



**AGENDA
COMMUNITY AND LEGISLATIVE AFFAIRS
COMMITTEE MEETING
OF THE BOARD OF DIRECTORS
INLAND EMPIRE UTILITIES AGENCY***

**WEDNESDAY, MARCH 8, 2023
9:00 A.M.**

**AGENCY HEADQUARTERS
BOARD ROOM
6075 KIMBALL AVENUE, BUILDING A
CHINO, CALIFORNIA 91708
VIEW THE MEETING LIVE ONLINE AT IEUA.ORG
TELEPHONE ACCESS: (415) 856-9169 / Conf Code: 930 535 603#**

The public may participate and provide public comment during the meeting by dialing the number provided above. Comments may also be submitted by email to the Board Secretary/Office Manager Denise Garzaro at dgarzaro@ieua.org prior to the completion of the Public Comment section of the meeting. Comments will be distributed to the Board of Directors.

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 email the Board Secretary/Office Manager no later than 24 hours prior to the scheduled meeting time or address the Board during the public comments section of the meeting. 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

Approve Minutes of the February 8, 2023 Community and Legislative Affairs Committee meeting.

B. ADOPT POSITION ON AB 759 SANITARY DISTRICTS

Staff recommends that the Committee/Board adopt a position of "Support" for AB 759 Sanitary Districts (Grayson).

2. INFORMATION ITEMS

A. FEDERAL LEGISLATIVE REPORT – CARPI AND CLAY (WRITTEN)

B. STATE LEGISLATIVE REPORT – WEST COAST ADVISORS (WRITTEN)

C. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)

3. GENERAL MANAGER'S COMMENTS

4. COMMITTEE MEMBER COMMENTS

5. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

ADJOURN

DECLARATION OF POSTING

I, Denise Garzaro, CMC, Board Secretary/Office Manager of the Inland Empire Utilities Agency*, a Municipal Water District, hereby certify that, per Government Code Section 54954.2, a copy of this agenda has been posted at the Agency's main office, 6075 Kimball Avenue, Building A, Chino, CA and on the Agency's website at www.ieua.org at least seventy-two (72) hours prior to the meeting date and time above.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Secretary at (909) 993-1736 or dgarzaro@ieua.org, 48 hours prior to the scheduled meeting so that IEUA can make reasonable arrangements to ensure accessibility.

**ACTION
ITEM
1A**



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

**WEDNESDAY, FEBRUARY 8, 2023
9:00 A.M.**

COMMITTEE MEMBERS PRESENT

Steven J. Elie, Chair
Michael Camacho, Director

STAFF PRESENT

Christiana Daisy, P.E., Deputy General Manager
Denise Garzaro, Board Secretary/Office Manager
Brandon Gonzalez Contreras, Technology Specialist I
Michael Hurley, Director of Planning & Resources
Michael Larios, Technology Specialist I

STAFF PRESENT via Video/Teleconference

Javier Chagoyen-Lazaro, Director of Finance
Andrea Carruthers, Communications Officer
Stephanie Chancellor, Acting Communications Officer
Kristine Day, Assistant General Manager
Don Hamlett, Director of Information Technology
Jennifer Hy-Luk, Executive Assistant
Lisa Mejri, Intern
Alyson Piguee, Director of External & Government Affairs
Ashley Womack, Grants and Government Affairs Officer

OTHERS PRESENT via Video/Teleconference

Michael Boccadoro, West Coast Advisors
Laura Morgan-Kessler, Carpi and Clay
Beth Olhasso, West Coast Advisors

CALL TO ORDER

Committee Chair Steven J. Elie called the meeting to order at 9:00 a.m. There were no public comments received or additions to the agenda.

1A – 1B. ACTION ITEMS

The Committee:

- ◆ Approved Minutes of the January 11, 2023 Community and Legislative Affairs Committee meeting.

- ◆ Recommended that Board adopt the 2023 – 2024 Legislative and Policy Principles; as a Consent Calendar item on the February 15, 2023 Board meeting agenda.

2A – 2C. INFORMATION ITEMS

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

- ◆ Federal Legislative Report – Carpi and Clay
- ◆ State Legislative Report – West Coast Advisors
- ◆ Public Outreach and Communication

3. GENERAL MANAGER'S COMMENTS

Deputy General Manager Christiana Daisy stated that this past Friday, Metropolitan Water District of Southern California (MWD) informed the Member Agencies managers that the recent increase in the State Water Project (SWP) allocation to 30% is sufficient to effectively end the Emergency Water Conservation Program (EWCP). MWD staff intends to recommend that their Board of Directors rescind the volumetric limits and mandatory restrictions under the EWCP at their March meeting. They also indicated that they do not expect to assess any penalties going forward under the EWCP in 2023. Further, MWD is optimistic that SWP allocations will continue to improve that will allow them to avoid implementing a region-wide allocation starting in July, but explicitly encouraged the Member Agencies to be prepared for an allocation next year. MWD will continue to review their region-wide WSAP with workshops scheduled through March and Board action in April, if necessary. IEUA will also move forward with preparations for potential allocation and will be meeting interested retail agencies to review its allocation model. Finally, Bill Hasencamp, MWD's Manager of Colorado River Resources will give an update on Colorado River negotiations and conditions at IEUA's March 1 Board Workshop Meeting.

4. COMMITTEE MEMBER COMMENTS

Chair Elie requested to have the Earth Day Celebrations added to the Board of Directors' calendars. Director Camacho requested that Board be notified and included in the next scheduled RP-1 tour.

5. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

There were no Committee member requested future agenda items.

ADJOURNMENT

With no further business, Committee Chair Elie adjourned the meeting at 9:34 a.m.

Respectfully submitted,

Denise Garzaro
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: MARCH 8, 2023

**ACTION
ITEM
1B**

Date: March 15, 2023

To: The Honorable Board of Directors

ADD
From: Shivaji Deshmukh, General Manager

Committee: Community & Legislative Affairs

03/08/23

Executive Contact: Shivaji Deshmukh, General Manager

Subject: Adopt Position on AB 759 Sanitary Districts

Executive Summary:

On February 13, 2023, Assemblymember Timothy Grayson (D-Concord), introduced AB 759 Sanitary Districts. This bill aims to update and streamline accounting practices making it possible for sanitary districts to develop their own accounting protocols.

Currently, the Sanitary District Act of 1939 requires the Board to approve the districts check registers at a board meeting. This bill would allow each sanitary district to establish their own protocols allowing district operations to run more efficiently. This bill would create parity between sanitary districts and other local government agencies and special districts.

It is important to note, this bill would not change any existing local government transparency requirements.

The California Association of Sanitation Agencies (CASA) is sponsoring this bill.

Staff's Recommendation:

Adopt a position of "Support" for AB 759 Sanitary Districts (Grayson).

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

On March 1, 2023 the Board adopted the 2023 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:

1. AB 759 (D-Grayson) - Fact Sheet
2. AB 759 (D-Grayson) - Bill Text

Attachment 1. AB 759 (D-Grayson) - Fact Sheet



ASSEMBLYMEMBER TIM GRAYSON

AB 759

SANITARY DISTRICTS

Summary:

AB 759 will update the Sanitary District Act of 1939 to modernize outdated and inefficient accounting practices that require a Sanitary District Board President to approve check registers at a board meeting.

Background:

The Sanitary District Act of 1923 authorized the formation of sanitary districts in California and specified how these districts are organized and how they should operate.

Last updated in 1939, the Sanitary District Act outlines procedures for how check registers must be approved for payments to be dispersed. It requires the Board President to approve the district check register for payments to be dispersed at every board meeting, and for the approvals to be recorded in the board meeting minutes.

Problem:

The procedures for how sanitary districts disperse payments are outdated and redundant. In most cases, the check register that is being “approved” at board meetings are for payments that have already been issued. The district must issue checks in a timely manner, and waiting to issue payments until after the Board meets impedes the ability to maintain a reasonable flow of public business.

Solution:

AB 759 will help cut through red tape and allow district operations to run more efficiently by changing the requirement for board approval of previously issued checks, to instead allow Sanitary Districts to establish their own protocols to authorize funds that better reflect current practices.

This simple governance approach has been adopted by several different types of special districts and public agencies providing utility services. This bill would create parity between sanitary districts and other local

government agencies and special districts who have already been granted this authority by the Legislature.

Importantly, this bill does not change or alter any existing local government transparency requirements for sanitary districts, including annual audits.

Support:

California Association of Sanitation Agencies
Central Contra Costa Sanitary District

Staff Contact:

Robert Cruz

robert.cruz@asm.ca.gov

Attachment 2. AB 759 (D-Grayson) - Bill Text

ASSEMBLY BILL

No. 759

Introduced by Assembly Member Grayson
(Coauthor: Assembly Member Connolly)
(Coauthor: Senator Glazer)

February 13, 2023

An act to amend Section 6801 of, and to repeal and add Section 6794 of, the Health and Safety Code, relating to sanitary districts.

LEGISLATIVE COUNSEL'S DIGEST

AB 759, as introduced, Grayson. Sanitary districts.

Existing law authorizes the formation of a sanitary district, pursuant to specified requirements. Existing law authorizes a sanitary district to acquire, plan, construct, reconstruct, alter, enlarge, lay, renew, replace, maintain, and operate garbage dumpsites and garbage collection and disposal systems, sewers, drains, septic tanks, and sewerage collection, outfall, treatment works and other sanitary disposal systems, and storm water drains and storm water collection, outfall and disposal systems, and water recycling and distribution systems, as the deemed necessary and proper by the governing board of the district. Existing law generally authorizes the district to expend money only upon written order of the board.

This bill would instead authorize funds to be expended in a manner prescribed by the board.

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

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

SECTION 1. Section 6794 of the Health and Safety Code is repealed.

~~6794. The treasurer shall pay out money of the district only upon the written order of the board, signed by the president and countersigned by the secretary.~~

~~The order shall specify the name of the person to whom the money is to be paid, the fund from which it is to be paid, and shall state generally the purpose for which the payment is to be made.~~

~~The order shall be entered in the minutes of the board.~~

SEC. 2. Section 6794 is added to the Health and Safety Code, to read:

6794. The treasurer, or other person or persons that are authorized by the board, shall draw checks or warrants to pay demands when demands have been approved in the manner prescribed by the board.

SEC. 3. Section 6801 of the Health and Safety Code is amended to read:

6801. As an alternative to the functions of the treasurer, the district board may elect to disburse funds of the district. Such election shall be made by resolution of the board and the filing of a certified copy thereof with the treasurer. The treasurer shall thereupon and thereafter deliver to the district all funds of the district. Such funds shall be deposited by the board in a bank or banks, or savings and loan association or savings and loan associations, approved for deposit of public funds and shall be withdrawn only by written order of the district board, signed by the president and secretary. The order shall specify the name of the payee, the fund from which it is to be paid and state generally the purpose for which payment is to be made. Such order shall be entered in the minutes of the board. *funds.* The district board shall appoint a treasurer who shall be responsible for the deposit and withdrawal of funds of the ~~district.~~ *district, in the manner prescribed by the board.* The treasurer shall deposit with the district, prior to October 1st of each year, a surety bond in the annual amount fixed by the district board. The deposit and withdrawal of funds of the district shall thereafter be subject to

1 the provisions of Article 2 (commencing at Section 53630), Chapter
2 4, Part 1, Division 2, Title 5, of the Government Code.

O

**INFORMATION
ITEM
2A**

Inland Empire Utilities Agency, a Municipal Water District Federal Update

February 24, 2023

Senator Feinstein Announces She Will Not Seek Re-election in 2024

Senator Dianne Feinstein (D-CA) has announced that she will not be seeking re-election at the end of her current term in 2024. Feinstein has served in the Senate for over three decades since her first Senate election in 1992. To date, three Democratic House Members, Reps. Adam Schiff, Katie Porter, and Barbara Lee, have all announced that they are running for Feinstein's seat.

President Biden Delivers State of the Union Address

On Tuesday, February 7th, President Joe Biden delivered his second State of the Union address to a joint session of Congress. Marking roughly the halfway point of President Biden's first term, the speech focused heavily on economic and domestic issues.

Colorado River Update

Last year, Bureau of Reclamation (Reclamation) Commissioner Camille Touton told Congress that the seven Colorado River Basin states needed to reach a deal to save up to 4 million acre-feet in 2023 to have enough water in the system to protect power generation at Glen Canyon Dam. The initial deadline to reach this goal was last summer, which came and went without a deal. Last fall, the Department of the Interior (DOI) announced it would seek to revise the 2007 Colorado River Interim Guidelines, which provide Lake Powell and Lake Mead operating criteria.

As a result, six of the Colorado River Basin states (Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming) sent a proposal in early February to DOI Assistant Secretary of Water and Science Tanya Trujillo and Reclamation Commissioner Touton to significantly reduce reliance and usage of Colorado River water. Absent from signing onto this proposal is the seventh basin state, California. Under the proposed plan, California could see a reduction of up to 32 percent of its Colorado River allocation or 1.4 million acre-feet. In response, California submitted its own proposal to DOI and Reclamation. Under the California proposal, the state would agree to give up 400,000 acre-feet annually for the Colorado River system, while asking Arizona to give up 560,000 acre-feet annually and Nevada 40,000 acre-feet annually. Additionally, should the worst-case scenario occur, and Lake Mead reaches dead pool (895 feet), California would give up an additional 950,000 acre-feet annually. California's proposal also clarifies that it will not forfeit its senior water rights status to Arizona or Nevada.

DOI will consider both proposals as it seeks to update the Colorado River Interim Guidelines and is expected to produce a supplemental environmental impact statement this spring, with a final record of decision due this summer. The six-state proposal can be found [HERE](#), and the California proposal can be found [HERE](#).

Reclamation Announces Initial 2023 CVP Allocation

The Bureau of Reclamation announced the initial 2023 water supply allocations for Central Valley Project (CVP) water users. Water supply allocations are based on an estimate of water available for delivery to CVP water users and reflect current reservoir storage, precipitation, and snowpack in the Sierra Nevada. This year's initial allocations reflect the improved hydrologic conditions caused by the winter storms that left the Sierra Nevada snowpack at well above normal conditions. Adequate water elevations in Shasta Reservoir are crucial to ensuring deliveries to agricultural contractors and wildlife refuges. It also ensures enough cold water exists for spawning salmon later in the year. More information can be found [HERE](#).

EPA Begins to Rollout Greenhouse Gas Reduction Fund

The Environmental Protection Agency (EPA) is beginning to roll out more information about the \$27 billion included in the Inflation Reduction Act (IRA) for the Greenhouse Gas Reduction Fund (GGRF). GGRF is the largest non-tax incentive program included in IRA and is intended to help fund projects in communities nationwide to reduce greenhouse gas emissions. The \$27 bill is divided into two programs: 1) General and Low-Income Assistance Program (aimed at funding projects by non-profits) and 2) Zero Emission Technology Fund Program (aimed at funding projects by states and local governments). The IRA requires that EPA obligate \$27 billion in funding by September 30th, 2024. EPA has set a target date of summer 2023 to release guidance on how to apply for both programs. EPA also launched a [website](#) to house all information about GGRF.

WOTUS Rule Update

In response to the Army Corps of Engineers and EPA's recent release of an updated Waters of the United States (WOTUS) rule, Republicans in both the House and the Senate have introduced a resolution to use the Congressional Review Act to try to prevent the rule from being implemented. Additionally, twenty-four states, led by West Virginia Attorney General Patrick Morrisey, filed a lawsuit challenging the rule. The United States Supreme Court is scheduled to consider a case during its next term that could have further implications on implementing the new rule in *Sackett v. EPA*.

House Passes Grid Cybersecurity Bill

On February 6th, the House passed the *Energy Cybersecurity University Leadership Act of 2023* ([H.R. 302](#)). The legislation would create an Energy Cybersecurity University Leadership program at the Department of Energy (DOE) to provide financial assistance to graduate students and researchers studying cybersecurity and energy infrastructure. The bill now heads to the Senate for consideration.

Congressional Letters

California Members Urge Reclamation to Lift Desalination Funding Cap. Senators Dianne Feinstein and Alex Padilla, along with Representative Mike Levin (D-CA) sent a letter to Reclamation Commissioner Camille Touton requesting to lift the \$30 million per-project cap for desalination projects. The letter states that lifting the cap would give Reclamation more flexibility to administer the \$250 million authorized by the Bipartisan Infrastructure Law (BIL) for desalination projects. The letter can be found [HERE](#).

Senators Urge Biden Administration to Address PFAS Contamination in Upcoming Budget Request. Thirty-six senators, including Senator Alex Padilla, sent a letter to President Biden urging him to include funding in the Administration's upcoming budget request for fiscal year (FY) 2024 to comprehensively address per- and polyfluoroalkyl substances (PFAS) contamination. The letter requests funding to close gaps in available PFAS data and research, bolster testing and cleanup efforts, and support regulations that protect people and the environment from contamination. The letter can be found [HERE](#).

Federal Funding Opportunities/Announcements

White House Releases Open and Upcoming Infrastructure NOFOs Calendar. The White House released a calendar detailing current and upcoming notices of funding opportunities (NOFOs) related to infrastructure. More information can be found [HERE](#).

EPA Issues RFI for \$3 Billion Environmental and Climate Justice Program. EPA issued a Request for Information (RFI) seeking comments on its \$3 billion Environmental and Climate Justice (ECJ) program authorized by the IRA. The program will provide grants and technical assistance to disadvantaged communities for climate and environmental justice projects. EPA is seeking input on program design, project types, reducing application barriers, reporting and oversight, and technical assistance. Comments are due by March 17th and more information can be found [HERE](#).

EPA Announces Availability of \$2 Billion for EC-SDC Grant Program. EPA announced the availability of \$2 billion in grant funding through its Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) Grant Program to address PFAS in drinking water. The funding was authorized by BIL to promote access to safe and clean water in small, rural, and disadvantaged communities through infrastructure upgrades, source water treatment for pollutants, and water quality testing. EPA will release the grant application timeline in the coming weeks and more information can be found [HERE](#).

EPA Announces Availability of \$550 Million for Environmental Justice Grants. EPA announced the availability of \$550 million in grant funding through the new Environmental Justice Thriving Communities Grantmaking program. This program will fund up to 11 entities to serve as grantmakers to community-based projects that reduce pollution. EPA intends to award up to 11 cooperative agreements for up to approximately \$50 million each

to be funded incrementally over a 3-year period. The deadline to apply is May 31 and more information can be found [HERE](#).

EPA Announces CWSRF Funding Allocation. EPA announced the allocation of \$2.4 billion from the Bipartisan Infrastructure Law for the Clean Water State Revolving Fund (CWSRF) to states, Tribes, and territories. This represents the second allotment of CWSRF funding from BIL (the first allocation was \$1.9 billion). A link to the state allocations can be found [HERE](#).

Reclamation Announces \$728 Million for Western Drought Resilience. Reclamation announced \$728 million in funding authorized by BIL to improve water systems impacted by drought conditions in Western states. The funding will support clean drinking water projects for rural and tribal communities, water conservation in the Upper Colorado River Basin, and projects to improve water supply reliability. The list of projects funded can be found [HERE](#).

Federal Agency Personnel/Regulatory Announcements

President Biden Issues EO on Racial Equity and Support for Underserved Communities. On February 16th, President Biden issued Executive Order (EO) 14091 entitled “Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government.” The EO adds to the Biden Administration’s previous actions to promote equity initiatives and requirements at federal agencies. The text of the EO can be found [HERE](#).

OIRA Issues Recommendations on Broadening Public Engagement in the Federal Regulatory Process. The White House Office of Information and Regulatory Affairs (OIRA) released recommendations to broaden public engagement in the federal regulatory process. OIRA is seeking stakeholder feedback on the recommendations and is hosting a listening session on March 7th at 3:00 pm ET. Comments are due by March 10th. Registration for the listening session and more information on the recommendations can be found [HERE](#).

OMB Proposes Buy America Revisions for Guidance on Grants and Agreements. The Office of Management and Budget (OMB) issued a proposed rule to revise guidance on grants and agreements to support implementation of Build America, Buy America Act provisions included in the IRA. Comments are due by March 13th and more information can be found [HERE](#).

EPA Announces CERCLA PFAS Enforcement Listening Sessions. EPA has announced that it will be holding two public listening sessions to seek input on concerns about enforcement under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) for per- and polyfluoroalkyl substances (PFAS) contamination. There will be opportunities to provide verbal input during the listening sessions and written input submissions in a separate form. The listening sessions will be held on March 14th and March 23rd. More information, as well as registration information, can be found [HERE](#).

EPA Releases Updated CWA FCA Guidance. EPA released its updated Clean Water Act Financial Capability Assessment (FCA) Guidance to assist communities with Clean Water Act (CWA) compliance. The FCA Guidance describes financial information and formulas that EPA uses to assess a community's financial resources and ability to comply with CWA. More information can be found [HERE](#).

EPA Announces Water Workforce Webinar on Diversity, Equity, and Inclusion. EPA is hosting a Water Workforce Webinar on March 21st at 2:00 pm ET, entitled "It Really Matters: Ensuring Diversity, Equity, and Inclusion in the Water Workforce." The webinar will feature Sharise Horne from the Louisville Metropolitan Sewer District and Julianne Jones from the Water Environment Foundation. Registration can be found [HERE](#).

Reclamation Issues NOPR on Public Access Conduct on Agency Lands. Reclamation issued a notice of proposed rulemaking (NOPR) seeking comments on proposed updates to regulations and definitions for public access and conduct on Reclamation lands, waters, and facilities. Reclamation is proposing updates to existing definitions for aircraft usage, firearm possession, and camping, swimming, and winter recreation regulations. Comments are due by April 17th and more information can be found [HERE](#).

##

INFORMATION
ITEM
2B



February 24, 2023

To: Inland Empire Utilities Agency

From: Michael Boccadoro
Beth Olhasso

RE: February Report

Overview:

State regulators are switching from a tone of jubilee at all the precipitation in January to cautious optimism after a relatively warm and dry February. The Sierra snowpack is still above average for this time of year and April 1 average, but has dropped in recent weeks as snow has melted. Reservoirs are slowly filling backup as the snowmelt makes its way into the river system and into storage. Even while regulators expressed concern over dry conditions, DWR did announce a five percent increase to State Water Project allocations, bringing the 2023 total to 35 percent. Storms expected to move through in the final days of February are expected to bring significant additional snowpack to the Sierras.

The State Water Resources Control Board has issued a Temporary Urgency Change Petition to allow for more water to flow to Southern California. Predictably controversial, state and federal regulators have noted that their modeling indicates there is enough water flowing through the Delta to not cause any harm to fish or habitat.

In the ongoing process to establish an Advanced Clean Fleets rule for public agencies, ten key legislators, including Asm. Eliose Reyes, have sent a letter to the CA Air Resources Board asking them to make considerations for public agency fleets.

After a five-year break, western energy grid regionalization is back under discussion in the Legislature. After the summer grid reliability crisis, proponents of a regional grid are trying again to set the structure and governance for such a system. The goal of a regional grid is to better enable power movement between regions when needed- allowing for greater reliability, flexibility and cost effectiveness.

Continuing on the energy front, efforts to keep Diablo Canyon Nuclear Generating Station open got more difficult. Keeping Diablo Canyon open became a statewide energy reliability measure this summer when regulators realized that the entire state needs the 2,220 MW of electricity generated on the North Coast. Federal energy regulators recently denied PG&E's request to use a "paused" relicensing application from 2009 and is requiring the utility to submit new applications for each of its reactors. Applications typically take about five years to review, and the reactors are slated to be shut down at Diablo Canyon in 2024 and 2025.

The Legislative Analyst Office has issued a paper stating that the budget shortfall will likely be far worse than the Governor predicted in his January budget. The shortfall could be as much as \$80 billion.

Legislators introduced over 2,600 bills before the February 17 bill introduction deadline. About 40 percent of those bills are “spot” or “intent” bills with no substantive change to law yet in writing. Two resources bonds have been introduced, which will slowly make their way through the process before they have to be finalized in July of 2024. There are several spot bills on PFAS that look to be focusing on source control, not regulation at POTWs. There are quite a few bills on water rights, which WCA and IEUA staff are evaluating to see if they have impacts on State Water Contractors and Metropolitan. Finally, there are a number of bills relating to PERS, construction contracting and virtual meetings by public agencies that IEUA staff is evaluating. Bills have until April 28 to advance out of policy committees.

Inland Empire Utilities Agency Status Report – February 2023

Water Supply Conditions

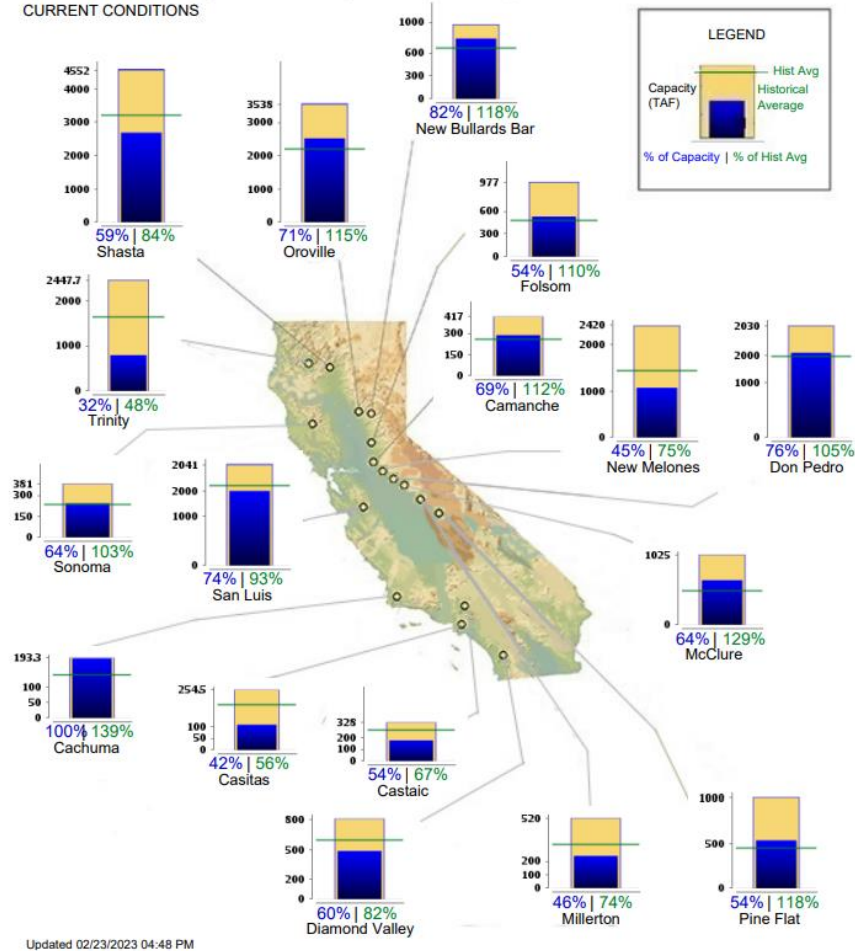
The excitement over significant January precipitation has tapered off as February has been fairly warm and dry. The statewide snowpack is still above average, but has been melting, at 173 percent of average for this time of year and 140 percent of April 1 averages. A cold storm is supposed to roll through the state that should help maintain the existing snowpack while adding over five feet of additional snow. Reservoir levels continue to rise as the snow melts, but still aren't full. Lake Oroville is sitting at 115 percent of historical average and 71 percent capacity. San Luis Reservoir, the main south-of-Delta storage facility for the State Water Project, is at 93 percent of average for this time of the year and 74 percent capacity.

The Natural Resources Agency held a webinar, “[After the Storm: A Timely Update on CA's Water Supply Situation](#).” Natural Resources Secretary Crowfoot and DWR Director Nemeth expressed excitement at the conditions of the snowpack, but made it very clear that California is not out of the drought. They noted that the state has seen early snow like this before only for the rest of the winter to be dry.

While expressing caution, DWR did recognize the improved reservoir conditions and announced a five percent increase to State Water Project Allocations for a total of 35 percent.

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS CURRENT CONDITIONS

Midnight - February 22, 2023



State Water Resources Control Board Approves Conditional Temporary Urgency Change Petition for Delta

Following Governor Newsom's relaxing of several regulations, SWRCB Executive Director Eileen Sobeck signed an order modifying the state's flow rules in the Delta. The order allows more water to be exported south, as of February 21. Until March 31, the state *can* allow an additional 15,000 CFS to flow south—water that would flow through the Delta and out to the ocean.

The order was met with predictable outcry from environmentalists who are concerned about flows for juvenile salmon and Delta smelt.

ED Sobeck noted that the waiver is permissible only if it is made in the public interest and "will not result in unreasonable effects to fish and wildlife." DWR Director Nemeth and U.S. Bureau of Reclamation regional director Conant both noted that lifting the flow requirements is unlikely to harm Delta fish. They highlighted modeling and operational actions that have created conditions that will be protective of species throughout February and March.

Legislators Weigh in on Advanced Clean Fleets

In mid-February, ten influential legislators, including Assemblymember Reyes, sent a letter to the California Air Resources Board asking the Board to make considerations for public agency fleets in their Advanced Clean Fleets Rule. They ask for the public fleet regulations to be clarified in two ways:

- “1. It should recognize the diversity of fleet size, terrain, and climate, with workable provisions allowing publicly owned utilities to purchase replacements for traditional utility specialized vehicles, that are at the end of their life, when needed to maintain reliable service and respond to emergencies.
2. CARB should work with public utilities to create a list of vehicle vendors/suppliers that meet CARB’s zero-emission standard and the public utilities technical and performance requirements.”

As discussed in previous reports, the requirements being placed on public agencies are onerous and very difficult to comply with. CARB is expected to release changes to the proposed rules in the coming months.

A spot bill, AB 1594 (E. Garcia), has been introduced that is ready to be used by public agencies to make a statutory change to the Advanced Clean Fleets rule if needed.

Western Energy Regionalization Under Discussion Again

In 2018, Assemblymember Chris Holden (D, Pasadena) introduced legislation to create a new Western wholesale energy trading market. The bill faced significant opposition at the time and failed passage. After the energy crisis of Labor Day Weekend, Assm. Holden has re-introduced the concept in AB 538. The legislation would direct CAISO’s Board of Governors to develop and submit to the CEC a governance proposal for a regional transmission organization. The proposal would be reviewed by CEC leadership and would require retention of “a state’s leadership over energy procurement, resource planning and transmission siting and investment.” It would prohibit a centralized capacity market, ensure California’s climate policies would be retained and establish equitable transmission cost-allocation rules.

Regional markets are already functioning in the West. CAISO’s recent FERC approval to bring its extended day-ahead market across the regional footprint of the Western Energy Imbalance market is seen as a move to a more effective and expansive regional market.

Environmentalists are split on the matter, some (Food and Water Watch) are concerned California will import energy generated from fossil resources like coal from other states, while others (Natural Resources Defense Council) think regionalization is critical to achieving the state’s ambitious climate goals.

As energy costs keep increasing, continued monitoring of energy-related policy is critical for IEUA to help predict cost drivers for operations expenses.

Keeping Diablo Canyon Open Just Got Harder- surprisingly important to Southern CA

PG&E and the State's attempt to keep Diablo Canyon Nuclear Plant just got a bit more difficult. In order to keep Diablo Canyon open, PG&E needs a new license from the Federal Nuclear Regulatory Commission, which usually takes about five years for review. Diablo Canyon's two reactor licenses are set to expire in Nov 2024 and Aug 2025.

PG&E had applied for a new license in 2009, but withdrew the application when they decided to decommission the plant in 2018. PG&E recently asked the NRC to resume review of its 2009 license renewal application in October 2022, after the Legislature and Governor authorized funding for retrofits and upgrades to keep the plant online after significant power supply issues during the heat wave this past summer. Diablo Canyon is a 2,220 MW plant, supplying about 9 percent of the state's total electricity supply.

The NRC denied PG&E's request to use their 2009 application and instructed them to submit a new application, which they intend to do by the end of 2023—less than a year before the first reactor is scheduled to be shut down.

There is significant worry that PG&E will be forced to shut down Diablo Canyon because they don't have a license in time.

While Diablo Canyon is in Northern California and operated by PG&E, the State considers at least half of the power to be beneficial to state-wide reliability. Because of the significant amount of energy produced, if Diablo Canyon closes, grid operators are worried that disruptions will be felt up and down the state as replacement power will have to come in from other sources that could impact Southern California.

Budget Update

As previously reported, the Governor presented a budget assuming a \$25 billion shortfall. Since the Governor's predictions were made in December, more information has been gathered about revenue trends and economic conditions. The Legislative Analyst Office is sounding the alarm that the state should assume at least another \$8-10 billion shortfall. Additionally, they have noted that the "trigger cuts" the Governor proposed are not likely to provide the revenue needed.

This new information, along with income tax filings, will help to inform the May Revise. Further complicating matters, the Governor has delayed state income tax filing deadline to May 15 because of the major January floods. It is unclear how many Californians will avail themselves of this delay- but if it is significant, it could make the May Revise less reliable.

Budget Sub-Committees are starting to meet to hear specific budget items. They will hear presentations from state departments, discuss and listen to public testimony, but leave items open to be voted on after the May Revise.

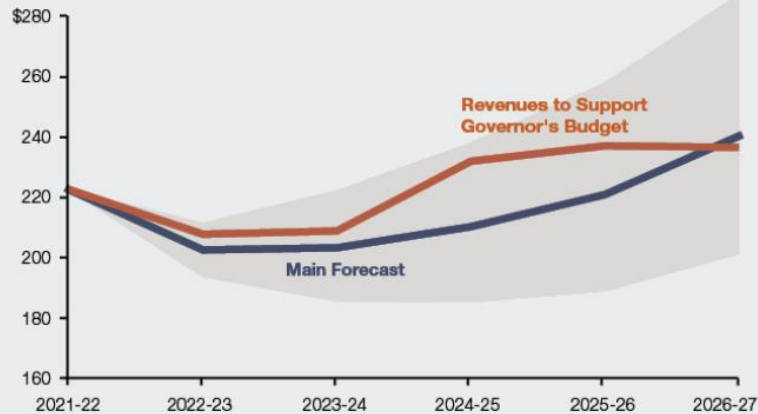
Governor's Budget Likely Unaffordable in Coming Years

(In Billions)

The **Main Forecast** shows revenue estimates we think have even odds of being too high or too low.

The **Revenues to Support Governor's Budget** shows the amount of revenue needed to afford the Governor's Budget.

The grey shaded area shows the range of most likely revenue outcomes.



LAO

Legislation

Bill introduction deadline was February 17 and 2,632 bills have been introduced for the 2023 Legislative Session. Nearly 40 percent of the bills are “spot bills,” or “intent bills” meaning they don’t have any substantive language in them yet. Bills have until the end of March to take amendments before hearings in policy committees. Policy committees have until the end of April to report out all fiscal bills to Appropriations Committees

Water rights is a hot topic among legislators this year, with a number of bills trying to address issues that arose when the SWRCB issued curtailment orders in parts of the state over the summer. WCA and IEUA staff are evaluating if those will have a broader impact on State Water Contractors and Metropolitan.

There are several bond measures that have been introduced. As reported previously, the Governor called for a Resources Bond when he presented his January 10 budget. Senator Ben Allen (D-Santa Monica) and Assemblymember Eduardo Garcia (D-Coachella) have both introduced placeholder language for a resources bond. SB 867 does not include any total funding cost while AB 1567 has rough language for a \$15 billion bond. It is expected that discussions on these bills will continue until 2024. Final language does not need to be passed until July of 2024 to make it onto the November 2024 General Election Ballot.

There are a number of PFAS bills that are still in spot form, but so far, they are all focusing on different types of source control- nothing yet on requiring POTWs to do any extra removal.

As always, there are a number of CEQA exemption bills, but it remains to be seen if the progressive-leaning legislature will be willing to make any exceptions to California's landmark environmental law. Exceptions have generally been reserved for very special circumstances like new arenas or the new Capitol Annex Building in Sacramento.

On the administrative side, there are several bills IEUA staff is reviewing regarding virtual public meetings, PERS benefits, construction contracting.

A comprehensive list will be created after the Legislative Committee reviews legislation and makes recommendations to the Board for action and regular updates will commence in this report starting in March.

INFORMATION
ITEM
2C

Date: March 15, 2023

To: The Honorable Board of Directors

ADD
From: Shivaji Deshmukh, General Manager

Committee: Community & Legislative Affairs

03/08/23

Staff Contact: Shivaji Deshmukh, General Manager

Subject: Public Outreach and Communication

Executive Summary:

- March, Procurement Month
- March 3, Employee Appreciation Day
- March 4, World Engineering Day
- March 5-11, Groundwater Awareness Week
- March 12, Intl. Grant Professionals Day
- March 20-26, Fix a Leak Week
- March 22, World Water Day

Staff is working closely with its customer agency representatives and the Agency's Collections team to expand upon messaging related to FOG (fats, oil, and greases) and the impacts on sewer systems. Other FOG outreach collaboration efforts are being finalized.

Staff is working closely with customer agencies and MWD on drought messaging and adjusting based on current conditions.

Staff's Recommendation:

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

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

Account/Project Name:

Fiscal Impact (explain if not budgeted):

Prior Board Action:

N/A

Environmental Determination:

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

Background

Subject: Public Outreach and Communication

March

- March, Procurement Month
- March 3, Employee Appreciation Day
- March 4, World Engineering Day
- March 5-11, Groundwater Awareness Week
- March 12, Intl. Grant Professionals Day
- March 20-26, Fix a Leak Week
- March 22, World Water Day

Media and Outreach

General

- Staff continues to work with the Chino Basin Program team leads, partners, and Arellano Associates to develop and implement an outreach strategy for additional program communication, roadshow scheduling, identifying collaboration and partnership opportunities on shared media, and more. Program Staff have begun leading stakeholder presentations to provide outreach on the Chino Basin Program to local community organizations.
- Staff began promoting submission requests for the Agency's 2023 Water is Life Student Art Poster Contest.
- Staff shared wetland protection tips and reminders in honor of World Wetlands Day.
- Staff announced the return of the 2023 Earth Day Celebration with promotional posts on Agency social channels.
- Staff celebrated Engineers Week with posts and videos on four of IEUA's Engineers. Recognition included a post introducing the highlighted staff, a Project Highlight reel, a blog interview post on various STEM careers within the Agency, and a Day in the Life reel.
- Staff shared a reel for Government Communications Day on February 24th featuring the Agency's External Affairs Unit.
- Staff is working closely with its customer agency representatives and the Agency's Collections team to expand upon messaging related to FOG (fats, oil, and greases) and the impacts on sewer systems. Other FOG outreach collaboration efforts are being finalized.

Drought Awareness Efforts

- Staff is coordinating with customer agencies on messaging geared towards conservation and the irrigation of trees.
- Staff is continuing to work closely with the Water-Use Efficiency team on promoting the turf replacement program.

- Staff will continue to work with customer agencies on drought messaging and outreach. Staff is drafting message points and creative for outreach and will be adding these assets to the drought communication toolkit for customer agencies.
- Staff continues to promote the “Time is Now” message through timely facts, video shorts, and water-saving tips shared to the Agency’s social media channels.

Advertising/Marketing

- An “Time is Now” ad ran on February 25 in the Chino Champion.
- A “Time is Now” banner ad ran in February in La Opinion.
- A “Time is Now” ad ran in the February issue of Inland Empire Magazine.

Social Outreach and Analytics

- The Agency continues to publish content on LinkedIn and has gained 68 followers since January, with 727 page views in the last 30 days (January 23 – February 21).
- February: 29 posts were published to the IEUA Facebook page, 28 tweets were sent on the @IEUAWater Twitter handle, 29 posts were published to IEUA’s Instagram grid, and 20 posts were published to the IEUA LinkedIn page.
 - The top three Facebook posts, based on reach and engagement, in the month of February were:
 - 2/14 Associate Engineer and Records Specialist Hiring
 - 2/21 Senior Associate Engineer – PE Hiring
 - 2/6 IEUA Staff Photo Dump
 - The top three Twitter tweets, based on reach and engagement, in the month of February were:
 - 2/12 Super Bowl FOG/Wipes Reminder
 - 2/21 Engineers Week Project Highlight Reel
 - 2/2 Chino Basin Program Manager Liz Hurst and Senior Engineer Liza Munoz at Santa Ana River Science and Conservation Symposium
 - The top three Instagram posts, based on reach and engagement, in the month of February were:
 - 2/12 Super Bowl FOG/Wipes Reminder
 - 2/19 Engineers Week Feature- Jose Mendez
 - 2/14 Associate Engineer and Records Specialist Hiring
 - The top three LinkedIn posts, based on impressions and reactions, in the month of February were:
 - 2/2 New Splash tour highlight
 - 2/7 Deputy General Manager Christiana Daisy and Chino Basin Program Manager Liz Hurst at the Resolve Workshop
 - 2/19 Engineers Week Feature- Brian Noh
- For the month of February, there were 8,618 searches for a park in IEUA’s service area on Yelp and the Chino Creek Wetlands and Educational Park was viewed 507 times.

Education and Outreach Updates

- Staff is coordinating with the city of Chino to plan for this year’s in-person two-day Earth Day event.
- Field trip dates for the Water Discovery Field Trip Program are filling up. Dates are booked from February through May, with only a few available dates remaining.

- Staff coordinated a special engineering focused Water Discovery Field trip activity with members from IEUA's engineering team. Students put their engineering skills to the test by building tin foil boats to withstand the weight of paper clips and binder clips.
- Staff is continuing to work on closing out the last year of the Garden in Every School® program.
 - Randall Pepper Elementary in Fontana is completing final clean-up of the site to prepare for construction to begin. Chino Basin Water Conservation District will be completing the construction.
 - Our Loving Savior's garden construction is completed. The school has confirmed that the bunny fencing will be completed shortly. Planting and the dedication will be scheduled this spring.
- IEUA is now accepting entries for the Water is Life Student Art Poster Contest. The deadline for this year's contest will be March 9, 2023. Staff will be promoting the contest through email blasts, social media, educator email blasts, and more.
- Staff continues to provide support to Chino Hills High School and Upland High School for the Metropolitan Water District's new program, Water Engineering 4 Good.

Agency-Wide Membership Updates

- Denise Garzaro, Board Secretary/Office Manager and Lisa Dye, Director of Human Resources, attended the Association of San Bernardino County Special Districts (ASBCSD) Membership Meeting on January 23.
- Board President Marco Tule, Board Vice President Steven J. Elie, Director of External & Government Affairs, Alyson Piguee, Chino Basin Program Manager, Elizabeth Hurst, Acting Director of Finance, Randy Lee, and Executive Assistant, Laura Mantilla attended the Southern California Water coalition (SCWC) Quarterly Luncheon on January 27.
- Director Michael Camacho and Assistant General Manager, Kristine Day, attended the California Association of Sanitation Agencies (CASA) 2023 Winter Conference Navigating Uncharted Water from January 25 – January 27.