



SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT
380 E. Vanderbilt Way, San Bernardino, CA 92408

BOARD OF DIRECTORS WORKSHOP - POLICY

AGENDA

2:30 PM Thursday, October 3, 2019

CALL TO ORDER -

Chairperson: Director Longville
Vice-Chair: Director Kielhold

1. **INTRODUCTIONS**
2. **PUBLIC COMMENT** - *Any person may address the Board on matters within its jurisdiction.*
3. **SUMMARY OF PREVIOUS MEETING**
 - 3.1. September 11, 2019, Meeting (Page 3)
[Summary Notes BOD Workshop - Policy 091119](#)
4. **DISCUSSION ITEMS**
 - 4.1. Update on Legislative Program (Page 6)
[Staff Memo - Legislative Update October 2019](#)
[State Legislative Update](#)
[Federal Legislative Update](#)
[September Monthly Report - TGGI](#)
 - 4.2. Update on Water Use Efficiency Program (Page 37)
[Staff Memo - Water Use Efficiency Update](#)
 - 4.3. Review Draft Resolution No. 1092 establishing Rules and Procedures for Compensation of Directors and for Reimbursement of Directors and Staff (Page 39)
[Staff Memo - Review Draft Resolution No. 1092 Establishing Rules and Procedures for Compensation of Directors and for Reimbursement of Directors and Staff](#)
[Draft Resolution No 1092 - Directors Per Diem and Travel](#)

5. ADJOURNMENT

PLEASE NOTE:

Materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the District's office located at 380 E. Vanderbilt Way, San Bernardino, during normal business hours. Also, such documents are available on the District's website at www.sbvmd.com subject to staff's ability to post the documents before the meeting. The District recognizes its obligation to provide equal access to those individuals with disabilities. Please contact Lillian Hernandez at (909) 387-9214 two working days prior to the meeting with any special requests for reasonable accommodation.



DATE: October 3, 2019

TO: Board of Directors' Workshop - Policy

FROM: Staff

SUBJECT: Summary of September 11, 2019 Board of Directors Workshop - Policy

The Policy Workshop convened on September 11, 2019. Director Kielhold chaired the meeting. Directors Harrison, Hayes and Navarro participated in the Workshop. Bob Tincher, Cindy Saks, Kristeen Farlow, and Matt Howard, of staff, participated in the workshop. Bob Martin from Bear Valley Mutual Water Company was also in attendance.

3. Summary of Previous Meeting

The meeting notes from the August 1, 2019 Board of Directors Workshop – Policy were reviewed with no additional comments.

4.1 Consider Forming a Constituent Group to Assist with the Strategic Planning Process

On August 20, 2019, the Board authorized a consulting contract with Water Systems Consulting, Inc. to help develop Valley District's first Strategic Plan. Staff recommended that the Board consider forming a constituent group comprised of retail agency representatives and others to provide input to the plan. Staff is recommending Ron Coates and Michael Plinski representing the Board's Water Policy Advisory Commission, Tom Crowley, John Mura, Miguel Guerrero and Joe Zoba. The Board supported this concept and asked that this decision be provided as a report on an upcoming Board of Directors agenda.

4.2 Update on Water Use Efficiency Program

Staff provided the Board of Directors with an update on the Water Use Efficiency Program. There have been no requests for reimbursement yet from the retailers, but staff is working closely with them to ensure the programs being offered align with their customer's needs. This year staff plans to conduct a demographic and needs assessment for the service area

to better understand the customer needs. There are five landscape workshops scheduled through Spring 2020. These workshops will be held at Valley District on Saturday mornings. The dates and workshop titles were included in the Staff Memo.

4.3 Update on Legislative Program

Staff apprised the Board on the status of a number of bills that are pending in the State Legislature. Most notably, SB 1 is making its final push to be heard by the Committee on Natural Resources before the end of the Legislative session on September 13, 2019. Valley District continues to actively oppose SB 1 and has signed on to multiple coalition opposition letters. On the Federal side, there are a number of appropriations bills which the Senate is attempting to pass in the next month. If not passed, the House and Senate will need to pass a Continuing Resolution (CR) to fund at least part of the government. Staff provided the Board of Directors with a number of letters both in the board packet and at the meeting.

4.4 Discuss Disadvantaged Communities Program

Director Navarro requested this item be placed on the agenda for discussion. Director Navarro requested information about the disadvantaged communities (DACs) in the Valley District service area, including a map identifying where the DACs are; information about SB 200 funding; and information regarding a presentation made by the Santa Ana Watershed Project Authority regarding available funding for DACs.

4.5 Social Media Update

Staff provided the Board of Directors with an update on the Social Media Program. The overall number of likes, followers, and shares continues to increase as new content is posted and “boosted” on Facebook. The number of followers on Twitter continues to grow organically. The Board of Directors requested staff consider new and additional content that provided more of the story of Valley District, as well as content that the average water user in the region may find interest in.

4.6 Update on PFAS Bill

Staff provided the Board of Directors with update on the PFAS legislation – AB 756 – which Governor Newsom signed into law in August. The new law gives the State Water Resources Control Board the authority to require water systems to monitor for PFAS substances beginning January 1, 2020. Staff provided the Board of Directors with a PFAS Fact Sheet prepared by ACWA.

4.7 Update on San Bernardino Valley Water Conservation Demonstration Garden

Staff provided the Board of Directors with an update on the San Bernardino Valley Water Conservation Demonstration Garden at California State University San Bernardino. Director Longville previously requested staff evaluate opportunities to enhance the District and the community's use of the Garden. Staff has been in discussions with a professor and the sustainability manager at Cal State San Bernardino, regarding opportunities to highlight the Garden as well as encourage public and student use. Staff will bring this item back at a future date once it is more developed.

4.8 Consider Support for Facilitation Services to Evaluate the Exchange Plan

Staff recommended that the Board participate in an evaluation of the Santa Ana River - Mill Creek Cooperative Water Project Agreement ("Exchange Plan"), which has not been formally utilized for about 15 years, by providing 50% of the costs, not to exceed \$50,000, toward facilitation services. The remaining 50% of the costs would be provided by the other parties to the agreement. Those Board members in attendance asked that this item be placed on an upcoming Board of Directors agenda for consideration.

Staff Recommendation:

Receive and file



DATE: October 3, 2019
TO: Board of Directors Workshop – Policy
FROM: Kristeen Farlow, Manager of Water Use Efficiency/External Affairs
SUBJECT: Update on Legislative Program

Staff is providing the Board of Directors with an update on current significant legislation from both the state and federal legislatures.

Background

Each month, staff provides the Board of Directors with a summary of State and Federal Legislative highlights. This information is provided by the District’s lobbying firms and supplemented by District Staff. The Gualco Group, Inc. (TGGI) is the District’s State lobbyist in Sacramento and Innovative Federal Strategies (IFS) is the District’s Federal lobbyist in Washington D.C.

State Legislative Highlights

The Legislative session wrapped up its business for the year on September 13, 2019, and will return to Sacramento on January 6, 2020, for the second half of the 2019-2020 Regular Session. On the regulatory side, the State Water Resources Control Board finalized the 2019-20 water quality and rights fees for a vote this month and launched, with CalEPA, the Safe & Affordable Drinking Water program.

A total of 3,033 bills were initiated in the legislative sessions, with 725 bills ultimately being enrolled and placed on Governor Newsom’s desk for consideration. The Governor has until

October 13, 2019, to review the bills and either sign them into law or to veto the bills. Some highlights from the last few days of the Legislative session include:

- SB 1 (Atkins): California Environmental, Public Health, and Workers Defense Act of 2019: SB 1 is now on the Governor's desk for consideration of either signing into law or vetoing the bill. The State Water Contractors requested the contractors to contact legislators to verbalize opposition, which Valley District did while the bill was still being considered by the Assembly. Additionally, the District reached out to the Governor's office and expressed our Opposition to the bill. The Governor has stated his intent to veto this bill.
- SB 414 (Caballero): Small Water System Authority Act of 2019: This was the reintroduction of last year's measure vetoed by Governor Brown which would establish a mechanism by which poorly performing public water systems could be combined with stable, well-run water entities. It was held by the Assembly Appropriations Committee but is eligible for further action in 2020.

CalEPA and the State Water Resources Control Board launched the Safe & Affordable Drinking Water program (SADW), aimed at the San Joaquin Valley. Each community will require tailored programs, beginning with an interim solution of bottled water. The Division of Financial Assistance briefed the State Board on the SADW's first-year program for the \$130 million SB 200 funding. As of yet, there are no line-item details.

Federal Legislative Highlights

The House and Senate returned from a month-long in-district work period early in September and have been largely focused on funding the government past September 30 and preventing a shut down. While there was hope that one appropriations package would make it over the finish line to provide regular funding for at least part of the federal government, a government-wide continuing resolution (CR) will be needed to keep the government open past September 30 when the current fiscal year ends. Highlights of the CR include:

- Funds the government through November 21, 2019, largely at FY19 spending levels.
- The House has already passed the CR by a vote of 301-123.
- The Senate is expected to pass the CR during the week of September 23.
- President Trump has indicated he will sign the legislation.
- Extends several health program authorizations and provides a boost in funding for the Secret Service and Census Bureau.

After enactment of the CR, the Senate Appropriations Committee is expected to continue consideration of the 12 annual appropriations bills. While the Committee hoped to pass all 12 during the month of September, progress has been rocky due to policy disagreements over amendments. After the final week of September, the Senate plans to have advanced 9 of the 12 FY20 bills, leaving only the Labor-HHS, State-Foreign Operations, and Military Construction-VA Appropriations bills to be considered by the committee

One bill that advanced during September was the Energy and Water Appropriations bill. Included in the legislation was \$134 million for the WIIN Section 4007 program. This is the program where the Sites Reservoir project has been recommended to receive prior federal fiscal year (FY17 – FY18) funding in the House and Senate Energy and Water Appropriations bills. Other Bureau-wide programs would receive the following funding under the Senate bill:

Program	Budget Request	HOUSE Committee Recommendation	SENATE Committee Recommendation
<i>WaterSMART Grants</i>	\$10 million	\$60 million	<i>\$60 million</i>
<i>Water Conservation Field Services Program</i>	\$1.570 million	\$4.149 million	<i>\$4.179 million</i>
<i>Cooperative Watershed Management</i>	\$250 thousand	\$2.250 million	<i>\$5.25 million</i>
<i>Basin Studies</i>	\$2 million	\$5.2 million	<i>\$5.2 million</i>
<i>Dough Response and Comprehensive Drought Plans</i>	\$2.901 million	\$9 million	<i>\$4 million</i>
<i>Title XVI Water Reclamation & Reuse Program</i>	\$3 million	\$63.617 million	<i>\$65.017 million</i>

House has passed 10 of its 12 annual appropriation measure for FY20, though they were completed before the passage of the Bipartisan Budget Act of 2019, meaning levels will need to be adjusted in conference to comply with that legislation.

The Senate has also released the EPA-Interior bill which includes fiscal 2020 EPA-Interior funding and the Senate bill would increase EPA funding by \$161 million, to \$9.01 billion. That is below the EPA budget of a near-record \$9.5 billion that the Democratic-controlled House passed in its version on June 25 (H.R. 3055). Of note, the spending bill provides no funding for Trump administration efforts to relocate the Bureau of Land Management’s headquarters to Grand Junction, Colorado, and move some Washington staff to other BLM offices. It also does not provide for the president’s plan to reorganize the Interior Department. The House-passed EPA-Interior spending bill also zeroed out such funding.

Other bills of note:

- H.R.1747, the National Fish Habitat Conservation Through Partnerships Act, aims to achieve measurable habitat conservation results through strategic actions of Fish Habitat Partnerships that lead to better fish habitat conditions and increased fishing opportunities, establish a consensus set of national conservation strategies as a framework to guide future actions and investment by Fish Habitat Partnerships, broaden the community of support for fish habitat conservation, fill gaps in the National Fish Habitat Assessment and the associated database of the National Fish Habitat Assessment, and communicate to the public and conservation partners.
 - Bill is being considered at the Committee level in the House (Natural Resources).
- S.1689, to permit States to transfer certain funds from the clean water revolving fund of a State to the drinking water revolving fund of the State in certain circumstances, and for other purposes. The authority is valid for one year and must be requested by states in consultation with the EPA administrator to transfer no more than 5% of the clean water funds to drinking water funds after a determination that available funds in the clean water revolving fund of the State are necessary to address a threat to public health as a result of heightened exposure to lead in drinking water.
 - The bill has passed the House and Senate and has been sent to the White House.

Outlook: The Fall guarantees to be a busy time for the House and Senate as they will need to pass and conference their 12 respective appropriations measures or agree on another continuing resolution (CR) to fund at least part the government depending on how many—if any—appropriations bills are enacted by November 21 when the current CR is set to expire. A full or partial government CR will likely run into December, even as Congress will attempt to pass appropriations bills ahead of December.

In addition to completing the FY20 appropriations bills the Congressional Fall Agenda is likely to include further discussion on gun control measures, the U.S.-Mexico-Canada Agreement to replace NAFTA, climate issues, infrastructure, and immigration and funding for the U.S.- Mexico border wall.

Recommended Action

Receive and file.

Attachments

State Legislative Update

Federal Legislative Update

September Monthly Report – TGGI

Bill No. / Author	Title	Last Action	Summary	Position(s)	Status
ASSEMBLY LEGISLATION					
AB 56 (Garcia, E.) D-Coachella	Electricity: procurement by the California Alternative Energy and Advanced Transportation Financing Authority	06/7/2019 In SEN EU&C: Failed deadline	This bill would require the Public Utilities Commission to empower the California Alternative Energy and Advanced Transportation Financing Authority to undertake backstop procurement of electricity that would otherwise be performed by an electrical corporation to meet the state resource adequacy, integrated resource planning, and renewable portfolio standard goals not satisfied by retail sellers or load-serving entities.	ACWA – Watch	09/15/2019 2-Year Bill
AB 100 (ASM Budget)	Drinking water	09/13/2019 In SEN Budget & FR	This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long terms.	SBVMWD - Support	09/13/2019 2-Year Bill
AB 134 (Bloom) D-Santa Monica	Safe Drinking Water Restoration	07/10/2019 In SEN EQ	This bill would state findings and declarations relating to the intent of the Legislature to adopt policies to ensure that every Californian has the right to safe, clean, affordable, and accessible drinking water.	ACWA – Not Favor	07/10/2019 2-Year Bill

STATE Legislative Update, September 2019

Note: ACWA positions current as of: 06/14/2019

AB 217 (Burke) D-Inglewood	Income Taxation: credits: exclusions: federal conformity	06/24/2019 ASM Floor	This bill, for taxable years beginning on or after January 1, 2019, and before January 1, 2020, would deem the California Consumer Price Index as the greater of 3.5% or the percentage change in the California Consumer Price Index for the recomputation of those specified amounts.	ACWA - Watch	07/04/2019 2-Year Bill
AB 292 (Quirk) D-Hayward	Recycled water: raw water and groundwater augmentation	08/30/2019 SEN Floor	Eliminate the definition of "direct potable reuse" and instead substitute the term "groundwater augmentation" for "indirect potable reuse for groundwater recharge".	ACWA – Support	09/15/2019 2-Year Bill
AB 402 (Quirk) D-Hayward	SWRCB: local primacy delegation: funding stabilization program	08/12/2019 ASM APPR	This bill would authorize the state board to delegate partial responsibility for the act's administration and enforcement by means of a local primacy delegation agreement. The bill would authorize the state board, for counties that have not been delegated primary responsibility as of January 1, 2020, to offer an opportunity for the county to apply for partial or primary responsibility if the state board determines that it needs assistance in performing administrative and enforcement activities, as specified.	ACWA – Oppose Unless Amended SBVMWD - Oppose	08/30/2019 2-Year Bill
AB 658 (Arambula) D-Fresno	Water rights: water management	09/12/2019 ASM Floor	Would authorize a groundwater sustainability agency or local agency to apply for, and the State Water Resources Control Board to issue, a conditional temporary permit for diversion of surface water to underground storage for beneficial use that advances the sustainability goal of a groundwater basin, as specified.	ACWA – Support if Amended MWD – Support, if amended	09/12/2019 Enrolling and Engrossing

STATE Legislative Update, September 2019

Note: ACWA positions current as of: 06/14/2019

AB 756 (Garcia, C.) D-Bell Gardens	Public water systems: perfluoroalkyl substances and polyfluoroalkyl substances	07/08/2019 ASM Floor	Would authorize the State Water Resources Control Board to order a public water system to monitor for perfluoroalkyl substances and polyfluoroalkyl substance.	ACWA – Oppose	07/31/2019 Chapered by the Secretary of State – Chapter 162, Statutes of 2019
AB 1486 (Ting) D-San Francisco	Surplus land	09/12/2019 ASM Floor	This bill would instead require, except as provided, the local agency disposing of surplus land to send, prior to disposing of that property or participating in negotiations to dispose of that property with a prospective transferee, a written notice of availability. With regards to a housing sponsor, the bill would require that a notice of availability be sent if the housing sponsor has notified the Department of Housing and Community Development of its interest in the land, rather than upon written request.	ACWA – Oppose Unless Amended CSDA – Oppose Unless Amended (Requesting Letters)	09/12/2019 Enrolling and Engrossing
ACA 1 (Aguiar-Curry) D-Winters	Local government financing: affordable housing and public infrastructure: voter approval	5/20/2019 ASM Floor	Will create a new constitutional vote threshold of 55% for both General Obligation bonds and special taxes, when proposed specifically for the construction, reconstruction, rehabilitation, or replacement of public infrastructure or affordable housing, or the acquisition or lease of real property for those purposes.	ACWA – Watch CSDA – Support	08/19/2019 2-Year Bill

STATE Legislative Update, September 2019

Note: ACWA positions current as of: 06/14/2019

ACA 3 (Mathis/Garcia, E./Rubio B./Salas) R-Visalia, D-Coachella D-Baldwin Park D-Bakersfield	Clean Water for All Act	4/30/2019 In ASM WP&W	Commencing with the 2021–22 FY would require not less than 2% of specified state revenues to be set apart for the payment of principal and interest on bonds authorized pursuant to the Water Quality, Supply, & Infrastructure Improvement Act of 2014; water supply, delivery & quality projects administered by the dept. & water quality projects administered by the state board.	ACWA – Watch	4/30/2019 2-Year Bill
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STATE Legislative Update, September 2019
 Note: ACWA positions current as of: 06/14/2019

Bill No. / Author	Title	Last Action	Summary	Position(s)	Status
SENATE LEGISLATION					
SB 1 Atkins D-San Diego	California Environmental, Public Health, and Workers Defense Act of 2019	09/13/2019 Enrolling and Engrossing	Establishes specified minimum federal environmental, public health, & labor standards as state baselines, in the event the Congress or President repeals or weakens corresponding federal standards & prohibits the corresponding CA standards from falling below those baselines. In the event that new federal standards fall below the baseline, this bill allows private citizens to enforce state standards, as specified.	SBVMWD – Oppose ACWA – Oppose Unless Amended MWD – Oppose Unless Amended	09/17/2019 Enrolled and presented to the governor
SB 45 Allen D-Santa Monica	Wildfire, Drought, and Flood Protection Bond Act of 2020	5/1/2019 In SEN Rules	Would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$4,189,000,000 pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and flood protection program.	ACWA – Favor if Amended	09/10/2019 2-Year Bill

STATE Legislative Update, September 2019

Note: ACWA positions current as of: 06/14/2019

SB 69 Wiener D-San Francisco	Ocean Resiliency Act of 2019	06/25/2019 ASM APPR	This bill would require the Department of Fish and Wildlife to develop and implement a plan, in collaboration with specified scientists, experts, and representatives, as part of its fish hatchery operations for the improvement of the survival of hatchery-produced salmon, and the increased contribution of the hatchery program to commercial and recreational salmon fisheries.	SBVMWD – Oppose Unless Amended ACWA – Watch MWD – Oppose Unless Amended SWC – Oppose Unless Amended	08/30/2019 2-Year Bill
SB 101 SEN B&FR	Drinking water	06/24/2019 Referred to ASM Budget	This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long terms.		06/24/2019 2-Year Bill
SB 134 Hertzberg D-Van Nuys	Water Conservation: water losses: enforcement	08/19/2019 ASM Floor	Prohibit the State Water Resources Control Board from issuing an information order, written notice, or conservation order to an urban retail water supplier that does not meet its urban water use objective if the board determines the urban retail water supplier is not meeting its urban water use objective solely because the volume of water loss exceeds the urban retail water supplier's standard for water loss and the board is taking enforcement action against the urban retail water supplier for not meeting the performance standards for the volume of water losses.	ACWA – Watch, if amended	08/30/2019 Chaptered by the Secretary of State, Chapter 203, Statutes of 2019

STATE Legislative Update, September 2019

Note: ACWA positions current as of: 06/14/2019

SB 200 Monning D-Carmel	Drinking Water	07/24/2019 SEN Floor	<p>Would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long terms. The bill would authorize the State Water Resources Control Board to provide for the deposit into the fund of certain moneys and would continuously appropriate the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients.</p>	SBVMWD – Watch ACWA – Support	07/24/2019 Chaptered by the Secretary of State, Chapter 120, Statutes of 2019
SB 204 Dodd D-Napa	State Water Project: contracts	06/24/2019 ASM WP&W	<p>State Water Project contract amendments transparency, including requiring the Delta Conveyance Design & Construction Authority (DCA) submit 60 days in advance the terms & conditions of any contract for planning, design, & construction to the Joint Legislative Budget Committee and relevant policy and fiscal committees.</p>	SBVMWD – Watch ACWA – Not Favor MWD – Watch	06/24/2019 2-Year Bill
SB 414 Caballero D-Salinas	Small System Water Authority Act if 2019	08/19/2019 ASM APPR	<p>Would create the Small System Water Authority Act of 2019 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems.</p>	SBVMWD – Support ACWA – Support CMUA – Sponsor SAWPA – Support	08/30/2019 2-Year Bill

STATE Legislative Update, September 2019

Note: ACWA positions current as of: 06/14/2019

SB 669 Caballero D-Salinas	Water quality: Safe Drinking Water Fund	5/16/2019 Held in SEN APPR and under submission.	Would establish the Safe Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the State Water Resources Control Board. The bill would require the state board to administer the fund to assist community water systems in disadvantaged communities that are chronically noncompliant relative to the federal and state drinking water standards and do not have the financial capacity to pay for operation and maintenance costs to comply with those standards, as specified.	SBVMWD – Support ACWA – Co-Sponsor / Support CMUA – Co-Sponsor SAWPA – Support	05/16/2019 2-Year Bill
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Bill Number (linked to the legislation on Congress.gov)	Sponsor/ Cosponsor	Title and/or Summary	Summary/Status	Latest Action
n/a		Status of the 12 annual appropriations bills in the House	<p>The House has passed 10 of its 12 annual appropriations bills in three pieces of legislation. The first 9 passed in 2 separate minibus packages and the final bill went on its own.</p> <p>The two remaining bills have advanced through the House Appropriations Committee and await action by the full House.</p>	<p>H.R.2740, First minibus (passed 226 - 203): Defense; Energy and Water: Labor-HHS; and State-Foreign Operations.</p> <p>H.R.3055, Second minibus (passed 227 - 194): Agriculture; Commerce-Justice-Science; Military Construction - VA; Interior-Environment; and Transportation-HUD.</p> <p>H.R.3351, Stand alone legislation (passed 224-196): Financial Services.</p> <p>Not yet completed: Homeland Security; and Legislative Branch.</p>

n/a		Status of the 12 annual appropriations bills in the Senate	The Senate has not yet introduced or passed any of its twelve annual appropriations bills.	<p>In total the Senate Appropriations Committee has advanced six of its twelve bills: Agriculture, Defense, Energy and Water, Financial Services, Interior and Environment, Transportation and Housing.</p> <p>On September 18 the Senate attempted to begin consider of the first House minibus consisting of following appropriations bills: Defense; Energy and Water: Labor-HHS; and State-Foreign Operations. The attempt failed to gain enough votes for cloture and Senate consideration.</p>
H.R. 4378	Rep. Nita Lowey (D- NY)	Continuing Resolution	<p>The legislation includes several temporary extensions that run the length of the Continuing Resolution (CR), including the National Flood Insurance Program, the Export-Import Bank, the E-verify program, and other immigration authorities.</p> <p>The legislation also includes anomalies related to the Census Bureau, Secret Service, reimbursement for farmers under the Commodity Credit Corporation, among others.</p>	<p>The House introduced a Continuing Resolution (CR) with limited anomalies to extend federal government funding through November 21 and avoid a government shutdown.</p> <p>The House passed the measure by a vote of 301 to 123 on September 19.</p> <p>The Senate is expected to consider the legislation ahead of the October two week district work period.</p>
H.R. 1695	Rep. Betty McCollum (D-MN)	Community Services Block Grant Reauthorization Act of 2019	The legislation would amend the Community Services Block Grant Act to reauthorize and modernize the Act.	<p>The measure was introduced in the House on March 12, 2019 to the House Committee on Education and Labor.</p> <p>The legislation has bipartisan cosponsorship.</p>
S. 2356	Sen. Mike Braun (R-IN)	Define WOTUS Act of 2019	The measure would create a new WOTUS definition the void the previous Obama era definition that is currently tied up in litigation.	The legislation was introduced on the July 31 and referred to the Committee on Environment and Public Works.

H.R. 1764	Rep. John Garamendi (D-CA)	The bill to amend the Federal Water Pollution Act	The legislation would amend the Federal Water Pollution Control Act with respect to permitting terms, and for other purposes.	Introduced on March 15 and then referred to the Subcommittee on Water Resources and Environment. This legislation has bipartisan cosponsorship.
S. 1790	Sen. Jim Inhofe (R-OK)	National Defense Authorization Act, 2020 Note: Included a rider on PFAS	The National Defense Authorization Act, 2020 is the annual authorization for Defense programs. This year, the legislation included legislation aimed at addressing the risks and challenges associated with per- and polyfluoroalkyl substances (PFAS). This provision will ensure that the EPA sets a national drinking water standard for PFAS and PFOS. It will also require industrial manufactures and users to notify the public when PFAS chemicals are released into the environment. The EPA will also have to issue guidance on how to dispose of and destroy PFAS. The legislation also provides authorization for funding for monitoring and sampling, and requires better interagency coordination on PFAS chemicals.	Passed the Senate on Thursday, June 27, 2019, though an amendment vote was held the following day. Both chambers have proceeded to conference on their respective measures, with the House and Senate naming conferees to reconciled differences.

H.R. 1497	Rep. Peter DeFazio (D-OR)	Water Quality Protection and Job Creation Act of 2019	<p>Reauthorizes sections of the Federal Water Pollution Control Act that provide grants to States and interstate agencies, including:</p> <p>State Management Assistance: Section 106(a); Watershed Pilot Projects: Section 122(c); Alternative Water Source Projects Pilot Program: Section 220(d); Sewer Overflow and Stormwater Reuse Municipal Grants: Section 221(f)1); and State Water Pollution Control Revolving Funds.</p>	Introduced on March 6 and referred to the Subcommittee on Water Resources and Environment of the House Transportation Committee.
H.R. 1508 / S. 146	Rep. Blumenauer (D-OR) / Sen. John Hoeven (R-ND)	Move America Act of 2019	The measure would amend the Internal Revenue Code of 1986 to provide for Move America bonds and Move America credits.	<p>The House bill was introduced on March 5 and then referred to the House Committee on Ways and Means.</p> <p>Note: All tax issues are likely to be addressed as part of a larger tax package. The Ways and Means Committee is considering forming a tax extenders package, which would be the most likely venue for this legislation.</p> <p>The Senate bill was introduced in the Senate on January 16th and referred to the Senate Committee on Finance.</p>

H.R. 1744	Rep. Mark Takano (D-CA)	S.T.O.R.A.G.E. Act (Storage Technology for Operational Readiness And Generating Energy Act) Energy Storage Systems by Electric Utilities	The bill would provide for the consideration of energy storage systems by electric utilities as part of a supply side resource process, and for other purposes.	The bill was introduced on March 13 and the referred to the Committee on Energy and Commerce, and in addition to the Subcommittee on Energy of the Committee on Science, Space, and Technology.
S.1689	Sen. Cory Booker (D-NJ)	A bill to permit States to transfer certain funds from the clean water revolving fund of a State to the drinking water revolving fund of the State in certain circumstances, and for other purposes.	Allows States to transfer certain funds from the clean water revolving fund of a State to the drinking water revolving fund of the State in certain circumstances, and for other purposes. The authority is valid for one year and must be requested by states in consultation with the EPA administrator to transfer no more than 5% of the clean water funds to drinking water funds after a determination that available funds in the clean water revolving fund of the State are necessary to address a threat to public health as a result of heightened exposure to lead in drinking water.	Passed the House and Senate. Legislation has been sent to the President, where it is expected to be signed.
H.R.1162	Rep. Grace Napolitano (D-CA)	Water Recycling Investment and Improvement Act	This legislation would create a competitive grant program for the funding of water recycling and reuse projects by raising the authorization cap for the Title XVI program from \$50 million to \$500 million. The legislation would also raise the authorization cap from \$20 million to \$30 million for the Reclamation Wastewater and Groundwater Study and Facilities Act.	Introduced in the House on February 13. The House Natural Resources Subcommittee on Water, Oceans, and Wildlife held a hearing on the legislation on June 13.

H.R.579	Rep. Scott Tipton (R-CO)	Water Rights Protection Act of 2019	This bill would prohibit the conditioning of any permit, lease, or other use agreement on the transfer of any water right to the United States by the Secretaries of the Interior and Agriculture, and for other purposes.	Introduced in the House on January 15th. Referred to the Conservation and Forestry Subcommittee of the Agriculture Committee on 2/7 and to the Water, Oceans, and Wildlife Subcommittee of the House Natural Resources Committee on 2/4. A similar amendment was submitted to the House Rules Committee for consideration in the Interior-Environment Appropriations bill, but was not made in order by the Committee for floor consideration.
H. R. 855	Rep. Scott Peters (D-CA)	STRONG (Strengthening the Resiliency of our Nation on the Ground Act) Act	The bill would work to minimize the economic and social costs resulting from losses of life, property, well-being, business activity, and economic growth associated with extreme weather events by ensuring that the United States is more resilient to the impacts of extreme weather events in the short- and long-term, and for other purpose	Introduced in the House and referred to the Subcommittee on Economic Development, Public Buildings, and Emergency Management of the House Transportation Committee on February 7th.
S. 361/H.R. 807	Sen. Cory Gardner (R-CO) / Rep. Ken Buck (R-CO)	Water and Agriculture Tax Reform Act of 2019	The measure would work to amend the Internal Revenue Code of 1986 to facilitate water leasing and water transfers to promote conservation and efficiency.	Introduced and referred to the Committee on Finance (Senate) and Ways and Means Committee (House).
H.R. 420	Rep. Earl Blumenauer (D-OR)	Regulate Marijuana Like Alcohol Act	The bill would decriminalize marijuana and sets up legal framework to regulate marijuana.	Introduced in the House on January 9th and referred to the Committees on Energy and Commerce, Ways and Means, Natural Resources, and Agriculture.

S.420 /H.R. 1120	Sen. Ron Wyden (D-OR) / Rep. Earl Blumenauer (D-OR)	Marijuana Revenue and Regulation Act	A bill to amend the Internal Revenue Code of 1986 to provide for the taxation and regulation of marijuana products, and for other purposes.	<p>The bill was introduced in the Senate on February 7th and was referred to the Finance Committee.</p> <p>Introduced in the House on February 8th and was referred to the Committees on Judiciary, Agriculture, and Natural Resources.</p>
H.R.34	Rep. Eddie Bernice Johnson (D-TX)	Energy and Water Research Integration Act of 2019	The legislation would ensure consideration of water intensity in the Department of Energy's energy research, development, and demonstration programs to help guarantee efficient, reliable, and sustainable delivery of energy and clean water resources.	<p>The bill was introduced in the House on January 3rd. It was marked up and ordered to be reported by the House Science and Technology Committee on May 1, 2019 and was passed by the House on July 23, 2019 by voice vote. On July 24, the bill was referred to the Senate Committee on Energy and Natural Resources.</p>
H.R. 2313	Rep. Jared Huffman (D-CA)	Water Conservation Rebate Tax Parity Act	The measure would amend the Internal Revenue Code of 1986 to expand the exclusion for certain conservation subsidies to include subsidies for water conservation or efficiency measures and storm water management measures.	<p>The bill was introduced in the House on April 12 and then referred to the Committee on Ways and Means.</p> <p>Note: All tax issues are likely to be addressed as part of a larger tax package. The Ways and Means Committee is considering forming a tax extenders package, which would be the most likely venue for this legislation.</p>

H.R.1747	Rep. Rob Whittman (R-VA)	National Fish Habitat Conservation Through Partnerships Act	The measure aims to achieve measurable habitat conservation results through strategic actions of Fish Habitat Partnerships that lead to better fish habitat conditions and increased fishing opportunities, establish a consensus set of national conservation strategies as a framework to guide future actions and investment by Fish Habitat Partnerships, broaden the community of support for fish habitat conservation, fill gaps in the National Fish Habitat Assessment and the associated database of the National Fish Habitat Assessment, and communicate to the public and conservation partners.	A hearing has been held in the House Natural Resources Committee on the legislation.
S.1419	Sen. James Lankford (R-OK)	Early Participation in Regulations Act	The legislation would direct agencies to issue advanced notices for rules costing more than \$100 million annually. The bill would require agencies must outline the problem the rule intends to solve and listen to the public s input on the subject.	<p>On May 13, the bill was introduced into the Senate. It was then referred to the Committee on Homeland Security and Governmental Affairs. Hearings on the bill were held in both the Committee on Homeland Security and the Committee on Small Business. On July 19 the Committee on Homeland Security and Governmental Affairs ordered the measure to be reported favorably with an amendment in the nature of a substitute.</p> <p>On September 10, the bill was placed on the Senate Legislative Calendar under General Orders.</p> <p>The legislation has bipartisan cosponsorship.</p>

H.R. 3794	Rep. Paul A. Gosar (R-AZ)	Public Land Renewable Energy Development Act of 2019	The bill would work to promote the development of renewable energy on public lands	<p>The measure was introduced in the House on July 17, 2019 and was then referred to both the Committee on Natural Resources and the Committee on Agriculture. A hearing on the bill was held on July 25 by the Subcommittee on Energy and Mineral Resources. On August 9th, the bill was referred to the Subcommittee on Conservation and Energy of the House Agriculture Committee.</p> <p>The measure was later referred to the Subcommittee on Energy and Mineral Resources where a hearing was held on the legislation. The legislation has bipartisan cosponsorship.</p>
S. 1344	Sen. Cory Booker (D-NJ) and Tim Scott (R-SC)	Reinstate Opportunity Zone Data Mandates	<p>The bill would require the Secretary of the Treasury to collect data and issue a report on the opportunity zone tax incentives enacted by the 2017 tax reform legislation.</p> <p>The reporting requirements were part of the original legislation as introduced, but they were not incorporated in H.R.1 (the tax package) when it was advanced in the House and Senate.</p>	<p>The legislation was introduced in the Senate on May 7, 2019 and referred to the Finance Committee.</p> <p>The legislation has bipartisan cosponsorship.</p>
Enacted Legislation				

H.J.Res.31	Rep. Lucille Roybal-Allard (D-CA)	Consolidated Appropriations Act, 2019 (Conference Reports for the Agriculture, Commerce-Justice-Science, Financial Services-General Government, Interior-Environment, State-Foreign Operations, and Transportation-HUD Appropriations bills).	The House and Senate came to an agreement on a Conference Report for the 7 remaining FY19 appropriations bills after holding an official conference on the FY19 Homeland Security Appropriations bill. The Homeland Security section contained approximately \$1.3 billion for border fencing in the Rio Grande Valley of Texas and slight reduction in funding for ICE detention beds. The other 6 appropriations bills contained conference reports similar to those that had been previously been released.	The bill was introduced on January 22nd and was passed by both the Senate and the House before being signed into law on February 15th. This bill's enactment finalized full year funding for all federal agencies for fiscal year 2019 through September 30, 2019.
S.47	Sen. Lisa Murkowski (R-AK)	<p>Natural Resources Management Act (renamed the John D. Dingell, Jr. Conservation, Management, and Recreation Act)</p> <p>Included the following provisions: California Desert Protection and Recreation Act of 2019</p> <p>Bureau of Reclamation Transparency Act</p> <p>Santa Ana River Wash Plan Land Exchange Act</p>	This bill sets forth provisions regarding various programs, projects, activities, and studies for the management and conservation of natural resources on federal lands. Specifically, the bill addresses: Land conveyances, exchanges, acquisitions, withdrawals, and transfers; the Santa Ana River Wash Plan Land Exchange Act; national parks, monuments, memorials, wilderness areas, other conservation and recreation areas; and federal reclamation projects. For California, the legislation included the Santa Ana River Wash Plan Land Exchange Act and the California Desert Protection and Recreation Act of 2019, which was a compromise between individual bills introduced by Senator Dianne Feinstein and Congressman Paul Cook in previous Congresses.	Introduced in the Senate on January 8th. The legislation passed the Senate by a vote 92 - 8 on February 12th. The measure was then taken up by the House and passed by a vote of 363-62. The bill was signed into law by President Trump on March 12, 2019.

H.R. 2157	Rep. Nita Lowey (D- NY)	Supplemental Appropriations Act, 2019	<p>This bill provides \$19.1 billion in FY2019 supplemental appropriations to several federal departments and agencies for expenses related to the consequences of recent wildfires, hurricanes, volcanos, earthquakes, typhoons, and other natural disasters.</p> <p>The funding provided by this bill is designated as emergency spending, which is exempt from discretionary spending limits and other budget enforcement rules.</p>	<p>The Senate rejected the underlying legislation by failing to invoke cloture on the legislation as well as a substitute amendment due to disagreements over Puerto Rico and, after several attempts, later passed an alternative supplemental measure totaling \$19.1 billion.</p> <p>The House passed the \$19.1 billion disaster relief package by a vote of 354-58 on June 3. The measure was signed into law on June 6.</p>
H.R. 3877	Rep. John Yarmuth (D-KY)	Bipartisan Budget Act of 2019	<p>The measure would amend the Balanced Budget and Emergency Deficit Control Act of 1985, to establish a congressional budget for fiscal years 2020 and 2021 and to temporarily suspend the debt limit for two years- through July 31, 2021. Once the debt ceiling suspension lifts in 2021, the measure would not prohibit the Treasury Department from utilizing extraordinary measures.</p> <p>The 2-year proposal calls for increasing the discretionary spending caps for fiscal years 2020 and 2021 above the levels set in the Budget Control Act of 2011. The compromise would increase fiscal 2020 spending limits on non-defense programs by \$24.5 billion over current levels, to \$621.5 billion. Defense spending caps for fiscal 2020 would be increased by \$19.5 billion over current levels, to \$666.5 billion. Another \$71.5 billion would be included in the OCO fund, an increase of \$2.5 billion over the current OCO level.</p>	<p>The legislation was introduced in the House on July 23, 2019 and then referred to the Committee on the Budget, and in addition to the Committees on Rules, and Ways and Means.</p> <p>The measure was then considered and passed the House with a vote of 284 to 149. The Senate followed suit and passed the measure on August 1, 2019 with a vote of 67 to 28. The President signed the measure into on August 2, 2019.</p>



Monthly Water Report - September

TO: San Bernardino Valley Municipal Water District

FROM: The Gualco Group, Inc.

DATE: September 19, 2019

As of 3:00 a.m. last Saturday, the Legislature wrapped up its business for the year. It will return to Sacramento on January 6, 2020, for the second half of the 2019-2020 Regular Session. A recap of the major final outcomes not previously reported on is shown below.

And on the regulatory side, the State Water Resources Control Board finalized the 2019-20 water quality and rights fees for a vote this month and also launched, with CalEPA, the Safe & Affordable Drinking Water program. The California Water Commission held the first input sessions on the Governor's Water Resiliency Portfolio. See below for details.

LEGISLATIVE ACTIONS:

[SB 45](#) by Senator Allen (D-Santa Monica) proposes a \$4.1B General Obligation bond for the March 2020 ballot to finance projects to restore fire damaged areas, reduce wildfire risk, create healthy forests and watersheds, reduce climate impacts on urban areas and vulnerable populations, protect water supply and water quality, protect rivers, lakes and streams, reduce flood risk, protect fish and wildlife from climate impacts, improve climate resilience of agricultural lands, and protect coastal lands and resources. The measure will be parked in the Senate Appropriations Committee while the leadership and the governor sort which, if any of the pending bond and spending proposals, will receive approval to advance.

Another bond measure is [AB 352](#) by Assembly Member Eduardo Garcia (D-Coachella) that is pending in the Senate Committee on Environmental Quality Committee. His measure proposes \$3.9B in spending on water, flood control, and the environment. His measure is proposed for the November 2020 ballot. Separately, a water bond initiative has been cleared for circulation. That proposal authorizes \$7.883 billion in state general obligation bonds for various projects to mitigate climate risks and impacts in the following categories: \$3.508 billion for wildfire prevention and community resilience; \$2.2 billion for safe drinking water;

\$975 million for fish and wildlife; \$770 million for coastal lands, bays, and oceans; \$200 million for agricultural lands; and \$230 million for workforce development and education regarding these issues. The Legislature will very likely hold informational hearings around the state during the fall and into next year on what a climate/natural resources/water/flood control bond ought to contain and what the price tag should be. Obtaining consensus on which election to place a bond proposal is also a key item to be discussed. It is important to note that any water bond will be facing stiff competition for scarce General Fund debt repayment dollars in the form of a \$15B education bond that is scheduled for the March 2020 ballot.

[SB 134](#) by Senate Majority Leader Robert Hertzberg (D-Van Nuys) would prohibit the SWRCB from imposing liability for a violation of the performance standards for the volume of water losses except as part of the enforcement of an urban water use objective. It passed its Assembly policy committee unanimously. The bill was signed by the governor (Chapter 203, Statutes of 2019).

Senator Melissa Hurtado's measure, [SB 559](#), to provide \$400M in State General Fund revenues to address subsidence along the Friant-Kern Canal passed the Senate but the appropriation was stripped from the bill. Funding for the measure was not included in the recently adopted and signed FY 19-20 budget act. The Department of Finance is opposed to the bill due to its "upward pressure on the General Fund". The measure was held in the Assembly Appropriations Committee as a two-year bill thus allowing the author an opportunity to move it next year.

The biggest bill of the lot is [SB 1](#) by Senate President pro Tempore Toni Atkins (D-San Diego) which drew very broad local agency, agriculture, and business opposition but broad support from labor and the environmental community. The bill would place into State law a process by which State agencies could determine whether to adopt federal standards as they existed prior to any lessening of stringency by either congressional or Executive Branch action. The measure sunsets at the end of a second Trump presidency should that occur. The major sticking point in the bill is the provision that requires the federal Central Valley Project to meet the requirements of the California Endangered Species Act. Water interests, business, and agriculture stressed in their opposition the negative impact of this provision on the Newsom Administration-backed Voluntary Settlement Agreements ("VSA") pending before the State Water Resources Control Board. The VSAs are broadly

supported water users' alternatives to the instream flow requirements for the Sacramento River and San Joaquin River tributaries. Metropolitan Water District of Southern California, Westlands Water District, and the Kern County Water Agency all sent signals that enactment of the bill would force them to withdraw from the VSAs process which would have cascading negative effects on any Delta conveyance progress. The bill passed both houses as one of the final votes before the Legislature recessed for the year. The governor has threatened to veto the bill. His promised action is being supported by a broad swath of valley state and federal legislators plus Senator Dianne Feinstein. The labor and environmental communities are urging him to reconsider that action.

A bill of particular relevance to the Inland Empire and the Central Valley by Senator Anna Caballero (D-Salinas) is the reintroduction of last year's measure vetoed by Governor Brown which would have established a mechanism by which poorly performing public water systems could be combined with stable, well-run water entities. [SB 414](#) was held by the Assembly Appropriations Committee but is eligible for further action in 2020.

[AB 48](#) by Assembly Members O'Donnell (D-Long Beach) and Senator Glazer (D-Orinda) would allow an increase in the per-pupil grants by up to ten percent to reflect the costs to remediate any water outlet used for drinking or preparing food with lead levers in excess of 15 parts per billion.

For further information on these and other bills please do not hesitate to contact us. And if you are interested in a complete listing of all pending bills please reach out to Tomas Garza at tomas_garza@gualcogroup.com

REGULATORY ACTIONS:

SWRCB to Vote On 2019-20 Water Quality & Rights Fees: TGG Leads Cost Control Talks

The State Water Resources Control Board ("SWRCB") is scheduled to vote Sept. 18 on the 2019-20 water quality and water rights fees, as is usual and customary, and as you may be aware. As a stakeholder group leader, Mr. Gore will participate in the session and report the results via email.

For water quality, waste discharge permits would rise 14.8%, WQC (the 401 cert.) up 19%, NPDES up 13.4% and our farming friends, up 11.7%...if approved.



For water rights, the per-acre fee bounces up from \$0.73 to \$0.85. The base annual permit and license fee goes from \$225 to \$300. Both as anticipated. The permit fees have not been adjusted in 15+ years; hence, major jumps. Petition fees, Change Petition, Time Adjustment, Temporary/Urgency and others all have increases in the per-acre fees. Underground Storage is reduced 25% -- the sole surprise, and as requested by The Gualco Group, Inc. annual permit adjustments will be considered in the future.

On the broader matter of fee-payer cost control, permit and project fees are a significant driver. Accordingly, we are organizing stakeholders to meet this fall with senior staff on a cost control initiative, with the approval of Chair Joaquin Esquivel and intervention of Vice Chair DeeDee D'Adamo.

Stakeholders will meet with quality and rights program executives and fiscal managers to consider specific cost reductions such as type of WQ tests and frequency. Karen Mogus, the deputy director in charge of the Division of Water Quality, has already provided a briefing paper...at DeeDee's urging.

CA Water Commission Hears Water Resilience Portfolio Briefing; Helps Host Climate Change Workshop

Two panels of Water World veterans testified on the in-progress Governor's Water Resilience Portfolio to the California Water Commission ("CWC"). The CWC, which has seated two new members, will work with DWR and the Resources Agency to host the Newsom Administration's climate change water management workshop this week.

Stewarded by Resources Secretary Wade Crowfoot, State Water Board Chair Joaquin Esquivel and California Department of Food & Agriculture Secretary Karen Ross, the fast-tracked Portfolio is due out in draft in October and final in December, according to project manager Nancy Vogel, a Resources deputy secretary.

CWC panelists included former water board Chair Felicia Marcus, Adriana Renteria from the Community Water Center and Tim Washburn from the Sacramento Area Flood Control Agency. The CWC thoroughly outlines the Portfolio theology and process here:

https://cwc.ca.gov/-/media/CWC-Website/Files/Documents/2019/08_August/August2019_Item_9_Attach_1_Workbook.pdf?la=en&hash=4A779B67C06C82A0DDB5A4F936E135E504F837DD



The Portfolio – as with past governors’ similar policy documents – will provide overall guidance for regulatory compliance, funding applications and possible future legislation. Think Gov. Brown’s California Water Action Plan, which for 7 years served as a driving reference for regulatory and program actions at Resources, CalEPA and CFA. Website: <http://waterresilience.ca.gov>

Two new CWC members attended their first meeting today, Teresa Alvarado, a San Jose nonprofit executive, and Matthew Swanson, a Turlock seed company executive: <https://www.gov.ca.gov/2019/08/13/governor-newsom-announces-appointments-8-13-19/>

CalEPA, SWRCB Launch Safe & Affordable Drinking Water Program; Aimed at SJV

To mark the launch of the State’s new Safe and Affordable Drinking Water (“SADW”) program, CalEPA Secretary Jared Blumenfeld yesterday opened the State Water Resources Control Board (“SWRCB”) meeting – an unusual move which indicated the importance to the Newsom Administration. “This (Senate Bill 200) has not been easy or fast, getting us to a SADW Fund (“SADWF”),” he said, adding, “it may not sound that exciting to everyone, but it’s really exciting.” He thanked community groups for accepting compromises in the Legislature.

“We are all watching to see how this unfolds,” he said. Each community will require tailored programs, beginning with an interim solution of bottled water, Blumenfeld said. “This is an historical intractable problem, and I believe we will do it together.” He congratulated Drinking Water Division Deputy Director Darrin Polhemus for his “amazing work.”

Division of Financial Assistance (“DFA”) Deputy Director Leslie Laudon, also commended by the secretary, briefed the Board on the SADWF’s first-year program for the \$130-million SB 200 funding. There are, as yet, no line-item details. DFA staff also explained the related Prop 68 grant program for groundwater treatment, which is already underway.

Polhemus briefed the Board on the extent of the problem of small community access to drinking water and the SB 200 SADW program. Key stat: 77% of the 3,000 community water systems serve <1,000 connections. The vast majority lack the resources for infrastructure and O&M, he said. About 90% of water quality violations occur in those systems with <500 connections statewide, he added.



“Changing the utility structure” is an option, he noted, especially for the “really small systems.” Consolidation authority will continue to be essential, he said – doubling the number of consolidations is a 2019-20 goal. Collecting drinking water well data from local public health officers is also a significant first step, he said, leading to official aquifer maps of high-risk areas where small systems are failing or likely to fail.

Polhemus said the first administrative handbook will be immediately revised. An administrator will be contracted to run SADW, which begins with the data mapping and then needs assessment. SWRCB will be forming “solution assistance teams” for wrap-around services (i.e. technical and financial plans and help), he said. SADW staff will be working with CalEPA’s Office of Environmental Health Hazard Assessment on a continuous basis.

SADW agenda

item: https://www.waterboards.ca.gov/board_info/calendar/docs/aug/082019_3.pdf

Draft SADW handbook:

https://www.waterboards.ca.gov/drinking_water/programs/documents/administrativepolicyhandbookdraft.pdf

Laudon said the SB 200 SADWF is vital, because the very small districts lack the rate base for loans and the expertise to manage large grants. She said the first-year goal is to provide up to 75 small community systems and schools, based upon immediate health issues, with interim supplies transitioning quickly to permanent solutions. Veteran PE Joe Karkoski is managing the SADWF. The Board approved allocation of \$130 million for 2019-20.

The standing-room-only crowd that attended the meeting was most interested in offering comment on the SADW-related Prop 68 guidelines for the \$74 million initial tranche of groundwater contamination program. Karkoski explained that small disadvantaged and disadvantaged communities are preferred. Please see our email of July 18 that summarized Prop. 68 funding updates. Link to SWRCB Prop. 68 grant guidelines, as previously transmitted:

https://www.waterboards.ca.gov/board_info/calendar/docs/aug/082019_4_guidelines_striethrough.pdf



Water Recycling Funding Program

DFA staff concluded workshops for the proposed revisions to the WRFPP, preparing for Board adoption as early as Oct. 15. Comment closed Sept. 12. If approved, this would be the first revisions in more than 4 years. It is part of a suite of actions launching more integrated and extensive regulation of water supply and quality. Prop. 68 funding is the mainstay, but the new plan for grants and loans also sweeps remaining Prop, 1 and Prop. 13 cash.

Planning, construction and research grants are covered in the guidelines, which are mercifully brief (12 pages). For planning, new guidance includes 50% funding, the caution to clearly distinguish this study from prior funded studies and encouragement to submit even if your proposal is NOT on the Clean Water SRF Fundable List. For construction, new notes include 100% funding, recycling projects “must offset or augment” state or local supplies and local agencies can partner with nonprofits.

Links to...

Notice of Proposed Amendment:

https://www.waterboards.ca.gov/water_issues/programs/grants_loans/water_recycling/docs/notice_wrfppguidelines.pdf

Amended Funding Guidelines:

https://www.waterboards.ca.gov/water_issues/programs/grants_loans/docs/draft_wrfppguidelines.pdf





DATE: October 3, 2019

TO: Board of Directors' Workshop - Policy

FROM: Kristeen Farlow, Manager of Water Use Efficiency/External Affairs

SUBJECT: Update on Water Use Efficiency Program

Staff is providing an update on the Water Use Efficiency Program. To date, Valley District has not yet received any requests for reimbursement through the Water Use Efficiency Programs for the fiscal year starting on July 1, 2019.

The Inland Empire Resources Conservation District has scheduled approximately 30 classroom presentations throughout the District. In August, the IERCD presented 11 programs; in July, the IERCD presented two programs. IERCD has also scheduled five Resident Workshops as noted below. These workshops will be held at Valley District on the dates identified, from 9 a.m. – 12 p.m.

October 12, 2019	Drought Tolerant Planting
March 7, 2020	Landscape Design: The First Step in your Efficient Landscape
March 21, 2020	Managing an Efficient Irrigation
April 4, 2020	Why Mulch Matters
April 18, 2020	Creating an Edible Landscape

Background

As a wholesale water agency, Valley District is not directly responsible for the required demand reduction of SBX7-7 but is required to help the retail water agencies achieve their demand reductions (Water Code §10608.36). Further, requirements from AB 1668 and SB 606 allow for the State Water Resources Control Board to issue informational orders to wholesale water suppliers to provide water conservation assistance to retail water agencies. This assistance could include water education, rebates, or other technical assistance, similar to what Valley District currently provides through our water use efficiency program.

Valley District has a Water Use Efficiency Program that includes three main components:

- The District contributes to the cost of conservation rebates offered by retailers at a 25% reimbursement rate.
- The District offers \$1/square foot of turf removed and replaced with low-water use landscaping.
 - For both of these programs, the retail agency incurs the expense and submits an invoice for reimbursement by Valley District.
- The District funds 50% of the retrofit costs for large water users (1,500 cubic feet or more annually) who participate in the Weather Based Irrigation Controller Program which includes a landscape audit followed by installation of a weather station (if needed) and weather-based irrigation controller.

Fiscal Impact

Funds for this Program are included in the approved Water Conservation and Education Program budget account number 6640. A total of \$870,000 is budgeted for the water use efficiency programs and \$30,000 for the education program.

Staff Recommendation

Receive and file.



DATE: October 3, 2019

TO: Board of Directors Workshop - Policy

FROM: Douglas D. Headrick – General Manager
Cindy Saks, Deputy General Manager - Administration

SUBJECT: Review Draft Resolution No. 1092 establishing Rules and Procedures for Compensation of Directors and for Reimbursement of Directors and Staff

Background

The Valley District Board of Directors adopted Resolution 1082 on March 19, 2019 related to the establishment of rules and procedures for compensation of Directors and reimbursement for Directors and Staff.

Director Hayes has requested a draft Resolution be placed on the agenda today to consider removing the language that “Special circumstances necessary for more than two (2) directors to attend” ACWA and CSDA conferences. Please see the following red lined proposed changes to the two items on the Exhibit A: Approved Meetings list:

11. Association of California Water Agencies (ACWA) – ~~Special circumstances necessary for more than two (2) directors to attend.~~
12. California Special Districts Association (CSDA) – ~~Special circumstances necessary for more than two (2) directors to attend.~~

Fiscal Impact:

There is a potential fiscal impact to the District to remove the language regarding ACWA and CSDA conferences, if the change leads to more Directors attending these conferences. However, in the past, even with the current “special circumstances required” language, Directors have not been denied approval if more than two requested attendance.

Staff Recommendation:

Provide Staff additional direction regarding the draft Resolution.

Attachment:

Draft Resolution No. 1092

RESOLUTION NO. ~~1082~~1092

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT ESTABLISHING RULES AND PROCEDURES FOR COMPENSATION OF DIRECTORS AND FOR REIMBURSEMENT OF DIRECTORS AND STAFF

WHEREAS, it is recognized that each member of the Board of Directors (Board) of the San Bernardino Valley Municipal Water District (District) expends a considerable amount of time and effort attending meetings, including meetings of the Board, serving on committees, and rendering other services as a member of the Board; and

WHEREAS, in consideration of these expenditures of time and effort, it is appropriate to provide reasonable compensation and to authorize reimbursement of expenses for directors; and

WHEREAS, Sections 71255 and 20200 *et seq.* of the California Water Code provide for compensation to water district board members for each day's attendance at meetings of the board, or for each day's service rendered as a member of the board by request or approval of the board; and

WHEREAS, Section 53232 *et seq.* of the California Government Code provides the means of determining whether a director's activities on any specific day are compensable; and

WHEREAS, the Board previously adopted Resolution No. 1028 on June 2, 2015, establishing rules and procedures for compensating directors and for reimbursing directors and staff for expenses; and

WHEREAS, the Board desires to clarify and update the types of occasions that constitute the performance of official duties for which directors may receive payment and the rules and procedures for compensating directors and for reimbursing directors and staff for reasonable expenses incurred in carrying out the business of the District;

NOW, THEREFORE, BE IT RESOLVED by the Board that the following Rules and Procedures for Compensation of Directors and for Reimbursement of Directors and Staff are hereby adopted.

SECTION 1:

1. Compensation of directors for each day's attendance at meetings of the Board, or for each day's service rendered as a member of the Board as approved by the Board ("*Per Diem*"), shall be established from time to time by ordinance adopted by the Board in accordance with applicable sections of the California Water Code; provided, however, that *Per Diem* will not be paid for more than the maximum number of days per month permitted under the California Water Code. *Per Diem* will be paid in addition to reimbursement for any reasonable and necessary meal, lodging, and travel expenses incurred in attending any such meetings, or rendering any such service.
2. No director shall receive *Per Diem* for more than ten (10) days in any calendar month.

3. Directors may receive Per Diem only once for any calendar day, regardless of the number of meetings attended in the same day.
4. Attendance shall mean that the director was present at not less than seventy-five percent (75%) of the total duration of the meeting or conference proceedings.
5. Directors shall file with the District's accounting office a signed "District Directors Meeting Reimbursement Request" form at or prior to the first regularly noticed meeting of the Board each month requesting Per Diem for not to exceed ten (10) days for the previous month.
6. Directors may receive Per Diem for attendance at regular, special, emergency, and adjourned District Board meetings.
7. Directors may receive Per Diem for attendance at meetings other than regular, special, emergency, and adjourned District Board meetings, only for those meetings specifically listed in Exhibit A attached hereto and incorporated herein by reference.
8. Directors may receive Per Diem for attendance at Discretionary meetings described in Exhibit B.
9. Directors may not receive Per Diem for attendance at the following meetings:
 - a. American Water Works Association.
 - b. Southern California Association of Governments.
 - c. League of California Cities.
 - d. Emergency Response Network of the Inland Empire.
 - e. Meetings with District consultants and attorneys.
 - f. Meetings with District staff, except as specifically authorized in Exhibit A.
10. Per Diem for attendance at any out-of-state meetings shall require prior Board approval.
11. A director's Per Diem for attendance at another agency's meeting shall be reduced by any amount such agency pays to the director for attendance at such meeting.
12. Directors shall be provided with a monthly report showing the amount of Per Diem or reimbursement received by each director.

SECTION 2:

1. Reimbursement Forms.

Directors and staff shall file with the District's accounting office a signed "District Request for Reimbursement of Expenses" form listing all expenses of the previous month. The form shall list, as separate non-reimbursable expenses, items charged on credit cards which may be provided by District to certain individuals.

2. Receipts.

Original receipts for all expenses and charge slips must be attached to the "District Request for Reimbursement of Expenses" form.

3. Staff or Director Travel Authorization.

Staff travel for more than one (1) day in or outside the state must have prior written approval of the General Manager. Staff travel for less than one (1) day may have the verbal approval of the General Manager. Directors requesting to travel one (1) day in advance of an approved meeting must show good cause for such travel and is subject to prior approval of the Board.

4. Travel Reimbursement.

Payment for travel by directors within the Southern California region will be made only on the basis of either mass transit tickets purchased, or private vehicle miles driven at the reimbursement rate per mile specified by the Internal Revenue Service. To be eligible for reimbursement for vehicle mileage Directors and staff must submit Proof of Insurance for any vehicle for which mileage reimbursement is requested along with a valid California Driver's License. Vehicle mileage for travel by directors to the District Office is not reimbursable. Vehicle mileage for travel to other paid meetings is reimbursable at the Director's reasonable discretion.

Payment for air transportation (economy or tourist class only) will be made to major destinations within California or approved destinations out of state. Should directors or staff choose a private vehicle in lieu of air travel, the lesser rate of the two will be applied. No payment will be made for additional food or lodging required due to a director's or staff member's choice to use a private vehicle for travel. No salaries or director Per Diem shall be paid for additional time required for private vehicle travel.

Airline reservations or tickets may be procured through the District staff member designated by the General Manager, or procured by directors for later reimbursement if so desired, provided the cost does not exceed the cost of what the staff member would have purchased. District shall purchase no tickets for persons other than District directors or staff. Tickets for guests of directors or staff shall be purchased by such persons in a separate transaction without use of any District funds and are not subject to reimbursement.

Airport parking, in short-term lots for travel less than 48 hours, or long-term lots for travel exceeding 48 hours, is an allowable expense for authorized travel.

Public transportation (taxi/bus/limo/online carrier) should be utilized for local travel during out-of-town business, unless the cost of a rental car provides a demonstrable cost savings or public transportation is not available to the desired destination at the time needed.

5. Lodging.

Lodging expenses will be reimbursed or paid when travel on official District business reasonably requires an overnight stay. Directors are encouraged to consult with the General Manager in advance of an overnight stay to ensure that the location reasonably requires an overnight stay. If lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking. If the group rate is not available for a conference, directors and staff shall request government rates, when

available. Government rate lodging is preferable, but alternative lodging at equal to or less than government rate is permissible.

6. Food and Beverage.

Expenditures for food will be moderate and reasonable for the location where consumed. Food and beverage receipts for breakfast, lunch, or dinner consumed by directors or staff are required for reimbursement. The District shall not pay for any alcoholic beverage of any type consumed by directors or staff.

Employees working overtime and requiring work through a normal eating period may be provided meals paid by the District at the discretion of the General Manager.

7. Spouses, Friends, and Guests.

The District shall not pay any expenses covering spouses, friends, or guests who may accompany directors or staff in any travel activity unless otherwise specifically authorized by the Board.

8. Travel Advance.

Travel advances may not be requested by directors or staff for approved District travel. The director or staff member shall complete a special "District Request for Reimbursement of Expenses" form covering cash and credit card expenditures incurred. A District credit card may not be used to pay for incidentals during travel.

9. Business Related Expenses.

District-related expenses incurred in the business center of a hotel or convention center are reimbursable if submitted on the approved "District Request for Reimbursement of Expenses" form.

10. Approval of Expenses.

Directors' and General Manager's expenses must be approved by the Treasurer or director designated by the Board. Other staff expenses must be approved by the General Manager. Any rejected or unapproved expenses shall be charged back against any present or future reimbursement requests or directors' Per Diems payable.

11. Public File.

An individual public file shall be maintained by the accounting office. The file shall contain all cash, credit card, or direct charges to the District for expenses incurred by each director and staff member.

12. Use of District Resources.

The use of District resources and/or employee personnel time by a director shall be for District business only.

SECTION 3:

This Resolution shall supersede and otherwise control over the provisions of Resolution No. 1051. As of the effective date of this Resolution, Resolution No. 1051 shall be of no further force or effect.

ADOPTED this 19th day of March, 2019.

T. Milford Harrison, President

ATTEST:

Douglas D. Headrick, Secretary

EXHIBIT A: APPROVED MEETINGS

1. Regularly noticed District Board Workshops.
2. Regularly noticed meetings of District Board committees, whether standing or ad hoc, to which the director has been duly appointed.
3. Regularly noticed meetings of agencies or organizations by directors who have been specifically appointed by the Board to serve as its primary or alternate representative.
4. Meetings between the Board President and District staff to discuss issues affecting agenda matters, not to exceed two (2) meetings per month.
5. Meetings between a Director and District staff to discuss issues affecting agenda matters, not to exceed one (1) meeting per month.
6. Regularly noticed meetings of the Basin Technical Advisory Committee.
7. Regularly noticed meetings of the San Bernardino Regional Water Resources Authority.
8. Regularly noticed meetings of the District Advisory Commission on Water Policy.
9. Regularly noticed meetings of the San Bernardino County Association of Special Districts.
10. Regularly noticed meetings of the San Bernardino Valley Water Conservation District
11. Association of California Water Agencies (ACWA) – ~~Special circumstances necessary for more than two (2) directors to attend.~~
12. California Special Districts Association (CSDA) – ~~Special circumstances necessary for more than two (2) directors to attend.~~
13. Regularly noticed meetings of local agencies, including but not limited to the San Bernardino County Board of Supervisors, a city council within the District service area, or the San Bernardino County Local Agency Formation Commission, when the agenda indicates a matter related to the District will be discussed.
14. Meetings of local organizations not related to any political organization or body in the District service area, including without limitations meetings of Chambers of Commerce and philanthropic groups, when a director is attending at the request of the organization to provide a public presentation about the District or to participate in an activity directly related to the District.
15. Meetings with other elected officials and their staff on matters relevant to the District, not to exceed one (1) meetings per month.
16. Tours directly related to the work of the District.
17. Anniversaries, groundbreaking events, staff/director retirements, or other similar celebratory events.
18. Court hearings or legal proceedings related to District business.
19. AB 1234 ethics and AB 1825 sexual harassment prevention training programs, in person or by webinar, if the director earns a Certificate of Completion as required by the California Government Code.

20. Additional meetings designated by the Board, from time to time, which are not of a standing nature and at which the Board desires representation by District directors.

EXHIBIT B: DISCRETIONARY MEETINGS

Limited to three per month.

1. Regularly noticed board meetings of retail water agencies within the District service area and other water agencies in the region with whom the District works, such as the San Geronio Water Pass Agency.
2. Meetings that clearly provide additional information or insights to a Director in the performance of their duties. Directors are encouraged to consult with the General Manager in advance that discretionary meetings clearly provide additional information or insights to a Director in the performance of their duties.
3. Conferences, related to sustainable water management, which clearly provide an educational benefit to a Director in the performance of their duties. Directors are encouraged to consult with the General Manager in advance that discretionary conferences clearly provide additional information or insights to a Director in the performance of their duties.
4. Meetings and conferences described in 2 and 3 of Exhibit B above, beyond a 100-mile radius of the District's service area, must be requested and approved at a regular, special, emergency, and adjourned District Board meeting or Board Workshop by a majority of the Directors present.
5. Meetings of local organizations such as Chambers of Commerce, community organizations such as Rotary and Kiwanis, and City Council meetings within the District service area.
6. Meetings of organizations referenced and identified in the Board approved External Affairs Plan.
7. In the event that a discretionary meeting or conference submitted to the District's accounting office via a signed "District Directors Meeting Reimbursement Request" does not appear to clearly provide additional information or insights to a Director in the performance of their duties, Directors may request reconsideration at a regular, special, emergency, or adjourned District Board meeting or Workshop.