

June 2, 2017

TO: San Luis & Delta-Mendota Water Authority Water Resources Committee,

San Luis & Delta-Mendota Water Authority Board of Directors, Alternates,

and Interested Parties

FROM: Jason Peltier, Secretary (by Cheri Worthy)

RE: Regular Water Resources Committee Meeting and Joint Water

Resources Committee Meeting - Special Board Workshop, June 5,

2017, 10:00 a.m.

Attached for your review are documents in preparation of the June 5, 2017 10:00 a.m., Regular Water Resources Committee (WRC) Meeting and Joint Regular Water Resources Committee Meeting - Special Board of Directors Workshop are:

- 1) Notice & Agenda
- 2) Draft May 1, 2017 Meeting Minutes
- 3) Material Related to Strategic Planning Effort
- 4) Material Related to Withdraw Opposition to AB 1667 (Friedman AD43)
- 5) Water Operations

Thank you, and please give us a call if you have any questions or concerns regarding this information.



San Luis & Delta-Mendota Water Authority Notice of Regular Water Resources Committee Meeting and Joint Regular Water Resources Committee Meeting-Special Board Workshop Monday, June 5, 2017 10:00 a.m.

842 6th Street, Los Banos [telephonic participation locations identified below]

Agenda

NOTE: Any member of the public may address the Water Resource Committee/Board concerning any item on the agenda before or during its consideration of that matter. Public comment is limited to no more than three minutes per person per item. For good cause, the Board President or Chair of the Water Resource Committee may waive this limitation.

NOTE FURTHER: Because the notice provides for a regular meeting of the Water Resources Committee and a joint Water Resources Committee/Special Board Workshop, Board members/alternates may discuss items listed on the agenda; however, only Water Resource Committee members/alternates may correct or add to the agenda or vote on action items.

- 1. Committee will Consider Corrections or Additions to the Agenda of Items, as authorized by Government Code Section 54950 *et seg*.
- 2. Opportunity for Public Comment Any member of the public may address the Water Resource Committee concerning any matter not on the agenda, but within the Committee's jurisdiction. Public comment is limited to no more than three minutes per person. For good cause, the Chair of the Committee may waive this limitation.

Action Items

- 3. Water Resources Committee to Consider Approval of the May 1, 2017, Meeting Minutes
- 4. Water Resources Committee to Consider Recommending the Board Authorize Authority Staff to Initiate a Strategic Planning Effort, Peltier
- 5. Water Resources Committee to Consider Recommending the Board Withdraw Opposition to AB 1667 (Friedman AD43), Azhderian

REPORT ITEMS

- 6. Water Operations Update, Boardman
- State Legislative Update, Azhderian
- 8. California Water Fix Update, Peltier
- 9. Delta Stewardship Council Delta Plan Update, Peltier
- Closed Session

Conference with Legal Counsel -- Anticipated Litigation: Initiation of Litigation Pursuant to paragraph (4) of Subdivision (d) of Government Code Section 54956.9 – 2 potential cases

Conference with Legal Counsel – Anticipated Litigation: Significant Exposure to Litigation Pursuant to Paragraph (2) or (3) of Subdivision (d) of Government Code Section 54956.9 – 2 potential cases

Conference with Legal Counsel: Existing Litigation Pursuant to paragraph (1) of Subdivision (d) of Section 54956.9

- A. Natural Resources Defense Council, et al. v. Salazar et al., U.S. Court of Appeals, 9th Cir., Appeal Case No. 09- 17661; Natural Resources Defense Council et al. v Jewell et al., U.S. District Court, E.D. Cal., Case No. 1:05-cv-01207, LJO-BAM (Old FWS OCAP BO/Contracts)
- B. Central Delta Water Agency v. State Water Resources Control Board et al., Sacramento County Superior Court Case No. 34-2010-80000520 (Petition to Prohibit CDO proceedings)
- C. Young, et al. v. State Water Resources Control Board et al., Case No. 39-2012-00286485-CU-WM-STK (Young)
- D. Modesto Irrigation District, et al. v. State Water Resources Control Board & Woods Irrigation Company, Sacramento County Superior Court Case No. 34-2011-80000803 (Complaint for Declaratory Relief re Woods Irrigation Company)
- E. San Luis & Delta-Mendota Water Authority et al. v. State Water Resources Control Board, et al., Sacramento County Superior Court Case No. 34-2013-800001486 (Dunkel Order)
- F. SWRCB Water Rights Complaints: Modesto Irrigation District, State Water Contractors, San Luis & Delta- Mendota Water Authority, Interested Persons in SWRCB CDO Enforcement Proceedings and/or Petitions for Reconsideration: Woods Irrigation Company; Pak & Young; Mussi et al; George Speckman Testamentary Trust (Water Rights Complaints)
- G. Pacific Coast Federation of Fishermen's Associations, California Sportfishing Protection Alliance, Friends of the River, San Francisco Crab Boat Owners Association, Inc., The Institute for Fisheries Resources, and Felix Smith v. Donald R. Glaser and San Luis & Delta-Mendota Water Authority, U.S. District Court, E.D. Cal., Case No. 2:11-CV-02980-KJM-CKD ("PCFFA v Glaser" or "GBP Citizens Suit")
- H. San Luis & Delta-Mendota Water Authority and Westlands Water District v. Delta Stewardship Council, et al., Sacramento County Superior Court Case No. 34-2013-80001500 (Delta Plan Litigation). Appeals in Delta Plan Litigation:

City of Stockton v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); State Water Contractors, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); California Water Impact Network, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); Central Delta Water Agency, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); North Coast Rivers Alliance, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); San Luis & Delta-Mendota Water Agency, et al. v. Delta Stewardship Council, et al. (Sacramento County Superior Court JCCP No. 4758) (Third District Court of Appeal Case No. C082994); Save the California Delta Alliance v. Delta Stewardship Council, et al. (Sacramento County Superior Court of Appeal Case No. C082994)

- San Luis & Delta-Mendota Water Authority and Westlands Water District v Jewell, et al., U.S. Court of Appeals, 9th Cir., Appeal Case Nos. 14-17493, 14-17506, 14-17515 and 14-17539; San Luis & Delta-Mendota Water Authority and Westlands Water District v Jewell, et al., U.S. District Court, E.D. Cal., No 1:13-CV-01232-LJO-GSA (Trinity Releases I)
- J. AquAlliance, et. al., v. U.S. Bureau of Reclamation, et. al., U.S. District Court, E.D. Cal., Case No. 1:15- CV-00754 LJO BAM (Challenge to Long-Term Transfer EIR/EIS)
- K. San Luis & Delta-Mendota Water Authority and Westlands Water District v Jewell, et al., U.S. District Court, E.D. Cal., No 1:15-CV-01290-LJO-GSA (Trinity Releases II)
- California Sportfishing Protection Alliance, et al. vs. California State Water Resources Control Board, et al., Alameda County Superior Court Case No. RG15780498 (State WQCP/TUCP)
- M. In re State Water Resources Control Board Petition Requesting Changes in Water Rights of the Department of Water Resources and U.S. Bureau of Reclamation for the California Waterfix Project (Waterfix Change Petition)
- N. San Luis & Delta-Mendota Water Authority, et al. v. State Water Resources Control Board, et al., Sacramento County Superior Court Case No. 34-2016-80002075 (TUCP Extension)
- O. Oakdale Groundwater Alliance et al. v. Oakdale Irrigation District et al., Stanislaus County Superior Court, Case No. 2019380 (OID On Farm Conservation-Transfer)
- P. Yuba County Water Agency v. Cordua Irrigation District, et al., Yuba County Superior Court, Case No. YCSCCVPT 16-0000324 (Cordua Transfer)
- Q. Natural Resources Defense Council, et al. v. McCarthy, et al., U.S. District Court, N.D. Cal., Case No. 16-CV-02184-JST ("USEPA CWA Compliance Suit")
- R. San Luis & Delta-Mendota Water Authority, et al. v. Sally Jewell, et al., U.S. District Court, E.D. Cal., Case No. 1:16-CV-983 ("EIS on OCAP BiOps Suit")
- S. City of Fresno, et al. v. United States, U.S. Court of Federal Claims, Case No. 16-1276L ("Friant Takings Suit")
- 11. Return to Open Session
- Report from Closed Session, if any Required by Government Code Section 54957.1
- 13. Reports Pursuant to Government Code Sec 54954.2
- 14. ADJOURNMENT

Persons with a disability may request disability-related modification or accommodation by contacting Cheri Worthy or Felicia Luna at the San Luis & Delta-Mendota Water Authority Office, 842 6th Street, P.O. Box 2157, Los Banos, California, telephone: 209/826-9696 at least 3 days before a regular meeting or 1 day before a special meeting/workshop.

Telephonic Participation Location:

San Benito County Water District
30 Mansfield Road
Hollister, CA 95023
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118

Attention telephonic participants: This Notice and Agenda must be posted at the telephonic participation location, which must be accessible to the public.

SAN LUIS & DELTA-MENDOTA WATER AUTHORITY MINUTES

REGULAR WATER RESOURCES COMMITTEE MEETING

AND

JOINT REGULAR WATER RESOURCES COMMITTEE MEETING AND SPECIAL BOARD WORKSHOP

May 1, 2017

The Water Resources Committee and Joint Water Resources Committee Meeting and Special Board Workshop of the San Luis & Delta-Mendota Water Authority convened at approximately 10:00 a.m. at 842 6th Street in Los Banos, California with Member Bill Diedrich presiding.

Water Resources Committee Members Present

Ex-Officio

Absent

Division 1

Earl Perez, Member - Anthea Hansen, Alternate

Division 2

Bill Diedrich, Member - William Bourdeau, Alternate

Division 3

Chris White, Alternate (Arrived after Agenda Item 3)

Division 4

Cindy Kao, Member (Via Teleconference not counted for quorum or towards any vote) - Jeff Cattaneo, Alternate (via Teleconference)

Division 5

Steve Stadler, Alternate for Tom Birmingham

Board of Directors Present

Division 1

Anthea Hansen, Director - Earl Perez, Alternate

Division 2

Dan Pope, Alternate for Don Peracchi

Sarah Woolf, Director - William Bourdeau, Alternate

William Diedrich, Director - Lon Martin, Alternate

Division 3

Chris White, Alternate for Director James O'Banion (Arrived after Agenda Item 3)

Division 4

Jeff Cattaneo, Alternate for Director John Tobias

Division 5

Jose Gutierrez, Alternate for Tom Birmingham Steve Stadler, Director

Authority Representatives Present

Jason Peltier, Executive Director
Tom Boardman, Water Resources Engineer
Ara Azhderian, Water Policy Administrator
Frances Mizuno, Assistant Executive Director
Jon Rubin, General Counsel

Others Present

Laura Valoppi, State & Federal Contractors Water Agency Dana Jacobson, Santa Clara Valley Water District

Call to Order

Member Bill Diedrich called the meeting to order and a roll call was held.

 The Water Resources Committee Will Consider Corrections or Additions to the Agenda of Items, as authorized by Government Code Section 54950 et seq.

There were no additions or corrections to the Agenda.

2. Opportunity for Public Comment

There was no public comment.

3. Committee to Consider Approval of the April 3, 2017 Meeting Minutes

The April 3, 2017 meeting minutes of the Water Resources Committee were previously distributed for review. There were no corrections or additions to the meeting minutes. A motion was made by member Earl Perez and seconded by alternate Steve Stadler that the Water Resources Committee approve the April 3, 2017 meeting minutes. The motion passed unanimously. The Water Resources Committee action is reported as follows:

AYES: Perez, Diedrich, Cattaneo, Stadler

NOES: None ABSTENTIONS: None

4. Water Resources Committee to Consider Recommendation that the Board of Directors Adopt Positions on Assembly Bills 1667, 1668, and 1669 (Friedman-AD43) and 968 and 1654 (Rubio-AD48)

Water Policy Administrator Ara Azhderian reported that the Brown Administration, state legislature, and numerous stakeholder groups have been engaged in discussions regarding the Administration's Making Water Conservation a California Way of Life initiative. Attempts to implement the initiative are occurring along multiple paths, from the Administration's budget trailer bill language to competing legislative proposals. Azhderian explained that among the legislative proposals, AB 1667, 1668, and 1669 authored by Assemblymember Friedman were the most objectionable, while AB 968 and 1654 authored by Assemblymember Rubio were the most acceptable. After considerable discussion, the Committee chose to recommend the Board adopt positions on the various conservation bills individually. A motion was made by alternate Steve Stadler and seconded by member Earl Perez to recommend the Board adopt an oppose position on AB 1667. The motion passed unanimously. The Water Resources Committee action is reported as follows:

AYES: Perez, Diedrich, White, Cattaneo, Stadler

NOES: None ABSTENTIONS: None

The Committee chose to not recommend any specific Board position on AB 1668 and 1669.

A motion was made by member Earl Perez and seconded by alternate Chris White to recommend the Board adopt support positions on AB 968 and 1654. The motion passed unanimously. The Water Resources Committee action is reported as follows:

AYES: Perez, Diedrich, White, Cattaneo, Stadler

NOES: None ABSTENTIONS: None

5. Water Operations Update

Water Resources Engineer Tom Boardman reported that the C.W. "Bill" Jones Pumping Plant has been pumping at capacity for the past two weeks with about 1,300 cfs meeting CVP direct demands and the remainder of pumping to help the SWP refill its share of San Luis. With the Harvey O. Banks pumping plant nearly back in full operation, Jones is scheduled to reduce pumping to 1,800 cfs on May 3; enough to continue meeting anticipated CVP demands and keep CVP San Luis full.

Vernalis flows continue to vary between 23,000 cfs and 25,000 cfs with no significant reduction expected through at least May. As such, Boardman anticipates CVP export capacity to be sufficient to keep CVP San Luis full through at least May and possibly into mid-June. Boardman also reported that flood flows into the Mendota Pool are projected to meet Exchange Contractors demands into June.

Boardman reported that Reclamation has yet to release its official accounting of total approved rescheduled water. Absent the accounting, the total amount rescheduled is assumed to be about 420 TAF, with about 300 TAF remaining in CVP San Luis. Total foregone pumping to date is estimated at 175 TAF. Boardman estimates the amount of spilled rescheduled water may be 50-160 TAF. The actual spilled quantity will depend on demands and when a sustained CVP San Luis draw down occurs. A review of two San Luis storage projection charts showed the federal low point is not expected to fall below 500 TAF. Boardman reported that, in 2011, CVP San Luis began a sustained in early May with a federal low point of 650 TAF by early September.

6. Water Transfers, Water Release Programs, Exchanges Update

Assistant Executive Director Frances Mizuno reported that under the long-term transfer agreement with the Exchange Contractors, 80 TAF of water is available in 2017. Due to agricultural service contractors being allocated 100% CVP supply for the first time in over a decade, the need for the transfer water in 2017 has diminished. Accordingly, the Exchange Contractors are willing to reduce the obligated to ag service contractors with the aim of delivering the difference to the refuges. Mizuno also reported that the Authority helped facilitate a pilot exchange between Contra Costa Water District and Westlands Water District wherein CCWD will capture water this year for storage and delivery to Westlands in 2018-19. Lastly, the Authority is working to supplement the long-term transfers Environmental Impact Statement and Report to accommodate new interest from potential transferees. Mizuno anticipates the update to be completed and ready for Board consideration at the June meeting.

7. State Water Resources Control Board, Bay-Delta Water Quality Control Plan Update
General Counsel Jon Rubin stated there was nothing new to report regarding SWRCB activities.

8. State Legislative Update

Water Policy Administrator Ara Azhderian reported Adam Gray's AB 313, on which the Board had previously adopted a support position, had been amended to pare down the original language to focus solely on the establishment of an Office of Water Rights in the Office of Administrative Hearings to address concerns regarding the State Water Resources Control Board acting as prosecutor and judge. Azhderian also reported on three other bills, AB 791, 792, and 793 on which the Board had previously taken an oppose position, only AB 791, which aims to require the Department of Water Resources conduct a district specific cost to benefit analysis for California Water Fix, moved out of its sub-committee hearing and continues on the legislative process.

9. California Water Fix Update

Executive Director Jason Peltier reported that the deadline for issuance of the biological opinions

had slipped again and that a new schedule was expected soon. He stated the delay is expected to be brief. Peltier also reported that progress was being made addressing other unresolved issues, such as cost allocation, and that the expectation is growing that a decision regarding whether or not to support the next phase of the project would be coming soon. Peltier explained that once clear, reliable, detailed information is available regarding the future of the project, it would be presented to the Committees and Board for consideration. General Counsel Jon Rubin reported the State Water Resources Control Board's consideration of a change petition continues and that Phase II of the process is expect to start in the fall.

10. Delta Stewardship Council Delta Plan Update

Executive Director Jason Peltier reported the Council is in the process of updating the Delta Plan with a particular focus on new storage, conveyance, and the operation of both. Peltier explained his concern with the current version of the update is the failure to acknowledge and address the harms caused by regulation, other stressors, and/or how to deal with near-term, through Delta conveyance limitations. General Counsel Jon Rubin stated that on a positive note, the current draft of the plan clearly states the Council's support for new storage and conveyance. Rubin also noted that Authority staff was considering providing comments on the issues of concern Peltier noted as well as the draft's proposed performance measures. Presiding WRC Chair Bill Diedrich indicated his appreciation for the Council's effort and in particular the good work of the Council's Chair Randy Fiorini.

11. State & Federal Contractors Water Agency Science Program Update

The new Science Manager Laura Valoppi spoke about her background, her interest in the position of SFCWA Science Manager, her vision of the future of the science program, and the challenges she sees ahead. She explained her background with the United States Geological Survey and Fish & Wildlife Service and that her interest in working for SFCWA is the opportunity to bring the application of science to help answer management questions. Ms. Valoppi presented 2 handouts, the SFCWA strategic objectives and draft SFCWA science program questions intended to help guide and identify the specific management questions of interest to SFCWA members and others. She stated that half of the SFCWA science budget would be dedicate to fish and flows management questions and half on SFCWA's traditional science endeavors, such as water quality and habitat restoration. In terms of challenges, Ms. Valoppi indicated that establishing trust, working collaboration and partnerships with fish agencies and others is paramount. Ms. Valoppi responded to numerous questions from the Committee.

12. Closed Session

The Committee went into Closed Session at approximately 11:45 pm.

13. Reports Pursuant to Government Code Section 54954.2

Upon return to open session at approximately 12:00 p.m., General Counsel Jon Rubin reported that

the Committee met in closed session to discuss items listed on the agenda for closed session and there were no other reportable actions.

14. Adjournment

The meeting was adjourned at approximately 12:00 p.m.



MEMORANDUM

TO: TOM BIRMINGHAM, CHAIR, WATER RESOURCES COMMITTEE

FROM: ARA AZHDERIAN

SUBJECT: REQUEST TO INITIATE STRATEGIC PLANNING EFFORT

DATE: 6/2/2017

Background

For the past 25 years, the Authority's core mission has remained unchanged: operate and maintain federal Central Valley Project facilities south of the Delta, and represent the Authority's members' common interests in state and federal administrative, legislative, and judicial forums. Activities in the latter function have expanded significantly over the last quarter century with the Authority now providing professional services in the areas of legal, technical, science, outreach and education, advocacy, planning, supplemental water, groundwater, and drainage management, and grant administration.

Over the past several years, the Authority and its members have experienced significant challenges and change, from successive 0% CVP allocations to new Board and executive staff leadership. Historically, the Authority has typically addressed and adjusted to opportunities and threats through the annual Activities Budget process, and, at times, as situations arose during the course of a fiscal year. This in effect has turned development of the annual Activities Budget into the Authority's strategic planning process. While the Activities Budget is always the result of a discussion about the members' interests, goals, and priorities, it does not provide a long-view of the members' aspirations to help guide actions strategically over the course of years. By not capturing the long-view, the Authority is more prone to vacillations that can adversely impact the efficacy of our strategic initiatives and investments.

Discussion

Staff is recommending the Board authorize initiation of a Strategic Planning Effort (SPE). Staff has discussed potential approaches, focus, and outcomes of a SPE with some members, consultants, and others. There are many potentials. Some questions to consider include:

1) What might be the benefits of a SPE?

- 2) What should be the focus of a SPE? For example, the scope and scale of the Authority's services (i.e. what we do), or how perform our services (i.e. how we do it)?
- 3) How should a SPE be guided?
 - a. Under the direction of the Board and/or standing committees?
 - b. Under the direction of the Executive Director?
 - c. Is there a role for an ad-hoc work group?
- 4) Should a SPE be conducted by a consultant?
- 5) What is a reasonable timeframe and budget for the effort?

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE

PROPOSED AMENDMENTS TO ASSEMBLY BILL NO. 1667 AMENDED IN ASSEMBLY APRIL 18, 2017

CALIFORNIA LEGISLATURE—2017—18 REGULAR SESSION

ASSEMBLY BILL

No. 1667

Introduced by Assembly Member Friedman

February 17, 2017



An act to amend Sections 531.10, 10608.48, 10814, 10820, 10826, 10843, 10845, and 10850 and 10845 of, and to add Section 10826.2 to, and to repeal Section 10853 of, the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 1667, as amended, Friedman. Agricultural water management planning.

(1) Existing law requires an agricultural water supplier to prepare and adopt an agricultural water management plan with specified components on or before December 31, 2012, and to update that plan on December 31, 2015, and on or before December 31 every 5 years thereafter. Existing law requires the agricultural water supplier to submit copies of the plan to the Department of Water Resources and other specified entities, and requires the department to prepare and submit to the Legislature, on or before December 31 in years ending in 6 and years ending in one, a report summarizing the status of the plans.

This bill would revise the components of the plan and additionally require the agricultural water management plan to quantify—measures to increase the efficiency of agricultural water-use efficiency, use, include an annual water budget, describe the agricultural water supplier's water management strategy with specified elements, and include a drought plan describing the actions of the agricultural water supplier for drought

Amendments 1 & 2 Amendments 3 & 4

AB 1667

2

preparedness and management of water supplies and allocations during drought conditions. The bill would require the department to provide tools and resources to assist an agricultural water supplier in developing and quantifying components necessary to develop a water budget. The bill would require the 2020 plan to be updated on or before April 1, 2021, and after that date, would require an agricultural water supplier to update its agricultural water management plan on or before April 1 in years ending in 6 and in years ending in one. The bill would require the department to submit its report to the Legislature on or before April 30 in years ending in 7 and in years ending in 2.

(2) Existing law establishes specified procedures for an action or proceeding to attack, review, set aside, void, or annul the acts or decisions of an agricultural water supplier on the grounds of noncompliance with the requirements for agricultural water management plans.

This bill would require the department, not later than 90 days after a statutory deadline relating to agricultural water management plans has passed, to refer an agricultural water supplier that fails to comply with these deadlines to the State Water Resources Control Board for enforcement action.

(3) Existing law requires an agricultural water supplier to implement efficient water management practices, as prescribed. Existing law exempts from this requirement and the requirement to prepare and adopt an agricultural water management plan an agricultural water supplier that provides water to fewer than 25,000 irrigated acres, excluding recycled water. Existing law makes an agricultural water supplier incligible for state water grants or loans unless the supplier complies with specified water management planning requirements and efficient water management practices.

This bill would repeal this exemption, thereby subjecting those agricultural water suppliers to the water management planning requirements and efficient water management practices and requiring those agricultural water suppliers to comply with the water management planning practices and efficient water management practices to be eligible for state water grants and loans.

(4)

(2) Existing law requires an agricultural water supplier to submit an annual report to the department that summarizes aggregated farm-gate delivery data using best professional practices.

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE

3

AB 1667

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE

This bill, for agricultural water suppliers that provide water to 10,000 or more irrigated acres, bill would require the report to be organized by groundwater-subbasin basin within the agricultural water supplier's service area. The bill would require the department, not later than 90 days after an annual report is due, to refer an agricultural water supplier that fails to comply with these reporting requirements to the state board for enforcement action. area, if applicable, and would require the report to be submitted to the department by April 1 of each year:

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

Page 3

Page 4

2

3

5

3

7

9

SECTION 1. Section 531.10 of the Water Code is amended to read:

531.10. (a) An agricultural water supplier shall submit an annual report to the department that summarizes aggregated farm-gate delivery data, on a monthly or bimonthly basis, using best professional practices. For agricultural water suppliers providing water supplies to 10,000 or more irrigated acres, excluding recycled water, the report shall be organized by groundwater subbasin within the agricultural water supplier's service area, if applicable. The report for the prior year shall be submitted to the department by April 1 of each year. The annual report shall be organized by basin, as defined in Section 10721, within the service area of the agricultural water supplier, if

+ applicable.
6 (b) The r

(b) The report, and any amendments to the report, submitted to the department pursuant to subdivision (a) shall be submitted electronically and shall include any standardized forms, tables, or displays specified by the department.

10 (c) The department shall post all reports on its Internet Web site 11 in a manner that allows for comparisons across water suppliers. 12 The department shall make the reports available for public viewing

in a timely manner after it receives them.

(d) The department shall refer an agricultural water supplier
 that fails to comply with the requirements set forth in subdivisions
 (a) and (b) to the board for enforcement action not later than 90 days after an annual report is due.

19 (c)

Amendment 5

AB 1667

+(d) Nothing in this article shall be construed to require the Page 4 20 implementation of water measurement programs or practices that are not locally cost effective.

23

+

27

28

29

31 32

33

34

35

36

37 38

1

3

7

14

15

16

17

Page 5

- (e) It is the intent of the Legislature that the requirements of 24 this section shall complement and not affect the scope of authority granted to the department or the board by provisions of law other than this article.
 - SEC. 2. Section 10608.48 of the Water Code is amended to read:
- 10608.48. (a) On or before July 31, 2012, an agricultural water 30 supplier shall implement efficient water management practices pursuant to subdivisions (b) and (c).
 - (b) Agricultural water suppliers shall implement-all both of the following critical efficient management practices:
 - (1) Measure the volume of water delivered to customers with sufficient accuracy to comply with subdivision (a) of Section 531.10 and to implement paragraph (2).
 - (2) Adopt a pricing structure for water customers based at least in part on quantity delivered.
 - (3) Increase flexibility in water ordering by, and delivery to, water customers by offering arranged demand delivery within 24 hours of a request.
 - (c) Agricultural water suppliers shall implement additional efficient management practices, including, but not limited to, practices to accomplish all of the following, if the measures are locally cost effective and technically feasible:
- (1) Facilitate alternative land use for lands with exceptionally 8 9 high water duties or whose irrigation contributes to significant 10 problems, including drainage.
- (2) Facilitate use of available recycled water that otherwise 11 would not be used beneficially, meets all health and safety criteria, 12 13 and does not harm crops or soils.
 - (3) Facilitate the financing of capital improvements for on-farm irrigation systems.
 - (4) Implement an incentive pricing structure that promotes one or more of the following goals:
- (A) More efficient water use at the farm level. 18
- 19 (B) Conjunctive use of groundwater.
- (C) Appropriate increase of groundwater recharge. 20

RN 17 15240 04 05/25/17 09:51 PM **SUBSTANTIVE**

Amendment 7

Amendment 8

—5—

AB 1667

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE

Page 5

21

22

26

27

+

34

35

36

37

38

39

2

3

4

5

6

7

8

9

10

11

12 13

Page 6

- (D) Reduction in problem drainage.
- (E) Improved management of environmental resources.
- 23 (F) Effective management of all water sources throughout the 24 year by adjusting seasonal pricing structures based on current 25 conditions.
 - (5) Expand line or pipe distribution systems, and construct regulatory reservoirs to increase distribution system flexibility and capacity, decrease maintenance, and reduce seepage.
- 31 (6) Facilitate or promote beneficial on-farm practices that 32 improve soil health and moisture retention, such as cover cropping, 33 conservation tillage, and compost application.
 - (6) Increase flexibility in water ordering by, and delivery to, water customers within operational limits.
 - (7) Construct and operate supplier spill and tailwater recovery systems.
 - (8) Increase planned conjunctive use of surface water and groundwater within the supplier service area.
 - (9) Automate canal control structures.
 - (10) Facilitate or promote customer pump testing and evaluation.

(11) Designate a water conservation coordinator who will develop and implement the water management plan and prepare progress reports.

(12) Provide for the availability of water management services to water users. These services may include, but are not limited to, all of the following:

- (A) On-farm irrigation and drainage system evaluations.
- (B) Normal year and real-time irrigation scheduling and crop evapotranspiration information.
- (C) Surface water, groundwater, and drainage water quantity and quality data.
- (D) Agricultural water management educational programs and materials for farmers, staff, and the public.
- 14 (13) Evaluate the policies of agencies that provide the supplier 15 with water to identify the potential for institutional changes to 16 allow more flexible water deliveries and storage.
- 17 (14) Evaluate and improve the efficiencies of the supplier's pumps.
- 19 (d) Agricultural water suppliers shall include in the agricultural 20 water management plans required pursuant to Part 2.8 21 (commencing with Section 10800) a report on which efficient

AB 1667

—6—

Page 6

22 water management practices have been implemented and are planned to be implemented, an estimate of the water use efficiency improvements that have occurred since the last report, and an 25 estimate of the water use efficiency improvements estimated to 26 occur five and 10 years in the future. If an agricultural water 27 supplier determines that an efficient water management practice 28 is not locally cost effective or technically feasible, the supplier shall include in the report information documenting that determination. A determination that an efficient water management 30 practice is not locally cost effective or technically feasible shall 32 be based upon evaluation methodology approved by the 33 department.

33 departments
34 (e) The simplements

(e) The department shall require the data information about the implementation of efficient water management practices to be reported using a standardized form developed pursuant to Section 10608.52.

35 36 37

38

2

3

4

7

10

11 12

13 14

15

17

18

(f) An agricultural water supplier may meet the requirements of subdivisions (d) and (e) by submitting to the department a water conservation plan submitted to the United States Bureau of Reclamation that meets the requirements described in Section 10828.

Page 7

- (g) On or before December 31, 2013, December 31, 2016, and December 31, 2021, the department, in consultation with the board, shall submit to the Legislature a report on the agricultural efficient water management practices that have been implemented and are planned to be implemented and an assessment of the manner in which the implementation of those efficient water management practices has affected and will affect agricultural operations, including estimated water use efficiency improvements, if any.
- (h) The department may update the efficient water management practices required pursuant to subdivision (c), in consultation with the Agricultural Water Management Council, the United States Bureau of Reclamation, and the board. All efficient water management practices for agricultural water use pursuant to this chapter shall be adopted or revised by the department only after the department conducts public hearings to allow participation of the diverse geographical areas and interests of the state.

19 (i) (1) The department shall adopt regulations that provide for 20 a range of options that agricultural water suppliers may use or

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE

Amendment 11

Amendment 12

__7_

AB 1667

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE

Page 7

implement to comply with the measurement requirement in paragraph (1) of subdivision (b).

23 (2) The initial adoption of a regulation authorized by this subdivision is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted for that purpose from the requirements of subdivision (b) of Section 11346.1 of the Government Code. After the initial adoption of an emergency regulation pursuant to this subdivision, the department shall not request approval from the Office of Administrative Law to readopt the regulation as an emergency regulation pursuant to Section 11346.1 of the Government Code.

+ SEC. 3. Section 10814 of the Water Code is amended to read: + 10814. "Person"—means—any individual, firm, association, + organization, partnership, business, trust, corporation, company, + public agency, or any agency of that entity. has the same meaning + as defined in Section 10614.

33 SEC. 3.

+ 34

35

37 38

1

2

3

4

5

6

9 10

11

SEC. 4. Section 10820 of the Water Code is amended to read: 10820. (a) (1) Except as provided in paragraph (2), an agricultural water supplier shall prepare and adopt an agricultural water management plan in the manner set forth in this chapter on or before December 31, 2012, and shall update that plan on December 31, 2015, and on or before December 31 every five years thereafter.

Page 8

- (2) (A) The agricultural water management plan required to be updated on or before December 31, 2020, shall be updated on or before April 1, 2021. That plan shall satisfy the requirements of Section 10826.
- (B) On and after April 1, 2021, an agricultural water supplier shall update its agricultural water management plan on or before April 1 in years ending in six and in years ending in one.
- (b) Every supplier that becomes an agricultural water supplier after December 31, 2012, shall prepare and adopt an agricultural water management plan within one year after the date it has become an agricultural water supplier.
- 12 (c) A water supplier that indirectly provides water to customers 13 for agricultural purposes shall not prepare a plan pursuant to this 14 part without the consent of each agricultural water supplier that 15 directly provides that water to its customers.

Amendment 13

Amendment 14

AB 1667

-8-

17 groundwater pumping that are not within the agricultural water

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE Amendment 15

	1007	1 1 1 2	
SUBSTANTIVE Amendment 15	SEC. 4.	e 8 16	Page 8
1 x iii caa a ii caa	SEC. 5. Section 10826 of the Water Code is amended to read:	+	O
	10826. An agricultural water management plan shall be adopted	17	
	in accordance with this chapter. The plan shall do all of the	18	
	following:	19	
	(a) Describe the agricultural water supplier and the service area,	20	
	including all of the following:	21	
	(1) Size of the service area.	22	
	(2) Location of the service area and its water management	23	
	facilities.	24	
	(3) Terrain and soils.	25	
	(4) Climate.	26	
	(5) Operating rules and regulations.	27	
	(6) Water delivery measurements or calculations.	28	
	(7) Water rate schedules and billing.	29	
	(8) Water shortage allocation policies.	30	
	(b) Describe the quantity and quality of water resources of the	31	
	agricultural water supplier, including all of the following:	32	
Amendment 16	(1) Surface water supply, including drainage to the agricultural	33	
	water supplier's service area. supply.	34	
	(2) Groundwater supply.	35	
	(3) Other water supplies, including recycled water.	36	
	(4) Source water quality monitoring practices.	37	
	(5) Water uses within the agricultural water supplier's service	38	
	area, including all of the following:	39	
	(A) Agricultural.	40	
	(B) Environmental.		Page 9
	(C) Recreational.	2	
	(D) Municipal and industrial.	3	
Amendment 17	(E) Groundwater recharge, including estimated flows from deep	4	
	percolation from irrigation and seepage.	5	
Amendment 18	(F) Transfers and exchanges.	6	
	(G) Other water uses.	7	
	(6) Drainage from the agricultural water supplier's service area.	8	
	(7) Water accounting, including all of the following:	9	
	(A) Quantifying the agricultural water supplier's projected water	10	
	supplies and uses identified pursuant to paragraph (5).	11	
	(B) Quantifying the projected precipitation and private	16	

18 supplier's management plan.

_ 9 _

AB 1667

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE

Page 0	10	(C) Annual service area water budgets for the previous fi	~ 7.
rage 7	1)	(C) Affidal service area water budgets for the previous in	·V
	20	vears.	

21 (8) Water supply's water service reliability in average and drought conditions with water supply, infrastructure, institutional, and regulatory considerations.

(c) Include an annual water budget based on the quantification of all inflow and outflow components for the service area of the agricultural water supplier. Components of inflow shall include surface inflow, groundwater pumping in the service area, and effective precipitation. Components of outflow shall include surface outflow, deep percolation, and evapotranspiration. An agricultural water supplier shall report the annual water budget on a water-year basis. The department shall provide tools and resources to assist agricultural water suppliers in developing and quantifying components necessary to develop a water budget.

24 (e

+ (d) Include an analysis, based on available information, of the effect of climate change on future water supplies.

26 (d

27

28

30 31

32

33

34 35

36 37

38

39

1

3

Page 10

(e) Describe previous water management activities.

(c) Quantify measures to increase agricultural water use efficiency with the following elements:

- (1) Water use efficiency information required pursuant to Section 10608,48,
- (2) Measures the agricultural water supplier has implemented for improving efficiency of agricultural water use.
- (3) The quantified overall efficiency of agricultural water use using methods provided by the department.
- (f) Describe water management strategy with the following elements:
- (1) Water management objectives for continued improvement and desired outcomes.
- (2) Previous and planned actions and associated schedule to achieve the outcomes.
 - (3) Cost for implementation and financial considerations.
- 4 (4) Adaptive management.

(f) Identify water management objectives based on the water budget to improve water system efficiency. The agricultural water supplier shall identify, prioritize, and implement actions to reduce

Amendment 19

Amendment 20

AB 1667

— 10 —

+ water loss, improve water system management, and meet other + water management objectives identified in the plan.

(g) Quantify the efficiency of agricultural water use within the + service area of the agricultural water supplier using the appropriate method or methods from among the four water use efficiency quantification methods developed by the department in + the May 8, 2012, report to the Legislature entitled "A Proposed + Methodology for Quantifying the Efficiency of Agricultural Water + Use." The agricultural water supplier shall account for all water uses, including crop water use, agronomic water use, environmental water use, and recoverable surface flows.

Page 10

6

10 11

12

13

14 15

17

19

20 21

22

SEC. 5.

SEC. 6. Section 10826.2 is added to the Water Code, to read: 10826.2. As part of its agricultural water management plan, each agricultural water supplier shall develop a drought plan for periods of limited water supply describing the actions of the agricultural water supplier for drought preparedness and management of water supplies and allocations during drought conditions. The drought plan shall contain both of the following:

(a) Resilience planning, including all of the following:

(1) Data, indicators, and information needed to determine the water supply availability and levels of drought severity.

(2) Analyses and identification of potential vulnerability to 16 drought.

(3) Opportunities and constraints for further improving drought 18 resilience.

(4) Planning objectives for drought resilience.

(5) Actions implemented and planned for achieving the objectives and a schedule for those actions.

(6) Cost information and financing considerations.

(3) A description of the opportunities and constraints for improving drought resilience planning, including all of the following:

(A) The availability of new technology or information.

(B) The ability of the agricultural water supplier to obtain or use additional water supplies during drought conditions. +

(C) A description of other actions planned for implementation to improve drought resilience. +23

(b) Drought response planning, including all of the following:

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE

Amendment 22

-- 11 ---

AB 1667

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE

Page 10 24 25

(1) Policies and a process for declaring a water shortage and for implementing water shortage allocations and related response actions.

26 27

(2) Response actions corresponding to different levels of water shortage, including, but not limited to, operational adjustments and demand management.

29 a

31

+

+ 35

(2) Methods and procedures for the enforcement or appeal of, or exemption from, triggered shortage response actions.

32

(3) Methods and procedures for monitoring and evaluation of the effectiveness of the drought plan.

34 (5

(4) Communication protocols and procedures to inform and coordinate customers, the public, interested parties, and local, regional, and state government.

36 37 38

3

+

5

10

11 12

13

14

(6) An analysis of the financial consequence of each of the actions and conditions described in paragraphs (1) to (5), inclusive, on the revenues and expenditures of the agricultural water supplier, and proposed measures to overcome those impacts, such as the development of reserve revenues.

Page 11

(5) A description of the potential impacts on the revenues, financial condition, and planned expenditures of the agricultural water supplier during drought conditions that reduce water allocations, and proposed measures to overcome those impacts, including reserve level policies.

SEC. 6.

SEC. 7. Section 10843 of the Water Code is amended to read: 10843. (a) An agricultural water supplier shall submit to the entities identified in subdivision (b) a copy of its plan no later than 30 days after the adoption of the plan. Copies of amendments or changes to the plans shall be submitted to the entities identified in subdivision (b) within 30 days after the adoption of the amendments or changes.

(b) An agricultural water supplier shall submit a copy of its plan and amendments or changes to the plan to each of the following entities:

(1) The department.

(2) Any city, county, or city and county within which the agricultural water supplier provides water supplies.

Amendment 24

Amendment 25

Amendment 26

Amendment 27

AB 1667

21

22

23

24

26

27

28

29

30

31

+

32

33 34

35

37

38 39

40

3

5

6

9

13

14

15

16

17

Page 12

— 12 —

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE

Page 11	16	(3) Any groundwater management entity within which
	17	jurisdiction the agricultural water supplier extracts or provides
	18	water supplies.

19 (4) Any urban water supplier within which jurisdiction the 20 agricultural water supplier provides water supplies.

(5) Any city or county library within which jurisdiction the agricultural water supplier provides water supplies.

(6) The California State Library.

(7) Any local agency formation commission serving a county within which the agricultural water supplier provides water supplies.

(c) The plan, and any amendments to the plan, submitted to the department pursuant to paragraph (1) of subdivision (b) shall be submitted electronically and shall include any standardized forms, tables, or displays specified by the department.

SEC. 7.

SEC. 8. Section 10845 of the Water Code is amended to read: 10845. (a) The department shall prepare and submit to the Legislature, on or before April 30, 2022, and thereafter in the years ending in seven and years ending in two, a report summarizing the status of the plans adopted pursuant to this part.

(b) The report prepared by the department shall identify the outstanding elements of any plan adopted pursuant to this part, including a discussion of the status of efficient water management practices implemented pursuant to subdivisions (b) and (c) of Section 10608.48. The report shall include an evaluation of the effectiveness of this part in promoting efficient agricultural water management practices and recommendations relating to proposed changes to this part, as appropriate.

(c) The department shall provide a copy of the report to each agricultural water supplier that has submitted its plan to the department. The department shall also prepare reports and provide data for any legislative hearing designed to consider the effectiveness of plans submitted pursuant to this part.

SEC. 8. Section 10850 of the Water Code is amended to read: 10850. (a) Not later than 90 days after a statutory deadline under this part has passed, the department shall refer an agricultural water supplier that fails to comply with the deadlines established under this part to the board for enforcement action.

Amendment 29

Amendment 30

—13 —

AB 1667

Page 12 18 19 20

21

22

23

24

25

26

27

28

29

31

32

33

34

35

36

37 38

39

(b) Any action or proceeding to attack, review, set aside, void, or annul the acts or decisions of an agricultural water supplier on the grounds of noncompliance with this part shall be commenced as follows:

(1) An action or proceeding alleging failure to adopt a plan shall be commenced within 18 months after that adoption is required by this part.

(2) Any action or proceeding alleging that a plan, or action taken pursuant to the plan, does not comply with this part shall be commenced within 120 days after submitting the plan or amendments to the plan to entities in accordance with Section 10844 or the taking of that action.

(c) In an action or proceeding to attack, review, set aside, void, or annul a plan, or an action taken pursuant to the plan by an agricultural water supplier, on the grounds of noncompliance with this part, the inquiry shall extend only to whether there was a prejudicial abuse of discretion. Abuse of discretion is established if the agricultural water supplier has not proceeded in a manner required by law, or if the action by the agricultural water supplier is not supported by substantial evidence.

SEC. 9. Section 10853 of the Water Code is repealed.

RN 17 15240 04 05/25/17 09:51 PM SUBSTANTIVE

0



