



## *Memo*

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To: Board of Directors  
From: Karl B. Drew  
Date: January 16, 2015  
Subject: Report on ACWA Conference Meetings Attended at Spring Conference in San Diego, CA, December 3 – December 5, 2014

### **ACWA Meetings/Seminars**

Supplemental information on a lot of the ACWA sessions can be found at the following web site: <http://www.acwa.com/content/materials-acwa-2014-fall-conference-exhibition>. Most of the PowerPoint presentations are available at this site. There are also videos of some of the presentations.

### **Wednesday, December 3**

- Opening Breakfast – “The Australia Experience: Coping with a Millennium Drought” - From 1995 to 2009 Australia experienced the worst drought since records began. Dubbed the “Millennium Drought” it severely impacted agricultural, urban and rural areas as water supplies plummeted. How did water managers deal with the day-to-day challenges of this prolonged drought? What were the lessons learned about motivating citizens, implementing restrictions and adjusting water pricing once drought ended? Professor Stuart White, Director of the Institute for Sustainable Futures at the University of Technology Sydney, Australia, shared insights and perspectives on Australia’s historic drought.
- Finance Program: “Resiliency and Droughts – Drought Pricing and Other Non-Price Response and Preparedness Strategies” – Water agencies across California are dusting off both rate and non-rate strategies to improve their drought resilience, responsiveness and future preparedness. In a state as geographically diverse as California, knowing how to size, calibrate and quickly re-calibrate drought rates, reserves or excess use charges and penalties across customer classes is not a one-size-fits-all exercise, and neither is implementing conservation incentives or grant programs. What’s best for one agency may not work for another because of varying mixes of customer types, hardened demands, supply limitations and storage or preparedness initiatives already undertaken on the heels of the last big drought. The panelists discussed rate design/structures as well as other methods of promoting reduced water use. There examples of rate structures using Water Budgets and Universal Rates.

- Luncheon Meeting –“Legislative Leadership: Getting to a Two-Thirds Vote on the Water Bond and Other Seemingly Impossible Missions”- Passing the 2014 Water Bond required a bipartisan two-thirds vote in both houses of the California Legislature. As President pro Tempore of the Senate, Senator Darrell Steinberg played a pivotal leadership role in bringing the Legislature together to pass the modified Water Bond. Senator Steinberg shared his perspective on how the Water Bond came together and what it takes to solve policy issues at the Capitol.
- Water Trends Program - “Show Me the Money: Accessing State and Federal Funds to Help Pay for Your Next Project” – A wide array of state and federal programs offer water agencies opportunities to help finance projects using grants and loans. Hear directly from program representatives as they identify relevant opportunities, provide details regarding recent developments and share insights into how water agencies can effectively access and utilize these programs.

The panelist discussed from various State agencies discussed funds that are available for grants and loans and the eligibility requirements for qualifying for funding.

- Statewide Issues Forum – “Making Every Drop Count: The Future of Water Storage in California” - Surface and groundwater storage is an essential part of a comprehensive statewide water plan. With \$2.7 billion available to support the public benefits associated with a variety of new storage projects, how can the state make sure that these new facilities maximize and integrate available resources? Are there other opportunities to increase the state’s storage portfolio? Overall, what does the future of water storage look like in California?

The panelists discussed regulations that need to be developed before funds from the new water bond can be disbursed in 2016 and the difference in storage projects in the Sacramento Valley vs. the San Joaquin Valley.

## **Thursday, May 8**

- Water Trends Program - “Crafting Water Rates for Revenue Stability and Conservation Pricing: Threading the Needle” – California agencies are facing unprecedented challenges as they seek to provide long-term, reliable water service to customers despite a persistent drought and diminishing supplies. New statewide emergency drought regulations require further reductions in use leading to potential unintended consequences, often including declining revenue from water sales and further challenges in recovering the fixed costs of utility operations. Come hear an expert panel discuss new financial management strategies intended to balance conservation and revenue stability objectives, and explore the potential State Water Board policy regarding water rates.

Panelists discussed various rate structure strategies including establishing a water budget based rate structure that uses a indoors water use of 60 Gallons Per Capita Daily amount as the base tier. Tier 2 would then encompass outdoor usage.

- Luncheon Meeting: “Groundwater Legislation: History in the Making or Another Dead End?” - Statewide regulation of groundwater is one of the most important - and controversial - challenges facing this generation of water managers. That’s why the groundwater legislation passed this year is so important, whether you were for it or not. This once in a century statute will change how water is managed in California.

- Water Trends Program - “2015 Urban Water Management Plan: How to Plan For Your Plan” – Once again, the Legislature has been focused on the Urban Water Management Planning Act. As a result, several new amendments have been enacted that will take effect January 1, 2015, and 2015 UWMPs will be due July 1, 2016. Come hear a panel of experts reveal what will be required for this UWMP round, discuss the background behind these new terms and answer your questions.

The panelists discussed some the new requirements for the 2015 UWMP. The plan is due July 1, 2016 so that it can include 2015 data. Water system loss and efficiency is higher importance in the 2015 UWMP.

### **Friday, May 9**

- Hans Doe Forum: “Insiders Look at the 2014 Elections” - As the dust settles on the 2014 mid-term elections, political insiders discussed the results and what they mean for California and the nation.