



AGENDA

MEETING OF THE BOARD OF DIRECTORS

**WEDNESDAY, MARCH 19, 2014
10:00 A.M.**

**INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS
6075 KIMBALL AVENUE, BUILDING A
CHINO, CALIFORNIA 91708**

CALL TO ORDER **OF THE INLAND EMPIRE UTILITIES AGENCY BOARD OF DIRECTORS MEETING**

FLAG SALUTE

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to complete and submit to the Board Secretary a "Request to Speak" form which are available on the table in the Board Room. Comments will be limited to five minutes per speaker. Thank you.

ADDITIONS TO THE AGENDA

In accordance with Section 54954.2 of the Government Code (Brown Act), additions to the agenda require two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the agenda being posted.

NEW HIRE INTRODUCTION

Ms. Joanne Chan, Operations Supervisor – Hired on January 6, 2014 (Chander Letulle)

1. CONSENT CALENDAR

NOTICE: All matters listed under the Consent Calendar are considered to be routine and non-controversial and will be acted upon by the Board by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Board votes unless any Board members, staff or the public requests specific items be discussed and/or removed from the Consent Calendar for separate action.

A. **MINUTES**

The Board will be asked to approve the minutes from the February 19, Board meeting and March 5, 2014 Board Workshop.

B. **TREASURER'S REPORT ON GENERAL DISBURSEMENTS**

It is recommended that the Board approve the total disbursements for the month of January 2014 in the amount of \$11,938,271.02.

C. **ADOPTION OF RESOLUTION NO. 2014-3-2, APPROVING AN AMENDMENT TO THE 2013-2018 MEMORANDUM OF UNDERSTANDING FOR THE GENERAL UNIT EMPLOYEES**

It is recommended that the Board adopt Resolution No. 2014-3-2, approving an amendment to the 2013-2018 Memorandum of Understanding (MOU) for the General Unit Employees, by adopting a side letter of agreement.

D. **ADOPTION OF RESOLUTION NO. 2014-3-3, APPROVING AN AMENDMENT TO THE 2013-2018 MEMORANDUM OF UNDERSTANDING (MOU) FOR THE PROFESSIONAL UNIT EMPLOYEES**

It is recommended that the Board adopt Resolution No. 2014-3-3, approving an amendment to the 2013-2018 Memorandum of Understanding (MOU) for the Professional Unit Employees, by adopting a side letter of agreement.

E. **PROJECT ACCEPTANCE FOR THE RP-4 GRADING AND DRAINAGE IMPROVEMENTS, PHASE 3, AND RP-5 POND/DRAINAGE IMPROVEMENTS**

It is recommended that the Board:

1. Accept the work as performed by TED Enterprises, Inc. as complete under the construction contract for the RP-4 Grading and Drainage Improvements, Phase 3, Project No. EN12017 and RP-5 Pond/Drainage Improvements, Project No. EN12021; and
2. Authorize the General Manager to execute the Notice of Completion.

F. PROJECT ACCEPTANCE FOR THE WINEVILLE PROOF OF CONCEPT

It is recommended that the Board:

1. Accept the work as performed by Southern California Grading, as complete under the construction contract for the Wineville Proof of Concept, Project No. EN13031; and
2. Authorize the General Manager to execute the Notice of Completion.

G. PROJECT ACCEPTANCE FOR THE RP-1 PRIMARY CLARIFIER REHABILITATION 1-6

It is recommended that the Board:

1. Accept the work as performed by J.R. Filanc Construction Company, as complete under the construction contract for the RP-1 Primary Clarifier Rehabilitation 1-6, Project No. EN08023.05; and
2. Authorize the General Manager to execute the Notice of Completion.

H. PROJECT ACCEPTANCE FOR THE RP-2 GAS FLARE REPAIR

It is recommended that the Board:

1. Accept the work as performed by Morrow-Meadows Corporation, as complete under the construction contract for the RP-2 Gas Flare Repair, Project No. EN05050.04; and
2. Authorize the General Manager to execute the Notice of Completion.

I. NRG CALIFORNIA SOUTH, LP NRWS CAPACITY RIGHT LEASE AGREEMENT AMENDMENT

It is recommended that the Board:

1. Approve the NRG California South, LP Capacity Right Lease Agreement Amendment; and
2. Authorize the General Manager to execute the Amendment.

J. MASTER SERVICES CONTRACT AWARDS FOR CONDITION ASSESSMENT OF AGENCY'S PHYSICAL ASSETS

It is recommended that the Board:

1. Approve the award of Master Services Contracts to perform corrosion and condition assessment services for the Agency's physical assets for a total aggregate not-to-exceed amount of \$240,000 over a three-year period to the following:
 - Contract No. 4600001622 to HDR Engineering, Inc.
 - Contract No. 4600001616 to Lockwood, Andrews, & Newman, Inc.
 - Contract No. 4600001617 to Russell Corrosion Consultants, Inc.
 - Contract No. 4600001714 to V&A Consulting Engineering Inc.; and
2. Authorize the General Manager to execute the contract.

2. ACTION ITEMS

A. ENGINEERING DESIGN SERVICES CONTRACT AMENDMENT FOR THE 930-ZONE RECYCLED WATER PIPELINE, PROJECT NO. EN13023

It is recommended that the Board:

1. Approve the amendment to Agreement No. 4600000199 between IEUA and Stantec Consulting, Inc., for additional consulting services for the 930-Zone Recycled Water Pipeline, Project No. EN13023, for the not-to-exceed amount of \$121,698;
2. Approve a budget transfer for the 930-Zone Recycled Water Pipeline, Project No. EN13023, in the amount of \$600,000; and
3. Authorize the General Manager to execute the consultant contract amendments.

B. REGIONAL PLANT NO. 5 SOLIDS HANDLING FACILITY/RENEWABLE ENERGY EFFICIENCY PROJECT LEASE AMENDMENT

It is recommended that the Board:

1. Authorize an amendment to the lease with Environ Strategy Consultants, Inc. for lease payment and services associated with Regional Plant No. 5/Renewable Energy Efficiency Project; and
2. Authorize the General Manager to execute Lease Amendment No. 4600000646-002, including Assignment and Consent Agreement.

C. ENERGY SERVICE PROVIDER AGREEMENT

It is recommended that the Board:

1. Authorize the General Manager to extend the current agreement with Shell Energy North America (SENA) US, L.P. for one year to purchase 1.5 megawatts (MW) of electricity per hour at a variable rate;
2. Authorize the General Manager, during the same one-year period, to enter into an agreement with SENA US, L.P., if dictated by market conditions, to convert up to 1.5 megawatts (MW) of electricity per hour from the variable rate to a fixed price;
3. Authorize the General Manager to extend the current agreement with SENA US, L.P. for one year to purchase 200 MMBtu per day of natural gas at a variable rate; and
4. Authorize the General Manager, during the same one-year period, to enter into an agreement with SENA US, L.P., if dictated by market conditions, to convert up to 200 MMBtu per day of natural gas from the variable rate to a fixed price.

3. INFORMATION ITEMS

- A. ENGINEERING AND CONSTRUCTION MANAGEMENT FY 2013/14 MONTHLY UPDATE (POWERPOINT)
- B. RECYCLED WATER UPDATE (POWERPOINT)
- C. MWD UPDATE (ORAL)
- D. SCE INTER-CONNECTION UPDATE (ORAL)

RECEIVE AND FILE INFORMATION ITEMS

- E. TREASURER'S REPORT OF FINANCIAL AFFAIRS (WRITTEN/ POWERPOINT)
- F. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)
- G. LEGISLATIVE REPORT FROM INNOVATIVE FEDERAL STRATEGIES (WRITTEN)
- H. LEGISLATIVE REPORT FROM THE DOLPHIN GROUP (WRITTEN)
- I. LEGISLATIVE REPORT FROM AGRICULTURAL RESOURCES (WRITTEN)

- J. CALIFORNIA STRATEGIES, LLC MONTHLY ACTIVITY REPORT (WRITTEN)
- K. INTERNAL AUDIT DEPARTMENT QUARTERLY STATUS REPORT (WRITTEN)
- L. AGENCY VEHICLE OPERATIONAL AUDIT: REVIEW OF VEHICLE INVENTORY PROCEDURES (WRITTEN)
- M. AGENCY VEHICLE OPERATIONAL AUDIT: REVIEW OF AUTOMOBILE INSURANCE REQUIREMENTS
- N. AGENCY VEHICLE OPERATIONAL AUDIT: REVIEW OF VEHICLE SECURITY PROCEDURES (WRITTEN)
- O. UPPER SANTA ANA RIVER WATERSHED HABITAT CONSERVATION PLAN (POWERPOINT)

Materials related to an item on this agenda submitted to the Agency, after distribution of the agenda packet, are available for public inspection at the Agency's office located at 6075 Kimball Avenue, Chino, California during normal business hours.

- 4. AGENCY REPRESENTATIVES' REPORTS
 - A. SAWPA REPORT (WRITTEN)
 - B. MWD REPORT (WRITTEN)
 - C. REGIONAL SEWERAGE PROGRAM POLICY COMMITTEE REPORT
(March 6 meeting was cancelled. Next meeting scheduled April 3)
 - D. CHINO BASIN WATERMASTER REPORT (WRITTEN)
- 5. GENERAL MANAGER'S REPORT (WRITTEN)
- 6. BOARD OF DIRECTORS' REQUESTED FUTURE AGENDA ITEMS
- 7. DIRECTORS' COMMENTS
 - A. CONFERENCE REPORTS

This is the time and place for the Members of the Board to report on prescheduled Committee/District Representative Assignment meetings, which were held since the last regular Board meeting, and/or any other items of interest.

8. CLOSED SESSION

**A. PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a) –
CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

- 1) Chino Basin Municipal Water District vs. City of Chino, Case No. RCV51010
- 2) Martin vs. IEUA, Case No. CIVRS 1000767
- 3) Shields vs. IEUA, Case No. CIVRS 1301638
- 4) Desaddi vs. IEUA, Case No. CIVRS 1304617

**B. PURSUANT TO GOVERNMENT CODE SECTION 54956.9 –
CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Two (2) Cases

**C. PURSUANT TO GOVERNMENT CODE SECTION 54956.8 –
CONFERENCE WITH REAL PROPERTY NEGOTIATOR**

Property: RP-5 Solids Handling Facility
Negotiating Parties: General Manager P. Joseph Grindstaff
Under Negotiation: Price and Terms of Lease

**D. PURSUANT TO GOVERNMENT CODE SECTION 54956.8 –
CONFERENCE WITH REAL PROPERTY NEGOTIATOR**

Property: 117.509036, 34.076044 (Prologis Lagoon)
Negotiating Parties: General Manager P. Joseph Grindstaff
Under Negotiation: Price and Terms of Purchase

**E. PURSUANT TO GOVERNMENT CODE SECTION 54957.6 –
CONFERENCE WITH LABOR NEGOTIATOR**

Meet and Confer Negotiations:

- 1) Professional Unit
- 2) General Employees' Association
- 3) Supervisors' Unit
- 4) Operators' Association
- 5) Laboratory Unit

Negotiating Parties: Ms. Wanda R. Dorgan
Sinnott, Puebla, Campagne & Cruet

9. ADJOURN

*A Municipal Water District

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary (909) 993-1736, 48 hours prior to the scheduled meeting so that the Agency can make reasonable arrangements.

Proofed by: AKJ

Declaration of Posting

I, April Woodruff, Board Secretary of the Inland Empire Utilities Agency*, A Municipal Water District, hereby certify that a copy of this agenda has been posted by 5:30 p.m. at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA on Thursday, March 13, 2014.

for April Woodruff #853
April Woodruff

ACTION
ITEM


2C


Date: March 19, 2014


To: The Honorable Board of Directors

Through: Engineering, Operations, and Biosolids Management Committee
(03/12/14)

Finance, Legal, and Administration Committee (03/12/14)

From:  P. Joseph Grindstaff
General Manager

Submitted by: Chris Berch 
Executive Manager of Engineering/Assistant General Manager

Sylvie Lee 
Acting Manager of Planning and Environmental Compliance

Subject: Energy Service Provider Agreement

RECOMMENDATION

It is recommended that the Board of Directors:

1. Authorize the General Manager to extend the current agreement with Shell Energy North America (SENA) US, L.P. for one year to purchase 1.5 megawatts (MW) of electricity per hour at a variable rate;
2. Authorize the General Manager, during the same one-year period, to enter into an agreement with SENA US, L.P., if dictated by market conditions, to convert up to 1.5 megawatts (MW) of electricity per hour from the variable rate to a fixed price;
3. Authorize the General Manager to extend the current agreement with SENA US, L.P. for one year to purchase 200 MMBtu per day of natural gas at a variable rate; and
4. Authorize the General Manager, during the same one-year period, to enter into an agreement with SENA US, L.P., if dictated by market conditions, to convert up to 200 MMBtu per day of natural gas from the variable rate to a fixed price.

BACKGROUND

IEUA currently participates in a program known as Direct Access (DA) that allows the purchase of electricity from an Energy Service Provider (ESP) instead of the local utility, Southern California Edison (SCE). The Agency currently purchases electricity for the power needed at the Agency's wastewater treatment facilities from SENA under a Master Energy Sales Agreement (MESA).

IEUA also receives natural gas commodity service from SENA at five service locations under a master Natural Gas Sales and Purchase Agreement. IEUA's agreement with SENA provides the natural gas necessary to supplement the biogas for the fuel cell and the internal combustion engine (non-core accounts), as well the boilers and other side uses (core accounts).

Both current energy service agreements are set to expire on April 30, 2014. Purchases of electricity and natural gas through these Purchase Agreements have consistently reduced overall IEUA costs and are an integral part of the IEUA Energy Management Plan. In January 2014, SENA and IEUA staff began negotiating the renewal of the current agreements for one more year. SENA proposed two alternatives: a fixed price and variable price.

Both current energy service agreements include variable rates. SENA's variable pricing for the nominated quantities of electricity is based on the California Independent System Operator (CAISO) Day Ahead Electricity Price Index (day ahead price) plus \$1.90/MWh commission. The contract also includes Resource Adequacy (RA) and Renewable Portfolio Standard (RPS) products, both of which are pass through costs. SENA's agreement quantities are for 24 hours per day, 7 days per week. Natural gas variable pricing is based on the Natural Gas Intelligence (NGI) monthly index value plus \$0.05/MMBtu commission for non-core accounts, and \$0.10/MMBtu commission for core accounts.

IEUA has requested adjustments to the service quantities under each agreement. Currently, SENA provides 3.5 MW of electricity per hour to the Agency and 67 MMBtu per day of natural gas. IEUA staff has determined that the electricity contract extension should target only 1.5 MW of electricity per hour due to the RP-4/IERCA electricity account being removed from Direct Access eligibility due to its reduced site benefit and as required to facilitate the interconnection agreement between SCE and RP-5. Quantities over or under the 1.5 MW power scheduled will be priced at the hourly CAISO real time price. Natural gas quantities shall be increased to 200 MMBtu per day as a result of gas usage analyses at the RP-1 Fuel Cell in 2013.

Over the previous year, IEUA has realized energy cost savings due to the variable rate pricing structure, and anticipates continued savings over current fixed rates. Therefore, IEUA staff recommends maintaining the variable price agreement. IEUA staff will also continue to monitor the market with the option of converting a portion or all of the variable price to fixed price if beneficial to the Agency.

PRIOR BOARD ACTION

On April 17, 2013, the Board of Directors authorized the General Manager to extend the agreement with SENA for the procurement of natural gas and electricity based on a variable rate.

On February 16, 2011, the Board of Directors authorized the General Manager to enter into an agreement with Shell Energy North America US, L.P. for the procurement of natural gas and electricity based on fixed pricing.

IMPACT ON BUDGET

The total appropriation in the proposed FY 2014/15 Regional Operations and Maintenance Fund Budget for natural gas is estimated at \$924,058. The total appropriation in the proposed FY 2014/15 Regional Operations and Maintenance Budget for the Agency's imported electricity service accounts is \$5,655,259. Given the current state of the natural gas market, staff anticipates no negative impact from this agreement.



Confirmation Date: 02/20/2014
Trader: Oksana Howell
Commodity: Natural Gas

Trade Date: 02/20/2014
Endur #:
Contract #: 013-NG-BS-15276

DRAFT CONFIRMATION

INLAND EMPIRE UTILITIES AGENCY

Attn: Pietro Cambiaso
IEUA, PO BOX 9020
CHINO HILLS, CA 91709

Fax: 1-909-993-1951
Phone: 1909-993-1639

This Transaction Confirmation ("Confirmation") shall confirm and effectuate the agreement between **SHELL ENERGY NORTH AMERICA (US), L.P. ("Shell Energy")** and **INLAND EMPIRE UTILITIES AGENCY ("Counterparty")** regarding the purchase and sale of natural gas under the following terms. Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Contract.

Seller: SHELL ENERGY NORTH AMERICA (US), L.P.

Buyer: INLAND EMPIRE UTILITIES AGENCY

Period of Delivery	Performance Obligation	Transporter / Delivery Point(s)	Contract Quantity MMBTU Per Day	Contract Price USD / MMBTU
05/01/2014 - 04/30/2015	Firm	SOCAL RETAIL, SOCAL CITYGATE, INLAND EMPIRE UTILITY AGENCY CORE	67	Natural Gas Intelligence Socal Gas +\$0.10000 CityGate

a. The Contract Quantities specified above are baseload quantities for firm delivery and receipt each and every Day of the Month and not subject to change; provided, any necessary adjustments to the baseload Contract Quantities based upon Buyer's under or over usage of the applicable baseload Contract Quantity shall be effectuated per provisions b. and c. directly below.

b. For incremental quantities used by Buyer in excess of the Contract Quantity specified above shall be priced at a mutually agreed upon price between Buyer and Seller. In the absence of a mutually agreed upon price, such incremental quantities shall be priced at the average of the applicable Month's Gas Daily, "Daily Price Survey," "SoCal Citygate," "Midpoint" + \$0.1.

c. In the event that Buyer's usage is less than the Contract Quantity resulting in surplus quantities, such quantities shall be priced and disposed of at a price that is mutually agreed upon between Buyer and Seller. In the absence of a mutually agreed upon price, such surplus quantities shall be priced at the average of the applicable Month's Gas Daily, "Daily Price Survey," "SoCal Citygate," "Midpoint" - \$0.1.

d. At any time during the term of this transaction, Buyer may request a quote from Seller for a monthly fixed price, a floating price with a fixed Basis Spread or a floating price with a fixed price floor, cap, ceiling or collar (each such transaction, whether at a fixed-price or at a floating price with a fixed Basis Spread or fixed-price floor, cap, ceiling or collar, is herein called a 'Fixed Price') that is based on the New York Mercantile Exchange ('NYMEX') natural gas futures contract or otherwise as an alternative to a Contract Price that floats based on NYMEX, industry postings, reference publications, or other external market factors or indices, for a specified quantity of Gas to be delivered at the Delivery Point for the relevant Delivery Period. This request may be made by Buyer at any time during normal NYMEX trading hours (except that any request made by Buyer on the NYMEX closing day must be received by Buyer by 12:00 p.m. Eastern Time). If the parties mutually agree to a Fixed Price for a specified quantity of Gas to be delivered at the Delivery Point for a particular Month, Seller shall forward to Buyer by facsimile a 'Fixed Price Confirmation'. The Parties' agreement shall be deemed conclusive upon Buyer's receipt of Seller's written Fixed Price Confirmation unless Buyer objects to any errors contained in the Fixed Price Confirmation immediately following its receipt. Once a Fixed Price has been established for a given period, the Fixed Price shall be irrevocable as to the affected quantities, such Fixed Price shall not be subject to change and the corresponding quantities must be nominated by Buyer and shall be deemed to be the first Gas purchased during the applicable Month. If Buyer and Seller are unable to agree on a Fixed Price for any given request by Buyer, the Contract Price provided above shall apply. If Buyer and Seller have agreed to a Basis Spread Fixed Price in a Fixed Price Confirmation and Buyer does not agree upon a fixed NYMEX price to accompany the Basis Spread Fixed Price before the settlement of the prompt month, then the prompt Month price will default to the NYMEX last day settlement price plus the Basis Spread Fixed Price. As used herein, 'Basis Spread' means the location price differential, which may be either a positive or a negative amount, stated as the fixed amount above (positive) or below (negative) a floating price index or other reference point (for example, in the price term 'NYMEX - \$0.10', the Basis Spread is '-\$0.10'). For the avoidance of any doubt, this provision (d) shall be inapplicable and inoperative in the event that the parties underlying Contract already contains any fixed price election language and such fixed price election language in the Contract shall control.

SoCal Gas Unbundled Firm Access Rights: The Delivery Point specified under this Confirmation is a SoCal Gas Citygate Receipt Point and subject to the terms and conditions of the Southern California Gas Company's Tariff.

Confirmation Date: 04/24/2013
Trader: Oksana Howell
Commodity: Natural Gas

Trade Date: 04/23/2013
Endur #: 7073406
Contract #: 013-NG-BS-15276

Involuntary Conversions, Imbalances, Daily Balancing: Buyer shall provide, or authorize Seller to receive, all information reasonable necessary for Seller to monitor Buyer's actual consumption for each facility. Seller shall monitor Buyer's actual consumption at the facilities and Seller will have the right to increase or decrease actual deliveries at the Delivery Point(s) or adjust Buyer's daily nomination with the Transporter if Buyer's current actual usage does not correspond with the effective Contract Quantity in order to limit or reduce any imbalances. Buyer shall authorize Seller as the sole and exclusive party to utilize Buyer's LDC(s) imbalance trade mechanism(s) to balance Buyer's account(s) for under or over deliveries of Gas. As long as Buyer complies with the provisions specified herein, Seller shall pay all balancing penalties, cash outs, and other charges properly imposed upon Buyer by the applicable LDC(s) which relate to Gas delivered under this Confirmation. If, at any time during the term of this Confirmation, deliveries of Gas on Transporter's system are subject to a daily balancing requirement, the following terms shall apply ("daily balancing" means any situation in which Gas end-users and/or suppliers shipping Gas on Transporter's system are required to balance supply and demand on a daily basis within a specified tolerance band or be subject to penalties or charges for non-compliance):

- a. Buyer shall advise Seller in writing, by 7:00 a.m. on the Day before the Gas Day, each Day on which daily balancing applies, of Buyer's actual metered Gas usage on the previous Day, as well as, Buyer's anticipated Gas usage on that particular Gas Day.
- b. Seller shall be responsible for any charges or penalties imposed upon Buyer by Transporter for daily imbalances attributable to Seller's deliveries, but only to the extent that Seller's deliveries are greater or less, by an amount that is outside the percentage tolerance band established by Transporter, than Buyer's stated anticipated Gas usage for the Day.
- c. Buyer shall be responsible for any charges or penalties imposed upon Buyer or Seller by Transporter for daily imbalances, if Seller's deliveries for that Day are within the percentage tolerance band established by Transporter with respect to Buyer's anticipated Gas usage for the Day.

Special Provisions:

Seller is the sole supplier of Gas for Buyer's facilities supplied under this confirmation.

In exchange for Seller's commitment to provide physical delivery and related service and to sell Natural Gas at the Contract Price, Buyer agrees that it shall not purchase non core Natural Gas for its own consumption from buyer's Local Utility or any other third party natural gas provider other than the Seller. Buyer shall consume all Natural Gas purchased under this Agreement at Buyer's Facilities and shall not resell any portion of such Natural Gas to a third party. Nothing herein prohibits Buyer from continuing to operate using self produced methane gas.

Monthly Nominated Quantity: On or before the fifth (5th) Business Day prior to the first (1st) Day of each Month, Buyer shall nominate to Seller an amount equal to one hundred percent (100%) of its anticipated daily Gas requirements for each of Buyer's facilities on SoCal Gas for the given Month expressed as a daily MMBtu rate (the "Monthly Nominated Quantity"), which shall be considered the Contract Quantity amount for such Month. If Buyer fails to notify Seller of the Monthly Nominated Quantity on or before the fifth (5th) Business Day prior to the first Day of a given Month, then the Monthly Nominated Quantity shall be deemed to be the same as the previous Month. Buyer shall immediately report to Seller any variations in Buyer's forecasted usage, which may be materially different from the original Monthly Nominated Quantity.

This Confirmation is being provided pursuant to and in accordance with the master natural gas purchase and/or sale contract dated 5/1/2009 between Shell Energy (the "Contract") and Counterparty and constitute part of and is subject to all of the provisions of the Contract. With respect to the above stated Deal Number identifying this specific transaction, this Confirmation shall supersede any prior Confirmations of this specific transaction.

Please evidence your acceptance of this Confirmation by signing below and returning a faxed copy to Shell Energy. If no facsimile objection to this Confirmation is received by Shell Energy by 5:00 p.m., HOUSTON, Texas time, within two (2) Business Days after delivery of this Confirmation to Counterparty (unless otherwise specified in the Contract), then this Confirmation shall be the final expression of all the terms hereof and shall be binding and enforceable against Seller and Buyer regardless of whether executed by Counterparty.

INLAND EMPIRE UTILITIES AGENCY

SHELL ENERGY NORTH AMERICA (US), L.P.

Per: _____
Name/Title: _____
Date: _____

Per: _____
Name/Title: _____
Date: _____

Please return the signed confirmation to Fax: 713-265-2171

Questions and comments should be directed to Shell Energy at Phone: 877-504-2491



Confirmation Date: 04/24/2013
Trader: Oksana Howell
Commodity: Natural Gas

Trade Date: 04/23/2013
Endur #:
Contract #: 013-NG-BS-15276

DRAFT CONFIRMATION

INLAND EMPIRE UTILITIES AGENCY

Attn: Pietro Cambiaso
IEUA, PO BOX 9020
CHINO HILLS, CA 91709

Fax: 1-909-993-1951
Phone: 1-909-993-1639

This Transaction Confirmation ("Confirmation") shall confirm and effectuate the agreement between **SHELL ENERGY NORTH AMERICA (US), L.P. ("Shell Energy")** and **INLAND EMPIRE UTILITIES AGENCY ("Counterparty")** regarding the purchase and sale of natural gas under the following terms. Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Contract.

Seller: SHELL ENERGY NORTH AMERICA (US), L.P.

Buyer: INLAND EMPIRE UTILITIES AGENCY

Period of Delivery	Performance Obligation	Transporter / Delivery Point(s)	Contract Quantity MMBTU Per Day	Contract Price USD / MMBTU
05/01/2014 - 04/30/2015	Firm	SOCAL RETAIL, SOCAL CITYGATE, INLAND EMPIRE UTLTY AGENCY C138	282	Natural Gas Intelligence Social Gas +\$0.05000 CityGate

a. The Contract Quantities specified above are baseload quantities for firm delivery and receipt each and every Day of the Month and not subject to change; provided, any necessary adjustments to the baseload Contract Quantities based upon Buyer's under or over usage of the applicable baseload Contract Quantity shall be effectuated per provisions b. and c. directly below.

b. For incremental quantities used by Buyer in excess of the Contract Quantity specified above shall be priced at a mutually agreed upon price between Buyer and Seller. In the absence of a mutually agreed upon price, such incremental quantities shall be priced at the average of the applicable Month's Gas Daily, "Daily Price Survey," "SoCal Citygate," "Midpoint" + \$0.03.

c. In the event that Buyer's usage is less than the Contract Quantity resulting in surplus quantities, such quantities shall be priced and disposed of at a price that is mutually agreed upon between Buyer and Seller. In the absence of a mutually agreed upon price, such surplus quantities shall be priced at the average of the applicable Month's Gas Daily, "Daily Price Survey," "SoCal Citygate," "Midpoint" - \$0.03.

d. At any time during the term of this transaction, Buyer may request a quote from Seller for a monthly fixed price, a floating price with a fixed Basis Spread or a floating price with a fixed price floor, cap, ceiling or collar (each such transaction, whether at a fixed-price or at a floating price with a fixed Basis Spread or fixed-price floor, cap, ceiling or collar, is herein called a 'Fixed Price') that is based on the New York Mercantile Exchange ('NYMEX') natural gas futures contract or otherwise as an alternative to a Contract Price that floats based on NYMEX, industry postings, reference publications, or other external market factors or indices, for a specified quantity of Gas to be delivered at the Delivery Point for the relevant Delivery Period. This request may be made by Buyer at any time during normal NYMEX trading hours (except that any request made by Buyer on the NYMEX closing day must be received by Buyer by 12:00 p.m. Eastern Time). If the parties mutually agree to a Fixed Price for a specified quantity of Gas to be delivered at the Delivery Point for a particular Month, Seller shall forward to Buyer by facsimile a 'Fixed Price Confirmation'. The Parties' agreement shall be deemed conclusive upon Buyer's receipt of Seller's written Fixed Price Confirmation unless Buyer objects to any errors contained in the Fixed Price Confirmation immediately following its receipt. Once a Fixed Price has been established for a given period, the Fixed Price shall be irrevocable as to the affected quantities, such Fixed Price shall not be subject to change and the corresponding quantities must be nominated by Buyer and shall be deemed to be the first Gas purchased during the applicable Month. If Buyer and Seller are unable to agree on a Fixed Price for any given request by Buyer, the Contract Price provided above shall apply. If Buyer and Seller have agreed to a Basis Spread Fixed Price in a Fixed Price Confirmation and Buyer does not agree upon a fixed NYMEX price to accompany the Basis Spread Fixed Price before the settlement of the prompt month, then the prompt Month price will default to the NYMEX last day settlement price plus the Basis Spread Fixed Price. As used herein, 'Basis Spread' means the location price differential, which may be either a positive or a negative amount, stated as the fixed amount above (positive) or below (negative) a floating price index or other reference point (for example, in the price term 'NYMEX - \$0.10', the Basis Spread is '-\$0.10'). For the avoidance of any doubt, this provision (d) shall be inapplicable and inoperative in the event that the parties underlying Contract already contains any fixed price election language and such fixed price election language in the Contract shall control.

SoCal Gas Unbundled Firm Access Rights: The Delivery Point specified under this Confirmation is a SoCal Gas Citygate Receipt Point and subject to the terms and conditions of the Southern California Gas Company's Tariff.

Confirmation Date: 04/24/2013
Trader: Oksana Howell
Commodity: Natural Gas

Trade Date: 04/23/2013
Endur #: 7073531
Contract #: 013-NG-BS-15276

Involuntary Conversions, Imbalances, Daily Balancing: Buyer shall provide, or authorize Seller to receive, all information reasonable necessary for Seller to monitor Buyer's actual consumption for each facility. Seller shall monitor Buyer's actual consumption at the facilities and Seller will have the right to increase or decrease actual deliveries at the Delivery Point(s) or adjust Buyer's daily nomination with the Transporter if Buyer's current actual usage does not correspond with the effective Contract Quantity in order to limit or reduce any imbalances. Buyer shall authorize Seller as the sole and exclusive party to utilize Buyer's LDC(s) imbalance trade mechanism(s) to balance Buyer's account(s) for under or over deliveries of Gas. As long as Buyer complies with the provisions specified herein, Seller shall pay all balancing penalties, cash outs, and other charges properly imposed upon Buyer by the applicable LDC(s) which relate to Gas delivered under this Confirmation. If, at any time during the term of this Confirmation, deliveries of Gas on Transporter's system are subject to a daily balancing requirement, the following terms shall apply ("daily balancing" means any situation in which Gas end-users and/or suppliers shipping Gas on Transporter's system are required to balance supply and demand on a daily basis within a specified tolerance band or be subject to penalties or charges for non-compliance):

- a. Buyer shall advise Seller in writing, by 7:00 a.m. on the Day before the Gas Day, each Day on which daily balancing applies, of Buyer's actual metered Gas usage on the previous Day, as well as, Buyer's anticipated Gas usage on that particular Gas Day.
- b. Seller shall be responsible for any charges or penalties imposed upon Buyer by Transporter for daily imbalances attributable to Seller's deliveries, but only to the extent that Seller's deliveries are greater or less, by an amount that is outside the percentage tolerance band established by Transporter, than Buyer's stated anticipated Gas usage for the Day.
- c. Buyer shall be responsible for any charges or penalties imposed upon Buyer or Seller by Transporter for daily imbalances, if Seller's deliveries for that Day are within the percentage tolerance band established by Transporter with respect to Buyer's anticipated Gas usage for the Day.

Special Provisions:

Seller is the sole supplier of Gas for Buyer's facilities described in this confirmation: (INLAND EMPIRE UTLTY AGENCY C138).

In exchange for Seller's commitment to provide physical delivery and related service and to sell Natural Gas at the Contract Price, Buyer agrees that it shall not purchase non core Natural Gas for its own consumption from buyer's Local Utility or any other third party natural gas provider other than the Seller. Buyer shall consume all Natural Gas purchased under this Agreement at Buyer's Facilities and shall not resell any portion of such Natural Gas to a third party. Nothing herein prohibits Buyer from continuing to operate using self produced methane gas.

Monthly Nominated Quantity: On or before the fifth (5th) Business Day prior to the first (1st) Day of each Month, Buyer shall nominate to Seller an amount equal to one hundred percent (100%) of its anticipated daily Gas requirements for each of Buyer's facilities on SoCal Gas for the given Month expressed as a daily MMBtu rate (the "Monthly Nominated Quantity"), which shall be considered the Contract Quantity amount for such Month. If Buyer fails to notify Seller of the Monthly Nominated Quantity on or before the fifth (5th) Business Day prior to the first Day of a given Month, then the Monthly Nominated Quantity shall be deemed to be the same as the previous Month. Buyer shall immediately report to Seller any variations in Buyer's forecasted usage, which may be materially different from the original Monthly Nominated Quantity.

This Confirmation is being provided pursuant to and in accordance with the master natural gas purchase and/or sale contract dated 5/1/2009 between Shell Energy (the "Contract") and Counterparty and constitute part of and is subject to all of the provisions of the Contract. With respect to the above stated Deal Number identifying this specific transaction, this Confirmation shall supersede any prior Confirmations of this specific transaction.

Please evidence your acceptance of this Confirmation by signing below and returning a faxed copy to Shell Energy. If no facsimile objection to this Confirmation is received by Shell Energy by 5:00 p.m., HOUSTON, Texas time, within two (2) Business Days after delivery of this Confirmation to Counterparty (unless otherwise specified in the Contract), then this Confirmation shall be the final expression of all the terms hereof and shall be binding and enforceable against Seller and Buyer regardless of whether executed by Counterparty.

INLAND EMPIRE UTILITIES AGENCY

SHELL ENERGY NORTH AMERICA (US), L.P.

Per: _____

Per: _____

Name/Title: _____

Name/Title: _____

Date: _____

Date: _____

Please return the signed confirmation to Fax: 713-265-2171

Questions and comments should be directed to Shell Energy at Phone: 877-504-2491



Shell Energy North America (US), L.P.

INLAND EMPIRE UTILITIES AGENCY C/O PAT JACKSON, PO BOX 9020 CHINO HILLS, CA 91709	Shell Energy North America (US), L.P. 1000 Main St., Level 12 Houston, Texas 77002
Deal No.:	Deal Nos.: TBD
Deal Maker: Pietro Cambiaso	Deal Maker: Rand Havens
Phone: 909-993-1639	Phone: 713-767-5400
Fax: 1-909-993-1982	Fax: 713-767-5414

February 20, 2014

DRAFT CONFIRMATION AGREEMENT

This Confirmation Agreement (this "Confirmation") shall confirm the agreement reached on date written above between SHELL ENERGY NORTH AMERICA (US), L.P. ("Shell Energy") and INLAND EMPIRE UTILITIES AGENCY ("Counterparty") herein sometimes referred to as a "Party" and collectively as the "Parties") regarding the sale of Energy and Related Products (as defined herein) under the terms and conditions set forth below.

Buyer: Inland Empire Utilities Agency

Seller: Shell Energy North America (US), L.P.

Buyer's Facilities: 6075 Kimball Avenue, Chino, CA 91708

Product Firmness: Firm, With Liquidated Damages

Delivery Term: 05/01/2014 – 04/30/2015

Energy Quantity: 1.5 MWs of energy per hour

Total Energy MWh: ____ MWhs

Energy Price: CAISO SP 15 Day Ahead Hourly Index + \$1.90/MWh

Energy Delivery Point(s): SP15 EZ Gen Hub

Energy Scheduling: Flat 7x24 (Monday through Sunday, HE 0100 - HE 2400 PPT, including NERC holidays).

Product Independence: The Products in this Confirmation are independent of each other so that, by way of example but not limitation, the quantity of RA or RPS is not contingent or dependent on the Energy Quantity.

Subject To: Master Energy Sale Agreement dated 05/01/2009, as amended.

Additional Provisions:

1. Seller and Buyer agree to notify each other as soon as practically possible of any interruption or curtailment affecting this Transaction. Buyer should notify Shell Energy at 1-800-267-2562.

2. At any time during the term of this transaction, Buyer may request a quote from Seller for a fixed price of up to 2 MW of the Energy Quantity for the remainder of the Delivery Term. This request may be made by Buyer at any time during normal NYMEX trading hours (except that any request made by Buyer on the NYMEX closing day must be received by Buyer by 12:00 p.m. Eastern Time). If the parties mutually agree to a Fixed Price for a specified quantity of energy to be delivered at the Delivery Point for a particular Month, Seller shall forward to Buyer by facsimile a "Fixed Price Confirmation". The Parties' agreement shall be deemed conclusive upon Buyer's receipt of Seller's written Fixed Price Confirmation unless Buyer objects to any errors contained in the Fixed Price Confirmation immediately following its receipt. Once a Fixed Price has been established for a given period, the Fixed Price shall be irrevocable as to the affected quantities, such Fixed Price shall not be subject to change and the corresponding quantities must be nominated by Buyer and shall be deemed to be the first energy volumes purchased during the applicable Month. If Buyer and Seller are unable to agree on a Fixed Price for any given request by Buyer, the Contract Price provided above shall apply.

3. *Parties' Obligations.* For each Transaction Seller shall sell and cause to be scheduled, and Buyer shall buy and receive, the Contract Quantity of Energy at the Delivery Point, and Buyer shall pay Seller the Contract Price and all Related Charges. Seller shall be responsible for any costs or charges imposed on or associated with Energy or Energy delivery to the Delivery Point. Buyer shall be responsible for any costs or charges imposed on or associated with Energy or its receipt at and from the Delivery Point and all Related Charges.

4. RA, RPS and GHGI Products - Buyer's Obligation. The CPUC imposes certain requirements on Seller as result of Seller acting as a load-serving entity hereunder to buy RA, RPS and GHGI products and such other products as the CPUC may in the future require Seller to buy in its capacity as ESP, all consistent with CPUC decisions currently effective, as of the date of this MESA, as the same may be from time to time amended or superseded in the future) (collectively, "Related Products"). If during the Term of the MESA or any Transaction hereunder there are changes to the CPUC requirements for Related Products, as amended from time-to-time, the Parties agree that, except for Related Products Fixed Quantities Transactions as set forth in Section 6 below, to negotiate to restore the original intent of any affected Transaction(s) between the Parties. Buyer acknowledges such Related Products are not required to be described on a Confirmation relating to an Energy purchase, but are required to be purchased in connection with the Energy purchase. If Buyer buys a Related Products Fixed Quantity pursuant to Section 6 below, such purchase shall be documented in a Confirmation. Buyer shall obtain such Related Products from Seller at prices Seller established for the applicable regulatory compliance reporting period for the particular Related Product, which may occur after this MESA expires or after the term of a given Transaction hereunder expires, and Buyer shall pay Seller the Related Charges for such Related Products in accordance with Seller's monthly invoice, which may be an estimate as hereinafter set forth, subject to reconciliation.

5. Related Products Charges: Allocation/Reconciliation. Seller may procure a portfolio of Related Products related to the sale of Energy to a number of its direct access customers, including Buyer. If Buyer has not entered into a transaction for Related Products Fixed Quantity in connection with Section 6 below pursuant to this Confirmation and with respect to all required Related Products based on Buyer's estimated Energy consumption, Seller may initially allocate on a monthly basis or such other basis as Seller may elect, such Related Products and the associated estimated Related Charges to multiple direct access customers, including Buyer, on a pro rata basis, determined based on Buyer's historical consumption data available to Seller in relation to Seller's direct access customers' aggregate estimated Energy consumption for which Related Products are being or are to be purchased. When actual compliance procurement of Related Products is complete and actual charges for Related Products purchased and the actual energy consumption of Seller's direct access customers (including Buyer), for the applicable period are known, Seller will calculate Buyer's actual share of Related Charges and compare it to the estimated amounts billed and collected from Buyer. If Buyer has paid more for Related Products than it should have paid based on actual

charges and consumption, Seller will credit the overpayment against Related Charges associated with the next year's obligation to buy Related Products, or if all obligations hereunder have been satisfied, refund the overpayment to Buyer. If Buyer has paid less for Related Products than it should have based on actual charges and consumption, Buyer will immediately pay Seller such underpayment on receipt of Seller's invoice.

6. Buying Fixed Quantity of Related Products at Fixed Price. Buyer may ask Seller to provide pricing for a fixed quantity of some or all Related Products associated with a Transaction ("Related Products Fixed Quantity"), which fixed quantity may be all or less than all of Buyer's estimated Related Products obligations based on Buyer's historical consumption data for a fixed period not to exceed 24 months ("Related Products Fixed Charge Term"). Seller will consider such request and may quote Buyer a price for such Related Products Fixed Quantity. If Seller chooses to quote a fixed price it shall notify Buyer of the price, and Buyer shall have until close of business on the next Business Day to notify Seller that it accepts such price (such agreed price is a "Related Products Fixed Charge"), and the Parties shall execute a Confirmation setting forth the specific Related Products subject to the Related Products Fixed Charge, Related Products Fixed Charge Term, Related Products Fixed Quantity and Related Products Fixed Charge. If Buyer elects this option for a particular Related Product, Buyer shall not be subject to the pro-rated allocation of the price for those particular Related Products described in Section 5 above, to the extent of the Related Products Fixed Quantity subject to the Related Products Fixed Charge. The Related Products Fixed Charge shall be divided over the number of months in the Related Products Fixed Charge Term and included on Seller's monthly invoice to Buyer. If Buyer's actual Energy consumption exceeds estimated consumption and/or Buyer's actual obligations with respect to Related Products exceed the Fixed Price Related Products Quantity covered by the Confirmation, and/or if not all Related Products which Buyer is obligated to buy were included in the Related Products Fixed Quantity, then Seller shall invoice Buyer consistent with the terms of Section 5 above for the excess quantity of required Related Products and for Related Products not covered by the Related Products Fixed Charge. If the Related Products Fixed Quantity that Buyer has purchased exceeds Buyer's obligations to buy Related Products, then to the extent allowed by then current CPUC regulations, such excess portion of the Related Products Fixed Quantity may be carried forward to a subsequent Related Products Fixed Charge Term. If then current CPUC regulations do not allow such carry forward any excess portion of the Related Products Fixed Quantity shall expire at the end of the Related Products Fixed Charge Term, with no additional credit or compensation to Buyer from Seller.

7. Seller is the sole supplier of Energy for Buyer's facilities supplied under this Confirmation.

This Confirm sets forth the terms of the Transaction into which the Parties have entered, and together with the MESA shall constitute the entire agreement between the Parties relating to the contemplated purchase and sale of Energy and Related Products.

Please have this confirmation executed by an authorized representative or officer of your company and return via facsimile to 713-767-5414. If no objection to this Confirmation has been received by Shell Energy by facsimile transmission by 5:00 p.m., Houston, Texas time, five (5) Business Days after delivery of this Confirmation to Counterparty by facsimile, then this Confirmation (i) shall be binding and enforceable against Counterparty and Shell Energy and (ii) shall be the final expression of all the terms hereof, regardless whether excuted by the other Party.

INLAND EMPIRE UTILITIES AGENCY

SHELL ENERGY NORTH AMERICA (US), L.P.

By: _____

Name: _____

Title: _____

Date: _____

By:

Name: John W. Pillion

Title: Confirmations Team Lead

Date: February 20, 2014



Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

Energy Service Provider Agreements

Pietro Cambiaso
Senior Engineer
March 19, 2014

Electricity Agreement

Shell Energy North America	Current (May 1, 2013 – April 30, 2014)	Proposed (May 1, 2014 – April 30, 2015)
Fixed	Option to convert variable to fixed	Option to convert variable to fixed
Variable	3.5 MW per hr CAISO SP 15	1.5 MW per hr CAISO SP 15
Balancing	CAISO Real Time Price	CAISO Real Time Price

- **Variable Cost - Day Ahead Hourly Index +\$1.90/MWh**
- **MW reduction due to RP-4 switching to bundled rate**
 - Facilitates RP-5 RES-BCT agreement

Natural Gas Agreement

Shell Energy North America	Current (May 1, 2013 – April 30, 2014)	Proposed (May 1, 2014 – April 30, 2015)
Fixed	Option to convert variable to fixed	Option to convert variable to fixed
Variable	67 MMBtu/day Monthly Index Value	200 MMBtu/day Monthly Index Value
Balancing	Monthly Average Daily Price ±\$0.03/MMBtu non-core ±\$0.10/MMBtu core	Monthly Average Daily Price ±\$0.03/MMBtu non-core ±\$0.10/MMBtu core

- **Variable Cost per MMBtu - NGL+\$0.05 (non-core), NGL+\$0.10 (core)**
- **NG increased due to 2013 fuel cell usage data**

Recommendations

Extend the current agreement with Shell Energy North America (SENA) US, L.P.

- **Electricity**
 - Delivery Term = 1 year
 - Quantity = 1.5 megawatts (MW per hr)
 - Price = variable rate (day ahead + \$1.90/MWh)
option to convert variable rate to fixed price
- **Natural Gas**
 - Delivery Term = 1 year
 - Quantity = 200 MMBtu/day
 - Price = variable rate (monthly index + \$0.05/Mbtu/month non-core)
variable rate (monthly index + \$0.10/Mbtu/month core)
option to convert variable rate to fixed price



Inland Empire Utilities Agency

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Questions?

INFORMATION
ITEM

3A

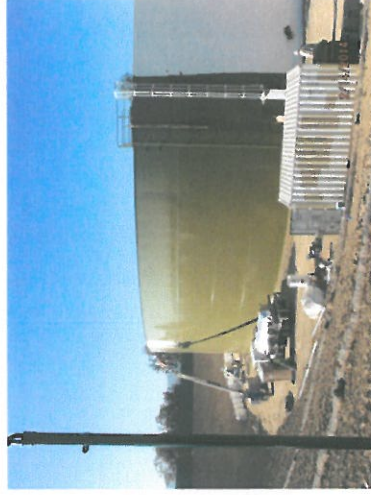


Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

Engineering and Construction Management FY 2013/14 Monthly Update

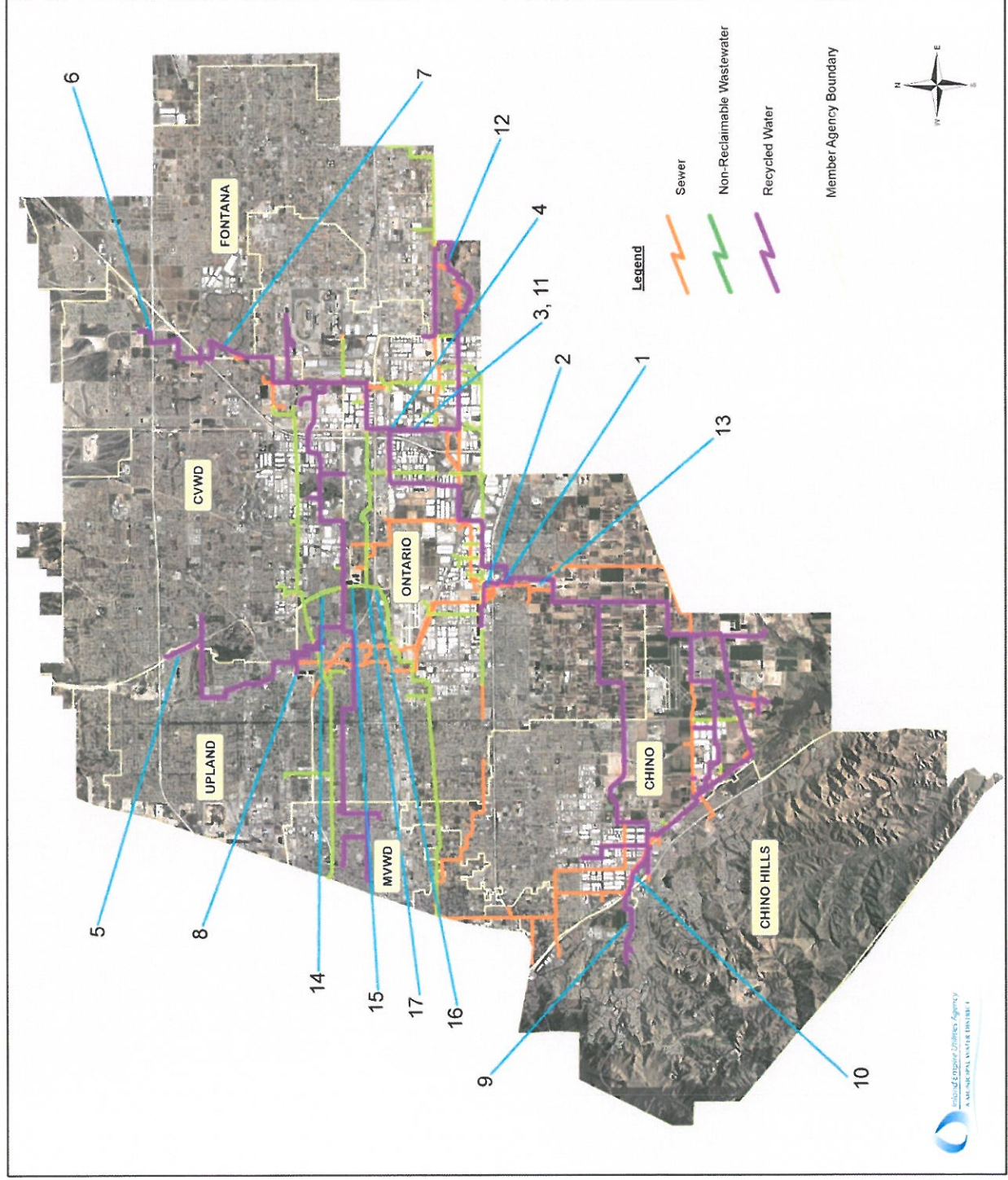
March 2014



930 Zone RW Reservoir

Craig J. Parker, P.E., BCEE
Manager of Engineering and Construction Management

SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT PIPELINE EASEMENTS



No.	Facility	SBCFCD Location
1	42-inch RP-1 Bypass	2,850 feet in Cucamonga Channel
2	24-inch Philadelphia Recycled Water	291 feet in Cucamonga Channel between Philadelphia St. and 160
3	24-inch Wineville Recycled Water	5,300 feet in west side of Wineville Ave. between Juniper Ave. and Airport Dr. in Day Creek Channel
4	66-inch Fontana Interceptor Sewer	2,401 feet in Wineville Basin
5	30-inch 1630 West Recycled Water - Segment C	4,413 feet in Cucamonga Channel from Baseline Rd. to 19th St.
6	36-inch 1630 East Recycled Water - Segment A	1,401 feet in Victoria Basin & 1,215 feet adjacent to Rivanda Creek Channel
7	36-inch 1239 East Recycled Water	7,270 feet in San Seavine Channel between Foothill Blvd and Liberty Pkwy
8	16-inch 748th Street Basin Recycled Water	100 feet in 8th Street Basin
9	30-inch 930 West Recycled Water	2,090 feet on north side of Carlton Canyon Creek Channel east of Peyton
10	30-inch 930 West Recycled Water	5,400 feet along San Antonio Channel and jackknife under Carlton Creek Channel
11	24-inch Wineville Recycled Water	along Day Creek Channel and crossing over Lower Edwinda Creek Channel
12	24-inch Wineville Recycled Water	along Dedez Channel
13	72-inch RP-1 Outfall	2,600 feet along Cucamonga Channel between Riverdale and Chino
14	18-inch NRW	4,800 feet along Cucamonga Channel between 4th St. and south of 8th St.
15	18-inch NRW Frib-Lay Lateral	2,500 feet along Cucamonga Channel
16	24-inch NRW	336 feet along Cucamonga Channel
17	24-inch NRW	250 feet along Cucamonga Channel

SBCFCD EASEMENTS

- 17 Easements needed
- 72-inch RP-1 Outfall, Wineville RW Pipeline, 930 RW Pipeline 930 RW Pipeline priority
- 35% vs. 20% of land value discussion
- Completion of all easements by July 2014
- Estimated value could be several million dollars

Wineville Recycled Water Pipeline Extension

Segments A and B Chronology 2005-2009

2005

- Identified in the Recycled Water Implementation Plan to supply RW demands in the Central Service area
- September 21: Board approved design contract with Lee & Ro, Inc.

2006

- August: Project placed on hold due to City of Fontana/FWC dispute

2007

- December 19: Board approved the Recycled Water Three Year Business Plan identifying project as essential to meet goals, placing Central Area project at Priority three after the Northeast and Northwest RW projects.

2009

- February 18: Board informed of intent to send out RFP for design services
- Project delayed until agreement reached between the City of Fontana and FWC



Wineville Recycled Water Pipeline Extension

Segments A and B Chronology 2010-2012

2010

- November: IEUA advertised for consultant design services

2011

- March 16: Board approved Winzler and Kelly design services contract award
- April 26: Agreement between City of Fontana and FWC was reached
- July: Completed Predesign Report identifying alternatives and adding 5,200lf of 24-inch line along Wineville to meet flow rates to deliver the full recharge capacity at RP-3 and Declez recharge basins
- September: Survey and Geotechnical investigations completed
- December: 30% design completed

2012

- March 20: Submitted 50% Design and met with SBCFCD
- August 16: SBCFCD meeting to parallel existing 24-inch pipe
- October: SCE rejected issuing easement on portion of Segment B
- November 19: Received SBCFCD 85% design comments



Wineville Recycled Water Pipeline Extension

Segments A and B Chronology 2013-2014

2013

- January: Resubmitted to SCE new design along Beech Ave
- June 13: Received preliminary approval from SCE of new alignment
- June 14: Submitted final design package to SBCFCD
 - SBCFCD would not approve until saw entire design, not just portions in their right-of-way
- August 13: SBCFCD design comments received.
- August 27: SBCFCD meeting to discuss comments. SBCFCD agreed to delete most.
- September 17: Received executed consent agreement from SCE
- September 26: Pre-qualified 13 contractors
- October: Conditional permit issued from SBCFCD
 - Would not allow construction until easement obtained
- November: Advertised Segment B to pre-qualified contractors

2014

- February 19: Board approved Winzler and Kelly contract amendment
 - Baseline Geotechnical Study
- February 25: Segment A advertised to pre-qualified contractors
- April 17: Segment B Bid Opening (Projected)
- May 1: Segment A Bid Opening (Projected)
- May 21: Award Segment A and B const. contracts (Projected)

Current Challenges

- Baseline Geotechnical Report
- Flood Control Easement
- Negotiation of Construction Management Services (Butler)
- Buy American Clause for SRF Loan no longer required



930 Zone Recycled Water Projects

- **CCWRF RW Pump Station Expansion**
 - Current Contract Value: \$3,859,799
 - Expansion of existing pump station
 - Current Activities: Electrical installation and termination
 - Estimated Completion: April 2014
 - Percent Complete: 94%
 - Challenges
 - CCB Parshall Flume is unable to provide accurate flow data
 - will add level sensor
 - CCB Hydraulic Calculations needed on effluent gate/inlet flow line for overflow to be routed to emergency pond
 - Needed for accurate flow data
 - SBS Pumps 4 and 5 did not meet flow range of 0.25 to 2.5 GPH
 - confirmed pumps will work



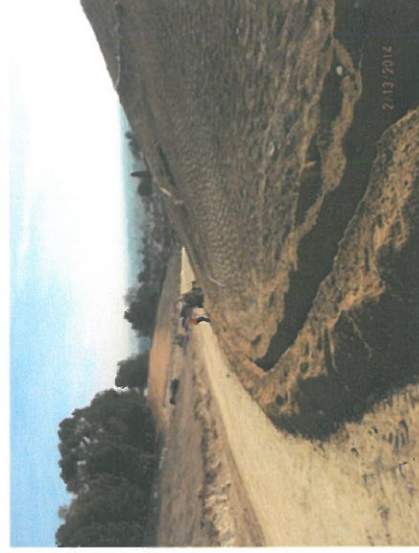
Paving Restoration at RW Pump Station



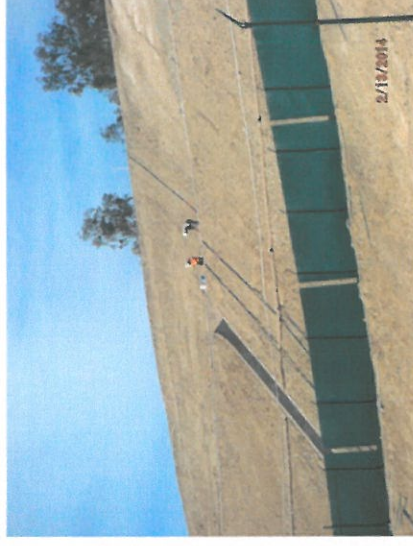
CCB Overflow Structure

930 Zone Recycled Water Projects

- **930 Zone RW Reservoir**
 - Current Contract Value: \$5,308,636
 - 5-MG RW welded steel storage reservoir
 - Current Activities: Coating of reservoir, landscape irrigation, and site work
 - Estimated Completion: April 2014
 - Percent Complete: 81%
 - Challenges
 - Landscaping claim
 - Geo Fabric credit negotiations
 - Construction Management Services (Butler)



Landscaping Irrigation System



Fencing and Irrigation System

930 Zone Recycled Water Projects

- **930 Zone RW Pipeline**
 - Current Contract Value: \$6,375,232
 - Current Activities: Jack and bore at Peyton/Eucalyptus and Ramona
 - Estimated Completion: November 2014
 - Percent Complete: 64%
 - Challenges
 - Realignment and redesign
 - Negotiations with MNR to complete project
 - Flood Control Easement
 - Pipeline/Eucalyptus Jack and Bore
 - Construction Management Services (Butler)



Proposed Re-Alignment

IERCF Conveyance Improvements

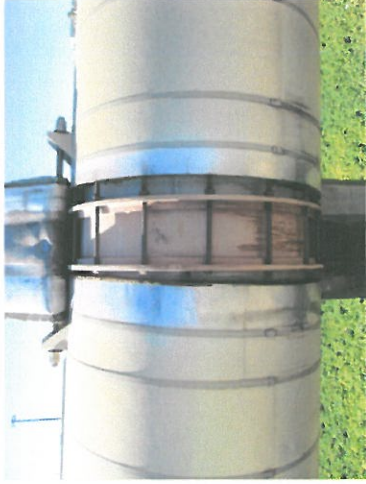
- Current Contract Value: \$3,173,000
- Scope: Belt Conveyor Modifications
- Current activities: Submittals continue to be ongoing
- Percent Complete: 12%
- Estimated Completion: November 2014
- Challenges:
 - Custom Conveyor
 - Arc Flash Study
 - Potential shut down of facility to expedite work



IERCF

RP-1 Aeration Ducting

- Current Contract Value: \$984,000
- Scope: Repair of air pipe and replacement of air valves
- Current activities: Submittals continue to be ongoing
- Percent Complete: 4%
- Original Completion Date: May 2014
- Revised Completion Date: January 2015
- Challenges:
 - Project Delayed due to DeZurik Manual Butterfly Valve manufacturer shortage
 - RP-1 Recycled Water peak demand season is June-October



Flex Coupling Replacement



Butterfly Valve Replacement

RP-1 Emergency Utility Water (UW) Repair

- Contractor: Mike Bubalo Constuction Company
- 18" Utility Water break reported on February 27, 2014
- Contractor mobilized via the Emergency Services Contract
- Video of line indicated that the leak was approximately 23 feet below grade
- Line placed back into service March 8, 2013
- Estimated Cost of Repairs: \$120,000



Site Excavation



Pipeline Repairs

RP-2 Digester No. 4 Dome Improvements

- Current Contract Value: \$1,113,083
- Scope: Convert the floating dome to a fixed dome
- Current activities: Submittals continue to be ongoing
- Percent Complete: 16%
- Estimated Completion: October 2014
- Challenges:
 - Sealant issues with 10-foot annular space
 - Six of 18 supports have hidden obstructions



Annular Space between Digester Skirt and Wall



Digester Corbel Conflict

Headquarters Central Plant Improvements

- Current Contract Value: \$1,789,885
- Scope: HQ building and central plant HVAC upgrades and modifications
- Current activities: HQA and HQB new switchboard
- Percent Complete: 77%
- Estimated Completion: June 2014
- Challenges:
 - Coordination of shutdown activities



HQA and HQB New SW53 Switchboard

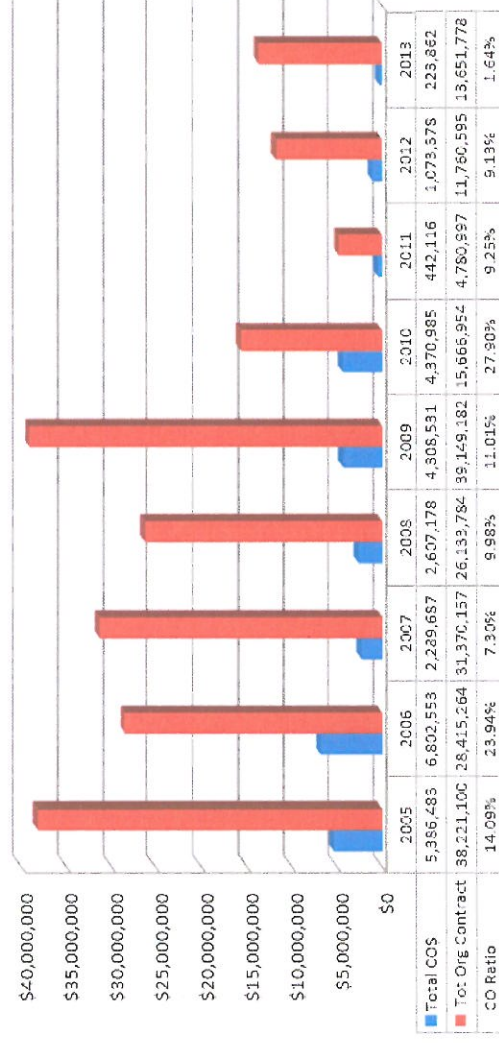


Temporary Generator Supplying Power to HQ During Shutdown

Change Order (CO) Analysis

- Decrease in the amount of change orders since 2009
 - Combined construction contract value dropped
 - Implemented minor construction and emergency master contracts
 - Increased attendance in design review meetings
 - Implemented Change Order Standard Operating Procedure
- Change Order process time reduced by 50%
 - Implemented efficiency in approval processing
 - Updated Change Order format
 - Eliminated unnecessary back-up documentation

Change Order Ratio w/Costs



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3B



Inland Empire Utilities Agency

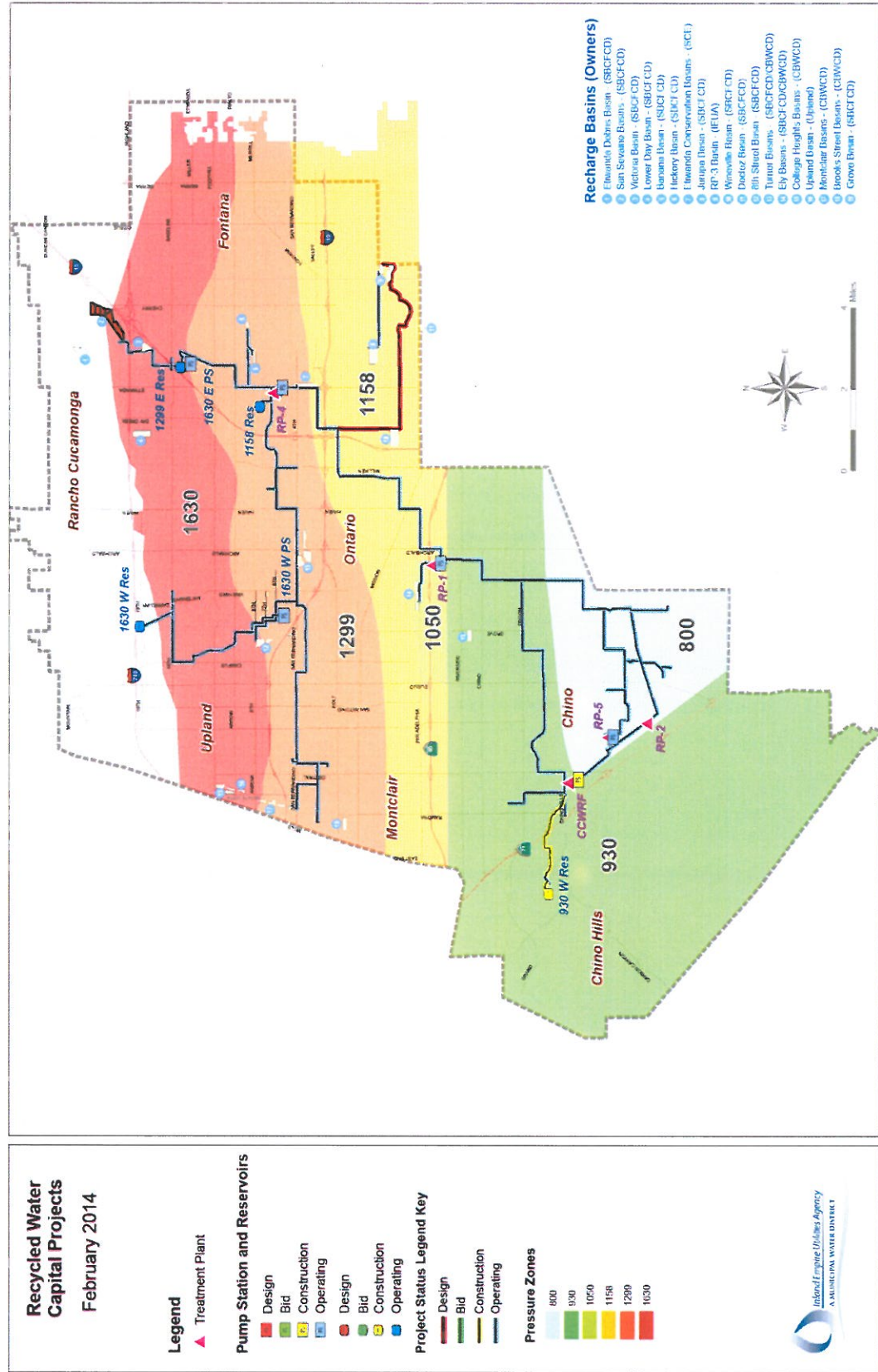
A MUNICIPAL WATER DISTRICT

RECYCLED WATER UPDATE

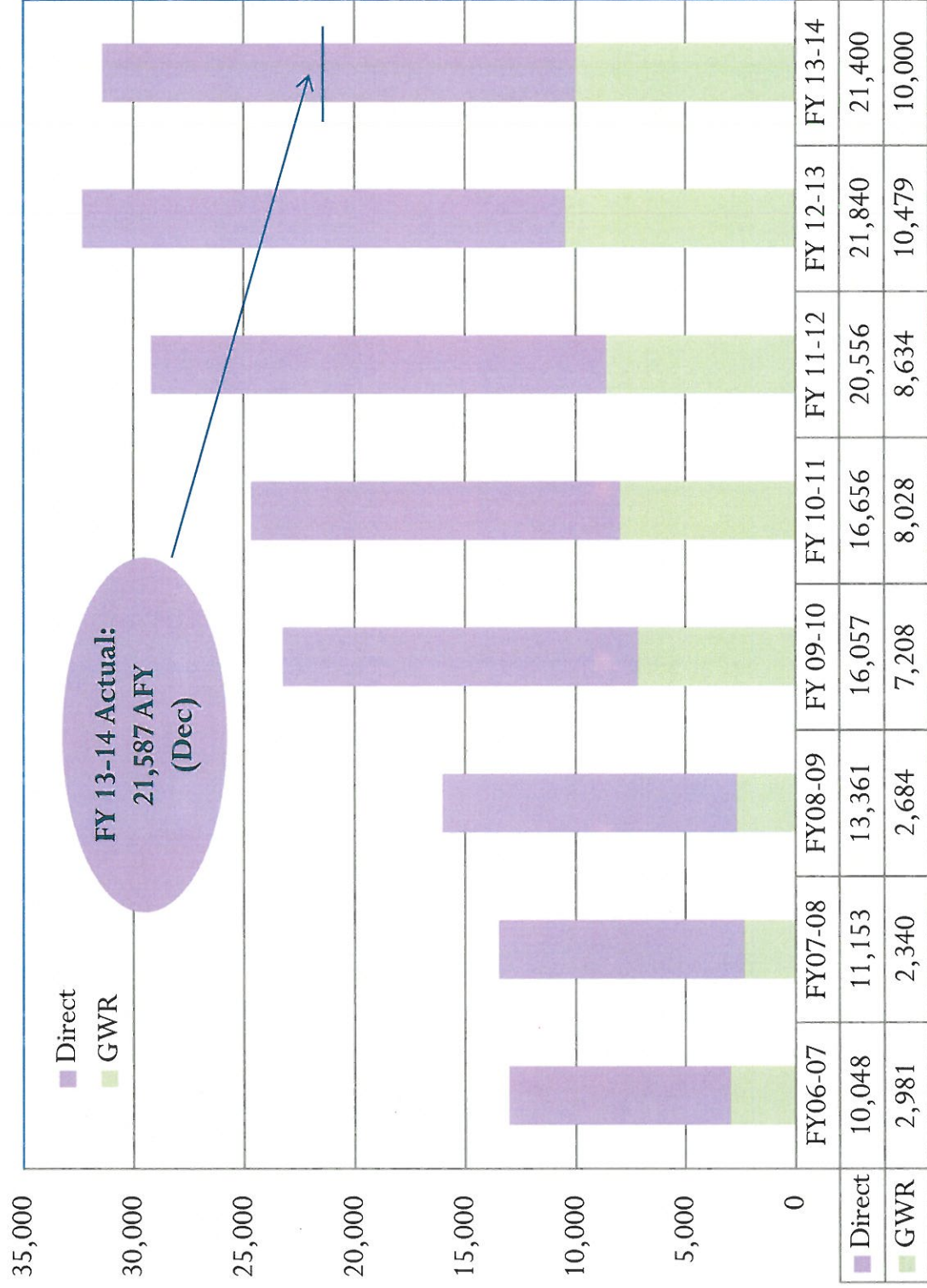
1st Half Fiscal Year 13 / 14

February 2014

REGIONAL RECYCLED WATER SYSTEM



RECYCLED WATER DELIVERIES



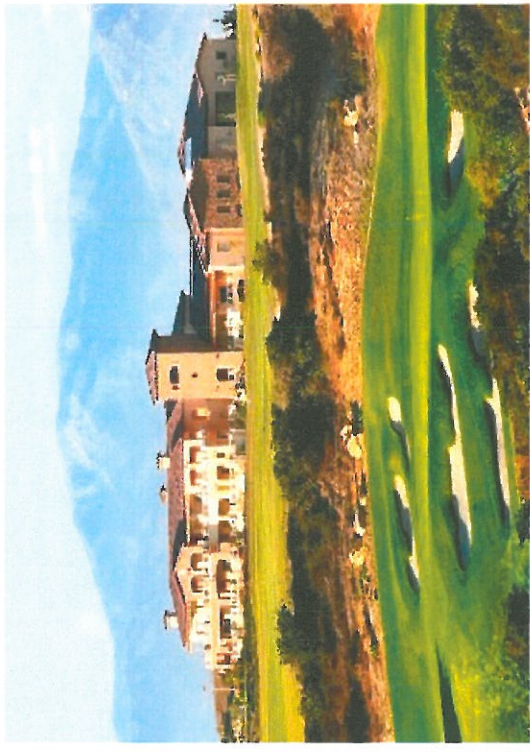
RECYCLED WATER DELIVERIES

1ST HALF FY 2013/14

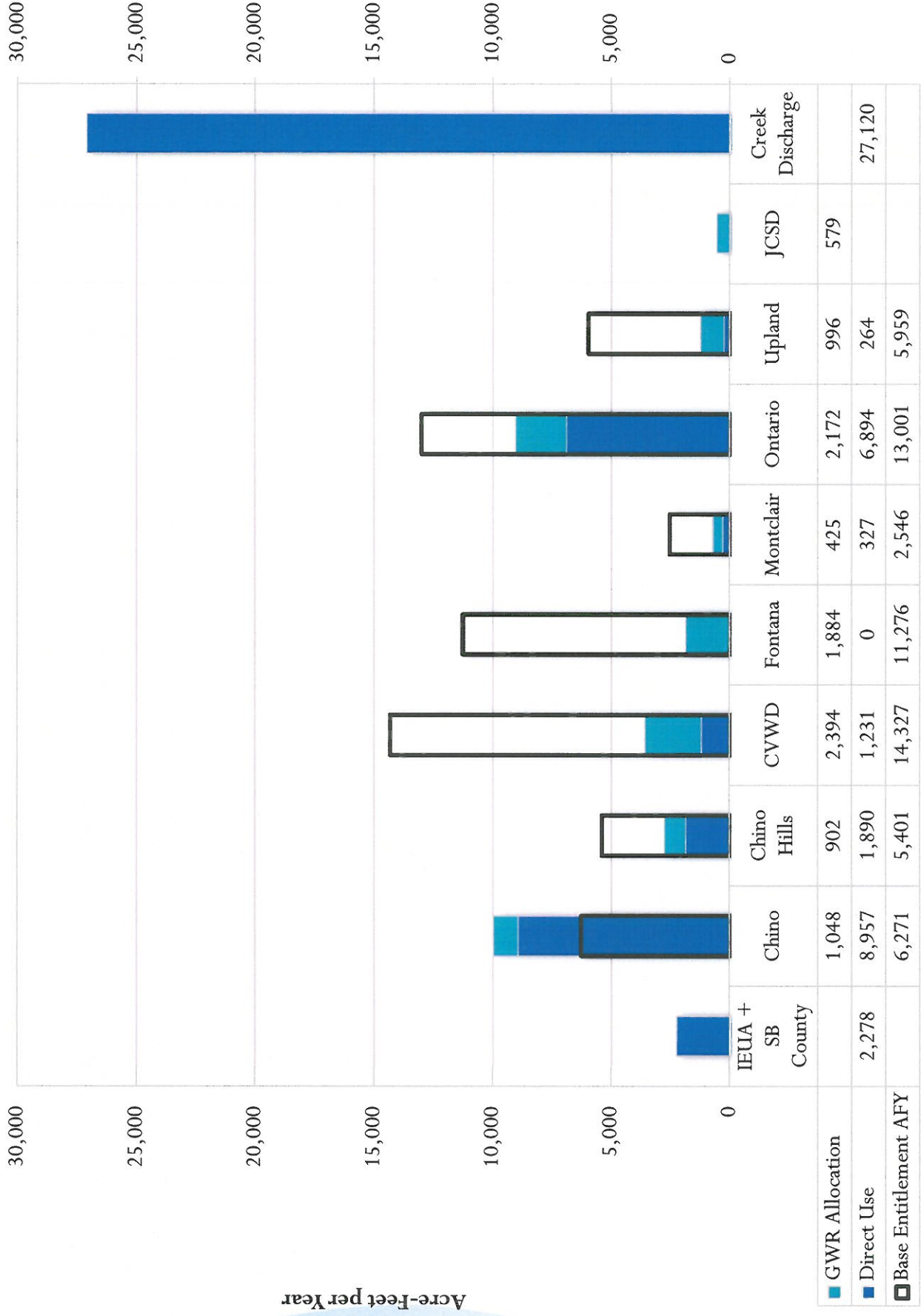
Agency	Pro Rata Share of Regional Flow (%)	Recharge Allocation (Acre-Feet) FY 13/14
Chino	10.67	752
Chino Hills	9.19	643
CVWD	24.37	1,711
Fontana	19.18	1,348
Montclair	4.33	321
Ontario	22.12	1,574
Upland	10.14	713
Totals	100.00	7,062
JCSD's Allocation:		315
Total Amount Recharged:		7,377

CURRENT RW DELIVERY PRACTICE

- Maximize beneficial use of Recycled Water (RW)
- Agencies can purchase as much RW as can be delivered
- Delivery not limited to RW Entitlement
- Concerns over entitlement from member agencies



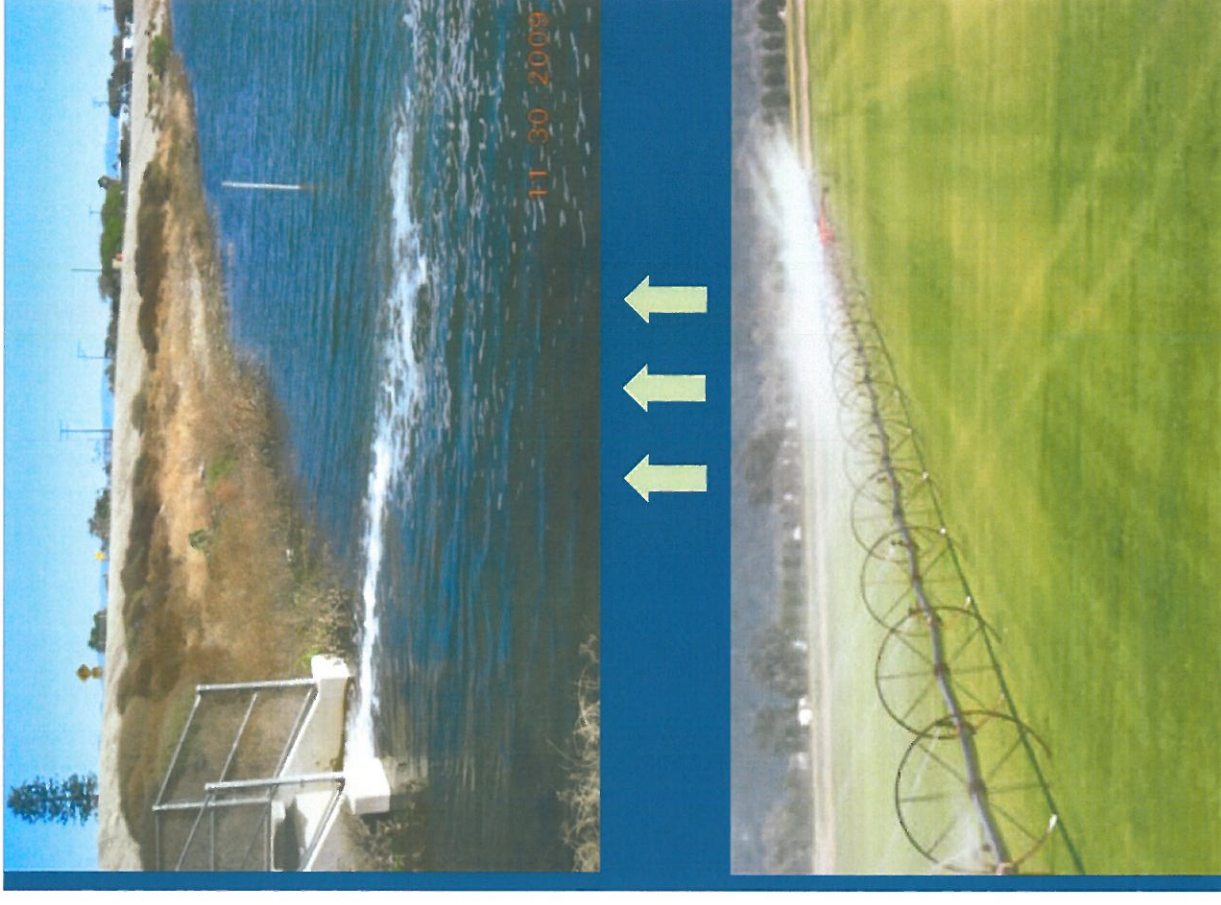
FY 12-13 RW Delivery and Entitlement



Does not include minimum Santa Ana River Flow

POTENTIAL RESOLUTION

- Assign theoretical lost GWR opportunity as Regional GWR credits from the over entitled Ag usage
- FY12/13: 1,912 AFY
- Next Step:
 - Waiting for comments from member agencies





Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

Questions?


INFORMATION
ITEM


3E


Date: March 19, 2014

To: The Honorable Board of Directors

Through: Finance, Legal, and Administration Committee (03/12/14)

From:  P. Joseph Grindstaff
General Manager

Submitted by:  Christina Valencia
Chief Financial Officer/Assistant General Manager

 Javier Chagoyen-Lazaro
Manager of Finance and Accounting

Subject: Treasurer's Report of Financial Affairs

RECOMMENDATION

The Treasurer's Report of Financial Affairs for the month ended January 31, 2014, is an informational item for the Board of Directors review.

BACKGROUND

The Treasurer's Report of Financial Affairs for the month ended January 31, 2014, is submitted in a format consistent with State requirements.

Total cash, investments, and restricted deposits of \$143,290,384 reflecting an increase of \$4.5 million compared to the total reported in December 2013. The increase was mainly attributed to property tax receipts for a total of \$6.0 million and \$1.5 million in grant and SRF loan receipts offset by debt service payment and project expenditures.

The Agency's investment portfolio average rate of return in January 2014 was 0.431% or 0.015% lower than the yield of 0.446% reported in December 2013 due to slight decline in LAIF yield.

The Treasurer's Financial Affairs report denotes investment transactions that have been executed in accordance with the criteria stated in the Agency's Investment Policy (Resolution No. 2013-6-1).

PRIOR BOARD ACTION

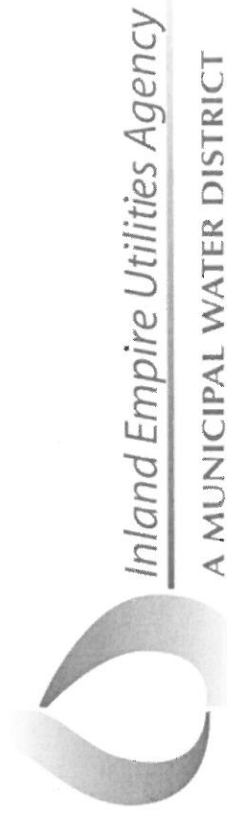
The Board reviewed the Financial Affairs Report for the month of December 31, 2013 on February 19, 2014.

IMPACT ON BUDGET

The interest earned on the Agency's investment portfolio increases the Agency's reserves.

TREASURER'S REPORT OF FINANCIAL AFFAIRS

For the Month Ended January 31, 2014



All investment transactions have been executed in accordance with the criteria stated in the Agency's Investment Policy (Resolution No. 2013-6-1) adopted by the Inland Empire Utilities Agency's Board of Directors during its regular meeting held on June 19, 2013.

The funds anticipated to be available during the next six-month period are expected to be sufficient to meet all foreseen expenditures during the period.

* A Municipal Water District

INLAND EMPIRE UTILITIES AGENCY

Cash and Investment Summary

Month Ended
January 31, 2014

	January	December
<u>Cash, Bank Deposits, and Bank Investment Accounts</u>		
<u>Investments</u>		
Local Agency Investment Fund (LAIF)		
CalTrust	\$38,737,653	\$38,710,190
Certificates of Deposit	3,522,737	3,521,499
Municipal Bonds	4,150,000	4,150,000
Medium Term Notes	6,654,244	6,667,290
U.S. Treasury Notes	6,345,017	6,345,287
U.S. Government Sponsored Entities	999,484	999,468
Total Investments	6,506,397	6,506,604
	\$66,915,532	\$66,900,338
Total Cash and Investments Available to the Agency	\$105,370,522	\$101,859,553
<u>Restricted Deposits</u>		
Debt Service Accounts	\$5,596,012	\$4,816,136
CCRA Deposits Held by Member Agencies	31,886,754	31,748,047
Escrow Deposits	437,095	353,972
Total Restricted Deposits	\$37,919,862	\$36,918,155
Total Cash, Investments, and Restricted Deposits	\$143,290,384	\$138,777,708

INLAND EMPIRE UTILITIES AGENCY
Cash and Investment Summary

*Month Ended
January 31, 2014*

Cash, Bank Deposits, and Bank Investment Accounts

Demand (Checking) Accounts

Citizens Business Bank Demand/Sweep Account	\$28,173,100
Workers' Compensation Account	72,582
Bank of America Payroll Account	54,071
Bank of America Payroll Taxes Account	51,805
Subtotal Demand Deposits	\$28,351,558

Other Cash and Bank Accounts

Petty Cash	\$2,250
Subtotal Other Cash	\$2,250

Bank of the West Money Market Account

\$10,029,970

US Bank Pre-Investment Money Market Account

\$71,212

Total Cash and Bank Accounts

\$38,454,990

Investments

Local Agency Investment Fund (LAIF)

LAIF Non-Restricted Fund	\$33,075,824
LAIF Insurance Sinking Fund	5,661,829
Subtotal Local Agency Investment Fund	\$38,737,653

CalTrust

Short Term	\$3,522,737
Subtotal CalTrust	\$3,522,737

Certificates of Deposit

Citizens Business Bank	\$4,150,000
Subtotal Certificates of Deposit	\$4,150,000

INLAND EMPIRE UTILITIES AGENCY
Cash and Investment Summary

*Month Ended
January 31, 2014*

Investments Continued

Municipal Bonds

State and Local Municipal Bonds
Subtotal State Municipal Bonds

\$6,654,244
\$6,654,244

Medium Term Notes

Arden Realty/GE
Toyota Motor Corporation
General Electric Capital Corporation
JP Morgan Securities
John Deere Capital Corp
Subtotal Medium Term Notes

\$346,798
1,003,539
994,936
2,996,670
1,003,074
\$6,345,017

U.S. Treasury Notes

Treasury Note
Subtotal U.S. Treasury Notes

\$999,484
\$999,484

U.S. Government Sponsored Entities

Fannie Mae Bonds
Freddie Mac Bonds
Federal Home Loan Bank Bonds
Subtotal U.S. Government Sponsored Entities

\$2,506,397
2,000,000
2,000,000
\$6,506,397

Total Investments

\$66,915,532

Restricted Deposits

Debt Service Reserves

05A Debt Service Accounts
08B Debt Service Accounts
10A Debt Service Accounts
Subtotal Debt Service Reserves

\$2,281,442
2,544,710
769,860
\$5,596,012

INLAND EMPIRE UTILITIES AGENCY
Cash and Investment Summary

Month Ended
January 31, 2014

CCRA Deposits Held by Member Agencies

City of Chino	\$8,099,084
Cucamonga Valley Water District	7,470,393
City of Fontana	5,677,249
City of Montclair	2,811,239
City of Ontario	4,439,830
City of Chino Hills	977,230
City of Upland	2,411,729
Subtotal CCRA Deposits Held by Member Agencies	<u>\$31,886,754</u>

Escrow Deposits

First Enterprise Bank (Paso Robles Tank, Inc)	\$193,030
Community Bank (MNR Cosntruction)	160,177
Citizens Business Bank (Pascal & Ludwig Construction)	33,857
Community Bank (MS Cosntruction)	50,032
Subtotal Escrow Deposits	<u>\$437,095</u>

Total Restricted Deposits

\$37,919,862

Total Cash, Investments, and Restricted Deposits as of January 31, 2014

\$143,290,384

Total Cash, Investments, and Restricted Deposits as of 1/31/14

Less: Total Cash, Investments, and Restricted Deposits as of 12/31/13

\$143,290,384
138,777,708

Total Monthly Increase (Decrease)

\$4,512,676

INLAND EMPIRE UTILITIES AGENCY
Cash and Investment Summary

*Month Ended
January 31, 2014*

Investments	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par	Cost Basis	Term	Jan	Jan	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's	Amount	Amount	(Days)	Amortization	Value				
Cash, Bank Deposits, and Bank Investment Accounts													
Citizens Business Bank													
Demand/Sweep Account					\$28,173,100	\$28,173,100	N/A	N/A	\$28,173,100		0.300	N/A	\$28,173,100
Subtotal CBB					\$28,173,100	\$28,173,100			\$28,173,100		0.300		\$28,173,100
Citizens Business Bank													
Workers' Compensation Account					\$72,582	\$72,582	N/A	N/A	\$72,582		N/A	N/A	\$72,582
Subtotal CBB					\$72,582	\$72,582			\$72,582				\$72,582
Bank of America													
Payroll Checking					\$54,071	\$54,071	N/A	N/A	\$54,071		N/A	N/A	\$54,071
Payroll Tax Checking					51,805	51,805	N/A	N/A	51,805		N/A	N/A	51,805
Subtotal B of A					\$105,876	\$105,876			\$105,876		N/A		\$105,876
Bank of the West													
Money Market Plus - Business Account					\$10,029,970	\$10,029,970	N/A	N/A	\$10,029,970		0.340	N/A	\$10,029,970
Subtotal Bank of the West Money Market					\$10,029,970	\$10,029,970			\$10,029,970		0.340		\$10,029,970
US Bank													
Federated Automated MMA					\$71,212	\$71,212	N/A	N/A	\$71,212		0.010	N/A	\$71,212
Subtotal USB Money Market					\$71,212	\$71,212			\$71,212		0.010		\$71,212
Petty Cash					\$2,250	\$2,250	N/A	N/A	\$2,250		N/A	N/A	\$2,250
Total Cash, Bank Deposits and Bank Investment Accounts													
					\$38,454,990	\$38,454,990			\$38,454,990				\$38,454,990
Investments													
LAIF Accounts													
Non-Restricted Funds					\$33,075,824	\$33,075,824	N/A	N/A	\$33,075,824		0.244	N/A	\$33,075,824
LAIF Sinking Fund					5,661,829	5,661,829	N/A	N/A	5,661,829		0.244	N/A	5,661,829
Subtotal LAIF Accounts					\$38,737,653	\$38,737,653			\$38,737,653		0.244		\$38,737,653
CALTRUST Accounts													
Short-Term					\$3,522,737	\$3,522,737	N/A	N/A	\$3,522,737		0.320	N/A	\$3,522,737
Subtotal CalTrust Accounts					\$3,522,737	\$3,522,737			\$3,522,737		0.320		\$3,522,737
Certificates of Deposit													
CBB Certificate of Deposit					\$4,150,000	\$4,150,000	425	N/A	\$4,150,000		0.450	09/19/14	\$4,150,000
Subtotal Certificate of Deposits					\$4,150,000	\$4,150,000			\$4,150,000		0.450		\$4,150,000

INLAND EMPIRE UTILITIES AGENCY

Cash and Investment Summary

Month Ended
January 31, 2014

Investments	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	Jan Amortization	Jan Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									

Investments (continued)

US Treasury Note	N/A	AAA			\$1,000,000	\$999,463		15	\$999,484	0.63%	0.630	12/15/16	\$999,380
US Treasury Note					\$1,000,000	\$999,463		15	\$999,484		0.630		\$999,380
Subtotal Treasuries													

U.S. Government Sponsored Entities

(As of August 2011, all US GSE's have been downgraded to AA+ Rating by S&P)

Federal Home Loan Bank	AA+	N/R			2,000,000	\$2,000,000	1,266		\$2,000,000	0.85%	0.850	06/06/16	\$2,002,340
Fannie Mae Bond	AA+	AAA			1,500,000	1,507,455	1,080	(211)	1,506,591	1.20%	1.190	09/26/16	1,508,175
Freddie Mac Bond	AA+	AAA			1,000,000	1,000,000	1,080		1,000,000	0.75%	0.750	12/19/16	998,830
Freddie Mac Bond	AA+	AAA			1,000,000	1,000,000	1,280		1,000,000	1.01%	1.000	02/27/17	1,003,360
Fannie Mae Bond	AA+	AAA			1,000,000	999,750	1,800	4	999,806	0.76%	0.750	12/18/17	995,720
Subtotal U.S. Gov't Sponsored Entities					\$6,500,000	\$6,507,205		(207)	\$6,506,397		0.921		\$6,508,425

Municipal Bonds

Riverside General Pension Obligation - Taxable Bond	SP-1	N/R			\$2,000,000	\$2,000,000		-	\$2,000,000	0.65%	0.650	06/01/14	\$2,002,620
Riverside County CA Asset Leasing Corp	AA-	N/R			515,000	531,176		(1,062)	524,390	3.00%	0.550	11/01/14	525,274
California State General Obligation - BAB	A-	A1			475,000	511,566		(1,505)	477,914	5.25%	1.450	04/01/14	478,890
California State General Obligation Bond	A-	A1			1,000,000	1,117,280		(3,433)	1,040,533	5.00%	0.890	02/01/15	1,048,310
California State General Obligation Bond	A-	A1			1,500,000	1,673,955		(4,898)	1,567,149	5.45%	1.500	04/01/15	1,588,440
California State General Obligation Bond	A-	A1			1,000,000	1,089,000		(2,147)	1,044,258	3.95%	1.350	11/01/15	1,059,540
Subtotal State and Local Municipal Bonds					\$6,490,000	\$6,922,977		(\$13,045)	\$6,654,244		1.042		\$6,703,075

Medium Term Notes

Arden Realty/General Electric	AA+	AA2	A1		\$340,000	\$364,691	1,431	(\$535)	\$346,798	5.25%	3.259	03/01/15	\$353,814
JP Morgan Securities	A	A2	A3		2,000,000	1,993,460	659	304	1,995,633	0.80%	0.981	04/23/15	2,002,180
Toyota Motor Credit Corp	AA-	AA3			1,000,000	1,006,293	934	(206)	1,003,539	0.88%	0.870	07/17/15	1,007,160
General Electric Floating Rate (75 bp over Libor -1% floor)	AA+	AA2	A1		1,000,000	988,500	1,265	282	994,936	1.26%	1.260	08/11/15	1,009,270
JP Morgan Securities	A	A2	A3		1,000,000	1,001,500	1,079	(43)	1,001,037	1.125%	1.074	02/26/16	1,002,750
John Deere Capital Corp	A	A2			1,000,000	1,004,000	1,729	(71)	1,003,074	1.85%	1.114	10/10/17	997,830
Subtotal Medium Term Notes					\$6,340,000	\$6,358,444		(\$269)	\$6,345,017		1.165		\$6,373,004

Total Investments

Source of Investment Market Value: US Bank

					\$66,740,390	\$67,198,479			\$66,915,532				\$66,994,274
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INLAND EMPIRE UTILITIES AGENCY
Cash and Investment Summary

Month Ended
January 31, 2014

Investments	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par Amount	Cost Basis Amount	Term (Days)	Jan Amortization	Jan Value	% Coupon	% Yield to Maturity	Maturity Date	Market Value
	S&P	Moody's	S&P	Moody's									
Restricted Deposits													
Debt Service and Arbitrage Accounts													
05A Debt Service Accts													
US Bank Debt Serv. Accounts	AAA	AAA	AA+		\$2,281,442	\$2,281,442	N/A	N/A	\$2,281,442		0.000	N/A	\$2,281,442
Subtotal '05A Debt Service Accts					\$2,281,442	\$2,281,442			\$2,281,442		0.000		\$2,281,442
08B Debt Service Accounts													
US Bank Debt Serv. Accounts	N/A	AAA			\$2,544,710	\$2,544,710	N/A	N/A	\$2,544,710		1.000	N/A	\$2,544,710
Subtotal '08B Debt Service Accts					\$2,544,710	\$2,544,710			\$2,544,710		1.000		\$2,544,710
10A Debt Service Accounts													
US Bank Debt Serv. Accounts					\$769,860	\$769,860	N/A	N/A	\$769,860		0.030	N/A	\$769,860
Subtotal '10A Debt Service Accts					\$769,860	\$769,860			\$769,860		0.030		\$769,860
Total Debt Service Accounts													
					\$5,596,012	\$5,596,012			\$5,596,012				\$5,596,012

INLAND EMPIRE UTILITIES AGENCY
Cash and Investment Summary

Month Ended
January 31, 2014

Investments	Credit Rating @ Purchase		CHANGES IN Credit Rating		Par	Cost Basis	Term	Amortization		Jan Value	% Coupon	% Yield to Maturity	Maturity	Market
	S&P	Moody's	S&P	Moody's	Amount	Amount	(Days)	Jan	Date				Value	
CCRA Deposits Held by Member Agencies														
City of Chino					\$8,099,084	\$8,099,084	N/A	N/A		\$8,099,084		N/A	N/A	\$8,099,084
Cucamonga Valley Water District					7,470,393	7,470,393	N/A	N/A		7,470,393		N/A	N/A	7,470,393
City of Fontana					5,677,249	5,677,249	N/A	N/A		5,677,249		N/A	N/A	5,677,249
City of Montclair					2,811,239	2,811,239	N/A	N/A		2,811,239		N/A	N/A	2,811,239
City of Ontario					4,439,830	4,439,830	N/A	N/A		4,439,830		N/A	N/A	4,439,830
City of Chino Hills					977,230	977,230	N/A	N/A		977,230		N/A	N/A	977,230
City of Upland					2,411,729	2,411,729	N/A	N/A		2,411,729		N/A	N/A	2,411,729
Subtotal CCRA Deposits Held by Member Agencies					\$31,886,753	\$31,886,753				\$31,886,753				\$31,886,753
(Totals as reported for December 31, 2013)														
Escrow Deposits														
MNR Construction					\$160,177	160,177	N/A	N/A		160,177		N/A	N/A	160,177
MS Construction Management Group					25,107	25,107	N/A	N/A		25,107		N/A	N/A	25,107
MS Construction Management Group					24,924	24,924	N/A	N/A		24,924		N/A	N/A	24,924
Pascal Ludwig Contractors					33,857	\$33,857	N/A	N/A		33,857		N/A	N/A	33,857
Paso Robles Tank					193,030	193,030	N/A	N/A		193,030		N/A	N/A	193,030
Subtotal Escrow Deposits					\$437,095	\$437,095				\$437,095				\$437,095
Total Restricted Deposits					\$37,919,860	\$37,919,860				\$37,919,860				\$37,919,860
Total Cash, Investments, and Restricted Deposits as of January 31, 2014														
					\$143,115,240	\$143,573,329				\$143,290,382				\$143,369,124

Month Ended
January 31, 2014

No.	Date	Transaction	Investment Security	Par Amount Purchased	Investment Yield

	\$	1
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No.	Date	Transaction	Investment Security	Par Amount	Investment
No.	Date	Transaction	Investment Security	Matured/Sold	Yield to Maturity

	\$	1
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INLAND EMPIRE UTILITIES AGENCY

Cash and Investment Summary

Month Ended
January 31, 2014

Directed Investment Category

Investment in the Local Agency Investment Fund
CalTrust
Medium Term Notes
Municipal Bonds
US Treasury Notes
U.S. Government Sponsored Entities

Amount Invested	Yield
\$38,737,653	0.244%
3,522,737	0.320%
6,345,017	1.165%
6,654,244	1.042%
999,484	0.630%
6,506,397	0.921%
\$62,765,532	0.572%

Bank Investment Accounts

Citizens Business Bank - Demand/Sweep Account
Citizens Business Bank - Certificate of Deposit
Bank of the West Money Market Account

\$28,173,100	0.300%
4,150,000	0.450%
10,029,970	0.340%
\$42,353,070	0.311%

Total Portfolio

Investment Portfolio Rate of Return

\$105,118,602

0.431%

Restricted/Transitory/Other Demand Accounts

US Bank - 2005A Debt Service Account
US Bank - 2008B Debt Service Accounts
US Bank - 2010A Debt Service Accounts
CCRA Deposits Held by Member Agencies
Citizens Business Bank - Workers' Compensation Account
US Bank - Pre-Investment Money Market Account
Other Accounts*

Amount Invested	Yield
\$2,281,442	0.000%
2,544,710	1.000%
769,860	0.030%
31,886,753	N/A
72,582	N/A
71,212	0.010%
108,126	N/A

Total Other Accounts

Average Yield of Other Accounts

\$37,734,685

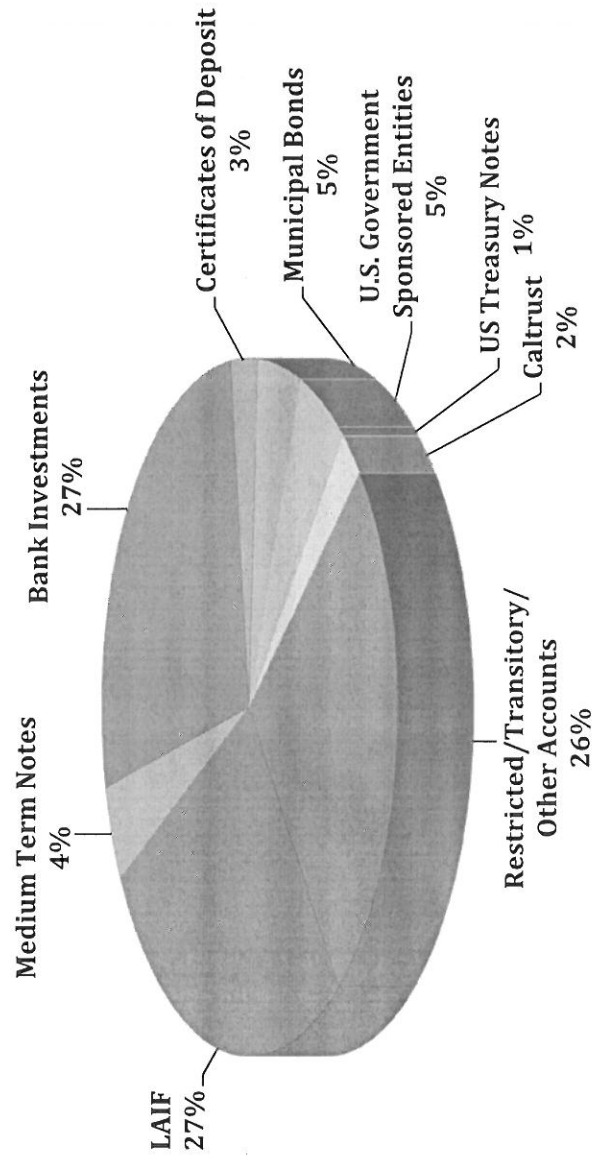
0.445%

Total Agency Directed Deposits

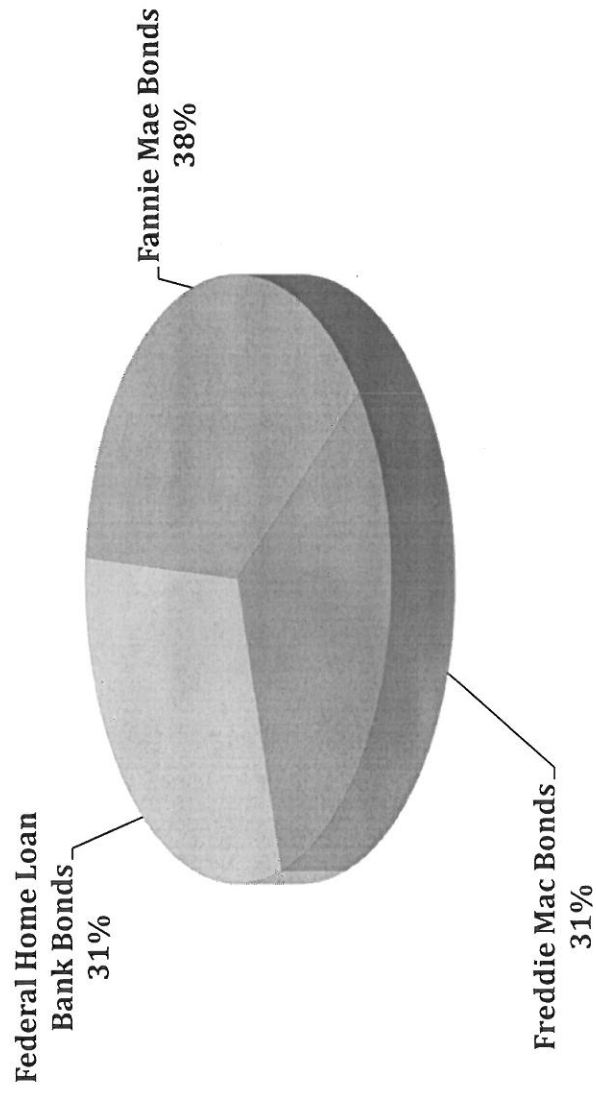
\$142,853,287

* Note: Bank of America Payroll Deposits used as compensating balances for bank services.

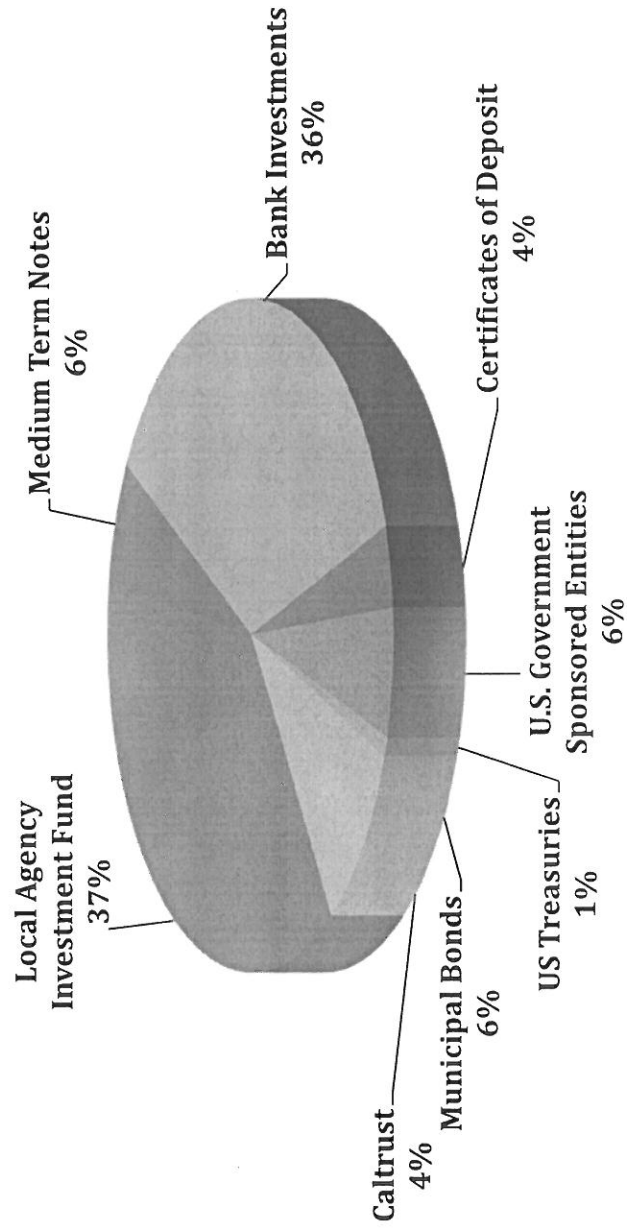
Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
For the Month Ended January 31, 2014
Combined Agency Portfolio (net of escrow deposits)
\$142,853,287



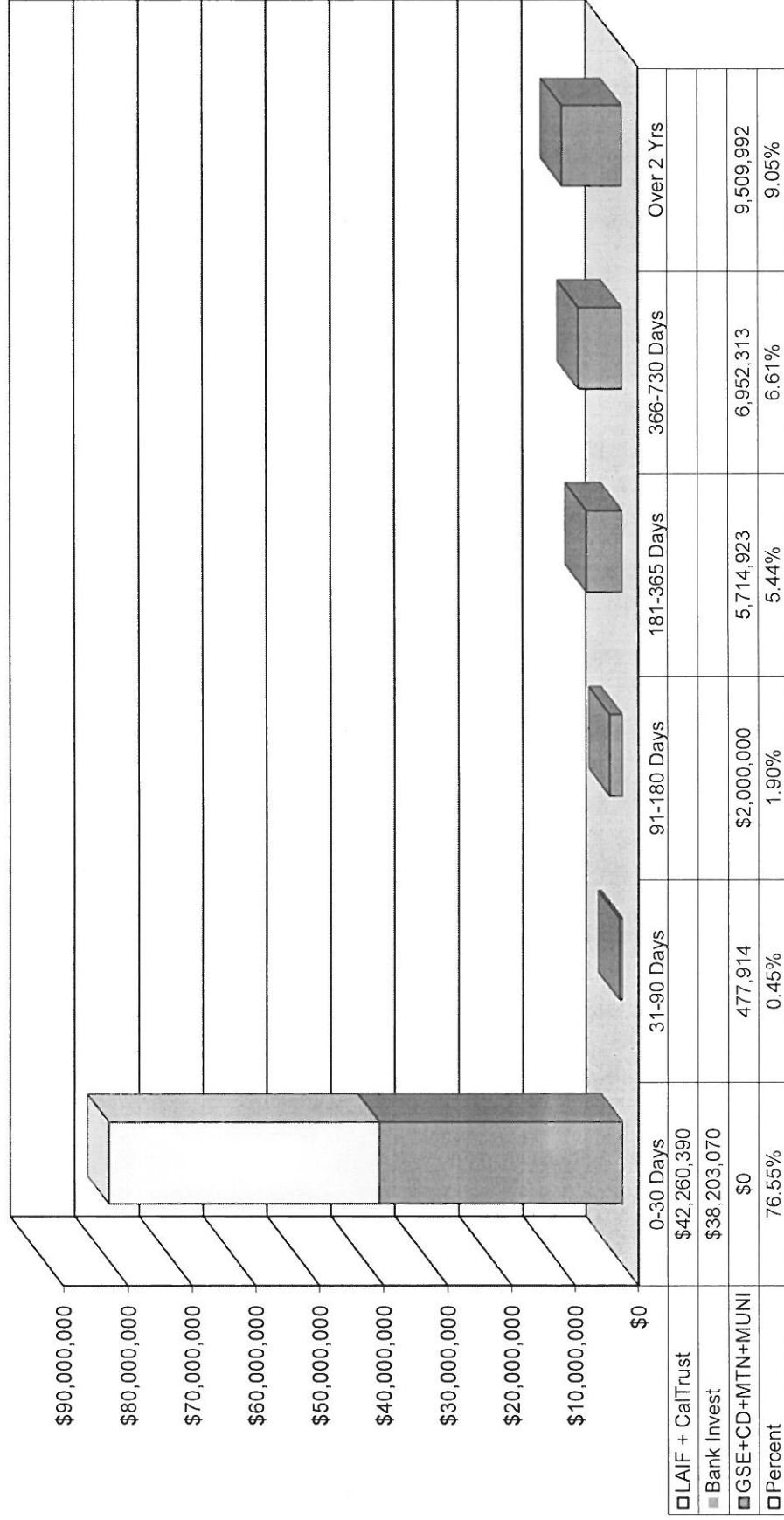
Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
For the Month Ended January 31, 2014
U.S. Government Sponsored Entities Portfolio
\$6,506,397



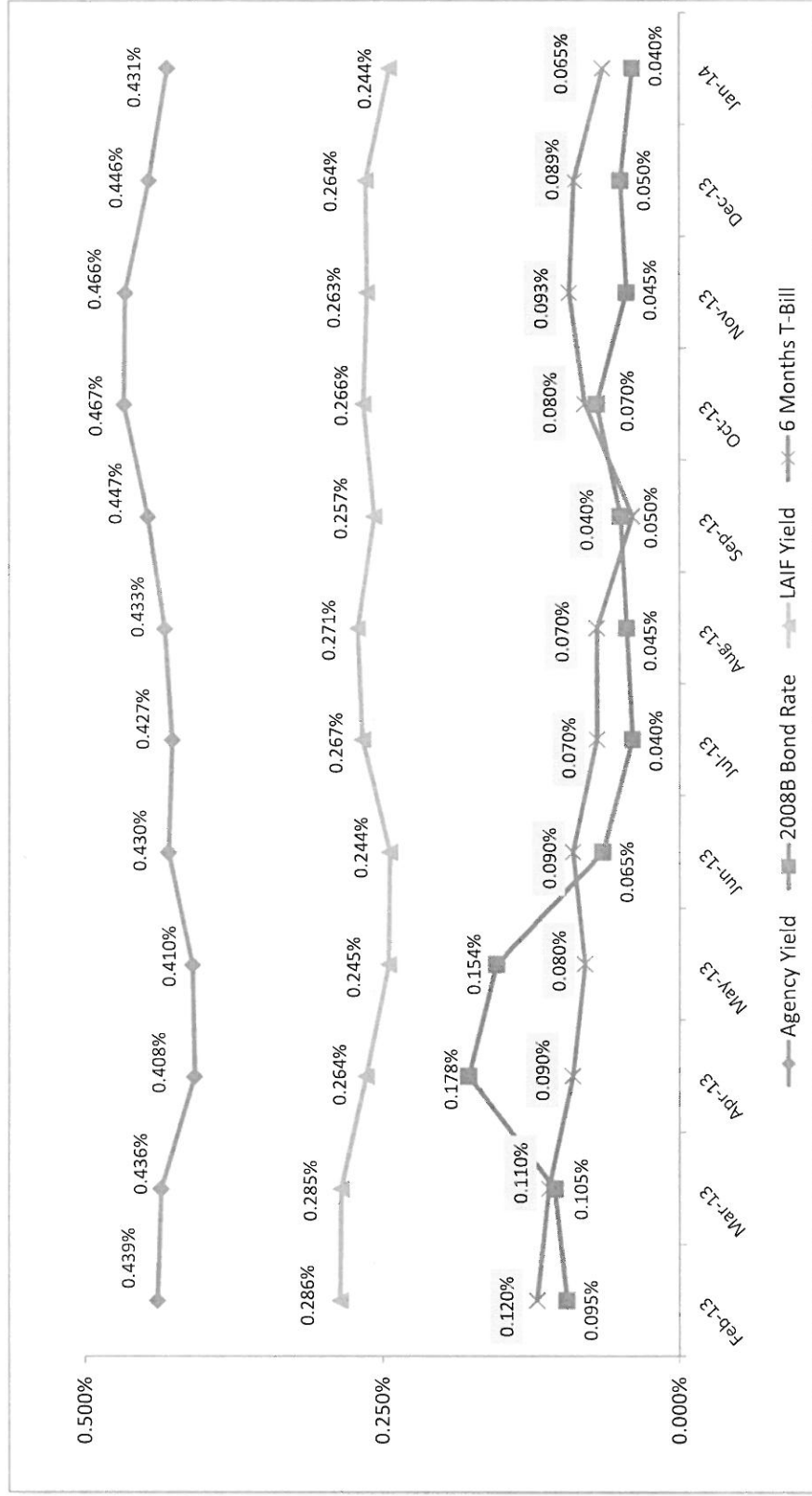
Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
For the Month Ended January 31, 2014
Unrestricted Agency Investment Portfolio
\$105,118,602



Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
For the Month Ended January 31, 2014
Directed Investment Portfolio Maturity Distribution
\$105,118,602



Inland Empire Utilities Agency
Treasurer's Report of Financial Affairs
For the Month Ended January 31, 2014
Agency Yield Comparison





Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

Treasurer's Report of Financial Affairs

for January 31, 2014

**Finance, Legal, and Administration
Committee**

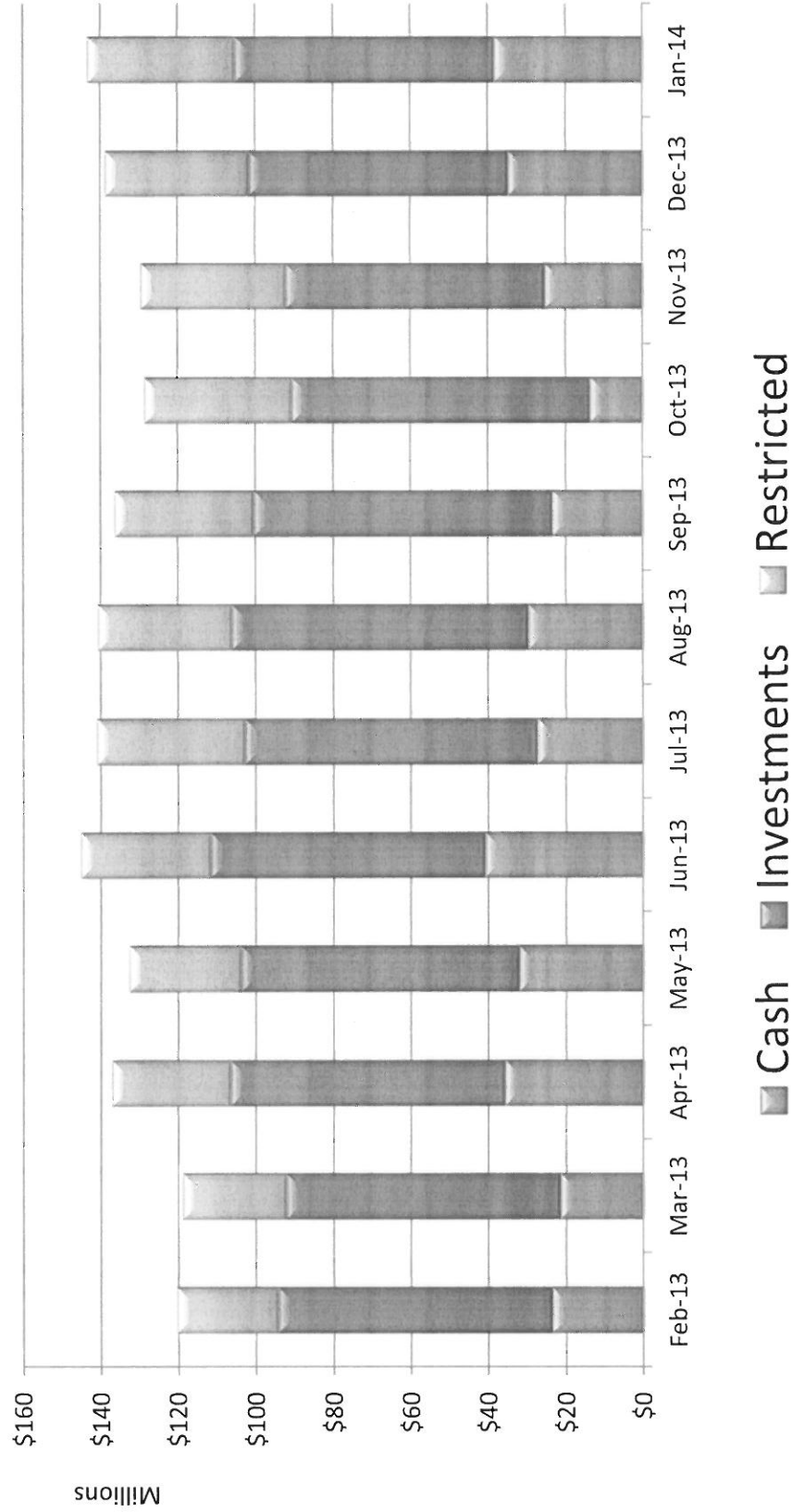
March 12, 2014

Report of Financial Affairs

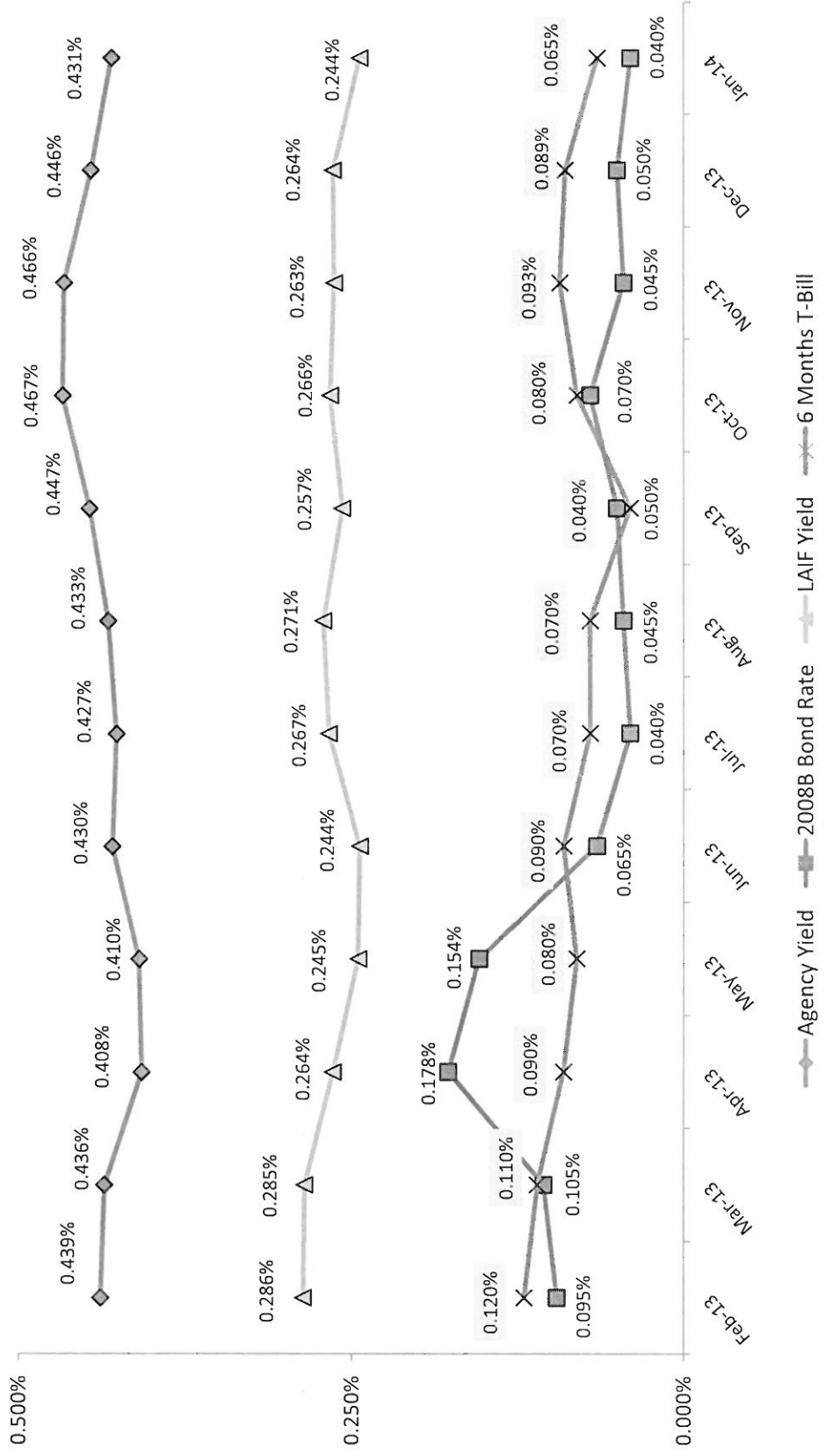


Liquidity				
Description	January 2014	December 2013	Increase (Decrease)	
Cash, Investments, Restricted Deposits	\$143.3M	\$138.8M	\$ 4.5M	
Investment Portfolio Yield	0.431%	0.446%	(0.015%)	
Portfolio				
Description	Allowable Threshold	Investment Value (\$ million)	Yield	Current Portfolio %
Short Term, Under 1 Year				
LAIF	\$50M	\$38.7	0.244%	37%
CalTrust	\$20M	\$ 3.5	0.320%	3%
Citizens Business –Sweep	40%	\$28.2	0.300%	27%
CBB – Certificate of Deposit	20%	\$4.2	0.450%	4%
Bank of the West – MMA	20%	\$10.0	0.340%	10%
1 to 3 Years				
Medium Term Notes	20%	\$6.3	1.165%	6%
US Treasury Note	n/a	\$1.0	0.63%	1%
Over 3 Years				
State Municipal Bonds	10%	\$6.7	1.042%	6%
US Government Securities	n/a	\$6.5	0.921%	6%

Cash, Investments and Restricted Deposits



Month End Portfolio Yield Comparison





Inland Empire Utilities Agency

A MUNICIPAL WATER DISTRICT

QUESTIONS?


INFORMATION
ITEM

3F

Date: March 19, 2014

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (03/12/14)

From:  P. Joseph Grindstaff
General Manager

Submitted by: Rebecca Long RL
Manager of External Affairs

Subject: Public Outreach and Communication

RECOMMENDATION

This is an informational item for the Board of Directors to receive and file.

BACKGROUND

March 2014

- March 1, Garden in Every School® Workshop, Chino Basin Water Conservation District (4594 San Bernardino Street, Montclair), 9:00am – 11:00am
- March 16-18, WaterReuse Annual Conference, Newport Beach Marriot Hotel and Spa (Newport Beach)
- March 17-23, Fix a Leak Week (EPA)
- March 17, Association of the San Bernardino County Special Districts Dinner hosted by IEUA, Panda Inn (3223 E. Centrelake Drive, Ontario), 6:00pm
- March 19, Water is Life poster contest judging, held in the IEUA event room, 12:00pm-3:00pm
- March 27-28, WELL Conference, Sacramento
- March 29, Inland Empire Garden Friendly Plant Sale, South Upland Home Depot (250 South Mountain Avenue, Upland), 9:00am-1:00pm

April 2014

- April 5, Cucamonga Valley Water District's Annual Earth Day Celebration, CVWD (10440 Ashford Street, Rancho Cucamonga), 10:00am – 2:00pm
- April 16, Earth Day Event (Students Visiting), Chino Creek Wetlands and Educational Park, Time TBD
- April 17, Earth Day Event (Public), Chino Creek Wetlands and Educational Park, Time TBD

- April 26, Inland Empire Garden Friendly Plant Sale, North Upland Home Depot (1401 East 19th Street, Upland), 9:00am-1:00pm

May 2014

- May 2-3, State Water Project Trip MWD (Director Camacho)
- May 3, Inland Empire Garden Friendly Plant Sale, Home Depot (11884 E. Foothill Blvd, Rancho Cucamonga), 9:00am-1:00pm
- May 4-10, Drinking Water Week (AWWA)
- May 6, WEWAC Water Conservation Media Contest Awards Ceremony, Frontier Project (10440 Ashford Street, Rancho Cucamonga), Time TBD
- May 16-18, MWD Solar Cup Competition, Lake Skinner

Outreach/Educational Inland Valley Daily Bulletin Newspaper Campaign

The monthly tips on ways to help conserve water continue to appear in our local newspapers each month.

- Ads are planned for February that focuses on drought messaging and water conservation tips.
- A Garden in Every School® ad will be placed in the Daily Bulletin in February calling out the mandatory workshop on March 1, 2014.

Water Use Efficiency Outreach and Activities

Regional Conservation Outreach Campaign

- Ongoing monthly ¼-page ads in the Inland Valley Daily Bulletin, Champion Newspaper, Fontana Herald News and La Opinion.
- MWD has doubled their FY 2013-2014 water use efficiency budget from \$21 million to \$40 million as a result of the Governor's declaration of drought. MWD has reconvened their water use efficiency program advisory committee to develop an implementation plan for utilizing the additional funds. IEUA staff will be participating in this activity.
- Staff was notified by SAWPA in February 2014 that DWR will fully fund IEUA's projects identified in the Prop 84 Round 2 cycle. IEUA's Residential Landscape Retrofit Program will receive \$500,000 under this award to be utilized over the next three years and doubling the size of the program.
- IEUA's Landscape Transformation (turf removal) Program has fully utilized the FY 2013-2014 budget to date and as a result of the recent declaration of drought, staff has added an additional \$39,000 to the annual project budget to complete additional sites. Funds added for the additional work were reallocated from within the existing conservation budget from other water use efficiency projects.
- The Inland Empire Garden Friendly Program will be launching their first spring 2014 Plant Sales beginning in March. IEUA will have member agencies participating in the sales in three locations throughout Upland and Rancho Cucamonga during the months of March, April and May.

Education and Outreach Updates

- On March 1, 2014, IEUA staff in partnership with Chino Basin Water Conservation District conducted the annual Garden-In-Every School® Teacher's Workshop. The

Workshop was well attended and the Agency is soliciting proposals for the prospect of installing up to four new gardens throughout the service area in FY 2014-2015.

- The Water Education Water Awareness Committee is in the process of advertising for the Water Conservation Media Campaign Contest for junior high and high schools. Students can participate by submitting a PSA or digital art piece focusing on using water wisely. The deadline is March 13, 2014.
- IEUA staff has begun outreach for the 2014 Earth Day Event. Schools can apply for a bussing grant in order to participate in the program.
- IEUA has begun the process of working with a consultant, Tripepi Smith & Associates for the redesign of the IEUA website. The website is scheduled to “go live” by June 30, 2014.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The above-mentioned activities are budgeted in the FY 2013/14 Administrative Service Fund, Public Information Services budget.

INFORMATION
ITEM

3G

Innovative Federal Strategies LLC

Comprehensive Government Relations

MEMORANDUM

To: Joe Grindstaff, Martha Davis and Rebecca Long, IEUA

From: Letitia White and Heather Hennessey

Date: February 21, 2014

Re: February Monthly Legislative Update

California Drought Gets Focused Attention in DC

According to all predictions from scientists at the state and federal levels, the drought situation in California is going to get worse before it gets better. Facing those dire predictions and the alarms they raise for voters, the California congressional delegation has erupted into action over the past month. The House moved first, passing a partisan bill sponsored by all of the House Republicans from California during the first week of February. The bill was identical to one that had passed the House in the last Congress but died when the Senate refused to take it up. As it was drafted prior to the current drought crisis, the bill mainly deals with Endangered Species Act and water rights changes that have been goals for the Republicans from Northern California for many years. The House bill is not expected to make any progress in the Senate this time either.

Then during mid-February, Senators Feinstein and Boxer introduced a new bill, which Congressman Jim Costa also dropped on the House side. It is interesting that the two Senators seem to be in lock step with Rep. Costa and only Rep. Costa. The rest of the Democrats in California have moved in a variety of directions, as noted below. Some of the Feinstein/Boxer bill's elements include:

- A mandate that federal agency leaders expedite projects that would provide additional water supplies.
- Direction for EPA to prioritize projects under the Clean Water and Drinking Water Revolving Funds that will provide water for at risk areas.
- Authorizes \$100 million in emergency funds for the Department of Interior for water supply projects including new wells, water purchases and the WaterSmart program. It also increases authorized funding for the WaterSmart program from \$200 million to \$250 million.
- Shortens the timeframe for NEPA reviews in emergency situations.
- Reauthorizes CALFED through 2018.

Arguably, the most helpful part of the bill is the new funding it would include if it passed. But the new funding also complicates its prospects because it will give the bill a score, which is the cost associated with the bill's provisions, that will be over \$100 million. The bill is drafted to authorize the emergency measures only until the Governor suspends the emergency drought declaration.

Innovative Federal Strategies LLC

As a quick reference, here is a list of the major players in the DC debate and where they are currently aligned:

- The President has publically aligned himself with Senators Feinstein and Boxer and Rep. Jim Costa during his appearance in Fresno on Friday, February 14th. The White House has also issued a veto threat on the House Republican bill that passed during the first week of February.
- Northern California House Democrats (Reps. George Miller, Mike Thompson, Doris Matsui, John Garamendi, Jerry McNerney and Anna Eshoo) are opposed to the House Republican bill and have issued a statement opposed to parts of the Feinstein/Boxer/Costa bill. The statement specifically stated, “[p]articularly troubling in the new Senate bill are aspects that threaten the Northern California environment, economy, and may override protections for critically endangered species like salmon.”
- Southern California House Democrats have declined so far to support the Feinstein/Boxer/Costa bill. Specifically, we understand that Rep. Grace Napolitano declined to support the bill because it was not a solution for all of California but was focused on the Central Valley.
- House Minority Leader Nancy Pelosi and 35 other California Democrats have asked that the House Energy and Commerce Committee hold a hearing to investigate the link between carbon dioxide emissions and the ongoing drought. At the time of this writing, the committee has not responded to that request.
- California Republicans have publically opposed the Feinstein/Boxer/Costa bill and continue to push for Senate consideration of the House bill.

Tax Reform Plan Announcement Meets with Skepticism

House Ways and Means Chairman Dave Camp (R-MI) has announced that he will put forward the details of a tax reform package next week. You may recall that the 113th Congress began with high hopes and big talk of a tax reform push. House Speaker John Boehner (R-OH) even reserved the bill number H.R. 1 for a tax package. But the months continued to pass with no actual progress, especially last summer while Chairman Camp flirted with a possible Senate run in Michigan. More recently, House leadership has quashed Camp’s efforts to move forward amid worries about election year repercussions if the Republican plan were subjected to heavy criticism from groups who lost preferential tax treatments. Meanwhile in the Senate, former Chairman Max Baucus (D-SD), issued a draft bill several months ago that garnered a great deal of criticism and failed to make any progress. Baucus is now the US ambassador to China and has been replaced by Ron Wyden (D-OR), who is expected to chart his own path on tax reform rather than follow the one paved by Baucus.

At the time of the writing, no one has seen the Camp proposal. For months, Camp has focused on an effort to lower the individual tax rate to a top rate of 25% as opposed to the current top rate of 39.6%. But a change of that nature would be extremely expensive and would require tradeoffs to pay for it. Camp has also expressed an interest in lowering the top corporate tax rate to 25% from the current 35%. Putting the individual and corporate rate changes together in one bill would be extremely ambitious and expensive and could require the elimination of countless of current tax breaks and preferences that are currently part of the tax code.

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The lobbying response to such proposals would be swift and overwhelming, especially since talks of the tax reform effort for the past year have put all interest groups with provisions to protect in a defensive crouch. The effort to protect the tax exempt status of municipal bonds is an excellent example of the preparations that have already taken place, with municipalities and their supporters uniting behind a common goal of protecting the exemption and readying for a concerted push on the Hill.

Given the lack of support from Republican leadership, deep political uncertainty as the elections draw closer and near certainty of an overwhelmingly negative reaction from the interest groups who stand to lose out in the bill, one is left to wonder why Chairman Camp is putting a bill forward at this time. Camp has invested a great deal of time in the tax reform effort during this Congress, and he may want to take his chances with a proposal even if it meets with stiff resistance. Also, Camp is term limited at the end of this Congress, and current House Budget Committee Chairman Paul Ryan (R-WI) is making a very public push to take the Ways and Means gavel next year. With a high profile challenger standing in the way of another term as Chairman, Camp may feel like he needs to make a bold move in order to convince his fellow Republicans that he deserves another term as Chairman.

The Consequences of the Blink-and-You-Missed-It Debt Limit Bill

The debt limit was raised in mid-February with little debate and no fanfare. The same day, the Wall Street Journal ran an article under the headline, “A Lame Duckish Calm Falls over the Capital.” The headline is stunning for a couple of reasons. First, it ran on February 12th! Second, it might prove to be true.

The debt limit bill was expected by many to be an important legislative vehicle this year. Arguably, it was the only must-pass bill that Congress will consider between now and the November elections (with the possible exception of a funding extension as FY 2014 draws to a close and a Transportation authorization extension in September). Republicans demanded for months that the increase in the nation’s borrowing limit be accompanied by debt reduction measures. A long list of possibilities were discussed as candidates for inclusion in the package – tax reform, changes to Medicare’s Sustainable Growth Rate, and an extension of long-term unemployment benefits to name only a few. Each of these issues has been heavily lobbied, some for the past few years.

Instead, the debt limit extension flew through the House and Senate in less than 48 hours and carried no additional legislation with it. Now that it is gone, taking with it all of the legislative urgency it held, what will become of the logjam of legislation that has been piling up? The list includes those items mentioned above as well as immigration reform, a mortgage regulation overhaul, reauthorization of several education and job training programs including No Child Left Behind, and the expired tax extenders. Unfortunately, there are no clear plans for any of these important bills to move forward at this time.

Outlook for March

The President’s Budget submission to Congress will kick off the annual budget and appropriations cycle when it arrives in early March.

INFORMATION
ITEM

3H

February 21, 2014

To: Inland Empire Utilities Agency
From: Michael Boccadoro
President
RE: February Legislative Report



Overview:

Legislators introduced hundreds of bills before the February 21 bill introduction deadline. While a majority of those are still “spot” bills, it is clear that water and energy are hot topics this year in Sacramento. In addition, nine separate bills have been introduced that modify the November 2014 water bond. With the Governor remaining silent on the bond, Legislators from both parties and all areas of the state are weighing in on the size and funding categories for a major upgrade of California’s water system.

The Governor and legislative leadership unveiled a plan to spend about \$687 million to alleviate impacts from the drought. A majority of the funds come from unspent Propositions 84 and 1E funds. While the specific bill has not been introduced yet, the Governor and leadership have stated that the funds would be used for “shovel-ready” projects including stormwater capture, recycled water and groundwater storage enhancement, among others. Leadership has indicated the bill, once introduced, could move through the Legislature in a matter of weeks.

After evaluation of budget trailer bill language that would shift the drinking water program from the Department of Public Health to the State Water Resources Control Board, some stakeholders are concerned that not all of the principles outlined by the interagency working group were incorporated. Assurances from the administration have been made that what was introduced was only a draft, and that once the workgroup makes its final recommendations, the trailer bill will be amended.

A Proposed Decision was recently released by the California Public Utilities Commission (CPUC) that would require Southern California Edison (SCE) to procure at least 400 MW of power used to replace some of the power from the SONGS decommissioning from preferred resources, such as renewable energy, energy efficiency and demand response. While still only a Proposed Decision, it is a confirmation that there will be opportunities for renewable resources to be included in the procurement plan for SONGS replacement power.

The Governor quickly appointed Michael Picker, 62, of Sacramento, to replace Commissioner Ferron, who resigned for health reasons. Picker has been Senior Advisor for Renewable Energy in the Office of the Governor since 2009, and currently serves on the Board of Directors of the Sacramento Municipal Utility District.

The California Air Resources Board (CARB) released the Draft AB 32 Scoping Plan Update. The Update includes recommendations for how to meet a 2050 goal of reducing 1990 emissions levels by 80 percent. The Update offers many recommendations of how to reach these targets including extending the cap and trade program and specific goals and targets for the water sector. A number of stakeholders are concerned that CARB does not have the authority to require further emission reductions goals without statutory authority from the Legislature.

Inland Empire Utilities Agency

Status Report – February 2014

Governor and Legislative Leaders Unveil Drought Relief Plan

The Governor and legislative leadership unveiled a plan to spend about \$687 Billion to alleviate impacts from the drought. The plan includes funds to clean and recycle water, improve conservation, capture stormwater, and assist farmworkers who will be out of work because their fields are fallow with emergency food and housing assistance, among other things.

The funds would mostly come from the unspent funds from existing bonds: Propositions 84 and 1E. Additionally cap and trade auction revenue and general fund dollars are proposed to be used. The bill, which has yet to be introduced, will likely include:

- \$549 million from Propositions 84 and 1E for local governments that are ready to build drought-alleviation projects, including those to capture stormwater, distribute recycled water and enhance groundwater storage.
- \$46 million from state and federal funds to provide emergency food and shelter to people who are out of work because the farms they normally work on are fallow due to drought.
- \$40 million from cap-and-trade funds for water efficiency projects that save energy.
- \$15 million from the general fund for emergency drinking water.

More details will be revealed when the bill is in print in the coming days. Leadership has indicated that this measure (or potentially two separate bills) will move quickly through the houses of the Legislature, perhaps within weeks.

Nine Bills Introduced to Modify Water Bond

Hours before the bill introduction deadline, there are a total of nine bills that have been introduced to modify the water bond, four from Democrats and five from Republicans. With no indication from the Governor about what he thinks should happen with the bond, Legislators are trying to move their own packages through the process.

- AB 1331 (Rendon-D)- \$6.5 Billion: This bill has received significant discussion during informational hearings and will be heard again in committee in the beginning of March. The bill is already in the Senate, so it does not need to move as quickly as some of the other bond bills. This bill was the result of the Assembly Democratic Water Bond Work Group and will likely be amended soon.

- AB 1445 (Logue-R)- \$5.8 Billion: It is unlikely this bill will be the primary vehicle to reduce the Bond.
- AB 1674 (Bigelow-R)- Spot bill with no details. In light of the recent introduction of AB 2043 (see below,) this bill will not likely move.
- AB 2043 (Conway/Bigelow-R)- \$7.935 Billion: This is the lead Republican bill in the Assembly and is co-authored by the Assembly Republican Leader, Connie Conway and the Vice Chair of the Assembly Water, Parks and Wildlife Committee, Frank Bigelow.
- AB ____ (Perea-D)- Likely \$9.25 Billion: It is rumored that Assemblyman Henry Perea will introduce a bond bill that builds on current version of the Rendon bill (AB 1331). It will likely add more funds for storage and ensure that funding is continuously appropriated.
- SB 848 (Wolk-D)- \$6.925 Billion: Senator Lois Wolk has been moving this bill at a good pace through Senate committees. The bill has passed out of Natural Resources and Water and Environmental Quality. Its next stop is the committee that Senator Wolk chairs, Governance and Finance. The bill is not well supported by the water community, for a number of reasons. One of the primary reasons is that it requires bond fund recipients to show not just reduced reliance on the Delta, as is written in the current bond, but reduced imports. This is causing concern for many in the water community. The bill is moving through the process with the recognition it is a “work-in-progress”.
- SB 972 (Canella/Vidak-R)- \$9.2 Billion. The Republican Senators have introduced a bill that gave a haircut to most of the current bond categories, while completely removing the conservancy chapter. It has not yet been heard in committee.
- SB 1080 (Fuller- R)- This is only a spot bill with no specifics proposed.
- SB 1250 (Hueso- D)- This is only a spot bill with no specifics proposed.

Drinking Water Program Shift

As reported in January, Governor Brown proposed to shift the drinking water program from the Department of Public Health (DPH) to the State Water Resources Control Board (SWRCB) in the 2014-15 budget. Growing concerns over groundwater and drinking water contamination statewide, especially in rural, disadvantaged communities in the Central Valley, have led to pursuit of the shift.

The new “Division of Drinking Water” would be established at the SWRCB, with program regulatory staff remaining in locally based offices. The new division would be overseen by a new deputy director who would be required to have public health expertise and would report to the SWRCB executive director.

Trailer bill language has been released outlining the transfer, but does not contain all of the provisions that were discussed with the workgroup that met to iron out the details of the shift. After some original concern that the provisions were intentionally omitted from the trailer bill language, stakeholders have been assured that the intention of the administration is to follow the recommendations of the workgroup. Interested parties are waiting for confirmation of those statements in amended trailer bill and budget language.

Preferred Resources May Get Carveout to Replace SONGS Capacity:

A recent Draft Decision at the California Public Utilities Commission (CPUC) would require Southern California Edison (SCE) to procure at least 400 MW of power used to replace some of the power from the SONGS decommissioning from preferred resources, such as renewable energy, energy efficiency and demand response. This decision is part of the long-term procurement planning case, which has been reviewing local capacity requirements in the SONGS region. The proceeding has sought to balance local reliability and system stability in the SONGS area, while continuing to meet the state's greenhouse-gas goals. The ruling takes into account previous plans for procurement sources for not only SONGS, but to replace resources from the retirement of once-through-cooling facilities.

Michael Picker Appointed to CPUC

As reported in January, California Public Utilities Commissioner Mark Ferron resigned his position due to his battle with prostate cancer.

Governor Brown quickly appointed Michael Picker, 62, of Sacramento, who will be subject to Senate confirmation, as Commissioner Ferron's replacement. Picker has been Senior Advisor for Renewable Energy in the Office of the Governor since 2009; he will resign this position prior to taking the oath of office. He was principal at Lincoln Crow Strategic Communications from 2000 to 2009 and a consultant at Kaufman Campaign Consultants from 2000 to 2002. Picker was deputy treasurer in the Office of the California State Treasurer from 1998 to 1999 and chief of staff to Sacramento Mayor Joe Serna Jr. from 1992 to 1999. He was deputy assistant for toxic substance control in the Office of the Governor from 1981 to 1982 and a stop environmental cancer organizer at the Campaign for Economic Democracy from 1978 to 1982. He has been a member of the Sacramento Municipal Utility District Board of Directors since 2012; he will resign this position as well prior to taking the oath of office.

Picker noted in a recent interview with the Sacramento Bee that the Governor tapped him to "make the activities of the commission more accessible to people while preserving legal requirements and public decision making." His main role is to make the commission more "streamlined, modern, accessible and effective."

AB 32 Scoping Plan Update Released

The California Air Resources Board (CARB) released the long-awaited proposed update to the AB 32 Scoping Plan. The update lays out a path for achieving emissions reductions to 80 percent below 1990 levels by 2050 and sets out interim targets to achieve the 2050 goal. The plan calls for development of a post-2020 cap and trade program. The draft recognizes that to achieve the 2050 goal, the pace of greenhouse gas (GHG) reductions will have to significantly increase.

CARB lists a number of adaptations the energy sector will need to implement to meet the future goals. These include:

- Adapt to a system consisting of new-zero carbon buildings.
- Transform to highly efficient businesses and industry.
- Procure low-carbon electricity generation.
- Invest in sustainable bioenergy systems.
- Invest in smarter and localized generation.

- Help transform to flexible and modernized transmission and distribution system.
- Adapt to more compact land use.
- Find electricity substitutes for fuels currently used for transportation, space heating and industrial processes.

Additional principles to guide development of a 2050 plan include:

- Account for the carbon intensity and air-quality impacts of various energy resources, generation technologies and fuels.
- Maximize local and regional benefits of energy facilities.
- Minimize emissions of criteria and toxic air pollutants.

CARB also recommends that the energy sector should:

- Develop criteria and rules for flexible demand response resources to participate in wholesale markets and integrate variable renewable resources.
- Enhance energy efficiency and demand response programs.
- Develop low-cost interconnection processes for distributed generation.

There are many other recommendations in the Scoping Plan Update, including the following water sector-specific recommendations:

Funding

- DWR and SWRCB to give priority to funding integrated management plans that include robust existing or proposed water and energy conservation and efficiency and measures that achieve GHG emission reductions. Conservation programs must include numeric targets.

Technology

- CEC to implement new water-related energy conservation measures and efficiency standards.
- CPUC to complete water-energy nexus rulemaking by 2016 and to continue implementation of joint water-energy utility efficiency programs and partnerships
- SWRCB and CPUC to incent resource-recovering wastewater treatment projects by 2015.
- SWRCB and RWQCB by 2016 to implement green infrastructure permits to treat and capture urban runoff for local use.

Administration

- As directed by the California Water Action Plan, the DWR, the SWRCB, CPUC, CEC, CDFA, and ARB to guide adoption of GHG emission-reducing resources policies for water sector investments and action by 2015. Conservation measures and regulations to reduce GHG emissions and maintain water supply reliability during drought periods will be a centerpiece of this administration action.
- As directed by the California Water Action Plan, DWR, SWRCB, CPUC in consultation with the CDFA, to identify and incent implementation of rate structures that accurately reflect the economic, social, and environmental value of water in California while maintaining affordability for basic services.

- As directed by the California Water Action Plan, the SWRCB to develop a comprehensive groundwater management strategy, and the DWR and CDFA to provide technical and financial assistance to exceed SBx7-7 targets.
- SWRCB and RWQCBs by 2016 to modify State and regional water board policies and permits to achieve conservation, water recycling, stormwater reuse, and wastewater-to-energy goals.

Education

- As directed by the California Water Action Plan, DWR, SWRCB, CPUC, CEC, and CAISO to promote water-energy conservation outreach and education.

The Draft Scoping Plan Update was presented to CARB in late February and stakeholders were given the chance to comment on the draft. Staff is expected to take those comments into account before releasing the final version in late spring.

Some stakeholders believe that CARB does not have the authority to extend the emissions reduction targets without statutory authority. Legislation is pending to study further emissions reductions, however no bill has been introduced, as of yet, to extend emissions reduction goals.

Legislative Update

Other than a few hearings on SB 848 (Wolk), as described in the Water Bond section there were very few policy committee hearings in February. February 21 was the bill introduction deadline. The final days saw hundreds of bills introduced in both houses. Many of the introduced bills are in “spot” format, meaning the subject of the bill was identified, but there is no substantive information in the bill. Bills must be in print for 30 days before they can be heard in committee or amended. Policy committees will start to hear bills as those introduced earlier in the year are eligible for hearing. Below are bills that the Dolphin Group has identified that are potentially important to IEUA. As bills take a more substantive form, some could drop from the list, or be added.

Bay Delta

AB 1671 (Frazier D) Sacramento-San Joaquin Delta: water conveyance system.

Current Text: Introduced: 2/12/2014 [pdf](#) [html](#)

Introduced: 2/12/2014

Status: 2/20/2014-Referred to Com. on W.,P. & W.

Location: 2/20/2014-A. W.,P. & W.

Summary: Under current law, State Water Project facilities include, among others, the facilities that are specified or authorized by the Legislature as part of the state Central Valley Project. This bill would prohibit the Department of Water Resources from constructing water facilities as part of a specified water conveyance system unless specifically authorized by the Legislature.

Subject
Bay Delta

AB 2108 (Eggman D) Sacramento-San Joaquin Valley: flood management.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Current law prohibits, after the general plan amendments and zoning ordinance amendments have become effective, each city and county within the Sacramento-San Joaquin Valley from approving specified permits that would result in specified construction located within a flood hazard zone unless the city or county makes one of 4 specified findings. This bill would make a technical, nonsubstantive change to this provision.

Subject
Bay Delta

AB 2463 (Dickinson D) Delta plan: Bay Delta Conservation Plan: hearings.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would require the council to have at least 5 public hearings concerning the incorporation of the Bay Delta Conservation Plan into the Delta Plan if the Department of Fish and Wildlife approves the Bay Delta Conservation Plan as a natural community conservation plan.

Subject
Bay Delta

CEQA

AB 1849 (Logue R) California Environmental Quality Act: exemption: levees.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be heard in committee March 22.

Location: 2/19/2014-A. PRINT

Summary: Would exempt from the requirements of CEQA, the maintenance,

repair, or replacement of an existing levee. Because a lead agency would be required to determine the applicability of this exemption, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Subject
CEQA

Energy

AB 1499 (Skinner D) Electricity: self-generation incentive program.

Current Text: Introduced: 1/9/2014 [pdf](#) [html](#)

Introduced: 1/9/2014

Status: 1/30/2014-Referred to Com. on U. & C.

Location: 1/30/2014-A. U. & C.

Summary: Would extend the authority of the PUC to authorize electrical corporations to continue making the annual collections through December 31, 2015. The bill would extend the Public Utilities Commission's administration of the program to January 1, 2017. This bill contains other related provisions and other existing laws.

Subject
Energy

AB 1624 (Gordon D) Self-generation incentive program.

Current Text: Introduced: 2/10/2014 [pdf](#) [html](#)

Introduced: 2/10/2014

Status: 2/11/2014-From printer. May be heard in committee March 13.

Location: 2/10/2014-A. PRINT

Summary: Would authorize the Public Utilities Commission, in consultation with the State Energy Resources Conservation and Development Commission, to authorize the annual collection of not more than the amount authorized for the self-generation incentive program in the 2008 calendar year, through December 31, 2020, and would require the Public Utilities Commission to require electrical corporations to administer the program for distributed energy resources originally established pursuant to a specified-described former law through and including December 31, 2021.

Subject
Energy

AB 1779 (Gaines, Beth R) Net energy metering: study.

Current Text: Introduced: 2/18/2014 [pdf](#) [html](#)

Introduced: 2/18/2014

Status: 2/19/2014-From printer. May be heard in committee March 21.

Location: 2/18/2014-A. PRINT

Summary: Current law requires the Public Utilities Commission to complete a study by October 1, 2013, to determine who benefits from, and who bears the economic burden, if any, of, the net energy metering program, and to determine the extent to which each class of ratepayers and each region of the state receiving service under the net energy metering program is paying the full cost of the services provided to them by electrical corporations, and the extent to which those customers pay their share of the costs of public purpose programs. Current law requires the commission to report the results of the study to the Legislature within 30 days of its completion. This bill would make a nonsubstantive change to the latter provision.

Subject
Energy

AB 1935 (Campos D) Electricity: clean distributed energy technologies.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be heard in committee March 22.

Location: 2/19/2014-A. PRINT

Summary: Current law requires each electrical corporation, no later than July 1, 2015, to submit to the Public Utilities Commission a distribution resources plan proposal to identify the optimal locations for the deployment of distributed resources. Current law defines the term "distributed resources." Current law requires the commission to review and approve the plan. This bill would revise the definition of "distributed resources" to include clean distributed energy technology, as defined.

Subject
Energy

AB 1992 (Quirk D) Energy: renewable energy resources.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Current law establishes the renewable energy resources program to increase the amount of electricity generated from eligible renewable energy resources. Current law defines various terms for the purposes of the program.

This bill would make a nonsubstantive change to that provision.

Subject
Energy

AB 2045 (Rendon D) Energy improvements: financing.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Would enact the Nonresidential Real Property Energy Retrofit Financing Act of 2014 and would require the State Energy Resources Conservation and Development Commission to establish the Nonresidential Real Property Energy Retrofit Financing Program. The program would provide financial assistance, through authorizing the issuance of, among other things, revenue bonds, to owners of eligible real properties, as defined, for implementing energy improvements for their properties.

Subject
Energy

AB 2050 (Quirk D) California Global Warming Solutions Act of 2006: scoping plan: advisory panel.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: The California Global Warming Solutions Act of 2006 requires the scoping plan to be updated at least once every 5 years. This bill, until January 1, 2020, would require the State Air Resources Board to include specified elements when updating the scoping plan. The bill would require the state board, on or before January 1, 2019, to submit a report to the appropriate committees of the Legislature on those specified elements of the updated scoping plan. This bill contains other related provisions.

Subject
Energy

AB 2083 (Gaines, Beth R) California Global Warming Solutions Act of 2006: rules and regulations.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Would make a technical, nonsubstantive change to this provision.

Subject
Energy

AB 2137 (Quirk D) Small Business Energy Efficiency Incentive Program.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Would state the intent of the Legislature to enact legislation that would establish the Small Business Energy Efficiency Incentive Program to provide small businesses with incentives to update or replace their high energy use equipment by providing financing options for these purposes.

Subject
Energy

AB 2159 (Ammiano D) Public utilities: electrical services: charges.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Current law requires the Public Utilities Commission to review various charges paid by or charged by electrical corporations related to the delivery of electrical services. Current law requires the commission, following the review, to consider adjustments to the charges to encourage the utilization of electricity generated from other than conventional power sources. This bill would make nonsubstantive changes to the above provision.

Subject
Energy

AB 2202 (Logue R) Greenhouse gas reduction.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Would require the state board to exempt small independent fuel marketers, as defined, from the regulations adopted by the state board in this regard.

Subject
Energy

AB 2348 (Stone D) Natural Resources Climate Improvement Program.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would establish the Natural Resources Climate Improvement Program, which would be administered by the state board, in coordination with the Natural Resources Agency, to assist in the development and implementation of highly-leveraged, regionally integrated natural resources projects that maximize greenhouse gas emissions reductions or sequestration. This bill would authorize moneys from the Greenhouse Gas Reduction Fund to be available, upon appropriation by the Legislature, to the state board to implement the Natural Resources Climate Improvement Program.

Subject
Energy

AB 2390 (Muratsuchi D) Low Carbon Fuel Standard: Green Credit Reserve.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would require the Governor, by June 30, 2015, to designate a state agency to establish and administer a Low Carbon and Renewable Fuels Credit Reserve (Green Credit Reserve or Reserve) to facilitate and encourage the development of renewable and low carbon transportation fuel projects in California by providing stability and predictability for the value of credits generated by the production of those fuels pursuant to the low carbon fuel standard and the federal renewable fuel standard. The bill would provide for the Green Credit Reserve to enter into specified contracts with developers of projects that are intended to produce renewable transportation fuels that qualify for state and federal low carbon or renewable fuel credits, and that will commit the Reserve to purchase the LCFS and RFS credits at a contracted price when the renewable fuel is produced. This bill contains other existing laws.

Subject
Energy

SB 760 (Wright D) California Renewables Portfolio Standard Program.

Current Text: Amended: 1/9/2014 [pdf](#) [html](#)

Introduced: 2/22/2013

Last Amend: 1/9/2014

Status: 1/9/2014-From committee with author's amendments. Read second time

and amended. Re-referred to Com. on U. & C.

Location: 1/9/2014-A. U. & C.

Summary: The California Renewables Portfolio Standard Program requires a retail seller, as defined, and local publicly owned electric utilities to purchase specified minimum quantities of electricity products from eligible renewable energy resources, as defined, for specified compliance periods. This bill would additionally require that the process providing criteria for the rank ordering and selecting of least-cost and best-fit eligible renewable energy resources to comply with the program obligations include procurement of specific types of eligible renewable energy resources necessary to maintain the reliability of the electrical grid to meet electrical demand on a 24-hour basis and consider the attributes of utilizing geothermal and other renewable energy resources, as specified. This bill contains other existing laws.

Subject
Energy

SB 1078 (Jackson D) Electricity: Independent System Operator.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be acted upon on or after March 22.

Location: 2/19/2014-S. PRINT

Summary: Current law requires the Independent System Operator to manage the transmission grid and related energy markets in a manner that is consistent with maximizing the availability of existing electric generation resources necessary to meet the needs of the state's electricity consumers. This bill would revise this requirement to require that in managing the transmission grid and related energy markets, the Independent System Operator do so consistent with maximizing utilization of existing electrical resources, including all cost-effective demand-side and renewable energy resources, that are connected to the distribution or transmission grid, as are necessary for reliable operation of the grid and sufficient to meet the needs of the state's electricity consumers.

Subject
Energy

SB 1115 (Hueso D) Renewable energy resources.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be acted upon on or after March 22.

Location: 2/19/2014-S. PRINT

Summary: Current law requires the Public Utilities Commission to review and adopt a renewable energy procurement plan for each electrical corporation, as defined, pursuant to the California Renewables Portfolio Standard Program. This

bill would make nonsubstantive changes to the program's legislative findings and declarations.

Subject
Energy

SB 1125 (Pavley D) Greenhouse gases: emissions reduction.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be acted upon on or after March 22.

Location: 2/19/2014-S. PRINT

Summary: Would require the State Air Resources Board, on or before January 1, 2016, and in consultation with specified entities, to develop and submit to the Governor and the Legislature a report containing recommendations on a timetable of reduction targets of greenhouse gas emissions and short-lived climate pollutants with high global warming potentials beyond 2020. The bill would repeal the above provision on January 1, 2020.

Subject
Energy

SB 1156 (Steinberg D) California Carbon Tax Law of 2014.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be acted upon on or after March 23.

Location: 2/20/2014-S. PRINT

Summary: Would require the State Board of Equalization to administer and implement the carbon tax, and would require revenues from the tax to be deposited in the Carbon Tax Revenue Special Fund in the State Treasury. The bill would exempt suppliers of fossil fuels subject to the tax from regulations imposed by the State Air Resources Board under the California Global Warming Solutions Act of 2006 relative to the compliance obligation in the second compliance period under which suppliers of specified fuels are required to obtain allowances for carbon-dioxide-equivalent emissions under the cap-and-trade program adopted by the State Air Resources Board.

Subject
Energy

Public Agency

AB 194 (Campos D) Open meetings: actions for violations.

Current Text: Amended: 1/27/2014 [pdf](#) [html](#)

Introduced: 1/28/2013

Last Amend: 1/27/2014

Status: 2/6/2014-Referred to Com. on GOV. & F.

Location: 2/6/2014-S. G. & F.

Summary: Would expand the authorization for a district attorney or interested party to seek a judicial determination that an action taken by a legislative body is null and void if the legislative body violated the requirement that every agenda for a regular meeting or notice for a special meeting provide an opportunity for members of the public to address the legislative body on items being considered, as specified.

Subject
Public
Agency

AB 1434 (Yamada D) Water corporations: low-income relief programs.

Current Text: Introduced: 1/6/2014 [pdf](#) [html](#)

Introduced: 1/6/2014

Status: 1/17/2014-Referred to Com. on U. & C.

Location: 1/17/2014-A. U. & C.

Summary: Current law requires the Public Utilities Commission to consider, and authorizes the commission to implement, programs to provide rate relief for low-income ratepayers of a water corporation. This bill would instead require the commission to implement a program to provide rate relief for low-income ratepayers of a water corporation, as specified.

Subject
Public
Agency,
Water

AB 1582 (Mullin D) Redevelopment: successor agencies: Recognized Obligation Payment Schedule.

Current Text: Introduced: 2/3/2014 [pdf](#) [html](#)

Introduced: 2/3/2014

Status: 2/14/2014-Referred to Coms. on L. GOV. and APPR.

Location: 2/14/2014-A. L. GOV.

Summary: Current law requires a successor agency to, among other things, prepare a Recognized Obligation Payment Schedule for payments on enforceable obligations for each 6-month fiscal period. This bill would revise the timeline for the preparation of the required Recognized Obligation Payment Schedule to provide that the successor agency prepare a schedule for an annual fiscal period.

Subject
Public
Agency

AB 1728 (Garcia D) Political Reform Act of 1974.

Current Text: Introduced: 2/14/2014 [pdf](#) [html](#)

Introduced: 2/14/2014

Status: 2/18/2014-From printer. May be heard in committee March 20.

Location: 2/14/2014-A. PRINT

Summary: Would revise the definition of "agency" to include a local government agency formed pursuant to provisions of the Water Code. The bill would revise the definition of "license, permit, or other entitlement for use" with respect to proceedings before a local government agency formed pursuant to the Water Code to apply to all contracts that are not competitively bid. The bill would deem the financial interests of a person who compensates a participant to actively support or oppose a particular decision in a proceeding on his or her behalf to also be a financial interest of the participant. This bill contains other related provisions and other existing laws.

Subject
Public
Agency

AB 2403 (Rendon D) Local government: assessments, fees, and charges.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would modify the definition of water to specifically include recycled water and stormwater intended for water service. This bill would also make legislative findings and declarations in this regard.

Subject
Public
Agency

SB 992 (Nielsen R) Maintenance of exclusive areas: fines.

Current Text: Introduced: 2/12/2014 [pdf](#) [html](#)

Introduced: 2/12/2014

Status: 2/20/2014-Referred to Com. on T. & H.

Location: 2/20/2014-S. T. & H.

Summary: An association may impose a fine or assessment upon a separate interest owner for failure to maintain his or her property in accordance with the association rules for that development. This bill would prohibit an association from imposing a fine or assessment on separate interest owners for yard maintenance issues related to under-watered plants and lawns during any period for which the Governor has declared a state of emergency due to drought.

Subject
Public
Agency

SB 1121 (De León D) The California Green Bank.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be acted upon on or after March 22.

Location: 2/19/2014-S. PRINT

Summary: Current law establishes various programs throughout the state to promote energy efficiency, reduce greenhouse gases, and encourage private economic development. This bill would state the intent of the Legislature to enact legislation that would establish the California Green Bank to coordinate, align, and enhance the state's efforts to provide energy finance programs for advanced energy technologies and projects throughout the state.

Subject
Public
Agency

SB 1130 (Roth D) Drinking water: County Water Company of Riverside water system: liability.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be acted upon on or after March 23.

Location: 2/20/2014-S. PRINT

Summary: Would exempt the Elsinore Valley Municipal Water District, the Eastern Municipal Water District, and those urban wholesale water suppliers, as defined, providing supplemental imported water supplies to Elsinore Valley Municipal Water District and the Eastern Municipal Water District, from liability for any good faith, reasonable effort to assume possession of, and to operate and supply water to, the County Water Company of Riverside water system prior, during, or for a certain time after the interim operation period, as specified. This bill would prohibit the immunity from liability from being construed either to

relieve the municipal water districts or urban wholesale water suppliers from compliance with drinking water standards or to extend to claims alleging the taking of property without compensation. This bill would require the interim operation period to last until permanent replacement facilities are accepted by the municipal water districts with the concurrence of the department, or December 31, 2015, whichever occurs first. This bill would require the department to extend the interim operation period for up to 2 years at the request of the municipal water districts, as prescribed. This bill contains other related provisions and other existing laws.

Subject
Public
Agency

SB 1362 (Correa D) Public contracts: Orange County Water District.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To Com. on RLS. for assignment. To print.

Location: 2/21/2014-S. PRINT

Summary: Current law governs the contracts of the Orange County Water District as provided in a specified statute and further provides that the district is not bound by any contract unless the same is made in writing approved by a resolution of the board of directors and properly executed by its officers who have been authorized to do so. This bill would make technical, nonsubstantive changes in that provision.

Subject
Public
Agency

Water

AB 1249 (Salas D) Integrated regional water management plans: nitrate contamination.

Current Text: Amended: 1/6/2014 [pdf](#) [html](#)

Introduced: 2/22/2013

Last Amend: 1/6/2014

Status: 2/6/2014-Referred to Com. on E.Q.

Location: 2/6/2014-S. E.Q.

Summary: Would require an integrated regional water management plan to include an explanation of how the plan addresses nitrate contamination, or an

explanation of why the plan does not address nitrate contamination, if an area within the boundaries of the plan has been identified as a nitrate high-risk area by the State Water Resources Control Board. This bill contains other related provisions and other existing laws.

Subject
Water

AB 1434 (Yamada D) Water corporations: low-income relief programs.

Current Text: Introduced: 1/6/2014 [pdf](#) [html](#)

Introduced: 1/6/2014

Status: 1/17/2014-Referred to Com. on U. & C.

Location: 1/17/2014-A. U. & C.

Summary: Current law requires the Public Utilities Commission to consider, and authorizes the commission to implement, programs to provide rate relief for low-income ratepayers of a water corporation. This bill would instead require the commission to implement a program to provide rate relief for low-income ratepayers of a water corporation, as specified.

Subject
Public
Agency,
Water

AB 1632 (Olsen R) Water rights: appropriation.

Current Text: Introduced: 2/10/2014 [pdf](#) [html](#)

Introduced: 2/10/2014

Status: 2/11/2014-From printer. May be heard in committee March 13.

Location: 2/10/2014-A. PRINT

Summary: Under current law, the State Water Resources Control Board administers a water rights program pursuant to which the board grants permits and licenses to appropriate water. Current law requires the board to allow the appropriation for beneficial purposes of unappropriated water under terms and conditions as in its judgment will best develop, conserve, and utilize in the public interest the water sought to be appropriated. This bill would make a technical, nonsubstantive change in these provisions.

Subject
Water

AB 1636 (Brown D) Water conservation.

Current Text: Introduced: 2/10/2014 [pdf](#) [html](#)

Introduced: 2/10/2014

Status: 2/20/2014-Referred to Com. on L. GOV.

Location: 2/20/2014-A. L. GOV.

Summary: Under current law, various provisions govern conservation programs and authorize public entities to enact water conservation programs to reduce the quantity of water used by persons for the purpose of conserving water supplies. This bill would prohibit a city or county, during a drought emergency declared by the Governor, from enforcing a law or ordinance requiring a resident to water his or her lawn.

Subject

Water

AB 1731 (Perea D) Integrated regional water management plans: funding: disadvantaged communities.

Current Text: Introduced: 2/14/2014 [pdf](#) [html](#)

Introduced: 2/14/2014

Status: 2/18/2014-From printer. May be heard in committee March 20.

Location: 2/14/2014-A. PRINT

Summary: Would require in each integrated regional water management region that not less than 10% of any funding for integrated regional water management planning purposes be used to facilitate and support the participation of disadvantaged communities in integrated regional water management planning and for projects that address critical water supply or water quality needs for disadvantaged communities. This bill contains other existing laws.

Subject

Water

AB 1739 (Dickinson D) Groundwater basin management: sustainability.

Current Text: Introduced: 2/14/2014 [pdf](#) [html](#)

Introduced: 2/14/2014

Status: 2/18/2014-From printer. May be heard in committee March 20.

Location: 2/14/2014-A. PRINT

Summary: The Groundwater Quality Monitoring Act of 2001 requires the State Water Resources Control Board, in establishing the comprehensive monitoring program, to prioritize groundwater basins that supply drinking water. This bill would require the State Water Resources Control Board, in consultation with the Department of Water Resources, to develop thresholds for the sustainable management of the priority groundwater basins.

Subject

Water

AB 1808 (Dahle R) Drinking water.

Current Text: Introduced: 2/18/2014 [pdf](#) [html](#)

Introduced: 2/18/2014

Status: 2/19/2014-From printer. May be heard in committee March 21.

Location: 2/18/2014-A. PRINT

Summary: Current law, the California Safe Drinking Water Act, requires the State Department of Public Health to administer the regulation of drinking water and public water systems, as defined, to protect public health, including the conduct of research, studies, and demonstration programs relating to the provision of a dependable, safe supply of drinking water. This bill would make a technical, nonsubstantive change to these provisions.

Subject

Water

AB 1874 (Gonzalez D) Integrated regional water management plans: funding.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be heard in committee March 22.

Location: 2/19/2014-A. PRINT

Summary: Would require the Department of Water Resources to develop, by October 1, 2015, a streamlined application process for the funding of regional projects and programs. The bill would require the Department of Water Resources to promptly review and pay invoices associated with grants for regional projects and programs. The bill would require the Department of Finance to review the Department of Water Resources' contracting procedures for the distribution of grants for regional projects and programs and to report its findings to the Legislature.

Subject

Water

AB 1896 (V. Manuel Pérez D) Coachella Valley Water District: nonpotable water use.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be heard in committee March 22.

Location: 2/19/2014-A. PRINT

Summary: Current law prohibits a person or local public agency from using, within the district's service area, water from any source that is suitable for potable domestic use for nonpotable uses for cemeteries, parks, highway landscaped areas, new industrial facilities, and golf course irrigation if the board of directors of the district determines that suitable nonpotable water is available, as specified, and other requirements are met. This bill would add the use of potable domestic water for homeowner's association facilities as a prohibited use if the board of directors of the district determines that suitable nonpotable water is available.

This bill contains other related provisions.

Subject
Water

AB 1913 (Jones-Sawyer D) Water rates.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be heard in committee March 22.

Location: 2/19/2014-A. PRINT

Summary: Current law requires the Public Utilities Commission, in establishing rates for water service, to consider separate charges for costs associated with customer service, facilities, variable operating costs, including fixed and variable costs associated with supplying the water, or other components of the water service provided to water users. This bill would make a technical, nonsubstantive change to this provision of law.

Subject
Water

AB 1983 (Gray D) Water meters: multiunit structures.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be heard in committee March 22.

Location: 2/19/2014-A. PRINT

Summary: Would authorize the owner or operator of a building containing residential units to install equipment to determine or use an economic allocation methodology to approximate the quantity of water that is provided to the tenants and used in the common areas of that building. The bill would also authorize the owner or operator of a building to charge tenants separately for water and wastewater service based on usage as determined through the use of that equipment or allocation methodology if certain requirements are met.

Subject
Water

AB 2049 (Dahle R) Drinking water: point-of-entry and point-of-use treatment systems.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Current law requires the State Department of Public Health to adopt regulations to implement the California Safe Drinking Water Act, and to enforce

provisions of the federal Safe Drinking Water Act, including requirements governing the use of point-of-entry and point-of-use treatment in lieu of centralized treatment where it can be demonstrated that centralized treatment is not immediately economically feasible. Current law limits the use of these alternate treatment methods to water systems with less than 200 service connections. This bill would, instead, limit the use of point-of-entry and point-of-use treatment to water systems with less than 500 service connections.

Subject
Water

AB 2067 (Weber D) Urban water management plans.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Would require an urban retail water supplier and an urban wholesale water supplier to provide narratives describing the supplier's water demand management measures, as provided. The bill would require, for urban retail water suppliers, the narrative to address the nature and extent of each water demand management measure implemented over the past 5 years and describe the water demand management measures that the supplier plans to implement to achieve its water use targets.

Subject
Water

AB 2100 (Campos D) Common interest developments: local governments: yard maintenance: fines: drought.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Would prohibit an association from imposing a fine or assessment on separate interest owners for yard maintenance issues related to under-watered plants and lawns during any period for which the Governor has declared a state of emergency due to drought. This bill contains other related provisions and other existing laws.

Subject
Water

AB 2104 (Gonzalez D) Common interest developments: water-efficient landscapes.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Would provide that, with respect to the above-described provisions, governing documents include architectural or landscaping guidelines or policies and decisions by the board of directors applicable to a specific homeowner. The bill would apply these provisions to a prohibition on the replacement of existing turf with low water-using plants, as provided. This bill contains other existing laws.

Subject

Water

AB 2179 (Gray D) Water.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Current law establishes the State Water Resources Control Board and the 9 California regional water quality control boards as the principal state agencies with authority over matters relating to water quality. Current law also provides various provisions governing water rights. This bill would state the intent of the Legislature to enact legislation affecting the appropriation of water.

Subject

Water

AB 2189 (Garcia D) Water replenishment districts: replenishment assessment.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Would revise and recast these provisions to conform the act to Article XIII D of the California Constitution. The bill would require the board to make the specified findings and determinations before holding the public hearing and would require the board to give written notice by mail to operators of water-producing facilities within the district that would be subject to the proposed replenishment assessment, as specified. By requiring the board to make the specified findings and determinations at an earlier date, this bill would increase the duties of local officials and would impose a state-mandated local program. The bill would require the replenishment assessment be based upon the proportion of the costs actually incurred by the assessed operator of a water-producing facility. The bill would authorize an operator of a water-producing facility to submit a written protest opposing the replenishment assessment and

would prohibit the board from imposing the replenishment assessment if a majority protest exists, as specified. The bill would prohibit a replenishment assessment from being extended, imposed, or increased under certain conditions. This bill contains other related provisions and other existing laws.

Subject

Water

AB 2259 (Ridley-Thomas D) Water replenishment: assessments.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would require that a judicial action or proceeding to attack, review, set aside, void, or annul a resolution or motion levying a replenishment assessment pursuant to those provisions to be commenced within 90 days of the fiscal year commencing on July 1 next. The bill would also require that an action by a local agency or interested person regarding the replenishment assessment be brought pursuant to specified provisions regarding civil proceedings.

Subject

Water

AB 2269 (Bigelow R) Integrated regional water management planning.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Current law authorizes a regional water management group to prepare and adopt an integrated regional water management plan with specified components. This bill would make a technical, nonsubstantive change to that provision.

Subject

Water

AB 2282 (Gatto D) Building standards: recycled water infrastructure.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would require the Department of Housing and Community Development, in consultation with other designated entities, to conduct research to assist in the development of, and to propose, adoption, amendment or repeal by

the California Building Standards Commission, of mandatory building standards for the installation of future recycled water infrastructure for single-family and multifamily residential buildings. The bill would authorize the department to expend funds from the existing Building Standards Administration Special Revolving Fund for this purpose upon appropriation.

Subject
Water

AB 2417 (Nazarian D) Environmental quality.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would make technical, nonsubstantive changes to those legislative findings.

Subject
Water

AB 2432 (Salas D) Drinking water.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Current law, the California Safe Drinking Water Act, requires the State Department of Public Health to administer the regulation of drinking water and public water systems, as defined, to protect public health, including the conduct of research, studies, and demonstration programs relating to the provision of a dependable, safe supply of drinking water. This bill would make a technical, nonsubstantive change to these provisions.

Subject
Water

AB 2442 (Gordon D) Porter-Cologne Water Quality Control Act: remedial action: liability.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would prohibit the state board, a regional board, and any authorized person, as defined, from being civilly or criminally liable for any act or omission of the state board, regional board, or any authorized person in connection with

any investigation, cleanup, abatement, or other remedial work, as defined, unless the act or omission was performed in a grossly negligent manner. The bill would require that these provisions apply to a claim against a public entity presented on or after January 1, 2015, or, if no claim is presented, to a cause of action in a civil complaint or a writ petition filed on or after January 1, 2015. The bill would also make various technical, nonsubstantive changes.

Subject
Water

AB 2443 (Rendon D) Duplication of service: mutual water companies.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would make inapplicable the provision that a mutual water company is a private utility entitled to just compensation for a taking in a territory it services at the time of the taking when a political subdivision constructs facilities to provide or extend recycled water service to the territory of the mutual water company.

Subject
Water

AB 2446 (Waldron R) Recycled water: recycling criteria.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Current law, the Porter-Cologne Water Quality Control Act, requires the State Department of Public Health to establish uniform statewide recycling criteria for each varying type of use of recycled water if the use involves the protection of public health. The act defines recycling criteria to mean the levels of constituents of recycled water, and the means for assurance of reliability under the design concept that will result in recycled water that is safe for the uses to be made. This bill would make technical, nonsubstantive changes to that definition.

Subject
Water

AB 2451 (Daly D) Weights and measures: water submeters.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would require a county sealer, upon written request of a service agent, to test and certify the accuracy of a water submeter within the county in which the county sealer operates. The bill would authorize a water submeter certified to be accurate to be used in any county in the state. The bill would require a sealer in any county to accept for installation a water submeter in working order that is certified to be accurate. The bill would authorize the board of supervisors, until January 1, 2016, to charge fees to cover the cost of the county sealer of performing these services.

Subject
Water

AB 2453 (Achadjian R) Water supply.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Current law makes findings and declarations relating to local or regional level water management decisions. This bill would make a technical, nonsubstantive change in these provisions.

Subject
Water

AB 2636 (Gatto D) CalConserve Water Use Efficiency Revolving Fund.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would establish the CalConserve Water Use Efficiency Revolving Fund administered by the Department of Water Resources and would continuously appropriate moneys in the fund, without regard to fiscal year, to the department, for the purpose of water use efficiency projects. This bill would require moneys in the fund to be used for purposes that include, but are not limited to, at-or-below market interest rate loans and would permit the department to enter into agreements with local governments or investor-owned utilities that provide water or recycled water service to provide loans.

Subject
Water

AB 2680 (Nazarian D) Water quality.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: The Porter-Cologne Water Quality Control Act establishes a statewide program for the control of the quality of all the waters in the state and makes certain legislative findings and declarations. This bill would make technical, nonsubstantive changes to the legislative findings and declarations.

Subject

Water

AB 2701 (Gonzalez D) Groundwater basins: investigation and report.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Current law requires the Department of Water Resources, in conjunction with other public agencies, to conduct an investigation of the state's groundwater basins and to report its findings to the Governor and the Legislature not later than January 1, 2012, and thereafter in years ending in 5 or 0. This bill would make a technical, nonsubstantive change in these provisions.

Subject

Water

AB 2712 (Daly D) Hazardous materials: Orange County Water District.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To print.

Location: 2/21/2014-A. PRINT

Summary: Would impose requirements on the Orange County Water District when conducting a remediation project at a hazardous waste release site located in the district and would prohibit the district from implementing a remediation project unless the plan for the proposed remediation project is approved pursuant to the specified procedures. The bill would require the district to develop a plan for a proposed remediation project and to submit the plan, for review and approval, to the Department of Toxic Substances Control, a California regional water quality control board, or a certified unified program agency, as specified. If the regulatory agency does not approve the plan, the bill would allow the district to submit the plan to the site designation committee for review. The site designation committee would be required to disapprove the plan, approve the plan, or conditionally approve the plan. This bill contains other related provisions and other existing laws.

Subject
Water

SB 938 (Galgiani D) Water rights: reconsideration of a decision or order.

Current Text: Introduced: 2/3/2014 [pdf](#) [html](#)

Introduced: 2/3/2014

Status: 2/20/2014-Referred to Com. on RLS.

Location: 2/20/2014-S. RLS.

Summary: Current law specifies procedures under which a person may be subject to administrative civil liability for unauthorized diversion or use of water. Current law specifies procedures under which the State Water Resources Control Board is authorized to order a reconsideration of all or part of its decision or order. This bill would make a technical, nonsubstantive change to these provisions.

Subject
Water

SB 985 (Pavley D) Stormwater resource planning.

Current Text: Introduced: 2/11/2014 [pdf](#) [html](#)

Introduced: 2/11/2014

Status: 2/20/2014-Referred to Coms. on E.Q. and N.R. & W.

Location: 2/20/2014-S. E.Q.

Summary: Current law, the Stormwater Resource Planning Act, authorizes a city, county, or special district, to develop a stormwater resource plan that meets certain standards. This bill would require a stormwater resource plan to identify opportunities to use current publicly owned lands to capture and reuse stormwater.

Subject
Water

SB 1014 (Jackson D) Pharmaceutical waste: home-generated.

Current Text: Introduced: 2/13/2014 [pdf](#) [html](#)

Introduced: 2/13/2014

Status: 2/14/2014-From printer. May be acted upon on or after March 16.

Location: 2/13/2014-S. PRINT

Summary: Would enact the Home-Generated Pharmaceutical Waste Collection Disposal Act and would define terms for purposes of the act. The bill would require a producer of covered pharmaceuticals to submit to the Department of Resources Recycling and Recovery, by July 1, 2015, except as specified, a product stewardship plan and would authorize one or more producers to submit a plan or designate a stewardship organization to act as an agent on behalf of the

producers to submit a plan.

Subject
Water

SB 1036 (Pavley D) Urban water management plans.

Current Text: Introduced: 2/18/2014 [pdf](#) [html](#)

Introduced: 2/18/2014

Status: 2/19/2014-From printer. May be acted upon on or after March 21.

Location: 2/18/2014-S. PRINT

Summary: Would authorize an urban water supplier to include within an urban water management plan certain energy-related information, including, but not limited to, estimates of the amount of energy used to extract or divert water supplies.

Subject
Water

SB 1049 (Pavley D) Integrated regional water management plans.

Current Text: Introduced: 2/18/2014 [pdf](#) [html](#)

Introduced: 2/18/2014

Status: 2/19/2014-From printer. May be acted upon on or after March 21.

Location: 2/18/2014-S. PRINT

Summary: The Integrated Regional Water Management Planning Act defines "regional projects or programs" as projects or programs identified in an integrated regional water management plan that accomplish specified water-related goals, including an increase in water supplies through the use of certain means. This bill would specifically include projects or programs that reduce energy used to acquire, transport, treat, or distribute water, as a regional project or program. The bill would require a regional water management group to include all water suppliers that are within the watershed area, the area over a groundwater basin or subbasin, or the area within a county's boundaries.

Subject
Water

SB 1086 (De León D) The Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2014.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be acted upon on or after March 22.

Location: 2/19/2014-S. PRINT

Summary: Under current law, various measures have been approved by the voters to provide funds for park, river, and coastal protections and programs. This

bill would enact the Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2014, which, if adopted by the voters, would authorize the issuance of bonds in an unspecified amount pursuant to the State General Obligation Bond Law to finance a safe neighborhood parks, rivers, and coastal protection program.

Subject

Water

SB 1120 (Galgiani D) Local water supply programs or projects: funding.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be acted upon on or after March 22.

Location: 2/19/2014-S. PRINT

Summary: Would require the Department of Water Resources to conduct a statewide inventory of local regional water supply projects and post specified results of the inventory on the department's Internet Web site by July 1, 2015.

Subject

Water

SB 1144 (Galgiani D) Common interest developments: local governments: yard maintenance fines: drought.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be acted upon on or after March 23.

Location: 2/20/2014-S. PRINT

Summary: Would prohibit an association from imposing a fine or assessment on separate interest owners for yard maintenance issues related to under-watered plants and lawns during any period for which the Governor has declared a state of emergency due to drought. This bill contains other related provisions and other existing laws.

Subject

Water

SB 1168 (Pavley D) Groundwater management plans.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be acted upon on or after March 23.

Location: 2/20/2014-S. PRINT

Summary: also would require a local agency to determine sustainable yield for a groundwater basin in coordination with other applicable local agencies whose service areas overlies the groundwater basin.

Subject
Water

SB 1216 (Cannella R) The State Water Resources Law of 1945.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be acted upon on or after March 23.

Location: 2/20/2014-S. PRINT

Summary: Current law, the State Water Resources Law of 1945, declares that the people of the state have a primary interest in the control and conservation of flood waters, prevention of damage by flood waters, the washing away of river and stream banks by floods, and in the determination of the manner in which flood waters shall be controlled for the protection of life and property and the control, storage, and use of the state's water resources in the general public interest. This bill would make nonsubstantive changes to that declaration.

Subject
Water

SB 1292 (Hueso D) Safe Drinking Water State Revolving Fund.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To Com. on RLS. for assignment. To print.

Location: 2/21/2014-S. PRINT

Summary: Would increase the maximum amount of a construction grant award to \$5,000,000 for a water system serving severely disadvantaged communities. By authorizing the increased expenditure of moneys in a continuously appropriated fund, this bill would make an appropriation. This bill contains other existing laws.

Subject
Water

SB 1390 (Correa D) Santa Ana River Conservancy.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To Com. on RLS. for assignment. To print.

Location: 2/21/2014-S. PRINT

Summary: Would establish the Santa Ana River Conservancy to acquire specified lands within 1/2 mile on either side of the riverbed of the Santa Ana River and would prescribe the management, powers, and duties of the conservancy. The bill would also create the Santa Ana River Conservancy Fund, but would prohibit the conservancy from implementing the funding authorization

until the Legislature appropriates, from other than General Fund moneys, or a bond act approved by the voters allocates, the necessary funds. This bill contains other related provisions.

Subject
Water

SB 1420 (Wolk D) Water management: urban water management plans.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To Com. on RLS. for assignment. To print.

Location: 2/21/2014-S. PRINT

Summary: Would require an urban water management plan to quantify and report on distribution system water loss. The bill would authorize water use projections to display and account for the water savings estimated to result from adopted codes, standards, ordinance, and transportation and land use plans. The bill would require the plan, or amendments to the plan, be submitted electronically to the department and include any standardized forms, tables, or displays specified by the department.

Subject
Water

Water Bond

AB 1331 (Rendon D) Clean and Safe Drinking Water Act of 2014.

Current Text: Amended: 1/7/2014 [pdf](#) [html](#)

Introduced: 2/22/2013

Last Amend: 1/7/2014

Status: 1/7/2014-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on N.R. & W.

Location: 1/7/2014-S. N.R. & W.

Calendar: 3/25/2014 9:30 a.m. - Room 112 SENATE NATURAL RESOURCES AND WATER, PAVLEY, Chair

Summary: Current law, the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Current law provides for the submission of the bond act to the voters at the

November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other current laws.

Subject
Water Bond

AB 1445 (Logue R) California Water Infrastructure Act of 2014.

Current Text: Amended: 2/14/2014 [pdf](#) [html](#)

Introduced: 1/6/2014

Last Amend: 2/14/2014

Status: 2/18/2014-Re-referred to Com. on W.,P. & W.

Location: 2/18/2014-A. W.,P. & W.

Summary: Current law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Current law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other current laws.

Subject
Water Bond

AB 1674 (Bigelow R) Safe, Clean, and Reliable Drinking Water Supply Act of 2012.

Current Text: Introduced: 2/12/2014 [pdf](#) [html](#)

Introduced: 2/12/2014

Status: 2/13/2014-From printer. May be heard in committee March 15.

Location: 2/12/2014-A. PRINT

Summary: Would declare the intent of the Legislature to enact legislation that would amend the Safe, Clean, and Reliable Drinking Water Supply Act of 2012.

Subject
Water Bond

AB 2043 (Bigelow R) Safe, Clean, and Reliable Drinking Water Supply Act of 2014.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be heard in committee March 23.

Location: 2/20/2014-A. PRINT

Summary: Current law, the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program.

Current law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other current laws.

Subject
Water Bond

SB 848 **(Wolk D) Safe Drinking Water, Water Quality, and Water Supply Act of 2014.**

Current Text: Amended: 2/20/2014 [pdf](#) [html](#)

Introduced: 1/9/2014

Last Amend: 2/20/2014

Status: 2/20/2014-Read second time and amended. Re-referred to Com. on GOV. & F. Set for hearing February 26.

Location: 2/20/2014-S. G. & F.

Calendar: 2/26/2014 8:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary: Current law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Current law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other current laws.

Subject
Water Bond

SB 927 **(Cannella R) Safe, Clean, and Reliable Drinking Water Supply Act of 2014.**

Current Text: Introduced: 1/29/2014 [pdf](#) [html](#)

Introduced: 1/29/2014

Status: 2/6/2014-Referred to Coms. on N.R. & W., E.Q., and GOV. & F.

Location: 2/6/2014-S. N.R. & W.

Summary: Would rename the Safe, Clean, and Reliable Drinking Water Supply Act of 2012 as the Safe, Clean, and Reliable Drinking Water Supply Act of 2014 and make conforming changes. The bill would instead authorize the issuance of bonds in the amount of \$9,217,000,000 by reducing the amount available for projects related to drought relief and water supply reliability, as specified. The bill would remove the authorization for funds to be available for ecosystem and watershed protection and restoration projects, and would increase the amount of funds available for emergency and urgent actions to ensure safe drinking water supplies in disadvantaged communities and economically distressed areas.

Subject

Water Bond

SB 1080 (Fuller R) Safe, Clean, and Reliable Drinking Water Supply Act of 2012.

Current Text: Introduced: 2/19/2014 [pdf](#) [html](#)

Introduced: 2/19/2014

Status: 2/20/2014-From printer. May be acted upon on or after March 22.

Location: 2/19/2014-S. PRINT

Summary: Current law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Current law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would declare the intent of the Legislature to enact legislation to reduce the \$11,140,000,000 bond.

Subject

Water Bond

SB 1250 (Hueso D) Safe, Clean, and Reliable Drinking Water Supply Act of 2012.

Current Text: Introduced: 2/20/2014 [pdf](#) [html](#)

Introduced: 2/20/2014

Status: 2/21/2014-From printer. May be acted upon on or after March 23.

Location: 2/20/2014-S. PRINT

Summary: The Safe, Clean, and Reliable Drinking Water Supply Act of 2012, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. This bill would declare the intent of the Legislature to enact legislation that would amend the act for the purpose of reducing the bond. This bill contains other related provisions.

Subject

Water Bond

SB 1370 (Galgiani D) Reliable Water Supply Bond Act of 2014.

Current Text: Introduced: 2/21/2014 [pdf](#) [html](#)

Introduced: 2/21/2014

Status: 2/21/2014-Introduced. To Com. on RLS. for assignment. To print.

Location: 2/21/2014-S. PRINT

Summary: Current law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Current law provides for the submission of the bond act to the voters at

the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other current laws.

Subject
Water Bond

Water Quality

AB 69 (Perea D) Groundwater: drinking water: Nitrate at Risk Fund.

Current Text: Amended: 8/12/2013 [pdf](#) [html](#)

Introduced: 1/10/2013

Last Amend: 8/12/2013

Status: 8/12/2013-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on AGRI.

Location: 8/12/2013-S. AGRI.

Summary: Would establish the Nitrate at Risk Fund, to be administered by the State Department of Public Health. This bill would continuously appropriate, without regard to fiscal years, the fund to the department for the purposes of loans, principal forgiveness loans, or grants to certain water systems operating in a high-nitrate at-risk area for specified purposes. This bill would require the state board, on or before January 1, 2022, to submit a report to the Legislature that includes specified information relating to the fund and contaminated drinking water. This bill would repeal these provisions on January 1, 2024. This bill contains other related provisions and other existing laws.

Subject
Water
Quality

AB 1527 (Perea D) Public water systems: drinking water.

Current Text: Introduced: 1/17/2014 [pdf](#) [html](#)

Introduced: 1/17/2014

Status: 2/6/2014-Referred to Com. on E.S. & T.M.

Location: 2/6/2014-A. E.S. & T.M.

Summary: Would require the State Department of Public Health, in administering programs to fund improvements and expansions of small community water systems, and other water systems, as specified, to promote service delivery alternatives that improve efficiency and affordability of infrastructure and service delivery, as specified. This bill contains other related

provisions and other existing laws.

Subject
Water
Quality

AB 1630 (Alejo D) Water quality: integrated plan: Salinas Valley.

Current Text: Introduced: 2/10/2014 [pdf](#) [html](#)

Introduced: 2/10/2014

Status: 2/20/2014-Referred to Com. on E.S. & T.M.

Location: 2/20/2014-A. E.S. & T.M.

Summary: Would appropriate \$2,000,000 from the Waste Discharge Permit Fund, as specified, to the State Water Resources Control Board for use by the Greater Monterey County Regional Water Management Group to develop an integrated plan to address the drinking water and wastewater needs of disadvantaged communities in the Salinas Valley whose waters have been affected by waste discharges, thereby making an appropriation. This bill contains other related provisions.

Subject
Water
Quality

AB 1707 (Wilk R) Water quality: organization and membership of regional boards.

Current Text: Introduced: 2/13/2014 [pdf](#) [html](#)

Introduced: 2/13/2014

Status: 2/14/2014-From printer. May be heard in committee March 16.

Location: 2/13/2014-A. PRINT

Summary: The Porter-Cologne Water Quality Control Act requires regional boards to consist of 7 members appointed by the Governor, 6 of them on the basis of demonstrated interest or proven ability in the field of water quality and one as a public member not specifically associated with any enumerated qualification. This bill would make a nonsubstantive change to these provisions.

Subject
Water
Quality

AB 1807 (Dahle R) Water quality: organization and membership of regional boards.

Current Text: Introduced: 2/18/2014 [pdf](#) [html](#)

Introduced: 2/18/2014

Status: 2/19/2014-From printer. May be heard in committee March 21.

Location: 2/18/2014-A. PRINT

Summary: The Porter-Cologne Water Quality Control Act requires regional

boards to consist of 7 members appointed by the Governor, 6 of them on the basis of demonstrated interest or proven ability in the field of water quality and one as a public member not specifically associated with any enumerated qualification. This bill would make nonsubstantive changes to these provisions.

Subject
Water Quality

Status Report

Measure	Author	Topic	Status	Location	Calendar	Positior
<u>AB 69</u>	<u>Perea D</u>	Groundwater: drinking water: Nitrate at Risk Fund.	8/12/2013- From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on AGRI.	8/12/2013- S. AGRI.		Priority
<u>AB 194</u>	<u>Campos D</u>	Open meetings: actions for violations.	2/6/2014- Referred to Com. on GOV. & F.	2/6/2014- S. G. & F.		Watch
<u>AB 1249</u>	<u>Salas D</u>	Integrated regional water management plans: nitrate contamination.	2/6/2014- Referred to Com. on E.Q.	2/6/2014- S. E.Q.		Watch
<u>AB 1331</u>	<u>Rendon D</u>	Clean and Safe Drinking Water Act of 2014.	1/7/2014- From committee chair, with author's amendments:	1/7/2014- S. N.R. & W.	3/25/2014 9:30 a.m. - Room 112 SENATE NATURAL RESOURCES AND WATER, PAVLEY, Chair	Priority

			Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on N.R. & W.			
<u>AB 1434</u>	<u>Yamada D</u>	Water corporations: low-income relief programs.	1/17/2014- Referred to Com. on U. & C.	1/17/2014- A. U. & C.		
<u>AB 1445</u>	<u>Logue R</u>	California Water Infrastructure Act of 2014.	2/18/2014- Re-referred to Com. on W.,P. & W.	2/18/2014- A. W.,P. & W.		
<u>AB 1499</u>	<u>Skinner D</u>	Electricity: self-generation incentive program.	1/30/2014- Referred to Com. on U. & C.	1/30/2014- A. U. & C.		
<u>AB 1527</u>	<u>Perea D</u>	Public water systems: drinking water.	2/6/2014- Referred to Com. on E.S. & T.M.	2/6/2014- A. E.S. & T.M.		
<u>AB 1582</u>	<u>Mullin D</u>	Redevelopment: successor agencies: Recognized Obligation Payment Schedule.	2/14/2014- Referred to Coms. on L. GOV. and APPR.	2/14/2014- A. L. GOV.		
<u>AB 1624</u>	<u>Gordon D</u>	Self-generation incentive program.	2/11/2014- From printer. May be heard in committee March 13.	2/10/2014- A. PRINT		
<u>AB 1630</u>	<u>Alejo D</u>	Water quality: integrated plan: Salinas Valley.	2/20/2014- Referred to Com. on E.S. & T.M.	2/20/2014- A. E.S. & T.M.		

<u>AB 1632</u>	<u>Olsen R</u>	Water rights: appropriation.	2/11/2014- From printer. May be heard in committee March 13.	2/10/2014- A. PRINT		
<u>AB 1636</u>	<u>Brown D</u>	Water conservation.	2/20/2014- Referred to Com. on L. GOV.	2/20/2014- A. L. GOV.		
<u>AB 1671</u>	<u>Frazier D</u>	Sacramento-San Joaquin Delta: water conveyance system.	2/20/2014- Referred to Com. on W.,P. & W.	2/20/2014- A. W.,P. & W.		
<u>AB 1674</u>	<u>Bigelow R</u>	Safe, Clean, and Reliable Drinking Water Supply Act of 2012.	2/13/2014- From printer. May be heard in committee March 15.	2/12/2014- A. PRINT		
<u>AB 1707</u>	<u>Wilk R</u>	Water quality: organization and membership of regional boards.	2/14/2014- From printer. May be heard in committee March 16.	2/13/2014- A. PRINT		
<u>AB 1728</u>	<u>Garcia D</u>	Political Reform Act of 1974.	2/18/2014- From printer. May be heard in committee March 20.	2/14/2014- A. PRINT		
<u>AB 1731</u>	<u>Perea D</u>	Integrated regional water management plans: funding: disadvantaged communities.	2/18/2014- From printer. May be heard in committee March 20.	2/14/2014- A. PRINT		
<u>AB 1739</u>	<u>Dickinson D</u>	Groundwater basin management: sustainability.	2/18/2014- From printer. May be heard in committee	2/14/2014- A. PRINT		

			March 20.			
<u>AB 1779</u>	<u>Gaines, Beth R</u>	Net energy metering: study.	2/19/2014- From printer. May be heard in committee March 21.	2/18/2014- A. PRINT		
<u>AB 1807</u>	<u>Dahle R</u>	Water quality: organization and membership of regional boards.	2/19/2014- From printer. May be heard in committee March 21.	2/18/2014- A. PRINT		
<u>AB 1808</u>	<u>Dahle R</u>	Drinking water.	2/19/2014- From printer. May be heard in committee March 21.	2/18/2014- A. PRINT		
<u>AB 1849</u>	<u>Logue R</u>	California Environmental Quality Act: exemption: levees.	2/20/2014- From printer. May be heard in committee March 22.	2/19/2014- A. PRINT		
<u>AB 1874</u>	<u>Gonzalez D</u>	Integrated regional water management plans: funding.	2/20/2014- From printer. May be heard in committee March 22.	2/19/2014- A. PRINT		
<u>AB 1896</u>	<u>V. Manuel Pérez D</u>	Coachella Valley Water District: nonpotable water use.	2/20/2014- From printer. May be heard in committee March 22.	2/19/2014- A. PRINT		
<u>AB 1913</u>	<u>Jones-Sawyer D</u>	Water rates.	2/20/2014- From printer. May be heard in committee March 22.	2/19/2014- A. PRINT		

<u>AB 1935</u>	<u>Campos D</u>	Electricity: clean distributed energy technologies.	2/20/2014- From printer. May be heard in committee March 22.	2/19/2014- A. PRINT		
<u>AB 1983</u>	<u>Gray D</u>	Water meters: multiunit structures.	2/20/2014- From printer. May be heard in committee March 22.	2/19/2014- A. PRINT		
<u>AB 1992</u>	<u>Quirk D</u>	Energy: renewable energy resources.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2043</u>	<u>Bigelow R</u>	Safe, Clean, and Reliable Drinking Water Supply Act of 2014.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2045</u>	<u>Rendon D</u>	Energy improvements: financing.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2049</u>	<u>Dahle R</u>	Drinking water: point-of-entry and point-of-use treatment systems.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2050</u>	<u>Quirk D</u>	California Global Warming Solutions Act of 2006: scoping plan: advisory panel.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2067</u>	<u>Weber D</u>	Urban water	2/21/2014-	2/20/2014-		

		management plans.	From printer. May be heard in committee March 23.	A. PRINT		
<u>AB 2083</u>	<u>Gaines, Beth R</u>	California Global Warming Solutions Act of 2006: rules and regulations.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2100</u>	<u>Campos D</u>	Common interest developments: local governments: yard maintenance: fines: drought.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2104</u>	<u>Gonzalez D</u>	Common interest developments: water-efficient landscapes.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2108</u>	<u>Eggman D</u>	Sacramento-San Joaquin Valley: flood management.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2137</u>	<u>Quirk D</u>	Small Business Energy Efficiency Incentive Program.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2159</u>	<u>Ammiano D</u>	Public utilities: electrical services: charges.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2179</u>	<u>Gray D</u>	Water.	2/21/2014-	2/20/2014-		

			From printer. May be heard in committee March 23.	A. PRINT		
<u>AB 2189</u>	<u>Garcia D</u>	Water replenishment districts: replenishment assessment.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2202</u>	<u>Logue R</u>	Greenhouse gas reduction.	2/21/2014- From printer. May be heard in committee March 23.	2/20/2014- A. PRINT		
<u>AB 2259</u>	<u>Ridley- Thomas D</u>	Water replenishment: assessments.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2269</u>	<u>Bigelow R</u>	Integrated regional water management planning.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2282</u>	<u>Gatto D</u>	Building standards: recycled water infrastructure.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2348</u>	<u>Stone D</u>	Natural Resources Climate Improvement Program.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2390</u>	<u>Muratsuchi D</u>	Low Carbon Fuel Standard: Green Credit Reserve.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2403</u>	<u>Rendon D</u>	Local government: assessments, fees, and charges.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2417</u>	<u>Nazarian D</u>	Environmental	2/21/2014-	2/21/2014-		

		quality.	Introduced. To print.	A. PRINT		
<u>AB 2432</u>	<u>Salas D</u>	Drinking water.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2442</u>	<u>Gordon D</u>	Porter-Cologne Water Quality Control Act: remedial action: liability.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2443</u>	<u>Rendon D</u>	Duplication of service: mutual water companies.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2446</u>	<u>Waldron R</u>	Recycled water: recycling criteria.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2451</u>	<u>Daly D</u>	Weights and measures: water submeters.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2453</u>	<u>Achadjian R</u>	Water supply.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2463</u>	<u>Dickinson D</u>	Delta plan: Bay Delta Conservation Plan: hearings.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2636</u>	<u>Gatto D</u>	CalConserve Water Use Efficiency Revolving Fund.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2680</u>	<u>Nazarian D</u>	Water quality.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2701</u>	<u>Gonzalez D</u>	Groundwater basins: investigation and report.	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		
<u>AB 2712</u>	<u>Daly D</u>	Hazardous materials: Orange County	2/21/2014- Introduced. To print.	2/21/2014- A. PRINT		

		Water District.				
<u>SB 760</u>	<u>Wright D</u>	California Renewables Portfolio Standard Program.	1/9/2014- From committee with author's amendments. Read second time and amended. Re-referred to Com. on U. & C.	1/9/2014- A. U. & C.		
<u>SB 848</u>	<u>Wolk D</u>	Safe Drinking Water, Water Quality, and Water Supply Act of 2014.	2/20/2014- Read second time and amended. Re-referred to Com. on GOV. & F. Set for hearing February 26.	2/20/2014- S. G. & F.	2/26/2014 8:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair	
<u>SB 927</u>	<u>Cannella R</u>	Safe, Clean, and Reliable Drinking Water Supply Act of 2014.	2/6/2014- Referred to Coms. on N.R. & W., E.Q., and GOV. & F.	2/6/2014- S. N.R. & W.		
<u>SB 938</u>	<u>Galgiani D</u>	Water rights: reconsideration of a decision or order.	2/20/2014- Referred to Com. on RLS.	2/20/2014- S. RLS.		
<u>SB 985</u>	<u>Pavley D</u>	Stormwater resource planning.	2/20/2014- Referred to Coms. on E.Q. and N.R. & W.	2/20/2014- S. E.Q.		
<u>SB 992</u>	<u>Nielsen R</u>	Maintenance of exclusive areas: fines.	2/20/2014- Referred to Com. on T. & H.	2/20/2014- S. T. & H.		
<u>SB 1014</u>	<u>Jackson D</u>	Pharmaceutical waste: home-generated.	2/14/2014- From printer. May be	2/13/2014- S. PRINT		

			acted upon on or after March 16.			
<u>SB 1036</u>	<u>Pavley D</u>	Urban water management plans.	2/19/2014- From printer. May be acted upon on or after March 21.	2/18/2014- S. PRINT		
<u>SB 1049</u>	<u>Pavley D</u>	Integrated regional water management plans.	2/19/2014- From printer. May be acted upon on or after March 21.	2/18/2014- S. PRINT		
<u>SB 1078</u>	<u>Jackson D</u>	Electricity: Independent System Operator.	2/20/2014- From printer. May be acted upon on or after March 22.	2/19/2014- S. PRINT		
<u>SB 1080</u>	<u>Fuller R</u>	Safe, Clean, and Reliable Drinking Water Supply Act of 2012.	2/20/2014- From printer. May be acted upon on or after March 22.	2/19/2014- S. PRINT		
<u>SB 1086</u>	<u>De León D</u>	The Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2014.	2/20/2014- From printer. May be acted upon on or after March 22.	2/19/2014- S. PRINT		
<u>SB 1115</u>	<u>Hueso D</u>	Renewable energy resources.	2/20/2014- From printer. May be acted upon on or after March 22.	2/19/2014- S. PRINT		
<u>SB 1120</u>	<u>Galgiani D</u>	Local water supply programs or projects: funding.	2/20/2014- From printer. May be acted upon on or after	2/19/2014- S. PRINT		

			March 22.			
<u>SB 1121</u>	<u>De León D</u>	The California Green Bank.	2/20/2014- From printer. May be acted upon on or after March 22.	2/19/2014- S. PRINT		
<u>SB 1125</u>	<u>Pavley D</u>	Greenhouse gases: emissions reduction.	2/20/2014- From printer. May be acted upon on or after March 22.	2/19/2014- S. PRINT		
<u>SB 1130</u>	<u>Roth D</u>	Drinking water: County Water Company of Riverside water system: liability.	2/21/2014- From printer. May be acted upon on or after March 23.	2/20/2014- S. PRINT		
<u>SB 1144</u>	<u>Galgiani D</u>	Common interest developments: local governments: yard maintenance fines: drought.	2/21/2014- From printer. May be acted upon on or after March 23.	2/20/2014- S. PRINT		
<u>SB 1156</u>	<u>Steinberg D</u>	California Carbon Tax Law of 2014.	2/21/2014- From printer. May be acted upon on or after March 23.	2/20/2014- S. PRINT		
<u>SB 1168</u>	<u>Pavley D</u>	Groundwater management plans.	2/21/2014- From printer. May be acted upon on or after March 23.	2/20/2014- S. PRINT		
<u>SB 1216</u>	<u>Cannella R</u>	The State Water Resources Law of 1945.	2/21/2014- From printer. May be acted upon on or after	2/20/2014- S. PRINT		

			March 23.			
<u>SB 1250</u>	<u>Hueso D</u>	Safe, Clean, and Reliable Drinking Water Supply Act of 2012.	2/21/2014- From printer. May be acted upon on or after March 23.	2/20/2014- S. PRINT		
<u>SB 1292</u>	<u>Hueso D</u>	Safe Drinking Water State Revolving Fund.	2/21/2014- Introduced. To Com. on RLS. for assignment. To print.	2/21/2014- S. PRINT		
<u>SB 1362</u>	<u>Correa D</u>	Public contracts: Orange County Water District.	2/21/2014- Introduced. To Com. on RLS. for assignment. To print.	2/21/2014- S. PRINT		
<u>SB 1370</u>	<u>Galgiani D</u>	Reliable Water Supply Bond Act of 2014.	2/21/2014- Introduced. To Com. on RLS. for assignment. To print.	2/21/2014- S. PRINT		
<u>SB 1390</u>	<u>Correa D</u>	Santa Ana River Conservancy.	2/21/2014- Introduced. To Com. on RLS. for assignment. To print.	2/21/2014- S. PRINT		
<u>SB 1420</u>	<u>Wolk D</u>	Water management: urban water management plans.	2/21/2014- Introduced. To Com. on RLS. for assignment. To print.	2/21/2014- S. PRINT		

INFORMATION
ITEM

31

Agricultural Resources

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February 20, 2014

Legislative Report

TO: Joe Grindstaff
General Manager, Inland Empire Utility Agency

FR: David M. Weiman
Agricultural Resources
LEGISLATIVE REPRESENTATIVE, IEUA

SU: Legislative Report, February 2014

Snapshot.

- **Ways and Means Chair, Dave Camp Announced House Tax Bill to be Unveiled.**
- **Drought is overwhelming political, public policy and legislative agendas.**
- **Debt Ceiling Bill was enactment – Shutdown Pinch-Point Averted.**
- **Baucus Confirmed as Ambassador to China, Four Senate Committee Gavels Change Hands – Senator Landrieu becomes Chair, Senate Energy.**
- **Senate To Schedule Connor Confirmation Vote as Deputy Secretary (New Commissioner, BuRec, to be Nominated).**
- **Rep. Gary Miller and Rep. Gloria Negrete McCleod both Announce Retirements. Significant changes in Inland Empire Pending.**
- **IEUA DC Trip.**

■ **Other (Farm Bill, WRDA).**

Tax Bill – To Be Unveiled By House Ways and Means Chair. House Ways and Means Chair, Dave Camp (R-MI) has secured floor time from the House leadership on February 26 to announce (at long last) the *framework* of a proposed tax reform bill. Few details have emerged. House Ds have not seen the bill or briefed on it (an issue). It is expected that the bill will propose to reduce both corporate and personal tax rates. To accomplish rate reduction, it is expected that provisions such as the municipal bond deduction will have to be amended or eliminated.

Camp is not expected to present bill text, but rather a “framework” bill. Whether or not Camp identifies provisions in the tax code to be amended or eliminated – unknown – and is the subject of endless speculation.

After Chairman Camp presents his proposed bill, more will be known. No one believes a bill can be enacted this year and its unclear as to whether or not the Ways and Means Committee will be able to hold a markup.

Drought is overwhelming political, public policy and legislative agendas.

- **Reality of Drought.** The state and region have been in “drought” conditions for three plus years. As the first of the year (January 2014) approached, it didn’t rain and it didn’t snow. Virtually no snow pack. Abruptly (after largely ignoring the situation), the reality of a bone dry system erupted in the media and reverberated throughout the political system – locally, in Sacramento and in Washington.

--DWR February snowpack survey – bone dry (sent shockwaves in every direction and to every constituency). Lowest on record going back more than 100 years.

--USDA acting on drought disaster declarations in 11 Western States.

■ **Demands – Voices for Action.**

--California Senators Feinstein and Boxer, along with Valley Congressman Jim Costa, demanded federal action.

--A trio of House Valley Rs, Devin Nunes, Kevin McCarthy and David Valadao (a freshman), concluding the drought was “regulatory” – resurrected a highly controversial bill to set aside ESA and CVPIA.

--Governor Brown issued a drought emergency declaration and called for a 20% voluntary cut back.

- **House Rushed Valadao, Nunes, and McCarthy bill to House Floor – No Hearings, No Markup – Resources Committee By-Passed.** In early-February, the bill was brought directly to the floor and passed. Very divisive bill. It generated a significant

backlash. It divided the California Congressional delegation, California senators condemned it publicly, the Brown Administration opposed it and the Obama Administration publicly announced opposition (and a veto threat).

- **Federal Agencies, State of California Announce Coordination Response Working Group headed by BuRec and USDA's NRCS.** According to their joint statement, "*with California in its worst drought in the state's 160 years of recording keeping...*" and the Governor's Drought State of Emergency declaration, Interior, USDA, Commerce and the Corps formed a working group with the State "*to accelerate water transfers and exchanges, provide operational flexibility to store and convey water, expedite environmental review and compliance actions and pursue new or fast-track existing projects that might help stretch California's water supplies.*"
- **Speaker Boehner Came to California – Met, Toured San Joaquin Valley Farmers in Drought.** High profile visit in late January. Speaker pledged to help move Valadao bill (they tried to put it on the Farm Bill, but that didn't work). Then a stand-alone bill was acted upon.
- **President Obama Came to California for Tour, Inspection – Announced Drought Relief Actions.** Governor Brown, Senator Feinstein and others participated in a presidential trip to Fresno. An Air Force One trip to a disaster accelerated attention to the situation. Drought relief actions were announced.
- **Feinstein-Boxer – Drought Bill Introduced.** The Senators, with co-sponsors from Oregon and Washington, introduced a comprehensive drought bill. It is anticipated that Senate Energy Committee hearings will be scheduled in March and action on the bill shortly thereafter.
- **Weather Service Drought Predictions – Dire.** The US Weather Service, in mid-February, issued a statement declaring that California drought – no end in sight (at this time).
- **Colorado River States Watching California Drought, Ask Hard Questions.** The Salt Lake Tribune ran a story this month demanding to know why California is not making making cut-backs "*mandatory.*" If California "*asks*" for more water from Lake Mead (Colorado River) in this emergency (possible), then anticipate very tough questions.
- **Media Attention Overwhelming.** Drought stories are appearing daily. NOAA provides regular briefings to the House and Senate. National news – radio and TV, and national publications (Time Magazine) are publishing stories as well.

Debt Ceiling Bill Enacted. Shutdown Averted. After endless threats, jockeying and posturing, the House passed a "clean" Debt Ceiling bill. The Senate took it up, faced a filibuster, and after a tense vote in which six Senate GOP members switched their votes, passed the bill. Another budgetary showdown was averted.

Baucus Confirmed as Ambassador to China, Four Senate Committee Gavels Change Hands – Senator Landrieu becomes Chair, Senate Energy. The Senate confirmed Baucus to serve as Ambassador to China. He resigned his Senate seat. The Montana Governor appointed a replacement (the Lt. Governor). These events set in motion a series of changes in Senate Committee chairmanships as previously reported. The Senate Democratic leadership confirmed the new committee assignments. The Energy Committee is now chaired by Senator Mary Landrieu (D-LA). Louisiana is an “oil and gas” state and her interests are in energy production – not public lands, water and resource issues in the West.

Senate To Schedule Connor Confirmation Vote as Deputy Secretary (New Commissioner, BuRec, to be Nominated). After endless delays, the Majority and Minority have reached an agreement to vote on the Connor nomination to serve as Deputy Secretary. Presently, Connor is Commissioner, Bureau of Reclamation. Prior, he worked on the Senate Energy Committee. There is no known objection to the nomination. Connor’s nomination was subject to “hostage” taking common in today’s politics. As soon as the Connor nomination is confirmed, the White House will nominate an appointment (subject to Senate confirmation) to serve as Commissioner.

Rep. Gary Miller and Rep. Gloria Negrete McCleod both Announce Retirements. Significant changes in Inland Empire Pending. Two more California House Members – both from the Inland Empire, announced that they would retire (not seek reelection). In addition, another retirement announcement came from Rep. Doc Hastings (R-WA), chair, House Natural Resources Committee. Early betting, the Rs select Rep. Bishop (R-UT) to serve as Chair in the next Congress.

IEUA DC Trip. Director Elie, General Manager Grindstaff and Rebecca Long came to Washington for two days of meetings and briefings with Members of the Congressional Delegation (including Reps Gary Miller, McLeod, Napolitano and Calvert), relevant Committees and representatives of Municipal Bonds for America, MWD and ACWA.

Other – Farm Bill, WRDA. The Farm Bill, long overdue, was finally enacted. Given the drought, this became unexpected important and timely as initial federal drought relief funding has come from the USDA.

INFORMATION
ITEM

3J



CALIFORNIA STRATEGIES, LLC

Date: February 21, 2014
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: February Activity Report

Listed below is the California Strategies, LLC monthly activity report. Please feel free to call us if you have any questions or would like to receive any more information on any of the items mentioned below.

- Provided information to the General Manager on a number of legislative changes and possible scenarios.
- Participated in follow up discussions with County of San Bernardino and IEUA to discuss coordination of County and District legislative agendas.
- We received an update from Lafco staff of the status and key issues related to the MSR process currently underway.
- Reported on the recent filing of a Sphere of Influence amendment filing by the CVWRD.
- Attended the Urban Water Conference this month and will have follow up discussions with IEUA directors on conference issues.
- Continue to monitor statewide water issues including the BDCP, water bond, and drought proclamation activities.
- Monitor Santa Ana Regional Board agenda and issues of interest to IEUA.