PALMDALE WATER DISTRICT

A CENTURY OF SERVICE

BOARD OF DIRECTORS

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Division 5

DENNIS D. LaMOREAUX
General Manager

ALESHIRE & WYNDER LLP
Attorneys

ACWA PROUD MEMBER

February 9, 2023

AGENDA FOR A MEETING OF THE OUTREACH COMMITTEE OF THE PALMDALE WATER DISTRICT TO BE HELD AT 2029 EAST AVENUE Q, PALMDALE OR VIA TELECONFERENCE

Committee Members: Kathy Mac Laren-Gomez-Chair, Don Wilson

FOR THE PUBLIC: VIA TELECONFERENCE ONLY

DIAL-IN NUMBER: 571-748-4021 ATTENDEE PIN: 331-729-863#

Submit Public Comments at: https://www.gomeet.com/331-729-863

WEDNESDAY, FEBRUARY 15, 2023

4:00 p.m.

NOTE: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Danielle Henry at 661-947-4111 x1059 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale (Government Code Section 54957.5). Please call Danielle Henry at 661-947-4111 x1059 for public review of materials.

PUBLIC COMMENT GUIDELINES: **The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to carry out its meeting will not be permitted, and offenders will be requested to leave the meeting. (PWD Rules and Regulations, Appendix DD, Sec. IV.A.)**

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

1) Roll call.

2) Adoption of agenda.

3) Public comments for non-agenda items.

4) Action Items: (The public shall have an opportunity to comment on any action item as each item is considered by the Committee prior to action being taken.)

4.1) Consideration and possible action on approval of minutes of meeting held January 18, 2023.

4.2) Discussion of the District's response to the drought. (Public Affairs Director Shay/Resource and Analytics Supervisor Bolanos)

4.3) Discussion of 2023 outreach activities. (Public Affairs Director Shay)

a) Outreach report.

b) Upcoming events/2023 plans.

4.4) Consideration and possible action on a recommendation on the proposal received from Reeb Government Relations for state lobbying activities. (Assistant General Manager Ly)

4.5) Discussion of options from the Building Trades for assistance with District projects. (No Budget Impact – Chair Mac Laren-Gomez)

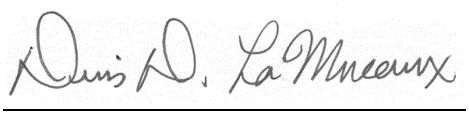
5) Reports.

5.1) Lobbying activities. (Assistant General Manager Ly)

6) Board members' requests for future agenda items.

7) Date of next Committee meeting.

8) Adjournment.



DENNIS D. LaMOREAUX,
General Manager

DDL/dh

PALMDALE WATER DISTRICT
A CENTURY OF SERVICE

OUTREACH REPORT
Jan. 19 – Feb. 8, 2023

Press Releases:

- Join PWD Director Kellerman for Coffee Feb. 15 (Feb. 2)
- City of Palmdale & AVUHSD Exceed 20% Water Conservation in 2022 (Feb. 6)

Print Publicity:

- Littlerock Dam Maintenance Pact Approved by PWD Board – *AV Press* (Jan. 19)
- Big Rock Creek Water Storage Plan Considered – *AV Press* (Jan. 25)
- First Season of Dam Sediment Removal Concludes – *AV Press* (Jan. 27)
- PWD Adopts Exemption for Water Treatment Plant – *AV Press* (Jan. 28)
- Water Lessons at Ambassador Program – *AV Press* (Jan. 31)
- Kellerman to Hold Coffee with a PWD Director Event – *AV Press* (Feb. 4)
- City, AVUHSD are Super Water Savers – AV Press (Feb. 8)
- Palmdale WD Names Wilson President – *ACWA News* (Jan. 20)

Other:

- SDANLAC (CSDA chapter) monthly board meeting (Jan. 19)
- SDANLAC (CSDA chapter) quarterly luncheon hosted by SCV Water (Jan. 25)
- San Gabriel Mountains Community Collaborative meeting (Jan. 26)
- Pure Water AV website debut
- Customer envelope snipes with winter watering message (February)

Social Media Highlights:

- 14 posts on Facebook, Instagram and Twitter
    - The highlight on FB was Dawn's Dean's retirement, which had 1,300 engagements and posted on FB by Sen. Wilk and Asm. Lackey.
    - On Instagram, the post showing Service Workers Tristan Deyoung and Dustin Adams exchanging meters reached 1,200 engagements.
    - The Twitter post informing customers that the treatment plant was back online had 300 engagements.
- Employee highlights, job recruitments & RFPs on LinkedIn.

(more)

Upcoming Events:

- Coffee with Director Kellerman – Feb. 15, 2023
- Café con Leche Radio Interview – Feb. 21, 2023
- Water-wise Workshop: Landscape Conversion 101 – March 22, 2023
- Let's Talk H2O! Water Supply – March 29, 2023
- Water Ambassadors Academy – April 5, 12, 19 & 22, 2023

Ongoing Response to Drought:

- Water-saving lawn signs for Palmdale School District and city of Palmdale
- Increased social media posts
- Billing envelope snipes
- Pipeline Newsletter (Winter)
- Water-wise Workshops
- AV Conservation Roundtable member
- Message on customers' monthly billing statements
- Water-wise Wednesdays on social media
- Banners with five different messages on PWD properties
- Water-saving tips flyer
- Water-saving giveaways – bucket, nozzle, aerators, shower timers, etc.

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REEB GOVERNMENT RELATIONS

January 10, 2023

Mr. Adam Ly, Assistance General Manager
Palmdale Water District
2029 East Avenue Q
Palmdale, California 93550

Re: Proposal for California State Advocacy Services

Dear Mr. Ly:

I am pleased to submit the following proposal for California State Advocacy Services on behalf of Reeb Government Relations, LLC. My firm has been honored to represent many urban retail water suppliers since 2005 and looks forward to an opportunity to expand on its current work on behalf of the District.

More local water agencies in California trust Reeb Government Relations to represent them in the State Capitol than any other lobbying firm. Our public water sector clients cover the full range of services including urban retail water suppliers, farm water suppliers, wastewater treatment operators, recycled water producers, small hydroelectric generators, groundwater managers, flood control, dam owners and operators, and more.

No other registered lobbyist in Sacramento can match my experience and expertise in water resources policy and management. My professional experience includes work as a journalist, legislative aide and policy committee consultant, water agency manager, municipal securities representative specializing in water and sewer finance, and the lead lobbyist for the Association of California Water Agencies for 10 years.

I am confident in the ability of Reeb Government Relations to produce meaningful results for Palmdale Water District.

Sincerely,

Robert J. Reeb

Introduction to the Firm

Reeb Government Relations is one of the preeminent Sacramento lobbying firms in the subject matter areas of natural resources, local government, and military and veterans law, with an emphasis on water resources policy and management.

More local water agencies in California trust Reeb Government Relations to represent them in the State Capitol than any other lobbying firm. Our public water sector clients cover the full range of services including urban retail water suppliers, farm water suppliers, wastewater treatment operators, recycled water producers, small hydroelectric generators, groundwater managers, flood control, dam owners and operators, and more.

Firm principal Bob Reeb established Reeb Government Relations in January 2005 to assist public sector clients with policy analysis, issues management, and California legislative and regulatory advocacy. The firm has four full-time employees in addition to Mr. Reeb. Raquel Ayala Vargas, Seth Reeb and Dana Nichol are registered lobbyists. Kenneth McKelvie provides research, communications, and support services.

Our firm currently represents two State Water Contractors (SWC) in Sacramento—Desert Water Agency and Solano County Water Agency. Therefore, we are involved in issues affecting the State Water Project and we participate in SWC staff briefings for Contractor lobbying firms. Our firm has worked closely with SWC staff and lobbyist colleagues to influence the course of the state budget and legislation of interest to the SWC.

Current clients of the firm include:

- Ag Partners Capital, LLC
- American Legion, California Department
- AMVETS, California Department
- California Accredited Law Schools
- California Association of County Veterans Service Officers
- California Central Valley Flood Control Association
- California State Commanders Veterans Council
- Desert Water Agency
- El Dorado Irrigation District
- Elsinore Valley Municipal Water District
- Maritime Museum of San Diego
- Military Officers Association of America, California Council of Chapters
- Pacific Association of Building Services Contractors
- Palmdale Water District
- Puente Basin Water Agency
- Rowland Water District
- Solano County Water Agency
- Sutter Butte Flood Control Agency
- Valley Ag Water Coalition

- Vietnam Veterans of America, California State Council
- Walnut Valley Water District
- Water Replenishment District of Southern California

Personnel Assigned to the District

Reeb Government Relations will assign the following staff to perform the scope of work for Palmdale Water District:

Robert J. Reeb

Mr. Reeb will serve as the lead firm member assigned to the District.

Bob Reeb relies on over 40 years of public policy, management, and finance experience to lead Reeb Government Relations, LLC, a lobbying firm he established in January 2005 to assist public sector clients with policy analysis, issues management and California legislative and regulatory advocacy. Mr. Reeb has a unique professional background with experience in journalism, water policy analysis, water agency management, public finance investment banking, and issue advocacy. His experience in public water and wastewater systems at the local government level is unmatched by any lobbyist practicing in Sacramento.

Mr. Reeb served as the State Legislative Director for the Association of California Water Agencies from August 1995 through December 2004, representing the interests of the Association's 450 special district and municipal members before the California Legislature, the Governor's office and the Executive Branch agencies, departments, and commissions. While with ACWA, he participated in the development of many impressive coalitions in order to pursue the Association's legislative agenda more successfully. ACWA's State Legislative Department was recognized by the American Society of Association Executives for its 1996 effort to secure passage of SB 900, which state voters later approved as Proposition 204. Mr. Reeb received the 1999 Gordon Cologne Award from the WateReuse Association of California for "outstanding achievement in promoting or increasing the use of recycled water in the State of California."

Mr. Reeb worked seven years for the California Assembly for Assembly Member Jim Costa, serving five years as senior consultant to the Water, Parks & Wildlife Committee, specializing in water resources policy development and analysis. He assisted Assembly Member Costa in the enactment of significant legislation, including the Water Conservation and Water Quality Bond Law of 1986 (Proposition 44), the Water Conservation Bond Law of 1988 (Proposition 82), and the Costa-Isenberg Water Transfer Act. It was during this time that Mr. Reeb also was elected to the Dixon City Council, serving one term in office. Mr. Reeb represented Dixon on the Solano County Transportation Commission, Association of Bay Area Governments, and Solano Economic Opportunity Council.

Mr. Reeb managed the El Dorado County Water Agency from 1989 to 1993, when the

agency was active in long range water planning and securing water rights. The Agency received a 1992 National Achievement Award from the National Association of Counties for negotiating an innovative water rights permit processing agreement with the State Water Resources Control Board. From 1993 to 1995, Mr. Reeb was a licensed municipal securities representative and worked for two regional investment banking firms where he focused on water and sewer finance.

As a registered lobbyist in Sacramento for nearly 25 years. Mr. Reeb has proven his ability to maintain open and positive communication with legislators, legislative staff, and high-level state agency personnel without regard to party affiliation. He is well-known to statewide trade and professional association colleagues.

Mr. Reeb holds a Bachelor of Arts degree in Political Science-Public Service from the University of California, Davis.

Raquel Ayala Vargas

Ms. Ayala will work on behalf of the District under the direction of Mr. Reeb, providing full services to the District as a registered lobbyist.

Raquel Ayala Vargas joined Reeb Government Relations as a legislative assistant in 2010, having previously gained valuable experience as a legislative intern with former Senator Curren Price (D-Los Angeles). She registered as a lobbyist in 2018 following graduation from Lincoln Law School in Sacramento and is a member of the California State Bar.

Ms. Ayala is responsible for tracking, monitoring, and reviewing the status of legislation that is of interest to the firm's clients. She assists the firm in monitoring and summarizing legislative committee hearings, as well as legislative actions on bills. She conducts legal research and analysis, engages in written and oral communication with clients and legislative offices on a regular basis, and schedules appointments and assists in organizing visits for clients with legislators, legislative staff, and executive branch personnel. She also has experience working on state budget issues for clients of the firm.

Ms. Ayala is bilingual, speaking and writing Spanish and English.

Ms. Ayala earned her undergraduate degree from California State University, Sacramento with a double major in Government and Journalism.

Kenneth McKelvie

Kenneth McKelvie joined Reeb Government Relations in 2021 providing client support, communications, and support services.

Mr. McKelvie will be responsible for tracking, monitoring, and reviewing the status of legislation on behalf of WRD. He will assist Mr. Reeb and Ms. Ayala Vargas in monitoring, summarizing, and reporting on legislative actions on bills, and on

regulatory and related executive branch notices, as well as grant and loan proposal solicitation notices.

Mr. McKelvie earned a Master of Science in Communications from University of San Francisco in 2022. He earned dual Bachelor of Science degrees in 2016 from Pacific Union College in Business Administration; and History, Political Studies, and Ethics.

Proposed Scope of Work

The mission of Palmdale Water District is to provide high-quality water to its current and future customers at a reasonable cost. It's Vision Statement, to "strive for excellence in providing great customer care; advocating for local water issues that help our residents; educating the community on water-use efficiency; and leading our region in researching and implementing emerging technologies that increase operational efficiency."

The District covers about 187 square miles in northeastern Los Angeles County, consisting of more than 30 non-contiguous areas scattered throughout the Antelope Valley. The District's primary service area is within the City of Palmdale's planning area. The distribution system has over 403 miles of pipeline ranging from 4 inches to 48 inches in diameter, 24 active water wells, 14 booster pumping stations, and 20 water tanks, with a total storage capacity of 50 million gallons of water.

The District's service area population is expected to more than double over the next 25 years, which will cause water demands also to increase. A Strategic Water Resources Plan has been developed to address these demands and identifies several water resource options available to meet these needs, including the use of imported water from the State Water Project, groundwater, local runoff, recycled water, conservation, and water banking, and considers and evaluates these options with respect to cost, reliability, flexibility, and sustainability. In 1963, the District contracted for 1,620 acre-feet per year of water from the State Water Project. The annual entitlement has increased to 21,300 acre-feet since that time.

The District works cooperatively with other local agencies. It helped form the Antelope Valley State Water Contractors Association that consists of the Antelope Valley's three State Water Contractors working towards the common goal of securing future water supplies and water storage areas in the Antelope Valley area. The Palmdale Recycled Water Authority is a Joint Exercise of Powers Authority between the City of Palmdale and the District. According to the District's audited financial statement, the purpose of the Authority is to "study, promote, develop, distribute, construct, install, finance, use and manage recycled water resources created by the Los Angeles County Sanitation District Nos. 14 and 20 for any and all reasonable and beneficial uses, including irrigation and recharge, and to finance the acquisition and construction or installation of recycled water facilities, recharge facilities and irrigation systems."

The first task following a decision to expand the current scope of work our firm performs for Palmdale Water is for our firm to spend time with District directors, management, and staff in the District's territory to gain a better understanding of the District itself and to participate in the development of legislative and regulatory priorities. After the beginning of each year of the 2-year legislative session in the State Capitol, our firm begins monitoring the introduction of legislation and forwards legislation of interest to each of our clients. Legislation identified as having a potential impact on the District will be compiled and analyzed by Reeb Government Relations, in coordination and consultation with District staff. Following the deadline for the introduction of legislation, a comprehensive report will be provided to District staff along with recommended positions. Reeb Government Relations will attend a subsequent board meeting in person or by telephone, as necessary or desirable, to deliver an oral report in reference to the written legislative report at which time the board of directors will be asked to approve positions.

Following the adjournment of the legislative session, Reeb Government Relations will produce a comprehensive written annual report for submission to the board of directors that presents information about the state budget and key issues before the Legislature, in addition to the results of advocacy efforts undertaken on behalf of the District. The report includes both the successes and the failures as we believe the credibility and integrity of our firm demands full disclosure of our efforts on behalf of our clients.

Successful advocacy in Sacramento requires a strong partnership between the lobbying firm and the client and the development of a local and state advocacy approach that includes meetings with members of the District's state legislative delegation. Securing meetings with key state legislators that are not members of the District's legislative delegation, the Governor and his staff, and agency executives and appointees also is an essential part of a successful advocacy program and will be scheduled as needed to coincide with District initiatives.

Reeb Government Relations is prepared to assist the District to accomplish the following:

Develop State Advocacy Strategic Plan

- We will assist District staff and the Board of Directors in developing a list of priorities for 2023 and provide advice and strategic guidance on how to advance the District's interests. Initially, the task will involve meeting with staff and board members to gain familiarity with the District's interests, priorities and issues that relate to legislative activities and priorities in Sacramento. With nearly four decades of experience in California state, regional and local government, firm principal Bob Reeb understands the important nexus between the identification of local priorities and the multi-layered approach to communicating those priorities to state officials.
- We will work with District staff and the Board of Directors throughout the term of the engagement to identify issues that could affect the District, and recommend opportunities where the District can collaborate with other water

and wastewater agencies or associations to shape State policies and regulations in order to advance the District's interests. Our firm is engaged in the work of the Association of California Water Agencies; California Municipal Utilities Association; WateReuse Association, California Chapter; California Special Districts Association (and the Public Works Coalition) and will integrate our representation of the District into the work of these associations and their members.

- We will assist District staff and the Board of Directors to develop relationships with the governmental agencies that regulate and fund programs such as water and wastewater infrastructure, renewable energy development, and environmental issues and programs. And we will assist the District to develop meaningful relationships with legislative and executive branch personnel that can assist in bringing state financing to the District. This task will include monitoring and informing the District about state funding opportunities that have the potential to benefit District programs or projects, including direct funding and competitive grants. This task also will involve influencing the nature of project and program funding that may be included in legislative general obligation bond proposals. Key state agencies and staff to schedule briefings on issues of concern and importance to District's strategic goals and objectives will include the Department of Water Resources and State Water Resources Control Board, among others.

Implement State Advocacy Strategic Plan

- We will identify and aggressively act to obtain funding for District capital improvement projects. We rely on List Serve subscriptions for all pertinent state agencies, departments, boards, and commissions to keep informed of funding opportunities as well as the development of guidelines that are relied on to direct funding to local agencies. Engagement on the latter improves the probability of District projects not only being eligible for funding, but improves the probability of securing funding.
- We will review legislation under consideration, proposed and adopted administrative rules and regulations, and other developments for the purpose of advising the District of issues that may have a bearing on its policies and projects.
- We will assist the District to develop and maintain a positive relationship with the Governor's office, State Legislature, State Water Resources Control Board, California Environmental Protection Agency, the Division of Safety of Dams in the Department of Water Resources, the Natural Resources Agency, and other State agencies. The purpose of such relationships is to support the District's objectives to secure grants and low interest loans, influence the development of regulations, and influence the development of state policy through legislation. To accomplish this task, we will coordinate meetings with State Legislators and agency department leaders to provide the District with the opportunity to meet face-to-face with key decision-makers on pertinent issues. This task will also include assistance in the development of briefing materials and talking points for meetings and phone calls with all state officials.

- We will provide legislative and regulatory advocacy, as needed, or to promote the District's position on legislation and regulatory matters of interest. Assisting the District to leverage its membership in associations will be an important part of this implementation task. We will convey the District's position on legislation and water issues to its legislative delegation and key water related staff, as well as to appropriate state agencies, departments, boards, and the Governor's Office. We will do so in consultation with the Government Relations Officer, identifying opportunities for direct communication between the District and state officials.
- We will generate support for District priorities and issues including negotiations with stakeholders, preparing, and securing, from interested parties, position letters for high priority legislation and issues, and preparing and giving, as necessary, testimony.
- We will provide monthly written briefing reports for the District Outreach Committee and General Manager on key issues, regulatory actions and hearings, grants efforts, and legislative committee activity during the legislative session. These reports will include state budget actions of interest to the District.
- We will participate in phone or videoconference briefings to the District Outreach Committee and provide one annual recap briefing during a Board of Directors meeting.
- We will maintain ongoing liaison with the District's state legislative delegation to keep delegation members advised of the District's position on legislation, issues and where appropriate, generate support for all high priority issues.
- We will maintain ongoing working relationships and provide communication with key legislative, policy committee and administration staff members.

Support District Officials Traveling on District Business

- We will schedule meetings for District officials with key members of the Legislature and their staff, state agencies and other key stakeholders during visits to Sacramento or other parts of the state. We will attend meetings in Sacramento and, upon request by the District, attend meetings in other parts of the state. This task will include assisting District staff to facilitate the efficient and effective conduct of business in Sacramento by providing logistical support, including access to office space.
- We will request opportunities for District officials to provide testimony to the Legislature's committees and agency regulatory hearings, focusing on opportunities to participate in interim and informational hearings.

Relevant Experience and Expertise

El Dorado Irrigation District (EID)

El Dorado Irrigation District is an irrigation special district organized and existing under the California Irrigation District Law and authorizing statutes. The District serves nearly 110,000 residents in northern California's El Dorado County.

In 2018, Assembly Member Laura Friedman (D-Glendale) introduced AB 3206. The bill would require the State Energy Resources Conservation and Development Commission to adopt regulations setting standards for the accuracy of water meters that are installed by a water purveyor or manufactured and sold or offered for sale in the state. AB 3206 also would require the State Water Board, in adopting the rules for urban retail water supplier performance standards, to also adopt regulations to require each urban water supplier to sample and test its customer service meters to produce a statistically sound estimate of the accuracy of the urban water supplier's meter fleet.

EID joined the Association of California Water Agencies (ACWA) and California Water Association (CWA) in opposing AB 3206. ACWA and CWA believed the provisions of AB 3206 would create burdensome and unneeded mandates on urban retail water suppliers who already rely on industry standards and practice manuals developed by the American Water Works Association (AWWA) to ensure the accuracy and optimal performance of their water meters.

EID is an urban retail water supplier that must comply with pending State Water Board water loss standards as well as recently enacted legislation (SB 606, AB 1668) signed into law by Governor Brown. Combined, these new laws establish a water use objective for suppliers and require suppliers to take actions to meet that objective with the goal of reducing urban per capita water use. AB 3206 would mandate two new regulatory actions that would be exempt from cost-benefit and feasibility analyses that could have significant negative effects on suppliers and their customers. The State Water Board is working to implement SB 555 (Chapter 679, Statutes of 2015), which requires an urban retail water supplier to submit a completed and validated water loss audit report for the previous year to the Department of Water Resources. SB 555 requires the State Water Board to adopt rules requiring urban retail water suppliers to meet performance standards for the volume of water losses.

The enactment of water use efficiency legislation last year places myriad and significant new mandates on public water agencies from data gathering to reporting to investments all intended to reduce per capita urban water consumption under the Brown Administration framework "Making Water Conservation a Way of Life," April 2017. AB 1668 establishes urban water use objectives and reporting requirements for indoor and outdoor residential use, commercial, industrial, and institutional (CII) landscape areas, water losses, and other unique local uses and situations that have a material effect on an urban water supplier's total water use. The law requires the State Water Board to coordinate with the Department of Water Resources (DWR) to recommend and adopt long-term standards for efficient water use. AB 1668 leaves decision making regarding the manner in which a supplier will achieve its water use objective.

In contrast, AB 3206 would empower state agencies to dictate a performance standard and testing and replacement requirements for water meters that might differ from meters purchased by water suppliers and AWWA practices for testing and

replacement. AB 3206 would focus on one option that a supplier may rely on to reduce unaccounted water loss by mandating actions related to water meters.

Meters now purchased by EID range between $173 and $187 apiece. The list price of an ultrasonic meter capable of recording low flow rates can reach $1,000 for a comparable meter size. This nearly $800 difference will be added to the cost of a new home through the payment of a connection fee; and for replacement of meters in existing homes, will be factored into the water rates charged customers. One meter manufacturer provides a low flow calculator online that demonstrates the increase in supplier revenue that is likely to result from installing an ultrasonic meter as compared to the standard meter now purchased by EID. The EID customer service staff ran the calculator and determined that installation of the ultrasonic meter would result in an additional $1.66 of revenue per year per customer. Even if the new meter only cost $166 more, it would take 100 years for the cost to be recovered by the water supplier. As EID pointed out, the cost impact and any price signal response that results in reduced water use would be different for every customer, but they would not see any increase in what a customer would be billed until the savings of 2 cu. ft. totaled 100 cu. ft. For some who are higher users this could happen sooner than those that only use 200-300 cu. ft. each billing period. The bottom line? An increase of $1.66 per customer per year is unlikely to cause a customer to reduce water consumption.

Our firm worked closely with EID staff to develop the above data to buttress arguments against AB 3206. We arranged for EID staff to meet with the author's staff to explain the District's concerns regarding the legislation. While the bill cleared its policy committee review in the Senate, it was held on the Senate Appropriations Committee Suspense File due to the estimated fiscal impact to state government. AB 3206 ultimately failed passage.

Reeb Government Relations has represented EID since 2005. EID is a member of ACWA, California Special Districts Association and WateReuse Association, California Chapter.

Water Replenishment District of Southern California (WRD)

WRD is headquartered in Lakewood, California and manages groundwater for nearly four million residents in 43 cities of Southern Los Angeles County for the Central Basin and West Coast basins. The 420 square mile service area uses about 250,000 acre-feet of groundwater per year.

In 2019, our firm assisted the District to shepherd sponsored legislation through the Legislature. AB 955 (Gipson), relating to a water system needs assessment program sought to help water systems serving disadvantaged communities comply with safe drinking water laws by improving their infrastructure and operational capacity. The bill would require WRD to offer to conduct a needs assessment program for water systems serving disadvantaged communities within the district. The bill would make a water system's participation in the program voluntary. The bill would require the district, upon completion of the needs assessment, to develop and evaluate options

to address the findings and recommendations in the needs assessment and prepare an implementation plan for recommendation to the water system. The bill would require the district, to the extent it receives federal or state grants that may be used for this purpose, to assist the system in implementing the plan.

AB 955 was held on the Senate Appropriations Committee Suspense File, but our firm assisted the District in securing an $850,000 General Fund appropriation in the State Budget Bill to conduct the needs assessment. The District has been working with the State Water Resources Control Board, who is the state administering agency for the grant, to complete a project funding agreement.

Last year, we assisted WRD in shepherding SB 1476 (Bradford) through the legislative process. The legislation streamlined the public contracting procedures utilized by WRD. Reeb Government Relations led negotiations with potential opponents and engaged legislative policy committee consultants and wrote amendments to the legislation to ensure passage of the bill. Governor Newsom signed SB 1476 into law.

Reeb Government Relations has represented WRD since 2008. WRD is a member of ACWA and WateReuse Association, California Chapter.

Valley Ag Water Coalition (VAWC)

Valley Ag Water Coalition members include nearly 50 mutual water companies, ditch companies and water districts that deliver farm water supplies throughout the San Joaquin Valley.

In the waning days of the 2013-14 Regular Session, the California Legislature decided that over 94% of groundwater produced in the state would be subject to sweeping reform. California will move during the next five years from a voluntary, largely unregulated local system of groundwater management to a system where new groundwater sustainability agencies will wield significant new authority to manage groundwater extractions. Failure to achieve the sustainability goal—essentially safe yield—set forth in a groundwater sustainability plan, will invite the State Water Resources Control Board to intervene and assume control over a groundwater basin or subbasin.

VAWC began the year with a goal to clarify local agency financial authority under the AB 3030 groundwater management planning act. Local agencies would be authorized to require groundwater extraction facilities to be metered, to report annual groundwater production and to be subject to fees and charges to pay for projects and programs necessary to bring groundwater basins back into balance. Bob Reeb worked with VAWC member attorneys to write a new financial authority chapter for AB 3030. VAWC received plaudits from the Administration, legislative staff, and stakeholders for bringing forward such an important reform idea that was rapidly drafted into legislation.

Our firm worked diligently the entire year on behalf of VAWC to help the Brown Administration and the Legislature write meaningful reform that would not result in an overly burdensome, costly and litigious approach [we also represented Desert Water Agency and secured provisions setting out special act agencies as exclusive groundwater management agencies that could rely on alternatives to preparing a groundwater sustainability plan; and WRD, to exempt adjudicated basins from general provisions of SGMA; and EID, to exclude fractured rock sources of groundwater from SGMA]. Reeb Government Relations was active on behalf of VAWC, attending and speaking at meetings in the Governor's office, Brown Administration workshops, stakeholder workshops and numerous one-on-one meetings, telephone calls and e-mails with legislative staff and representatives of the Brown Administration.

The Administration and the Legislature both stated early on that groundwater management responsibility was best left with local agencies; a state backstop would be provided only where local agencies failed to sustainably manage groundwater basins. Unfortunately, in a rush to finish the legislation that year, the Brown Administration and the Legislature left many loose ends in the legislation, including nebulous terms, unfettered state intervention authority, lack of due process, and so forth. What was once intended to require entire basins to be covered by a groundwater sustainability plan, now left significant areas uncovered, including tribal lands, unincorporated areas outside of a water district, and lands owned by state agencies and departments, like prisons and university farms. A lack of full coverage, now blessed by the measures, invites the State Water Resources Control Board to take over groundwater management from local agencies. Ultimately, key provisions of the legislation cascaded out of control in the final weeks of the legislative session to the point where opposition was necessary.

VAWC provisions granting new authority for local agencies is included in the legislative package that was signed into law. VAWC language on GSP contents, planning preparation requirements, a statute of limitations on judicial challenges to a GSP, and CEQA exemption also was included. So, in that sense, our firm was very successful working on our own initiative on behalf of VAWC and through ACWA to gain the inclusion of key statutory provisions into both of the principal bills in the 3-bill package that makes up SGMA.

VAWC remained active during the fall following enactment of SGMA, working with coalition member attorneys to identify a list of needed "cleanup" items that were deemed necessary or desirable for coalition members to successfully implement the new groundwater law. VAWC independently pursued its list with the Brown Administration and the Legislature, securing the enactment of AB 617, Perea [Chapter 666, Statutes of 2015]. The latter measure was one of two successful cleanup bills enacted in 2015, the other bill authored by Senator Fran Pavley [SB 13, Chapter 255, Statutes of 2015].

Reeb Government Relations has represented VAWC since 2007. Most VAWC public agency members are members of ACWA.

Sutter Butte Flood Control Agency (SBFCA)

The Sutter Butte Flood Control Agency is headquartered in Yuba City, California and leads the planning and implementation efforts in the Sutter-Butt Basin to reduce the risk of catastrophic, riverine flooding. The Basin covers 300 square miles and is home to 95,000 residents and encompasses $7 billion of damageable assets. SBFCA collaborates with local, regional, state, tribal and federal agencies, and organizations in order to accomplish its mission.

Reeb Government Relations was retained by SBFCA in 2014 to address an urgent need for assistance. Absent intervention by the Legislature, construction on a critical urban flood risk reduction project sponsored by SBFCA would be halted.

SBFCA initiated construction of the Feather River West Levee Project in 2013, a $288 million flood improvement project to protect people and property in Sutter and Butte Counties. SBFCA would have been forced to stop work on the Feather River West Levee Project at the end of December 2014 had not Reeb Government Relations and SBFCA convinced DWR to authorize an additional $43.8 million in funding for the existing EIP scope of work on December 22, 2014, through a third amendment to the existing EIP funding agreement. Unfortunately, SBFCA still faced the possibility of stopping work as early as May 2015 unless SB 37 and a fourth amendment (or letter of commitment or new funding agreement) were in place. The EIP program guidelines do not provide for state reimbursement of local expenditures that exceed the local cost share.

Halting or suspending the project could cost the State and SBFCA tens of millions of dollars in construction claims, expired right-of-way agreements, extended overhead, financing and many other consequences of squandering the short construction season that is already limited by flood operations and endangered species windows. Facilitating the smooth transition of continued funding for SBFCA was a logical and cost-effective solution to avoiding project delays and/or shutdowns since the Legislature had appropriated bond money for 2014-15 and DWR had previously funded and committed $182 million to SBFCA through the successful Early Implementation Program.

DWR intended that the EIP program would be followed by the Urban Flood Risk Reduction (UFRR) program. The latter new program was intended to comply with legislation approved in 2007 containing specific flood risk reduction objectives and requiring the adoption of a Central Valley Flood Protection Plan (CVFPP) in 2012 with additional recommendations for basinwide and local improvements to the State Plan of Flood Control (SPFC). Unfortunately, the UFRR program was significantly delayed. DWR originally planned to issue the new program guidelines in October 2013, but did not issue them until January 2015. The delay prevented the State from executing new funding agreements with local agencies to finish building the flood facility improvements started under the EIP program. This unanticipated delay threatened the progress of several large public works projects under active construction or design. Under then current DWR programs and guidelines, SBFCA advanced construction work and received credit toward the local cost-share of the project once

an agreement was in place. However, due to the delay of the UFRR program, SBFCA would have advanced local funding to the extent that that the local cost-share was exceeded by early May of 2015, thereby stranding credit that the Agency would have received had the program not been delayed.

A second threat to local funding and construction progress also loomed. While the new UFRR guidelines authorize reimbursement for flood improvements already built or under construction while waiting for execution of new funding agreements from DWR, the guidelines limit reimbursement by incorporating a sunset provision. It was uncertain whether DWR would be able to issue funding commitments prior to the sunset date of October 1, 2015. If DWR opted to administer the full competitive grant process, DWR would not likely be able to commit UFRR funding for any project until November 2015 at the earliest (based on previous experience), potentially forcing agencies to halt work or risk stranding tens of millions of dollars of credit for completed construction.

SB 37 was written to avoid costly obstacles or delays from oversight agencies, such as the Department of General Services, when projects are in the midst of construction. Without that certainty, ongoing construction operations may have been forced to shut down, reducing public safety, cost effectiveness and eroding public trust. In the end, DWR committed to fund the remainder of the project cost in time for SBFCA to proceed without halting construction. SB 37 had passed the Senate and was awaiting action in the Assembly. The legislation proved valuable in encouraging DWR to move to a decision in a timely manner.

Reeb Government Relations has represented SBFCA since 2014.

California Central Valley Flood Control Association (CCVFCA)

California Central Valley Flood Control Association is headquartered in Sacramento, California. Established in 1926, the Association promotes the common interests of its membership in maintaining effective flood control systems in California's Central Valley for the protection of life, property, and the environment. Association membership is limited to public agencies such as reclamation, flood control, levee maintenance, drainage and other special districts, and other local government agencies.

The Association has been at the forefront of shaping the development of flood protection policy in California post-Hurricane Katrina. Mr. Reeb assisted the Association in writing a statement of principles and positions in response to *"Flood Warnings: Responding to California's Flood Crisis,"* published by the Department of Water Resources in January 2005. That foundational document guided the Association's legislative advocacy program for the following two years, culminating in the Association's important contributions to the legislative enactment of a comprehensive flood control package in 2007.

In 2018, Reeb Government Relations worked diligently through contacts with Brown Administration personnel and the legislature to seek appropriation of a $100 million

General Fund appropriation in support of multiple flood system priorities. In the end, the Legislature approved, and Governor Brown signed a state budget that included $195 million in General Fund for 2018-19 for flood risk-reduction projects. The latter amount included a one-time appropriation of $170 million General Fund to support the state cost share of critical United States Army Corps of Engineers urban flood risk reduction projects; and $25 million in General Fund ongoing to support operations, maintenance, repair, rehabilitation, and replacement of the flood control infrastructure to begin implementing the 2017 Central Valley Flood Protection Plan (CVFPP). The Association also supported a one-time appropriation of $100 million for deferred maintenance to repair the worst storm damage from the 2017 flood events.

The Association has long fought for a stable, predictable program for state financial assistance for project and nonproject levee maintenance in the Sacramento-San Joaquin Delta. In 2017, one year ahead of the 2018 sunset provision that would reduce the maximum state cost-share match to 50%, the Association sponsored AB 732 by Assembly Member Jim Frazier. That bill was held on the Senate Appropriations Committee Suspense File in summer 2017, in part, due to opposition from the Department of Finance.

Reeb Government Relations initiated direct conservations with the Governor's staff in fall 2017, raising the then-pending sunset provision and the likelihood that local participation in the subventions program would fall off should the cost-sharing formula revert to a 50/50 cost share. We suggested relying on a budget trailer bill as a vehicle to permanently repeal the sunset provision in order to avoid the undue influence of certain legislative staff that had limited the ability of the Association to maintain the 75/25 cost-share formula. On another front, Delta Stewardship Council (DSC) through work on the Delta Plan and Delta Levee Investment Strategy, recommended that an "ability-to-pay" standard be utilized to determine the appropriate state cost-share with an eye toward using crop values and improvements to land as the basis to determine a local agency's ability to pay.

In late spring of 2018, Mr. Reeb sat down with DSC and Natural Resources Agency staff to determine whether an agreement could be negotiated that would repeal the cost-share formula sunset provision, eliminate the reference in existing law to a DWR analysis of "ability-to-pay." After several weeks of negotiations, an agreement was reached that satisfied the goals of the Association and its Delta reclamation district members. Amendments to the Delta Levee Maintenance Program were included in SB 854 (Chapter 51, Statutes of 2018), the natural resources budget trailer bill, which bypassed the usual policy and fiscal committee reviews and was approved by the budget conference committee and both houses of the legislature.

Reeb Government Relations has represented CCVFCA since 2005. A significant number of CCVFCA members are also ACWA members.

Proposed Cost of Service

Reeb Government Relations proposes a monthly retainer of $8,000 to perform the proposed scope of work and recommends an initial contract term that runs through December 2024 based on the schedule for the 2023-24 Regular Session of the Legislature now underway. Assuming a February 1, 2023, starting date, total cost of this proposal would be $184,000 (23 months x $8,000 per month). Travel and other incidental costs, upon prior approval by the District, would be invoiced at cost and supported by expenditure documentation.