

REGULAR MEETING OF THE BOARD OF DIRECTORS PICO WATER DISTRICT

4843 S. Church Street Pico Rivera, California, 90660

6:00 PM Wednesday, May 5, 2021

AGENDA

Pursuant to the provisions of Executive Order N-25-20 Issued by Governor Gavin Newsom on March 12, 2020, any Board member and any member of the public who desires to participate in the open session items of this meeting may do so by accessing the Zoom link below to join by webcam or teleconference without otherwise complying with the Brown Act's teleconference requirements.

Any member of the public wishing to make any comments to the Board may do so through that Zoom link. The meeting Chair will acknowledge such individual(s) at the appropriate time in the meeting prior to making his or her comment. Members of the public wishing to make a comment are asked to state their name for the record and will be provided three (3) minutes to comment, the Board secretary will alert those commenting when they only have 30 seconds remaining. All members of the public will be disconnected from the Zoom link immediately before the Board of Directors adjourns into Closed Session.

Join Zoom Meeting

https://zoom.us/j/9521779948?pwd=dGNxcXh3YitEc2NIVVdrUzVvNm4rZz09

Join by Telephone: +1 669 900 6833

Meeting ID:

952 177 9948

Passcode:

421745

- 1. **ROLL CALL**,
- 2. PLEDGE OF ALLEGIENCE.
- 3. **INVOCATION.**

4. TIME RESERVED FOR PUBLIC COMMENTS.

Members of the public shall be allowed three minutes to address the Board on any matter on the agenda and/or within the jurisdiction of the District, which is not on the Agenda. All comments should be addressed to the presiding officer of the meeting. Additional public comments shall be allowed when a listed agenda item is being considered, but such comments made at that time must be confined to the subject that is being discussed at the time such comments are made. Members of the public are asked to state their name for the record. Due to all Board Meetings being run as Zoom Meetings all participants will be placed on mute at the start of the meeting and when the meeting is open for public comment the participant will be asked to raise their hand through the button on the video conference screen if participating by video conference or by pressing *9 on their phone if participating by teleconference.

5. **ADOPTION OF AGENDA.**

6. APPROVAL OF CONSENT CALENDAR.

(All matters on the Consent Calendar are to be approved on one motion, unless a Board Member requests a separate action on a specific item).

- A. Consider April 21, 2020 Regular Board Meeting Minutes.
- B. Consider the March Financial Statement.
- C. Consider the accounts now due and payable, and receive and file bills approved by the General Manager.

7. REPORTS.

- A. General Manager.
- B. Legal Counsel.

8. DIRECTOR'S REQUEST OF FUTURE AGENDA ITEMS.

9. **BOARD MEMBER COMMENTS.**

A. Report on Meetings Attended/Comments.

10. ADJOURNMENT.

AGENDA POSTED ON: April 30, 2021

Next regularly scheduled meeting: May 19, 2021

NOTE: To comply with the Americans with Disabilities Act, if you need special assistance to participate in any Board meeting, please contact the District office at (562) 692-3756 at least 48 hours prior to a Board meeting to inform the District of your needs and to determine if accommodation is feasible.

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the District office, located at 4843 S. Church Street, Pico Rivera, California.

CONSENT ITEMS

REGULAR MEETING OF THE BOARD OF DIRECTORS PICO WATER DISTRICT

4843 S. Church Street Pico Rivera, California, 90660

6:00 P.M. Wednesday, May 5, 2021

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(All matters on the Consent Calendar are to be approved on one motion, unless a Board Member requests a separate action on a specific item).

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- B. Consider the March Financial Statement.
- C. Consider the accounts now due and payable, and receive and file bills approved by the General Manager.

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PICO WATER DISTRICT

A Regular meeting of the Board of Directors of the Pico Water District was held in the District's Boardroom located at 4843 South Church Street, Pico Rivera, California, on Wednesday, April 21, 2021 at 6:02 p.m.

The District's Secretary/General Manager, Mr. Mark J. Grajeda proceeded with the roll call of the attending Board members. Present from the beginning of the meeting were President David R. Gonzales, while Director Pete Ramirez, Director Robert Martinez and Vice President Victor Caballero participated telephonically, in adherence to social distancing. Director Raymond Rodriguez and Mr. Jim Ciampa, Legal Counsel for the District participated electronically.

President Gonzales presided over the meeting and Vice President Caballero led everyone in the Pledge of Allegiance.

Director Martinez gave the invocation.

President Gonzales proceeded to the next item on the Agenda, Public Comments. There were none.

President Gonzales proceeded to the adoption of the Agenda. Director Martinez made the motion to adopt the Agenda and Director Ramirez seconded the motion. The General Manager announced that the motion passed by roll-call vote, 5-0.

President Gonzales proceeded to the approval of the Consent Calendar. Director Martinez made the motion to approve and President Gonzales seconded the motion. The General Manager announced the motion passed by roll-call vote, 5-0.

President Gonzales proceeded to the next item on the Agenda, consider proposal from General Pump Company to rehabilitate Well 4. The General Manager reviewed the staff report and General Pump Company's proposals to perform the work required to rehabilitate the well. It has been over 10 years since this well has been taken apart and looked at. At the same time the pump will be lowered approximately 20 feet as to compensate for times that the well has been shut down due to the water table dropping in times of low rainfall. After a brief question and answer Director Martinez made the motion to approve the work at a cost of \$77,468 and direct the General Manager to execute all documents related to the project. Director Rodriguez seconded the motion. The General Manager announced the motion passed by roll-call vote, 5-0.

President Gonzales proceeded to the next item on the Agenda, General Manager's report. Dominguez will begin work on Stephens Street on April 26, 2021 with a tentative completion date of June 11, 2021, all parties have met regarding the project – the City, Riverside Construction and ACE and are all onboard. The General Manager announced that he would be out of the office Thursday and Friday, April 22nd and 23rd; District staff has informed him that Beverly Boulevard is 99.9% complete; he has placed a call to Senator Archuleta's office but has not heard back from

Don Wilcox and also plans to contact Assemblywoman Garcia's office to inquire about her \$100M ask for PFAS treatment funds.

President Gonzales proceeded to the next item on the Agenda, Legal Counsel report. Legislation is continuing in Sacramento with an end of month deadline to get bills out of policy committees; most significant to the District is SB 223 – amendments to service terminations; AB 1195 is still in committee; he and the General Manager, along with other entities, participated in a phone call with WRD regarding the PFAS Remediation Program. WRD will be performing site visits to participating purveyors as early as next week, their goal is to have revised agreements to suppliers by the end of next week and if so may have to Board for approval at the second meeting in May, WRD is also looking at Federal and State funding sources as well.

President Gonzales proceeded to the next item on the Agenda, Director's request for future agenda items. There were none.

President Gonzales proceeded to the next item on the Agenda, Director report on meetings attended. There were none.

President Gonzales proceeded to the next item on the Agenda, Director comments, there were none.

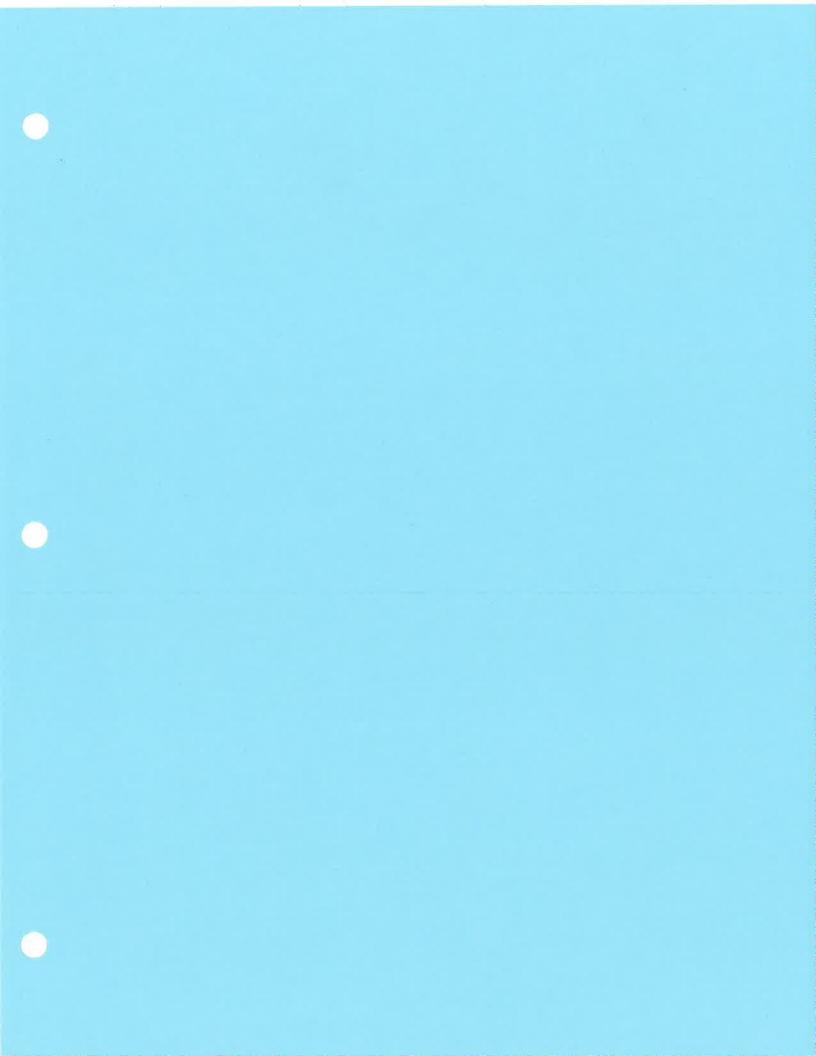
The Board retreated to closed session at 6:35 p.m.

The Board reconvened at 6:54 p.m.

Legal Counsel announced that the Board was briefed on the facts and circumstances regarding initiation of litigation pursuant to Government Code Section 54956.9, subdivision (d) (4) and no reportable action was taken.

There being no further business to come before the Board, the Board meeting adjourned at 6:55 p.m.

*	David R. Gonzales, President
Attest:	
Mark J. Grajeda, Secretary	
(Seal)	



PICO WATER DISTRICT

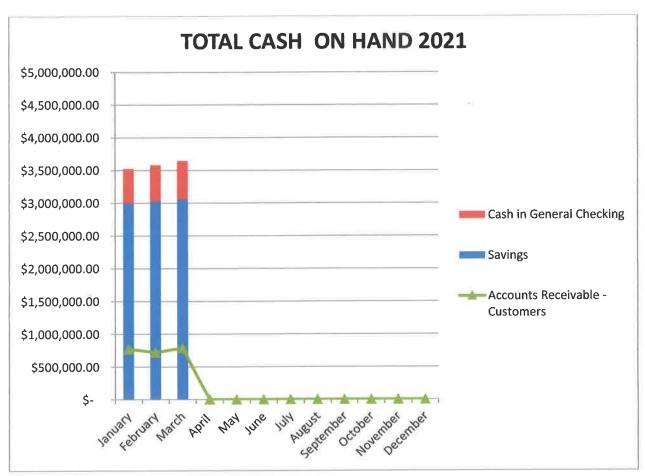
FINANCIAL STATEMENT SUMMARY

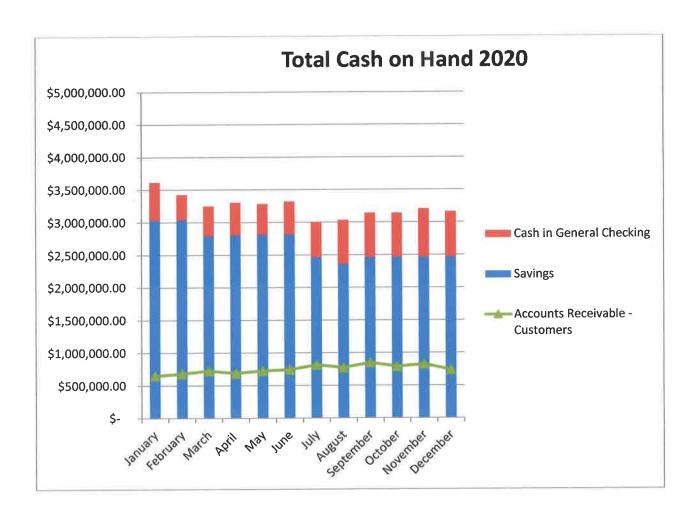
The March 2021 Financial Statement reflects that the District has \$2,160,963 deposited in the Local Area Investment Fund; \$309,482 invested with Cantella & Co., Inc. \$694,883 on deposit as Restricted Cash with Fiscal Agent (IBank loan); \$666,044 on deposit as Restricted Cash in the Infrastructure Account for the IBank loan payments; and has \$587,318 deposited in our General, Business, and Payroll accounts.

The Financial Statement also reflects that we collected \$332,043 in Total Operating Revenues, and that we incurred \$283,679 in Total Operating Expenses, which left us with a Net Income for the month of March of \$48,364 before contributed capital and depreciation (Net Income also includes non-operating income and non-operating expense).

The District's year-to-date Net Income is \$106,057 before contributed capital and depreciation, and has spent year-to-date a total of \$900,113.89 on Capital Improvement Projects.

Included herein are two graphs. The first graph is the Financial History for 2021 indicating Total Cash on Hand in Banks, the amount of total savings that is included in Cash on Hand and the amount of Accounts Receivable from our customers. The second graph illustrates the same information for 2020. These graphs are a visual aid to view trends in our Financial History.







Financial Statements

Balance Sheet (Unaudited)

			March 2021
1	ASSETS		
2	Cash and Investments		
3	Cash on Hand in Banks	\$	587,318
4	LAIF Investment		2,160,963
5	Cantella CDs	-	309,482
6	Total Cash and Investments		3,057,763
7	Cash and Investments - Restricted		
8	Restricted Cash with Fiscal Agent [IBank]		694,883
9	Restricted Cash - Infrastructure Acct [IBank]		666,044
10	Total Cash and Investments - Restricted		1,360,926
11	Other Current Assets		
12	Accounts Receivable-Customers-Net		789,198
13	Accounts Receivable-Other		57,022
14	Inventory-Materials and Supplies		74,376
15	Prepaid Expenses		53,632
16	Total Other Current Assets		974,229
17	Fixed Assets		
18	Utility Plant		26,826,908
19	Less: Accumulated Depreciation		(10,484,158)
20	Fixed Assets Total	-	16,342,750
21	Deferred Outflows of Resources (DOR)		226,526
22	TOTAL ASSETS & DOR	\$	21,962,194
23	LIABILITIES		
24	Current Liabilities		
25	Accounts Payable	\$	1,137,044
26	Accrued Interest	•	41,009
27	Refundable Deposits		388,011
28	Security Deposit - Rental House		2,250
29	Total Current Liabilities	-	1,568,315
30	Long-Term Liabilities		
31	Note Payable - IBank		6,691,719
32	OPEB Liability		825,315
33	Net Pension Liability		547,362
34	Total Long-Term Liabilities	-	8,064,395
35	TOTAL LIABILITIES	7	9,632,710
36	FUND BALANCE		
37	Retained Earnings		11,908,228
38	TOTAL FUND BALANCE	0.	11,908,228
39	Deferred Inflows of Resources (DIR)		421,256
40	TOTAL LIABILITIES, FUND BALANCE & DIR	\$	21,962,194

^{*}No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.



Financial Statements

Profit & Loss (Unaudited)

		March 2021		YTD 2021	Budget 2021	YTD Budget 25%
1 (OPERATING REVENUES					
2	WS 1 - Potable Water Charges	\$ 153,030	\$	438,091	\$ 2,027,570	22%
3	WS 2 - Recycled Water Charges	7,227		19,508	80,000	24%
4	MS 1 - Meter Charges	122,687		327,374	1,255,620	26%
5	MS 2 - Multi Unit Charges	4		18,302	113,000	16%
6	MS 3 - Fire Protection Charges	7,186		17,034	54,000	32%
7	Infrastructure Surcharge [RESTRICTED]	38,026		107,406	410,000	26%
8	Misc, Charges				500	0.07
9	Water Other-Hydrant Surcharge/Setup	4.040		4.045	500	0%
10	Application Charges	1,010		1,945	5,000	39%
11	Reconnection Charges	35		235	2,000	12%
12	NSF Check Charges	45		120	525	23%
13	Late Fee Charges	-		5	10,000	0%
14	Damage/Lock Charges	-			200	0%
15	Testing-Mtr/Flow/Sample Charges	- 0.700		200	1,250	16% 38%
16	Backflow Program	2,792		8,382	22,000	0%
17	Water Rights Income	 		*	90,000	
	TOTAL OPERATING REVENUES	332,043		938,597	4,071,665	23%
20	OPERATING EXPENSE					
21	Source of Supply	88,817		253,647	1,158,584	22%
22	Pumping	39,984		112,827	487,500	23%
23	Water Treatment	8,846		26,630	129,550	21%
24	Transmission & Distribution	16,314		39,676	181,600	22%
25	Customer Accounts	13,338		43,703	227,500	19%
26	General & Administrative	116,147		294,364	1,300,450	23%
27	COVID-19 Salaries	233		233	30,000	1%
28	COVID-19 Miscellaneous	 5			9	0%
29	TOTAL OPERATING EXPENSE	 283,679		771,081	3,515,184	22%
30	OPERATING INCOME (LOSS)	48,364		167,516	556,481	30%
	NON-OPERATING INCOME					
32	Interest - LAIF & Infrastructure Acct	2,363		2,367	30,000	8%
33	Investment Income	0		0	5,000	0%
34	Unrealized Gain / (Loss)	(779))	(2,057)	-	0%
35	Other Income			5.400	5,000	0%
36	House Rental Income	 1,700		5,100	20,400	25%
37	TOTAL NON-OPERATING INCOME	3,284		5,410	60,400	9%
38	NON-OPERATING EXPENSE					
39	Interest Expense / (Income)	20,504		61,849	246,052	25%
40	Annual Loan Fee Expense	1,673		5,019	20,075	25%
41	Other Non-Operating Expense				100	0%
42	Rental House Expense	 *		(#C	1,000	0%
43	TOTAL NON-OPERATING EXPENSE	22,177		66,868	267,227	25%
	NET INCOME / (LOSS) BEFORE CAPITAL CONTR. & DEPR.	29,470		106,057	349,654	30%
45	Contributed Capital	:		34.0	980	0%
46	Depreciation	 (43,750)		(131,250)	(525,000)	25%
47	NET INCOME / (LOSS)	\$ (14,280)	\$	(25,193)	\$ (175,346)	

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Financial Statements

Operating Expense Detail (Unaudited)

			March 2021	YTD 2021	Budget 2021	YTD Budget 25%
1	OPERATING EXPENSE					
2	SOURCE OF SUPPLY			40.000	75.000	000/
3	Salaries & Wages	\$	6,091	\$ 16,988	\$ 75,000	23%
4	Recycled Water		3,347	8,618	48,000	18%
5	Ground Water Replenishment		79,379	228,041	1,035,584	22%
6	TOTAL SOURCE OF SUPPLY		88,817	253,647	1,158,584	22 %
7	PUMPING					
	Salaries & Wages		15,825	42,381	180,000	24%
8	Maintenance		2,808	14,834	34,500	43%
9	Fuel or Power		21,351	55,613	273,000	20%
10	TOTAL PUMPING		39,984	112,827	487,500	23%
11	WATER TREATMENT					
12	Salaries & Wages		475	1,201	5,550	22%
13	Maintenance		4,308	12,122	44,000	28%
14	Water Treatment Regulations		4,063	13,307	80,000	17%
15	TOTAL WATER TREATMENT		8,846	26,630	129,550	21%
16	TRANSMISSION & DISTRIBUTION					
17	Salaries & Wages		9,097	24,866	92,000	27%
18	Maintenance		4,937	10,678	72,200	15%
19	Vehicle Maintenance		2,280	4,132	17,400	24%
20	TOTAL TRANSMISSION & DISTRIBUTION		16,314	39,676	181,600	22%
21	CUSTOMER ACCOUNTS					
22	Meter Reading Labor		1,544	4,506	26,500	17%
23	Billing/Customer Service Salaries & Wages		8,823	25,455	139,000	18%
24	Supplies		2,971	13,741	62,000	22%
25	TOTAL CUSTOMER ACCOUNTS	•	13,338	43,703	227,500	19%
26	GENERAL & ADMINISTRATIVE					
27	Salaries		16,766	45,205	240,000	19%
28	Vacation/Holiday/Other Payroll		18,507	40,655	140,000	29%
29	Directors Compensation		2,250	6,600	33,000	20%
30	Travel & Meetings (Board)		145	145	15,000	1%
31	Travel & Meetings (Staff)		100	200	2,500	8%
32	Board Room Expenses		179	538	1,000	54%
33	Office Supplies		687	3,144	12,000	26%
34	Office Utilities		1,590	4,849	23,000	21%
35	<u>Professional Services</u>		4.005	7.550	40,000	100/
36	Accounting		4,005	7,553	46,000	16%
37	Computer		550	850	4,500 4,500	19% 27%
38	Engineering		C 417	1,200		33%
39	Legal		6,417	16,546 2,655	50,000 1,500	177%
40	Miscellaneous		2,411 964	2,891	10,000	29%
41 42	PWAG - Emergency Services Coordinator Tyler Technologies Licensing and Support		1,051	3,152	13,250	24%
42	Nobel Systems - GIS Program		1,475	4,425	18,000	25%
44	Insurance		25,407	74,930	315,000	24%
45	Payroll Taxes		5,884	17,249	68,000	25%
46	Pension		13,034	25,192	140,000	18%
			,	•		

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Financial Statements

Operating Expense Detail (Unaudited)

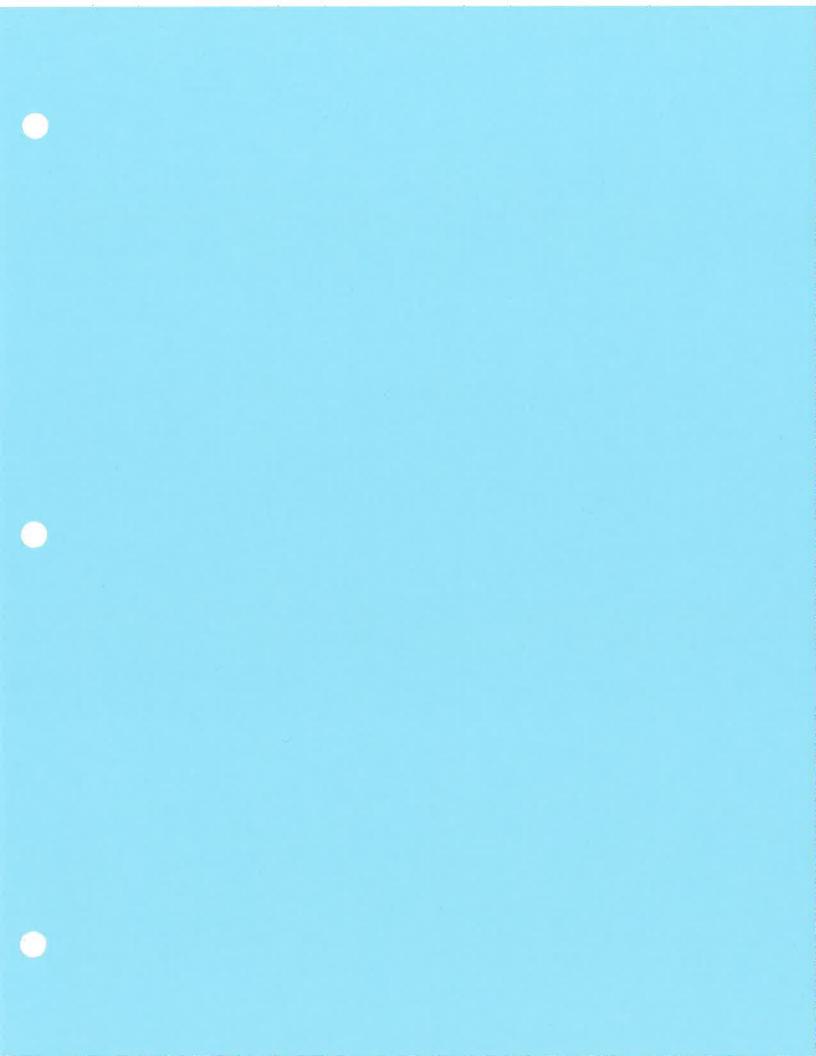
			March 2021	YTD 2021	Budget 2021	YTD Budget 25%
47	OPEB Expense		7,500	22,500	90,000	25%
48	Maintenance		4,557	7,161	23,500	30%
49	Dues & Meetings		1,669	4,888	15,000	33%
50	Noticing		-		7,000	0%
51	Education Expense		600	600	1,500	40%
52	Conservation Expense		500	1,238	25,000	5%
53	Grant Program		2	563	*	0%
54	Other Operating Expenses		≅	W.	1,200	0%
55	CBMWD Retail Meter Charge		-	12 n	92	0%
56	Election Expense		8		2	0%
57	TOTAL GENERAL & ADMINISTRATIVE	33	116,147	294,364	1,300,450	23%
58	TOTAL OPERATING EXPENSE	\$	283,445 \$	770,848 \$	3,485,184	22%

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Pico Water District 2021 Work in Progress (CIP)

0-000-	-1890	2021 CIP Budget	March 2021	YTD Total
I	Bulldings/Land			
	1 No plans	0	0.00	0.00
	Sub-total	0	0.00	
п	Office Equipment Purchase	44.050	0.00	0.00
	Tyler Content Management System	11,250	0.00	0,00
	Sub-total	11,250	0.00	0,00
ш	Field Equipment Purchase			
	No Planned Purchases	0	0,00	0,00
	Sub-total	0	0.00	0.00
īv	Replacement Programs			
14	A. Hydrants			
	1 Repairs	8,000	0,00	0.00
	Sub-total	8,000	0.00	0.00
	B. Meters - proposal to change out all remaining manua	al read meters	0.400.00	5.040.55
	No plans going forward w/exception Sub-total	0	3,108,99 3,108.99	5,940,56 5,940.56
		U	9,100.00	0,540.00
	C. Service Lines	45.54		
	1 Repairs Sub-total	15,000	0.00	0.00
		13,000	0,00	0.00
	D. Main Lines			
	1 Repairs Sub-total	35,000	0.00	0:00
	Sub-total	35,000	0.00	0.00
	C. Valves			
	1 Repairs Sub-total	8,000	0.00	0,00
		8,000	0.00	0.00
v	Consulting Services			
	1 Water Master Plan Upgrade carryover	150,000	3,212.50	5,198.75
	2 Risk Resilience Assmnt/Emigncy Rspns Plans 3 New Development Charge/Fee carryover	50,000		0.00
	4 PFAS/PFOA Treatment carryover		6,366.00	0,00 6,366,00
	Sub-total	200,000	9,678.50	11,564,75
		,	•	,
VI	Well Rehabilitation & Equipment Upgrade 1 Rehabilitation Well 4			
	2 Reservoir Maintenance Work	90,000 30,000		8,900,00
	Z 1703014011 Walltoffallog \$401K	30,000		0.00
	Sub-total	120,000	0.00	8,900.00
VIII.	Future Planned Work			-
VII	1 Install Treatment Facilities - Wells 5,8,11	2,000,000		
		2,000,000		
		_,,		
	Total	2,397,250	12,687.49	26,405.33
ИП	I-Bank Projects			
	1 New Well 11 carryover			3,313.63
	2 Union/Walnut/Olympic carryover 3 Layman carryover		0.00	0.00
	4 Beverly Blvd. Carryover		820,847.70	827,350.20
	Bank CIP Sub-total	0	820,847.70	830,663.83
		S-		
	Grand Total City of Pico Rivera Hotspots Project	2,397,250	833,535.19	857,069.16
	Well 2 - 4852 Lot Split		5,140.00	5,140.00
	Rosemead Extension - Material Burma Road		52,078.53	52,078.53
	Stephens Street		29.83 19.90	13,734,83 29,309.90
		_	57,268.26	900,113.89
	Page 5		900 903 45	
			890,803.45	

845,504,41





Open Payable Report

As Of 04/30/2021

Summarized by Payable Account

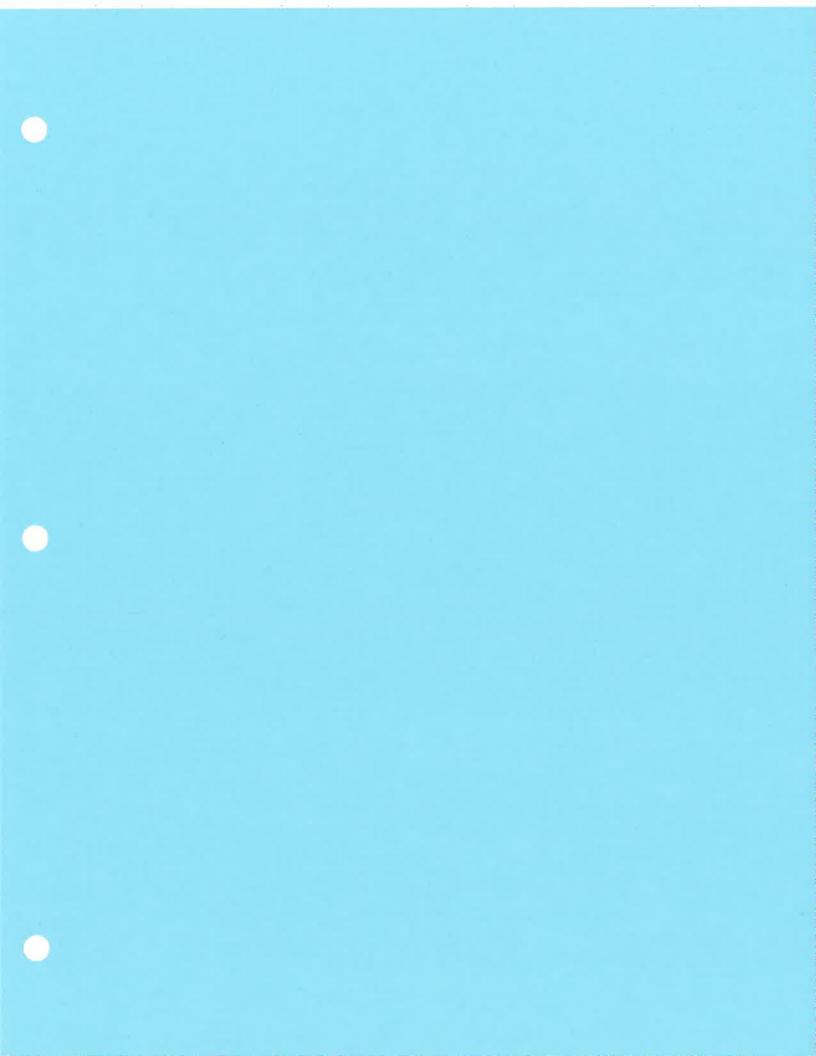
200				Discount	Shipping	Тах	Net
Payable Number Payable Account:	Description 10-000-2000 - Accounts Payable	Post Date	Amount	Amount	Amount	Amount	Amount
Vendor: 1007	ACWA-JOINT POWERS INSURANCE AUTHORITY				Payable Count	: (1)	4,628.63
INV0001064	MAR 2021 - 1ST QRTR WRKR COMP	03/31/2021	4,628.63	0.00	0.00	0.00	4,628.63
Vendor: 1026	BELL PIPE & SUPPLY CO				Payable Count	: (1)	-74.10
\$26660234.002	JAN 2020 - RETURN OF PRODUCT	01/31/2020	-74.10	0.00	0.00	0.00	-74.10
Vendor: 1092	GARVEY EQUIPMENT COMPANY				Payable Count	: (1)	119.96
137387	Equipment Repair - Cut Off Saw Repair / Maint.	04/22/2021	119.96	0.00	0.00	0.00	119.96
Vendor: 1111	HOME DEPOT CREDIT SERVICE				Payable Count	: (6)	292.51
3592628	Misc. Well Maint Well Supplies for Clean Up	11/26/2019	15.84	0.00	0.00	0.00	15.84
2592692	Yard Maint Supplies for Cleaning Crew	11/27/2019	79.55	0.00	0.00	0.00	79.55
8105491	Well #11 - Material for Irrigation	12/11/2019	19.84	0.00	0.00	0.00	19.84
8562235	Meter Repair-PVC Parts for Irrigation Line HookUp	12/11/2019	48.27	0.00	0.00	0.00	48.27
CM0000006	NOV 2019 CREDIT MEMO FOR RETURN THAT WAS PAID	12/31/2019	-80.75	0.00	0.00	0.00	-80.75
0094614	Well #10 Maint Material for Water Lube Repair	04/22/2021	209.76	0.00	0.00	0.00	209.76
Vendor: 1372	HUNTER ELECTRIC SERVICE, INC.				Payable Count	: (3)	11,300.05
2021-0044	Well #11 - Light Pole Maint.	04/05/2021	1,924.45	0.00	0.00	0.00	1,924.45
2021-0053	Cate Reservoir - Installation of LED lights	04/20/2021	7,282.02	0.00	0.00	0.00	7,282.02
2021-0054	Well #11 Maint Install Conduits for Shed	04/20/2021	2,093.58	0.00	0,00	0.00	2,093.58
Vendor: 1123	J.DE SIGIO CONSTRUCTION INC				Payable Count	: (1)	6,502.50
137494 TAIT	FEB 2021 - CIP BEVERLY/ROSEMEAD SURVEY WRK	02/28/2021	6,502.50	0.00	0.00	0.00	6,502.50
Vendor: 1135	LAGERLOF, LLP				Payable Count	: (3)	6,417.00
30476	MAR 2021 - LEGAL SVCS BOARD MEETINGS	03/31/2021	1,240.00	0.00	0.00	0.00	1,240.00
30478	MAR 2021 - LEGAL SVCS PERSONNEL	03/31/2021	217.00	0.00	0.00	0.00	217.00
30562	MAR 2021 - LEGAL SVCS GENERAL MATTERS	03/31/2021	4,960.00	0.00	0.00	0.00	4,960.00
Vendor: 1388	MATT-CHOR INC.				Payable Count	: (1)	154.79
25597	Well #11 Maint Replace Membrane Cap CL2 System	04/08/2021	154.79	0.00	0.00	0.00	154.79
Vendor: 1184	QUINN COMPANY				Payable Count	: (1)	-21.90
PR810300736	DEC 2020 - CREDIT BATTERY RECYCLE	12/31/2020	-21.90	0.00	0.00	0.00	-21.90
Vendor: 1190	REGISTRAR-RECORDER/COUNTY CLERK				Payable Count	: (1)	57,210.60
21-2165	APR 2021 - NOVEMBER 2020 ELECTION CHARGES	04/29/2021	57,210.60	0.00	0.00	0.00	57,210.60
Vendor: 1198	SALGADO TIRE SERVICE				Payable Count	: (1)	10.00
3947	Unit #60 - Tire Repair	04/20/2021	10.00	0.00	0.00	0.00	10.00
Vendor: 1202	SHELL				Payable Count	: (5)	427.77
696765	Misc. Fuel Exp Diesel Fuel Unit #50	09/09/2019	81.18	0.00	0.00	0.00	81.18
708693	Misc. Fuel Exp Compressor	09/10/2019	53.36	0.00	0.00	0.00	53.36
858530	Misca Fuel Exp Diesel Fuel - Backhoe	09/26/2019	87.82	0.00	0.00	0.00	87.82
60855926	SEPT 2019 - FUEL CHARGES	09/30/2019	115.89	0.00	0.00	0.00	115.89
652362	Fuel Exp Diesel Fuel for Backhoe	11/27/2019	89.52	0.00	0.00	0.00	89.52
Vendor: 1256	WESTERN WATER WORKS				Payable Count	: (1)	443.78
1209942-00	Fire Hydrant Repair / Maint8611 DunlapCrossingRd	04/08/2021	443.78	0.00	0.00	0.00	443.78
Vendor: 1259	WHITTIER FERTILIZER				Payable Count	: (1)	167.57
369978	Misc. Well Maint Tools & Weed Killer	04/28/2021	167.57	0.00	0.00	0.00	167.57
		Payable A	ccount 10-000-2000) Payable	e Count: (27)	Total:	87,579.16

Payable Account Summary

Account		Count	Amount
10-000-2000 - Accounts Payable		27	87,579.16
	Report Total:	27	87,579.16

Payable Fund Summary

Fund			Amount
10 - General Operating		27	87,579.16
	Report Total:	27	87,579.16





Check Report

By Check Number

Date Range: 03/01/2021 - 03/31/2021

0 9 0						
Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP-Accoun	ts Payable					
1383	CITY OF PICO RIVERA	03/09/2021	Regular	0.00	5,140.00	61336
1046	CENTRAL BASIN MUNICIPAL WATER DISTRICT	03/11/2021	Regular	0.00	3,400.48	61337
1048	CENTRAL VOICE	03/11/2021	Regular	0.00	261,32	61338
1071	DE LAGE LANDEN FINANCIAL	03/11/2021	Regular	0.00	333.53	61339
1080	EDISON COMPANY	03/11/2021	Regular	0.00	4,097.79	61340
1369	EIDE BAILLY LLP	03/11/2021	Regular	0.00	1,297.50	61341
1362	FAMCON - PIPE & SUPPLY, INC.	03/11/2021	Regular	0.00	307.32	61342
1384	GARY Y. MORIGUCHI, D.D.S.	03/11/2021	Regular	0.00	83.00	61343
1098	GERALD P. ROODZANT, DDS APC	03/11/2021	Regular	0.00	195.00	61344
1105	HARRINGTON INDUSTRIAL PLASTICS LLC	03/11/2021	Regular	0.00	561.06	61345
1135	LAGERLOF, LLP	03/11/2021	Regular	0.00	2,511.00	61346
1148	McCALL'S METER SALES & SERVICE	03/11/2021	Regular	0.00	171.32	61347
1228	THE JANKOVICH COMPANY	03/11/2021	Regular	0.00	1,692.72	61348
1229	TOTAL COMPENSATION SYSTEMS, INC.	03/11/2021	Regular	0.00	1,350.00	61349
1245	VERIZON WIRELESS	03/11/2021	Regular	0.00	84.16	61350
1250	WATER REPLENISHMENT DISTRICT OF	03/11/2021	Regular	0.00	84,425.82	61351
1259	WHITTIER FERTILIZER	03/11/2021	Regular	0.00	72.77	61352
1178	ADT COMMERCIAL	03/18/2021	Regular	0.00	1,442.96	61353
1017	AT & T	03/18/2021	Regular	0.00	131.70	61354
1375	AUTOMATED WATER TREATMENT	03/18/2021	Regular	0.00	3,810.24	61355
1019	AUTOZONE, INC.	03/18/2021	Regular	0.00	143.79	61356
1053	CINTAS #053	03/18/2021	Regular	0.00	341.76	61357
1080	EDISON COMPANY	03/18/2021	Regular	0.00	15,091.10	61358
1369	EIDE BAILLY LLP	03/18/2021	Regular	0.00	1,747.90	61359
1100	GRAINGER	03/18/2021	Regular	0.00	132.83	61360
1105	HARRINGTON INDUSTRIAL PLASTICS LLC	03/18/2021	Regular	0.00	81.82	61361
1372	HUNTER ELECTRIC SERVICE, INC.	03/18/2021	Regular	0.00	421.68	61362
1133	KABBARA ENGINEERING	03/18/2021	Regular	0.00	14,965.00	61363
1136	LAW FIRE PROTECTION	03/18/2021	Regular	0.00	1,280.16	61364
1153	NASA SERVICES	03/18/2021	Regular	0.00	209.96	61365
1186	RAY'S OK TIRE, INC.	03/18/2021	Regular	0.00	15.00	61366
1209	SOUTHERN CALIFORNIA GAS COMPANY	03/18/2021	Regular	0.00	38.10	61367
1211	SPECTRUM	03/18/2021	Regular	0.00	312.94	61368
1214	STATE WATER RESOURCES CONTROL BOARD	03/18/2021	Regular	0.00	23,078.00	61369
1237	UNDERGROUND SERVICE ALERT	03/18/2021	Regular	0.00	227.36	61370
1249	VOTACALL, INC.	03/18/2021	Regular	0.00	85.80	61371
1252	WECK LABORATORIES, INC.	03/18/2021	Regular	0.00	2,327.00	61372
1259	WHITTIER FERTILIZER	03/18/2021	Regular	0.00	73.19	61373

Bank Code AP Summary

	Payable	Payment		
Payment Type	Count	Count	Discount	Payment
Regular Checks	71	38	0.00	171,943.08
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	71	38	0.00	171,943.08

Check Report

Date Range: 03/01/2021 - 03/31/2021

Vendor NumberVendor NamePayment DatePayment TypeDiscount AmountPayment AmountNumberBank Code: Infrastructure-Infrastructure Account1123J.DE SIGIO CONSTRUCTION INC03/18/2021Regular0.00303,798.60100085

Bank Code Infrastructure Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	1	1	0.00	303,798.60
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	1	ī	0.00	303,798.60

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	72	39	0.00	475,741.68
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0,00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	72	39	0.00	475,741.68

Fund Summary

Fund	Name	Period	Amount
10	General Operating	3/2021	475,741.68
			475,741.68

REPORTS

REGULAR MEETING OF THE BOARD OF DIRECTORS PICO WATER DISTRICT

4843 S. Church Street Pico Rivera, California, 90660

6:00 P.M. Wednesday, May 5, 2021

AGENDA

7. **REPORTS**.

- A. General Manager.
- B. Legal Counsel.

Legislative Update





MEMORANDUM

To:

Public Water Agencies Group

From:

James Ciampa

Re:

Legislative Report

Date:

April 28, 2021

Below is the updated legislative summary of bills of interest to the Group for the 2021-22 Legislative Session, which includes bills amended through April 23. Newly added bills to the report are highlighted in yellow and status updates have also been added to this report and are highlighted in yellow. Note that April 30 is the deadline for bills to be approved by the respective houses' policy committees, so those bills not approved by policy committees by this Friday will either become two-year bills or will be considered dead for the session.

ASSEMBLY BILLS

ACA 1 (Aguiar-Curry) – Infrastructure – Voter Approval: This proposed constitutional amendment would reduce the voter approval threshold from 2/3rds to 55% for local agency (including special districts) special taxes (and other taxes a city or county may impose) to be used to repay bonded indebtedness to fund affordable housing, permanent supportive housing or public infrastructure, including water and water quality projects. The proposal includes the following prohibition applicable to special districts: "A special district, other than a board of education or school district, shall not incur any indebtedness or liability exceeding any applicable statutory limit, as prescribed by the statutes governing the special district as they currently read or may thereafter be amended by the Legislature." The item has been referred to the Assembly Local Government and Appropriations Committees.

AB 20 (Lee) – Political Reform Act: This bill would add to the Political Reform Act the Clean Money Act of 2021, which would prohibit a candidate for elective office from receiving a contribution from a business entity, and a business entity from making a contribution to a candidate for elective office. By the March 1 amendments, the bill was renamed as the Corporate Free-Elections Act. The bill is pending in the Assembly Elections Committee.

AB 25 (Kiley) – Employment – Independent Contractor Test: This bill would provide that the prior multi-factor test, known as the *Borello* test, instead of the ABC test codified in AB 5, would apply in determining whether a contractor licensed pursuant to the Business and Professions Code is an independent contractor. The bill is pending in the Assembly Labor and Employment Committee.

AB 59 (Gabriel) – Mitigation Fee Act: This bill is similar to AB 3147 from the last Legislative Session and would amend the Mitigation Fee Act (which applies to capacity charges and connection fees) to revise various timelines. It would increase, the time for mailing the notice of public meeting to at least 45 days (increased from 14 days) before the meeting and would require the local agency to make its information concerning the fee at issue available to the public at least 30 days before the meeting. The bill would also require a local agency to make available to the public all of the data demonstrating the required relationship between the amount of a fee for public facilities and the need for the public facilities. The bill would require the data to also be made available to the public on the local agency's internet website. The bill would authorize interested parties to file an electronic request to receive the notice of the meeting time and place, and would require the local agency to mail or electronically send the notice as requested by the party. The bill would prohibit a local agency, when defending a protest or action filed for a fee or service charge, or for fees for specified public facilities, from using as evidence, or relying on in any way, data not made available to the public pursuant to these provisions. The bill would require revenues in excess of actual cost to be used to reimburse the payor of the fee or service charge.

This bill would also delete the provisions requiring a judicial action or proceeding to attack, review, set aside, void, or annul an ordinance within 120 days of the effective date of the ordinance or increase, and would instead require a judicial action or proceeding to be conducted in accordance with other procedures that, among other things, require a protest to be filed within 90 days after the imposition of the fees and an action to attack, review, set aside, void, or annul the imposition of the fees to be filed within 180 days after delivery of a specified notice by the local agency.

Connection fees and capacity charges are often lumped in with "impact fees." However, they are separate and distinct. Municipalities impose "impact fees" on property developers to fund the costs of providing services or building infrastructure that will serve the residents in the new development. These impact fees are intended to mitigate the impacts of the new development. A water or sewer agency imposes connection fees and capacity charges to recover the costs of a service directly provided to the new development (i.e., the work to connect homes to the existing water and sewer system and to ensure the system has adequate capacity to serve the new customers). Connection fees and capacity charges must reflect the cost of providing the service to the customer.

Under this bill, the statute of limitation period to challenge a connection fee or capacity charge would begin to run once the agency imposes the fee on the party applying for a new connection. Currently, the statute of limitations to challenge a connection fee or capacity charge begins to run after the agency adopts or amends the fee, because, once the window to challenge the fee closes, the agency can plan and invest funds in infrastructure intended to serve future

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development. Thus, AB 3147 would create financial uncertainty for water and sewer agencies. For example, agencies may invest money to build infrastructure to serve an area where new development is planned. Once the new development is built and connected to the system, the agency will charge a "buy-in" capacity charge to recover the agency's investment in that infrastructure. However, if a developer successfully challenges the capacity charge when it is imposed on the developer, which could be long after the agency initially adopted the charge and constructed the infrastructure, the agency could be unable to recover the entirety of its investment. This could have significant financial consequences for that agency. This bill would also apply the pay-under-protest provisions in the Mitigation Fee Act to connection fees and capacity charges. The bill was referred to the Assembly Local Government and Housing and Community Development Committees. It will be a two-year bill.

AB 69 (Kiley) – Declaration of Emergency: This bill would require a state of emergency to terminate 60 days after the Governor's proclamation of the state of emergency unless the Legislature extends it by a concurrent resolution. The bill would prohibit a concurrent resolution from extending a state of emergency by more than 60 days. The bill is pending in the Assembly Emergency Management Committee.

AB 95 (Low) – Bereavement Leave: This bill would enact the Bereavement Leave Act of 2021. The bill would require an employer with 25 or more employees to grant an employee up to 10 business days of unpaid bereavement leave upon the death of a spouse, child, parent, sibling, grandparent, grandchild, or domestic partner (an exception applies for employees covered by a collective bargaining agreement). The bill would require an employer with fewer than 25 employees to grant up to 3 business days of leave. This bill would authorize an employee who has been discharged, disciplined, or discriminated or retaliated against for exercising their right to bereavement leave to file a complaint with the Division of Labor Standards Enforcement or bring a civil action against their employer for reinstatement, specified damages, and attorney's fees. The March 22 amendments require an employee to request such leave. The bill passed the Assembly Labor and Employment Committee and is now pending in the Assembly Appropriations Committee's suspense file.

AB 100 (Holden) – Drinking Water – Lead Pipes: With respect to certain defined endpoint plumbing fixtures, this bill would define "lead free" to mean that the devices do not leach more than one microgram of lead under certain tests and meeting a specified certification. The bill passed the Assembly Environmental Safety & Toxic Materials Committee and is now pending in the Assembly Appropriations Committee's suspense file.

AB 108 (Cunningham) – Emergency Orders: This bill would provide that an order or regulation, or an amendment or rescission of such an order or regulation, can be issued pursuant to the California Emergency Services Act more than 60 days after the emergency is declared only if approved by a concurrent resolution of the Legislature. The bill is pending in the Assembly Emergency Management Committee.

AB 123 (L. Gonzalez) – Paid Family Leave: This bill would revise the formula for determining benefits available for paid family leave, for periods commencing after January 1. 2022, by redefining the weekly benefit amount to be equal to 90% of the wages paid to an

individual for employment by employers during the quarter of the individual's disability base period in which these wages were highest, divided by 13, but not exceeding the maximum workers' compensation temporary disability weekly benefit amount established by the Department of Industrial Relations. By comparison, the benefits that would be payable prior to January 1, 2022 are determined on a sliding scale set forth in Unemployment Insurance Code Section 2655, with the top level of benefits (applicable to wages exceeding \$1,749.20 in a quarter) is at 55% of the wages paid. The bill passed the Assembly Insurance Committee and is now pending in the Assembly Appropriations Committee.

AB 230 (Voepel) – Employment – Flexible Work Schedules: This bill would enact the Workplace Flexibility Act of 2021, which would permit an <u>individual</u> non-exempt employee to request an employee-selected flexible work schedule providing for workdays up to 10 hours per day within a 40-hour workweek, and would allow an employer to implement this schedule without the obligation to pay overtime compensation for those additional hours. Current law only allows such flexible work schedules for units of employees. The bill is pending in the Assembly Labor and Employment Committee.

AB 237 (Gray) – Public Employment – Unfair Practices – Health Protection: This bill, the Public Employee Health Protection Act, would make it an unfair practice for a covered employer (i.e., any public employer that offers health care or other medical coverage for non-occupational injuries or illness to its employees), to fail or refuse to maintain or pay for continued health care or other medical coverage for an enrolled employee or their enrolled dependents, for the duration of the enrolled employee's participation in an authorized strike, at the level and under the conditions that coverage would have been provided if the employee had continued to work in their position for the duration of the strike. The bill would require the restoration of health or other medical care premiums, contributions, or out-of-pocket expenses actually paid by the employee or their dependents as a result of the employer's violation of this provision, or because the employer failed to ensure continued coverage during a strike, and would require other equitable adjustments to ensure that the employee and their dependents are made whole. The bill passed the Assembly Public Employment and Retirement Committee and is now pending in the Assembly Appropriations Committee.

AB 339 (Lee) – Brown Act: This bill would require <u>all</u> local agency meetings to include an opportunity for all persons to attend via a call-in option or an internet-based service option that provides closed captioning services and requires both a call-in and an internet-based service option to be provided to the public. The bill would require, even in the case of a declared state or local emergency, teleconferenced meetings to include <u>an in-person public comment</u> <u>opportunity</u>. The bill would require all meetings to provide the public with an opportunity to address the legislative body remotely via call-in or internet-based service, and would require instructions on how to attend the meeting to be posted at the time notice of the meeting is publicized.

The bill would also require the legislative bodies of the local agency to employ a sufficient amount of qualified bilingual persons to provide translation during the meeting in the language of a non-English-speaking person, in jurisdictions which govern a substantial number of non-English-speaking people. The bill would define "non-English-speaking people" as

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members of a group who either do not speak English, or who are unable to effectively communicate in English because it is not their native language, and who comprise 5 percent or more of the people served by the agency.

Existing law, the Dymally-Alatorre Bilingual Services Act, requires any materials explaining services available to the public to be translated into any non-English language spoken by a substantial number of the public, as defined in that act, served by the agency, and requires every state and local agency serving a substantial number of non-English-speaking people to employ a sufficient number of qualified bilingual persons in public contact positions or as interpreters to ensure provision of information and services in the language of the non-English-speaking person. This bill would require legislative bodies of local agencies to translate agendas and instructions for accessing the meeting to be translated into all languages for which 5% of the population in the area governed by the local agency are speakers.

The bill was significantly amended on April 15 and now would require all local agency board meetings to include an opportunity for members of the public to attend via a telephonic option and an internet-based option. The bill would require all meetings to include an in-person public comment opportunity, except during a declared state or local emergency. The bill would require all meetings to provide the public with an opportunity to comment on proposed legislation in person and remotely via telephonic and internet-based options, and would specify requirements for public comment registration. The bill would also require the legislative body of the local agency to provide interpretation services as may be requested, and to have a system to process requests for interpretation services and publicize that system online. This bill would require legislative bodies of local agencies to make available instructions on joining the meeting to all non-English-speaking persons upon request, and to publish the instructions in the two most spoken languages other than English within the local agency's jurisdiction. The bill is pending in the Assembly Local Government Committee.

AB 343 (Fong) – Public Records Act – Ombudsman: This bill would establish, within the California State Auditor's Office, the California Public Records Act Ombudsperson. The bill would require the California State Auditor to appoint the ombudsperson, who would be required to receive and investigate requests to state agencies for review, determine whether the denials of original requests complied with the California Public Records Act, and issue written opinions of its determination. The bill would require the ombudsperson to create a process to that effect. The bill also would authorize the ombudsperson to provide written information, guidance, and advice to both public agencies and members of the public regarding the California Public Records Act. The bill passed the Assembly Accountability and Administrative Review and Judiciary Committees and is now pending in the Assembly Appropriations Committee.

AB 361 (R. Rivas) – Brown Act: This bill would authorize a local agency to use teleconferencing for its board meeting without complying with the teleconferencing requirements imposed by the Brown Act in any of the following circumstances: (i) the board holds the meeting to proclaim or ratify a local emergency; (ii) the board holds a meeting during a proclaimed state of emergency or declared local emergency, and state or local officials have imposed or recommended measures to promote social distancing; or (iii) the board holds a meeting during a declared local emergency and determines by majority vote that, as a result of the emergency, the

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attendance of one or more board members in person is hindered, or meeting in person would present risks to the health or safety of the attendees. The bill would require a board that holds a teleconferenced meeting under these conditions to do all of the following: (a) provide notice of the meeting and post agendas as otherwise required; (b) allow members of the public to access the meeting and the agenda shall provide an opportunity for the public to address the board directly; and (c) the teleconference meeting must be conducted in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body. This bill would provide flexibility to public agencies for any future unforeseen state of emergency, and would allow public agencies to continue to provide these essential services without jeopardizing the health of those attending.

The bill was amended on April 6 to require a public agency to provide telephonic or internet-based options for members of the public to provide comments. The bill also would require the legislative body to take no further action on agenda items when there is a disruption which prevents the public agency from broadcasting the meeting, or in the event of a disruption within the local agency's control which prevents members of the public from submitting public comments, until public access is restored. The bill would specify that actions taken during the disruption are subject to being challenged. The bill would prohibit the legislative body from requiring public comments to be submitted in advance of the meeting and would specify that the legislative body must provide an opportunity for the public to address the legislative body and offer comment in real time. When there is a continuing state of emergency, local emergency, or when state or local officials have imposed or recommended measures to promote social distancing, the bill would require a legislative body to make specified findings not later than 30 days after the first teleconferenced meeting pursuant to these provisions, and to make those findings every 30 days thereafter, in order to continue to meet under the abbreviated teleconferencing procedures. The bill is pending in the Assembly Local Government Committee.

AB 377 (R. Rivas) – Water Quality – Impaired Waters: This bill would set forth the goal that all California surface waters shall be fishable, swimmable, and drinkable by January 1, 2050. The bill contains a wide variety of restrictions on the State Water Board and Regional Water Quality Control Boards in their ability to regulate various discharges. The bill is silent on whether discharges from water purveyors may be exempt, but the initial broad language in the bill would include those discharges. The bill has generated significant opposition among statewide associations, including ACWA, the League of California Cities, California Association of Sanitary Agencies and other associations, who have determined the bill to be impractical, incredibly expensive and likely impossible to implement. Those entities have reached a consensus that the bill is not fixable and needs to be killed.

The bill has been subsequently amended three times and some of the most problematic provisions have been deleted. However, the bill's primary problem, in taking local control over discharge management away from the Regional Boards remains in the bill. The bill now would require, by January 1, 2023, that the State Water Board and Regional Water Quality Control Boards prioritize enforcement of all water quality standard violations that are causing or contributing to an exceedance of a water quality standard in a surface water of the state. The bill would require the State Water Board and Regional Boards, by January 1, 2025, to evaluate

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and report to the Legislature a plan to bring all water segments into attainment by January 1, 2050. The bill would require that report to be updated every five years. The bill would make moneys in the Waterway Recovery Account available for the State Water Board to expend, upon appropriation by the Legislature, to bring impaired water segments into attainment in accordance with the plan.

The bill still retains significant enforcement (i.e., penalty) provisions that will significantly increase compliance costs with little or no benefit to the environment in comparison with the current statutory scheme. For example, the bill requires an enforcement action taken under the bill to result in sufficient penalties to ensure the person subject to the enforcement action is no longer causing or contributing to a water quality exceedance. However, the imposition of penalties does not alone ensure water quality improvements.

As mentioned above, the bill continues to take discretion and flexibility away from the Regional Boards, such as precluding Regional Boards from extending an existing compliance period. Also, the bill makes no consideration of compliance costs for permittees and does not consider new or emerging contaminants. ACWA and the statewide coalition continue to have significant concerns with the bill and continue to oppose it. The bill passed the Assembly Environmental Safety & Toxic Materials Committee and is now pending in the Assembly Appropriations Committee.

AB 385 (Flora) – Labor Code Private Attorneys General Act: This bill would prohibit an employee from pursuing a Private Attorneys General Act action for wage claims that accrued after March 4, 2020 if an arbitration agreement exists with the employer and the employer and employee(s) have knowingly waived their rights to enforce the arbitration agreement. The bill has been referred to the Assembly Labor and Employment and Judiciary Committees.

AB 418 (Valladares) – Emergency Services Grant Program: This bill would create the Community Power Resiliency Program (Program), administered by Cal OES, to support local government efforts to deploy energy resiliency projects to maintain energy services during deenergization events by electrical corporations or publicly owned electric utilities. This bill includes intent language for the Legislature to enact future legislation to transfer \$100,000,000 to Cal OES to support the Program. If \$100,000,000 is appropriated, \$30,000,000 would be allocated to special districts, and if the Legislature appropriates only \$50,000,000, then \$13,000,000 would go to special districts. Monies provided to special districts would then be allocated on a competitive basis, with the maximum grant amount being \$300,000 to ensure that critical facilities can continue to function during deenergization events.

The April 8 and April 19 amendments clarified the permissible use of monies to be provided under the Program, which is to support local governments' efforts to improve energy resiliency in response to power outage events. The bill passed the Assembly Emergency Management Committee and is now pending in the Assembly Appropriations Committee.

AB 473 & 474 (Chau) – Public Records Act: AB 473 is a non-substantive bill that would recodify and reorganize the Public Records Act. AB 474 would change various statutory references to conform to the recodified Public Records Act. Both bills passed the Assembly

Judiciary Committee and are pending in the Assembly Appropriations Committee's suspense file.

AB 513 (Bigelow) – Employment – Telecommuting: This bill would authorize an employee working from home or any other remote location [added by March 17 amendments] to receive legally required notices and postings electronically and to sign certain documents electronically. The bill would also require that an employee who works from home or from any other remote location shall have any wages due at the time of separation of employment to be mailed to the employee; and those wages will be deemed to have been paid on the date that the wages are mailed to the employee. The bill is pending in the Assembly Labor and Employment Committee.

AB 588 (E. Garcia) – Safe Drinking Water Act Compliance: This bill would require the State Water Board to approve a compliance period of between 30 days and three years for every new maximum contaminant level it sets, and would set forth the factors the State Water Board must consider in setting the compliance period. The bill would also require the State Board to identify actions needed to assist small water systems to achieve compliance with the MCL within the compliance period. The bill is pending in the Assembly Environmental Safety & Toxic Materials Committee.

AB 602 (Grayson) – Development Fees – Impact Fee Nexus Study: As amended on April 6, this bill, among other things, would require, on and after January 1, 2022, a city, county or special district that conducts an impact fee nexus study to follow specific standards and practices, including, but not limited to (1) prior to the adoption of a development fee or exaction, an impact fee nexus study must be adopted, (2) the impact fee nexus study must identify the existing level of service for each public facility, must identify the proposed new level of service and must include an explanation of why the new level of service is necessary, and (3) the study must either calculate a fee levied or imposed on a housing development project proportionately to the square footage of the proposed units, or make specified findings explaining why square footage is not an appropriate metric to calculate the fees. The bill would also require the public agency to post a written fee schedule or a link directly to the written fee schedule on its internet website. The bill would require the Department of Housing and Community Development, on or before January 1, 2024, to create an impact fee nexus study template that may be used by local jurisdictions.

AB 602 has a variety of problems as it applies to water entity connection fees and capacity charges, which are not calculated based on square footage. Also, those fees and charges are not calculated on a development-by-development basis. ACWA is taking an **oppose unless amended** position on this bill. **The bill has passed the Assembly Local Government Committee and is now pending in the Assembly Housing and Community Development Committee**.

AB 622 (Friedman) – Microfiber Filtration: This bill would require, on or before January 1, 2024, that all washing machines sold as new in California contain a microfiber filtration system with a mesh size of 100 microns or smaller. The bill is pending in the Assembly Environmental Safety and Toxic Materials Committee.

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AB 654 (Reyes) – COVID-19 Exposure Notification: This bill would require the State Department of Public Health to make workplace and industry information received from local public health departments available on its internet website in a manner that, among other things, allows the public to track the number of COVID-19 cases and outbreaks by both workplace and industry. The bill has passed the Assembly Labor and Employment Committee and is now pending in the Assembly Appropriations Committee.

AB 703 (B. Rubio) - Brown Act: This bill, sponsored by Three Valleys Municipal Water District would remove the existing Brown Act requirements regarding teleconferencing (such as having to post an agenda at each teleconference location and have each location accessible to the public) and would allow for teleconferencing subject to existing provisions regarding the posting of notice of an agenda and the ability of the public to observe the meeting and provide public comment. The bill would require that, in each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the local agency must also give notice of the means by which members of the public may observe the meeting and offer public comment and that the legislative body have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act. The bill would declare the Legislature's intent, consistent with the Governor's Executive Order N-29-20, to improve and enhance public access to local agency meetings into the future, and considering the digital age, by allowing broader access through teleconferencing options. The bill is pending in the Assembly Local Government Committee, but may be a two-year bill.

AB 754 (Mathis) – SGMA – Groundwater Sustainability Plans: As amended on April 15, this bill would authorize the Department of Water Resources to extend the deadline for a high- or medium-priority basin not subject to critical overdraft to be managed under a groundwater sustainability plan or coordinated plans by up to 180 days after January 31, 2022, upon request for such an extension by a local agency or groundwater sustainability agency in the basin. The bill would require such a request to be submitted by January 3, 2022, and to be responded to by DWR by January 10, 2022. The bill is pending in the Assembly Water, Parks and Wildlife Committee.

AB 757 (Davies) – COVID-19: As applicable to mutual water companies, as private employers, this bill would authorize a private employer to request documentation of a positive COVID-19 test or diagnosis (i.e., either documentation of the positive test result or written documentation from the employee's health care provider) if an employee reports that the employee has been diagnosed or tested positive for COVID-19 and is unable to work and the employer determines that an employee may be subject to a 14-day exclusion from the workplace as required under certain law or regulations. The bill would require an employer, in requesting documentation pursuant to the bill and in receiving information in response to that request, to comply with existing privacy protections. The bill is pending in the Assembly Labor and Employment Committee.

AB 814 (Levine) – COVID-19 – Contact Tracing: This bill would prohibit data collected. received, or prepared for purposes of COVID-19 contact tracing from being used, maintained, or

disclosed for any purpose other than facilitating contact tracing efforts. The bill would prohibit an officer, deputy, employee, or agent of a law enforcement agency from engaging in contact tracing. The bill would require all data collected, received, or prepared for purposes of contact tracing to be deleted within 60 days, except if that data is in the possession of a state or local health department. The April 21 amendments add an exclusion from the prohibition for health care providers that maintain confidential patient information under HIPAA. The bill has passed the Assembly Privacy and Consumer Protection and Judiciary Committees and is now pending in the Assembly Appropriations Committee.

AB 819 (Levine) – CEQA – Electronic Filing and Posting: This bill would require a lead agency under CEQA to post (i) a notice of completion of an environmental impact report, (ii) a negative declaration, or (iii) a mitigated negative declaration on its internet website. The bill would also require a draft environmental impact report, proposed negative declaration, or proposed mitigated negative declaration that is to be submitted to the State Clearinghouse to be submitted in electronic form and to be posted on the lead agency's website. The bill would also a notice of determination or notice of exemption to be filed electronically by the local agency if that option is offered by the county clerk. The April 5 amendments would require various CEQA notices to be provided by e-mail and posted on the lead agency's website, instead of being mailed. The bill passed the Assembly and will move on to the Senate.

AB 850 (Gallagher) – Sale of Water Utility Property – El Monte and Montebello: Existing law, until January 1, 2022, authorizes the City of El Monte, the City of Montebello, and the City of Willows to sell their respective water utilities to consolidate with another public water system, subject to additional requirements, including, among other things, that the receiving water system's service area borders the service area of the subsumed water system. This bill would extend the authorization to consolidate water systems until January 1, 2024. The bill would also remove the requirement that the receiving water system's service area border the service area of the subsumed water system. The March 22 amendments reinstated that requirement into the bill. The bill has passed the Assembly Water, Parks and Wildlife Committee and is now pending in the Assembly Local Government Committee.

AB 930 (Levine) – Dig Alert – Recovery of Attorneys' Fees: This bill would require a court to award attorney's fees and costs, including expert witness fees, to a prevailing party in a civil action or arbitration for property damage necessitating repair or replacement of all or a portion of the subsurface installation that results from the excavation and arising between an operator of a subsurface installation and an excavator. The bill would also authorize a court or arbitrator to consider offers of settlement exchanged between the parties for purposes of determining an attorney's fees and costs, including expert witness fees, award. The March 24 amendments restated the attorneys' fees provision by inserting a provision that would require a court or arbitrator to award reasonable attorney's costs and fees, including expert witness fees, to a prevailing excavator if the court or arbitrator determines the excavator is not liable for damages to a subsurface installation because of inaccurate field marking, or if the excavator makes an offer to settle the matter that is not accepted and the plaintiff fails to obtain a more favorable judgment or award. The bill has passed the Assembly Judiciary Committee and is now pending in the Assembly Appropriations Committee's suspense file.

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AB 995 (L. Gonzalez) – Paid Sick Leave – Accrual of Days: The existing Paid Sick Leave Law authorizes an employer to use a different accrual method as long as an employee has no less than 24 hours of accrued sick leave or paid time off by the 120th calendar day of employment or each calendar year, or in each 12-month period. Existing law also provides that an employer may satisfy the accrual requirements by providing not less than 24 hours or 3 days of paid sick leave that is available to the employee to use by the completion of the employee's 120th calendar day of employment. Under that existing law, an employer has no obligation under these provisions to allow an employee's total accrual of paid sick leave to exceed 48 hours or 6 days, provided that an employee's rights to accrue and use paid sick leave are not otherwise limited, as specified. Under existing law, sick leave carries over to the following year of employment, but an employer is permitted to limit the use of the carryover amount, in each year of employment, calendar year, or 12-month period, to 24 hours or 3 days.

This bill would modify the employer's alternate sick leave accrual method to require that an employee have no less than 40 hours of accrued sick leave or paid time off by the 200th calendar day of employment or each calendar year, or in each 12-month period. The bill would modify that satisfaction provision to authorize an employer to satisfy accrual requirements by providing not less than 40 hours or 5 days (instead of 24 hours or 3 days) of paid sick leave that is available to the employee to use by the completion of the employee's 200th calendar day of employment. The bill would also provide that an employer is under no obligation to allow an employee's total accrual of paid sick leave to exceed 80 hours or 10 days (up from 48 hours or 6 days). The bill would raise the employer's authorized limitation on the employee's use of carryover sick leave to 40 hours or 5 days (instead of 24 hours or 3 days). The bill is pending in the Assembly Labor and Employment Committee.

AB 1028 (Seyarto and Bigelow) – Telework: This bill would permit an individual non-exempt employee to request an employee-selected remote work flexible work schedule providing for workdays up to 10 hours per day within a 40-hour workweek and would allow an employer to implement this schedule without the obligation to pay overtime compensation for those additional hours in a workday. The authorization would apply only if an employee is working remotely and not under the physical control of the employer. The bill would except split shift premiums from application to the work of employees who are working an employee-selected remote work flexible work schedule.

This bill would authorize any non-exempt employee working from home who is not under the physical control of the employer to choose when to take any meal or rest period during the workday, if the employer has not already scheduled a meal or rest period within the requirements of the law. The bill would require an employer to notify the employee of this right one time, when the employee begins working from home and if the employer fails to provide this notification, to pay only one additional hour of pay for each day that the employer fails to provide this notice. This bill would prohibit an employee from recovering civil penalties from an employer under the Labor Code Private Attorneys General Act for violations of provisions requiring the employer to provide meal and rest breaks if the employee engaged in remote work. Among other things, the bill would require the alleged violations to have occurred between March 19, 2020, and the earlier of January 1, 2022, or when the declared COVID-19 state of

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emergency issued by the Governor ends. The bill is pending in the Assembly Labor and Employment and Judiciary Committees.

AB 1041 (Wicks) – Paid Family Leave: For purposes of the California Family Rights Act and Paid Sick Leave Law, this bill would expand the population that an employee can take leave or paid sick leave to care for to include any other individual related by blood or whose close association with the employee is the equivalent of a family relationship. The April 22 amendments revised the bill to provide that an employee can take leave to care for a "designated person." The bill would define "designated person" to mean a person identified by the employee at the time the employee requests the family care and medical leave. The bill would authorize an employer to limit designation of a person to one designated person per 12-month period. The bill has passed the Assembly Labor and Employment Committee and is now pending in the Assembly Insurance Committee.

AB 1071 (Rodriguez) – Office of Emergency Services – Tabletop Exercises: This bill would require the Office of Emergency Services to biennially convene key personnel and agencies that have emergency management roles and responsibilities, including agencies in the water sector, to participate in tabletop exercises in which the participant's emergency preparedness plans are discussed and evaluated under various simulated catastrophic disaster situations. The bill would require those tabletop exercises to be designed to enhance the capabilities of the participants to do various things, including to engage the communities that they each serve in the development of executable approaches to meet defined disaster response objectives. The March 25 amendments would require OES to use federal preparedness grant funding to offset the state, local, and tribal government costs associated with participation in the tabletop exercises to the greatest extent possible. The bill has passed the Assembly Emergency Management Committee and is now pending in the Assembly Appropriations Committee.

AB 1099 (R. Rivas) – Bond and Fund Expenditures – Environmental Equity: This bill, which was amended from its original declaratory language, would require a minimum of 40% of all state level funding be allocated to disproportionately affected communities. In doing so, the bill would mirror the intent pronounced by the Biden Administration. Such a requirement would not allow for flexibility in future bond and funding initiatives. The bill is pending in the Assembly Natural Resources Committee.

AB 1110 (R. Rivas) – Zero Emission Vehicles – State Fleet Program: The bill would create a program to be administered by the newly created Office of Clean Fleet Accelerator and a related ombudspeson to provide for the bulk purchase of zero-emission fleet vehicles by public agencies, including special districts, through a master service agreement. The bill also would provide public agencies with technical assistance pertaining to such purchases. Purchases under the program would be eligible for financing under the Climate Catalyst Revolving Fund Loan Program. The bill is pending in the Assembly Jobs, Economic Development and the Economy Committee.

AB 1119 (Wicks) – Employment Discrimination: This bill would add "family responsibilities," defined to mean the obligations of an employee to provide direct and ongoing care for a minor child or a care recipient, to the list of protected classes and as a factor to be

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considered in the interactive process in accommodating a person with a disability where a school or place of care is closed. The April 21 amendments would make it an unlawful practice for an employer to fail to make reasonable accommodation and to fail to engage in a timely, good faith interactive process regarding reasonable accommodations for an employee's known family responsibilities. The bill has passed the Assembly Labor and Employment and Judiciary Committees and is now pending in the Assembly Appropriations Committee.

AB 1123 (Rodriguez) – Emergency – Requirements Imposed on Governor: This bill would impose various requirement on the Governor where a state emergency has been declared, including immediately notifying in writing the Speaker of the Assembly and the President pro Tempore of the Senate and providing them and certain legislative committees monthly reports on various emergency-related issues. This bill would require the Office of Emergency Services, during a state of emergency, to provide certain legislative committees an update every 60 days on the goals and objectives of the emergency response. The bill would also require the Governor to immediately notify in writing certain legislative committees of any expenditure of state or federal emergency response funds, and would require the State Auditor, upon appropriation by the Legislature, to conduct annual performance audits of any expenditure of state or federal disaster emergency response funds. The bill passed the Assembly Emergency Management Committee and is pending in the Assembly Appropriations Committee.

AB 1179 (Carrillo) – Paid Backup Child Care: This bill would require employers with 1,000 or more employees, the state, political subdivisions of the state and municipalities to provide an employee, on or after January 1, 2022, who works in California for the same employer for 30 or more days within a year from the commencement of employment, with up to 60 hours of paid backup childcare benefits, to be accrued and used as provided in the bill (i.e., to accrue at not less than one hour for every 34 hours worked and calculated at the employee's regular rate of pay in the workweek in which the benefits are used). The employer shall provide payment for backup childcare no later than the payday for the next regular payroll period after the backup childcare was used. The bill would define "backup childcare" as childcare provided by a qualified backup childcare provider to the employee's child when the employee's regular childcare provider cannot be utilized, and "paid backup childcare" as an employee benefit consisting of the employer paying for a qualified backup childcare provider to provide backup childcare for an employee's child that is compensated at the state minimum wage or the federal minimum wage, whichever is higher. The bill is pending in the Assembly Labor and Employment Committee.

AB 1195 (C. Garcia) – Southern Los Angeles County Regional Water Agency: This bill would create a new regional water agency for the Central and West Basins. The bill would require the agency to be the region's leader in interagency collaboration on water resource issues and to be governed by a 5-member board of locally elected officials, with one member appointed by each of: (i) the Governor; (ii) the Los Angeles County Board of Supervisors; (iii) the Gateway Cities Council of Governments; (iv) the South Bay Cities Council of Governments; and (v) the San Gabriel Valley Council of Governments. The bill would authorize the agency to serve the water needs of its region through specified activities, including, among others, operating public water systems or other water infrastructure and integrating (i.e., consolidating) other water systems in the region into its operations, as set forth in the bill. The bill would authorize the

agency to finance its operations through specified means, including, among others, collecting water rates, charges, fees, or established parcel charges previously charged by a water system for which the agency has assumed control. The bill is short on details regarding how the agency will actually operate and how it will specifically finance its activities. It is sure to be a very controversial bill and will generate a lot of opposition.

AB 1195 was amended on April 6 and would include oversight by an appointed commissioner of the Water Replenishment District, Central Basin Municipal Water District and other water suppliers in the Central and West Basins. An appointed technical panel would support the commissioner. The bill also includes a provision that would prohibit, once an operator of a public water system exercises water rights for the benefit of the public water system, any surface water rights or groundwater rights from being severed or otherwise separated from the public water system. The bill passed the Assembly Environmental Safety and Toxic Materials Committee and is pending in the Assembly Local Government Committee.

AB 1200 (Ting) – PFAS – Food Packaging and Cookware: As amended, beginning on January 1, 2023, this bill would prohibit any person from distributing, selling, or offering for sale in the state any food packaging that contains intentionally added PFAS chemical. The bill would require a manufacturer to use the least toxic alternative when replacing PFAS chemicals. Beginning January 1, 2024, the bill would require a manufacturer of cookware sold in the state that contains one or more intentionally added chemicals present on a designated list (which includes PFAS) to include a statement on the product label in both English and Spanish, regarding the presence of those chemicals of concern in the cookware. The bill would require, beginning January 1, 2023, a manufacturer of such cookware to post on the internet website for the cookware a list of chemicals in the cookware that are present on the designated list, among other information. The bill would prohibit, beginning January 1, 2024, a manufacturer from making a claim, either on the cookware package or internet website for the cookware, that the cookware is free of any specific chemical if the chemical belongs to a chemical group or class identified on the designated list, unless no individual chemical from that chemical group or class is intentionally added to the cookware. The bill would prohibit a person from selling, offering for sale, or distributing in California a cookware product that does not comply with the bill's provisions. ACWA has taken a favor position on this bill. The bill has passed the Assembly and is now pending in the Senate.

AB 1250 (Calderon) – Consolidation of Water Systems: This bill, the Consolidation for Safe Drinking Water Act of 2021, would authorize a water or sewer corporation to file an application and obtain approval from the Public Utilities Commission to consolidate with a public water system or state small water system. The bill would require the commission to approve or deny the application within 8 months. For a consolidation valued at \$5,000,000 or less, the bill would authorize the water or sewer corporation to instead file an advice letter and obtain approval from the PUC through a resolution authorizing the corporation to consolidate with a public water system or state small water system. The bill would authorize the PUC's executive director or the director of the division of the PUC having regulatory jurisdiction over the corporation to approve an uncontested advice letter, and would require the PUC to approve or deny an advice letter within 120 days. The bill has passed the Assembly Environmental Safety and Toxic

Materials Committee and Utilities and Energy Committees and is pending in the Assembly Appropriations Committee.

AB 1256 (Quirk) – Employment – Positive Cannabis Test: This bill would prohibit an employer from discriminating against a person in hiring, termination, or any term or condition of employment because a drug screening test has found the person to have THC in their urine. The bill would exempt from its provisions an employer that is required to conduct testing for THC by federal law or regulations, or that would lose a monetary or licensing-related benefit for failing to conduct THC testing. The bill would also exempt employment in the building and construction trades. The April 12 amendments replace THC with "nonpsychoactive cannabis metabolites," which, according to the added legislative findings in the bill, have no correlation to an employee being high or impaired. The bill is pending in the Assembly Labor and Employment and Judiciary Committees.

AB 1313 (Bigclow) – COVID-19 – Immunity from Liability: This bill would exempt a business (the bill's definition of "business" does not include public agencies) from liability for an injury or illness to a person due to COVID-19 based on a claim that the person contracted COVID-19 while at that business, or due to the actions of that business, if the business has substantially complied with all applicable state and local health laws, regulations, and protocols. The bill would not permit this exception to apply if the injury or illness resulted from a grossly negligent act or omission, willful or wanton misconduct, or unlawful discrimination by the business or an employee of the business. The bill would declare that it is to take effect immediately as an urgency statute. The bill is pending in the Assembly Judiciary Committee.

AB 1403 (Levine) – Emergency – Public Safety Power Shutoff: This bill would add a deenergization event, defined as a planned power outage, to the conditions constituting a state of emergency and a local emergency. ACWA has taken a favor position on this bill. The bill has passed the Assembly Emergency Management Committee and is now pending in the Assembly Appropriations Committee.

AB 1434 (Friedman) – Water Conservation – Indoor Residential Water Use Standards: Existing law, until January 1, 2025, establishes 55 gallons per capita per day as the standard for indoor residential water use, which will decrease to 52.5 gallons per capita per day starting on January 1, 2025 and to 50 gallons per capita per day starting on January 1, 2030. This bill would establish, beginning January 1, 2023, until January 1, 2025, the standard for indoor residential water use as 48 gallons per capita per day. The bill would establish, beginning January 1, 2025, the standard as 44 gallons per capita per day and, beginning January 1, 2030, 40 gallons per capita per day. The bill would eliminate the requirement that the Department of Water Resources, in coordination with the State Water Board, conduct necessary studies and investigations and jointly recommend to the Legislature a standard for indoor residential water use. The April 19 amendments added back into the bill the current requirement for DWR, in coordination with the State Water Board, to conduct necessary studies to make a recommendation to the Legislature for indoor water use standards. ACWA has taken an oppose position on this bill. The bill is pending in the Assembly Water, Parks and Wildlife Committee.

AB 1500 (E. Garcia) - Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022: This bill would provide \$6.7 billion in funding for various water, wildfire protection, climate resiliency and other projects. \$1.6 billion would be allocated for the delivery of safe drinking water, drought preparation and response, and flood protection. The April 14 amendments increase the amount of the proposed bond to \$6,955,000,000 and changed the election date from the November 2022 election to the June 2022 election. The bill has passed the Assembly Water, Parks and Wildlife Committee and is now pending in the Assembly Natural Resources Committee.

SENATE BILLS:

SB 45 (Portantino) – Wildfire, Climate Resilience & Water Bond: SB 45 would put forth a \$5.51 billion bond at the November 2022 general election to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program. \$1,470,000 would be allocated to water supply and water quality projects, including SGMA implementation, groundwater planning and recycled water projects. The April 8 amendments increase the amount of the proposed bond to \$5.595,000,000. The bill has passed the Senate Natural, Resources and Water and Governance and Finance Committees and is now pending in the Senate Appropriations Committee.

SB 46 (Stern) – Employment – COVID-19 Contact Tracing: This bill would state the intent of the Legislature to enact legislation that would require an employer to develop and implement contact tracing and safety policies for its employees, including requiring notice to the employer when an employee receives a positive COVID-19 test. American Rescue Plan: The bill was gutted and amended on March 10 and now would require, to the extent authorized by federal law, that a state agency that receives and disburses American Rescue Plan funds or other federal recovery funds to consider projects' potential impact on various goals, including, among other things, restoring frontline communities and rapidly accelerating achievement of environmental justice and climate goals, including climate, environmental, biodiversity protection and stimulating growth. The bill would require state agencies to document how proposed projects meet or align with the goals and require the Labor and Workforce Development Agency to establish an internet website where the public can track the expenditure of federal ARP funds by the state and how funded projects meet the goals. The bill is pending in the Senate Governmental Organization and Labor, Public Employment and Retirement Committees.

SB 52 (Dodd) – Local Emergency – Planned Power Outage: Existing law defines the terms "state of emergency" and "local emergency" to mean a duly proclaimed existence of conditions of disaster or of extreme peril to the safety of persons and property caused by, among other things, a sudden and severe energy shortage. Existing law defines a "sudden and severe energy shortage" as a rapid, unforeseen shortage of energy, resulting from, but not limited to, events such as an embargo, sabotage, or natural disasters, and that has statewide, regional, or local impact. As amended on April 12, the bill would define a "deenergization event," to mean a planned power outage, and would make a deenergization event a condition that constitutes a

local emergency. The bill has passed the Senate Governmental Organization and Appropriations Committees and is now pending on the Senate floor.

SB 209 (Dahle) – Emergency Declaration: Existing law gives the governor the authority to declare a state of emergency. This bill would require a state of emergency to terminate seven days after the Governor's proclamation of the state of emergency unless the Legislature extends it by a concurrent resolution. As amended on March 4, the seven-day period was changed to 45 days. The bill is pending in the Senate Governmental Organization Committee.

SB 222 (Dodd) – Low-Income Rate Assistance Program: This bill would establish the Water Affordability Assistance Fund (the "Fund") in the State Treasury. The Fund would provide water affordability assistance for both drinking water and wastewater services to low-income ratepayers and ratepayers experiencing economic hardship. Money in the Fund would be made available upon appropriation by the Legislature to the State Water Board for the following six purposes: A) direct water bill assistance; B) water bill credits to renters, individuals, or households that pay other amounts, fees, or charges related to residential water and wastewater service; C) water crisis assistance; D) affordability assistance to low-income households served by domestic wells; E) water efficiency measures for low-income households; and F) short-term assistance to public water systems to administer program components, including startup costs. SB 222 would define "low-income" as a household income, or a community annual median household income, that is equal to or no greater than 200 percent of the federal poverty level. The bill would require the State Water Board to appoint an advisory panel and to adopt annual expenditure plans.

Although the bill intends to address a serious statewide problem, there are concerns with it. It does not include a funding source(s) or the amount of funding, which makes it difficult to evaluate the impacts on public water agencies. The AB 401 Report that led to the bill estimated the cost of the program at \$606.2 million per year, but that did not include wastewater services or assistance for low-incomes households served by domestic wells. There also are concerns with which state agency is best-suited to administer the program, which may be an agency other than the State Water Board. Also, the bill would have over three thousand public water systems distribute a significant part of the benefit (i.e., "direct water bill assistance"), and there was never consensus on that process in the AB 401 Report's stakeholder process. The Legislature will need to determine whether an existing benefit distribution mechanism is a better option. In other words, have one agency distribute the money instead of 3,000 agencies, or perhaps run the program through the Franchise Tax Board via a state income tax credit.

The bill was amended on April 5 and April 20. Among the changes made are that the implementing agency was changed from the State Water Board to the Department of Community Services and Development; new purposes were added for technical assistance for small water systems and contracting with a third-party fund administrator; the third-party administrator could make direct payments to water systems; added recipient eligibility verification requirements; and gave the State Water Board various consultative roles with respect to the program, including collection of water system rate data. The April 5 amendments deleted the prior proposal for the State Board to evaluate whether tiered water rates are a solution for affordability challenges, and removed the merger of the water rate affordability fund with the SAFER Program Fund.

However, SB 222 still does not include a funding source, which makes it difficult to consider the bill's impacts on water systems. Also, the benefit distribution process remains too cumbersome. Thus, while some of the amendments improve the bill, many problems with it remain. ACWA has taken an oppose unless amended position on the bill. The passed the Senate Energy, Utilities and Communications Committee and is pending in the Senate Environmental Quality Committee.

SB 223 (Dodd) – Water Service Terminations: SB 223 is a follow on bill to SB 998, which, among other things, required all water systems with 200 or more service connections to adopt a policy regarding water service turnoffs and to delay any termination of service until at least 60 days after the bill is delinquent. SB 223 would apply SB 998 requires to water systems with between 15 and 200 service connections. The bill also makes changes to SB 998 that will also impact larger systems, including:

- Require adoption of an arrearage management plan that would extend for a maximum of 12 months and include forgiveness of at least one-twelfth of the delinquent balance with each consecutive on-time payment of the monthly charge for water service only. Forgiveness of the full delinquent balance under the arrearage management plan would be required to take place at the final consecutive on-time payment under the plan. The water system would be required to notify the customer of the availability of the arrearage management plan as an alternative payment arrangement alternative.
- The bill would also extend the service turnoff prohibition to at least 120 days of nonpayment and would specify that the amount of the delinquency, excluding late charges and interest, would have to be at least \$400 to trigger discontinuation of service.
- The bill would require a water system to waive fees for disconnection and reconnection of service to a low-income customer.
- The bill would also require that a water system waive all late fees, interest charges, and penalties on delinquent bills every 12 months.
- The bill would also establish that the water systems would be required to release all liens, and would not obtain any new lien, for delinquent amounts owed for residential water service when the customer is enrolled in an amortization agreement, alternative payment schedule, or arrearage management plan, or a plan for deferred or reduced payment.
- For systems that provide water audits or have the capacity to do so, a free water audit offered to low-income residential customers households with water usage that is above the annual average volume usage of their customer class.
- Additional reporting requirements would be imposed by the bill in a system's annual reporting to the State Water Board, as follows:

- The number of accounts for which water service was restored within 36 hours of the time of disconnection.
- o The number of accounts for which water service was restored between 36 hours and seven days from the time of disconnection.
- o The number of accounts for which water service was restored more than seven days after disconnection.
- O The number of accounts for customers who fell behind on their water bills during the year, the median amount of household water debt that is outstanding at the end of each annual reporting cycle, and the overall amount of household water debt that is outstanding at the end of each annual reporting cycle.
- The number of accounts for customers who are enrolled in a water affordability program at the end of each annual reporting cycle.

SB 223 poses a number of problems, including possible violations of Proposition 218 in connection with any debt forgiveness and waiver of reconnection charges an agency would otherwise incur. Also, SB 223 is being put forth before SB 998 even had an opportunity to take effect. SB 223 will result in changes to the policy each agency has adopted, with resulting preparation and translation costs. This is another bill that warrants great attention as the session progresses.

The bill was amended on April 5. Among the changes made are: (1) water suppliers not regulated by the PUC would not be required to offer arrearage management plans, but would have to evaluate the extent to which the supplier can offer an arrearage management plan without using ratepayer funds from customers not enrolled in the plan; (2) if the supplier determines it cannot offer an arrearage management plan, it must consider alternatives, including offering longer repayment periods, increasing benefits under a low-income rate assistance program or altering shutoff policies; (3) the length of time that must pass before service could be terminated for non-payment is shortened from 120 days to 90 days; (4) the threshold of unpaid charges before service could be terminated is reduced from \$400 to \$250; (5) a water supplier is no longer required to release all liens, but the supplier would still be prohibited from recording any new liens; (6) for any future liens imposed for non-payment, the water supplier must inform the customer how a lien operates, provide assurance that the lien will not be foreclosed as long as the customer is enrolled in a repayment plan, and confirm the lien will be released when the past due amount is paid in full.

The bill was further amended on April 20 to require the Public Utilities Commission to consider whether to establish a pilot program for PUC-regulated water systems to establish arrearage management plans. Those amendments also require that if an urban and community water system determines it cannot provide an arrearage management plan, it must consider various alternatives to such a plan, as mentioned in item (2) if the prior paragraph.

Even with the April 5 and April 20 amendments, significant problems remain with the bill. For instance, any water supplier with sufficient non-rate revenues will be required to offer arrearage management plans (i.e., debt forgiveness). Also, the bill would result in the

Legislature usurping local authority with respect to the most appropriate use of those non-rate revenues. ACWA has taken an **oppose** position on the bill. **The passed the Senate Energy, Utilities and Communications Committee and is pending in the Senate Environmental Quality Committee.**

SB 230 (Portantino) – Constituents of Emerging Concern: SB 230 would require the State Water Resources Control Board to establish a dedicated program called the Constituents of Emerging Concern Program to assess the state of information and recommend areas for further study on: (i) the occurrence of constituents of emerging concern (CECs) in drinking water sources and treated drinking water; (ii) fate, transportation, and biodegradation of CECs; (iii) water treatment and laboratory analyses; and (iv) the potential effects on public health of CECs in drinking water sources and treated drinking water. The bill would require the State Water Board to convene a Science Advisory Panel to review and provide recommendations to the State Water Board on CECs for further action.

The bill would establish the CECs Action Fund, and would require money in the fund to be used, upon appropriation by the Legislature, for costs associated with implementing and administering the program. The bill would limit sources of funding to federal contributions, voluntary contributions, gifts, grants, bequests, transfers by the Legislature from the General Fund, and funding from authorized general obligation bond acts. The bill would authorize the State Water Board, upon an appropriation by the Legislature, to provide financial assistance to public water systems serving fewer than 10,000 individuals and located in disadvantaged communities, if the costs associated with testing drinking water in compliance with CECs monitoring requirements would impose a financial hardship.

The bill would take a unified, consistent, and science-based approach to improving the understanding of CEC's by establishing a program that would gather and develop information surrounding these CEC's and identifying which CEC's warrant further action. In addition, SB 230 would specify the sources of funding for its program. The bill passed the Senate Environment Quality Committee and is now pending in the Senate Appropriations Committee. We have heard SB 230 will likely be a two-year bill due to its significant costs.

SB 268 (Archuleta) – Board of Directors – Lower San Gabriel River Recreation and Park District: Existing law authorizes the establishment of the Lower Los Angeles River Recreation and Park District by petition or resolution submitted to the Los Angeles County LAFCO before January 1, 2021. Existing law authorizes 10 specified city councils to each appoint one member, and the Los Angeles County Board of Supervisors to appoint 2 members. Existing law authorizes the city councils of the Cities of Commerce, Downey, Montebello, and Pico Rivera to jointly appoint one member to serve a 2-year term on the initial board of directors of the district. This bill would authorize the city councils of the Cities of Commerce, Downey, Montebello, and Pico Rivera to each appoint one member to the initial board of directors of the district, rather than to jointly appoint one member to serve a 2-year term. The bill would authorize the Los Angeles County Board of Supervisors to appoint 3 members, rather than 2 members, to serve on the initial board of directors of the district. The bill would also extend the deadline to submit to LAFCO the petition or resolution establishing the district from January 1, 2020, to January 1, 2024. The bill would remove the authorization for the city council of the City of Montebello to

appoint a member to the district's initial board of directors and would authorize the Governor to appoint one public member to the initial board of directors. The bill passed the Senate Governance and Finance Committee and is now pending in the Senate Appropriations Committee's suspense file.

SB 273 (Hertzberg) – Water Quality – Municipal Wastewater Agencies: This bill would authorize municipal wastewater agencies (which includes special districts and joint powers agencies) to enter into voluntary agreements with entities responsible for stormwater management – including municipal, industrial, and commercial stormwater dischargers – to more effectively manage stormwater and dry weather runoff. The bill would allow a municipal wastewater agency to acquire, construct, expand, operate, maintain, and provide facilities to divert stormwater and dry weather runoff from the stormwater system to the wastewater collection system; manage and treat stormwater and runoff; discharge treated urban stormwater runoff to the stormwater drainage system or receiving waters; and reuse captured stormwater and runoff for a beneficial use. The bill would supplement the existing authority of all municipal wastewater agencies to enter into agreements that would allow them to divert and treat stormwater and dry weather runoff, which will benefits water recycling and reuse. The bill passed the Senate and is now pending in the Assembly.

SB 274 (Wieckowski) – Brown Act: This bill would require a local agency with an internet website to e-mail a copy of, or provide a website link to, the agenda or a copy of all documents constituting the agenda packet if a person requests that the items be delivered by e-mail. If the local agency determines that it is technologically infeasible to send a copy of the documents or a link to a website that contains the documents by e-mail or by other electronic means, the bill would require the agency to send by mail a copy of the agenda or a website link to the agenda and mail a copy of all other documents constituting the agenda packet. The bill would provide an alternative method for local agencies to deliver requested agenda and/or agenda documents. This could have the benefit of reducing staff time necessary to mail requested documents. Agencies could also set up an automated system for the public to receive the agenda documents via e-mail. The bill passed the Senate and is now pending in the Assembly.

SB 294 (Leyva) – Public Employee Retirement – Leave of Absence Service Credit: Cal-PERS requires employees to make contributions to the system based on their creditable compensation, as defined in the law. Existing law defines "leave of absence" as a period of leave to which a member is entitled that is expressly authorized or required, including employer-approved compensated leave, subject to requirements set forth in the law. Under existing law, during a leave of absence for an employer-approved compensated leave, an employee earns full service credit and is required to pay employee contributions. Existing law limits the maximum amount of the service credit earned during an employer-approved compensated leave of absence to 12 years. This bill would remove the 12-year limitation for service credit earned on an employer-approved compensated leave. The bill passed the Senate Labor, Public Employment and Retirement Committee and is now pending on the Senate floor.

SB 318 (Melendez) – Development Fees – Auditor Standards: The Mitigation Fee Act, authorizes a local agency to retain an independent auditor if requested to conduct an audit to determine whether a development fee or charge (including capacity charges or connection fees)

is reasonable. This bill would provide that the independent auditor to be used must be a certified public accountant, or a firm of certified public accountants. The bill would prohibit the local agency from retaining an independent auditor that the local agency contracted with for any reason during the preceding 10 years. The bill would also prohibit an independent auditor that is retained by a local agency to conduct the audit from soliciting or accepting employment from the local agency for 5 years following the completion of the audit and all subsequent challenges related to the audit. The bill is now pending in the Senate Governance and Finance Committee.

SB 319 (Melendez) – Development Fees – Audit: As discussed with respect to SB 318, the Mitigation Fee Act authorizes a person to request an audit under Government Code Section 66022 to determine whether a fee or charge levied by a local agency exceeds the amount reasonably necessary to cover the cost of any product, public facility, or service provided by the local agency. If the local agency does not comply with disclosure requirement for three consecutive years, the Mitigation Fee Act requires the local agency to pay the cost of the audit. This bill, additionally, would require that audit to include each consecutive year the local agency did not previously comply with the disclosure requirement. The bill passed the Senate Governance and Finance Committee and is now pending on the Senate floor.

SB 323 (Caballero) – Water and Sewer Fees – Legal Actions: Under existing law, it is not clear what statute of limitations applies to a challenge to water rates or what form of legal action must be utilized to challenge those rates. This bill would require that any such legal action must be commenced within 120 days of the effective date of the ordinance, resolution, or motion adopting the new or increased rates and/or charges. The bill would also require that any action that is brought to challenge the rates and/or charges must be brought as a reverse validation action. This bill will provide certainty to water agencies in adopting rates and will provide a relatively short time frame for any actions to be brought to challenge rates. The March 17 amendments provide that the bill will apply to any fees or charges adopted after January 1, 2022. The bill passed the Senate Governance and Finance and Judiciary Committees and is now pending on the Senate floor.

SB 347 (Caballero) – California Tree Fund: As amended on March 7, this bill would provide eligible recipients, including special districts, with grants for urban forestry activities, including water conservation, improved water quality and stormwater capture projects. This bill would be funded through a voluntary contribution on personal income tax forms. The bill would benefit water suppliers that implement multi-benefit green infrastructure projects. The bill passed the Senate and is now pending in the Assembly.

SB 351 (Caballero) - Water Innovation Act of 2021: This bill, the Water Innovation Act of 2021, would create the Office of Water Innovation at the California Water Commission for the furtherance of new water-related technologies and other innovative approaches in the water sector. The bill would require the office, by December 31, 2023, to take various actions (including establishing an interagency team to increase collaboration and to engage affected stakeholders) to advance innovation in the water sector. The bill would further create the Water Innovation Fund, with all moneys available, upon appropriation, to the Department of Water Resources, the State Water Resources Control Board, or other state agencies for the furtherance

of water innovation. The bill passed the Senate Natural Resources and Water Committee and is now pending in the Senate Appropriations Committee.

SB 372 (Leyva) – Zero Emission Vehicles – Fleet Purchasing Assistance Program: This bill is similar to AB 1110 discussed above in establishing a program to facilitate the acquisition of zero-emission fleet vehicles. Under this bill, the California Pollution Control Financing Authority would establish the program and would be required to make financing tools and non-financial support to operators of medium- and heavy-duty fleet vehicles. ACWA has taken a favor position on this bill. The bill passed the Senate Environmental Quality Committee and is now pending in the Senate Transportation Committee.

SB 378 (Gonzalez) – Broadband Infrastructure Development Permit Processing: As gutted and amended, this bill would require a local agency to allow trenching for the installation of fiber infrastructure for broadband infrastructure. However, the bill does not clearly require such installation to comply with the Dig Alert requirements and does not specify any minimum spacing requirements for such fiber conduit in relation to existing water and sewer lines. ACWA has taken a not favor unless amended position on this bill. The bill has passed the Scnate Governance and Finance Committee and is now pending in the Senate Energy, Utilities and Communications Committee.

SB 403 (Gonzalez) – Consolidation of Drinking Water Systems – Disadvantaged Communities: This bill would authorize the state board to also order consolidation where a water system serving a disadvantaged community is at risk of failing to provide an adequate supply of safe drinking water or where a disadvantaged community is substantially reliant on domestic wells that are at risk of failing to provide an adequate supply of safe drinking water. This bill would require the state board to conduct outreach to ratepayers and residents served by an at-risk water system and to consider any specified petitions submitted by members of a disadvantaged community served by the at-risk water system before ordering the consolidation of the at-risk water system, as prescribed.

Amendments to the bill are under negotiation with the author, but have not been presented in print. Those amendments would impose a cap of 3,300 service connections on any system that could be consolidated under the bill and would revise the State Water Board's process to add protections with respect to any systems that may be found to be "at risk" and thus subject to consolidation. The bill passed the Senate Environmental Quality Committee and is now pending in the Senate Governance and Finance Committee. ACWA has taken an oppose unless amended position on this bill. The bill has passed the Senate Environmental Quality Committee and is pending in the Senate Governance and Finance Committee.

SB 427 (Eggman) – Water Theft Penalties: Existing law authorizes the legislative body of a local agency to make, by ordinance, any violation of an ordinance subject to an administrative fine or penalty and limits the maximum fine or penalty amounts for infractions, to \$100 for the first violation, \$200 for a second violation of the same ordinance within one year of the first violation, and \$500 for each additional violation of the same ordinance within one year of the first violation.

This bill would authorize the legislative body of a local agency to make, by ordinance, any violation of an ordinance regarding water theft subject to a fine not exceeding \$1,000 for a first violation; a fine not exceeding \$2,000 for a second violation of the same ordinance within one year; and a fine not exceeding \$5,000 [revised to \$3,000 by March 25 amendments] for each additional violation of the same ordinance within one year. The bill would define "water theft" as an action to divert, tamper, or reconnect water utility services, as defined in Section 498 of the Penal Code.

The March 25 amendments require the local agency to include administrative procedures to govern the imposition, enforcement, collection and review by the agency of any such fines or penalties for water theft, and to establish a process for granting a hardship waiver to reduce the amount of the fine. Those amendments also added specific penalties for water theft committed via meter tampering, as follows: not to exceed \$130 for the first violation; not to exceed \$700 for a second violation within one year of the first violation; and not to exceed \$1,300 for a third and any subsequent violation within one year of the first violation. The bill has passed the Senate Governance and Finance Committee and is now pending on the Senate floor.

SB 426 (Susan Rubio) – MS4 Permits – Financial Capability Analysis: This bill was gutted and amended on March 1 and now would require the State Water Board to establish financial capability assessment guidelines for MS4 permittees by July 1, 2022. The bill is a reintroduction of AB 2364 (Blanca Rubio) from the last legislative session and is in response to the Regional Water Quality Control Boards' failure to consider the costs local jurisdictions face in complying with MS4 permit requirements. The bill has passed the Senate Environmental Quality Committee and is pending in the Senate Appropriations Committee, in the suspense file.

SB 443 (Newman) — Elections — Redistricting: This bill would make the criteria for the district boundaries of specified political subdivisions, including special districts, consistent with the criteria for Senate, Assembly, Congress, and State Board of Equalization districts established under the California Constitution. The bill was gutted and amended on April 12 and now concerns statewide ballot initiatives.

SB 448 (Melendez) – Emergency Powers – Limitation: This bill would enact the Emergency Power Limitation Act, which would require an emergency order issued by the Governor, a political subdivision, a city or a county to be narrowly tailored to serve a compelling public health or safety purpose and be limited in duration, applicability, and scope. The bill would authorize any person to bring an action to invalidate or enjoin enforcement of an emergency order that is allegedly unlawful. The bill would prohibit a state agency from issuing an emergency order that infringes on an express constitutional right (as defined in the bill) in a nontrivial manner, and would require that an emergency order issued by the Governor that infringes on an express constitutional right expire within 30 days if the Legislature is in session at the time the order is issued or within 7 days if the Legislature is not then in session. The bill is pending in the Senate Governmental Organization and Judiciary Committees.

SB 526 (Min) – Lead User Service Lines: Existing law requires, by July 1, 2018, a community water system to compile an inventory of known lead user service lines in use in its distribution system and identify areas that may have lead user service lines in use in its distribution system.

Existing law requires, by July 1, 2020, a community water system with known lead user service lines in use in its distribution system to provide a timeline for replacement of those lines to the State Water Resources Control Board. Existing law requires the state board to review and approve an established timeline. Existing law authorizes the State Board to enforce these requirements, and a violation is considered a violation of the California Safe Drinking Water Act, subjecting the violator to specified civil and criminal penalties. This bill would, until January 1, 2025, require a community water system to remove or replace the full lead user service line, if the community water system disturbs, removes, or replaces any portion of it. The bill would apply the above-described enforcement provisions to a violation of the requirements of the bill. The bill is pending in the Senate Environmental Quality Committee.

SB 552 (Hertzberg) – Drought Planning – Small Water Systems: This bill would require small water suppliers (serving between 15 and 2,999 service connections), and non-transient non-community water systems that are schools, no later than December 31, 2022, to develop and submit to the Division of Drinking Water an Emergency Response Plan that includes specified drought-planning elements. The bill would require these water systems to report specified water supply condition information to the State Board through the Electronic Annual Reporting System, and to include water system risk and water shortage information in the water systems' Consumer Confidence Reports. The bill would require the State Water Board, in partnership with the Department of Water Resources no later than December 31, 2022, to conduct an assessment of drought and emergency water shortage resiliency measures for small water systems and non-transient non-community water systems that are schools, among other tasks.

This bill would require a county to establish a standing county drought and water shortage task force to facilitate drought and water shortage preparedness for state small water systems and domestic wells within the county's jurisdiction, and include potential drought and water shortage risk and proposed interim and long-term solutions as an element in an existing county plan. The bill is passed the Senate Natural Resources and Water Committee and is now pending in the Senate Governance and Finance Committee.

SB 594 (Glazer) – Redistricting: As amended on April 5, this bill would establish that the board of directors of a special district with division boundaries must establish their new boundaries no later than 180 days before the district's next regular election occurring after January 1 of each year ending in the number two. The bill would give local governments more time to redistrict following release of the 2020 census data, which has been delayed by COVID-19. ACWA has a taken a Favor position on this bill. The bill has passed the Senate Elections and Constitutional Amendments Committee and is pending in the Senate Governance and Finance Committee.

SB 626 (Dodd) – Department of Water Resources – Construction Methods: This bill would authorize the Department of Water Resources to utilize the Construction Manager/General Contractor construction method, except for the procurement for the design or construction of through-Delta conveyance facilities of the Sacramento-San Joaquin Delta. The April 5 amendments address DWR's possible use of the design-build method, and also address DWR's construction inspection services. The bill is pending in the Senate Natural Resources and Water Committee.

SB 657 (Ochoa Bogh) – Employment – Electronic Documents: The bill would authorize an employee working from home to receive legally required notices and postings electronically and sign or acknowledge certain documents electronically. The bill was amended on April 12 and April 22 to instead provide that in any instance in which an employer is required to physically post information, the employer may also distribute that information to employees by email with the document or documents attached, but such e-mail distribution does not alter the employer's existing obligation to physically display a required posting. The bill has passed the Senate Labor, Public Employment and Retirement and Judiciary Committees and is now pending on the Senate floor.

SB 776 (Gonzalez) – Safe Drinking Water and Water Quality: As amended on March 10, this former spot bill, which is sponsored by the State Water Resources Control Board, would make various changes to allow the State Water Board to more efficiently administer the Safe and Affordable Drinking Water Fund, such as allowing the State Board to make advance payments of up to \$10,000. However, the bill also contains new provisions concerning enforcement and cost recovery, including new monetary penalties and exemptions of certain State Board actions, like general monitoring orders, from the requirements of the Administrative Procedures Act. The April 19 amendments would require all moneys collected pursuant to the added enforcement provisions be deposited into a fund from which the financial assistance agreement that is the subject of the action originated, unless the State Water Board determines that deposit in another fund would be more effective for providing financial assistance for the same or substantially similar purpose. The bill has passed the Senate Environmental Quality Committee and is now pending in the Senate Judiciary Committee.

We will continue to monitor these bills and any others that may become of interest to the Group, and will update this report throughout the legislative session to keep you apprised of amendments and status of these and other bills.

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