

Item 1

Proposed Minutes

COMMISSION ON STATE MANDATES

Location of Meeting: Park Tower, 980 9th Street, Suite 300,
Sacramento, CA, 95814 and via Zoom
March 28, 2025

Present: Member Michele Perrault, Chairperson
Representative of the Director of the Department of Finance
Member William Pahland
Representative of the State Treasurer, Vice Chairperson
Member Lee Adams
County Supervisor
Member Deborah Gallegos
Representative of the State Controller
Member Karen Greene Ross
Public Member
Member Renee Nash
School District Board Member
Member Matthew Read
Representative of the Director of the Office of Land Use and Climate
Innovation

NOTE: The transcript for this hearing is attached. These minutes are designed to be read in conjunction with the transcript.

CALL TO ORDER AND ROLL CALL

Chairperson Perrault called the meeting to order at 10:07 a.m., and introduced the new Commission Member, Matt Read, designee of the Director of the Governor's Office of Land Use and Climate Innovation. Executive Director Gmur called the roll. Members Adams, Gallegos, Greene Ross, Nash, Pahland, Perrault, and Read. All indicated that they were present.

APPROVAL OF MINUTES

Chairperson Perrault asked if there were any objections to or corrections of the January 24, 2025 minutes. There was no response. Chairperson Perrault asked if there was any public comment on this item. There was no response. Assistant Executive Director Supachana stated that there were no public comments online. Chairperson Perrault asked if there were any further comments or questions from the members. There was no response. Chairperson Perrault asked for a motion to approve the January 24, 2025 minutes. Member Nash made the motion to adopt the minutes. Member Greene Ross seconded the motion. Member Adams also seconded the motion. Chairperson Perrault did not accept the second offered by Member Adams.

Executive Director Gmur called the roll. The Commission voted to adopt the January 24, 2025 minutes by a vote of 6-0 with Member Read abstaining.

PUBLIC COMMENT FOR MATTERS NOT ON THE AGENDA

Chairperson Perrault asked if there was any public comment. There was no response. Assistant Executive Director Supachana stated that there were no public comments online.

CONSENT CALENDAR

INFORMATIONAL HEARINGS PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, ARTICLE 8 (info/action)

STATEWIDE COST ESTIMATES

- Item 4* *California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2010-0033, 10-TC-07*

Executive Director Gmur stated that Item 4 was proposed for consent. Chairperson Perrault asked if there were any objections to the proposed consent calendar from the members or from any members of the public. There was no response. Assistant Executive Director Supachana stated that there were no online public comments or objections. Chairperson Perrault asked for a motion to adopt the consent calendar. Member Gallegos made the motion to adopt the consent calendar. Member Read seconded the motion. The Commission voted to adopt the consent calendar by a vote of 7-0.

HEARINGS AND DECISIONS PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, ARTICLE 7 (GOV. CODE, § 17551, 17557, 17559, and 17570) (action)

Executive Director Gmur swore in the parties and witnesses participating in the Article 7 portion of the hearing.

TEST CLAIMS

- Item 2 *Lead Sampling in Schools: Public Water System No. 3710020, 17-TC-03-R2*

Pursuant to the judgement, order, and writ issued October 31, 2024 in City of San Diego v. Commission on State Mandates, Sacramento County Superior Court, Case No. 24WM000056; Permit Amendment No. 2017PA-SCHOOLS, City of San Diego Public Water System No. 3710020, effective January 18, 2017

City of San Diego, Claimant

Chief Legal Counsel Camille Shelton presented this item and recommended that the Commission adopt the Proposed Decision to approve the Test Claim.

Kevin King appeared on behalf of the City of San Diego. Marilyn Munoz appeared on behalf of the Department of Finance. David Rice appeared on behalf of the State Water Resources Control Board and the State Water Resources Control Board, Division of Drinking Water.

Following statements by Mr. King, Ms. Munoz, and Mr. Rice, Chairperson Perrault asked if there were any public comments on this item. Assistant Executive Director Supachana stated that there were no online public comments. Chairperson Perrault stated that there were no public comments in the room and asked if there were any questions or discussion from the Commission Members on this item.

Following discussion between Member Pahland and Mr. Rice, Chairperson Perrault asked if there were any additional questions from the Members. Following a statement by Member Adams, Chairperson Perrault asked if there were any other questions. There was no response. Member Adams made the motion to adopt the staff recommendation. Member Greene Ross seconded the motion. The Commission voted to adopt the Proposed Decision by a vote of 7-0.

Chairperson Perrault stated that her computer required an update. Member Pahland suggested a recess. At 10:33 a.m., the Commission adjourned and returned at 10:39 a.m.

PARAMETERS AND GUIDELINES

Item 3 *California Regional Water Quality Control Board, San Francisco Bay Region, Order No. R2-2009-0074, 10-TC-02, 10-TC-03, and 10-TC-05*

California Regional Water Quality Control Board, San Francisco Bay Region, Order No. R2-2009-0074, Sections C.8.d.iii., C.8.e.vi., C.8.f., C.8.g.ii., C.8.g.vii., C.10.a.i., C.10.a.ii., C.10.a.iii., C.10.b.ii., C.10.b.iii., C.10.c., C.10.d.i., C.10.d.ii., C.11.f., and C.12.f., Adopted October 14, 2009 and Effective December 1, 2009

City of Dublin, County of Santa Clara, and City of San Jose,
Claimants

Chief Legal Counsel Camille Shelton presented this item and recommended that the Commission adopt the Proposed Decision and Parameters and Guidelines.

Gregory Newmark on behalf of the City of Dublin. Donna Ferebee appeared on behalf of the Department of Finance.

Following statements by Mr. Newmark and Ms. Ferebee, Chairperson Perrault asked if there were any public comments. There was no response. Assistant Executive Director Supachana stated that there were no online public comments.

Chairperson Perrault asked if there was a motion to adopt the staff recommendation. Member Greene Ross made the motion to adopt the staff recommendation. Member Nash seconded the motion. The Commission voted to adopt the Proposed Decision and Parameters and Guidelines by a vote of 7-0.

INFORMATIONAL HEARINGS PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, ARTICLE 8 (info/action)

REPORTS

Item 5 Legislative Update (info)

Program Analyst Jill Magee presented this item.

- Item 6 Chief Legal Counsel: New Filings, Recent Decisions, Litigation Calendar (info)

Chief Legal Counsel Shelton presented this item.

- Item 7 Executive Director: Budget, Workload Update, and Tentative Agenda Items for the May 2025, July 2025, and September 2025 Meetings (info)

Executive Director Gmur presented this item which included an introduction of new staff: Senior Commission Counsel Laura Dougherty.

CLOSED EXECUTIVE SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 11126 AND 11126.2 (info/action)

The Commission adjourned into closed executive session at 10:50 a.m., pursuant to Government Code section 11126(e). The Commission met in closed session to confer with and receive advice from legal counsel for consideration and action, as necessary and appropriate, upon the pending litigation listed on the published notice and agenda; to confer with and receive advice from legal counsel regarding potential litigation; and to confer on personnel matters pursuant to Government Code section 11126(a)(1).

A. PENDING LITIGATION

To confer with and receive advice from legal counsel, for consideration and action, as necessary and appropriate, upon the following matters pursuant to Government Code section 11126(e):

There are no cases currently pending.

B. POTENTIAL LITIGATION

To confer with and receive advice from legal counsel, for consideration and action, as necessary and appropriate, upon the following matter pursuant to Government Code section 11126(e):

Based on existing facts and circumstances, there is a specific matter which presents a significant exposure to litigation against the Commission on State Mandates, its members or staff.

C. PERSONNEL

To confer on personnel matters pursuant to Government Code section 11126(a)(1).

RECONVENE IN PUBLIC SESSION

At 11:04 a.m., the Commission reconvened in open session.

REPORT FROM CLOSED EXECUTIVE SESSION

Chairperson Perrault reported that the Commission met in closed executive session pursuant to Government Code section 11126(e). The Commission conferred with and received advice from legal counsel for consideration and action, as necessary and appropriate, upon the pending litigation listed on the public notice and agenda, and conferred with and received advice from legal counsel regarding potential litigation, and,

pursuant to Government Code section 11126(a)(1) to confer on personnel matters.

ADJOURNMENT

Chairperson Perrault asked for a motion to adjourn. Member Nash made the motion to adjourn the meeting. Member Read seconded the motion. The March 28, 2025, meeting was adjourned at 11:05 a.m., by a vote of 7-0.

Juliana F. Gmur
Executive Director

STATE OF CALIFORNIA
COMMISSION ON STATE MANDATES

PUBLIC MEETING

FRIDAY, MARCH 28, 2025

10:00 A.M.

MEETING HELD

AT 980 9TH STREET

SUITE 300

SACRAMENTO, CALIFORNIA

AND

VIA ZOOM

VIDEO COMMUNICATIONS PLATFORM

REPORTER'S TRANSCRIPT OF PROCEEDINGS

ORIGINAL

STENOGRAPHICALLY REPORTED BY:

CONNIE J. PARCHMAN
Certified Shorthand Reporter No. 6137

KATHRYN S. SWANK, CSR
303 Paddock Court
Roseville, California 95661
Telephone (916) 390-7731
KathrynSwankCSR@sbcglobal.net

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

COMMISSIONERS PRESENT

MICHELE PERRAULT
Representative for Joe Stephenshaw
Department of Finance
(Chairperson of the Commission)

WILLIAM PAHLAND
Representative for FIONA MA
State Treasurer

LEE ADAMS III
Sierra County Supervisor
Local Agency Member

MATT READ
Representative for SAMUEL ASSEFA, Director
Office of Land Use and Climate Innovation

DEBORAH GALLEGOS
Representative for MALIA COHEN
State Controller
(Vice Chairperson of the Commission)

KAREN GREENE ROSS
Public Member

RENEE NASH
Eureka Union School District
School District Board Member

---o0o---

COMMISSION STAFF

JULIANA GMUR
Executive Director

DENNIS SUPACHANA
Assistant Executive Director

CAMILLE N. SHELTON
Chief Legal Counsel

---o0o---

A P P E A R A N C E S C O N T I N U E D

PUBLIC PARTICIPANTS

MARILYN MUNOZ
Department of Finance
(Item 2)

KEVIN KING
City of San Deigo, Claimant
(Item 2)

DAVID RICE
State Water Resources Control Board
and
San Francisco Bay Regional Water Quality Control Board
(Item 2)

GREGORY NEWMARK
City of Dublin, Claimant
(Item 3)

TERESITA SABLAN
State Water Resources Control Board
and
San Francisco Bay Regional Water Quality Control Board

DONNA FEREBEE
Department of Finance
(Item 2)

---o0o---

ERRATA SHEET

| Page | Line | Correction |
|------|------|---|
| 2 | 7 | <u>(Vice Chairperson of the Commission)</u> |
| 2 | 13 | (Vice Chairperson of the Commission) |
| 2 | 25 | <u>Jill Magee</u> |
| 3 | 2 | <u>Program Analyst</u> |
| 3 | 12 | TERESITA SABLAN |
| 3 | 13 | State Water Resources Control Board and |
| 3 | 14 | San Francisco Bay Regional Water Quality |
| | | Control Board |
| 5 | 17 | <u>Permit Amendment No. 2017PA-SCHOOLS,</u> |
| 5 | 18 | <u>City of San Diego Public Water System No.</u> |
| | | <u>3710020,</u> |
| 5 | 19 | <u>effective January 18, 2017</u> City of San Diego, |
| | | Claimant |
| 5 | 20 | <u>City of San Diego, Claimant</u> |
| 6 | 3 | Test Claims <u>Parameters and Guidelines</u> |
| 6 | 5 | Provisions <u>Sections</u> |
| 6 | 6 | C.2.b, C.2.c, C.2.e, C.2.f, C.8.b, C.8.c, C.8.d, |
| 6 | 7 | C.8.e.i, ii, and vi, C.8.f, C.8.g, C.8.h, C.10.a, |
| 6 | 8 | C.10.b, C.10.c, C.10.d, C.11.f, and C.12.f |
| | | <u>C.8.d.iii., C.8.e.vi., C.8.f., C.8.g.ii., C.8.g.vii.,</u> |
| | | <u>C.10.a.i., C.10.a.ii., C.10.a.iii., C.10.b.ii., C.10.b.iii.,</u> |
| | | <u>C.10.c., C.10.d.i., C.10.d.ii., C.11.f., and C.12.f.,</u> |

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 20
- 21
- 22
- 23
- 24
- 25

4A

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

| ITEM NO. | PAGE |
|---|------|
| I. Call to Order and Roll Call | 8 |
| II. Approval of Minutes | |
| Item 1 January 24, 2025 | 11 |
| III. Public Comment for Matters Not on the Agenda (none) | 13 |
| IV. Proposed Consent Calendar for Items Proposed for Adoption on Consent Pursuant to California Code of Regulations, Title 2, Articles 7 and 8 | 13 |
| V. Hearings and Decisions Pursuant to California Code of Regulations, Title 2, Article 7 | |
| A. Test Claims | |
| Item 2 Lead Sampling in Schools: Public Water System No. 3710020, 17-TC-03-R2 | 16 |
| Pursuant to the judgment, order, and writ issued October 31, 2024 in City of San Diego v. Commission on State Mandates, Sacramento County Superior Court, Case No. 24WM000056 | |
| City of San Diego, Claimant | |

I N D E X C O N T I N U E D

| ITEM NO. | | PAGE |
|----------|--|------|
| | B. Test Claims | |
| Item 3 | California Regional Water Quality Control Board, San Francisco Bay Region, Order No. R2-2009-0074, Provisions C.2.b, C.2.c, C.2.e, C.2.f, C.8.b, C.8.c, C.8.d, C.8.e.i, ii, and vi, C.8.f, C.8.g, C.8.h, C.10.a, C.10.b, C.10.c, C.10.d, C.11.f, and C.12.f, 10-TC-02, 10-TC-03, and 10-TC-05 City of Dublin, County of Santa Clara, and City of San Jose, Claimants | 34 |
| VI. | Informational Hearings Pursuant to (no action) California Code of Regulations, Title 2, Article 8 | |
| | A. Statewide Cost Estimates | |
| Item 4 | California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2010-0033, 10-TC-07 | |
| | B. Reports | |
| Item 5 | Legislative Update | 38 |
| Item 6 | Chief Legal Counsel: New Filings, Recent Decisions, Litigation Calendar | 40 |
| Item 7 | Executive Director: Budget, Workload Update and Tentative Agenda Items for the March 2025 and May 2025 Meetings | 40 |

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X C O N T I N U E D

| ITEM NO. | PAGE |
|---|------|
| VII. Closed Executive Session Pursuant to Government Code Sections 11126 and 11126.3 | 42 |
| A. Pending Litigation | |
| B. Potential Litigation | |
| C. Personnel | |
| IX. Report from Closed Executive Session | 44 |
| Adjournment | 45 |
| Reporter's Certificate | 46 |

---o0o---

1 FRIDAY, MARCH 28, 2025, 10:07 A.M.

2 ---o0o---

3 CHAIRPERSON PERRAULT: Okay. All right. Good
4 morning. It is 10:07 and we're going to go ahead and
5 call the meeting of the Commission on State Mandates to
6 order.

7 Welcome to our hybrid meeting. For those
8 participating in person, I have some housekeeping
9 information.

10 On the table near the wall are paper copies of the
11 meeting revised notice and agenda, revised new filings,
12 proposed consent calendar and witness list.

13 The electronic public hearing binder is also
14 located there on a laptop.

15 Please note that the room is microphoned so
16 speakers and microphones on all devices must stay muted
17 for the duration of the meeting to eliminate feedback.

18 When called up for an item, the parties and
19 witnesses will please come to the table and sit at a
20 designated laptop.

21 The restrooms are located out the door and down the
22 hall to the right. The women's restroom is across the
23 open atrium. The key for both restrooms is on the table
24 as you exit the conference room.

25 Finally, please take note of the emergency exits in

1 the room.

2 For those participating remotely, the materials for
3 today's meeting, including the revised notice, agenda,
4 proposed consent calendar and witness list are available
5 on the Commission's website at www.csm.ca.gov, under the
6 hearings tab.

7 When being sworn in at the beginning of the hearing
8 and when called for an item, the parties and witnesses
9 will please turn on their video and then mute their
10 microphone. At the conclusion of the item, please turn
11 off the video and mute the microphone.

12 In the event we experience technical difficulties,
13 or the meeting is bumped offline, we will restart and
14 allow time for people to rejoin before recommencing the
15 meeting.

16 Please remember to speak slowly and accurately for
17 the benefit of the court reporter and an accurate
18 transcript of the hearing.

19 Finally, before we begin, it is my pleasure to
20 introduce our new designee from the Governor's Office of
21 Land Use and Climate Innovation, Matt Read.

22 MEMBER READ: Thank you.

23 CHAIRPERSON PERRAULT: Welcome, Matt.

24 Matt has a decade of experience in legal,
25 government and nonprofit sectors.

1 At the Governor's Office of Land Use and Climate
2 Innovations, as Acting Chief Counsel, Matt provides
3 legal support to advanced LCI's work to help California
4 achieve its climate change goals through place-based
5 community-driven programming.

6 Matt came to LCI from local government where he
7 served as a City Chief of Staff managing a broad policy
8 portfolio of housing, sustainability, homelessness,
9 public works, transit and active transportation issues.

10 Before the City, Matt worked at Brief California in
11 his own private practice providing his expertise to
12 nonprofit and foundation partners advancing public
13 health initiatives.

14 Matt received his juris doctorate from the
15 University of the Pacific McGeorge School of Law with a
16 certificate in mediation.

17 He attended the Willamette University in Salem,
18 Oregon where he received a bachelor of arts in rhetoric,
19 media studies and politics.

20 Matt, welcome to the Commission.

21 MEMBER READ: Thank you.

22 CHAIRPERSON PERRAULT: Juliana, will you please
23 call the roll.

24 MS. GMUR: Mr. Adams.

25 MEMBER ADAMS: Here.

1 MS. GMUR:
2 Ms. Gallegos.
3 MEMBER GALLEGOS: Here.
4 MS. GMUR: Ms. Greene Ross.
5 MEMBER GREENE ROSS: Here.
6 MS. GMUR: Ms. Nash.
7 MEMBER NASH: Here.
8 MS. GMUR: Mr. Pahland.
9 MEMBER PAHLAND: Here.
10 MS. GMUR: Ms. Perrault.
11 CHAIRPERSON PERRAULT: Here.
12 MS. GMUR: Mr. Read.
13 MEMBER READ: Here.
14 CHAIRPERSON PERRAULT: Thank you. We have a
15 quorum present so we will go ahead and move now next is
16 Item 1.
17 Are there any objections to or additional
18 corrections of the January 24th, 2025 minutes?
19 Seeing none.
20 Are there are any public comments on this item?
21 MR. SUPACHANA: Madam Chair, I do not see any
22 public comments online.
23 CHAIRPERSON PERRAULT: And any further --
24 (Computer generated voice interruption.)
25 CHAIRPERSON PERRAULT: Excellent. Is there any

1 other further comments or questions from the Commission
2 members?

3 All right. Seeing none, is there a motion to
4 approve the January 20 -- excuse me -- 24th, 2025,
5 minutes?

6 MEMBER NASH: So moved.

7 CHAIRPERSON PERRAULT: Moved by Ms. Mash.

8 MEMBER GREENE ROSS: Second.

9 MEMBER ADAMS: I would second.

10 CHAIRPERSON PERRAULT: Seconded by Ms. Greene Ross,
11 I think.

12 I'll get you next time, Mr. Adams. All right.

13 Thank you so much. There's been a motion and a
14 second and Juliana, please call the roll.

15 MS. GMUR: Mr. Adams.

16 MEMBER ADAMS: Aye.

17 MS. GMUR: Ms. Gallegos.

18 MEMBER GALLEGOS: Aye.

19 MS. GMUR: Ms. Greene Ross.

20 MEMBER GREENE ROSS: Aye.

21 MS. GMUR: Ms. Nash.

22 MEMBER NASH: Aye.

23 MS. GMUR: Mr. Pahlant.

24 MEMBER PAHLANT: Aye.

25 MS. GMUR: Ms. Perrault.

1 CHAIRPERSON PERRAULT: Aye.

2 MS. GMUR: Mr. Read.

3 MEMBER READ: Abstain.

4 CHAIRPERSON PERRAULT: Thank you. That motion
5 carries.

6 We'll go ahead now and move on to public comment.

7 MS. GMUR: We will take up public comment for
8 matters not on the agenda. Please note that the
9 Commission may not take action on items not on the
10 agenda. However, it may schedule issues raised by the
11 public for consideration at future meetings.

12 We invite the public to comment on the matters that
13 are on the agenda as they are taken up.

14 CHAIRPERSON PERRAULT: Thank you.

15 At this time, are there any public comments?

16 MR. SUPACHANA: Madam Chair, there are no online
17 public comments.

18 CHAIRPERSON PERRAULT: Okay. And seeing none here
19 in the room, so hearing no further public comment we
20 will go ahead and move on to the next item.

21 MS. GMUR: Next is the proposed consent calendar,
22 Item 4 is proposed for consent.

23 CHAIRPERSON PERRAULT: Thank you. Are there any
24 objections to the proposed consent calendar from the
25 members or from members of the public?

1 All right. Seeing none.

2 Are there any objections from members online?

3 MR. SUPACHANA: Madam Chair, there are no public
4 comments or objections.

5 CHAIRPERSON PERRAULT: Okay. Thank you so much.

6 Okay, so with that, is there a motion to adopt the
7 proposed consent calendar?

8 MEMBER GALLEGOS: I will move.

9 CHAIRPERSON PERRAULT: Moved by Ms. Gallegos.
10 Is there a second?

11 MEMBER READ: I will second.

12 CHAIRPERSON PERRAULT: Okay. Seconded by -- I've
13 already forgotten your last name.

14 MEMBER READ: Read.

15 CHAIRPERSON PERRAULT: Thank you. I apologize.

16 All right. We have a motion and second.

17 Please call the roll.

18 MS. GMUR: Mr. Adams.

19 MEMBER ADAMS: Aye.

20 MS. GMUR: Ms. Gallegos.

21 MEMBER GALLEGOS: Aye.

22 MS. GMUR: Ms. Greene Ross.

23 MEMBER GREENE ROSS: Aye.

24 MS. GMUR: Ms. Nash.

25 MEMBER NASH: Aye.

1 MS. GMUR: Mr. Pahland.

2 MEMBER PAHLAND: Aye.

3 MS. GMUR: Ms. Perrault.

4 CHAIRPERSON PERRAULT: Aye.

5 MS. GMUR: Mr. Read.

6 MEMBER READ: Aye.

7 CHAIRPERSON PERRAULT: All right. That motion
8 carries.

9 We'll go ahead now and moving on to our swearing
10 in, please.

11 MS. GMUR: Will the parties and witnesses for Items
12 2 and 3 participating remotely please be sure that both
13 your first and last names are listed on your Zoom window
14 for the benefit of the court reporter. Turn on your
15 video, and unmute your microphone.

16 The parties or witnesses participating in person,
17 please approach the witness table and all parties and
18 witnesses please rise.

19 Will the parties and witnesses for Item 2, please
20 state your names for the record, beginning with the
21 witnesses participating in person.

22 MR. RICE: David Rice.

23 (Video participants.)

24 MS. MUNOZ: Marilyn Munoz, Department of Finance.

25 MR. KING: Kevin King with the City of San Diego.

1 MS. GMUR: Will the parties and witnesses for
2 Item 3 please state your names for the record.

3 MS. FEREBEE: Donna Ferebee, Department of Finance.

4 MR. NEWMARK: This is Gregory Newmark for claimant
5 City of Dublin, City of Union City and the Alameda
6 Countywide Clean Water Program.

7 MS. GMUR: Do you solemnly swear or affirm that the
8 testimony which you are about to give is true and
9 correct, based on your personal knowledge, information,
10 or belief?

11 (Affirmative responses.)

12 MS. GMUR: Thank you.

13 Next is Item 2. Chief Legal Counsel,
14 Camille Shelton, will please present a proposed decision
15 on Lead Sampling in Schools, Public Water System Number
16 3710020, 17-TC-03-R2.

17 At this time, we invite the parties and witnesses
18 for Item 2 participating remotely to please turn on your
19 video and unmute your microphone. And those
20 participating in person, please come to the table.

21 MS. SHELTON: Good morning. This test claim
22 addresses a domestic water supply permit amendment
23 issued by the State Water Resources Control Board to the
24 City of San Diego and requires the City's Public Water
25 System, beginning January 18th, 2017, to submit to the

1 Water Board a list of all K-12 schools it serves and
2 upon request of an authorized representative of a school
3 made before November 1st, 2019, to sample and test
4 drinking water in the school for the presence of lead.

5 The courts have already determined that the permit
6 amendment mandates a new program or higher level of
7 service.

8 Thus, the only issue remaining is whether there are
9 costs mandated by the state.

10 The courts have held that once a state statute or
11 executive order mandates a new program or higher level
12 of service, reimbursement is required for the increased
13 cost unless an exception applies.

14 The state cannot force local government to absorb
15 the cost of the new state mandated program.

16 Here the City has filed evidence that its increased
17 costs exceed the \$1,000 minimum requirement for
18 reimbursement.

19 The State Water Board contends, however, that the
20 City has the legal authority to increase property fees
21 on all rate payers, including the schools receiving the
22 service and that the fee authority exception in
23 Government Code Section 17556(d), applies to deny the
24 test claim.

25 Staff finds that the exception does not apply in

1 this case.

2 First, the permit amendment states that the
3 claimant is responsible for all costs of the mandated
4 program, and documents issued by the State Water Board
5 at the time the permit amendment was adopted indicated
6 that schools would receive the service for free.

7 Thus, there is no authority for the claimant to
8 impose any fees on the schools receiving the mandated
9 service.

10 Second, staff finds that the City cannot increase
11 the water rates on the remaining rate payers without
12 violating Propositions 218 and 26, which require that
13 the amount of a fee or charge imposed upon any parcel or
14 person as an incident of property ownership shall not
15 exceed the proportional cost of the service attributable
16 to the parcel.

17 This requirement ensures that the aggregate fee
18 collected on all parcels is distributed among those
19 parcels in proportion to the cost of service for each
20 parcel.

21 This requirement would be satisfied if all
22 customers could legally share in the cost of lead
23 testing. However, the claimant is prohibited by the
24 permit amendment from passing those increased costs onto
25 the schools receiving the lead testing, thus passing the

1 increased costs on to the remaining customers making the
2 costs of service to their parcels higher than the cost
3 of service of schools receiving the additional lead
4 testing would violate Proposition 218 and would require
5 the voters' approval as a tax under Prop. 2 -- Prop. 26;
6 therefore, staff finds that the cost -- there are costs
7 mandated by the state.

8 Accordingly, staff recommends that the Commission
9 adopt the proposed decision to approve this test claim
10 and authorize staff to make any non-substantive or
11 technical changes to the proposed decision following the
12 hearing.

13 CHAIRPERSON PERRAULT: Thank you.

14 If the parties and witnesses would please state
15 your name for the record, again.

16 MS. MUNOZ: Marilyn Munoz, Department of Finance.

17 MR. KING: Kevin King with the City of San Diego.

18 MR. RICE: I'm David Rice with the State Water
19 Resources Control Board.

20 CHAIRPERSON PERRAULT: Very good. Thank you.

21 Mr. King, for the claimant City of San Diego, would
22 you like to begin?

23 MR. KING: Thank you. Yes.

24 So, I'll just start with any point that the City
25 disagrees with and that's on the analysis part of the

1 analysis, with Prop 218 and that's Article XIII D
2 Section 6(b)(4), which states that you can't charge for
3 a fee or service unless the property owner can actually
4 use that service.

5 The Commission focuses on water service as the
6 service and says that everyone that's -- that that's
7 available to everyone.

8 But I think that's the wrong focus here. The
9 service should be lead testing, because that's what's at
10 issue in the permit amendment. And only those schools
11 receive the lead testing so we can't charge other
12 property owners for that lead testing.

13 So I just, again, the City disagrees on that point.

14 But otherwise, agrees with the decision
15 specifically on proportionality as Ms. Shelton
16 discussed.

17 The evidence clearly shows that these -- these
18 schools have to get the testing for free. That's in the
19 permit amendment.

20 It says that the water system's responsible for the
21 cost. I think the Water Board got it right in 2017 in
22 their press release about this. As the Commission notes
23 in their proposed decision in the first line, it states
24 that, "In an effort to further safeguard California
25 Water Quality, K through 12 schools in the state can

1 receive free testing for lead under a new initiative
2 announced today by the State Water Resource Board."

3 Again, the keyword is "free."

4 And then in that same group press release, it's
5 reiterated, "The Board's new requirement ensures schools
6 that want lead testing can receive it for free."

7 So, Water Board got right then.

8 And then the Water Board got it right again in 2018
9 when they commented on the test claim and they said, "An
10 important element of the lead testing in schools
11 programs is that the requesting schools receive the lead
12 testing at no charge."

13 That's how the Water Board interpreted the permit
14 amendment then, that's how everyone interpreted it.

15 So I think the Commission has it right in giving
16 all of that evidence much more weight than the newly
17 submitted evidence from the Water Board stating the
18 Water Board's intent eight years later.

19 That's all I have.

20 CHAIRPERSON PERRAULT: Thank you so much, Mr. King.

21 Ms. Munoz from the Department of Finance, do you
22 have any comments?

23 MS. MUNOZ: Yes. The Department of Finance concurs
24 with staff's recommendation for the adoption of the
25 proposed decision.

1 CHAIRPERSON PERRAULT: Thank you very much.

2 Mr. Rice from the State Water Resources Control
3 Board and State Water Resources Control Board, Division
4 of Drinking Water, do you have any comments?

5 MR. RICE: I do. Thank you so much.

6 Good morning members of the Commission. My name is
7 David Rice. And I'm an attorney with the State Water
8 Resources Control Board.

9 And thank you so much for the opportunity to
10 address you this morning, especially since we're all
11 here in this nice intimate setting.

12 This has certainly been a long road.

13 And I want to commend the Commission staff on their
14 consistently excellent work on this matter.

15 Although the State Board doesn't agree with the
16 conclusion of the proposed decision, I appreciate the
17 Commission staff's consideration of our comments and as
18 always, very thoughtful analysis.

19 You know, I actually remember when this test claim
20 was filed in 2018. I had only been assigned to the
21 Division of Drinking Water for about two months. And
22 prior to that I had served as the sole attorney for the
23 Santa Ana Regional Water Quality Control Board for about
24 ten years. In that capacity, I had been involved in
25 several test claims challenging storm water permits.

1 And actually when I moved over into the Division of
2 Drinking Water, I thought my mandates work was done.
3 But that was not the case.

4 So when this test claim was filed in 2018, and it
5 was assigned to me, I immediately called Kurt Souza.
6 You may recognize his name because he testified during
7 the first Commission hearing on this matter back in, I
8 don't even know when that was, back in 2019. Somewhere
9 around there.

10 So I immediately called him because at the time he
11 was the most senior assistant deputy director of the
12 Division of Drinking Water. And I recall that he was
13 just completely surprised that the City of San Diego was
14 claiming they that they couldn't pay for these charges.

15 And I recall him saying something to the effect of
16 "This has just got to be budget dust. I mean, what is
17 really the big deal?"

18 And it turns out he was kind of right, because
19 according to the proposed decision, the City's cost of
20 compliance is about \$400,000.

21 And when you compare that with its budget for the
22 water enterprise facility, it is less than 1/1000th of a
23 percent.

24 I want to get that right. Less than 1/1000th of a
25 percent of the City's annual budget.

1 But more importantly when you spread that cost out
2 among all the customers, 1.3 million customers, you are
3 talking about 40 cents per customer.

4 And it is this small fee, or more specifically who
5 can pay this 40-cent fee, that forms the only
6 disagreement that the State Water Board has with this
7 decision.

8 But obviously that is the real issue here. Who
9 gets to pay that fee? Who's allowed to pay that fee,
10 that 40-cent fee?

11 The State Board agrees with the proposed decision
12 that if the City could charge all customers the same
13 40-cent fee, that for the -- including the schools
14 receiving lead testing, that the City would have fee
15 authority and the test claim would be rejected.

16 But the proposed decision concludes that the test
17 claim order itself -- not the law, but the test claim
18 order itself -- prohibits the City from charging the
19 schools that 40-cent fee and therefore there's no fee
20 authority.

21 The State Board disagrees with that interpretation
22 and respectfully submits that the more reasonable
23 interpretation of the State Board's own order is that
24 the City can charge the school the same 40-cent fee as
25 all other customers to cover the cost of compliance for

1 the test claim order.

2 So let's take a look at the plain language of the
3 test claim order.

4 To summarize, the relevant portion of the order --
5 which is in Section 5 of the directives -- the test
6 claim order requires the community water system cover
7 all costs associated with complying with the order.

8 And it does say "all costs." Community water
9 system must cover all costs.

10 School testing, lab analysis, staff time,
11 et cetera. And it is the use of this word "all" that
12 the proposed decision really relies on to reach its
13 conclusion. According to the decision, "all" means all.

14 And so, not only is the City prohibited from
15 charging a separate fee, but the City can't even ask the
16 schools to pay the same 40 cents as everybody else.

17 The State Water Board has never interpreted this
18 language so narrowly.

19 The language in question only states that the
20 community water system must pay for, but does not
21 identify what revenues the City can use to pay for cost
22 of compliance.

23 How is the community water system supposed to pay
24 for these costs?

25 I submit the City can use the same revenues it uses

1 to pay for most of its operations, the regular monthly
2 fees that customers, including the schools, pay.
3 Nothing in the test claim language nor the guidance
4 documents, or the press releases, says the City cannot
5 use its regular customer revenues to pay for the cost of
6 compliance.

7 And given the small amount of money we're talking
8 about, this isn't surprising.

9 I think the underlying assumption, and frankly this
10 kind of explains why the State Board used the term
11 "free," is that they would just use their regular rates.
12 It was the entire purpose of that language was that so
13 the community water system in the City wouldn't shift
14 the burden to the schools, which could have been several
15 thousands of dollars.

16 I don't think anybody was thinking about, like, an
17 increase of 40 cents. Or what would have been 40 cents.

18 And so that's why the term was used "free," or "at
19 no charge," because on a relative basis in reality it
20 really is "free" and "no charge."

21 So -- and my guess is this is kind of what happened
22 here. And what had had happened in response to the
23 other 1,100-plus lead testing permits amendments issued
24 to other public water systems. They just used the
25 regular rates, including those submitted by the schools,

1 and paid for the cost of compliance.

2 So not only is this the more reasonable
3 interpretation, but it's consistent with the intent of
4 the language as stated in declaration of Darrin
5 Polhemus, the deputy director of the Division of
6 Drinking Water, which was submitted along with the --
7 our comment letter.

8 In his declaration, Mr. Polhemus provided the
9 purposes and intent of the test claim language was to
10 prevent the City from issuing a separate fee to the
11 schools receiving testing.

12 Again, it could have been \$1,000. What that would
13 have done is it would have chilled the desire of the
14 schools to actually receive testing.

15 But it was not, and I quote directly from the
16 declaration, "... intended to nor drafted in a manner to
17 exempt a school from paying all normal rates, including
18 any incremental charge associated with the cost of
19 complying with the Permit Amendment requirements."

20 Again, the intent was just to prohibit the
21 community water system from shifting the burden of costs
22 from the community water system itself to those
23 particular schools. It didn't at all speak to how to
24 use those existing rates and revenues that everybody
25 pays.

1 And I think it's worth mentioning, as far as I can
2 tell from the filings, the City never argued that the
3 schools receiving testing may not need to pay the same
4 40-cent charge of other customers.

5 This may be because the City was focused on
6 different arguments. Or as I suspect, maybe because not
7 even the City interpreted the language to prohibit it
8 from spreading the cost equally among other customers.

9 So, in conclusion, the State Water Board submits
10 that when considering the language of the test claim
11 order, the intent behind the language in question, and
12 the underlying factual context, the most reasonable
13 conclusion the test claim order does not prohibit the
14 City from spreading the cost equally amongst all rate
15 payers, including the schools receiving testing.

16 The State Water Board respectfully requests that
17 the Commission reject the test claim on the basis that
18 the City has fee authority under Government Code Section
19 17556(d).

20 And I'm happy to answer any questions.

21 And thank you for your time.

22 CHAIRPERSON PERRAULT: Thank you.

23 And are there any public comments on this item?

24 MR. SUPACHANA: Madam Chair, I do not see any
25 online public comments.

1 CHAIRPERSON PERRAULT: Okay. And I don't have any
2 here in the room.

3 So with that, I will bring it back to Commission
4 members.

5 Are there questions or further conversation,
6 discussion, from Commission members on this item?

7 MEMBER PAHLAND: I have -- I have a question.

8 Sir, with your argument, it boils down to "all"
9 doesn't mean "all" at the end of the day; right?

10 I mean, you're saying "all" doesn't mean a
11 de minimis amount; that should be acceptable.

12 But shouldn't any contract, order, statute, simply
13 follow the plain language used to create that contract,
14 statute, order, et cetera?

15 And so wouldn't, then, "all" be taken at face value
16 and wouldn't that support the Commission staff's
17 opinion?

18 MR. RICE: I think it does. I think that's a
19 plausible interpretation.

20 But I think given the context, the intent of the
21 language, the way that I think everybody's interpreted
22 the language and the way that I think it's played out in
23 the real word, in just a very, very small amount, that
24 it's -- it's more reasonable that what was meant by the
25 language was that the cost wouldn't be shifted directly

1 to schools. But that everybody could -- could -- could
2 equally share in the -- in the cost of compliance.

3 MEMBER PAHLAND: Sure. But were that the case,
4 then, couldn't a word other than "all" have been used?
5 Or a phrase other than "all" if the intent was truly to
6 require de minimis costs be passed along? That could
7 have been drafted into the language, but, you know,
8 intentionally it wasn't.

9 MR. RICE: Yeah, well, I don't think -- I don't
10 think that it was intent.

11 I -- I don't -- it -- certainly the language was --
12 it could have been drafted better.

13 But, it does -- but I don't think that that leads
14 to the conclusion that the proposed decision reaches to
15 be the most reasonable reading of that language.

16 Could the language have been better? Absolutely.

17 But I think at the time what we were concerned with
18 was really just shifting the burden of, you know, as I
19 explained, of several thousands of dollars. And that at
20 the time, the intent had nothing to do -- you know, I
21 don't think anybody, frankly, was even thinking about
22 the possibility that, you know, 40 cents or a dollar,
23 whatever it is, couldn't be shared equally by everybody.

24 MEMBER PAHLAND: So, I don't intend to put words in
25 your mouth, but I think what I'm hearing is: The plain

1 language of the words used would support the
2 Commission's opinion, but you're seeking, you know, kind
3 of collateral sources to, you know, argue for a
4 different intent and therefore, a result different
5 than -- excuse me -- the proposed decision.

6 MR. RICE: I think that the language is a little
7 bit ambiguous. So I think when "all" means "all," I
8 think within the context of the -- I think in the
9 context of the way the fees are actually distributed,
10 and the way that things are paid for and the legis --
11 and that the intent, as identified by the deputy
12 director, that while the Commission's conclusion is
13 plausible, I just don't think that it is the most
14 reasonable read of what that language really means.

15 MEMBER PAHLAND: No further questions from me.

16 CHAIRPERSON PERRAULT: Okay.

17 Is there any other additional questions from the
18 Commission members?

19 Yes, Mr. Adams.

20 MEMBER ADAMS: Chair, just a comment, I was on the
21 Commission when we first decided this. And we had
22 talked about whether this was a mandate or not, because
23 the City decided to go into the water business but was
24 not mandated.

25 And I just find the whole concept of, you know,

1 "legally compelled" and "practically compelled" very,
2 very interesting, and when that shifts for local
3 government to make that argument.

4 So, this is a fascinating subject.

5 Thanks.

6 CHAIRPERSON PERRAULT: Thank you.

7 All right. Other comments?

8 Okay. So, seeing none, would you -- is there -- is
9 there a motion?

10 MEMBER ADAMS: Madam Chair, I would move that we
11 adopt staff's recommendation.

12 CHAIRPERSON PERRAULT: Okay. We have a motion by
13 Mr. Adams.

14 Is there a second?

15 MEMBER GREENE ROSS: Second.

16 CHAIRPERSON PERRAULT: Second by Ms. Greene Ross.
17 May we please have a roll call.

18 MS. GMUR: Mr. Adams.

19 MEMBER ADAMS: Aye.

20 MS. GMUR: Ms. Gallegos.

21 MEMBER GALLEGOS: Aye.

22 MS. GMUR: Ms. Greene Ross.

23 MEMBER GREENE ROSS: Aye.

24 MS. GMUR: Ms. Nash.

25 MEMBER NASH: Aye.

1 MS. GMUR: Mr. Pahland.

2 MEMBER PAHLAND: Aye.

3 MS. GMUR: Ms. Perrault.

4 CHAIRPERSON PERRAULT: Aye.

5 MS. GMUR: Mr. Read.

6 MEMBER READ: Aye.

7 MS. GMUR: We now ask the presenters participating

8 remotely for Item 2, to please turn off their video and

9 mute their microphone. And those presenting in person,

10 please return to your seat.

11 CHAIRPERSON PERRAULT: Thank you.

12 I apologize for the small pause, but my computer

13 has just informed me that it's going to update itself.

14 And I have no choice, but it's going to shut down in

15 five minutes.

16 So I'm wondering if I should either move or if I

17 can get it to restart now and take a short break.

18 MEMBER PAHLAND: I would take a recess.

19 CHAIRPERSON PERRAULT: Okay. So let's -- if we

20 could do that before we move to Item 3, I will force it

21 to do it now.

22 These are always untimely I feel like.

23 MS. GMUR: Yes.

24 CHAIRPERSON PERRAULT: We will take a short recess

25 at 10:33. Probably five minutes. Hopefully it doesn't

1 need that many updates. And then we will be back
2 online.

3 (Brief interruption in proceedings.)

4 CHAIRPERSON PERRAULT: All right. Thank you so
5 much. I -- I appreciate everybody's patience. When
6 technology tells you it's going to do something, I guess
7 sometimes you're just forced to listen. So luckily it
8 was a quick update to the computer and we're going to go
9 ahead and resume our -- our meeting here at 10:39.

10 And we're going to go ahead and move on now to
11 Item 3.

12 MS. GMUR: Very good.

13 Chief Legal Counsel Camille Shelton will please
14 present a proposed decision and parameters and
15 guidelines on California Regional Water Quality Control
16 Board, San Francisco Bay Region, order number
17 R2-2009-0074, 10-TC-02, 10-TC-03, and 10-TC-05.

18 At this time, we invite the parties and witnesses
19 for Item 3 participating remotely to please turn on your
20 video and unmute your microphone.

21 MS. SHELTON: Good morning.

22 These parameters and guidelines address the State
23 mandated activities required by the 2009 Storm Water
24 Permit issued by the San Francisco Bay Regional Water
25 Quality Control Board.

1 The Commission partially approved the test claim at
2 the January hearing for costs incurred to perform the
3 mandated activities from December 1st, 2009, through
4 December 31st, 2017.

5 Draft expedited parameters and guidelines were
6 issued in January and no comments were filed.

7 Staff recommends that the Commission adopt the
8 proposed decision and parameters and guidelines and
9 authorize staff to make any technical, non-substantive
10 edits following the hearing.

11 CHAIRPERSON PERRAULT: Thank you so much.

12 Would the parties and witnesses please state your
13 name for the record.

14 MR. NEWMARK: Gregory Newmark for the claimant City
15 of Dublin, Cities of Union City and the Alameda
16 Countywide Clean Water Program.

17 CHAIRPERSON PERRAULT: Thank you.

18 MS. FEREBEE: Donna Ferebee, Department of Finance.

19 CHAIRPERSON PERRAULT: Thank you, Donna.

20 And do we have anybody from State -- State Water
21 Resources?

22 MS. GMUR: No.

23 CHAIRPERSON PERRAULT: No. All right.

24 MS. GMUR: She has not arrived.

25 CHAIRPERSON PERRAULT: Okay. All right. Thank

1 you.

2 Then we'll go ahead and move, Mr. Newmark, for the
3 claimant, City of Dublin, would you like to begin?

4 MR. NEWMARK: We didn't submit any comments.

5 We support the staff's recommendation and I just
6 would like to express the program and my clients'
7 appreciation for Commission staff's moving these forward
8 so quickly.

9 So, thank you, Commission staff, for the hard and
10 expeditious work.

11 CHAIRPERSON PERRAULT: Thank you.

12 Ms. Ferebee from the Department of Finance, do you
13 have any further comments?

14 MS. FEREBEE: Hi, thank you. I would also say
15 thank you to the Commission staff as well.

16 And as to this matter, finance has no comments to
17 add. Thank you.

18 CHAIRPERSON PERRAULT: Thank you.

19 Are there any public comments on this item?

20 MR. SUPACHANA: Madam Chair, I do not see any
21 online public comments.

22 CHAIRPERSON PERRAULT: Okay. Thank you. And it
23 appears we have none in the room, so I'll bring it back
24 to the Commission members.

25 Are there any questions or further conversations

1 from Commission members on this item?

2 No. Okay. All right. Well, with that, is there a
3 motion either to adopt staff recommendations or
4 otherwise?

5 MEMBER GREENE ROSS: I move to adopt.

6 CHAIRPERSON PERRAULT: Moved by Ms. Green Ross.

7 Is there a second?

8 MEMBER NASH: Second.

9 CHAIRPERSON PERRAULT: Second by Ms. Nash.

10 If we could please have a roll call.

11 MS. GMUR: Mr. Adams.

12 MEMBER ADAMS: Aye.

13 MS. GMUR: Ms. Gallegos.

14 MEMBER GALLEGOS: Aye.

15 MS. GMUR: Ms. Greene Ross.

16 MEMBER GREENE ROSS: Aye.

17 MS. GMUR: Ms. Nash.

18 MEMBER NASH: Aye.

19 MS. GMUR: Mr. Pahland.

20 MEMBER PAHLAND: Aye.

21 MS. GMUR: Ms. Perrault.

22 CHAIRPERSON PERRAULT: Aye.

23 MS. GMUR: Mr. Read.

24 MEMBER READ: Aye.

25 CHAIRPERSON PERRAULT: Great. That motion carries.

1 MS. GMUR: We now ask the presenters participating
2 remotely for Item 3 to please turn off their video and
3 mute their microphones.

4 Next, program analyst Jill Magee will please
5 present Item 5, the legislative update.

6 MS. MAGEE: Good morning.

7 The following are the legislative updates since the
8 last time the Commission met.

9 First, SB 799 State government: local costs.

10 SB 799 was introduced by Senator Allen.

11 This bill amends Government Code Section 17552 to
12 include non-substantive changes. On March 12th, 2025,
13 this bill was referred to the Senate Rules Committee.

14 Next, AB 964, Commission on State Mandates:
15 state mandates.

16 AB 964 was introduced by Assembly Member Hadwick.
17 This bill amends Government Code Section 17558.5.

18 This bill would require the controller to notify
19 the claimant in writing within 30 days of any adjustment
20 that results from an audit or review and require the
21 Controller, at its sole election, to allow a local
22 agency or school district to offset any reduced
23 reimbursement as prescribed or to remit funds to the
24 Controller.

25 On March 10th, 2025, this bill was referred to the

1 assembly committees on local government and education.

2 Next, AB 1452, State Mandates: claims.

3 AB 1452 was introduced by Assembly Member Ta.

4 This bill amends Government Code Section 17654.

5 This bill would change the minimum claim amount that
6 requires the State to reimburse a local government from
7 \$1,000 to \$800.

8 On March 13th, 2025, this bill was referred to the
9 assembly committee on local government.

10 Finally, SB 470, Bagley-Keene Open Meeting Act:
11 teleconferencing.

12 SB 470 was introduced by Senator Laird.

13 This bill amends Government Code Section 11123.2
14 and amends and repeals section 11123.5.

15 The act authorizes a multimember state body,
16 advisory body, to hold an open meeting by teleconference
17 pursuant to specified requirements.

18 Existing law repeals these provisions on
19 January 1st, 2026.

20 This bill would delete the January 1st, 2026,
21 repeal date, thereby authorizing the alternative set of
22 teleconferencing provisions for multimember state
23 advisory bodies indefinitely.

24 On March 12th, 2025, this bill was set for hearing
25 in the Senate Committee on Governmental Organization and

1 on March 25th, 2025, it passed and was re-referred to
2 the Senate Judiciary Committee.

3 Staff will continue to monitor legislation for
4 bills that impact the mandates process.

5 Thank you.

6 CHAIRPERSON PERRAULT: Thank you.

7 MS. GMUR: Thank you, Jill.

8 Next, Chief Legal Counsel Camille Shelton will
9 please present Item 6, the Chief Legal Counsel report.

10 MS. SHELTON: Good morning. The Commission is not
11 involved in any pending litigation so I don't have any
12 updates for you today.

13 CHAIRPERSON PERRAULT: Okay. Thank you, Camille.

14 MS. GMUR: Item 7 is the Executive Director report
15 and I have five information items for the Commission.

16 First, new Commission staff. Senior Commission
17 Counsel, Laura Dougherty, please come to the table.

18 I am pleased to introduce Laura Dougherty, who
19 recently joined Commission staff as the Senior
20 Commission Counsel, Attorney IV.

21 Ms. Dougherty brings over 16 years of experience as
22 a practicing attorney. In her most recent role at
23 Howard Jarvis Taxpayers Foundation, she advanced from
24 Senior Staff Counsel to Director of Legal Affairs where
25 her practice focused on constitutional law and

1 government finance.

2 She's argued in both state and federal trial and
3 appellate courts, as well as drafted amicus briefs and
4 petitioned for review to the California Supreme Court
5 and two petitions for writ of certiorari to the US
6 Supreme Court.

7 Ms. Dougherty graduated from McGeorge School of Law
8 with honors. During her studies in law school she found
9 a passion for legal research. She has a Bachelor of
10 Arts in the French Language.

11 Ms. Dougherty started with the Commission on
12 February 13th, 2025.

13 Welcome to the Commission, Laura.

14 And thank you for joining us this morning.

15 MS. DOUGHERTY: Thank you, Juliana.

16 MEMBER ADAMS: Bonjour.

17 MEMBER PAHLAND: Bonjour.

18 MS. DOUGHERTY: Bonjour, everyone. Thank you for
19 making me blush. That was a very thoughtful
20 introduction.

21 It's been wonderful meeting everyone and it's
22 wonderful continuing to meeting everyone. I'm looking
23 forward to many years of service. Thank you.

24 CHAIRPERSON PERRAULT: Thank you.

25 MS. GMUR: Item 2, the Commission's 2025-2026

1 budget. The governor introduced his proposed 2025-2026
2 budget on January 10, which includes the Commission's
3 operating budget of \$3.438 million. This is a decrease
4 of \$124,000 from the last budget after adjustments for
5 salaries and benefits.

6 The governor's budget also includes \$91.456 million
7 for Local Assistance or local agency mandated programs.
8 This is a decrease of \$40.771 million.

9 Please see my report for more detailed information.

10 We have a regulations update. The subject of our
11 2025 rule making will be a full review and update of the
12 Commission's regulations.

13 Staff has prepared draft proposed amendments, which
14 will be reviewed and discussed with local and state
15 agencies at an informal conference which will be set in
16 April.

17 After reviewing the informal conference feedback
18 and making any necessary changes, staff will have the
19 proposed language and the order to initiate rule making,
20 rule package, for the Commission's consideration at the
21 May hearing.

22 Workload. As of March 1, 2025, there are 37
23 pending test claims, 32 of which are regarding storm
24 water NPDES permits.

25 There are four parameters and guidelines, four

1 statewide cost estimates, and one IRC pending.

2 Tentative agenda items.

3 A reminder to please check the tentative agenda
4 items on the Executive Director's report or use the
5 pending caseload documents on the Commission's website,
6 which are updated at least bi-monthly to see when
7 something is tentatively set for hearing.

8 Draft proposed decisions on all test claims and IRC
9 matters are issued for review and comment at least eight
10 weeks prior to the hearing date and a proposed decision
11 approximately two weeks before the hearing.

12 That's all I have, Madam Chair.

13 CHAIRPERSON PERRAULT: Thank you so much.

14 Okay. Any comments or questions from the
15 Commission on any of the reports? Okay.

16 Well, we will go ahead now and move into and recess
17 to closed session.

18 The Commission will meet in a closed executive
19 session pursuant to Government Code Section 11126(e) to
20 confer with and receive advice from legal counsel for
21 consideration and action as necessary and appropriate
22 upon the pending litigation listed on the published
23 notice and agenda and to confer with and receive advice
24 from legal counsel regarding potential litigation.

25 The Commission will also confer on personnel

1 matters pursuant to Government Code Section 11126(a)(1)
2 and we will reconvene in open session in approximately
3 ten minutes.

4 Thank you.

5 (Closed session was held from
6 10:50 A.M. to 11:04 A.M.)

7 CHAIRPERSON PERRAULT: Okay. It's 11:04. The
8 Commission is going to go ahead and reconvene public
9 session.

10 The Commission met in closed executive session
11 pursuant to Government Code Section 11126(e) to confer
12 with and receive advice from legal counsel for
13 consideration and action as necessary and appropriate
14 upon the pending litigation listed on the published
15 notice and agenda.

16 And to confer with and receive advice from legal
17 counsel regarding potential litigation.

18 The Commission also conferred on personnel matters
19 pursuant to Government Code Section 11126(a)(1).

20 With no further business to discuss, I will go
21 ahead and entertain a motion to adjourn.

22 Is there a motion?

23 MEMBER NASH: So moved.

24 CHAIRPERSON PERRAULT: Moved by Ms. Nash.

25 Is there a second?

1 (Multiple speakers.)

2 CHAIRPERSON PERRAULT: Seconded by -- I'm going to
3 second it by Mr. Read. I will give him that one.

4 It's moved and seconded so -- to adjourn the
5 meeting.

6 So, Juliana, please call the roll.

7 MS. GMUR: Mr. Adams.

8 MEMBER ADAMS: Aye.

9 MS. GMUR: Ms. Gallegos.

10 MEMBER GALLEGOS: Aye.

11 MS. GMUR: Ms. Greene Ross.

12 MEMBER GREENE ROSS: Aye.

13 MS. GMUR: Ms. Nash.

14 MEMBER NASH: Aye.

15 MS. GMUR: Mr. Pahlant.

16 MEMBER PAHLANT: Aye.

17 MS. GMUR: Ms. Perrault.

18 CHAIRPERSON PERRAULT: Aye.

19 MS. GMUR: Mr. Read.

20 MEMBER READ: Aye.

21 CHAIRPERSON PERRAULT: All right. The motion
22 carries. The meeting is adjourned at 11:05.

23 Thank you so much.

24 (Proceedings concluded.)

25 ---o0o---

REPORTER'S CERTIFICATE

I, the undersigned, a Certified Shorthand Reporter of the State of California, do hereby certify:

That the foregoing proceedings were taken before me at the time and place herein set forth; that any witnesses in the foregoing proceedings, prior to testifying, were placed under oath; that a verbatim record of the proceedings was made by me using machine shorthand which was thereafter transcribed under my direction; further, that the foregoing is an accurate transcription thereof.

I further certify that I am neither financially interested in the action nor a relative or employee of any attorney or any of the parties.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of April 2025.



Connie J. Parchman
CSR No. 6137