



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

**WEDNESDAY, DECEMBER 14, 2016
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 are available on the table in the Board Room. Comments will be limited to five minutes per speaker. Thank you.

ADDITIONS TO THE AGENDA

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

1. ACTION ITEMS

A. MINUTES

The Committee will be asked to approve the Public, Legislative Affairs, and Water Resources Committee meeting minutes of November 9, 2016.

B. RESOLUTION NO. 2016-12-1, AUTHORIZING AGENCY ORGANIZATIONAL MEMBERSHIPS AND AFFILIATIONS

It is recommended that the Committee/Board:

1. Approve the Agency-wide memberships and affiliations for FY 2017/18, in the amount of \$225,382 (includes 5% contingency); and
2. Adopt Resolution No. 2016-12-1, authorizing Agency organizational memberships and affiliations.

C. RESOLUTION FOR THE USBR TITLE XVI WATER RECLAMATION AND REUSE PROGRAM FUNDING

It is recommended that the Committee/Board:

1. Adopt Resolution No. 2016-12-3, authorizing the Agency to enter into financial assistance agreements with the U.S. Department of Interior – Bureau of Reclamation (USBR) WaterSMART: Title XVI Water Reclamation and Reuse Program Funding for Fiscal Year 2017; and
2. Authorize the General Manager, or in his absence, his designees, to execute the financial assistance agreement, any amendments, and any grant related documents thereto.

2. INFORMATION ITEMS

A. PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)

B. LEGISLATIVE REPORTS (WRITTEN)

1. West Coast Advisors
2. Innovative Federal Strategies
3. Agricultural Resources

C. CALIFORNIA STRATEGIES MONTHLY REPORT (WRITTEN)

D. PLANNING AND ENVIRONMENTAL RESOURCES UPDATE (ORAL)

3. GENERAL MANAGER'S COMMENTS


4. COMMITTEE MEMBER COMMENTS

5. COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

6. ADJOURN

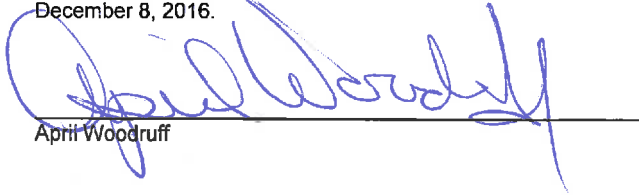
*A Municipal Water District

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, December 8, 2016.



April Woodruff

**ACTION
ITEM
1A**



MINUTES

PUBLIC, LEGISLATIVE AFFAIRS, AND WATER RESOURCES COMMITTEE MEETING INLAND EMPIRE UTILITIES AGENCY* AGENCY HEADQUARTERS, CHINO, CA

**WEDNESDAY, NOVEMBER 9, 2016
10:00 A.M.**

COMMITTEE MEMBERS PRESENT

Steven J. Elie, Chair
Michael Camacho

STAFF PRESENT

Jasmin Hall, Board Member
P. Joseph Grindstaff, General Manager
Christina Valencia, Chief Financial Officer/ AGM
Chris Berch, Executive Manager of Engineering /AGM
Kathryn Besser, Manager of External Affairs
Pietro Cambiaso, Environmental Compliance and Energy Supervisor
Andrea Carruthers, Senior External Affairs Specialist
Warren Green, Manager of Contracts & Facility Services
Sylvie Lee, Manager of Planning and Environmental Resources
David Malm, Deputy Manager of Integrated System Services
Lisa Morgan-Perales, Senior Water Resources Analyst
Stephanie Riley, External Affairs Analyst
Peter Soelter, Senior Internal Auditor
Ken Tam, Senior Associate Engineer-PE
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

None

The meeting was called to order at 10:10 a.m. There were no public comments received or additions to the agenda.

ACTION ITEMS

The Committee:

- ◆ Approved the Public, Legislative Affairs, and Water Resources Committee meeting minutes of August 10, and September 14, 2016.
- ◆ Recommended that the Board adopt a support position of the process of developing the California WaterFix Project, noting that an official support position for the project is not recommended until costs are fully disclosed;

as a Consent Calendar Item on the November 16, 2016, Board meeting agenda.
- ◆ Recommended that the Board adopt the 2017 Federal and State Legislative Priorities;

as an Action Item on the November 16, 2016, Board meeting agenda.

INFORMATION ITEMS

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

- ◆ Public Outreach and Communications
- ◆ Legislative Reports
- ◆ California Strategies, LLC Activity Report
- ◆ FY 2015/16 IEUA Annual Water Use Efficiency Programs Report
- ◆ Annual Water Use Report
- ◆ Building Activity Summary and 10-Year Growth Survey
- ◆ Septic to Sewer Feasibility Study Update
- ◆ Quarterly Planning and Environmental Resources Update

GENERAL MANAGER'S COMMENTS

General Manager Joseph Grindstaff had no comments.

COMMITTEE MEMBER COMMENTS

There were no Committee member comments.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

There were no Committee member requests for future agenda items.

With no further business, Director Elie adjourned the meeting at 11:03 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: DECEMBER 14, 2016

**ACTION
ITEM
1B**

Date: December 21, 2016

To: The Honorable Board of Directors

Through: Public, Legislative Affairs and Water Resources Committee (12/14/16)

From: P. Joseph Grindstaff
General Manager

Submitted by: Kathy Besser
Manager of External Affairs

Subject: Resolution No. 2016-12-1, Authorizing Agency Organizational Memberships and Affiliations

RECOMMENDATION

It is recommended that the Board of Directors:

1. Approve the Agency-wide memberships and affiliations for FY 2017/18, in the amount of \$225,382 (includes 5% contingency); and
2. Adopt Resolution No. 2016-12-1, authorizing Agency organizational memberships and affiliations.

BACKGROUND

Each year in preparation for IEUA's fiscal year budget, the Board of Directors, by four-fifths vote, approves a resolution authorizing memberships and affiliations with certain organizations (California Water Code – Section 71597).

A listing of the proposed Agency-wide memberships greater than \$5,000, along with a brief summary of the benefits associated, is attached for the Board's review. The attached membership dues are estimates provided by the organizations. Agency-wide memberships are due throughout the fiscal year and can fluctuate from the provided estimates. Due to unknown fluctuations in renewal costs, staff proposes that a 5% contingency be included in the Board's approval. Any individual membership renewal with an increase greater than 5% will be brought back to the Board for approval.

PRIOR BOARD ACTION

On April 20, 2016, the Board of Directors approved the Agency-wide memberships and affiliations for FY 2016/17 in the amount of \$238,250 through adoption of Resolution No. 2016-4-8.

IMPACT ON BUDGET

The proposed membership fees in the amount of \$225,382 (which includes the 5% contingency) will be appropriated in the Agency's FY 2017/18 Administrative Services Fund Budget, under account number 10200-112100-100000-514010, Agency-wide Memberships.

Attachments: Agency-wide membership benefit summary and details

**AGENCY-WIDE MEMBERSHIPS BENEFIT SUMMARY
 (Greater than \$5,000)
 FY 2017/2018**

Membership	Estimated Dues
Association of California Water Agencies	\$31,295 (5% increase)
California Association of Sanitation Agencies (CASA)	\$20,440 (3% increase)
California Special Districts Association (CSDA)	\$6,907 (6.5% increase)
Isle Utilities	\$12,000
National Association of Clean Water Agencies (NACWA)	\$31,782 (4% increase)
National Water Research Institute (NWRI)	\$50,000
Southern Cal. Alliance of Publicly Owned Treatment Works (SCAP)	\$15,001
Southern California Water Committee (SCWC)	\$5,000
Southern California Salinity Management Coalition	\$10,000
WaterReuse Association	\$9,630 (11.7% increase)
Water Environment Research Foundation (WERF)	\$16,560 (20% increase)
Total:	\$208,615

AGENCY-WIDE MEMBERSHIPS BENEFIT SUMMARY
(Less than \$5,000)
FY 2017/2018

Membership	Estimated Dues
Alliance for Water Efficiency	\$1,540
Association of San Bernardino County Special Districts	\$275
Chino Valley Chamber of Commerce	\$295
Fontana Chamber of Commerce	\$400
Montclair Chamber of Commerce	\$325
National Safety Council	\$787
Ontario Chamber of Commerce	\$395
Public Agency Risk Management Association (PARMA)	\$200
Rancho Cucamonga Chamber of Commerce	\$290
Upland Chamber of Commerce	\$155
Water Education Foundation (WEF)	\$1,372
Total:	\$6,034

**AGENCY-WIDE MEMBERSHIPS BENEFIT DETAILS
FY 2017/2018**

Association of California Water Agencies (ACWA):

ACWA is the lead water policy advocacy organization in California and provides members with cost savings through an additional voice in state and federal legislative and regulatory arenas.

ACWA's federal affairs, legislative and regulatory activities advance bills and issues of concern to members, while halting potentially damaging measures. Initiatives include determining components of newly-passed water bond legislation, Bay Delta Conservation Plan and Delta Plan advocacy, long term water infrastructure financing, and renewable energy policy.

Dues: \$31,295 (*Approximately 5% increase*)

California Association of Sanitation Agencies (CASA):

CASA serves as the lead advocacy group for wastewater agencies in California on legislative and regulatory issues. Since CASA employs legal representation, it is extremely effective on regulatory issues, particularly before the State Water Resources Control Board (SWRCB) and California Department of Health Services (CDPH), and has, in recent years, saved association members costs of individually having to address such issues as the proposed Whole Effluent Toxicity policy (WET) and draft SWRCB monitoring policy for Constituents of Emerging Concern in recycled water.

CASA maintains lobbyists in Sacramento and Washington, D.C., in addition to a Director of Regulatory Affairs. Priorities include adoption by SWRCB of acceptable WET policy, development with SWRCB of alternative approaches to nutrient issues to cost-effectively reduce impairments, and promotion of biosolids as a renewable energy resource.

Dues: \$20,440 (estimated 3% increase)

California Special Districts Association (CSDA):

CSDA is a statewide association of various independent special districts whose primary function is legislative advocacy. In the past year, CSDA played a vital role in coordinating responses to major legislative initiatives that impacted special districts, including redevelopment agency reform, proposed property tax shifts, and pension reform, successfully pushing back on changes that would have been harmful or increased costs to special districts.

The Agency was awarded the Transparency Certificate in 2015. The organization is very active on the legislative front working closely with our lobbyist on critical legislation that impacts the Agency. In 2015, CSDA continued to track and engage Agency staff on property tax and rate related issues. CSDA provides timely and essential training, including, but not limited to: Ethics, Board Secretary, Brown Act, and Proposition 26 and 218 requirements. CSDA also acts as a great resource for the Agency's self-insured programs.

Dues: \$6,907 (Estimated 6.5% increase)

Isle Utilities:

A Technology Approval Group (TAG) membership will serve as a valuable tool for IEUA staff to learn about new wastewater technologies that have the potential to provide significant benefits to the Agency. TAG gives its members access to a portfolio of new technologies while allowing its members to stay focused on their core businesses. TAG searches out technologies which are innovative and ready for potential trials, and then presents these technologies to its members. Members then have a vote on the top prospects, allowing those that align best with the members needs to take precedence.

The TAG membership also provides a forum for IEUA to request technology searches that relate to the Agency's specific needs and challenges. TAG members also have access to global industry trials, online support, and interactive workshops. Some of the southern California wastewater agencies that are members of TAG include Orange County Sanitation District, Irvine Ranch Water District, and the city of Escondido. IEUA's participation in TAG has provided value to staff in identifying technologies that can benefit future Agency projects and initiatives.

Quarterly TAG meetings were attended by Agency staff at Orange County Sanitation District. These all-day meetings provided valuable information relating to wastewater treatment (e.g., process optimization, reducing energy use, and resource recovery), and provided a forum to initiate further discussions with technology providers. The Technical Services Department's investigations on aeration performance and on-line nutrient analyzers have benefited significantly from the TAG membership.

Dues: \$12,000

National Association of Clean Water Agencies (NACWA):

NACWA's active membership and close working relationship with Congress and the U.S. Environmental Protection Agency (EPA) allow members to interact with national policy makers and shape the course of America's environmental protection legislation.

Today's increasingly complex threats to water quality present many legislative and regulatory challenges to the wastewater treatment community. NACWA is responding to

these challenges through heightened involvement in a broadening array of clean water concerns, such as advocating increased funding, developing enforceable controls on nonpoint sources, and working to improve the total maximum daily load (TMDL) program, in addition to a host of other clean water priorities.

Since its founding in 1970, NACWA has emerged as a nationally recognized leader in both the legislative and regulatory arenas and as a sought-after technical resource on water quality and ecosystem protection.

Dues: \$31,782 (Estimated 4% increase)

National Water Research Institute (NWRI):

NWRI provides valuable research and policy guidance to the industry on important issues affecting the usage of water, wastewater and recycled water. NWRI is highly regarded by the environmental regulatory community and often collaborates with regulators such as the California Division of Drinking Water and the Regional Water Quality Control Board at their request to provide expert panel support on water quality related issues. Through strategic partnerships with leading organizations in the water and wastewater industries, NWRI sponsors projects and programs focused on ensuring safe, reliable, sources of water for current and future generations. Notable areas of focus are treatment technology and regulatory aspects of recycled water use.

IEUA Board Member Steven J. Elie currently serves on NWRI's Board of Directors (Jeff Noelte is designated as the alternate). NWRI is active in research in the field of water reuse and has produced guidelines for such projects as development of direct and indirect potable reuse projects. NWRI provides technical expertise and is a respected venue for development of technical review panels, both of which assist the Agency to advance its programs. Specifically, IEUA will utilize an NWRI expert panel for its recycled water injection effort and has previously used an expert panel to further its recycled water recharge program. NWRI includes IEUA staff in its formation of technical panels, as appropriate, giving IEUA an opportunity to provide leadership in selected fields.

Dues: \$50,000

Southern California Alliance of Publicly Owned Treatment Works (SCAP):

SCAP is organized under the "strength-in-numbers" concept in order to ensure that environmental regulations applied in southern California are appropriate, reasonable and cost-effective. Through the committee efforts information is gathered and disseminated to all members using the SCAP Monthly Update, published committee reports and periodic SCAP Alerts. SCAP provides specific leadership on key regulatory focus areas, such as air, water, energy, biosolids and collection systems, and works closely with CASA to communicate these issues at the state and federal level. Specialized committees have played an integral part in proactively affecting the outcome of proposed regulations that

would have had significant economic impacts to the Agency.

Dues: \$15,001

Southern California Water Committee (SCWC):

SCWC - is a nonprofit, nonpartisan public education partnership dedicated to informing Southern Californians about our water needs and our state's water resources. Though measured advocacy, SCWC works to ensure the health and reliability of Southern California's water supply.

Dues: \$5,000

Southern California Salinity Management Coalition:

Formed in 2000, IEUA is a founding member of the Coalition, which addresses the complex problems of salt management in southern California. The Southern California Salinity Coalition has financially assisted IEUA on the water softener reduction project and regional board regulatory issues and continues to sponsor new research that will support the Chino Basin in addressing long term salt management issues.

Agency staff actively participates and serves on the Board of Directors for this organization. The meetings are very productive and cover a lot of ground in the area of salinity management within the southern California region. The coalition does not hold conferences, but periodically holds workshops for various stakeholders in which the Agency participates. The coalition membership includes agencies such as LACSD, OCWD, MWD, EMWD, and SDCWA to name a few. Some of the past efforts of this organization included assistance in the development of public outreach materials on salt management and water softeners and contributing funding to help with IEUA's water softener study. The main focus of this group is to coordinate salinity management strategies for water and wastewater agencies throughout southern California.

Dues: \$10,000

WateReuse Association:

WateReuse Association is the lead advocate for water recycling in the nation. Membership in WateReuse includes state section membership. Regarding the use of recycled water, WateReuse Association has proactive programs, legislation, government relations, regulatory agency oversight, technology transfer and public education/outreach. At the national level, WateReuse Association is an advocate for Title XVI funding, and works closely with IEUA to ensure continued federal support for recycled water programs. The California section is active in legislative and regulatory affairs, and played a pivotal role in securing passage of IEUA's historic water softener legislation (AB1366). Ongoing

priorities include protection of Title XVI funding, support of programs at the federal level and promoting legislation that advances potable reuse along with indirect potable reuse.

IEUA benefits from membership in the WaterReuse Association. Martha Davis serves on the Board of Trustees for WaterReuse California. The WaterReuse Inland Empire chapter, the State and regional associations provide opportunities for IEUA participation in conferences and regional meetings. Many IEUA staff and board members have attended WaterReuse conferences over the past few years. IEUA staff have presented at regional chapter meetings and State conferences, providing staff with invaluable leadership, networking and training opportunities. At various times, IEUA staff have made presentations for WaterReuse regarding the IEUA recycled water distribution and recharge programs. WaterReuse is an advocate of IEUA's goal of increased use of recycled water.

Dues: \$9,630 (11.7% increase)

Water Environment Research Foundation (WERF):

WERF is a charitable corporation seeking to identify, support, and disseminate research that enhances the quality and reliability of water for natural systems and communities with an integrated approach to resource recovery and reuse; while facilitating interaction among practitioners, educators, researchers, decision makers, and the public.

This organization supports research that enhances water quality and reliability. Agencies that practice resource recovery, especially water recycling, benefit from such integrated research that guides practitioners and regulators

Dues: \$16,560

RESOLUTION NO. 2016-12-1

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
INLAND EMPIRE UTILITIES AGENCY*, SAN
BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING
AGENCY-WIDE ORGANIZATIONAL MEMBERSHIPS
AND AFFILIATIONS**

WHEREAS, the Board of Directors of Inland Empire Utilities Agency* authorized Agency-wide memberships in and affiliations with various organizations which benefit the Agency; and

WHEREAS, Section 71597 of the California Water Code requires that Agency-wide memberships must be approved by at least four-fifths (4/5) majority of its Directors.

NOW, THEREFORE, the Board of Directors of Inland Empire Utilities Agency* does hereby RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. That this Board of Directors does hereby approve and authorize the fiscal year Agency-wide annual memberships in and affiliation with, and authorize the General Manager to execute payment of membership fees to these organizations (see attachment).

Section 2. That this Board of Directors does hereby approve and authorize the General Manager, or in his absence, his designee, to approve all Agency-wide annual memberships in and affiliation with, and payment of membership fees to these organizations less than \$5,000.00.

Section 3. That the appropriation of funds necessary for the dues and/or fees associated with the Agency-wide memberships is hereby authorized.

Section 4. That the appropriation of funds necessary for the dues and/or fees associated with the Agency-wide memberships and employee professional memberships be authorized by the Board of Directors in the budget each fiscal year.

Section 5. Upon adoption of this resolution, Resolution No. 2016-4-8 is hereby rescinded in its entirety.

ADOPTED this 21st day of December, 2016.

Michael Camacho
Vice-President of the Inland Empire
Utilities Agency* and the Board
of Directors thereof

ATTEST:

Steven J. Elie
Secretary/Treasurer of the Inland Empire
Utilities Agency* and the Board
of Directors thereof

*A Municipal Water District

STATE OF CALIFORNIA)
)SS
COUNTY OF SAN BERNARDINO)

I, Steven J. Elie, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2016-12-1, was adopted at a regular
meeting on December 21, 2016, of said Agency by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

(SEAL)

Steven J. Elie
Secretary/Treasurer

* A Municipal Water District

**AGENCY-WIDE MEMBERSHIPS BENEFIT SUMMARY
(Greater than \$5,000)
FY 2017/2018**

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	Total: \$208,615

AGENCY-WIDE MEMBERSHIPS BENEFIT SUMMARY
(Less than \$5,000)
FY 2017/2018

Membership	Estimated Dues
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Rancho Cucamonga Chamber of Commerce	\$290
Upland Chamber of Commerce	\$155
Water Education Foundation (WEF)	\$1,372
Total:	\$6,034

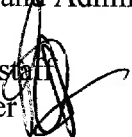
**ACTION
ITEM
1C**





Date: December 21, 2016

To: The Honorable Board of Directors

Through: Public, Legislative Affairs, and Water Resources Committee (12/14/16)
Finance, Legal, and Administration Committee (12/14/16)

From: P. Joseph Grindstaff
General Manager 

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

Jason Gu 
Grants Officer

Subject: Resolution for the USBR Title XVI Water Reclamation and Reuse
Program Funding

RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt Resolution No. 2016-12-3, authorizing the Agency to enter into financial assistance agreements with the U.S. Department of Interior - Bureau of Reclamation (USBR) WaterSMART: Title XVI Water Reclamation and Reuse Program Funding for Fiscal Year 2017; and
2. Authorize the General Manager, or in his absence, his designees, to execute the financial assistance agreement, any amendments, and any grant related documents thereto.

BACKGROUND

USBR WaterSMART: WaterSMART: Title XVI Water Reclamation and Reuse Program:

In October 2016, the USBR announced the WaterSMART: Title XVI Water Reclamation and Reuse Program Funding for Fiscal Year 2017 to provide assistance to sponsors of authorized Title XVI Projects on competitive basis in the seventeen west states.

In 2009, IEUA received an authorization for the Lower Chino Dairy Area Desalination Demonstration and Reclamation Project in the amount of \$26,000,000. IEUA has been participating in the competitive grant funding program since 2011. Five grant awards have been

participating in the competitive grant funding program since 2011. Five grant awards have been received in the past, and the remaining balance under the Title XVI authorization is currently \$5,248,905. Prior awards received under this authorization are as follows:

Contract Number	Project Name	Amount	Date
R11AC35306	Chino Creek Well Field Wells 1, 2, and 3	\$1,551,095	9/26/2011
R12AC35339	1010 Zone Pump Station and Product Water Pipelines	\$4,000,000	9/24/2012
R14AC00049	Groundwater Supply Wells and Raw Water Pipelines	\$3,000,000	9/17/2014
R15AC00059-1	Brine Concentrate Reduction Facility	\$5,000,000	9/14/2015
R15AC00059-2	Lower Chino Dairy Area Desalination Demonstration and Reclamation Project	\$7,200,000	9/15/2016
	Grant Award Received	\$20,751,095	
Authorization	Lower Chino Project	\$26,000,000	
	Authorization Balance	\$5,248,905	

PRIOR BOARD ACTION

In 2007, the Board of Directors approved Resolution No. 2007-11-5, authorizing IEUA to apply and manage grants for CDA related projects.

IMPACT ON BUDGET

Contract Nos. R14AC00049 and R15AC00059-2 will aid in the reduction of IEUA’s approved budgeted costs for the South Archibald TCE Plume Cleanup Project, Project No. EN16021, which is currently listed in the approved Ten-Year Capital Improvement Plan (TYCIP) and FY16/17 budget. Upon approval of the Proposition 1 Groundwater Quality funding in the amount of \$11.5 million, the TYCIP will be aligned with the grant.

Attachment:
 Resolution No. 2016-12-3

RESOLUTION NO. 2016-12-3

THE BOARD OF DIRECTORS OF THE INLAND EMPIRE UTILITIES AGENCY*, SAN BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE INLAND EMPIRE UTILITIES AGENCY TO ENTER INTO A FINANCIAL ASSISTANCE AGREEMENT UNDER THE WATERSMART: 2017 WATER RECLAMATION AND REUSE PROGRAM FUNDING FOR FISCAL YEAR 2017 WITH THE U.S. DEPARTMENT OF INTERIOR - BUREAU OF RECLAMATION AND DESIGNATING A REPRESENTATIVE TO EXECUTE THE FINANCIAL ASSISTANCE AGREEMENT, AND ANY AMENDMENTS THERETO

WHEREAS, the United States Department of the Interior, Bureau of Reclamation under the WaterSMART: Title XVI Water Reclamation and Reuse Program will make funding available to qualifying applicants; and

WHEREAS, the Board of Directors of the Inland Empire Utilities Agency has identified a project that exemplifies the objectives of the WaterSMART Grant in the Lower Chino Dairy Area Project.

BE IT RESOLVED, that the Inland Empire Utilities Agency* is authorized to enter into a financial assistance agreement under the WaterSMART: Title XVI Water Reclamation and Reuse Program Funding for Fiscal Year 2017;

BE IT RESOLVED, the General Manager has reviewed and supports the application being submitted;

BE IT RESOLVED, that the Inland Empire Utilities Agency* Board of Directors authorizes the General Manager, Assistant General Managers, or his/her designees to execute the financial assistance agreement, any amendments, and any grant related documents thereto;

BE IT RESOLVED, that the Inland Empire Utilities Agency, along with the Chino Basin Desalter Authority and its member agencies, are capable of providing the amount of funding and/or in-kind contributions specified in the grant application funding plan; and

BE IT RESOLVED, that the Inland Empire Utilities Agency will work with the Bureau of Reclamation to meet established deadlines for entering into a cooperative agreement.

ADOPTED this 21st day of December, 2016.

Michael Camacho, Vice President of the Inland Empire Utilities Agency* and of the Board of Directors thereof

ATTEST:

Steven J. Elie, Secretary/Treasurer of the
Inland Empire Utilities Agency* and of the
Board of Directors thereof

Grant Application for the Title XVI Water Reuse and Reclamation Program



U.S. Department of Interior, Bureau of Reclamation (USBR)



Jason H. Gu
Grants Officer

Title XVI Grant Program Background

- * A Federal Program for Water Reuse, Desalination and Reclamation in the 17 Western States
- * \$590M were authorized for Southern California projects between 2007-2009, including the following 3 IEUA projects
 1. RW Distribution System - \$20M (\$20M awarded)
 2. GW Desalination & Reclamation - \$26M (\$20.8M awarded)
 3. WW Satellite Treatment Plant in CVWD area - \$10M
- * USBR administers the program and makes annual funding announcement. Authorized agencies must compete for awards

GW Authorization Status

- Lower Chino Dairy Area Desalination Demonstration & Reclamation Project
- Known as CDA II Expansion & South Archibald TCE Plume Cleanup Projects

- **\$20.8M have been awarded in 5 grant contracts**

- **This application is for the final part (\$5.2M) of the GW Desalination & Reclamation Authorization**

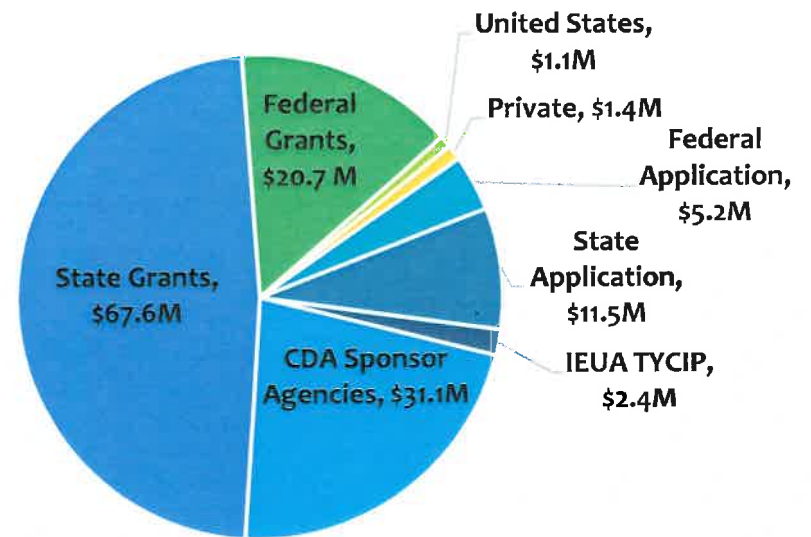
Contract Number	Project Name	Amount	Date
R11AC35306	Chino Creek Wellfield Wells	\$1,551,095	9/26/2011
R12AC35339	Pump Station and Product Water Pipelines	\$4,000,000	9/24/2012
R14AC00049	Groundwater Supply Wells and Raw Water Pipelines	\$3,000,000	9/17/2014
R15AC00059-1	Brine Concentrate Reduction Facility	\$5,000,000	9/14/2015
R15AC00059-2	Lower Chino Dairy Area Desalination Demonstration and Reclamation	\$7,200,000	9/15/2016
Current Application		\$5,248,905	
Total Title XVI Authorization		\$26,000,000	

Funding Sources

CDA II Expansion & South Archibald TCE Plume Cleanup Projects

Funding Sources	(Million)	%
State Grants	\$ 67.6	
Federal Grants	\$ 20.8	
United States (TCE Cleanup)	\$ 1.1	
Private Parties (TCE Cleanup)	\$ 1.4	
State Prop 1 GWQ (TCE Cleanup) *	\$ 11.5	
Federal (Title XVI for GW) *	\$ 5.2	
Total External Funding	\$ 107.6	76%
CDA Member Agencies	\$ 31.1	
IEUA TYCIP Budget	\$ 2.4	
Total Regional Funding	\$ 33.5	24%
Total Project Cost	\$ 141.1	100%

* Grant application pending



Recommendation

- * Adopt Resolution No. 2016-12-1, authorizing the Agency to enter into financial assistance agreement with the USBR for the grant application to be submitted in December 2016
- * Authorize the General Manager to execute the financial assistance agreements, and any grant associated documents related thereto


This action supports the Agency's mission to increase sustainability through the development of reliable local water supplies and is consistent with the Agency's mission of pursuing grants and low-interest financing.


INFORMATION
ITEM
2A

Date: December 21, 2016

To: The Honorable Board of Directors

Through: Public, Legislative Affairs and Water Resources Committee (12/14/16)

From: P. Joseph Grindstaff 
General Manager

Submitted by: Kathy Besser 
Manager of External Affairs

Subject: Public Outreach and Communication

RECOMMENDATION

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

BACKGROUND

December

- December 3, Solar Cup Technical Workshop, MWD Headquarters
- December 8, Water is Life Student Art Recognition Event, MWD Headquarters, 10:00 a.m. – 1:00 p.m.
- December 21, IEUA Holiday Luncheon, Los Serranos Country Club, 15656 Yorba Avenue, Chino Hills, 11:30 a.m.

Outreach/Education - Civic Publications Newspaper Campaign

- IEUA is working with Civic Publications to update the KickWaterWaste.com micro-site.
- IEUA ran a spadea in the *Inland Valley Daily Bulletin* on 11/7 focusing on IEUA's free education programs, *Kick the Habit* messaging and the Battery Storage Project.

Media and Outreach

- IEUA is continuing to run banner ads through *Fontana Herald News* and *La Opinión* newspapers.
- IEUA has placed a movie theater trailer for the *Kick the Habit* campaign in the following theaters: Harkins (15 weeks – began 10/28); Ontario Palace (15 weeks – began 10/21); Ontario Mills (15 weeks – began 10/21); and Victoria Garden (15 weeks – began 10/21). The trailer has been placed on IEUA's social media channels as well.

- Staff has developed fall messages for the season that align with the *Kick the Habit* brand and include a fall theme. The tips focus on the State Water Resources Control Board's permanent restrictions following the Governor's Executive Order. A winter theme for the campaign and seasonal-specific messages are being developed for the upcoming winter season. Staff will be working to develop winter messaging for late December outreach.
- A *Kick the Habit* ad ran in the *Champion Newspaper's* Thanksgiving Gift Guide on November 24.
- A *Kick the Habit* ad will run in the *Champion Newspaper's* Holiday Greetings section on December 24.
- In November, 33 posts were published to the IEUA Facebook page and 34 tweets were sent on the @ieuawater Twitter handle.
- The top three Facebook posts, based on reach and engagement, in the month of November were:
 - 11/4: "We're Hiring" – Job Announcement
 - 11/9: "Solar Cup Boat Build featuring Chino Hills High School"
 - 11/17: "Throwback Thursday – 2014 Solar Cup featuring Chino High School"
- IEUA provided automatic water softener removal rebate bill inserts to the city of Chino Hills (23,000) and Cucamonga Valley Water District (48,000). Staff is continuing to coordinate mailing schedules with the cities of Chino and Upland.

Education and Outreach Updates

- Staff is marketing and scheduling Water Discovery Field Trips for program year 2016/17. To date, staff has scheduled 30 field trips.
 - Science enrichment teachers from Fontana Unified School District took part in an education program overview workshop on November 2.
 - 120 Bloomington High School students took part in the Water Discovery Field Trip on November 3 and November 8.
 - 125 students from Etiwanda Colony Elementary School took part in the Water Discovery Field Trip on November 15 and 17.
 - 76 students from Urbita Elementary School in San Bernardino participated in the Water Discovery Field Trip on November 16.
 - 57 students from Sierra Vista Middle School in Covina participated in the Water Discovery Field Trip on December 1.
 - 35 students from Goals Academy in Anaheim participated in the program on December 6.
 - 120 students from Walnut Elementary in Chino participated on December 7 and December 8.
 - A total of 97 students will have participated in the program from Clegg Elementary in Huntington Beach on December 13 and December 15.
- IEUA is sponsoring four teams this year for MWD's 2017 Solar Cup: Chino High School (Chino), Chino Hills High School (Chino Hills), Los Osos High School (Rancho Cucamonga), and Henry J. Kaiser High School (Fontana). Schools attended the first boat building workshop on November 6 and November 7. Schools also attended the first Technical Workshop at MWD Headquarters on Saturday, December 3.

- Staff has awarded four schools the Garden in Every School® water-wise grant for program year 2016/17. Schools awarded include: Arroyo Elementary in Ontario, Rolling Ridge Elementary in Chino Hills, Townsend Junior High School in Chino Hills, and Montclair High School in Montclair. Planting has been completed at Arroyo Elementary School, and a reading bench was installed. Townsend Junior High School's planting has also been completed. Rolling Ridge Elementary is set to begin installation on December 13 with a completion date of December 20. Montclair High School's garden installation will begin early January 2017. Dedication ceremonies will be planned for spring 2017.

PRIOR BOARD ACTION

None.

IMPACT ON BUDGET

The above-mentioned activities are budgeted in the FY 2016/17 Administrative Service Fund, External Affairs Services budget.

INFORMATION
ITEM
2B



December 2, 2016

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

Overview:

The big topic of conversation in Sacramento in November has been the election, not surprisingly. While Republicans made significant gains all over the country, the conservative tide hit the big blue wall at the California border. Democrats in both houses reached a two-thirds majority. Even with a two-thirds majority, passing taxes, fees or constitutional amendments will still be difficult with the gains made by the moderate Democratic caucus in the election.

On the initiative level, notably, voters defeated Proposition 53, the measure attempting to require a statewide vote on any bond issued more than \$2 billion. If the measure passed, it would have been a major blow to any attempt to construct the Delta tunnels or other major conveyance solutions.

Looking ahead, we will likely see a busy 2017 for water legislation. Legislation relating to mandatory water conservation targets, groundwater management plan development, a public goods charge on water and recycled water are all under discussion as potential bills in 2017. In addition, SB 163 (Hertzberg- D, Van Nuys) relating to recycling ocean discharges will likely re-surface.

The State Water Resources Control Board (SWRCB) released a “Draft Scientific Basis Report” which will serve as a guide in deciding how to update Phase 2 of the Bay-Delta Water Quality Control Plan for the Sacramento River and its tributaries. The update will dictate how flows and key reservoirs in the watershed can be managed to address declining endangered fish populations.

The most recent auction for cap-and-trade allowances resulted in about \$1 billion in allowance purchases. Regulators see this as a very welcome change from the bleak results from two auctions earlier in the year that only sold half of the allowances available. In contrast, more than 80 percent of the allowances were sold in the November auction.

CalRecycle released and adopted their guidelines for the expenditure of \$40 million of Greenhouse Gas Reduction Fund. They have set aside \$12 million for digestion projects and have raised the per project cap from \$3 million to \$4 million. They noted in the presentation that there needs to be better opportunities for regional projects, but failed to address regional projects with the authority granted to them in SB 970 (Leyva).

Inland Empire Utilities Agency Status Report – November 2016

Election Recap

Legislature

While the national GOP woke up November 9th to the realization they now had control over the Executive, Legislative, and Judicial branches of the federal government, California's Republicans endured a number of setbacks as California's Democrats regained their supermajority in the both the Assembly and Senate.

Incumbent Republicans Young Kim (AD65-Fullerton), David Hadley (AD66-Manhattan Beach), and Eric Linder (AD60-Corona) were all defeated by Democratic challengers. Nearly all the Democratic legislators who were toppled in 2014 have regained their seats (Raul Bocanegra in AD39- San Fernando, Sharon Quirk-Silva in AD65-Fullerton, and Al Muratsuchi in AD66-Manhattan Beach). Only former Asm. Steve Fox, who was abandoned by the Democratic establishment this time around, failed to re-take his seat.

On the Democratic side, incumbents Patty Lopez (AD39-San Fernando) and Cheryl Brown (AD47-San Bernardino) have lost their re-election bids, Lopez by an overwhelming margin. IEUA will have a new Assembly Member, Eloise Reyes come December 5. Reyes is a Democratic attorney who grew up in Southern California. She is significantly more progressive than Brown.

Despite Brown's defeat, the 'Moderate Dem' caucus ranks are on track to swell during the next legislative session. In addition to the return of AD39's Raul Bocanegra, Anna Caballero trounced her progressive-leaning opponent by 27% in AD30-Salinas. Cecilia Aguiar-Curry easily waltzed to a decisive win in AD04-Napa in the race to succeed fellow moderate Bill Dodd, who won his SD03-Davis race. Tim Grayson handily defeated Mae Torlakson by 24% in the \$9.3 million AD14-Concord race, the most expensive of the cycle. Marc Berman prevailed over Vicki Veenker in AD24-Menlo Park. Laura Friedman crushed Ardy Kassakhian by 30% in the AD43-Glendale race to succeed Mike Gatto.

Among progressive Assembly candidates running in open seats, only AD27- San Jose's Ash Kalra prevailed over his moderate opponent.

In the State Senate, Republicans looked to fend off a Democratic Super Majority by holding onto SD29-San Dimas. However, as absentee and provisional ballots were counted, Democrat Josh Newman clawed his way back and the race was finally called on November 28. Republican Assemblymember Ling-Ling Chang was unable to maintain her early lead over Newman.

On the Democrat side, the moderate wing of the State Senate appeared to increase their numbers as well. Bill Dodd in SD03, Scott Wiener in SD11-San Francisco, Anthony Portantino in SD25-La Canada, and Steven Bradford in SD35-Compton are poised to join their mod counterparts Cathleen Galgiani, Richard Roth, and Steve Glazer, who all won their re-election bids by comfortable margins.

Statewide Initiatives

In the battle over the 17 Propositions, the pharmaceutical industry prevailed in defeating Prop 61, while the tobacco industry failed to prevent the passage of Prop 56.

Prop 61 sponsor Michael Weinstein, the President of the Aids Healthcare Foundation, suffered an additional defeat with his attempt to require condom usage in California's adult film industry.

Proposition 64, Charles Munger's Legislative Transparency measure, passed by a decisive margin and requires all legislation to be in print 72 hours before a vote.

San Joaquin landowner Dino Cortopassi's Proposition 53 to require voter approval of revenue bonds larger than \$2 billion was defeated, with a slim 50.8 percent of voters voting 'No'.

The plastic bag industry suffered a defeat with Prop 65, the measure to re-allocate plastic bag fees away from grocers, losing. While the Prop 67 ban on single-use plastic bags held onto a 53.1 percent 'Yes' vote.

California legalized recreational marijuana by a 56 percent to 44 percent margin, a dramatic turnaround from the 46.5 percent to 53.5 percent 'No' vote for Proposition 19 six years ago.

The death penalty repeal measure was soundly defeated, while the effort to speed up the death penalty appeals process passed 51.1 percent to 48.9 percent.

The school facilities construction bond initiative favored by the building industry passed, as did the Medi-Cal Hospital Fee Prop 52.

With no organized resistance, voters passed Prop 55, the extension on tax rates for the wealthy by a comfortable margin. Jerry Brown's parole reform initiative also passed decisively, as did Gavin Newsom's gun control proposition.

Finally, the repeal of the 90s-era Prop 227 ('English-Only' instruction) won by an overwhelming 73.2 percent to 26.8 percent margin.

Legislative Look Ahead

As the dust settles from the election, focus has turned to actions the legislature might take when they begin business again in January.

Water Conservation

With reservoirs still sitting at critically low levels, and statewide water conservation numbers also dipping, it is very likely that there will be legislation regarding mandatory conservation targets. While no proposal has been circulated, it seems too ripe of a topic for legislators to pass up.

Groundwater Management

As the drought fails to ease up, groundwater pumping has continued at a feverish pace, especially in the San Joaquin Valley. While the Sustainable Groundwater Management Act was passed, the long lead up to implementation has many environmentalists talking about speeding up the timelines for groundwater management plans. There has been no talk of making any changes to the provisions and exclusions for adjudicated basins. WCA will be sure to follow any legislation introduced to watch for any such changes.

Public Goods Charge

A public goods charge for water is talked about at the beginning of every session. Senator Pavley even briefly had a bill for a public goods charge in 2015. But the water community has been successful in defeating any effort, thus far. There is talk that there will be a limited public goods charge bill introduced in the new year. The state has been unsuccessful in securing funds for drinking water for disadvantaged communities. Many in the water community believe that an agreement will be discussed for a limited public goods charge just for this purpose. The details have yet to be worked out, but most parties understand that something needs to be done, and a limited public goods charge might be the best path forward. There are several other paths being considered for groundwater cleanup and clean drinking water in disadvantaged communities, and it remains to be seen which, if any will get the necessary compromise and momentum to prevail in 2017.

SB 163- Recycled Water

Senator Bob Hertzberg (D-Van Nuys) has indicated that he intends to re-introduce his SB 163. He has not indicated if he will re-introduce the same language requiring 50 percent of all ocean outfall to be recycled, or if he will try a different approach this year. The same coalition that worked to oppose SB 163 last year has already been meeting to discuss strategy for the coming year. The Senator's office has not indicated if they will be more open to a constructive conversation than they were last year when they were unwilling to consider any amendments the offered by the opposition.

A separate effort is underway by several recycled water supporters to eliminate the distinction between indirect potable reuse (IPR) and direct potable reuse (DPR) in statute. The proposal would provide more clarity on types of potable reuse projects and would help establish a better framework for moving forward with projects and regulations. The legislation would ensure an equivalent level of public health protection regardless of the type of potable reuse projects. This would build on the recent work of the State Water Resources Control Board, Expert Panel and Advisory Group and would require the State Board to move forward in a timely manner to develop a policy which would identify a framework and a sequential approach for updating and developing potable reuse regulations.

The effort is still in the beginning stages and proponents are working on language before widely circulating the draft.

SWRCB Released Draft Scientific Basis Report for Sacramento River Flows Proposal

The State Water Resources Control Board (SWRCB) released a “Draft Scientific Basis Report” which will serve as a guide in deciding how to update Phase 2 of the Bay-Delta Water Quality Control Plan. The update will dictate how flows and key reservoirs in the water shed could be managed to address declining endangered fish populations.

While the purpose of the report is to establish the appropriate scientific information to guide the board members’ decisions, the report also makes some preliminary recommendations, including the following:

- The continued use of unimpaired flows, including analyzing a range from 35-75% unimpaired flows from the Sacramento River and eastside tributaries.
- Increased flow requirements to a year-round model rather than specific months, as currently used.
- Increased Delta outflow requirements from January – June.
- Increased Delta outflows from July-August to a range of 7,100-11,400 cfs.
- Development of new and modified interior Delta flow requirements to protect native migratory and estuarine species from entrainment in the southern Delta associated with CVP and SWP diversion activities.
- Revised salinity requirements following wet and above normal water years.
- Development of additional constraints on spring and fall exports associated with San Joaquin River flows, including an expanded window of limited export rates to protect juvenile salmonids migrating from the San Joaquin basin with consideration of a lower minimum export rate, as low as 800 cfs.
- Limited south Delta exports during any October pulse flow.
- Development of new cold water habitat requirements to ensure that adequate water is available for minimum instream flow purposes downstream of reservoirs for salmonids (no specific recommendation at this time).
- Further evaluation of temperature control on the American River and new flow requirements to ensure the protection of salmonids.
- Development of a water mass balance accounting procedure to track the volume of water used and amount remaining for environmental purposes.

The report noted that only modest benefits would be seen from 50 percent unimpaired flows, and more substantial benefits could result from 65 and 75 percent scenarios. Most recommendations also include an adaptive management component. The report pointed out that additional flows provided through the Phase 1 update should not be subject to export, to ensure that fish out-migrating with those flows are protected and that those flows contribute to Delta outflows as intended.

Other non-flow stressors were also mentioned in the report including non-native fish, plant and invertebrates; water quality contamination; physical habitat loss or alteration; fisheries management (harvest, boating, hatcheries); and climate change. While these other stressors are briefly mentioned, the report does not provide specific recommendations for addressing them. The SWRCB is seeking public input on proposals and comment on the draft report. Comments are due December 16th and a public workshop on the draft report is set for December 7th.

Cap-and-Trade Allowance Auction Nets \$1 Billion

The most recent auction for cap-and-trade allowances resulted in about \$1 billion in allowance purchases. Regulators see this as a very welcome change from the bleak results from two auctions earlier in the year which only sold half of the allowances available. In contrast, more than 80 percent of the allowances were sold in the November auction.

The state will net \$360 million of the auction revenue while the remaining will be returned to electricity rate payers. While \$360 million is very welcome into the greenhouse gas reduction fund (GGRF) many are not hopeful that the trend will continue. The floor price for allowances is set to rise at the beginning of the year, leaving many to believe that allowances were purchased ahead of the increased price. A secondary market for allowance trading was robust in 2016, a partial reason for the bleak auction results in the second and third quarters of 2016. Many speculate that the same could happen in 2017.

Yet another factor is the ongoing uncertainty over cap-and-trade. The program is set to expire in 2020. Although Gov. Jerry Brown signed into law Senate Bill 32, which extends the fight against climate change another 10 years, the legislation leaves the future of the cap-and-trade program somewhat unclear. In addition, a lawsuit by the California Chamber of Commerce and others, challenging the legitimacy of the state auctions, is scheduled to be argued before the state Court of Appeal on January 24 with a decision likely by the end of April.

The Governor is scheduled to release his proposed budget in early January which should contain a GGRF expenditure plan. The state has yet to make predictions for the future auction revenue. It will be interesting to see what the Governor predicts will come in to the GGRF and how he proposes to spend it.

CalRecycle was disappointed in their allocation for the Organics Grant Program and are sure to be lobbying the Governor and his budget staff hard for an increased allocation. However, if the auctions take another dive at the beginning of the year, there will be very little left in discretionary funds after the mandatory 60 percent of the funds for high speed rail and sustainable communities are siphoned off.

The February 2017 auction will be closely watched to see if the November auction was just a one-time event, or if there is more confidence in the program following SB 32 passage.

Organics Grant Program Guidelines Released

CalRecycle released and adopted their guidelines for expending their \$40 million in GGRF allocations for the Organics Grant Program. They make \$12 million available for digestion projects. CalRecycle did not take advantage of the authorization given to them in SB 970 (Leyva) to fund broad regional programs for food waste diversion. They did raise the cap for anaerobic digestion projects from \$3 million to \$4 million. CalRecycle Director Scott Smithline did note that if they are to be successful in solving some of the state's GHG issues, they would need to look beyond their current program scope and include regional projects. However, he seemed to insinuate CalRecycle lacked the authority to look regionally at this point.

CalRecycle will likely make the funding available in December or January with applications due in March and awards to be noticed in mid-summer.

Making Water Conservation A Way Of Life





A statewide conservation framework was released in late November that outlines a proposed method to make conservation permanent in California. The framework was a collaboration among the Department of Water Resources, the State Water Resources Control Board, the California Public Utilities Commission, the California Department of Food and Agriculture, and the California Energy Commission, as a response to Governor Brown's May 2016 Executive Order to establish long-term water conservation measures and improved planning for more frequent and severe droughts.

The state's initial method to comply with the Executive Order was to require a specific percentage of water savings. The new proposed standards represent a fundamental shift to a conservation framework that can be applied equitably and uniformly across the various conditions in California, according to the document. The following is a summary of some of the measures proposed in the document:

- Extend current emergency water conservation regulations (set to expire in February 2017) for an additional 270 days.
- Upon legislative authorization, adopt new water use standards for all urban water use and new urban water use target methodology. Urban water suppliers would be required to calculate unique water use targets based on the adopted standards and local conditions. Interim targets would be set for 2018 with full compliance required by 2025.
- Upon legislative authorization, urban water suppliers will be required to submit a "Water Shortage Contingency Plan" and conduct a five-year "Drought Risk Assessment" every five years and submit a water budget forecast annually.

Comments on the draft plan are due December 19. Below is a chart from the report that summarizes the recommended actions.

Table ES-1. Actions and Recommendations Summarized in this Report

Chapter Section and Title where Item is Addressed	Executive Order Items													Within Existing Authorities (Chapter 2)	Requires New Authority (Chapter 3)
	 Use Water More Wisely			 Eliminate Water Waste			 Strengthen Local Drought Resilience			 Improve Agricultural Water Use Efficiency & Drought Planning					
	1	2	3	4	5	6	7	8	9	10	11	12	13		
2.1 Emergency Water Conservation Regulations for 2017	●													✓	
2.2 Permanent Prohibition of Wasteful Practices			●	●										✓	
2.3 Reduced Water Supplier Leaks and Water Losses					●	●								✓	
2.4 Certification of Innovative Technologies for Water Conservation and Energy Efficiency							●							✓	
3.1 New Water Use Targets Based on Strengthened Standards		●				●									✓
3.2 Water Shortage Contingency Plans						●		●	●						✓
3.3 Drought Planning for Small Systems & Rural Communities										●					✓
3.4 Agricultural Water Management Plans						●					●	●	●		✓

Note: The Executive Order directs DWR, Water Board, and CPUC to develop methods to ensure compliance with the provisions of the order, including technical and financial assistance, agency oversight, and, if necessary, enforcement action by the Water Board to address non-compliant water suppliers. These are described in Chapters 2 and 3.

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Comprehensive Government Relations

MEMORANDUM

To: Joe Grindstaff and Kathy Besser, IEUA

From: Letitia White, Jean Denton, and Drew Tatum

Date: December 2, 2016

Re: November Monthly Legislative Update

Congress Returns, Looks to Adjourn by December 9

The current stopgap funding law expires December 9, leaving Congress with one week to introduce and pass another short-term measure that will now likely run through April 28, 2017 and maintain current levels of funding. No final decisions have been made and the text of the legislation is unlikely to be filed until the week of December 5, with House Majority Leader Kevin McCarthy (R-CA) saying he believes a vote on the legislation will come on Thursday, December 8.

The Obama Administration submitted a list of spending anomalies, or specific program changes to a continuing resolution (CR), for consideration by the negotiators in late November ahead of the Thanksgiving holiday. The anomalies list identified programs that would need relief from a continuation of last year's policy or spending levels through March 31—the original target end date of the continuing resolution. House and Senate Appropriators have asked federal agencies for additional anomalies that would be needed to extend the continuing resolution through the end of April since attention turned to extending the CR another month. Traditionally, House and Senate Appropriations Committee members attempt to keep anomalies to a minimum in an effort to keep pressure on lawmakers to pass the annual appropriations bills. Since a continuing resolution will likely run through the end of April, the Obama Administration sent over a 17-page document of anomalies request for the continuing resolution in order to provide some relief for federal agencies.

Senate Republicans—including Majority Leader Mitch McConnell—have called for a CR that runs through the end of April in order to give the Senate additional time at the beginning of the year to confirm President-elect Donald Trump's cabinet nominees and possible Supreme Court nominee. Additionally, lawmakers will likely use some floor time at the beginning of the Congress to repeal some regulations and rules through the Congressional Review Act. With the President-elect's 100-day agenda, Senators would like to give themselves additional time before appropriations decisions hamper other legislative activity.

While many of the supplemental appropriations requests will likely not be included in the final continuing resolution because the funding will not be needed until later in the fiscal year, lawmakers have promised they will provide emergency funding to help Flint, Michigan deal with

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lead contamination in their water supply. While there was originally thought that the funding might have to be included in the continuing resolution, lawmakers have made progress on conferencing the Water Resources Development Act (WRDA), in which both versions contain funding for to deal with lead contamination in Flint Michigan. If the WRDA bill does not pass before the CR, lawmakers will likely attach the paid-for provision to the stopgap spending measure.

In addition to lead contamination funding, Representative Rodney Frelinghuysen (R-NJ) indicated that while President Obama's request for \$11 billion in emergency spending for the Pentagon is still being reviewed, at least some of the additional funding may end up in the CR. There has been little talk of including additional supplemental funding to deal with flooding that devastated several southern states in this continuing resolution.

In the weekly colloquy between the Majority and Minority Leaders in the House, Majority Leader Kevin McCarthy said he anticipates that the House will be able to finish its work by December 8, but that it would stay as long as needed to finish work for the year. Among the must-pass pieces of legislation mentioned, McCarthy highlighted the CR and the WRDA bills as items that would be completed before Congress adjourns.

Republicans in both the House and Senate are anxious to wrap up legislative work in their respective chambers for the year. In addition to the normal push to leave town for the holidays, Republicans are eyeing the possible use of the Congressional Review Act (CRA) to overturn regulations issued in the final months of President Obama's Administration. The sooner at least one chamber can adjourn sine die, the more regulations issued by federal agencies would be subject to possible repeal under the CRA. As an example, if the House departs by December 9, the next Congress would be able to revisit the Labor Department's rule that would require employers to pay overtime to 4 million workers who perform administrative and professional duties. As a side note, we do not expect the Senate to officially adjourn when the Houses does, but rather to remain in pro-forma sessions to stop President Obama from making any last minute recess appointments.

House, Senate Close to Compromise on Water Policy Legislation

House-Senate talks on this year's reauthorization of the Water Resources Development Act (WRDA) are essentially wrapped up and the final measure will be filed in the House today, Senate Environment and Public Works Committee Chairman Jim Inhofe (R-OK) told reporters Wednesday. While Inhofe indicated the conferees intended to file the report by Thursday in the House, it had not been filed by Friday morning.

The WRDA rewrite is expected to move as a free-standing measure and won't get combined with the continuing resolution to fund the government that will move in the House and Senate ahead of the expiration of the current CR on December 9. Chairman Inhofe said that the WRDA bill will carry the \$170 million in funds promised to help Flint, Mich., address its drinking water crisis.

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In addition to addressing the Flint, Michigan lead crisis, the WRDA bill revises or authorizes additional U.S. Army Corps of Engineers water resources development project, feasibility studies, and relationships with nonfederal project sponsors. It sets forth requirements concerning: harbor operations and maintenance, emerging harbors, donor ports, and energy transfer ports; navigation and flood management projects; reservoir operations and storage allocations; dredging alternatives; floating cabins; dam repair; ice jams; aquifer depletion; aquatic invasive species; and permits to occupy, use, or alter certain public works.

While much of the legislation has been finalized, Representative Dan Kildee (D-MI) said that he is working towards a final funding package for Flint that is between \$120 million and \$170 million. “Anything we do will be very helpful, but there isn’t enough there to completely fix the problem. It’s just a contribution toward fixing the problem,” Kildee said. He later added, “It’s not done until its done. So obviously there’s a little anxiety about that.”

It is our understanding that the final funding amount and funding offsets have held up the filing of the conference report. Lawmakers have been attempting to reconcile a House bill that is nearly half the size of the Senate’s \$10.6 billion WRDA bill.

As was mentioned above, House Majority Leader Kevin McCarthy (R-CA) indicated that the WRDA bill is one the bills that will be finalized before Congress adjourns for the year. With Republican leaders promising that Flint, Michigan would be taken care of before the end of the year, lawmakers hope to pass the WRDA bill so that the provision isn’t needed in the continuing resolution.

Murkowski, Cantwell Cite Progress on Energy Bill

Over the Thanksgiving holiday, Senate Energy and Natural Resources Committee Chairwoman Lisa Murkowski (R-AK) and Ranking Member Maria Cantwell (D-WA) issued a joint statement on the current state of the energy bill conference report. The conference committee was officially created in July, with the first meeting of the conferees held in September.

Conferees have been attempting to come up with a compromise of the bi-partisan Senate Energy Policy Modernization Act with the House substitute amendment, which included a number of provisions that have passed the House and not been considered in the Senate. The House measure contains several bills that have drawn veto threats from President Obama, including drought legislation advanced by House Republicans.

While Senators Murkowski and Cantwell agreed to band together to block any “poison pill” riders that could draw a veto threat from President Obama, it is unclear if House Republicans will stall negotiations in an effort to redraft the legislation next year when President-elect Trump takes office.

As lawmakers returned to Capitol Hill, optimism was fading that a compromise could be reached in time to bring the legislation to the floor in the House and Senate. The Senate is expected to take up the National Defense Authorization at the beginning of the week, and will also have the continuing resolution to address before the end of the week. If an agreement is reached on the

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Water Resources Development Act, the Senate could take it up before the end of the week, or may return for consideration of additional legislation the following week after the House has left town for Christmas.

The full statement issued by Senators Murkowski and Cantwell over Thanksgiving is below.

“Last Friday evening, we received a counteroffer on the energy bill conference report from our House colleagues. After reviewing it, we responded today with a new offer that restores a host of provisions that the House was prepared to drop—including those related to LNG exports, sportsmen’s, the Land & Water Conservation Fund, hydropower, natural gas pipelines, manufacturing, innovation, carbon benefits of biomass, and critical minerals. We also remain hopeful that an agreement can be reached on provisions to address California’s drought crisis, to remedy wildfire funding challenges, and to improve forest management.

“While neither of us supports every provision in this proposal, it is the result of good faith bipartisan negotiations, it encompasses the broad range of work that can be completed this year, and it balances competing preferences for energy and resource policy that will remain just as strong in the next Congress. We encourage our House colleagues to seize this opportunity to complete a good bill that we can send to the president’s desk before Congress adjourns.”

Budget Process Overhaul Proposed by House Budget Chairman

House Budget Committee Chairman Tom Price (R-GA) offered a proposal on Wednesday that would usher in a sweeping overhaul of the federal budget process. The discussion draft of his proposal would change the way tax dollars get allocated for the first time in more than 40 years. Price, who has been nominated by President-elect Donald Trump to serve as the Secretary of Health and Human Services, will keep his position as Chairman of the House Budget Committee and push for budget reform until his nomination has been confirmed by the Senate.

Congressman Price’s proposal offered what is largely a complete rewrite of the 1974 budget act that created the budget committee and governs the modern appropriations process. At a Brookings Institution event where Price unveiled his proposal, he suggested that the current process is beyond repair, citing the last time all 12 annual spending bills passed on time was more than 20 years ago.

"This is no way to run a government," Price said. "And it has occurred under Republican control, Democrat control and divided government. It does not matter who controls the levers of power when the system itself is flawed."

The discussion draft, which has not been turned into legislation, gives Congress greater control over all federal spending while providing additional times to complete legislation. The draft proposes a hybrid two year appropriations cycle, with 6 appropriations being considered one year and the remaining 6 being considered the following year. In addition to moving to a 2-year cycle, the draft proposes moving from an October 1 start date of the fiscal year to a calendar year to better align with Congress’s schedule.

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The plan also attempts to streamline the approval process for additional spending-related legislation by making greater use of an arcane budget procedure known as reconciliation. That procedure allows the Senate to pass bills with a simple majority vote, instead of the 60-vote threshold normally required under Senate rules.

Price also proposed finding ways to put spending limits into law, not just in non-binding resolutions, and making some automatic spending subject to the annual appropriations process. One way to do that, he said, is to create a commission — similar to the ones used for military base closings — that would recommend programs now guaranteed in law that should be considered discretionary and subject to annual appropriations. Congress would then vote on those recommendations.

Congressman Price said he remains open to adjusting his plan to win broad bipartisan support, while expressing confidence that others "will pick up the mantle" if and when he leaves Congress next year. "This isn't just a Tom Price effort," he said. "This effort grew literally from frustration on both sides of the aisle."

House Committee Chairs

The House Republican Steering Committee met yesterday and approved the following recommendations for committee chairs in the 115th Congress. These recommendations were ratified on Friday, December 2 by the full House Republican Conference. New Committee Chairmen are in bold and italics.

Agriculture	Rep. Mike Conaway (R-TX)
Appropriations	<i>Rep. Rodney Frelinghuysen (R-NJ)</i>
Armed Services	Rep. Mac Thornberry (R-TX)
Budget	Rep. Tom Price (R-GA)
Education and the Workforce	<i>Rep. Virginia Foxx (R-NC)</i>
Energy and Commerce	<i>Rep. Greg Walden (R-OR)</i>
Financial Services	Rep. Jeb Hensarling (R-TX)
Foreign Affairs	Rep. Ed Royce (R-CA)
Homeland Security	Rep. Michael McCaul (R-TX)
Judiciary	Rep. Bob Goodlatte (R-VA)
Natural Resources	Rep. Rob Bishop (R-UT)
Oversight and Government Reform	Rep. Jason Chaffetz (R-UT)
Science, Space, and Technology	Rep. Lamar Smith (R-TX)
Small Business	Rep. Steve Chabot (R-OH)

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Transportation and Infrastructure	Rep. Bill Shuster (R-PA)
Veterans' Affairs	<i>Rep. Phil Roe (R-TN)</i>
Ways and Means	Rep. Kevin Brady (R-TX)
**Rep. Price has been nominated to President-elect Trump's cabinet to serve as secretary of Health and Human Services. The race for budget chairmanship will take place in January/February, after Rep. Price's confirmation.	

In addition, House Speaker Paul Ryan (R-WI) has made the following committee chair appointments:

Administration	<i>Rep. Gregg Harper (R-MS)</i>
Ethics	<i>Rep. Susan Brooks (R-IN)</i>
Joint Economic Committee	<i>Rep. Pat Tiberi (R-OH)</i>
Intelligence	Rep. Devin Nunes (R-CA)
Rules	Rep. Pete Sessions (R-TX)

Running List of Trump Cabinet and Senior Staff Picks

President-elect Trump continues to fill out his Cabinet and has selected individuals for senior staff positions in his administration. The chart below includes a list of current officeholders, as well as individuals who have been nominated by President-elect Trump.

Cabinet	Obama's Incumbent	Trump's Pick
Vice President	Joe Biden	Mike Pence
Secretary of State	John Kerry	
Secretary of Treasury	Jack Lew	Steve Mnuchin
Secretary of Defense	Ashton Carter	James Mattis
Attorney General (DoJ)	Loretta Lynch	Jeff Sessions
Secretary of the Interior	Sally Jewell	
Secretary of Agriculture	Thomas Vilsack	
Secretary of Commerce	Penny Pritzker	Wilbur Ross
** Deputy Commerce Secretary	Bruce Andrews	Todd Ricketts
Secretary of Labor	Thomas Perez	
Secretary of Health and Human Services	Sylvia Matthews Burwell	Tom Price

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** Admin Centers for Medicare & Medicaid Serv	Andy Slavitt	Seema Verma
Secretary of Housing and Urban Development	Julian Castro	
Secretary of Transportation	Anthony Foxx	Elaine Chao
Secretary of Energy	Ernest Moniz	
Secretary of Education	John King	Betsy DeVos
Secretary of Veteran Affairs	Robert McDonald	
Secretary of Homeland Security	Jeh Johnson	
Cabinet-level Offices	Obama's Incumbent	Trump's Pick
White House Chief of Staff	Denis McDonough	Reince Priebus
Director of Office of Management and Budget	Shaun Donovan	
Admin. of the Environmental Protection Agency	Gina McCarthy	
Trade Representative	Michael Froman	
Ambassador to the United Nations	Samantha Power	Nikki Haley
Chair of the Council of Economic Advisors	Jason Furman	
Admin. of the Small Business Administration	Maria Contreras-Sweet	
Director of the Central Intelligence Agency	John Brennan	Mike Pompeo
Assistants to the President	Obama's Incumbent	Trump's Pick
Deputy Chief of Staff for Operations	Anita Breckenridge	
Deputy Chief of Staff for Implementation	Kristie Canegallo	
Director of Scheduling and Advance	Chase Cushman	
Cabinet Secretary	Broderick Johnson	
Director of the Domestic Policy Council	Cecilia Muñoz	
Deputy Nat'l Security Advisor for Strategic Communications	Benjamin Rhodes	
National Security Advisor	Susan Rice	Michael Flynn
Deputy National Security Advisor	Avril Haines	KT McFarland

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Homeland Security & Deputy Nat'l Security Advisor	Lisa Monaco	
Director of the office of Political Strategy and Outreach	David Simas	
Economic Policy and National Economic Council	Jeffrey Zients	
Director of Communications	Jennifer Psaki	
Press Secretary	Joshua Earnest	
Director of Speechwriting	Cody Keenan	
Management and Administration	Maju Varghese	
Counsel to the President	Warren Eggleston	Don McGahn
Senior Advisor	Brian Deese	
Senior Advisor for Intergovernmental Affairs	Valerie Jarrett	
Senior Advisor	Shailagh Murray	
Senior Counselor and Chief Strategist	n/a	Stephen Bannon
Chief of Staff to the First Lady	Christina Tchen	

Outlook for December

Congress is expected to wrap up all legislative activity for the year by Friday, December 9. On the docket for consideration during the final week of the month are:

- A continuing resolution likely to run through April 28;
- The 21st Century CURES Act (House passed, Senate consideration only);
- The National Defense Authorization Act (House passed, Senate consideration only);
- Various other non-controversial bills by unanimous consent (Senate) or on the suspension calendar (House).

Agricultural Resources

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December 2, 2016

Legislative Report

TO: Joe Grindstaff
General Manager, Inland Empire Utility Agency

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

SU: Legislative Report, November 2016

State of Affairs

- * Trump wins the election.
- * Senate remains in R control. Ds increase, but not enough to take control of the Senate.
- * House remains in R control. Ds pick up several seats.
- * Beginning in January, Rs will be in the WH and control both the House and Senate.
- * Speaker Ryan is reelected Speaker. Rep. Pelosi is reelected D Leader.

California

- * CA Attorney General, Kamela Harris wins US Senate seat (Boxer's retiring).
- * Gov. Brown names Rep. Becerra (from LA) to State AG's office (Becerra was vying to become ranking D on House Ways and Means).

Government Funding

- * House and Senate reconvene for **Lame Duck** session immediately after the election.
- * Current year funding extends to December 9.
- * Pre-announced plans to pass individual annual funding bills dropped.
- * Instead of full funding bills, another (same as before funding mechanism) CR to fund the Federal Government to be passed (enacted) on or about December 9 and extend to March 2017 (or later).
- * Treasury announced that the "debt ceiling" will require legislative action in early to mid-

2017.

Transition – Appointments

- * President-Elect Trump and VP Pence now to “form” a government – first steps, name WH staff and Cabinet Positions
- * NJ Gov. Christie, previously in charge of transition, replaced by VP Pence.
- * At the WH, Steve Bannon was named as a WH Senior Advisor and Reice Priebus, Chair, Republican National Committee, was named WH Chief of Staff.
- * During November, Trump focused on his intelligence and military appointments and some domestic departments (HHS, Transportation).
- * SC Governor Nikki Haley was named to the US Representative to the United Nations.

Transition – Resource/Environmental Department and Agencies

- * In early to mid-December, Secretarial/Administrator announcement are expected for Energy, USDA, Interior, EPA and OMB.
- * For Interior – some 20-25 names have been floated or acknowledged as being considered by the President-Elect.
- * Names include oil industry leaders, business leaders, financial investors, former House Members, House Resource Committee Chair, Rep. Rob Bishop (R-UT), several former Governors (for instance, Governors Jan Brewer (AZ), Mary Fallin (OK) and Sarah Palin (AK)), and current Governor, Susan Martinez from New Mexico. The list includes individuals with high public profiles and others who have zero public profile (such as Ray Washburne, a Texas businessman).
- * One possible nominee – Rep. Cathy McMorris Rodgers (R-WA) is presently in the House leadership. Earlier in her career, she served on the House Natural Resources Committee and also served as Ranking R on the Water and Power Subcommittee. Of the many under consideration, McMorris Rodgers is the probably only “candidate” with some knowledge and experience with western water issues.
- * As of late November, the “Trump Transition Team” for Interior has yet to arrive at DOI.
- * The nomination, once made, will be submitted to the US Senate to “advise and consent” on the nomination (vote to approve). All nominations for DOE and DOI will be referred to the Senate Committee on Energy and Natural Resources chaired by Sen. Lisa Murkowski (R-AK).
- * It is anticipated that a hearing on the Interior nomination will be held in January. Next step, the Committee votes to report the nomination to the full Senate. In the past, immediately after inauguration, the full Senate convenes and immediately passes the nominations on January 20 or 21st so the new Administration will be able to conduct business in the various Departments.
- * While all sorts of people are advancing resumes for various other appointments, everything from Assistant Secretaries, Deputy Assistant Secretaries, Special Assistants and others, few of these appointments will be made prior to the selection and confirmation of the new Secretaries or Administrators.

Trump and Interior and Bureau of Reclamation

- * In addition to Secretary, the positions of Deputy Secretary, Assistant Secretary (four or five at DOI), Solicitor and certain Agency heads are each subject to Presidential Appointment AND Senate confirmation. That is, the incoming President nominates, but none can serve until confirmed by the Senate.
- * This includes the position of Commissioner, BuRec.
- * If history is a guide, it could take at least six months (maybe longer) to submit all the nominations, have the Committee review them, hold hearings, approve the nomination and submit them to the full Senate for approval. Each nominee (for these specific positions must be voted upon by the Senate.

Trump Policy on Infrastructure

- * During the campaign, and since, Trump touted spending \$1+ Trillion on infrastructure (all kinds).
- * A specific proposal has not yet been advanced, however, according to various reports, it now appears that it will be a tax-incentive based plan.
- * How public agencies become eligible for this initiative is unclear at this time, if at all.

Trump on Job Creation and the Economy.

- * On December 2, the President Elect announced the formation of the “President’s Strategic and Policy Forum” and tasked it to advise the new Administration on job formation in particular and the economy in general.
- * Among the first appointees – three corporate leaders, including:
 - Jamie Dimon, CEO and Chair, JP Morgan Chase
 - Mary Bara, CEO and Chair, GM
 - Ginni Rometty, CEO, IBM
- * So far, no one from the public sector has been announced.

Legislative Activitie

- * **Energy Bill.** House and Senate Conference continued in November – all behind closed doors. Staff discussions have been on-going. No public conference committee meetings. Rep. Bishop, House Chair, Resources Committee and Senator Murkowski, Chair, Senate Energy, report progress, but also acknowledge significant unresolved policy conflicts involving the Land and Water Conservation Fund (LWCF) and natural gas issues. Some Rs believe they get a bill more to their liking in the next Congress and want to block the bill. Chairman Bishop publicly “hints” that a bill will be finalized. If the bill fails, Senator Murkowski has indicated that portions of the bill might be included on the CR.
- * **Drought bill/Valadao Bill** (part of Energy Bill – maybe). As reported last month, *“discussions between House Majority Leader McCarthy and Senator Feinstein have continued behind closed doors. Reportedly, the current focus (and sticking point) relates to statutorily imposing CVP operational directives and mandates into law.”* The House Resources Committee staff reported, in late November, that they did not expect to see drought, Valadao bill or related language included in the Energy Bill (assuming it

moves). Such reports, however, change on an almost daily basis. At month's end, apparently McCarthy and Senator Feinstein have reached agreement on operational language (i.e Valadao bill language). In addition, there is reportedly also an authorization for local projects for \$225 million for local projects.

- * **WRDA.** Leaders in the House are indicating that WRDA will be among the last “must-pass” bills by December 9. Reportedly, House-Senate deliberations are close to conclusion (no drafts have been publicly released). No indication how the WaterSense language was addressed. It is being reported that the drought/Valadao/local project language is now being included in the WRDA bill.
- * **Tax Reform.** As reported last month, tax reform is “*considered a high priority 2017 issue. Speaker Ryan and Ways and Means Chair, Rep. Brady (R-TX) have indicated that this issue will be front and center early in 2017.*” Chairman Brady said, on December 2, that his highest priority was reducing tax rates. As a practical matter, if rates are reduced, especially the corporate rate, then the tax bill will likely have to reduce the deductibility of municipal bonds. The impact on IEUA and other public agencies could be significant. Tax reform, legislatively, may be advanced as part of a Budget Reconciliation package, but that won't be known until sometime next year.

WRDA – Water Sense and Water Softener Language. IEUA, ACWA, WaterReuse, CASA, NACWA and others asked the House and Senate conferees to provide an amendment to WRDA, in the EPA WaterSense section, providing further limitations on future EPA reviews in “salt-sensitive” regions. The Committee – and the conferees – were briefed, provided language and justifications. The disposition of the proposed language remains unknown. If WRDA moves (and it now appears as if it will), the conferenced bill will be released in early December. Senate Report language on the underlying bill already contains positive language (included by Senator Boxer) and it will become the basis for addressing the matter with the new Administrator, EPA in 2017.

It is important to recognize that, with regard to water softeners, that EPA had internal conflicts regarding water softeners. While Region IX (SF) was supporting recycled water as a water development option, the WaterSense office in Washington, DC proposed evaluating water softener devices for efficiency without regard to regions with high salt content in their existing water supplies. As reported last month, “*On one hand, with regard to water supply issues, EPA has recommended increase water recycling as part of the “solutions” mix.. On the other, EPA (through the WaterSense program) was facilitating the use of water softeners in salt sensitive areas, which may result in compromising the ability to recycle water in those areas. The language already in the Senate version of the EPW bill and the pending request for statutory clarification is designed to eliminate those internal EPA agency conflicts.*”

Regardless what occurs in conference (or not), this will be an issue for the incoming EPA Administrator (nomination announcement is still pending).

The next 90 days – through the end of February, will bring greater clarity and more specificity with regard to nominations, policy and budget priorities.

The nomination process will overwhelm the Senate calendar – and as such – Senate leaders are already asking for a CR that goes beyond March 31. Trump is signaling that his Administration may not submit a budget per se, but only specified amendments.

And finally, while focus and attention has shifted to all matters related to Transition to the new Administration, international issues continue to be overwhelming (death of Castro, collapse of several governments in Europe, the refuge crisis throughout Europe from the situation in Syria, and the continued conflict in Ukraine). The President, in South Korea, is likely to resign. And Trump's call with the President of Taiwan is creating a political firestorm in China. And finally, North Korea remains a wildcard in every respect.

#

INFORMATION
ITEM
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CALIFORNIA STRATEGIES, LLC

Date: December 02, 2016
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: November Activity Report

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

- Met with Executive Management Team to review priority issues and to discuss activities for November that Executive Staff wanted accomplished
- Discussed Little Hoover Commission hearing results, follow up, and next hearing items.
- Reviewed Chino Basin Water Bank project concept and formation JPA
- Support and advised on IEUA/SBVMWD transfer transaction on an as needed basis.
- Reviewed Water Rates progress with member agencies and Regional Contract renewal.
- Continue to monitor statewide water issues including The Water Fix, water bond, and drought relief act activities. Made recommendation regarding the request for money from various state special funds.
- Monitor Santa Ana Regional Board agenda and issues of interest to IEUA including the Ontario Plume settlement
- Attended ACWA Conference
- Respond to requests for information from IEUA Directors.