

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MINUTES

COMMUNICATIONS AND LEGISLATION COMMITTEE

November 8, 2011

Chair Ackerman called the meeting to order at 10:12 a.m. in Committee Room 2-456 at Metropolitan's Headquarters.

Members present: Chair Ackerman, Vice Chair Peterson, Directors Abdo, Ballin, Barbre, Brick, Camacho, Friedman, Griset, Heidel, Lewinger, Morris, and Record.

Members absent: Directors Fleming, Gray, Lowenthal, Montalvo, and K. Murray.

Other Board Members present: Directors Blake, Brown, Dick, Edwards, Evans, Foley, Grandsen, J. Murray, Steiner, Wunderlich, and Wright.

Staff present: Acuna, Benbow, Bennion, Breaux, J. Carrillo, Cole, Escuadro-Dailey, Green, Harris, Hasencamp, Hiltcher (via videoconference), Kightlinger, Lambeck, Man, Patterson, Philp, Scully, Stites, Upadhyay, Waade, and Zinke.

1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COMMITTEE ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION

None

2. APPROVAL OF THE MINUTES OF THE LEGISLATION COMMITTEE MEETING HELD ON OCTOBER 11, 2011

Approved

Moved: Lewinger

Seconded: Heidel

3. COMMITTEE CHAIR'S REPORT

Prior to the Chair's report, Deputy General Manager Linda Waade announced that Dee Zinke is the new Group Manager for External Affairs, replacing Chris Neal who retired at the end of October.

Chair Ackerman reported that on October 3, General Manager Jeff Kightlinger provided an update to the Western Riverside Council of Governments. Director Evans attended

the presentation which focused on California's water supply conditions, and the need for a comprehensive Delta solution.

She also reported that on October 20, Metropolitan convened a Community Leaders' Briefing in the City of Industry with Assembly Member Roger Hernández as a guest speaker. Metropolitan Directors David De Jesus and Ed Chavez along with more than 50 other San Gabriel Valley community and civic leaders gathered to hear Assembly Member Hernández provide an update on the Sacramento activities and to hear General Manager Kightlinger discuss regional water supply reliability, including the Bay Delta Conservation Plan.

4. CONSENT CALENDAR ITEMS – ACTION

None

5. OTHER BOARD ITEMS – ACTION

None

6. BOARD INFORMATION ITEMS

None

7. COMMITTEE ITEMS

- a. Subject: Report on activities from Washington, D.C.

Presented by: Brad Hiltcher, Executive Legislative Representative

Mr. Hiltcher reported on the following activities in Washington, D.C. and stated that the Federal Legislative Matrix had been updated to reflect the actions of last month's Board meeting.

Hoover Power Allocation Act

- The Hoover bill H.R. 470 (Heck, R-NV), was passed by the Senate last month with an enrollment resolution that included technical corrections. To date, the House has yet to consider the enrollment resolution which must be passed by the House or rescinded by the Senate before the bill can be sent to the President.

Senate Appropriations: Continuing Resolutions and “Minibuses”

- The government is currently funded under a continuing resolution through November 18.
- Rather than pass an omnibus measure, the Senate leadership announced plans to start moving three “minibus” bills as a way of clearing out some of the funding bills.
- On October 31, the Senate passed the first "minibus" 2012 package including funding for Department of Agriculture (USDA); Commerce; Justice; Science; and Transportation, Housing and Urban Development.
- The Senate voted to increase funding for emergency conservation and watershed protection programs, approved an amendment to transfer \$8 million from the administrative account of USDA's Natural Resources Conservation Service into a Watershed Rehabilitation Program, which will provide funding for water infrastructure maintenance and rehabilitation.
- A second proposed “minibus” will contain the energy-water appropriations bill, and a third set is expected to include the Department of Interior bill, including Environmental Protection Agency funding.

House Transportation-Infrastructure Committee

- Representatives Tim Bishop (D-NY), Nick Rahall (D-WV), and Steve LaTourette (R-OH) introduced the “Water Quality Protection and Job Creation Act of 2011” (H.R. 3145). The bill calls for a \$13.8-billion investment in the State Revolving Fund program.
- The bill also establishes direct loan and loan guarantee programs and a Clean Water Infrastructure Trust Fund for the long-term financing of wastewater infrastructure.

House Science Committee

- Representative Paul Broun (R-GA), who leads the investigations panel of the House Science Committee, highlighted Judge Wanger’s remarks at a hearing where he called for an overhaul of the Endangered Species Act.
- Gary Frazer, head of the U.S. Fish and Wildlife Service's endangered species program, announced that the agency would hire independent experts to evaluate allegations made against the two scientists--Frederick Feyrer of the Bureau of Reclamation and Jennifer Norris of Fish and Wildlife Service. The two testified last month before Judge Wanger over federal management of the imperiled Delta smelt, a tiny fish at the heart of a long-standing battle over water management in the Sacramento-San Joaquin Delta.

House Water and Power Subcommittee

- On October 18, the Subcommittee on Water and Power held an Oversight field hearing entitled “Questionable Fish Science and Environmental Lawsuits: Jobs and Water Supplies At Risk in The Inland Empire,” which included discussions regarding the expanded Santa Ana River Sucker critical habitat designation and impacts to the regional water quality supply.

Regulatory Reform Legislation

- On July 14, Representative Ken Calvert (R-CA) introduced H.R. 2538 - Reducing Environmental Barriers to Unified Infrastructure and Land Development Act of 2011 Act or the “REBUILD Act”. H.R. 2538 has not yet been scheduled for a hearing.

Small Conduit Hydropower Reform

- On September 7, Representative Scott Tipton (R-CO) introduced H.R.2842 - the Bureau of Reclamation Small Conduit Hydropower Development and Rural Jobs Act of 2011.
- This legislation, if enacted, would offer regulatory and permit streamlining to incentivize the expansion of small system hydropower projects associated with federal water facilities, particularly in rural areas.
- Hearings were held in early October and the measure was reported favorably by the House Natural Resources Committee for floor consideration.

b. Subject: Report on activities from Sacramento

Presented by: Kathy Cole, Executive Legislative Representative

Ms. Cole reported on activities in Sacramento:

Legislative Dates:

January 1 - Bills enacted in 2011 will take effect.
January 4 - Legislature reconvenes.
January 10 - Governor submits proposed state budget to Legislature.
January 13 - Last day for policy committees to hear 2011 bills that are still in the first house.

State Legislation:

Ms. Cole relayed there were no changes on the State Legislative Matrix from last month, and that the matrix was available on Metropolitan's website.

Pension Reform:

- In late October, Governor Brown released a 12-point pension reform plan which will apply to all state, local, school, other public employers, new public employees, and current employees as legally permissible. The plan is also designed to reduce taxpayer burden for state retiree healthcare cost.

Oversight/Informational Hearings

October 19 hearing in Sacramento

- The Assembly Water, Parks & Wildlife Committee and Assembly Budget Subcommittee on Resources & Transportation held a joint oversight hearing in Sacramento to hear updates on Bay Delta Conservation Plan (BDCP) from Brown Administration officials, the Legislative Analyst, and a panel of agriculture/urban water exporters, Delta county representative, and sports fishery and environmental interests.
- Roger Patterson, Assistant General Manager, Strategic Water Initiatives, served on the panel on behalf of Metropolitan. He focused his comments on Metropolitan's continued support for the BDCP process and current timeline. He also reiterated that the only way to achieve the state-adopted co-equal goals of water supply reliability and Delta ecosystem restoration is through the BDCP.

October 19 hearing at Metropolitan's headquarters at Union Station

- The Joint Legislative Committee on Emergency Management and The Assembly Select Committee on Regional Approaches to Addressing the State's Water Crisis hosted a hearing here at Metropolitan.
- The Joint Legislative Committee on Emergency Management was chaired by Assembly Member Bonnie Lowenthal (D-Long Beach), and The Assembly Select Committee was chaired by Jose Solorio (D-Santa Ana).
- The objective of the hearing was to obtain an update on the state's water delivery system and susceptibilities related to major seismic disruption.
- The final panel included Metropolitan's Assistant General Manager and Chief Operations Officer Debra Man, and Phil Isenberg from the Delta Stewardship Council. Debra provided overview of regional seismic vulnerabilities and Metropolitan's retrofit program for regional conveyance and distribution systems. She reminded legislators of Metropolitan's reliance on Delta supplies and BDCP as a solution to address seismic uncertainties.

November 2 Town Hall meeting in Fresno

- Senator Michael Rubio (D-Fresno) invited farmers, businesses and residents to a town hall meeting to discuss and learn more about the BDCP process. Experts at the forum who addressed the audience included Jerry Meral, Deputy Secretary, California Natural Resources Agency; Mark Cowin, Director, Department of Water Resources; Dr. David Sunding, Professor, U.C. Berkeley College of Natural Resources; and Danny Curtin for Carpenters Union.
- The Brown Administration officials provided overview of BDCP process, timeline, engagement with federal government, permitting process and financing.
- Dr. Sunding spoke to the recent “conveyance” jobs report, issued by the Brattle group.

October 26 and November 2 WateReuse Workshop

- The WateReuse Association hosted two one-day workshops, one at the Irvine Ranch Water District, and the second at the Sac Regional County Sanitation District (SRCSD) facilities in Sacramento, entitled “Whose Water Is It Anyway?/Water Rights and Recycled Water.”

c. Subject: Oral Report on Legislative Strategy for 2012

Presented by: Linda Waade, Deputy General Manager, External Affairs

Ms. Waade gave a background on the process to come up with the Legislative Strategy proposals. She stated that External Affairs has been working closely with the legislative review team which includes staff from Legal and our technical staff. This effort began in July. The team has come up with proposals and priorities.

Ms. Waade stated that she has provided updates at the last three Committee meetings.

She also reported that on October 18, Metropolitan convened its annual in-person meeting with the member agency legislative coordinators to review and discuss these proposals. Following that meeting, the proposals were reviewed and discussed with General Manager Jeff Kightlinger.

Ms. Waade stated that the legislative proposals for 2012 will be presented to the Committee by Brad Hiltcher and Kathy Cole. The proposals are consistent with what the Board adopted last December in keeping with Metropolitan’s priority programs and efforts.

She also stated that after today’s meeting, a presentation will be made to the Member Agency Managers on November 18. Following that meeting, a board action letter will be

brought to the Committee in December for a formal staff recommendation for the 2012 Legislative Strategies.

Brad Hiltcher reviewed the following Federal legislative priorities:

- Bay-Delta/State Water Project Improvements
- Colorado River Initiatives
- Regional Water Resource Management
- Operational Reliability
- Energy Sustainability
- Water Quality
- Finance
- Federal Appropriations priorities

Kathy Cole reviewed the following State legislative priorities:

- Bay-Delta/State Water Project Improvements
- Operational Reliability
- Energy Sustainability
- Water Quality
- Finance

8. MANAGEMENT REPORT

None

9. FUTURE AGENDA ITEMS

None

Next meeting will be held on December 13, 2011.

Meeting adjourned at 11:20 a.m.

Linda Ackerman
Chair