WATER RESILIENCY FORUM Biz. Fed<u>Institute</u>

MARCH 24. 2023 • METROPOLITAN WATER DISTRICT

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We aim to convene **solution-focused** forums that deliver **of-the-moment intelligence**. It doesn't get timelier than our Water Resiliency Forum. As panel speakers were discussing this season's extreme weather - and how the deluge should trigger ramped-up efforts to address water supply, distribution, and infrastructure issues - Governor Gavin Newsom announced plans to lift certain drought measures ahead of more storms.

But is the historic mega-drought actually over in California? Our keynote speaker Adel Hagekhalil, General Manager and CEO of the Metropolitan Water District, answered with a resounding "no." He coined a new phrase for what we're now experiencing: "climate whiplash." Read on for key takeaways from Adel, other featured speakers and panelists, and our Water Flash Poll. Experts, lawmakers, maps, and data charts are all saying the same thing in different ways - more rain doesn't mean less urgency to fix how we capture, store, use, and talk about water in California.

Kevin Harbour

BizFed Institute President

Kevin Harlan



NEW FORUM FEATURE

WE STREAMED THIS LIVE ON FACEBOOK WATCH THE REPLAY: rb.gy/x1sz

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A big part of our success over the years has been working with the business community.

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-HEATHER REPENNING, METROPOLITAN WATER DISTRICT

Heather Repenning, Executive Officer for Sustainability Policy at the Los Angeles County Metropolitan Authority (Metro) and Vice Chair of Climate Action on the Metropolitan Water District (MWD) Board of Directors, kicked off our forum by emphasizing the importance of aligning various agencies, jurisdictions, and private sector partners around shared goals. Together, we have a better shot of securing adequate funding and delivering strategic water investments. She also called on the region to embrace beneficial uses of wastewater and reduce usage for nonfunctional turf.

"It's not easy, but it's possible," Heather told attendees. "A big part of our success over the years has been working with the business community."

Storage challenges and extreme weather driven by climate change are rapidly placing new demands on existing – and aging – infrastructure, she said. Over the next decade, MWD will spend \$3.2 billion on **updating water infrastructure**. Private sector partners, big and small, can expect these dollars to create more opportunities for the broad business community. Water district leaders signed the "Equity in Infrastructure" pledge in 2022 as part of their ongoing efforts to create more **inclusive procurement** opportunities. We thank Heather for spotlighting paths toward climate resiliency that are paved by more Californians, for more Californians.







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A lot of us are willing to go buy water at the airport for \$4 – but we're not willing to drink water from the tap.

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-ADEL HAGEKHALIL, METROPOLITAN WATER DISTRICT



Adel Hagekhalil, General Manager and CEO of the Metropolitan Water District (MWD), is a man on a mission - and he's mobilizing all of us to help coordinate, innovate, and educate with him.

"This is the job of my life," he told forum attendees in his keynote remarks. "I was put in this place because we need some new thinking to put things into place."

Adel asked, by a show of hands, how many people in attendance felt water is critical to society and public health. Every hand in the room shot up. He asked a follow-up question: "How many of you are willing to pay extra for water?" At least a dozen hands went down immediately. More followed as people chuckled and glanced around the room. We shouldn't have to pay exorbitant fees for water. Governor Edmund Brown signed AB 685 in 2012, making California the first state in the nation to legislatively recognize the **human right to safe, clean, accessible, and affordable water**. More than a decade later, the state has yet to make good on that promise – and low-income Californians, especially in rural communities, are bearing the brunt of soaring water costs.

But misguided public perception about the cleanliness of tap water in most communities remains an issue. **Adán Ortega**, Chair of the MWD Board of Directors, discussed the reluctance of some Californians to drink tap water during last year's Water & Climate Resiliency Forum. This year, Adel noted how "a lot of us are willing to go buy water at the airport for \$4 – but we're not willing to drink water from the tap." That's washing money down the drain, at least in MWD's distribution region covering portions of Los Angeles, Orange, San Diego, Riverside, San Bernardino, and Ventura counties, Adel said. Before MWD-treated water pours from a tap, it passes through one of five water treatment plants, which disinfect more than 2 billion gallons of water daily with a five-step process. All MWD facilities use ozone as a primary disinfectant, which kills protozoa and viruses such as SARS-CoV-2.

Adel also addressed misconceptions about the current state of California's historic drought. He said FOX11 reporter Hal Eisner asked him a question on many Californians' minds the day before BizFed Institute's Water Resiliency Forum: "Is the drought over?" No, Adel responded; we're experiencing "climate whiplash." He urged Californians to embrace conservation as a way of life, rather than an emergency measure. He also pointed to progressive design-build models as a more efficient alternative to traditional design-bid-build methods of project delivery. Finally, he told business leaders to lean in with him and create more green jobs.

"I'd love to work with everyone on creating the workforce of the future," Adel said.

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Water Flash Poll Takeaways

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A total of **67 professionals** from **19 industries** shared their perspectives on California's water crisis and strategies to increase drought resiliency. Poll participants shared a plethora of potential solutions to stretch the state's available water supply to better serve all communities through periods of imbalanced precipitation. Poll findings confirm and underscore our hypothesis that most Californians believe a combination of solutions, rather than aggressive conservation alone, is necessary to comprehensively address the long-term impacts of worsening climate whiplash.

We conduct a "Flash Poll" ahead of each of our forums to gather data quick-takes from our diverse network of business and civic leaders on specific issues. This time, our timely topic impacting all Californians generated more than three times as many responses as our last poll. Respondents made it clear that California's well of existing water strategies is running dry, even as record rainfall prompts the lifting of voluntary water conservation targets issued in 2021.

Most respondents do not feel water use restrictions alone are an effective long-term solution.

51%	36% HAVE MINIMAL IMPACT ON THE PROBLEM	30% HELP ALLEVIATE THE PROBLEM ONLY IN THE SHORT TERM	25% GET PEOPLE TO PAY ATTENTION
ONLY BE HELPFUL IF COMBINED WITH OTHER INITIATIVES	21% Enable our water supply to be sustainable for the future	9% Have no impact on the problem	7% Help significantly to alleviate the problem

Poll respondents have little confidence in past management of water supply issues, with more than two-thirds saying California should have had "more effective plans in place by now." Only 2% of respondents believe our water crisis is "mainly a supply problem."



When asked to highlight overlooked solutions, respondents proposed the following:

- Desalination.
- Expediting new technology with the help of private sector partners (including big tech leaders) and academia.
- Increased conservation among entities with old water rights.
- Embracing solutions that are working in other countries.
- Increased investment in storage and flow control measures.
- Significant decreases in water usage labeled "environmental."
- Using nuclear and gas plants to power desalinization, reducing future water and energy costs.
- Developing underground rainwater capture and storage technology for homes and businesses.

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Top controllable factors identified by poll respondents as root causes of water challenges include:

- Insufficient investments in infrastructure 58%
- Misguided action by government and public agencies 49%
- Inaction by government and public agencies 48%
- Growth-focused policies 43%
- Insufficient conservation efforts 30%
- Issues relating to climate change 22%



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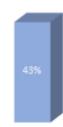
Insufficient focus on infrastructure and sustainable practices



Misguided action by government and public agencies



Inaction by government and public agencies



Growth-focused policies that did not factor in water conservation



Insufficient conservation efforts



Issues relating to climate change



We're not getting our fair share of the Colorado River water allocation



Other



Poll respondents were asked to rank a list of obstacles as "major," "minor," and "insignificant" in preventing the resolution of water resiliency issues. Findings spotlight the need for improved stormwater capture, cooperation between various levels of government and water agencies, and more infrastructure funding.

Response	Major Obstacle	Minor Obstacle	Insignificant Obstacle
No comprehensive stormwater capture system in place	85%	14%	2%
Inability of states, municipalities and local water agencies to reach agreement	73%	25%	2%
Inconsistent supply and increasing demand	69%	26%	5%
Money and other resources needed to fix aging infrastructure (including the water supply system)	61%	27%	12%
Possibility of significant decrease in allocation of Colorado River water	55%	35%	10%
Moving water over great distances to meet demand	52%	38%	10%
The high demand on water supplies by agriculture and farming	38%	40%	22%
Environmental concerns relating to getting water to cities and farms	38%	44%	18%
Excessive groundwater pumping especially in the Central and San Joaquin Valleys	37%	47%	17%

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PANEL 1: Smart Water Management

Moderated by Randall Martinez, Cordoba Corporation

Panelists:

Sabrina Tsui, Los Angeles Department of Water and Power Carolina Hernandez, Los Angeles County Department of Public Works Scott Houston, West Basin Municipal Water District Heather Cooley, Pacific Institute



- Los Angeles County has seen nearly 26 inches of rainfall this stormwater season. That's 93 billion gallons of water enough to fill 1,100 Rose Bowls of sustain 2.3 million people for one year! But it's still not enough for the region to ease up on conservation and investments in storage.
- Long-term water goals for the region must include stretching our available supply; ensuring infrastructure has longevity by investing in strategic repairs and sediment removal; and heeding new climate research so we're better positioned to plan ahead.
- Southern California water districts must do more than diversify water supplies. The region also needs increased operational flexibility so those supplies can easily be moved to communities that need them, especially during emergencies such as major earthquakes.
- Wildfires have contributed to sediment build-up behind reservoirs, displacing water that could
 have filled that space. The Los Angeles County Department of Public Works is investing heavily to
 clean it up. Removing 15 million cubic yards of debris and mud from five reservoirs and hauling it
 across the foothills will cost the count \$550 million over the next decade.
- An estimated 1 million Californians don't have access to safe, clean drinking water. An even larger number can't afford basic water service. We can't just think about averages when we examine water challenges; we have to look at extremes.
- A Pacific Institute study found that urban water use could be reduced by 30% to 48% if we made better use of existing technologies and recommended practices. These include fixing leaks, replacing inefficient appliances, and switching from lawns to plants better suited to dry climates.

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PANEL 2: Future of Water Innovation

Moderated by Liz Crosson, Metropolitan Water District

Panelists:

Cristina Ahmadpour, Isle Lee Odell, ATEC Water Filters Mark Grey, Building Industry Association of Southern California Robert Sausedo, Community Build & Groundswell



- We'll see results if we incentivize conservation at the household and building levels with multibenefit solutions including expanded landscape rebates, turf rebates, and stormwater capture programs.
- Investing in programs to better monitor, treat, and remove PFAS is critical to our supply. PFAS refers to "per- and polyfluoroalkyl substances," a large and complex group of synthetic chemicals that have been used in everyday consumer products around the world for decades.
- New water programs shouldn't be overly ambitious and seek to achieve too many goals. A program like LA County's Safe Clean Water Program focuses primarily on improving water quality and protecting public health. That should be it, cautioned county water leaders. Developing ways to reliably measure the performance of water programs is vitally important to ensuring success.
- The California Green Building Standards Code "CalGreen" triggered improvements in residential fixtures. The first-in-nation state-mandated green building code was adopted to address five areas of building construction; water efficiency and conservation, planning and design, energy efficiency, material conservation, and environmental quality.
- A typical data center uses 3 to 5 million gallons of water daily the same amount of water used by a city of 30,000 to 50,000 people. Water districts can partner with big tech to help communicate the value of water to a broader audience. Companies will maximize reuse technologies most effectively by collaborating with water providers and districts.
- Are rocks our "new friend" in LA? Swapping out plants for rocks in landscaping may help reduce outdoor water use.

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We'd like to conclude by thanking Sarah Wiltfong, BizFed Director of Advocacy & Policy and leader of BizFed's Water Committee, for delivering closing remarks that succinctly captured salient points from this forum. One of her favorite quotes from keynote speaker Adel Hagekhalil was also transcribed on many of our notepads: "Crisis is the mother of innovation." California is, indeed, in the throes of a historic water crisis. We're grateful for the leadership of public and private sector innovators who are working hard to advance new technologies, programs, and policies to create a more resilient tomorrow.



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