

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

WEDNESDAY, MARCH 11, 2020 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 February 12, 2020.

# B. <u>ADOPT POSITIONS ON STATE LEGISLATION</u>

Staff recommends that the Committee/Board:

- 1. Adopt a position of "Support as Proposed to be Amended" for SB 996 (Portantino);
- 2. Adopt a position of "Support" for SB 1052 (Hertzberg); and
- 3. Adopt a position of "Oppose" for AB 2093 (Gloria).

Community and Legislative Affairs Committee March 11, 2020 Page 2

# 2. <u>INFORMATION ITEMS</u>

- A. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)
- B. <u>STATE LEGISLATIVE REPORT AND MATRIX WEST COAST</u> ADVISORS (WRITTEN)
- C. <u>FEDERAL LEGISLATIVE REPORT AND MATRIX INNOVATIVE</u> FEDERAL STRATEGIES (WRITTEN)
- D. CALIFORNIA STRATEGIES MONTHLY REPORT (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:

# **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. in the foyer at the Agency's main office, 6075 Kimball Avenue, Building A, Chino on Thursday, March 5, 2020.

April Woodruff

# ACTION ITEM 1A



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

WEDNESDAY, FEBRUARY 12, 2020 9:00 A.M.

# **COMMITTEE MEMBERS PRESENT**

Steven J. Elie, Chair Kati Parker

# COMMITTEE MEMBERS ABSENT

None

# STAFF PRESENT

Shivaji Deshmukh, General Manager
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM
Christiana Daisy, Executive Manager of Engineering/AGM
Randy Lee, Executive Manager of Operations/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Jerry Burke, Manager of Engineering
Andrea Carruthers, Manager of External Affairs
Cathleen Pieroni, Manager of Government Relations
Daniel Solorzano, Technology Specialist I
Wilson To, Technology Specialist II
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

# **OTHERS PRESENT**

Chris Lancaster, Civic Publications Logan Olds, Anaergia Socorro Pantaleon, CVWD

The meeting was called to order at 9:00 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 January 8, 2020. Community and Legislative Affairs Committee February 12 2020 Page 2

# **INFORMATION ITEMS**

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

- Discussion of Process for Legislative Engagement
- Civic Publications
- Public Outreach and Communication
- State Legislative Report and Matrix West Coast Advisors
- ♦ Federal Legislative Report and Matrix Innovative Federal Strategies
- ♦ California Strategies Monthly Report

# **GENERAL MANAGER'S COMMENTS**

General Manager Shivaji Deshmukh stated that the RP-5 Expansion General Manager Approval Process Item will be brought back in March. Mr. Deshmukh also stated that after the Rate Study workshop on recycled water, the Agency received several comments and concerns on the rates and proposal of moving charges from a variable to a fixed rate. Staff is assessing the impact of a recycled water fixed rate charge to the Agency's customers and compiling seven to eight alternatives. The Agency has scheduled additional one-on-one meetings with customers and is working on another potential Rate Study workshop. In the future, there will be a joint workshop with the Board of Directors and the Regional Sewerage Policy Committee.

# **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 9:55 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

\*A Municipal Water District

APPROVED: MARCH 11, 2020

# ACTION ITEM 1B



Date: March 18, 2020

From: Shivaji Deshmukh, General Manager

Committee: Community & Legislative Affairs

To: The Honorable Board of Directors

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

Subject: Adopt Positions on State Legislation

# **Executive Summary:**

The following remaining bills have the potential to impact the Agency and fall within Board-adopted Legislative Policy Principles.

- 1. SB 996 (Portantino): State Water Resources Control Board: Constituents of Emerging Concern Program; and
- 2. SB 1052 (Hertzberg): Water quality: municipal wastewater agencies.
- 3. AB 2093 (Gloria): Public records: writing transmitted by electronic mail: retention.

# **Staff's Recommendation:**

- 1. Adopt a position of "Support as Proposed to be Amended" for SB 996 (Portantino);
- 2. Adopt a position of "Support" for SB 1052 (Hertzberg); and
- 3. Adopt a position of "Oppose" for AB 2093 (Gloria).

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

N/A

Fiscal Impact (explain if not budgeted):

N/A

# **Prior Board Action:**

Adoption of 2020 Legislative Policy Principles.

# **Environmental Determination:**

Not Applicable

# **Business Goal:**

Taking legislative positions is in line with IEUA's business practices goal of advocating for the development of policies, legislation and regulations that benefit the region.

# **Attachments:**

Attachment 1 - Background

Attachment 2 - SB 996 (Portantino): Bill language, as proposed to be amended by WateReuse, and fact sheet

Attachment 3 - SB 1052 (Hertzberg): Bill language and fact sheet

Attachment 4 - AB 2093 (Gloria): Bill language

Board-Rec No.: 20052



# Background

Subject: Adopt Positions on State Legislation

# SB 996 (Portantino): State Water Resources Control Board: Constituents of Emerging Concern Program

The term "Constituents of Emerging Concern" (CECs) has been in use for decades. However, the process for identifying CECs and then evaluating them for potential action is not clearly defined nor supported. The large number of emerging contaminants poses a challenge for regulatory agencies. Guidance is needed with regard to how research about emerging contaminants should be prioritized and how the definition of quality criteria or norms for these new substances should be established when the scientific community generally has only sparse knowledge on their behavior in the environment or on their toxic effects on human health or the environment.

Senate Bill 996 (Portantino) is co-sponsored by the Metropolitan Water District of Southern California (MWD) and the California Municipal Utilities Association (CMUA). It aims to establish a state program to more systematically identify, evaluate, and prioritize further actions for CECs in drinking water sources and examine their potential effects on public health. The intent would be to bridge informational gaps and inefficiencies in current processes by establishing a dedicated program that would provide technical and financial resources to facilitate research and data gathering on CECs relevant to California.

IEUA concurs with the need for a state Program focusing on CECs, as described above. However, as introduced on February 13, 2020, SB 996 does not yet fully address concerns raised by WateReuse to establish this new program for drinking water only since a separate program already exists for recycled water. WateReuse has submitted comments to MWD and CMUA, a copy of which is attached to this report, and MWD has indicated support for these amendments.

As such, staff recommends that IEUA take a position of "Support as Proposed to be Amended" on SB 996 (Portantino).

# SB 1052 (Hertzberg): Water Quality: Municipal Wastewater Agencies

Senate Bill 1052 authorizes municipal wastewater agencies (defined as "a local agency that chooses to exercise any authority granted under this chapter") to enter into voluntary agreements with entities responsible for stormwater management – including municipal, industrial, and commercial stormwater dischargers – to more effectively manage stormwater and dry weather runoff, where cost effective and regionally suitable.

While IEUA does not currently have plans to engage in stormwater management, it is possible that it could in the future. SB 1052 would provide the regulatory ability for IEUA to do so, only if and when it wanted to.

Staff recommends that IEUA take a position of "Support" on SB 1052 (Hertzberg).

AB 2093 (Gloria): Public Records: Writing Transmitted by Electronic Mail: Retention Assembly Bill 2093 (Gloria) will require all public agencies, including special districts, to retain all emails related to the public's business for two years. The practical effect of this is that every public agency will need to keep all emails, sent and received, including out-of-office and spam emails for two years. The bill states that this is to be done in furtherance of the California Public Records Act (CPRA) to ensure that the State will not need to reimburse public agencies for any additional costs associated with this new mandate. AB 2093 is identical to a bill from last year, AB 1184 (Gloria, 2019), which was opposed by CSDA and vetoed by Governor Newsom.

IEUA has a 90-day retention policy. Because e-mail systems are not designed for long-term storage, employees are asked to digitally save or print out emails needed for a period longer than 90 days. AB 2093 would impose additional unnecessary computer system costs on IEUA and its member agencies in order to comply with its proposed two-year minimum retention policy for all emails.

As such, staff recommends that IEUA take a position of "Oppose" on AB 2093 (Gloria).

# SB 996 (Portantino) Statewide Constituents of Emerging Concern Drinking Water Program

# **PROBLEM**

Constituents of Emerging Concern (CECs) are a diverse group of chemicals and microorganisms that are not currently regulated in drinking water. They can be detected in very small amounts. Over the years, particular CECs have received growing public attention as potential pollutants in drinking water supplies. Yet, the full extent and risk of their presence is not well understood.

The Metropolitan Water District of Southern California and the California Municipal Utilities Association are co-sponsoring legislation in response to this growing issue that would establish a CEC Drinking Water Program at the State Water Resources Control Board (State Water Board). The program would set up a consistent and science-based approach for assessing the public health and drinking water consequences of CECs, while identifying which CECs warrant further action.

# **BACKGROUND**

Currently CECs can become regulated by the State Water Board in one of three ways: adoption of federal standards, after the Office of Environmental Health Hazard Assessment sets a public health goal, or by legislative mandate. In addition, the state board can set notification levels and response levels as precautionary measures for contaminants that have not vet undergone or completed the regulatory standard setting process. All of these processes have their own unique challenges and inefficiencies. The federal process relies upon the Contaminant Candidate List and the Unregulated Contaminant Monitoring Rule to identify and collect data on CECs — this process can take several years before a final regulatory decision is made and may not focus on issues specific

to California. Similarly, the regulatory development process in California can be lengthy due to a lack of technical and financial resources. And while legislative approaches can address public concerns, they can be made without complete information on occurrence and health effects.

# **SUMMARY**

SB 996 would require the state board to establish and then maintain an ongoing, dedicated program for CECs to support and conduct research on and provide recommendations on issues with water that may pose a risk to the public. The state board would create a Science Advisory Panel to gather and develop information for the program. The bill would require the program to provide opportunities for public participation through the creation of a Stakeholder Advisory Group.

The bill would establish in the State Treasury the CEC Action Fund, which upon appropriation would be administered by the state board.

This bill would authorize the state board to promulgate regulations pursuant to which the state board's Division of Financial Assistance may provide financial assistance to any public water system upon a showing that the costs of testing drinking water in compliance with this act would impose a financial hardship, with eligibility preference given to public water systems serving few than 10,000 individuals.

# **EXISTING LAW**

The California Safe Drinking Water Act requires the State Water Board to administer provisions relating to drinking water to protect public health. The state board's duties include, but are not limited to, conducting research, studies, and demonstration programs relating

to the provision of a dependable and safe supply of drinking water, enforcing the Federal Safe Drinking Water Act, and adopting and enforcing regulation.

# **SUPPORT**

Metropolitan Water District of Southern California (Sponsor)
California Municipal Utilities Association (Sponsor)

**Version:** 2/14/2020



# Draft Language (Janaury 27 2020)

# Statewide Constituents of Emerging Concern Drinking Water Program

# PREAMBLE:

# The Legislature finds and declares the following:

- A. Whereas, the United States Environmental Protection Agency identifies potential contaminants through the Unregulated Contaminant Monitoring Rule program
- B. Whereas, California adopts federally required monitoring resulting from the federal Unregulated Contaminant Monitoring Rule
- C. Whereas, California establishes drinking water standards through the State Water Resources Control Board after the Office of Environmental Health Hazard Assessment establishes a public health goal
- D. Whereas, California administratively establishes notification levels and response levels as precautionary measures for contaminants that have not yet undergone or completed the regulatory standard setting process
- E. Whereas, the process to identify, monitor, and consider a contaminant for regulation may take many years
- F. Whereas, analytical methods and technologies continue to advance and allow detection of compounds at increasingly lower levels
- G. Whereas, the public's concern and engagement with constituents of emerging concern (CECs) has increased in recent years
- H. Whereas, the Legislature has implemented separate requirements for certain chemicals
- I. Whereas, a unified, consistent, and science-based approach is desired to more rapidly assess the public health and drinking water consequences of a broad spectrum of CECs
- J. Whereas, proactive measures to streamline and support existing regulatory processes are needed without interfering with or duplicating other state efforts on CECs
- K. Whereas, section 116350 (b)(1) of the Health and Safety Code gives the Department the responsibility to conduct research
- L. Therefore, it shall be resolved as follows:
  - a. The Legislature shall establish the Constituents of Emerging Concern Action Fund at the Department of Treasury
  - b. The fund shall be used to establish and maintain a program to improve the timeliness of understanding the occurrence and public health effects of CECs
  - c. The fund shall support the creation of a Science Advisory Panel to assist the state board in their considerations for prioritizing and making regulatory determinations for CECs

d. The fund shall support the creation of a Stakeholder Advisory Group to advise the state board in establishing the Science Advisory Panel and meeting the purposes of the CEC program as described in Article 2

# **SECTION 1.**

Section 116351 is added to the Health and Safety Code, to read:

# **Article 1. Constituents of Emerging Concern Program**

- A. The state board shall establish and maintain an ongoing, dedicated program to research occurrence; fate, transport, and biodegradation; water treatment and laboratory analyses; and the potential effects on public health of constituents of emerging concern (CECs) in drinking water sources and treated drinking water. Drinking water sources include, but are not limited to, surface water, groundwater, recycled water, stormwater, and desalinated seawater. Research includes evaluating cumulative risks from simultaneous exposure of multiple contaminants in drinking water. The program shall include, but not be limited to, all of the following:
- (a) The state board shall convene by [date] a Science Advisory Panel for CECs in drinking water sources and treated drinking water. The state board shall consult with the Stakeholder Advisory Group on potential members of the Science Advisory Panel. The Science Advisory Panel shall review and provide recommendations on CECs for further action. The Science Advisory Panel shall include, at least seven members, comprised of experts from the following fields: public health science, water and wastewater engineering, toxicology, epidemiology, chemical sciences, and biological sciences. Science Advisory Panel membership numbers and composition may be adjusted, as necessary.

The Science Advisory Panel's duties shall include the following:

- i. In conjunction with Division of Drinking Water (DDW), review existing nationwide monitoring data for CECs collected by the United States Environmental Protection Agency's Unregulated Contaminant Monitoring Rule (UCMR) Program and recommend the state board's additional action, coordination, monitoring, or study based on state-specific conditions and California's CEC initiatives. Existing data collected by the state board should also be reviewed before recommending new monitoring requirements.
- ii. In conjunction with DDW, consult with Office of Environmental Health Hazard Assessment, and Department of Toxic Substances Control to identify CEC candidates based on potential public health effects and considering toxicity; biological activity; production volume; fate, transport and occurrence in the environment; and potential bioaccumulation.
- iii. <u>Incorporate Consult and coordinate recommendations from with other state</u> efforts evaluating CECs such as those resulting from the State Board's Water Quality Control Policy for Recycled Water, as applicable

- iv. Develop a process for evaluating, standardizing, and validating detection methods. Evaluate new monitoring approaches for CECs, particularly screening methods that may improve detection ability or reduce the cost of monitoring for individual or groupings of CECs. Develop standard testing and reporting procedures to ensure data is usable across locations, laboratories, and personnel.
- v. Develop a risk-based screening program that identifies and evaluates CECs and appropriate indicators and/or surrogates, including their occurrence in drinking water sources and treated drinking water supplies, contribution and fate in the environment, and potential for human exposure. Other agencies (e.g., water and wastewater utilities) may voluntarily participate in initial screening phases.
- vi. Provide annual status reports to the state board on current CEC research activities, planned work, and recommendations for further action.
- vii. Establish a process to ensure CEC data are integrated with existing state database.
- viii. Review the results of any screening program and provide recommendations to assist the state board in prioritizing, monitoring and making regulatory determinations for CECs.
  - ix. Nothing in this section shall duplicate, change, or interfere with existing efforts undertaken by the Science Advisory Panel on CECs in Recycled Water.
- (b) The state board, shall perform any other scientific or technical tasks that may be necessary, including, but not limited to, identifying the need for additional research, and consulting with academic institutions and research organizations for CECs in drinking water sources and treated drinking water, as needed. The state board may consult with the Science Advisory Panel before performing these tasks.
- (c) This program is intended to help inform the state board in making regulatory determinations for CECs and is not intended to supersede any requirements related to setting a Maximum Contaminant Level (MCL) or a Public Health Goal (PHG) as prescribed in Health & Safety Code Section 116365.

# **Article 2. CEC Action Fund**

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B. The CEC Action Fund is hereby established in the State Treasury to establish and maintain an ongoing, dedicated program at the state board to research occurrence; fate, transport, and biodegradation; and the potential effects on public health of constituents of emerging concern (CECs) in drinking water sources and treated drinking water. The state board will administer the CEC Action Fund in consultation with the Stakeholder Advisory Group.

- (a) All money deposited in the the CEC Action Fund will be used in support of the following:
  - i. Costs associated with establishing and maintaining a Science Advisory Panel, developing standardized methods and a risk-based screening program, collecting occurrence data, and reporting on such activities;
  - ii. Costs associated with developing standardized analytical methods internally by the state board or through external contracts or grants
- iii. Costs associated with contracts or grants to public or private external research organizations to fill research gaps pursuant to A(b) above;
- iv. Costs associated with establishing and maintaining a Stakeholder Advisory Group; and
- v. State board costs associated with the implementation and administration of the CEC program.
- (b) The state board shall provide for the deposit into the CEC Action Fund of federal contributions, voluntary contributions, gifts, grants, and bequests, transfers by the Legislature from the General Fund, and funding from authorized general obligation bond acts.
- (c) If the state board requires any monitoring based on the recommendations of the Science Advisory Panel, the state board may promulgate regulations pursuant to which the Department of Finance may provide financial assistance to any public water system upon a showing that the costs associated with testing drinking water in compliance with this section would impose a financial hardship. Such regulations shall, when prioritizing public water systems for eligibility for financial assistance, incorporate provisions that give preference to public water systems serving less than 10,000 individuals.
- (d) The state board may expend moneys from the fund for reasonable costs associated with the administration of this chapter, not to exceed 5 percent of the annual deposits into the fund.
- (e) All moneys remitted to the state board under this article shall be deposited in the CEC Action Fund. The moneys remitted to the state board under this article shall not be available for appropriation or borrowed for use for any purpose not established in this chapter unless that use of the moneys receives an affirmative vote of two-thirds of the membership in each house of the Legislature.

# Article 3. CEC Stakeholder Advisory Group

- C. The state board shall convene and consult with the Stakeholder Advisory Group to aid in meeting the purposes of the CEC program as established in Section 116351 of the Health and Safety Code.
- (a) The Stakeholder Advisory Group will provide input to the state board on matters associated with the CEC program including, but not limited to, selection of Science Advisory Panel members, research needs, program funding and expenditures, implementation strategies, and risk communication. In order to ensure public transparency, the Stakeholder Advisory Group shall be subject to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code). The Stakeholder Advisory Group shall be comprised of no fewer than nine members, meet at least annually, and represent broad stakeholder interests, including representatives of the following:
  - i. Public water and wastewater systems;
  - ii. Local Primacy Agencies;
  - iii. Investor Owned Utilities (IOUs);
  - iv. Non-Governmental Organizations (NGOs);
  - v. Trade associations:
  - vi. Residents served by community water systems in disadvantaged communities, state small water systems, and domestic wells;
  - vii. Academic institutions;
  - viii. Public health agencies;
  - ix. The business community; and
  - x. The public.
- (b) The program shall provide robust opportunities for public participation. The state board may use models used by other panels or programs administered by the state board for community outreach pursuant to this subdivision. Public participation shall include, but not be limited to, conducting stakeholder meetings and workshops to solicit relevant information, data, suggestions, and feedback for the development and implementation of the program.



# Senate Bill 1052 Stormwater Capture and Diversion Authority

Introduced on February 18, 2020

### **SUMMARY**

SB 1052 authorizes municipal wastewater agencies to enter into voluntary agreements with entities responsible for stormwater management – including municipal, industrial, and commercial stormwater dischargers – to more effectively manage stormwater and dry weather runoff.

### **ISSUE**

From 2012 to 2016, California experienced the most severe drought on record. The historic event provided a window into the looming challenges facing California's entire water sector. Climate projections show that extremely high temperatures, coupled with times of heavy participation, will become even more common. In order to meet the challenges of an unpredictable and water-scare future, a diversified and flexible water portfolio is essential.

Stormwater is a highly valuable resource that, if carefully managed, can augment state and local water supply. The capture and treatment of stormwater and dry weather runoff has significant environmental benefits, and can be used to augment recycled water supplies for groundwater recharge, landscape and agricultural irrigation, and surface water augmentation. While local governments would benefit from utilizing innovate approaches to stormwater capture and reuse, they often face several barriers to funding and maintaining stormwater projects.

Municipal wastewater agencies, responsible for sewage and industrial wastes, are equipped with the existing infrastructure, capacity, and water quality expertise that could assist with gaps in stormwater management. However, current law grants explicit stormwater capture authority to a just few specific municipal wastewater agencies that have sought the explicit ability to do so through piecemeal legislation.

# SB 1052 (Hertzberg)

SB 1052 supplements the existing authority of all municipal wastewater agencies to enter into projects to divert and treat stormwater and dry weather runoff. Any agreement, project, or use of this authority is completely voluntary for all entities involved. The bill will therefore promote regional interagency cooperation, improve water quality, and make efficient use of publicly owned infrastructure by removing onerous barriers that prevent stormwater capture, treatment and recycling.

### **SUPPORT**

California Association of Sanitation Agencies (CASA) (Co-Sponsor) California Coastkeeper Alliance (Co-Sponsor)

Staff contact: Cynthia Castillo: 916-651-4018 or Cynthia.Castillo@sen.ca.gov

# **Introduced by Senator Hertzberg**

# February 18, 2020

An act to add Chapter 11.5 (commencing with Section 13910) to Division 7 of the Water Code, relating to water quality.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 1052, as introduced, Hertzberg. Water quality: municipal wastewater agencies.

Under existing law, the State Water Resources Control Board and the California regional water quality control boards prescribe waste discharge requirements for the discharge of stormwater by municipalities and industries in accordance with the National Pollutant Discharge Elimination System permit program and the Porter-Cologne Water Quality Control Act. Existing law requires regulated municipalities and industries to obtain a stormwater permit.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified.

This bill would establish municipal wastewater agencies and would authorize a municipal wastewater agency, among other things, to enter into agreements with entities responsible for stormwater management for the purpose of managing stormwater and dry weather runoff, to acquire, construct, expand, operate, maintain, and provide facilities for specified purposes relating to managing stormwater and dry weather runoff, and to levy taxes, fees, and charges consistent with the municipal wastewater agency's existing authority in order to fund projects undertaken pursuant to the bill. The bill would require the exercise of any new authority granted under the bill to comply with the

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Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. To the extent this requirement would impose new duties on local agency formation commissions, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Chapter 11.5 (commencing with Section 13910) is added to Division 7 of the Water Code, to read:

# CHAPTER 11.5. MUNICIPAL WASTEWATER AGENCIES

13910. The Legislature finds and declares all of the following:

- (a) Fostering regional cooperative efforts to improve water quality and local sustainable water supply is fundamental for developing California's 21st century water portfolio.
- (b) Stormwater capture, treatment, and use as a water supply is increasingly viewed as an innovative opportunity to improve water quality where it is viable and economically feasible.
- (c) Municipal wastewater agencies have existing infrastructure, capacity, and expertise that could be used to assist in meeting the state's water quality and water supply goals when circumstances allow, while allowing wastewater agencies to still meet their primary goals of meeting water quality requirements for wastewater discharge and avoiding sanitary sewer overflows. However, in some circumstances municipal wastewater agencies may need explicit legislative authority before they can pursue certain types of projects.
- (d) In order to promote regional interagency cooperation, improve the quality of the waters of the state, and make efficient use of publicly owned infrastructure, it would be beneficial if

-3- SB 1052

municipal wastewater agencies had the authority to enter into voluntary agreements for stormwater projects in the future, where cost effective and regionally suitable.

- 13911. (a) A municipal wastewater agency may enter into agreements with entities responsible for stormwater management, including, but not limited to, municipal, industrial, and commercial stormwater dischargers subject to this division, for the purpose of managing stormwater and dry weather runoff.
- (b) A municipal wastewater agency may acquire, construct, expand, operate, maintain, and provide facilities for any of the following purposes:
- (1) The diversion of stormwater and dry weather runoff from the stormwater system to the wastewater collection or treatment system.
- (2) The management and treatment of stormwater and dry weather runoff.
- (3) The discharge of treated urban runoff and stormwater to the stormwater drainage system or receiving waters.
- (4) The beneficial reuse of captured urban runoff and stormwater.
- 13912. (a) A municipal wastewater agency may do any of the following:
- (1) To the extent permitted by federal law, authorize the discharge of stormwater or dry weather runoff captured at industrial and commercial sites to the wastewater collection or treatment system subject to any requirements that may be imposed by the municipal wastewater agency or public agency that owns and operates the tributary collection system.
- (2) In order to carry out the powers granted, and the purposes established, under this chapter, exercise any of the powers otherwise granted to it by law, including, but not limited to, enforcing compliance with local, state, and federal water quality requirements through the implementation of the municipal wastewater agency's industrial pretreatment programs and ensuring that the project or program is consistent with local watershed priorities, obligations, and circumstances.
- 37 (3) Levy taxes, fees, and charges consistent with the municipal wastewater agency's existing authority in order to fund projects undertaken pursuant to this chapter.

SB 1052 —4—

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1 (b) The exercise of any new authority granted under this chapter 2 is subject to and shall comply with the Cortese-Knox-Hertzberg 3 Local Government Reorganization Act of 2000 (Division 3 4 (commencing with Section 56000) of Title 5 of the Government 5 Code).

- 13913. (a) An agreement, project, or use of authority authorized under this chapter shall be completely voluntary for all participating entities.
- (b) Nothing in this chapter shall be construed to interfere with any existing programs or projects, authorities, or obligations for municipal wastewater agencies or stormwater dischargers.
- (c) It is the intent of the Legislature in enacting this chapter merely to allow local agencies interested in pursuing the types of projects described in this chapter to proceed without additional legislative changes to their authorizing statutes.
- 13914. Nothing in this chapter shall be construed to alter or interfere with any of the following:
- (a) Existing water rights to water from any source, including any adjudicated rights allocated by a court judgment or order, including any physical solution, rights issued by the state or a state agency, and rights acquired pursuant to any federal or state statute.
  - (b) Existing water rights law.
- (c) Any rights, remedies, or obligations that may exist pursuant to Article 1 (commencing with Section 1200) or Article 1.5 (commencing with Section 1210) of Chapter 1 of Part 2 of Division 2 of this code, Chapter 10 (commencing with Section 1700) of Part 2 of Division 2 of this code, or Chapter 8.5 (commencing with Section 1501) of Part 1 of Division 1 of the Public Utilities Code.
- 13915. For purposes of this chapter, the following definitions apply:
- (a) "Local agency" includes, but is not limited to, a city, county, special district, joint powers authority, sanitary district, sanitation district, county sanitation district, community services district, and municipal utility district.
- (b) "Municipal wastewater agency" means a local agency that chooses to exercise any authority granted under this chapter.
- SEC. 2. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made

- pursuant to Part 7 (commencing with Section 17500) of Division
  4 of Title 2 of the Government Code.

# **Introduced by Assembly Member Gloria**

February 5, 2020

An act to add Section 6253.32 to the Government Code, relating to public records.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 2093, as introduced, Gloria. Public records: writing transmitted by electronic mail: retention.

Existing law, the California Public Records Act, requires a public agency, defined to mean any state or local agency, to make public records available for inspection, subject to certain exceptions. Existing law specifies that public records include any writing containing information relating to the conduct of the public's business, including writing transmitted by electronic mail. Existing law requires any agency that has any information that constitutes a public record not exempt from disclosure to make that public record available in accordance with certain provisions, and authorizes every agency to adopt regulations stating the procedures to be followed when making its records available, if the regulations are consistent with those provisions. Existing law authorizes cities, counties, and special districts to destroy or to dispose of duplicate records that are less than two years old when they are no longer required by the city, county, or special district, as specified.

This bill would, unless a longer retention period is required by statute or regulation, or established by the Secretary of State pursuant to the State Records Management Act, require a public agency, for purposes of the California Public Records Act, to retain and preserve for at least

AB 2093 -2

2 years every public record, as defined, that is transmitted by electronic mail.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 6253.32 is added to the Government
- 2 Code, immediately following Section 6253.31, to read:
- 6253.32. Unless a longer retention period is required by statute or regulation, or established by the Secretary of State pursuant to
- 5 the State Records Management Act (Article 7 (commencing with
- 6 Section 12270) of Chapter 3 of Part 2 of Division 3 of Title 2), a
- 7 public agency shall, for the purpose of this chapter, retain and
- 8 preserve for at least two years every public record, as defined in
- 9 subdivision (e) of Section 6252, that is transmitted by electronic 10 mail.
- SEC. 2. The Legislature finds and declares that Section 1 of
- this act, which adds Section 6253.32 to the Government Code,
- furthers, within the meaning of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the purposes
- of that constitutional section as it relates to the right of public
- access to the meetings of local public bodies or the writings of
- local public officials and local agencies. Pursuant to paragraph (7)
- 18 of subdivision (b) of Section 3 of Article I of the California
- 19 Constitution, the Legislature makes the following findings:
- 20 This act furthers the right of public access to the writings of local
- public officials and local agencies by requiring that public agencies

-3- AB 2093

preserve for at least two years every public record that is transmitted by electronic mail.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district under this act would result from a legislative mandate that is within the scope of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution.

# INFORMATION ITEM 2A



Date: March 18, 2020

To: The Honorable Board of Directors From: Shivaji Deshmukh, General Manager

**Committee:** Community & Legislative Affairs

03/11/20

Executive Contact: Shivaji Deshmukh, General Manager

Subject: Public Outreach and Communication

# **Executive Summary:**

- March 8-14, Groundwater Awareness Week
- March 16, Association of San Bernardino County Special Districts Dinner, 6:00 p.m., Panda Inn: 3223 E. North Centre Lake Drive, Ontario
- March 16-22, Fix a Leak Week
- March 22, World Water Day

## 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): N Amount for Requested Approval: Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior	Board	Action
N/A		

# **Environmental Determination:**

Not Applicable

# **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

Board-Rec No.: 20053



# Background

Subject: Public Outreach and Communication

### March

- March 8-14, Groundwater Awareness Week
- March 16, Association of San Bernardino County Special Districts Dinner, 6:00 p.m., Panda Inn: 3223 E. North Centre Lake Drive, Ontario
- March 16-22, Fix a Leak Week
- March 22, World Water Day

# April

- April 15, Earth Day Student Day, 9:00 a.m. 2:00 p.m., Chino Creek Wetlands and Educational Park
- April 16, Earth Day Community Day, 4:00 p.m. 7:00 p.m., Chino Creek Wetlands and Educational Park
- April 22, Earth Day Celebrating 50 Years
- April 22, Administrative Professional's Day
- April 25, National Prescription Drug Take Back Day
- April 25, Fontana Unified STEM Showcase, 9:00 a.m. 12:00 p.m., A.B. Miller High School, 6821 Oleander Avenue, Fontana

# May

- Water Awareness Month
- May 6, IEUA Blood Drive, 8:00 a.m. 1:00 p.m., HQB Event Room
- May 15-17, MWD Solar Cup Competition, Lake Skinner: 37701 Warren Road, Winchester, 92596
- May 25, Memorial Day Observed

## Media and Outreach

- The website redesign launched on February 2.
- The Agency's Annual Report will be distributed in March.
- Staff is in the process of completing a timeline handout for the Agency's 70<sup>th</sup> Anniversary.
- IEUA promoted the Project W.E.T. (Water Education for Teachers) workshop and Garden in Every School® program by posting a variety of planting tips on social media.
- IEUA held its annual Project W.E.T. Workshop on Tuesday, February 25, 2020. Educators gained valuable resources to bring back to the classroom while learning more about the Garden in Every School® program.
- IEUA promoted National Engineers Week on social media to recognize the hard work of engineers, the Agency's staff and to encourage future generations of engineers.
- February: 16 posts were published to the IEUA Facebook page, 17 posts were published to IEUA's Instagram and 17 tweets were sent on the @IEUAwater Twitter handle.

- o The top three Facebook posts, based on reach and engagement, in the month of February were:
  - 2/4: IEUA is Hiring (Contracts Administrator II)
  - 2/13: Lab Dedication
  - 2/11: IEUA is Hiring (Executive Assistant and Recycled Water/Groundwater Recharge Operations & Maintenance Specialist)
- The top three tweets, based on reach and engagement, in the month of February were:
  - 2/13: Lab Dedication
  - 2/2: Happy World Wetlands Day
  - 2/4: IEUA is Hiring (Contracts Administrator II)
- o The top three Instagram posts, based on reach and engagement, in the month of February were:
  - 2/13: Lab Dedication
  - 2/18: National Engineers Week GIF
  - 2/26: National Engineers Week Video
- A Kick the Habit ad will run in the Champion's Chino Connection Magazine section on March 14.
- An Earth Day ad will run in the April issue of *Inland Empire Magazine*.
- The Kick the Habit digital banner ad continues to run in the Fontana Herald News.

For the month of February, there were 6,106 searches for a park in IEUA's service area on Yelp, where Chino Creek Wetlands and Educational Park was viewed 614 times on a mobile device.

# Education and Outreach Updates

- The Water Discovery Program has reached 1,669 students and 33 schools for this current school year. We currently have a total of 65 schools and 2,636 students scheduled for the 19/20 school year.
- IEUA has been working on developing partnerships with local water providers to continue obtaining busing grants/sponsorships for schools outside of IEUA's service area for the Water Discovery Program. San Bernardino Valley Municipal Water District and Western Municipal Water District has partnered with IEUA to sponsor schools within their areas to participate in the Water Discovery Program.
- The participating Garden in Every School® sites are currently in the design phase. St. Joseph School in Upland has applied for a turf removal rebate through SoCal WaterSmart. Randall Pepper Elementary will receive a grant from Fontana Water Company to assist with the cost of removing turf. Loving Savior in Chino Hills is preparing their garden site for planting in early February 2020.
- IEUA staff are continuing outreach for the 2020 *Water is Life* poster contest. Submissions are due to IEUA by March 12, 2020.

# Agency-Wide Membership Updates

• On February 25, Sarah Recinto and Pietro Cambiaso attended the Southern California Alliance of Publicly Owned Treatment Works (SCAP) Biosolids/Energy Committees Meeting.

• On February 27, Pietro Cambiaso attended the California Association of Sanitation Agencies (CASA) Air Quality, Climate Change and Energy (ACE) Workgroup Meeting.

# INFORMATION ITEM 2B



# February 27, 2020

To:

Inland Empire Utilties Agency

From:

Michael Boccadoro

Beth Olhasso Maddie Munson

RE:

February Report

# Overview:

While the year started off with significant precipitation, a very dry January and February has led to water mangers crossing their fingers for a "miracle March" to help augment the snowpack moving into Spring. In December, the snowpack was at 109 percent of normal. Currently, the statewide snowpack has dropped to just 47 percent of normal.

Recently, under the authority of the Deputy Director of the Division of Drinking Water (DDW), the State Water Resources Control Board issued updated drinking water response levels of 10 parts per trillion for perfluorooctanoic acid (PFOA) and 40 parts per trillion for perfluorooctane sulfonic acid (PFOS) based on a running four-quarter average.

Governor Newsom and President Trump are playing a risky game of chess over water that could end with disastrous consequences for the proposed Voluntary Agreements. Newsom followed through on his promise that he would challenge the federal government's plan on the grounds that it will not adequately protect Endangered Species Act listed fish in the Sacramento-San Joaquin Delta. While litigation surrounding the biological opinions is not new in California, the specific legal question of whether or not California has authority over federal project operations has not been tested.

CA Independent System Operator (CAISO) CEO Steve Berberich warned that the grid might not be able to handle the demands of the evening ramp. The CAISO noted that the state faces reliability concerns in coming years caused by an influx of intermittent solar generation—highlighting the major challenge of solar availability on cloudy days.

The state's investor owned utilities have recently filed their wildfire mitigation plans which will guide utility wildfire resilience through 2022. They include a mix of strategies including system inspections, vegetation management, upgrading and strengthening infrastructure in high fire-risk areas, and executing public safety power shut-offs. SCE's plan builds on previous wildfire mitigation efforts, as they plan to set up 700 circuit miles of covered conductor in 2020, compared to 372 miles in 2019. They also plan to have annual inspections of high-risk infrastructure.

State officials and lawmakers recently had a discussion about how the state will reach the ambitious GHG reduction goals of 40 percent below 1990 levels by 2030 and a separate "carbon neutrality" goal for 2045. There was a general consensus that the state's Cap and Trade program will not deliver the needed emissions reductions and that significant gains will have to be made in the transportation sector if the state intends to reach its emissions reduction goals.

Bill introduction deadline has come and over 2,500 NEW bills have been introduced, in addition to the thousand or so two-years bills still active from 2019. Bills must be in print for 30 days before they can

be acted upon, so look for policy committees to start to schedule hearings for mid-March. Budget sub committees are starting to meet and discuss the Governor's proposed budget.

# Inland Empire Utilities Agency Status Report – February 2020

# Water Supply Conditions

After a relatively dry late-fall, December renewed faith that a robust snowpack would once again grace the state. However, recent dry conditions have seen the average snowpack levels drop. In December, the snowpack was at 109 percent of normal. Currently, the statewide snowpack has dropped to just 47 percent of normal. Forecasters are not predicting any significant storms in the next several weeks, leaving water managers hoping for a "miracle March" to help boost the state's water supplies going into the summer.

Drought conditions have also worsened with the lack of precipitation. At the start of the year, only 97 percent of the state was free from any drought conditions. Today, close to 70 percent of the state is experiencing abnormally dry conditions, with 23 percent of those in moderate drought conditions.

Good news is that most of California's reservoirs remain in fairly good shape resulting from a wet 2019. San Luis Reservoir, the main south-of-Delta storage facility for the State Water Project, is at 84 percent of average and 71 percent capacity for this time of the year. Or oville is at 92 percent of average and 64 percent capacity.

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



NORTH		
Data as of February 26, 2020		
Number of Stations Reporting	30	
Average snow water equivalent (Inches)	13.2	
Percent of April 1 Average (%)	45	
Percent of normal for this date (%)	51	

CENTRAL		
Data as of February 26, 2020		
Number of Stations Reporting	43	
Average snow water equivalent (Inches)	11.8	
Percent of April 1 Average (%)	39	
Percent of normal for this data (%)	46	

SOUTH		
Data as of February 26, 2020		
Number of Stations Reporting	28	
Average snow water equivalent (Inches)	9.2	
Percent of April 1 Average (%)	36	
Percent of normal for this date (%)	43	

STATE	
Data as of February 26, 2020	
Number of Stations Reporting	101
Average snow water equivalent (Inches)	11.5
Percent of April 1 Average (%)	40
Percent of normal for this date (%)	47

# SWRCB Issues New Response Level for PFOA and PFOS

The State Water Resources Control Board issued updated drinking water response levels of 10 parts per trillion for perfluorooctanoic acid (PFOA) and 40 parts per trillion for perfluorooctane sulfonic acid (PFOS) based on a running four-quarter average. The previous RL was 70 ppt for the total concentration of the two contaminants combined, a level that mirrored EPA's health advisory level—which many states have seen as too high and are lowering on a state by state basis. This action follows the SWRCB's August 2019 action reducing the notification levels for the two chemicals from 14 to 5.1 ppt for PFOA and from 13 to 6.5 ppt for PFOS. When source water is above the prescribed RL, DDW recommends taking the source of water off-line.

By law, if a water system finds that they exceed the levels established, the system is required to take the source water out of service, provide treatment, or notify their customers in writing.

State Water Board establishment of a notification level or response level is not subject to the Administrative Procedures Act.

The SWRCB is also seeking to establish a public health goal (PHG) for the two chemicals followed by establishing a maximum contaminant level (MCL), as data permits. Seven additional PFAS chemicals have been detected in multiple wells in the state. The SWRCB has requested the Office of Environmental Health Hazzard Assessment's (OEHHA) recommendation in developing notification levels for these chemicals as well.

There were a number of bills introduced at the bill introduction deadline concerning PFOA/PFOS and other CECs.

AB 2560 (Quirk): Sponsored by Orange County Water District and the CA Municipal Utilities Assn (CMUA): Sets requirements on the public notice and participation requirements before the SWRCB can issue a notification or response level change.

SB 996 (Portantino): Sponsored by MWD and CMUA: creates a science advisory panel to research and develop recommendations for the SWRCB regarding constituents of emerging concern (CECs).

ACWA has also indicated that they have a "spot bill" that they intend to use to again try to get more time for agencies to comply with SWRCB set PHGs, MCLs, NL & RLs. ACWA's AB 1204 (Rubio) attempted the same last year but failed. They have been working with the SWRCB to come to an agreement on language.

# Delta Update

Earlier this month, President Trump visited Bakersfield to finalize the Biological Opinions released several months ago by the federal government that will dictate the operations of the Central Valley Project under the Endangered Species Act. Historically, the state has aligned and closely coordinated their own permitting processes and resulting operation of the State Water Project. However, as tensions continue to escalate between the Newsom and Trump administrations, the state has taken the unprecedented steps of diverging from the federal government's operational rules and environmental permitting.

Moments before Trump formalized the Biological Opinions, Newsom followed through on his promise that he would challenge the federal government's plan on the grounds that it will not adequately protect Endangered Species Act listed fish in the Sacramento-San Joaquin Delta. While litigation surrounding the biological opinions is not new in California, the specific legal question of whether or not California has authority over federal project operations has not been tested. The state's recent

actions have created tremendous uncertainty over how both the Central Valley Project and State Water Project will be operated, as well as the fate of the Voluntary Agreements.

Multiple parties have been negotiating voluntary agreements that would supplant the water quality control plans from the State Water Resources Control Board. While the finite details of these plans are not clear, the agreements would provide significant levels of additional water and funding for environmental purposes in the Delta and the rivers that feed into it. With the confusion caused by the biological opinion lawsuit and diverging permitting processes, some parties have indicated that they will pull out of the agreements. This would be a significant loss for Governor Newsom who has advocated for comprehensive agreements even before he was inaugurated.

As a reminder, the VA process was started when the SWRCB initiated their unimpaired flows proceeding. Water users throughout the state came together with state regulators to create an adaptive management program that would leverage multiple tools like habitat management and restoration to better manage the Delta.

The state has recently released a framework for the VAs. The specifics are not yet available because the agreements still need to be refined into a legally enforceable program, but the framework will serve as the basis to do so and will further undergo a third-party review, an environmental review process and a public approval process by the State Water Resources Control Board.

The framework outlines "six benefits unique to the voluntary agreements:"

- Provides a substantial budget of water for the environment: flows will be strategically deployed to interact with existing and new habitat to amplify the benefit and provide substantial ecosystem improvements—guided by new governance, science and adaptive management.
- Creates significant new habitat: will create new spawning and rearing habitat for salmon; install fish screens, resort flood plains and tidal wetlands; implement fish passage improvement projects to help salmon.
- Enables new and more collaborative science: \$285 million to fund a collaborative science program to maximize the environmental and ecosystem benefits from flow and habitat-related measures.
- Expands tools to recover fish populations: Establishes a collaborative decision-making approach to adaptively manage flows and habitat using monitoring and science.
- Substantially increases funding for environmental improvements: Water managers have agreed to self-assess in order to fund additional floes dedicated to the environment, habitat improvements, new monitoring and science.
- Expedites implementation: The framework could deliver water and habitat on a faster timeline than the traditional regulatory pathway.

The State Water Contractors, MWD and several environmental organizations such as the Environmental Defense Fund have all issued statements in support of a VAs in general and praising the process thus far. They all left wiggle room in their statements, noting that the details in the final agreements are important. The state has noted that they would like the final agreements to be finalized in the coming weeks or months.

## CAISO CEO Warns of Reliability Problems Due to Solar and Evening Ramping

CA Independent System Operator (CAISO) CEO Steve Berberich warned recently that the grid might not be able to handle the demands of the evening ramp. The CAISO noted that the state faces reliability concerns in coming years caused by an influx of intermittent solar generation—highlighting the major challenge of solar availability on cloudy days. Berberich said "we believe there are additional significant reliability challenges that have to be addressed in the coming months and years. First, the ramping challenge is becoming more and more pronounced each year. That ramp and the subsequent net peak is now met with mostly natural gas-based generation which is not consistent with policy objectives to decarbonize the grid."

The concern has translated into an effort to retain a number of "once through cooling" natural gas fired power plants (mostly in Southern California) that are scheduled to cease operation in December of 2020. The CPUC and the CAISO initiated a process to extend the life of these plants by three years to ensure grid reliability. The CPUC has recommended the extension to the State Water Resources Control Board who has the ultimate jurisdiction on the issue because of the ocean water intakes. The matter is due for a final vote in the coming months.

New standards and laws requiring rooftop solar on all newly constructed homes are also causing concerns about grid reliability and operation. The more solar that is added, the more exacerbated the ramping problems can get. On May 15, 2019, 80.3 percent of electricity was sourced from renewable sources- the highest renewable peak of the year. A recent analysis published by the National Renewable Energy Laboratory shows that embracing storage is a key to enabling greater integration of renewables in California.

## Utilities File Wildfire Mitigation Plans

The state's investor owned utilities have recently filed their wildfire mitigation plans which will guide utility wildfire resilience through 2022. They include a mix of strategies including system inspections, vegetation management, upgrading and strengthening infrastructure in high fire-risk areas, and executing public safety power shut-offs.

SCE's plan builds on previous wildfire mitigation efforts, as they plan to set up 700 circuit miles of covered conductor in 2020, compared to 372 miles in 2019. They also plan to have annual inspections of high-risk infrastructure.

SCE is planning expenditures of \$3.8 billion. Costs include reimbursement for mitigation efforts undertaken in 2017-2019. Many experts believe SCE (as well as PG&E) will need to spend billions to shore up their aging infrastructure potentially adding significant additional costs over the next decade.

## How Can CA Meet the State's Climate Goals?

State officials and lawmakers recently had a discussion about how the state will reach the ambitious GHG reduction goals of 40 percent below 1990 levels by 2030 and a separate "carbon neutrality" goal for 2045. The conversation between lawmakers and California Air Resources Board (CARB) Chair Mary Nichols, veered into a discussion of the floor price of carbon allowances in the state's Cap and Trade program. Both lawmakers and Nichols acknowledged that the state's floor price of about \$16 per ton is well below the "social cost of carbon" which is at \$65 or higher per ton today.

Nichols noted that CARB is beginning to hold informal workshops on a scoping plan update that could address the floor price, but noted that there is a declining pool of Cap and Trade participants. With only about 700 participants in the program, Nichols pointed to other measures that could help the state meet its goals, such as a carbon tax. Nichols also noted that one of the most important elements in

achieving the state's 2030 and 2045 goals is widespread electrification of vehicles. All new car sales should be zero-emission by 2035 and all passenger vehicles on the road should be zero emission by 2045, she stated.

Lawmakers also heard about a recent report by Lawrence Livermore National Lab about California's options to make up an estimated shortfall of 125 million tons per year of GHG emissions to achieve its 2045 carbon neutrality target. The report noted that a vast majority of the emissions reductions would come from converting waste biomass into clean transportation fuels and permanently sequestering carbon.

## Legislative Update

Over 2,500 new bills have been introduced since the legislature returned to Sacramento in January. With the bill introduction deadline passed, members will use the next 30 days to fine tune their proposals and meet with stakeholders before policy committees start to meet and hear bills ahead of the April 24 policy committee deadline.

## Climate Resilience Bond Update

Right before the bill introduction deadline, Assemblymember Eduardo Garcia, chair of the Water, Parks and Wildlife Committee, introduced AB 3256 as a spot bill/placeholder for the Assembly version of the climate resilience bond. With the Governor's proposal, SB 45 (Allen) coming out of the Senate, and now Assemblymember Garcia's placeholder, it seems quite clear that the Legislature and the Governor are serious about passing some sort of climate/water/wildfire bond for the November ballot. The three initial proposals are between \$4 and \$5.75 billion, but indications are that the final amount will likely be higher. It is important to remember that this bond, unlike Proposition 1, is not just a water bond. A significant portion of the bond will go to wildfire resilience and other climate goals.

The full Senate Budget Committee met recently to discuss all of the Governor's climate proposals, including the bond. While most of the hearing was focused on other climate-related matters such as the Greenhouse Gas Reduction Fund, there was discussion of the bond. Members were not particularly focused on the water aspect of the bond, instead focusing on the wildfire and climate portions. The Senate Budget Sub Committee on Resources, Environmental Protection, Energy and Transportation will not take up the bond until late April, while the Assembly Budget Sub Committee on Resources and Transportation had their first hearing scheduled for February 26, it was cancelled at the last minute for unknown reasons. It will be rescheduled for a later date.

The technical deadline for the bond to be passed by the legislature is June 25. With the Legislature going on their month-long summer recess July 2, it is likely that the June 25 date is an accurate target for when final action can be expected on the bond. With the budget deadline of June 15, it is very likely the final bond negotiations will be wrapped up along with the final budget negotiations between the Governor, the Speaker and the pro Tem.

WCA and IEUA staff are still going through all the newly introduced bills and will soon make recommendations for positions to the Board of Directors.

IEUA BILL POSITIONS—January 30, 2020

Bill	Author/Sponsor	Title and/or Summary	Summary	IEUA Position
Number AB 292	Quirk	Recycled water: raw	This bill would eliminate the definition of "direct potable	SUPPORT
	WateReuse	water and groundwater augmentation	reuse" and instead would substitute the term "groundwater augmentation" for "indirect potable reuse for groundwater recharge" in these definitions. The bill would revise the definition of "treated drinking water augmentation."	2-year bill Senate Floor
AB 841	Ting	Drinking water: contaminants: perfluoroalkyl and polyfluoroalkyl substances	Would require the Office of Environmental Health Hazard Assessment to adopt and complete a work plan within prescribed timeframes to assess which substances in the class of perfluoroalkyl and polyfluoroalkyl substances should be identified as a potential risk to human health, as provided. The bill would require the office, as part of those assessments, to determine which of the substances are appropriate candidates for notification levels to be adopted by the state board. The bill would require the Office of Environmental Health Hazard Assessment, by January 1, 2022, to provide to the Legislature an update on the assessment.	2- Year Bill Senate Env. Quality Comm.
AB 1672	Bloom	Product labeling: flushable products	Current law regulates the labeling requirements on various consumer products. This bill would express the intent of the Legislature to enact legislation to prohibit the sale or advertisement of any nonwoven disposable product labeled as "flushable" or "sewer and septic safe" if that product fails to meet specified performance standards.	SUPPORT  Senate Rules Committee
ACA 1	Aguiar-Curry	Local government financing: affordable housing and public infrastructure: voter approval	The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters.	Assembly Floor-first vote failed, can be acted upon Jan 2020

SB 204	Dodd	State Water Project:	Would require the Department of Water Resources to	WATCH
		Contracts	provide at least 10 days' notice to the Joint Legislative Budget Committee and relevant policy and fiscal	
	Delta Interests		committees of the Legislature before holding public	r
	Delta Interests		sessions to negotiate any potential amendment of a long-	
			term water supply contract that is of project-wide	2- year bill
			significance with substantially similar terms intended to be	2 your onn
	·	*	offered to all contractors, or that would permanently transfer a contractual water amount between contractors.	Assembly Water, Parks and Wildlife
SB 414	Caballero	Small System Water	Would create the Small System Water Authority Act of	Wildille
5D 414	Cabanero	Authority Act of 2019	2019 and state legislative findings and declarations relating to authorizing the creation of small system water	SUPPORT
			authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill, no later than March 1, 2020, would require the state board to provide written notice to cure to all public agencies, private water companies, or mutual water companies that operate a public water system that has	2- year bill
	Eastern MWD/		either less than 3,000 service connections or that serves	
	CMUA		less than 10,000 people, and are not in compliance, for the	Assembly
			period from July 1, 2018, through December 31, 2019,	Approps
			with one or more state or federal primary drinking water	
	5		standard maximum contaminant levels, as specified.	
SB 667	Hueso		Would require the Department of Resources Recycling and Recovery to develop, on or before January 1, 2021, and would authorize the department to amend, a 5-year needs assessment to support innovation and technological and infrastructure development, in order to meet specified organic waste reduction and recycling targets, as provided. The bill would require, on or before June 1, 2021, the	SUPPORT IF AMENDED
			department, in coordination with the Treasurer and the California Pollution Control Financing Authority, to develop financial incentive mechanisms, including, among	2-year bill
			other mechanisms, loans and incentive payments, to fund and accelerate public and private capital towards organic waste diversion and recycling infrastructure.	Assembly Approps

# INFORMATION ITEM 2C

# INNOVATIVE FEDERAL STRATEGIES, LLC

Comprehensive Government Relations

#### **MEMORANDUM**

To: IEUA Community & Legislative Affairs Committee

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

**Date:** February 28, 2020

Re: February Monthly Legislative Update

## President's Budget Jump Starts the Appropriations Process

President Donald Trump unveiled a \$4.8 trillion spending blueprint for fiscal year 2021, which begins on October 1, 2021, that proposes billions more for defense and a U.S. mission to Mars but would cut deeply into other operations. Domestic discretionary spending as a percentage of the U.S. economy would be cut in half over the course of a decade under President Donald Trump's fiscal 2021 budget proposal, with the Department of Commerce, Environmental Protection Agency and State Department seeing some of the steepest cuts.

Nondefense discretionary outlays would fall from 3.3% of the gross domestic product (\$725 billion) in 2020 to 1.6% (\$587 billion) in 2030 under Trump's proposal, which broadly aims to shrink the share of discretionary funds in an attempt to balance the budget in 15 years. The request also calls for trillions of dollars in savings from mandatory funds, especially welfare spending, though not enough to change the long-term squeeze on discretionary funds.

Trump's budget proposal would break with the bipartisan budget caps agreements that would slightly increase nondefense discretionary budget authority from fiscal 2020 to 2021. Instead, it calls for \$590 billion in budget authority, down from \$622 billion in fiscal 2020.

Majority Leader Mitch McConnell (R-KY) stated that the Senate will follow the budget caps deal negotiated in July 2019 by Congress and the White House in crafting fiscal 2021 spending bills rather than trying to enact cuts outlined in President Trump's budget. In agreement, House Speaker Nancy Pelosi (D-CA) also said the House also will adhere to the defense and non-defense cap levels.

Highlights from the budget request include:

Department of Commerce: The President's Budget proposes a \$4.8 billion cut, down 37.3%, from fiscal 2020 to 2021. The budget proposes the elimination of the Economic Development Administration, a \$300 million program, a request made by the White House in prior federal fiscal years that has been ignored by lawmakers.

Department of Housing and Urban Development: The President's Budget proposes cuts of \$8.6 billion, or 15.2% below the fiscal year 2020 enacted level. Proposed cuts include the Community

Development Block Grant, which the administration has targeted in previous budget requests. The House and Senate have ignored the requested cut in prior federal fiscal years.

Department of Agriculture (USDA): Welfare programs would be subject to \$292.1 billion in spending cuts compared to the baseline projection under the document, including \$181.9 billion in savings from the Supplemental Nutrition Assistance Program (SNAP) and \$15.2 billion from a Temporary Assistance for Needy Families (TANF) block grant reduction.

Department of Transportation: The proposed budget seeks \$1 trillion in direct federal spending on infrastructure over the next decade, without saying how it would be paid for. The plan calls for a 10-year, \$810 billion reauthorization of highway, rail, transit and other transportation programs in addition to \$190 billion in additional infrastructure investments. Part of the plan would raise contract spending on highway and transit projects by the Highway Trust Fund and eliminate recent discretionary spending appropriated for those programs.

Department of Interior: Maintaining similar patterns as his previous budget request, the Interior Department, which includes the Bureau of Land Management, the U.S. Fish and Wildlife Service, and Bureau of Reclamation, is targeted for a \$2 billion budget cut in the next fiscal year compared to the enacted fiscal 2020 budget. The White House is calling for the department's budget to be cut 13.6%, from \$14.7 billion to \$12.7 billion, according to the budget request.

Within the Bureau of Reclamation, the Administration proposes cuts to the WaterSMART program, including slashing the WaterSMART grant program from \$55 million to \$7.8 million and reducing funding for Title XVI reclamation and reuse programs from \$63.6 million back to \$3 million.

Environmental Protection Agency: The FY 2021 Budget includes \$863 million for the Drinking Water State Revolving Fund, \$1.12 billion for the Clean Water State Revolving Fund, and \$25 million for the Water Infrastructure Finance and Innovation Act (WIFIA) Program.

Of note, the President's Budget Request also included funding for PFAS in order to elevate PFAS as an area of focus for the Agency, providing additional \$5.9 million to advance the implementation of the Agency's PFAS Action Plan.

As the President's Budget request includes significant cuts for non-defense spending in violation of the budget cap agreed to for fiscal year 2021 in the Bipartisan Budget Act of 2019, Congress will likely restore funding to keep it level or slightly above the funding levels enacted in fiscal year 2020.

Senate Budget Chairman Mike Enzi (R-WY) has indicated his Committee will not hold a hearing on the trillion dollar budget, warning that it will turn into a "diatribe against the president."

During a speech on the Senate floor, Enzi advised his Senate colleagues not to waste their time complaining about the president's budget.

In explaining his decision not to hold a hearing for Trump's budget, Enzi noted he also did not hold a hearing for President Barack Obama's last budget.

Enzi, who is retiring, painted a bleak image of the federal budget process, saying it's "pretty hard to find anything positive with the funding situation that we're in." The deficit, or the gap between what the federal government spends and the revenue it takes in, is projected to exceed \$1 trillion this year.

Enzi and Senator Sheldon Whitehouse (D-RI) introduced a bill last year to revamp the federal budget process. The bill, which has advanced only out of the Senate Budget Committee, would move the budget resolution to a two-year cycle while maintaining annual appropriations.

It would also send separate debt-limit legislation directly to the president whenever Congress approves a budget resolution, automatically conforming the debt ceiling to levels called for in a budget resolution to avoid standoffs over the nation's borrowing authority.

Enzi also lamented Congress' reliance on stopgap spending bills to fund the government and a lack of momentum to tackle mandatory spending, which makes up the vast majority of the federal budget.

#### House Democrats Shelve Limited Earmarks Plan

House Democrats on Friday, February 7 suspended their plan to resurrect a reformed system of congressional earmarks, but again left the door open for a return to the spending practice in future fiscal years. Congressionally directed spending stopped when Republicans took control of the House in 2011.

While reinstating earmarks has long had bipartisan support, the idea faced highly dubious prospects in the Senate, particularly after a majority of Republican Senators voted to permanently ban the practice. President Donald Trump endorsed the notion of earmarks in 2018, but he acknowledged the need for "better controls."

A House Democratic aide said there's "near-unanimous support in the Democratic caucus" for bringing back earmarks next Congress, but the retired funding practice won't return for spending bills lawmakers will write in the next few months that will cover fiscal 2021.

"In the coming months, appropriators will work closely with bipartisan Members to develop consensus around an accountable, effective, and transparent process for community project funding in fiscal year 2022," the aide said.

Both Democratic and Republican appropriators in the lower chamber have said that a narrower system of earmarked spending would help members better deliver on their districts' needs, sweeten major legislative deals and strengthen congressional control over how federal cash is spent.

"We have to restore some balance between what the executive deems to be an important project and members of Congress representing the pieces of the American puzzle, what they represent in their areas," said Representative Marcy Kaptur (D-OH), the Chairwoman of the House Appropriations Energy-Water Subcommittee.

"You just can't expect somebody over there at OMB, who knows nothing about the areas we represent, to have all the knowledge," she said. "We have to have some kind of restoration of legislative authority."

Representative Tom Cole (R-OK), the ranking Republican on the Labor-HHS-Education Subcommittee, also said earmarks would allow Congress to reassert its "power of the purse."

"As an appropriator, I'm broadly supportive of the effort," Cole said last month. "I think we gave up a tool that we need both in terms of helping our own constituents and frankly, limiting the power of the executive branch in a legislatively appropriate way."

Leading up to the decision, House appropriators held meetings with some of the most politically vulnerable members of the Democratic caucus, hoping to placate concerns that the change would provide easy election-year fodder for Republican opponents to accuse them of wasteful spending.

In looking to revive the practice, the House Appropriations Committee had been exploring a limited number of accounts where certain entities could receive funding directed by Congress. Looking at "community project funding" earmarks would likely have been limited to state and local governments and certain non-profit organizations.

#### Senate Acquits Trump

President Trump delivered his third State of the Union address on Tuesday, February 4 to a joint session of Congress. The speech came a day before the Senate was scheduled to cast its final votes in the impeachment trial, determining whether to remove the President from office.

President Trump made no mention of his impeachment, the hearings and trial that have riveted Washington for months, even as House impeachment managers sat together in a row before him. Trump also made no overt mention of the 2020 election, though Republicans did chant "Four more years!" as Trump entered the chamber.

Ultimately the Senate on Wednesday, February 5 acquitted President Trump on two impeachment charges surrounding his dealings with Ukraine, ending the historic, months-long debate over the appropriateness of his actions. President Trump's fate now rests with voters who will head to the polls just nine months from now.

The outcome was never in doubt. With Congress and the country both bitterly divided, lawmakers in the GOP-controlled Senate voted virtually along party lines — 48-52 and 47-53 — against the two articles, which both fell far short of the 67 votes needed to convict Trump and remove him from office.

Senator Mitt Romney (R-UT), the 2012 GOP presidential nominee, was the only Senator who broke with his party and voted to convict Trump of abuse of power. A handful of Democrats who had been seen as potential swing votes all stuck with their party.

The long-term impact of the impeachment saga remains an open question — and won't really be answered until November's elections.

Democrats maintain Trump withheld millions of dollars in security aid for Ukraine for the sole purpose of coercing the country's leaders to investigate his political rivals. In seeking foreign help in a U.S. election, they charged, the president abused his power, then obstructed Congress as Democrats sought to investigate the affair.

Trump is just the third president to be impeached in the country's history — following Andrew Johnson in 1868 and Bill Clinton in 1998 — but the first to be targeted during his first term. Like Trump, both Johnson and Clinton survived removal by the Senate; unlike Trump, neither of them had to face voters afterward.

The debate also marked the first presidential impeachment featuring a House and Senate controlled by different parties — a dynamic that gave rise to career-headlining battles between Trump, Pelosi and McConnell while stoking the flames of what many experts have deemed the most sectarian and acrimonious of the three impeachment fights.

## EPA Moves to Limit Pressure on 'Forever Chemical' Manufacturers

A proposal from the Environmental Protection Agency (EPA) would absolve the nation's manufacturers of cancer-linked "forever chemicals" from broad financial responsibility for cleaning up their product as it leaches into the water supply across the country.

The class of chemicals known as PFAS, which are noted for their persistence in both the environment and the human body, are used in a variety of nonstick products.

As PFAS contamination spreads into city water supplies in every state but Hawaii, there has been growing pressure from lawmakers to have manufacturers help fund cleanup efforts.

A notice of the EPA's proposed rule posted to the Federal Register which would exclude manufacturers of PFAS from providing financial assurances under the Superfund law, which directs the cleanup of hazardous waste sites. Companies would not be required to prove they have the financial backing to clean up any contamination.

The move comes as data shows the Trump administration has the highest number of unfunded construction projects at Superfund sites of the last 15 years.

EPA argues that current management practices at PFAS facilities do not pose a financial risk taxpayers, who would otherwise foot the bill for a cleanup.

"The degree and duration of risk associated with the modern production, transportation, treatment, storage or disposal of hazardous substances by the chemical manufacturing industry does not present a level of risk of taxpayer funded response actions that warrant imposition of financial responsibility requirements for this sector," the EPA wrote.

If finalized, the EPA would still retain the power to impose Superfund responsibilities at individual contaminated sites.

Some lawmakers have been pushing hard to have PFAS sites designated as hazardous under the Superfund law in order to open more funding for cleanups. Such a provision was included in sweeping PFAS legislation passed by the House in January, though it's expected to have little prospect in the Senate.

Concurrently, a Democratic senator is giving the EPA a dismal rating on its progress.

Senator Tom Carper (D-DE), the Ranking member on the Senate Public Works Committee, earlier this month released a report card giving the agency a D-minus on its efforts to implement its action plan. "The Trump Administration has managed to make time for deregulatory proposals and environmental rollbacks, but key regulatory actions and other commitments made under the PFAS Action Plan still haven't been met. The fact is, PFAS Action Plan is mostly plan and very little action," Carper said in a statement.

The senator's report card dinged the agency over parts of the plan that it said were delayed, not finalized or whose progress was unknown.

In a statement responding to Carper's report card, an EPA official said, "The Trump administration is tapping all of the agency's program offices to implement an all-encompassing PFAS Action Plan to help states and local communities address PFAS and protect our nation's drinking water."

"This is a step no other administration has taken — a fact clearly missing from Senator Carper's assessment. Also missing are the steps that EPA has taken under the plan," the person added.

The official also highlighted actions that the agency has taken including announcing a new way to test for additional PFAS in drinking water and issuing interim recommendations for addressing groundwater contaminated with PFOA and PFOS, which are types of PFAS.

Last month, the House passed a bill that would require the EPA to set a mandatory drinking water standard for PFAS, but the legislation could face an uphill battle in the Senate.

## Western Wilderness Package Passes House

Legislation (H.R. 2546) from Representative Diana DeGette (D-CO) that would designate nearly 1.4 million acres of public land in Colorado, California, and Washington state as wilderness passed the House by a vote of 231-183 on Wednesday, February 12. The package adds nearly 1,000 miles of river to the National Wild and Scenic River Systems.

Designating acreage a wilderness area provides what the Wilderness Society, an advocacy group, calls the government's highest level of land protection: inclusion in the National Wilderness Preservation System. But doing so bars natural-resource development, which often stirs opposition. The measure combines provisions from six bills that were approved by the House Natural Resources Committee. The designated areas would generally be withdrawn from mining and geothermal leasing.

Designations would not affect states' jurisdiction or responsibilities regarding fish and wildlife.

The measure would also designate more than 1 million acres of federal land in the northwestern part of California as wilderness, restoration areas, or other protected areas. The provisions were drawn from H.R. 2250, the "Northwest California Wilderness, Recreation, and Working Forests Act." Implementing them would cost \$17 million from fiscal 2020 through 2025.

Among the dozen amendments the House Rules panel made in order for the bill are a proposal by DeGette to designate another 60,000 acres of Colorado lands as wilderness, and an amendment by Rep. Jimmy Panetta (D-CA) to allow either the Interior or Agriculture department secretaries to manage fire, insects, and diseases in any of the wilderness acreage created under the bill.

The measure establishes a California Public Lands Remediation Partnership to facilitate recovery of lands and waters damaged by illegal activities like marijuana cultivation. The partnership, consisting of federal, state, tribal, and other stakeholders, would identify priority lands and make grants to support recovery projects.

The measure is unlikely to be taken up in the Republican-controlled Senate, and the White House Office of Management and Budget said it would recommend a presidential veto for what it calls "unnecessary and harmful restrictions."

## House Committee Advances Battery Storage Legislation

The Better Energy Storage Technology Act (BEST Act—H.R. 2986) was advanced by voice vote on Wednesday, February 12 after the House Science, Space, and Technology Committee approved three amendments, also by voice vote. Those included an amendment making technical changes offered by the House bill's author, Representative Bill Foster (D-IL). The BEST Act would direct the Energy Department to establish a battery energy research and demonstration program within its Office of Electricity to encourage grid-scale energy storage systems.

The BEST Act battery storage bill has been touted by Democrats and Republicans alike as one of the few measures that could be passed in the current Congress to help cut U.S. greenhouse gas emissions to combat climate change.

The Senate version (S. 1602) was introduced by Senator Susan Collins (R-ME) and has six Republican co-sponsors. The Senate Energy and Natural Resources Committee advanced Collins' BEST Act in October, and it is among the energy and climate measures being

considered by Committee Chairwoman Lisa Murkowski (R-AK) for a broader energy package for possible Senate floor consideration in March.

A second amendment offered by Representative Paul Tonko (D-NY) would establish a battery recycling program within the Energy Department. Tonko said demand for lithium, nickel, and cobalt materials is expected to soar over the coming decade to meet increased consumer purchases of electric vehicles. The DOE program under his amendment would direct the department to launch a program to recover and re-use those valuable mineral components.

A third amendment by Representative Mikie Sherrill (D-NJ) would encourage research and development of advanced manufacturing technologies to improve the efficiency of energy storage manufacturing.

House Science Committee Chairwoman Eddie Bernice Johnson (D-Texas) said more advanced battery energy systems would help address the intermittent nature of wind and solar energy, with storage methods ensuring that the electric grid can absorb more renewable energy power in the decades to come.

The measure also would boost research of pumped hydro-power systems, which use water that can be pumped to higher elevations and stored, and then later released to lower reservoirs to produce additional power.

*Trump Administration Diverts \$3.8 Billion In Pentagon Funding to Border Wall*This month the Trump administration notified Congress that it plans to divert \$3.8 billion from the Defense Department's budget to build the border wall.

This is in addition to more than \$11 billion that's already been identified to construct more than 500 miles of new barriers along the southern U.S. border with Mexico. That includes money that Congress has appropriated and funding that was previously diverted from military construction and counternarcotic operations.

The latest funding diversion takes \$1.5 billion originally allocated for buying equipment for National Guard and Reserve units, such as trucks, generators and spare parts, as well as fighter jets and ships.

This administration said the diversion of funds was in support of "higher priority items" that were "necessary in the national interest," according to the notice transmitted to Congress.

"[The Department of Homeland Security] has identified areas along the southern border of the United States that are being used by individuals, groups, and transnational criminal organizations as drug smuggling corridors, and determined that the construction of additional physical barriers and roads in the vicinity of the United States border is necessary in order to impede and deny drug smuggling activities."

The announcement drew bipartisan criticism.

This is not the first time the Trump administration has redirected funds from the Pentagon to go toward a wall along the southern border. Last March the Defense Department announced it would shift \$1 billion from a military personnel account in order to pay for a 57-mile section of fencing. The administration said at the time the dollars became available after recruiting goals of some service branches came up short of expectations.

The border wall has been controversial since then-candidate Trump made building a barrier a central pillar of his 2016 presidential campaign. He promised back then the wall would come at no cost to U.S. taxpayers and that Mexico would fully fund the project.

## Trump Signs Order Diverting Water to California Farmers

President Trump on Wednesday, February 19 signed an order in California to re-engineer the state's water plans, completing a campaign promise to funnel water from the north to a thirsty agriculture industry and growing population further south.

The ceremonial order comes after the Department of the Interior late last year reversed its opinion on scientific findings that for a decade extended endangered species protections to various types of fish — a review that had been spurred by the order from Trump.

Trump said the changes to the "outdated scientific research and biological opinions" would now help direct "as much water as possible, which will be a magnificent amount, a massive amount of water for the use of California farmers and ranchers."

"A major obstacle to providing water for the region's farmers has now been totally eliminated by the federal government," Trump said Wednesday in Bakersfield, CA., flanked by House Minority Leader Kevin McCarthy (R-CA) and Representative Devin Nunes (R-CA), as well as Interior Secretary David Bernhardt, who helped shepherd the changes to the state's water policy.

Trump's order comes as the state has taken several steps to deal with the water scarcity that has lasted for decades.

Critics fear the new plan, which would allow large quantities of water to be diverted from the San Francisco Bay Delta to the Central Valley in order to irrigate farmland, would ultimately harm chinook salmon and the delta smelt, a finger-sized fish that for three decades has stood in the way of the diversion.

Trump in October 2018 had ordered Interior to reconsider the scientific evidence that helped bar redistribution of the state's water. In October of last year, Interior released a new biological opinion limiting the longtime protections for the fish.

McCarthy also praised Trump for fulfilling his campaign promise to divert more water to farmers in California.

"Isn't it great to have a president who understands farming is not easy?" he said before the president came on stage. "Isn't it great to have a president who keeps his promises?"

The state of California sued the White House after President Trump ordered the state to reconfigure its water plan, funneling more water from the north to a thirsty agriculture industry and growing population further south.

California Attorney General Xavier Becerra argued the administration violated the law by failing to consider a number of environmental impacts or giving an opportunity for the public to comment.

"As we face the unprecedented threat of a climate emergency, now is the time to strengthen our planet's biodiversity, not destroy it," Becerra said in a statement. "California won't silently spectate as the Trump Administration adopts scientifically-challenged biological opinions that push species to extinction and harm our natural resources and waterways."

The suit was filed a little more than 24 hours after Trump signed the order in front of the Bakersfield, CA crowd.

## Supreme Court Braces for Contentious Second Half

The second half of the Supreme Court's current term will be full of high-profile arguments and opinions.

In the coming months, the justices will consider whether President Donald Trump can avoid congressional inquiries into his financial history. They'll also get their first chance to chip away at abortion rights since Trump's conservative nominees took the bench. The court has already heard divisive cases involving gun rights and the administration's plans to nix deferred deportation for "Dreamers," but has yet to issue its final opinions.

The Supreme Court in March will hear a challenge to a Louisiana abortion law and the battle over the president's financial records.

The justices will also decide cases that could change the landscape of federal protections from workplace discrimination.

Earlier this term they heard a trio of closely-watched cases on the scope of federal employment discrimination laws. Whether the court will say that those laws protect LGBT workers, or that such discrimination falls outside of federal protections seemed too close to call.

But court watchers are also awaiting decisions in two discrimination cases that could make it harder to even bring a discrimination case in federal court.

In Comcast Corp. v. National Association of African American-Owned Media, the justices will decide whether plaintiffs must allege that race was the only factor behind an adverse employment decision to sue under federal anti-discrimination laws, or whether they can merely

allege that it was just one factor. The same question is at issue in Babb v. Wilkie, but for age discrimination instead of race.

Religious cases on this term's docket have the potential to change the church-state landscape on several different fronts. In January, the justices heard arguments in Espinoza v. Montana Department of Revenue dealing with public funding of religious schools. In April, the court will hear Our Lady of Guadalupe School v. Morrissey-Berru and St. James School v. Biel, asking if courts should refuse to entertain discrimination suits against religious employers to avoid becoming embroiled in religious affairs.

Finally, the court has a number of cases touching on administrative law that could reshape the way agencies operate.

June, when the Court is expected to conclude its term, is when most decisions for the term are expected to be handed down.

Bill Number	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
S.1932	Sen. Cory Gardner (R- CO) / Sen. Dianne Feinstein	Drought Resiliency and Water Supply Infrastructure Act	This legislation would authorize and/or reauthorize surface and groundwater storage and supporting projects, water recycling and reuse projects, and desalination projects. It would also establish an infrastructure finance and innovation pilot program at the Bureau of Reclamation. The legislation would also establish a process to deauthorize Bureau of Reclamation projects that have failed to receive a minimum federal investment or initiate construction.  The bill would increase support for water infrastructure projects that are likely to provide a more-reliable water supply and increase the water management flexibility and water reliability.	weeks that will make changes to how some projects would be authorized.
Draft Legislation	Rep. Jared Huffman (D- CA)	FUTURE Drought Act	Representative Huffman's draft legislation includes three titles on: Infrastructure Development, Improved Technology and Data, and Ecosystem Protection and Restoration. The draft legislation would create a water storage program, includes authorization of funding for desalination projects, created an water infrastructure fund, and extends and expands the WaterSMART program.	The legislation is expected to be introduced in the coming weeks. A section by section summary of the legislation can be found here: https://huffman.house.gov/imo/media/doc/FUTURE%20Drought%20Resiliency%20Act%20Discussion%20Draft%20SxS_Updated.pdf

S. 2356	Sen. Mike Braun (R-IN)	Define WOTUS Act of 2019	The measure would create a new WOTUS definition the void the previous Obama era definition that is currently tied up in litigation.	The legislation was introduced on July 31 and referred to the Committee on Environment and Public Works.
S. 1097	Sen. John Barrasso (R- WY)	Water Quality Certification Improvement Act of 2019	The measure would amend the Federal Water Pollution Control Act to make changes with respect to water quality certification.	The measure was introduced in the Senate on April 19 and was referred to Committee on Environment and Public Works.  On November 19 the committee held a hearing to discuss impacts of the act if implemented.
H.R. 1764	Rep. John Garamendi (D-CA)	The bill to amend the Federal Water Pollution Act	The legislation would amend the Federal Water Pollution Control Act with respect to permitting terms, and for other purposes.	Introduced on March 15 and then referred to the Subcommittee on Water Resources and Environment.  This legislation has bipartisan cosponsor ship and hearings were held on the measure in November 2019.

H.R.1497	Rep. Peter DeFazio (D- OR)	Water Quality Protection and Job Creation Act of 2019	grants to States and interstate agencies, including: State Management Assistance: Section 106(a);	Introduced on March 6 and referred to the Subcommittee on Water Resources and Environment of the House Transportation Committee.  The Committee marked up the legislation and reported it with an amendment in the nature of a substituteexpanding the scope of the legislation.
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H.R. 1508 / S. 146	Rep. Blumenauer (D- OR) / Sen. John Hoeven (R-ND)	Move America Act of 2019	The measure would amend the Internal Revenue Code of 1986 to provide for Move America bonds and Move America credits which would be applicable to projects relating to flood diversions, inland waterways, sewage facilities.	The House bill was introduced on March 5 and then referred to the House Committee on Ways and Means.  Note: All tax issues are likely to be addressed as part of a larger tax package. The Ways and Means Committee is considering forming a tax extenders package, which would be the most likely venue for this legislation.  The Senate bill was introduced in the Senate on January 16th and referred to the Senate Committee on Finance.
H.R.1162	Rep. Grace Napolitano (D-CA)	Water Recycling Investment and Improvement Act	This legislation would create a competitive grant program for the funding of water recycling and reuse projects by raising the authorization cap for the Title XVI program from \$50 million to \$500 million. The legislation would also raise the authorization cap from \$20 million to \$30 million for the Reclamation Wastewater and Groundwater Study and Facilities Act.	Introduced in the House on February 13.  The House Natural Resources Subcommittee on Water, Oceans, and Wildlife held a hearing on the legislation on June 13.
S. 361/H.R. 807	Sen. Cory Gardner (R- CO) / Rep. Ken Buck (R- CO)	Water and Agriculture Tax Reform Act of 2019	The measure would work to amend the Internal Revenue Code of 1986 to facilitate water leasing and water transfers to promote conservation and efficiency.	Introduced and referred to the Committee on Finance (Senate) and Ways and Means Committee (House). Neither chamber has recently engaged on the measures.

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 15th. Referred to the Conservation and Forestry Subcommittee of the Agriculture Committee on 2/7 and to the Water, Oceans, and Wildlife Subcommittee of the House Natural Resources Committee on 2/4.  A similar amendment was submitted to the House Rules Committee for consideration in the Interior-Environment Appropriations bill, but was not made in order by the Committee for floor consideration.
H.R.34	Rep. Eddie Bernice Johnson (D-TX)	Energy and Water Research Integration Act of 2019	The legislation would ensure consideration of water intensity in the Department of Energy's energy research, development, and demonstration programs to help guarantee efficient, reliable, and sustainable delivery of energy and clean water resources.	The bill was introduced in the House on January 3rd. It was marked up and ordered to be reported by the House Science and Technology Committee on May 1, 2019 and was passed by the House on July 23, 2019 by voice vote. On July 24, the bill was referred to the Senate Committee on Energy and Natural Resources.
H.R. 2313	Rep. Jared Huffman (D- CA)	Water Conservation Rebate Tax Parity Act	The measure would amend the Internal Revenue Code of 1986 to expand the exclusion for certain conservation subsidies to include subsidies for water conservation or efficiency measures and storm water management measures.	The bill was introduced in the House on April 12 and then referred to the Committee on Ways and Means.  Note: All tax issues are likely to be addressed as part of a larger tax package. The Ways and Means Committee is considering forming a tax extenders package, which would be the most likely venue for this legislation.

H.R.1747	Rep. Rob Whitman (R- VA)	National Fish Habitat Conservation Through Partnerships Act	The measure aims to achieve measurable habitat conservation results through strategic actions of Fish Habitat Partnerships that lead to better fish habitat conditions and increased fishing opportunities, establish a consensus set of national conservation strategies as a framework to guide future actions and investment by Fish Habitat Partnerships, broaden the community of support for fish habitat conservation, fill gaps in the National Fish Habitat Assessment and the associated database of the National Fish Habitat Assessment, and communicate to the public and conservation partners.	A hearing has been held in the House Natural Resources Committee on the legislation and the legislation was ordered to be reported out of committee on September 25.
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S.1419	Sen. James Lankford (R-OK)	Early Participation in Regulations Act	The legislation would direct agencies to issue advanced notices for rules costing more than \$100 million annually. The bill would require agencies must outline the problem the rule intends to solve and listen to the public's input on the subject.	On May 13, the bill was introduced into the Senate. It was then referred to the Committee on Homeland Security and Governmental Affairs. Hearings on the bill were held in both the Committee on Homeland Security and the Committee on Small Business. On July 19 the Committee on Homeland Security and Governmental Affairs ordered the measure to be reported favorably with an amendment in the nature of a substitute.  On September 10, the bill was placed on the Senate Legislative Calendar under General Orders. However the bill has yet to be considered on the Senate floor.  The legislation has bipartisan cosponsor ship.
S. 1097	Sen. John Barrasso (R- WY)	Water Quality Certification Improvement Act of 2019	The measure would amend the Federal Water Pollution Control Act to make changes with respect to water quality certification.	The measure was introduced in the Senate on April 19 and was referred to Committee on Environment and Public Works.  On November 19 the committee held a hearing to discuss impacts of the act if implemented.
H.R. 1695	Rep. Betty McCollum (D-MN)	Community Services Block Grant Reauthorization Act of 2019	The legislation would amend the Community Services Block Grant Act to reauthorize and modernize the Act.	The measure was introduced in the House on March 12, 2019 to the House Committee on Education and Labor.  The legislation has bipartisan cosponsor ship.

H.R. 1744	Rep. Mark Takano (D- CA)	S.T.O.R.A.G.E. Act (Storage Technology for Operational Readiness And Generating Energy Act) Energy Storage Systems by Electric Utilities	The bill would provide for the consideration of energy storage systems by electric utilities as part of a supply side resource process, and for other purposes.	The bill was introduced on March 13 and the referred to the Committee on Energy and Commerce, and in addition to the Subcommittee on Energy of the Committee on Science, Space, and Technology.
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 15th. Referred to the Conservation and Forestry Subcommittee of the Agriculture Committee on 2/7 and to the Water, Oceans, and Wildlife Subcommittee of the House Natural Resources Committee on 2/4.
H. R. 855	Rep. Scott Peters (D-CA)	STRONG (Strengthening the Resiliency of our Nation on the Ground Act) Act	The bill would work to minimize the economic and social costs resulting from losses of life, property, well-being, business activity, and economic growth associated with extreme weather events by ensuring that the United States is more resilient to the impacts of extreme weather events in the short- and long-term, and for other purpose	Introduced in the House and referred to the Subcommittee on Economic Development, Public Buildings, and Emergency Management of the House Transportation Committee on February 7th.
H.R. 420	Rep. Earl Blumenauer (D-OR)	Regulate Marijuana Like Alcohol Act	The bill would decriminalize marijuana and sets up legal framework to regulate marijuana.	Introduced in the House on January 9th and referred to the Committees on Energy and Commerce, Ways and Means, Natural Resources, and Agriculture.

S.420 /H.R. 1120	Sen. Ron Wyden (D- OR) / Rep. Earl Blumenauer (D-OR)	Marijuana Revenue and Regulation Act	A bill to amend the Internal Revenue Code of 1986 to provide for the taxation and regulation of marijuana products, and for other purposes.	The bill was introduced in the Senate on February 7th and was referred to the Finance Committee.  Introduced in the House on February 8th and was referred to the Committees on Judiciary, Agriculture, and Natural Resources.
H.R. 3794	Rep. Paul A. Gosar (R- AZ)	Public Land Renewable Energy Development Act of 2019	The bill would work to promote the development of renewable energy on public lands	The measure was introduced in the House on July 17, 2019 and was then referred to both the Committee on Natural Resources and the Committee on Agriculture. A hearing on the bill was held on July 25 by the Subcommittee on Energy and Mineral Resources. On August 9th, the bill was referred to the Subcommittee on Conservation and Energy of the House Agriculture Committee.  The measure was later referred to the Subcommittee on Energy and Mineral Resources were a hearing was held on the legislation. On November 20th, a Mark-up session was held and the bill was ordered to be Reported by Voice Vote.  The legislation has bipartisan cosponsor ship.

S. 1344	Sen. Cory Booker (D- NJ) and Tim Scott (R-SC)	Reinstate Opportunity Zone Data Mandates	The bill would require the Secretary of the Treasury to collect data and issue a report on the opportunity zone tax incentives enacted by the 2017 tax reform legislation.  The reporting requirements were part of the original legislation as introduced, but they were not incorporated in H.R.1 (the tax package) when it was advanced in the House and Senate.	The legislation was introduced in the Senate on May 7, 2019 and referred to the Finance Committee.  The legislation has bipartisan cosponsor ship.
H.R.535	Rep. Debbie Dingell (D-MI)	PFAS Action Act of 2019	The legislation combines 12 different bills that had previously been introduced into one legislative package that would change the way the federal government regulates "forever chemicals" known as PFAS.  The consolidated version of H.R. 535 would place these chemicals on the Superfund hazards substances list from the Environmental Protection Agency, force the agency to set nationwide drinking water standards for PFAS, and block companies from producing new chemicals in this class.	The legislation was reported out of the House Energy and Commerce Committee on November 20, 2019 by a vote of 31 to 19, largely along party lines. The bill passed the House on January 10, 2020 by a vote of 247 - 159. The bill was received in the Senate on January 13, 2020 and referred to the Committee on Environment and Public Works.

H.R.4236	Rep. Quigley, Mike (D-IL)	Reducing Waste in National Parks Act	The legislation wouldencourage recycling and reduction of disposable plastic bottles in units of the National Park System,	The bill was introduced on September 6 and was referred to the House Subcommittee on National Parks, Forests, and Public Lands.			
S.3263 / H.R.5845	Sen. Tom Udall (D- N.M.) and Rep. Alan Lowenthal (D-CA)	Break Free from Plastic Pollution Act of 2020	This legislation would require plastic producers to take responsibility for collecting and recycling materials, require nationwide container deposits, ban certain pollutant products, impose a fee on the distribution of non-reusable carryout bags, create a new minimum recycled content requirement, protect state and local governments by allowing them to enact more stringent standards, requirements, and additional product bans, and give environmental agencies the valuable time needed to investigate the cumulative impacts of new plastic-producing facilities on the air, water, and climate.	The bills were introduced in the House on 2/12/2020 and in the Senate on 2/11/2020. In the House, the legislation has been referred to the following committees: Energy and Commerce, Ways and Means, Transportation and Infrastructure, and Foreign Affairs.  In the Senate, the legislation has been referred to the Finance Committee.			
Enacted Legislation (removed from report after 2 months)							

S. 1790	Sen. Jim Inhofe (R-OK)	National Defense Authorization Act, 2020	The National Defense Authorization Act, 2020 is the annual authorization for Defense programs.  This year, the legislation included legislation aimed at addressing the risks and challenges associated with per- and polyfluoroalkyl substances (PFAS). This provision will ensure that the EPA sets a national drinking water standard for PFAS and PFOS. It will also require industrial manufactures and users to notify the public when PFAS chemicals are released into the environment. The EPA will also have to issue guidance on how to dispose of and destroy PFAS. The legislation also provides authorization for funding for monitoring and sampling, and requires better interagency coordination on PFAS chemicals.	Passed the Senate on Thursday, June 27, 2019, though an amendment vote was held the following day.  On December 9, 2019, a Conference report was filed, and on December 11, the Conference report was agreed to in the House by a vote of 377 to 48.  On December 17, the Conference report was agreed to in the Senate by a vote of 86 to 8.  The President signed the measure into law on December 20.
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# INFORMATION ITEM 2D



Date:

February 27, 2020

To:

Inland Empire Utilities Agency

From:

John Withers, Jim Brulte

Re:

California Strategies, LLC February 2020 Activity Report

- 1. This month Jim Brulte and John Withers participated in the monthly senior staff meeting which was attended by senior Executive Management Team members on February 3.
- 2. Regional Contract

The first GM meeting was held (5 of 7 attended) with a focus on the SAR recycled water exchange

- 3. Chino Basin Program
  - Presented to local agency GMs. Project decision recommendation by summer
- 4. Rate Study (Carollo)
  - Joint workshop held Feb 5
  - Ongoing discussion on recycled rates (fixed vs. volumetric). Concern about rate increases
  - Looking at phasing in fixed component, subsidized by property taxes
- 5. Discussed regional personnel changes and potential impacts on IEUA
- 6. Member Questions and Answers
  - Provided member agency elected officials background information/profiles
  - Answered questions from IEUA Board members and the GM since the meeting including ongoing leadership changes at City of Fontana