



CalMutuals Monthly Newsletter February 2015

CalMutuals Hosts First Annual Meeting

On February 20th, CalMutuals hosted its first Annual Meeting, at the Inland Empire Utilities Agency in Chino, where new board members were elected and members were updated on important issues impacting mutual water companies.

The following members were elected to serve on the Board of Directors:

- Jim Byerrum:** California Domestic Water Company (1 Year Term)
- Ken Bradbury:** Montebello Land and Water Company (1 Year Term)
- Ken Deck:** Bellflower Somerset Mutual Water Company (2 Year Term)
- Dave Michalko:** Valencia Heights Water Company (2 Year Term)
- Doug Nunneley:** Oildale Mutual Water Company (2 Year Term)
- David Armstrong:** South Mesa Water Company (3 Year Term)
- Ken Tcheng:** Sunny Slope Water Company (3 Year Term)
- Lisa Yamashita-Lopez:** Rubio Cañon Land and Water Association (3 Year Term)



Included in Photo: Lisa Yamashita Lopez, Ken Deck, Doug Nunneley, Ken Bradbury, Dave Michalko, Dave Armstrong, Adan Ortega.
Not pictured: Ken Tcheng, Jim Byerrum

A special thank you to our retiring board members: Blanche Vizzini of Amarillo Mutual Water Company and Robert “Bob” Hayward of Lincoln Avenue Water Company. Ms. Vizzini and Mr. Hayward were instrumental in shaping the Association and, although they will no longer officially serve on the Board of Directors, they will remain an active part of the Association for many years to come. We are grateful for their service.

The meeting also included a review of the Association's 2014 accomplishments, as well as updates on important issues impacting our members. Issues discussed included Proposition 1 (the water bond), Hexavalent Chromium, the latest on drought regulations and reforming AB 240.

Building on last year’s many accomplishments, Director Lisa Yamashita-Lopez and Executive Director Adan Ortega provided attendees information on the Association’s goals for 2015. One of those goals includes passage of AB 656, a bill authored by Assemblywoman Cristina Garcia (AD 58), that would authorize mutual water companies to form a joint insurance risk pool and to provide technical and other types of assistance to its members. We're providing more information on this important bill in a separate article within this newsletter titled, *“Help Us Support AB 656 (Garcia).”*

In addition to supporting AB 656, the Association is focused on an initiative that would assist with state grants and loan applications as well as the Association's mutual aid program, which offers mutual-to-mutual assistance for a variety of issues including addressing financial management concerns unique to mutual water companies.

CalMutuals is also taking a leading role in helping small systems comply with the new and evolving standard for Hexavalent Chromium which was set at 10ppb in 2014.

We want to thank all of you who joined us and for making the meeting a success!

You'll be receiving an announcement soon with details for our quarterly meeting in April.

CAMWC Membership Passes 100

We're happy to report that CAMWC membership continues to grow!

We passed the 100 regular member mark last month. The more members we have, the stronger our voice will be in Sacramento and across the state. Due to our many accomplishments in 2014 and our ambitious goals for 2015, we are certain that membership in CAMWC will continue to grow.



Help Us Support AB 656 (Garcia)

The legislative deadline for bill submissions was February 27th and more than 2,000 bills have been introduced. Among those bills is AB 656, introduced by Assemblywoman Cristina Garcia (AD 58) that seeks to establish a source of financial support to use in providing management, technical and operational assistance, including grant writing, legal compliance and financial management training.

Background:

The vast majority of mutual water companies in California are small and today, mutual water companies must purchase higher cost insurance in the open market, and many are not provided the opportunity to easily obtain other services that could assist them in building operational and managerial capacity.



What this Bill Seeks to Accomplish:

This bill would specifically authorize two (2) or more mutual water companies, or two (2) or more mutual water companies and one (1) or more public agencies that operate a public water system, to participate in joint powers agreement for risk-pooling, technical support, and other similar services.

What this means for your mutual water company:

All mutual water companies in the state were once eligible for insurance coverage provided by the Association of California Water Agencies Joint Powers Insurance Authority (ACWA-JPIA) which afforded mutuals relatively inexpensive insurance, as well as resources through ACWA that were made possible by residuals of revenue that are exempt from taxes, and that would have otherwise been assessed through regular market-based insurance.

However, due to IRS regulations, the ACWA-JPIA determined several years ago that mutual water companies were no longer eligible to participate in ACWA-JPIA's insurance programs - excluding them from the coverage and benefits they once enjoyed. AB 656 (Garcia) would reinstate those benefits.

What you can do to help get this law passed:

1. Send a letter, on your mutual water company's letterhead, supporting AB 656 to Assemblywoman Cristina Garcia's office no later than March 23rd. To download the pre-addressed template letter (Word format), [click here](#).
2. Make sure to send a copy of your letter to your state senator and state assembly representatives so that they are aware of your support of this bill. To find the contact information for your state legislator, [click here](#).
3. Please also send a copy of your letter to our office so we have it on file. You can email it to Denise@Calmutuals.org. You can also fax the letter to us at 714.398.8819 or mail it to: **CalMutuals 1440 N. Harbor Blvd., Suite 900, Fullerton, CA 92835**

You can also help pass this important piece of legislation by encouraging others to support AB 656, including mutuals in your area, companies you work with and the city in which you operate.

We are here to help! For additional questions or assistance in completing the letter or contacting others who may be able to support, please call Denise Peralta Gailey at (714) 449-3397 or email her at Denise@CalMutuals.org

SB 385 Seeks to Aid in Compliance for New Standards of Hexavalent Chromium

Last July, California became the first state in the nation to set a maximum contaminant level (MCL) of 10 parts per billion (ppb) for chromium-6 in drinking water. The California Department of Public Health's new standard comes with a compliance cost ranging anywhere from \$30 to \$75,000 per connection (AWWA).

State Senator Ben Hueso (D-San Diego) has introduced SB 385 which would aid water systems in complying with the new standard by granting an additional five (5) years to comply, allowing them time to identify cost-effective treatment methods and financing them.



The way the law works is that a public water system must request/and receive an approval for a variance from the State Board following the submission of a compliance plan.

[Click here for additional information on the bill.](#)

What this means for your mutual water company:

Unlike the federal government, the State does not allow time for water systems to come into compliance with a new drinking water standard.

The State Board already has the authority to grant variances; however, legislation is required to issue a variance for newly adopted standards. SB 385 would grant the State Board the ability to issue a variance for systems seeking additional time to come into compliance with the new standard for Hexavalent Chromium.

Please let us know if you support this measure by calling Denise Peralta Gailey at [714.449.3397](tel:714.449.3397) or emailing her at Denise@calmutuals.org.

CalMutuals Bill Tracker

We've updated the list of bills that CalMutuals staff is tracking. The latest list includes:

AB 149 (Chavez) Urban Water Management Plans

AB 401 (Dodd) Low Income Water Rate Assistance Program

AB 434 (Garcia, E) Drinking Water: Point of Entry and Point of Use Treatment

AB 615 (Rendon) The Center for Community Water Projects

AB 656 (Garcia, C) Joint Powers Agreements: Mutual Water Companies

AB 1077 (Holden) Mutual Water Companies: Meetings

SB 20 (Pavley) Wells: Reports: Public Availability

SB 37 (Nielsen) Water: Floods

SB 226 (Pavley) Groundwater Rights

SB 317 (DeLeón) Safe Neighborhood Parks, Rivers and Coastal Protection Bond Act of 2016

SB 385 (Hueso) Primary Drinking Water Standards: Variances: Hexavalent Chromium

CalMutuals staff will continue to watch these bills carefully and report back to our members on their status.

To download the CalMutuals Bill Tracker (with information on all of the above listed bills), [click here](#).



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Wireless Reading via
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Handheld

The advertisement features a central image of a white Kamstrup ultrasonic water meter with a digital display showing "00000000". To the right, a smartphone displays a red map with a location marker. The background is a dark, textured surface.