Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

AGENDA
SOUTHEAST WATER COALITION
REGULAR BOARD OF DIRECTORS MEETING
THURSDAY, APRIL 6, 2023, 7:00 PM

Vernon City Hall
4305 S. Santa Fe Avenue
Vernon, CA 90058

1. **ROLL CALL**

2. **PUBLIC COMMENTS**

3. **CONSENT CALENDAR**

   a. **SEWC BOARD OF DIRECTORS MINUTES OF FEBRUARY 2, 2023 REGULAR MEETING**
   Recommendation: Approve the meeting minutes as submitted.

   b. **WARRANT REGISTER**
   Recommendation: Approve Warrant Register.

****End of Consent Calendar****

4. **WATER REPLENISHMENT DISTRICT'S PROPOSED REPLENISHMENT ASSESSMENT INCREASE FOR FY 23/24**
   Joanna Moreno, AE Chair, City of Vernon
   Recommendation: That the Board take the following action:
   Approve the submittal of a letter from the Southeast Water Coalition to the WRD opposing their proposed 8.7% increase in the Replenishment Assessment (RA) and encouraging the Board to accept the RA recommendation submitted by the WRD's Budget Advisory Committee.

5. **REQUEST FOR PROPOSALS FOR SEWC PROGRAM MANAGEMENT SERVICES**
   Joanna Moreno, AE Chair, City of Vernon
   Recommendation: That the Board take the following action:
   1. Approve the Request for Proposals for Program Management Services for the Southeast Water Coalition;
   2. Authorize the Administrative Entity to begin informal bid process for Program Management Services; and
   3. Authorize KJServices to continue providing support services, as necessary, on a month-to-month basis during the Program Management Services transition period.

6. **PFAS LITIGATION UPDATE AND REVIEW OF AVAILABLE PFAS MITIGATION FUNDING SOURCES**
   Joanna Moreno, AE Chair, City of Vernon
   Recommendation: That the Board receive the following updates:
   1. Status of the ongoing litigation by some SEWC-member cities against PFAS manufacturers.
   2. Available PFAS remediation funding sources.

7. GOVERNOR NEWSOM'S EXECUTIVE ORDER N-3-23 – TEMPORARILY SUSPENDING WET-WEATHER FLOWS FROM CALIFORNIA RESERVOIRS

Joanna Moreno, AE Chair, City of Vernon

Recommendation: That the Board receive the following update:

Receive an update on Governor Newsom's Executive Order N-3-23 to temporarily suspend certain wet-year flows from California reservoirs to provide additional groundwater recharge.

8. BOARD OF DIRECTORS COMMENTS

9. ADMINISTRATIVE ENTITY/LEAD AGENCY COMMENTS

10. ADJOURNMENT

On April 3, 2023, the foregoing agenda was posted in accordance with the applicable legal requirements. Regular and Adjourned Regular meeting agendas may be amended up to 72 hours and Special meeting agendas may be amended up to 24 hours in advance of the meeting.

Disability-related services are available to enable persons with a disability to participate in this meeting, consistent with the Federal Americans with Disabilities Act of 1990. Please contact the City of Vernon Public Utilities Department at least 24 hours in advance of the meeting at (323) 583-8811 ext. 888.

The next meeting of the Southeast Water Coalition Policy Board will be on Thursday, June 1, 2023, 7:00 PM, at Vernon City Hall, 4305 South Santa Fe Avenue, Vernon, CA 90058.

MINUTES OF THE
SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY

REGULAR MEETING OF THE POLICY BOARD

THURSDAY, FEBRUARY 2, 2023
6:30 P.M.

The regular meeting of the Southeast Water Coalition Joint Powers Authority Policy Board, conducted electronically over Zoom, was called to order at 6:30 p.m. by Policy Board Chair Melissa Ybarra (Vernon).

1. ROLL CALL

Kevin Sales (KJServices Environmental Consulting) called roll and the following Board Members were present on the Zoom call:

Chuong Vo	City of Cerritos
Kevin Lainez	City of Commerce
Todd Rogers	City of Lakewood
Ana Valencia	City of Norwalk
Isabel Aguayo	City of Paramount
Andrew Lara	City of Pico Rivera
Maria del Pilar Avalos	City of South Gate
Melissa Ybarra	City of Vernon
Octavio Martinez	City of Whittier

Also Present:

Andrew Caraveo	City of Commerce
Dan Mueller	City of Downey
Derek Nguyen	City of Lakewood
Adrianna Figueroa	City of Paramount
Joanna Moreno	City of Vernon
Ray Cordero	City of Whittier

Others in Attendance:

Leticia Vasquez Wilson	CBMWD
Kevin Sales	KJServices Environmental Consulting

2. PUBLIC COMMENTS

No public comments were received.

3. CONSENT CALENDAR

SEWC Board Chair Ybarra asked for a motion to approve the Consent Calendar. The motion was made by Board Member Ana Valencia (Norwalk) and seconded by Board Member Kevin Lainez (Commerce). The motion passed with a unanimous roll call vote by all SEWC Board Members present.

4. AUDIT REPORT – SOUTHEAST WATER COALITION (SEWC) FISCAL YEAR 2021 / 2022 FINANCIAL STATEMENTS

Administrative Entity Chair Joanna Moreno (Vernon) presented the staff report for this item.

The Board members were presented with a summary of SEWC's annual audit for Fiscal Year 2021 / 2022. The audit was conducted by Davis Farr, and their findings were included in two attachments: *Audit Communications Letters*, and the audit's *Financial Statements*. Upon approval by the Board, the audit's findings will be submitted to State Controller's Office as part of the annually required Special Districts Financial Transactions report.

At the completion of the AE Chair's report, Board Chair Melissa Ybarra called for a motion to approve the FY 21 / 22 audit finding and authorize the preparation and submittal of the Special Districts Financial Transactions Report to the Controller's office. A motion was made by Board Member Rogers (Lakewood) with a second by Board Member del Pilar Avalos (South Gate). The motion was approved by a unanimous vote of the Board members present.

5. AB 2449 – NEW LEGISLATION REGARDING TELECONFERENCING

Administrative Entity Chair Moreno presented the staff report for this Receive and File item.

During the Covid 19 emergency declared by the Governor, SEWC held both its Administrative Entity meetings and its Board meetings under the relaxed teleconferencing requirements established under AB 361. Under the relaxed teleconferencing provisions, a legislative body may meet via teleconferencing without a quorum of members physically present; without having to post agendas at all teleconferencing locations; without identifying each teleconferencing location; and without making each teleconferencing location accessible to the public. To utilize these provisions, a legislative body is required to make periodic findings every 30 days. The requirements of AB 361 are effective until January 1, 2024.

In September 2022, AB 2449 was passed by the legislature which provides alternate authority for members of local agency legislative bodies to participate in public meetings via teleconference in certain limited circumstances. This bill becomes effective January 1, 2023 and ends January 1, 2026.

Per Mr. Nick Ghirelli of Richards, Watson and Gershon, Governor Newsom plans to end his announced COVID emergency on February 28, 2023. After that, legislative bodies will no longer be able to operate under the terms of AB 361 and will, if a teleconferencing option for meetings is required, follow the requirements of AB 2449.

AE Chair Moreno described the teleconferencing limits establish under AB 2449, stating that the bill allows for limited remote participation at future meetings within strict limits.

At the completion of her report, this item was Received and Filed by the Board.

6. RETURN TO IN-PERSON MEETINGS – AE AND POLICY BOARD

AE Chair Moreno presented this item to the Board.

With Governor Newsom's declaration of the end of the California Covid 19 emergency, public agencies will need to return to in-person meetings with only a few allowable exceptions for teleconferencing. As a result, beginning with the Administrative Entity's March 16, 2023 meeting, both the SEWC Board and AE will once again hold in-person, public meetings.

With the return to in-person meetings, the Board was asked if they would also like to return to the meeting times that it held prior to the Covid 19 emergency declaration, which are at 7 PM the first Thursday of even-number months, and the Administrative Entity returning to a 12-noon meeting on the third Thursday of odd-number months. The AE members had previously approved the 12-noon meeting time at their January 2023 meeting.

If the Board decided to approve the changed meeting times, a new SEWC resolution, number 2023-1, would need to be approved.

Board Chair Melissa Ybarra called for a motion to approve Resolution 2023-1 establishing the new Board and AE meeting times. A motion was made by Board Member del Pilar Avalos, with a second by Board Member Rogers. The motion was approved by a unanimous vote of the Board members present.

7. REQUIREMENTS FOR MONITORING OF PER- AND POLYFLUOROALKYL SUBSTANCES FOR SELECTED WATER PURVEYORS AND THEIR IMPACTS ON SEWC CITIES

AE Chair Moreno presented this Receive and File item to the Board.

As an information item, Chair Moreno described the impact the State Water Board's recent ruling on the monitoring of per – and polyfluoroalkyl substances (PFAS) would have on the SEWC cities. The monitoring regulations will require more frequent and more detailed testing of identified drinking water wells, leading to more manpower hours and testing costs.

A list of the immediately affected cities and water wells was included in the report to the Board members.

The report was Received and Filed by the Board.

8. CITIES' REPRESENTATION ON THE CENTRAL BASIN MUNICIPAL WATER DISTRICT BOARD

Administrative Entity Chair Moreno updated the Board on the current vacancy on the Central Basin Municipal Water District's (CBMWD) Board of a representative in the At-Large Cities seat. This is a Director's position established to serve as the representative for all the cities in the CBMWD's service area. At the time the Board was told it appeared that Mr. Thomas Bekele, of the City of Signal Hill, would be selected to fill the At-Large Cities Director's position on the Board.

This update item was Received and Filed by the SEWC Board.

9. BOARD OF DIRECTORS COMMENTS

Two Board members made comments:

1. Board Member Octavio Martinez (Whittier) asked the AE to report back with information about why so much run-off from recent rains was being discharged into the ocean rather than being captured for use as part of the State Water Project.
2. Board Member del Pilar Avalos asked the AE for an update on the status of current PFAS litigation, referring specifically to litigation brought by the cities of Whittier and Downey; and secondly, she requested a report on the availability of PFAS remediation funding.

10. ADMINISTRATIVE ENTITY CHAIR / LEAD AGENCY COMMENTS

No comments were received.

11. ADJOURNMENT

Policy Board Chair Ybarra adjourned the meeting at 7:10 p.m.

_____

CHAIR

ATTEST:

_____

Southeast Water Coalition
Warrant Listing January 31, 2023 thru March 31, 2023

Checks

Check#	Amount	Check Date	Transaction Description	Vendor name
610424	340.00	2/2/2023	SEWC CONSULTING	KJSERVICES ENVIRONMENTAL
610498	150.00	2/16/2023	SEWC BOARD MEETING STIPEND	ANA VALENCIA
610499	150.00	2/16/2023	SEWC BOARD MEETING STIPEND	ANDREW C. LARA
610505	150.00	2/16/2023	SEWC BOARD MEETING STIPEND	CHUONG V. VO
610518	150.00	2/16/2023	SEWC BOARD MEETING STIPEND	KEVIN LAINEZ
610522	150.00	2/16/2023	SEWC BOARD MEETING STIPEND	MARIA DEL PILAR AVAL
610523	150.00	2/16/2023	SEWC BOARD MEETING STIPEND	MARIA ISABEL AGUAYO
610525	150.00	2/16/2023	SEWC BOARD MEETING STIPEND	OCTAVIO C. MARTINEZ
610529	357.00	2/16/2023	SEWC LEGAL FEES	RICHARDS, WATSON & GERSHON
610534	150.00	2/16/2023	SEWC BOARD MEETING STIPEND	TODD RODGERS
610620	2,180.00	3/9/2023	SEWC CONSULTING	KJSERVICES ENVIRONMENTAL
610747	1,360.00	3/30/2023	SEWC CONSULTING	KJSERVICES ENVIRONMENTAL
	5,437.00			

EFT

14322	150.00	2/17/2023	SEWC BOARD MEETING STIPEND	MELISSA YBARRA
	150.00			

Total **5,587.00**

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: April 6, 2023
To: Southeast Water Coalition Board of Directors
From: Joanna Moreno, AE Chair, City of Vernon

Subject: Water Replenishment District's Proposed Replenishment Assessment Increase for FY 23/24

Recommendation: That the Board of Directors take the following action:

Approve the submittal of a letter from the Southeast Water Coalition to the WRD supporting the Replenishment Assessment recommendation proposed by the WRD's Budget Advisory Committee.

Replenishment Assessment (RA)

The California Water Code requires that the ensuing year's Replenishment Assessment be adopted no later than the second Tuesday in May. The District also currently follows a separate Pumper Notification process which has its own Public Hearing after notifying all groundwater producers within the District the proposed upper limit being considered by the Board for the RA and information regarding the hearing, including protest information.

In January 2014, pursuant to Water Code Section 60233, WRD established the Budget Advisory Committee (BAC). The BAC is composed of seven members who are owners/operators of groundwater-producing facilities subject to the RA. The BAC is tasked with reviewing and advising WRD regarding the proposed RA and WRD's operating budget, including reserve funds.

At their March 9, 2023 meeting, the WRD Board of Directors received a staff report that included a recommendation from their Budget Advisory Committee to increase the RA by 2.5% or $10 per acre-foot (af) based on a pumping estimate of 200,000 af and a reduction of $5.8 million in Reserves. At the March 9th meeting, the Board's Finance / Audit committee did not present a recommendation but rather just presented the BAC's recommended RA increase of 2.5%.

During the WRD Board's discussions following the staff report, the Board approved an 8.7% or $35 per acre-foot upper limit based on a pumping estimate of 195,000 af and a $3 million reduction in Reserves.

An additional Budget Advisory Committee meeting was held on March 28th to further discuss the WRD's budget for the next fiscal year and to revisit the RA recommendation made to the Board. After extensive discussions, the BAC did not settle on a new recommended RA, but rather will meet again after the WRD further reviews and incorporates the information presented by the BAC members during the meeting.

Over the past five years, the WRD Board has closely followed the BAC's recommendation when it came to setting the upper limit for the annual RA. The SEWC Administrative Entity recommends that SEWC submit a letter to the WRD Board asking them to adopt the RA as recommend by the BAC.

The Water Code Public Hearing is scheduled to open at the April 18, 2023 Board of Directors meeting and likely close at a special Board meeting on May 2, 2023. The Pumper Notification Public Hearing is scheduled to open and close on May 2, 2023. The Fiscal Year 2023 – 24 budget may be adopted, and the RA set at the Board's May 2, 2023 meeting.

Attachment(s):

1. March 28, 2023 WRD Budget Advisory Committee – Fiscal Year 2024 Proposed Budget Review.
2. SEWC Letter Supporting the BAC's Replenishment Assessment recommendation.

WATER REPLENISHMENT DISTRICT

Budget Advisory Committee

Fiscal Year 2024 Proposed Budget Review

March 28, 2023

MEETING AGENDA

- Proposed Replenishment Assessment Upper Limits Discussion
  - RA Upper Limit
  - Anticipated RA Pumping
  - Carryover Conversion – Storage and Withdrawals
  - Reserve Funds
  - Water Purchases

FY 2024 Budget Scenarios

	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
Cost to Provide Service	$ 87,587,071	$ 84,587,071	$ 82,587,071	$ 81,787,071	$ 79,807,071

RA	$0 Reserves	$3 million reduce Reserve	$5 million reduce Reserve	$5.8 million reduce Reserve	$7.8 million reduce Reserve
Pumping Estimate	200,000	200,000	200,000	200,000	200,000
Estimated RA	$438	$423	$413	$409	$399
Increase to RA for Management and Admin.	$39	$24	$14	$10	$0
Net % Increase	9.8%	6.0%	3.5%	2.5%	0.0%

	Scenario 6	Scenario 7	Scenario 8	Scenario 9	Scenario 10
Cost to Provide Service	$ 87,587,071	$ 84,587,071	$ 82,587,071	$ 81,787,071	$ 79,807,071

RA	$0 Reserves	$3 million reduce Reserve	$5 million reduce Reserve	$5.8 million reduce Reserve	$7.8 million reduce Reserve
Pumping Estimate	195,000	195,000	195,000	195,000	195,000
Estimated RA	$449	$434	$424	$419	$409
Increase to RA for Management and Admin.	$50	$35	$25	$20	$10
Net % Increase	12.6%	8.7%	6.1%	5.1%	2.6%

FY 2023 RA = $399 per AF plus $12 per AF for PFAS (Total $411 per AF)

Increase does not include PFAS assessment

- On March 7, 2023, the BAC recommended 2.5% (Scenario 4) as an RA upper-limit
- On March 9, 2023, the WRD recommended 8.7% (Scenario 7) as an RA upper-limit or a difference of 5.2% from the BAC recommendation
- The differences between the 2 scenarios is 5,000 AF of Pumping and $2.8 million in Reserve spending

Pumping History – Top 20 Pumpers
FY 2018 through FY 2022

WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
Groundwater Pumping by Top 20 Water Pumpers in the District (by acre foot)

Pumpers	2018	2019	2020	2021	2022	5 Yr. Avg	% of 5 Yr. Avg	2022 vs. 5-yr Avg.
Long Beach, City of	30,022	27,796	24,207	32,337	26,413	28,155	13.3%	(1,742)
Golden State Water Company	29,268	25,542	23,591	25,331	22,997	25,346	12.0%	(2,348)
Downey, City of	14,796	14,298	13,802	14,289	14,456	14,328	6.8%	128
California Water Service Company	9,412	8,814	14,923	11,746	11,613	11,302	5.4%	312
South Gate, City of	7,981	8,190	8,135	8,086	8,159	8,110	3.8%	49
Cerritos, City of	8,434	7,840	8,629	8,200	7,675	8,156	3.9%	(480)
Lakewood, City of Water Department	9,136	8,903	6,725	7,344	7,053	7,832	3.7%	(779)
Compton, City of	7,517	7,269	7,230	7,510	7,145	7,334	3.5%	(189)
Vernon, City of	6,405	6,081	6,083	6,420	6,513	6,300	3.0%	213
Liberty Utilities Corporation	5,410	8,158	7,543	5,163	4,732	6,201	2.9%	(1,469)
Tesoro Refining & Marketing Co., LLC	5,581	3,896	5,189	7,885	9,522	6,414	3.0%	3,107
Paramount, City of	6,031	4,950	5,365	3,166	2,706	4,444	2.1%	(1,738)
Bellflower-Somerset	5,243	5,066	5,055	5,148	4,885	5,079	2.4%	(194)
Lynwood, City of	5,435	4,909	5,212	4,912	4,427	4,979	2.4%	(552)
Phillips 66 Company	5,584	4,656	5,093	5,203	6,379	5,383	2.5%	996
Pico Rivera, City of	4,466	4,222	4,325	6,494	4,436	4,789	2.3%	(353)
Whittier, City of	3,635	4,733	5,617	4,572	5,877	4,887	2.3%	990
California Water Service Company (Dominguez)	4,060	4,069	3,497	4,074	3,576	3,855	1.8%	(279)
Huntington Park, City of	3,806	3,190	2,798	4,369	2,942	3,421	1.6%	(479)
Torrance, City of	2,773	4,304	4,292	3,083	1,825	3,256	1.5%	(1,430)
Total - Top 20	**174,993**	**166,887**	**167,309**	**175,332**	**163,332**	**169,571**	**80.3%**	**(6,238)**

Source: Water Replenishment District of Southern California.

For FY 21-22, pumping was down versus the 5-year average for the top 20 pumpers by 6,238 AF

WATER STORAGE and WITHDRAWAL [CENTRAL AND WEST COAST BASINS]
FY 2014 THROUGH FY 2023

CENTRAL BASIN-Carryover Conversion to Storage per Entity

Fiscal Year	Bellflower Somerset	Cerritos	Downey	Lakewood	Long Beach	LADWP	Maywood Mutual 3	San Gabriel	South Gate	Walnut Park	Whittier Union	TOTAL Carryover to Storage
2013-2014*		500.00	500.00	500.00	13,076.80	3,020.00						17,596.80
2014-2015			850.00		1,179.90	3,000.00	281.40		500.00		50.00	5,861.30
2015-2016		1,500.00		1,315.24		1,047.00	115.83			497.00		4,475.07
2016-2017		1,000.00	670.00	1,140.11		5,553.00	202.77	1,009.73				9,575.61
2017-2018	1,000.00	500.00	2,000.00	1,810.70		3,438.00		529.48		370.60		9,648.78
2018-2019			2,000.00	295.77		3,438.00		513.07		210.31		6,457.15
2019-2020			2,000.00	4,528.89	6,434.35	3,447.00		513.07				16,923.31
2020-2021			2,000.00	949.78	6,538.40			433.07				9,921.25
2021-2022		500.00	2,000.00	4,670.73	6,538.40			333.07	4,000.00			18,042.20
2022-2023												-
Total	-	4,000.00	12,020.00	15,211.22	33,767.85	22,943.00	600.00	3,331.49	4,500.00	1,077.91	50.00	98,501.47

WEST BASIN-Carryover Conversion to Storage per Entity

Fiscal Year	Torrance	Golden State Water Co	Manhattan Beach	TOTAL Carryover to Storage
2014-2015	1,097.77			1,097.77
2015-2016	3,074.93			3,074.93
2016-2017	1,466.00	3,300.00		4,766.00
2017-2018	1,127.70			1,127.70
2018-2019	1,127.70		2,081.20	3,208.90
2019-2020	1,127.70		181.20	1,308.90
2020-2021	1,127.70			1,127.70
2021-2022	1,127.70			1,127.70
2022-2023				
Total	*11,277.20*	3,300.00	2,262.40	16,839.60

CENTRAL BASIN-Total Storage Withdrawals per Entity

Fiscal Year	Bellflower Somerset	Cerritos	Downey	Lakewood	Long Beach	LADWP	Maywood Mutual 3	San Gabriel	South Gate	Walnut Park	Whittier Union	TOTAL Withdrawals
2013-2014*												-
2014-2015					899.49							899.49
2015-2016												-
2016-2017				1,815.24								1,815.24
2017-2018			1,350.00									1,350.00
2018-2019			2,000.00	2,156.47			500.00					4,656.47
2019-2020		1,370.00	2,000.00	295.77	-							3,665.77
2020-2021			2,000.00	4,528.89	6,434.35							12,963.24
2021-2022			2,000.00	904.51	6,538.40							9,442.91
2022-2023			2,000.00	4,287.09	6,538.40				3,174.08			15,999.57
Total	-	1,370.00	11,350.00	13,987.97	20,410.64	-	500.00	-	3,174.08	-	-	50,792.69

WEST BASIN-Total Storage Withdrawals per Entity

Fiscal Year	Torrance	Golden State Water Co	Manhattan Beach	TOTAL Withdrawals
2015-2016				-
2016-2017				-
2017-2018				-
2018-2019				-
2019-2020				-
2020-2021				-
2021-2022				-
2022-2023				-
Total	-	-	-	-

- In the Central Basin Carryover Conversion storage and withdrawals has increased to 18,042 AF in FY 21-22 and Withdrawals are projected to be approximately 16,000 AF in FY 22-23
- From the data, it appears Carryover Conversion is being used as a cost savings tool by withdrawing storage at nearly the same amount of water stored in the prior year

WATER STORAGE and WITHDRAWAL [CENTRAL AND WEST COAST BASINS]
FY 2023 THROUGH JANUARY 31

- The current projection for Storage in FY 22-23 is approximately 18,700 AF
- By the end of FY 22-23 it is projected that Central Basin will have approximately 48k AF and West Basin 17k AF in Storage

CENTRAL BASIN

Entity	APA	Beginning Storage Balance 7/1/22	Deducted from Storage Jul 22 - Jan 23	Remaining Storage	Total % of Storage Remaining	Can all storage be extracted within extraction limit?	Expected Carryover Conversion to Storage
Bellflower-Somerset Mutual Water Company	4,412.88	1,000.00	-	1,000.00	100%	yes	
Cerritos, City	4,680.03	2,630.00	-	2,630.00	100%	yes	
Downey, City	16,553.62	2,670.00	(2,000.00)	670.00	25%	yes	2,000.00
Lakewood, City of Water Department	9,432.00	5,510.34	(4,287.09)	1,223.25	22%	yes	4,000.00
Long Beach, City of	32,692.00	19,895.61	(6,538.40)	13,357.21	67%	yes	6,000.00
Los Angeles, City of Dept of Water and Power	17,236.00	22,943.00	-	22,943.00	100%	yes	5,000.00
Maywood Mutual No. 3	1,407.00	100.00	-	100.00	100%	yes	
San Gabriel Valley Water Company	2,569.42	3,331.49	-	3,331.49	100%	yes	
South Gate, City	11,183.00	4,500.00	(3,174.08)	1,325.92	29%	yes	1,700.00
Walnut Park Mutual Water Company	1,009.00	1,077.91	-	1,077.91	100%	yes	
Whittier Union High School District	100.00	50.00	-	50.00	100%	yes	
TOTAL	101,274.95	63,708.35	(15,999.57)	47,708.78	75%		18,700.00

WEST COAST BASIN

Entity	AR	Beginning Storage Balance 7/1/22	Deducted from Storage Jul 22 - Jan 23	Remaining Storage	Total % of Storage Remaining	Can all storage be extracted within extraction limit?	Expected Carryover Conversion to Storage
Golden State Water Company	7502.24	3,300.00	-	3,300.00	100%	yes	0.00
City of Manhattan Beach	1131.20	2,262.40	-	2,262.40	100%	no (reached max)	0.00
City of Torrance	5638.86	11,277.20	-	11,277.20	100%	no (reached max)	0.00
TOTAL	14272.3	16,839.60	-	16,839.60	100%		0.00

RESERVE FUNDS
FY 2014 THROUGH JANUARY FY 2023

RESERVES DESIGNATED BY BOARD	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
	Jun-14	**Jun-15**	**Jun-16**	**Jun-17**	**Jun-18**	**Jun-19**	**Jun-20**	**Jun-21**	**Jun-22**	**Jan-23**
WATER PURCHASE CARRY OVER AND RATE STABLIZATION RESERVE	41.5	38.4	30.7	17.7	20.0	19.3	32.2	24.1	10.0	10.0
DEBT SERVICE RESERVE (not held with trustee)	10.5	6.3	16.0	13.4	15.2	15.6	3.2	3.0	3.2	3.2
OPERATING RESERVE	8.6	5.8	9.4	15.5	5.9	22.5	32.0	34.0	31.1	31.8
GASB 45 OPEB LIABILITY	0.8	-	-	-	-	-	-	-	-	-
NON-CAPITAL RESERVES	**61.4**	**50.5**	**56.1**	**46.6**	**41.1**	**57.4**	**67.4**	**61.1**	**44.3**	**45.0**
CAPITAL PROJECT RESERVE (SDW, PFAS, PAYGO, WELL REHAB)	5.1	3.6	4.9	8.0	8.9	10.1	12.5	12.5	43.5	44.7
EQUIPMENT REPLACEMENT RESERVE						-	5.0	5.0	5.0	5.0
CAPITAL RESERVES	**5.1**	**3.6**	**4.9**	**8.0**	**8.9**	**10.1**	**17.5**	**17.5**	**48.5**	**49.7**
TOTAL RESERVES	**66.5**	**54.1**	**61.0**	**54.6**	**50.0**	**67.5**	**84.9**	**78.6**	**92.8**	**94.7**

- On average, the WRD Non-Capital Reserves Fund balance has remained relatively constant
- However, the purpose of the Fund changed from Reserves for Water Purchases to Operating
- WRD Capital Reserves have increased and are used primarily to reduce our reliance on borrowing
- Capital Reserves are funded by PayGo, PFAS and Grant Funding

WRD

WATER REPLENISHMENT DISTRICT

SECURING OUR WATER FUTURE TODAY

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

Board of Directors
Water Replenishment District of Southern California
4040 Paramount Boulevard
Lakewood, CA 90712

April 6, 2023

Re: ***Request for Adoption of Budget Advisory Committee's Final Recommendation for FY 2023-2024 Replenishment Assessment Rate***

Dear Members of the Board:

I write to express the Southeast Water Coalition's (SEWC) strong support for the work provided by WRD's Budget Advisory Committee (BAC) in advising WRD staff and its Board regarding the final recommendation for FY 2023-2024 Replenishment Assessment (RA) rate.

SEWC is a joint powers authority comprised of eleven cities in southeast Los Angeles County: Commerce, Cerritos, Downey, Lakewood, Norwalk, Paramount, Pico Rivera, Santa Fe Springs, South Gate, Vernon, and Whittier. SEWC's Board of Directors is comprised of one council member from each of these eleven cities. Our member cities are purveyors of water service to businesses and residents within their communities, and they collectively serve a population of 670,000 in a service area of over 93 square miles. SEWC provides leadership and collaborates to ensure a safe, reliable, and affordable water supply within the Central Basin. To that end, SEWC regularly monitors the District's activities and advocates for effective water policy and good governance regulation applicable to the District.

We appreciate the partnership WRD has provided, allowing purveyors to participate in their processes on a regular basis. One of the ways WRD has allowed purveyors to participate is through the creation of a Budget Advisory Committee. The BAC consists of high-level water professional staff from seven purveyors in the WRD service area.

Over the course of two months, BAC Committee members have pored over significant amount of data and devoted countless hours to review the information provided by WRD staff. They have evaluated numerous pumping and budgetary scenarios to arrive at their final recommendation to the Board.

We value the BAC's diligent efforts to arrive at their professional recommendation. We appreciate the Board's past practices of taking the BAC's work and recommendation heavily into consideration when setting the RA. Inflation has affected all residents within WRD's service area. Any increases to the RA will be passed through to ratepayers compounding the economic struggles they are currently experiencing. Adjusting rates is particularly difficult for the cities who must go through a mandatory Proposition 218 process. Following the recommendation of the BAC limits unnecessary increases to the residents and businesses and is in line with WRD's best practice as demonstrated in past years.

Due to the above reasons, the Southeast Water Coalition strongly urges the WRD Board of Directors to adopt the Budget Advisory Committee's final recommendation for FY 2023-2024 replenishment assessment rate.

Respectfully,

Melissa Ybarra
SEWC Board Chair
Council Member, City of Vernon

CC: SEWC Board of Directors
SEWC Administrative Entity

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: April 6, 2023
To: Southeast Water Coalition Board of Directors
From: Joanna Moreno, Administrative Entity Chair, City of Vernon

Subject: Request for Proposals for SEWC Program Management Services

Recommendation: That the Board of Directors take the following actions:

1) Approve the Request for Proposals for Program Management Services for the Southeast Water Coalition;

2) Authorize the Administrative Entity to begin informal bid process for Program Management Services; and

3) Authorize KJServices Environmental Consulting to provide continued Program Management Support on an as-needed, month-to-month basis for a maximum of 60 days beginning July 1, 2023 to assist during the transition to the new administration consultant.

Background:
Program Management Services for the Southeast Water Coalition (SEWC) have been provided by KJServices Environmental Consulting (KJServices) since 2010. KJServices' contract with SEWC ends on June 30, 2023. At the end of FY 22/23, KJServices will not be renewing its current contract with SEWC.

At their March 16, 2023 meeting, the SEWC Administrative Entity voted to prepare a Request for Proposals (RFP) for Board approval and subsequent release to identify a new consultant or firm to take over SEWC's Program Management Services.

The RFP's schedule is as follows:

1. Release the RFP immediately after its approval by the SEWC Board for a 25-day response period.

2. Review the received proposals and select firms for interview, as necessary. This process will be conducted by an ad-hoc committee made up of three AE members.

3. The ad-hoc committee will make their recommendation to the full Administrative

Entity panel at their May 18, 2023 meeting.

4. Present the recommended consultant or firm to the SEWC Board for approval at their June 1st meeting.

Attached is the Request for Proposals for Program Management Services. The Standard Consultant Agreement included in the RFP stipulates a three-year contract for Program Management Services. The RFP also includes the SEWC Strategic Plan.

The Administrative Entity also requests that the Board approve KJServices Environmental Consulting's continued support beyond June 30, 2023 on an as-needed, month-to-month basis for a maximum of 60-days to assist with the transition to the new consultant or firm.

Attachment(s):

1. Request for Proposals Program Management Services Southeast Water Coalition

REQUEST FOR PROPOSALS
Program Management Services
Southeast Water Coalition

The Southeast Water Coalition (SEWC) invites qualified consultants to submit qualifications and a proposal to provide administrative support for the SEWC's Administrative Entity and Policy Board. For additional information with regard to this Request for Proposals, please contact Joanna Moreno at 323-583-8811 x888 or via email at jmoreno@cityofvernon.org .

Submission of a proposal shall constitute acknowledgement and acceptance of all terms and conditions contained in this RFP and all appendices hereto.

REQUIREMENTS OF PROPOSAL CONTENTS:

I. Statement of Qualification:

The statement of qualifications must include the following elements:

1. Cover Letter:
   Proposal shall include a letter of interest signed by a principal or authorized representative who can make legally binding commitments for the entity. Include type of business entity.

2. Firm & Team Experience:
   Proposal shall demonstrate firm's experience in managing tasks listed in Appendix A-Scope of Work and relevant experience in water resources and groundwater contamination plumes in Los Angeles County. Include resumes of key personnel who will perform the proposed services. Three (3) years' experience in a similar capacity for public agencies, experience in the water industry highly desirable.

3. Scope of Services:
   Proposal shall include a Scope of Services, which details the tasks to be accomplished and the deliverables to be provided.

II. Compensation & Reimbursable Cost:

1. Proposal shall include a not-to-exceed limit Fee Proposal and a Fee Schedule that clearly breaks down costs by task.
2. Include the firm's Standard Hourly Fee Schedule.
3. Provide a list of what your firm considers reimbursable.

TERM OF CONTRACT AGREEMENT:

The SEWC desires to enter into a contract with a three-year term. This term is outlined in the Standard Consultant Agreement, as contained in Appendix B: Standard Agreement.

APPENDIX A
SCOPE OF WORK

SEWC PROGRAM MANAGEMENT SERVICES
SCOPE OF WORK

BACKGROUND

The Southeast Water Coalition Joint Powers (SEWC) was created in July 1991 and is comprised of eleven cities. These agencies formed a joint power authority to improve and protect the quantity and quality of the regional water supply. SEWC's water purveyors service a population of 670,000 in a service area of 93+ square miles.

The SEWC Board of Directors consists of one representative (typically a Councilmember) from each member city. The Administrative Entity (AE) acts as a steering committee consisting of one technical staff member from each member city plus three non-voting (advisory) members, one each from the Central Basin Watermaster as well as Golden State Water Company and California Water Service (two private utilities serving several member cities).

SEWC's mission is to prevent the contamination of the Central Groundwater Basin from migrating contaminated groundwater and to encourage good governance of water policies to ensure the availability of reliable, quality, and affordable water.

DESCRIPTION OF WORK

Monthly Meetings

The consultant shall provide administrative support for the Southeast Water Coalition's Administrative Entity (AE) and Policy Board's bi-monthly meetings as well as prepare the meetings' agenda, staff reports (as requested) and the previous meetings' minutes. Responsibilities also include researching and providing supporting documents for each meetings' agenda items.

The consultant shall attend all monthly meetings and provide general administrative support including, but not limited to, the following:

1. Provide a meeting sign-in list.
2. Supply additional copies of the agenda packet and copies of supporting documents, as required.
3. Ensure that the approved minutes of the previous meeting are signed by the AE Chair or Policy Board Chair and provide them to the Lead Agency representative for retention.
4. Take minutes at each meeting.
5. Ensure any necessary audio/visual or meeting equipment is provided at the meeting venue.
6. Ensure proper meeting room setup and assist with the coordination of meeting catering, as requested.
7. Provide general administrative support for the monthly meetings.
8. Coordinate meeting presentations with other agencies.
9. In conjunction with the Administrative Entity Chair, develop items for the AE and Board agendas', providing item research as necessary, and write the staff report for each item.

Monthly Support

The Consultant shall provide general administrative support to the AE and Policy Board. These activities may include the following:

1. Preparation of administrative documents such as the annual budget.
2. Preparation and submittal of State or Federal forms.
3. Preparation and submittal of position letters to regulatory agencies, elected officials, water providers, and other interested parties.
4. Assistance with the coordination of communication and notifications among the AE members and between the AE and the Policy Board.
5. Coordinate meetings and presentations with other agencies.
6. Other duties as assigned.

Tracking and Updating

1. Track Strategic Plan progress and update project list (Appendix C-SEWC Strategic Plan).
2. Track grant opportunities.
3. Update and submit JPA and act as the filing officer for Assuming Office and Leaving Office forms and annual Form 700 filings with the Los Angeles County Board of Supervisors' office.
4. Monitoring of legislative bills which would affect SEWC-member agencies and provide monthly updates.

The consultant shall serve as the designated agency head, code officer, and filing officer.

APPENDIX B

STANDARD AGREEMENT FOR PROFESSIONAL SERVICES

SOUTHEAST WATER COALITION
PROFESSIONAL SERVICES AGREEMENT
WITH _____
FOR STRATEGIC PLANNING SERVICES

THIS AGREEMENT is made and entered into as of the ___day of _____ by and between the **Southeast Water Coalition**, a California joint powers entity, (hereinafter referred to as "SEWC") and _____, ("Consultant"). SEWC and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

R E C I T A L S

A. Consultant desires to assist SEWC in providing administrative support for the SEWC's Administrative Entity and Policy Board on the terms and conditions set forth in this Agreement; and

B. Consultant represents that it has demonstrated competence and experience in providing professional consulting services for the specific services described in Exhibit "B" (Consultant's Proposal); and

C. SEWC desires to retain Consultant to render such services subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of performance by the parties of the mutual promises, covenants, and conditions herein contained, the Parties hereto agree as follows:

1. Consultant's Services.

1.1 Scope of Services. Consultant shall provide the professional services described in the Consultant's Proposal ("Proposal"), attached hereto as Exhibit "B" and incorporated herein by this reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

1.2 Personnel. Consultant represents that it has, or will secure at its own expense, all personnel required to perform the Services. All of the Services will be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such work.

1.3 Party Representatives. For the purposes of this Agreement, SEWC Representative shall be the Chair of the Administrative Entity or such other person designated by the SEWC Policy Board (the "SEWC Representative"). For the purposes

of this Agreement, the Consultant Representative shall be _____ (the "Consultant Representative").

1.4 Time of Performance. Consultant shall commence the Services upon receipt of a Notice to Proceed and shall perform and complete the Services within the time required in Exhibit B.

2. Term of Agreement. This Agreement shall commence on the Effective Date and continue for a period of _____ months, ending on _____, 20__, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

3. Compensation. Subject to the maximum sum hereafter provided, SEWC shall pay Consultant at the rate of _____ ($_____.00) per hour. The maximum amount of compensation which Consultant shall be entitled to receive pursuant to this Agreement is $_____ for the term set forth in Section 2. SEWC shall not withhold applicable federal or state payroll and other required taxes, or other deductions from payments made to the Consultant. No claims for additional services performed by Consultant will be allowed unless such additional work is authorized by the SEWC Policy Board in writing prior to the performance of such services or the incurrence of such expenses. Any additional services authorized by the SEWC Policy Board shall be compensated at a rate mutually agreed to by the parties.

4. Method of Payment.

4.1 Invoices. Not later than the fifteenth (15th) day of the month, Consultant shall submit to SEWC an invoice for all services performed during the preceding month. The invoices shall describe in detail the services rendered during the period and shall show the hours worked and services provided each day, SEWC Administrative Entity and Policy Board meetings attended, and expenses incurred since the last bill. SEWC shall review each invoice and notify Consultant in writing within ten (10) business days of any disputed amounts.

4.2 Payment. SEWC shall pay all undisputed portions of each invoice within thirty (30) calendar days after receipt of the invoice up to the maximum amount set forth in Exhibit B.

4.3 Audit of Records. Upon receiving 24-hour notice from SEWC, Consultant shall make all records, invoices, time cards, cost control sheets and other records created or maintained by Consultant in connection with this Agreement available to SEWC for review and audit by SEWC. SEWC may conduct any such review and audit at any time during Consultant's regular working hours.

5. Standard of Performance. Consultant shall perform all Services under this Agreement in accordance with the standard of care generally exercised by like professionals under similar circumstances and in a manner reasonably satisfactory to SEWC.

6. Ownership of Work Product. All reports, documents or other written material developed by Consultant in the performance of this Agreement shall be and remain the property of SEWC without restriction or limitation upon its use or dissemination by SEWC. Such material shall not be the subject of a copyright application by Consultant. Any alteration or reuse by SEWC of any such materials on any project other than the project for which they were prepared shall be at the sole risk of SEWC unless SEWC compensates Consultant for such reuse.

7. Status as Independent Contractor. Consultant is, and shall at all times remain as to SEWC, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of SEWC. Neither SEWC nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its officers, agents or employees are in any manner employees of SEWC, provided, however, that nothing contained in this provision shall be construed or interpreted so as to deprive Consultant of any and all defenses or immunities available to public officials acting in their official capacities. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold SEWC harmless from any and all taxes, assessments, penalties, and interest asserted against SEWC by reason of the independent contractor relationship created by this Agreement. Consultant shall fully comply with the workers' compensation law regarding Consultant and Consultant's employees. Consultant further agrees to indemnify and hold SEWC harmless from any failure of Consultant to comply with applicable workers' compensation laws. SEWC shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to SEWC from Consultant as a result of Consultant's failure to promptly pay to SEWC any reimbursement or indemnification arising under this Section 7.

8. Confidentiality. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant to any person or entity without prior written authorization by SEWC. SEWC shall grant such authorization if disclosure is required by law. All SEWC data shall be returned to SEWC upon the termination of this Agreement. Consultant's covenant under this section shall survive the termination of this Agreement.

9. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code Sections 81000, *et seq*.) and Government Code Section 1090. During the term of this Agreement, Consultant shall retain the right to perform similar services for other clients, but Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the SEWC Administrative Entity Chair, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

10. Indemnification. Consultant agrees to indemnify, defend and hold harmless SEWC, and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors and assigns in accordance with the Indemnification and Hold Harmless Agreement and Waiver of Subrogation and Contribution attached hereto as Exhibit A and incorporated herein by this reference. Consultant's covenant under this Section 10 shall survive the termination of this Agreement.

11. Insurance. Consultant shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, with an insurance company permitted to do business in California, rated "A" or better in the most recent Best's Key Insurance Rating Guide, and approved by SEWC, workers' compensation insurance with a minimum limit of $1,000,000 or the amount required by law, whichever is greater.

12. Cooperation. In the event any claim or action is brought against SEWC relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation, which SEWC might require.

13. Termination. Either party may terminate this Agreement for any reason without penalty or obligation on thirty (30) calendar days' written notice to the other party. Consultant shall be paid for services satisfactorily rendered to the last working day the Agreement is in effect, and Consultant shall deliver all materials, reports, documents, notes, or other written materials compiled through the last working day the Agreement is in effect. Neither party shall have any other claim against the other party by reason of such termination.

14. Notices. Any notices, bills, invoices, or reports required by this Agreement shall be given by first class U.S. mail or by personal service. Notices shall be deemed received on (a) the day of delivery if delivered by hand or overnight courier service during Consultant's and SEWC's regular business hours or by facsimile before or during Consultant's regular business hours; or (b) on the third business day following deposit in the United States mail, postage prepaid, to the addresses heretofore set forth in the Agreement, or to such other addresses as the parties may, from time to time, designate in writing pursuant to the provisions of this section. All notices shall be delivered to the parties are the following addresses:

If to SEWC: City of Vernon (SEWC Lead Agency)
4305 S. Santa Fe Avenue
Vernon, CA 90058
Phone: (323) 583-8811
Attn: Joanna Moreno, P.E., Civil Engineer

If to Consultant: _____
_____
_____
Phone:_____
Attn:_____

15. Non-Discrimination and Equal Employment Opportunity. In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition, or sexual orientation.

16. Non-Assignability; Subcontracting. Consultant shall not assign or subcontract all or any portion of this Agreement. Any attempted or purported assignment or sub-contracting by Consultant shall be null, void and of no effect.

17. Compliance with Laws. Consultant shall comply with all applicable federal, state and local laws, ordinances, codes and regulations in the performance of this Agreement.

18. Non-Waiver of Terms, Rights and Remedies. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by SEWC of any payment to Consultant constitute or be construed as a waiver by SEWC of any breach of covenant, or any default which may then exist on the part of Consultant, and the making of any such payment by SEWC shall in no way impair or prejudice any right or remedy available to SEWC with regard to such breach or default.

19. Attorney's Fees. In the event that either party to this Agreement shall commence any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover its costs of suit, including reasonable attorney's fees.

20. Exhibits; Precedence. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail.

21. Entire Agreement. This Agreement, and any other documents incorporated herein by specific reference, represents the entire and integrated agreement between Consultant and SEWC. This Agreement supersedes all prior oral or written negotiations, representations or agreements. This Agreement may not be amended, nor

any provision or breach hereof waived, except if approved by the SEWC Policy Board in a writing signed by the parties which expressly refers to this Agreement.

IN WITNESS WHEREOF, the parties, through their respective authorized representatives, have executed this Agreement as of the date first written above.

Southeast Water Coalition

By:_____
Melissa Ybarra, Chair
SEWC Policy Board

ATTEST:

By:_____
Joanna Moreno, Administrative Entity Chair

APPROVED AS TO FORM:

By:_____
Nicholas Ghirelli, Richards, Watson & Gershon
SEWC Attorney

_____(Consultant)

By:_____
Name:
Title:

By:_____
Name:
Title:

(Please note, two signatures required for corporations pursuant to California Corporations Code Section 313.)

EXHIBIT A

INDEMNIFICATION AND HOLD HARMLESS AGREEMENT AND WAIVER OF SUBROGATION AND CONTRIBUTION

Contract/Agreement/License/Permit No. or description:
Indemnitor(s) *(list all names)*:

To the fullest extent permitted by law, Indemnitor hereby agrees, at its sole cost and expense, to protect, defend, indemnify, and hold harmless the Southeast Water Coalition and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, and assigns (collectively "Indemnitees") from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith (collectively "Liabilities"), resulting from any negligent act, failure to act, error, or omission of Indemnitor or any of its officers, agents, servants, employees, subcontactors, materialmen, suppliers or their officers, agents, servants or employees, arising or claimed to arise, directly or indirectly, out of, in connection with, resulting from, or related to the above-referenced contract, agreement, license, or permit (the "Agreement") or the performance or failure to perform any term, provision, covenant, or condition of the Agreement, including this indemnity provision. This indemnity provision is effective regardless of any prior, concurrent, or subsequent passive negligence by Indemnitees and shall operate to fully indemnify Indemnitees against any such negligence. This indemnity provision shall survive the termination of the Agreement and is in addition to any other rights or remedies which Indemnitees may have under the law. Payment is not required as a condition precedent to an Indemnitee's right to recover under this indemnity provision, and an entry of judgment against the Indemnitor shall be conclusive in favor of the Indemnitee's right to recover under this indemnity provision. Indemnitor shall pay Indemnitees for any attorney fees and costs incurred in enforcing this indemnification provision. Notwithstanding the foregoing, nothing in this instrument shall be construed to encompass (a) Indemnitees' active negligence or willful misconduct to the limited extent that the underlying Agreement is subject to Civil Code § 2782(a), or (b) the contracting public agency's active negligence to the limited extent that the underlying Agreement is subject to Civil Code § 2782(b). This indemnity is effective without reference to the existence or applicability of any insurance coverages which may have been required under the Agreement or any additional insured endorsements which may extend to Indemnitees.

SEWC agrees to promptly inform Indemnitor in writing of any claim that SEWC believes to be subject to this Indemnification Agreement.

An Indemnitor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees, while acting within the scope of their duties, from all claims, losses and liabilities arising out of or incident to activities or operations performed by or on behalf of the Indemnitor regardless of any prior, concurrent, or subsequent non-active negligence by the Indemnitees.

In the event there is more than one person or entity named in the Agreement as an Indemnitor, then all obligations, liabilities, covenants and conditions under this instrument shall be joint and several.

"Indemnitor"

Name_____ Name_____

By:_____ By:_____
Its Its

APPENDIX C

SEWC STRATEGIC PLAN

2017 Southeast Water Coalition Strategic Plan

Message from the Board

Welcome to the Southeast Water Coalition's (SEWC) Strategic Plan. This document is a blueprint for how SEWC will respond to current challenges and make the best of future opportunities for the benefit of our customers. It confirms our vision, mission, goals, strategies, and objectives as a Joint Powers Authority dedicated to providing regional water service, supporting the high quality of life and economy of the region.

SEWC was created in July 1991 and is comprised of eleven member cities. The SEWC "region" represents the combined boundaries of the member cities. These agencies formed a Joint Powers Authority (JPA) to improve and protect the quantity and quality of their regional water supply. SEWC's water purveyors service a population of approximately 670,000 in a service area of 93+ square miles.

The initial purpose for the formation of the Southeast Water Coalition was to protect the Central Groundwater Basin from contamination migrating from the San Gabriel Valley Groundwater Basin. Over the years, SEWC has worked diligently with the U.S. Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers to improve the monitoring of groundwater contaminants, determine cost-effective remediation to protect the Whittier Narrows and Central Groundwater Basin from the South El Monte plume, and lobby the EPA for early implementation of remediation projects.

The SEWC Policy Board consists of one representative (normally a Councilmember) from each member city. The Administrative Entity carries out the policies of the Policy Board and consists of: one representative from each member city; three representatives that are employees of three Public Utility Commission-regulated private water companies providing retail water service within the SEWC area; and one ex-officio, non-voting advisory member nominated by California Department of Water Resources. The member cities are:

- Commerce
- Cerritos
- Downey

- Lakewood
- Norwalk
- Paramount
- Pico Rivera
- Santa Fe Springs
- South Gate
- Vernon
- Whittier

SEWC's Policy Board is charting a course for continued success in the future through the development and execution of this Strategic Plan. The Strategic Plan defines the vision, mission, goals, and future business strategy for SEWC. Our commitments to the communities we serve fall into three areas: Groundwater Protection, Advocacy and Communications, and Funding. These commitments are established as the six goals of the Strategic Plan. Our Board actions will consistently support these commitments and we will track the progress against this plan, revisiting the Strategic Plan regularly to adjust as conditions warrant.

Board Member Chuong Vo
City of Cerritos

Board Member Kevin Lainez
City of Commerce

Board Member Mario Trujillo
City of Downey

Board Member Todd Rogers
City of Lakewood

Board Member Ana Valencia
City of Norwalk

Board Member Isabel Aguayo
City of Paramount

2017 Southeast Water Coalition Strategic Plan

Board Member Andrew Lara
City of Pico Rivera

Board Member Jay Sarno
City of Santa Fe Springs

Board Member Maria del Pilar Avalos
City of South Gate

Board Chair Melissa Ybarra
City of Vernon

Board Member Octavio Martinez
City of Whittier

Administrative Entity Members

- Jose Arroyo-Gutierrez – Cerritos
- Robert Lopez – Cerritos
- Gina Nila – Commerce
- Andrew Caraveo – Commerce
- Dan Mueller – Downey
- Derek Nguyen – Lakewood
- Derwin Dy - Lakewood
- Glen Kau – Norwalk
- Adrianna Figueroa – Paramount
- Sarah Ho – Paramount
- Adrian Rodriguez – Pico Rivera
- Sandra Castro – Pico Rivera
- Jesse Sira – Santa Fe Springs
- Noe Negrete – Santa Fe Springs



- Arturo Cervantes – South Gate
- Chris Castillo – South Gate
- Gladis Deras – South Gate
- Joanna Moreno – Vernon
- Ray Cordero -- Whittier
- Cesar Rangel – Whittier

Consultant Support

- Kevin Sales - KJ Services Environmental Consulting

Introduction

The Strategic Plan was developed under the guidance of the SEWC Board of Directors and Administrative Entity. This team met over an approximate six-month period including multiple Administrative Entity and Board workshops.

The focus of strategic deliberations was the recognition of key issues SEWC will face in the next five-year planning horizon (and beyond). Workshops identified strengths, weaknesses, opportunities, and threats (SWOT Analysis) that the Strategic Plan should consider. Major challenges for SEWC include actively tracking and synthesizing information for Policy Board consideration related to protecting the Central Basin from contamination, advocating for water policy that is in the interest of the Central Basin, and seeking funding to support SEWC programs and member projects. The Board adopted the Strategic Plan in April of 2017.

The five-year Strategic Plan will be implemented and tracked through the annual budget process. Strategic Plan activities will be budgeted in later years and subject to Board review and approval. In the future, staff will ensure the proposed budgets reflect the priorities established in the Strategic Plan.

2017 Southeast Water Coalition Strategic Plan

Vision Statement



"SEWC is a valued advocate for safe and reliable water supplies that support the quality of life and economy of the southeast Los Angeles region"

Mission Statement

SEWC's mission is to advocate for water policies that ensure the availability of reliable, quality, and affordable water.

Values

The Policy Board and Administrative Entity have adopted the following values to guide the internal and external interactions of SEWC:

- Integrity - the quality of being honest and having strong moral principles
- Open communication – we will communicate in an unreserved and objective fashion
- Collaboration – we will work jointly to achieve the Coalition's goals
- Public stewardship of resources – we will carefully and prudently manage the resources that are entrusted to us
- Transparency – our Coalition activities will be visible and information/deliberations accessible

Goals / Strategies / Objectives

The Board developed three goals that represent SEWC's key commitments to the community it serves. SEWC is committed to:

- **Goal 1: Groundwater Protection** – SEWC will provide leadership and collaborate to protect and sustain the Central Basin groundwater supply of the SEWC region
- **Goal 2: Advocacy and Communications** – SEWC will track, develop, coordinate, and communicate input into water policy affecting the SEWC region
- **Goal 3: Funding** – SEWC will seek funding for water resource projects and programs benefiting the SEWC region

Goal 1: Groundwater Protection – SEWC will provide leadership and collaborate to protect and sustain the Central Basin groundwater supply of the SEWC region

Strategy 1.1 – Enhance understanding of area hydrogeology:



Objective 1.1.1 Support tracking of groundwater quality/plume information (including modeling)

Objective 1.1.2 Engage Water Replenishment agencies, to periodically update SEWC on existing contamination plume movement

Strategy 1.2 – Identify and support projects that enhance and protect groundwater in the SEWC region to "shovel-ready" status to take advantage of funding opportunities:

Objective 1.2.1 Develop a SEWC region plan including projects, policies, or programs that protect and enhance water quality within the SEWC region

Objective 1.2.2 Identify and collaborate to develop the conceptual project components required to achieve "shovel-ready" status, including preparation of preliminary studies for regional projects (including groundwater storage)

Objective 1.2.3 Analyze opportunities for developing system interties between member agencies to increase water supply resiliency

Goal 2: Advocacy and Communications – SEWC will track, develop, coordinate, and communicate input into water policy affecting the SEWC region

Strategy 2.1 – As directed by the Board, monitor and advocate for improvements to State, federal, and regional water policy and regulations:

Objective 2.1.1 Monitor and track State, federal and regional water-related legislation including tracking of Central Basin Water Association legislative reports

Objective 2.1.2 Develop and present water policy positions to the Board for action

Objective 2.1.3 Advocate Board positions



Objective 2.1.4 Support good governance policy changes at regional water agencies

Objective 2.1.5 Actively develop relationships with regulators

Strategy 2.2 – Work in partnership with the Gateway Water Management Authority (GWMA) to implement the Integrated Regional Water Management Plan (IRWMP) for the southeast Los Angeles County and lower Los Angeles and San Gabriel Rivers Watershed:

Objective 2.2.1 Establish SEWC project priorities

Objective 2.2.2 Attend meetings of the GWMA

Objective 2.2.3 Advocate for SEWC priorities

Strategy 2.3 – Represent the regions' interests before local, State and federal agencies:

Objective 2.3.1 Work in partnership with USEPA and other agencies to continue to protect Central Basin drinking water wells from detectable contamination

Objective 2.3.2 Work in partnership with USEPA, State and local agencies to continue to prioritize cleanup of the Omega Chemical Site, to ensure compliance with State and federal drinking water standards



Objective 2.3.3 Work in partnership with DTSC, federal, and local agencies to continue to prioritize cleanup of the Whittier Narrows Operable Unit (WNOU), to ensure compliance with State and federal drinking water standards

Objective 2.3.4 Track the San Gabriel Basin Water Quality Authority (SGBWQA) / South El Monte Operable Unit (SEMOU) barrier project and the long term SEMOU remediation project by USEPA/SGBWQA

Objective 2.3.5 Track the Water Quality Protection Program monitoring results

Strategy 2.4 – Support the development of recycled water:

Objective 2.4.1 Track the Groundwater Reliability Improvement Project (GRIP) including monitoring of costs, benefits, and mitigation of impacts on local agencies

Objective 2.4.2 Track and engage the Sanitation Districts of Los Angeles County /Metropolitan Water District of Southern California Joint Water Pollution Control Facility recycled water indirect potable reuse project, and other potable reuse projects that affect the SEWC region

Objective 2.4.3 Track other regional recycled water projects (e.g. Central Basin MWD projects)

Strategy 2.5 – Communications: SEWC will inform, engage and respond to the community it serves:

Objective 2.5.1 Prepare coordinated message points for members to ensure uniform factual communications

Strategy 2.6 – Track and participate in area water policy groups:

Objective 2.6.1 Monitor Central Basin Municipal Water District activities

Objective 2.6.2 Monitor WRD activities

Objective 2.6.3 Monitor Central Basin Water Association activities

Objective 2.6.4 Participate in activities of the Central Basin Watermaster

Goal 3: Funding and Effective SEWC Administration – SEWC will seek funding for water resource projects and programs benefiting the SEWC region

Strategy 3.1 – Identify funding opportunities for SEWC priority projects:

Objective 3.1.1 Maintain an updated list of funding resources for SEWC region projects and programs

Objective 3.1.2 Where appropriate, identify, advocate and pursue local, State, and federal commitment to fund projects and programs (including groundwater contamination cleanup) in the SEWC region

Objective 3.1.3 Track funding success

Strategy 3.2 – Identify, advocate and pursue improvements to the State and federal funding process for water, wastewater, and storm water projects and facilities:

Objective 3.2.1 Engage in State and federal funding initiatives to ensure the terms are supportive of SEWC project funding objectives

Strategy 3.3 – Administration of SEWC:

Objective 3.3.1 Schedule and support the activities of the Administrative Entity and the Policy Board

Objective 3.3.2 Develop a staffing strategy/plan that meets the resource needs of SEWC Objective 3.3.3 Create and present annual budgets to the Policy Board for approval Objective 3.3.4 Effectively manage consultants to achieve the directives of the Policy Board

Objective 3.3.5 Develop an "on-boarding" process for new SEWC Administrative Entity and Policy Board members (consider mentoring, communication of JPA, responsibilities, "SEWC 101", etc.)

Objective 3.3.6 Periodically review JPA documents to ensure they are current

- - - - - - - - - - - - -

Implementation

The Strategic Plan is intended to be a living document that will be reviewed and updated periodically. It will be used in planning and budgeting the activities of SEWC. Implementation will occur through the SEWC management plans, action/implementation plans, programs, and the allocation of resources through the annual budget process.

We will establish clear priorities for implementation of our Strategic Plan in order to use our limited resources as effectively as possible. We will set these priorities using criteria developed by the Policy Board and staff, and will assess them regularly to ensure they reflect changes in our internal and external environments. We will effectively communicate these priorities so that staff can adjust their work program and our customers and ratepayers will understand the basis for our actions.

Glossary

The following key terms are used in this strategic plan:

Goal – SEWC's commitment to the community it serves

Issue – a problem or opportunity facing SEWC

Mission – the primary reason(s) for the existence of the organization

Objective – measurable work activity that, when accomplished, will directly lead to the success of the strategy

Plume – areas of elevated concentrations of groundwater contaminants

Strategy – how an issue is solved to achieve the goal

Strategic Plan – a structured plan to drive SEWC to achieve its goals

SWOT Analysis – description of strengths, weaknesses, opportunities, and threats to identify areas of focus in the strategic plan

Vision – what effect SEWC aspires to have

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: April 6, 2023
To: Southeast Water Coalition Board of Directors
From: Joanna Moreno, Chair, Administrative Entity

Subject: PFAS Litigation Update and Review of Available PFAS Mitigation Funding Sources

Recommendation: That the Board of Directors receive the following updates:

1) Status of the ongoing litigation by some SEWC-member cities against PFAS manufacturers; and

2) Available PFAS remediation funding sources.

Background:

PFAS Litigation
On August 4, 2022, in response to a request by SEWC Board members, the Board received a presentation by representatives of Cossich, Sumich, Parsiola & Taylor, LLC, a law firm representing the SEWC member cities of Downey and Whittier in litigation against the manufacturers and end-product users of PFAS-containing substances. This presentation provided a quick overview of the history of family of PFAS chemicals, their environmental impacts, and the basis of litigation that was taking place locally and across the County.

At their February 2, 2023 meeting, another SEWC Board member asked for a further update on the status of the various PFAS litigation. Administrative Entity staff contacted Cossich, Sumich, Parsiola & Taylor and request an update on the current litigation status.

PFAS Remediation Funding Sources

- Water Replenishment District (WRD) PFAS Remediation Program – typical grants are limited to $5 million maximum, though additional funding may be made available depending on the project.

- State Water Board PFAS funding - $100 million, with $20 million identified for projects in Disadvantaged Communities (DAC). DACs are communities that fall below 80 percent of the statewide Median Household Income.

- Federal Funding from the Bipartisan Infrastructure Law – provides funds for the *California Drinking Water State Revolving Fund* (DWSRF) and the *Clean Water State Revolving Fund* (CWSRF). $360 million available over the next 5 years.

Further information about available funding sources for PFAS remediation is available at the Water Replenishment District's web page, PFAS Remediation Program - Water Replenishment District (wrd.org), and at the State Water Boards' web page, Financial Assistance Funding - Grants and Loans | California State Water Resources Control Board.

WRD staff are also available to assist cities with identifying and applying for various PFAS remediation grant and loan programs.

Attachment(s):
1. Budget Act of 2021 Allocation: Per - and Polyfluoroalkyl Substances (PFAS)

Budget Act of 2021 Allocation: Per- and Polyfluoroalkyl Substances (PFAS)



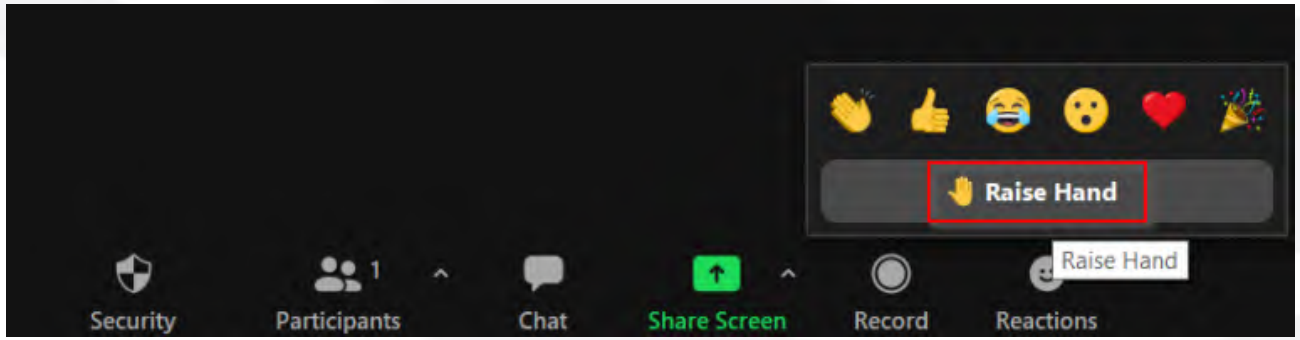
Presented by: Matt Pavelchik
Division of Financial Assistance (DFA)

CALIFORNIA
Water Boards

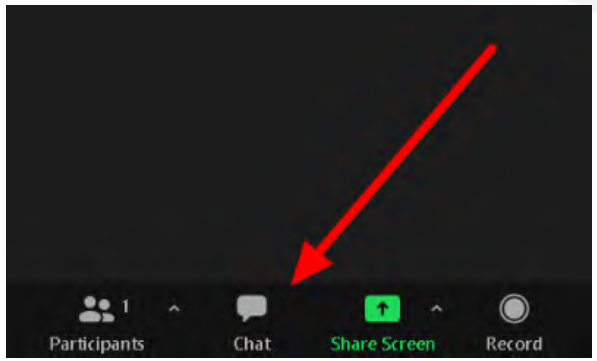
March 30, 2022

Ways to Participate

Raise Hand



Chat



Phone Keypad

Mute/Unmute = *6

Raise/Lower Hand = *9



Meeting Logistics

- This meeting is being recorded
- Panelists, please mute yourself when not speaking
- Make sure your screen name reflects your actual name
- Please rejoin the meeting if you get disconnected
- If you need technical assistance, email OPP-Contact@waterboards.ca.gov

PFAS Funding Workshop Agenda

- Welcome and Meeting Logistics
- Funding Background
- Proposed Funding Strategy
- Feedback on Proposals
- Next Steps & Stay Informed
- Related Efforts
- Adjourn

Budget Act of 2021 – State Water Board Allocations

Allocation (Millions)	Project Type
$650	Wastewater projects **priority to septic-to-sewer conversions*
$650	Drinking water projects **priority to disadvantaged communities (DACs)*
$100	Per-and polyfluoroalkyl substances (PFAS) support for water systems
$350	Groundwater cleanup and water recycling projects
$20	Mexico border rivers
$	Other project-specific/directed allocations

Funding Background

- Senate Bill 170 appropriated $30M from General Fund to State Water Board for technical and financial assistance to drinking water systems to address PFAS.
  - Must be committed to projects by June 30, 2024
  - Must be disbursed by June 30, 2026

- Additional $50M proposed for fiscal year (FY) 2022/2023
- Additional $20M proposed for FY 2023/2024.

Funding Background Continued

- Existing Division of Financial Assistance funding processes will be used to administer this PFAS funding.

- Relevant existing programs/processes:
  - Drinking Water State Revolving Fund (DWSRF) Intended Use Plan (IUP)
  - Safe and Affordable Drinking Water (SADW) Fund Expenditure Plan (FEP)

Relevant Existing Small DAC Support

The SADW FEP prioritizes funding for small DACs and discusses funding opportunities for:

- Collection and analysis of water samples for contaminants of emerging concern, including PFAS.
- Planning and Technical Assistance to address contaminants of emerging concern.
- Pilot or demonstration studies.

Proposed Small DAC PFAS Support

- Minimum $20M for projects benefitting small DACs, funded consistent with SADW FEP.
- Proposed project types:
  - Testing water systems for PFAS, likely via a Technical Assistance Provider
  - Regional-scale pilot tests and demonstration projects
    - Template designs for other small systems to utilize
  - Planning for regional consolidation efforts

Proposed Support for Other Communities

- Implementation funding for ready to proceed projects.
- Apply through DWSRF Program.
- Small non-DACs and medium DACs eligible for 100% of eligible project costs.
- For other communities (medium non-DACs, all larger communities) funding limited to 50% of project costs.
- As condition of PFAS funding, water systems to incorporate data collection and analysis to inform statewide PFAS data.

Other Pilot/Demonstration Projects

- State Water Board can potentially approve funding to specific projects that don't follow FEP or IUP processes, as part of a directed Board action
- Such projects must assist water system(s) to address PFAS

Feedback on Proposals

- Comments on proposed $20M set aside for small DACs?
- Other small DAC needs/project types to address?
- Comments on approach for other communities?
- Key needs/project types we did not address?

State Funding for PFAS ($100 M)

Next Steps:

- **April 13, 2022**: Deadline for (Informal) Public Feedback/Comments on information presented at March 30, 2022 Staff Workshop
  - Submit to: DFA-PFAS-Funding@waterboards.ca.gov
- **June 21, 2022**: Board Consideration of Proposals

Stay Informed:

- Subscribe for e-updates: www.waterboards.ca.gov/resources/email_subscriptions/swrcb_subscribe.html
  - Click on “Financial Assistance”
    - ✓ Select “Per-and Polyfluoroalkyl Substances (PFAS) Funding”
- Check for updates on the PFAS Funding website: http://waterboards.ca.gov/water_issues/programs/grants_loans/

Related Federal Funding

- New federal funding through DWSRF and CWSRF for contaminants of emerging concern, including PFAS.
  - Anticipated over next five years:
    - $360M for drinking water
    - $70M for wastewater

- Funding priorities and requirements to be addressed in 2022/23 DWSRF and Clean Water State Revolving Fund (CWSRF) IUPs
  - Planned for Board consideration July 2022

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: April 6, 2023
To: Southeast Water Coalition Board of Directors
From: Joanna Moreno, AE Chair, City of Vernon

Subject: Governor Newsom's Executive Order N-3-23 – Temporarily Suspending Certain Wet-Weather Flows from California Reservoirs

Recommendation: That the Board receive the following update:

Receive and File an update on Governor Newsom's Executive Order N-3-23 to temporarily suspend certain wet-year flows from California reservoirs to provide additional groundwater recharge.

Background

On February 13, 2023, Governor Newsom signed Executive Order N-3-23 which temporarily suspends certain wet-weather water flows to local rivers and streams required under the 1999 State Water Resources Control Board's *Water Rights Decision 1641*. This temporary suspension will enable a larger percentage of the record-setting rainfall received to be available for groundwater recharge rather than supporting wet-year stream flows which ultimately lead to the discharge of substantial amounts of captured rainwater to the ocean.

The Order requires that, by April 28, 2023, State water agencies report to the Governor their recommendations as to whether any revisions should be made to this or any of the Governor's previous drought-related executive orders.

An additional factor that affects the release of wet-weather flows to the ocean is the need to balance reservoir capacity to provide flood control protection. Water managers need to allow sufficient space in reservoirs to capture water flows from late season rains and early snow melt runoff.

Even with the State's efforts to increase the amount of water available for groundwater recharge through existing infiltration basis, it takes time for the water to infiltrate into these basins and, if storms arrive in a quick progression, the ground water recharge basins will not have enough time to absorb additional amounts of runoff requiring the water to bypass infiltration and be discharged directly to the ocean.

Lastly, the highly urbanized nature of California means that much of the State is covered in impervious pavement, which means that rainwater received will have little opportunity to be absorbed by vegetation and the soil. This leads to the large volumes of water flowing down the Los Angeles, Rio Hondo and San Gabriel rivers and their tributary storm drain channels.

Many Southern California cities have undertaken projects to capture and infiltrate this storm water flow, though most are designed to capture much lower volumes of water than occur during a large winter rain event.

Attachments:

1. Executive Order N-3-23
2. Southern California Water Coalition support letter

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

EXECUTIVE ORDER N-3-23

WHEREAS on April 21, 2021, May 10, 2021, July 8, 2021, and October 19, 2021, I proclaimed States of Emergency due to drought conditions that continue today and exist across California; and

WHEREAS climate change continues to intensify the impacts of droughts on our communities, environment, and economy, and these impacts continue to affect groundwater basins, local water supplies, and ecosystems, resulting in continuing drought in the State; and

WHEREAS the ongoing drought continues to have significant, immediate impacts on communities with vulnerable water supplies, farms that rely on irrigation to grow food and fiber, and fish and wildlife that rely on stream flows and cool water; and

WHEREAS early, substantial rains in October and December 2021 gave way to the driest January-February-March period in over 100 years in California, leading the October 2021 to September 2022 water year to end with statewide precipitation at 76 percent of average, with statewide reservoir storage at 69 percent of average, and with Lake Oroville—the State Water Project's largest reservoir—at 64 percent of average; and

WHEREAS in January 2023, the State experienced one of the wettest three-week periods on record, yielding a snowpack that was at 205 percent of average on February 1, 2023, yet to date February has been drier than average; and

WHEREAS the current snowpack has not reduced stresses upon the State's water resources, including low storage levels, depleted aquifers, and diminished local water supplies; and

WHEREAS the State can expect continued swings between extreme wet and extreme dry periods that can present risks of severe flooding and extreme drought in the same year; and

WHEREAS California must adapt to a hotter, drier future in which a greater share of rain and snowfall during the wetter months will be absorbed by dry soils, consumed by plants, and evaporated into the air, leaving less water for communities, species, and agriculture; and

WHEREAS the frequency of hydrologic extremes experienced in the State is indicative of an overarching need to continually reexamine policies to promote resiliency in a changing climate; and

WHEREAS Californians continue to make progress conserving water, with urban water users conserving 17.1 percent statewide in December 2022 compared to December 2020 and agricultural producers continuing to invest in more efficient irrigation; and

WHEREAS despite this progress, the uncertainty of precipitation during the remainder of the winter and spring, and the potential of dry conditions next

winter and of drought conditions extending to a fifth year, make it necessary for the State to continue water-conservation measures and drought-resilience actions to extend available supplies, protect water reserves, and maintain critical flows for fish and wildlife; and

WHEREAS as directed in "California's Water Supply Strategy: Adapting to a Hotter, Drier Future," the State plans to stretch water supplies by storing, recycling, de-salting, and conserving the water it will need to keep up with the increasing pace of climate change; and

WHEREAS multiple regions of the State, such as the Klamath Basin and the Colorado River system, face severe water shortage conditions, and groundwater basins in the Central Valley continue to be depleted from years of drought and overdraft; and

WHEREAS groundwater use accounts for 41 percent of the State's total water supply on an average annual basis but as much as 58 percent in a critically dry year, and approximately 85 percent of public water systems rely on groundwater as their primary supply; and

WHEREAS capturing and storing storm and snowpack runoff underground to recharge aquifers is an important strategy to help regions stabilize water supplies in the face of hydrologic extremes; and

WHEREAS state agencies have created streamlined permitting pathways to enable groundwater recharge that augments natural aquifer recharge, while protecting the environment and other water users, but more opportunities exist to facilitate groundwater recharge; and

WHEREAS coordination between local entities that approve permits for new groundwater wells and local groundwater sustainability agencies is important to achieving sustainable levels of groundwater in critically overdrafted basins; and

WHEREAS to protect public health and safety, it is critical the State take certain immediate actions without undue delay to prepare for and mitigate the effects of the drought conditions, and under Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this Order would prevent, hinder, or delay the mitigation of the effects of the drought conditions.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, including the California Emergency Services Act, and in particular, Government Code sections 8567, 8571, and 8627, do hereby issue the following Order to become effective immediately:

IT IS HEREBY ORDERED THAT:

1. The orders and provisions contained in my State of Emergency Proclamations dated April 21, 2021, May 10, 2021, July 8, 2021, and October 19, 2021, and Executive Orders N-10-21 (July 8, 2021) and N-7-22 (March 28, 2022), remain in full force and effect, except as modified by those proclamations and orders and herein. State agencies shall

continue to implement all directions from those proclamations and orders and accelerate implementation where feasible.

2. To maximize the extent to which winter precipitation recharges underground aquifers, the Department of Water Resources, the State Water Resources Control Board (Water Board), and the Department of Fish and Wildlife shall continue to collaborate on expediting permitting of recharge projects and shall work with local water districts to facilitate recharge projects.

3. Paragraph 4 of my State of Emergency Proclamation dated May 10, 2021 and Paragraph 4 of my State of Emergency Proclamation dated July 8, 2021 are withdrawn, and each is replaced with the following text:

   To ensure adequate water supplies for purposes of health, safety, the environment, or drought resilient water supplies, the Water Board shall consider modifying requirements for reservoir releases or diversion limitations in Central Valley Project or State Water Project facilities to: (i) conserve water upstream later in the year in order to protect cold water pools for salmon and steelhead, (ii) enhance instream conditions for fish and wildlife, (iii) improve water quality, (iv) protect carry-over storage, (v) ensure minimum health and safety water supplies, or (vi) provide opportunities to maintain or to expand water supplies north and south of the Delta. The Water Board shall require monitoring and evaluation of any such changes to inform future actions. For any actions taken pursuant to this paragraph and any approvals granted in furtherance of this paragraph, Water Code Section 13247 and Public Resources Code, Division 13 (commencing with Section 21000) and regulations adopted pursuant to that Division are suspended. Nothing in this Paragraph affects or limits the validity of actions already taken or ongoing under Paragraph 4 of my May 10, 2021 Proclamation or Paragraph 4 of my July 8, 2021 Proclamation.

4. Paragraph 9 of Executive Order N-7-22 is withdrawn and replaced with the following text:

   To protect health, safety, and the environment during this drought emergency, a county, city, or other public agency shall not:

   a. Approve a permit for a new groundwater well or for alteration of an existing well in a basin subject to the Sustainable Groundwater Management Act and classified as medium- or high-priority without first obtaining written verification from a Groundwater Sustainability Agency managing the basin or area of the basin where the well is proposed to be located that groundwater extraction by the proposed well would not be inconsistent with any sustainable groundwater management program established in any applicable Groundwater Sustainability Plan adopted by that Groundwater Sustainability Agency and would not decrease the likelihood of achieving a sustainability goal for the basin covered by such a plan; or

b. Issue a permit for a new groundwater well or for alteration of an existing well without first determining that extraction of groundwater from the proposed well is (1) not likely to interfere with the production and functioning of existing nearby wells, and (2) not likely to cause subsidence that would adversely impact or damage nearby infrastructure.

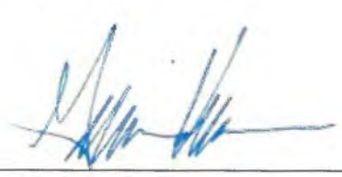
This Paragraph shall not apply to permits for wells (i) that will provide less than two acre-feet per year of groundwater for individual domestic users, (ii) that will exclusively provide groundwater to public water supply systems as defined in section 116275 of the Health and Safety Code, or (iii) that are replacing existing, currently permitted wells with new wells that will produce an equivalent quantity of water as the well being replaced when the existing well is being replaced because it has been acquired by eminent domain or acquired while under threat of condemnation.

5. No later than April 28, 2023, state agencies shall send me their recommendations for what further actions, if any, are necessary for on-going emergency drought response, and their views on whether any existing provisions in my proclamations and executive orders related to the drought emergency are no longer needed to prepare for and mitigate the effects of the drought conditions.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 13th day of February 2023.



GAVIN NEWSOM
Governor of California

ATTEST:

SHIRLEY N. WEBER, PH.D.
Secretary of State



February 20, 2023

Eileen Sobeck
Executive Director
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-0100

Dear Ms. Sobeck:

On behalf of the more than 200 Southern California Water Coalition members, I would like to convey my support for Governor Newsom's Executive Order of Feb. 14 (N-3-23) to direct a series of water management actions, including a temporary suspension of a wet-year flow requirement stemming back to 1999 that did not anticipate the extreme weather patterns California is now experiencing. The State Water Resources Control Board adopted this requirement as part of Water Rights Decision 1641, which has maintained water quality conditions in the Sacramento-San Joaquin Delta over the years. It has been supplemented with additional pumping restrictions via the state and federal Endangered Species Acts as well.

The Southern California Water Coalition was created in 1983, in response to drought, to coordinate the activities of cities, counties, special districts, the business community, labor and agriculture interests in the stewardship and protection of Southern California's water supplies. Our members come from Kern, Ventura, Los Angeles, Orange, San Bernardino, Riverside, Imperial and San Diego Counties representing nearly 29 million of our state's 40 million residents.

It is our understanding that before you is a request for a temporary urgency change petition to relieve one requirement of this 1999 regulation that pertains to providing additional flows in February and March. Twenty years ago, California could have high confidence that if the winter started off with a healthy snowpack, some storms would continue throughout the spring to result in an overall wet season. Today we can have no such confidence due to the weather extremes our state is experiencing.

We see this as a common sense, prudent action that will allow California to adapt in the face of the changed climate conditions. Having short intense periods of rain and longer drier and hotter periods is the new normal. It is incumbent on us all to support balanced beneficial uses and time the release of water supplies, including cold water for the environment and fish, to ensure we have the water that is needed for health and safety water for our urban communities, to sustain our economy and farms, and to protect our ecosystems and natural habitats.



While we hope more major storms are still coming and that the Sierra watersheds and river systems will swell with runoff yet again, we cannot count on luck for something as important as a reliable water supply for our state. Temporarily suspending this one requirement, while maintaining all other environmental protections, is a prudent action to support a balance of beneficial uses. We continue to support wet-year flow at a later date to support the wildlife and environment in the Delta. This circumstance exemplifies how we must adapt to our changed weather circumstances that previous decisions simply did not envision. The climate has changed and so must our actions.

Please don't hesitate to contact me if you have any questions regarding our support for the Governor's Executive Order.

Sincerely,

Charles Wilson
Executive Director

cc: Governor Gavin Newsom
Yana Garcia, Secretary for Environmental Protection
Wade Crowfoot, Secretary for Natural Resources
Joaquin Esquivel, Chair, State Water Resources Control Board
Karla Nemeth, Director, Department of Water Resources
Chuck Bonham, Director, Department of Fish and Wildlife