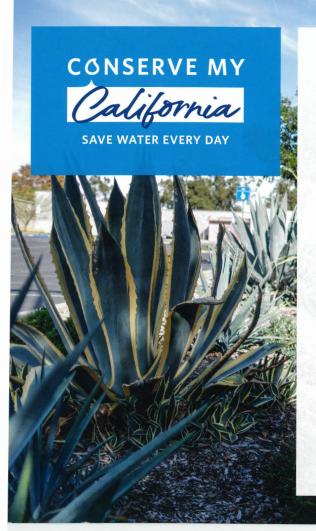
Agenda Item: F2a-1

Date: 06/06/23



UPDATE TO WATERING RESTRICTIONS

Due to the precipitation we have received this year and the water savings our customers have achieved, California Water Service is rolling back from Stage 2 of our Water Shortage Contingency Plan to Stage 1. Starting May 8, we will no longer have irrigation day restrictions on outdoor irrigation. Other restrictions remain in place.

We remind our customers that it is still important to use water wisely every day and make conservation a way of life, as our changing climate will bring more dry years in the future. Please also be sure to continue observing any local ordinances in effect.

For more information on Stage 1 restrictions and available conservation programs, please visit drought.calwater.com.

Quality. Service. Value.®



Agenda Item: F2a-2 Date: 06/06/23



INSTALLATION DINNER

Thursday, June 22, 2023 @ 5:30pm Stockton Golf & Country Club 3800 W. Country Club Blvd., Stockton, CA 95204

On June 22, members of the Greater Stockton Chamber of Commerce will celebrate the installment of a new Board of Directors and Officers for the 2023-2024 fiscal year at a special Installation ceremony.

The event will include the swearing-in of our new President, Scott Grafius, Steele Insurance Agency. The event will also include an installation ceremony of our new Board Members and Officers and the recognition of our outgoing President, Kay G. Ruhstaller, Family Resource Center, for her service as President from 2022-2023.

The Chamber's Board of Directors oversees the activities of the Chamber. They set the Chamber's goals and policies. Members of our Board come from all areas of our diverse business community; they come together to do their part in the Chamber's tireless efforts to develop and promote an economically vibrant business community aggressively. Many of the Chamber's successes can be directly attributed to the efforts of these individuals.

The 2023-2024 Greater Stockton Chamber of Commerce Officers and Directors to be sworn in are:

President Scott Grafius, Steele Insurance Agency
Sr. Vice President Jamie Bossuat, Kroloff Belcher Smart Perry & Christopherson
Financial Vice President Elizabeth H. Kim, Neumiller & Beardslee
Vice President Chad Sublet, Verve IT
Vice President Bishop Dwight Williams, New Genesis Housing Development
Immediate Past President Kay G. Ruhstaller, Family Resource Center

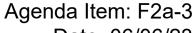
Outgoing Board Members:

Gina Calder, Michael's New York Style Pizza, Inc. Lisa Craig, The Craig Group Cathy Douma, Minuteman Press of Stockton Melissa Flores, Colins Electrical Company, Inc. Jason Schwarz, Haggerty Construction, Inc. Diane Vigil, Stockton Symphony Association

We will be swearing in 5 new board members voted in by the Stockton Chamber membership. Each board member will serve a 3-year term.

Incoming Board Members:

Omid Afshari, Kaiser Permanente Central Valley Susan Cruz, Aflac Jordan Feneck, Stockton Ports Baseball Team Michele J. Sherman, Platinum Credit Solutions Tony Yadon, Parents by Choice



Date: 06/06/23



Click here to view it in your browser.

ACWA ADVISORY

LEGISLATIVE | WATER RIGHTS May 31, 2023

Water Rights Bills Advance off Assembly, Senate Floors, Move to Opposite Houses

Three water rights bills were passed by their respective houses Tuesday despite ACWA and its large opposition coalition providing a strong and united front in advocating against these bills. The bills now move to the opposite houses for further consideration.

AB 460 (Bauer-Kahan), which would grant the State Water Resources Control Board new and sweeping authority to issue interim relief orders against water diverters and users, passed off the Assembly Floor on a 43-20-17 vote. The bill needed 41 votes to advance out of the Assembly.

AB 1337 (Wicks), which would authorize the State Water Board to issue curtailment orders against all water right holders and during any water year type, passed off the Assembly Floor on a 45-20-15 vote. This bill also needed 41 votes to advance.

SB 389 (Allen), which would authorize the State Water Board to investigate and determine the scope and validity of any water right claim, passed off the Senate Floor on a 23-11-6 vote. This bill needed 21 votes to advance out of the Senate.

ACWA's State Legislative Committee has taken an oppose position on all three of the bills that threaten to undermine the basic foundation of water management and water delivery in California.

ACWA staff has made it a top priority to stop them and will continue to lead the coalition of water and business/economic interests in opposition as the bills are discussed in future committee hearings.

Questions

For questions about any of the water rights bills or to join the coalition, please contact ACWA State Relations Advocate <u>Kristopher Anderson</u> at (916) 441-4545.

Agenda Item: F2a-4 Date: 06/06/23

United Water Community Key To Answering Bills On Water Rights

ACWA News, 05/26/23

If enacted, water rights legislation pending in the Legislature could put water management in chaos and hobble future progress toward a more reliable and resilient water future.

Bills in the Assembly and Senate threaten to undermine the basic foundation of water management and water delivery in California by drastically changing the longstanding legal framework governing the right to use water in this state. Stopping these bills is a top priority for ACWA, which is leading a broad coalition that extends beyond the water community. Vital to all our work is the water community remaining united, because this may well become the most consequential legislative session of our careers.

It's easy to see why.

California's water rights priority system plays an essential role in supporting the state's economy. It serves as the basis for which billions of dollars have been invested to capture, store and deliver water throughout the state. Undermining this system would severely impact not only local water management, but the state's housing market, jobs, water affordability and our economy overall.

The reasons are simple.

California's cities, communities, businesses and farms came into being and continue to exist in reliance on access to water rights. Local water agencies across the state depend on the certainty of water rights to invest in new water supply infrastructure. The credit worthiness of water agencies may be at risk if one of their community's most precious assets, their rights to use water, become uncertain or unreliable. This can translate into higher interest rates on financing for water supply infrastructure, increasing project costs. Project costs relate to water affordability. As costs climb, projects may be delayed or canceled, which impedes the ability of water agencies to provide reliable water supplies and prepare for the future.

Not surprisingly, credit-rating agencies have begun to ask how these pending legislative proposals to change the water rights system could affect the reliability of an agency's water supplies as they look to publicly finance essential, new projects.

Undermining California's water rights system could also exacerbate the state's housing crisis by unnecessarily constraining the water supplies of urban water purveyors. California's water rights system ensures flexible water management, which allows water agencies to responsibly and proactively steward local supplies for current and future needs, both human and environmental. These bills work against sound water management to the detriment of the state.

There is a better way. Administration of the current water rights system certainly has room for improvement, primarily by investing in more stream gauges and better data and tougher enforcement to prevent illegal diversions. As the local water community, we must do everything in our power to convey to the Legislature and Gov. Gavin Newsom the critical importance of not putting water management into chaos by changing the water rights priority system.

ACWA, its members, and its coalition partners must stand united to be successful in convincing the Legislature how important the water rights system is to all Californians. You can learn more about how you can engage your local legislator at www.acwa.com/water-rights.

Agenda Item: F2a-5 Date: 06/06/23

Audit finds California water agency not adequately considering climate change in forecasts

Los Angeles Times, 05/27/23

The state auditor has issued a report strongly criticizing the California Department of Water Resources, saying the agency has overestimated the state's water supply during drought and continues relying on forecasts that don't adequately factor in the effects of climate change.

The report by State Auditor Grant Parks said the Department of Water Resources has "made only limited progress" in improving its water-supply forecasts to account for climate change, despite acknowledging more than a decade ago that it needed to improve its forecasting methods.

The audit also concluded that DWR "has not developed a comprehensive, long-term plan" for the State Water Project, the system that delivers water from Northern California to Southern California and supplies almost 27 million Californians, to proactively respond to more severe droughts.

The auditor said that in 2021, amid the driest three-year period on record, DWR significantly overestimated the state's water supply. In February of that year, the report said, the department projected that runoff would be at least twice the volume that actually flowed in the majority of the watersheds that are included in forecasts.

"DWR has continued to rely heavily on historical climate data when developing its forecasts," the auditor said in the report. "DWR has since begun planning to adapt its forecasting model and associated procedures, but it could better ensure that it is using the best approach available if it adopted a formal process for evaluating the quality of its forecasts."

The audit found that significant errors in runoff forecasts can cause problems for other water agencies. For example, it said that in 2021 the department's overestimate of inflow into Folsom Lake meant that El Dorado Irrigation District "had to forego diverting water into storage that it would have otherwise been able to capture in its reservoir."

The report noted that California endured the driest three-year period on record from 2020 through 2022, followed this year by heavy rain, snow and flooding. It pointed out that scientists project global warming will cause more extreme fluctuations in severe weather, including prolonged drought.

The state auditor found that in contrast to the Department of Water Resources, some local and federal agencies "use forecasting models that leverage additional data that may allow them to better account for the changing climate and its effects on the water supply." It said some of the agencies that incorporate additional data in this way include Turlock Irrigation District, the San Francisco Public Utilities Commission, Merced Irrigation District and the California Nevada River Forecast Center.

The audit also found that DWR lacks sufficient records explaining some of its water releases from Lake Oroville, the state's second-largest reservoir, and has at times released more water into the Sacramento-San Joaquin River Delta than required under existing flow standards.

The report said the agency "lacks a formal process for periodically evaluating certain State Water Project operations to identify opportunities for improvement."

Among the audit's recommendations, the report said the department should:

Start to evaluate the accuracy of its monthly forecasts on an annual basis, including an assessment of whether actual runoff matched the range of scenarios.

Follow through on a plan to adopt an updated water-supply forecasting model to better account for the effects of climate change.

Develop a long-term plan for mitigating and responding to the effects of drought on the State Water Project.

Establish procedures to determine monthly and annual plans for operating the State Water Project, including the amount of water that will be held in dams and released.

Reevaluate the data the agency relies on in planning reservoir operations at Lake Oroville.

The Department of Water Resources disagreed with the report's main findings. "DWR has been actively engaged in climate change adaptation since 2008, and we respectfully disagree with the audit's assertion that DWR has been slow in addressing the impacts of climate change," Karla Nemeth, the department's director, said in an email.

Nemeth said the conditions in spring 2021 "were extreme and outside the bounds of historical experience."

"DWR reacted quickly to the extreme hydrology and recognized the runoff forecasting error of 2021 as an opportunity to learn, adjust, and improve," Nemeth said. "Conditions like those experienced in 2021 speak to the importance of forward-looking forecasting and developing new tools for an era of extremes."

In a letter responding to the audit, Nemeth said DWR established a climate change program in 2008 and has since released five updates of its climate plan.

"While there is always more that DWR can do to adapt to a changed climate, DWR has demonstrated leadership in accounting for the effects of climate change," she said in the letter.

"Many of the audit report recommendations would layer additional processes and procedures on reservoir operations," Nemeth wrote. "No amount of paperwork will solve the challenges of climate change. However, a collaborative team of scientists, academic partners, and water managers dedicated to improved forecasting and water management

through extreme flood and drought will help keep Californians safe, with secure water supplies, and that is DWR's approach."

State Sen. Melissa Hurtado, a Democrat whose district includes parts of the San Joaquin Valley, said she's concerned about poor data and mismanagement of water supplies, and the report helps identify issues that need to be addressed.

"I think that the auditor is spot on," Hurtado said. "The Department of Water Resources needs to take the recommendations from the state auditor."

Hurtado has introduced a bill that would require state agencies to update a report on the feasibility and costs of a coordinated water measurement database, which she says would ensure water-supply forecasts are based on accurate data.

Hurtado said DWR needs to "break free from a reliance on outdated data to ensure proper water allotments."

The report validates criticisms that environmental groups have raised for years about the agency's "failure to proactively plan for droughts and failure to adequately account for the effects of climate change," said Doug Obegi, director of the California river restoration program for the Natural Resources Defense Council.

"The report should be a wake-up call that leads DWR to make significant changes in how they estimate runoff from snowpack and storms," he said, "and in developing a proactive plan for droughts, rather than simply waiving environmental protections and sacrificing salmon and other native fish and wildlife during droughts.

"Yet instead of admitting that there is a problem and working to fix it," Obegi said, "DWR rejects the report's findings and believes these recommendations will just lead to more 'paperwork."