Board Policy: EL-7 Communication and Support to the Board
The BAOs shall inform and support the Board in its work.

CEO BULLETIN / NEWSLETTERS

CEO Bulletin: 03/16/18 – 03/22/18

BOARD MEMBER REQUESTS & INFORMATIONAL ITEMS

BMR/IBMR Weekly Reports: 03/22/18

Memo from Rachael Gibson, DAO - Government Relations, to Rick Callender, CEA, dated 03/12/18, regarding the Monthly Legislative Summary for February 2018.

Memo from Rick Callender, CEA, to Norma Camacho, CEO, dated 03/19/18, regarding the presentation of completed SCW grant project – Coyote Creek Invasive Plant Removal and Revegetation Project.

Memo from Rick Callender, CEA, to Norma Camacho, CEO, dated 03/20/18, regarding the Summary of February 2018 Office of Communications Activities.

INCOMING BOARD CORRESPONDENCE

Board Correspondence Weekly Report: 03/23/18

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No new items.

OUTGOING BOARD CORRESPONDENCE

Letter from Chair Santos to Doug Lamont, Office of the Assistant Secretary of the Army for Civil Works, dated 03/19/18, congratulating him on his retirement from federal service.

Reply email from Director Varela to Swanee Edwards, dated 03/23/18, regarding the District’s groundwater awareness outreach program (C-18-0047).

Board correspondence has been removed from the online posting of the Non-Agenda to protect personal contact information. Lengthy reports/attachments may also be removed due to file size limitations. Copies of board correspondence and/or reports/attachments are available by submitting a public records request to publicrecords@valleywater.org.
Hazardous Tree Removal on Saratoga Creek

An application for a Streambed Alteration Agreement from the California Department of Fish and Wildlife (CDFW) was filed on February 28, 2018, for the removal of 51 hazardous eucalyptus trees along the east bank of Saratoga Creek north of Cox Avenue in Saratoga. A notice of exemption was also filed by the District in compliance with CEQA.

The trees, ranging in size from 12-inches to 72-inches in diameter, are either dead, dying, showing signs of disease, or are in close proximity to other dying or diseased trees. The trees are considered hazardous due to a combination of effects from the drought, poor structure, and the effects of a fungal pathogen. Due to the fact that the trees are growing in close proximity to one another and the pathogen is prone to spread, the grove of trees is of concern. A number of the
trees also pose a threat to adjacent PG&E transmission lines. Failure of the trees could potentially result in: injury to adjacent properties and residents, bank erosion and destabilization, and concerns associated with wildfire.

Due to encroachments on the east bank, access will be made from the west bank. Arrangements made with private property owners on the west bank limit our work window and opportunity for hazard tree work requiring completion by the middle of April 2018. The project will be conducted using a crane to reach across the creek and the work will be conducted in collaboration with PG&E.

CDFW raised concerns on April 16, 2018, with the number and size of trees requiring removal pursuant to the District’s CEQA document. The district subsequently proposed a reduction in the number of trees to be removed at this time. The removal of eucalyptus trees will focus on a total of 30 trees that are accessible with the current crane-based strategy from the west creek bank. Those trees in the immediate vicinity of evidence of advanced stages of the pathogen, and five (5) trees identified by PG&E.

The draft Streambed Alteration Agreement was received by the District on April 23, 2018.

For further information, please contact Sue Tippets at (408) 630-2253.

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**Provide status of the Safe, Clean Water funded Water Conservation Research Grant Program, including projects selected for the 2018 round of funding**

On September 26, 2017, the board approved the fifth grant cycle for the Safe, Clean Water (SCW) funded Water Conservation Research Grant Program (Program). The board approved a funding amount for the 2018 grant cycle of up to $100,000, approved the evaluation criteria, and authorized the Chief Executive Officer (CEO) to execute grant agreements consistent with the Program. The district released the request for proposals on September 30, 2017.

Significant outreach was conducted including: email notifications to over 400 stakeholder groups, and an additional 210 schools (including public elementary, middle, high schools, and charter schools); notification letters from the district CEO to City Managers and executive directors; notification letters from the board to city mayors and the County of Santa Clara President of the Board of Supervisors; web page updates; and a pre-bid workshop. Seven (7) applications were received by the due date of November 30, 2017.

A four (4) member review panel (two internal and two external) evaluated the seven (7) proposals based on the approved criteria. The following three (3) proposals received the highest scores and were selected for funding:

1. Purissima Hills Water District - Residential Advanced Metering Program, $50,000
2. WaterNow Alliance - Beyond Leak Detection: Evaluating Water Conservation and Leak Notification Benefits of "Smart Home" Devices, $50,000
3. PS Creations - PlateScrape, Pre-rinse basin for commercial dishwashing, $30,192

Funding for these projects totaled $130,192 and exceeded the FY2018 budget of $100,000, however, the top three (3) projects far outscored the other four (4) projects and the review panel specifically recommended that the PS Creations project (the third rated project) be funded this round. The additional funds are available in the Safe, Clean Water fund due to underspending in prior year grant.
cycles.

For further information, please contact Garth Hall at (408) 630-2760.

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**Safe, Clean Water and Natural Flood Protection Project Completion: Working Partnerships completes the Coyote Creek Invasive Plant Removal and Revegetation Project**

Working Partnerships received a $24,750 Safe, Clean Water and Natural Flood Protection D3 (Restore Wildlife Habitat) grant to prepare an implementation plan to remove harmful invasive plants and revegetate natural plants in areas along Coyote Creek and to find an employer of record to manage the recruitment and selection of homeless individuals to perform the work. The project began on February 19, 2017, and was completed on February 20, 2018. The overall total cost of the project was $33,050.

**Key Outcomes:**
- Identified and completed mapping of invasive plant species in 6-acres of private land along Coyote Creek.
- Secured the California Conservation Corps as the employer of record to manage recruitment, selection, and social support for a crew of 10 formerly homeless or disadvantaged youth.
- Developed a training and volunteer program, project cost estimate, and schedule to complete the work over a 5-year period.
- Performed a biological assessment on the potential impacts of the project.

Working Partnerships’ final report on the completed project is included in the board's March 23, 2018, Non-Agenda package.

For further information, please contact Rick Callender at (408) 630-2017.

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**Varela**

Place an item on the Board’s April 24, 2018 agenda on the cost analysis study to use the Uvas/Llagas Pipeline Extension to capture stormwater and place back into the water basin R-18-0005

The district is currently working on a response for the April 24, 2018, board meeting.

For further information, please contact Garth Hall at (408) 630-2750.

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**Keegan**

Staff to take a preliminary look at the use of Project Labor Agreements (PLAs) on non-federal District Projects.

R-16-0021

The district's response to BMR R-16-0021 was included in the March 16, 2018, Non-Agenda package.

For further information, please contact Michael Baratz at (408) 620-2361.
BOARD MEMBER REQUESTS & INFORMATIONAL ITEMS
<table>
<thead>
<tr>
<th>Request</th>
<th>Completed Date</th>
<th>Meeting Date</th>
<th>Director</th>
<th>GM / AGM</th>
<th>Description</th>
<th>20 Days Due Date</th>
<th>Expected Completion Date</th>
<th>Disposition</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-16-0021</td>
<td>Pending</td>
<td>04/12/16</td>
<td>Keegan</td>
<td>Comelio</td>
<td>Staff to take a preliminary look at the use of PLAs on Non-federal District projects.</td>
<td>03/22/17</td>
<td>02/26/18 Continued. 03/02/17 Continued. 07/28/16 CEO Bulletin.</td>
<td></td>
</tr>
<tr>
<td>R-18-0005</td>
<td>Pending</td>
<td>02/27/18</td>
<td>Varela</td>
<td>Hawk</td>
<td>Place an item on the Board’s April 24, 2018 Agenda on the cost analysis study to use the Uvas/Llagas Pipeline Extension to capture stormwater and place back into the water basin.</td>
<td>03/19/18</td>
<td></td>
<td></td>
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</tbody>
</table>

Report Name: Board Requests Report  
Order by: DIRECTOR  
Report date: 03-22-2018  
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## Board Requests Report

**Report Name:** Board Requests Report  
**Order by:** DIRECTOR  
**Date:** 03-22-2018

<table>
<thead>
<tr>
<th>Request</th>
<th>Completed Date</th>
<th>Request Date</th>
<th>Director</th>
<th>GM / AGM</th>
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<th>20 Days Due Date</th>
<th>Expected Completion Date</th>
<th>Disposition</th>
</tr>
</thead>
</table>

No open IBMRs
FEDERAL ISSUES

Administration Releases Fiscal Year 2019 Budget

The proposed 2019 Budget for the federal government for the fiscal year that will begin on October 1, 2018, was released by President Trump on February 12, 2018. Highlights of the President’s Budget plan include $4.785 billion for the U.S. Army Corps of Engineers (USACE). This budget allotment to USACE may be of benefit to District projects that are funded by USACE including the South San Francisco Bay Shoreline Project, the Upper Guadalupe Project, the San Francisquito Creek Project, and the Llagas Creek Project.

If Congress chooses to appropriate this amount of funding to the USACE, the following breaks down how the funds may be distributed amongst USACE programs:

- $2,077 million for Operation and Maintenance
- $872 million for Construction
- $200 million for the Regulatory Program
- $187 million for Expenses
- $82 million for Investigations
- $27 million for Flood Control and Coastal Emergencies
- $5 million for the Office of the Assistant Secretary of the Army for Civil Works

OGR will monitor, engage, and seek to influence this process to the benefit of District projects.

Director Gary Kremen and District Staff Meet With Bureau of Reclamation Commissioner Brenda Burman

On February 22, 2018, Director Kremen led and District staff facilitated a meeting with the Bureau of Reclamation (Reclamation) Commissioner Brenda Burman in Reno, Nevada, to advocate for funding for the District’s recycled water projects, for the use of public-private partnerships, for proposed amendments to the Water Infrastructure Finance and Innovation Act (WIFIA), for a funding strategy for the Pacheco Reservoir Expansion Project, and for the District’s interests in the WaterFix. Key highlights of the meeting included asking for support for the District’s Expedited Purified Water Program Projects with a specific funding request of $312.5 million to help the District ensure that Santa Clara County stays drought-proof and resilient, an increase in project authorization from $7 million to $18 million in funds for the South Santa Clara County Recycled Water Project, and working with Reclamation to find a path to support its funding needs through grants, loans, and using tax-exempt methods such as public private partnerships to finance the District’s recycled water projects. Director Kremen and staff also conveyed to Reclamation that we support WIFIA and are additionally advocating for a WIFIA amendment that would allow borrowers to pay credit subsidies so that borrowers (such as the District) can borrow more money to fund large-scale high-cost recycled water projects.
District staff also advocated to protect its projects under Title XVI by stressing the importance of keeping the Title XVI project funding and WIIN project funding pots separate. That way, the District's Title XVI recycled water projects under Reclamation are not jeopardized and do not have to recompete with a larger pool of grant applicants for recycled water projects when funds for District projects have already been authorized under Title XVI.

During this meeting, Director Kremen and District staff also informed Reclamation that the District is working with Congress to develop a funding strategy to have Reclamation funding for the San Luis Low Point Improvement Project reallocated to the Pacheco Reservoir Expansion Project. The District is a strong proponent of this approach because supporting the Pacheco Reservoir Expansion Project will help resolve the San Luis Low Point issue regarding the water levels and quality while also generating a funding source for the Pacheco Project.

Director Kremen, Water Utility Chief Operating Officer Nina Hawk, and Deputy Operating Officer Garth Hall also advocated for the District's interests in the WaterFix with Commissioner Burman, emphasizing Reclamation's critical role in that effort.

The meeting with the Commissioner was well-received and staff is following up with all of the District's asks through an advocacy letter to and a meeting with Reclamation to address these requests during the Spring Advocacy Trip to D.C. from April 23–25, 2018.

**Federal Legislation With Board-Approved Positions**

<table>
<thead>
<tr>
<th>Bill</th>
<th>Author</th>
<th>Subject</th>
<th>District Position</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>S 677</td>
<td>Barasso</td>
<td>Water Supply Permitting Coordination Act (See HR 1654)</td>
<td>Support</td>
<td>On June 14, 2017 - Subcommittee hearing held.</td>
</tr>
<tr>
<td>S 698</td>
<td>Cantwell</td>
<td>National Landslide Preparedness Act</td>
<td>Support</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>S 731</td>
<td>Feinstein</td>
<td>Sacramento-San Joaquin Delta National Heritage Area Establishment Act (See HR 1738)</td>
<td>Support</td>
<td>On March 30, 2017—Full committee consideration and markup held by the Senate Energy and Natural Resources Committee.</td>
</tr>
<tr>
<td>S 1464</td>
<td>Feinstein</td>
<td>Water Conservation Tax Parity Act</td>
<td>Support</td>
<td>No hearing date set.</td>
</tr>
<tr>
<td>S 1696</td>
<td>Udall</td>
<td>Smart Energy and Water Efficiency Act</td>
<td>Support</td>
<td>No hearing date set.</td>
</tr>
<tr>
<td>Bill</td>
<td>Author</td>
<td>Subject</td>
<td>District Position</td>
<td>Status</td>
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<td>--------</td>
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<td>---------------------------------------------</td>
</tr>
<tr>
<td>S 1700</td>
<td>Udall</td>
<td>Water Efficiency Improvement Act of 2017</td>
<td>Support</td>
<td>No hearing date set.</td>
</tr>
<tr>
<td>S 2176</td>
<td>Whitehouse</td>
<td>Safeguarding America's Future and Environment (SAFE) Act (See HR 4490)</td>
<td>Support</td>
<td>No hearing date set.</td>
</tr>
<tr>
<td>S 2329</td>
<td>Hoeven</td>
<td>Water Infrastructure Finance and Innovation Reauthorization Act of 2018 (See HR 4492)</td>
<td>Support and Amend</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 434</td>
<td>Denham</td>
<td>New WATER Act</td>
<td>Support</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 448</td>
<td>Huffman</td>
<td>Water Conservation Rebate Tax Parity Act</td>
<td>Support</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 519</td>
<td>Buck</td>
<td>Water and Agriculture Tax Reform Act</td>
<td>Support and Amend</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 1269</td>
<td>LaMalfa</td>
<td>Sacramento Valley Water Storage and Restoration Act</td>
<td>Support</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 1654</td>
<td>McClintock</td>
<td>Water Supply Permitting Coordination Act (See S 677)</td>
<td>Support</td>
<td>Passed in House sent to Senate on June 26, 2017. No hearings held in Senate yet.</td>
</tr>
<tr>
<td>HR 1738</td>
<td>Garamendi</td>
<td>Sacramento-San Joaquin Delta National Heritage Area Establishment Act (See S 731)</td>
<td>Support</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 1971</td>
<td>Smucker</td>
<td>Water Infrastructure Flexibility Act (See S 692)</td>
<td>Support</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 2799</td>
<td>McNerney</td>
<td>Western Water Recycling and Drought Relief Act</td>
<td>Support and Amend</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 3009</td>
<td>Duncan</td>
<td>Sustainable Water Infrastructure Investment Act</td>
<td>Support and Amend</td>
<td>No hearing dates set.</td>
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<tr>
<td>Bill</td>
<td>Author</td>
<td>Subject</td>
<td>District Position</td>
<td>Status</td>
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</tr>
<tr>
<td>HR 3275</td>
<td>McNemey</td>
<td>Water and Energy Sustainability through Technology Act</td>
<td>Support</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 3604</td>
<td>Loebsack</td>
<td>National Flood Research and Education Center Act</td>
<td>Support</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 3859</td>
<td>Waters</td>
<td>Drinking Water Infrastructure for Job Creation Act</td>
<td>Support</td>
<td>No hearing date set.</td>
</tr>
<tr>
<td>HR 3912</td>
<td>Walorski</td>
<td>Move America Act of 2017</td>
<td>Support and Amend</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 4419</td>
<td>Newhouse</td>
<td>Bureau of Reclamation and Bureau of Indian Affairs Water Project Streamlining Act</td>
<td>Support and Amend</td>
<td>A hearing was held by the House Natural Resources Committee on November 30, 2017, in the House Subcommittee on Water, Power, and Oceans.</td>
</tr>
<tr>
<td>HR 4490</td>
<td>Cartwright</td>
<td>Safeguarding America’s Future and Environment (SAFE) Act (See S 2176)</td>
<td>Support</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 4492</td>
<td>Mast</td>
<td>Water Infrastructure Finance and Innovation Reauthorization Act of 2017 (See S 2329)</td>
<td>Support and Amend</td>
<td>No hearing dates set.</td>
</tr>
<tr>
<td>HR 4525</td>
<td>Pallone</td>
<td>Living Shorelines Act of 2017</td>
<td>Support</td>
<td>No hearing dates set.</td>
</tr>
</tbody>
</table>

**STATE ISSUES**

**Pacheco Reservoir Expansion Project Advocacy Efforts**

On February 8, Water Utility and OGR staff attended a meeting with the California Water Commission (CWC) staff regarding the Public Benefit Ratio (PBR) that will be assigned to the Pacheco Reservoir Expansion Project as part of the scoring for the Water Storage Investment Program (WSIP) grants. In the meeting, staff asked the application reviewers questions to better inform the development of our PBR appeal that was submitted on February 23. The meeting was very helpful.

OGR staff has worked with the Association of California Water Agencies (ACWA) to develop a proposal for three additional meetings with CWC staff at strategic times in the process. ACWA submitted that proposal to the CWC staff on February 28 and we await their determination of
what additional meetings, if any, will be allowed. The latest schedule from the CWC is as follows:

<table>
<thead>
<tr>
<th>CWC Water Storage Investment Program Schedule</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Benefit Ratio (PBR) Review Applicant Notification</td>
<td>February 1, 2018</td>
</tr>
<tr>
<td>PBR Review Posted to WSIP Portal</td>
<td>February 2, 2018</td>
</tr>
<tr>
<td>Applicant Appeals Due</td>
<td>February 23, 2018</td>
</tr>
<tr>
<td>Reviewer Responses to Appeals Posted</td>
<td>April 20, 2018</td>
</tr>
<tr>
<td>Commission 3-day Meeting to Determine PBRs</td>
<td>May 1–3, 2018</td>
</tr>
<tr>
<td>Preliminary Application Scores Posted</td>
<td>May 25, 2018</td>
</tr>
<tr>
<td>Commission 3-day Meeting to Determine Scores</td>
<td>June 27–29, 2018</td>
</tr>
<tr>
<td>Final Scores and Application Ranks Posted</td>
<td>July 6, 2018</td>
</tr>
<tr>
<td>Commission 3-day Meeting, Maximum Conditional Eligibility Determinations</td>
<td>July 24–26, 2018</td>
</tr>
</tbody>
</table>

District-Sponsored State Legislation

*Senate Bill 881 (Wieckowski) Shoreline Project State Flood Subventions Authorization*

The District sponsored Senate Bill (SB) 881, which would add the South San Francisco Bay Shoreline Project (Shoreline Project) to the list of projects authorized to receive State Flood Control Subventions funding, has been set for hearing on March 13, 2018, in the Senate Natural Resources and Water Committee. We have received support from multiple organizations including, Association of California Water Agencies, California Municipal Utilities Association, California Special Districts’ Association, Silicon Valley Leadership Group, City of San Jose, Midpeninsula Regional Open Space District, Santa Clara Valley Open Space Authority, and the Santa Clara Chamber of Commerce. We have not received any opposition on the bill.

The bill would provide the District the ability to seek reimbursement for the expected purchase of temporary rights-of-way and relocations for flood control, recreation, fish and wildlife enhancements, and temporary work area easements for construction staging and hauling routes for the Shoreline Project, which are estimated to require between $4 million and $7 million.

*Assembly Bill 1889 (Caballero) District Act Revisions*

Assembly Bill (AB) 1889 is District-sponsored legislation that makes three commonsense primary changes to the District Act: (1) modifies the parcel tax exemption process for low-income seniors and the disabled; (2) increases the number of meeting days for which a Director is eligible for remuneration from up to 10 days per month to up to 20 days per month; and (3) requires that the appointment to a vacant seat on the District Board be made from the geographic district in which the vacancy exists rather than from anywhere in Santa Clara County. Throughout February, OGR staff met with key policy consultants and members of the District’s legislative delegation to advocate for the bill, which is expected to be scheduled for hearing in the Assembly Local Government Committee in March or April.
SB 1301 (Beall) Permit Transparency and Expedited Approvals for Human Life Safety

On February 16, Senator Beall introduced Senate Bill (SB) 1301 which has two primary provisions: (1) the bill requires state natural resources agencies to report to the Legislature and the public the average permit processing times for designated permits to inform state agency management and budgetary decisions; and (2) the bill expedites permit processing for projects that reduce risk to human life safety through flood and mudslide risk reduction. As with the other two District-sponsored bills, OGR staff had several meetings on this bill with key legislative and committee staff, and continues advocacy efforts to secure support for this bill.

OGR will continue strong engagement and advocacy efforts with committee staff and legislators, the District’s legislative delegation, and key supporters in advance of and during each bill’s committee hearings, to ensure they move through the legislative process this session.

State Legislation With Board-Approved Positions

Following is the status of bills on which the Board has adopted formal positions:

<table>
<thead>
<tr>
<th>Bill</th>
<th>Author</th>
<th>Subject</th>
<th>Position/ Priority</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coyote Creek Flood Victim Assistance Funding $10.4 million</td>
<td>Kalra</td>
<td>Coyote Creek flood victim assistance</td>
<td>Support</td>
<td>$5.4 million approved for flood victim case work assistance as part of the budget</td>
</tr>
<tr>
<td>Budget Trailer Bill 810</td>
<td>Governor</td>
<td>Making Water Conservation a California Way of Life</td>
<td>Support if Amended</td>
<td>Failed—Assembly and Senate Budget Committees</td>
</tr>
<tr>
<td>Budget Trailer Bill on Dam Safety</td>
<td>Governor</td>
<td>Dam Safety</td>
<td>Support</td>
<td>Signed by the Governor</td>
</tr>
<tr>
<td>AB 18</td>
<td>E. Garcia</td>
<td>California Clean Water, Climate, Coast Protection, and Outdoor Access for All Act of 2018</td>
<td>Support if Amended</td>
<td>Failed—Senate Appropriations Committee 2-Year Bill</td>
</tr>
<tr>
<td>AB 388</td>
<td>Mullin</td>
<td>Greenhouse Gas Reduction Fund: wetland restoration projects</td>
<td>Support</td>
<td>Failed—Senate Appropriations Committee—Suspense</td>
</tr>
<tr>
<td>AB 574</td>
<td>Quirk</td>
<td>Potable reuse</td>
<td>Support</td>
<td>Signed by the Governor</td>
</tr>
<tr>
<td>Bill</td>
<td>Author</td>
<td>Subject</td>
<td>Position/Priority</td>
<td>Status</td>
</tr>
<tr>
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</tr>
<tr>
<td>AB 646</td>
<td>Kalra</td>
<td>Rental Property: disclosures; flood hazard areas: areas of potential flooding</td>
<td>Support</td>
<td>Signed by the Governor</td>
</tr>
<tr>
<td>AB 791</td>
<td>Frazier</td>
<td>SWP and CVP: new conveyance facility</td>
<td>Oppose</td>
<td>Failed—Returned to the Chief Clerk of the Assembly.</td>
</tr>
<tr>
<td>AB 792</td>
<td>Frazier</td>
<td>Sacramento-San Joaquin Delta: Delta Stewardship Council</td>
<td>Oppose</td>
<td>Failed—Returned to the Chief Clerk of the Assembly.</td>
</tr>
<tr>
<td>AB 793</td>
<td>Frazier</td>
<td>Delta: financing</td>
<td>Oppose</td>
<td>Failed—Returned to the Chief Clerk of the Assembly.</td>
</tr>
<tr>
<td>AB 851</td>
<td>Caballero</td>
<td>Design Build</td>
<td>Sponsor</td>
<td>Signed by the Governor</td>
</tr>
<tr>
<td>AB 968</td>
<td>Rubio</td>
<td>Urban water use: water efficiency</td>
<td>Support</td>
<td>Failed—Returned to the Chief Clerk of the Assembly.</td>
</tr>
<tr>
<td>AB 979</td>
<td>Lackey</td>
<td>Local agency formation commissions: district representation</td>
<td>Support</td>
<td>Signed by the Governor</td>
</tr>
<tr>
<td>AB 1427</td>
<td>Eggman</td>
<td>Water: underground storage</td>
<td>Oppose</td>
<td>Failed—Returned to the Chief Clerk of the Assembly.</td>
</tr>
<tr>
<td>AB 1587</td>
<td>Levine</td>
<td>Invasive species: dreissenid mussels</td>
<td>Support</td>
<td>Failed—Senate Appropriations Committee—Suspense</td>
</tr>
<tr>
<td>AB 1608</td>
<td>Kalra</td>
<td>Vibrant landscapes for California</td>
<td>Support</td>
<td>Failed—Returned to the Chief Clerk of the Assembly.</td>
</tr>
<tr>
<td>AB 1654</td>
<td>Rubio</td>
<td>Water shortage: urban water-management planning Water conservation.</td>
<td>Support</td>
<td>Substantially Amended by Senate Natural Resources and Water Committee—Pending in Senate Rules Committee 2-Year Bill</td>
</tr>
<tr>
<td>Bill</td>
<td>Author</td>
<td>Subject</td>
<td>Position/ Priority</td>
<td>Status</td>
</tr>
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</tr>
<tr>
<td>AB 1667</td>
<td>Friedman</td>
<td>Water management planning (Mirrors Governor's Budget Trailer Bill Language)</td>
<td>Support if amended</td>
<td>Pending—Senate Natural Resources and Water Committee 2-Year Bill</td>
</tr>
<tr>
<td>AB 1668</td>
<td>Friedman</td>
<td>Water management planning (Mirrors Governor's Budget Trailer Bill Language with modifications requested by the District)</td>
<td>Support</td>
<td>Pending—Senate Rules Committee 2-Year Bill</td>
</tr>
<tr>
<td>AB 1669</td>
<td>Friedman</td>
<td>Urban water conservation standards and use reporting (Mirrors Governor's Budget Trailer Bill Language)</td>
<td>Support if Amended</td>
<td>Failed—Returned to the Chief Clerk of the Assembly.</td>
</tr>
<tr>
<td>AB 1876</td>
<td>Frazier</td>
<td>Sacramento-San Joaquin Delta: Delta Stewardship Council</td>
<td>Oppose</td>
<td>Pending—Assembly Water Parks and Wildlife Committee</td>
</tr>
<tr>
<td>AB 1889</td>
<td>Caballero</td>
<td>Santa Clara Valley Water District</td>
<td>Sponsor</td>
<td>Pending—Assembly Local Government Committee</td>
</tr>
<tr>
<td>SB 3</td>
<td>Beall</td>
<td>Affordable Housing Bond Act of 2018</td>
<td>Support</td>
<td>Signed by the Governor</td>
</tr>
<tr>
<td>SB 5</td>
<td>De Leon</td>
<td>California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018</td>
<td>Support if Amended</td>
<td>Signed by the Governor</td>
</tr>
<tr>
<td>SB 231</td>
<td>Hertzberg</td>
<td>Local Government fees and charges</td>
<td>Support</td>
<td>Signed by the Governor</td>
</tr>
<tr>
<td>SB 252</td>
<td>Dodd</td>
<td>Water Wells</td>
<td>Oppose unless Amended, now Neutral</td>
<td>Signed by the Governor</td>
</tr>
<tr>
<td>SB 424</td>
<td>Allen</td>
<td>The California Regional Environmental Education Community Network</td>
<td>Support</td>
<td>Pending—Assembly Education Committee 2-Year Bill</td>
</tr>
<tr>
<td>Bill</td>
<td>Author</td>
<td>Subject</td>
<td>Position/Priority</td>
<td>Status</td>
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<tr>
<td>SB 492</td>
<td>Beall</td>
<td>Midpeninsula Regional Open Space District: purchase of property: San Jose Water Company</td>
<td>Support</td>
<td>Signed by the Governor</td>
</tr>
<tr>
<td>SB 519</td>
<td>Beall</td>
<td>Santa Clara Valley Water District</td>
<td>Sponsor</td>
<td>Pending—Assembly Desk</td>
</tr>
<tr>
<td>SB 594</td>
<td>Beall</td>
<td>Flood risk: dam failure: expedited permit processing and approval: human life safety protection.</td>
<td>Sponsor</td>
<td>Failed—Returned to the Secretary of the Senate.</td>
</tr>
<tr>
<td>SB 606</td>
<td>Skinner</td>
<td>Water Conservation (Making Water Conservation a CA Way of Life)</td>
<td>Support</td>
<td>Pending—Assembly Third Reading 2-Year Bill</td>
</tr>
<tr>
<td>SB 634</td>
<td>Wilk</td>
<td>Santa Clarita Water District Agency</td>
<td>Oppose unless Amended, now Neutral</td>
<td>Signed by the Governor</td>
</tr>
<tr>
<td>SB 705</td>
<td>Allen</td>
<td>Solid Waste: expanded polystyrene food service containers</td>
<td>Support</td>
<td>Failed—Senate Floor</td>
</tr>
<tr>
<td>SB 740</td>
<td>Wiener</td>
<td>Onsite treated water</td>
<td>Support</td>
<td>Failed—Returned to the Secretary of the Senate.</td>
</tr>
<tr>
<td>SB 881</td>
<td>Wieckowski</td>
<td>Flood control: County of Santa Clara; South San Francisco Bay Shoreline Project</td>
<td>Sponsor</td>
<td>Pending—Senate Natural Resources and Water Committee on March 13</td>
</tr>
<tr>
<td>SB 1301</td>
<td>Beall</td>
<td>Transparent and Expeditious Permitting for Human Life Safety</td>
<td>Sponsor</td>
<td>Pending—Senate Natural Resources and Water Committee and Senate Environmental Quality Committee</td>
</tr>
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</table>
LOCAL AND REGIONAL ISSUES

Joint Venture Silicon Valley's 2018 State of the Valley

On February 9, OGR staffed Director John Varela and Director Barbara Keegan at Joint Venture Silicon Valley’s annual State of the Valley event. More than 1,300 people attended the event this year, including senior business leaders and executives; federal, state and local elected officials and their senior staff; labor leaders, venture capitalists, journalists, academics, and a host of other community members.

Board Members Engage the Community

On February 26, OGR prepared remarks for and facilitated Director Tony Estremera’s presentation at the One-Year Anniversary of Rock Springs Flood event, hosted by San Jose Councilmember Tam Nguyen. Director Estremera provided an overview of what steps and actions the District has taken since the flooding occurred, including: the completion of a flood wall and berm barrier along Coyote Creek; advocating with federal and state representatives for support and funding for a flood protection project along Coyote Creek; working to finalize a
memorandum of agreement with the Army Corps of Engineers which will allow the District to conduct a feasibility study (one of the first agreements like this in the country) along Coyote Creek; and adopting an Emergency Action Plan for Coyote Creek alongside the City of San Jose. The attendees received the presentation well and appreciated the efforts the District has made over the last year. During the event, OGR staff also distributed flood awareness literature and flood preparation kits to attendees.

Deputy Administrative Officer
Office of Government Relations

rg:fd
MONTHLY REPORTS FROM
WASHINGTON D.C. AND SACRAMENTO

Contract Representatives

January 2018

(Please Note: The consultant reports will be one month behind due to the fact that monthly report of the Office of Government Relations is provided prior to the consultant reports being due)
MONTHLY REPORT
CARPI & CLAY

January 2018

On behalf of the Santa Clara Valley Water District (Water District), the report below summarizes the Federal Agency and Executive Branch activities advanced and monitored by Carpi & Clay during the month of January.

Annual Strategy Session

Carpi & Clay, along with the Water District’s congressional and state lobbying teams, joined the Water District in an on-site two-day strategy session. We appreciated the opportunity to assist the Water District to shape and prioritize federal priorities for the coming year and we look forward to seeing representatives from the Water District in Washington, DC this spring.

Coyote Creek Section 1126

As the US Army Corps of Engineers (Corps) works to refine their guidance for Section 1126 of the Water Resources Development Act of 2016 (WRDA), we have been helping the Water District to position the Coyote Creek project for advancement. We expect that a decision on this guidance will be made in the next several weeks.

WRDA 2016 Implementation Guidance

In preparation for publication in the Federal Register, we have provided the Water District with Corps guidance on Section 1122 of WRDA 2016. This guidance, focusing on the beneficial use of dredged material, sets up a process to allow the Corps to identify 10 pilot projects. Given the interest in the Bay Area around this issue, it could be a good opportunity for the Water District to partner with local and regional stakeholders. Once this guidance is published, interested parties will have 30-days to submit an application.

Fiscal Year 2018 Corps Work Plan

The Fiscal Year 2018 (FY18) Corps work plan remains dependent upon congressional passage of the FY18 appropriations bills, however we have remained actively engaged in efforts to position Water District priority projects for funding considerations. These efforts have involved outreach to Corps headquarters, the Office of the Assistant Secretary of the Army for Civil Works and the Office of Management and Budget. Based on past experience, we expect the Corps will have 30-45 days to produce a work plan once Congress passes the FY18 appropriations bills.

Infrastructure Remains a Top Priority, But Details Needed

President Trump used his first State of the Union address to highlight the need to improve the nation’s infrastructure. He called on a plan to invest $1.7 trillion in roads, waterways, aviation, and other infrastructure. While the dollar figure is higher, leaks from the Administration indicate that federal spending will still only amount to $200 billion over ten years, with the remainder coming from state and local sources, private investment, and financing tools.
The increased investment figure seems to stem from an anticipated windfall resulting from the recently enacted tax plan. However, while lower corporate tax rates and other changes may free up some capital for investment, state and local governments are already, in many cases, overstretched and will be hard-pressed to raise additional revenue needed to support more borrowing.

**Infrastructure Details Begin to Leak**

Two documents emerged that indicate the direction the White House hopes to take on infrastructure. While the Administration has disavowed the leaks, their details track closely with previous comments from senior officials. Among these include the following distribution of the $200 billion floated by the White House:

- Grants to encourage state and local investments – 50 percent of funding
- “Transformative” projects – 10 percent
- Federal credit programs akin to TIFIA and WIFIA – 7 percent
- Rural infrastructure – 25 percent, to be distributed as block grants to states
- Federal capital financing fund – 5 percent (revolving fund to pay for federal capital projects such as veterans facilities)

Other financing changes would include:

- Removal of the state volume cap on the use of Private Activity Bonds (PAB) and reinstatement of tax benefits for advanced refundings of PABs;
- Making Clean Water SRF funds available for privately-owned treatment works; and
- Expanding WIFIA eligibility to include projects addressing flood risk reduction, navigation and water supply; and cleaning up Superfund and brownfield sites

A more extensive list of environmental streamlining ideas also leaked. These include provisions that seek to create a new “One Agency, One Decision” environmental review structure overseen by the Federal Permitting Improvement Steering Council (Permitting Council). This Council would be tasked with eliminating redundancies and establishing firm deadlines for decision making. The plans also include provisions that would realize the long-sought “CEQA for NEPA,” allowing project sponsors who meet CEQ requirements to forego a similar NEPA evaluation.

**Waters of the United States Wades Into Deeper Chaos**

The confusion that has marked the legal definition of “the waters of the United States” under the Clean Water Act took a new step into chaos. The Supreme Court, in a 9-0 ruling, struck down a Sixth Circuit stay blocking the implementation of the Obama Administration’s final “WOTUS” rule. The Court ruled that challenges to the rule must start at the district court level and work their way through the federal judicial system. At stake is the determination of what bodies of water are subject to federal permitting actions for construction or operation.

The Court’s action would put the Obama-era rule into effect in 33 states. However, the EPA quickly moved to finalize a rule to delay implementation of the Obama rule by two years as it develops its own replacement. The Attorney General of New York is leading a coalition to block
the new rule blocking the older rule. Meanwhile, many organizations are lining up to oppose the Trump Administration's final rule as soon as it is published.

It is almost certain that the Supreme Court will again hear cases related to the scope of the Clean Water Act. However, it could take two, four, or even more years before a clear definition of the “Waters of the United States” is settled. In the meantime, the Corps of Engineers and EPA are applying a mostly ad hoc approach to permit applications relying mostly on criteria established before the high court’s Rapanos ruling in 2006.

**Justice to Subpoena Cities Over Sanctuary Policies**

In letters to 23 jurisdictions, the Justice Department requested documents “reflecting any orders, directives, instructions, or guidance to your law enforcement employees” about how to “communicate with the Department of Justice, the Department of Homeland Security, and/or Immigration and Customs Enforcement.” Failure to turn over the documents would trigger a federal subpoena for the information.

The letters caused mayors to boycott a planned meeting with President Trump to discuss infrastructure and other issues. The Justice Department demanded records relating to whether the cities are “unlawfully restricting information sharing by law enforcement officers with federal immigration authorities.”

According to senior officials at DOJ, if these jurisdictions cannot prove they are complying with federal law, Justice would move to withhold federal funding and demand the return of 2016 federal funding already received. The Department’s legal authority to withhold or claw back funding is in dispute, with federal courts so far refusing to side with the Administration.

The jurisdictions that received letters include the States of California, Illinois, and Oregon; the Counties of Monterey, Sonoma, Sacramento, and San Francisco (and Cook County, Illinois and Denver, Colorado); and the Cities of Berkeley, Fremont, Los Angeles, San Francisco, and Watsonville, California, and also Denver and New York City.

**Confirmations and Nominations**

The Senate confirmed Rickey Dale “R.D.” James by a vote of 89-1 to be the Assistant Secretary of the Army (ASA) for Civil Works, which oversees the U.S. Army Corps of Engineers. He is expected to be sworn in by mid-February. We assisted the Water District in preparing a congratulatory letter to Mr. James and we look forward to making an introduction either in California or Washington, DC in the near future.

The President withdrew his nomination of Kathleen Hartnett White to lead the Council on Environmental Quality. She failed to garner support after her nomination last year. The President resubmitted her nomination in early January, but opposition to her confirmation continued to grow.
OVERVIEW

Budget/Appropriations; Healthcare; DACA; Infrastructure; and SOTU—January was dominated by three things:

1. Most of Congress' time and attention were spent on a budget impasse leading to the expiration of the Continuing Resolution on January 20 and a three-day federal government shutdown. Budget negotiations broke down over the issues of how to resolve the DACA issue and questions over the amount of funding for and nature of border security features. The government is operating on another CR which will expire on February 8, 2018. The Omnibus remains unresolved (the Senate and House did not establish a joint overall budget topline so cannot complete their FY18 appropriations business).

2. The next relevant event in January was the release/leak of a six-page outline of the Administration's Infrastructure package. Quick analysis found much promising programmatic potential, but no specific funding sources were identified. The proposal was lacking in the specific mention of mitigation and clean air issues generally but was robust on the issue of water and wastewater infrastructure primarily through the expansion of the Water Finance Infrastructure and Innovation Act (WIFIA) loan program administered through the EPA. Clearly, whatever the Administration proposes, how Congress disposes of it will be critical to achieving the SCVWD's goals for the Infrastructure package.

3. *President Trump's State of the Union (SOTU) address on January 30.

Activities summary:

• Attended annual "all hands" two-day SCVWD Team meeting at SCVWD HQ.
• In conjunction with SCVWD staff we are monitoring and developing infrastructure-related legislative and administrative strategies which can achieve SCVWD goals and work within legislative/executive authorizing/appropriating formats and programs.
• Continued to participate in small group ad hoc and/or ACWA-led discussions regarding Title XVI vs WIIN project funding.
• Continued to monitor and pass on relevant legislation of interest to SCVWD.
• Participated in regular conference call with subsequent follow up assignments.
• Answered specific questions from SCVWD staff.
• Kept staff updated as to legislative changes, committee assignments and confirmations.
• Monitored and shared updates on Administration regarding budget, appropriations, Interior, EPA, transportation, and environmental policies and personnel.
INFRASTRUCTURE (As of 1-26-18, per published sources): Trump to mention issue during State of the Union speech, but release plan later; Top White House adviser signals openness to negotiate with Congress on details; Plan won't detail how infrastructure will be paid for, adviser says. The administration's goal with the plan is to kickstart $1.5 trillion in infrastructure projects and to reduce the time required for the average federal permitting process for these projects to two years, White House aide D.J. Gribbin said Jan. 25 at a meeting of the U.S. Conference of Mayors in Washington.

The plan will contain a list of suggestions for achieving these two goals, but ultimately the White House would be open to signing off on measures Congress chooses as long as they would accomplish these two aims, he said. "We want to create opportunities for states and local governments to receive federal funding when they're doing what is politically hard," Gribbin told the assembled mayors. "We want to fund infrastructure, you decide what to spend it on." However, the plan will not contain any details about how to pay for the infrastructure. That issue will instead be left up to lawmakers. Gribbin did say the White House would not support funding the plan by cutting any core federal infrastructure programs that already exist, such as the Transportation Department's highway trust fund or the EPA's state revolving loan funds. The federal government would provide limited new matching funds for infrastructure projects under a draft infrastructure plan obtained by Bloomberg Government and other media outlets on Jan. 22. The plan also proposes new funding for rural infrastructure, expansion of federal credit programs, and enhancements to private activity bonds. President Donald Trump promised to invest $1 trillion in infrastructure. His fiscal 2018 budget request proposed spending $200 billion in federal funds over a decade, which would leverage state, local, and private dollars for a total of $1 trillion. The document doesn't specify a proposed amount or source of funding. Most of the new programs would be subject to appropriation.

It also doesn't address the Highway Trust Fund's long-term insolvency. The fund's outlays for roads and transit exceed the revenue it collects, primarily from the motor fuels tax. It's projected to run out of money in fiscal 2021, after being boosted by a five-year infusion from the general fund in the 2015 FAST Act (Public Law 114-94). House Transportation and Infrastructure Committee Chairman Bill Shuster (R-Pa.) said infrastructure will be his top priority for 2018.

Almost half of the plan's proposed new appropriation would be for an "infrastructure incentives initiative" that would cover as much as 20 percent of the cost of a wide variety of projects, including hydropower, flood control, and contaminated site cleanup. The non-federal partner -- which could include a public utility or non-profit in addition to a state or local government -- would be responsible for finding the rest of the funding. The program would prioritize projects with a new, non-federal, long-term funding source. Another 10 percent would be available for grants -- ranging from 30 percent to 80 percent of eligible costs based on the project stage -- for "transformative" projects, including commercial space, telecommunications, energy, and water in addition to standard infrastructure. Projects would have to include private or nonprofit investors. A quarter of the appropriation would be available for rural infrastructure, including broadband. Projects would have to be in areas with a population of less than 50,000. The plan proposes additional appropriations to expand existing credit programs, and a new account to manage federal infrastructure. In addition to new programs that would require appropriations, the plan proposes creating an "interior maintenance fund" that would support public lands infrastructure using revenue from drilling and mineral exploration on federal lands and waters. It also proposes an executive order that would let the federal government dispose of real property, which would "improve the overall allocation of economic resources in infrastructure investment."

The plan would provide additional funds for existing lending programs for transportation, railroads, water, and rural utilities, which would remain available until 2028. If the plan's total appropriation was $200 billion over a decade, it would boost the lending programs' capacity by
$15 billion. It would expand the potential uses of private activity bonds, which are issued by state and local governments to finance projects conducted with a private partner. It would also lift issuance caps and allow the bonds to be used for advanced refunding, in which issuers take advantage of lower interest rates by refinancing an existing bond issue with a new one. A refunding bond is considered “advance” if it is issued more than 90 days before the redemption of the refunded bond. It’s not clear how the change would work in light of the 2017 tax overhaul law (Public Law 115-97), which eliminated advance refunding bonds’ tax advantages. The document lists additional “principles” for infrastructure, which include a variety of suggested modifications to, or expansions of, existing programs. Legislative or regulatory action would likely be required for many of the changes.

GAS TAX: One potential funding solution putting Republicans in Congress and conservative interest groups at odds is a gas tax. The motor fuels tax -- 18.4 cents per gallon on gasoline and 24.4 cents on diesel -- hasn't been increased since 1993. Interest groups are hoping to sway the president on the fuels charge, but congressional Republicans are waiting to see where the administration falls on the issue.

CALIFORNIA GAS TAX: Gas tax proponents will find an ally in California Gov. Jerry Brown (D), who said he'll fight an effort to ask voters in November to repeal a recent gas tax increase. In his final State of the State address, Brown said the 2017 vote in the Legislature to boost the tax was essential to maintaining and improving roads and transit. "Fighting a gas tax may appear to be good politics, but it isn't," he said. "I will do everything in my power to defeat any repeal effort that gets on the ballot. You can count on that." Increased diesel and gas taxes, and new fees on vehicles, are expected to raise $52.4 billion in new transportation funding over 10 years.

###
We are well into the second year of the two-year session. The legislative counsel deadline has passed, two-year bill deadline has passed and now we look ahead to the bill introduction deadline. The Governor released his January 10 budget as scheduled. There continues to be a budget surplus, however this Governor is known for being very conservative financially having successfully pulled California back from the brink of bankruptcy when he was elected. This is his last budget and he has also delivered his last state of the state on January 25, 2018. To date, we have not seen a lot of bills introduced but anticipate that many will hit their limit; they are just talking longer to get the bills in print. Legislative counsel is also working at a furious pace in an effort to get all of the bills drafted for potential introductions. Once the bill introduction deadline has passed, we will work to identify bills of interest to the District and get those to the appropriate staff to determine what we should be focusing on and their priority.

Below we have listed the bills that the District has successfully introduced to date. We have one more to introduce, however the bill is currently in legislative counsel being drafted, we anticipate we will run close to the deadline, but have a committed author in Senator Beall.

AB 1889 (Caballero), this bill was introduced at the request of the District to allow for some cleanup of the District Act. The bill was introduced to make three important reforms to improve fairness in parcel tax exemption processing, to help ensure a socio-economically diverse Board of Directors, and to ensure that if a vacancy occurs on the Board, it is filled by a resident from the geographic district where the vacancy occurs. We anticipate the bill will be referred to the Assembly Local Government Committee.

SB 881 (Wieckowski), this bill was introduced at the request of the District to add the South San Francisco Bay Shoreline Project (Shoreline Project) to the list of flood control projects authorized to receive state flood control subventions reimbursements. The bill has been referred to the Senate Natural Resources Committee and the Senate Judiciary Committee. We expect the bill to be heard in early spring in the Senate Natural Resources Committee and then it will be heard in the Senate Judiciary Committee. Our staff continues to work with the Department of Water Resources attorney’s and the State Coastal Conservancy staff to ensure the language is drafted correctly to achieve our intended goals.

This is a list of all of the bills that the District worked on in 2017 that we will continue to work on in 2018. It should be noted that some of these bills we took a “watch” position on, while others we have taken an active position on, their status is also listed as part of this update.

AB 1427 (Eggman), which is a bill that is opposed by the District. This bill would revise the declaration to additionally provide that certain uses of stored water while underground constitute beneficial use. The bill would provide that the forfeiture periods of a water right do not apply to water being beneficially used or being held in storage for later beneficial use. The bill is currently on the Assembly Appropriations suspense file where it was held, so the bill is dead for this year. However, there continues to be a working group of interested stakeholders to see if they can come up with a solution in 2018.
AB 1668 (Friedman), which has a support if amended position by the District. This bill and AB 1669 are very similar to what the Administration would like to accomplish in the budget trailer bill. There was some dispute as to whether or not these issues should be handled with budget trailer bill language or as a matter of policy and therefore go through the policy committees. This bill creates a new drought response plan by making numerous changes to water supply planning and drought planning to incorporate climate change, enhance water supply analysis, and strengthen the enforceability of urban water management plans (UWMP) and drought contingency planning. The bill was heard in the Senate Appropriations committee however; the committee re-referred it to Senate Rules committee. The Senate wanted to continue to work members on the floor to see if they could get the necessary votes, however they were unsuccessful. The bill will be held in the Senate Rules committee until they return in January 2018. It should be noted that AB 1669 died as a part of the overall discussion between the Senate and the Assembly on this issue.

SB 519 (Beall) This is another one of our sponsored bills related to cleaning up the District Act. The bill seeks to clarify that when there is a vacancy in one of the seven districts all applicants must be from that district. The bill is sitting at the Assembly Desk awaiting a committee referral, which will not happen until late this spring or early summer 2018. The bill continues to be a work in progress as negotiations are on-going with Senator Beall and his staff.

SB 594 (Beall) This was our permit streamlining bill. We continue to negotiate on language that would work for both the District, the Governor’s office and the affected agencies. The negotiations have been productive and there were many amendments that were needed to ensure we get the best bill possible. As it currently stands, this policy will be a newly introduced bill prior to the February 16, 2018 deadline and take a slightly different approach. This was decided after many conversations with various stakeholders over the fall. The new proposal is currently sitting in legislative counsel being drafted; Senator Beall will continue to be our author.

SB 606 (Skinner and Hertzberg) The District had a support if amended position on this bill, this is part of a two-bill package. This bill, along with AB 1668, would have provided authority for long-term standards for the efficient use of water, and limit that authority to the 2020-2026 UWMP planning cycles. The bill requires the standard to be a water budget based methodology. The standard is to include specific components on indoor residential water use, outdoor residential water use, outdoor irrigation of landscape areas with dedicated irrigation meters in connection with CII water use, and water loss through leaks. Additionally, the bill establishes an ongoing 10% credit for delivered potable reuse of water. Both bills were amended very late in the session and much like AB 1668, SB 606 held on the Assembly floor due to the lack of support from legislators. We anticipate both bills will move later this year with a new set of proposed amendments that were negotiated over the fall. Staff will need to review to determine the content of the bills and their impacts on the District.

CONCLUSION

With the legislative counsel deadline behind us, we anticipate a heavy bill load prior to the February 16th bill introduction deadline. This is also an election year, so while we anticipate new members will be elected to the legislature; we are seeing the last of the pre-12-year term-limit member’s term out. There will also be many newly elected constitutional officers (keep in mind all will have to run but only some are termed out); in particular the Governor will be leaving office. With Governor Brown’s departure, there will be many new appointments that will happen in the various agencies that the District conducts business with, so the meet and greets will begin this fall and into early 2019. As always, please let me know if you have any questions.
TO: Norma Camacho,  
Chief Executive Officer  

FROM: Rick Callender,  
Chief of External Affairs  

DATE: March 19, 2018

SUBJECT: Presentation of Completed SCW Grant Project – Coyote Creek Invasive Plant Removal and Revegetation Project

The purpose of this memorandum is to inform you of the completion of the Safe, Clean Water and Natural Flood Protection Grant Project: Coyote Creek Invasive Plant Removal and Revegetation Project. Notification of the enclosed final report was reported in this week’s CEO Bulletin.

Working Partnerships received a $24,750 Safe, Clean Water and Natural Flood Protection D3 (Restore Wildlife Habitat) grant to prepare an implementation plan to remove harmful invasive plants and revegetate natural plants in areas along Coyote Creek and to find an employer of record to manage the recruitment and selection of homeless individuals to perform the work. The project began on February 19, 2017, and was completed on February 20, 2018. The overall total cost of the project was $33,050.

Key Outcomes:

- Identified and completed mapping of invasive plant species in 6 acres of private land along Coyote Creek.
- Secured the California Conservation Corps as the employer of record to manage recruitment, selection, and social support for a crew of 10 formerly homeless or disadvantaged youth.
- Developed a training and volunteer program, project cost estimate, and schedule to complete the work over a 5-year period.
- Performed a biological assessment on the potential impacts of the project.

For additional information, please contact me at (408) 630-2017.

Chief of External Affairs

cc: SCW Grants file  
Attachment 1: Grantee’s February 27, 2018 letter to the board  
Attachment 2: Invasive Plant Removal and Revegetation Plan Habitat Restoration and Homeless Engagement Project Presentation  
Attachment 3: Project Fact Sheet  
Attachment 4: Invasive Plant Removal and Revegetation Plan Habitat Restoration and Homeless Engagement Project Final Report with Foreword by Santa Clara Valley Water District

Attachments 2-4 in separate file due to size.
February 27, 2018

The Honorable Richard Santos, Chair
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95128

Dear Mr. Santos,

Working Partnerships is pleased to send this letter acknowledging our completion of the grant awarded to us by the Water District to us in June 2016.

Our contractors and project manager have sent your staff the final report and we will be submitting the final invoice within the next week.

The final report is an implementation plan to remove over 100,000 square feet of invasive plants from the banks of Coyote Creek on private property in north San Jose and revegetate the area with native plants. Attached is a 4 page excerpt from the report showing its location and the map of invasive plants on these properties, prepared by our contractor, Ecological Concerns Incorporated.

The project would be use a work crew of 10 formerly homeless youth associated with the California Conservation Corps giving them on-the-job training in the vegetation management industry and positioning them for a career. We have several contractors who have agreed to interview the “graduates” of the program as potential hires.
We understand that the District’s current invasive plant removal program is limited to work on public property. We encourage the Board to find a way to expand the program so that projects such as this one on private property can go forward with your support. Removing invasive plants on private property upstream of District lands provides a public benefit in that it reduces the threat of invasive plant reinestation on public lands. The private benefit is relatively diminis in comparison to the public benefit.

Though Working Partnerships cannot be the lead agency in implementing the project, we are hoping to pass the baton of leadership to another non-profit. We hope you can find a way to work with them to implement this project which has both environmental, job training, and societal benefits to our community.

Sincerely,

Bob Brownstein
Working Partnerships

Cc: Tony Estremera
MEMORANDUM
FC 14 (01-02-07)

TO: Norma Camacho,
Chief Executive Officer

FROM: Rick Callender,
Chief of External Affairs

SUBJECT: Summary of February 2018 Office of
Communications Activities

DATE: March 20, 2018

Attached please find a one-page document featuring highlights of tasks the Office of Communications accomplished in February and a look at those projected to occur in March. This summary was shared with the Board of Directors at their regular meeting on March 13.

Chief of External Affairs
Communications update

Summary of February 2018 Office of Communications activities

Public Education Campaign

In early February, the district finalized a contract with PRxDigital, the winning bidder for the Media Services Request for Proposals. PRxDigital has begun work on the Public Education Campaign, an effort to help the public understand who the water district is and what we do.

The agency has secured agreements with media outlets to run ads. These media outlets include the Mercury News, the Metro, and various radio stations as well as foreign language outlets. PRxDigital has also produced three scripts for radio ads, which have been approved and that will run in English, Spanish, Chinese and Vietnamese.

Ads for the campaign began running the first full week of March, followed with ads on the district’s water quality and environmental stewardship efforts to run from March to April. From April to May, ads will discuss the importance of infrastructure, and from May to June, ads will cover the flood protection efforts.

Media, Communications and Social Media Activities

The Communications group wrote and posted nine blog posts on Valleywaternews.org on the following subjects:

- Grant money available for projects to restore habitat;
- Repairs on Almaden Valley Pipeline;
- The Board Chair’s priorities;
- The Main Avenue/Madrone Pipeline Restoration project;
- One year after the flood;
- The San Martin Trash Bash;
- Plant of the month;
- Coyote Percolation Dam repairs; and
- The Water Quality Lab’s high marks for finding pathogens

The group provided a steady stream of content on the water district’s Facebook and Twitter feeds, responded to comments, and answered questions from the community. Statistics for Facebook and Twitter for February, as well as for the blog, are below:

Twitter
25,186 impressions
247 engagements

Facebook
72,306 impressions
828 engagements

The group also organized the Coyote Creek media event held Feb. 21, which was well-attended by media and elected representatives of the area, as well as the U.S. Army Corps of Engineers.

Statements to the media were prepared on the Pacheco Reservoir expansion public benefit ratio and on the possible staging of the California WaterFix project.

A video introduction of the Purification Center video was filmed with the chair and board members. The new, mobile-friendly website went live Feb. 1, and the monthly e-newsletter was also sent.

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Community Outreach Activities

February

- Rinconada Water Treatment Plant Formal Public Meeting Invite Nextdoor post (District 7)
- Main Avenue and Madrone Pipeline Restoration Project pre-construction mailer, public notice ads (Morgan Hill Life, Morgan Hill Times, Gilroy Life) (District 1)
- Lower Berryessa Creek Flood Protection Project post-construction survey and mailer (District 3)
- Staff met with 24 individual property owners living along Permanente and Hale creeks to inform them of the channel widening work scheduled to begin this May as part of the Permanente Creek Flood Protection Project. (District 7)
- The Notice of Proposed Groundwater Production Charges was mailed to well owners countywide. (Countywide)
- Invitation to attend Feb. 21 public meeting regarding update on the Reliability Improvement Project (District 7)
- San Francisquito Creek trail re-opening eblast sent (District 7)
- Main Avenue and Madrone Pipeline Restoration Project blog post (District 1)

Graphics and Design activities

- Lower Berryessa Creek Flood Protection Project post-production survey mailer
- Public Notice, Ordinance No. 18-01: Providing for Compensation of Directors
- Flood Campaign Bill Insert for City of Milpitas, Cupertino and Los Altos
- Capital Improvement Programs for FY 2019-23 draft book report binder showing all FY19-23 CIP projects
- Invitation to bidders, Stevens Creek Bank of Access/Trail Road Repair Downstream of El Camino Real (SR 82)
- Fall 2017 and Winter 2018 Summary of Federal Projects for Santa Clara County

- VOW ad for Water Education for Latino Leaders Conference
- Public notice request for a public meeting on the Guadalupe Dam Seismic Retrofit Project
- E-newsletter Headers for 2018
- Digital flipbook version of the Flood Awareness Guide
- Webpage re-design update for Graphic Services

What to look for in March

- Neighborhood update on Almaden Valley Pipeline work (District 7)
- Public notice of two studies for Anderson Dam project design to be sent early March. (District 1)
- Lower Berryessa Creek Flood Protection Project pre-construction notice planned for the end of March or early April. (District 3)
- Nextdoor post: Coffee chat invitation for Almaden Valley Pipeline work (District 4)
- Delivery of oversized equipment at Rinconada Water Treatment Plant (District 7)
- A notice informing residents of the maintenance work at Page, Sunnyoaks, and Budd ponds is being drafted for March. (District 4)
- Phone survey on the Zone of Benefit Study was conducted in March to gain feedback on public messaging for the study and future outreach efforts (Districts 1, 5, 7)
- Public notice ad for PAWS public hearing
- Capital Budget Report FY 2018-19
- Public notice ad for Safe, Clean Water public hearing
- Branding Style Guide