## AGENDA IRVINE RANCH WATER DISTRICT WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE MEETING THURSDAY, DECEMBER 7, 2023

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 Webex: https://irwd.webex.com/irwd/j.php?MTID=m30aaafe815a1e3a947ca5dea82d050f7 Meeting Number (Access Code): 2496 272 2652 Meeting Password: 7f4955cA2Pb

As courtesy to the other participants, please mute your phone when you are not speaking.

PLEASE NOTE: Participants joining 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. Participants who join the meeting while the Committee is in closed session will receive a notice that the meeting has been locked. They will be able to join the meeting once the closed session has concluded.

## CALL TO ORDER 1:30 p.m.

| ATTENDANCE          | Committee Chair: Steve LaMar<br>Member: John Withers                         |   |
|---------------------|--|---|
| <u>ALSO PRESENT</u> | Paul CookWendy ChambersKevin BurtonChristine ComptonJohn FabrisMark Tettemer | Paul WeghorstNeveen AdlyFiona SanchezJim ColstonKellie WelchAmy McNulty |

## PUBLIC COMMENT NOTICE

If you wish to address the Committee on any item, please submit a request to speak via the "chat" feature available when joining the meeting virtually. Remarks are limited to three minutes per speaker on each subject. Public comments are limited to three minutes per speaker on each subject. You may also submit a public comment in advance of the meeting by emailing <u>comments@irwd.com</u> before 8:00 a.m. on December 7, 2023.

## COMMUNICATIONS

- 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; and determine which items may be approved without discussion.

# CONSENT

## 4. <u>2023-2024 LEGISLATIVE AND REGULATORY UPDATE – COMPTON</u>

Recommendation: That the Board authorize the District to sponsor legislation in 2024 to establish state policy to encourage and incentivize, but not mandate, the development of emergency water supplies, and to support the use of emergency supplies during times of water shortage, and to sponsor legislation in 2024 to clarify existing law that the cost associated with peak water usage should be reasonably allocated to the parcels served by a water service provider and that those costs could be allocated based on meter size, peaking factors, or any other method consistent with Proposition 218.

#### **OTHER BUSINESS**

- 5. Directors' Comments
- 6. Adjourn

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 eavailable 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. 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 7, 2023 Prepared and submitted by: C. Compton Approved by: Paul A. Cook

## WATER RESOURCES POLICY AND COMMUNICATIONS COMMITTEE

## 2023-2024 LEGISLATIVE AND REGULATORY UPDATE

#### SUMMARY:

This report provides an update on the 2023-2024 legislative session, regulatory issues, and IRWD priorities. As legislation and regulations develop, staff will provide updates and recommendations to the Water Resources Policy and Communications Committee and the Board, as appropriate.

In preparing for the 2024 legislative year, staff has developed several concepts for sponsored legislation on issues of interest to the District. Staff recommends that the Board authorize the District to sponsor legislation in 2024 to establish state policy to encourage and incentivize, but not mandate, the development of emergency water supplies, and to support the use of emergency supplies during times of water shortage, and to sponsor legislation in 2024 to clarify existing law that the cost associated with peak water usage should be reasonably allocated to the parcels served by a water service provider and that those costs could be allocated based on meter size, peaking factors, or any other method consistent with Proposition 218.

## **BACKGROUND:**

The California State Assembly and State Senate will return from their Interim Recesses on January 3, 2024, and begin the second year of the two-year session. The 2023 Legislative Matrix, which is typically attached to this report, is not included this month since no legislative actions have taken place since the Governor's final action on 2023 bills in October. Links are provided to the bills and regulations discussed below, within each discussion, unless a separate exhibit is noted.

#### 2024 State Legislative Activities:

As is typical at the beginning of each legislative year, staff expects that the California Legislature and State regulatory agencies will take up a number of issues of interest to the water and wastewater communities in 2024. Staff will provide the Committee with an update on the conversations taking place related to these issues. Among the state legislative issues staff will discuss with the Committee are:

- Climate resilience bond discussions;
- Surplus Land Act changes;
- SB 366 (Caballero, D-Salinas) The California Water Plan Long-Term Supply Targets;
- Low-income water rate assistance; and
- Other legislative topics of interest to IRWD.

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## Possible Sponsored Legislation:

Staff will describe two concepts for legislation that could be sought by the District in 2024. The first is a proposal that would establish state policy to encourage and incentivize, but not mandate, the development of emergency water supplies, and to support the use of emergency supplies during times of water shortage. The second is a proposal that would clarify existing law that the cost associated with peak water usage should be reasonably allocated to the parcels served by a water service provider in a manner that reasonably reflects the water service provider's cost of serving higher-consumptive water parcels and low-consumptive water parcels, and that those costs could be proportionally allocated based on meter size, peaking factors, or other methods consistent with Proposition 218.

Staff recommends that the Board authorize the District to sponsor these two proposals in 2024.

## Other State and Regional Regulatory Updates:

The following is a list of state and regional regulations and agency reports staff is monitoring, tracking, or planning to engage in over the next three to 12 months. As the next drafts of the regulations or reports are released for public review and comment, staff will engage, as appropriate. Staff will also provide an oral update to the Committee on any new developments related to these regulations and other regulations of interest to the District.

The pending regulations and reports actively being tracked include:

- <u>California Endangered Species Act Listing</u> for the Southern California Steelhead;
- California Natural Resources Agency (CNRA) <u>30 x 30 California Implementation;</u>
- CNRA's Water Resilience Portfolio Implementation and Resiliency 2.0 Implementation;
- DWR's 2023 California Water Plan Update;
- DWR Surface water and groundwater interconnection guidance;
- State Board's development of a "Cross Connection Policy Handbook";
- State Board's Direct Potable Reuse Regulations;
- State Board's implementation of the Lead and Copper Rule;
- State Board's "Making Water Conservation a California Way of Life" implementation;
- State Board's <u>Safe and Affordable Funding for Equity and Resilience (SAFER) Drinking</u> <u>Water Program;</u>
- State Board's **Development of Maximum Contaminant Levels for PFAS**;
- South Coast AQMD's Cumulative Impacts from Air Toxics for CEQA Projects;
- South Coast AQMD's Tier 4 Emergency Generator Testing Policy; and
- South Coast AQMD's <u>PAR 1146.2 Control of NOx from Large Water Heaters</u>, <u>Small</u> <u>Boilers and Process Heaters</u>.

## 2023 Federal Legislative Update:

## Kern Fan Groundwater Storage Project Outreach:

IRWD's federal advocacy priority in 2023 focuses on seeking federal funding for the Kern Fan Groundwater Storage Project and advocating for an increased funding authorization for the federal Water Storage Program. Staff will provide an update on those efforts.

## 2023 Federal Regulatory Update:

## Lead and Copper Rule Improvements:

In January 2021, the United States Environmental Protection Agency (U.S. EPA) finalized the Lead and Copper Rule Revisions (LCRR), a rule to modify the Federal Lead and Copper Rule. After finalizing the LCRR, U.S. EPA announced that it would move forward with a subsequent rulemaking process to improve the LCRR. This subsequent rulemaking is known at the Lead and Copper Rule Improvements (LCRI). On November 30, 2023, the U.S. EPA released the proposed LCRI for public review and comment. While staff is undertaking a thorough review of the proposed rule, U.S. EPA summarized the proposed LCRI, as:

- Achieving 100% Lead Pipe Replacement within 10 years. When lead service lines are present, they represent the greatest source of lead exposure in drinking water. The proposed LCRI would require the vast majority of water systems to replace lead services lines within 10 years.
- Locating Legacy Lead Pipes. Knowing where lead pipes are is critical to replacing them efficiently and equitably. Water systems are currently required to provide an initial inventory of their lead service lines by October 16, 2024. Under the proposed LCRI, all water systems would be required to regularly update their inventories, create a publicly available service line replacement plan, and identify the materials of all service lines of unknown material.
- *Improving Tap Sampling.* The proposed LCRI would make key changes to the protocol that water systems must use for tap sampling informed by best practices already being deployed at the local and state level, like in Michigan. Water systems would be required to collect first liter and fifth liter samples at sites with lead service lines and use the higher of the two values when determining compliance with the rule.
- Lowering the Lead Action Level. EPA is proposing to lower the lead action level from  $15 \mu g/L$  to  $10 \mu g/L$ . When a water system's lead sampling exceeds the action level, the system would be required to inform the public and take action to reduce lead exposure while concurrently working to replace all lead pipes. For example, the system would install or adjust corrosion control treatment to reduce lead leaching into drinking water.
- *Strengthening Protections to Reduce Exposure.* Water systems with multiple lead action level exceedances would be required to conduct additional outreach to consumers and make filters certified to reduce lead available to all consumers. The filters must be certified to reduce lead.

The U.S. EPA intends to finalize the LCRI prior to October 16, 2024.

# Other 2023 Federal Regulatory Updates:

The following is a list of federal regulations and agency reports staff is monitoring, tracking, or planning to engage in over the next three to 12 months. As the next drafts of the regulations or reports are released for public review and comment, staff will engage, as appropriate. Staff will also provide an oral update to the Committee on any new developments related to these regulations and other regulations of interest to the District.

The pending regulations and reports actively being tracked include:

- U.S. EPA's Proposed Designation of PFOA and PFOS as CERCLA Hazardous Substances;
- U.S. EPA's Potential Future Hazardous Substances Designations of PFAS Under CERCLA;
- U.S. EPA's Proposed PFAS National Primary Drinking Water Regulation;
- U.S. EPA's Consumer Confidence Report Rule Revisions; and
- Bureau of Reclamation's Post-2026 Colorado River Reservoir Operational Guidelines and Strategies for Lake Powell and Lake Mead.

# FISCAL IMPACTS:

Not applicable.

# ENVIRONMENTAL COMPLIANCE:

Not applicable.

# **RECOMMENDATION:**

That the Board authorize the District to sponsor legislation in 2024 to establish state policy to encourage and incentivize, but not mandate, the development of emergency water supplies, and to support the use of emergency supplies during times of water shortage, and to sponsor legislation in 2024 to clarify existing law that the cost associated with peak water usage should be reasonably allocated to the parcels served by a water service provider and that those costs could be allocated based on meter size, peaking factors, or any other method consistent with Proposition 218.

## LIST OF EXHIBITS:

None.