AMADOR WATER AGENCY
Board of Directors
Regular Meeting
12800 Ridge Road, Sutter Creek, CA 95685
June 11, 2020
9:00 a.m.

* Please Note Closed Session will be called first on the Agenda

Rich Farrington, President  District 3
Susan Peters, Vice President  District 4
Paul Molinelli Jr., Director  District 1
Gary Thomas, Director  District 2
Randy Livingston, Director  District 5

Please Note: Members of the public will have the opportunity to directly address the Agency Board of Directors concerning any item listed on the Agenda below before or during consideration of that item.

There is a three minute time limit per person

The Board President may take items out of order to accommodate the public or to promote the order of the meeting.

In order to accommodate the social distancing practices required to reduce the risk of spreading COVID-19 and provide for the safety of the public, our employees and Board of Directors, the Agency will conduct its public meetings via teleconference until further notice.

1. CLOSED SESSION will be called at 9:00 a.m.
   A. Pursuant to Government Code Sections 54957 Public Employee Performance Evaluation-Interim General Manager

   B. Conference with Agency’s real property negotiator, Darrel Evensen, regarding negotiating the price and terms of the purchase, sale, lease or exchange of real property designated as Amador County APN 033-800-021 with Ciro Toma.

2. OPEN SESSION WILL BE CALLED AT 10:00 a.m.
   Members of the public wishing to participate in the Regular Board meeting may dial in using the information below:

   United States (Toll Free): 1 866 899 4679
   - One-touch: tel:+18668994679,,964105525#

   United States: +1 (786) 535-3119
   - One-touch: tel:+17865353119,,964105525#

   Access Code: 964-105-525

Website Address: www.amadorwater.org
The Board President will call for public comment on each agenda item at the appropriate time to ensure that the public may be heard and all votes by the Board will be taken by roll call.

3. CALL TO ORDER – ROLL CALL

4. REPORT OUT FROM CLOSED SESSION

5. ADDITIONS TO AGENDA
   Items added to the agenda must be approved by the Board pursuant to Government Code Section 54954.2

6. PUBLIC COMMENT FOR MATTERS NOT ON THE AGENDA
   A. Discussion items only, no action to be taken. Any person may address the Board at this time upon any subject within the jurisdiction of Amador Water Agency; however, any matter that requires action will be referred to Staff for a report and action at a subsequent Board meeting. Please note there is a three (3) minute time limit per person.

7. CONSENT AGENDA
   A. Items listed on the consent agenda (see attached) are considered routine and may be enacted by one motion. Any item may be removed for discussion and made a part of the regular agenda at the request of a Board member(s).

8. DEPARTMENT REPORTS
   Staff Reports will be provided by Managers to update the Board of Directors on current activities within their areas of responsibility
   
   A. Administration/Finance
   B. Operations
   C. Engineering

9. AGENCY GENERAL
   A. Financial Status Update

   B. Essential Spending
      1. Discussion and possible action to extend the April 23, 2020 Direction of the Board regarding the limitation on spending to only essential items into the new fiscal year.

   C. FY 20-21 Budget Introduction and Overview
   D. General Manager Recruitment Update
   E. Agency Policies
      1. Discussion and possible action to approve the draft Capital Asset Policy (AWA PL- Fin 002)

10. WATER SYSTEM
    A. Pioneer Water Rehabilitation Project Phase II
        1. Discussion and possible action to award the construction contract following the bid opening on June 9, 2020

Website Address: www.amadorwater.org
11. LEGAL COUNSEL'S REPORT
   A. Legislative report
   B. Discussion and possible action regarding Agency positions on pending bills
   C. Other Legal Matters

12. INTERIM GENERAL MANAGER REPORT

13. COMMITTEE REPORTS, SPECIAL ASSIGNMENTS AND DIRECTOR COMMENTS

14. FUTURE AGENDA TOPICS
   A. This item is to provide the Board Members an opportunity to request items to be placed on future agendas.

15. ADJOURNMENT – The estimated adjournment time for this meeting is 1:00 p.m.
AMADOR WATER AGENCY
CONSENT AGENDA
June 11, 2020

Items listed on the consent agenda are considered routine and may be enacted by one motion. Any item may be removed for discussion and made a part of the regular agenda at the request of a Board member(s).

1. MINUTES
   A. Approval of minutes of the Regular Board Meeting of May 28, 2020

2. APPROVALS
   A. Approval of California Environmental Quality Act (CEQA) Notice of Exemption for the Pioneer Water Rehabilitation Project Phase II and direction to file the exemption.

SCHEDULE OF UPCOMING BOARD MEETING
Tuesday June 16, 2020 Budget Workshop
Thursday, June 25, 2020
   Regular Board of Directors Meeting

Documents and materials relating to an open session agenda item that are provided to the Amador Water Agency Board of Directors less than 72 hours prior to a regular meeting will be available upon request by contacting the Clerk of the Board Cris Thompson at cthompson@amadorwater.org

Website Address: www.amadorwater.org
In order to accommodate the social distancing practices required to reduce the risk of spreading COVID-19 and provide for the safety of the public, our employees and Board of Directors, the Agency will conduct its public meetings via teleconference until further notice.

OPEN SESSION WAS CALLED AT 9:02 a.m.

Staff Present:
John Kingsbury- Interim General Manager
Cris Thompson, Assistant GM/ Clerk of the Board
Karen Gish, HR Manager
Rick Ferriera, Operations Manager
Jeff Meyer, Financial Consultant
Lucy Hackett,

CALL TO ORDER – ROLL CALL
Director Livingston
Director Peters
Director Thomas
Director Molinelli Jr
Director Farrington

Members of the Public: None

ADDITIONS TO AGENDA -None

PUBLIC COMMENT FOR MATTERS NOT ON THE AGENDA (3:05- 8:02)
Director Thomas

CONSENT AGENDA (8:30-9:14)

MOTION: It was moved by Director Thomas., seconded by Director Molinelli Jr. and unanimously carried to approve the consent agenda as presented-
Ayes: Directors Molinelli Jr., Peters, Thomas, Livingston, and Farrington
Noes: None
Absent: None
Abstain: None

AGENCY GENERAL
Financial Status Update (9:21- 32:09)

FY 2020-2021 Budget Schedule- Update

General Manager Recruitment Status (32:20- 40:00)

Review and possible action regarding draft Human Resource Policies

Direction was given to staff to answer questions provided by the Board today and bring back to a future meeting.

INTERIM GENERAL MANAGER REPORT (55:01- 57:00)

BOARD OF DIRECTOR DISTRICT REPORTS, COMMITTEE REPORTS AND DIRECTOR COMMENTS (57:20- 1:31:40)

Budget and Finance (05-19-20)
Planning and Engineering (05-21-20)
Personnel Committee (05-25-20)

FUTURE AGENDA TOPICS- None

ADJOURNMENT- President Farrington adjourned the meeting at 10:45 a.m.

______________________________
Cris Thompson
Clerk of the Board of Directors
Approved: ________________________
Administration Department Report

Customer Service/Human Resources:

- The 2019/2020 (7/1/19-6/30/20) Safety Statistics for Agency staff are:
  - Lost time worker’s comp incident: 1 (FYI: date of last incident: 10/28/19)
  - Other Worker Comp incident: 0 (FYI: date of last incident: 5/10/17)
  - First Aid incident: 0
  - Avoidable vehicle accident: 0 (FYI: date of last accident: 9/13/18)
  - Unavoidable vehicle accident: 0

- SB 998 Update – all items to implement have been completed. Final budget impact of implementation was $5,907.54 for services rendered.
- Employee Handbook revisions started
- COVID-19 Customer Service impacts
  - Office closed to the public – quote for privacy/protective counter glass pending
  - Suspended 10-day Shut Off Notice, Door Tags and Shut Offs
  - Suspended Delinquent Fees
  - Sending reminder notices and doing reminder calls to encourage payment plans
- COVID-19 HR impacts
  - Continuing to monitor law changes
  - Monitoring Emergency Sick Leave use
  - Supporting Staff as needed

Finance/Accounting:

- Water Sales Revenues through the month of May are $7,899,525
- Wastewater Sales Revenues through the month of May are $1,627,964

- Reimbursements received: $110,544
- Outstanding Grant Receivables are approximately $642,132

- Restricted and Unrestricted Cash: Attached
- Aging Report: Attached
- May Sales Comparison: Attached

- Participation Fees Revenue through the month of May:
  Water $337,668
  Wastewater $72,513
## 102 AWA WATER SYSTEM

### Water - Sales

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>102-04-411000</td>
<td>Monthly Service Charge</td>
<td>190,273</td>
<td>219,645</td>
<td>250,459</td>
<td>190,633</td>
<td>219,533</td>
<td>250,686</td>
<td>190,859</td>
<td>219,803</td>
<td>250,626</td>
</tr>
<tr>
<td>102-04-411010</td>
<td>Residential</td>
<td>77,044</td>
<td>74,268</td>
<td>98,500</td>
<td>82,821</td>
<td>74,739</td>
<td>95,666</td>
<td>101,354</td>
<td>113,575</td>
<td>141,200</td>
</tr>
<tr>
<td>102-04-411020</td>
<td>Multi-User</td>
<td>39,026</td>
<td>38,865</td>
<td>37,588</td>
<td>42,992</td>
<td>38,554</td>
<td>30,933</td>
<td>45,192</td>
<td>47,253</td>
<td>34,604</td>
</tr>
<tr>
<td>102-04-413000</td>
<td>Industrial</td>
<td>5,544</td>
<td>6,327</td>
<td>3,836</td>
<td>6,318</td>
<td>6,162</td>
<td>5,608</td>
<td>7,803</td>
<td>7,501</td>
<td>5,090</td>
</tr>
<tr>
<td>102-04-414000</td>
<td>Irrigation</td>
<td>38,639</td>
<td>38,907</td>
<td>45,099</td>
<td>45,449</td>
<td>37,584</td>
<td>45,249</td>
<td>48,284</td>
<td>50,949</td>
<td>64,928</td>
</tr>
<tr>
<td>102-04-415000</td>
<td>Resale</td>
<td>1,659</td>
<td>162</td>
<td>432</td>
<td>1,391</td>
<td>414</td>
<td>221</td>
<td>655</td>
<td>326</td>
<td>529</td>
</tr>
<tr>
<td>102-04-416000</td>
<td>Wholesale</td>
<td>(919)</td>
<td>(140)</td>
<td>(77)</td>
<td>(314)</td>
<td>(1,403)</td>
<td>(347)</td>
<td>(243)</td>
<td>(341)</td>
<td></td>
</tr>
<tr>
<td>102-04-417000</td>
<td>Hydrant Use</td>
<td>148,004</td>
<td>149,592</td>
<td>150,942</td>
<td>148,276</td>
<td>149,521</td>
<td>151,032</td>
<td>148,187</td>
<td>149,714</td>
<td>150,953</td>
</tr>
<tr>
<td>102-04-419000</td>
<td>Debt Service Charge</td>
<td>527,970</td>
<td>558,743</td>
<td>620,052</td>
<td>553,934</td>
<td>560,837</td>
<td>617,048</td>
<td>573,816</td>
<td>624,464</td>
<td>683,699</td>
</tr>
<tr>
<td>102-04-419010</td>
<td>Pumping Surcharge</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-04-419020</td>
<td>Water Shortage Surcharge</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**YTD** 7,899,525  $ 8,668,306

**% of Budget** 91%
### Restricted and Unrestricted Cash

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>598,638</td>
<td>485,998</td>
<td>1,790,263</td>
<td>567,523</td>
<td>1,742,356</td>
<td>903,163</td>
<td>2,007,227</td>
<td>1,086,413</td>
</tr>
<tr>
<td>Restricted</td>
<td>1,855,202</td>
<td>1,718,406</td>
<td>1,066,729</td>
<td>2,707,171</td>
<td>1,140,858</td>
<td>2,673,394</td>
<td>1,215,982</td>
<td>2,539,376</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,453,840</strong></td>
<td><strong>2,204,404</strong></td>
<td><strong>2,856,992</strong></td>
<td><strong>3,274,694</strong></td>
<td><strong>2,883,213</strong></td>
<td><strong>3,576,557</strong></td>
<td><strong>3,223,209</strong></td>
<td><strong>3,624,789</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>1,775,040</td>
<td>1,360,963</td>
<td>1,605,540</td>
<td>1,083,971</td>
<td>1,290,540</td>
<td>613,142</td>
<td>1,372,418</td>
<td>970,642</td>
</tr>
<tr>
<td>Restricted</td>
<td>1,484,851</td>
<td>3,160,529</td>
<td>1,182,421</td>
<td>2,994,192</td>
<td>1,276,086</td>
<td>2,686,802</td>
<td>1,318,855</td>
<td>2,885,245</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3,259,891</strong></td>
<td><strong>4,521,492</strong></td>
<td><strong>2,787,961</strong></td>
<td><strong>4,078,163</strong></td>
<td><strong>2,566,626</strong></td>
<td><strong>3,299,944</strong></td>
<td><strong>2,691,273</strong></td>
<td><strong>3,855,887</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Jan-19</th>
<th>Jan-20</th>
<th>Feb-19</th>
<th>Feb-20</th>
<th>Mar-19</th>
<th>Mar-20</th>
<th>Apr-19</th>
<th>Apr-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>868,327</td>
<td>743,025</td>
<td>1,303,441</td>
<td>809,637</td>
<td>1,426,687</td>
<td>983,924</td>
<td>2,047,687</td>
<td>1,540,546</td>
</tr>
<tr>
<td>Restricted</td>
<td>1,133,583</td>
<td>3,244,891</td>
<td>1,845,029</td>
<td>2,644,604</td>
<td>1,728,818</td>
<td>2,545,370</td>
<td>1,820,984</td>
<td>2,497,747</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,001,910</strong></td>
<td><strong>3,987,916</strong></td>
<td><strong>3,148,470</strong></td>
<td><strong>3,454,241</strong></td>
<td><strong>3,155,505</strong></td>
<td><strong>3,529,294</strong></td>
<td><strong>3,868,671</strong></td>
<td><strong>4,038,294</strong></td>
</tr>
</tbody>
</table>
### Aging Report

<table>
<thead>
<tr>
<th>Date</th>
<th>Total</th>
<th>Over 120</th>
<th>90-120</th>
<th>60-90</th>
<th>30-60</th>
<th>Under 30</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>May 31, 2020</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standby/Assessments</td>
<td>11,038.98</td>
<td>17,704.38</td>
<td>785.86</td>
<td></td>
<td></td>
<td></td>
<td>(7,451.26)</td>
</tr>
<tr>
<td>Wastewater</td>
<td>69,205.94</td>
<td>11,375.04</td>
<td>893.32</td>
<td>1,433.79</td>
<td>2,554.42</td>
<td>54,295.68</td>
<td>(1,436.31)</td>
</tr>
<tr>
<td>Water</td>
<td>495,890.95</td>
<td>24,216.10</td>
<td>7,454.65</td>
<td>16,712.93</td>
<td>37,581.68</td>
<td>447,771.62</td>
<td>(37,846.03)</td>
</tr>
<tr>
<td>Totals</td>
<td>576,135.87</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>April 30, 2020</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standby/Assessments</td>
<td>11,866.86</td>
<td>17,704.38</td>
<td>785.86</td>
<td></td>
<td></td>
<td></td>
<td>(6,623.38)</td>
</tr>
<tr>
<td>Wastewater</td>
<td>62,159.24</td>
<td>10,785.03</td>
<td>1,092.61</td>
<td>1,496.49</td>
<td>2,474.83</td>
<td>482,223.27</td>
<td>(1,912.99)</td>
</tr>
<tr>
<td>Water</td>
<td>439,222.41</td>
<td>20,081.78</td>
<td>5,068.80</td>
<td>9,835.73</td>
<td>36,552.76</td>
<td>367,683.34</td>
<td>(35,279.88)</td>
</tr>
<tr>
<td>Totals</td>
<td>513,248.51</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>March 31, 2020</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standby/Assessments</td>
<td>11,866.86</td>
<td>17,704.38</td>
<td>785.86</td>
<td></td>
<td></td>
<td></td>
<td>(6,623.38)</td>
</tr>
<tr>
<td>Wastewater</td>
<td>56,881.99</td>
<td>10,493.46</td>
<td>441.57</td>
<td>1,127.93</td>
<td>2,750.96</td>
<td>42,068.07</td>
<td>(2,604.18)</td>
</tr>
<tr>
<td>Water</td>
<td>426,975.26</td>
<td>17,550.85</td>
<td>3,917.75</td>
<td>6,668.27</td>
<td>27,675.71</td>
<td>371,162.68</td>
<td>(35,522.14)</td>
</tr>
<tr>
<td>Totals</td>
<td>495,724.11</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Operations Report

Covering May 1 – May 31, 2020

Operations Manager:

- Focused on 2020/2021 Budget and CIP
- Worked close with engineering and O&M staff on lone WTP CIP
- Worked with Regulatory Compliance Specialist on CCR, annual and monthly reporting

Regulatory Compliance Specialist:

1. Consumer Confidence completed and mailed directly to all customers in billing statements.
2. Completed monthly water and wastewater reports
3. Submitted Annual water reports via the State’s Drinc Portal

Water Treatment Plants

1. Tanner Plant:
   a. Staff worked with SCADA/PLC control contractor to further integrate the hydro facility and recycle facility into the existing operating system. This was to minimize some lockout issues staff was having with the hydro generators as well as give the operator the ability to operate more efficiently with the recycle facility run time settings.
   b. Staff installed new motor on existing compressor housing and tested. This placed back into service the one which failed and provides redundancy once again for the existing pneumatic system, critical to the filter control scenario.
   c. Staff sprayed for weeds around plant facility.

2. Lone Plant:
   a. Staff continues to work with contractors and AWA construction and electrical departments towards completion of the rehabilitation project. In May we saw all 4 filters operating status transformed from the past pneumatic control system to the new electronic operating system ran off of the new backwash station PLC.

3. Buckhorn Plant:
   a. Staff worked to address low levels at the PG&E regulator reservoir caused by PG&E seasonal maintenance on their canal/flume system. This included troubleshooting and correcting a failed HMI, troubleshooting a failed drain valve actuator, and performing multiple syphon purges to minimize possibility of the loss of prime and outages within the CAWP system
   b. Electrical staff installed new SC200 turbidimeter on individual Rack A and tested.
   c. Staff replaced and calibrated new raw/finish water ph probes.
4. PGE @ Tiger Creek:
   a. Staff worked to correct problem with treated water turbidimeter alarm output and tested.
   b. Staff worked to troubleshoot creek level controller and found problem with PLC control, need to schedule technician to correct.

Wastewater:

1. AWA Systems
   a. Started contact chamber rehab project
   b. Continue to monitor collection systems
   c. Flushed and cleared laterals at Wildwood
   d. Flushed all of Jackson Pines

Electrical:

1. lone WTP Upgrade Project – All filter controls have been converted to the new Filter PLC. The wiring for the Raw Water Inlet control valve should be completed this week. Staff is continuing to assist the electrical contractor with filter control equipment installation and wiring, and start-up testing. Preparing for the replacement of the Plant PLC. Reviewed conduit and wire runs with Central Sierra. They will begin work on this once the outstanding items on the Filter PLC are complete – likely the second week in June.
2. Staff installed a new Hach TU5300 turbidimeter on Rack A at Buckhorn.
3. Replaced failed UPS in the server rack at Tanner Shop.
4. Replaced failed level transducer a Sierra West Lift Station.
5. Erik from A T.E.E.M was at Tanner WTP on May 5th to resolve several issues with the backwash control that were identified after his visit in April. He also added programming to the Hydro PLC for a designated output to run the Potassium Permanganate pump for an upcoming taste and odor control trial.
6. Staff identified several issues with the current motor controls at LS A & LS B at Camanche. Staff added circuit breakers to each pump for isolation, added individual fail alarms to each soft-start, and installed push button external alarm resets in each control panel.

Construction:

1. lone WTP – Replacement of all filter valves & installed new influent 14” Ball Valve
2. Cleaned Camanche WWTP secondary pond
3. Rebuilt a Camanche Fire Hydrant
4. Repaired 6” PVC (Blue Bell) line break at Pioneer Volcano Road

Distribution:

1. Tank Diving:
   Inland Potable Services Dive Team performed cleaning and inspections of the Tanner clear well, lone clear well, Lamel tank and Plymouth tank. TWC over condition "satisfactory", ICW overall condition "satisfactory", Lamel tank overall condition "good", Plymouth tank needs recoating or replacement.

Prepared by: Linda Nafus, Administrative Assistant II
Reviewed and edited by: Rick Ferriera, Operations Manager
City of Plymouth Department Report
Covering May 1 – May 31, 2020

Regulatory Compliance Specialist-

- Completed monthly water report and submitted it to Division of Drinking Water
- Consumer Confidence Report is completed and customers were mailed copies directly. Hard copy extras will be delivered to office soon.
- Submitted annual water report via the drink portal for Division of drinking Water

Distribution-

- Routine flushing
- Routine Sampling

Wastewater-

- Continued to monitor collection system
- Inspected grease traps
- Jetted to remove obstruction on Victorian Way

Staff hours: 46.5 hrs Water and 10.0 hrs WW

Prepared by: Andrea Hinton, Regulatory Compliance Specialist
Reviewed and edited by: Rick Ferriera, Operations and Maintenance Manager
River Pines Department Report  
May 1 – May 31, 2020

**Water Production/Sold**

<table>
<thead>
<tr>
<th>Well</th>
<th>Production</th>
<th>Total Produced</th>
<th>Total Sold</th>
<th>Unaccounted Loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>Well 2</td>
<td>555,200 gallons</td>
<td>1,046,297 gallons</td>
<td>Not available at this time</td>
<td></td>
</tr>
<tr>
<td>Well 3R</td>
<td>454,600 gallons</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Well 6R</td>
<td>36,497 gallons</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Regulatory Compliance Specialist**-

- Completed monthly reports for May in Water and Wastewater.
- Completed Annual Water report and submitted to District Engineer for approval.

**Wastewater**-

- Influent flow **1,173,400 gallons**, Effluent Discharged **1,473,800 gallons**.
- Continue to oversee CA Dept of Forestry work in spray fields
- Continue to maintain and monitor collection system
- Installed new irrigation sump pump

**Water**-

- Routine Well operation and maintenance

Staff Hours: **93.5 hrs Water**  **113.0 hrs WW**

Prepared by: Andrea Hinton, Regulatory Compliance Specialist  
Reviewed by: Rick Ferriera, Operations and Maintenance Manager
Board Meeting: June 11, 2020

Engineering Department Report

May 1 - May 31, 2020

Projects Under Construction

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Percent Complete</th>
<th>On Schedule</th>
<th>On Budget</th>
<th>Completion Date</th>
<th>Contract</th>
<th>Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.1</td>
<td>Ione Hydro</td>
<td>95</td>
<td>No</td>
<td>Yes</td>
<td></td>
<td>Jul-19</td>
<td>Mar-21</td>
</tr>
<tr>
<td>C.2</td>
<td>Ione WTP Rehab 2 (Upgrades)</td>
<td>85*</td>
<td>No*</td>
<td>Yes</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>C.3</td>
<td>Redwood Tank Replacement</td>
<td>15</td>
<td>Yes</td>
<td>Yes</td>
<td>Mar-21</td>
<td>Mar-21</td>
<td></td>
</tr>
<tr>
<td>C.4</td>
<td>Hwy 49 MH</td>
<td>5</td>
<td>Yes</td>
<td>Yes</td>
<td>Jul-20</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>C.5</td>
<td>Pioneer Ph II (CDBG)</td>
<td>0</td>
<td>Yes</td>
<td>Yes</td>
<td>TBD</td>
<td>Jul-21</td>
<td></td>
</tr>
<tr>
<td>C.6</td>
<td>Pioneer Ph III (USDA)</td>
<td>0</td>
<td>Yes</td>
<td>Yes</td>
<td>TBD</td>
<td>Aug-23</td>
<td></td>
</tr>
</tbody>
</table>

* - In-House Project has been scaled back for this fiscal year. All filters are online

Projects in Design

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Percent Complete</th>
<th>On Schedule</th>
<th>On Budget</th>
<th>Completion Date</th>
<th>Design</th>
<th>Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>D.1</td>
<td>Water Master Plan</td>
<td>50</td>
<td>Yes</td>
<td>Yes</td>
<td>Dec-20</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>D.2</td>
<td>Hwy 49 Sewerline</td>
<td>Deferred</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>D.3</td>
<td>Amador Canal Slide (FEMA)</td>
<td>Deferred</td>
<td>NA</td>
<td>NA</td>
<td>Dec-20</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>D.4</td>
<td>Lift Station #2</td>
<td>Deferred</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>D.5</td>
<td>Wastewater Master Plan</td>
<td>5</td>
<td>Yes</td>
<td>Yes</td>
<td>Dec-20</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

Projects in Planning/Funding

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>P.1</td>
<td>LCV Unit 6 WWTP</td>
<td>Compiling Package for Grant Monies</td>
</tr>
<tr>
<td>Page</td>
<td>Project Description</td>
<td>Status</td>
</tr>
<tr>
<td>------</td>
<td>---------------------</td>
<td>--------</td>
</tr>
<tr>
<td>P.2</td>
<td>Mt. Crossman Tank/PS</td>
<td>Listed for Potential Grant Monies</td>
</tr>
<tr>
<td>P.3</td>
<td>Martell Future Sewer Rates</td>
<td>Investigative stage</td>
</tr>
<tr>
<td>P.4</td>
<td>La Mel WTP</td>
<td>Listed for Potential Grant Monies</td>
</tr>
<tr>
<td>P.5</td>
<td>Camanche 10-inch Pipe</td>
<td>Listed for Potential Grant Monies</td>
</tr>
<tr>
<td>P.6</td>
<td>Reclamation Projects</td>
<td>Investigative stage</td>
</tr>
</tbody>
</table>

**Developer Projects**

<table>
<thead>
<tr>
<th>Developer Project</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>DP.1 Wildflower 3 and 5</td>
<td>Anticipated Start of Wildflower 3</td>
</tr>
<tr>
<td>DP.2 Castle Oaks 8A, 8B and 10</td>
<td>Castle Oaks 8A started Earthwork</td>
</tr>
</tbody>
</table>

**Project Expenses through 6/4/20 are attached**

Prepared by: Darrel Evensen, Engineering Manager
## FY 19/20 Project Expenses Through 6/4/2020

<table>
<thead>
<tr>
<th>WATER PROJECTS</th>
<th>Funded By</th>
<th>Status</th>
<th>Funding Contract</th>
<th>Grant</th>
<th>FY 19-20 Budget</th>
<th>Expended to date</th>
<th>% of FY 19-20 Budget</th>
<th>Expended Life of Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lone Hydroelectric</td>
<td>Grant/Loan</td>
<td>6/30/2020</td>
<td>$2,222,000</td>
<td>$1,505,000</td>
<td>$1,301,099</td>
<td>86%</td>
<td>2,538,376</td>
<td></td>
</tr>
<tr>
<td>Redwood Tanks Replacement - Hazard Mitigation Grant</td>
<td>Grant/Oper Rates</td>
<td>3/1/2021</td>
<td>$1,660,533</td>
<td>$1,161,410</td>
<td>$33,207</td>
<td>3%</td>
<td>104,968</td>
<td></td>
</tr>
<tr>
<td>CDBG Storm Repairs - Amador Canal</td>
<td>Grant/Oper Rates</td>
<td>6/30/2020</td>
<td>$182,097</td>
<td>$196,875</td>
<td>$10,799</td>
<td>5%</td>
<td>14,374</td>
<td></td>
</tr>
<tr>
<td>Pioneer Phase II CDBG</td>
<td>Grant</td>
<td>6/30/2021</td>
<td>$4,991,321</td>
<td>$249,866</td>
<td>$322,642</td>
<td>129%</td>
<td>332,122</td>
<td></td>
</tr>
<tr>
<td>Pioneer Phase III USDA</td>
<td>Grant/Loan</td>
<td>$1,976,000</td>
<td>$2,001,486</td>
<td>$299,676</td>
<td>15%</td>
<td>399,758</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Master Plan and Modeling</td>
<td>Part, Fees / Prop Taxes</td>
<td>292,174</td>
<td>156,765</td>
<td>54%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire Protection improvements</td>
<td>Part, Fees</td>
<td>8,786</td>
<td>-</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire Flow Testing Program</td>
<td>Operating Rates</td>
<td>13,880</td>
<td>-</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security Upgrades</td>
<td>Operating Rates</td>
<td>23,786</td>
<td>-</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lone WTP Upgrades</td>
<td>Part, Fees / CFD</td>
<td>1,386,223</td>
<td>839,131</td>
<td>60%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buckhorn Backwash Cover</td>
<td>Part Fees</td>
<td>65,864</td>
<td>67,745</td>
<td>103%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buckhorn WTP Membrane Replacement and Upgrades</td>
<td>Part Fees</td>
<td>57,105</td>
<td>8,286</td>
<td>15%</td>
<td>8,286</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standby Generators Tanks A &amp; B</td>
<td>Part Fees</td>
<td>82,571</td>
<td>20,409</td>
<td>25%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SCADA Improvements</td>
<td>Part Fees</td>
<td>53,890</td>
<td>11,735</td>
<td>22%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M Crossman Tank</td>
<td>Part Fees</td>
<td>55,209</td>
<td>70</td>
<td>0%</td>
<td>70</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Silver Tiger PS modifications</td>
<td>Part Fees</td>
<td>57,571</td>
<td>25</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CAMP Water Right</td>
<td>Part Fees</td>
<td>48,029</td>
<td>1,315</td>
<td>3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tank and Pipeline Cathodic Protection work</td>
<td>Part Fees</td>
<td>37,571</td>
<td>-</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AWA Portion SGMA and Monitoring Wells</td>
<td>Part Fees</td>
<td>35,528</td>
<td>-</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ridge Rd Raw Water Pipeline</td>
<td>Part Fees</td>
<td>38,725</td>
<td>-</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Camanche MHI</td>
<td>Camanche Reserve</td>
<td>25,126</td>
<td>13,727</td>
<td>55%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-16 Generator Carryover</td>
<td>Operating Rates</td>
<td>55,838</td>
<td>-</td>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buckhorn Stairs</td>
<td>Operating Rates</td>
<td>50,000</td>
<td>63,460</td>
<td>127%</td>
<td>63,460</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buckhorn Snow-Ice Protection over entry door</td>
<td>Operating Rates</td>
<td>7,500</td>
<td>12,363</td>
<td>165%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7,509,842 | 3,181,184 | 42%

<table>
<thead>
<tr>
<th>WASTEWATER PROJECTS</th>
<th>Funded By</th>
<th>Status</th>
<th>Funding Contract</th>
<th>Grant</th>
<th>FY 19-20 Budget</th>
<th>Expended to date</th>
<th>% of FY 19-20 Budget</th>
<th>Expended Life of Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ridge Road Manhole Replacement</td>
<td>Operating Rates</td>
<td></td>
<td></td>
<td></td>
<td>107,727</td>
<td>3,634</td>
<td>3%</td>
<td>3,634</td>
</tr>
<tr>
<td>Hwy 49 SS Upsize</td>
<td>Operating Rates</td>
<td></td>
<td></td>
<td></td>
<td>123,813</td>
<td>-</td>
<td>0%</td>
<td>-</td>
</tr>
<tr>
<td>WW Standby Generators</td>
<td>Camanche Reserve</td>
<td></td>
<td></td>
<td></td>
<td>83,371</td>
<td>133,779</td>
<td>160%</td>
<td>-</td>
</tr>
<tr>
<td>Reclamation Master Planning</td>
<td>Operating Rates</td>
<td></td>
<td></td>
<td></td>
<td>10,362</td>
<td>-</td>
<td>0%</td>
<td>-</td>
</tr>
<tr>
<td>Lift Station 2 Improvements</td>
<td>Operating Rates</td>
<td></td>
<td></td>
<td></td>
<td>131,537</td>
<td>-</td>
<td>0%</td>
<td>-</td>
</tr>
<tr>
<td>Pine Grove Realignment Design Review</td>
<td>Operating Rates</td>
<td></td>
<td></td>
<td></td>
<td>4,919</td>
<td>-</td>
<td>0%</td>
<td>-</td>
</tr>
<tr>
<td>Marthal &amp; Camanche Inflow &amp; Infiltration - Study</td>
<td>Operating Rates</td>
<td></td>
<td></td>
<td></td>
<td>131,703</td>
<td>-</td>
<td>0%</td>
<td>-</td>
</tr>
<tr>
<td>Marthal Sewer Improvement Study</td>
<td>Operating Rates</td>
<td></td>
<td></td>
<td></td>
<td>12,090</td>
<td>-</td>
<td>0%</td>
<td>-</td>
</tr>
</tbody>
</table>

608,522 | 137,413 | 23%
STAFF REPORT

Capital Asset Policy

Requested Action:
Review and possible approval of the draft Capital Asset Policy (AWA PL Fin 002)

Background:
Over the past 6 months, the policy committee and staff have been reviewing and updating the Agency policy manual. Administrative and Board policies were approved by the Board on April 23, 2020. The policy committee and staff have drafted new Financial Policies which will be coming to the Board soon. President Farrington asked that the draft revised Capital Asset Policy be brought to the Board ahead of the other financial policies for consideration. In addition to committee review, input was provided by the management team as well as Jeff Meyer, the Agency's Financial Consultant.

Fiscal Impact: None

Committee Review: Yes, Policy Committee recommends approval of the Capital Asset Policy

Recommendation:
Approval of the draft revised Capital Asset Policy

Prepared by: Cris Thompson, Assistant General Manager
100.00 Purpose of the Policy

The purpose of this policy is to establish guidance in identifying, capitalizing, depreciating, and accounting for Agency capital assets.

100.10 Definitions

A capital asset is defined under this Policy as an asset owned by the Agency that – 1) is acquired for use in Agency operations, 2) is long-term in nature (i.e., useful life exceeds 2 years), 3) is subject to depreciation, and 4) has a minimum value of $10,000 (see section 200.20).

200.00 Policy

It is the policy of the Agency that the following types of assets will be considered Capital Assets of the Agency. If an asset does not meet the capitalization requirements listed in this policy, then it is to be expensed in the year acquired.

200.05 Capital Assets

The Agency operations program will be maintained at a level that assures system reliability and efficiency. A well planned out Preventative Maintenance program will extend the life of all capital assets and in turn reduce infrastructure costs in the long-term.

A. Funding to Meet Regulations and Standards - The Agency will adequately fund costs to meet current industry standards and regulations (e.g. Safe Drinking Water Act, etc.) in the annual budgeting process.

B. Capital Improvement Plan - The Agency, as part of its routine planning process, will develop the following:
   1. 5-year Water System and Wastewater System Master Plans with review and updates every 5 years.
   3. Adopt a 5 year Capital Improvement Plan to be reviewed by the Board of Directors annually.

C. Types of Capital Projects - The Agency’s capital improvement program will consider mandated capital, capacity related capital and renewal and replacement capital.
D. Financing of Capacity-Related Projects - The financing of capacity-related capital projects may be funded from any of the available Agency funding sources. The use of long-term debt to finance capacity-related projects will be minimized. When necessary, long-term debt will be issued to allow the Agency to better match the financing of these facilities to the timing of the customers as they connect to the system.

200.10 Capital Asset Categories

Capital assets shall be segregated into the following categories:
A. Land and Land Improvements with a limited life, such as driveways, walks, fences, landscaping, and parking areas.
B. Buildings and Building Improvements, such as HVAC equipment, interior remodeling features, and landscaping.
C. Hydrants, pressure modulating facilities, Valves and related appurtenances.
D. Transmission and Distribution pipelines.
E. Water Storage Facilities.
F. Wastewater Facilities
G. Hydro Generation Facilities
H. Groundwater Wells, Flow Meters, Etc.
I. Pumps, Motors and Water Treatment Facilities
J. Water Meters and Appurtenances.
K. Machinery and Equipment, such as generators, compressors, jackhammers, tools, trimmers, etc.
L. Fleet Equipment, such as cars, trucks, trailers and backhoes.
M. Office Equipment such as furniture and fixtures.
O. Intangible Assets, such as easements and internally generated computer software.
P. SCADA, including location and mapping features.

200.20 Capitalization Thresholds

Capital assets eligible for capitalization, must have:
1) an estimated useful life of at least two years from the date of acquisition
2) and a minimum value of $10,000, and
3) Such criteria shall be applied to individual assets and not to groups of assets.

200.30 Valuation of Capital Assets

The value assigned to capital assets shall be determined as follows:

200.32 Purchased Capital Assets

The capitalized value of purchased Capital assets shall be determined using the original cost of the asset. Specific costs eligible for capitalization are identified under section 200.40. If the original cost of an asset is not available or cannot be reasonably determined, an estimated current cost may be utilized.
200.34 Agency-Constructed Capital Assets

Agency-constructed water and wastewater system infrastructure assets intended to be used in Agency operations or internally generated computer software are eligible for capitalization. The capitalized value of such assets shall be determined using direct and material costs associated with the construction up until the time the asset is complete and ready for use.

200.36 Donated Capital Assets

The capitalized value of donated assets shall be determined using the fair market value at the time of donation. If the fair market value of the asset is not available or cannot be reasonably determined, an estimated cost may be determined using the best available information. The value of donated intangible assets shall be accounted for separate from donated tangible capital assets.

200.40 Capitalizable Costs

Costs eligible for capitalization under this policy are:

For land:
- Purchase price or appraised value, whichever is more readily determinable;
- Closing costs, such as title fees, attorney’s fees, environmental assessments, appraisals, taxes and recording fees;
- Costs necessary to get the land ready for its intended use, such as grading, clearing, filling, draining, surveying, and demolition of existing structures;
- Assumptions of liens, encumbrances or mortgages;

For purchased assets other than land:
- Purchase price, including all taxes
- Freight, handling and in-transit insurance charges
- Assembling and installation charges
- Professional fees of engineers, inspectors, attorneys, consultants, etc.;
- Applicable purchase discounts or rebates

For Constructed Assets:
- Direct labor costs (to include wages and benefits);
- Direct materials cost;
- Professional fees of engineers, inspectors, attorneys, consultants, etc.; and outside construction costs
- Insurance premiums and related costs incurred during construction;
- Costs necessary to get the site ready for its intended use, such as grading, clearing, filling, draining, surveying, and demolition of existing structures;
- Costs for intangible assets as determined in accordance with Governmental Accounting Standards Board, Statement No. 51 “Accounting and Financial Reporting for Intangible Assets.”
For donated Capital assets:
- Fair Market or Appraised Value at date of donation;
- Installation costs;
- Professional fees of engineers, inspectors, attorneys, consultants, etc.;
- Other normal or necessary costs required to place the asset in its intended location and condition for use.

200.50 Capitalization of Costs Subsequent to Acquisition

Additional costs incurred after a capital asset is placed in use shall be accounted for as follows:

200.52 Additions

An “Addition” is defined as an expenditure that either significantly extends the useful life or productivity of the existing capital asset or creates a new capital asset. All “Additions” to existing capital assets should be capitalized as long as the asset meets the criteria of section 200.20 above.

200.54 Improvements and Replacements

“Improvements and Replacements” are defined as expenditures that involve substituting a similar capital asset, or portion thereof, for an existing one. All “Improvements and Replacements” to existing capital assets should be capitalized as long as the asset meets the criteria of section 200.20 above. If the existing asset's book value is determinable, then the existing asset should be removed from the books at the time the replacement is recorded. If the existing asset is not separately identifiable, then the replacement should still be capitalized as the existing asset’s book value is assumed to be negligible.

200.56 Rearrangement or Reinstallation

“Rearrangement or Reinstallation” costs are defined as expenditures that involve moving an existing asset to a new location or reinstalling a similar asset in place of an existing asset. All “Rearrangement or Reinstallation” costs should be expensed in the period incurred.

200.58 Repairs and Maintenance

“Repairs and Maintenance” costs are defined as expenditures that involve maintaining the asset in good or ordinary repair. All “Repairs and Maintenance” costs should be expensed in the period incurred.
Depreciation or Amortization of Capital Assets

Capital assets shall be depreciated or amortized on a straight-line basis beginning the first day of the month following acquisition in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Category</th>
<th>Depreciation/Amortization Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>None</td>
</tr>
<tr>
<td>Land Improvements</td>
<td>15 Years</td>
</tr>
<tr>
<td>Buildings</td>
<td>40 Years</td>
</tr>
<tr>
<td>Building Improvements</td>
<td>20 Years</td>
</tr>
<tr>
<td>Hydrants, PRV Stations, Valves and similar assets</td>
<td>30 Years</td>
</tr>
<tr>
<td>Transmission and Distribution pipelines</td>
<td>50 Years</td>
</tr>
<tr>
<td>Sewer Collection and Manholes</td>
<td>50 Years</td>
</tr>
<tr>
<td>Storage Facilities STEEL/CONCRETE</td>
<td>60 Years</td>
</tr>
<tr>
<td><strong>Water and Wastewater Treatment Plants, Pump Stations and Wells</strong></td>
<td></td>
</tr>
<tr>
<td>SCADA, pumps, electrical, membranes, etc</td>
<td>See next three rows</td>
</tr>
<tr>
<td>Mechanical/Structures</td>
<td>15 Years</td>
</tr>
<tr>
<td>Well Casings</td>
<td>40 Years</td>
</tr>
<tr>
<td>Water Meters and Appurtenances</td>
<td>15 years</td>
</tr>
<tr>
<td>Generators</td>
<td>20 Years</td>
</tr>
<tr>
<td>Machinery and Equipment ( compressors, jackhammers, tools and equipment)</td>
<td>30 Years (if maintained properly)</td>
</tr>
<tr>
<td>Fleet Equipment (backhoes, other mobile motorized equipment)</td>
<td>15 Years</td>
</tr>
<tr>
<td>Item</td>
<td>Life Span</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Trucks/ Cars</td>
<td>7</td>
</tr>
<tr>
<td>Office Furniture and Fixtures</td>
<td>7 Years</td>
</tr>
<tr>
<td>Computer Equipment, Servers, Purchased Software and Telephones</td>
<td>5 Years</td>
</tr>
<tr>
<td>Intangible Assets, such as easements and internally generated computer software</td>
<td>5 Years</td>
</tr>
<tr>
<td>Permanent Easements – None;</td>
<td></td>
</tr>
</tbody>
</table>

### 200.70 Physical Inventory of Capital Assets

A physical inventory of the following categories of capital assets shall be performed at least annually:

- Inventory Items
- Machinery and Equipment
- Fleet Equipment
- Office Furniture and Fixtures
- Computer Equipment, Purchased Software and Telephones

The results of the physical inventory shall be reconciled with the Agency’s asset inventory system. Differences will be reported, along with explanations, to the Board of Directors.

### 200.80 Disposal of Capital Assets

Capital assets that have become obsolete shall be disposed in accordance with Agency’s Policy on “Disposing of Surplus Agency Real Property, Vehicles and Large Equipment and Other Personal Property (PL - Adm 003).”

### 300.00 Policy Review

This policy shall be reviewed at least every two years
MEMORANDUM

TO: BOARD OF DIRECTORS, AMADOR WATER AGENCY
CC: JOHN KINGSBURY, INTERIM GENERAL MANAGER
FROM: JOSH HOROWITZ & BRITTANY BRACE
DATE: JUNE 4, 2020
RE: LEGISLATIVE REPORT FOR THE JUNE 11, 2020 AMADOR WATER AGENCY BOARD MEETING

The following are bills of potential interest to the Amador Water Agency pending in the 2020 session of the California Legislature. [** - denotes bills added since last month's report.] Note that May 29 was a major legislative deadline for submitting committee reports, and many bills died this last month failing to meet it.

STATE ASSEMBLY

AB 235 (Mayes) - Electrical corporations: wildfire victim recovery bonds.
Introduced: 1/18/19
AB 235 would create the California Wildfire Catastrophe Fund Authority, which would reimburse participating utilities for liability costs that exceed their established insurance levels. The bill would authorize electrical corporations and local publicly owned electric utilities to participate in the authority. The bill would require each participating entity to make an initial contribution and annual contributions to the authority, and would require the authority's board to deposit those contributions into an account dedicated to receiving contributions from that participating entity.
ACWA: None.

AB 289 (Fong) - California Public Records Act Ombudsman.
Introduced: 1/28/19
No action has yet been taken on this bill, but it is still active and listed in the committee process. If passed, AB 289 would declare the intent of the Legislature to enact legislation that would establish an ombudsman within the California State Auditor's Office who would serve as the appeals body for all requests related to the California Public Records Act.
ACWA: None.
AB 291 (Chu) – Local Emergency Preparedness and Hazard Mitigation Fund.

**Introduced:** 1/28/19

**Status:** 1/30/20 – In Senate. Read first time. To Sen. Rules Comm. for assignment.

Under the Federal Emergency Management Act (FEMA), the state is required to have a mitigation plan as a condition for disaster assistance and grant funding. The California Emergency Services Act requires the Office of Emergency Services to implement this mandate by coordinating with all interested state agencies to jointly establish a standardized emergency management system for use by all emergency response agencies. This bill would establish a Local Emergency Preparedness and Hazard Mitigation Fund, and the Hazard Mitigation Fund Committee under the Standardized Emergency Management System Advisory Board, to support local governments with staffing, planning, and other emergency mitigation priorities necessary to meet emergency management, preparedness, readiness and resilience goals.

**ACWA:** Favor.

AB 292 (Quirk) - Recycled water: raw water and groundwater augmentation.

**Introduced:** 1/28/19

**Status:** 9/15/19 – Failed deadline for passage out of Sen. Rules Comm. (2-year bill).

Current law requires the State Water Resources Control Board (State Water Board), on or before December 31, 2023, to adopt uniform water recycling criteria for direct potable reuse through raw water augmentation. This bill would eliminate the definition of “direct potable reuse” and would instead substitute the term “groundwater augmentation” for “indirect potable reuse for groundwater recharge” in these definitions. The bill would require, on or before December 31, 2023, the State Water Board to adopt uniform water recycling criteria for raw water augmentation. Although this bill has not yet been acted on in 2020, it is still an active bill in the floor process.

**ACWA:** Support.

AB 402 (Quirk) – State Water Resources Control Board: local primacy delegation: funding stabilization program.

**Introduced:** 2/6/19

**Status:** 8/30/19 – Failed deadline for passage out of Sen. Comm. on Appr. (2-year bill).

The California Safe Drinking Water Act requires the State Water Board to administer provisions relating to the regulation of drinking water to protect public health. The act requires the State Water Board to provide certain local agencies (called local primacy agencies), to the extent funds are available from the Safe Drinking Water Account, with an annual drinking water surveillance program grant to cover the costs of conducting inspection, monitoring, surveillance, and water quality evaluation activities. The act requires the State Water Board to adopt a schedule of fees and requires a public water system under the jurisdiction of a local primacy agency to pay these fees to the local primacy agency in lieu of the State Water Board.
Although there has been no 2020 activity on this bill yet, it is still listed as active and in the committee process. Early in this bill’s legislative cycle last year, ACWA adopted an oppose-unless-amended position on the bill, after learning that the author intended to amend the bill to authorize the State Water Board to establish and collect fees on all public water systems in order to subsidize this program. However, ACWA withdrew opposition to the bill last August and adopted a “watch” position after reviewing proposed amendments that would reduce the overall cost of the program and potential fees imposed on public water systems.

ACWA: Watch.

**AB 841 (Ting) - Drinking water: contaminants: perfluoroalkyl and polyfluoroalkyl substances.**

*Introduced: 2/20/19*

*Status: 7/10/2019 – Failed deadline for passage out of Sen. Policy Comm. (2-year bill).*

This bill would require the state Office of Environmental Health Hazard Assessment to adopt and complete a work plan to assess which PFAS should be identified as a potential risk to human health and subject to notification requirements by public water systems under the Health & Safety Code. The bill would require the office to provide an update on the assessment by January 1, 2022. Although no action has been taken on this bill in 2020 so far, the bill is still active and in the committee process.

ACWA: Favor.

**AB 992 (Mullin) - Open meetings: local agencies: social media.**

*Introduced: 2/21/19*

*Status: 1/30/20 - In Senate. Read first time. To Sen. Comm. on Rules for assignment.*

AB 992 would provide guidance on how local elected officials may use social media to engage with their community while complying with the Brown Act. The Brown Act requires that legislative bodies of local agencies conduct meetings openly, and prohibits a majority of the members of a legislative body from using a series of communications of any kind to discuss, deliberate, or take action on any item within the subject matter jurisdiction of the legislative body outside a meeting authorized by the act. This bill would set the same standard for social media as is currently in place under the community meetings exception to the Brown Act, which would allow a majority of the members of a local agency's legislative body to participate in social media platforms so long as those members do not partake in discussion among themselves regarding specific business within the body’s subject matter jurisdiction.

ACWA: None.
AB 1415 (Friedman) - Department of Water Resources: reporting requirements: civil penalties.
Introduced: 2/22/19
Status: 08/30/19 - In Sen. Comm. on Appr.: Held under submission.
Under existing law, certain entities are required to prepare and submit specified plans and reports relating to water management, such as aggregated farm-gate delivery data, urban water management plans, and water loss audit reports to the Department of Water Resources (Department). This bill would require the Department to impose a civil penalty on an entity that fails to file such specified reports or plans by the deadline required for each respective report or plan, subject to exceptions related to curing the entity’s reporting requirements and other circumstances. No action has been taken on this bill in 2020, however it is still active and in the committee process.
ACWA: Not favor unless amended.

AB 1839 (Bonta) – Economic, environmental, and social recovery: California COVID-19 Recovery Deal.
Introduced: 1/6/20
As amended on May 4, AB 1839 would have created the California Green New Deal. On May 7, this bill was gutted and amended to address pandemic-related concerns and would enact the California COVID-19 Recovery Deal. AB 1839 would make a series of legislative findings and declarations pertaining to the COVID-19 pandemic and various economic, environmental, and social conditions, and state the intent of the Legislature to adopt a policy framework to address COVID-19 recovery spending. The bill establishes spending rules that aim to address any “injustice” the pandemic has caused, ranging from adopting spending measures that support only those projects that depend on their ability to continue to emit greenhouse gases at current levels through 2030 or to emit greenhouse gases at all beyond 2045, as well as ensuring that recovery spending includes specific mandates for California populations and communities most negatively impacted by COVID-19 including prioritizing those areas with the highest unemployment rates, worst COVID-19 health outcomes, and the highest population of minority-owned businesses. Nevertheless, as amended, it failed to make it out of committee by the legislative deadline and is now dead.
ACWA: Watch.

AB 1936 (Rodriguez) – Price gouging: public safety power shutoffs.
Introduced: 1/16/20
Status: 3/16/20 – Re-referred to Asm. Comm. on Appr.
Under existing law, upon the proclamation of a state of emergency, it is a misdemeanor with specified penalties for a person, contractor, business, or other entity to sell or offer to sell certain goods and services for a price that exceeds the price charged by that person immediately prior to the proclamation or declaration of emergency by ten percent, except as specified. This bill would apply price gouging prohibition and penalties upon an
announcement of a public safety power shutoff (PSPS) event by an official, board, or other governing body authorized to make that announcement in any county, city, or city and county. This bill would also expand the price gouging protections, which currently cover fuel costs, to cover costs for generator rentals or parts and repair. ACWA adopted a “Favor if amended” position on this bill, indicating it would support the bill if it was amended to explicitly cover costs associated with generator rentals or parts and repair in the bill’s list of protected goods and services.

ACWA: Favor if amended.

**AB 1941 (Gallagher) - California Renewables Portfolio Standard: hydroelectric and nuclear generation and suspension.**

*Introduced: 1/16/20*

*Status: 2/19/20 – Re-referred to Asm. Comm. on Utilities and Energy.*

Existing law establishes the California Renewables Portfolio Standard Program, which, among other things, requires the Public Utilities Commission to implement annual targets for the procurement of eligible renewable energy resources for all retail sellers. Under this program, it is state policy that eligible renewable energy resources and zero-carbon resources supply 100% of retail sales of electricity to California end-use customers and 100% of electricity procured to serve all state agencies by December 31, 2045. Currently, eligible renewable energy resources include small hydroelectric generation facilities of 30 megawatts or less that meet specified criteria.

AB 1941 would revise the definition of an eligible renewable energy resource for the purposes of the California Renewables Portfolio Standard Program to include all hydroelectric generating facilities in operation as of January 1, 2021. This bill would also suspend the requirements of the program and the state policy that are applicable to retail sellers, unless the commission makes unspecified factual determinations and issues an order reinstating those requirements. The bill would require the commission to determine the amount saved by an electrical corporation due to any suspension and would require the electrical corporation to expend that amount to improve its transmission and distribution infrastructure to minimize the risk of wildfire ignition. The bill would prohibit electrical corporations from increasing the salaries of, or providing bonuses to, their executive officers during the suspension of the program’s requirements.

ACWA: None.

**AB 1942 (Gallagher) - Forestry and fire protection: reduction of emissions of greenhouse gases.**

*Introduced: 1/16/20*


Existing law authorizes the Department of Forestry and Fire Protection to administer various programs, including grant programs, relating to forest health and wildfire protection. AB 1942 would appropriate $330,000,000 for the 2020–21 fiscal year from the
Greenhouse Gas Reduction Fund to the department for specified healthy forest and fire prevention programs and projects that improve forest health and reduce greenhouse gas emissions caused by uncontrolled wildfires, including fire prevention education, hazardous fuel reduction and vegetation management, civil cost recovery, prefire planning, volunteer programs and partnerships, and risk analysis. Not less than $10,000,000 of that is reserved for the California Conservation Corps' fire prevention projects and activities in or adjacent to state responsibility areas.

ACWA: None.

AB 1947 (Kalra) - Employment violation complaints: requirements: time.
 Introduced: 1/17/20
This bill would extend the period of time for filing a complaint with the Division of Labor Standards Enforcement alleging unlawful discharge or discrimination from six months to one year after the occurrence of the violation. AB 1947 would also provide reasonable attorney's fees for plaintiffs that bring a successful claim for an employer's violation of whistleblower protections.
ACWA: None.

AB 1958 (Cooper) - State Plan of Flood Control: facilities.
 Introduced: 1/17/20
AB 1958, which is a reintroduction of Assemblymember Cooper's AB 137 from last year, would declare that the State Plan of Flood Control (SPFC) is composed of essential public safety infrastructure necessary for the protection of life property, and the economy. In response to the September 2018 Ninth Circuit Court of Appeals ruling in Martin v. City of Boise that local governments could not cite homeless individuals for sleeping outside if there are no adequate alternatives, it would ensure that encampments along levees are treated differently from other homeless encampments. The bill would also prohibit a person from altering, occupying, or physically or visually obstructing any levee forming part of any flood control plan without permission of the Central Valley Flood Protection Board. Additionally, this bill would authorize the Board or a local agency that maintains the levee or facility to inspect and remove any physical or visual obstructions or alterations made on any of the levees or facilities that are part of the SPFC.
ACWA: Support.

AB 2076 (Bigelow) - Public lands: Department of Parks and Recreation: wildfire prevention strategy: fire hazard severity zones.
 Introduced: 2/5/20
As amended on May 18, this bill would require the Department of Parks and Recreation (Department), on or before January 1, 2024, to develop and implement a wildfire prevention
strategy (prior to the amendments, this was referred to as a “management plan”) for all property that is partially or wholly under the jurisdiction of the Department, including state parks and recreational trials, that is located within a high or a very high fire hazard severity zone, as identified by the Director of Forestry and Fire Protection.

This prevention strategy would outline the Department’s fire prevention goals, future projects for prescribed fire, defensible space, fire resilient restoration projects, and the fire hardening of the Department’s structures. Additionally, the plan must include recommendations for policy changes and resources needed for the Department to adapt to the increasing high severity wildfire threat. This bill would also require the department to provide the relevant policy committees of the Legislature with an update on the implementation of the wildfire prevention strategy. ACWA staff recommended adopting a position in favor of the bill, noting that it may provide tangential benefits for entities whose water supplies travel through Department owned land and by promoting proactive forest management generally.

ACWA: Favor.

AB 2093 (Gloria) – Public records: writing transmitted by electronic mail: retention.
Introduced: 2/5/20
Status: 3/10/20 – From committee: Do pass and re-refer to Asm. Comm. on Appr.
The California Public Records Act (PRA) authorizes public agencies to destroy or to dispose of duplicate records that are less than two years old when they are no longer required by the agency. AB 2093—a reintroduction of Assemblymember Gloria’s AB 1184 from last year—would require public agencies to retain and preserve for at least two years every public record that is transmitted by email. Governor Newsom vetoed AB 1184 last October, indicating that the bill did “not strike the appropriate balance between the benefits of greater transparency through the public’s access to public records, and the burdens of a dramatic increase in records-retention requirements...”
ACWA: Not Favor.

AB 2095 (Cooper) – Public water systems: reduction of water charges: customers impacted by COVID-19.
Introduced: 2/5/20
Status: 5/5/20 – Re-referred to Comm. on Local Gov.
Originally introduced as a “spot” bill related to childhood nutrition, AB 2095 was gutted and amended to address water theft, as defined in California Penal Code section 498. This amendment attempted to address the increasingly prevalent issue of water theft, providing for local agency authority to increase penalties for water theft by ordinance as specified. On May 4, the bill was further gutted and amended, and no longer addresses the issue of water theft. Instead, the bill would authorize a public water system to reduce water charges
imposed on a customer impacted by COVID-19 during the duration of the impact, provided that the reduction does not increase the water charges imposed on another ratepayer. ACWA: None.

**AB 2151 (Gallagher) – Political Reform Act: online filing and disclosure system.**
*Introduced: 2/10/20*
*Status: 6/3/20 – Read second time. Ordered to Consent Calendar.*
The Political Reform Act of 1974 requires the filing of specified statements, reports and other documents relating to the disclosure of campaign finances. Under the act, a local agency may require these filings to be made online or electronically with the local filing officer, as specified. The act requires the local filing officer to make the data from these filings available on the internet in an easily understood format that provides the greatest public access. This bill would require a local agency to post on its website, within 72 hours of the applicable filing deadline, a copy of any specified statement, report, or other document filed with that agency in paper format. The agency also must make such filings available for four years from the date of the election associated with the filing.
ACWA: None.

**AB 2155 (Obernolte) – Public officers: contracts: prohibited interests.**
*Introduced: 2/10/20*
*Status: 4/24/20 – Referred to Comm. on Jud.*
Section 1090 of the Government Code prohibits public officials from being financially interested in any contract made by them in their official capacity, or by any board or body of which they are members, subject to certain exceptions and qualifications. A contract made in violation of these provisions may be avoided at the instance of any “party,” except the interested officer. This bill would define “party” as a California taxpayer for these purposes, applying to any contract formed on or after January 1, 2021.
ACWA: None.

**AB 2178 (Levine) – Emergency services.**
*Introduced: 2/11/20*
*Status: 6/3/20 – From committee: Do pass. (Ayes 18. Noes 0.)*
The California Emergency Services Act authorizes the Governor, local officials and local governments to proclaim a local emergency when specified conditions exist, and to exercise certain powers in response to that emergency. Existing law defines the terms “state of emergency” and “local emergency” to mean a duly proclaimed existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by, among other things, fire, storm, or riot. This bill would add “deenergization,” defined as a public safety power shutoff (PSPS) event, to those conditions constituting a state of emergency and/or a local emergency.
ACWA: Favor.
Introduced: 2/11/20
Aimed at addressing unintended consequences of PSPS on water and wastewater agencies, this bill would exempt the operation of an alternative power source to provide power to a “critical facility” during a deenergization event from any local, regional, or state regulation regarding the operation of that source. “Critical facilities” include water and wastewater treatment facilities, treatment plants, pumping stations, and other storage and water facilities. In lieu of compliance with applicable legal requirements, the bill would authorize the providers of these essential public services to comply with the maintenance and testing procedure set forth in the National Fire Protection Association Standard for Emergency and Standby Power System, NFPA 110, for alternative power sources designated by the providers for the support of critical facilities.
ACWA: Support/Sponsor.

AB 2186 (Grayson) – Public contracting: contractor retention withholding.
Introduced: 2/11/20
Status: 2/20/20 - Referred to Asm. Comm. on Local Gov.
Current law authorizes the legislative body of a local agency to prescribe how the agency makes payment on a contract for the creation, construction, alteration, repair, or improvement of any public structure, building, road, or other improvement of any kind that will exceed a total of $5,000. Current law limits this authority by requiring an agency to withhold payment and make progress payments in a certain manner. This bill would eliminate such limitations on a local agency’s authority to prescribe payments on these contracts, but would prohibit the local agency from withholding more than five percent of the contract price. ACWA adopted a “Pending Committee Input” position, noting that it is currently unaware of the extent to which projects experience administrative delays as a result of this limitation on the agency’s authority to prescribe payments, and whether agencies would find such a provision valuable.
ACWA: Not Favor.

AB 2364 (Rubio) – Municipal separate storm sewer systems: financial capability analysis.
Introduced: 2/18/20
Status: 5/29/20 – Failed deadline out of Asm. Comm. on Environmental Safety & Toxic Materials; Dead.
In an effort to assist local governments with meeting stormwater quality standards, AB 2364 would require the State Water Resources Control Board to, by July 1, 2021, establish financial capability assessment guidelines for municipal separate storm sewer system permittees that are adequate and consistent when considering the costs to local
jurisdictions. The bill would require the State Board and the regional boards to continue using available regulatory tools and other approaches to foster collaboration with permittees to implement permit requirements in light of the costs of implementation. ACWA has favored two former introductions of similar bills, and adopted a “Favor” position on this bill, noting regional water boards do not adequately consider the costs that local jurisdictions face in compliance with municipal separate storm sewer system permit requirements.
ACWA: Favor.

**AB 2386 (Bigelow) - Office of Emergency Services: disaster council plans.**
Introduced: 2/18/20
Existing law authorizes cities, cities and counties, and counties to create disaster councils, by ordinance, to develop plans for meeting any condition constituting a local emergency or state of emergency, including, but not limited to, earthquakes, natural or manmade disasters specific to that jurisdiction, or state of war emergency. The law requires a disaster council to supply a copy of those plans to the Office of Emergency Services. AB 2386 would require the Office of Emergency Services to annually review 10 plans described above to determine if the plans substantially conform to or exceed specified recommendations made by the Federal Emergency Management Agency. The bill would require the office to prioritize in its review a plan submitted from a county determined to be at a “high risk” of wildfire disaster.

ACWA: None.

**AB 2519 (Wood) - Conservation projects: grants: advance payments.**
Introduced: 2/19/20
As introduced on February 19, this bill would have required DWR to send notice of a defective application by ordinary and registered mail or by email. On March 12, the bill was gutted and amended and would now require the Natural Resources Agency, the Conservancy, DWR, and the State Water Board, when awarding grants for conservation projects that enhance climate resilience, restore watersheds, or protect and preserve natural lands, to provide an advance payment of up to 25 percent of the total grant award if requested by a grant recipient. This would only apply to the extent that it is not in conflict with any other laws. ACWA took a “favor” position, noting it would free up limited funding for smaller nonprofit and local government entities.

ACWA: Favor.

**AB 2539 (Bigelow) – Electrical corporations: deenergization events: elections.**
Introduced: 2/19/20
Status: 3/10/20 – Re-referred to Comm. on Utilities & Energy.
Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. Existing law requires each electrical corporation to annually prepare a wildfire mitigation plan and to submit its plan to the commission for review and approval, as specified. Existing law requires the wildfire mitigation plan to include, among other things, protocols for disabling reclosers and deenergizing portions of the electrical distribution system that consider the associated impacts on public safety. Originally a bill indicating the Legislature's intent to make nonsubstantive changes to the provisions relating to wildfire mitigation plans, as amended on March 9, this bill would require an electrical corporation that initiates a deenergization event in the 2 weeks preceding an election, or in the month following an election, to provide assistance to ensure that the deenergization event does not impair the ability of local elections officials to perform official duties.

ACWA: None.

AB 2572 (Dahle) – Worker status: independent contractors.
Introduced: 2/20/20
Status: 3/10/20 – Re-referred to Comm. on Lab. & Employment.
Existing law uses a 3-part test, as the "ABC" test, to determine if workers are employees or independent contractors, and establishes that, for purposes of the Labor Code, a person providing labor or services for remuneration is considered an employee rather than an independent contractor unless the hiring entity demonstrates that the person is free from the hiring entity's control and direction in performing the work, the person performs work outside of the usual course of the hiring entity's business, and the person is customarily engaged in an independently established trade, occupation, or business. As amended in March, this bill would exempt persons who perform work on forested landscapes as geologists and geophysicists, land surveyors, contractors, engineers, and persons in the pest control business, who otherwise meet certain statutory licensing requirements.
ACWA: None.

**AB 2642 (Salas) – Department of Conservation: Multibenefit Land Conversion Incentive Program: administration.
Introduced: 2/20/20
Status: 6/3/20 – In committee: Held under submission.
SGMA requires that local agencies designated as groundwater sustainability agencies (GSA) prepare, administer, and enforce the GSPs with the goal of sustainably managing these groundwater basins to avoid undesirable results such as overdrafting groundwater, subsidence, and seawater intrusion, among others. To achieve the sustainability goal, SGMA authorizes a GSA to, among other measures, control groundwater extractions by regulating, limiting, or suspending extractions from groundwater wells, establish a program of voluntary fallowing of agricultural lands, or validate an existing fallowing program.
As amended on May 5, AB 2642 would direct the Department of Conservation to establish and administer the Multibenefit Land Conversion Incentive Program. The Program would provide grants for the development or implementation of local programs supporting or facilitating multibenefit land conversion at the basin scale to GSAs, or a local agency or nongovernmental organization designated by a GSA. In this context, “land conversion” would mean to change the use of agricultural land by fallowing, land retirement, dryland farming, or switching from irrigated agriculture to rangeland. Changing from a “support if amended” to a “watch” position, ACWA indicated that its concerns with the previous bill language that arguably allowed the department to use funds not intended for this program and that it could continue in perpetuity without an identified and durable funding source were adequately addressed, and the bill now specifies that the money will only come from the General Fund, and will sunset after 10 years. However, ACWA adopted a “watch” position, indicating that given the economic circumstances, and the Governor’s recent announcement that there will be a $54 billion budget deficit this year, it may be more appropriate to pursue this bill later when the financial outlook is better.

ACWA: Watch.

AB 2656 (Eggman) – Wholesale water suppliers: water loss audit reports.
Introduced: 2/20/20
Status: 2/21/20 – From printer. May be heard in comm. March 22.
Current law requires the state to achieve a 20% reduction in urban per capita water use by December 31, 2020. Current law also requires an urban retail water supplier to develop urban water use targets and an interim urban water use target, and requires each urban retail water supplier to annually submit a completed and validated water loss audit report for the previous calendar year or fiscal year. This bill would express the intent of the Legislature to enact legislation that would require wholesale water suppliers to conduct and submit annual water loss audit reports to the Department of Water Resources.
ACWA: None.

AB 2676 (Quirk) – California Public Records Act: exemptions.
Introduced: 2/20/20
Currently, the California Public Records Act exempts from disclosure critical infrastructure information that is voluntarily submitted to the Office of Emergency Services, including the identity of the person who or entity that voluntarily submitted the information. This bill would expand the exemption by removing the restriction that the submission be voluntary.
ACWA: None.

AB 2887 (Bonta) – Statewide emergencies: mitigation.
Introduced: 2/21/20
Status: 5/7/20 – Re-referred to Asm. Comm. on Budget. pursuant to Asm. Rule 96.
Under existing law, a municipal corporation, municipal utility district, or public utility district that provides light, water, power, or heat is prohibited from terminating service for certain specified reasons based on, among other things, ability to pay. As amended on March 16 to address impacts related to the COVID-19 pandemic, AB 2887 would prohibit an electrical corporation, gas corporation, water corporation, municipal corporation, municipal utility district, or public utility district from terminating residential or small commercial electrical, gas, or water service for nonpayment for the first three billing cycles following a state of emergency or major disaster for a customer that may have been affected by it, except in accordance with the requirements outlined in the bill. A utility would be subject to the following requirements:

- Include a notice in the first three billing statements made to affected residents or customers that if, as a result of conditions associated with the state of emergency or major disaster, the customer suffered financially and is unable to pay for service, the customer may apply for an amortization agreement or other extension for a reasonable period of time not to exceed 12 months.
- Any affected resident or customer that represents that they have suffered financially as a result of the conditions associated with the state of emergency or major disaster and, as a result, is unable to pay for service, shall be granted an extension to be permitted to amortize the unpaid amounts to be beyond the means of the customer to pay within the normal period for payment, not to exceed 12 months.
- Any utility is prohibited from terminating service for any customer complying with such amortization agreement, as long as the customer also keeps the account current as charges accrue in each subsequent filing period following the first three billing statements made following the state of emergency or disaster.

ACWA adopted a “Watch and Amend” position in April, noting that because existing law already prohibits urban and community water systems with more than 200 service connections from terminating residential service for nonpayment if the customer can demonstrate a financial inability to pay for the residential service within the normal billing cycle, AB 2887 would not substantially expand on shutoff restrictions in existing law. However, ACWA believes the bill would present logistical issues that would need to be amended. For example, because the bill addresses inability to pay by billing cycle, for agencies that bill infrequently, that could mean six months or more that the agency would not receive payment, and the bill otherwise does not present clear enough language for the agency to distinguish between which customers are “affected” by the crisis. Further, given that there are shorter-term emergency declarations that last as temporarily as a few hours, such as with high-wind events where fire is a concern, ACWA is concerned over how often the provisions of this bill could be invoked.

ACWA: Watch and Amend.
AB 2987 (Flora) – Local agency public contracts: bidding procedures.
Introduced: 2/21/20
The Uniform Public Construction Cost Accounting Act (Act) authorizes a public agency to elect to become subject to uniform construction cost accounting procedures for public projects, including bidding procedures. Those bidding procedures include procedures for the publication or posting and electronic transmission of notice inviting formal bids. This bill would authorize a public agency, as an alternative to the publication or posting requirement, to meet the notice inviting formal bids requirement by transmitting notice electronically, as specified, and publishing the notice electronically on the public agency's internet website at least 14 calendar days before the date of opening the bids.
ACWA: Favor.

AB 3147 (Gabriel) – Fees for development projects.
Introduced: 2/21/20
Status: 3/9/20 – Referred to Asm. Comms. on Local Gov. and Housing & Community Development.
Under the Mitigation Fee Act, local agencies are prohibited from imposing fees, including fees for water or sewer connections, that exceed the estimated reasonable cost of providing the service for which the fee is charged without voter approval. Existing law requires any judicial action or proceeding to attack, review, set aside, void or annul the adoption of a new fee to be brought within 120 days of the effective date of the adopting ordinance, resolution, or motion. AB 3147 would instead require such a judicial action or proceeding to be conducted in accordance with other procedures that require a protest to be filed within 90 days after the imposition of the fees. Any action to attack, review, set aside, void, or annul the imposition of the fees would need to be filed within 180 days after delivery of a specified notice by the local agency. The bill would also require local agencies that impose fees in excess of actual cost to reimburse the payor of the fee or service charge.
ACWA adopted an “Oppose” position to this bill, indicating it would create financial uncertainty for water and sewer agencies, because an agency may be unable to recover the entirety of its investment into infrastructure where new development is planned, since the developer would be able to successfully challenge the capacity charge long after the infrastructure is constructed. Staff indicated that the Mitigation Fee Act already requires agencies to go through a transparent pricing process for capacity charges or connection fees. ACWA: Oppose.
AB 3148 (Chiu) – Planning and zoning: density bonuses: affordable housing: fee reductions.
Introduced: 2/21/20
Status: 5/29/20 – Failed deadline out of Asm. Comm. on Housing & Community Dev.; Dead. AB 3148 would require a city, county, special district, water corporation, utility, or other local agency, except a school district, to reduce an impact fee or other charges imposed on the construction of a deed restricted affordable housing unit that is built pursuant to a density bonus, to amounts that are, depending on the affordability restriction on the unit, a specified percentage of the impact fee or other charge that would be imposed on a market rate unit within the development. The bill would exempt from these provisions units that are required to be affordable pursuant to a local inclusionary housing ordinance. The bill would define “impact fee” for purposes of these provisions as it is currently defined under the Mitigation Fee Act, but would exclude connection fees or capacity charges imposed by a local agency, special district, or water corporation.
ACWA: None.

Introduced: 2/21/20
As amended on May 4, 2020, this bill would have enacted the Wildfire Prevention, Safe Drinking Water, Climate Resilience, Drought Preparation, and Flood Protection Bond Act of 2020. As amended on May 18, this bill trades the emphasis on climate resilience for economic recovery, and so would create the Economic Recovery, Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020. However, the amendments seem to be largely technical, as the bill language still declares the Legislature’s intent to address myriad climate resilience measures, and otherwise largely remained the same besides clarifying certain definitions. If approved by voters in the November statewide general election, AB 3256 would authorize the issuance of $6,980,000,000 in bonds pursuant to the State General Obligation Bond Law to finance such projects.
ACWA: Favor if Amended.

AB 3279 (Friedman) – California Environmental Quality Act: administrative and judicial procedures.
Introduced: 2/21/20
The California Environmental Quality Act (CEQA) currently allows a petitioner to bring a claim alleging noncompliance of its provisions, with the litigation subject to certain statutes of limitations and other requirements. AB 3279 would make a series of changes to the CEQA litigation process and repeal a number of obsolete provisions. First, the bill would reduce the requirement that a court commence hearings on a lawsuit under CEQA within
one year of filing to within 270 days of filing. The bill would also reduce the time available for a petitioner to bring a CEQA lawsuit from 90 days to 60 days and reduce the amount of time period in which briefing should be completed from 90 to 60 days from the date that the request for a hearing is filed. AB 3729 would also prevent a plaintiff or petitioner from preparing the record of proceedings unless requested by the agency.

ACWA believes this bill would benefit its member agencies, citing the prevalence of special interest groups that use CEQA litigation to halt CEQA-compliant projects for personal, as opposed to environmental, reasons, which can slow or prevent the construction of critical infrastructure, such as that for water storage and conveyance. However, it believes that it should be amended to address the low standard it sets for interlocutory remand orders and is also concerned that it removes the CEQA exemption for projects carried out by a public agency that were approved before CEQA was enacted.

ACWA: Not Favor Unless Amended.

ACA 17 (Gray) - Energy: hydroelectric generation facilities.
Introduced: 7/9/19
Status: 7/10/19 – From printer: May be heard in committee Aug. 9.
This measure would require that the state’s programs relating to renewable energy and climate change include hydroelectric generation facilities as renewable electrical generation facilities, eligible renewable energy resources, and zero-carbon resources, and would require that those programs not differentiate between the electricity generated by hydroelectric facilities and the electricity generated by other renewable electrical generation facilities, eligible renewable energy resources, and zero-carbon resources. The measure would require that hydroelectric generation facilities be considered renewable electrical generation facilities, eligible renewable energy resources, and zero-carbon resources for licensing and certification purposes.
ACWA: None.

STATE SENATE

Introduced: 12/3/18
Status: 1/30/20 – In Asm. Read first time. Held at Desk.
This bill would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020. If approved by the voters, the act would authorize the issuance of bonds in the amount of $5,510,000,000 pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection programs.
ACWA: Favor if amended.
SB 287 (Nielsen) - Commission on State Mandates: test claims: filing date.
Introduced: 2/13/19
Status: 8/30/19 - Held in Asm. Com. on Appr. and under submission.
Under the California Constitution, whenever the Legislature or a state agency mandates a new program or higher level of service on any local government, the state generally is required to reimburse the local government. To that end, local agencies may file claims for reimbursement with the Commission on State Mandates or the Legislature. Existing law requires a local agency to file a test claim for reimbursement not later than 12 months following the effective date of a statute or executive order, or within 12 months of incurring increased costs as a result of a statute or executive order, whichever is later. This bill would specify that, for purposes of filing a test claim based on the date of incurring increased costs, “within 12 months” means by June 30 of the fiscal year following the fiscal year in which increased costs were first incurred by the test claimant. Although no action has yet been taken in 2020 on this 2-year bill, it is still listed as active and in the committee process.
ACWA: None.

SB 378 (Wiener) - Electrical corporations: deenergization events: procedures: allocation of costs: reports.
Introduced: 2/20/19
Among other things, this bill would require the Public Utilities Commission (PUC), on or before June 1, 2021, to establish a procedure for customers, local governments, and others affected by a deenergization event to recover costs accrued during the deenergization event from an electrical corporation within specified time periods. The bill also would require electrical corporations to establish an account to track expenses paid to customers, local governments and others for claims resulting from a deenergization event. In addition, an electrical corporation would be prohibited from billing customers for any nonfixed costs during a deenergization event, and would be required to credit its ratepayers any profit accrued due to a deenergization event that the PUC determined to be undertaken in an unreasonable or imprudent manner.
ACWA: Favor if amended.

SB 414 (Caballero) - Small System Water Authority Act of 2019.
Introduced: 2/20/19
Status: 8/30/19 – Failed deadline for passage out of Asm. Comm. on Appr. (2-year bill).
Existing law, the California Safe Drinking Water Act, provides for the operation of public water systems and imposes on the State Water Board various responsibilities and duties. The act authorizes the State Water Board to order consolidation with a receiving water system if a public water system or a state small water system, serving a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. If consolidation is not appropriate or not technically and economically feasible, the State
Water Board may contract with an administrator to provide administrative and managerial services to designated public water systems and to order the designated public water system to accept those services.

SB 414 is a two-year bill and has yet to be acted on in 2020. If the bill continues to move forward, it would authorize the creation of small system water authorities with powers to absorb, improve, and competently operate noncompliant public water systems. The bill would require the State Water Board to provide written notice to all public agencies, private water companies, or mutual water companies that operate a small public water system that is not in compliance with certain state or federal primary drinking water standard maximum contaminant levels. An entity that receives this notice would need to take further actions to remedy a violation. If an entity is unable to remedy the violations, the State Water Board would be authorized to resolve the problem through a plan or formation of a new authority to serve the customers of the public water system.  
ACWA: Support.

SB 668 (Rubio) - Fire hydrants: water suppliers: regulations.  
Introduced: 2/22/19  
Status: 9/15/19 – Failed Deadline pursuant to Rule 61(a)(15) (2-year bill).  
Existing law requires a public water system with 10,000 or more service connections to undertake specified actions, including, among other things, to review and revise its disaster preparedness plan to ensure that it is sufficient to address possible disaster scenarios and, following a declared state of emergency, to furnish an assessment of its emergency response within six months thereafter and implement related recommendations in a timely manner. Existing law also requires the Office of Emergency Services to establish emergency response and recovery plans in coordination with public water systems. This bill would instead require an urban water supplier to review and revise its emergency response plan as required by federal law. The bill would also require the Office of Emergency Services to establish emergency response and recovery plans in coordination with urban water suppliers.  
ACWA: Watch.

SB 749 (Durazo) - Public Records Act: trade secrets.  
Introduced: 2/22/19  
Status: 9/13/19: Ordered to inactive file on request of Asm. Member Calderon.  
The California Public Records Act requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. Existing law provides that nothing in the act requires the disclosure of corporate proprietary information including trade secrets, among other things. SB 749 would provide that records relating to wages, benefits, working hours, and other employment terms and conditions of employees working for a private industry employer pursuant to a contract with a state or local agency shall not be deemed to be trade secrets under the California Public Records Act. The bill
would also provide that records of compliance with local, state, or federal domestic content requirements and records of a private industry employer's compliance with job creation, job quality, or job retention obligations contained in a contract or agreement with a state or local agency shall not be deemed trade secrets under the act.

ACWA: None.

SB 797 (Wilk) - Water resources: permit to appropriate: application procedure.
Introduced: 1/6/20
Status: 5/29/20 – Failed deadline out of Asm. Comm. on Nat. Resources & Water; Dead.
Under existing law, the State Water Board administers a water rights program pursuant to which it grants permits and licenses to appropriate water. Applications for a permit to appropriate water must include (among other things) sufficient information to demonstrate a reasonable likelihood that unappropriated water is available for the proposed appropriation. Existing law requires the State Water Board to issue and deliver a notice of an application as soon as practicable after the receipt of an application for a permit to appropriate water that conforms to the law, and allows interested parties with good cause to file a written protest with regard to an application. No hearing is necessary to issue a permit in connection with an unprotested application. Additionally, no hearing is necessary if the undisputed facts support the issuance of the permit and there is no disputed issue of material fact, unless the State Water Board elects to hold a hearing.

This bill would require the publication of a new notice of application if the State Water Board has not rendered a final determination on an application within 30 years from its original filing date. The new notice would re-open the protest period and other administrative processes as if it were being undertaken for the first time. Applications by public entities would be exempt from this requirement.

ACWA: Oppose.

SB 862 (Dodd) - Planned power outage: public safety.
Introduced: 1/16/20
The California Emergency Services Act authorizes the Governor to proclaim a state of emergency, and local officials and local governments to proclaim a local emergency, when specified conditions exist, and authorizes the Governor or the appropriate local government to exercise certain powers in response to that emergency. Existing law defines the terms "state of emergency" and "local emergency" to mean a duly proclaimed existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by, among other things, fire, storm, or riot. This bill would additionally include a planned deenergization event within those conditions constituting a state of emergency and a local emergency.

ACWA: None.
SB 1056 (Portantino) – Drinking water: testing: perfluoroalkyl and polyfluoroalkyl substances.

Introduced: 2/18/20

Status: 5/29/20 – Failed deadline out of S. Comm. on Env. Quality; Dead.

The California Safe Drinking Water Act (Act), requires the State Water Resources Control Board (State Water Board) to administer provisions relating to the regulation of drinking water to protect public health. The Act authorizes the State Water Board to order a public water system to monitor for perfluoroalkyl and polyfluoroalkyl (PFAS) substances. This bill would require the State Water Board, on or before January 1, 2022, to certify a methodology or methodologies for testing drinking water, groundwater, and surface water for PFAS substances as a class and to accredit qualified laboratories in California to analyze PFAS substances pursuant to the adopted methodology or methodologies. ACWA adopted a "Favor" position, indicating that the three U.S. EPA validated methods do not adequately evaluate the thousands of other compounds in the PFAS class, and that this bill would allow for a more comprehensive understanding of statewide PFAS contamination. ACWA: Watch.


Introduced: 2/21/20

Status: 6/2/20 – Read second time and amended. Re-Referred to Comm. on Appr.

As introduced, this bill declared legislative intent to enact legislation related to the CPUC. As amended on March 25, this bill would require the CPUC to develop a prudence standard to measure an electrical corporation's conduct of a public safety power shutoff (PSPS) event and its subsequent hardening or distribution of transmission infrastructure. The electrical corporation would be subject to certain CPUC regulation after a PSPS event, including providing a report of information explaining why they believed the PSPS event was necessary, and providing the CPUC with the steps it will take to reduce the risk posed by those portions of distribution or transmission infrastructure that motivated the event, after a CPUC hearing determining whether the electrical corporation met the prudence standard. This bill went through two rounds of amendments on May 19 and June 2, but are largely technical.

ACWA adopted a "Favor" position on this bill, noting that the recent upsurge in PSPS events as electrical corporations attempt to avoid liability for catastrophic fires leave many critical water and wastewater agencies without power for several days, and forces these agencies to assume the electrical corporation's risk of liability without any standard for regulating such conduct or penalty. This bill would hold those electrical corporations more accountable by providing the CPUC authority to issue penalties. ACWA: Favor.
SB 1386 (Moorlach): Local government: assessments, fees, and charges: water.

Introduced: 2/21/20

Status: 5/22/20 – Read second time. Ordered to third reading.

Existing law, known as the Proposition 218 Omnibus Implementation Act (Act), prescribes specific procedures and parameters for local jurisdictions to comply with these requirements and, among other things, authorizes an agency providing water, wastewater, sewer, or refuse collection services to adopt a schedule of fees or charges authorizing automatic adjustments that pass through increases in wholesale charges for water, sewage treatment, or wastewater treatment or adjustments for inflation under certain circumstances. For purposes of assessments, the Act defines “water” to mean any system of public improvements intended to provide for the production, storage, supply, treatment, or distribution of water from any source. As amended, SB 1386 would amend the definition of “water” in Section 5370 of the Government Code to mean “any system of public improvements and the public fixtures, appliances, and appurtenances connected to that system, intended to provide for the production, storage, supply, treatment, or distribution of water from any source.”

This bill would also clarify that a property-related water service fee or charge by a local agency may include the costs to construct, maintain, repair, or replace public hydrants attached to a water system, and the cost of water dispensed through public hydrants. The author of this bill intends it to address the issues associated with the lawsuit filed in March against 81 water suppliers throughout California, claiming that fixed costs for capacity necessary for fire protection and fire hydrants owned by the water suppliers are being subsidized by ratepayers in violation of Proposition 218, and should instead be charged to the particular governmental entity responsible for fire protection. The bill specifies that it is declarative of existing law.

ACWA: Support.

FEDERAL LEGISLATION

H.R. 6643 (Schneider) – Supporting State and Local Leaders Act.

Introduced: 4/28/20

Status: Referred to House Comm. on Ways and Means.

Cited as the Supporting State and Local Leaders Act, this bill repeals the prohibition in the Families First Coronavirus Response Act against granting state and local governments a tax credit for paid sick and paid family and medical leave. The payroll tax credit is currently offered to businesses, corporations, and non-profits for providing paid emergency sick and family leave for COVID-19-impacted employees in addition to established leave policies. The California Special Districts Association is also advocating for similar language to be included in the upcoming federal relief package.

ACWA: None.
**H.R. 7073 (Garamendi) – Special Districts Provide Essential Services Act.**

**Introduced:** 6/1/20

**Status:** 6/1/20 – Referred to Comm. on Oversight and Reform Comm. on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

H.R. 7073 would give a “special district,” defined in the bill as a political subdivision, formed pursuant to general law or special act of a state, for the purpose of performing one or more governmental or proprietary function, access to key resources available to local governments under the CARES Act. It would require a state to distribute no less than five percent of any future Coronavirus Relief Fund monies received by the state to special districts in the state within 60 days of receiving the resources. The bill would also authorize the Federal Reserve to consider special districts as “eligible issuers” for its Municipal Liquidity Facilities program to purchase suitable municipal bond and revenue anticipation notes.

**ACWA:** None.

**S. 3590 & S. 3591 (Barrasso) The Drinking Water Infrastructure Act & America’s Water Infrastructure Act of 2020**

**Introduced:** 5/4/20

**Status:** 5/11/20 – Order reported.

On May 6, 2020, the Senate’s environmental panel approved two water infrastructure bills relating to drinking water limits for perfluoroalkyl and polyfluoroalkyl substances (PFAS). The bipartisan bills will now go to the full Senate, and would direct the EPA to develop a national drinking water standard for PFAS and provide funding for critical water infrastructure.

On May 6, the committee approved by voice vote a substitute amendment to the drinking water infrastructure bill, S. 3590, clarifying that the program authorized by the bill is intended to “enhance treatment, monitoring, affordability, efficiency, or safety of the drinking water.” The committee also agreed to a substitute amendment to S. 3591, America’s Water Infrastructure Act of 2020, making technical changes. S. 3591 focuses mostly on Army Corps of Engineers projects and policy, authorizing funding for infrastructure projects that support and improve drinking water, while increasing water storage and reducing flood risks. According to caucus members, together, the two bills reported out of the environment committee would authorize a total of $18 billion in water resource development projects across the country, including to small and disadvantaged communities.

**ACWA:** None.
Introduced: 6/20/2019
This bill would expand and update funding authorizations for the Bureau of Reclamation under the Water Infrastructure Improvements for the Nation (WIIN) Act. It would extend WIIN Act funding for an additional five years, including $670 million for surface and groundwater storage projects, and supporting conveyance, $100 million for water recycling projects, and $60 million for desalination projects. In addition, the bill would create a new loan program at 30-year Treasury rates (currently around 2.6%) for water supply projects. Under this program, repayment can be deferred until five years after completion of the project. The bill also would authorize $140 million for habitat restoration and environmental compliance projects, including forest, meadow and watershed restoration and projects that benefit threatened and endangered species. The bill contains two provisions to offset the costs of these appropriations: (1) an extension of WIIN Act provisions allowing water districts to prepay outstanding capital debts and to convert to indefinite length water supply contracts to bring in additional revenue over the next ten years, and (2) a process to deauthorize inactive water recycling project authorizations.
ACWA: Support.

S. TBD (Huffman) – Furthering Underutilized Technologies and Unleashing Responsible Expenditures (FUTURE) for Drought Resiliency Act.
Introduced: Not yet introduced
Status: 3/5/2020 - Discussion draft.
Introduced in discussion draft form, with final introduction pending as of March 5, the FUTURE Act would fund investments in water infrastructure development, improved water technology and data, and ecosystem protection and restoration. Infrastructure development provisions include funding for recycled water programs and water storage projects, such as aquifer recharge, floodplain storage, and watershed restoration projects. The bill also would establish an annual $300 million water infrastructure fund, allocating $100 million each for recycling, efficiency, and dam safety projects. Water technology and data provisions include tax rebates for residential conservation measures and funding for forecast informed water control manual updates to improve dam operations. Ecosystem protection and restoration provisions include funding for remediation of illegal marijuana grow sites that impact water supplies, a grant program with $150 million annually for habitat restoration projects, and $20 million for drought planning relating to critically important fisheries. Finally, the bill would establish a water career training grant program, that would award grants to eligible entities for the purpose of developing, offering, or improving educational or career training programs that provide skills necessary for employment with a public water district.
ACWA: None.