

Hi-Desert Water District (HDWD) **Legislative and Regulatory Policy Principles**

GUIDING PRINCIPAL

Legislation, regulations, and policies addressing water resources and associated management should be guided by local and regional water resource officials with knowledge and experience in addressing opportunities, threats and needs to ensure efficient and cost-effective use of water resources while meeting or exceeding customer needs and requirements.

TOP PRIORITIES FOR 2023

1. **GRANT FUNDS FOR PHASE II AND III SEWER COLLECTION SYSTEM**
2. **DEBT FORGIVENESS FOR THE PHASE I PROJECT**
3. **GRRP FUNDING**
4. **SOLAR PROJECT FUNDING**
5. **STORM WATER CAPTURE FOR RECHARGE**

LOCAL WATER RESOURCES

HDWD will support legislation, policies, and regulations that:

- 1) Supports funding, development of, or expands the use of water resource facilities, projects, programs, efforts, and activities, including but not limited to water recycling, potable reuse, conservation, water use efficiency, groundwater recovery and recharge, and storage.
- 2) Reduces and/or streamlines regulatory burdens, associated with HDWD operations, projects, programs, efforts, and activities such as for augmented or alternative water supply projects, and to ensure protection for the use of these supplies during water supply shortages.
- 3) Supports ecosystem restoration, increased stormwater capture where the capture avoids impact to others, and sediment management activities that are cost-effective and enhance the quality or reliability of water supplies.
- 4) Provides incentives for local or regional use of augmented or alternative water supplies.
- 5) Encourages the State and Federal government to foster investments in water quality, storage, reliability projects and similar efforts.
- 6) Recognizes that recycled water and potable reuse are important components of water use efficiency and drought resiliency.
- 7) Ensure requirements are science-based and peer-reviewed; take economic feasibility and impact into consideration, respect existing water rights, include reasonable time for implementation and compliance, and are subject to Legislative oversight and review biennially.
- 8) Authorizes, promotes, and/or provides incentives for the development of extraordinary emergency water supplies for voluntary use by local water agencies during times of drought or water shortages.

9) Is developed with transparency and collaboration with conservation and water use efficiency requirements being current areas of focus.

HDWD will oppose legislation, policies, and regulations that:

- 1) Restricts a local governmental agency's ability to develop their local water resources in a cost-effective, environmentally sensitive way and protective of public health.
- 2) Imposes barriers or increases costs for using recycled water and continues to define recycled water as a waste or resource of lesser value than traditionally defined potable water.
- 3) Would make water supplies less reliable or would increase the cost of local water supplies without also improving the reliability and/ or quality of such water.
- 4) Restricts or limits a local governmental agency's ability to establish local priorities for water resources planning decisions.
- 5) Reduces a local agency's ability to benefit from local investments in drought-proof or emergency water supplies during water shortages.
- 6) Establishes unreasonable conservation requirements and/or establishes conservation requirements that are not fair and equal to all agencies.

WATER STORAGE

HDWD will support legislation, policies, and regulations that:

- 1) Encourage the development of conveyance and storage facilities that are cost-effective for HDWD while improving the water supply's reliability and quality.
- 2) Supports funding at the state and federal level for surface and groundwater and bifurcation of Surface and Groundwater Storage Funding at the state and federal level.
- 3) Supports the development of state and federal funding programs to provide funding for local conveyance facilities damaged by ground movement such as earthquakes and subsidence.

HDWD will oppose legislation, policies, and regulations that:

- 1) Results in reducing the quantity of water in either surface or groundwater storage or increases the cost of operating and maintaining surface and groundwater storage facilities without a measurable improvement in public safety, measurable and health driven improvement in water quality.

WATER USE EFFICIENCY AND DISTRIBUTION SYSTEM WATER LOSS

HDWD will support legislation, policies, and regulations that:

- 1) Furthers the statewide goal of increasing water use efficiency, throughout the state, and water conservation for local, regional, or statewide emergencies.
- 2) Allows flexibility and fosters local and regional collaboration for the development and implementation of projects, programs, efforts, and activities that contribute to achieving statewide water reduction goals.
- 3) Seeks to improve water efficiency standards and policies for water-using devices such as the EPA (Environmental Protection Agency) Water Sense Program and Cal Green Building Standards.
- 4) Provides financially appropriate incentives, funding, and other assistance to facilitate market transformation and gain wider implementation of water-efficient indoor and outdoor technologies and practices.
- 5) Recognizes and protects past investments by agencies and customers in water use efficiency measures, particularly from the demand hardening perspective.
- 6) Provides federal and state tax exemptions for water conservation or efficiency incentives for measures including, but not limited to, turf removal, devices, and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape.

HDWD will oppose legislation, policy, and regulations that:

- 1) Would repeal cost-effective efficiency standards for water-using devices.
- 2) Places unreasonable and unequal conservation requirements on residential, commercial, industrial, and institutional customers that would negatively impact or limit the potential for economic growth.
- 3) Fails to recognize the importance of both water use efficiency and water supply development.
- 4) Fails to recognize augmented or alternative water supplies as an efficient use of water, or that fails to provide an adequate incentive for investments in such water, for potable or non-potable reuse.
- 5) Requires water efficiency standards or performance measures that are infeasible, not practical or fail to have a positive cost-benefit ratio when comparing the cost of meeting the standard or implementing the performance measure with the value of the volume of water saved.

WATER QUALITY AND ENVIRONMENTAL IMPACTS

HDWD's will support legislation, policy, and regulations that:

- 1) Protects the quality of groundwater including the reduction of salt loading to groundwater basins.
- 2) Establishes and/or implements water-borne contaminants standards based on sound science and ensures cost-effectiveness.

- 3) Ensures a science-based regulatory process, memorialized under the Safe Drinking Water Act, as the best approach in developing drinking water regulations to address contaminants or family of contaminants, such as PFAS (Polyfluoroalkyl Substances).
- 4) Ensures investment in the development of analytical methods that result in increased contaminant measurement reliability and accuracy such as for PFAS.
- 5) Ensures administrative/legislative actions that will result in improved clarity, workability, and eliminate duplicate state processes such as for of CEQA (California Environmental Quality Act).
- 6) Ensures streamlining or exempting of water, recycled water, wastewater projects, and/or environmental restoration projects, from the California Environmental Quality Act (CEQA).
- 7) Ensures liability protections for public water districts seeking to consolidate with or serve as the administrator for troubled water systems that cannot consistently demonstrate that they are able to provide safe, clean, and reliable water supplies to their customers.
- 8) Ensures completion of state-funded groundwater basin contamination studies and associated economic or environmental impact studies.

HDWD will oppose legislation, policy, and regulations that:

- 1) Could compromise the quality of water supplies.
- 2) Establishes and/or implements standards for water-borne contaminants that are not based upon sound science and cost effectiveness.
- 3) Promote projects that negatively impact the water quality of existing local supplies.
- 4) Would result in maximum contaminant level mandates that are not supported by sound science or mandate an artificial deadline.
- 5) Would hold drinking water and wastewater facilities liable for PFAS contamination caused by third parties; or that does not clearly state that the party directly responsible for the PFAS pollution is solely liable for the legal and other costs associated with and related to the contamination.

WATER INFRASTRUCTURE FINANCING AND PROJECT FUNDING

HDWD will support legislation, policy, and regulation that:

- 1) Authorizes and appropriates funding for water and wastewater infrastructure projects.
- 2) Considers local investments made in infrastructure, programs, mitigation, and restoration in determining appropriate cost shares for water infrastructure, and project investments.

HDWD will oppose legislation, policy, and regulations that:

- 1) Establish a fee or tax that does not result in a clear and proportional benefit to the district, and their customers.
- 2) Would reduce total available water infrastructure financing available through various sources such as WIFIA (Water Infrastructure Finance and Innovation Act) and state-revolving funds.

FISCAL POLICY

HDWD will support legislation, policy, and regulations that:

- 1) Requires the federal and state governments to provide subvention to local governments for all mandated costs such as those involving regulatory actions.
- 2) Allows retail water providers to voluntarily offer localized water rate assistance programs that comply with Proposition 218 of California's Constitution and/or are funded either voluntarily or via non-restricted/non-water-rates revenues.
- 3) Support Proposition 13 as embodied in Article XIII A of the California Constitution and oppose the "split roll" efforts that would increase property taxes on customers.
- 4) Changes how inverse condemnation liability is determined for water service providers to limit water agency liability for wildfire impacts.

HDWD will oppose legislation, policy, and regulations that:

- 1) Is inconsistent with the HDWD's current investment policies and practices.
- 2) Pre-empts HDWD's ability to impose or change cost-of-service-based water rates, fees, or assessments, or requires submission of rates or charges to any state agency for approval.
- 3) Impairs HDWD's ability to maintain levels of reserve funds that it deems necessary and appropriate.
- 4) Makes any unilateral reallocation of HDWD revenues, or those of its member agencies, by the state unless the state takes compensatory measures to restore those funds.
- 5) Mandates a specific rate structure for water agencies.
- 6) Imposes a "public goods charge" "water user fee," "water tax" or other similar measure on public water agencies or their ratepayers.

GOVERNANCE

HDWD will support legislation, policy, and regulations that:

- 1) Advances effective and efficient government practices and public transparency measures in a manner that does not take a "one-size fits all" approach, respects local government control, and facilitates technological efficiencies to meet state reporting and disclosure requirements.

HDWD will oppose legislation, policy, and regulations that:

- 1) Imposes unnecessary burdens or new costs upon local governments absent a clear and necessary offsetting benefit.
- 2) Reduces or diminishes the authority of the district to govern its affairs.
- 3) Resolves state budget shortfalls through shifts in the allocation of property tax revenue or through fees for which there is no direct nexus to benefits received.

EMERGENCY RESPONSE

HDWD will support legislation, policy, and regulations that:

- 1) Improves Homeland Security and emergency response through coordination and clearly defined roles and responsibilities among federal, state, and local governments.
- 2) Provides continued funding to enhance and maintain local Homeland Security infrastructure, including physical and cyber protection of critical infrastructure.
- 3) Ensures adequate funding for expenditures related to disaster response and all phases of emergency management; including the earthquake early notification system and efforts to enhance water infrastructure resiliency.
- 4) Strengthens intergovernmental planning and preparation coordination for emergency response and drills.
- 5) Enhances protection of information and cyber security for critical infrastructure through policy and funding for local efforts.
- 6) Supports the capability of water utilities to notify customers of emergency protective measures through mass notification systems.
- 7) Properly recognizes water agencies' role in emergency response to wildfires, earthquakes, and other natural disasters, where water service is needed or may be impacted, because water and wastewater services are essential public utilities that ensure public health and safety.

HDWD will oppose legislation, policy, and regulations that:

- 1) Reduces a water utility's ability to represent itself or implement activities of any component of the disaster preparedness cycle, particularly within the response and recovery section.
- 2) Negatively impacts water and wastewater utility's ability to prepare, mitigate or respond to, or recover from disasters and emergencies and impacts the ability to provide fire suppression, drinking water and wastewater services.