FEBRUARY 23, 2021

Office of Government Relations Legislative Update



FEDERAL ADVOCACY EFFORTS



US Capitol

New Administration and Congress Present Opportunities to Advance Valley Water Priorities

January 2021 marked the dawn of a new administration and a new Congress in Washington, D.C., as President Joseph R. Biden, Jr. was sworn in as the 46th president of the United States and the 117th Congress began under unified Democratic leadership. This change presents opportunities for passing much-needed legislation in several areas, including additional COVID relief, infrastructure, and climate change -- all of which are opportunities to advance Valley Water priorities. Staff has hit the ground running to advocate for legislation that benefits Valley Water and the communities we serve, and we expect that it will be a busy and productive year.

Both the administration and Congress have several new faces that also bode well for advancing Valley Water priorities. At the U.S. Bureau of Reclamation, for example, President Biden has appointed Camille Touton to be Deputy Commissioner. Ms. Touton previously served on the House Transportation & Infrastructure Committee where Valley Water staff worked with her to advance the Water Resources Development Act and include language that benefits Valley Water projects. In Congress, new Senator Alex Padilla (D-CA) has been assigned to the Environment and Public Works Committee, and committee Chairman Tom Carper (D-DE) has already announced his intent to pass a major infrastructure package out of his committee before Memorial Day. Staff has reached out to both Deputy Commissioner Touton and Senator Padilla to (re)introduce them to Valley Water, and we look forward to working with them to move policies and legislation this year that advance our projects and priorities.

Shoreline Project Advances After Congressional Delegation Weighs In

On January 22, the U.S. Army Corps of Engineers (USACE) readvertised for construction Reaches 1-3 of the South San Francisco Bay Shoreline Phase I Project, which paves the way, which paves the way for the project to move to construction in 2021.

The Office of Government Relations worked with the Santa Clara County congressional delegation to urge USACE to move forward with the project. The delegation sent a letter to USACE expressing its strong support for the project and urging USACE not to cause any further project delays. Valley Water staff is continuing to work closely with the delegation to keep USACE moving forward on the Shoreline Project so that the community can realize the project's flood protection and ecosystem restoration benefits as soon as possible.



Governor Newsom's Office

STATE ADVOCACY EFFORTS

New Funds for Pacheco & Water Storage Investment Program Grants

On January 20, the California Water Commission (CWC) approved a 2.5% inflation adjustment for all the projects currently funded under the Proposition 1 Water Storage Investment Program (WSIP), including Valley Water's Pacheco Reservoir Expansion Project. The funds were part of \$171 million that had been returned to the program from the Temperance Flat Reservoir Authority which is unable to meet the non-state funding requirements of the grant. In 2018, Valley Water's Pacheco Reservoir Expansion Project was awarded a conditional eligibility amount of \$484.5 million through the program. The inflation adjustment approved by the CWC increased the Pacheco Project's eligibility amount by more than \$12 million.

The CWC also approved an additional \$64 million for WSIP grants and set an application deadline of October 22, 2021 for new applications. Valley Water staff is currently assessing if the Pacheco or Anderson projects could qualify for the funding. Staff testified in the CWC's November, December, and January meetings to advocate for the inflation adjustment and to ensure that the Pacheco Project could be considered for additional grant funding based on

public benefits not previously considered by the CWC. The Executive Director of the CWC announced in the January 20 meeting that Pacheco could apply for additional funding, and if awarded, the CWC would address the issue through regulatory changes in 2022.

AB 271 (R. Rivas) Timely, Safe, & Expert Construction for the Anderson Dam Project

Valley Water's sponsored bill to authorize the Anderson Dam Seismic Retrofit Project for use of the "best value" method of contractor selection, AB 271, was introduced on January 19. On January 28, the Assembly Rules Committee referred the bill to the Local Government Committee. Due to the COVID-19 pandemic, the Legislature is limiting the number of bills that will be heard in policy committees. Consequently, staff is advocating with the Local Government Committee staff is current advocating with the Assembly Local Government Committee both for the need for the bill and for its enactment in 2021. The urgency of the Anderson

LOCAL ADVOCACY AND ENGAGEMENT EFFORTS

AB 271 Advocacy Efforts Underway

The Office of Government Relations is in the process of engaging labor organizations, chambers of commerce, farming interests, elected officials, and business associations to enlist their support of Valley Water's sponsored legislation AB 271. Several organizations have already sent in their support letters including the Employees Association (AFSCME Local 101, AFL-CIO), the Engineer's Society (IFPTE Local 21) as well as the City of Morgan Hill, the NAACP-Silicon Valley San Jose Chapter & the Milpitas Chamber of Commerce.

Redistricting Efforts Poised to Begin

The Census Bureau recently announced that it plans to release state data on September 30, rather than the original date of April 1. In addition, the compilation of California's prison data could further delay the release of census data to local jurisdictions. Staff is evaluating what impact these delays will have on Valley Water's own redistricting effort, and will keep the Board apprised of developments. In the meantime, the Redistricting Advisory Committee has been established and is ready to start work, once the data is close to being released.

Upcoming Events:

Note: due to Coronavirus (COVID-19), staff is not physically participating in any events during the month of February. Staff is participating in virtual events as they are planned, including Joint Venture's State of the Valley on February 23-24, 2021 and will assess participation in events in March, pursuant to current health orders.

State Legislation Active in February 2021 with Board-Approved Positions:

Bill (Author)	Subject	Position	Status
AB 271 (R. Rivas)	Timely, Safe, & Expert Construction for the Anderson Dam Project	Sponsor	Pending - Assembly Local Government Committee