



**COMMUNITY AND LEGISLATIVE AFFAIRS
COMMITTEE MEETING
OF THE BOARD OF DIRECTORS
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CALIFORNIA**

**WEDNESDAY, FEBRUARY 13, 2019
9:00 A.M.**

CALL TO ORDER

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 is available on the table in the Board Room. Comments will be limited to three 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.

1. ACTION ITEMS

A. MINUTES

The Committee will be asked to approve the Community and Legislative Affairs Committee meeting minutes of January 9, 2019.

B. MOU FOR THE PROP 1 GRANT AGREEMENT FOR THE CHINO BASIN IMPROVEMENT AND GROUNDWATER CLEAN-UP PROJECT

Staff recommends that the Committee/Board authorize the Interim General Manager to execute the Memorandum of Understanding (MOU) for the Prop 1 Grant Agreement for the Chino Basin Improvement and Groundwater Clean-up Project.

2. INFORMATION ITEMS

A. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)

- B. **LEGISLATIVE REPORTS (WRITTEN)**
 - 1. West Coast Advisors
 - 2. Innovative Federal Strategies
- C. **CALIFORNIA STRATEGIES MONTHLY REPORT (WRITTEN)**
- D. **FEDERAL LEGISLATION MATRIX (WRITTEN)**
- 3. **GENERAL MANAGER'S COMMENTS**
- 4. **COMMITTEE MEMBER COMMENTS**
- 5. **COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS**
- 6. **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: zh

DECLARATION OF POSTING

I, April Woodruff, Board Secretary/Office Manager 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. in the foyer at the Agency's main office, 6075 Kimball Avenue, Building A, Chino on Thursday, February 7, 2019.


April Woodruff

**ACTION
ITEM
1A**



**MINUTES
COMMUNITY AND LEGISLATIVE AFFAIRS
COMMITTEE MEETING
INLAND EMPIRE UTILITIES AGENCY*
AGENCY HEADQUARTERS, CHINO, CA**

**WEDNESDAY, JANUARY 9, 2019
9:00 A.M.**

COMMITTEE MEMBERS PRESENT

Steven J. Elie, Chair
Michael Camacho

COMMITTEE MEMBERS ABSENT

None

STAFF PRESENT

Kirby Brill, Interim General Manager
Chris Berch, Executive Manager of Engineering/AGM
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM
Randy Lee, Executive Manager of Operations/AGM
Shaun Stone, Acting Executive Manager of Engineering/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Jennifer Hy-Luk, Acting Executive Assistant
James McQueen, Manager of Human Resources
Cathleen Peroni, Manager of Government Relations
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

None

The meeting was called to order at 9:02 a.m. There were no public comments received or additions to the agenda.

ACTION ITEMS

The Committee:

- ◆ Approved the Community and Legislative Affairs Committee meeting minutes of November 14, 2018.
- ◆ Recommended that the Board approve the legislative policy principles for Fiscal Year 2019/20 legislative season;

as an Action Item on the January 16, 2019 Board meeting agenda.

- ◆ Recommended that the Board adopt Resolution No. 2019-1-5, authorizing the Agency-wide organizational memberships for Fiscal Year 2019/20;

as an Action Item on the January 16, 2019 Board meeting agenda.

INFORMATION ITEMS

The following information items were presented or received and filed by the Committee:

- ◆ Public Outreach and Communications
- ◆ Legislative Reports
- ◆ California Strategies, LLC Activity Report
- ◆ Federal Legislation Matrix

GENERAL MANAGER'S COMMENTS

There were no General Manager comments.

COMMITTEE MEMBER COMMENTS

There were no Committee member comments.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

There were no Committee member requests for future agenda items.

With no further business, Director Elie adjourned the meeting at 9:41 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: FEBRUARY 13, 2019

**ACTION
ITEM
1B**



Date: February 20, 2019

To: The Honorable Board of Directors

From: Kirby Brill, Interim General Manager

AS

Committee: Community & Legislative Affairs

02/13/19

Executive Contact: Kathy Besser, Executive Manager of Ext. Aff. & Policy Dev./AGM

Subject: Memorandum of Understanding for the Prop 1 Grant Agreement for the Chino Basin Improvement and Groundwater Clean-up Project

Executive Summary:

In March 2017, the State Water Resources Control Board (SWRCB) awarded an \$11,377,018 Proposition 1 Groundwater Quality Grant (Prop 1 Grant) to IEUA for the construction of facilities that will clean up and prevent further migration of groundwater contamination known as the South Archibald Plume. The Chino Basin Improvement and Groundwater Clean-up Project is a result of years of collaborative efforts between IEUA and the city of Ontario, the city of Upland, private and public companies, and the U.S. government and will provide permanent treatment of the affected groundwater while optimizing local water resources.

The Prop 1 Grant Agreement requires the execution of a Memorandum of Understanding (MOU) between IEUA, the SWRCB, and the Chino Basin Desalter Authority. This MOU identifies the forum and processes to be followed for implementing the Project's scope of work and subsequent monitoring and reporting as detailed in the Prop 1 Grant Agreement.

Staff's Recommendation:

Authorize the Interim General Manager to execute the Memorandum of Understanding (MOU) for the Prop 1 Grant Agreement for the Chino Basin Improvement and Groundwater Clean-up Project.

Budget Impact Budgeted (Y/N): N Amendment (Y/N): N Amount for Requested Approval:

Account/Project Name:

None.

Fiscal Impact (explain if not budgeted):

Prior Board Action:

See attached.

Environmental Determination:

Not Applicable

Business Goal:

The Chino Basin Improvement and Groundwater Clean-up Project and the Prop 1 Grant Agreement align with the IEUA Business Goals of Environmental Stewardship and Fiscal Responsibility.

Attachments:

Attachment 1 - Background

Attachment 2 - Prop 1 Grant Agreement MOU

Background

Subject: Execution of the Memorandum of Understanding for the Prop 1 Grant Agreement for the Chino Basin Improvement and Groundwater Clean-up Project

Chino Basin Improvement and Groundwater Clean-up Project

Since 2012, the Inland Empire Utilities Agency (IEUA) has been working with the Regional Water Quality Control Board (RWQCB), the city of Ontario, the city of Upland (collectively, the RP-1 Parties), private and public companies, and the U.S. government (Companies) to develop a solution to the groundwater contamination known as the South Archibald Plume. IEUA staff also worked with the Chino Basin Desalter Authority (CDA) for a permanent treatment solution that capitalizes on the CDA II expansion efforts and assets already in use, with some modifications. As result of this effort, a stipulated Abatement Order was issued by the RWQCB requiring the RP-1 Parties and Companies to implement a project that will minimize the migration of the plume.

In May 2016, IEUA applied for the Proposition 1 Groundwater Quality Grant for the clean-up of the Project. State Water Resources Control Board (SWRCB), RWQCB, IEUA, and regional stakeholders met regarding the importance of the Project to the region. Subsequently, IEUA hosted a site visit for SWRCB, RWQCB and local stakeholders to visit the areas that have been affected by the plume and where the clean-up facilities will be built. In March 2017, the SWRCB awarded a \$11,377,018 Groundwater Quality Grant to IEUA to construct the Project.

The Project demonstrates the integrated regional approach for groundwater supply optimization by meeting the region's need to develop reliable, drought-resilient and diverse local water resources to reduce dependence on imported water supplies. Once the facilities are built, the clean-up process is estimated to increase local drinking water supplies by 6,813 acre-feet per year.

Prior Board Action

On June 21, 2017, the Board adopted Resolution No. 2017-6-13, authorizing the General Manager to file the Groundwater Quality Grant application and execute the grant agreement received from the SWRCB for the Project.

On August 17, 2016, the Board approved the Settlement and Clean-up and Abatement Order R8-2016-0016 between the RP-1 Parties and the Companies.

On June 17, 2015, the Board approved a Joint Facility Development Agreement between RP-1 Parties and CDA, as well as a Cost Sharing Agreement between RP-1 Parties.

On March 18, 2015, the Board approved a term sheet outlining conditions for the Joint Facility Development Agreement between IEUA, the city of Ontario, the city of Upland, and CDA.

On May 15, 2013, the Board approved a Memorandum of Understanding between IEUA, the city of Ontario, the city of Upland, Jurupa Community Services District, Western Municipal Services District, and the CDA to collaboratively develop a project to address the South Archibald Plume.

MEMORANDUM OF UNDERSTANDING
REGARDING TECHNICAL ADVISORY COMMITTEE
WITH THE
STATE WATER RESOURCES CONTROL BOARD,
SANTA ANA REGIONAL WATER QUALITY CONTROL BOARD,
INLAND EMPIRE UTILITIES AGENCY, AND CHINO BASIN
DESALTER AUTHORITY

- I. The purpose of this Memorandum of Understanding (MOU) between the Inland Empire Utilities Agency (IEUA), Chino Basin Desalter Authority (CDA), State Water Resources Control Board (State Water Board), and the Santa Ana Regional Water Quality Control Board (Regional Water Board) is to identify the forum and processes for discussion and resolution of issues related to monitoring, planning, modeling, remedial investigation, feasibility studies, design, construction, and operation of any IEUA/CDA projects that are currently funded or may in the future be funded by the State Water Board under Proposition 1 (Cal. Water Code §§79700 et seq.) for the prevention or cleanup of groundwater contamination in the Chino Basin (Project or Projects), and to ensure those Projects support and do not negatively impact nearby third-party cleanup efforts.

- II. The State Water Board and Regional Water Board enter into this MOU under the authorities of California Water Code section 13225, subsections (a), (b), and (j). IEUA enters into this MOU under the authority of California Water Code Sections 71592 and 71610 (a). CDA enters into this MOU under the authority of Government Code Section 6508.

- III. The Parties to this MOU recognize that the implementation of the Project(s) may involve complex technical issues regarding prevention and/or cleanup of contamination in groundwater. The implementation of this MOU will be primarily through a Technical Advisory Committee (TAC) that will provide a forum for discussion and resolution of technical issues associated with the implementation of the Project(s). The TAC will be made up of technical staff from the State Water Board's Division of Financial Assistance (DFA), from the State Water Board's Division of Drinking Water (DDW), and from the Regional Water Board, and representatives of IEUA and CDA. The TAC may also include representatives of other State or federal regulatory agencies that are not Parties to this MOU, such as the Department of Toxic Substances Control and the U.S. Environmental Protection Agency. Technical issues not resolved by the TAC will be forwarded to a Steering Committee consisting of executive level staff of the Parties. The Steering Committee will include: Leslie Laudon, Deputy Director, DFA; Darrin Polhemus, Deputy Director, DDW; Hope Smythe, Executive Officer, Regional Water Board; Kirby Miller, Interim General Manager, IEUA; and Tom O'Neil, Interim General Manager, CDA; or their respective designees. The Steering Committee will also address non-technical issues as needed.

- IV. The Parties to this MOU share the same goal: prevention and/or cleanup of contamination in groundwater in the most timely and cost effective manner feasible, in compliance with applicable state, federal, and local laws.
- V. The Parties recognize the need to proceed expeditiously with the Project(s) and without interruption or undue delay to Project schedules. TAC members commit to providing technical review comments to IEUA and CDA and the DFA grant manager within three weeks of receipt of the deliverable subject to TAC review, unless the funding agreement specifies otherwise or an alternative review period is mutually agreed upon by the Parties.
- VI. The State Water Board through DFA, as the funding authority, retains decision-making authority regarding whether IEUA and CDA have met the deliverables and other requirements of the Grant Agreement. The Parties recognize that the Project(s) must be consistent with and support the State Water Board's and Regional Water Board's regulatory programs and be consistent with applicable laws and regulations, including State Water Board Resolution 92-49, State Water Board Resolution 68-16, and applicable plans and policies of the State and Regional Water Boards.
- VII. IEUA and CDA recognize that the State Water Board and Regional Water Board have an interest in receiving information from and communicating with IEUA and CDA regarding investigation, planning, design, construction, and operation of the Project(s), as applicable, to ensure that the Project(s) will be effective and will not adversely affect other nearby remediation projects.
- VIII. For any implementation Project(s), IEUA and CDA will coordinate with the TAC to evaluate cleanup progress and demonstrate whether or not the Project(s) is successful in achieving prevention and/or cleanup of contamination in groundwater. Such evaluation and demonstration will include development of a monitoring plan with monitoring frequencies and locations aimed at evaluating changes to the extent of the plume and contaminant concentrations (Monitoring Plan). The State Water Board shall approve the Monitoring Plan.
 - a. Where feasible and consistent with this purpose, the Monitoring Plan may incorporate existing monitoring locations and/or frequencies that are used to meet other regulatory or operational requirements, including but not limited to locations listed in the DDW 97- 005 or drinking water permit requirements.
 - b. As part of the Monitoring Plan development, the TAC will consider and identify appropriate methods for the ongoing evaluation of groundwater quality data in comparison to assumptions used in Project design to proactively identify trends that would affect Project operations.
- IX. Proposition 1 grant agreements for implementation Projects may require IEUA and CDA to submit Operational Reports after commencement of operation. The State Water Board may provide IEUA and CDA

Operational Reports to the TAC and the TAC may provide technical insight and comments in writing to the State Water Board and IEUA and CDA regarding the Operational Reports. IEUA and CDA agree to communicate with the TAC regarding the technical insight and comments it may provide in response to IEUA and CDA Operational Reports during the 5 years, or longer, such reports are provided.

- X. IEUA and CDA will be responsible for coordinating the logistics of TAC meetings as follows:
 - a. Schedule and hold quarterly TAC meetings following submittal of quarterly progress reports. Meeting frequency may be modified as mutually agreed by IEUA, CDA and the State Water Board.
 - b. Prepare agendas and action items and communicate them to TAC members.
 - c. Arrange audio visual equipment, phone conference lines, web-based meetings, and other meeting logistics, as needed.
 - d. Should additional meetings be deemed necessary by the State Water Board, meetings will be scheduled at the earliest mutually convenient time and place.
- XI. The State Water Board recognizes that IEUA and CDA may be entitled to cost recovery from various third parties. Nothing in this MOU is meant, in any way, to alter or change those rights that may exist. Any costs recovered must be used consistent with the requirements of Proposition 1.
- XII. Reservation of Rights: Each Party to this MOU shall be solely responsible and liable in connection with its actions associated with its responsibilities under this MOU. For purposes of this MOU, the relationship of the Parties is that of independent entities and not as agents of each other or as joint venturers or partners. The Parties shall maintain sole and exclusive control over their personnel, agents, consultants, and operations. Nothing in this MOU alters the statutory or regulatory authority of IEUA and CDA, the State Water Board, or Regional Water Board, or any other provision of law, nor shall anything in this MOU limit IEUA and CDA or the State and Regional Water Boards' legal authority or responsibilities.
- XIII. Third Parties: Nothing in this MOU is intended to create duties or obligations to or rights in third parties to this MOU or affect the legal liability of the Parties to this MOU.
- XIV. AMENDMENTS AND TERMINATION
 - a. In entering into this MOU, it is the intention of the Parties that this MOU shall not be construed to be an enforceable contract or agreement, but is, rather, a statement of principles.

- b. This MOU shall remain in effect until all components have been fully implemented or until June 30, 2023, whichever occurs later.
- c. This MOU may be amended with the mutual written approval of all Parties or their successors.
- d. Any Party to this MOU, or its successor agency, may withdraw from the MOU by giving 30-days advanced written notice to the other Parties, in which case, the MOU is no longer effective.
- e. **Governing Law:** This MOU is governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California.
- f. **Authorized signatures:** The Parties hereby represent and warrant that their respective signatory to this MOU is duly authorized to execute and bind the agency for which he or she signs.
- g. **Severability:** If any provision of this MOU shall be determined by any court to be invalid, illegal or unenforceable to any extent, the remainder of this MOU shall not be affected and this MOU shall be construed as if the invalid, illegal or unenforceable provision had never been contained in this MOU.
- h. **Execution:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed Agreement by one party to the other may be made by facsimile or electronic PDF transmission.

IN WITNESS WHEREOF, the Parties to this MOU have caused this MOU to be executed on their behalf as of the date specified below, respectively, as follows:

FOR THE STATE WATER RESOURCES CONTROL BOARD:

Dated: _____, 2019

Eileen Sobeck
Executive Director
State Water Resources Control Board

Eileen Sobeck

FOR THE SANTA ANA REGIONAL WATER QUALITY CONTROL BOARD:

Dated: _____, 2019

Hope A. Smythe
Executive Officer
Santa Ana Regional Water Quality Control Board

Hope A. Symthe

FOR THE INLAND EMPIRE UTILITIES AGENCY

Dated: _____, 2019

Kirby Brill
Interim General Manager
Inland Empire Utilities Agency

Kirby Brill

FOR THE CHINO BASIN DESALTER AUTHORITY

Dated: _____, 2019

Tom O'Neil
Interim General Manager
Chino Basin Desalter Authority

Tom O'Neil

**INFORMATION
ITEM
2A**



Date: February 20, 2019

To: The Honorable Board of Directors

From: Kirby Brill, Interim General Manager *KBF*

Committee: Community & Legislative Affairs

02/13/19

Executive Contact: Kathy Besser, Executive Manager of Ext. Aff. & Policy Dev./AGM

Subject: Public Outreach and Communication

Executive Summary:

- February 19-26, MWD “Water is Life” Traveling Art Show, HQA Lobby
- February 26, Project WET (Water Education for Teachers) and Garden in Every School® Workshop, IEUA HQB, 8:00 a.m. – 3:00 p.m.

GOAL Productions is finalizing edits and graphics for the Agency’s recruitment video. Final video will be available in early February.

Staff has finalized the contract with Tripepi Smith and Associates to begin work on the Agency’s external website redesign.

Staff is currently scheduling Water Discovery Field Trips for school year 18/19. To date, 79 schools have made reservations for the current school year.

Staff has begun to build an interest list for Earth Day 2019. To date, we have received interest from 17 different schools and 1,267 students are scheduled to attend.

Staff's Recommendation:

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

Budget Impact *Budgeted (Y/N): Y* *Amendment (Y/N): Y* *Amount for Requested Approval:*

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

N/A

Environmental Determination:

Statutory Exemption

N/A

Business Goal:

IEUA is committed to providing a reliable and cost-effective water supply and promoting sustainable water use throughout the region.

IEUA is committed to enhancing and promoting environmental sustainability and the preservation of the region's heritage.

Attachments:

Attachment 1 - Background

Background

Subject: Public Outreach and Communication

February

- February 19-26, MWD “Water is Life” Traveling Art Show, HQA Lobby
- February 26, Project WET (Water Education for Teachers) and Garden in Every School[®] Workshop, IEUA HQB, 8:00 a.m. – 3:00 p.m.

March

- March 20, “Water is Life” Poster Contest Judging, HQB Event Room, 11:00 a.m. – 2:00 p.m.
- March 22, World Water Day

April

- April 3, IEUA Blood Drive, HQB Event Room, 8:00 a.m. – 1:00 p.m.
- April 17, IEUA Annual Earth Day Event – Student Day, IEUA, 9:00 a.m. – 2:00 p.m.
- April 18, IEUA Annual Earth Day Event – Community Day, IEUA, 4:00 p.m. – 7:00 p.m.

May

- Water Awareness Month
- May 4, FUSD’s STEM Day (IEUA to partner and host a booth and breakout session), Citrus High School- 10760 Cypress Ave. Fontana, 92337, 9:00 a.m. – 1:00 p.m.
- May 5-11, International Compost Awareness Week
- May 17-19, MWD Solar Cup Competition, Lake Skinner, 37701 Warren Rd, Winchester, 92596

Media and Outreach

- GOAL Productions is finalizing edits and graphics for the Agency’s recruitment video. Final video will be available in early February.
- Staff has finalized the contract with Tripepi Smith and Associates to begin work on the Agency’s external website redesign.
- An ad ran in the *Chino Champion’s* Healthy Living section on January 19.
- A *Project WET* targeted email blast was distributed on Friday, February 1
- A *Project WET* ad ran in the Daily Bulletin on Sunday, February 3.
- The *Kick the Habit* digital banner ad continues to run in the *Fontana Herald News*.
- Staff is continuing to schedule service club presentations highlighting IEUA’s Water Softener Removal Rebate Program. Staff attended the Upland Chamber of Commerce luncheon and presented on the rebate program and the importance of water supply awareness. To date, staff has presented at the following: Ontario Kiwanis Club, Chino Kiwanis, Upland Rotary, Rancho Del Chino Rotary, Upland Chamber of Commerce, and Chino Lions Club.
- January: 13 posts were published to the IEUA Facebook page, 10 posts were published to IEUA’s Instagram and 13 tweets were sent on the @IEUAWater Twitter handle.

- The top three Facebook posts, based on reach and engagement, in the month of January were:
 - 1/3: Project WET Promotion
 - 1/28: IEUA is Hiring
 - 1/17: Women in Water Conference
- The top three tweets, based on reach and engagement, in the month of January were:
 - 1/4: January Blood Drive
 - 1/16: Rainy Day Tip
 - 1/17: #10yearchallenge
- The top three Instagram posts, based on reach and engagement, in the month of January were:
 - 1/3: Project WET Promotion
 - 1/17: Women in Water Conference
 - 1/17: #10yearchallenge
- For the month of December, there were 27,977 searches for a park in IEUA's area on Yelp, where Chino Creek Wetlands and Education Park was found 668 times.
- For the month of January, there were 34,622 searches for a park in IEUA's area on Yelp, where Chino Creek Wetlands and Education Park was viewed 8,361 times.

Education and Outreach Updates

- Staff is currently scheduling Water Discovery Field Trips for school year 18/19. To date, 79 schools have made reservations for the current school year.
- Staff has begun to build an interest list for Earth Day 2019. To date, we have received interest from 17 different schools and 1,267 students are scheduled to attend.
- Staff has reached out to schools for the *Water is Life* Poster Contest. Deadline for this school year is March 14, 2019.
- Staff is leading the WEWAC Media Contest where students in middle school and high schools can submit digital art or a PSA that focuses on using water wisely. The deadline for students to submit their entries is February 14.

INFORMATION
ITEM
2B



January 29, 2019

To: Inland Empire Utilities Agency
From: Michael Boccadoro
Beth Olhasso
RE: January Report

Overview:

January was a relatively slow month in the Legislature, with members busy preparing bills for introduction ahead of the February 22 deadline.

The 2019 water year got off to a bit of a slow start, but recent storms have brought welcome precipitation. The first snowpack survey of the year, on January 3, showed snowpack at only 80 percent of normal. However, following recent storms, electronic readings indicate statewide snowpack is up to 105 percent of normal.

The Department of Water Resources closed out the year by quietly releasing the most recent draft in the California Water Plan Update 2018. While many in the water community have been following the process closely to see what the update may hold, it turned out to be relatively innocuous.

Carrying the activity into the new year, the State Water Resources Control Board (SWRCB) moved forward with AB 401 mandated requirements to create a Low-Income Water Rate Assistance Program Plan and report to the legislature. The efforts had previously been put on hold as Senator Monning (D-Monterey) pursued legislative remedies for a Safe and Affordable Drinking Water Fund.

The SWRCB has delayed a scheduled February vote on a new, controversial “wetlands” definition and new rules for discharging dredge and fill materials into state “waters,” after agreeing with stakeholders that many of the provisions are confusing and need further clarification.

A new year has also meant new players in Sacramento. It was the end of an era as Governor Jerry Brown ended his rein and the 40th Governor of California was inaugurated, San Francisco Democrat Gavin Newsom. For the first time since 2011, a new Governor will occupy the horseshoe with many new staff members and administrative officials.

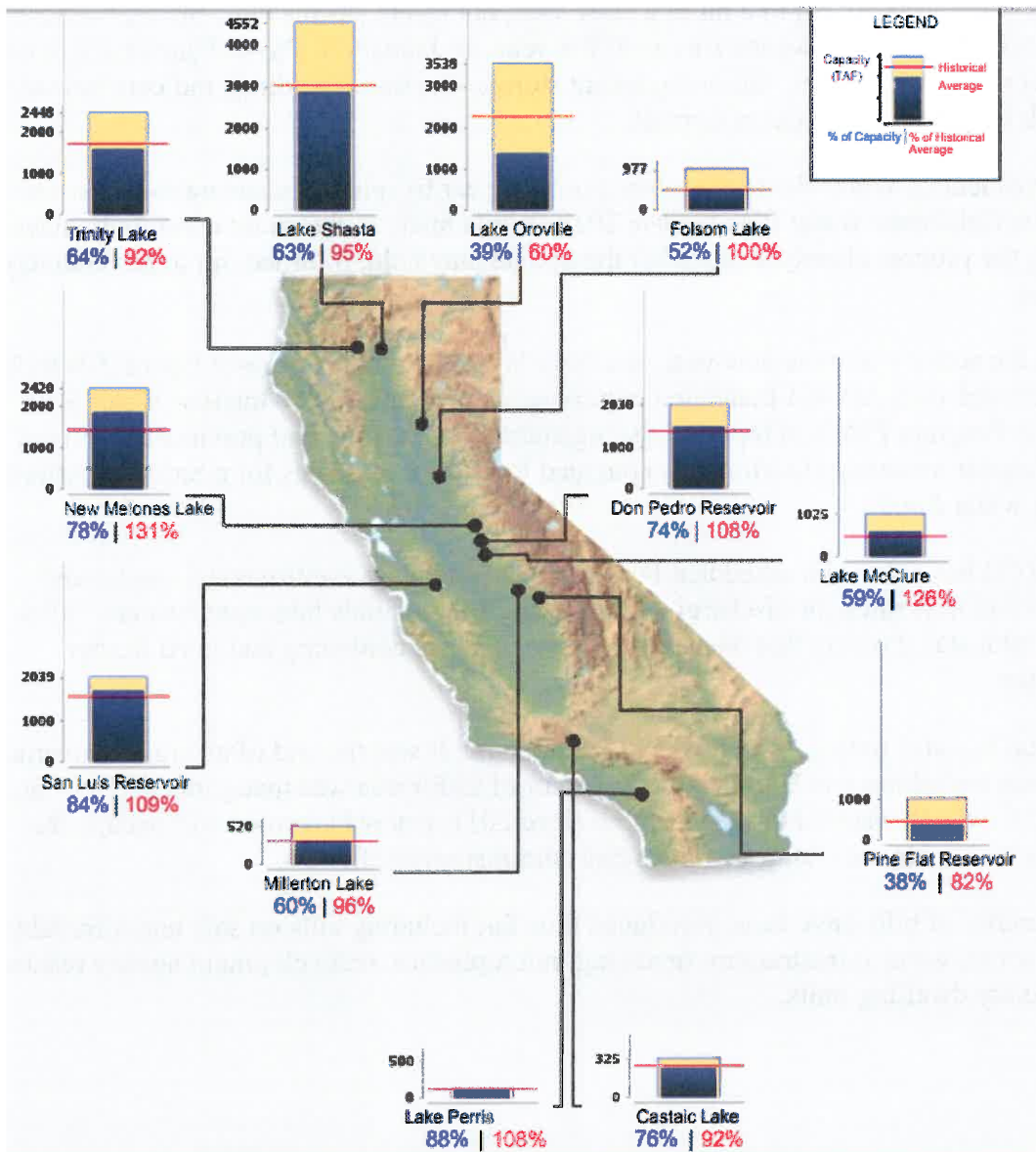
Only a handful of bills have been introduced thus far, including bills on safe and affordable drinking water, water infrastructure financing, microplastics, redevelopment agency resurrection and accessory dwelling units.

Inland Empire Utilities Agency Status Report – January 2019

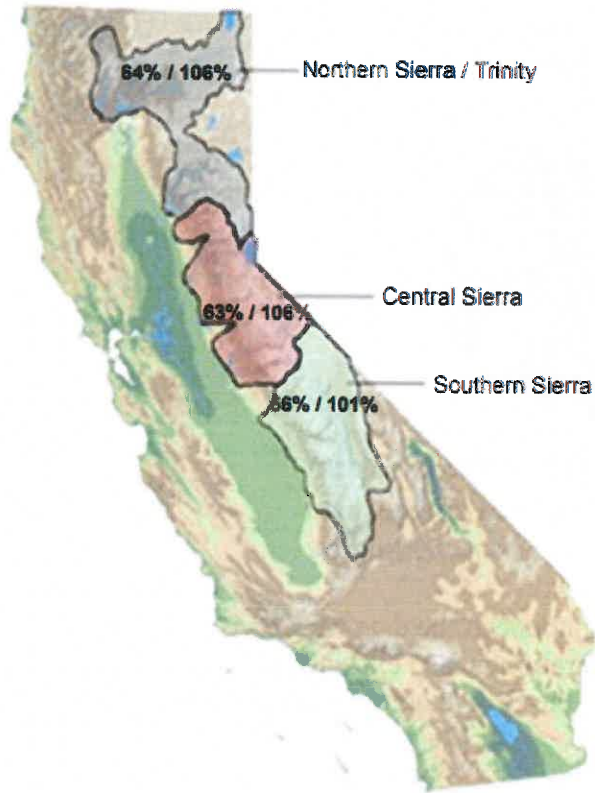
Water Supply Conditions

The 2019 water year got off to a bit of a slow start, but recent storms have brought welcome precipitation. The first snowpack survey of the year, on January 3, showed the snowpack at only 80 percent of normal. However, in recent weeks, electronic readings indicate statewide snowpack exceeds 100 percent of normal.

Northern California reservoirs benefited greatly from the early January storms with Shasta, and Folsom hovering at near historic average levels for this time of year. Lake Oroville, the State Water Project’s primary reservoir, remains well below average as repairs to the emergency spillway continue.



% of April 1 Average / % of Normal for This Date



NORTH	
Data as of January 28, 2019	
Number of Stations Reporting	32
Average snow water equivalent (Inches)	18.2
Percent of April 1 Average (%)	64
Percent of normal for this date (%)	106

CENTRAL	
Data as of January 28, 2019	
Number of Stations Reporting	44
Average snow water equivalent (Inches)	19.0
Percent of April 1 Average (%)	63
Percent of normal for this date (%)	106

SOUTH	
Data as of January 28, 2019	
Number of Stations Reporting	29
Average snow water equivalent (Inches)	14.3
Percent of April 1 Average (%)	66
Percent of normal for this date (%)	101

STATE	
Data as of January 28, 2019	
Number of Stations Reporting	105
Average snow water equivalent (Inches)	17.4
Percent of April 1 Average (%)	61
Percent of normal for this date (%)	105

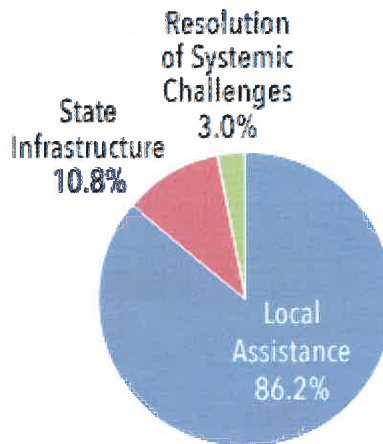
Statewide Average: 61% / 105%

California Water Plan Update 2018 Released

The California Department of Water Resources quietly released the latest draft of the [California Water Plan Update 2018](#) just a few days before the end of the year. The most recent draft is only the latest in an ongoing effort to update the plan, typically done every five years.

The update points out challenges with flood risk, lack of access to clean drinking water, declining ecosystems, groundwater overdraft and unreliable water supplies, and climate change. The plan does not offer many actions that have significant “teeth.” First on their list of “Actions for Sustainability” is improved integrated regional watershed management. It also includes recommendations to strengthen infrastructure resiliency & operational flexibility; restore critical ecosystem functions; empower under represented or vulnerable communities; improve alignment & address regulatory challenges; and support decision-making, adaptive management & planning.

This iteration of the Water Plan is much more focused than others, with only 20 actionable recommendations compared to 350 in the last update. The Plan estimates cost of implementation for the 20 recommendations to be around \$90 billion invested over 50 years.



Of this, \$77.8 billion is for financial and technical assistance to regional and local entities, \$9.7 billion for State-managed water infrastructure, and \$2.7 billion to resolve systemic challenges.

DWR has taken comments on the draft and has not announced the date for a revision, further workshops or a final adoption date. The new administration is also expected to develop a more specific Water Action Plan following the trend set by the Brown administration, although it remains unclear how quickly that will happen.

SWRCB Releases Low-Income Water Rate Assistance Program Plan and Legislative Report
 Shortly after the start of the new year, the State Water Resources Control Board (SWRCB) released a [Low-Income Water Rate Assistance Program Plan](#) and legislative report, as required by AB 401 (Dodd, 2015). The draft report identifies potential program recipients, mechanisms for delivering these benefits, and possible funding sources.

The 2015 legislation required the Board to prepare a plan, in collaboration with the State Board of Equalization, that covers funding and implementation of a Low-Income Water Rate Assistance Program by January 1, 2018. Initial efforts to meet the 2018 deadline were held up when Senator Monning (D-Monterey) began exploring legislative remedies to provide clean drinking water funding. Both efforts are part of the broader implementation of the Human Right to Water legislation (AB 685, 2012).

The draft report identifies potential program benefit levels as follows:

Tier 1: 20% discount to all households that have incomes below 200% of the federal poverty level (FPL) in water systems where monthly water expenditures (at 12 CCF) are below \$90.

Tier 2: 35% discount to all households that have incomes below 200% of the FPL in water systems where monthly water expenditures (at 12 CCF) are between \$90 and \$120, and

Tier 3: 50% discount to all households that have incomes below 200% of the FPL in water systems where monthly water costs (at 12 CCF) are above \$120.

Because the average monthly water bill is around \$60 per month,⁷ most low-income households would be in Tier 1.

The estimated annual cost of this scenario is \$606.4 million. To cover this cost, the draft report considered a range of finance options including taxes on high personal income earners or businesses via the state income tax, bottled water taxes, surcharges on non-eligible households' water bills, and other revenue sources. The draft report provided the following funding scheme:

Source	Revenue Estimate
Personal income tax	\$486 million*
Bottled water sales tax	\$153.6 million*
Total	\$619.6 million

* Estimate for income tax is based on 2017 tax receipts. Estimate for bottled water sales tax is based on California Department of Tax and Finance Administration estimate for fiscal year 2022-2023, which would be the first full year of tax collection for an initiative passed on the 2020 ballot.

Both of the proposed funding sources will prove unpopular and questions remain as to whether the legislature is prepared to adopt new tax increases. Any bottled water tax will also require voter approval.

The Board also notes the W-LIRA efforts will need to be paired with strategies to secure sustainable funding for long-term operation and maintenance of water systems, consolidation of unsustainable systems, and improving technical, managerial, and financial capacity for systems serving disadvantaged communities.

Public comment on the January 3, 2019 draft is due February 1. The Board will incorporate public comments received into the final report to the Legislature.

SWRCB Delays Wetlands Rule Adoption

The State Water Resources Control Board (SWRCB) has delayed a scheduled February vote on a new, controversial “wetlands” definition and new rules for discharging dredge and fill materials into “state waters,” after agreeing with stakeholders that many of the provisions are confusing and need further clarification.

The definition and rules are being updated because of uncertainty over federal regulations governing the scope of the Clean Water Act. An executive order from President Trump would narrow the law’s reach significantly by changing the Obama “Waters of the United States” definitions. The SWRCB’s strict new wetlands permitting program would effectively block the Trump administration’s approach in California.

The proposal has drawn significant push-back from water agencies, agriculture and building industries which argue that the new definition and discharge rules are too stringent and would likely result in unnecessary permitting requirements, impacts on ongoing maintenance and operation of critical projects around the state, potential loss of development space and significant cost to comply.

The SWRCB ultimately agreed that clarifications were necessary and agreed to hold the item over. A full comment period was not reopened, just opportunities for parties to seek clarifying changes with staff. A new adoption date has not been set.

The water community, including ACWA and MWD, which were admittedly slow to join the proceeding, is fully engaged and seeking appropriate changes.

Legislative Update

Newsom Takes Reins

Sacramento is abuzz about California's 40th Governor, San Francisco Democrat Gavin Newsom. Since his January 7 inauguration, the new Governor has made steady progress in setting up his administration and agenda. Newsom has made key appointments in both his administration and personal staff.

- **Natural Resources Secretary, Wade Crowfoot:** Crowfoot has a strong environmental background having most recently served as the Executive Director of the CA Water Foundation. He also served as Deputy Cabinet Secretary to Governor Brown and advised then San Francisco Mayor Newsom on environmental issues. Prior to joining the Brown Administration, he served as the west coast political director for the Environmental Defense Fund.
- **Cal EPA Secretary, Jared Blumenfeld:** Most recently founded his own private firm advising clean tech companies in best practices after serving eight years as Regional Administrator of the United States Environmental Protection Agency for the Pacific Southwest, under President Barack Obama. Previously, he was Director of the San Francisco Department of Environment for nine years under Mayor Newsom. He has held multiple other jobs with environmental organizations including with the Natural Resources Defense Council (NRDC).
- **Legislative Secretary, Anthony Williams:** Williams is no stranger to Sacramento having served under several leaders in the Senate and most recently as a lobbyist for the Boeing Corporation. He was also appointed by Governor Brown to the Fish & Game Commission.

Other positions have been filled by Newsom allies, labor champions, and environmental policy professionals. No announcements have been made on the Department of Water Resources, or if Felicia Marcus will be reappointed to the State Water Resources Control Board.

During his January 10 budget unveiling, Newsom unexpectedly eluded to a shakeup at the State Water Resources Control Board saying, he is "assessing personnel at the State Water Resources Control Board and will be making an announcement shortly." Board Chair Felicia Marcus' current term expired on January 15. She can serve up to 60 days without being reappointed.

As part of his budget unveiling, he also debuted the 2019-2020 Cap & Trade spending plan which is \$400 million less than the 2018-2019 plan. Other revelations included a Safe and Affordable Drinking Water fund. While the current budget proposal only includes funding to create the fund, and not a funding mechanism, Newsom's budget summary document indicates his desire to underwrite the fund through a tax on fertilizer, dairies, and residential water rates as outlined by SB 623 (Monning, 2017).

Bill Introductions:

Bill introductions have been trickling in slowly. Legislators are expected to introduce several thousand bills before the Feb 22 deadline.

As discussed in previous reports, Asm. David Chiu (D-San Francisco) has already introduced legislation to create Redevelopment Agency (RDA) 2.0 (AB 11). In his inaugural address, Governor Newsom noted that he thinks the current system of using “Enhanced Infrastructure Financing Districts” is working well and that he is open to somebody trying to change his mind, but he is not currently interested in reviving redevelopment agencies. This is welcome news to IEUA, who is always concerned about protecting pass through property tax payments. WCA will continue to monitor the legislation and work with agency staff as Asm. Chiu pursues the issue this year.

Assemblymembers Mathis (R-Visalia) and Eduardo Garcia (D-Coachella) have introduced a Constitutional Amendment that would require two percent of the General Fund to be allocated to the Department of Water Resources for water supply, delivery, and quality projects, including, but not limited to, recycled water projects, water conveyance projects, groundwater recharge projects, subsidence abatement projects, and water infrastructure and storage projects. Forty percent shall be allocated to the State Water Resources Control Board for water quality projects, including, but not limited to, drinking water improvement projects, groundwater cleanup projects, and emergency drinking water projects.

In the handful of bills that have been introduced, there are several pieces of legislation relating to microplastics (ABs 129 & 223), both in draft form. The issue of exempting connection fees from accessory dwelling units is back with SB 13 (Weickowski, D- San Francisco). And there is already the shell of a Wildfire, Drought and Flood Protection Bond in the file.

As we near the bill introduction deadline, there will be many more bills introduced and WCA will have further discussion with the IEUA board, management and staff about 2019 priorities.

New Year, New Committee Assignments for the IEUA delegation:

Senator Connie Leyva:

Education, Chair

Budget (Subcommittee 1 on Education)

Business, Professions and Economic Development

Elections and Constitutional Amendments

Health

Senator Mike Morrell:

Banking and Financial Institutions

Budget (Subcommittee 1 on Education)

Housing, Vice Chair

Labor, Public Employment and Retirement, Vice Chair

Legislative Ethics, Vice Chair

Public Safety

Transportation

Senator Ling Ling Chang:

Banking and Financial Institutions, Vice Chair
Business, Professions and Economic Development, Vice Chair
Education
Energy, Utilities and Communications
Governmental Organization

Senator Anthony Portantino:

Appropriations, Chair
Banking and Financial Institutions
Governmental Organization
Insurance

Asm. Freddie Rodriguez:

Communications and Conveyance
Health

Asm. Eloise Reyes:

Aging and Long-Term Care
Budget (Sub Committee 3 on Resources and Transportation)
Human Services, Chair
Utilities and Energy
Legislative Ethics

Asm. Phil Chen:

Banking and Finance, Vice Chair
Business and Professions
Insurance
Jobs, Economic Development and the Economy

Asm. Chris Holden:

Communication and Conveyance
Judiciary
Utilities and Energy, Chair

Asm. James Ramos:

Health
Jobs, Economic Development and the Economy
Local Government
Rules
Budget (Subcommittee 1 on Health and Human Services)

MEMORANDUM

To: Kathy Besser

From: Letitia White, Jean Denton, Drew Tatum, Shavenor Winters

Date: February 1, 2019

Re: January Monthly Legislative Update

Congress, President Reach 3 Week Agreement to End Shutdown

The longest government shutdown in U.S. history, which totaled 35 days, concluded on Friday, January 25 with Congress voting to reopen the government via a three-week continuing resolution (CR). President Donald Trump signed the legislation later that evening which temporarily funds closed agencies through February 15, 2019 at the previous fiscal year's funding level.

The Senate and House agreed unanimously by voice vote on Friday, January 25 to reopen the agencies while lawmakers negotiate on a border security plan. About 800,000 federal employees were furloughed or working without pay, and many of them missed their second paycheck that day. Pressure on the President and lawmakers to end the shutdown escalated as LaGuardia Airport in New York issued a ground stop due to a shortage of air traffic controllers, exacerbating flight delays on some routes across the country.

In announcing the agreement, the President Trump said at the White House Rose Garden that if he does not get a "fair deal" from Congress by February 15, the government will either shut down again or he will use emergency powers under the Constitution and laws of the United States to address border security.

Negotiations in the Senate restarted Thursday, January 24 after the chamber rejected rival plans from President Donald Trump and Democrats to fund the government. The President had refused to end the shutdown until he received \$5.7 billion for a border wall, and Democrats had refused to negotiate with him on wall funding as long as the shutdown continued.

The temporary funding deal came together in a meeting between Senate Minority leader Senator Chuck Schumer (D-NY) and Senate Majority Leader Mitch McConnell (R-KY).

Mick Mulvaney, the acting White House Chief of Staff, did not rule out another government shutdown if President Donald Trump and congressional leaders are unable to strike a budget deal by mid-February that includes funding for a U.S.-Mexico border wall. As part of the agreement to pass the CR, lawmakers also agreed to formally go to conference on the Department of Homeland Security Appropriations Act, 2019 using a legislative vehicle sent over from the House of Representatives earlier this year. The conference committee is now tasked with coming up with an agreement that can gain support from the House, Senate, and White House before the

February 15th expiration of the current CR. President Trump said he believes that there is “less than a 50-50 chance” that negotiations during the temporary CR will produce a viable path forward.

Conferees include the following Senators and Representatives: Senators Shelby (R-AL), Capito (R-WV), Hoeven (R-ND), Blunt (R-MO), Leahy (D-VT), Durbin (D-IL), and Tester (D-MT) along with Representatives Lowey (D-NY), Roybal-Allard (D-CA), Price (D-NC), Lee (D-CA), Aguilar (D-CA), Granger (R-TX), Fleischmann (R-TN), Graves (R-GA), Palazzo (R-MS).

Prior to the end of the shutdown, acting White House chief of staff Mick Mulvaney asked federal agencies to provide lists of key programs that could be endangered if the partial government shutdown continued through March or April.

White House spokeswoman Sarah Sanders noted in 21 days “President Trump...will move forward on building his desired border wall “with or without the Democrats”.

On Wednesday, January 30, the Conference Committee held its first meeting to begin the process of negotiating a border security deal ahead of the expiration of the CR on February 15, 2019. Members made opening statements, and both Republicans and Democrats in the House and Senate expressed optimism that the appropriators could work together to find a solution.

The previous day, House Appropriations Committee Chairwoman Nita Lowey (D-NY), who is chairing the Conference Committee, along with House Majority Leader Steny Hoyer (D-MD), who is not on the Committee, noted that they hoped an agreement could be reached by February 8 to give the House and Senate a week to clear the legislation before the CR expires.

While no proposals were put forward at the meeting today, House Homeland Security Appropriations Subcommittee Chairwoman Lucille Roybal-Allard (D-CA) noted that House Democrats would be putting forward a proposal that reflects the priorities of the House Democratic Caucus for the purpose of negotiations. When asked by Representative Tom Graves (R-GA) when the proposal might be released, Roybal-Allard said that while an outline exists, the finishing touches have not been placed on the proposal.

After the meeting, House Democrats released a summary of what they are calling their “smart, effective border security plan.” The outline called for balanced investments that do not rely on physical barriers, but it did not propose specific funding levels.

On Thursday, January 31, Representative Tom Graves (R-GA) released what he said was a draft proposal crafted by the Democratic members of the committee that did include agency topline numbers. Later in the day, an updated draft was released.

Amid negotiations, President Trump tweeted that he was sticking to his position that any final agreement would need to contain funding for his border wall/barrier. Otherwise he indicated he believed the conference would be a waste of time.

Even as Republicans have faced dissent in their ranks over how to deal with the border wall/barrier, several freshmen Democratic members circulated a letter to Speaker calling for no additional funding for the Homeland Security bill, even if it were not directed to border security.

Negotiations on a path forward continue behind closed doors. Since the next funding deadline coincided with their annual retreat, House Democrats have announced they are looking to reschedule it. Republicans also postponed their retreat that was scheduled to begin on January 30 as negotiations continued.

Federal Government Reopening Procedures / Back Pay

Nine federal agencies are in the process of reopening after the longest government shutdown in U.S. history ended Friday, January 25 after 35 days.

President Donald Trump and Congress agreed to fully reopen the government for three weeks — until February 15 — as part of a deal that did not include money for a border wall, which had been the top sticking point in funding talks for weeks.

While funding snaps back into place for large swaths of the federal government, roughly 25 percent of which was affected by the shutdown, some affected entities are expected to take at least several days to become fully operational.

The Office of Management and Budget released a memo after the continuing resolution was signed directing affected agencies to "reopen offices in a prompt and orderly manner" after the three-week funding measure was signed. Exactly when various agencies will be fully operational again remains unclear.

Smithsonian Secretary David J. Skorton said that the shutdown cost his institution \$1 million a week in lost revenue.

The National Park Service is preparing to resume regular service, but the schedule for reopening individual parks is based on "staff size and complexity of operations."

"Many parks which have been accessible throughout the lapse in appropriations remain accessible with basic services," Deputy Parks Director P. Daniel Smith said in a statement.

"Some parks which have been closed throughout the lapse in appropriations may not reopen immediately, but we will work to open all parks as quickly as possible," he added.

Additionally, impacted agencies who have been unable to pay their employees will be working to provide both regular and back pay to their employees that accrued during the shutdown. Most federal agencies plan to process payroll no later than Thursday, January 31. However, some federal employee may have to wait until the next pay period to receive any overtime due, as the Office of Personnel Management allowed agencies to make basic assumptions in order to process payroll expeditiously.

Smith Introduces Federal Contractor Back Pay Bill

As the shutdown became the longest in US Government history, federal workers who have been deemed “essential” had sought to win a temporary court order compelling the United States to compensate them for working during the shutdown, or to allow them to take jobs elsewhere. U.S. District Judge Richard Leon in Washington rejected arguments from federal employees’ unions and four individuals that they required immediate relief, instead scheduling a hearing for January 31 to consider longer-term relief.

Thanks to legislation passed nearly unanimously by the House and Senate and signed by President Trump, even “non-essential” workers who are currently furloughed will receive back pay once the current funding impasse solved. Federal contractors would not receive the same treatment under the legislation signed by the president.

Senator Tina Smith (D-MN) introduced legislation on January 17 that aims to secure back pay for the federal contractor employees who are impacted by the partial government shutdown. The bill, the Fair Compensation for Low-Wage Contractor Employees Act, aims to help low-wage federal contractor employees—including janitorial, food, and security services workers—who have been furloughed or forced to accept reduced work hours as a result of the government shutdown. Unlike the legislation for impacted federal workers, this legislation is specific to the current fiscal year only.

Specifically, the legislation would:

- Ensure federal contractors get reimbursed for providing back pay, up to 200% (which according to the legislation is \$965 weekly) of the federal poverty level for a family of four.
 - The legislation would also allow contractors to restore any paid leave taken as a result of the lapse in appropriations, if paid leave was required to be taken as a result of the partial shutdown.
- Provide accountability in the equitable adjustment process by including ways for protection of taxpayer funds.
 - Contractors would submit evidence of costs for review and approval by the agency’s contracting officer.
 - Contractors are already required to keep records of employee pay practices, so this doesn’t create a new obligation for those contractors.
- Cover employees employed under the Davis-Bacon Act (which governs federally-funded construction projects) and the Service Contract Act (which governs federal service contracts).

It is unclear when or if the Senate will take up the legislation

National Parks May Take Year to Recover from Shutdown

The current partial government shutdown, which impacts the National Park Service, is putting the agency behind on prescribed burning ahead of wildfire season and seasonal hiring processes, according to a former agency head.

Because of the shutdown, a lot of the work typically performed during the winter months, such as prescribed burning on National Park Service lands and wildlife refuges, isn't being done.

“This is the time of year that we're reducing fuel loads in preparation of fire season, our fire crews would be burning piles and prescribed burning. All of that has been stopped,” said Jarvis, now executive director of the Institute for Parks, People, and Biodiversity at the University of California, Berkeley.

Reports continue to come in of damage to habitat and wildlife being killed on public lands during the Trump administration's decision to keep most national parks open during the partial government shutdown. Three deer were poached by hunters in the Great Smoky Mountains National Park, and there have been reports of additional wildlife being killed on public lands where hunting isn't allowed, Jarvis said.

Opportunity for Conservation Bill Vote

With the government shutdown over for now, a window of opportunity has opened for backers of a bipartisan public lands and conservation package.

The fund expired September 30, 2018 barring states and local communities from accessing funds for future community parks, bike trails, and hiking trails, and preventing the addition of new parcels to expand national parks.

Those backers are floating a strategy of quick Senate passage of the package by not letting floor debate drag on, with the House taking up a Senate-passed bill. Specifically, Senate Leader Mitch McConnell (R-KY) has filed for a cloture vote on the Motion to Proceed to the legislation. A cloture vote is likely to occur next week. Late last year, you will recall that there was broad bipartisan support for the legislation. The Senate should be able to easily get the 60-votes necessary for the first procedural hurdle.

It is unclear what type of an amendment process the Senate may have on this particular bill. When the Senate attempted to move the legislation at the end of the 115th Congress, Senator Mike Lee (R-UT) insisted that his amendment to modify the Antiquities Act for Utah be included in the legislation, which is what caused the package not to pass. He may be given an opportunity to offer it when the Senate takes up the bill.

House Natural Resources Committee Chairman Raul Grijalva (D-Ariz.), has mulled starting from scratch on a new bill to revive the conservation fund. But he now said he'll wait, given that the Senate appears ready to “speed it along” over the next week or two.

The public lands package includes a provision for Southern California—the Santa Ana River Wash Plan Land Exchange Act—originally sponsored by Congressmen Pete Aguilar and Paul Cook as well as Senator Dianne Feinstein. The provision was included in the legislation when it was negotiated last year.

2019 Congressional Legislative Outlook

Infrastructure

An infrastructure push by House Democrats in the first months of the new Congress may be the best chance for a sizable investment in the country's roads, bridges, airports and more.

Democrats aim to ready an infrastructure package by the end of May, according to incoming Transportation and Infrastructure Committee Chairman Peter DeFazio (D-OR).

Representative DeFazio proposes paying for a package covering surface transportation and harbors by indexing the existing gasoline and diesel taxes to average vehicle fuel economy and construction cost increases, capping the increase at about 1.5 cents per gallon per year, and then issuing bonds based on a portion of the anticipated revenues. He estimates it could raise \$500 billion.

If a gas tax is the path forward in the short term for shoring up the Highway Trust Fund, which provides much of the federal funds for highways and transit, it will take President Donald Trump helping to get buy-in from Republicans who have shied away from the tax increase in the past. "The president won't get to deliver on his promise of infrastructure investment, and it won't get done without his help on revenues," Representative DeFazio said.

Incoming House Appropriations Committee Chairwoman Nita Lowey has also indicated she supports passing an infrastructure bill. "One of the first bills that we have to be sure we figure out and support is infrastructure," Lowey said.

In addition to the difficult prospect of getting Democrats and Republicans to agree on how to fund an infrastructure proposal, other factors such as the president's focus on a southwestern border wall could overtake a public works proposal. President Trump's infrastructure proposal from 2018 flopped because its proposed funding sources were anathema to Democrats.

Chairman DeFazio's gas tax push will bump up against Republicans' proclivity to favor tax cuts, not increases. "My position has always been against raising taxes and certainly against the gas tax. We need to find a mechanism to pay for some of the things we need to do," said Sen. John Barasso (R-WY), Chairman of the Senate Environment and Public Works Committee.

Chairman DeFazio has also called for broader use of a mileage-based user fee systems to eventually replace a gas tax. He called for a nationwide pilot for vehicle miles traveled that people could opt into.

Lawmakers in 2019 intend to bring high-speed internet to underserved communities across the country, an issue that may see bipartisan action in a divided 116th Congress. Democrats and Republicans alike want to close the digital divide between rural and urban America. A federal broadband plan would create opportunities for wireless carriers such as AT&T Inc., cable providers such as Comcast Corp., cell tower companies, and others to expand into new areas.

"Any infrastructure package in the next Congress should include an expansion of broadband," House Minority Whip Steny Hoyer (D-MD) said in an emailed statement. Rep. Hoyer said he and his fellow Democrats are committed to working with Republicans on the issue.

“There is broad interest in passing an infrastructure package,” Sen. Roger Wicker (R-MS), the Chairman of the Senate Commerce, Science and Transportation Committee, said. “However, I think my colleagues on both sides of the aisle would agree that we do not yet know how we will pay for it.”

Democrats favor a broad package of infrastructure improvements, including broadband. President Donald Trump listed infrastructure as one of the issues on which he hopes to work with Congress in 2019, in remarks following the mid-term elections.

The President has indicated that any infrastructure bill signed would need to include border security, to which, Transportation and Infrastructure Committee Chairman DeFazio flat out rejected.

Democrat Oversight

House Democrats return to power in 2019 united on the need for intensive oversight of the Trump administration. The Democrats intend to throw the spotlight on the Environmental Protection Agency (EPA), Energy Department, and other Trump administration agencies they feel received little scrutiny by a Republican-controlled Congress over the last two years.

With GOP control of the Senate and President Donald Trump in the White House, incremental environmental legislation in general is likely to supersede broader initiatives. On chemical policy, expect incoming House Energy and Commerce Chairman Frank Pallone (D-NJ) to push the EPA to step up implementation of chemical reviews under the Toxic Substances Control Act, which Congress amended in 2016.

Pallone’s panel could also take up measures that might force the EPA to move faster on setting standards for synthetic contaminants in drinking water, such as perfluorinated chemicals found in Teflon or the rocket fuel component perchlorate.

The Democratic-run House is also likely to bring more pressure to increase funding for water infrastructure projects. Incoming House Transportation and Infrastructure Committee Chairman Peter DeFazio (D-OR), who has complained of inadequate funding for water projects, could push for bills to dramatically increase funding there.

Climate Change

On climate change, the House Energy and Commerce Committee—along with panels on science, transportation, oversight and government affairs, and even foreign affairs—all expect to grill Trump officials on rollbacks of climate and other environmental rules and international climate policy.

Several House Democrats have pledged to prioritize climate change, including Rep. Nancy Pelosi (D-CA) who called climate change the "existential threat of our time" during her opening address as the new Speaker of the House.

Energy lobbyists are hoping the Senate Energy and Natural Resources Committee will at least pass pieces of a long-stalled comprehensive energy bill with bipartisan backing, including those addressing smart-grid technologies and upgrading the grid, as well as those encouraging electric and other advanced vehicles and energy storage.

The most recent reauthorization of the surface transportation act, in December 2015, authorized spending on federal highway and public transportation programs through September 2020. A new reauthorization could be an opening for Democrats to push climate-resilient infrastructure and low-carbon transportation options.

Disaster Aid Passes House

While the House and Senate were negotiating an emergency disaster supplemental appropriations package at the end of the 115th Congress, no consensus emerged on a path forward ahead of the partial lapse in appropriations that triggered the partial government shutdown. House Republicans attempted to attach a package worth more than \$7 billion to the December continuing resolution that failed to advance in the Senate.

This year, the House has renewed a push to pass a supplemental appropriations package, this time totaling more than \$12 billion. The House has attached the measure to a continuing resolution in a push by Democratic members to reopen the government. As the House and Senate reached a different agreement to reopen the government, the disaster aid package has not yet been enacted.

Federal Grant Reporting Data

Data on federal grants would be standardized and published on a single online portal under H.R. 150, Grant Reporting Efficiency and Agreements Transparency Act of 2019 or the GREAT Act. The bill would require the development of standards for the information that grantees and other award recipients must report to the government.

“Since the U.S. government awards more than \$600 billion every year to state and local governments, agencies, and a wide variety of other organizations, it is imperative that we are accountable for every tax dollar awarded,” Representative Virginia Foxx (R-NC), the bill’s sponsor, said in a February 2018 news release on a nearly identical bill H.R. 4887 in the 115th Congress.

“By making the collected data open and searchable, small businesses will no longer be forced to spend meaningful man-hours on filling out duplicative paperwork,” added Foxx.

The measure would follow previous initiatives such as the Digital Accountability and Transparency Act Public Law 113-101; which established governmentwide standards for data on federal contracts, grants, and other awards to be posted on USAspending.gov.

The legislation passed the House on January 17, 2018. It has not been acted on by the Senate.

Pricey Water Bills Fix Could Mimic Successful Energy Program

Subsidizing water bills for low-income families may be more difficult than a similar successful program for energy, but that's the road map a bipartisan group of lawmakers is exploring.

The nature of the water industry—with tens of thousands of municipal-owned water suppliers that often serve 1,000 people or fewer—could make it far more difficult to implement than in the more consolidated power sector, the water industry cautions.

Senator Ben Cardin (D-MD), one of the lawmakers working on the legislation, said many in Congress are hearing from their constituents that water and sewer bills are beginning to crowd out other items from their household budget.

The bill is being crafted with Sen. Roger Wicker (R-MS) and Rep. Marcia Fudge (D-OH) and is modeled on a program at the Department of Health and Human Services that subsidizes energy bills in low-income areas. It would establish a five-year pilot that would give grants to 32 water utilities across the country to establish low-income assistance programs there.

Senators Cardin and Wicker first introduced the bill in the Senate late last year. The strategy for this year is to attach the measure to a larger piece of legislation, although it's possible it could pass on its own.

Cities across the country are under court orders to upgrade their sewage systems and the tremendous costs of those upgrades are trickling down into the bills they send their customers.

DOJ will not Crack Down on Marijuana

Attorney General nominee William Barr said he disagrees with efforts by states to legalize marijuana but won't "go after" marijuana companies in states that have legalized it based on the Obama administration's policies.

"My approach to this would be not to upset settled expectations and the reliance interests that have arisen as a result of the Cole memoranda," Barr told the Senate Judiciary Committee when he was asked about a memo written during President Barack Obama's administration that has since been rescinded. "Investments have been made, so I don't think it's appropriate to upset those interests."

His position could help him garner the vote of Republican Senator Cory Gardner of Colorado, who has insisted Barr not interfere with his state's legal marijuana industry.

In 2013, then-Deputy Attorney General Jim Cole released a memo to prosecutors encouraging them not to interfere with state laws legalizing marijuana. That policy was rescinded by ousted Attorney General Jeff Sessions, who vigorously opposed legalizing marijuana.

Mr. Barr said he wouldn't pursue companies that comply with their state laws, but said "it's incumbent on the Congress to make a decision" about the drug's legality.

Supreme Court Midpoint

The Supreme Court has reached the halfway point of the term and will not take the bench again until Tuesday, February 19. Any cases granted after the justices return likely will be argued next term, though the justices could make exceptions.

The Supreme Court said it will hear a case dealing with New York's restrictions on transporting firearms—the court's first Second Amendment case in almost a decade.

The justices divided 5-4 along the usual ideological lines in lifting lower court stays and allowing Trump administration restrictions on transgender military service to take effect. The court stopped short of agreeing to hear arguments on an expedited basis, as the administration sought. But by letting the ban take effect, the court gave the administration a major victory and hinted the justices ultimately may uphold the restrictions.

The Trump Administration told the Supreme Court it plans to ask the justices to fast track a challenge to the addition of a citizenship question to the 2020 census.

The court removed an evidentiary challenge to the census question from its February oral argument calendar, after a lower court ruled against the administration without considering the disputed evidence.

Bid to End Dreamers Program at N.Y. Appeals Court

President Donald Trump renewed his push to end an Obama-era program that protects almost 700,000 undocumented immigrants in the U.S. from deportation, arguing to federal appellate judges in New York on Friday that a lower-court halting of his plan was improper.

At issue is an executive order by former President Barack Obama called Deferred Action for Childhood Arrivals (DACA), which shields people brought to the U.S. illegally as children. Former Attorney General Jeff Sessions described Obama's initiative as an "unconstitutional exercise of authority by the executive branch."

In March, U.S. District Judge Nicholas Garaufis blocked the Trump administration from ending the policy, DACA and allowed lawsuits against the U.S. to continue, citing "racially charged language" from the President. A federal court in San Francisco also temporarily ordered a halt to the administration's plan.

On Friday, the three-judge panel closely questioned lawyers for both sides about the motivations for the suit, asking plaintiffs if they'd filed the suits in a form of "judge shopping" to win rulings in their favor and if the government was pursuing the case in order to win a ruling declaring DACA unconstitutional.

The judges didn't issue an immediate decision and didn't say when they would issue a ruling.

Wheeler Concludes Nomination Hearing

President Trump formally nominated Andrew Wheeler, the Deputy Administrator of the Environmental Protection Agency (EPA), to serve as EPA administrator earlier this month.

The nomination came despite the ongoing partial government shutdown, which has brought the EPA down to a skeleton staff.

Wheeler has been the EPA's acting head since July, when Scott Pruitt resigned due to growing ethics and spending scandals. The Senate confirmed him as deputy administrator in April.

If the Senate confirms Wheeler to head the EPA, his responsibilities and abilities would not change. However, without the confirmation, he may be limited to 210 days as acting chief.

Wheeler has overseen major action on some of the most consequential deregulatory proposals of the EPA under Trump. During his tenure as acting chief, the EPA has proposed to replace limits on carbon dioxide pollution from power plants with far looser rules, to stop plans to strengthen auto emissions and efficiency rules and to restrict the streams and wetlands that the EPA protects from harm.

Those actions have garnered repeated praise from affected industries, but sharp criticism from environmentalists.

The Senate Committee on Environment and Public Works (EPW) held a confirmation hearing for his nomination on Wednesday, January 16.

Despite criticisms over Wheeler's and the EPA's roll-back of Obama-era policies on greenhouse gas emissions, air pollution and other issues, Sen. John Barrasso (R-WY), Chairman of the EPW committee, lauded Wheeler for his leadership.

The committee is planning to advance the nomination to the Senate floor on Tuesday, February 5th at 10am.

Blue Slip Tradition Remains Intact for Judicial Nominees

A tradition allowing senators to reject federal district court nominees from their states by withholding "blue slip" approvals will remain in place, Judiciary Committee Chairman Lindsey Graham (R-SC) said. However, Chairman Graham has not decided whether he will require blue slips for appeals court nominees.

Forty-four district court nominees and U.S. Attorney General nominee William Barr were on the agenda for the session, the first of Graham's tenure. But votes on their appointments were all held over until the next meeting on February 7, consistent with Committee rules which allow for any senator to request that a particular agenda item be held over until the next meeting.

Blue slips are blue questionnaires on which senators mark their approval or opposition to a federal judicial appointee from their home state. Depending on the party in power in the Senate, they could be used to block nominees.

President Donald Trump has seen the confirmation of 85 appeals and district court nominees. That number includes 30 appeals court nominees, which set a record for a president in the first two years of his term.

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ITEM
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CALIFORNIA STRATEGIES, LLC

Date: February 04, 2019
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: January Activity Report

1. This month John Withers and Jim Brulte held the monthly meeting on January 07 with the senior staff of the agency to discuss various District activities.
2. Introduction of Interim General Manager Kirby Brill
 - Reviewed the IGM's priorities and work program during the transition period
3. Chino Basin Water Bank
 - Survey sent out after first workshop
 - Identify project goals and challenges
4. Chino Basin Program
 - Workshop held 11/08
 - Four year project
 - \$6.3 mil in budget (EIR and PDR) Unanimous vote to support by IEUA BOD
 - Benefits-Accelerates delivery of the projects
 - Need term sheets from participating agencies
 - MET briefing
 - Check in with IUEA BOD Feb '19
 - Pursuing federal funding (Title 16-Section 4007)
 - Agreements in place by 2020
5. Attended CASA Conference

INFORMATION
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Bill Number (linked to the legislation on Congress.gov)	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
H.R.____ / S.____ (H.J.Res.31)	TBD	Consolidated and/or Continuing Resolution for the remaining FY19 Appropriations measures	The House and Senate will need to come to an agreement to fund the remaining FY19 appropriations bills before the current continuing resolution expires on February 15, 2019. The final legislation could come in the form of an omnibus that includes all the bills, a continuing resolution for all of the bills, or a combination of a continuing resolution. Additional measures could be attached to the spending bill, including tax extenders, an extension of the debt ceiling, and a spending deal to raise the Budget Control Act caps.	A conference committee between the House and Senate are meeting specifically on the Homeland Security Appropriations bill, but the final outcome may be used as the legislative vehicle for all the FY19 appropriations measures.
S.47	Sen. Lisa Murkowski (R-AK)	Natural Resources Management Act	This bill sets forth provisions regarding various programs, projects, activities, and studies for the management and conservation of natural resources on federal lands. Specifically, the bill addresses: Land conveyances, exchanges, acquisitions, withdrawals, and transfers; the Santa Ana River Wash Plan Land Exchange Act; national parks, monuments, memorials, wilderness areas, other conservation and recreation areas; and federal reclamation projects.	Introduced in the Senate on January 8th. Senate Majority Leader Mitch McConnell moved to invoke cloture on the motion to proceed to the legislation on Thursday, January 31. The Senate may take up the legislation during the week of February 5th.
S.67	Sen. Dianne Feinstein (D-CA)	California Desert Protection and Recreation Act of 2019	This bill would provide for conservation, enhanced recreation opportunities, and development of renewable energy in the California Desert Conservation Area.	Introduced in the Senate on January 9th

H.R. 376	Rep. Paul Cook (R-CA) / Reps. Pete Aguilar (D-CA), Juan Vargas (D-CA), and Raul Ruiz (D-CA)	California Desert Protection and Recreation Act of 2019	This bill would provide for conservation, enhanced recreation opportunities, and development of renewable energy in the California Desert Conservation Area.	Introduced in the House on January 9th
H.R. 268	Rep. Nita Lowey (D-NY)	Supplemental Appropriations Act, 2019	This bill provides \$12.1 billion in FY2019 supplemental appropriations to several federal departments and agencies for expenses related to the consequences of recent wildfires, hurricanes, volcanos, earthquakes, typhoons, and other natural disasters. The funding provided by this bill is designated as emergency spending, which is exempt from discretionary spending limits and other budget enforcement rules. Note: any action on a supplemental appropriations package may be included in the spending measure agreed to as part of the conference on H.J.Res.31.	Passed the House on January 16th; awaits Senate action
S. 146	Sen. John Hoeven	Move America Act of 2019	A bill to amend the Internal Revenue Code of 1986 to provide for Move America bonds and Move America credits- which provide tools to finance additional transportation, water, and information infrastructure capital investments, through an approach that provides assistance for financing of infrastructure to all States, rural and urban.	Introduced in the Senate on January 16th
S. 40	Sen. John Barrasso	Bureau of Reclamation Transparency Act	The bill would require the require the Secretary of the Interior to submit to Congress a report on the efforts of the Bureau of Reclamation to manage its infrastructure assets; which would include facilities, buildings, structures, project features, power production equipment, recreation facilities, or quarters.	Introduced in the Senate on January 8th

H.R. 420	Rep. Earl Blumenauer (D-OR)	Regulate Marijuana Like Alcohol Act	The bill would decriminalize marijuana and set up legal framework to regulate marijuana.	Introduced in the House on January 8th
H.R.579	Rep. Scott Tipton (R-CO)	Water Rights Protection Act of 2019	This bill would prohibit the conditioning of any permit, lease, or other use agreement on the transfer of any water right to the United States by the Secretaries of the Interior and Agriculture, and for other purposes.	Introduced in the House on January 16th