



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

**WEDNESDAY, JANUARY 10, 2018
9:00 A.M.**

CALL TO ORDER

PUBLIC COMMENT

Members of the public may address the Board on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the Government Code. Those persons wishing to address the Board on any matter, whether or not it appears on the agenda, are requested to complete and submit to the Board Secretary a "Request to Speak" form, which is available on the table in the Board Room. Comments will be limited to 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 Community and Legislative Affairs Committee meeting minutes of November 8, 2017.

B. FISCAL YEAR 2018/19 LEGISLATIVE POLICY PRINCIPLES

Staff recommends that the Committee/Board approve the legislative policy principles for fiscal year 2018/19.

C. AGENCY-WIDE ORGANIZATIONAL MEMBERSHIPS AND AFFILIATIONS

Staff recommends that the Committee/Board approve Resolution No. 2018-1-2, authorizing the Agency-wide organizational memberships for fiscal year 2018/19.

2. **INFORMATION ITEMS**

A. **PUBLIC OUTREACH AND COMMUNICATION (WRITTEN)**

B. **LEGISLATIVE REPORTS (WRITTEN)**

1. West Coast Advisors
2. Innovative Federal Strategies

C. **CALIFORNIA STRATEGIES MONTHLY REPORT (WRITTEN)**

D. **FEDERAL LEGISLATION MATRIX (WRITTEN)**

3. **GENERAL MANAGER'S COMMENTS**

4. **COMMITTEE MEMBER COMMENTS**

5. **COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS**

6. **ADJOURN**

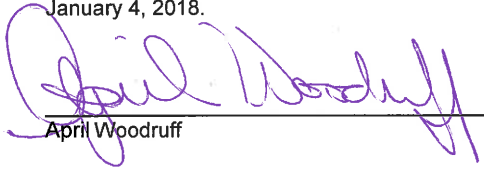
*A Municipal Water District

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

Proofed by: jk

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, January 4, 2018.



April Woodruff

**ACTION
ITEM
1A**



MINUTES

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

WEDNESDAY, NOVEMBER 8, 2017
9:00 A.M.

COMMITTEE MEMBERS PRESENT

Steven J. Elie, Chair
Michael Camacho

STAFF PRESENT

P. Joseph Grindstaff, General Manager
Chris Berch, Executive Manager of Engineering/AGM
Kathy Besser, Executive Manager of External Affairs & Policy Development/AGM
Randy Lee, Executive Manager of Operations/AGM
Christina Valencia, Executive Manager of Finance & Administration/AGM
Andrea Carruthers, Senior External Affairs Specialist
Connie Gibson, Executive Assistant
Warren Green, Manager of Contracts & Procurement
Sally Lee, Executive Assistant
Sylvie Lee, Manager of Planning & Environmental Resources
Laura Mantilla, Executive Assistant
Stephanie Riley, External Affairs Analyst
Teresa Velarde, Manager of Internal Audit
April Woodruff, Board Secretary/Office Manager

OTHERS PRESENT

None

The meeting was called to order at 9:00 a.m. There were no public comments received or additions to the agenda.

ACTION ITEMS

The Committee:

- ◆ Approved the Community and Legislative Affairs Committee meeting minutes of October 11, 2017.

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
- ◆ State Legislation Matrix

- ◆ Federal Legislation Matrix
- ◆ Water Supply and Water Quality Act of 2018 (Jerry Meral)

GENERAL MANAGER'S COMMENTS

General Manager P. Joseph Grindstaff stated that as the Agency looks forward, an important priority is to receive a State Revolving Fund (SRF) loan for the RP-5 Expansion project. SRF loans offer a significantly lower interest rate, currently at 1.8 percent. The Agency has a \$270 million project at RP-5 and receiving a SRF loan for this project will make a major impact in its funding moving ahead. He stated that the second item was the \$480 million dollar grant that Agency is applying for. If the Agency were to receive this grant, it may mean that the Engineering and Operations division will have to accelerate the RP-1 upgrade, which would mean that the Agency will have to start a \$200 million project sooner than anticipated. This would most likely have implications for increased staffing if the grants are approved.

COMMITTEE MEMBER COMMENTS

Director Elie stated that there should be a trip scheduled to Sacramento with Director Camacho and new General Manager Halla Razak to meet with legislative members early next year.

COMMITTEE MEMBER REQUESTED FUTURE AGENDA ITEMS

There were no Committee member requests for future agenda items.

With no further business, Director Elie adjourned the meeting at 9:29 a.m.

Respectfully submitted,

April Woodruff
Board Secretary/Office Manager

*A Municipal Water District

APPROVED: JANUARY 10, 2018

**ACTION
ITEM
1B**

Date: January 17, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager *HR*

Committee: Community & Legislative Affairs

01/10/18

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

Subject: Fiscal Year 2018/19 Legislative Policy Principles

Executive Summary:

Each year, the IEUA Board of Directors (Board) adopts Federal and State legislative priorities for the following year. The legislative priorities provide IEUA staff with guidelines in making position recommendations to the Community and Legislative Affairs Committee and the Board. Currently, positions on pending legislation must be taken before the Community and Legislative Affairs Committee and the Board for approval before any formal position can be taken on behalf of IEUA. As legislation can at times be fast moving, staff is looking to improve the efficiency and effectiveness of this process for the upcoming year with the development of legislative policy principles. The attached legislative policy principles are consistent with the current mission and business goals of the Agency, and are tailored to fit relevant issues that may be faced during the 2018 legislative year.

Staff's Recommendation:

Staff recommends that the Board approve the legislative policy principles for fiscal year 2018/19.

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

Account/Project Name:

Not Applicable

Fiscal Impact (explain if not budgeted):

Not Applicable

Prior Board Action:

Not Applicable

Environmental Determination:

Not Applicable

Business Goal:

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

Attachments:

Attachment 1 - IEUA Proposed Policy Principles

IEUA Proposed Legislative Policy Principles

Water-Use Efficiency Planning

- Support administrative and legislative action to identify and promote the use of salt-less water softening technology. Oppose any efforts to endorse salt-based technologies.
- Support administrative and legislative actions that protect, respond and plan for drought conditions while maintaining the necessary environmental protections.
- Support administrative and legislative actions on water-use efficiency that create and/or improve regulations and mandates recognizing the variations among the different communities, regions and counties with respect to their capability of withstanding the impacts of drought.
- Support administrative and legislative actions related to the Brown Administration's water conservation framework in developing effective actions to prepare for droughts, reduce the region's dependence on imported water and promote integrated water management to meet the State's water infrastructure needs.
- Support administrative and legislative actions that promote and/or improve water quality from various constituents including salinity, perchlorates, nitrate and volatile organic compounds.

Regulations/Compliance

- Support administrative and legislative actions for environmental compliance (e.g., air, water, hazardous materials and waste) that provide for regulatory compliance flexibility, promote consistency and reduce regulatory duplication.
- Support administrative/legislative actions to improve clarity and workability of California Environmental Quality Act (CEQA), and eliminate other duplicative state processes.

Energy

- Promote water-energy nexus administrative/legislative and/or regulatory activities that preserve IEUA's ability to pursue supply options and oppose constraints on supply development.
- Support administrative and legislative actions that remove barriers and encourage energy sector investments in water conservation and energy management programs.
- Support legislation and other programs that would increase the value of the Renewable Energy Credits (RECs) generated and sold by wastewater treatment agencies that utilize their renewable energy on-site in California.
- Support legislation and other programs that would facilitate self-generation projects interconnection to the electric grid by reducing interconnection costs, metering requirements, project review process and timeline.
- Support administrative and legislative actions that encourage renewable energy through organics management, including landfill diversion.

Financial

- Oppose removal of tax exempt status for municipal debt.
- Support measures to reduce the cost of financing water infrastructure projects.
- Support additional federal funding of Title XVI grant program and for the federal EPA/State Revolving Loan program.

- Support funding and incentive programs to promote water use efficiency, including EPA's *WaterSense* program, education programs and tax exemptions incentives.
- Support funding programs that increase renewable generation, strengthen local grids and energy reliance.
- Support federal funding for drought relief in California and reasonable reform of the Endangered Species Act (ESA).
- Advocate that funding be disbursed through competitive programs to ensure a fair and equitable financing process for the public.

**ACTION
ITEM
1C**

Date: January 17, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

Committee: Community & Legislative Affairs

HHR

01/10/18

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

Subject: Agency-wide Organizational Memberships and Affiliations

Executive Summary:

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 10% will be brought back to the Board for approval.

Staff's Recommendation:

Staff recommends that the Board approve Resolution No. 2018-1-2, authorizing the Agency-wide organizational memberships for fiscal year 2018/19.

Budget Impact: Y *Budgeted (Y/N):* Y *Amendment (Y/N):* N *Requested Amount:* \$ 269,885

Account/Project Name:

Agency-wide Memberships

Fiscal Impact (explain if not budgeted):

The estimated total for FY 2018/19 Agency-wide memberships amounts to \$257,033; a 5% contingency equaling \$12,852 brings the requested amount to \$269,885.

Prior Board Action:

On December 21, 2016, the Board adopted Resolution No. 2016-12-1 authorizing the Agency-wide memberships for fiscal year 2017/18.

Environmental Determination:

Not Applicable

Business Goal:

Approving the Agency-wide Memberships is in line with IEUA's business practices goal of advocating for development of policies, legislation and regulations that benefit the region.

Attachments:

Attachment 1 - Resolution No. 2018-1-2

Attachment 2 - List of Agency-wide Organizational Memberships over \$5,000

RESOLUTION NO. 2018-1-2

**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/her absence, his/her 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. 2016-12-1 is hereby rescinded in its entirety.

ADOPTED this 17th day of January 2018.

Steven J. Elie
President of the Inland Empire
Utilities Agency* and the Board
of Directors thereof

ATTEST:

Jasmin A. Hall
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, Jasmin A. Hall, Secretary/Treasurer of the Inland Empire Utilities Agency*, DO
HEREBY CERTIFY that the foregoing Resolution being No. 2018-1-2, was adopted at a regular
meeting on January 17, 2018, of said Agency by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Jasmin A. Hall
Secretary/Treasurer of the Inland
Empire Utilities Agency* and of the
Board of Directors thereof

(SEAL)

* A Municipal Water District

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

| Membership | Board Representative | Estimated Dues |
|--|----------------------|-----------------------------|
| Association of California Water Agencies | | \$32,547 (4% increase) |
| California Association of Sanitation Agencies (CASA) | Jasmin A. Hall | \$19,957 (3.5% increase) |
| California Data Collaborative | | \$10,000 |
| California Special Districts Association (CSDA) | Jasmin A. Hall | \$7,253 (6% increase) |
| Isle Utilities | | \$12,000 |
| National Association of Clean Water Agencies (NACWA) | | \$37,440 (4% increase) |
| National Water Research Institute (NWRI) | Steven J. Elie | \$50,000 |
| Southern Cal. Alliance of Publicly Owned Treatment Works (SCAP) | | \$15,001 |
| Southern California Salinity Management Coalition | | \$10,000 |
| Southern California Water Committee (SCWC) | Steven J. Elie | \$25,000 |
| Water Environment and Reuse Foundation (WE&RF) | | \$16,560 |
| WateReuse Association | Jasmin A. Hall | \$9,630 |

Agency-wide Memberships Over \$5,000

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 have included determining components of water bond legislation, Bay Delta Conservation Plan and Delta Plan advocacy, long term water infrastructure financing, and renewable energy policy.

Dues: \$32,547

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 provides excellent technical, policy and regulatory guidance and lobbying support for sanitary districts throughout the state.

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. IEUA Directors and staff have worked closely with the CASA Executive Officer on several industry initiatives and have attended CASA conferences and meetings. Director Hall currently serves on the CASA Board of Directors and has attended several conferences, meetings and strategic planning sessions.

Dues: \$19,957

California Data Collaborative (CaDC):

CaDC is a coalition of water utilities that in January 2016 joined together to form a data infrastructure 501(c)3 non-profit to analyze and support water management efficiency and reliability objectives. Founding members included IEUA, Eastern Municipal Water District, Irvine Ranch Water District, Moulton Niguel Water District, East Bay Municipal Utility District, Santa Margarita Water District, Las Virgenes Municipal Water District, and UC Davis.

The goals of the CaDC are to merge water data with data science analytical tools, such as those utilized by Netflix and Microsoft. This is accomplished by working with a group of data scientists who ingest raw water usage and billing data from individual agencies, standardize the information, and make it available on a secure, centralized platform. This data can then be plugged into customized dashboards that were developed by water managers and analysts. Dashboards that have been developed over the past 18 months include an interactive rate modeling tool, a neighborhood level analysis of turf-rebate participation, and an in-process analysis of the impacts of proposed state water use efficiency standards.

Dues: \$10,000

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 from CSDA. The organization is very active on the legislative front working closely with our lobbyist on critical legislation that impacts the Agency. 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: \$7,253

Isle Utilities:

Isle is an independent technology and innovation consultancy comprised of highly skilled engineers and scientists that work to identify new innovative technologies in water, waste, the built environment, energy, and carbon.

The Isle membership includes participation in their global innovation forum, the Technology Approval Group (TAG). TAG is focused on evaluating technologies that may be applicable to our industry. As a member, we are presented with the evaluations and can participate in information sharing pertaining to the technology, as well as application of the technology at other agencies. IEUA can also submit potential technologies of interest, to TAG, who will vet the supplier as well as experience in our industry, gathering a significant amount of information on our behalf that we can use in determining applicability. TAG helps the Agency to maintain awareness of new ideas, new opportunities, and/or new technologies.

Dues: \$12,000

National Association of Clean Water Agencies (NACWA):

NACWA represents public wastewater and stormwater agencies of all sizes nationwide for over 40 years. As the recognized leader in legislative, regulatory, and legal advocacy, NACWA is the clean water sector's collective voice to EPA, Congress and government agencies nationwide. NACWA also provides a wide array of publications of practical and usable information for clean water utilities. Their advocacy alerts, legislative and regulatory news and updates, legal references, white papers, *and more*, ensure that clean water utilities have the knowledge base to make the right decisions and plan for a clean water future.

A main objective of NACWA is to evaluate clean water as a top national priority. This membership provides the Agency with a forum to discuss clean water and utility management with fellow utilities and industry leaders across the country.

Dues: \$37,440

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 President Steve Elie currently serves on NWRI's Board of Directors. 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.

IEUA participates in SCAP both with seats on the Board and multiple committees. The committees include the Cyber Security Committee and the Energy Management Committee. In 2017, IEUA hosted the Energy Management Committee and gave a tour of IEUA's energy storage project at RP-5.

Dues: \$15,001

Southern California Salinity 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

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. Through measured advocacy, SCWC works to ensure the health and reliability of Southern California's water supply.

In 2017, IEUA became one of seven founding members of SCWC. A founding membership includes all of the current basic membership benefits, as well as membership in the Stormwater Task Force, two tables at the annual dinner, including annual meeting and dinner recognition and a full-page ad in the tribute book, complementary invitations to all

quarterly meetings, workshops, briefings, special events, four guest columns in the weekly E-Newsletter at the member's discretion, prominent logo placement on SCWC's website, and promotional displays at the annual dinner and quarterly meetings. President Elie currently co-chairs the SCWC Legislative Task Force, which assists in educating members about advancing legislation and issues of concern to water agencies and associated members.

Dues: \$25,000

Water Environment and Reuse Foundation (WE&RF):

WE&RF 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

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).

IEUA benefits from membership in the WateReuse Association. The Agency participates in the bimonthly chapter meetings which cover a range of water topics, including: recycled water projects, potable reuse efforts, pilot and research projects, lessons learned, facility tours, funding opportunities, and other industry news and events. In October 2017, the Agency's Planning & Environmental Resources Department accepted a leadership role as President-Elect in the WateReuse' local Inland Empire Chapter to continue promoting the advancement of water reuse in the region. Many IEUA staff and board members have attended WateReuse conferences over the past few years. WateReuse is an advocate of IEUA's goal of increased use of recycled water.

Dues: \$9,630

Agency-wide Memberships Over \$5,000

| Membership | Board Representative | Estimated Dues |
|--|----------------------|-----------------------------|
| Association of California Water Agencies | | \$32,547 (4% increase) |
| California Association of Sanitation Agencies (CASA) | Jasmin A. Hall | \$19,957 (3.5% increase) |
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| WateReuse Association | Jasmin A. Hall | \$9,630 |

Agency-wide Memberships \$5,000 and Under

| Membership | Board Representative | Estimated Dues |
|---|-----------------------------|-----------------------|
| California Water Efficiency Partnership (CalWEP) | | 3,781 |
| Americas' SAP Users' Group | | \$1,825 |
| Alliance for Water Efficiency | | \$1,540 |
| Water Education Foundation (WEF) | | \$1,372 |
| National Safety Council | | \$787 |
| Fontana Chamber of Commerce | | \$400 |
| Ontario Chamber of Commerce | | \$395 |
| Montclair Chamber of Commerce | | \$325 |
| Chino Valley Chamber of Commerce | | \$295 |
| Rancho Cucamonga Chamber of Commerce | | \$290 |
| Association of San Bernardino County Special Districts | Steven J. Elie | \$275 |
| Public Agency Risk Management Association (PARMA) | | \$200 |
| Upland Chamber of Commerce | | \$160 |

INFORMATION
ITEM
2A

Date: January 17, 2018

To: The Honorable Board of Directors

From: Halla Razak, General Manager

HR

Committee: Community & Legislative Affairs

01/10/18

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

Subject: Public Outreach and Communication

Executive Summary:

This is an informational item that provides highlights of the External Affairs team's monthly outreach, education and communication programs and updates.

A Project WET and Garden in Every School® Workshop is scheduled for February 27. The workshop is mandatory for those schools interested in applying for the 2018/19 Garden in Every School® program for the installation of a water-wise garden on campus. This workshop also provides participants with the Project WET curriculum guide and training.

Staff is continuing to schedule Water Discovery field trips for program year 2017/18. To date, staff has provided field trips and/or scheduled approximately 3,210 students from July 2017 to May 2018.

Staff's Recommendation:

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

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

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

February

- February 27, Project WET and Garden in Every School® Workshop, IEUA Building B Event Room, 8:00 a.m. – 3:00 p.m.

April

- April 18, Earth Day Event – Student Day, Chino Creek Wetlands and Educational Park, 9:00 a.m. – 2:00 p.m.
- April 19, Earth Day Event – Community Day, Chino Creek Wetlands and Educational Park, 4:00 p.m. – 7:00 p.m.

Outreach/Education - Civic Publications Newspaper Campaign

- IEUA staff distributed an email blast at the end of December focusing on resolutions to kick the water wasting habit.

Media and Outreach

- IEUA ran an ad in the *Champion Newspaper's* Holiday Greetings section on December 23.
- IEUA continues to run banner ads with *Fontana Herald News*.
- IEUA sent out *Kick the Habit* campaign ads focused on the holidays and New Year's resolutions to save water through social media and Constant Contact.
- In December, 18 posts were published to the IEUA Facebook page and 12 tweets were sent on the @IEUAwater Twitter handle.
 - The top three Facebook posts, based on reach and engagement, in the month of December were:
 - 12/5: SAWPA Commission Meeting – Intro. Halla Razak
 - 12/18: *Kick the Habit* water saving tip
 - 12/12: Project WET and GIES Workshop announcement
 - The top three tweets, based on reach and engagement, in the month of December were:
 - 12/7: #ThursdayThoughts #chinocreekwetlands post
 - 12/13: Project WET and GIES Workshop
 - 12/18: *Kick the Habit* #watersaving post

Education and Outreach Updates

- Staff is continuing to schedule Water Discovery field trips for program year 2017/18. To date, staff has provided field trips and/or scheduled approximately 3,210 students from July 2017 to May 2018.
- Student Earth Day is scheduled for Wednesday, April 18, 2018 and staff currently has 12 schools that have expressed interested in attending the event with approximately 1,100 students.
- Solar Cup Teams will be submitting their first technical report on January 4.

- A Project WET and Garden in Every School® Workshop is scheduled for February 27, 2018. The workshop is mandatory for those schools interested in applying for the 2018/19 Garden in Every School® program for the installation of a water-wise garden on campus. This workshop also provides participants with the Project WET curriculum guide and training.

INFORMATION
ITEM
2B



December 22, 2017

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

Overview:

The Legislature remained quiet in December, with members spending time in their districts getting ready to return to the Capitol in January. When they return in January, they will face a January 31 house of origin deadline for all carry over, two-year bills from last year and a February 16 bill introduction deadline. In addition to normal legislative business, the ongoing sexual harassment fallout will continue to play a big role in shaping the year. Several members have already resigned, with one more being asked to take a leave of absence and even more members rumored to be the next accused. Not only will this take a toll on doing business with fewer members in each house, the attention and time required to properly handle these issues will become a distraction from other issues.

The start of the “rainy season” has been anything but wet, raising concerns that dry conditions will continue through the winter, pushing the state back into drought-like conditions. The only positive piece of news is that most reservoirs remain significantly above normal levels for this time of year.

Fix the Grid, a coalition of clean energy companies, technical experts and environmental organizations working to modernize California’s electric grid to facilitate large-scale integration of carbon-free renewable energy, hosted a briefing and panel discussion on the future of the grid. The briefing was moderated by Don Furman of *Fix the Grid* and guest panelists included Laura Wisland, Union of Concerned Scientist; Michael Backstrom, Southern California Edison; Stacey Crowley, California ISO; and Danielle Osborn Mills, American Wind Energy Association (AWEA).

The California Air Resources Board (CARB) recently adopted the climate-change Scoping Plan, which provides a strategy for achieving a 40 percent reduction in greenhouse gas emission below 1990 levels by 2030.

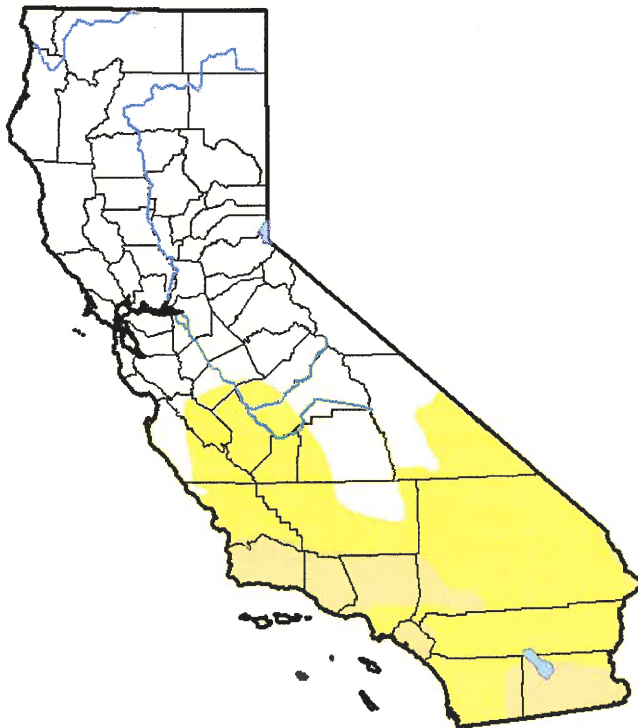
Inland Empire Utilities Agency Status Report – December 2017

Drought Concerns

While California is technically in the middle of the rainy season, there are rising concerns because the season hasn't been all that rainy. In just three months, the percentage of the state experiencing drought conditions increased by about 20 percent. The main increase was documented in the south-eastern portion of the state, the same portion that was the last to emerge from the previous drought. While all reservoirs, except Oroville and Perris, on the State Water Project system remain above average, there are growing concerns that the state might be entering another prolonged dry period.

U.S. Drought Monitor California

December 12, 2017
(Released Thursday, Dec. 14, 2017)
Valid 7 a.m. EST



Drought Conditions (Percent Area)

| | None | D0-D4 | D1-D4 | D2-D4 | D3-D4 | D4 |
|---|-------|-------|-------|-------|-------|-------|
| Current | 55.70 | 44.30 | 9.90 | 0.00 | 0.00 | 0.00 |
| Last Week 12-05-2017 | 65.35 | 34.62 | 9.90 | 0.00 | 0.00 | 0.00 |
| 3 Months Ago 09-12-2017 | 77.88 | 22.12 | 8.24 | 0.04 | 0.00 | 0.00 |
| Start of Calendar Year 01-01-2017 | 18.07 | 81.93 | 67.61 | 54.02 | 35.17 | 18.31 |
| Start of Water Year 09-26-2017 | 77.88 | 22.12 | 8.24 | 0.00 | 0.00 | 0.00 |
| One Year Ago 12-12-2016 | 12.16 | 67.64 | 73.04 | 60.27 | 42.60 | 21.04 |

Intensity

- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

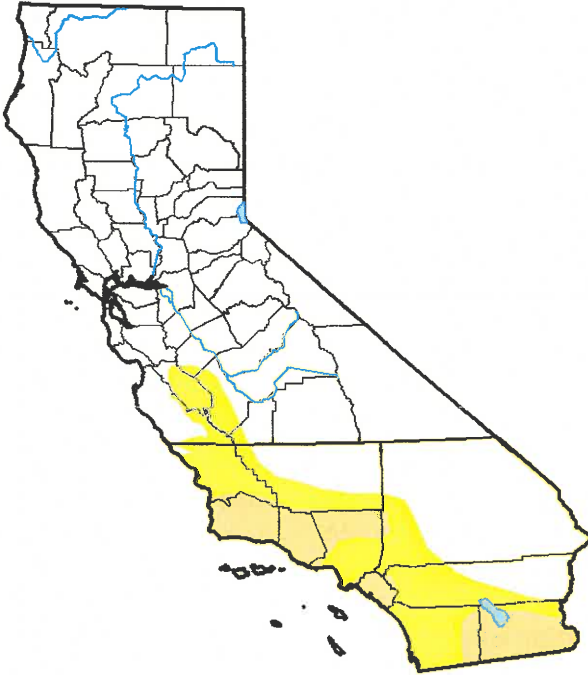
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:
Jessica Blunden
NCEI/NOAA



<http://droughtmonitor.unl.edu/>

September 12, 2017



Fix the Grid Holds “Future of the Grid” Legislative Briefing

Fix the Grid, a coalition of clean energy companies, technical experts and environmental organizations working to modernize California’s electric grid to facilitate large-scale integration of carbon-free renewable energy, hosted a briefing and panel discussion on the future of the grid. The briefing was moderated by Don Furman of *Fix the Grid* and guest panelists included Laura Wisland, Union of Concerned Scientist; Michael Backstrom, Southern California Edison; Stacey Crowley, California ISO; and Danielle Osborn Mills, American Wind Energy Association (AWEA).

The briefing was attended by legislative staff and energy policy professionals. The bulk of the conversation included strategies for decarbonizing the electric grid and the transportation sector including a regional grid. Each panelist made a short presentation followed by a question and answer period by attendees. The individual presentations captured the following points:

- **SoCal Edison:** Three major steps for implementing a “clean” grid by 2030, while avoiding negative impacts to consumers’ pocket books, as follows:
 1. Decarbonize the electric sector (80% carbon free by 2030)
 2. Electrify the transportation sector (25% of all cars and trucks electric by 2030)
 3. Electrify buildings (1/3 of all space and water heaters by 2030)
- **CA ISO:** A review of the current state of the grid, highlighting the ability to track GHG emissions coming to CA from energy resources out of the state; and the advantages of establishing regional day-ahead and real-time markets to reach carbon free goals.

- **AWEA:** Advantages of a regional renewable grid including achieving carbon free goals; cost effectiveness; job creation in California; technical diversity, leading to a balanced portfolio; and geographic diversity, allowing for maximized wind generation and distribution.
- **UCS:** “Why” and “how” to decarbonize the grid.
 - Why: reduction of criteria air pollution from existing natural gas production facilities; ability to electrify transportation sector; and job creation in CA.
 - How: Improving weather forecasting; improving energy storage; shifting demand (both time of day and seasonal); shutting down “dirty” gas facilities first and “clean” facilities last, if at all; and decentralizing the grid.

During the question and answer period, legislative staff and advocates from the Sierra Club, Californians for Environmental Justice (CEJA), and the Independent Energy Producers Association asked questions. Questions were focused on decarbonizing the grid by eliminating coal generation and minimizing natural gas production; support for a regional grid from the utilities; replacing the impending closure of Diablo Canyon nuclear facility; benefits of an energy imbalance market; and the prioritization of electrifying the transportation sector over getting rid of natural gas – a clean and affordable energy source.

Predictably, CA ISO continued to highlight the benefits of a regional grid, while environmentally focused groups and panelists favored elimination of coal and natural gas (in most cases). Laura Wisland from the Union of Concerned Scientist repeatedly emphasized that the market alone will not force the elimination of coal and natural gas generation; state and national policies will need to force that change. She also added that while it is “politically uncomfortable” to establish a western regional grid, CA ISO is the only ISO that is concentrated principally in one state. The other ISOs include both “red and blue states” with differing political agendas and environmental policies. Don Furman mentioned that the major utilities he has spoken to across the country are interested in renewable energy over more carbon intensive energy sources because of the opportunity to invest capital and see a return on those projects. Affordability was really only discussed in the context of uncertainty with electrifying the transportation sector.

It is unclear whether *Fix the Grid* will look to sponsor legislation on any of these topics next year, but renewable and carbon free energy as well as a regional grid will continue to be hot topics in the final year of the 2017-2018 session.

CARB Approves Plan to Achieve 2030 GHG Emissions Goal

The California Air Resources Board (CARB) recently adopted the climate-change Scoping Plan, which provides a strategy for achieving a 40 percent reduction in greenhouse gas emission below 1990 levels by 2030.

The mix of programs outlined in the Scoping Plan for achieving a cumulative 621 million metric tons of carbon dioxide equivalent between 2021 and 2030 include cap and trade, the 50 percent renewable portfolio standard (RPS), cleaner vehicle and transportation programs, improvements to freight-system efficiency, and 18 percent reduction in carbon intensity under the Low Carbon Fuel Standard, reductions in short-lived climate pollutants, and a doubling of energy efficiency savings from natural gas and electricity end uses.

Legislative Outlook for 2018

Members will return to Sacramento on January 3 to hit the ground running on two-year bills from 2017. All bills introduced in 2017 must be passed out of their house of origin by January 31. February 16 is the deadline to introduce new bills.

A new leader, Toni Atkins (D-San Diego) will be sworn in in the Senate in the New Year, which will likely lead to some shuffling of committee assignments.

Long-term water use efficiency and funding clean drinking water for all Californians will be hot topics when the Legislature reconvenes. On the energy side focus will remain on a proposal for 100 percent clean energy and the creation of a western-region electrical grid. The Governor will be working to cement his legacy in his final year of office, including getting the final details and permits in place for the California Water Fix. Finally, most members will be running for re-election in 2018. Democrats will be seeking to solidify the gains they made in 2016 and Governor Brown's replacement will be determined.

In addition to members running for re-election, there are water bonds slated for both the June and November ballots, and the first special election has been called to replace members who have resigned amongst sexual harassment claims. There will likely be several more members accused and possibly resigning, or being expelled, in the coming months.

Democrats will temporarily lose their two-thirds majority, should any more Democratic members resign from the Assembly, which would make it more difficult to pass any taxes or fees such as SB 623 (Monning).

The Governor will release his preliminary budget on January 10, which will include billions of dollars in Greenhouse Gas Reduction Fund revenue.

With all these moving parts, 2018 should prove to be an interesting year in Sacramento.

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Comprehensive Government Relations

MEMORANDUM

To: Halla Razak, Joe Grindstaff, Kathy Besser

From: Letitia White, Jean Denton, Annie Wake, Shavenor Winters

Date: December 22, 2017

Re: December Monthly Legislative Update

Congress Pushes Tax Reform Across Finish Line

The tax bill passed the House 227-203 on Tuesday, December 19, but was sent back to be voted on again after the Senate stripped out certain provisions of the bill that did not comply with the Byrd Rule, related to federal revenue and spending.

The Senate passed the measure by a 51-48 party-line vote early Wednesday, December 20. Both the House and the Senate have to pass an identical bill before the president can sign it into law.

The House Ways and Means Committee Chairman Kevin Brady (R-TX) said earlier that “the only thing better than voting on tax cuts once is voting on tax cuts twice.” After the bill passed, Brady could be seen on the House floor exchanging fist bumps with Rep. Steve Scalise (R-LA), as other Republican members waited to shake his hand and hug him.

The Tax Policy Center estimated in a new analysis that the Republican tax bill will add \$1.3 trillion to the deficit over 10 years once the benefits from economic growth are factored in. According to a statement, the bill would increase the gross domestic product by 0.8% in 2018.

The measure would have negligible effect on the GDP in 2027 or 2037, according to the TPC. President Donald Trump could signed the tax bill on Friday, December 22, after Congress passed a short-term spending bill that includes suspending the so-called PAYGO rules that would require automatic spending cuts tied to the tax reductions.

President Trump's signature was the last step to making the GOP tax legislation official. Many of the tax changes go into effect at the start of 2018. Individual taxpayers will start seeing withholding changes in their paychecks in February, Republican leaders say.

Republicans pointed to corporate announcements of more spending on employees after the bill's passage as an indication that the plan will boost economic growth. AT&T Inc. and Comcast Corp. announced Wednesday, December 20 that they will give their

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employees \$1,000 end-of-the-year bonuses on news of the tax cuts. Wells Fargo & Co. and Fifth Third Bancorp said they would raise their minimum wage to \$15 an hour. Boeing Co. pledged \$300 million in investment for employees and charities.

Corporations are “standing up and saying just exactly what people like Speaker Paul Ryan (R-WI) have been predicting for a long time,” Senate Majority Leader Mitch McConnell (R-KY) told reporters Dec. 21. “This is going to provide great opportunities for the employees of our economy.”

House Divided

Democrats pushed back on the idea that companies will automatically increase investment and wages because of a corporate tax cut. Rep. Lloyd Doggett (D-Texas) said offering employees a one-time bonus does more to generate good headlines than economic growth.

“They’ve not yet delivered even one-fourth of the blessings per household,” Doggett said, referring to a pledge Trump made that the tax bill would amount to a \$4,000 pay increase. “I hope next year everyone is asking, ‘Where is my money?’”

In addition to wage hikes and job increases, Ways and Means member Kenny Marchant (R-Texas) said the new legislation will result in companies buying back some of their stock and paying more dividends to shareholders.

“I think they will pay bigger dividends” and do more buybacks, Marchant said. Those actions would benefit shareholders directly, but in a lot of large companies, employees are shareholders so they’d also reap that benefit, he said.

House Ways and Means Committee Chairman Kevin Brady (R-Texas) said he is prepared to make changes to the legislation in the coming years to fix technical problems or address larger-scale updates to the tax code.

“We’re not waiting another 31 years,” Brady told reporters. “We’ll do what it takes to compete and give our workers and businesses a fighting chance around the world.”

Congress may need to amend the tax changes if foreign countries were to drastically lower their tax rates, if lawyers were able to discover loopholes in the code, or if trading partners were to raise objections to the legislation with the World Trade Organization.

Money Talks

Congress will resume government funding negotiations in January, with the continuing resolution set to expire Friday, January 19. Budget increases for the IRS, tasked with implementing the new tax plan, will likely come up, but Congressman Brady said the agency needs to make a compelling case to receive more funds.

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“The assumption is not we're opening the pocketbook,” he said. “The assumption is we need to know what it takes to implement this effectively and efficiently.”

Republicans may be more likely to allocate additional money to the IRS now that David Kautter, a President Trump pick, is the acting commissioner of the agency. GOP lawmakers have cut the IRS's budget for several years, citing concerns about the agency's alleged targeting.

Continuing Resolution Sent to President

The continuing resolution to fund the government through Friday, January 19, passed the House 231-188 and the Senate 66-32 on Thursday, December 21.

The Senate gave final approval Thursday, December 21, to a short-term extension of federal funding to keep the government running for three more weeks while shoving a raft of fiscal and policy fights into the new year.

The spending measure, was signed into law by President Donald Trump on Friday, December 22, maintains current levels of spending through Friday, January 19 and provide \$4.5 billion in emergency funding for missile defense work as well as other Pentagon expenses. It passed the Senate 66-32 after winning approval in the House 231-188.

It also provides money for several health programs and a funding bridge of \$2.85 billion for the Children's Health Insurance Program, or CHIP. A temporary extension of a section of the Foreign Intelligence Surveillance Act, or FISA, that allows collection of emails and other messages without a warrant also was included.

Among the most noteworthy provisions in the stopgap measure is a waiver of a budget rule that would trigger automatic cuts to Medicare and dozens of other federal programs because of the deficit impact of the tax overhaul signed into law this week. The waiver would cleared the way for President Trump to sign the tax legislation before the end of the year rather than waiting until January.

Disaster Aid

The Senate shelved a separate \$81 billion disaster aid package passed by the House, a blow to representatives from Texas, Florida, California and Puerto Rico, all of which were hit by devastating natural disasters this year. It was done in by a group of Republicans who argued it should be offset by spending cuts elsewhere and some Democrats who decried the package insufficient and want to use it as leverage on other issues.

The debate over the aid package now will carry into January, where it will be added to an already loaded agenda for lawmakers when they return from a holiday recess, which includes debates about the budget, immigration, health care and raising the federal debt ceiling.

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The wrangling that it took to cobble together a stopgap spending plan that could pass both the House and Senate drained away some of the euphoria in the Republican ranks left over from passage of their tax overhaul.

House GOP leaders backed down from their initial plan to appease the defense hawks in their ranks by attaching full funds for the 2018 military budget and forcing the Senate to decide how to approach the Democrats whose help they would need to help pass it. There was simmering resentment -- as Republicans cast their votes just before leaving town for the holiday -- that their policy making would once again be held hostage by the minority party in the Senate.

Republican unity still held strong enough in the House to approve the spending bill without having to count on votes from Democrats -- 14 of whom voted for the measure. Late night negotiations on Wednesday, December on how to fund the most basic functions of government yielded a bill that was exciting to no one, but ultimately acceptable enough to send over to be tested by the tricky math of the slim GOP majority in the Senate.

As a sign of just how deep partisan divisions run, Republicans and Democrats couldn't even agree on how to fund the Children's Health Insurance Program(CHIP), which provides assistance to low-income families. This program has been running on emergency funding for months, and in this bill receives only enough to get it through March 2018.

The House passed a version of CHIP funding earlier this year, but Democrats opposed it because its costs were offset by cuts to other government health programs.

The Veterans Choice Act, to give veterans more flexibility in their health care options, also receives \$2.1 billion under the spending bill.

And the defense spending that some conservatives have for weeks said was their Number 1 priority will continue for just three more weeks, along with some extra funds that the military requested for things like ballistic missile defense and repairs to naval ships. House Speaker Paul Ryan, recognizing the political risks of removing the full defense spending bill because of Senate concerns, assured his members on the night of Wednesday, December 20, that Defense Secretary James Mattis had signed off on this strategy, according to a person who was in the closed-door meeting.

Republicans still have to complete negotiations with Democrats on the ultimate levels for defense and non-defense spending for fiscal year 2018, because the Budget Control Act of 2011 caps those costs. Those levels must be worked out before congressional appropriators can write the package of spending bills that will last until the end of fiscal year 2018. Ideally, this legislation would be ready ahead of the new Jan. 19 shutdown deadline.

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The disaster funding, which could be used to repair damaged facilities and equipment and support emergency operations, would be distributed among federal agencies as follows:

| Department (dollars in millions) | Emergency appropriations |
|--|---------------------------------|
| Homeland Security Department | \$28,612.2 |
| Housing and Urban Development Department (HUD) | \$26,060.0 |
| Army Corps of Engineers | \$12,090.0 |
| Agriculture Department | \$3,893.4 |
| Education Department | \$2,900.0 |
| Transportation Department | \$1,767.6 |
| Small Business Administration | \$1,659.0 |
| Defense Department | \$1,155.2 |
| Health and Human Services Department | \$1,034.6 |
| Commerce Department | \$800.1 |
| Interior Department | \$483.5 |
| General Services Administration | \$127.0 |
| Veterans Affairs Department | \$93.5 |
| Justice Department | \$85.2 |
| NASA | \$81.3 |
| Labor Department | \$60.9 |
| Energy Department | \$21.7 |

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| | |
|----------------------------------|--------|
| National Science Foundation | \$16.3 |
| Government Accountability Office | \$14.0 |
| Environmental Protection Agency | \$13.2 |
| Legal Services Corporation | \$1.0 |

Tough Negotiations

However, the acrimony left over from Ryan switching strategies in the hours between the tax vote and the spending vote could limit his wiggle room on the tough negotiations that await when Congress returns in January.

Democrats stepped down from their demands for immigration protections this year, but the status of undocumented people brought to the U.S. as children must be resolved before March. Some Republicans say this immigration fix is a priority for them as well.

Senator Susan Collins(R-ME) also relented on her demand for legislation this year that would stabilize health insurance markets, but these bills -- which are extremely unpalatable to House Republicans -- are certain to resurface next year.

Although the Republicans who control Congress are on their way to avert a government shutdown on the heels of their tax victory, the tough decisions they didn't confront this week sets them up for a difficult start to 2018.

Both the House and Senate have finished voting for the week and 2017 and are departing Washington D.C., eyes begin to turn to the agenda for 2018.

Congress Averts a Shutdown But Now Faces a Messy Start to 2018

Patience Thin

Patience is running thin among both Democrats and Republicans.

Many lawmakers are eager to take agencies off auto-pilot and to devote more funding for the armed forces, the opioid abuse crisis, medical research and other priorities. They are divided, however, over how much to spend and how much to add to deficits.

To get the stopgap bill enacted, lawmakers dropped plans to provide long-term financing for the Children's Health Insurance Program, or CHIP, and the community health centers program as well as a long-term extension of electronic surveillance programs. Resolving those issues will take priority over the president's plans for an infrastructure bill and welfare reform.

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Senate Minority Leader Chuck Schumer(D-NY), said Thursday that he thought the disagreements could have been resolved "had my Republican colleagues, especially in the House, not put them on the back burner while jamming through their tax bill."

Bipartisan Standoff

Both parties are expected to return to the negotiating table in early January to try to hammer out a budget cap agreement, raising limits on domestic and defense spending imposed under the 2011 Budget Control Act.

They are far apart.

House Minority Leader Nancy Pelosi said that Republicans have sought to increase defense spending by \$54 billion and non-defense spending by \$37 billion. Democrats find that unacceptable because they want equal increases.

Surveillance Law

Both Republicans and Democrats are deeply divided over the government's warrant-less electronic surveillance law, Section 702 of the Foreign Intelligence Surveillance Act, or FISA. A compromise attempt between Republican libertarians and security hawks was pulled from consideration this week. Instead, a short-term extension of the authority, to Jan. 19, was put into the funding bill.

In the Democratic ranks, lawmakers face increasing pressure to force a showdown on the Dreamers, who had been protected under an Obama administration program called Deferred Action for Childhood Arrivals, or DACA.

In September, President Trump revoked the order and some of the undocumented immigrants say they are already losing protected status, along with their jobs.

Senator Jeff Flake(R-AZ) has secured a commitment from Senate Majority Leader Mitch McConnell to put any deal on the issue on the Senate floor in January.

A deal could involve expanded border security spending. Sticking points remain on President Trump's demand for a border wall, for more deportation agents and for changes that would end the ability of immigrants to bring family members to the U.S.

Battle Ahead

"The battle's going to come in January," Ralph Norman(R-SC), said in an interview after the House approved the temporary funding. "One of the reasons I voted for this now is I didn't want DACA thrown in."

Then there's the question of Affordable Care Act's future, which continues to haunt the Capitol.

Senator Susan Collins(R-ME) says she has a commitment from Senator McConnell to allow votes on two Affordable Care Act bills meant to lower premiums by restoring cost-sharing reduction payments and by setting up a reinsurance program. But they face strong opposition among Republicans in the House.

Some Republicans want to make another run at repealing Affordable Care Act once the leftovers are out of the way.

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Senator McConnell has suggested that repeal is off the table. That sparked a furious rebuke from Senator Lindsey Graham(R-SC) and will worsen in January once Alabama Democrat Doug Jones is sworn in to the U.S. Senate and the Republican majority shrinks to 51 members.

Senator McConnell also suggested cutting entitlements will not be on the agenda next year, a day after House Speaker Paul Ryan said he wants to push welfare-to-work proposals. Senator McConnell could use the budget process to try to ram through work requirements for welfare, food stamps and Medicaid, though that could be politically difficult in an election year.

White House Gears up to lay out Infrastructure Plan

President Donald Trump plans to keep pushing his legislative agenda in 2018 by releasing his long-promised infrastructure proposal in early January.

Infrastructure advocates question whether a Republican-led Congress will be able to pass a spending plan with enough federal funding if it's already approved a tax measure that official estimates say would bloat the budget deficit. Some say the Trump administration missed its best opportunity to deliver a meaningful public works initiative by not incorporating it into the tax bill, which is nearing approval.

The Russell 3000 Building Materials Index gained as much as 2.2 percent on the news and closed up 1.8 percent, as companies including Summit Materials Inc., Vulcan Materials Co. and Martin Marietta Inc. spiked sharply higher.

President Trump Promised

President Trump promised during his campaign to introduce a \$1 trillion proposal within his first 100 days in office, then the Trump administration said there'd be a plan by the third quarter. That did not happen after the failed attempt to overhaul health care and the ongoing tax effort.

The President aims to release a detailed document of principles, rather than a drafted bill, for upgrading roads, bridges, airports and other public works before the January State of the Union address.

The White House plan is essentially complete and President Trump recently reviewed it. It calls for allocating at least \$200 billion in federal funds over 10 years to spur at least \$800 billion in spending by states, localities and the private sector.

The plan would put the federal dollars in four areas: cash for states and localities, with preference for entities that generate their own funding as well; formula block grants for rural areas; federal lending programs; and money for "transformational" work such as plans to build high-speed trains in tunnels by Boring Co., which was founded by Elon Musk.

Shifting Responsibility

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The guiding principle of the plan is to shift responsibility for funding from the federal government to states and localities -- which own or control most assets -- by providing incentives for them to generate their own sustainable funding sources and work with the private sector.

Still, some governors and mayors have already balked, saying they're doing their fair share and that much more federal funding is needed to meet what the American Society of Civil Engineers has estimated to be a \$2 trillion funding gap for infrastructure by 2025. Some advocates say the best chance was to include measures such as a higher gas tax or levies on corporate profits returned from overseas in the tax overhaul.

"We need to be honest with the American people: failure to find the revenue for an infrastructure initiative now, as part of tax reform, will make passage of such a package nearly impossible in the future," Bud Wright, executive director of the American Association of State Highway and Transportation Officials, said in a letter last month to Senate leaders.

Too Difficult

A White House official said it would have been too difficult to combine infrastructure with the tax bill. The plan now is to give Congress a blueprint for a bill and allow the details -- including funding -- to be negotiated in a bipartisan way, the official said.

The U.S. Chamber of Commerce sees the \$200 billion amount as "a floor, not the ceiling," said Ed Mortimer, the chamber's executive director for transportation infrastructure.

The chamber has advocated raising the federal gas tax, which has not been increased since 1993 as the easiest and fairest way to generate money. The Trump Administration has not endorsed the idea but has not taken it off the table, either.

Cautiously Optimistic

Michael Burke, chairman and chief executive of AECOM, the world's biggest engineering firm, said he's "cautiously optimistic" about Congress enacting an infrastructure bill in 2018 but is disappointed that it didn't happen this year.

Despite the "headwinds and political turmoil," Macquarie Infrastructure and Real Assets remains hopeful a proposal will emerge in 2018 because there is political constituency for it from across the political spectrum, Managing Director David Agnew said in a statement.

One problem is how to treat states and localities that have already raised money for projects so they're not disadvantaged in the competition for federal funding, said Jim Tymon, chief operating officer of the American Association of State Highway and Transportation Officials in Washington.

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Gas Taxes

Twenty-six states have raised or adjusted their motor-fuel tax rates and other fees during the past five years, and voters in 20 states approved \$4.2 billion in new and continued funding for infrastructure in Nov. 7 ballot issues alone, according to the American Road & Transportation Builders Association.

The White House official said entities that raised revenues over time would get credit in the process, as will those that take action in 2018 instead of waiting for a federal bill.

The Trump Administration has also said a major element of its plan will be streamlining environmental reviews and permitting for projects, vowing to reduce the time it takes to get approvals to about two years.

Peter DeFazio (D-OR), the top Democrat on the House Transportation and Infrastructure Committee said, “there have been previous streamlining initiatives that have not yet been implemented, and it would be a mistake to focus on streamlining when more funding is needed.” He said the initiative is already at risk because it has been delayed so long.

Still, infrastructure has always been a bipartisan issue, and there has not been this type of discussion about infrastructure at the federal level in decades.

Blackburn: Net Neutrality Bill Up for Panel Vote in Early 2018

A House tech and telecom panel will likely vote on a net neutrality bill early next year, the bill's sponsor, Rep. Marsha Blackburn (R-TN).

Blackburn introduced the bill days after the Federal Communications Commission removed Obama-era internet rules banning internet service providers from blocking or slowing internet traffic, or from creating different tiers of network access for fees.

Blackburn's bill would continue to bar ISPs from blocking or slowing traffic. But it would retain the FCC's reclassification of the internet as an information service, rather than a telecom service, effectively shielding ISPs from some stringent requirements. It also aims to override state laws that may contradict its language, an attempt to possibly blunt the effects of states' legislative plans to push back on the FCC changes.

The vote would kick off Capitol Hill debates on the heated issue amid court challenges to the FCC's rollback, contributing to the legal and regulatory discord over net neutrality in 2018. Meanwhile, both ISPs and content companies also have urged lawmakers to pass legislation to clarify the much-altered rules.

Blackburn heralds her bill as “simple,” but its brevity could invite Democratic objections given that it leaves out a key 2015 net neutrality principle: a ban on prioritized network

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lanes. They also could criticize the bill's siding with the FCC regarding the internet service classification.

Blackburn defended the FCC's decision to toss out the 2015 classification of the internet as a utility-like telecom service, saying it was an overreach by Obama's FCC. "It was government control of the internet," she said.

But she also said she could find common ground with Democrats on the two main provisions: bans on blocking or slowing network traffic. "You have the agreement on those two components, and we would like to see it done in a bipartisan manner," she said.

Blackburn urged Democrats to do their legislative duty and address this legislatively rather than waiting out the court challenge to FCC.

Blackburn's other 2018 legislative priorities include expanding broadband access, reauthorizing the FCC, helping free up more space on the airwaves, and addressing internet privacy and data security.

End of Net Neutrality Creates Uncertainty for Rural Telehealth

The repeal of government net neutrality rules could potentially harm rural patients' ability to speak to a remote physician or electronically send a hospital health information from personal devices.

About 20 percent of Americans live in rural areas "where many do not have easy access to primary care or specialist services," according to a 2015 American Hospital Association report. With the long-term impact of the Federal Communications Commission's decision uncertain, some legal and policy experts believe that changes to the internet and how access is priced could restrict some rural patients' access to telehealth services. On Thursday, December 14, the FCC voted 3-2 to repeal rules barring internet service providers such as Comcast Corp. and AT&T Inc. from slowing or blocking web traffic. The 2015 Obama-era rules reclassified internet access under the Communications Act from an "information service" to a "common carrier service," moving regulatory jurisdiction of the internet service providers (ISPs) solely to the FCC from joint jurisdiction under the FCC and the Federal Trade Commission. Now, the FTC will regain full responsibility.

In a statement, the FCC said its vote was undoing 2015's "utility-style regulation of broadband Internet access service, which imposed substantial costs on the entire Internet ecosystem."

The new rules will take effect 60 days after they are published in the Federal Register, which has not yet happened. State attorneys general and activist groups have announced intentions to sue the FCC, advocating for a free and open internet.

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The impact of the repeal on rural and elderly patients is unknown because the ISPs can each decide how to implement new practices and payment structures. Rural patients who don't live close to the doctor or lack sufficient Internet access may face increasing personal costs or difficulty connecting with telehealth services if the price of bandwidth increases, attorneys and health technology professionals. Small hospitals, health systems, and telehealth companies may also be unable to compete with large companies for high-quality service.

Telehealth services include a variety of functions, such as allowing patients to communicate with physicians from their homes and technology applications that pass real-time and stored health data electronically to physicians. They can include a patient using a video conference to speak with a physician, remote patient monitoring, and mobile health communication. These services have become increasingly popular over the past few years among patients who lack easy access to a physician and elderly patients whose health needs constant monitoring.

About 39 percent of America's rural population (about 23.4 million people) lack access to advanced telecommunications capability, compared with 4 percent of the urban population, according to the FCC's most recent broadband report published in January 2016. The agency recently created the Rural Broadband Auctions Task Force to increase mobile coverage in rural areas.

Direct consultation for patients over the internet, services that provide patients with medical education, and the ability for doctors to evaluate data uploaded from patients' personal devices like heart rate monitors "could be constricted if they were treated differently than preferred traffic," Leslie Lenert, chief research information officer at the Medical University of South Carolina.

About 50 percent of Americans only have one ISP to choose from, so the "idea that you could switch providers to get the performance you needed is not true," Lenert said. The lack of choice affects less-densely populated areas, which are "just the ones we like to serve with telehealth applications," he said. Lenert, who is a proponent of reduced regulation, said that the rules under net neutrality also did not go far enough to prefer health data over other internet traffic.

Prioritized Service

ISPs that control the quality of service for different players are the potential big winners of the repeal, and the potential losers are innovation and the marketplace, because a non-neutral network will favor the bigger players, like Google and Netflix, because they have the money to pay for the bandwidth.

The result of the changes will depend on how ISPs structure their systems, and if they choose to have business agreements with large companies, Gaynor said. This model of a business agreement, called paid prioritization, could potentially slow down traffic for companies that don't pay as much as others. Many ISPs say they will not implement a

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paid prioritization model, but it is difficult to predict what the internet companies will do, he said.

A paid prioritization model could potentially affect smaller hospitals', health systems', and telehealth companies' ability to provide telehealth services if they can't pay a high cost, especially those in rural areas that already have broadband issues. The structure could also create a multi-tiered health-care system if the large hospitals that have the money to pay for more bandwidth can only treat wealthier patients who can pay for the higher-quality service.

Remote monitoring capabilities and digital health services delivered in the home or workplace require "a very high-quality internet connection," according to Rob McCray, president and chief executive of the Wireless-Life Sciences Alliance, a San Diego-based trade organization for innovative health-care technologies.

Patients with chronic diseases often utilize remote monitoring technologies, and patients that either don't have access to a monitoring program or drop out because of the high cost could risk exacerbating conditions if health problems go unchecked.

Patients receiving services directly in the home could see increased costs because the telehealth programs are delivered over the patients' internet connection.

INFORMATION
ITEM
2C



CALIFORNIA STRATEGIES, LLC

Date: December 18, 2017
To: Inland Empire Utilities Agency
From: John Withers, Jim Brulte
Re: December Activity Report

1. This month Senator Brulte and John Withers held their initial meeting with newly selected General Manager Halla Razak and the senior staff of the agency. Also in attendance was outgoing General Manager Joe Grindstaff.
2. To introduce California Strategies and specifically Senator Brulte and John Withers to GM Razak we prepared a presentation for her review.
3. The presentation contained:
 - a. Background information on California Strategies
 - b. Brief biography of John Withers
 - c. Brief bio on Senator Brulte
 - d. Areas of partnership with IEUA
 - e. A sampling of representative projects we have worked on since our engagement
 - f. Contact information for Withers and Brulte
4. GM Razak asked specific questions regarding project specific work as well as certain outcomes related to that specific work.
5. We engaged in a discussion related the status of the activity related to the Regional Contract as well as the recent meeting between the facilitator, Chris Berch and Director Parker. We also discussed specific issues raised by some of the stakeholders.
6. The final discussion related to the Water Bank; the proposals and the staff scoring system. We noted that Joe and Halla were going to be speaking before the State Water Commission to advocate for our project.

INFORMATION
ITEM
2D

Federal Legislation of Significance

| Bill Number | Sponsor | Title and/or Summary | Summary/Status |
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| H.R. 1370 | Rep. Michael McCaul (R-TX) | Vehicle for the Short-Term Continuing Resolution | <p>The continuing resolution(CR) to fund the government through Friday, January 19, passed the House 231-188 and the Senate 66-32 on Thursday, December 21. The CR maintains current levels of spending through Jan. 19 and provide \$4.5 billion in emergency funding for missile defense work as well as other Pentagon expenses</p> <p>President Trump signed the legislation into law on Friday, December 22.</p> |
| H.R. 4667 | Rep. Rodney Frelinghuysen (R-NJ) | Making further supplemental appropriations | <p>Making further supplemental appropriations for the fiscal year ending September 30, 2018, for disaster assistance for Hurricanes Harvey, Irma, and Maria, and calendar year 2017 wildfires, and for other purposes.</p> <p>The House passed the legislation by a vote of 251 to 169. The Senate did not take up the legislation and will revisit the issue in January 2018.</p> |
| S.1 | Sen. Mike Enzi | Tax Cuts and Jobs Act | <p>This bill provides for the reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2018. Tax rates would be reduced, dozens of breaks would be eliminated, and the individual mandate from the Affordable Care Act would be eliminated. The corporate income tax rate would be set at 20 percent.</p> <p>S.1 was introduced by the Senate Budget Committee on Tuesday, November 28.</p> |
| | Sen. Thad Cochran (R-MS) | Fiscal 2018 Appropriations Act | <p>On November 21st the Senate Appropriations Committee released funding bills for Defense, Homeland Security, Financial Services and the Interior for fiscal year 2018. We expect the Senate to go straight to conference on these bills. The remaining eight FY18 bills were approved by the committee prior to November.</p> |
| H.R.1 | Rep. Kevin Brady (R-TX) | Tax Cuts and Jobs Act | <p>This bill amends the Internal Revenue Code to reduce tax rates and modify policies, credits, and deductions for individuals and businesses. Tax rates would be reduced, dozens of breaks would be eliminated, and the individual mandate from the Affordable Care Act would be eliminated. The corporate income tax rate would be set at 20 percent.</p> <p>H.R.1 was introduced on Thursday, November 2 buy the Committee on Ways and Means. The House voted 227-205 and passed the bill on Thursday, November 16.</p> |
| H. Con. Res. 71 | Rep. Diane Black (R-TN) | Establishing the congressional budget for the United States Government for fiscal year 2018 and setting | <p>Legislation that would change the tax code and increase the deficit by as much as \$1.5 trillion over a decade could be passed with simple majorities in both chambers under the Senate amendment to H. Con. Res. 71.</p> |

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| | | forth the appropriate budgetary levels for fiscal years 2019 through 2027 | <p>The proposed fiscal 2018 budget resolution would direct the tax-writing panels -- House Ways and Means and Senate Finance -- to produce reconciliation legislation by Monday, November 13.</p> <p>The plan calls for spending \$3.13 trillion in fiscal 2018, while bringing in \$2.49 trillion in revenue, for a deficit of \$641 billion. Those figures don't include "off-budget" items such as Social Security, which would bring total spending to \$3.99 billion in fiscal 2018. It would seek about \$5.1 trillion in spending reductions over the next decade and \$1.6 trillion in tax cuts.</p> <p>The House adopted its version of H. Con. Res. 71 by a vote of 219-206 on Thursday, October 5. The Senate adopted an amended version by a vote of 51-49 on Thursday, October 19. And, the House passed the Senate amended bill on Thursday, October 26 by a vote of 216-212. It now goes to the White House for the President's expected signature.</p> |
| H.R. 2266 | Rep. John Conyers | Additional Supplemental Appropriations for Disaster Relief Requirements Act, 2017 | <p>Hurricane and wildfire relief efforts would receive an additional tranche of emergency supplemental funding under a House amendment to the Senate amendment to H.R. 2266.</p> <p>The \$36.5 billion aid package would: Appropriate \$18.7 billion for the Federal Emergency Management Agency's (FEMA) Disaster Relief Fund (DRF). As much as \$4.9 billion could be transferred to FEMA's Community Disaster Loan (CDL) program to help local governments and U.S. territories provide essential services. Cancel \$16 billion in loans to the National Flood Insurance Program (NFIP), which reached its borrowing limit after hurricanes Harvey and Irma. And allow as much as \$1.27 billion in previously appropriated funding to be transferred for emergency nutritional assistance in Puerto Rico.</p> <p>The Senate agreed to the House amendment to the Senate amendment to H.R. 2266 by 82-17. On October 26, 2017, the bill became Public Law No: 115-72.</p> |
| H.R. 3711 | Reps. Lamar Smith (R-TX)/Ken Calvert (R-CA) /Bob Goodlatte (R-VA) | The Legal Workforce Act | <p>A bill that would require all U.S. employers to use the E-Verify electronic employment verification system. The requirement would be phased over a two-year period, starting with the largest employers. The agriculture industry would have an additional six months (or 30 months total) to come into compliance.</p> <p>H.R. 3711 was referred to the Committee on the Judiciary, and in addition to the Committees on Ways and Means, and Education and the Workforce on Friday, September 8th. On Wednesday, September 27th, H.R.3711 was referred to Judiciary</p> |

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| | | | Subcommittee on Immigration and Border Security. Judiciary Committee Consideration and Mark-up Session was held on Wednesday, October 25 th . H.R. 3711 was ordered and reported (amended) by the yeas and nays: 20-10 on October 25 th . |
| H.R. 601 | Rep. Nita Lowey (D-NY) | Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017 | <p>\$15.25 billion dollar bill for disaster aid following the destruction caused by Hurricane Harvey and anticipated by Hurricane Irma. This bill will also raise the debt limit and includes a continuing resolution funding the government until December 8th.</p> <p>H.R. 601 was passed in the Senate on Thursday, September 7 will additional Hurricane funding and the deficit reduction until December provisions. The House passed the bill on Friday, September 8, and was signed by the President on the same day.</p> |
| H.R. 3354 | Rep. Ken Calvert (R-CA) | Make America Secure and Prosperous Appropriations Act, 2018 | <p>An omnibus package including the Interior; Homeland Security; Financial Services; Commerce, Science, and Justice; Transportation, Housing and Urban Development; Agriculture; Labour and Health and Human Services, and Education; and State and Foreign Operations Appropriations Acts, fiscal year 2018. The House-passed version of H.R. 3354 includes all 12 appropriations bills, including four that were previously passed in H.R. 3219.</p> <p>Highlighted bills in this package are below.</p> <p>H.R. 3219 was introduced in the House Rules Committee on Wednesday, August 16. was considered and passed by a vote of 211 to 198 on the House Floor on September 14, 2017.</p> |
| H.R. 3219 | Rep. Kay Granger (R-TX) | Make America Secure Appropriations Act, 2018 | <p>A small omnibus package including the Defense, Energy and Water, Military Construction and Veterans Affairs, and Related Agencies, Legislative Branch, and Border Barrier funds from the Homeland Security Bill Appropriations Acts, fiscal year 2018.</p> <p>Highlighted bills in this package are below.</p> <p>H.R. 3219 was introduced in the House Rules Committee on Monday, June 24. It was passed on the House Floor by a vote of 235-192.</p> |
| | Rep. Charlie Dent (R-PA) | Fiscal 2018 Military Construction and Veterans Affairs, and Related Agencies Appropriations Act | This legislation provides \$88.8 billion in discretionary funding, \$6 billion above the fiscal year 2017 level. Within this total, funding for the Department of Veterans Affairs was increased by \$4 billion over the fiscal year 2017 level, and increases access to services for veterans and regulatory oversight within the department. Also within the |

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| | | | <p>total, Military construction was increased by \$2.1 billion over the fiscal year 2017 level.</p> <p>This bill was passed out of the Appropriations Committee on June 15th. The Senate's corresponding legislation was reported out of the Senate Appropriations Committee in July.</p> <p>This bill was included in H.R. 3219 and passed on the House Floor by a vote of 235-192.</p> |
| | Rep. Mike Simpson (R-ID) | Fiscal 2018 Energy and Water Appropriations Act | <p>The House Appropriations Committee marked up the FY18 Energy and Water Bill in full committee on July 17th.</p> <p>Within the bill, the Bureau of Reclamation funding is reduced from the FY17 level but well above what the Administration had requested for FY18. Also, the bill would authorize the EPA and Army to withdraw from the Waters of the United States rule.</p> <p>This bill was included in H.R. 3219 and passed on the House Floor by a vote of 235-192.</p> |
| | Rep. Mario Diaz-Balart (R-FL) | Fiscal 2018 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act | <p>The House Appropriations Committee today approved the fiscal year 2018 Transportation, Housing and Urban Development funding bill on July 17, 2017.</p> <p>In total, the bill reflects an allocation of \$56.5 billion in discretionary spending – \$1.1 billion below fiscal year 2017 and \$8.6 billion above the request.</p> <p>Within the bill, Community Development Block Grants are funded at \$2.9 billion, \$100 million below fiscal year 2017 level.</p> |
| | Sen. Lamar Alexander (R-TN) | Fiscal 2018 Energy and Water Appropriations Act | <p>The Senate Appropriations Committee approved their FY18 Energy and Water Bill on July 20th in full committee markup.</p> <p>Within the bill the Committee recommended funding the Bureau of Reclamation at \$1,287,725,000, which is \$190,332,000 above the President's FY18 budget request. Similar to the House mark, the Senate provided \$34,406,000 for Title XVI and \$24,000,000 for WaterSMART grants. Also, an additional \$98,000,000 for drought resiliency programs authorized in the Water Infrastructure Improvements Act (WIIN Act).</p> |
| | Sen. Susan Collins (R-ME) | Fiscal 2018 Transportation, Housing and Urban | <p>The Senate Appropriations Committee marked up the FY18 Transportation, Housing and Urban Development, and Related Agencies Bill in subcommittee on July 25th. At this time the bill and report text has not been released.</p> |

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| | | Development, and Related Agencies Appropriations Act | The FY2018 appropriations bill providing \$60.058 billion in discretionary spending for the U.S. Department of Transportation, U.S. Department of Housing and Urban Development, and related agencies. Within the bill, TIGER grants were funded at \$550 million, \$50 million above the FY2017 enacted level; and the Community Development Block Grant (CDBG) formula program is funded at \$3 billion. |
| H.R. 23 | Rep. David Valadao (R-CA) | Gaining Responsibility on Water Act of 2017 | <p>Among other things the legislation would require regulators to comply with the Bay-Delta Accord and make changes to the state's Central Valley and State Water projects and streamline permitting processes. The bill included provisions from multiple other bills previously passed by the House that sought to increase the flow of water to areas of California that have experienced drought over the past five years. The measure was referred to the House Committee on Natural Resources and the Committee on Agriculture.</p> <p>By a vote of 230-190, the House passed H.R. 23, as amended, on July 12, 2017. H.R. 23 was received in Senate, read twice and referred to the Committee on Energy and Natural Resources on July 18th.</p> |
| | Rep. Bill Shuster (R-PA) /Sens. Jim Inhofe (R-WY) and Kamala Harris (D-CA) | Infrastructure Package | <p>Throughout the month, the House Transportation and Infrastructure Committee have held a series of hearings entitled, "Building a 21st Century Infrastructure for America," which have focused on various aspects of infrastructure, from passenger rail service to reauthoring the Federal Aviation Authorization (FAA).</p> <p>On June 7, President Trump outlined that he intends to leverage \$200 billion in direct federal funding over ten years to help stimulate \$1 trillion in investment in infrastructure. This federal funding will consist of 1) grants and loans that seek to privatize the country's air traffic control system, 2) grants to repair bridges, road, 3) enhanced loan program with the Transportation Infrastructure Finance and Innovation Act, and 4) incentive programs with grants to states and municipalities.</p> <p>One part of the president's plan has already been put into legislation. House Transportation and Infrastructure Committee Chairman Bill Shuster and Aviation Subcommittee Chairman Frank LoBiondo (R-NJ) introduced the FAA's reauthorization legislation, H.R. 4441, the 21st Century Aviation Innovation, Reform, and Reauthorization (AIRR) Act, which will transfer air traffic control operations from the FAA to a private, nonprofit, 13-member board. While Representative Shuster said that the bill does not "mirror" President Trump's infrastructure outline, he said that he considered many aspects of the proposal. Shuster has also voiced his hope that the</p> |

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| | | | <p>committee will markup the legislation on Tuesday, June 27 and move to the floor in mid-July.</p> <p>Currently, it is unclear who will champion the bill in the other chamber. Senate Commerce, Science and Transportation Committee Chairman John Thune (R-SD) announced that the Senate's FAA reauthorization legislation will not include privatizing the air traffic control system. That said, Representative Sam Graves (R-MO), who last year voted against the 2016 FAA reauthorization bill, helped develop the legislation with Chairman Shuster.</p> |
| H.R. 1663 | Rep. Grace Napolitano (D-CA) / Rep. Rob Wittman (R-VA) | Water Resources Research Amendments Act | <p>This legislation would extend a Federal-State partnership aimed at addressing state and regional water problems, promoting distribution and application of research results, and providing training and practical experience for water-related scientists and engineers. H.R. 1663 would authorize \$9,000,000 annually over five years for grants to water resources research institutes and require two-to-one matching with non-federal funds. It would also promote exploration of new ideas, expand research to reduce energy consumption, and bolster reporting and accountability requirements.</p> <p>The bill has been introduced in the House Committee on Natural Resources and referred to the Subcommittee on Water, Power and Oceans on March 27th.</p> |
| H.R. 497/ S.357 | Rep. Paul Cook (R-CA)/ Sen. Dianne Feinstein (D-CA) | Santa Ana River Wash Plan Land Exchange Act | <p>This bill directs the Department of the Interior: (1) to quitclaim to the San Bernardino Valley Water Conservation District in California approximately 327 acres of identified federal land administered by the Bureau of Land Management, and (2) in exchange for such land, to accept from the Conservation District a conveyance of approximately 310 acres of its land.</p> <p>On April 27th HR 497 passed through the House Natural Resources Committee by unanimous consent, and was scheduled for the House Floor Consideration on June 2nd.</p> <p>This bill was passed by the House on June 27th by a vote of 424-0. The bill was referred to the Senate Committee on Energy and Natural Resources on June 28th and no further action has been taken.</p> <p>The Senate Environment and Public Works Committee held a hearing on S. 357 on July 26, 2017. No further activity is anticipated until the Fall.</p> |
| S. 32 | Sen. Dianne Feinstein (D-CA) | California Desert Protection and Recreation Act | <p>This bill would designate important wilderness in the California desert and protect lands for recreation, wildlife and tourism. Aspects of the bill include:</p> |

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| | | | <ul style="list-style-type: none"> • Mandate study and protection of Native American cultural trails along the Colorado River. • Designate 230,000 acres of additional wilderness area between the Avawatz Mountains near Death Valley to Imperial County's Milpitas Wash. • Add 43,000 acres to Death Valley and Joshua Tree national parks. • Create a 75,000-plus acre special management area at Imperial County's Vinagre Wash. • Designate Inyo County's Alabama Hills as a National Scenic Area. • Prohibit new mining claims on 10,000 acres in Imperial County considered sacred by the Quechan Tribe. <p>Additionally, the bill protects 140,000 acres of existing off-road vehicle riding areas from mining, energy development, military base expansion or other decisions that would close them to vehicle use.</p> <p>The Senate Environment and Public Works Committee held a hearing on S.32 on July 26, 2017. No further activity is anticipated until the Fall.</p> |
| H.R. 2510 | Rep. Peter DeFazio (D-OR) | Water Quality Protection and Job Creation Act of 2017 | <p>This bill would amend the Federal Water Pollution Control Act to authorize appropriations for State water pollution control revolving funds.</p> <p>This bill has been introduced to the House Transportation and Infrastructure subcommittee on Water resources and Environment on May 19th.</p> |
| H.R. 1654 | Rep. Tom McClintock (R-CA) | Water Supply Permitting Coordination Act | <p>This bill would allow water project sponsors the opportunity to use an expedited permitting process for new or expanded surface non-federal storage facilities through the Bureau of Reclamation, which would be the lead and central agency coordinating the review process.</p> <p>The House Natural Resources Committee approved the bill by a vote of 24-16 on April 27th. The House Rules Committee on June 20th dictated final amendments for passage on the House Floor; this bill passed the House on June 22nd by a vote of 233-180. H.R. 1654 was referred to the Senate Committee on Energy and Natural Resources on June 26th and not further action has been taken.</p> |