

AGENDA  
 IRVINE RANCH WATER DISTRICT  
 WATER RESOURCES POLICY AND COMMUNICATIONS  
 COMMITTEE MEETING  
 MONDAY, DECEMBER 6, 2021

This meeting will be held in person at the District’s headquarters located at 15600 Sand Canyon Avenue, Irvine, California. The meeting will also be broadcasted via Webex for those wanting to observe the meeting virtually.

To observe this meeting virtually, please join online using the link and information below

Via web:

<https://irwd.webex.com/irwd/j.php?MTID=mec89659fdd65ce116c8fe367b62b3ddc>

Meeting Number: 146 589 8484

Meeting Password: rFbweSC667

PLEASE NOTE: Webex observers of the meeting will be placed into the Webex lobby when the Committee enters closed session. Participants who remain in the “lobby” will automatically be returned to the open session of the Committee once the closed session has concluded. Observers joining the meeting while the Committee is in closed session will receive a notice that the meeting has been locked. They will be able to observe the meeting once the closed session has concluded.

CALL TO ORDER 11:30 a.m.

ATTENDANCE Committee Chair: Steven LaMar \_\_\_\_\_  
 Member: Karen McLaughlin \_\_\_\_\_

ALSO PRESENT

Paul Cook _____	Paul Weghorst _____
Wendy Chambers _____	Cheryl Clary _____
Fiona Sanchez _____	Jim Colston _____
Christine Compton _____	Kellie Welch _____
Mark Tettermer _____	Amy McNulty _____
Jo Ann Corey _____	John Fabris _____
_____ _____	_____ _____
_____ _____	_____ _____

PUBLIC COMMENT NOTICE

Public comments are limited to three minutes per speaker on each subject. If you wish to address the Committee on any item, you may attend the meeting in person and submit a “speaker slip.”

You may also submit a public comment in advance of the meeting by emailing [comments@irwd.com](mailto:comments@irwd.com) before 8:00 a.m. on Monday, December 6, 2021.

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## COMMUNICATIONS

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1. Notes: Weghorst
2. Public Comments
3. Determine the need to discuss and/or take action on item(s) introduced that came to the attention of the District subsequent to the agenda being posted.
4. Determine which items may be approved without discussion.

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## INFORMATION

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5. IRWD WATER LOSS PREVENTION PROGRAM – IREY / MCNULTY / SANCHEZ / WEGHORST

Recommendation: Receive and file.

6. UPDATE ON DEVELOPMENT OF STATEWIDE WATER EFFICIENCY STANDARDS AND PERFORMANCE MEASURES – SANCHEZ / WEGHORST

Recommendation: Receive and file.

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## ACTION

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7. REVIEW OF 2021 GOVERNMENT RELATIONS ACTIVITIES AND 2022 LEGISLATIVE AND REGULATORY ISSUES PLANNING – COMPTON / COOK

Recommendation: That the Board provide input on the proposed 2022 regional, state and federal legislative issues of interest to IRWD, and receive and file the proposed “Initial 2022 Legislative and Regulatory Resource Allocation Plan” and the “Legislative / Regulatory Issues and Activities of High Concern to IRWD in 2022.”

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## OTHER BUSINESS

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8. Directors’ Comments
9. Adjourn

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Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the above-named Committee in connection with a matter subject to discussion or consideration at an open meeting of the Committee are available for public inspection in the District’s office, 15600 Sand Canyon Avenue, Irvine, California (“District Office”). If such writings are distributed to members of the Committee less than 72 hours prior to the meeting, they will be available from the District Secretary of the District Office at the same time as they are distributed to Committee Members, except that if such writings are distributed one hour prior to, or during, the meeting, they will be available electronically via the Webex meeting noted. Upon request, the District will provide for written agenda materials in appropriate alternative formats, and reasonable disability-related modification or accommodation to enable individuals with disabilities to participate in and provide comments at public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, or alternative format requested at least two days before the meeting. Requests should be emailed to [comments@irwd.com](mailto:comments@irwd.com). Requests made by mail must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

December 6, 2021

Prepared by: C. Irey / A. McNulty

Submitted by: F. Sanchez / P. Weghorst

Approved by: Paul A. Cook 

## WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE

### IRWD WATER LOSS PREVENTION PROGRAM

#### SUMMARY:

IRWD expanded its successful Water Efficiency Programs in 2017 to include implementation of a Water Loss Prevention Program, which has reduced water losses throughout the District. The program addresses malfunctioning meters, unauthorized connections and authorized unmetered connections. At the Committee meeting, staff will present an overview of the Water Loss Prevention Program.

#### BACKGROUND:

IRWD implements a variety of water efficiency programs to help customers use the amount of water they need and to reduce wasteful water use on the customer side of the meter. Additionally, the District has implemented a successful meter replacement program to replace meters based on age and a proactive leak detection program to identify unreported leaks from the District's distribution system. IRWD's Water Loss Prevention Program emerged in 2017 through a staff-initiated effort to address potential water losses that were not addressed by these existing programs. The Program helps the District achieve its water efficiency goal of preventing water loss by focusing on the following key components:

- Analyzing, testing and replacing malfunctioning meters;
- Identifying and removing unauthorized connections;
- Identifying and preventing meter tampering;
- Metering and monitoring flow during main line flushes;
- Construction industry education; and
- IRWD policy enforcement.

A description of the key components of the program is provided below.

#### Malfunctioning Meters:

Meters can fail for several reasons including age, overuse, debris in the line, or manufacturing defects. IRWD has developed an approach using billing data to identify meters that may be malfunctioning, which be difficult to identify using billing data alone. Field verifications are performed on many meters prior to requesting replacement. Meters with zero usage for a consecutive period of time are analyzed to determine if there is a legitimate reason for zero usage or if the meter requires testing and potential replacement. Staff has developed processes to prioritize meters that have been identified as needing replacement due to malfunctioning. Staff processes approximately 340 suspected malfunctioning meters each month.



*Back Billing:*

At the District's discretion, accounts that have had malfunctioning meters replaced can be back billed for the usage that was not recorded by the malfunctioning meter. Back billing is accomplished based on the account's historical usage or that of a peer group. The back-billing procedure includes a customer notification system with a dispute resolution process. Due to COVID-19, the back-billing component of the program has been suspended; it is expected to resume in the near future.

Unauthorized Connections:

A connection that is unmetered or any connection to IRWD's system or appurtenance without the District's approval is considered an unauthorized connection. Unauthorized connections have been identified on the District's main lines, fire hydrants, residential and commercial main lines, angle stops, back-flow devices, fire lines, and fire protection systems. When an unauthorized connection is identified, staff works with the responsible party to have it removed immediately and provides information on IRWD's connection policy. In the event no one is present, staff will remove the connection and install a tampering tag to deter further unauthorized connections. Where applicable, a locking device may be installed. In all instances, staff attempts to identify and meet with the responsible party to provide information on the District's connection policy and frequently monitors the site to ensure continued compliance.

Meter Tampering:

Any IRWD line that has been altered or diverted, or any meter or appurtenance that has been modified without the approval of the District, is considered tampering. Tampering has been identified on meters, back-flow devices and fire lines. Meter tampering includes breaking the glass on the meter's register head, removing the register head, bypassing the meter, removing the meter, inserting items into the meter to prevent the impeller from moving and altering or turning off valves. When tampering has been identified, staff resolves the issue immediately, installs a tampering tag, meets with the responsible party to review the District's connection policy and frequents the site to ensure continued compliance.

Monitoring Main Line Flushing:

Main line flushing is required on IRWD's newly installed main lines and is a vital step to ensure that water in the lines pass State-required bacteria tests prior to being placed into service. Prior to implementation of the Water Loss Prevention Program, main line flushing occurred unmetered, and the volume of water used while flushing was estimated based on a method recommended by the American Water Works Association. With the implementation of the program, staff began metering main line flushing and discovered that the metered consumption was significantly higher than the estimated consumption. Based on these findings, staff developed a meter procurement process that allows contractors to meter all main line flushes. The new process includes the ability to bill consumption if the line fails the bacteria tests multiple times. During Fiscal Year 2020-21, there were 78 metered mainline flush events that used a total of 4,450 ccf.

Construction Industry Education:

Staff developed a Water Loss Prevention Pre-construction Guidelines brochure, which is provided Exhibit "A". This brochure outlines IRWD's connection policy and provides instructions on the temporary construction and flushing meter procurement process as well as cross connection and public health and safety guidelines. Flushing activity procedures are also outlined. The brochure is distributed at all pre-construction meetings when staff meets with a developer and its contractor prior to breaking ground. Staff reviews the brochure with all parties to help prevent unauthorized connections, tampering and cross-connections.

In the future, staff plans to work more with staff from the cities served by IRWD so they can identify and then report potentially unauthorized connections to IRWD. Staff is also considering the development an app to allow the public to do this as well.

IRWD Policy Enforcement:

Consistent with IRWD's Rules and Regulations, staff collaborated with legal counsel to develop an Enforcement Action Plan to address instances of non-compliance. Depending on the severity of an unauthorized connection, enforcement actions may include a Notice of Violation. These escalating enforcement actions serve as a deterrent in the event unauthorized connections or tampering has become egregious and corrective actions have not been made by the responsible party. Due to the District's strong presence in the community and the effectiveness of the educational component of the program, only one Notice of Violation has been issued since the program began.

2021 Drought Response:

To assist with the District's effort to achieve the voluntary 15% reduction called for in Governor Newsom's July 8, 2021, Executive Order, temporary staff resources will be added to expand Water Loss Prevention Program activities. With these resources, staff will begin to analyze alternative usage patterns from malfunctioning meters that register partial usage and are not included in the current zero usage analysis. Program expansion also will allow staff to further reduce water losses from malfunctioning meters and unauthorized connections.

At the Committee meeting, staff will use a PowerPoint presentation to describe the program. The presentation is provided as Exhibit "B".

FISCAL IMPACTS:

The funding for the Water Loss Prevention Program is funded from over-allocation revenues.

ENVIRONMENTAL COMPLIANCE:

The Water Loss Prevention Program is not a project as defined in the California Environmental Quality Act as authorized under the California Code of Regulations, Title 14, Chapter 3 and Section 15378.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

Exhibit "A" – Water Loss Prevention Pre-construction Guideline Brochure

Exhibit "B" – PowerPoint Presentation



**WATER LOSS  
PREVENTION  
PRE-CONSTRUCTION  
GUIDELINES**



## WATER — A PRECIOUS RESOURCE

Irvine Ranch Water District's Water Loss Prevention Program focuses on preventing unauthorized connections. It protects the public's drinking water supply by ensuring that all connections comply with IRWD's rules and regulations.

Loss Prevention's public outreach program is designed to help educate construction industry professionals on the proper connections to IRWD's water system. Staff are readily available to meet and present information about IRWD's policies to job site personnel. Staff can review plans to identify the appropriate connection points to help prevent any unauthorized connections from occurring on site.

IRWD prides itself on responsible resource management and has implemented many innovative supply development and demand management programs.

IRWD's demand management programs help customers use water efficiently and prevent water loss from unauthorized connections. Water use related to construction should always be metered and properly connected to the IRWD system to avoid the potential for cross-connections and backflow.

## CROSS-CONNECTION

IRWD's Water Loss Prevention Program takes a proactive approach to minimizing water loss and protecting the public water supply by preventing unmetered and unauthorized connections that can lead to cross-connection and backflow.

### What is a cross-connection?

A cross-connection is an actual or potential connection between any part of a potable (drinking) water system and an environment that would allow substances to enter that potable water system. Those substances could include gases, liquids, or solids. Examples are: chemicals, steam, water from other potable or nonpotable sources, and any matter that may add an odor or change the color or taste of water.

Cross-connections pose a serious health risk and backflow can occur under several conditions, including backsiphonage and backpressure.





## CROSS-CONNECTION (continued)

### What is backsiphonage?

Backsiphonage occurs when there is a partial vacuum (negative pressure) in a water supply system. This results in a reversal in flow, drawing water and anything to which the water is connected back into the potable water supply.

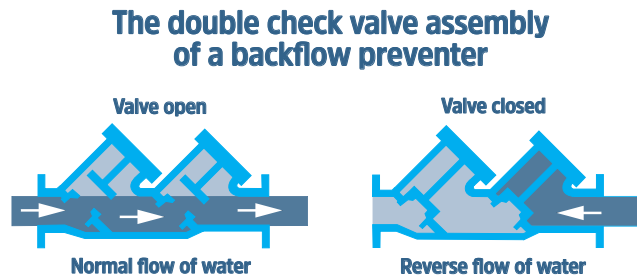
#### Q: What can lead to backsiphonage or backpressure?

**A: Backsiphonage** can occur when normal water supply pressure drops due to water district main line breaks or repairs, firefighting, system flushing, and installation or charging of new main lines.

**Backpressure** is the reversal of normal flow caused when the service line pressure is lower than the downstream pressure.

### How are cross-connections and backflow prevented?

To reduce the potential for a cross-connection, IRWD requires installation of a backflow assembly to prevent unwanted flow of water into the distribution system. Building codes, plumbing codes, and state and federal regulations mandate a series of measures and backflow-prevention devices. For more information on the regulations please visit [irwd.com/doing-business/engineering](http://irwd.com/doing-business/engineering). A diagram of proper backflow operation is shown at right.



### Authorized, metered connections

The photos below illustrate the proper way to connect to IRWD's system. These connections ensure that water quality is protected by a backflow assembly and that usage is metered.



Backflow assembly



Meter with backflow assembly



Another meter with backflow assembly



## WHAT IS AN UNAUTHORIZED CONNECTION?

Diverting or tampering with IRWD's water-distribution or sewer system without IRWD's permission constitutes an unauthorized connection. To prevent backflow, IRWD recommends frequent site inspections by the on-site supervisor to check for unauthorized connections and water waste.

The photos below illustrate prohibited connections that do not have meters nor backflow prevention devices installed. Connections like these can introduce pollutants into the water supply and pose a significant public health risk.



### Unauthorized, unmetered connections

The photos below illustrate connections that are not metered and are therefore considered unauthorized connections. These types of connections are unprotected from cross-connection.



### Q: How can I prevent unauthorized connections?

**A:** Train all current and future site personnel on the correct procedures for accessing the water they need. An informed job-site supervisor should walk the site periodically to ensure there are no unauthorized connections.



Unauthorized connections also include:

Diverting	Tampering
<p>To change the intended course or path of water or sewage into or out of the water district's system without the authorization or consent of the water district. Any unpermitted withdrawal of water from IRWD facilities is a diversion.</p>	<p>The unauthorized entering, breaking, damaging, destroying, uncovering, defacing, rearranging, injuring, altering, or interference with any structure or equipment owned by the water district. Any unpermitted connection to IRWD facilities is tampering.</p>

### WHAT HAPPENS IF AN UNAUTHORIZED CONNECTION IS DISCOVERED ON SITE?

Noncompliance with IRWD rules and regulations may result in fines and penalties pursuant to applicable laws and regulations, including the California Health Code, which defines cross-connection violations as misdemeanors punishable by fines and/or imprisonment (California Health Code Sections 11680 – 116820).

IRWD has an escalating enforcement plan, which may result in any combination of a notice of violation, fines, termination of water service to the job site, and legal action. Depending on the severity of the unauthorized connection, and at IRWD's sole discretion, an uncorrected violation may result in one or all of the following:

Occurrence	Action
First unauthorized connection	Notice of violation
Second unauthorized connection	Noncompliance charge
Third unauthorized connection	Termination of water services

**Q: When should I apply for a temporary construction meter?**

**A:** The sooner the better. Times can vary on meter sets so we recommend at least two days before the service is needed.

**Q: What happens if a cross-connection is discovered on my site?**

**A:** Staff will remove the cross-connection to ensure the integrity of the public drinking water supply, and a notice of violation will be issued.

**Q: What happens if I get caught tampering or diverting?**

**A:** Depending on the severity of the offense, a notice of violation may be issued, or the offense could result in fines, penalties or site shutdown.



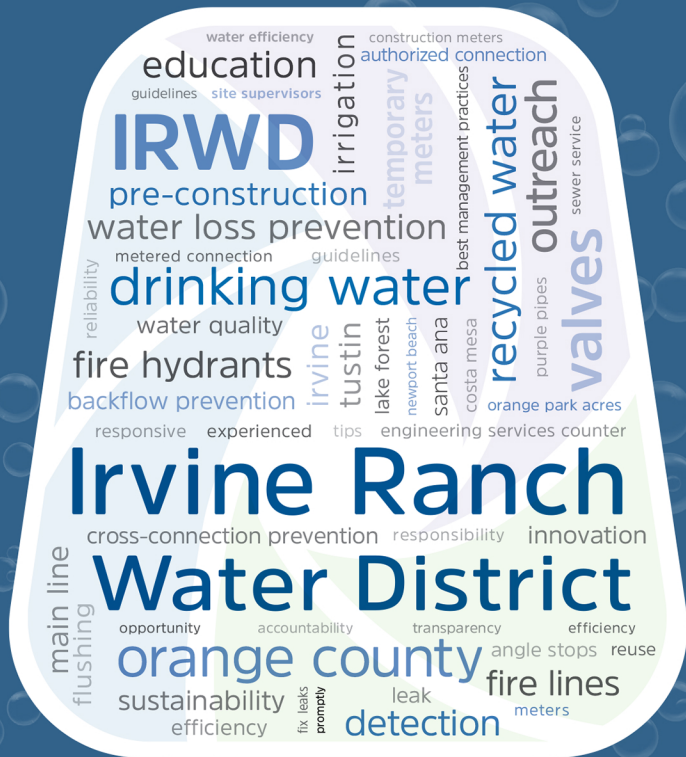


EXHIBIT "B"



# IRWD WATER LOSS AND REVENUE RECOVERY PROGRAM

DECEMBER 6, 2021  
WATER RESOURCES AND POLICY AND COMMUNICATIONS COMMITTEE

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## PRESENTATION AGENDA

- ❖ Background
- ❖ Malfunctioning Meters
- ❖ Back-Billing
- ❖ Tampering and Unauthorized Connections
- ❖ Metered Main-Line Flushing
- ❖ Industry Education and Policy Enforcement
- ❖ Program Results





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## BACKGROUND

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Water Efficiency  
Customer Usage Assistance  
Demand Reduction




Loss Prevention (NEW)  
Meter Malfunction  
Unauthorized Connections



Operations  
Proactive Leak Detection  
Meter Replacement Program

Water Management Programs



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# WATER LOSS AND REVENUE RECOVERY PROGRAM



## Pilot Program

Initiated March 2017

- Part-time basis

Expanded August 2017

- Two full-time dedicated staff



## Full Scale Program Established 2018

Key Components:

- Malfunctioning Meters
- Tampering and Un-Authorized Connections
- Main Line Flushing



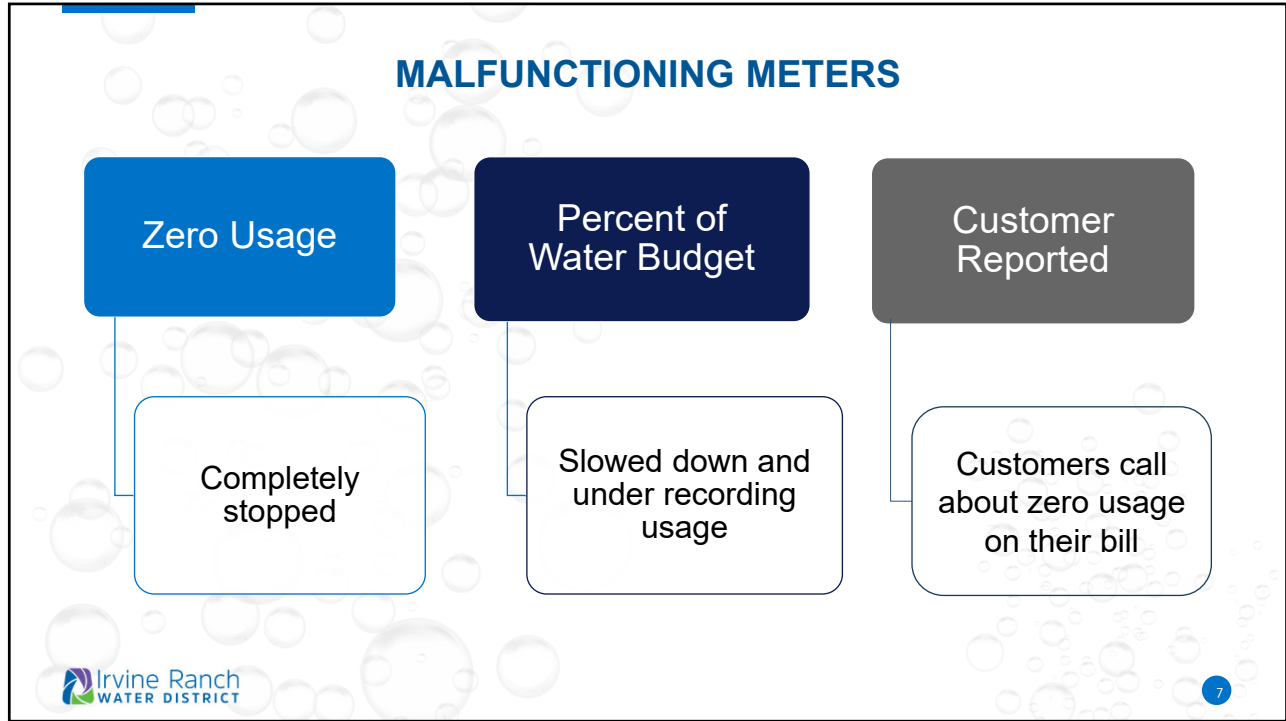
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## MALFUNCTIONING METERS

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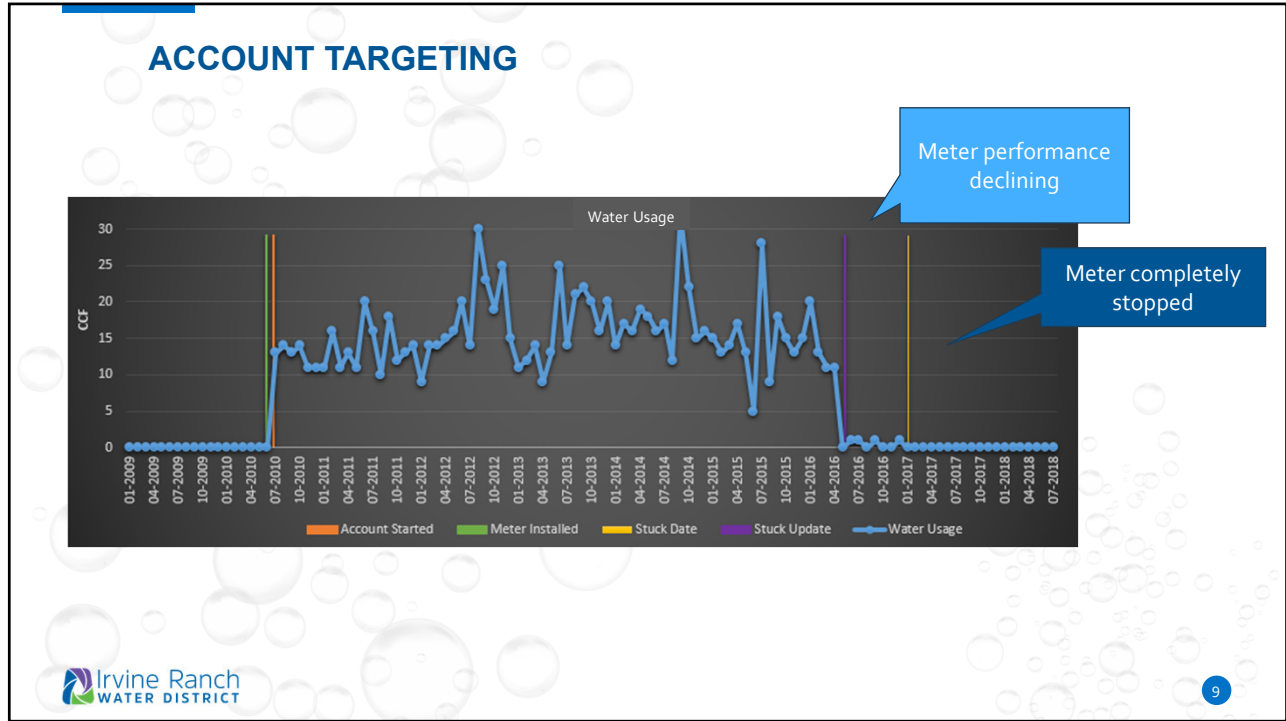
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### PRIORITIZING FIELD INVESTIGATIONS WITH DATA ANALYSIS

- Custom Algorithm more effectively targets water loss and revenue recovery efforts by reviewing each account's:
  - Historical usage
  - No. months with no/low usage
  - Irrigated area
  - Service descriptor
  - Meter install date


ACC_ID	METER INSTALL DATE	MONTHS WITH ZERO USAGE	MONTHS SINCE ACC_ID STARTED	MONTHS SINCE METER WAS INSTALLED	AVERAGE USAGE SINCE ACC_ID START (GAL)	LAND AREA (SQ FT)	SERVICE DESCRIPTION	WATER USE TRENDS (Since Jan 2009)	SELECT ROW
21-2014	03-12-1991	19	29	313	0	1306800	NULL		Double Click
06	12-10-2014	7	128	28	123	183,092	NULL		Double Click
02-05-2014	5	443	28	573	325,284	LNDSOCP AROUND BUSINESS CTR		Double Click	
10-30-1998	20	221	221	421	498,198	SLOPE:133 FRVY		Double Click	
23-2015	4	226	25	9	238,580	STRTSOCP: FORTUNE		Double Click	
4-2012	7	143	95	375	94,221	NULL		Double Click	
8-2014	6	301	36	36	153,406	LNDSOCP AROUND REC BLDG		Double Click	
07-2012	21	62	62	0	466,092	RECLAIMED LANDSCAPE IRRIGATIONSERVES MITIGATION IRRIGATION		Double Click	
08-2012	4	158	62	192	153,767	QUAIL HILL/LAUREL CIVIL STATION 6-73.94		Double Click	
03-03-1992	8	416	416	324	153,254	LANDSCAPE		Double Click	
05-30-2002	3	277	178	57	262,231	LNDSOCP: FREEWAY		Double Click	
01	08-14-2001	3	188	188	58	156,816	LNDSOCP: MYFORD ELEM. SCHL		Double Click
11-1991	08-12-2015	8	312	20	273	174,240	LNDSOCP: BACKSIDE OF 15949 ALTON		Double Click
09-29-2005	12-09-2002	5	138	172	226	348,480	NULL		Double Click
4-M	09-09-1995	01-16-2001	4	379	195	216	226,512	LNDSOCP: FREEWAY	Double Click

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## ACCOUNT ANALYTICS




**All accounts have monthly water budgets based on unique needs**

- Size of irrigated area
- Number of residents/employees
- Manufacturing/Cooling towers



**Accounts with usage significantly below their water budget are flagged for review to determine the cause**

- Participation in conservation programs?
- Conversion to recycled water?
- Malfunctioning or tampered meter?



**Highest water users are targeted for on-site investigation**

- High probability of malfunction
- High potential water and revenue loss/recovery

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### EXAMPLE FINDINGS – STUCK DIALS



Multi-family apartment malfunctioning since install.

Utilizing valves to confirm malfunctioning meter.



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## BACK-BILLING

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## BACK-BILLING – REVENUE RECOVERY

- Recover revenue by billing retroactively for the period of meter malfunction.
- Usage calculation methods:
  - Historical Usage
  - Percent of Budget
  - Acreage
  - Evapotranspiration Data (ET)
  - Service Point Type
  - Peer Group - if historical usage unavailable



## BACK-BILLING PROCESS



Notification letter mailed upon confirmation of malfunctioning meter



Phone call placed in addition to letter when accounts exceed thresholds



Payment plans available



Dispute resolution process



Approval process with final decision from the Executive Director of Finance








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WATER DISTRICT

## TAMPERING AND UNAUTHORIZED CONNECTIONS


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### EXAMPLE FINDINGS – POSSIBLE TAMPERING



Throttling valves so no flow will register

Tampering with meter register head





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### TAMPERING – METERS AND REGISTER HEADS

New Residential Meter



Landscape Meter



Customer Removed Meter



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### IDENTIFYING FIRE LINE TAMPERING AND THEFT



**Commercial Fire Line**  
Tampering with bypass meter and valve on two separate occasions.




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## UNAUTHORIZED UNMETERED CONNECTIONS


- Fire hydrants
- Fire lines
- Jumpers
- Tie-in




Un-metered connection to angle stop




Un-metered connection to angle stop



No meter – Jumper in meter box



Fire hydrant connection




Un-metered fire hydrant connection

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## UNAUTHORIZED CONNECTIONS


Proactive contractor installed deterrent




Unauthorized connection to fire-line backflow



Unmetered connection to fire hydrant



Multiple unauthorized connections from one site on a single day



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## UNMETERED MAIN LINE FLUSHING





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## UNMETERED AND METERED FLUSHING

Unmetered	Metered
<ul style="list-style-type: none"> <li>2-3 feet per second (fps) (recommended)</li> <li>Calculated consumption= 22,000 gallons</li> </ul> 	<ul style="list-style-type: none"> <li>6-7 fps (measured flow)</li> <li>Metered consumption= 109,208 gallons</li> <li>80% more consumption than calculated</li> </ul> 

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## Pre-Construction Brochure

- Connection Do's and Don'ts
- How to get a Temporary Meter
- Back-flow and Cross Connection Guidelines
- Contact information for relevant District departments
- Distributed to construction industry during on-site meetings

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## TAMPERING TAGS

### Harder to Remove:

- Stronger Material
- Weather Resistant
- Steel Grommet

### Installed on:

- Fire Hydrants
- Angle Stops
- Fire line Backflows
- Jumpers



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## DISTRICT POLICY ENFORCEMENT

### COMMUNICATION CHANNELS



- Loss Prevention Hotline
  - 949-453-5494
- Loss Prevention Email
  - [lossprevention@irwd.com](mailto:lossprevention@irwd.com)
- Coordination
  - IRWD Internal
  - City Field Staff
  - Fire Department
  - Police Department
  - Construction Industry

- Notice of Violation
  - Only 1 issued
- Fines
- Termination of service
- Legal action



### ESCALATING ENFORCEMENT TOOLS

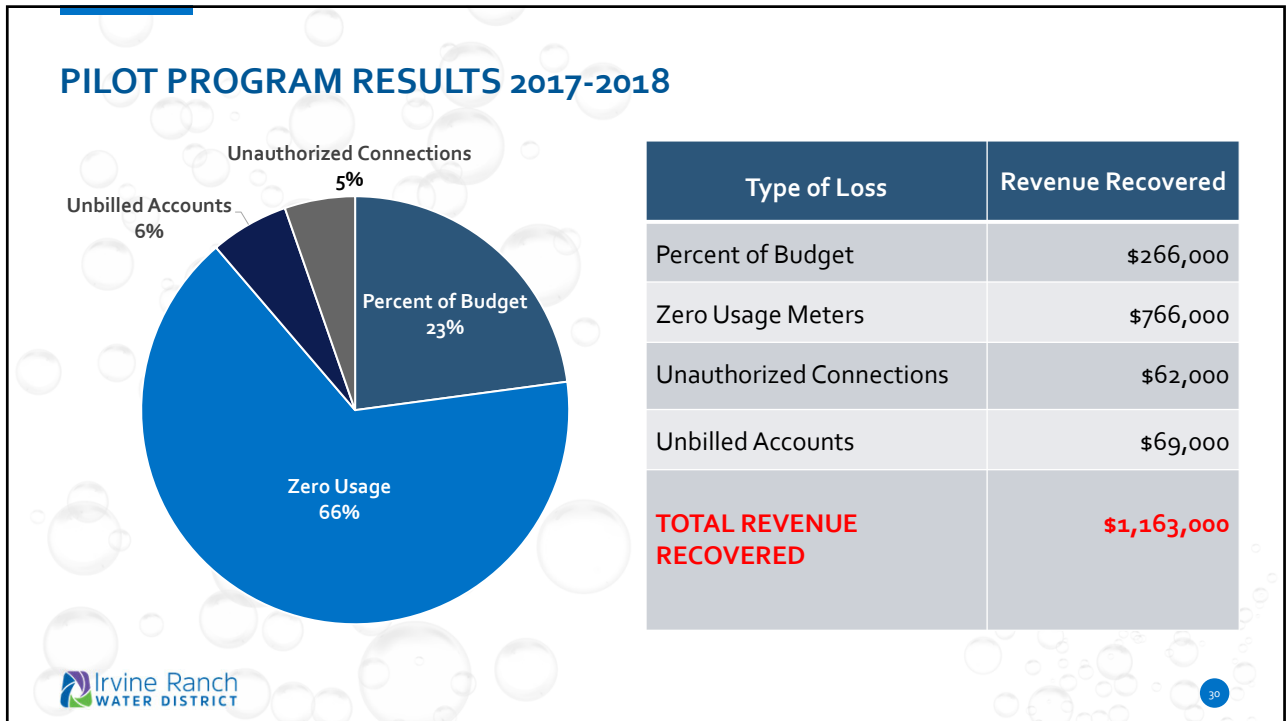


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## RESULTS 2019 TO PRESENT

Malfunctioning Meters			Back-Billing		
No. Meters	Water Loss*	Revenue Loss**	No. Accounts	Recovered Water Loss	Revenue Recovered
2,907	1,461 AF	\$1,021,772	107	188 AF	\$118,171

\* estimated based on account historical usage and account peer group analysis  
 \*\* does not include sewer or pumping surcharges



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## LOSS PREVENTION PROGRAMS PAY FOR THEMSELVES

- Proactive
- Cost effective
- Prevent future revenue loss
- Help keep rates low for customers
- Interdepartmental and community collaboration
- Demonstrates commitment to responsible resource management

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December 6, 2021  
Prepared by: F. Sanchez  
Submitted by: P. Weghorst  
Approved by: Paul A. Cook *P.A.C.*

## WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE

### UPDATE ON DEVELOPMENT OF STATEWIDE WATER EFFICIENCY STANDARDS AND PERFORMANCE MEASURES

#### SUMMARY:

In 2018, the *Conservation as a Way of Life* legislation was passed which requires establishing new urban water use efficiency standards and performance measures. These new standards will address indoor and outdoor water use and the performance measures will focus on the commercial, industrial and institutional (CII) customer sector. The California Department of Water Resources (DWR) is required through a stakeholder process, and in coordination with the State Water Resources Control Board, to conduct the necessary studies to develop the recommended standards and performance measures.

DWR has prepared its draft final recommendations on the indoor standard in a report to the legislature. DWR has also prepared recommendations on the other standards and performance measures that will be submitted to the State Board for its consideration by June 30, 2022. At the Committee meeting, staff will review the proposed standards and measures, any associated concerns, the potential implications for IRWD and next steps.

#### BACKGROUND:

In 2018, the California State Legislature enacted two policy bills, Senate Bill (SB) 606 and Assembly Bill (AB) 1668, known as the *Conservation as a Way of Life* legislation, to establish a new foundation for long-term improvements in water conservation and drought planning. The legislation requires that new urban water use efficiency standards be adopted by the State Board in coordination with DWR by June 30, 2022. The volumetric water use efficiency standards, which will be included in each water supplier's calculated Urban Water Use Objective (WUO), will address the following:

- Indoor residential use;
- Outdoor residential use;
- Outdoor CII use with dedicated irrigation meters;
- Water loss;
- Variances for unique water uses that materially affect a water supplier; and
- Bonus Incentives for potable reuse.

Urban retail water suppliers will use the efficiency standards to calculate each supplier's WUO, which will be compared with its actual aggregate water use for reporting and compliance purposes beginning in 2023. The legislation also requires DWR and the State Board to establish performance measures for CII water use.

Development of the Proposed Standards and Performance Measures:

The legislation directed DWR, in coordination with the State Board and with input from stakeholders, to conduct necessary studies and investigations to develop recommendations to the legislature on standards for indoor residential use by January 2021. DWR was also directed to develop recommendations to the State Board for outdoor standards, CII performance measures and variances by October 2021. In 2019, DWR established multiple stakeholder groups, which staff has actively engaged in, to provide input on the standards and performance measures. Below is an overview of DWR’s draft final recommendations regarding the indoor standard, outdoor standards and performance measures. Also provided is an overview of a bonus incentive associated with potable reuse. At the Committee meeting, staff will review the proposed standards and measures as well as any associated concerns and potential implications for IRWD.

Due to the significant burdens of applying to the State Board for a variance and the lack of material effect to IRWD, it is unlikely that IRWD would want to pursue any variances. Accordingly, DWR’s recommendations for variances are not addressed in this report. The water loss standard is being developed in a separate State Board regulatory process pursuant to separate legislation, SB 555. The State Board is expected to initiate the formal rule-making process on the water loss standards in early 2022.

*Indoor Standards:*

DWR’s recommendations to the legislature regarding indoor standards are lower than the current legislative standards adopted as part of the 2018 *Conservation as a Way of Life* legislation. DWR is recommending a change from the current target of 52.5 gallons per capita per day (gpcd) effective in 2025 and 50 gpcd effective in 2030 to 47 and 42 gpcd, respectively. Any changes to the current standards would require action from the legislature.

*Outdoor Standards:*

In November 2021, DWR released draft final recommended outdoor standards as shown in the table below. Comments on these standards were accepted through November 24. DWR will make its final recommendations to the State Board in December 2021.

DWR’s Proposed Outdoor Standards

Description	Residential	Dedicated Irrigation Meters
2023 – 2029 ET Factor (ETF)	0.8	0.8
2030 and thereafter ETF	0.65	0.65
New Development ETF (post 2020)	0.55	0.45
Special Landscape Areas ETF (sports parks etc.)	1.0	1.0
Recycled Water ETF	1.0	1.0

Irrigable Area	Irrigated Area Plus 20% Irrigable not currently Irrigated (INI)	Irrigated Area only
Reduction to ET Factors for Effective Precipitation (rainfall)	<ul style="list-style-type: none"> <li>• ET Factor reduced for effective precipitation. Effective precipitation reduction capped at 25% of total precipitation.</li> <li>• Reduction not applicable to special landscape areas, recycled water sites or new development.</li> </ul>	

*CII Performance Measures:*

DWR, in coordination with the State Board, is required to conduct necessary studies and investigations to develop recommendations on performance measures for CII water use by October 1, 2021. These recommendations will be presented for consideration by the State Board. Minimum requirements include making recommendations for the following:

- CII water use classification system;
- Minimum size thresholds for converting mixed CII meters to dedicated irrigation meters;
- Technologies that could be used in lieu of requiring dedicated irrigation meters; and
- Best management practices including water audits and water management plans for CII customers above a certain size, volume of use or another threshold.

In November 2021, DWR proposed the following draft final recommendations designed to meet the minimum requirements:

- Water suppliers would be required to implement standardized CII classification systems with 19 categories. Suppliers are not required to update their billing systems, but must have a method to identify each account based on the standardized categories;
- CII mixed use meters with 20,000 square feet of landscape would need to be converted so the landscape is served by a separate dedicated meter; and
- CII water budgets rates may be used as an “in-lieu technology” option instead of splitting mixed use meters and may also be used as a performance measure in place of water audits and other water management programs.

*Potable Reuse Bonus Incentive:*

The legislation also provides an incentive for potable reuse. The incentive is defined as a credit of up to 10-15% of a supplier’s WUO, depending upon when a potable reuse facility comes online. The bonus incentive is to be added to a supplier’s WUO. Staff engaged with the WaterReuse Association of California to develop a calculation methodology for the bonus incentive, which DWR has included in its draft final recommendation.

Water Resources Policy and Communications Committee: Update on Development of Statewide Water Efficiency Standards and Performance Measures

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Next Steps:

In December 2021, DWR is expected to finalize its recommendations and submit its final report regarding the indoor standard to the legislature. DWR will also submit its recommendations on the other standards and performance measures to the State Board, which will initiate a formal rulemaking process in early 2022 in order to adopt the standards and performance measures by June 30, 2022. The State Board's formal rulemaking for the water loss regulations is expected to be initiated in January 2022. Staff will continue to engage in the stakeholder process and coordinate responses with industry associations.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:


This item is not a project as defined in the California Environmental Quality Act as authorized under the California Code of Regulations, Title 14, Chapter 3 and Section 15378.

RECOMMENDATION:

Receive and file.

LIST OF EXHIBITS:

None.

December 6, 2021  
Prepared and  
submitted by: C. Compton  
Approved by: Paul A. Cook 

WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE

REVIEW OF 2021 GOVERNMENT RELATIONS ACTIVITIES AND  
2022 LEGISLATIVE AND REGULATORY ISSUES PLANNING

SUMMARY:

This report provides a review of IRWD’s 2021 legislative and regulatory priorities and government relations activities. It also provides an overview of expected 2022 legislative and regulatory issues in Washington, D.C., Sacramento, and regionally. Also described are proposals that the District’s associations and stakeholders are sponsoring. The report proposes an initial 2022 staff resource allocation plan for legislative and regulatory issues of importance to IRWD in the coming year. Staff recommends the Board provide input on the proposed 2022 regional, state and federal legislative issues of interest to IRWD, and receive and file the proposed “Initial 2022 Legislative and Regulatory Resource Allocation Plan” and the “Legislative / Regulatory Issues and Activities of High Concern to IRWD in 2022.”

BACKGROUND:

2021 IRWD Priorities and Activities:

In December 2020, the Board reviewed an overview of expected 2021 legislative issues in Washington, D.C. and Sacramento, including proposals that the District’s statewide associations were considering for introduction. At that time and after providing input, the Board received and filed the Initial 2021 Legislative and Regulatory Resource Allocation Plan and the Legislative / Regulatory Issues and Activities of High Concern to IRWD in 2021. This document helped guide the District’s governmental relations efforts this past year.

The 2021 priorities included protecting the District’s various revenue sources, and actively engaging in the discussions related to implementation of the “Making Water Conservation a California Way of Life” legislation. Additionally, the priorities sought engagement with the State Water Resources Control Board and Department of Water Resources (DWR) on policy, regulatory and permit issues of concern to IRWD, among other priorities. Over the past year, staff and IRWD’s state legislative and regulatory advocates worked on each of these issues and other issues of importance to the District including legislation related to water rates, establishment of low-income water rate assistance program for California, and the State’s drought response.

At the federal level, staff and IRWD’s federal legislative advocates continued implementation of a multi-year strategy to obtain funding for the Kern Fan Groundwater Storage Project and advocated for the reauthorization of the federal water storage program. Additionally, staff and IRWD’s federal legislative advocates for federal funding for dam safety and modernization at reservoirs used for water supply.

At the local level, IRWD continued to work to build stronger relationships with its partner agencies and community stakeholders.

Expected 2022 Federal Legislative and Regulatory Issues:

While it is expected that in 2022 Congress will work on a number of issues of interest to the water and wastewater communities (including enactment of a new Water Resources Development Act), staff expects significant activity on federal regulations including regulations related to a definition of “Waters of the United States” (WOTUS), implementation of an updated Lead and Copper Rule, and regulations on per- and polyfluoroalkyl substances (PFAS).

Staff, joined by the District’s federal advocates, will discuss the expected 2022 political environment and federal issues with the Water Resources Policy and Communications Committee. Among the federal issues staff will discuss with the Committee are:

- Reauthorization of the Water Storage Program;
- Federal funding for the Kern Fan Groundwater Storage Project;
- Possible creation of a federal dam safety program;
- Implementation of an updated Lead and Cooper Rule; and
- Regulatory and legislative measures to address PFAS contamination.

*Waters of the United States:*

On November 18, the U.S. Environmental Protection Agency (EPA) and U.S. Department of the Army (the Agencies) announced a proposed rule to re-establish the pre-2015 definition of WOTUS. This was consistent with their earlier announced plan to review the WOTUS definition using a two-step process. The first step is to restore the regulations defining WOTUS to the version that was in place until 2015, with minor updates to make the rule consistent with relevant Supreme Court decisions. The second step is a rulemaking process to adopt a new WOTUS definition.

The Agencies committed to engaging with stakeholders to craft a refined definition of WOTUS. In response to the Agencies’ solicitation of pre-proposal feedback, the District transmitted a comment letter in August. EPA is submitting the proposed rule for publication in the Federal Register, and the Agencies will be taking comment on the proposed rule for 60 days beginning on the date it is published in the Federal Register.

Expected 2022 Statewide Legislative and Regulatory Issues:

As is typical at the beginning of each legislative year, staff expected that the California Legislature and State regulatory agencies will take up a number of issues of interest to the water and wastewater communities in 2022. Staff, joined by the District’s state advocates, will discuss the expected 2022 political environment and state issues with the Water Resources Policy and Communications Committee.



More detailed information is also provided below on several expected issues of significant importance to the District.

*“Making Conservation a California Way of Life” Implementation:*

In 2018, in response to Governor Brown’s call to “Make Water Conservation a California Way of Life,” the legislature passed AB 1668 (Friedman, D-Glendale) and SB 606 (Hertzberg, D-Van Nuys). As enacted, the bills:

- Give the State Board one-time authority to set certain water use efficiency standards and implement water use objectives/targets;
- Authorize the State Board to establish guidelines and methodologies to identify how urban water use objectives/targets are to be calculated and reported;
- Require that urban retail water suppliers annually calculate an urban water use objective and report on accomplishments;
- Establish indoor water use efficiency standards through statute at 55 gallons per person daily (GPCD) until 2025, establish the indoor standard at 52.5 GPCD until 2030 and at 50 GPCD after 2030;
- Authorize the State Board to establish outdoor water use efficiency standards for residential landscapes and commercial, industrial and institutional (CII) irrigation based on the principles of the Model Water Efficient Landscape Ordinance;
- Authorize the State Board to establish performance measures for CII water use. Process water was excluded from the performance measures;
- Grant permissive, not mandatory, authority to the State Board to establish variances to the efficiency standards;
- Provide up to a 15 percent bonus for potable reuse supplies;
- Grant the State Board with new enforcement powers; and
- Modify the Urban Water Management Planning Act to require urban water suppliers to develop enhanced Urban Water Management Plans, enhanced Water Shortage Contingency Plans, Drought Risk Assessments, and an annual Water Supply and Demand Assessment.

In 2022, the State Board’s effort to establish the regulations and standards related to the “Making Conservation a Way of Life” legislation are expected to be substantial, given the statutory deadlines included in the legislation. As IRWD was active in the policy discussions and DWR’s stakeholder discussions surrounding AB 1668 and SB 606, the District will continue to be active in the State Board’s implementation of the two bills with the goal of ensuring successful statewide implementation of the legislation.

*Indoor Residential Water Use Standard:*

In addition to the efforts noted above on the “Making Conservation a California Way of Life” legislation, [AB 1434 \(Friedman, D-Glendale\)](#) is a two-year bill that will be taken up again in early 2022. The legislation seeks to change the indoor standards included in the urban water use objective from 55 gallons per person daily (GPCD) until 2025, 52.5 GPCD until 2030 and 50 GPCD after 2030 to 48 GPCD until 2025, 44 GPCD until 2030 and 40 GPCD after 2030.

In May, DWR released a draft report that recommends the Legislature change the indoor standards to 47 GPCD in 2025 and 42 GPCD in 2030. IRWD and other water suppliers objected to the process DWR undertook to develop these recommendations, and the lack of true stakeholder input being incorporated into its study. Despite these concerns, DWR has indicated that it will not be changing its recommendations. As of writing this report, the draft report has yet to be finalized, but its finalization is expected before the end of the year. Staff expects that AB 1434 will be amended to reflect DWR’s recommendations.

Staff will update the Committee on efforts led by ACWA to oppose AB 1434, and address changes to the indoor standard.

*Low-Income Water Rate Assistance Program*

In 2021, Senator Bill Dodd proposed two bills that would address water affordability in California. [SB 222 \(Dodd, D-Napa\)](#) would establish a Water Rate Assistance Program (WRAP) administered by the Department of Community Services and Development to provide drinking water and wastewater bill assistance to low-income ratepayers and ratepayers experiencing economic hardship. [SB 223 \(Dodd, D-Napa\)](#) proposed to change the law governing shutoffs of residential water service due to nonpayment. SB 223 was held on the Senate Appropriations Committee Suspense File and will not advance in 2022. SB 222 advanced to the Assembly Floor, where the author placed the bill on the Inactive File after receiving a request from the Administration for further amendments to the bill.

As discussed with the Committee in September, one of the outstanding concerns raised by the water community is that the bill does not specify a dedicated funding source for the WRAP. The author stated publicly in August that he does not support, and will not propose, a water tax as the funding source for the WRAP. With the author’s commitment to not support or pursue a water tax, and after the amendments that were previously made to the bill, the IRWD Board changed its position on SB 222 from “oppose unless amended” to “watch.”

SB 222 is expected to pass the Legislature in 2022. Staff and the District’s Sacramento advocates will continue to monitor this bill. Since this bill is in the second house of the Legislature as a two-year bill, it could be acted on and passed up to or on the final day of the 2022 legislative session, which is August 31.

*Connection Fees and Development Impact Fees:*

One of the prominent topics of discussion during the 2019, 2020, and 2021 legislative years was the lack of affordable housing in California. At the end of the 2019 legislative year, the discussion on housing affordability turned to the fees assessed on new housing developments. The discussion on fees was spurred by a report issued by the University of California, Berkeley's Turner Center—the "[Residential Impact Fees In California: Current Practices and Policy Considerations to Improve Implementation of Fees Governed by the Mitigation Fee Act](#)," (the "Turner Study").

After the release of the Turner Study, Assemblymember Timothy Grayson (D-Concord) along with several of his colleagues proposed a number of changes to the laws governing fees charged to new housing developments, including connection fees. At the time, and in 2020 and in 2021, staff engaged with IRWD's associations and industry partners to seek the removal of connections fees from the scope of Assemblymember Grayson's proposals.

Over the past several months, Assemblymember Grayson restarted discussions on the fees assessed on new housing development, including connections fees. He has put together a legislative working group on affordable housing and held roundtable discussion around the state on the topic hosted by local Assemblymembers.

Again, this coming legislative year, it appears that Assemblymember Grayson and others will likely be proposing legislation related to the fees charged on new housing developing, which may include connection fees. Staff will continue to monitor these bills and work to mitigate any impact they may have on IRWD.

*Other State Issues of Interest to IRWD:*

In addition to the issues discussed above, staff, joined by the District's state advocates, will discuss the following state legislative and regulatory issues with the Committee:

- Governor's Drought Emergency Proclamations and Response;
- California Water and Wastewater Arrearages Program Implementation and excess funding;
- California Air Resources Board's (CARB) [AB 32 Climate Change Scoping Plan Update](#);
- CARB's [Proposed Advanced Clean Fleets Regulation](#);
- California Natural Resources Agency's [2021 State Adaptation Strategy Update](#);
- Water and resilience fund and/or bond(s);
- 2022 efforts related to recycled water;
- Proposals related to contaminants of emerging concern (CECs) and PFAS; and
- Other State Board and other State agency regulations.

Expected 2022 Government Relations Activities and Staff Resource Allocations:

Staff will present a proposed list of issues of high concern to IRWD for 2022, provided as Exhibit “A”, and a proposed initial allocation plan for allocating 2022 staff resources to legislative and regulatory issues, provided as Exhibit “B”. The allocation will provide guidance to staff for committing District and outside resources.

Expected 2022 Association Proposals:

IRWD’s association and industry partners are in the process of completing their 2022 legislative planning. A summary of those planning efforts is provided below:

*Association of California Water Agencies (ACWA):*

ACWA held its 2022 legislative planning meeting on October 29, 2021. The ACWA State Legislative Committee (SLC) considered five proposals for sponsorship or support in 2022. The SLC also decided to sponsor one of the proposal and support two others while deferring action on the other two until January 2022. This next year, ACWA will be sponsoring legislation to clarify the type of contract work considered a “public work” for the purpose of California’s prevailing wage and other public works requirements. The legislation seeks the clarification as a result of the *Kaanaana v. Barrett Business Services, Inc.*, which left the definition of public works open for a number of irrigation, utility, reclamation, improvement, and other like districts. ACWA will also be supporting legislation to change the teleconferencing requirements of the Brown Act, and legislation that seek more stringent penalties and prosecution for illegal cannabis growers. The two proposals on which ACWA deferred action related to nonfunctional turf and indoor water use efficiency standards. ACWA has two work groups discussing these topics and working to develop potential legislation that ACWA could sponsor. Staff will update the Committee on these efforts.

*Bioenergy Association of California (BAC):*

BAC held will hold its annual planning meeting on December 7. At this time, BAC is not proposing to sponsor legislation in 2022. Staff will provide an update on any new developments.

*California Association of Sanitation Agencies (CASA):*

CASA has not yet met to discuss its 2022 legislative and regulatory efforts. The planning meeting will be held on December 10. At this time, no specific proposals or topics have been released for consideration at the meeting. Staff will provide an update on any new information.

*California Municipal Utilities Association (CMUA):*

CMUA held its 2022 legislative and regulatory planning meeting on November 4. The CMUA Legislative Committee considered sponsorship of two proposals. The CMUA Legislative Committee decided to form a work group to further evaluate and refine the proposals which complement CMUA’s advocacy on CARB’s Advanced Clean Fleets (ACF) rulemaking. One of

the proposals would establish a technical advisory panel to evaluate and to report to CARB on the performance capabilities and available supply of all-electric medium- and heavy-duty (MHD) vehicles, and the availability of technicians that are qualified to maintain electric MHD fleets. The second legislative proposal would deem utility vehicles that are used to repair damaged infrastructure and respond to natural disasters and other emergencies as authorized emergency vehicles that would be exempt from the purchase requirements in the ACF regulation. Staff will provide the Committee and Board updates, as appropriate, as these proposals move forward.

*California Special Districts Association (CSDA):*

CSDA held its 2022 legislative and regulatory planning meeting on October 28. CSDA will once again sponsor a concurrent resolution recognizing Special Districts Week and will also sponsor legislation that would fix an unintended consequence of legislation enacted in 2017 related to the required Department of Industrial Relations registration of contractors are employed on municipal public works project. Staff will provide updates to the Committee and the Board, as appropriate, as these proposals move forward.

*WateReuse California:*

The WateReuse Association of California has not yet met to discuss its 2022 legislative and regulatory efforts. Staff will provide an update on any new developments. Staff will provide the Committee and the Board with an oral update on any new developments.

FISCAL IMPACTS:

Not applicable.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

RECOMMENDATION:

That the Board provide input on the proposed 2022 regional, state and federal legislative issues of interest to IRWD, and receive and file the proposed “Initial 2022 Legislative and Regulatory Resource Allocation Plan” and the “Legislative / Regulatory Issues and Activities of High Concern to IRWD in 2022.”

LIST OF EXHIBITS:

Exhibit “A” – Proposed Legislative / Regulatory Issues and Activities of High Concern to IRWD in 2022

Exhibit “B” – Proposed Initial IRWD’s 2022 Legislative and Regulatory Resource Allocation Plan

## EXHIBIT “A”

### PROPOSED LEGISLATIVE / REGULATORY ISSUES AND ACTIVITIES OF HIGH CONCERN TO IRWD IN 2022

As a state and federal leader in water resources public policy and governance, IRWD works to promote policy initiatives that allow the District, along with other water purveyors in California, to enhance the quality and reliability of water supplies throughout the state. While IRWD will engage in a number of legislative and regulatory issues of interest to the District, the following are specific issues and activities of high concern to IRWD in 2022:

#### 2022 Federal Issues and Activities of High Concern:

- 1) Seek federal funding for the Kern Fan Groundwater Storage Project while advocating for the reauthorization of the federal Water Storage Program and an increased funding authorization for the program.
- 2) Seek the creation of a federal dam safety program to provide federal funding to improve dam safety and modernization at reservoirs used for water supply.
- 3) Support efforts to modify the definition of “Waters of the U.S.” while limiting impacts to IRWD, including impacts to IRWD’s reservoirs, and obtain a “Waters of the U.S.” exemption for constructed treatment wetlands.
- 4) Advocate for an increased funding authorization for Title XVI’s Water Reclamation and Reuse Program.
- 5) Advocate for a science-based and cost-based approach in the development of PFAS regulations and, if PFAS are designated as a “hazardous substance” under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), advocate for an exemption from liability for water and wastewater utilities.

#### 2022 State Issues and Activities of High Concern:

- 1) Protect IRWD’s various revenue sources, and method of setting rates and other charges, in order to ensure that the District can continue to provide high quality services to its customers at low rates. Specifically, retain the District’s ability to set cost-based connections fees, and to design and use its water budget-based rate structure.
- 2) Continue to advocate that the State’s drought response be based on a data-driven approach and consider the reliability of urban water supplier supply portfolios by using a stress-test approach as opposed to mandatory percent reductions.
- 3) Continue to engage in discussion regarding the creation of a statewide Low-Income Rate Assistance Program that is consistent with the Board’s adopted policy on a statewide public goods charge, opposing a statewide tax on water for Low-Income Rate Assistance, or to fund other resiliency efforts.
- 4) Seek the creation of a state dam safety program to provide state funding to improve dam safety and modernization at reservoirs used for water supply.
- 5) Continue to actively engage in the implementation of “Making Water Conservation a California Way of Life” legislation, including on proposals that would change the legislation and the implementation of SB 555 (2015) which requires the State Water Resources Control Board (State Board) to set a water loss performance standard.
- 6) Engage with the State Board, the Department of Water Resources and the California Air Resources Board on policy, regulatory and permits issues of concern to IRWD.

## EXHIBIT “B”

### DRAFT

## IRWD’s Initial 2022 Legislative and Regulatory Resource Allocation Plan

**PLEASE NOTE:** The proposed initial resource allocations are aimed at balancing the importance of an issue to IRWD, the projected level of District resources available to work on the issue, and the likelihood that the issue will be raised and the District will be able to shape the policy, legislative and regulatory discussions or outcomes related to the issue in 2022. The allocation of District resources may change over the course of the year, based on continued input from the Water Resources Policy and Communications Committee and the Board of Directors. The allocation categories are intended to reflect the following expected levels of resource use:

- Very High - IRWD’s resource allocation would be significant. Staff and IRWD’s legislative advocates would dedicate a larger portion of their overall advocacy efforts to the issues designated “Very High” and would actively seek to be a key stakeholder shaping the policy, legislative or regulatory discussions related to those issues.
  
- High - IRWD’s resource allocation would be considerable. Staff and IRWD’s legislative advocates would work to create strategic opportunities to shape the policy, legislative or regulatory discussions and outcomes related to issues designated “High.”
  
- Moderate - IRWD’s resource allocation would be modest. Staff and IRWD’s advocates would actively engage in association and industry conversations on issues designated “Moderate” but would expect to work largely through issue-specific coalitions on these issues. Staff and IRWD’s advocates would work to identify and capitalized on opportunities to shape narrow aspects of a policy, legislative or regulatory outcome related to such issues.
  
- Low - IRWD’s resource allocation would be low. Staff and IRWD’s advocates would track policy, legislative and regulatory discussions and outcomes related to issues designated “Low” and would continue to seek positive outcomes for the District through IRWD’s association and industry partners. Staff and IRWD’s advocates would work on such issues should resources be available. For issues that are currently not expected to be acted upon legislatively or regulatorily this next year and are given a “Low” initial allocation, staff will reevaluate the allocation when action appears likely and increase it, as appropriate.

<b>DRAFT</b> <b>Expected 2022 Legislative and Regulatory Issues</b>	<b>Proposed Allocation of IRWD Resources</b>
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<u>FEDERAL ISSUES</u>	
<b>Kern Fan Groundwater Storage Project</b> – Seek federal funding for the project by engaging with the Bureau of Reclamation and Congress on the project.	<b>Very High</b>
<b>Water Storage Program Reauthorization</b> – Advocate for the reauthorization of the federal Water Storage Program and an increased funding authorization for the program.	<b>Very High</b>
<b>Clean Water Act Definition of “Waters of the U.S.”</b> – Advocate for a definition of “Waters of the U.S.” that limits impact to IRWD and its facilities and includes an exemption for constructed treatment wetlands.	<b>High</b>
<b>Dam Safety Program</b> – Advocate for federal investment in dam safety and the modernization of dams important to water supplies.	<b>High</b>
<b>Bureau of Reclamation’s Title XVI, Water Reclamation and Reuse Program, Reauthorization</b> – Advocate for the reauthorization of Title XVI and an increased funding authorization for the Water Reclamation and Reuse Program.	<b>Moderate</b>
<b>PFAS</b> – If PFAS are to be designated as a “hazardous substance” under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), advocate for an exemption from liability for water and wastewater utilities.	<b>Moderate</b>
<b>PFAS Drinking Water Regulations</b> – Advocate for a science-based and cost-based approach in the development of primary drinking water regulations related to PFAS.	<b>Moderate</b>
<b>PFAS Wastewater Regulations</b> – Advocate for a science-based and cost-based approach in the development of PFAS regulations related to POTW’s, discharges and reuse of biosolids.	<b>Moderate</b>
<b>Atmospheric River Research</b> – Advocate for federal programs and funding for atmospheric river research aimed at improving reservoir operations.	<b>Low</b>
<b>Delta Conveyance Implementation</b> – Advocate for a change in the operation of the Delta, consistent with the co-equal goals of ecosystem protection and water supply reliability; seek the federal actions necessary to implement a permanent solution in the Bay Delta.	<b>Low</b>
<b>Lead and Copper Rule</b> – If the administration decides to revise the federal Lead and Copper Rule instead of letting it take effect December 16, 2021, advocate for changes that effectively protect public health while limiting the annual testing burden on water agencies (e.g. seek modification to the proposed school and childcare facility testing schedule).	<b>Low</b>
<b>Syphon Reservoir Improvement Project</b> – Engage with the Bureau of Reclamation and congressional staff on funding for the project.	<b>Low</b>
<b>Tax-Exempt Municipal Bonds</b> – Maintain the current tax-exempt status of municipal bonds with the exception of restoring the tax-exempt status of local government advanced refundings. Oppose prohibitions on the use of tax-exempt bonds within WIFI or any similar program.	<b>Low</b>
<b>Tax Parity for Water Efficiency Rebates</b> – Advocate for tax parity between water and energy efficiency rebates.	<b>Low</b>
<b>Total Maximum Daily Load Limits</b> – Advocate that the Environmental Protection Agency use the best available science when setting Total Maximum Daily Load (TMDL) limitations related to Clean Water Act compliance and approve TMDLs for California based on relevant studies related to California’s environment and local conditions.	<b>Low</b>



<b>DRAFT</b> <b>Expected 2022 Legislative and Regulatory Issues</b>	<b>Proposed Allocation of IRWD Resources</b>
<b>Water Resource Development Act</b> – Seek enactment of a WRDA bill every two years which is beneficial to IRWD and Orange County, and which includes authorizations for the water infrastructure programs and funding supported by IRWD. Look for opportunities to clarify that water resources projects and water resources development projects are to be considered environmental infrastructure projects and eligible for consideration under WRDA.	<b>Low</b>
<u>STATE ISSUES</u>	
<b>Conservation, Water Use Efficiency Regulations</b> – Engage with the State Board and the Department of Water Resources on regulations implementing the “Making Water Conservation a California Way of Life” legislation enacted.	<b>Very High</b>
<b>Dam Safety Program</b> – Advocate for state investment in dam safety and the modernization of dams important to water supplies.	<b>Very High</b>
<b>Drought Response</b> – Advocate that the State’s drought response be based on a data-driven approach and consider the reliability of urban water supplier supply portfolios by using a stress-test approach as opposed to mandatory percent reductions.	<b>Very High</b>
<b>Low Income Water and Wastewater Rate Assistance Program</b> – Continue to engage in discussion regarding the creation of a statewide Low-Income Water and Wastewater Rate Assistance Program that is consistent with the Board’s adopted policy on a statewide public goods charge, opposing a statewide tax on water for Low-Income Rate Assistance, or to fund other resiliency efforts.	<b>Very High</b>
<b>State Board</b> – Engage with the State Board on policy, regulatory and permits issues of concern to IRWD, including the revisions being proposed to the Electronic Annual Report, data requests, and other regulations proposed in 2021.	<b>Very High</b>
<b>Water Loss Regulation</b> – Engage with the State Board to ensure that the SB 555 water loss performance measure/standard regulations are appropriate, consider cost-benefit, and contemplate key other factors that affect potable water loss.	<b>Very High</b>
<b>Water Rates &amp; Connection Fees</b> – Protect IRWD’s various revenue sources, and method of setting rates and other charges, include being able to set cost-of-service based meter charges, in order to ensure that the District can continue to provide high quality services to its customers at low rates. Protect IRWD’s ability to charge cost-based connection fees for both water and sewer service based on the District’s current cost allocation formula.	<b>Very High</b>
<b>Biosolids</b> – Seek a broader spectrum of permissible uses of biosolids byproducts including a possible “healthy soils” designation. Engaged on the State Board’s review of the General Order (WDR) for the use of biosolids on land.	<b>High</b>
<b>CWWAPP</b> – Advocate for additional funding, and/or the reallocation of excess funding, for the California Water and Wastewater Arrearages Payment Program to provide additional pandemic relief by extending the funding period beyond June 15, 2021, so that the program covers more of the statewide shutoff moratorium period.	<b>High</b>
<b>CECs and PFAS</b> – Engage with stakeholders, industry associations, and regulatory agencies on establishing better processes for identifying and regulating contaminants of emerging concern (CECs). Engage with stakeholders, industry associations, and regulatory agencies on microplastics and PFAS, and the regulatory actions proposed by state agencies including regulatory actions that would restrict land application or other uses of Class A and Class B biosolids due to PFAS.	<b>High</b>

<b>DRAFT</b> <b>Expected 2022 Legislative and Regulatory Issues</b>	<b>Proposed Allocation of IRWD Resources</b>
<b>Plumbing Code Updates</b> – Seek clarification that Chapter 15 of the California Plumbing Code does not apply to recycled water irrigation sites. Work with the Building Standards Commission, Housing and Community Development Department, and Department of Water Resources on revisions to the California Plumbing Code during code revisions.	<b>High</b>
<b>30 Percent by 2030</b> – Engage on the implementation of 30 percent by 2030 to ensure water supplies and resources are adequately considered, and to limit impacts to existing and future water infrastructure and operations.	<b>Moderate</b>
<b>Climate Change Adaptation</b> – Engage in policy discussions related to climate change adaptation within the water and wastewater sectors.	<b>Moderate</b>
<b>Groundwater Clean-up</b> – Support efforts to obtain State funding to clean up groundwater contamination in the Orange County Basin, and funding for basin replenishment.	<b>Moderate</b>
<b>Potable Reuse</b> – Advocate for the expansion of potable reuse in California and support a science-based and fit-for-purpose regulatory approach to the various types of potable reuse considered in the California Water Code Section 13561.	<b>Moderate</b>
<b>Public Fleets</b> – Oppose efforts to expand regulatory authority over public fleets, and proposals designed to accelerate the replacement of existing public fleet stock without consideration of cost and age and technology of the current stock, and the availability of mandated replacement technology. Engage on regulatory efforts to requires only zero emission vehicle purchases after 2035 and advocate that the regulations reflect commercial viability and the availability of mandated replacement technology. Oppose proposals governing the public fleets of water and wastewater providers that do not consider the constraints of certain technologies on the provision of essential public services during or after an emergency.	<b>Moderate</b>
<b>Recycled Water</b> – Promote the expanded use of recycled water, and its acceptance as a resource, by advocating for the removal of hindrances to recycled water projects and storage. Seek to: <ul style="list-style-type: none"> <li>• Remove recycled water as a waste, including addressing recycled water discharge requirements.</li> <li>• Promote a “Fit for Purpose” regulatory approach for recycled water.</li> <li>• Promote the development of needed potable water reuse regulations.</li> <li>• Eliminate operational constraints on recycled water operations and use, including unintended impacts created by the Enclosed Bays and Estuaries Policy.</li> <li>• Seek updates to Title 17 and 22, including relief of dual-plumbed inspection/testing requirements.</li> </ul>	<b>Moderate</b>
<b>Safe Drinking Water-</b> Engage on the implementation of the Safe and Affordable for Equity and Resilience Program (SAFER) to ensure that the program is implemented in a way to effectively move communities to sustainable access to safe drinking water	<b>Moderate</b>
<b>Water Transfers and Markets</b> – Engage with the California Department of Water Resources and the Bureau of Reclamation, in coordination with IRWD’s Water Banking partners, in advocating for expedited processes to facilitate transfers between Central Valley Project and State Water Project Contractors and streamlined water marketing.	<b>Moderate</b>
<b>Water Law Modernization</b> – Monitor an engaged, as appropriate, on the efforts to “modernize” California’s water law.	<b>Moderate</b>
<b>Water Quality</b> – Engage productively in policy discussions related to changes in water quality and various discharge permits in order to protect the District’s interests.	<b>Moderate</b>

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<b>Wildfire Prevention and Liability</b> – Seek to ensure that proposals related to wildfire prevention and liability proposals consider the perspective of water and wastewater providers.	<b>Moderate</b>
<b>Delta Conveyance Implementation</b> – Advocate for a change in the operation of the Delta, consistent with the co-equal goals of ecosystem protection and water supply reliability. Seek the State actions necessary to implement a solution in the Bay Delta and oppose efforts to make implementation of a solution more difficult.	<b>Low</b>
<b>Emergency Supplies</b> – Seek recognition of the importance of emergency water supplies and protects their use during droughts or other water shortages.	<b>Low</b>
<b>Energy</b> – Advocate for policies that encourage energy reliability in Orange County, and energy efficiency or reductions in embedded energy in the water and wastewater sectors, including use of energy conservation funding within the water sector, and expanded availability of direct access programs, without an increase in cost to or mandates on local entities; seek incentives for energy self-reliance projects (i.e. storage, generation, efficiency).	<b>Low</b>
<b>Groundwater Management</b> – Engage productively in discussions groundwater management in California to protect IRWD’s interests. Promote greater water banking opportunities to benefit IRWD banking programs.	<b>Low</b>
<b>Homelessness</b> – Within the larger discussions on addressing homeless, ensure that the impacts of homeless on water and wastewater agencies is recognized, and that agencies continue to retain adequate authority to secure their facilities.	<b>Low</b>
<b>Integrated Regional Water Management Program</b> – Oppose program changes that expand the scope of the IRWM Program, and that expand funding eligibility to projects that do not further water supply reliability.	<b>Low</b>
<b>Lead Testing Requirements</b> – Engage in policy discussions related to expanding lead testing requirements in order to protect IRWD’s interests.	<b>Low</b>
<b>Limitations on Ocean Discharges</b> – Engage productively in discussions surrounding proposals to eliminate ocean discharges to protect the District’s interests. Support efforts to promote funding of treatment process upgrades that improve water quality and reuse options.	<b>Low</b>
<b>Operators Certifications</b> – Address inconsistent certification processes for operator certifications (treatment, distribution, and recycling). Monitor for changes in certification requirements.	<b>Low</b>
<b>Political Reform Act/FPPC Issues</b> – Monitor for changes to the Political Reform Act and FPPC regulations that could impact IRWD.	<b>Low</b>
<b>Property Tax Allocations</b> – Protect existing property tax allocations to special districts.	<b>Low</b>
<b>Proposition 218 Reforms</b> –If Proposition 218 reforms are proposed, engage in discussions surrounding the reform efforts to protect IRWD’s interests. Communicate the District’s concern over any water rate legislation which is not consistent with the California Constitution, not voluntary in nature, or that does not provide sufficient clarity or flexibility to water agencies.	<b>Low</b>
<b>Public Agency Liability and Public Contracting</b> – Oppose efforts to impose greater liability on public agencies for work performed by its contractors. Oppose proposals that make public contracting for labor, service or public works projects more cumbersome including reductions in contract retentions or changing the criteria agencies may consider when awarding contracts.	<b>Low</b>

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<b>Public Records Act</b> – Monitor proposed changes to the Public Records Act that could impact IRWD costs including new requirements for local agency websites, data production and reporting.	<b>Low</b>
<b>Real Estate Investments</b> – Engage on regulatory or legislative proposals that may impact IRWD’s ability to maintain a high return of investment on its real estate investments.	<b>Low</b>
<b>Unfunded Pension Liability</b> – Oppose legislation or regulations that would increase IRWD’s pension liability either by making local agencies responsible for the pension liabilities of other entities (e.g. joint powers authorities) or by failing to recognize the liability reduction benefits of Section 115 Trust and other pre-funding efforts. Seek state support for refinements in the GASB rules that limit recognition of the benefits Section 115 Trust.	<b>Low</b>
<b>Water Tax</b> – Consistent with the Board’s adopted policy on a statewide public goods charge, oppose a statewide tax on water for Low Income Rate Assistance or to fund other resiliency efforts	<b>Low</b>
<b>Zero Carbon Energy</b> – Advocate for the inclusion of hydropower, bioenergy derived from biosolids, and other categories of energy generation invested in by the water and wastewater sectors in the types of energy generation that is defined as zero carbon for California’s Zero Carbon goal.	<b>Low</b>
<b>REGIONAL ISSUES</b>	
<b>Santa Ana and San Diego Regional Water Quality Control Boards</b> –Work with the Board on issues of concern to IRWD including adjusting storm-induced overflow protections and expand the use of recycled water in decorative lakes.	<b>High</b>
<b>South Coast Air Quality Management District (AQMD) Fugitive Dust from Road Construction Projects</b> – Engage with the AQMD’s proposed rulemaking for new requirements on certain road construction activities insofar as Proposed Rule 403.2 would impact District road construction activities.	<b>High</b>
<b>South Coast Air Quality Management District (AQMD) NOx Reductions for Emergency Standby Generators</b> – Monitor AQMD’s rulemaking and engage on any proposed rule to replace older, higher-emitting emergency standby engines with the cleanest technology feasible.	<b>High</b>
<b>Recycled Water Use Site Inspection and Testing</b> – Work with Orange County Health Care Agency on completion of the Orange County Guidelines which include the frequencies and methods for conducting recycled water use site visual inspections and periodic cross-connection tests.	<b>Low</b>