

**GOVERNMENT AFFAIRS AND
COMMUNITY OUTREACH
COMMITTEE MEETING
AND
SPECIAL MEETING OF THE
BOARD OF DIRECTORS**

**Monday, August 2, 2021
4:00 p.m.**

Committee Members:

Tony R. Fellow, Chair
Charles M. Treviño, Vice-Chair

SPECIAL NOTICE - Teleconference Accessibility

Pursuant to Executive Order N-29-20 issued by Governor Newsom in response to the COVID-19 outbreak, the Upper District will hold this meeting via teleconference or the most rapid means of communication available at the time. Instructions to participate in the teleconference are below:

Attendee Join Zoom Webinar:

<https://us02web.zoom.us/j/84987639490>

Webinar ID: 849 8763 9490

Telephone Dial: 1 (669) 900 6833

Public comments may be made through teleconference when prompted by the Chair during the public comment period. Public comments may also be provided by emailing Venessa@usgvmwd.org in advance of the meeting. Please indicate "PUBLIC COMMENT" in the subject line.

If you have difficulty connecting to the teleconference line, please call (626) 443-2297 or email Ruben@usgvmwd.org. It may take a few minutes to join Zoom or connect via telephone so please join early.

602 E. Huntington Drive, Suite B
Monrovia, CA 91016

(626) 443-2297
www.upperdistrict.org



*The Government Affairs and Community Outreach Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Government Affairs and Community Outreach Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the Committee as advisory to the Board, members of the Board who are not assigned to the Government Affairs and Community Outreach Committee will not vote on matters before the Committee.

Communications

1. Call to Order
2. Public Comment

Discussion/Action

3. Legislative Update (*Memorandums attached.*)
 - a. Washington D.C.
 - b. Sacramento
4. Federal Bill Positions Summary (*Memorandum attached.*)

Oral Reports

5. UD Communications Planning

Other Matters

- 6.

Adjournment

Next Meeting: September 2021 TBD



American Disabilities Act Compliance (*Government Code Section 54954.2(a)*)

To request special assistance to participate in this meeting, please contact the Upper District office at (626) 443-2297 or valeria@usgvmwd.org at least 24 hours prior to meeting.





BEST BEST & KRIEGER
ATTORNEYS AT LAW

To: Upper San Gabriel Valley Municipal Water District
From: John Freshman, Ana Schwab, and Lowry Crook
Date: July 24, 2021
RE: Federal Report

Legislation

PFAS Action Act

In the last report, we provided a brief overview of the PFAS Action Act, at that time, the bill had only passed the committee. The legislation has now passed the whole House of Representatives.

The bill would direct EPA to designate certain PFAS compounds as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Further, the bill requires EPA to review all PFAS compounds to determine the designations of each as well as submit to Congress a PFAS clean-up plan. The EPA is also instructed by Congress to issue national drinking water regulation for PFAS and to set limits on industrial discharges of PFAS. The bill would also create a grant program to help water systems to treat PFAS contaminated water.

The legislation was opposed by a large group of water, wastewater, and local governments groups. The group was requesting an exemption for water and wastewater utilities from CERCLA, as those groups only receive the PFAS, they do not create, use, or profit from it.

At this time, it is not clear that the legislation has a pathway in the Senate.

Infrastructure – Moving Fast

Senate Majority Leader Chuck Schumer (D-NY) scheduled a procedural vote on July 21 to begin debate on the infrastructure package through legislative vehicle H.R.3684, which did not receive the required 60 votes. Currently, details of the negotiations have not been released and there are still disagreements on key policy issues including clean energy and how to pay for the package. Key bipartisan negotiators are confident that if the procedural vote is rescheduled in the near term, that it would be successful.

Senate Democrats are ready to take up legislation to renew expiring surface transportation programs parallel to negotiations on a larger infrastructure package. Schumer is planning to offer a bipartisan, “plan B” infrastructure plan, which would include committee-approved bills. These would include bills on highways, rail and safety, energy, and water infrastructure (through S. 914).



BEST BEST & KRIEGER
ATTORNEYS AT LAW

White House Issues Interim Implementation Guidance for the Justice40 Initiative

The White House issued an interim guidance on Tuesday to provide details on how it plans to deliver 40 percent of the environmental benefits of its actions to underprivileged communities. The interim guidance provides details on how a disadvantaged community will be defined and what types of programs within agencies will be required to implement the Justice 40 Initiative.

Below are the provided definitions of “Community” and “Disadvantaged”:

Community – Agencies should define community as “either a group of individuals living in geographic proximity to one another, or a geographically dispersed set of individuals (such as migrant workers or Native Americans), where either type of group experiences common conditions.”

Disadvantaged – Agencies should consider appropriate data, indices, and screening tools to determine whether a specific community is disadvantaged based on a combination of variables that may include, but are not limited to, the following:

- Low income, high and/or persistent poverty
- High unemployment and underemployment
- Racial and ethnic residential segregation, particularly where the segregation stems from discrimination by government entities
- Linguistic isolation
- High housing cost burden and substandard housing
- Distressed neighborhoods
- High transportation cost burden and/or low transportation access
- Disproportionate environmental stressor burden and high cumulative impacts
- Limited water and sanitation access and affordability
- Disproportionate impacts from climate change
- High energy cost burden and low energy access
- Jobs lost through the energy transition
- Access to healthcare

A “covered program” is a federal government program that makes covered investment benefits in one or more of the following seven areas: climate change, clean energy and energy efficiency, clean transportation, affordable and sustainable housing, training and workforce development (related to climate, natural disasters, environment, clean energy, clean transportation, housing, water and wastewater infrastructure, and legacy pollution reduction, including in energy communities, remediation and reduction of legacy pollution, and critical clean water and waste infrastructure.

An example of infrastructure investments for water and wastewater infrastructure include:



BEST BEST & KRIEGER
ATTORNEYS AT LAW

- Replacement of lead service lines
- Increased access to safe drinking water and sanitary sewer services
- Reduction in waterborne and respiratory illnesses
- Reduction in the quantity of raw sewage discharged
- Increase in the number of community water systems that meet applicable health-based standards

The order gives federal agencies 60 days to put together an assessment of which programs will be part of the initiative and what type of benefits they offer and 150 days to create a way to calculate the benefits that are going to such communities.

Appropriations Timeline

The House will consider a seven-bill spending package during the week of July 26. The measure will be moved through H.R. 4502, which was introduced as the Labor-HHS-Education appropriations bill. The Rules Committee print would add the following spending bills to the package: H.R. 4356, Agriculture-FDA; H.R. 4549, Energy and Water; H.R. 4345, Financial Services-General Government; H.R. 4372, Interior-Environment; H.R. 4355, Military Construction-Veterans Affairs; and H.R. 4550, Transportation-HUD.

The Senate Appropriations Committee has not announced when it will begin to work on its fiscal 2022 spending measures. August recess is approaching, and in order to provide enough time on schedule, the Senate would need to begin taking the spending measures before the recess. Given the current state of affairs, it is likely the House and Senate will pass a continuing resolution to keep the government open after the September 30 deadline.



Aaron Read & Associates, LLC

LEGISLATIVE AND
GOVERNMENTAL REPRESENTATION

July 27, 2010

TO: Government Affairs and Community Outreach Committee, Upper San Gabriel
Valley Municipal Water District
FROM: Steve Baker
SUBJECT: July Legislative Update

The Legislature is two-thirds of the way through the 2021 legislative session after completing two rounds of policy committee deadlines and adopting a particularly complicated budget. The Legislature is currently on their regularly scheduled summer hiatus. They return August 16th for another round of appropriations discussions and floor debates before adjourning for the year on September 10th.

Budget Update

You will recall that last year the Legislative Analysts Office predicted a \$54 billion state deficit as a result of COVID. Fast forward to May 2021 and the Department of Finance projected a \$100 billion surplus. Since then, the Governor and Legislature have passed a budget, a few budget revisions and numerous budget trailer bills. There was a significant amount of money approved for water projects.

The Budget provides \$1 billion to water systems, wastewater treatment providers to help households and businesses that have incurred water arrearages.

The Budget commits approximately \$5.1 billion over four years to the state's water resilience and drought preparedness and response, including funding for safe drinking water, wastewater, and water conveyance infrastructure; water recycling and groundwater cleanup; Sustainable Groundwater Management Act grants; financial assistance to small and urban water suppliers; and water reliance multi-benefit projects. Of this amount, \$2.1 billion General Fund over three years is set aside for water resilience investments that will be negotiated this summer.

Of The \$5.1 billion, current expenditures include: Immediate drought support (\$727.7 million – \$718.7 million General Fund, \$7 million bond funds, \$2 million special funds) to meet current and anticipated future water supply needs while building regional capacity to endure dry conditions. This will fund emergency drought relief projects that help secure and expand water supplies; small supplier and rural community drought contingency planning and preparedness projects; and local water resilience capacity building that includes outreach to disadvantaged communities. In addition, funding will support the repair and enhancement of the state's water data infrastructure; the state cost-share of a federal desalination research hub; equipment; resources to help address drought impacts on state wildlife areas; and address the increased need for species monitoring and project permitting. Drinking Water, Wastewater, and Water Supply Reliability - \$1.4 billion General Fund and special funds over five years to expand and protect water supplies by protecting drinking water and wastewater infrastructure, supporting local water recycling and groundwater supply projects, and modernizing water rights data infrastructure. Flood Management – \$365.2 million from various fund sources across four years to leverage \$1.8 billion in federal funds for the American River Common Features flood control project, the maintenance and strengthening of levees, the support of emergency flood response activities in the Sacramento-San Joaquin Delta, and the support of collaborative flood risk management. Restoration of Natural Areas and Ecosystems - \$236.4 million from various fund sources to support multi-benefit ecosystem and watershed protection and restoration projects; ecosystem enhancements in the Delta; watershed resilience; address drought impacts on fish and wildlife and to support removal of impediments to fish passage; study rehabilitation strategies as Clear

Lake; and support projects that improve biodiversity and climate resilience by increasing coastal and marine ecosystem health.

AB 377 (R. Rivas) This bill requires significant clean up and remediation of water discharges. The bill was amended to reduce the impacts to water districts but many significant costs remain in the bill. Upper District continued to oppose the measure and it was held in the Assembly Appropriations Committee.

AB 442 (Mayes) This measure is regarding the Surface Mining and Reclamation Act of 1975. This bill seeks to make a variety of changes to the Surface Mining and Reclamation Act including providing a single master reclamation plan which can be used by the Metropolitan Water District of Southern California. The bill passed the Assembly Environmental Safety and Toxic Materials Committee on March 25th, and is pending in the Senate Appropriations Committee. Upper District supports.

AB 697 (Chau) The bill would require the Secretary of the Natural Resources Agency, under an agreement between the state and the federal government, to establish a program for purposes of conducting ecological restoration and fire resiliency projects on national forest lands, with priority given to forest restoration and fuels reduction projects. The bill is pending in the Senate Appropriations Committee. Upper District supports this measure.

AB 818 (Bloom) Would require certain premoistened nonwoven disposable wipes to be labeled clearly and conspicuously with the phrase "Do Not Flush" and a related symbol. Upper District supports the measure and it is pending on the Senate Floor.

SB 273 (Hertzberg) Would authorize a municipal waste agency to enter into agreements with entities responsible for stormwater management for the purpose of managing stormwater and dry weather runoff, to acquire, construct, expand, operate, maintain and provide facilities for relating to managing stormwater and to levy taxes, fees, and charges consistent with the municipal wastewater agency's existing authority in order to fund projects undertaken pursuant to the bill. Upper District supports this measure, and the bill is pending on the Assembly floor.

AB 1195 (C. Garcia) This bill would create the Southern LA County Human Right to Water Collaboration Act. The bill would require the SWRCB to appoint a commissioner to assist operators of public water agencies in managing their systems. The bill would mandate a financial review of the Central Basin Municipal Water District. The bill is pending in the Senate Natural resources and Water Committee with no hearing scheduled, making it a two year bill. Upper District is Watch.



MEMORANDUM



ITEM 4.

DATE: July 27, 2021
TO: Government and Community Affairs Committee and Board of Directors
FROM: General Manager
SUBJECT: Federal Bill Position Summaries

RECOMMENDATION

Approve staff recommendations for federal legislative bill positions: H.R.1563, H.R. 2467, H.R. 3404, and S. 2334 which are consistent with Upper District's 2021-22 Legislative Policy Principles adopted by the Board in January 2021.

Federal Bill Analysis

HR 1563 (Garcia): To extend authorities under the Water Infrastructure Improvements for the Nation Act of 2016 providing operational flexibility, drought relief, and other benefits to the State of California
Introduced: 3/3/2021 **Status:** Referred to the Committee on Natural Resources and the Committee on Science, Space and Technology

Summary: This bill extends the authority of certain federal agencies to provide support for western water infrastructure and extends consultation requirements concerning projects in California. Specifically, the bill extends through 2028 the authority of the Bureau of Reclamation to provide support for projects in certain western states related to federal or state-led water storage, water desalination, and water recycling and reuse. It also extends provisions specific to California, including drought relief and the operations of the Central Valley Project. Further, the bill extends through 2033 consultation requirements concerning biological assessments and the coordinated operations of the Central Valley Project and the State Water Project in California.

Analysis: The provisions proposed in the bill has the potential to ensure that California has the storage capabilities and operational flexibility necessary to provide Californians the access to water they deserve and need. Allowing these provisions to expire would put the state at great risk during future droughts. California is currently experiencing a below average precipitation year, setting the stage for what is likely to be a critically dry year for California. The bill is co-sponsored by the entire House Republican California delegation — Kevin McCarthy (23rd District), Doug LaMalfa (First), Tom McClintock (Fourth), Jay Obernolte (Eighth), David Valadao (21st), Devin Nunes (22nd), Young Kim (39th), Ken Calvert (42nd), Michelle Steel (48th) and Darrell Issa (50th).

Staff Recommendation: Support

H.R. 2467 (Dingell): PFAS Action of 2021

Introduced: 4/13/21 **Status:** Passed the House. Read twice in the Senate and referred to the Committee on Environmental and Public Works.

Summary: This bill authored by Representative Dingell would require the Environmental Protection Agency (EPA) to designate PFOA and PFOS as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) within one year and would make a determination on designating the remaining PFAS within the next five years. In addition, the EPA must issue a national primary drinking water regulation for PFAS that includes standards for PFOA and PFOS. As the bill is written, the municipal drinking water and wastewater utility ratepayers would be responsible for cleaning up PFAS, bearing the costs of the remediation. Additionally, PFOA and PFAS would be classified as a hazardous air pollutant, as well, requiring EPA to test all PFAS for toxicity to human health and regulate the disposal of all materials containing these contaminants.

Analysis: H.R. 2467 is opposed by the Association of California Water Agencies (ACWA), California Association of Sanitation Agencies (CASA), the National League of Cities (NLC), American Water Works Association (AWWA), and number of other water associations and agencies across the state. Although the collective goal in the water community is to address the dangers of PFAS and hold those polluters accountable for contaminating our water supplies and environment, this bill would undermine existing science-based drinking water standards and place undue financial burdens ultimately on our cities, water providers and their customers. For these reasons, Upper District staff is recommending an oppose position.

Staff Recommendation: Oppose

H.R. 3404 (Huffman): FUTURE Western Water Infrastructure and Drought Resiliency Act

Introduced: 5/21/2021 **Status:** Referred to the Subcommittee on Water Resources and Environment

Summary: This bill is comprehensive western water infrastructure and drought response legislation that includes several innovative proposals from House Democrats, including Rep. Grace Napolitano's Water Recycling Investment and Improvement Act, Rep. Mike Levin's Desalination Development Act, and water-related provisions from Rep. Mike Thompson's GREEN Act. Major components to the bill include:

- Supports significant new investment in water infrastructure, including \$750 million for sustainable, multi-benefit water storage projects; \$500 million for water recycling and reuse projects; and \$260 million for innovative water desalination projects.
- Includes major investments in water data and technology to improve water management and reduce energy and water waste. Data and technology investments include an expanded water technology.
- Advances measures to reverse the widespread fish and wildlife species decline across the western United States.
- Provides federal support for water education activities, collaborative water management efforts, and training and professional development support for the water sector workforce.

Analysis: The FUTURE Western Water Act was developed last year through an online public engagement process that garnered extensive feedback from the many perspectives, interests, and needs of those with a stake in the nation's water resources, especially in the West. The FUTURE Western Water Act was specifically endorsed by the Newsom Administration and numerous stakeholders, including water agencies and utilities, environmental and conservation organizations, and fishing and outdoor recreation organizations.

Staff Recommendation: Support

S. 2334 (Cortez Masto): Large Scale Water Recycling Project and Drought Resiliency Investment Act
Introduced: 7/13/21 **Status:** Read twice in the Senate and referred to the Committee on Energy and Natural Resources.

Summary: This bill authored by Senator Cortez Masto would direct the Secretary of the Interior to establish a competitive grant program to eligible entities for large-scale water recycling and reuse projects that provide substantial water supply to drought affected regions within the Reclamation States. Projects are deemed eligible for a grant if the project complies with any of the following:

- Reclaims and Reuses
- Has a total estimated cost of \$500 million or more
- Located within a Reclamation State
- Provides a federal benefit in accordance with the reclamation laws
- Constructed, operated and maintained by an eligible entity

The Secretary shall give funding priority for eligible projects if they meet any of the following: project provides water supply reliability, fish and wildlife benefits, water quality improvements, eligible project is regional or the eligible project is collaboratively developed or supported by multiple stakeholders.

Analysis: S. 2334 (Cortez-Masto) is the companion bill of H.R. 4099 (Napolitano) which the Board of Directors took a position of support on July 14, 2021. This bill would be beneficial for Upper District as it would authorize a new Bureau of Reclamation program to provide additional funding for large scale recycled water programs and ultimately Metropolitan Water District's Regional Recycled Water Project. If enacted the new program would provide more federal financial assistance for recycled water projects than what is available in the current Title XVI. For this reason, Upper District staff is recommending a support position.

Staff Recommendation: Support