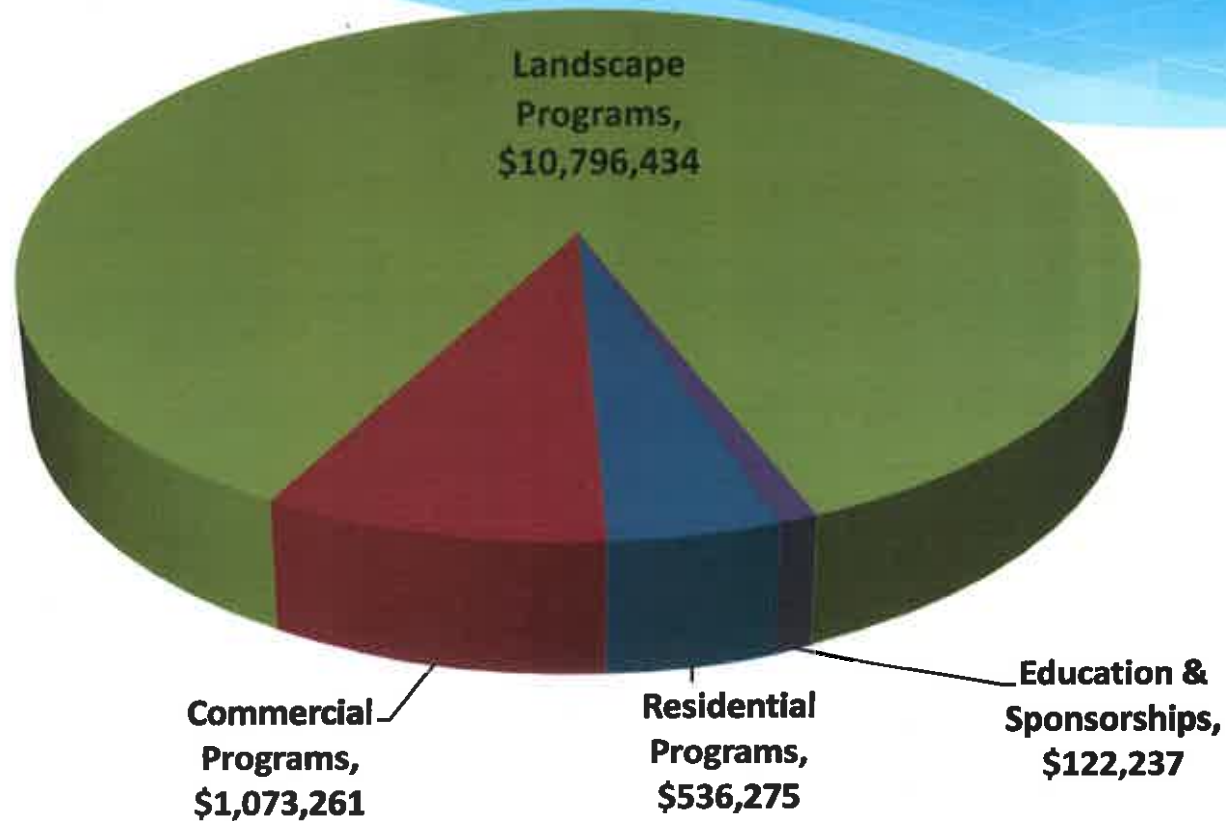


IEUA Lifetime Water Savings From Regional Conservation Programs (AF)



FY 2015-2016 WUE Programs

For every \$1 invested, IEUA received \$5 in outside funding



INFORMATION
ITEM
2E

Date: November 16, 2016

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (11/9/16)

From: *for* P. Joseph Grindstaff *WJ*
General Manager

Chris Berch *CB*
Executive Manager of Engineering/Assistant General Manager

Submitted by: Sylvie Lee *SL*
Manager of Planning & Environmental Resources

Subject: Annual Water Use Report

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

Each year the Inland Empire Utilities Agency (IEUA) compiles water use data from each of its retail agencies to track overall water demands and sources of supply in the Annual Water Use Report. Data includes monthly water use (by member agency and by source of supply), a five-year history of water use, and retail agency water usage as a percentage of the total water used in the service area. Total regional usage for FY15/16 was 168,799 AFY, which is a 25% decrease from FY13/14 usage, consistent with Governor Brown's mandatory use restrictions and is the lowest water use for the region since 1995. IEUA anticipates a continuing trend of declining usage in response to the continuing drought in California, long-term state efficiency goals, and more efficient development patterns as a result of changes in the plumbing code, higher density developments with less landscaping, and compliance with the existing model landscape ordinance requirements set forth in AB1881.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

None.

FY 15/16 Annual Water Use

November 2016



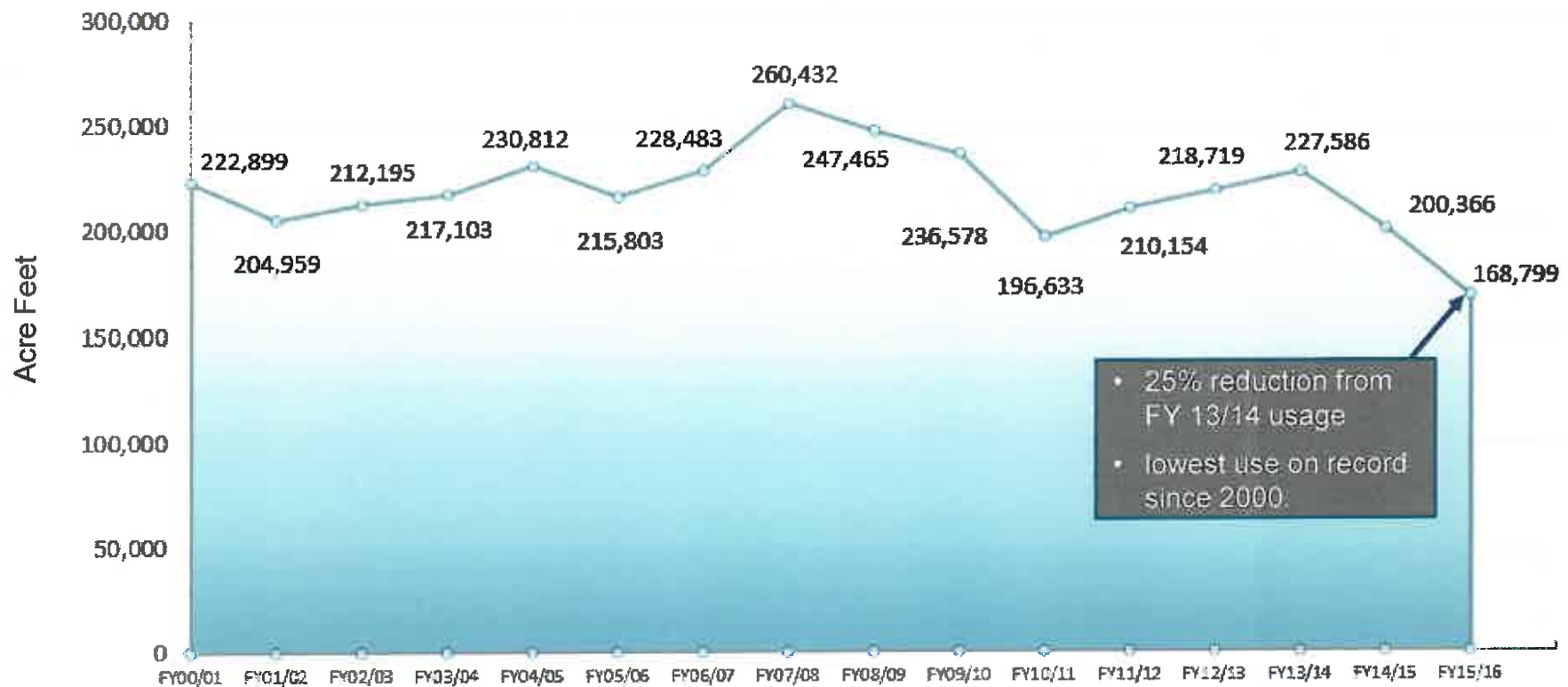
Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

Elizabeth Hurst

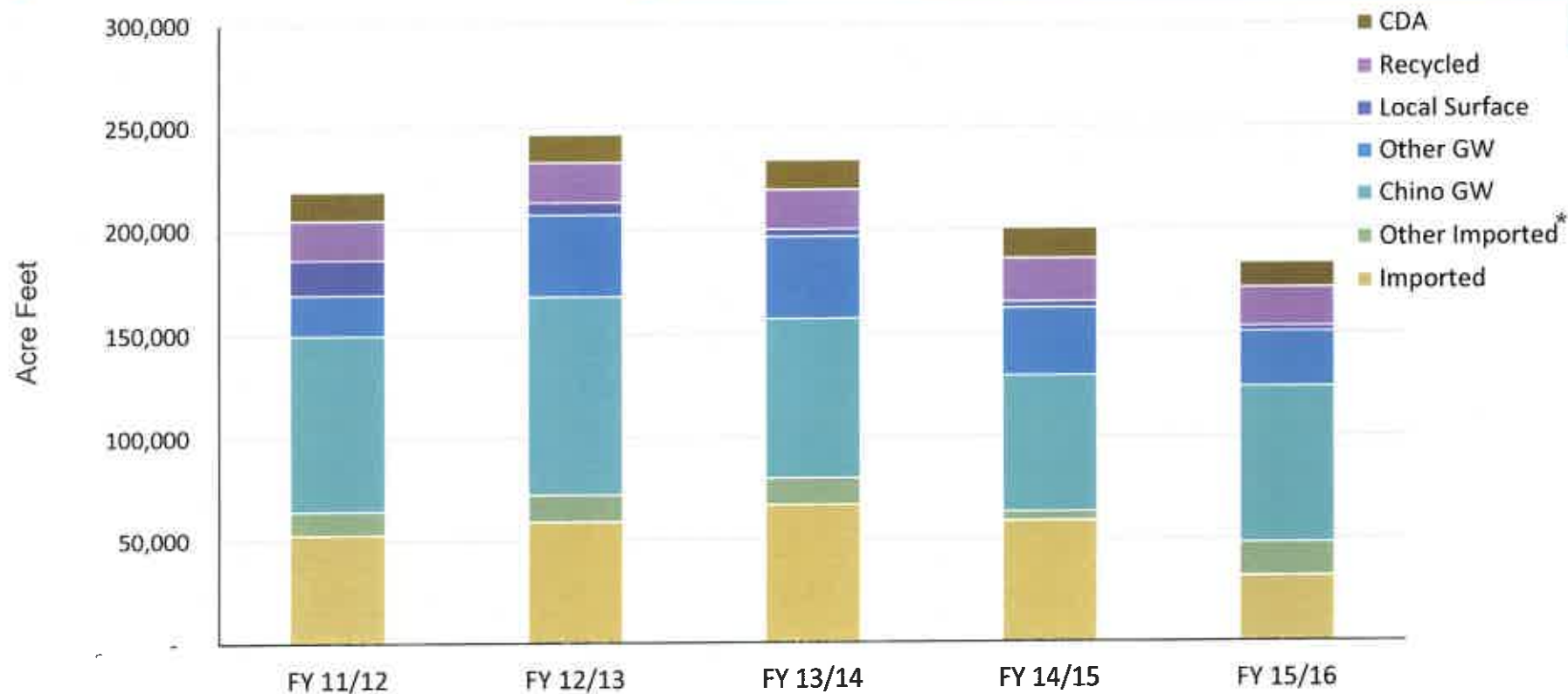
IEUA Board of Directors Meeting
November 2016

Regional Water Use Trend



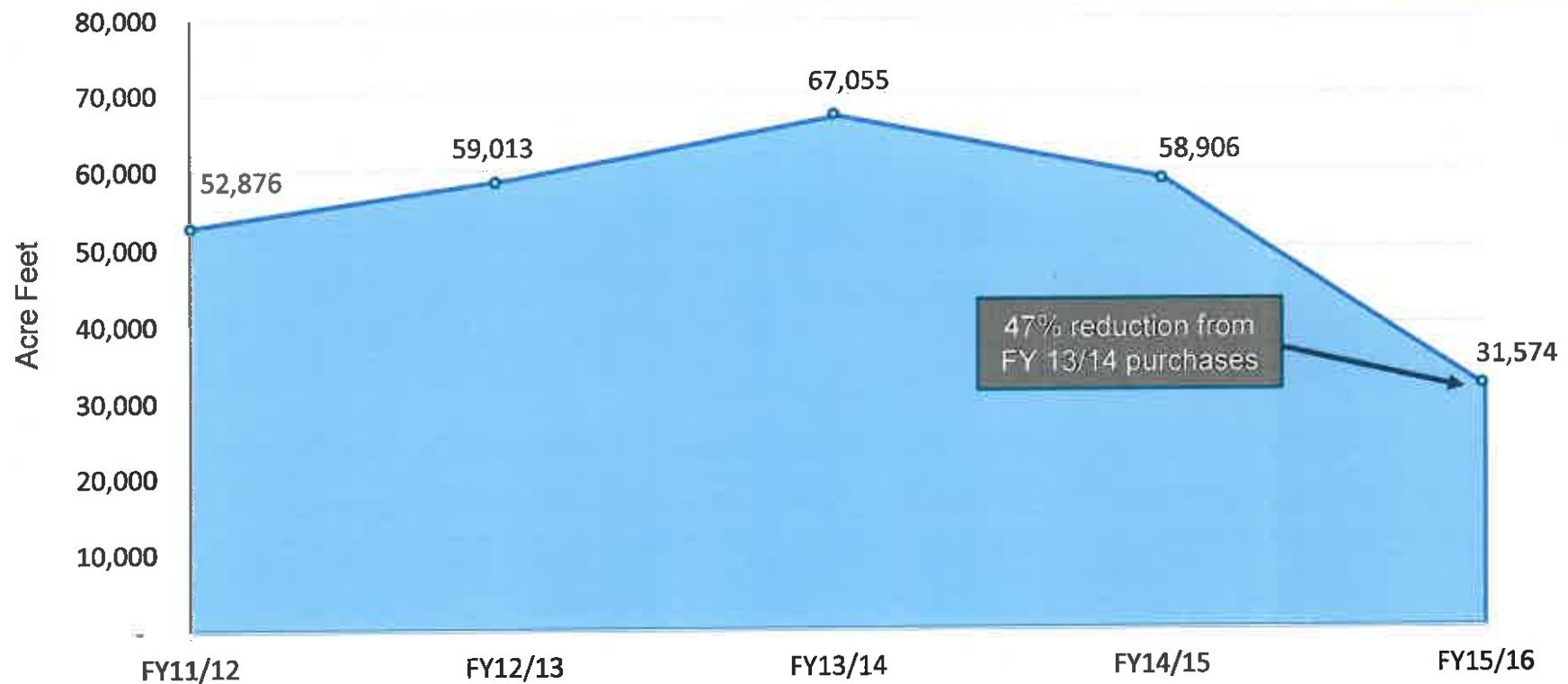
Note: Total Water Use Data includes imported water, surface water, groundwater, recycled and desalter production. Excludes IEUA groundwater recharge

Regional Water Use Trend By Source

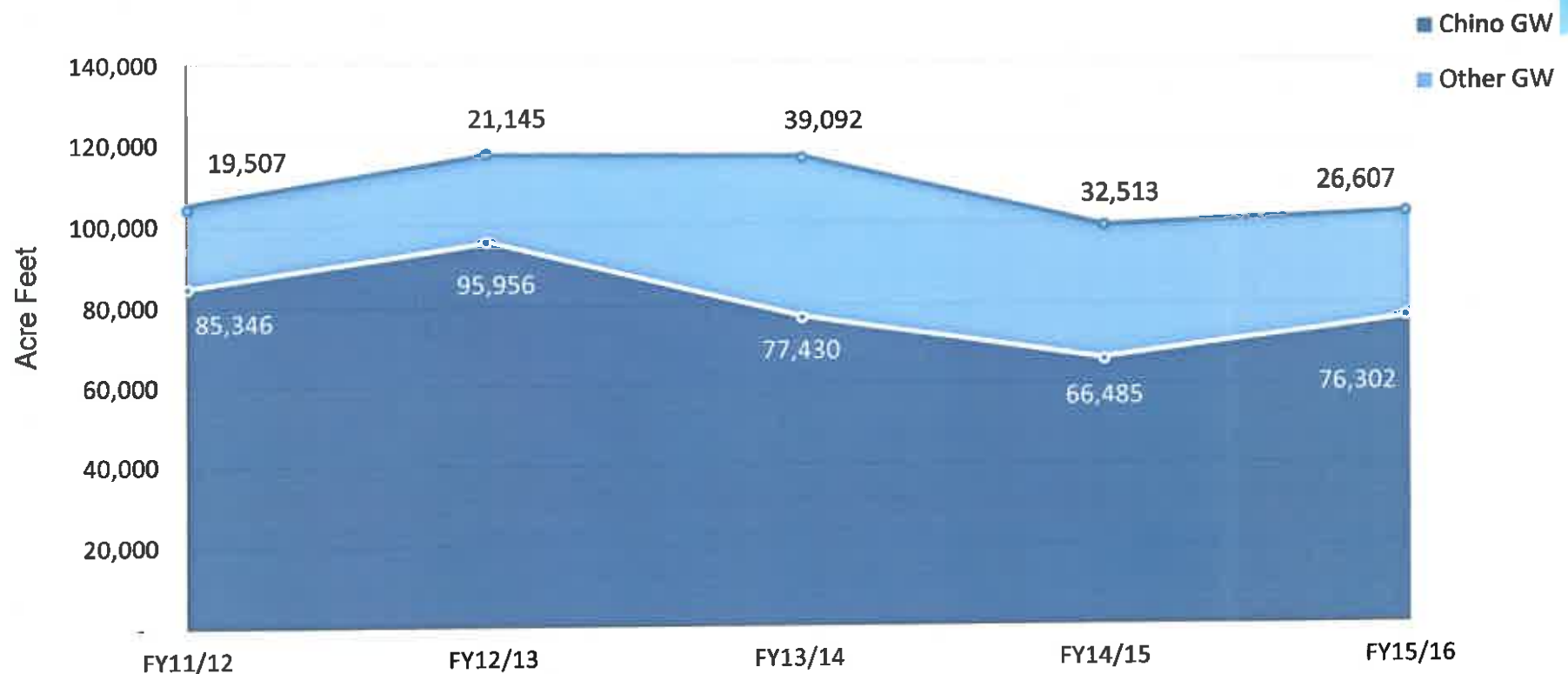


*Water purchased from other companies (such as SAWCo or WECWC) that do not get their water from MWD.

Regional MWD Imported Water Use Trend

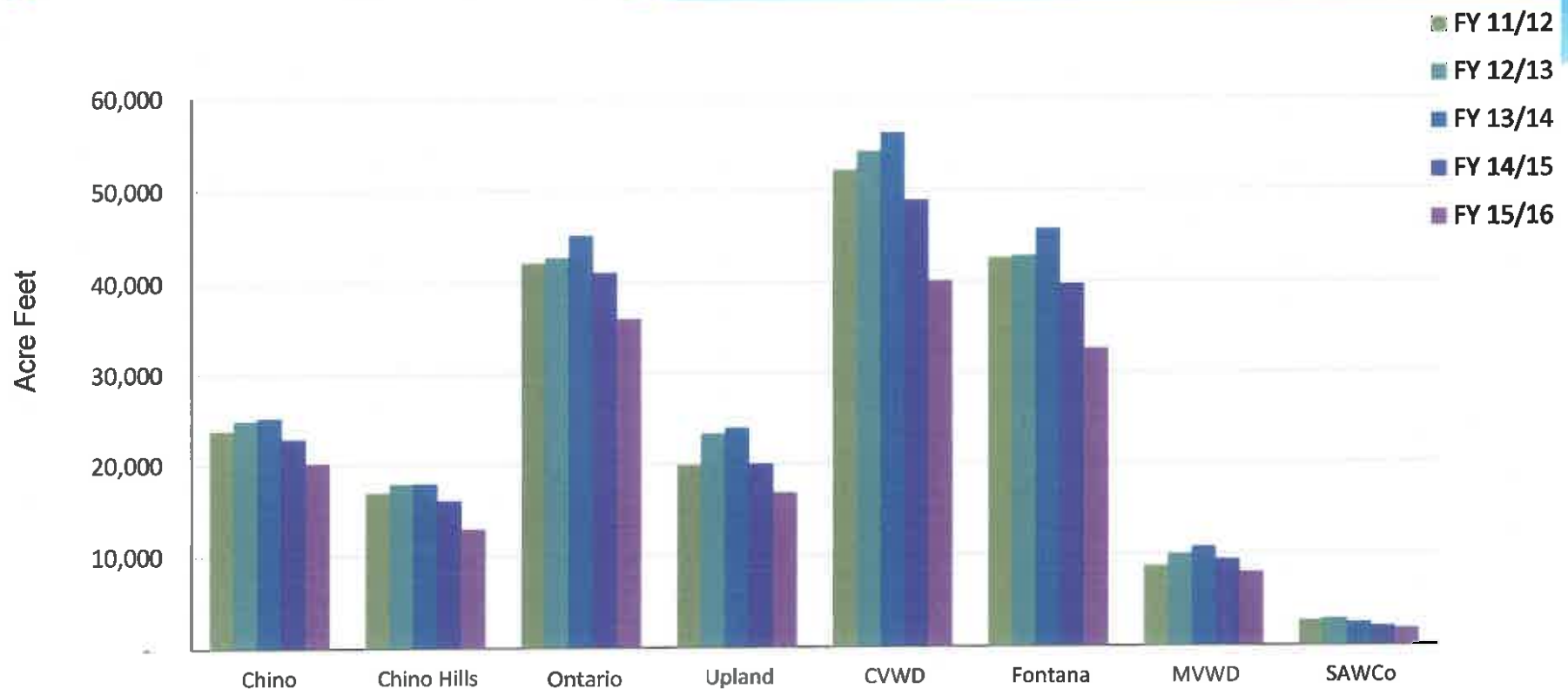


Regional Chino Basin Groundwater Use Trend



*Note: Other GW includes Cucamonga Basin and 6 Basin as reported from Member Agencies

Regional 5-Year Historical Water Use



*MVWD wholesale deliveries included in Chino Hills data
 **historically, SAWCo wholesale deliveries included in Upland data

2016

IEUA FY 2015-2016 Annual Water Use Report:

Retail Agency Water Use and Five Year History



Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT



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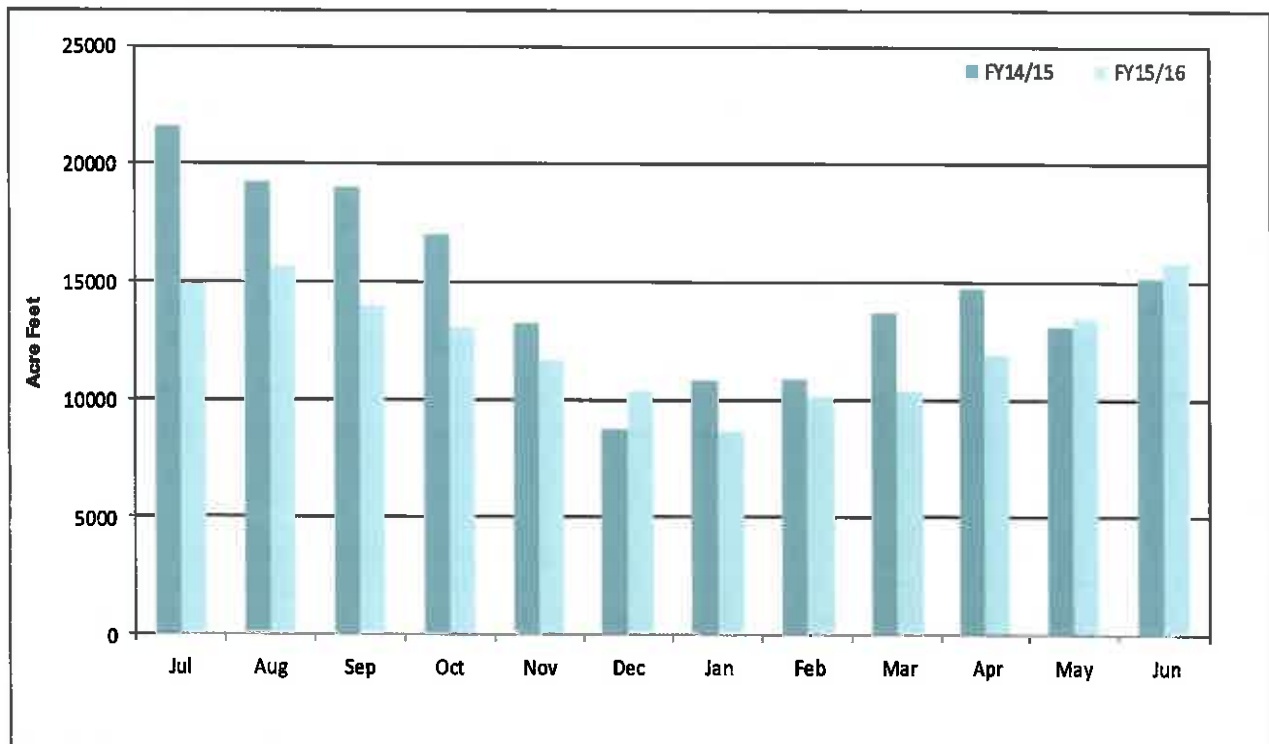
Preface

FY 2015-16 Water Use Summary Report

Inland Empire Utilities Agency (IEUA) monitors and compiles water use data from each of its retail agencies to track overall water demands and sources of supply. Each year, this data is compiled into an Annual Water Use Report. Data includes monthly water use (by member agency and by source of supply), a five-year history of water use, and retail agency water usage as a percentage of the total water used in the service area.

Although Southern California remains in a state of “exceptional drought”, conditions improved enough in the northern half of the state for Governor Brown to end mandatory water restrictions in May 2016, and return authority to local agencies. Three hundred and forty-three water agencies (or 84% of the largest 411 agencies in the state) gave themselves a conservation target of zero for the rest of the year. Also in May, Governor Brown released an executive order that calls for long-term improvements to local drought preparation across the state and directs the State Water Resources Control Board to develop emergency water restrictions should the drought continue. The list includes permanent monthly water use reporting, new urban water use targets, reducing system leaks, eliminating wasteful practices, strengthening urban drought contingency plans, and improving agricultural water management plans. IEUA is monitoring State meetings on implementation of the executive order, and has developed a brief PowerPoint for the State Water Board and Department of Water Resources discussions which walk through implications and options (See Appendix D).

Regional Monthly Total Water Usage FY 15/16 Comparison to FY14/15



IEUA Member Agency Overall Total Water Use Trend



Note: Total Water Use Data includes imported water, surface water, groundwater, recycled and desalter production. Excludes IEUA groundwater recharge

The regional water use for FY 15/16 was 168,799 AFY, the lowest water use for the region since 1995.

Overall water consumption within the IEUA’s service area decreased 15.8% (31,566 AF) from FY 2014/15. Chino Desalter Authority (CDA) production decreased by 2,603 AF and direct use recycled water decreased by 2,177 AF.

IEUA anticipates a trend of declining usage as a response to the drought in California. Although development is anticipated to continue and growth may rebound at the end of the drought, long-term demands are not expected to greatly increase. This analysis came from demand modeling conducted as part of IEUA’s 2015 Integrated Resources Plan (IRP) which found that new developments in the region tend to be more water efficient due to changes in the plumbing code, higher density developments with less landscaping, and compliance with the existing model landscape ordinance requirements set forth in AB1881.

In addition, aggressive efforts are being made to diversify and maximize local resource development, expand water use efficiency programs, and assist interested member agencies with the development of budget based rate structures. These efforts have better prepared the service area to cope with future dry years and increase regional resiliency in the face of climate change.

Below is a summary and update on the region’s major water supply efforts and programs:

- IEUA and its member agencies have finalized the 2015 IRP. The plan is available on the IEUA website. The IRP outlines an overall strategy for developing water supplies and meeting projected demands within the IEUA service area in a cost-effective manner. The plan developed an updated demand model based on new regional development trends of high density, efficient indoor devic-

es, and low water use outdoor plants per state legislation. Conceptual projects from the IRP will be incorporated into the IEUA Regional Programmatic Environmental Impact Report to ensure that projects are grant eligible. Project details and an implementation schedule will be developed as part of the IRP Phase II, which will begin in fall 2016.

- In June, IEUA's Board of Directors adopted the 2015 Urban Water Management Plan.
- The 2015 Water Use Efficiency Business report will be presented to the IEUA Board in October.
- IEUA completed the 2015 Recycled Water Program Strategy, which will further implement the Recycled Water Business Plan to expand its connected demand and maximize recycled water deliveries for both direct use and groundwater recharge. In FY 2015/16 member agency direct recycled water use was 18,335 AF.
- IEUA launched a Pilot Home Pressure Regulation Program in June which will reach out to 500 residential sites and correct high pressure problems by either making adjustments or installing a new regulator.
- IEUA is working with the Agricultural Pool to identify appropriate farm sites for water efficiency upgrades. This will help maintain a sustainable Chino Basin groundwater supply.
- IEUA and its member agencies are working towards completing the Phase III expansion of the Chino Desalters, which will increase capacity from 24,600 AFY to 40,000 AFY. In FY 2015/16, IEUA agency's share of the production was 11,883 AF.
- IEUA and its member agencies continue to implement the water use efficiency programs outlined in the long term Regional Water Use Efficiency Business Plan completed in September 2010. This document serves as the blueprint for the Agency's existing regional programs while providing the guidance for developing new cost-effective initiatives. The plan is also being updated as part of the IRP process. Future conservation targets are anticipated to be much more aggressive as a result of the IRP. In FY 2015/16, the regional water use efficiency programs increased savings by approximately 80% from FY14/15 reaching a record high of approximately 1,858 AF, and an estimated lifetime savings of 21,470 AF.

IEUA would like to thank its member agencies for their assistance in compiling the data contained in this report.

SECTION 1

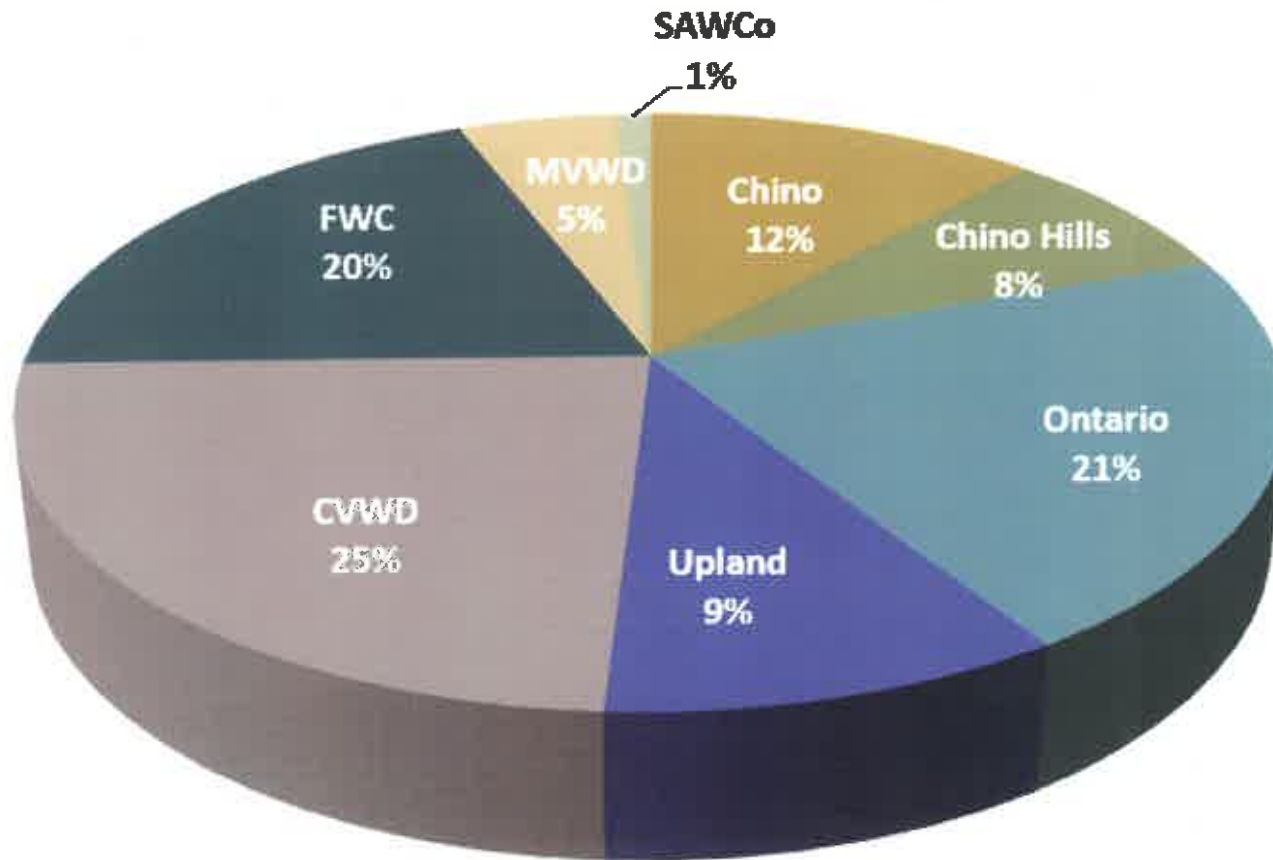
Total Water Resources Data from FY 15/16

Total IEUA Service Area Water Use For FY 15/16

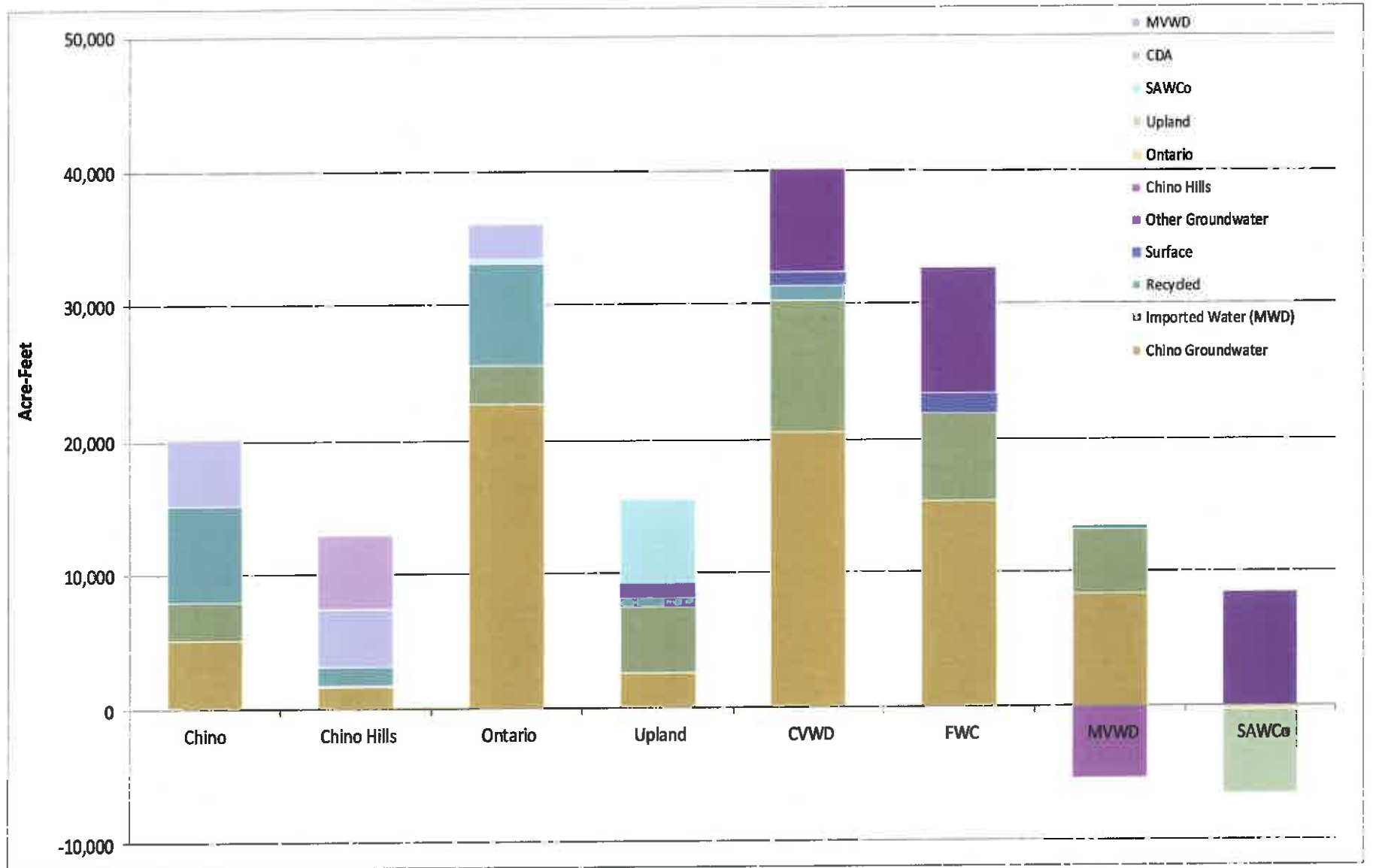
		Total IEUA Service Area Water Use by Retail Agency for FY 15-16 (AFY)								
		CHINO	CHINO HILLS	ONTARIO	UPLAND	CVWD	FWC	MVWD	SAWCo	TOTAL
Purchases from IEUA	Imported Water (MWD)	2,843	110	2,755	4,890	9,712	6,613	4,799	0	31,722
	Recycled (Direct Use)	7,217	1,410	7,566	719	1,146	0	278	0	18,336
Subtotal		10,060	1,520	10,321	5,609	10,857	6,613	5,078	0	50,058
Production	Chino Groundwater	5,104	1,630	22,755	2,601	20,524	15,317	8,371	0	76,302
	Other Groundwater	0	0	0	1,054	7,783	9,253	0	8,517	26,607
	Local Surface Water	0	0	0	0	1,002	1,497	0	0	2,499
Subtotal		5,104	1,630	22,755	3,655	29,309	26,067	8,371	8,517	105,408
Purchases from Other Agencies	CDA	5,000	4,201	2,682	0	0	0	0	0	11,883
	MVWD	0	5,642	0	0	0	0	0	0	5,642
	SAWCo Water	0	0	338	6,297	0	0	0	0	6,635
	West End	0	0	0	1,246	0	0	0	0	1,246
Subtotal		5,000	9,843	3,020	7,543	0	0	0	0	25,406
Sales to Other Agencies	Chino Hills	0	0	0	0	0	0	-5,437	0	-5,437
	Ontario	0	0	0	0	0	0	0	-338	-338
	Upland	0	0	0	0	0	0	0	-6,297	-6,297
	Subtotal		0	0	0	0	0	0	-5,437	-6,635
Total		20,163	12,993	36,096	16,807	40,166	32,681	8,012	1,882	168,799

Note: an additional 541 AF of RW was used for IEUA purposes, an additional 13,222 AF of RW was used for recharge, and additional 536 AF of RW was sold to San Bernardino County. All RW numbers in this report based off IEUA operations data.

Total IEUA Service Area Water Use For FY 15/16



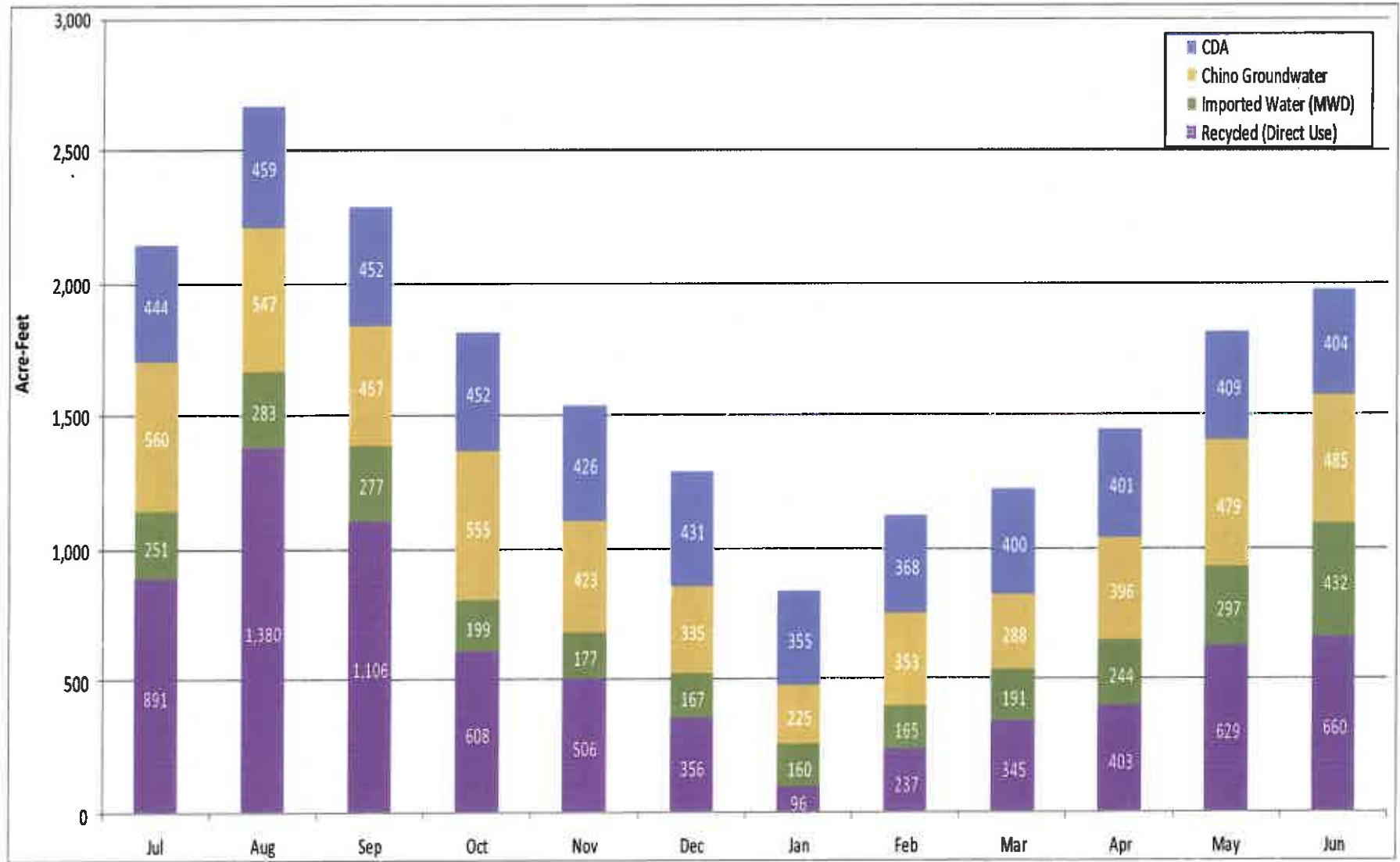
Total IEUA Service Area Water Use For FY 15/16



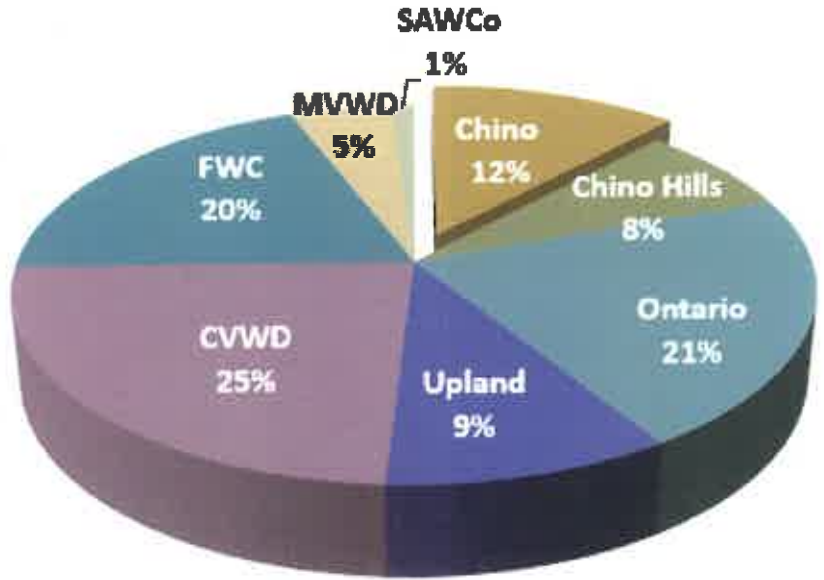
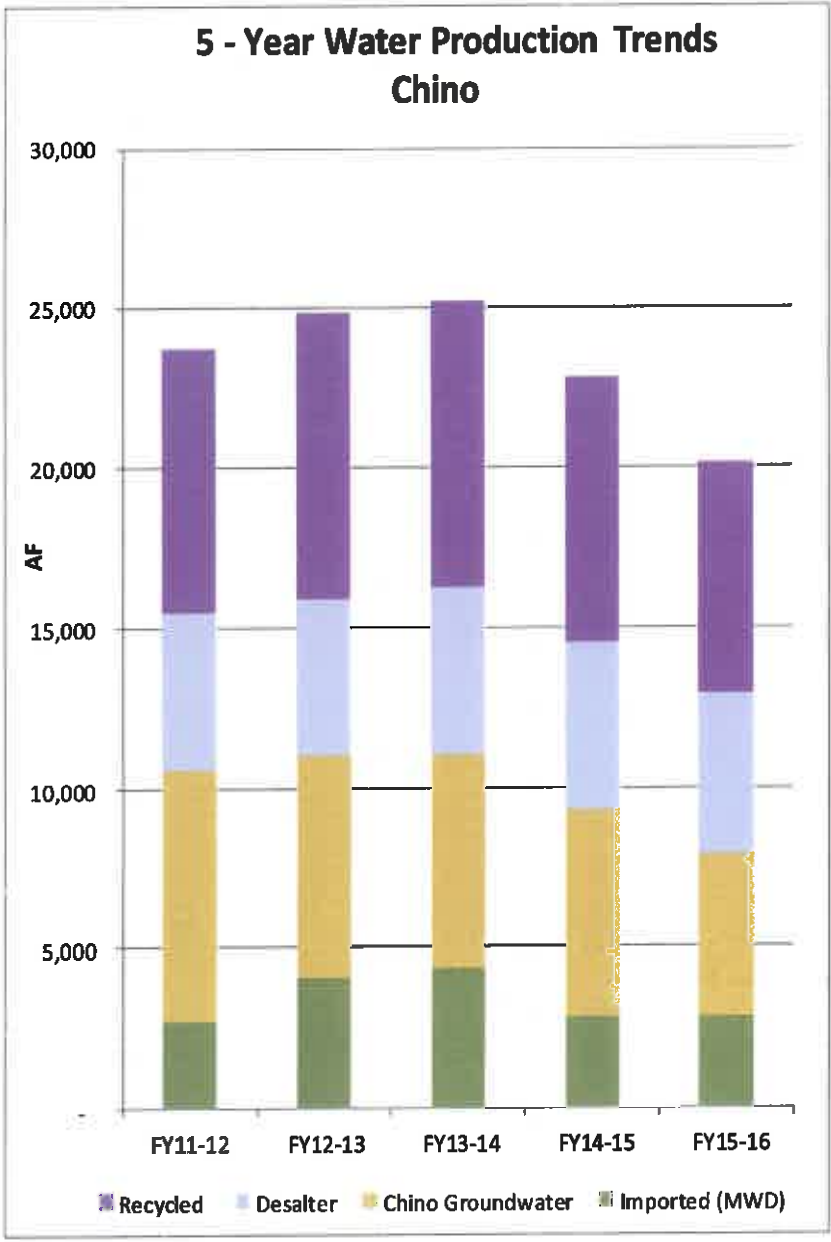
SECTION 2

Retail Water Use Data from FY 15/16 by Agency

City of Chino FY 2015/16 Monthly Water Usage



City of Chino FY 2015/16 Water Use Report

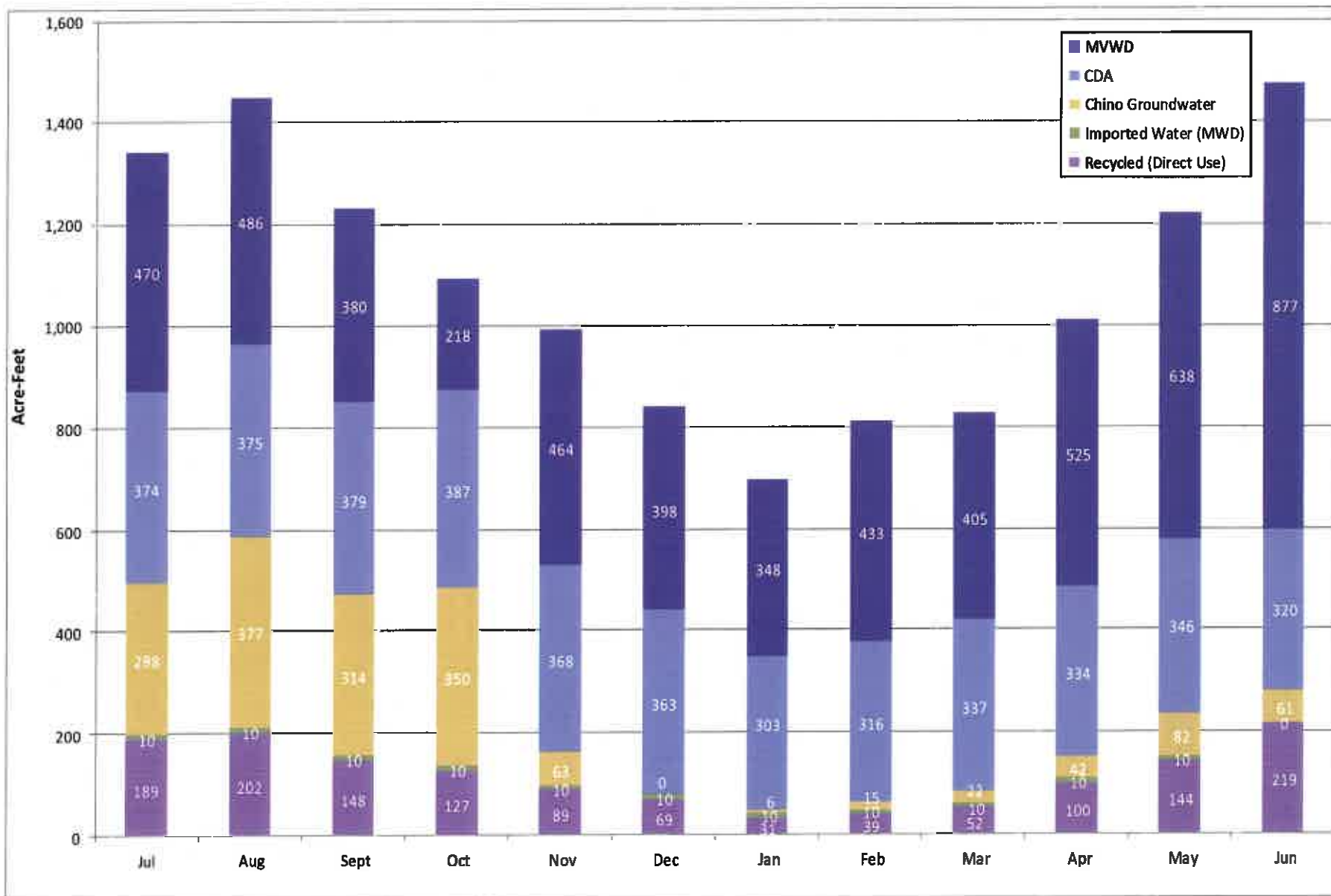


In FY 2015/16, The City of Chino used 12% (20,163 AF) of 168,799 AF used in the IEUA service area.

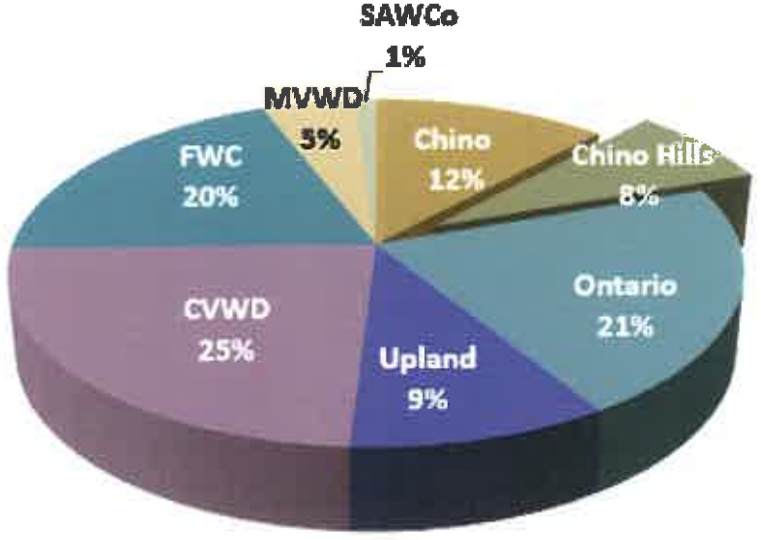
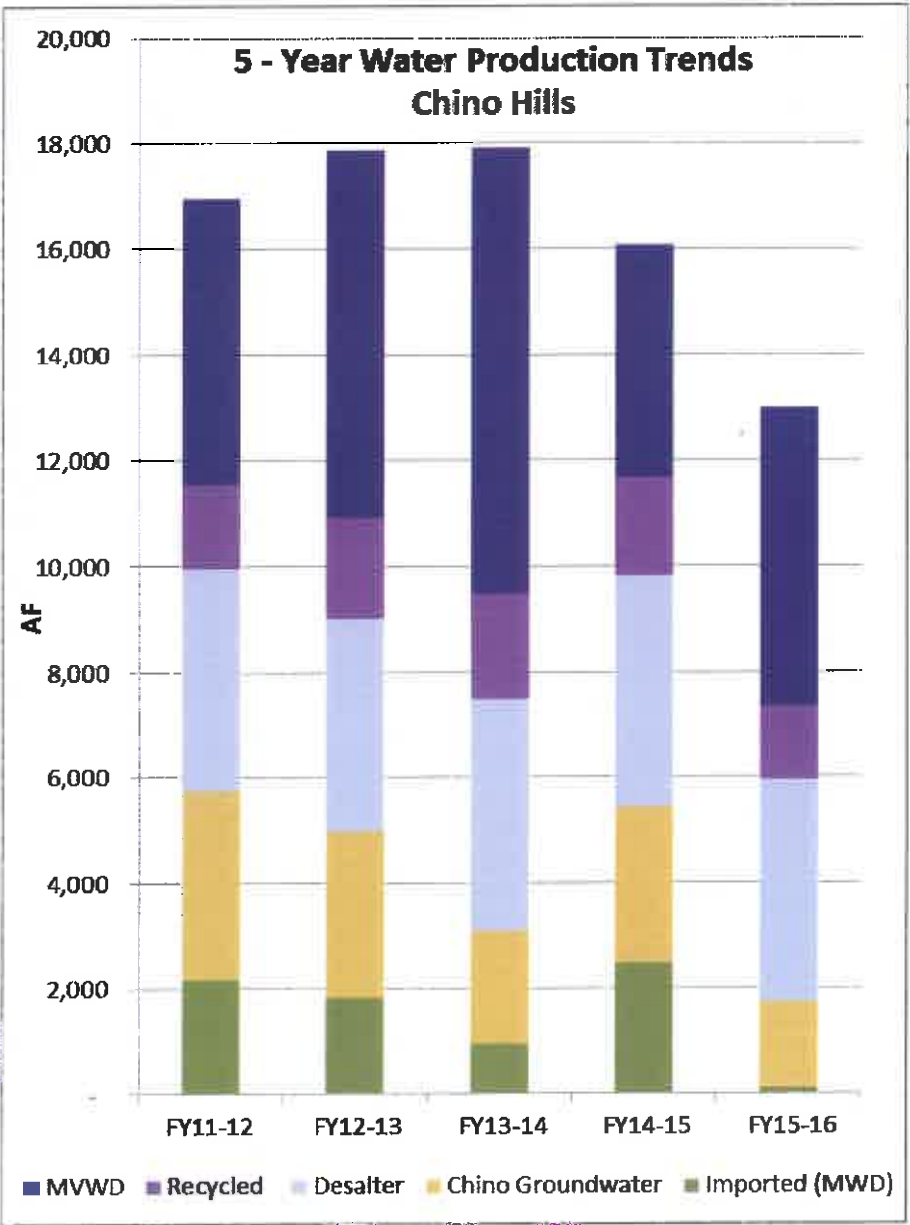
City of Chino FY 2015/16 Monthly Water Usage

		Table 1. Total IEUA Service Area Water Use by Agency for FY15-16 (AF) - Chino												
		July	August	September	October	November	December	January	February	March	April	May	June	Total
Purchases from IEUA	Recycled (Direct use)	891	1,380	1,106	608	506	356	96	237	345	403	629	660	7,217
	Imported Water (MWD)	251	283	277	199	177	167	160	165	191	244	297	432	2,843
Subtotal		1,142	1,663	1,383	807	684	523	256	402	536	647	926	1,092	10,060
Production	Chino Groundwater	560	547	457	555	423	335	225	353	288	396	479	485	5,104
	Subtotal	560	547	457	555	423	335	225	353	288	396	479	485	5,104
agencies	CDA	444	459	452	452	426	431	355	368	400	401	409	404	5,000
	Subtotal	444	459	452	452	426	431	355	368	400	401	409	404	5,000
Total		2,146	2,669	2,293	1,814	1,532	1,290	836	1,123	1,224	1,443	1,813	1,980	20,163

City of Chino Hills FY 2015/16 Monthly Water Usage



City of Chino Hills FY 2015/16 Water Use Report

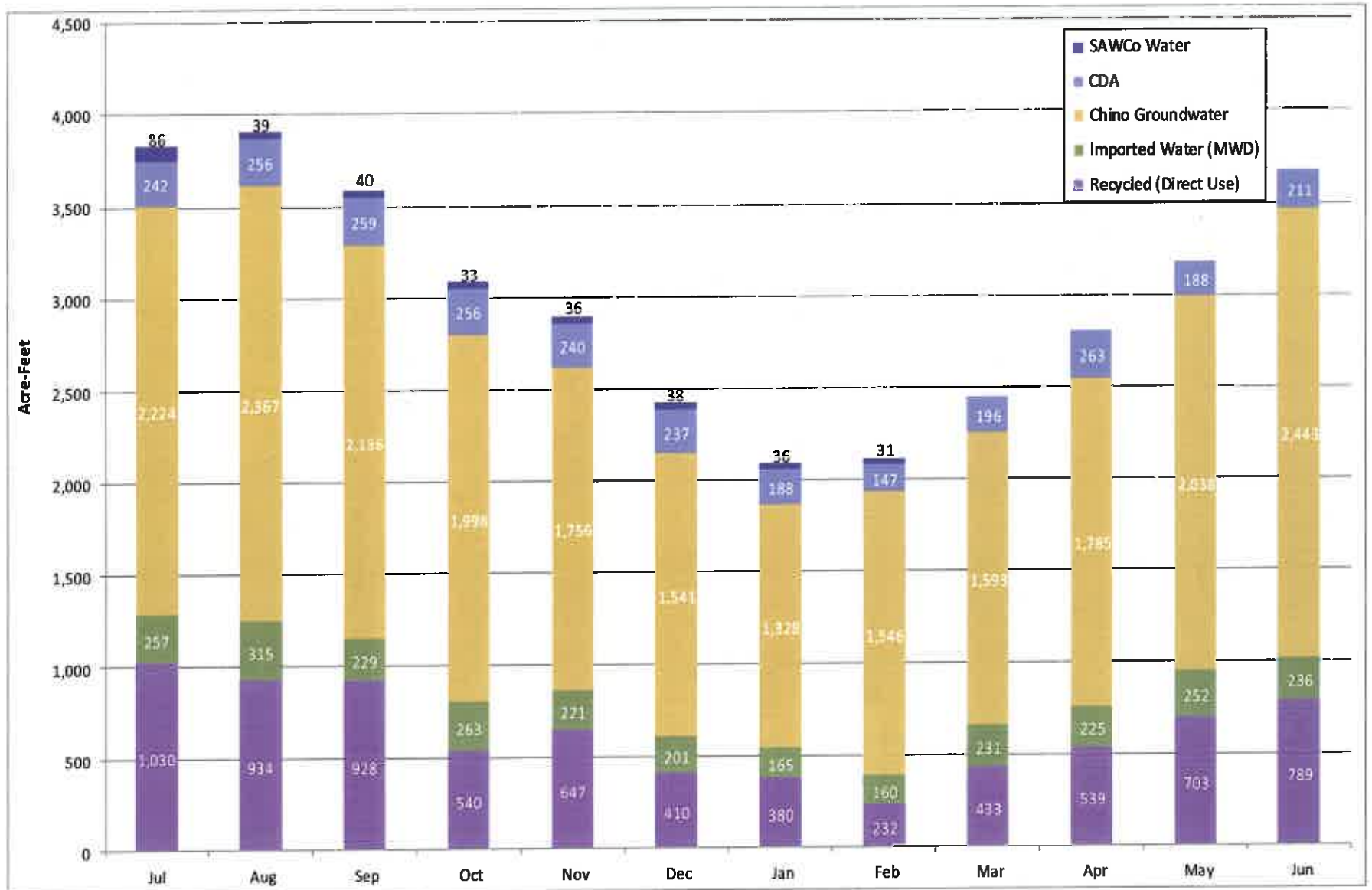


In FY 2015/16, The City of Chino Hills used 8% (12,993 AF) of 168,799 AF used in the IEUA service area.

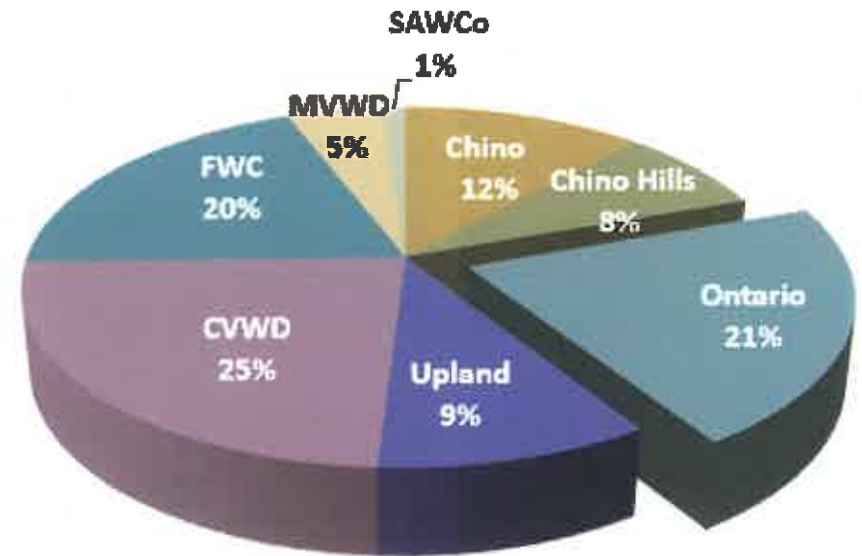
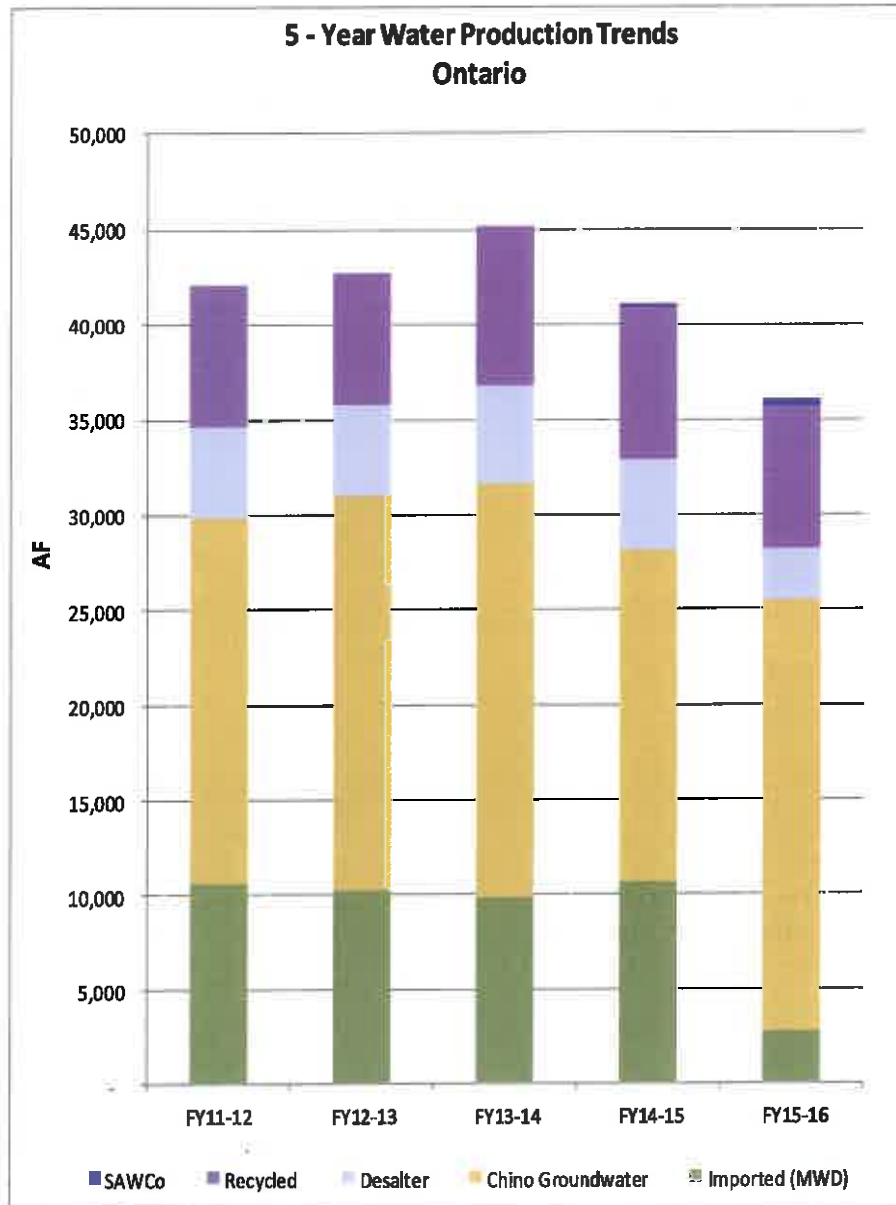
City of Chino Hills FY 2015/16 Monthly Water Usage

		Table 1. Total IEUA Service Area Water use by Agency for FY15-16 (AF) - Chino Hills												
		July	August	September	October	November	December	January	February	March	April	May	June	Total
Purchases from IEUA	Recycled (Direct use)	189	202	148	127	89	69	31	39	52	100	144	219	1,410
	Imported Water (MWD)	10	10	10	10	10	10	10	10	10	10	10	0	110
Subtotal		199	212	158	137	99	79	41	49	62	110	154	219	1,520
Production	Chino Groundwater	298	377	314	350	63	0	6	15	22	42	82	61	1,630
	Subtotal	298	377	314	350	63	0	6	15	22	42	82	61	1,630
Purchase from other agencies	GDA	374	375	379	387	368	363	303	316	337	334	346	320	4,201
	MWD	470	486	380	218	464	398	348	433	405	525	638	877	5,642
Subtotal		844	860	759	605	832	761	652	749	742	859	984	1,197	9,843
Total		1,341	1,449	1,231	1,093	994	840	699	812	826	1,011	1,220	1,477	12,993

City of Ontario FY 2015/16 Monthly Water Usage



City of Ontario FY 2015/16 Water Use Report

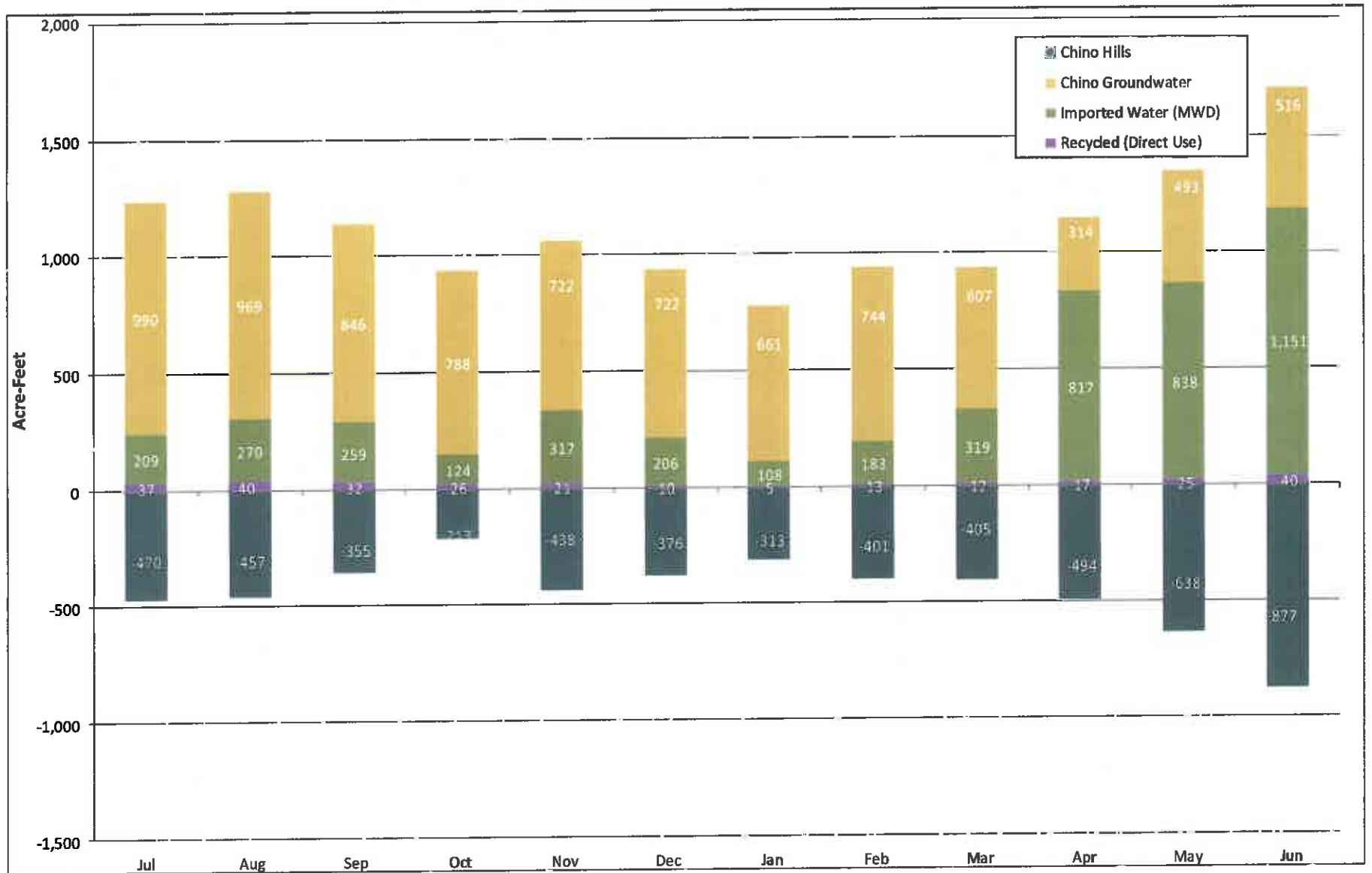


In FY 2015/16, The City of Ontario used 21% (36,096 AF) of 168,799 AF used in the IEUA service area.

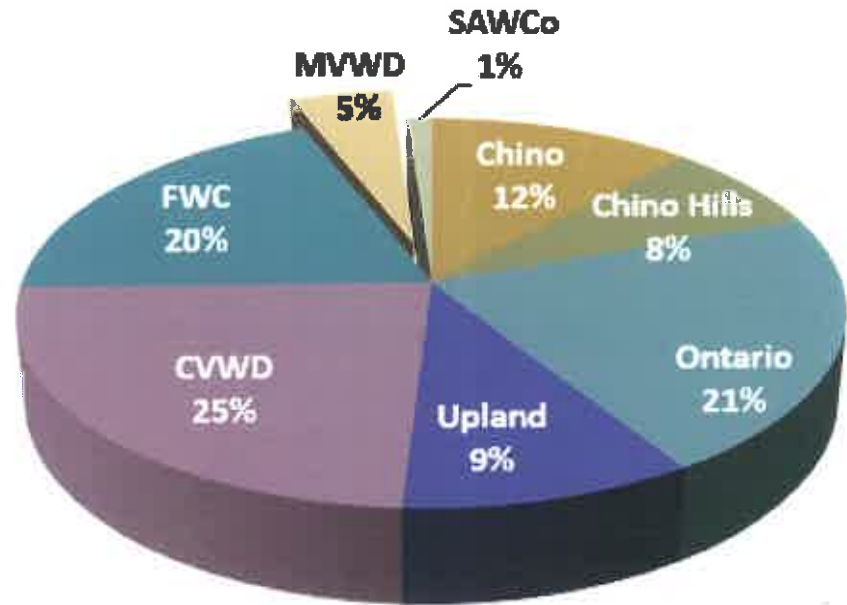
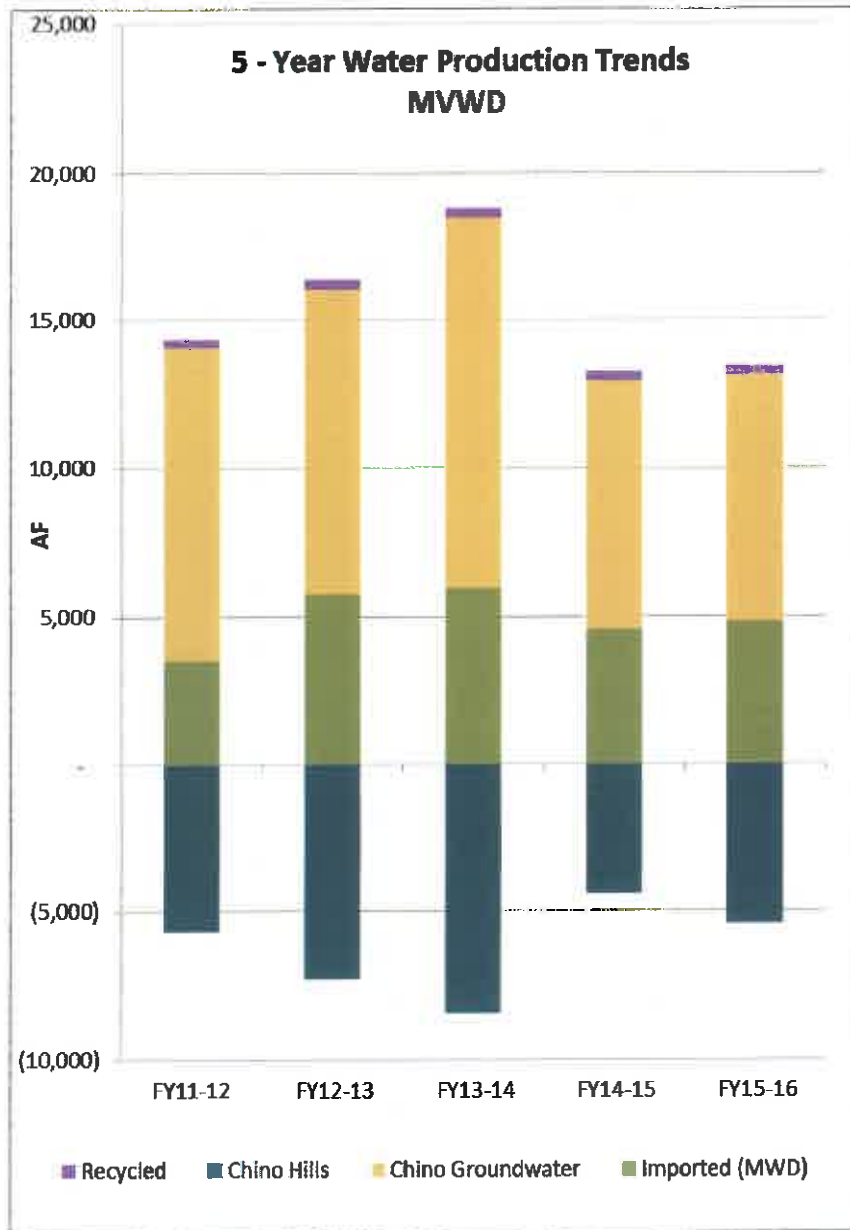
City of Ontario FY 2015/16 Monthly Water Usage

Table 1. IEUA Service Area Water Use by Agency for FY 15-16 (AF) - Ontario														
		July	August	September	October	November	December	January	February	March	April	May	June	Total
Purchases from IEUA	Recycled (Direct use)	1,030	934	928	540	647	410	380	232	433	539	703	789	7,566
	Imported Water (MWD)	257	315	229	263	221	201	165	160	231	225	252	236	2,755
Subtotal		1,287	1,250	1,157	803	867	611	546	392	664	764	955	1,025	10,321
Production	Chino Groundwater	2,224	2,367	2,136	1,998	1,756	1,541	1,328	1,546	1,593	1,785	2,038	2,443	22,755
	Subtotal	2,224	2,367	2,136	1,998	1,756	1,541	1,328	1,546	1,593	1,785	2,038	2,443	22,755
Purchase from other agencies	CDA	242	258	259	256	240	237	188	147	196	263	188	211	2,682
	SAWCo Water	86	39	40	33	36	38	36	31	0	0	0	0	338
Subtotal		328	295	299	289	276	275	224	178	196	263	188	211	3,021
Total		3,839	3,911	3,592	3,090	2,899	2,427	2,098	2,116	2,453	2,812	3,181	3,678	36,097

Monte Vista Water District FY 2015/16 Monthly Water Usage



Monte Vista Water District FY 2015/16 Water Use Report

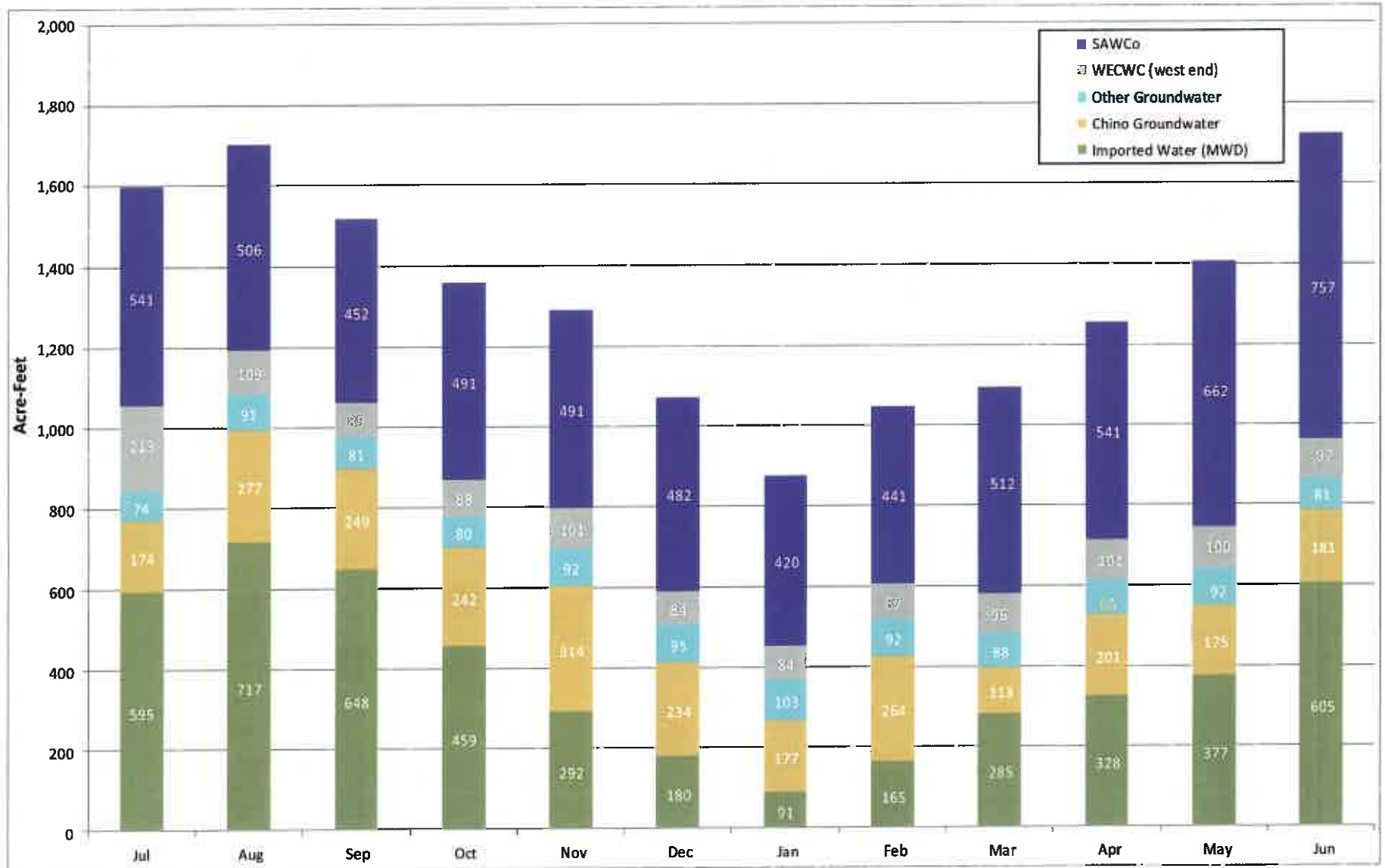


In FY 2015/16, Monte Vista Water District used 5% (8,012 AF) of 168,799 AF used in the IEUA service area.

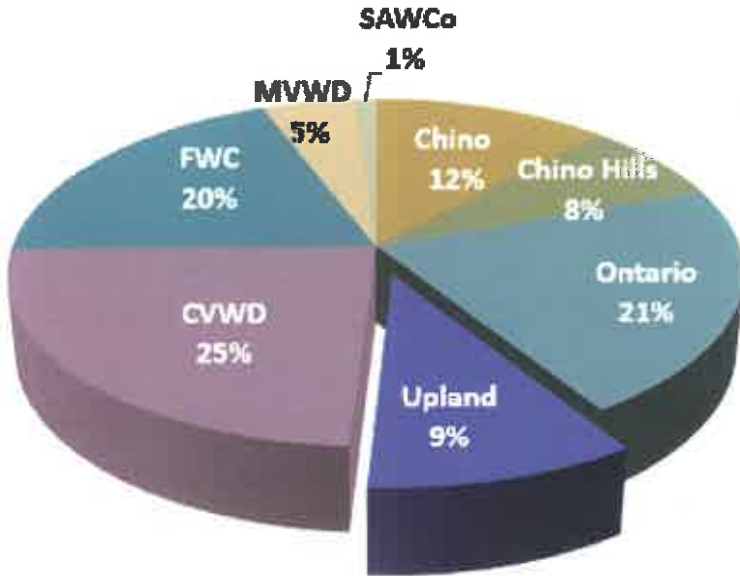
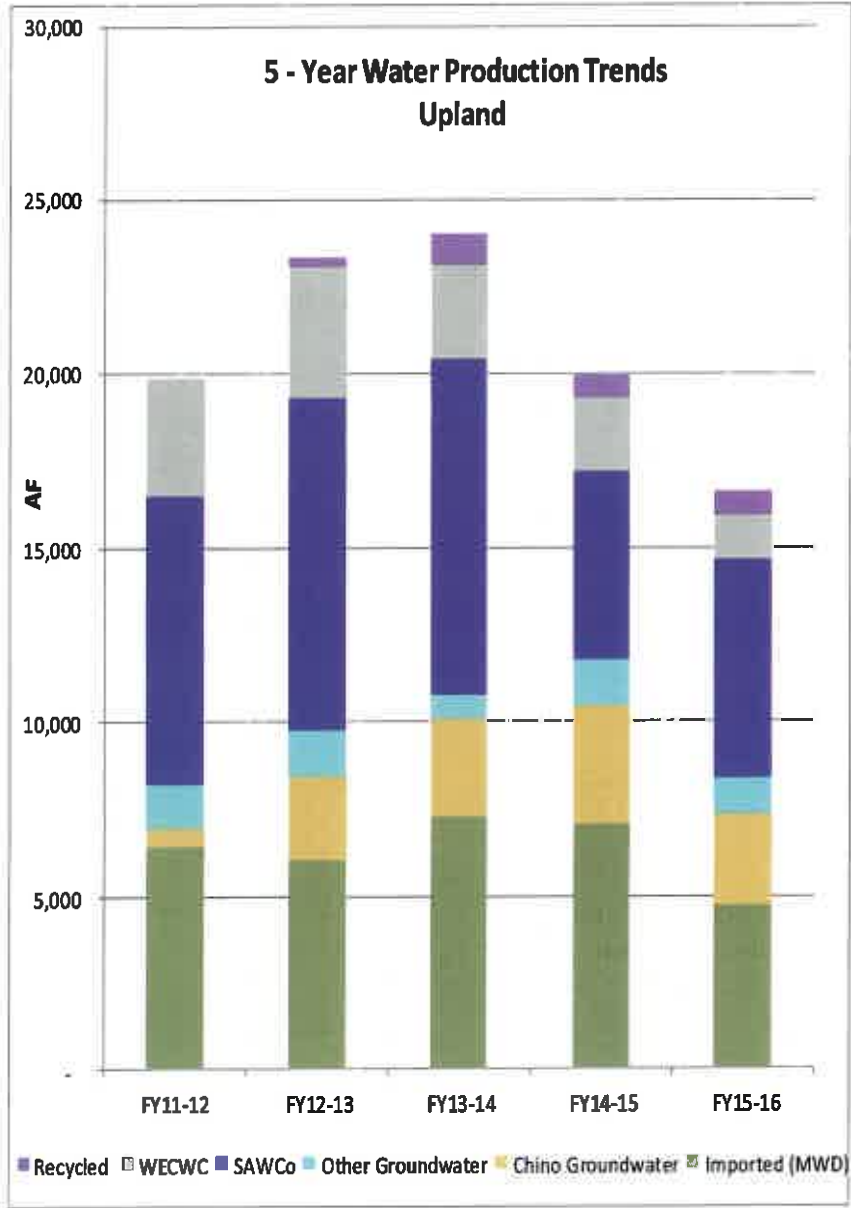
Monte Vista Water District FY 2015/16 Monthly Water Usage

		Table 1. IEUA Service Area Water Use by Agency for FY15-16 (AF) - MVWD												
		July	August	September	October	November	December	January	February	March	April	May	June	Total
Purchases from IEUA	Recycled (Direct use)	37	40	32	26	21	10	5	13	12	17	25	40	278
	Imported Water (MWD)	209	270	259	124	317	206	108	183	319	817	838	1,151	4,799
Subtotal		246	310	291	150	338	216	113	196	331	834	862	1,191	5,078
Production	Chino Groundwater	990	969	846	788	722	722	681	744	607	314	493	516	8,371
	Subtotal	990	969	846	788	722	722	681	744	607	314	493	516	8,371
Sales to other agencies	Chino Hills	-470	-457	-355	-213	-438	-376	-313	-401	-405	-494	-638	-877	-5,437
	Subtotal	-470	-457	-355	-213	-438	-376	-313	-401	-405	-494	-638	-877	-5,437
Total		766	822	781	725	622	563	462	539	533	654	717	829	8,012

City of Upland FY 2015/16 Monthly Water Usage



City of Upland FY 2015/16 Water Use Report



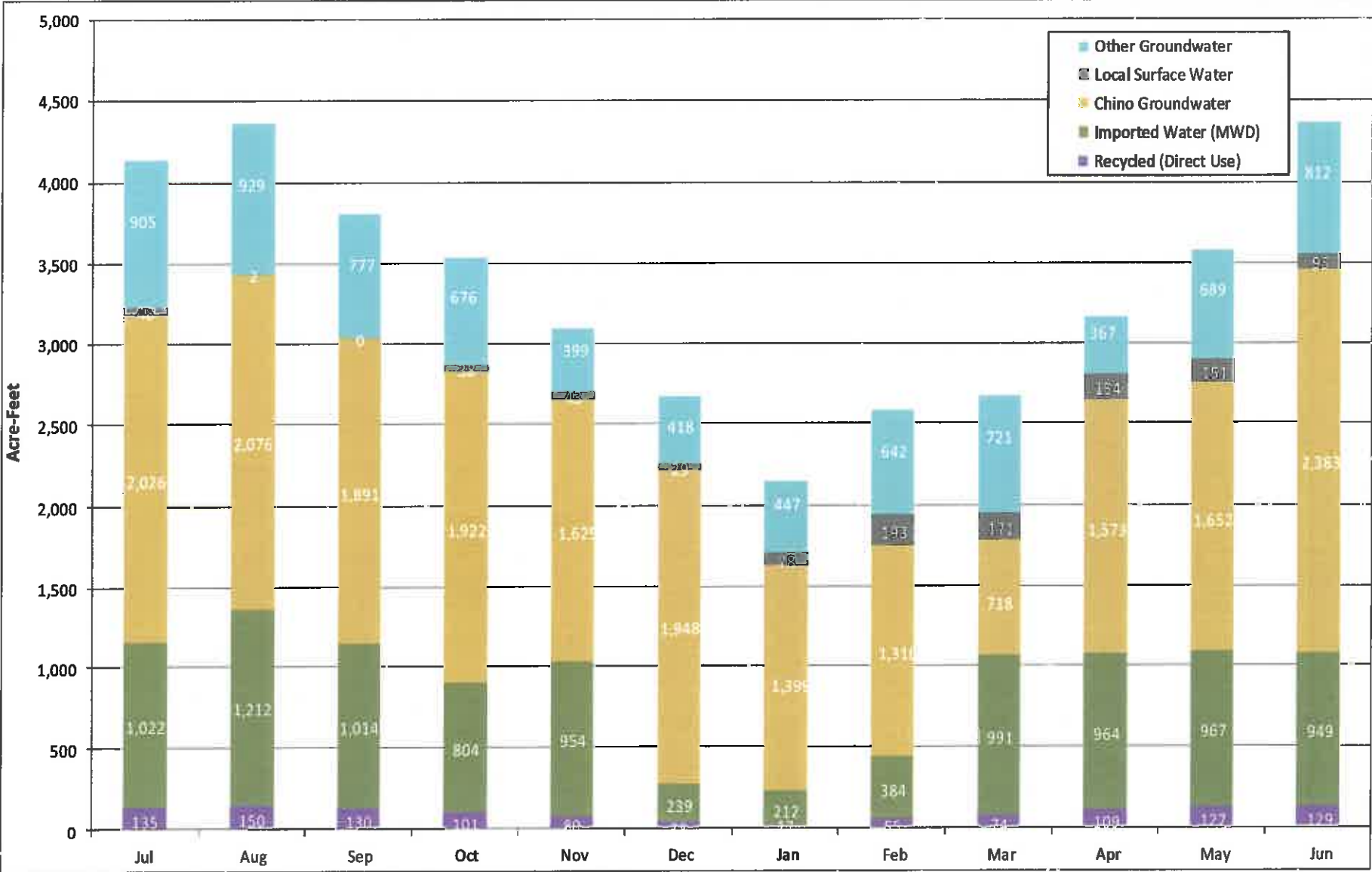
In FY 2015/16, The City of Upland used 9% (16,806 AF) of 168,799 AF used in the IEUA service area.

City of Upland FY 2015/16 Monthly Water Usage

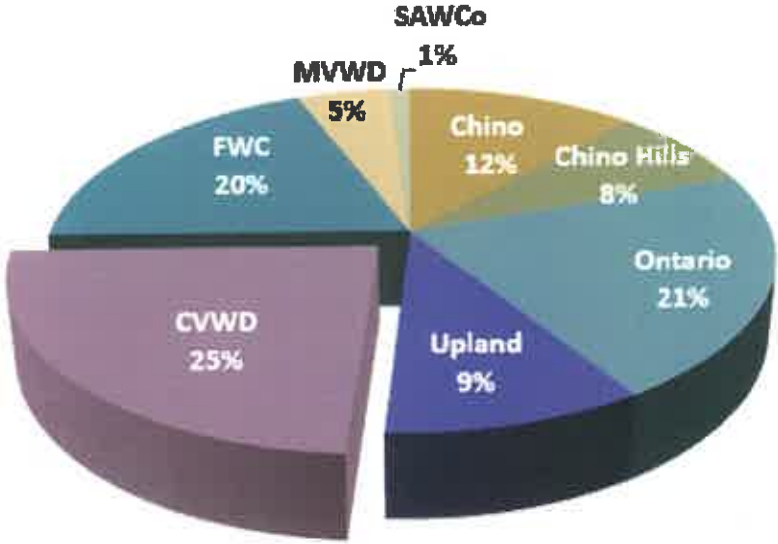
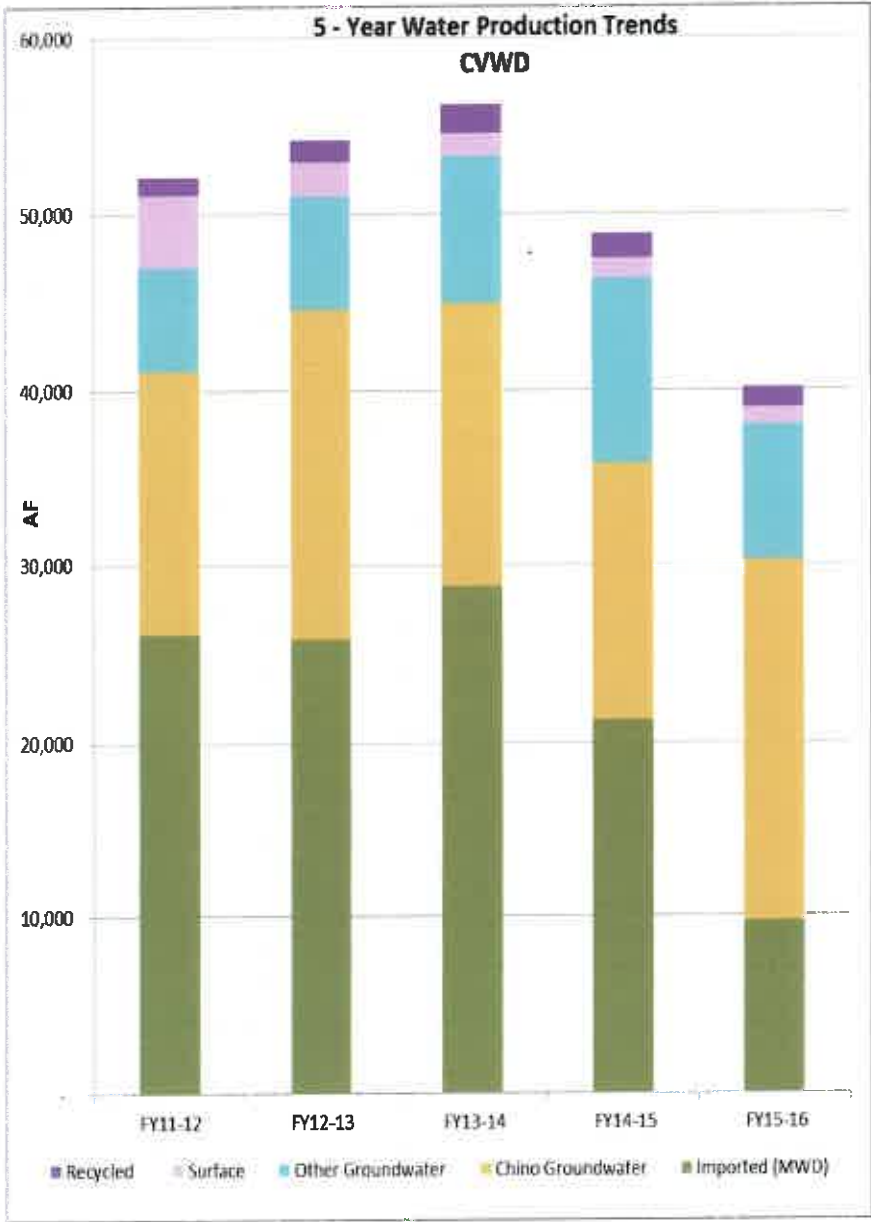
Table 1. IEUA Service Area Water Use by Agency for FY 15-16 (AF) - Upland														
		July	August	September	October	November	December	January	February	March	April	May	June	Total
Purchases from IEUA	Recycled (Direct use)	92	97	82	82	58	37	15	37	34	57	59	69	719
	Imported Water (MWD)	595	717	648	459	292	180	91	185	285	328	377	605	4,742
	Imported Water* (RAW)	0	0	0	0	0	0	23	64	24	7	23	8	148
	Subtotal	687	814	730	540	350	217	129	266	344	391	459	681	5,609
Production	Chino Groundwater	174	277	249	242	314	234	177	264	113	201	175	181	2,601
	Other Groundwater	74	91	81	80	92	95	103	92	88	85	92	81	1,054
	Subtotal	248	368	330	322	406	329	280	356	201	286	267	262	3,655
Purchase from other agencies	SAWCo Water	541	506	452	491	491	482	420	441	512	541	662	757	6,297
	West End	213	109	85	88	101	84	84	87	96	101	100	97	1,246
	Subtotal	753	615	537	579	592	566	505	528	609	642	763	854	7,543
	Total	1,689	1,796	1,597	1,442	1,348	1,112	914	1,150	1,153	1,319	1,488	1,798	16,807

*purchased from WFA

Cucamonga Valley Water District FY 2015/16 Monthly Water Usage



Cucamonga Valley Water District FY 2015/16 Water Report

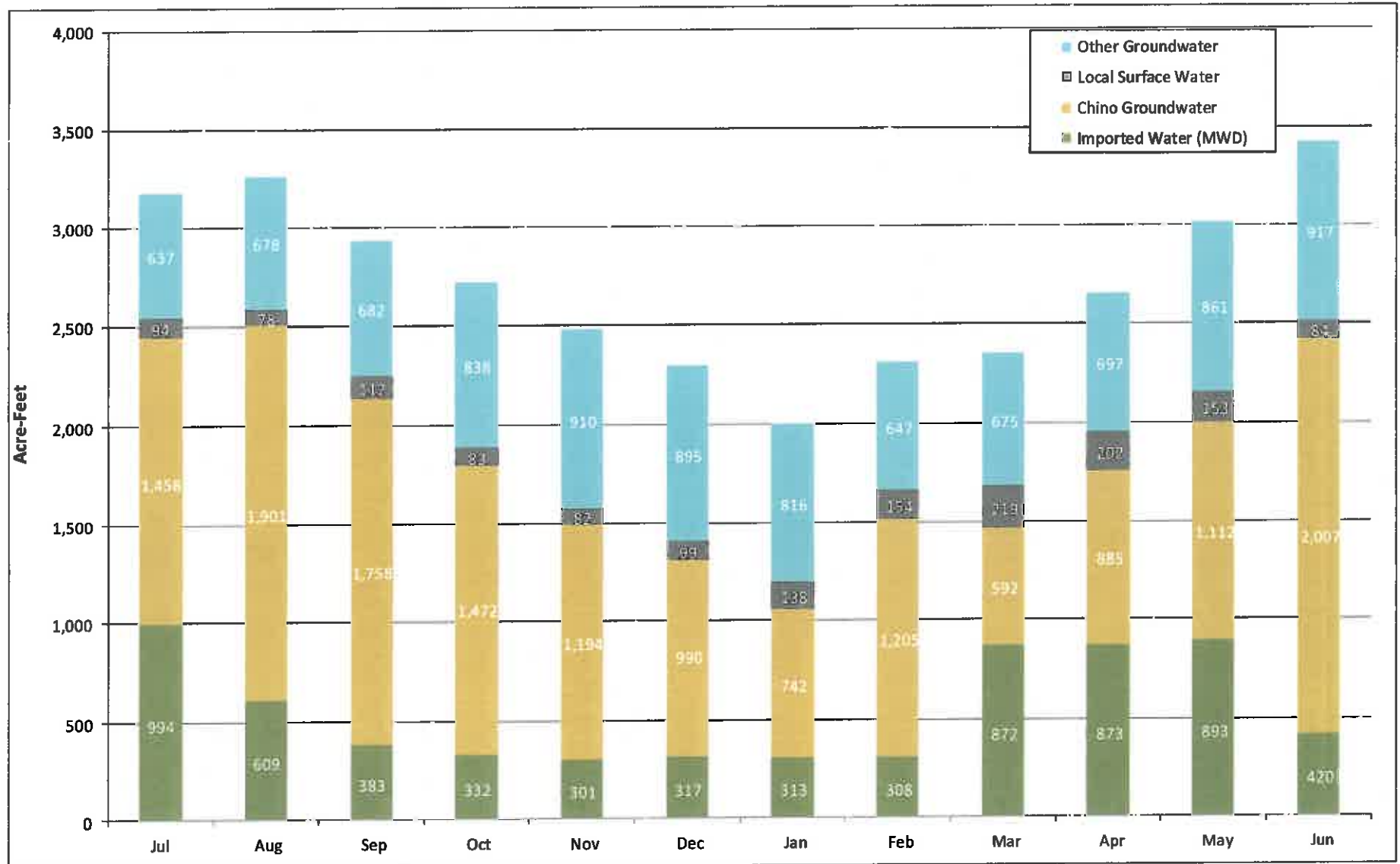


In FY 2015/16, Cucamonga Valley Water District used 25% (40,166 AF) of 168,799 AF used in the IEUA service area.

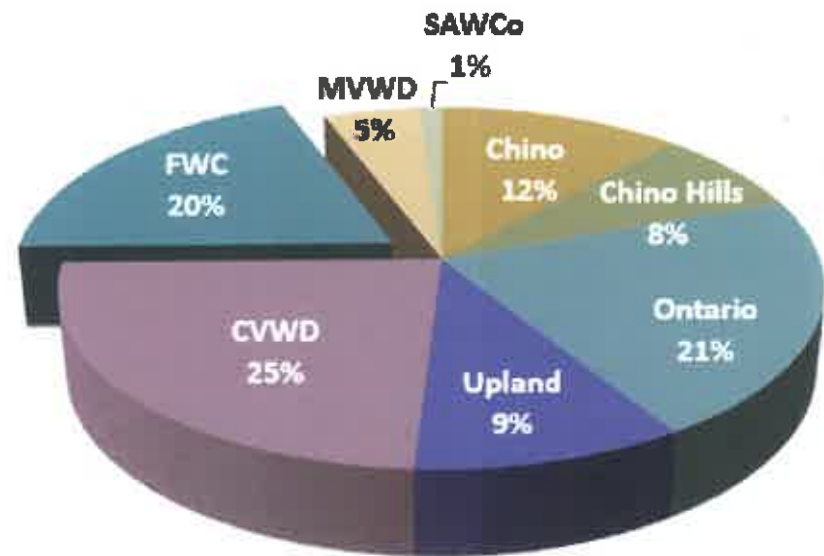
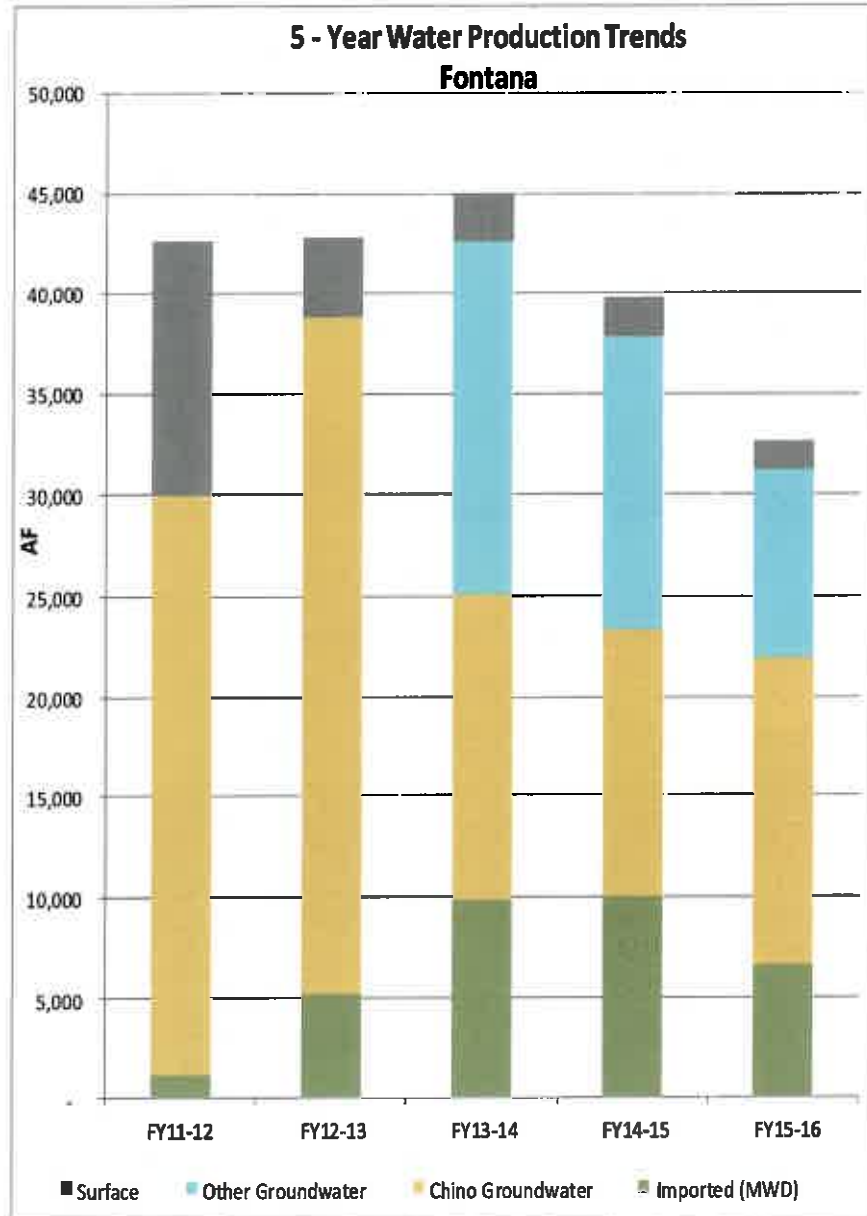
Cucamonga Valley Water District FY 2015/16 Monthly Water Usage

		Table 1. IEUA Service Area Water Use by Agency for FY15-16 (AF) - CWARD												
		July	August	September	October	November	December	January	February	March	April	May	June	Total
Purchases from IEUA	Recycled (Direct use)	135	150	130	101	80	38	17	55	74	109	127	129	1,146
	Imported Water (MWD)	1,022	1,212	1,014	804	954	239	212	384	991	964	967	949	9,712
Subtotal		1,157	1,362	1,144	905	1,034	277	229	439	1,065	1,073	1,095	1,078	10,857
Production	Chino Groundwater	2,026	2,076	1,891	1,822	1,625	1,948	1,399	1,310	718	1,573	1,652	2,383	20,524
	Local Surface Water	48	2	0	38	43	29	78	193	171	154	151	95	1,001
	Other Groundwater	905	929	777	676	399	418	447	642	721	387	689	812	7,783
Subtotal		2,979	3,007	2,668	2,636	2,067	2,395	1,924	2,145	1,610	2,094	2,493	3,290	29,309
Total		4,136	4,369	3,812	3,541	3,100	2,672	2,153	2,584	2,675	3,167	3,588	4,368	40,166

Fontana Water Company FY 2015/16 Monthly Water Usage



Fontana Water Company FY 2015/16 Water Use Report

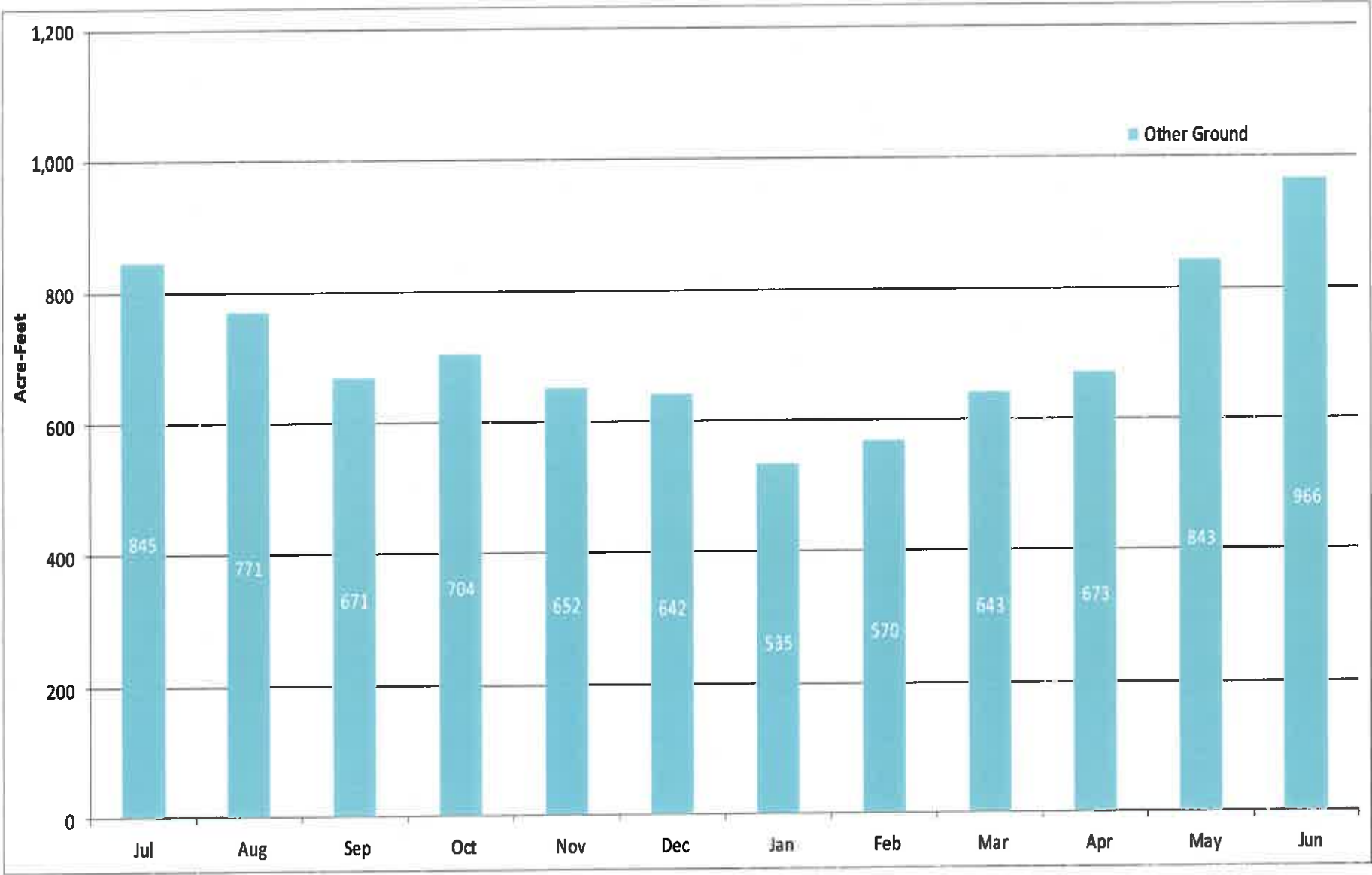


In FY 2015/16, The Fontana Water Company used 20% (32,680 AF) of 168,799 AF used in the IEUA service area.

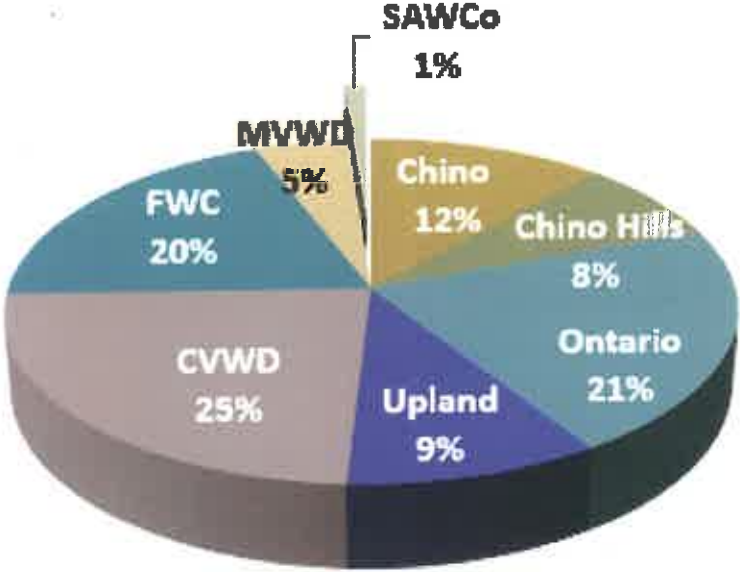
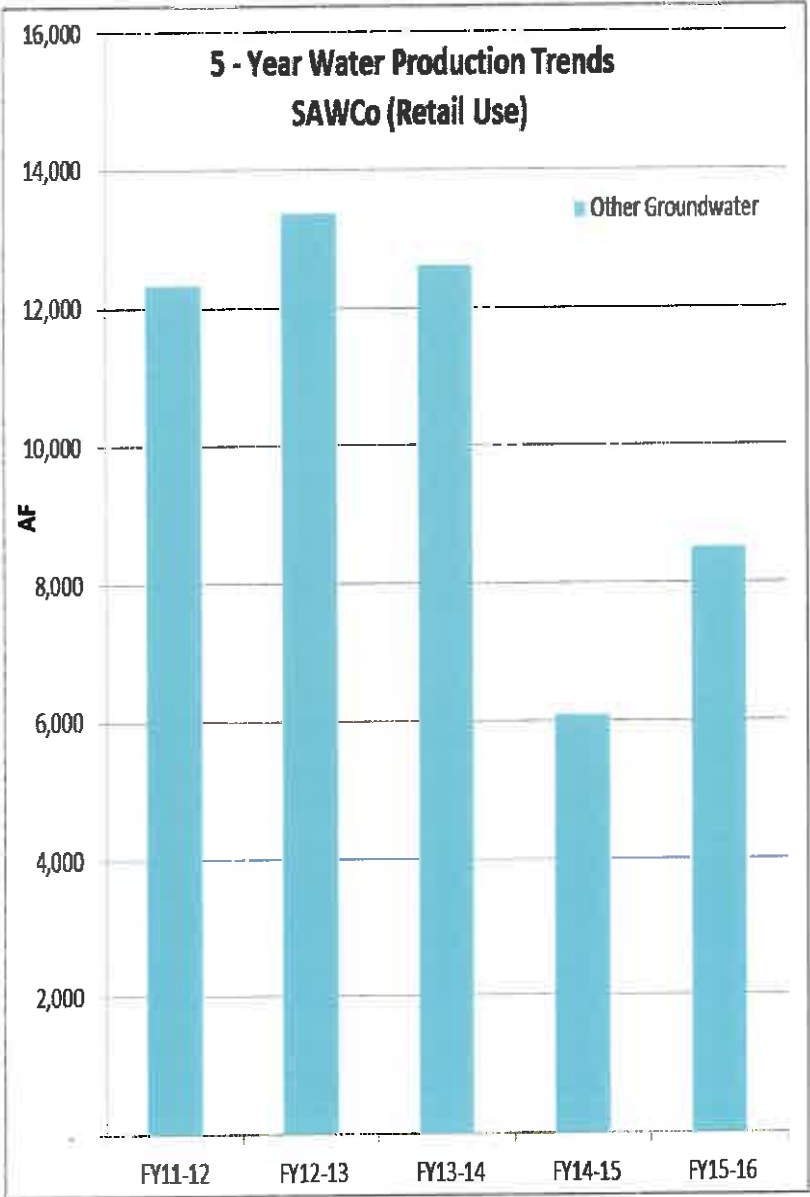
Fontana Water Company FY 2015/16 Monthly Water Usage

Table 1. IEUA Service Area Water Use by Agency for FY15-16 (AF) - FWC														
		July	August	September	October	November	December	January	February	March	April	May	June	Total
Purchases from IEUA	Imported Water (MWD)	994	609	383	332	301	317	313	308	872	873	893	420	6,613
	Subtotal	994	609	383	332	301	317	313	308	872	873	893	420	6,613
Production	Chino Groundwater	1,458	1,901	1,758	1,472	1,194	990	742	1,205	592	885	1,112	2,007	15,317
	Local Surface Water	94	78	112	83	82	99	138	154	219	202	153	84	1,497
	Other Groundwater	637	678	662	638	910	895	816	647	675	687	661	917	8,253
	Subtotal	2,189	2,657	2,552	2,394	2,186	1,984	1,696	2,005	1,486	1,784	2,127	3,007	26,067
Total		3,183	3,266	2,935	2,726	2,487	2,301	2,010	2,313	2,358	2,657	3,020	3,427	32,681

San Antonio Water Company FY 2015/16 Monthly Water Usage



San Antonio Water Company FY 2015/16 Water Use Report



In FY 2015/16, The San Antonio Water Company used 1% (1,881 AF) of 168,799 AF used in the IEUA service area.

San Antonio Water Company FY 2015/16 Monthly Water Usage

		Table 1. IEUA Service Area Water Use by Agency for FY15-16 (AF) - SAWCO												
		July	August	September	October	November	December	January	February	March	April	May	June	Total
Production:	Other Groundwater	845	771	671	704	652	642	535	570	643	673	843	966	8,517
	Subtotal	845	771	671	704	652	642	535	570	643	673	843	966	8,517
Sales to Other Agencies:	Ontario	-86	-39	-40	-33	-36	-38	-36	-31	0	0	0	0	-338
	Upland	-541	-506	-452	-491	-491	-482	-420	-441	-512	-541	-662	-757	-6,297
	Subtotal	-627	-545	-492	-524	-527	-520	-457	-472	-512	-541	-662	-757	-6,635
	Total	218	226	180	181	126	123	78	98	131	132	180	209	1,882

APPENDIX A
Five year Historical Data Summary

FY 15-16

Total IEUA Service Area Water Use by Retail Agency for FY 15-16 (AFY)

		CHINO	CHINO HILLS	ONTARIO	UPLAND	CVWD	FWC	MVWD	SAWCo	TOTAL
Purchases from IEUA	Imported Water (MWD)	2,843	110	2,755	4,890	9,712	6,613	4,799	0	31,722
	Recycled (Direct Use)	7,217	1,410	7,566	719	1,146	0	278	0	18,336
Subtotal		10,060	1,520	10,321	5,609	10,857	6,613	5,078	0	50,058
Production	Chino Groundwater	5,104	1,630	22,755	2,601	20,524	15,317	8,371	0	76,302
	Other Groundwater	0	0	0	1,054	7,783	9,253	0	8,517	26,607
	Local Surface Water	0	0	0	0	1,002	1,497	0	0	2,499
Subtotal		5,104	1,630	22,755	3,655	29,309	26,067	8,371	8,517	105,408
Purchases from Other Agencies	CDA	5,000	4,201	2,682	0	0	0	0	0	11,883
	MVWD	0	5,642	0	0	0	0	0	0	5,642
	SAWCo Water	0	0	338	6,297	0	0	0	0	6,635
	West End	0	0	0	1,246	0	0	0	0	1,246
Subtotal		5,000	9,843	3,020	7,543	0	0	0	0	25,406
Sales to Other Agencies	Chino Hills	0	0	0	0	0	0	-5,437	0	-5,437
	Ontario	0	0	0	0	0	0	0	-338	-338
	Upland	0	0	0	0	0	0	0	-6,297	-6,297
Subtotal		0	0	0	0	0	0	-5,437	-6,635	-12,072
Total		20,163	12,993	36,096	16,807	40,166	32,681	8,012	1,882	168,799

FY 14-15		Total IEUA Service Area Water Use by Retail Agency for FY 14-15 (AFY)								
		CHINO	CHINO HILLS	ONTARIO	UPLAND	CVWD	FWC	MVWD	SAWCo	TOTAL
Purchases from IEUA	Imported Water (MWD)	2,830	2,494	10,703	7,047	21,306	9,994	4,530	0	58,905
	Recycled (Direct Use)	8,324	1,827	8,018	636	1,400	0	308	0	20,513
Subtotal		11,154	4,321	18,721	7,684	22,705	9,994	4,838	0	79,418
Production	Chino Groundwater	6,497	2,904	17,426	3,416	14,490	13,344	8,407	0	66,485
	Other Groundwater	0	0	0	1,291	10,631	14,500	0	6,091	32,513
	Local Surface Water	0	0	0	0	1,076	1,969	0	0	3,044
Subtotal		6,497	2,904	17,426	4,708	26,196	29,813	8,407	6,091	102,042
Purchases from Other Agencies	CDA	5,232	4,426	4,827	0	0	0	0	0	14,485
	MVWD	0	4,436	0	0	0	0	0	0	4,436
	SAWCo Water	0	0	172	5,461	0	0	612	0	6,246
	West End	0	0	0	2,139	0	0	0	0	2,139
Subtotal		5,232	8,862	5,000	7,601	0	0	612	0	27,306
Sales to Other Agencies	Chino Hills	0	0	0	0	0	0	-4,439	0	-4,439
	MVWD	0	0	0	0	0	0	0	-612	-612
	Ontario	0	0	0	0	0	0	0	-172	-172
	Upland	0	0	0	0	0	0	0	-3,177	-3,177
Subtotal		0	0	0	0	0	0	-4,439	-3,961	-8,400
Total		22,884	16,087	41,147	19,992	48,902	39,807	9,419	2,129	200,366

FY 13-14		Total IEUA Service Area Water Use by Retail Agency for FY 13-14 (AFY)								
		CHINO	CHINO HILLS	ONTARIO	UPLAND	CVWD	FWC	MVWD	SAWCo	TOTAL
Purchases from IEUA	Imported Water (MWD)	4,342	962	9,904	7,265	28,825	9,792	5,965	0	67,055
	Recycled (Direct Use)	8,916	2,002	8,428	869	1,652	0	339	0	22,205
Subtotal		13,258	2,964	18,332	8,134	30,477	9,792	6,304	0	89,261
Production	Chino Groundwater	6,725	2,138	21,723	2,822	16,122	15,378	12,522	0	77,430
	Other Groundwater	0	0	0	704	8,324	17,454	0	12,610	39,092
	Local Surface Water	0	0	0	0	1,254	2,405	0	0	3,658
Subtotal		6,725	2,138	21,723	3,526	25,700	35,236	12,522	12,610	120,180
Purchases from Other Agencies	CDA	5,198	4,396	5,141	0	0	0	0	0	14,735
	CVWD	0	0	0	0	0	757	0	0	757
	MVWD	0	8,427	0	0	0	0	0	0	8,427
	SAWCo Water	0	0	0	9,662	0	0	400	0	10,063
	West End	0	0	0	2,653	0	0	0	0	2,653
Subtotal		5,198	12,824	5,141	12,316	0	757	400	0	36,636
Sales to Other Agencies	Chino Hills	0	0	0	0	0	0	-8,428	0	-8,428
	MVWD	0	0	0	0	0	0	0	-400	-400
	Upland	0	0	0	0	0	0	0	-9,662	-9,662
Subtotal		0	0	0	0	0	0	-8,428	-10,063	-18,490
Total		25,181	17,926	45,196	23,975	56,177	45,785	10,798	2,547	227,586

FY 12-13		Total IEUA Service Area Water Use by Retail Agency for FY 12-13 (AFY)								
		CHINO	CHINO HILLS	ONTARIO	UPLAND	CVWD	FWC	MVWD	SAWCo	TOTAL
Purchases from IEUA	Imported Water (MWD)	4,085	1,822	10,244	6,067	25,845	5,215	5,737	0	59,013
	Recycled (Direct Use)	8,957	1,890	6,894	264	1,231	0	327	0	19,562
Subtotal		13,042	3,711	17,138	6,331	27,075	5,215	6,063	0	78,575
Production	Chino Groundwater	7,022	3,134	20,801	2,358	18,740	33,576	10,325	0	95,956
	Other Groundwater	0	0	0	1,349	6,420	0	0	13,376	21,145
	Local Surface Water	0	0	0	0	1,921	4,059	0	0	5,980
Subtotal		7,022	3,134	20,801	3,707	27,081	37,635	10,325	13,376	123,081
Purchases from Other Agencies	CDA	4,805	4,075	4,792	0	0	0	0	0	13,671
	MVWD	0	6,949	0	0	0	0	0	0	6,949
	SAWCo Water	0	0	0	9,594	0	0	841	0	10,435
	West End	0	0	0	3,692	0	0	0	0	3,692
Subtotal		4,805	11,024	4,792	13,286	0	0	841	0	34,747
Sales to Other Agencies	Chino Hills	0	0	0	0	0	0	-7,249	0	-7,249
	MVWD	0	0	0	0	0	0	0	-841	-841
	Upland	0	0	0	0	0	0	0	-9,594	-9,594
Subtotal		0	0	0	0	0	0	-7,249	-10,435	-17,684
Total		24,868	17,869	42,731	23,324	54,157	42,850	9,980	2,941	218,719

FY 11-12		Total IEUA Service Area Water Use by Retail Agency for FY 11-12 (AFY)								
		CHINO	CHINO HILLS	ONTARIO	UPLAND	CVWD	FWC	MVWD	SAWCo	TOTAL
Purchases from IEUA	Imported Water (MWD)	2,743	2,173	10,661	6,446	26,144	1,202	3,506	0	52,876
	Recycled (Direct Use)	8,274	1,567	7,493	0	1,019	0	288	0	18,641
Subtotal		11,018	3,740	18,154	6,446	27,163	1,202	3,793	0	71,517
Production	Chino Groundwater	7,856	3,566	19,164	526	14,949	28,748	10,538	0	85,346
	Other Groundwater	0	0	0	1,246	5,933	0	0	12,328	19,507
	Local Surface Water	0	0	0	0	4,070	12,674	0	0	16,744
Subtotal		7,856	3,566	19,164	1,772	24,952	41,421	10,538	12,328	121,597
Purchases from Other Agencies	CDA	4,887	4,236	4,838	0	0	0	0	0	13,961
	MVWD	0	5,416	0	0	0	0	0	0	5,416
	SAWCo Water	0	0	0	8,309	0	0	1,277	0	9,586
	West End	0	0	0	3,324	0	0	0	0	3,324
Subtotal		4,887	9,652	4,838	11,633	0	0	1,277	0	32,287
Sales to Other Agencies	Chino Hills	0	0	0	0	0	0	-5,661	0	-5,661
	MVWD	0	0	0	0	0	0	0	-1,277	-1,277
	Upland	0	0	0	0	0	0	0	-8,309	-8,309
Subtotal		0	0	0	0	0	0	-5,661	-9,586	-15,247
Total		23,761	16,959	42,156	19,851	52,115	42,624	9,947	2,742	210,154

APPENDIX B

Definitions

Chino Basin Groundwater – Water pumped from the Chino Basin Aquifer and treated by retail water agencies for all potable uses within the IEUA service area.

Desalter Water – Water pumped from Chino Basin Desalter I owned and operated by the Chino Basin Desalter Authority (CDA). Groundwater, with high levels of dissolved solids, is treated and distributed to several retail agencies within the IEUA’s service area for potable uses.

Imported Water (MWD) – Water from Northern California and supplied by the Metropolitan Water District of Southern California (MWD), and water transferred from other groundwater basins to retail water agencies operating within the IEUA service area. All Tier I and Tier II deliveries are included in this category.

Other Groundwater – Water produced from other local groundwater basins to retail water agencies operating within IEUA’s service area.

Surface Water – Water collected by retail water agencies from mountain runoff and storm flows, which is collected and treated for potable use.

Recycled Water – Title 22 recycled water produced by the IEUA at its water recycling plants for distribution through separate pipelines to retail water agency customers for all non-potable uses.

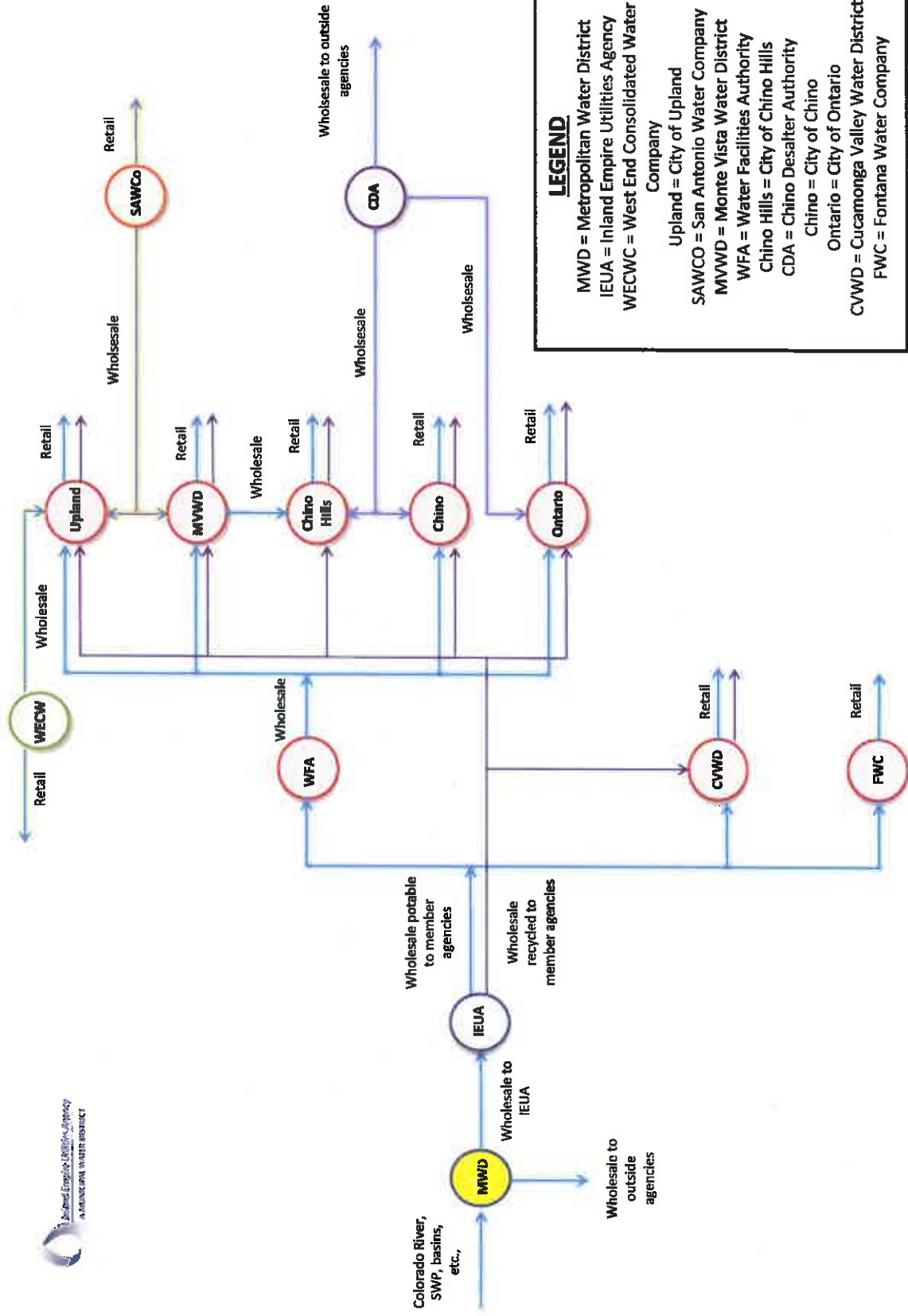
WECWC– West End Consolidated Water Company supplies some water to the City of Upland.

WVWD – West Valley Water District

Production – Amount of water Agencies produce from their groundwater, surface water, or other water supplies that they have rights or jurisdiction over.

Use – Amount of water used within a member agency’s jurisdiction, as reported by them to IEUA.

APPENDIX C
Member Agency Organizational Chart



LEGEND

MWD = Metropolitan Water District
 IEUA = Inland Empire Utilities Agency
 WECWC = West End Consolidated Water Company
 Upland = City of Upland
 SAWCO = San Antonio Water Company
 MVWD = Monte Vista Water District
 WFA = Water Facilities Authority
 Chino Hills = City of Chino Hills
 CDA = Chino Desalter Authority
 Chino = City of Chino
 Ontario = City of Ontario
 CWWD = Cucamonga Valley Water District
 FWC = Fontana Water Company

APPENDIX D

Powerpoint Presentations for Governor's Executive Order

Technical and Procedural Aspects of Implementing the EO Efficiency Standards

1. Residential Overview

- Indoor Implementation Protocol

- Outdoor Implementation Protocol

2. CII and Water Loss Overview

- Technical Issues

Data for Residential Efficiency Formula

- Collect necessary data:
 - Agency by Agency Single Family Residential landscape area (Aggregated)
 - Shape files for each agency
 - Statewide aerial imagery
 - Averaged/weighted ET per service area
 - Aggregated residential / irrigation efficiency target by agency

Water Efficiency Formula

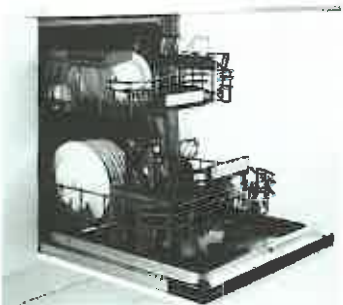
(# of Residents) (gpcd)

+

(ET) (Landscape Area) (ET Factor)

indoor

outdoor



$$\underbrace{(\# \text{ of Residents}) (\text{gpcd})}_{\text{indoor}} + \underbrace{(\text{ET}) (\text{Landscape Area}) (\text{Plant Factor})}_{\text{outdoor}}$$

Indoor Variables

- 1) Population or people per household

1. Population or People per Household

DWR Population Tool

- Many utilities used this tool to complete their 2015 UWMP

Urban Water Management Tools

The UWMP Tool allows urban water suppliers to electronically submit their Urban Water Management Plans (UWMPs) to DWR.

 [Launch UWMP Tool](#)

Timeline: Completed as part of UWMP

Cost: Completed as part of UWMP

Accuracy: moderate (depends on nature of growth)

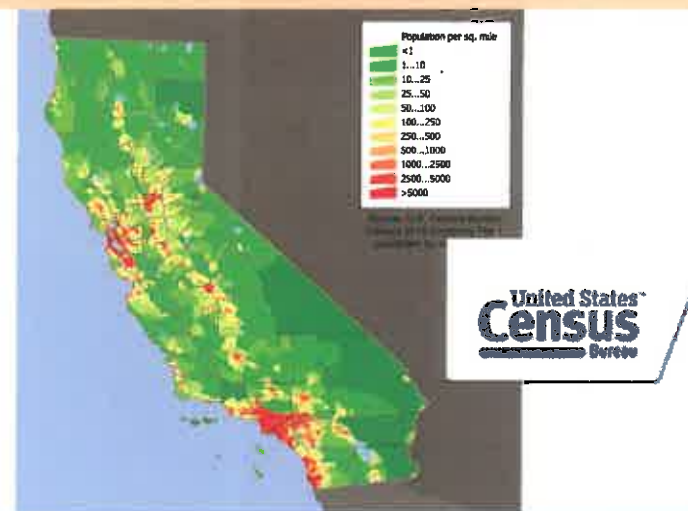
Issues: Growth in a service area

Solutions: Flexibility to update, utilizing a variance process for all agencies to DWR

1. Population or People per Household

Census + Meter Data

- Agency provides population data and/or DWR utilizes Census data.
- Verifying large households can also be done by checking meter reads for actual use



Timeline: Completed as part of UWMP

Cost: Completed as part of UWMP

Accuracy: moderate (depends on alignment of census block and utility boundaries)

Issues: Home by home occupancy is not necessary. Aggregated population within the district is sufficient for calculating an agency efficiency target.

Solutions: Use best available population data either inside the agency, from local sources or Census data. Utilize a “variance” or adjustment process for consistent updates for growth to calculate accurate agency target levels.

(# of Residents) (gpcd)

+

(ET) (Landscape Area) (Plant Factor)

indoor

outdoor

Outdoor Variables

- 1) ET
- 2) Landscape Area
- 3) Commercial, Industrial, Institutional

Outdoor

1. ET—CIMIS

- Free on CIMIS website
- Coverage challenges in certain urban areas
- How to address multiple micro-climate service areas will be key



Timeline: Currently available

Cost: free

Accuracy: Low (>85%)

Varies per station location and microclimates

Issues: Proximity of the station to the agency service area; where customers and water use is within the service area; reliability of weather station reporting data; developing “average” ET for agencies with multiple micro-climates

Solutions: Specific to agencies, including using an agreed-to CIMIS station, using Spatial CIMIS, installing an ET station within the service area, utilizing a private sector vendor to produce local, averaged/weighted ET for the service area.

Outdoor

1. ET—Spatial CIMIS

- The ability to collect estimated ET for a time-period on a zip code basis
- A product of DWR



Timeline: Currently available
(challenges with web interface)

Cost: free

Accuracy: Low (>85%)

Varies per station location and microclimates

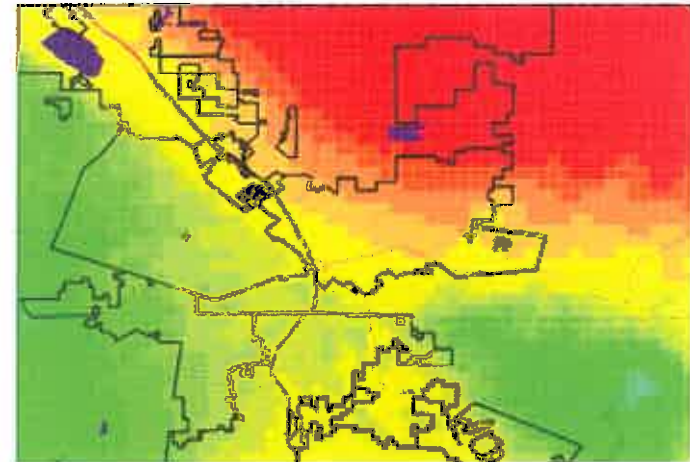
Issues: Availability of Spatial CIMIS for a given zip code. Ability to “average” ET in a large service area or in a service area with different microclimates across zip codes.

Solutions: Agencies work directly with DWR. Agencies work with private vendors to develop an appropriate ET for reporting.

Outdoor

1. ET—Private Vendors

- HydroPoint Data Systems
- Omni Earth/Weather Analytics
- Western Weather Network
- Others



Timeline: 6-9 months

Cost: \$2-3M

Accuracy: Medium (85-95%)

Issues: Ability to accurately calculate a single ET value for each reporting period. Opportunity for individual vendors to use private sector ET data for a varied service area.

Solutions: Work with vendors to test the efficacy of this approach as a solution.

Outdoor

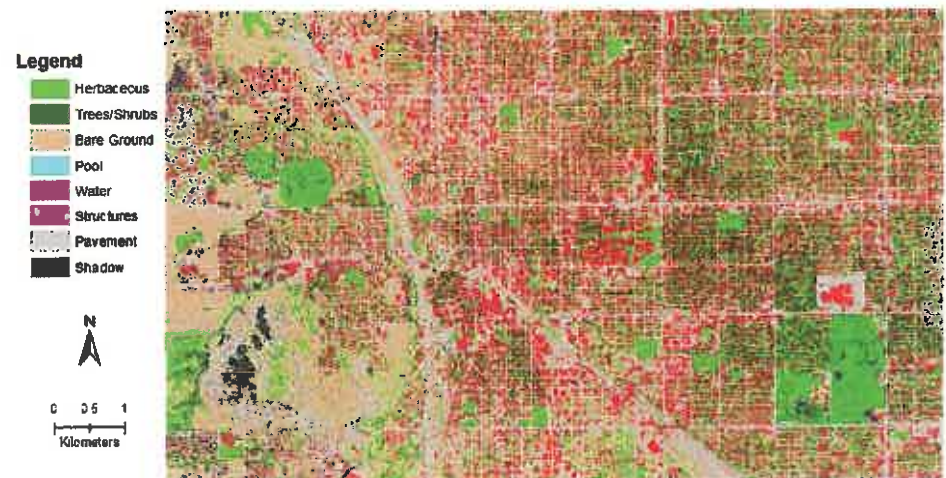
2. Land Cover Measurement---Challenges across methods

- **Age of development**
 - Wide variation in data quality and accessibility across county assessors
- **Edge case land uses**
 - Horse paddocks, Urban farming, etc.
- **Drought impact on vegetation color**
 - Normally irrigated areas may have gone brown during drought
- **Proposed solutions**
 - Start with initial conservative measurements as a starting point
 - Use variance process and iteratively refine data

Outdoor

2. Land Cover Measurement—NAIP Imagery Analysis

- National Agriculture Inventory Program (NAIP)
- Free imagery
- Updated every 2 years
- Available via the California Data Collaborative (Claremont Graduate University)



Timeline: 6 months

Cost: \$1M

Accuracy: Moderate (85-95%)

Issues: Lower resolution imagery with moderate to high accuracy depending upon the service area characteristics; free imagery every 2 years for updating land cover. Recognition of shadow and/or irrigable areas, particularly in wild-land interface areas.

Solutions: Sample ground truthing or hand GIS measurement.

Outdoor

2. Land Cover Measurement—Fully Automated Imagery

- Computerized calculation w/ learning over time (from new imagery)
- Example Vendors
Omni Earth Inc.
SRI



Timeline: 6 months

Cost: \$2-3 M

Accuracy: Moderate (85-95%)

Issues: Recognition of shadow and/or irrigable areas, particularly in wild-land interface areas; common to any aerial imagery source.

Solutions: Sample ground truthing or hand GIS measurement

Outdoor

2. Land Cover Measurement—Automated + Manual Analysis

- Computerized calculation combined with hand and visual sample verification
- Example Vendor: Eagle Aerial Inc.



Timeline: 12 months

Cost: \$3-5M

Accuracy: High (>95%)

Issues: While this method is highly accurate, the timing of aerial imagery flights, shadow areas, tree canopy and parcel data alignment (common to any methods) are consistent issues with aerial imagery.

Solutions:

Outdoor

2. Land Cover Measurement—Hand Measure

- Physical measurements on site for each parcel involved



Timeline: 24+ months

Cost: \$5+ M

Accuracy: Medium (85-95%)

Issues: Labor intensive; Parcel boundaries may not align with on the ground property

Solutions: use only for edge cases. Allow agency provided data to update imagery under a variance program.

Outdoor

3. Commercial, Industrial, Institutional- Aggregated

- Use selected land cover measurement technique to total CII regardless of parcel/ water supply source



Timeline: Comparable to land cover measurement method used

Cost: Bundled in landscape measurement approach

Accuracy: Comparable to land cover measurement method used

Issues: Disentangling recycled water from potable water landscape area is challenging on an aggregate basis.

Solutions: Diving to the meter level, using a formula to estimate landscape area for recycled water CII versus potable water CII. Customer driven landscape sf method.

Outdoor

3. Commercial, Industrial, Institutional- by meter

- Input metered data by agency into CaDC to breakout indoor versus outdoor and recycled water versus potable.



Timeline: 5 years

Cost: \$2-3 M

Accuracy: Dependent on method-
potentially over 95%

Issues: Most accurate method to breakout CII usage to achieve specific policy goals by water source. Some agencies do not breakout indoor versus outdoor CII.

Solutions: Develop process to transition all CII to indoor versus outdoor metering with state assistance.

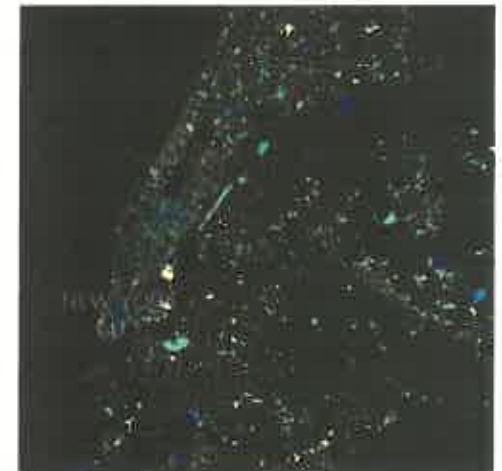
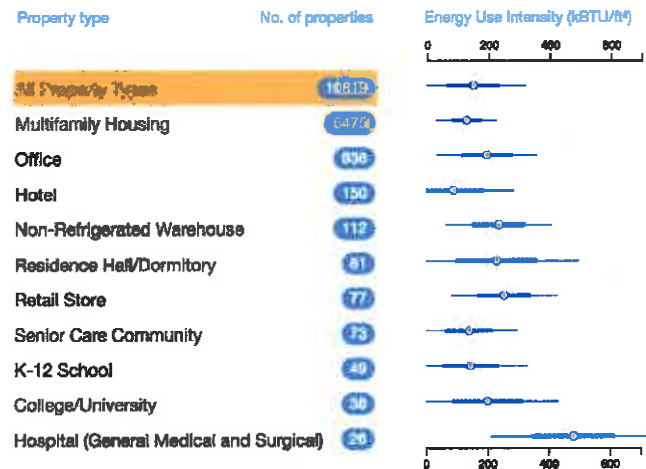
Other Efficiency Standards Issues

- 1) Commercial, Industrial, Institutional
- 2) Water Loss

Other Efficiency Standards Issues

1. Benchmarking commercial, industrial, and institutional

- Examples for improvement in energy star score and water / energy efficiency benchmarking in NYC



Timeline: TBD

Cost: Proprietary datasets to scale algorithms statewide

Accuracy: High

Issues: Warehouse, offices and restaurants have very different water use requires and thus there is a need to categorize CI customers at a finer grain. Opportunity to learn from energy benchmarking

Solutions: partnership with NYU CUSP to benchmark water efficiency for more granular customer categories.

Other Efficiency Standards Issues

2. Water loss

- Opportunity for analytics to support utility managers in achieving leak loss detection



Timeline: TBD

Cost: TBD

Accuracy: depends on approach

Issues: large variation in metering and data management practices across California 411 major urban retailers and other water systems.

Solutions: one example of the value of integrating meter level water use and flow data across districts.

Conclusion and key takeaways

- Governor's EO data requirements are **achievable**
- Data requirements are best fulfilled through an **phased approach**
- **Variance process** for agency data is integral for buy-in and building accuracy
- Integrated public/private expertise and **partnership** option available through CaDC

Executive Order Water Efficiency

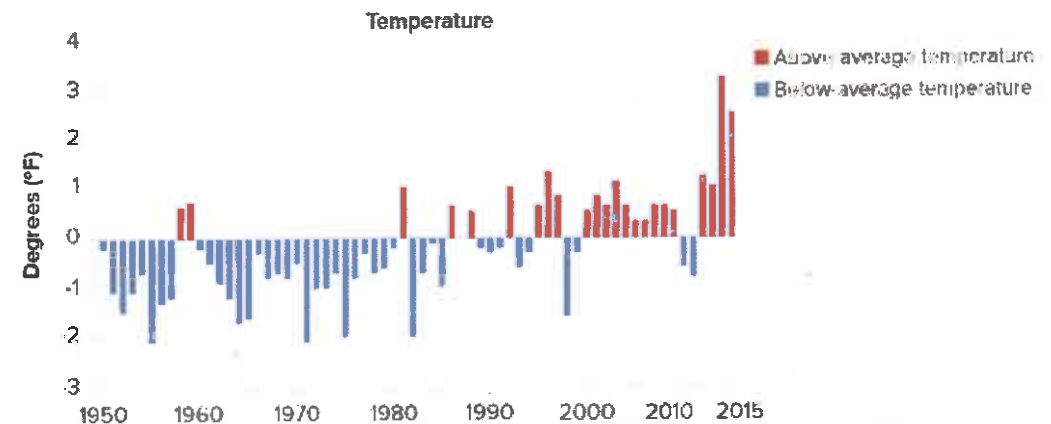
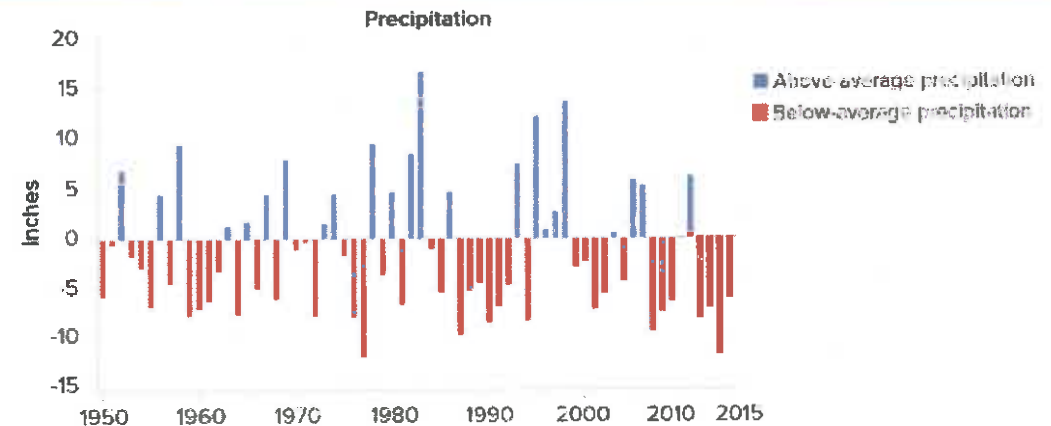
Efficiency Formula Detail

Outline

- Executive Order Context
- Existing Legislation Related to the Executive Order
- Breakdown of the Efficiency Formula and Framework

Drivers for Water Efficiency

- Precipitation is decreasing while temperatures are increasing across the State
- Drought conditions may become the “new normal”
- Future water supplies are uncertain
- Population growth
- Environmental health



Source: Public Policy Institute of California

Existing Legislation Links to the Executive Order

- **State Constitution Article 10, Section 2**
“...the waste and unreasonable use of water be prohibited”
- **AB 1881 – Model Water Efficient Landscape Ordinance (MWELO, 2006)**
Established efficient landscape allocation formula
- **SBX7-7 – 20% Reduction by 2020 (2009)**
Established indoor and outdoor efficiency targets
- **Executive Order B-37-16: Making Conservation a Way of Life (May, 2016)**
“These new water use targets shall build upon the existing state law requirements that the state achieve a 20% reduction in urban water usage by 2020.”
- **California Water Action Plan, 2016**
“Conservation must become a way of life”



Executive Order Requirements

- Meet **efficiency** standards
- **Equitable** across the state
- **Customized** to each agency



“

These water use targets shall be customized to the unique conditions of each water agency, shall generate more statewide water conservation than existing requirements, and shall strengthen standards for:

- a. Indoor residential per capita water use SBX7-7d: (# of residents) (55 gpcd)
- b. Outdoor irrigation, in a manner that incorporates landscape area, local climate and new satellite imagery data: MWELQ: (ET) (Landscape area) (ETAF)
- c. Commercial, Industrial, and Institutional water use, and
- d. Water Loss through leaks

”

Key Definitions

(# of Residents) (55 gpcd) + (ET) (Landscape Area) (.80)

Senate Bill No. 7

CHAPTER 4

[Approved by Governor November 10, 2009. Filed with
Secretary of State November 10, 2009.]

“ Per capita water use is a valid measure of a water provider’s efforts to reduce urban water use within its service area. However, per capita water use is less useful for measuring relative water use efficiency between different water providers. Differences in weather, historical patterns of urban and suburban development, and density of housing in a particular location need to be considered when assessing per capita water use as a measure of efficiency.

10608.4. It is the intent of the Legislature, by the enactment of this part, to do all of the following:

- (a) Require all water suppliers to increase the efficiency of use of this essential resource.”

What is **efficiency**?

Definition: *to eliminate waste/ optimize use*

What is **conservation**?

Definition: *to use less*

Executive Order Formula

(# of Residents) (55 gpcd) + (ET) (Landscape Area) (.80)

EXECUTIVE ORDER 8-37-16

MAKING WATER CONSERVATION A CALIFORNIA WAY OF LIFE

USE WATER MORE WISELY

- The Department of Water Resources (Department) shall work with the Water Board to develop new water use targets as part of a permanent framework for urban water agencies. These new **water use targets shall build upon the existing state law** requirements that the state achieve a 20% reduction in urban water usage by 2020. (Senate Bill No. 7 (7th Extraordinary Session, 2009-2010).) These water use targets shall be customized to the unique conditions of each water agency, shall generate more statewide water conservation than existing requirements, and shall be based on strengthened standards for:
 - Indoor residential per capita water use; (55 gpcd; SBX7-7)
 - Outdoor irrigation, in a manner that incorporates landscape area, local climate, and new satellite imagery data; (AB 1881/MWELO)
 - Commercial, industrial, and institutional water use; and (SBX7-7)
 - Water lost through leaks.

Application of the Formula:

- Applied to every agency statewide
- Every agency has an customized target
- Agency characteristics and past performance are recognized
- Target changes with weather and growth

Applying an Efficiency Formula

(# of Residents) (55 gpcd) + (ET) (Landscape Area) (.80)

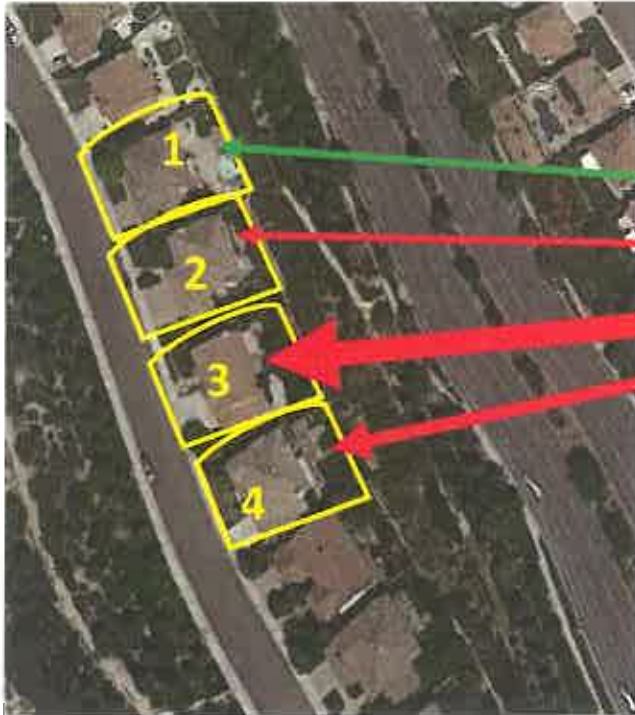
Efficiency Target (one month) = (4) (55gpcd) + (7" ET) (3,000 sf) (.80) = 14 ccf (10,472 gal.)



- 4 homes
- Same lot size
- Same number of residents per household
- Same weather (ET)

Measuring Efficiency

(# of Residents) (55 gpcd) + (ET) (Landscape Area) (.80)



Use % Target Gallons saved ↓ / wasted ↑

- 12 CCF (85%↓) (1,496 gallons ↓)
- 25 CCF (78%↑) (8,228 gallons ↑)
- 39 CCF (178%↑) (18,700 gallons ↑)
- 26 CCF (85%↑) (8,976 gallons ↑)

Customized Targets for Statewide Efficiency

EXECUTIVE ORDER 8-37-16

MAKING WATER CONSERVATION A CALIFORNIA WAY OF LIFE

- The Department of Water Resources (Department) shall work with the Water Board to develop new water use targets as part of a permanent framework for urban water agencies. These new water use targets shall build upon the existing state law requirements that the state achieve a 20% reduction in urban water usage by 2020. (Senate Bill No. 7 (7th Extraordinary Session, 2009-2010).) **These water use targets shall be customized to the unique conditions of each water agency**, shall generate more statewide water conservation than existing requirements, and shall be based on strengthened standards for:
 - Indoor residential per capita water use;
 - Outdoor irrigation, in a manner that incorporates landscape area, local climate, and new satellite imagery data;

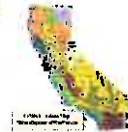
What is “customized”?

Customer level data across agency service areas:

- Land cover



- Weather (aka ET)



- Population



Indoor Efficiency Formula Variables

(# of Residents) (55 gpcd) + (ET) (Landscape Area) (.80)

Where:

Indoor Efficiency Target (SBX7-7):

✓ **# of Residents:** number of residents

✓ **55 gpcd:** Current indoor efficiency factor

The Indoor Efficiency Standard is:

- Relative to agencies across the state
- Impartial to family size
- Comes from existing legislation (SBX7-7)
- Reflects customer reality (# of residents and a mix of plumbing new/old plumbing fixtures)

Outdoor Efficiency Formula Variables

(# of Residents) (55 gpcd) + (ET) (Landscape Area) (.80)

Outdoor Efficiency Target (MWELO):

- **ET:** reflects the actual ET averaged across the individual agency service area (DWR, MWELO, Ex. Order)
- **Landscape Area:** includes landscape area for the specific agency (SBX7-7, MWELO, Ex. Order)
- **ETAF (Evapotranspiration Adjustment Factor):** Set by the State to reflect a reasonable water allowance for a landscape (SBX7-7, MWELO, Ex. Order)

Current & New MWELO

Category	ET
Special Landscapes	1.00
Existing Residential	.80
Existing Commercial	.70
New Residential	.55
New Commercial	.45

Plant Water Needs:

Turf (cool season) 

Street Trees 

Fruit Trees 

Mediterranean plants 

Calif. Native plants 

ET

100%

80%

60%

40%

20%

Is Efficiency a Brown Lawn?

No.

✓ The turf pictured operates at 80% of local ET as per agency allocations.



Crop coefficients (K_c) for cool-season and warm-season turfgrasses in California¹.

Month	Cool-Season ²	Warm-Season ³
January	0.61	0.61
February	0.64	0.54
March	0.75	0.76
April	1.04	0.72
May	0.95	0.79
June	0.88	0.68
July	0.84	0.71
August	0.86	0.71
September	0.74	0.62
October	0.75	0.54
November	0.69	0.55
December	0.60	0.55
Annual Average	0.80	0.60

Source: UC Cooperative Extension

Is Efficiency One Size Fits All?

No.

The Executive Order states, “**water use targets shall be customized to the unique conditions of each water agency...**”

(# of Residents)	(55 gpcd)	+	(ET)	(Landscape Area)	(ETAF)
Unique to agency	Indoor target		Local Weather	Unique to agency	Outdoor target

✓ All agencies are different and are recognized in the efficiency formula framework.

Is there Local Discretion to Achieve Efficiency?

Yes.

- ✓ The framework for efficiency establishes a **performance standard for reporting water use**
- ✓ Each agency has **complete discretion** of how to achieve the efficiency target
- ✓ **There is no stipulation** within the Executive Order to require agencies to adopt rate structures or any other specific method to meet efficiency targets

Flexibility of the Executive Order Framework

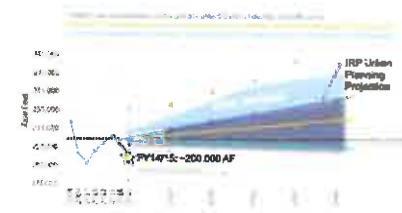
- Population changes or growth can be recognized in the framework
(# of Residents) (55 gpcd) + (ET) (Landscape Area) (.80)



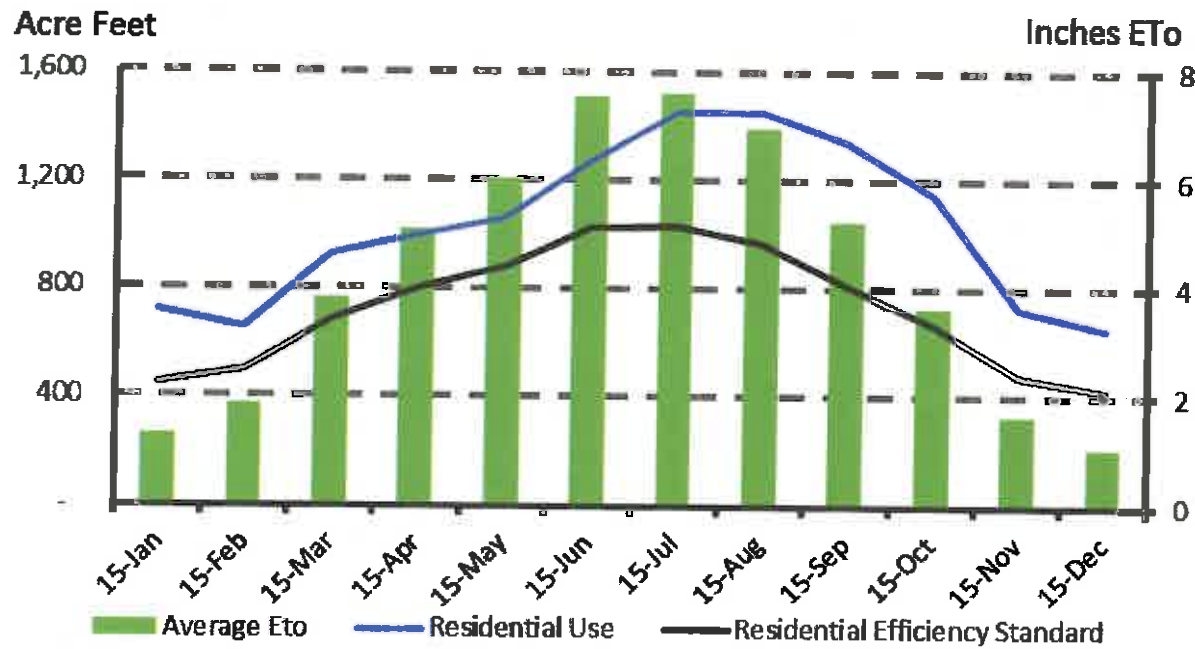
- Weather changes can be accommodated in the framework
(# of Residents) (55 gpcd) + (ET) (Landscape Area) (.80)



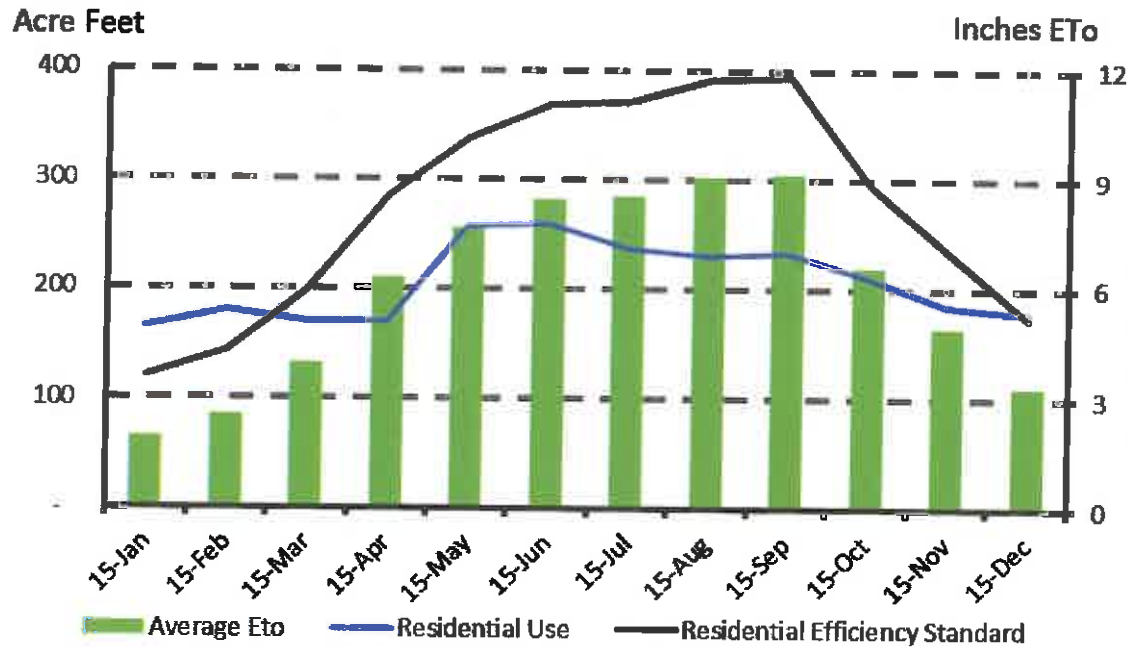
- Changes in landscape area, such as growth, can be adjusted as growth occurs
(# of Residents) (55 gpcd) + (ET) (Landscape Area) (.80)



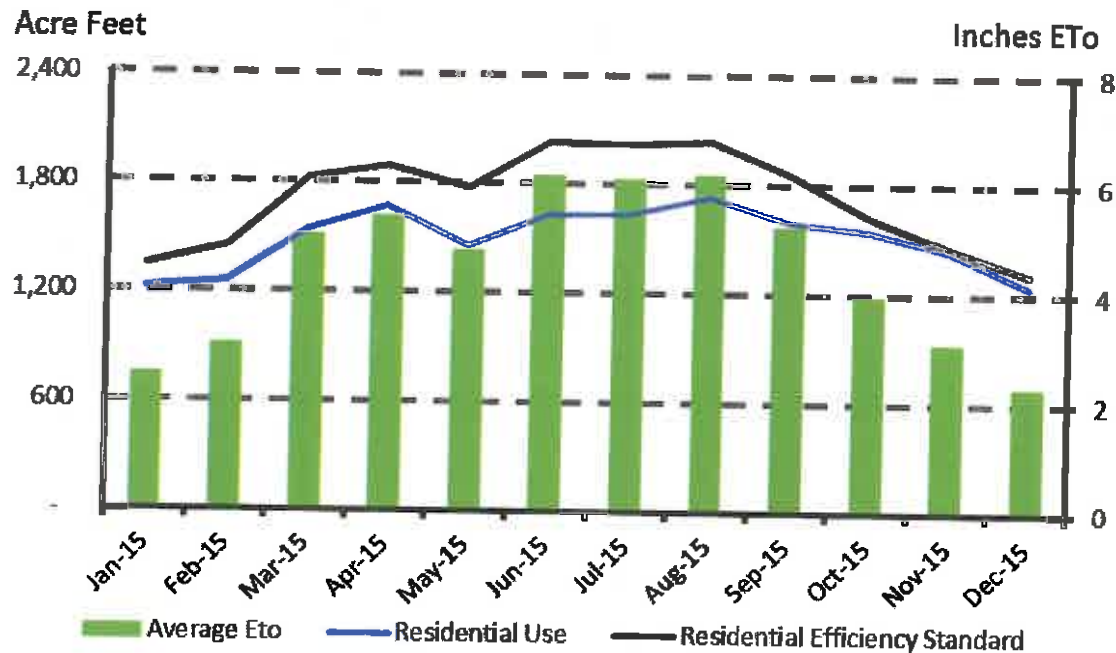
Anytown California #1 – *example community in Sacramento hydrologic region*



Anytown California #2— *sample community in Colorado River Hydrologic Region*



Anytown California #3— *sample community in South Coast hydrologic region*



Summary of Efficiency Formula Breakdown

Measuring efficiency provides a framework that can reduce water waste by:

- Establishing a **standardized** efficiency formula for agencies statewide
- Providing a formula that **customizes** efficiency targets with agency characteristics
- Calculating an efficiency target from the **aggregated** land cover (landscape area), population and weather data for an agency
- Offering **flexibility** for changes in weather, legislation, growth, etc.
- Utilizing existing efficiency standards in legislation for **equitable application** across the state

INFORMATION

ITEM

2F

FY15/16 Building Activity Summary Ten-Year Growth Survey



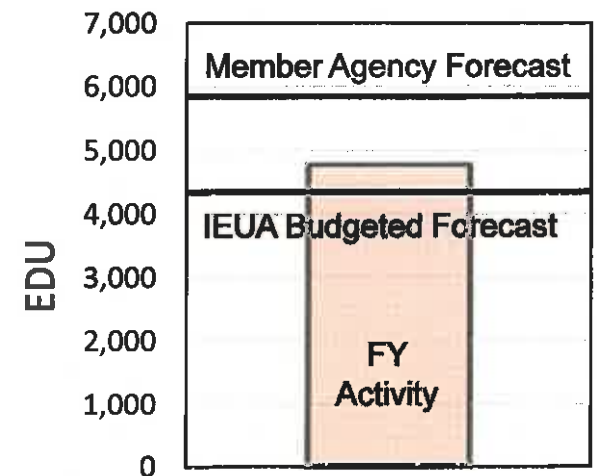
Inland Empire Utilities Agency
A MUNICIPAL WATER DISTRICT

Pietro Cambiaso

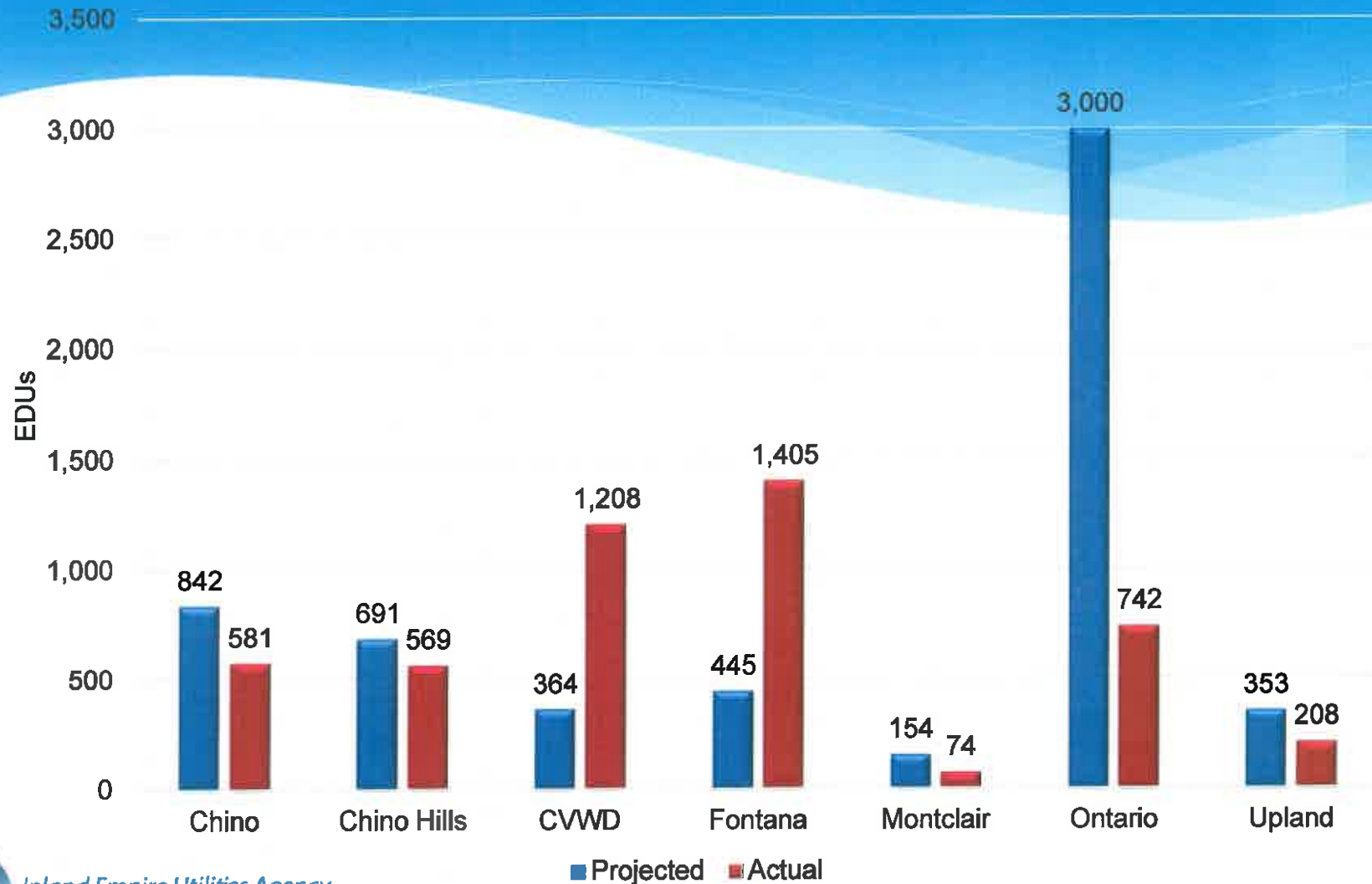
IEUA Board of Directors Meeting
November 2016

Summary: FY15/16 Building Activity

- IEUA Member Agency Forecast = 5,849 EDUs
- IEUA Budgeted Forecast = 4,330 EDUs
- Fiscal Year Building Activity = 4,787 EDUs
- EDU = Equivalent Dwelling Unit or Single Family

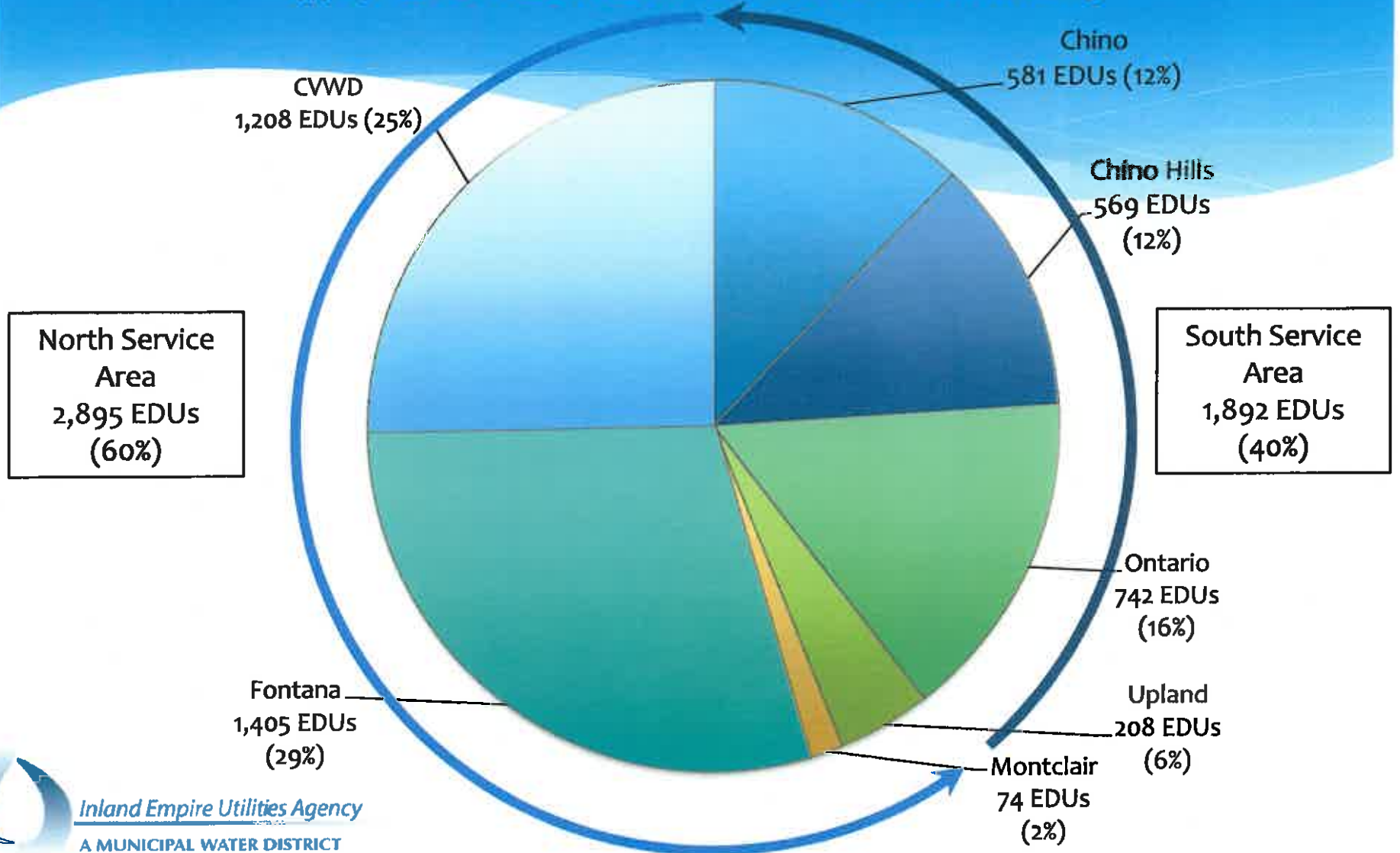


FY15/16 Distribution of Growth



FY15/16 Building Activity

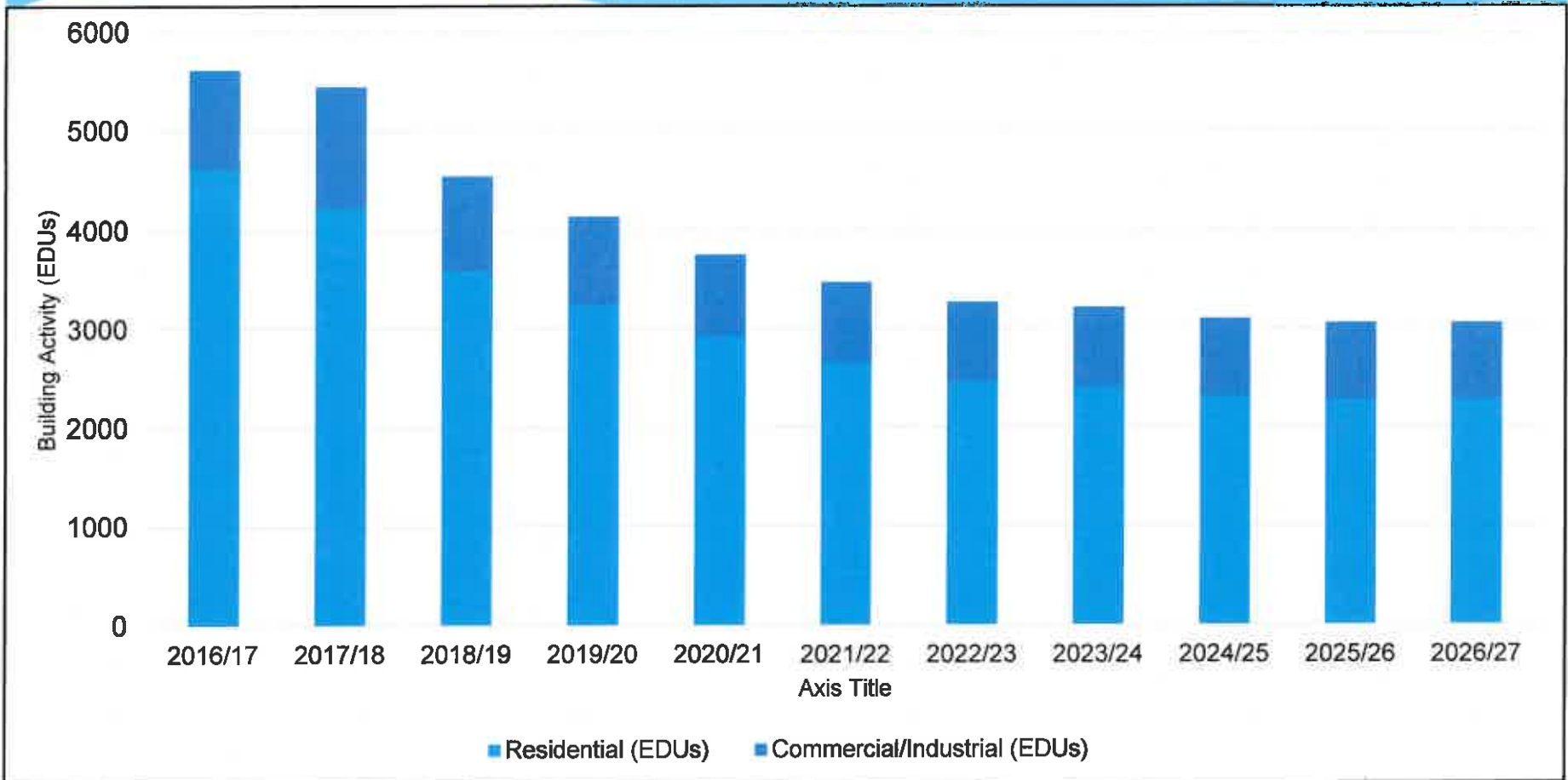
4,787 EDUs Resulted in \$21.8M in CCRA Funding



FY16/17 EDU Projection

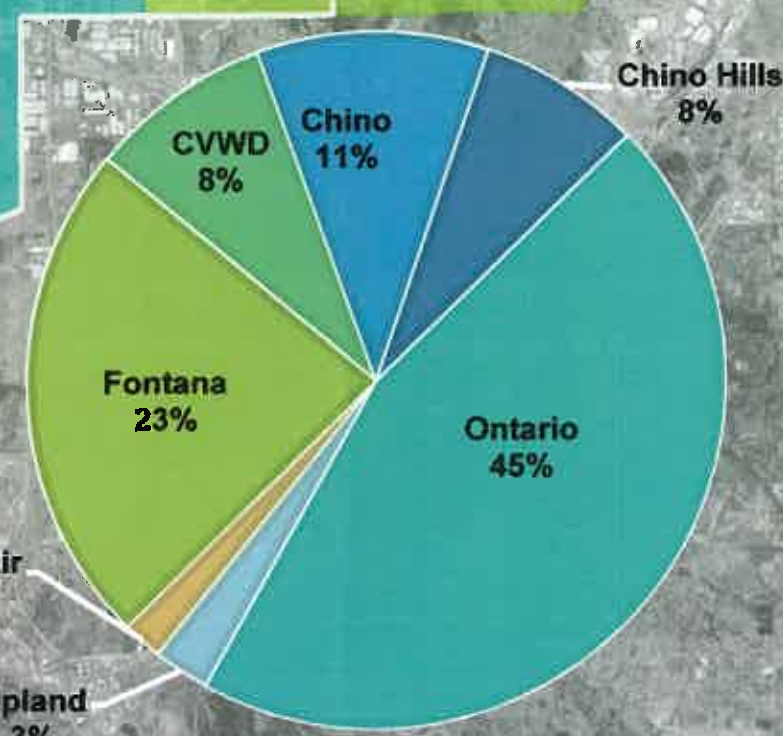
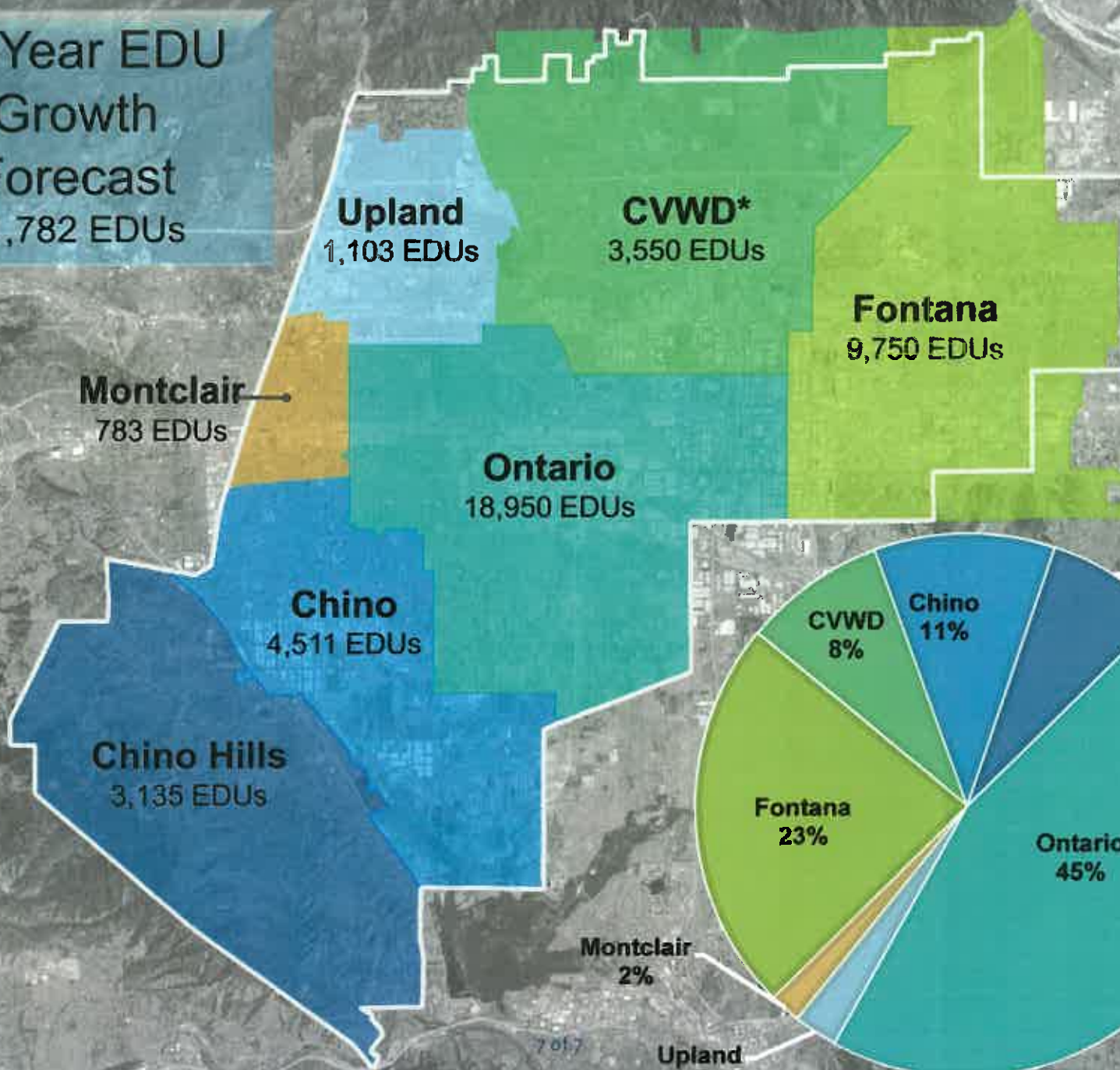
Contracting Agency	Residential (EDUs)	Commercial Industrial (EDUs)	Total (EDUs)
Chino	550	60	610
Chino Hills	1,166	70	1,236
CVWD	250	114	364
Fontana	770	156	926
Montclair	165	24	189
Ontario	1,500	550	2,050
Upland	226	11	237
Projected Totals	4,627	985	5,612

EDU Growth Forecast



10-Year EDU Growth Forecast

41,782 EDUs



INFORMATION
ITEM
2G

Septic to Sewer Feasibility Study Update



Inland Empire Utilities Agency

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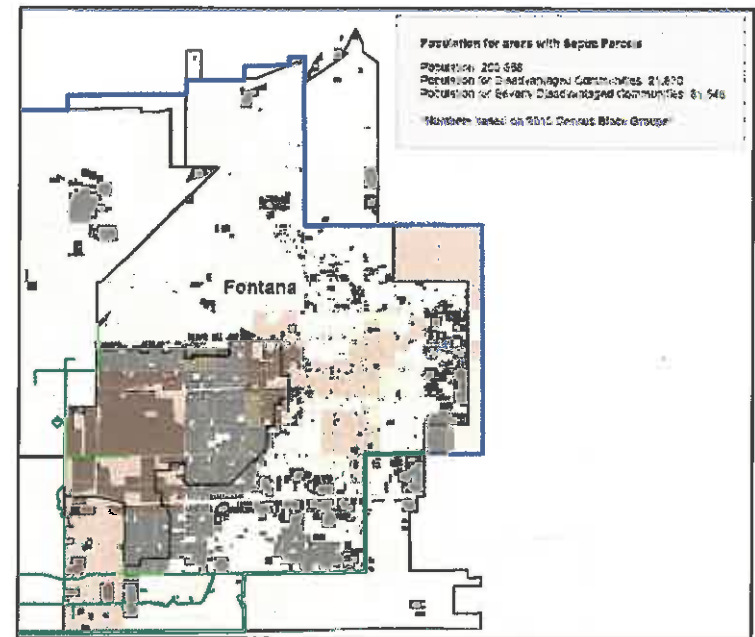
Ken Tam

IEUA Board of Directors Meeting
November 2016

Project Goals

■ Feasibility Study Goals & Plan of Implementation:

- Cost effectiveness – ranked based on grant funding
- Groundwater quality benefits
- Sewer Capacity Analysis
- Analysis of Associated Costs
- Low Impact Development Considerations
- Overall Economic Benefits to Region
- IEUA Recycled Water Program impacts



Feasibility Study Progress Update

- **Septic Parcel Re-screening**
 - Conducted by IEUA and Member Agencies
 - ~15% of the parcels needed additional confirmation as located adjacent to sewer lines
- **RMC establishing Sewer Service Regions for:**
 - Fontana, Upland, CVWD, Montclair, Chino Hills, and Unincorporated San Bernardino County
 - In process of completing additional analysis for Chino and Ontario
- **State Board planning grant application in process**
 - \$500,000 max/city
 - Disadvantaged Communities
 - Opportunities to incorporate stormwater management & low-impact development

Updated Project Schedule

Project Milestone	Date
Define Sewer Service Regions	November 2016
Prioritize Sewer Service Regions	December 2016
Develop Layout of Sewer System for Service Regions	February 2017
Projected Costs of Sewer Service Regions	March 2017
Feasibility Study Completion	April 2017

INFORMATION
ITEM
2H

1st Quarter Planning & Environmental Resources Update



Sylvie Lee



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

IEUA Board of Directors Meeting
November 2016

Regulatory Compliance Update

- **Regional Water Quality Control Board**
 - All Facilities – 100% compliance
 - Category 2 SSO at Francis & Milliken (Regional)
- **Air Quality Management District**
 - RP-5 SHF – H₂S exceedance on 8/12, venting incident on 8/28, engine #2 excess NO_x emission on 9/4
 - Annual Title V inspections – IERCF on 7/5, RP-1 & RP-5 on 8/31
- **Division of Drinking Water**
 - CDA1 and GWR – 100% compliance



Septic to Sewer Feasibility Study

■ Progress to Date

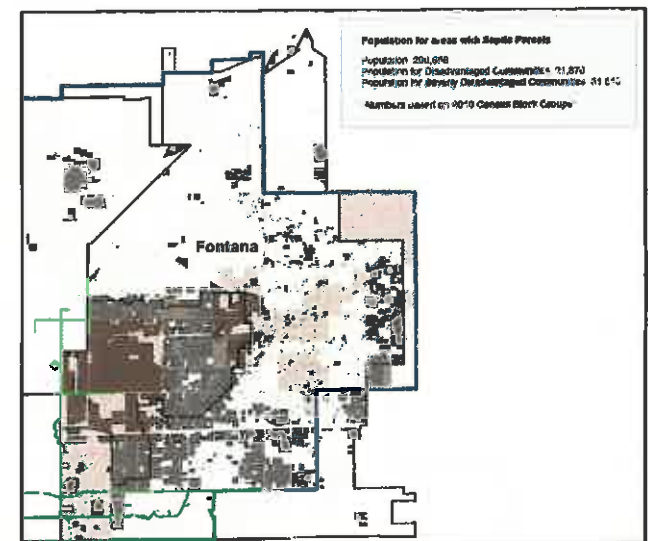
- Septic Parcel Confirmation Screening
 - Additional data screening with Member Agencies of questionable Septic Parcels

■ Next Steps

- Defining and Prioritizing Sewer Service Regions
- Grant Application data

■ Project Schedule

- Completion of Feasibility Study - April 2017



IEUA Board of Directors Meeting
November 2016

Pretreatment & Source Control

■ Regional System

- Local Limits Dioxin Evaluation
- Enforcement Actions - 35 NOVs
- Permits Processed - 11

■ North Brine Line

- Capacity Units Allocation – 15,214 Units
- Enforcement Actions - 12 NOVs
- Permits Processed - 14

■ South Brine Line

- SAWPA Ordinance No. 8 & Capacity Pool
- Enforcement Action – 1 NOV
- Permits Processed - 5



Planning

- **Integrated Resources Plan**
 - Programmatic EIR underway
 - Phase 2 kickoff: September 2016
- **Annual Water Production Report**
 - FY15/16 regional usage decreased by 25% from Fy13/14
 - Regional MWD purchases decreased by 47% from FY13/14
- **Prado Basin Adaptive Management Plan**
 - USBR to perform vegetation survey by Dec 2016
- **Santa Ana River Habitat Conservation Plan (Jan 2017)**
 - Biological impact assessments underway

Water Resources Activities

- **Chino Basin Drought Contingency Plan Update**
 - USBR Grant Funded (\$200,000)
 - Staff reviewing local ordinances and other regional plans
- **California Urban Water Conservation Council**
 - Board voted to implement significant changes to organization (Sept. 14, 2016)
 - New focus - assisting utility members achieve conservation and efficiency goals
 - Members will choose a new name to reflect the significant changes
- **California Data Collaborative**
 - Stanford Data Summit occurred on September 9, 2016
 - Rate modeling tool and turf rebate effectiveness evaluation complete
- **Water Rates**
 - New rates and fees effective October 1, 2016



Agriculture Conservation

- **Weather Station will be installed for California Institute for Men (CIM)**
 - Received approval from State/DWR
 - Used to calculate evapotranspiration (ET) for service area water budgets
- **Ag Pool assistance with promoting on-site farm upgrades**
 - Program to assist installation of soil moisture sensors
 - Demonstration project to show potential water savings