

SWCLC

Southwest California Legislative Council

A coalition of the
Temecula Valley, Murrieta, Lake Elsinore Valley, Wildomar & Menifee
Chambers of Commerce

MEETING AGENDA
Monday, July 21, 2014

Realtor House, 26529 Jefferson Avenue, Murrieta CA

Presiding: Alex Braicovich, Chair

2014 Strategic Initiatives


Budget & Tax Reform / Job Creation and Retention / Healthcare / Infrastructure & The Environment

Call to Order, Roll Call & Introductions: 12:00 p.m.

Chair Report

Agenda Items

1. Approval of June 2014 Meeting Minutes Action
2. Legislative Report #7 Action
 1. [AB 52 \(Gatto D\) Native Americans: California Environmental Quality Act.](#)
 2. [SB 998 \(Knight R\) Taxes: exemption and credits: new aerospace projects.](#)
 3. [AB 2235 \(Buchanan D\) Education facilities: Kindergarten-University Public Education Facilities Bond Act](#)
 4. [SB 1270 \(Pavley D\) Surface mining operations.](#)
 5. Rancho California Water District Proposed Septic Regulation
3. BDCP Support Letter Information
4. Immigration Update Mayor Allan Long - City of Murrieta Information
5. Legislator, Staff and Stakeholder Updates Information

Federal: Senators Feinstein & Boxer. Representatives Calvert & Hunter
State: Governor Brown, Senators Anderson & Roth, Assemblymembers Melendez, Waldron & Jones
Local: County, Cities, Utilities, EDC, Healthcare, League of Cities
6. Chamber & Council Member Announcements Information
7. Today's lunch sponsored by:  Thank you

Adjourn – Next meeting August 18, 2014.

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[Commerce Bank of Temecula Valley](#)
[Loma Linda University Medical Center](#)
[Southwest Healthcare Systems](#)
[Walmart](#)
[EDC of Southwest California](#)
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**Southwest California Legislative Council
Menifee Valley Chamber of Commerce
Murrieta Chamber of Commerce
Temecula Valley Chamber of Commerce
Lake Elsinore Chamber of Commerce
Wildomar Chamber of Commerce
Meeting Minutes
June 16, 2014**

Legislative Consultant: Gene Wunderlich

2014 Chair: Alex Braicovich

Directors Attendance: Pietro Canestrelli, Reid & Hellyer APC
Dennis Frank, D.R. & Associates
Judy Guglielmana, Town & Country Realty, EVWMD
Jason Hope, JD Promotions
Tony LoPiccolo, LoPiccolo Consultants
Brad Neet, Southwest Healthcare Systems
Joan Sparkman, Southwest Healthcare Systems

Directors Absent: Steve Amante, Amante & Associates; Tony Amatulli, Amatulli Auto Parts; Glen Daigle, Oakgrove Equities; Greg Morrison, EVMWD; Don Murray, Commerce Bank of Temecula Valley; Shaura Olsen, Walmart; Gary Thornhill, Tierra Verde

Council Guests:

Brian Ambrose, City of Murrieta
Ruthanne Taylor Berger, WRCOG
Jeff Bott, TCA-The Toll Roads
Matt Buck, CAA-AAGIE
Danielle Coats, EMWD
Glenn Cunningham, GC Asset Management
Jack Ferguson, JTF CPA
Jann Gentry, Gentry Studio
Noor Harmoush, Senator Joel Anderson
Kristin Harrison, DIY Divorce
Connie Lynch, SRCAR

Mike Mason, Mason Real Estate
Jami McNees, Temecula Ins.
Morris Myers, EDC
Myles Ross, Sunbelt Business Sales
Adam Ruiz, 1st Action Real Estate
Erin Sasse, League of Cities
Tom Stinson, Assemblywoman Waldron
Walter Wilson, SRCAR Board President
Sandy Windbigler, CA Public Utilities Commission
Roger Ziemer, RCWD

Staff: Kim Cousins – Lake Elsinore Valley Chamber of Commerce
Patrick Ellis – Murrieta Chamber of Commerce
Wendy Mitchell- Wildomar Chamber of Commerce
Alice Sullivan – Temecula Valley Chamber of Commerce
Dorothy Wolons – Menifee Chamber of Commerce

Meeting called to order at: 12:07 by Chairman Alex Braicovich

1. Approval of Minutes Action

Directors reviewed the minutes from the May 19, 2014 meeting. A correction was asked to be made to the minutes to remove Jeff George from the list of directors. **The motion was made to approve the minutes with the correction. The motion was seconded and carried by a unanimous vote.**

2. Legislative Report #6 Action

AB 1383 (R Hernandez-D) - District-based municipal elections. **Following discussion the motion was made to OPPOSE AB 1383. The motion was seconded and carried by a unanimous vote.**

AB 2494 (Cooley-D) – Courts: frivolous actions or proceedings. **Following discussion the motion was made to SUPPORT AB 2494. The motion was seconded and carried by a unanimous vote.**

SB 1262 (Correa-D) – Medical marijuana: regulation of physicians, dispensaries, and cultivation sites. **Following discussion the motion was made to SUPPORT SB 1262. The motion was seconded and carried by a unanimous vote.**

AB 2430 (Maienschein-D) – CID Documentation. **Following discussion the motion was made to SUPPORT AB 2430. The motion was seconded and carried by a unanimous vote.**

SB 1249 (Hill-D) – Hazardous waste: shredder waste. **Following discussion the motion was made to OPPOSE SB 1249 unless amended. The motion was seconded and carried by a unanimous vote.**

3. 2014 Bill Tracker Information

Report by Gene Wunderlich

Gene gave an overview of the Bills that we have been following from the information given in the agenda.

4. Murrieta Creek Update Brian Ambrose – City of Murrieta Information

In 1993, Murrieta Creek flooded, causing \$12 million worth of damage in Murrieta/Temecula and \$88 million in damage at Camp Pendleton. This is not the first time the 7.5 mile creek has flooded. (1080, 1995, 1998 were all declared federal disasters) Problem #1 - October 27, 2000, Murrieta Creek was authorized for construction in the Energy and Water Development Appropriations Act. In other words, it was earmarked. The cost would be \$90,866,000 with the federal share being \$59,063,000 and the local share \$31,803,000. On December 11, 2000 Congress enacted the Water Resources Development Act of 2000. Cost was \$89,846,000, with the federal share being \$25,556,000 and the local share being \$64,290,000. Reconciliation – On December 21, 2000, Congress passes an Omnibus bill (federal budget). Congress recognizes the conflict. Murrieta Creek is authorized under Energy and Water Development Appropriations Act. Groundbreaking for Phase I takes place on November 12, 2003. 4 Phase Project – Phase I – Location: South of Old Town Temecula. Stabilization efforts to minimize erosion, slopes planted with vegetation, and multiuse trail of DG created. Phase II – Location: Old Town Temecula (First St to Winchester). Reconstruction of Main Street Bridge, ROW acquisition, utility relocation, erosion control and stability measures. Phase III – Location: Multi-purpose Basin (270 acres) on Jefferson Avenue on the border of Murrieta and Temecula. Create retention basin to reduce flood risk. Recreation aspects: 50 acre Regional Park, children’s play area, picnic areas with shade structures, baseball and soccer fields, trails. Environmental aspects: 160 acres of habitat. Phase IV – Location: Elm Street to Tenaja Road. Create 150 foot wide riparian habitat corridor which includes construction of regional trail. Problem #2 – Funding: Project was authorized in 2--- for \$89 million, today’s cost estimate is \$120 million. Total appropriated: approximately \$17 million, with that Phase I is complete, Phase II is ready for construction (using accelerated local funds), Phase III is in design, and Phase IV possibly eliminated. Total appropriated to date is \$17 million, total present balance at USACE is \$0 and on an average, receive about 41 million per year. Problem #3 – Benefit to Cost Ratio (BCR) – Everything at USACE depends on the BCR formula. Typically, a project will not be funded unless there is a net positive ratio greater than 1.0. Murrieta Creek’s BCR: Original Feasibility Study Recommended Plan: 0.37. The removal of Phase IV will raise the ratio to 1.01. Current recommendation is to remove Phase IV and to enter into a local cost-sharing amendment which allows locals to “accelerate” cost-share. In the cost-share agreement amendment process we are still waiting for it to go from the Assistant Secretary of the Army to the Congressional Committee and then back down the line again ending up in the ACOE District Office in LA. Our timeline is to begin Phase II construction by the Fall of 2014. And the beginning of Phase III Design is still yet to be determined.

Senator Joel Anderson

Report by Noor Harmoush

SB 1381- dead

SB 935 – Minimum wage increase – voted no – bill passed.

SB 1152 –Property tax exemption for properties owned by Veterans used for lodging or social club purposed. Passed and is in Assembly Committee on Revenue and Tax.

SB 974 – Health Benefit exchange – in Assembly Committee of Health.

Budget was passed June 15, 2014, will have more information on that to come.

Assemblywoman Marie Waldron

Report by Tom Stinson

Voted against budget.

AB 1447 – traffic synchronization bill

AB 1850 – Restraining orders for children who witness acts of domestic violence

AB 1649 – Increase penalties for computer hackers

AB 1522 – Paid sick leave – passed in the Assembly (oppose)

SB 935 – Minimum wage bill – passed Senate (oppose)

SB 1000 – Warning labels for sugar on beverages – passed Senate (oppose)

League of Cities

Report by Erin Sasse

24% of the budget has been allocated to cities. Part of the cap and trade funds does go to cities for affordable housing, transportation dollars, and \$40 million for frontline law enforcement. Some repayment of State Mandate funds which will benefit cities.

AB 2188 – Solar permits. (oppose)

Eastern Municipal Water District

Report by Danielle Coats

Clean Water Act Rule – detrimental. This would increase the Federal Governments reach on what is considered waters of the US. She encouraged the council to write a letter in opposition.

Western Riverside Council of Governments

Report by Ruthanne Taylor Berger

General Assembly in in 2 weeks, Thursday, July 26, 2014 at Morongo Spa and Resort. HERO program (Home Energy Retrofit Opportunity) – allows homeowners to get online and do energy retrofits to their home and then use them as a tax write-off. County of LA did adopt the program to allow for 15/16 cities to be moved forward with the program.

Economic Development Corporation

Report by Morris Myers

Workforce Investment Act (Clinton 1998-2003) This year it is looking like it will be reauthorized, it will be call the Workforce Innovation and Opportunity Act. We will have level funding for 5 years. It will streamline things and get rid of about 15 of 50 programs because of overlap. It will reduce the number of Workforce Investments Boards nationwide (500). 49 of the boards are in California, it will reduce them to about 32. 2014 Economic Conference, June 19th at Pechanga with Keynote Speaker Director Kish Rajan, from the Governor’s Office of Business and Economic Development.

Menifee Chamber of Commerce

Report by Dorothy Wolons

June 19th – State of the City

August - Menifee City night at the Storm

New businesses in Menifee – Applebee’s, Five Guys, Blaze Pizza, Jersey Mike’s

AB 52 (Gatto D) Native Americans: California Environmental Quality Act.**Recommended action: OPPOSE**

Presentation: Gene Wunderlich

Bill Summary:

Description: Substantial Expansion of CEQA. Creates more opportunities for litigation and substantially increases project cost and delay by creating mandatory consultation requirements with Native American Tribes and by requiring lead agencies to analyze a project's impacts to an entirely new resource area called Tribal Cultural Resources.

In the past few years, legislative efforts concerning CEQA have been primarily focused on making the CEQA process work more efficiently and reducing litigation while staying true to the purpose of CEQA, which is to "inform the public and its responsible officials of the environmental consequences of their decisions before they are made..." (Citizens of Goleta Valley v. Board of Supervisors (1990) 52 Cal.3d 553, 564).

A question arises as to whether this bill, by adding a new layer of consultation requirements to the environmental review process, adding separate standards and requirements for TCRs outside of historical and archaeological resources, and adding new CEQA causes of action to litigate, is consistent with recent legislative efforts related to CEQA.

Sacred sites have traditional and cultural significance as well as overlap with religion. Culture, tradition, and religion – at what point do cultural traditions become religion? This may lead to the question – **if the goal of CEQA is to protect the environment, does religion belong in CEQA?**

This bill:

Establishes the NAHC (Native American Heritage Commission), made up of nine members appointed by the Governor, five of whom must be elders, traditional people, or spiritual leaders of California Native American tribes. Requires NAHC to identify and catalog places of special religious or social significance to Native Americans, and known graves and cemeteries of Native Americans on private lands, and to perform other duties regarding the preservation and accessibility of sacred sites and burials and the disposition of Native American human remains and burial items. (PRC §5097.91 et seq.).

Significantly expands the purview of the CEQA process. For example, it not only seeks to expand existing definition of Sacred places including, but not limited to, Native American sanctified cemeteries, places of worship, religious or ceremonial sites, or sacred shrines, but goes on to add: **'Provides that the fact that a resource is not included in the California Register of Historic Places, not listed in NAHC's Sacred Lands File, not included in a local register of historical resources, not deemed significant pursuant to criteria set forth in §5024.1(c), or not deemed eligible pursuant to criteria set forth in §5024.1(g) for listing in the California Register of Historic Places shall not preclude a lead agency from determining whether the resource is a TCR for the purposes of CEQA'**.

Requires local governments to conduct meaningful consultation with California Native American tribes on the contact list maintained by NAHC for the purpose of protecting cultural places located within open space.

Includes protection of Native American cultural places as an acceptable designation of open space.

Exempts from disclosure – records of Native American graves, cemeteries, and sacred places, and records of Native American places, features, and objects as specified that are maintained by NAHC.

COMMENTS:

Purpose of Bill. According to the author, "The premise that one culture's sacred sites and historical landmarks aren't given the same value as another culture basically amounts to cultural imperialism. California has the most tribes in the nation, and we need to treat these areas with the dignity and respect they deserve."Lack of consideration of tribal sacred places and cultural resources has had a detrimental effect on many tribes in California. This bill recognizes that tribes have a right to consult on the impacts of projects that take place outside their given trust lands and reservation boundaries.

According to the Judicial Council of California, there are 109 federally recognized Indian tribes in California and 78 entities petitioning for recognition. There are approximately 45 tribal communities of formerly recognized tribes that were terminated as part of the United States' termination policy in the 1950s or tribal communities that were never recognized by the federal government. California's tribes are as small as five members and as large as 5,000 members.

Non-Federally Recognized Native American Tribes Are Not Included in AB 52's Definition of "Native American Tribe". AB 52 defines "Native American tribe" as a federally recognized tribe in California, thus excluding non-federally recognized tribes. Instead, the bill states that any non-federally recognized tribe may participate in the CEQA process "as an interested person, citizen, or member of the public." Such a distinction appears to create two classes of Native American tribes with different privileges in CEQA.

The Pechanga Tribe, a technical advisor and supporter of the bill, explains the reason why AB 52 excludes non-federally recognized tribes, stating, "It's really a question of 'Who are they?' They [lead agencies] want to make sure they know who the tribes are they consult with, and that it's mirroring the intent of CEQA," and further states that unrecognized tribes will still benefit in some ways from the bill, and can always ask the closest recognized tribe to "go to bat for them. A lot of agencies are not good at involving tribes period, and this would put tribes on the radar screen." (Indian Country Today Media Network)

However, it should be noted that this bill does not authorize a federally recognized tribe to act on the behalf of a non-federally recognized tribe. In addition, it is questionable whether it would be prudent to authorize one tribe with consultation rights to act as agent for another, which does not, considering each tribe has its own interest that may potentially conflict with one another. Is it equitable to exclude non-federally recognized tribes in AB 52 when current state law acknowledges both?

Definition Is Too Broad. This bill's proposed definition of "TCR" in §21074 provides a variety of references to refer to a resource being on a list, eligible for a list, or meets the criteria of a list. In addition, the definition stipulates that not being in any of those categories does not preclude a lead agency from determining a resource to be a TCR.

Opponents state, "This is the exception that ate the rule" and have raised concern that "the practical result is a definition of TCR that is whatever the tribe says it is. This will lead to extensive litigation as parties struggle to make sense of what is an unavoidably difficult analysis to begin with." Furthermore, opponents note that the definition for "TCR" grants "a legal status superior to all other environmental categories considered under CEQA." In addition, opposition states, "Consideration of "[TCRs] as defined in AB 52 greatly expands CEQA's scope into an extremely subjective resource category...and without objective limits..."

Projects Sized Extra Large. Pursuant to this bill, in larger, regional or statewide projects, such as ones affecting a large portion of California like the High Speed Rail project, several tribes may have their TCRs affected and may be interested in consulting with the lead agency. Such a case would require multiple, simultaneous consultations with various tribes. This may lead to considerable confusion and disruption in the CEQA process for a project, resulting in extensive delay as well as the potential for more litigation.

Confidentiality. Under current law, GOV §6254(r) exempts from disclosure "records of Native American graves, cemeteries, and sacred places, and records of Native American places, features, and objects described in [PRC §§5097.9 and 5097.993] maintained by, or in the possession of, [NAHC], another state agency, or a local agency." In addition, the CEQA Guidelines state that any information about the specific location of archaeological sites and sacred lands must not be included in the environmental review document circulated for public review. (Guidelines §15120(d)). AB 52's §21082.3(c) includes broader confidentiality provisions and provides that any information submitted by a Native American tribe during the consultation process may not be included in the environmental documents or otherwise disclosed without prior consent of the tribe.

Although it is understandable that tribes want to keep certain information confidential, does this provision overreach and conflict with one of the primary tenets of CEQA, which is to provide public disclosure?

Opposition states that this bill "is a dramatic expansion of CEQA that inserts religion into the environmental statute and, as a practical matter, grants Native American Tribes broad, irrefutable authority to determine anything is a TCR entitled CEQA protection...and opens up new avenues for CEQA litigation."

SUPPORT:

Agua Caliente Band of Cahuilla Indians Tribal Council
Barona Band of Mission Indians
California Tribal Business Alliance
Habematolel Pomo of Upper Lake

Koi Nation of Northern California
Mechoopda Indian Tribe of Chico Rancheria
Middletown Rancheria of Pomo Indians of California
Pala Band of Mission Indians
Paskenta Band of Nomlaki Indians of California

Pechanga Tribe
Planning and Conservation League
Rincon Band of Luiseno Indians
Santa Ynez Band of Chumash Indians

Tribal Alliance of Sovereign Indian Nations
United Auburn Indian Community
Viejas Band of Kumeyaay Indians
Yocha Dehe Wintun Nation

OPPOSITION:

American Council of Engineering Companies
Associated Builders and Contractors of America
Associated General Contractors of America
Association of California Water Agencies
Association of Environmental Professionals
California Association of Realtors
California Building Industry Association
California Business Properties Association
California Business Roundtable
California Cattlemen's Association
California Chamber of Commerce
California Construction and Industrial Materials Association
California Farm Bureau Federation
California Manufacturers and Technology Association

California Municipal Utilities Association
California Rail Industry
California Retailers Association
California Special Districts Association
California State Association of Counties
California Wind Energy Association
County of Nevada
Independent Energy Producers
Large-Scale Solar Association
Pacific Gas & Electric
Rural County Representatives of California
Sacred Places Institute for Indigenous Peoples
San Gabriel Valley Economic Partnership
The California Railroad Authority

Status:

Re-referred to Com. on RLS for assignment.

Votes:

Nestande, Waldron - AYE
Jones, Linder, Melendez - No Vote Recorded

Legislative Report Item 2	Action Item
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[SB 998 \(Knight R\) Taxes: exemption and credits: new aerospace projects.](#)

Recommended action: **SUPPORT**
Presentation: Gene Wunderlich

Bill Summary:

Creates a Competitive Tax Environment. Encourages the aerospace industry to locate and expand projects in the state by increasing the cap on the sales and use tax exemption for manufacturing equipment used in new aerospace projects.

Current law provides for a partial sales and use tax (SUT) exemption of 4.1875 percent on purchases of manufacturing equipment made by taxpayers within specified North American Industrial Classification System (NAICS) codes, capped at \$200 million annually per taxpayer, for fiscal years 2014-15 through 2021-22.

SB 998 would increase the limit to \$300 million in purchases annually for qualified taxpayers engaging in new aerospace projects, as defined, for calendar years 2015 through 2017. Additionally, the bill would require (1) the Board of Equalization (BOE) to report the purchase amounts to the Legislature, and (2) the Employment Development Department (EDD) to report to the Legislature on January 1, 2017, any increase in aerospace employment manufacturing since the beginning of 2015.

Existing law:

Last year, the Legislature enacted AB 93 (Committee on Budget) and SB 90 (Committee on Budget and Fiscal Review), measures which reformed California's economic development policies by **eliminating enterprise zones** and other geographically-targeted economic development areas, instead allowing three new tax benefits:

- Tax credits for wages paid by taxpayers to qualified employees within former enterprise zones, and other areas that suffer from high levels of poverty and unemployment. The credit lasts for a six-year period beginning in 2014.
- A partial sales and use tax exemption on purchases of manufacturing equipment made by taxpayers within specific North American Industrial Classification System codes, capped at \$200 million annually per taxpayer, effective July 1, 2014, and ending July 1, 2022.
- The California Competes Tax Credit, where the California Competes Tax Credit Committee can award various tax credits up to an annually capped amount to taxpayers who apply.

SB 998 would establish a \$300 million cap related to the partial SUT exemption for manufacturing and research and development equipment related to new aerospace projects, as defined. The increased cap would be effective for three calendar years beginning January 1, 2015. Additionally, BOE would be required to report to the Legislature on January 1, 2017 regarding the amount of equipment purchased, while EDD would be required to report on the increase in aerospace manufacturing equipment.

Staff Comments:

The report that this bill mandates BOE to submit to the Legislature will **require the agency to new track information**. For example, a bolt manufacturer purchases equipment to make bolts that subsequently become a component part of an aircraft engine. This firm would have to inform BOE of the purchase amount of the equipment to make those bolts. Thus, BOE will need to request various manufacturers to voluntarily report their equipment purchases that are used to manufacture, design, or test aircraft, aircraft engine, guided missiles, space vehicles, propulsion units, or related parts or components. Any change to the sales and use tax return that would require that the various manufacturers report their applicable purchases that are described in the bill would require computer programming, which would increase the agency's costs.

With respect to the bill's revenue impact, BOE notes that available Census Bureau data indicate that there are **four aircraft manufacturing firms in California with employment in excess of 1,000**. Firms of this size would be most likely to have the financial resources to make more than \$200 million in annual qualifying purchases. If these were the only affected firms, and if all four of them made annual qualifying purchases of \$300 million, **annual SUT revenue would be about \$17 million lower than under current law** for the period 2015-2017. However, the extent to which these firms would increase their qualifying purchases beyond the current-law \$200 million is unknown, making the \$17 million estimate an upper-bound.

Additionally, to the extent that this bill were to **lead to increases in employment and other economic activities** that produce additional tax revenue, the fiscal impact of the bill could be reduced.

Support:

California Manufacturers and Technology Association
Lockheed
Martin Corporation.

Opposition:

Unknown.

Status:

2nd hearing. Placed in Appropriations Suspense file. May be heard upon return.

Votes:

[AB 2235 \(Buchanan D\) Education facilities: Kindergarten-University Public Education Facilities Bond Act](#)**Recommended action: SUPPORT**

Presentation: Gene Wunderlich

Bill Summary:

Proposes the Kindergarten-University Education Facilities Bond Act of 2014, a \$9 billion bond act for the November, 2014 Ballot. Continues a successful funding partnership between the state, local governments and developers by placing a new state general obligation bond on the November ballot to help upgrade, modernize and construct school facilities providing New School Construction and Jobs.

Should the voters approve the bond act, the Legislature then appropriates funds to the chosen agencies to fund projects consistent with the criteria, generally as part of the Budget Act. The Department of Finance then surveys agencies to determine need for bond funds based on a project's readiness, and then asks the Treasurer to sell bonds in a specified amount. After the bond sale, the Department of Finance determines which bond acts and agencies receive bond proceeds.

According to the author, "the state is an important partner with school districts and the developer community in ensuring that students have adequate and safe school facilities. Voters understand this and have consistently shown support for school bonds, and voters pass local bonds with the expectation of receiving state matching funds. The \$35 billion in K-12 bonds passed since 1998 has been matched by over \$70 billion in local bonds and developer fees. Together, these funds have built new schools, modernized aging schools to ensure that they are safe and updated, and relieved overcrowding. Additionally, these funds help the economy by generating tens of thousands of jobs."

AB 2235 funds the following K-12 facilities programs:

- New School Construction,
- Charter School Facilities,
- School Facility Modernization.

School districts can only use modernization funds for:

- Purchasing and installing air conditioning equipment,
- Constructing projects,
- Purchasing furniture or equipment designed to increase school security or playground safety,
- Identifying, assessing, or abating hazardous asbestos,
- Project funding for high-priority roof replacement,
- Any modernization under the 1998 Bond Act

The bill creates the State School Building Finance Committee to determine whether it's necessary and desirable for the Treasurer to sell bonds that fund its K-12 programs. The Treasurer can sell the bonds at any different times necessary to service expenditures required by SAB apportionments. The Committee is composed of:

- The Governor,
- The Controller,
- The Treasurer, as chair,
- The Director of Finance, who must provide assistance to the Committee,
- The State Superintendent of Public Instruction,

Status:

In Senate - Committee on Appropriations

Votes:

Jones, Linder, Melendez, Nestande & Waldron - AYE

SB 1270 (Pavley D) Surface mining operations.Recommended action: **OPPOSE**

Presentation: Gene Wunderlich

Bill Summary:

Substantially overhauls the Surface Mining and Reclamation Act and, in doing so, increases the cost of construction aggregate used to build public transportation infrastructure such as roads, bridges, railways and sidewalks, as well as homes, schools, hospitals, and water systems and treatment facilities.

Background:

The Surface Mining and Reclamation Act of 1975 (SMARA, PRC §2710 et seq.) regulates surface mining operations to minimize environmental impacts and to provide for the reclamation of mined lands to a usable condition while encouraging the production, conservation, and protection of the state's mineral resources. SMARA applies to the mining of hard metals minerals, and sand and gravel. SMARA generally requires a surface mining operation to obtain a mining permit, to have an approved reclamation plan, and to have secured financial assurances. Financial assurances are surety documents that can be used to pay for any mine reclamation costs in the event that a mine operator defaults on its obligation to reclaim a mine at the end of its useful life.

Proposed Law:

SB 1270 would **create the Division of Mines** within the Department of Conservation (DOC), which would be responsible for the DOC's role under mining laws, and would amend the roles of the State Mining and Geology Board (SMGB) so that it is an appeals and rule-making body.

The **DOM would be headed by the State Mine Inspector** (SMI). The SMI would be appointed by the director of DOC and must be a registered geologist or professional engineer. The SMI would assume the existing responsibilities of the director of DOC.

Oversight of local agencies: This bill would revise the process by which SMI (previously the director), may review reclamation plan and financial assurances before the lead agency's approval of those documents.

Specifically **the bill allows the SMI to seek judicial review of a lead agency's approval** of a reclamation plan and financial assurances if the SMI has submitted comments and is dissatisfied with a lead agency's response.

This bill would **allow an individual to appeal a lead agency's approval**, in addition to a lead agency's denial, of a reclamation plan to the SMGB.

Reporting fees and lead agency fees: This bill would change the method by which the reporting fee is assessed. **Instead of being based on the produced value of the mine, the fee will be based on a cost per acre and other factors in an approved reclamation plan. The existing caps for both the reporting fee would be reset at an unspecified amount and the minimum reporting fee would be raised from \$100 to \$1,000.** The bill would also specify that the reporting fee must be sufficient to cover of costs of SMGB and the DOC under SMARA.

This bill would specify that if the SMI is acting as lead agency, it may impose a fee on a mine operator to cover its reasonable costs under SMARA.

SUPPORT:

SIERRA FUND (SPONSOR)
NATURAL RESOURCES DEFENSE COUNCIL
CALIFORNIA LEAGUE OF CONSERVATION VOTERS
BRIAN BACA, FORMER SMGB BOARD MEMBER
AMERICAN INSTITUTE OF PROFESSIONAL
GEOLOGISTS, CALIFORNIA SECTION
KARUK TRIBE
NATIONAL PARKS CONSERVATION ASSOCIATION

ENVIRONMENTAL WORKING GROUP
KLAMATH RIVER KEEPER
CALIFORNIA NATIVE PLANT SOCIETY
EARTHWORKS
CLEAN WATER ACTION
SIERRA NEVADA ALLIANCE
TRUST FOR PUBLIC LAND

OPPOSITION:

REGIONAL COUNCIL OF RURAL COUNTIES
JF SHEA CONSTRUCTION

COUNTY OF SANTA CRUZ
COUNTY OF IMPERIAL

COUNTY OF SISKIYOU
LEAGUE OF CITIES
CALIFORNIA STATE ASSOCIATION OF COUNTIES
CALIFORNIA CHAMBER
NATIONAL FEDERATION OF INDEPENDENT
BUSINESS
CALIFORNIA INDEPENDENT PETROLEUM
ASSOCIATION
CALIFORNIA BUSINESS PROPERTIES ASSOCIATION
CALIFORNIA MANUFACTURERS AND TECHNOLOGY
ASSOCIATION
CALIFORNIA BUSINESS INDUSTRY ASSOCIATION
CLEARLAKE LAVA
CENTRAL SIERRA MINING ASSOCIATION
VULCAN MATERIALS
GRANITE ROCK
CEMEX

THE LAND DESIGNERS
CITY OF LAKE ELSINORE
COUNTY OF RIVERSIDE
COUNTY OF DEL NORTE
COUNTY OF INYO
COUNTY OF LAKE
CALIFORNIA CONSTRUCTION INDUSTRY MATERIALS
ASSOCIATION
CALIFORNIA ASPHALT PAVEEMENT ASSOCIATION
COUNTY OF COLUSA
BRUBAKER-MANN, INC.
COUNTY OF SAN BERNARDINO
RICH-TED TRUCKING
SYAR INDUSTRIES
CITY OF IRWINDALE
COUNTY OF MENDOCINO
ENVIROMINE, INC.

Status:

In Senate, Committee on Appropriations.

Votes:

Legislative Report Item 5	Action Item
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Rancho California Water District Proposed Septic Regulation

Recommended action: **OPPOSE**
Presentation: Gene Wunderlich

Background:

In 2002 the Riverside County Department of Environmental Health mandated that all residential structures have a proposed septic tank sized by the commercial method using fixture units as opposed to the previous method sized by number of bedrooms and/or square footage.

Under the old method, a 4 bedroom structure would require a 1,200 gallon septic tank and a 5 or 6 bedroom home would require a 1500 gallon tank. Due to the increase in larger home sizes having numerous fixture units but not necessarily more bedrooms, this tank sizing method led to insufficiently sized tank and leach fields or seepage pit systems.

For example, a 4,500 SqFt, 3 bedroom home with 5 bathrooms does not fit the original UPC standard for a 1,200 gallon septic tank. A 1,200 gallon tank is allowed a maximum of 25 fixture units which equates roughly to a 2 bath home having 2 toilets, 2 tub/shower bath combinations, 4 hand sinks or lavatories, 1 washing machine and a dishwasher sink combination. At this the 1,200 gallon tank is maxed out.

Another problem arises when you try to build a two story home with a 1,200 gallon tank. You would still only be allowed 2 bathrooms meaning only one upstairs and one down. According to David Balinger, President of Am/Pac & Associates, a septic system installation and testing firm providing service to the Temecula area, most of the homes they test require a 2000 - 2500 gallon septic system - exceeding the proposed RCWD limit but well under the current maximum 3500 gallon systems allowed by the San Diego Regional Water Quality Control Board. Taking into consideration the latest technology in septic tanks and plastic chambers or seepage pits, these systems are not polluting and are routinely inspected by RCDEH.

Proposed Regulation:

On March 26, 2014, the **Rancho California Water District expressed a desire to limit any septic tank installation in their area of oversight to a maximum of 1,200 gallons per day, again significantly stricter than the SDRWQCB approval of up to 3500 gallons per day.** (RCWD area of oversight includes the Wine Country, Glenoaks, Glenoaks Hills as well as DeLuz, La Cresta and other portions of Murrieta and Temecula.) Their stated justification for the restriction is the salt loading of the water table and their desire to protect that. However, the **SDRWQCB as well as**

the RCDEH both feel the water RCWD supplies to their customers has a much more significant negative impact on the groundwater supply than these septic systems. In a closed septic system on 2.5 acres or larger, there is virtually no migration of effluent beyond the property boundary or into the groundwater table. Further, what effluent is emitted contains primarily trace amounts of nitrogen and potassium rather than salts. Neither nitrogen nor potassium have been shown to exist in deleterious amounts in the water table despite extensive and ongoing testing.

A 1200 gallon limit for new systems will, in effect, halt all development both residential and commercial, in this area that is not served by sewer. The restrictions may also impact the Oak Mountain Winery Project, the Galway Downs Project and may have significant impact on existing larger systems that may require replacement at some future date.

Proposed Solution:

County Supervisor Jeff Stone has proposed the following:

"In light of our mutual concern to protect and preserve our groundwater supplies as well as protecting our residents, combined with our mutual desire to promote development and jobs in Riverside County, I would propose that we develop a 'Temecula Wine Country Water Quality Task Force' whose membership would include: Rancho California Water District (RCWD), San Diego Regional Water Quality Control Board (SDRWQCB), Colorado River Water Quality Control Board (CRWQCB), Eastern Municipal Water District (EMWD), Temecula Wine Growers Association, County Counsel, County Planning, County Environmental Health and my office. The purpose of this task force would be to discuss and resolve the issues mentioned here, as well as uses of grey water, 'sweet water' and reclaimed water in this area due to the severe drought conditions in this state."

Status:

Rancho California Water will be holding their 3rd public information meeting on this issue at 8:30 am, Tuesday, 7/22 at the RCWD facility. This meeting, like its two previous public information meetings, has not been noted on the company website.

July 16, 2014

[Ryan Wulff, NMFS](mailto:Ryan.Wulff@NMFS)

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650 Capitol Mall, Suite 5-100

Sacramento, CA 95814

SUBJECT: Bay Delta Conservation Plan EIR/EIS Alternative #4

Position: SUPPORT

As a resident and business owner in Southern California, I am pleased to SUPPORT the Bay Delta Conservation Plan (BDCP) and specifically Alternative #4 as outlined in the Draft Environmental Impact Report/Environmental Impact Statement (EIR/EIS).

Following the passage of California's comprehensive water package in 2009, our organization has closely watched the BDCP process. We are encouraged by the release of the public draft of the plan and environmental documents. The outcome of this multi-year effort reflects collaboration of public water agencies, state and federal fish and wildlife agencies, business and agricultural stakeholders, local governments and the public.

The draft plan and accompanying environmental documents identify several options for addressing the current challenges with California's water supply delivery system and the Delta ecosystem. We believe that Alternative #4, which provides for three new intakes on the Sacramento River in the northern Delta and a 9,000 cfs tunnel system to convey that water to the existing aqueduct system, coupled with a comprehensive habitat conservation plan for the Delta, is the best alternative to meet California's co-equal goals of water supply reliability and Delta ecosystem restoration.

The construction of new water intakes and related conveyance is an essential element of the BDCP. The proposed twin tunnel system will protect public water supplies if a seismic event were to trigger levee breaks and cause saltwater to intrude from San Francisco Bay. The new intakes in the northern Delta will reduce conflicts between water systems and migrating fish species such as salmon. Habitat improvements will provide native species with the healthy ecosystems they need to survive. 50 years of regulatory stability will protect an estimated 1.1 million jobs throughout the state and create more than 177,000 jobs from construction projects and environmental restoration.

Southern California is rebuilding its aging infrastructure to ensure its water supplies are reliable. We need the same kind of investment in the State Water Project to safeguard our imported supplies. A project of such magnitude will require some difficult decisions and compromise between stakeholders with varying priorities. However, California cannot sit idly by and wait for disaster.

Therefore I am pleased to SUPPORT the BDCP, and specifically Alternative #4, as a workable draft proposal that can lead to a final successful plan of action because it offers the best solution to minimize seismic risk to our state's water supply infrastructure while restoring the Delta's ecosystem.

Respectfully,

Cc:

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Senator Dianne Feinstein	202.224.2501	
Senator Barbara Boxer	202.228.3865	
Congressman Ken Calvert	202.225.2004	951.277.0420
Congressman Duncan Hunter	202.225.0235	
Senator Joel Anderson	916.651.4936	951.676.1030
Senator Richard Roth	916.651.4931	
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Assemblymember Marie Waldron	916.319.2175	760.480.7516
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