December 5, 2018

Attention: Imported Water Committee

Metropolitan Water District Delegates’ Report. (Discussion)

Purpose
This report summarizes key discussions held and actions taken at the Metropolitan Water District (MWD) committee and Board meetings, as reported by the Water Authority Delegates. This report includes MWD Board activities for November 2018. The MWD committees and Board met on November 5 and 6, 2018, and meet next on December 10 and 11.

Discussion
The Water Authority Delegates (Delegates) supported 13 of 15 action items approved by the MWD Board at its November 2018 meetings. MWD Board actions of interest to the Water Authority were:

- Electing Director Leticia Vasquez-Wilson (Central Basin) as Board Secretary;
- Approving and authorizing the distribution of Appendix A; and
- Approving amendments to MWD’s Administrative Code related to the Ethics Officer reporting structure and duties.

In closed session, the Legal & Claims (L&C) Committee, without the Delegates in attendance, heard a report on the rate litigation. Prior to the committee’s closed session, Water Authority Chair Madaffer addressed the MWD Board. Chair Madaffer expressed the Water Authority’s sincere interest in settling the rate litigation, focusing on the need for both MWD and the Water Authority to “compromise” and work toward a regional solution that benefits all. Referring to his October 25 letter,1 the Water Authority’s news release,2 and the surrounding media coverage,3 Chair Madaffer acknowledged that “some took issue with our decision to go public” and described the distribution of the Water Authority’s “concepts for settlement” as a way to be “more proactive” in reaching a deal after years of on-going litigation. Attachment 1 is Chair Madaffer’s comments.

After Chair Madaffer’s comments, during her monthly report, General Counsel Scully stressed that MWD and the Water Authority have a confidentiality agreement, which she said is “not only to protect Metropolitan’s legal position as long as litigation is ongoing,” but that “it encourages and allows for free-flowing, creative ideas” on settlement “approaches” to be exchanged without penalizing anyone. Scully asked that settlement “not be attempted to be negotiated in the press” and suggested “settlement discussions” are “more contentious and difficult than litigation.” Further emphasizing the importance of confidential settlement talks, Scully noted that the case

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1 Chair Madaffer’s October 25, 2018 letter found here: https://www.sdcwa.org/sites/default/files/10252018%20Chair%20Madaffer%20letter%20to%20MWD%20Board%20of%20Directors.pdf


3 For example, see October 31, 2018 KPBS article “Water Talks Are on After Settlement Offer By San Diego” found here: https://www.kpbs.org/news/2018/oct/31/water-talks-are-after-settlement-offer-san-diego/
has “a very long and complex, factual and legal history” and expressed concern with “having public discussions” as “very few people understand the legal and factual complexities and people can get the wrong impression, and I don’t know if people purposefully create that.” To make her point, Scully cited a news article that described the Water Authority’s settlement concepts as “favorable” to MWD since the Water Authority was willing to compromise and not claim all the attorney fees MWD owes it. Scully opined that MWD does not owe the Water Authority any attorney fees (since the issue is pending) and that the letter “mischaracterized the status of the case,” concluding that she viewed this concept as an “ask” and not an “offer.” Later, during MWD’s Board meeting, Chairman Record (Eastern) reflected that at the L&C Committee meeting the Board “had a very good discussion” related to the settlement.

As part of MWD’s ongoing Ethics Office review, the Delegates supported changes to MWD’s Administrative Code. These changes included modifications that the Audit and Ethics (A&E) Committee recommended during its October 2018 meeting, including increasing the Ethics Officer’s contracting authority to $50,000 (from $40,000) and making the Board review process of the Ethics Officer consistent with the General Auditor’s process. In January 2019, MWD plans to focus on the Ethics Office’s specific duties, including its ability to investigate and its role in training and education, in addition to which ethics rules apply to directors, officers, employees, and contractors. Also, at the October 2018 Executive Committee, Record announced the formation a committee to review applications for the Ethics Officer position and to recommend candidates to be interviewed by the Board. This committee consists of A&E Committee Chair Ramos (Burbank) and Directors Kurtz (Pasadena), Paskett (Los Angeles), Beard (Fullerton), and Hogan. MWD plans to post the Ethics Officer job opening in November and hold interviews with potential candidates in January 2019. Additionally, the Board established the A&E Committee as a standing committee.

The Water Planning and Stewardship (WP&S) Committee received a report on the Colorado River Drought Contingency Plan (DCP) and MWD’s proposed three-pronged strategy to increase conservation in “disadvantaged communities.” Also, during the committee, staff provided an update on Bay-Delta issues including California WaterFix related activities and the State Water Resources Control Board’s update to the Bay-Delta Water Quality Control Plan. Attachment 2 summarizes the Board’s discussion of DCP and the update on Bay-Delta matters.

Additionally, the Board unanimously elected Vasquez-Wilson as Board Secretary after Director Blois (Calleguas) withdrew his candidacy.

The Delegates opposed the approval and distribution of MWD’s updated Appendix A because MWD failed to incorporate many of the concerns they expressed in previous letters in addition to identifying new concerns related to MWD accurately disclosing information including, but not limited to California WaterFix, MWD’s water sales, and MWD’s water supplies. The Delegates

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detailed their concerns in their November 5 letter to MWD.\(^5\) The Board also received a presentation on MWD’s Other Post-Employment Benefits (OPEB) liability; the Board’s subsequent discussion is summarized in Attachment 3. MWD inducted a new director; Yazdan Emrani replaces Sylvia Ballin as San Fernando’s representative on the Board. Directors Butkiewicz and Treviño (Upper San Gabriel) opposed awarding a $7 million contract to Michels Pipeline Construction to replace the lining in a portion of the Orange County Feeder. During the Engineering and Operations Committee’s discussion of the contract, Treviño asked questions related to the contractor employing union workers. Attachment 4 is a copy of MWD’s November 2018 committee and Board meeting agendas.

Prepared by: Liz Mendelson-Goossens, Senior Water Resources Specialist
Reviewed by: Conservation and Local Resources Committee by Fern Steiner
Engineering and Operations Committee by Fern Steiner and Tim Smith
Finance and Insurance Committee by Tim Smith
Legal and Claims Committee by Fern Steiner and Tim Smith
Water Planning and Stewardship Committee by Fern Steiner and Jerry Butkiewicz

Attachments:

Attachment 1 – Water Authority Chair Madaffer’s Comments during MWD’s November 6, 2018 Legal & Claims Committee meeting
Attachment 2 – Discussion Summary of Colorado River Drought Contingency Plan and Bay-Delta Matters
Attachment 3 – Discussion Summary of MWD’s Other Post-Employment Benefits Liability
Attachment 4 – MWD’s committee and Board meeting agendas dated November 5 and 6, 2018

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Good morning Board members, I am Jim Madaffer, new Board Chair for the San Diego County Water Authority.

I come to you today offering an olive branch for peace.

I come to you today hoping we can solve our decade-long legal battles.

I come to you today asking that we set aside personalities, set aside past skirmishes and work toward a regional solution that benefits all water users in Southern California and beyond.

I come to you asking that we focus on one word: Compromise.

My board is dedicated to work together and come to resolution of our disputes.

Last week we distributed the concepts for settlement – and yesterday we were able to meet with your settlement team to share the confidential details of our proposal.

Some took issue with our decision to go public – and I respect that – but after fighting for nearly a decade with litigation on-going today and with no end in sight, we needed to do something different.

We decided to be more proactive to get this done

Our agencies have fought now for a long time. It has attracted a lot of attention. Not only here in Southern California – but in Sacramento, the Lower Basin States and in Washington, D.C.

My style of leadership is one of inclusiveness and openness. Transparency and honesty. I pull no punches. I have made it clear to my Board and to the staff at the San Diego County Water Authority we are going to do everything possible to settle our disputes. There are far too many other things to focus on – first for our ratepayers and member agencies and second to be part of the solution in arid Southern California.
• I realize we will not get everything we are asking for in our confidential proposal – which I hope is shared with your Board. I would also hope you realize MWD won’t get everything it wants as well. But I want you to know that we started from a point of substantial compromise, and a perspective we thought you -- MWD board members -- would find an attractive approach to work from. Ask yourselves as board members -- what is most important? -- and focus on that, so that compromise can be found in other parts of the agreement.

• Our focus should be on what is best for all our ratepayers.

• You all know the many projects we have built in the San Diego Region, including our desalination plant, a new reservoir and a dam raise that provides greater water security for our region. Our focus has been to reduce our demand on the Colorado River and the Delta. Our focus has been to benefit the entire Southern California Region and the Lower Basin States.

• We bring tools to the tool box for extraordinary conservation. We bring a desire to work together for greater water reliability.

• I ask that we establish a settlement calendar to keep our discussions moving. I ask that MWD review our confidential proposal, respond with a counter and that we reconvene as soon as possible – within the month. We will take the MWD response back to our Board, we will respond and ask to meet again. It is my hope we can work toward a settlement soon – by January if possible.

• As I mentioned at the onset of my comments – we need compromise on both sides. I ask that you think big picture and long term. Think about working together in the future, not at odds with each other.

• I hope we can come to terms for settlement.

• Thank you for the opportunity to speak to you this morning.
Discussion Summary of Colorado River Drought Contingency Plan and Bay-Delta Matters

During its November 2018 Water Planning and Stewardship (WP&S) Committee meeting, MWD received a report on the Colorado River Drought Contingency Plan (DCP). The Board is scheduled to act on MWD’s DCP participation at its December 2018 meeting. After staff’s presentation, General Manager Kightlinger highlighted that MWD has water stored in its Lake Mead Intentionally Created Surplus (ICS) account that equates to “six feet” of elevation (“almost half-a-million acre-feet”). Without DCP, Kightlinger said MWD will be unable to withdraw its ICS water, if shortage is triggered under the 2007 Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operation for Lake Powell and Lake Mead (2007 Interim Guidelines). Kightlinger said he has “made it very clear” to the Bureau of Reclamation and the other basin states that MWD is “not going to live in uncertainty” and “strand” its water in Lake Mead; therefore, without the “flexibility” provided under DCP, MWD will start withdrawing its ICS water and storing it in other programs. Kightlinger noted that if MWD were to move its ICS water out of Lake Mead then “we would be making the situation that much worse.” Noting that DCP only lasts through 2026 and describing it as a “tourniquet,” Kightlinger said “long-term solutions” are needed to “augment” the Colorado River to stop the “bleeding.” Kightlinger commented that DCP needs to be in place to allow Colorado River users “a decade” to develop these solutions and “figure out how to cost-share those with the federal government.”

Following Kightlinger’s comments, Director Smith requested MWD provide in its December DCP presentation more information related to current conditions. Kightlinger replied that without “collective programs” to conserve water, Lake Mead would be “about 10 feet lower or more” and agreed to bring back more information on MWD’s and other Colorado River users’ storage accounts. Smith asked that MWD also include a slide on the “disadvantages” of DCP. For example, Smith questioned if climate change could cause Lake Mead’s elevation to never rebound and trap MWD’s water in Lake Mead where it would evaporate away. Kightlinger agreed in part by saying that water contributed under DCP “helps prevent the critical shortage, and it is also there to be drawn upon in future years,” and noted that “there is a significant risk that the system doesn’t fully recover, and we don’t get all the water back.” However, Kightlinger also noted that “there is a high likelihood” that under certain Lake Mead elevations, MWD would have access to its DCP water with a 20 percent penalty. Kightlinger said staff would provide more information on these scenarios in December. Related to evaporation loss, Kightlinger said that DCP contributions only have a one-time 10 percent loss. Staff added that under the DCP, evaporation loss on currently stored ICS would also be limited to 10 percent cumulative losses through 2026 which is “a new benefit.” Smith’s final request was that MWD present the “financial implications” of storing water under DCP and this water’s evaporative losses. Hesitating to accommodate this request, Kightlinger said there is a lot of “speculation” on how to value water in “a world without a DCP” compared to “a world with a DCP.” Instead, Kightlinger said MWD “could think about” how much it costs to produce water through its Palo

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1 More background on DCP found in the “Colorado River issues update – Part 3” memo starting on page 115 of the Water Authority October 2018 Board Packet here: https://www.sdcwa.org/meetings-and-documents
2 The 2007 Interim Guidelines stipulate how water is delivered to the Lower Basin; allow for the creation of Internationally Created Surplus; and define shortage trigger elevation levels in Lake Mead with associated cutbacks to annual allocations of specified Colorado River users at each of the defined levels.
3 Under the 2007 Interim Guidelines, water placed in Lake Mead as ICS incurs a 5 percent loss upon creation and continuous annual evaporative assessments of 3 percent.
Verde Irrigation District fallowing program compared to the significantly higher costs of dry-year spot transfers. After Smith reiterated his request, Kightlinger agreed to show a “band” of potential costs.

Calling the report “encouraging” and recognizing MWD as a “driving force” in the DCP discussions, Director Steiner said it is “important” that the issues on the Colorado River be addressed now rather than later and supported MWD approving DCP in December. She added that the Water Authority “still continues to hope to be able to assist on the issues on the ICS in Lake Mead” and that “we’ll have some discussion on doing that in the future.”

In response to Director Lefevre (Torrance) questioning how the “internal fight in Arizona” would impact DCP, Kightlinger said DCP is contingent upon “all seven [Colorado River Basin] states reaching closure.” Kightlinger added that the Secretary of Interior indicated it’s possible to do a six-state agreement. Agreeing that DCP is “like putting a tourniquet on,” Director Peterson (Las Virgenes) expressed concern that the renegotiation of the 2007 Interim Guidelines is going to be a “major blood bath” and encouraged that “over-allocation of the [Colorado] River,” among other issues, be addressed “upfront.” Due to “over-allocation,” Peterson suggested that the Upper Basin may not be able to deliver the water it is required to. Kightlinger said all seven basin states have agreed to start negotiating the successor agreement to the 2007 Interim Guidelines in 2020. Kightlinger agreed to accommodate Peterson’s request to inform the Board early on “what direction we’re going.”

Describing the presentation as “sobering,” Director Gold (Los Angeles) requested more information on “where your other partnering states are” to better understand the “pressure” they are under and their decisions. Additionally, Gold requested staff provide information on how, if at all, Mexico is impacted. Kightlinger promised to provide additional information as Gold requested, noting “there is sensitivity on how we present other states’ issues.” Related to Mexico, Kightlinger said that under Minute 323, Mexico agreed to provide DCP contributions contingent upon the U.S. parties reaching agreement. Staff indicated that Mexico is ready to participate in the renegotiation of the 2007 Interim Guidelines once they begin.

Later that day during MWD’s Board meeting, Chairman Record (Eastern) commented that he has “received a lot of very good comments” on DCP and that MWD should be “proud” of its “leadership.” Record suggested that in addition to DCP, California WaterFix (WaterFix) and investments in local supplies are needed, concluding that “we need all this.”

Later in the WP&S Committee meeting, staff provided an update on issues related to MWD’s other imported water supply: The Bay-Delta. Assistant General Manager/Strategic Water Initiatives Patterson reported that the Delta Stewardship Council (DSC) held three days of hearings on the appeals filed against the Department of Water Resources’ finding that California WaterFix (WaterFix) is consistent with the Delta Plan. After MWD’s November 2018 meetings, DSC staff released a draft determination recommending that the DSC “conclude that substantial evidence does not exist in the record to support the Department’s findings that California
WaterFix is consistent with the Delta Plan.”

Also related to WaterFix, Patterson reported that at its October 2018 meeting, the Delta Conveyance Design and Construction Authority acted to move forward with about $127 million worth of contracts for geotechnical, surveying, and property services. Patterson also highlighted that the following day (November 7), the State Water Resources Control Board (SWRCB) was scheduled to decide on the San Joaquin River portion of the Bay-Delta Water Quality Control Plan (Bay-Delta WCQP). However, subsequent to MWD’s meetings and after receiving a joint letter from Governor Brown and Governor-Elect Newsome, the SWRCB voted to “postpone further consideration of updated flow requirements for the Lower San Joaquin River until Dec. 11 in order to allow voluntary agreement talks to yield results.” (Previously, MWD has reported representatives from the state and federal governments, some water contractors, and nongovernmental organizations are meeting to hash-out a voluntary settlement on the Bay-Delta WCQP flow requirements.)

Following Patterson’s report, Steiner focused on another WaterFix related issue and followed-up on the Delegates’ previous request for information from last month’s presentation by Dr. Sunding on his economic analysis of the project. Specifically, Steiner requested Sunding provide via PowerPoint slide the project’s detailed benefits, quantified in dollars, related to climate change and other benefits. Patterson promised to get the requested information from Sunding. (On November 20, MWD staff forwarded an image of a slide, which is Attachment A.)

On a different note, Peterson called it “imperative” that the Board discuss how it will use the islands it purchased in the Bay-Delta. Suggesting MWD should sell the properties needed to complete WaterFix, Peterson said his “biggest fear” is that MWD will turn the remainder of the islands over to the State of California, which will do “nothing.” Kightlinger replied that MWD has something scheduled on the islands coming-up in the Real Property and Asset Management Committee. Later that day, during MWD’s Board meeting, Record reiterated his support for MWD’s decision to purchase the islands and said they might be worth more without WaterFix than with it. Record described it as difficult to “determine the best path forward” for the islands and noted their different “opportunities,” including farming, carbon sequestration, and fish habitat. Stating staff will bring forward these options at the “right time,” Record assured the Board that it will be “amazed at the opportunities.” Record encouraged the Board to view the islands’ use as an “opportunity to really make a statement” and to “try to do the right thing on a long-term basis” while being “good members of the [Bay-Delta] community.”

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5 Brown and Newsome’s joint letter dated November 6, 2018 found here: [https://www.waterboards.ca.gov/docs/20181106_brown_newsom_ltr.pdf](https://www.waterboards.ca.gov/docs/20181106_brown_newsom_ltr.pdf)

## Breakdown of Benefits in the Base Case

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<th>CVP</th>
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<td>Seismic</td>
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<td><strong>$2,405,260,992</strong></td>
<td><strong>$3,367,416,939</strong></td>
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Discussion Summary of MWD’s Other Post-Employment Benefits Liability

At its November 2018 Finance and Insurance (F&I) Committee meeting, the MWD Board received a presentation on its Other Post-Employment Benefits (OPEB) liability. Since MWD began to prefund its OPEB liability after fiscal year 2013 closed with unrestricted reserves exceeding the “target” level,\(^1\) it has brought down its OPEB liability from about $545 million (as of June 30, 2013) to $241 million (as of June 30, 2017, 46 percent funded). MWD holds its prefunded OPEB in the California Employers’ Retiree Benefit Trust (CERBT). Following the presentation on MWD’s CERBT by a California Public Employees’ Retirement System (CalPERS) representative, the MWD Board discussed its OPEB liability,

Director Smith requested that MWD present its plan to fully fund its OPEB liability. Indicating MWD has a plan, Interim Assistant General Manager/Chief Financial Officer (CFO) Skillman replied that she would address Smith’s question, including MWD’s pension funded ratio, during her CFO report. Director Barbre (Municipal Water District of Orange County) echoed Smith’s call to fully fund MWD’s OPEB liability and suggested MWD examine options to fully fund its liability more quickly. Responding to Smith about how MWD’s OPEB liability factors into its credit ratings, Skillman said MWD discloses its OPEB liability in its Appendix A. General Manager Kightlinger added that rating agencies look at “the whole picture” including this liability, noting that some rating agencies have asked about it.

During her CFO Report, Skillman said MWD can use unrestricted reserves over the “target” level to fund its OPEB liability (and other expenses) as long as its fixed charge coverage ratio is greater than 1.2 times.\(^2\) However, Skillman noted that at the end of fiscal year 2018, “there was no action for the Board to take in terms of using unrestricted reserves” since it was below the “target” level. Turning to its “financial objectives,” Skillman noted that MWD’s aims to “balance” its “many competing interests,” including the need to: 1) maintain unrestricted reserves to manage “revenue volatility;” 2) manage MWD’s “debt service levels while funding California WaterFix;” and 3) provide reliable water supplies. Focusing on MWD’s pension and OPEB liability funding, Skillman said MWD continues to make its annual required contributions into its CERBT. Related to funding its pension liability, Skillman noted CalPERS offers “an alternative schedule to more quickly amortize” unfunded pension liability but said the “interest savings are relatively small to move from a 27-year amortization to a 20-year amortization” and in contrast, changing to the more aggressive funding alternative would result in “some pretty substantial expenditures coming online just about the same time” that WaterFix costs would be hitting MWD’s books. Skillman indicated that MWD’s current plan to pay down its OPEB liability is to continue to make its annual Actuarially Determined Contributions (ADCs) into its CERBT and then use cash from its CERBT to reimburse itself for the actual retiree benefit costs each year, noting that the balance stays in the trust and is restricted.

Director McKenney (Municipal Water District of Orange County) requested staff show the impact of Barbre’s suggestion to paydown MWD’s OPEB liability more quickly by making MWD’s annual ADCs into CERBT and also funding its actual annual OPEB expenditures rather

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\(^1\) MWD describes its maximum reserve level as “target.”

\(^2\) If MWD’s fixed charge coverage ratio is below 1.2 times, then any monies above the “target” reserve level are used to reduce debt, which helps raise this ratio.
than withdrawing from CERBT. Kightlinger agreed to provide that information including analysis on the suggestion’s rate impact. Noting the benefits Otay Water District has realized from increasing funding of these liabilities and the Water Authority’s recent analysis of various decisions that the Board may make to fund the liabilities, Smith requested MWD provide a “more concrete plan” to fully fund its pension and OPEB liabilities. F&I Committee Chair Dake (Los Angeles) expressed his aim for the committee to “develop a very sophisticated understanding” of these potential “choices” before the next budget cycling. Dake said staff has “done an excellent job of parsing the choices,” suggesting that are hydrologic and weather impacts to also consider.
Conservation and Local Resources Committee

Meeting with Board of Directors*

November 5, 2018
9:30 a.m. – Room 2-145

* The Metropolitan Water District’s Conservation and Local Resources Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Conservation and Local Resources Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to the Conservation and Local Resources Committee will not vote on matters before the Conservation and Local Resources Committee.

1. Opportunity for members of the public to address the committee on matters within the committee’s jurisdiction (As required by Gov. Code 54954.3(a))

2. Approval of the Minutes of the meeting of the Conservation and Local Resources Committee held October 9, 2018

3. CHAIRMAN’S REPORT

4. COMMITTEE ITEMS
   a. Conservation Update
   b. Application of remote sensing technologies for understanding urban and outdoor water use
5. FOLLOW-UP ITEMS

None

6. FUTURE AGENDA ITEMS

7. ADJOURNMENT

NOTE: This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Agendas for the meeting of the Board of Directors may be obtained from the Board Executive Secretary. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site http://www.mwdh2o.com.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.
Adjourned Engineering and Operations Committee

Meeting with Board of Directors*

November 5, 2018

10:30 a.m. – Room 2-456

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

1. Opportunity for members of the public to address the committee on matters within the committee’s jurisdiction (As required by Gov. Code Section 54954.3(a))

2. Approval of the Minutes of the meeting of the Engineering and Operations Committee held October 8, 2018

3. CONSENT CALENDAR ITEMS — ACTION

None
4. **OTHER BOARD ITEMS — ACTION**

**8-2** Award $43,998,000 contract to Bernards Bros., Inc. for seismic upgrades and building improvements for Metropolitan’s Headquarters Building; award $620,713 contract to R&F Rolapp Enterprises, Inc. for staff relocation services; and authorize: (1) agreement with Lee & Ro, Inc. for a not-to-exceed amount of $2.5 million, for specialized inspection support; (2) increase of $3.98 million to an agreement with ABS Consulting, Inc., for a new not-to-exceed total of $11.58 million for technical support; and (3) increase of $245,000 to an agreement with IBI Group, for a new not-to-exceed total of $1,135,000, for technical support; the General Manager has determined that the proposed actions are exempt or otherwise not subject to CEQA.

**8-3** Review and consider Addendum No. 2 to the 2017 Program Environmental Impact Report, and award $14,536,130 contract to J. F. Shea Construction, Inc. to rehabilitate a portion of the Second Lower Feeder.

**8-4** Review and consider Addendum No. 2 to the 2014 Mitigated Negative Declaration, and award $6,967,500 contract to Michels Pipeline Construction to replace the lining in a portion of the Orange County Feeder.

**8-5** Adopt CEQA determination that the proposed action was previously addressed in the certified Program Environmental Impact Report and award $2,606,700 contract to Minako America Corporation for electrical upgrades at 15 structures. Authorize an agreement with Kennedy/Jenks Consultants, Inc., with a not-to-exceed amount of $2,037,000, for technical support of electrical upgrades at 290 structures within the Orange County operating region; the General Manager has determined that this proposed action is exempt or otherwise not subject to CEQA.

5. **BOARD INFORMATION ITEMS**

None
6. COMMITTEE ITEMS
   a. Update on Metropolitan's Environmental Regulatory Framework
   b. Capital Investment Plan quarterly report for period ending September 2018
   c. Update on Procurement of Large Valves for Second Lower Feeder
   d. Security Quarterly Update
      [Conference with Interim Metropolitan Security Manager Tomer Benito and Jacob Margolis, Cyber Security Unit Manager of Information Technology, or designated agents on threats to public services or facilities; to be heard in closed session pursuant to Gov. Code Section 54957(a).]

7. MANAGEMENT REPORTS
   a. Water System Operations Manager's report
   b. Engineering Services Manager's report

8. FOLLOW-UP ITEMS
   None

9. FUTURE AGENDA ITEMS

10. ADJOURNMENT
NOTE: This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Agendas for the meeting of the Board of Directors may be obtained from the Board Executive Secretary. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

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F&I Committee
G. Dake, Chair
S. Faessel, V. Chair
B. Barbre
S. Blois
D. De Jesus
C. Kurtz
L. McKenney
L. Paskett
M. Ramos
Z. Sinanyan
T. Smith

Adjourned Finance and Insurance Committee
Meeting with Board of Directors*

November 5, 2018
12:30 p.m. -- Room 2-145

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

1. Opportunity for members of the public to address the committee on matters within the committee’s jurisdiction (As required by Gov. Code Section 54954.3(a))

2. Approval of the Minutes of the meeting of the Finance and Insurance Committee held October 8, 2018

3. CONSENT CALENDAR ITEMS — ACTION

7-2 Review and consider the Lead Agency’s adopted Mitigated Negative Declaration and adopt the Lead Agency’s findings, and adopt resolution for Eastern 109th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan

7-3 Adopt Resolution for Eastern 110th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA
4. OTHER BOARD ITEMS — ACTION

8-1 Approve and authorize the distribution of Appendix A for use in the issuance and remarketing of Metropolitan's Bonds; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA.

5. BOARD INFORMATION ITEMS

None

6. COMMITTEE ITEMS

a. California Employers' Retiree Benefit Trust (CERBT) Annual Update
b. SB450 Compliance for Bond Issuances

7. MANAGEMENT REPORT

a. Chief Financial Officer’s report

8. FOLLOW-UP ITEMS

None

9. FUTURE AGENDA ITEMS

10. ADJOURNMENT
NOTE: This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Agendas for the meeting of the Board of Directors may be obtained from the Board Executive Secretary. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site http://www.mwdh2o.com.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.
AB 1234 Board Training Workshop

November 5, 2018

1:30 p.m. – Boardroom

1. **Opportunity for members of the public to address the Board on matters within the Board’s jurisdiction.** (As required by Gov. Code § 54954.3(a))

2. **WORKSHOP ITEM**
   
a. AB 1234 Training

3. **ADJOURNMENT**

NOTE: Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site [http://www.mwdh2o.com](http://www.mwdh2o.com).

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

Date of Notice: October 24, 2018
Adjourned Legal and Claims Committee

Meeting with Board of Directors*

November 6, 2018
9:00 a.m. -- Room 2-145

* The Metropolitan Water District’s Legal and Claims Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Legal and Claims Committee may participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to the Legal and Claims Committee will not vote on matters before the Legal and Claims Committee.

1. Opportunity for members of the public to address the committee on matters within the committee’s jurisdiction (As required by Gov. Code Section 54954.3(a))

2. Approval of the Minutes of the Legal and Claims Committee meeting held October 9, 2018

3. MANAGEMENT REPORT
   a. General Counsel’s report of monthly activities

4. CONSENT CALENDAR ITEMS — ACTION
   None

5. OTHER BOARD ITEMS — ACTION
   None
6. **BOARD INFORMATION ITEMS**

   None

7. **COMMITTEE ITEMS**

   a. Discussion of Department Head Performance and Goal Setting

   [Public employees' performance evaluations – General Counsel; to be heard in closed session pursuant to Gov. Code Section 54957]

   Updated

   b. Review of Settlement Proposal received from SDCWA and Report on San Diego County Water Authority v. Metropolitan Water District of Southern California, et al., San Francisco County Superior Court Case Nos. CPF-10-510830, CPF-12-512466, CPF-14-514004, CPF-16-515282, CPF-16-515391 and CGC-17-563350; the appeal of the 2010 and 2012 actions, Court of Appeal for the First Appellate District Case Nos. A146901 and A148266 and California Supreme Court Case No. S243500; the petition for extraordinary writ in the 2010 and 2012 actions, Court of Appeal for the First Appellate District Case No. A155310; the petition for extraordinary writ in the second 2016 action, Court of Appeal for the First Appellate District Case No. A154325 and California Supreme Court Case No. S251025; and Los Angeles County Superior Court Case No. BS173868.

   [Conference with legal counsel – existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(1)]

8. **FOLLOW-UP ITEMS**

   None

9. **FUTURE AGENDA ITEMS**

10. **ADJOURNMENT**

Revised Date of Notice: October 31, 2018
NOTE: This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Agendas for the meeting of the Board of Directors may be obtained from the Board Executive Secretary. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan’s Headquarters Building and on Metropolitan’s Web site http://www.mwdh2o.com.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.
Adjourned Water Planning and Stewardship Committee

Meeting with Board of Directors*

November 6, 2018

10:00 a.m. – Room 2-456

* The Metropolitan Water District's Water Planning and Stewardship Committee is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Water Planning and Stewardship Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committees as advisory to the Board, members of the Board who are not assigned to the Water Planning and Stewardship Committee will not vote on matters before the Water Planning and Stewardship Committee.

1. Opportunity for members of the public to address the committee on matters within the committee’s jurisdiction (As required by Gov. Code Section 54954.3(a))

2. Approval of the Minutes of the Water Planning and Stewardship Committee held October 8, 2018

3. CONSENT CALENDAR ITEMS — ACTION

None
4. **OTHER BOARD ITEMS — ACTION**

8-6 Approve amendments to the Water Use Efficiency Guidelines for proposed annexations in Metropolitan’s Administrative Code Sections 3107 and 2700; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA.

5. **BOARD INFORMATION ITEMS**

9-2 Overview of agreements related to drought contingency planning in the Colorado River Basin

9-3 Information on proposed approach to increasing conservation in Disadvantaged Communities

6. **COMMITTEE ITEMS**


7. **MANAGEMENT REPORTS**

a. Bay-Delta Matters

b. Colorado River Matters

c. Water Resource Management Manager's report

8. **FOLLOW-UP ITEMS**

None

9. **FUTURE AGENDA ITEMS**

Date of Notice: October 25, 2018
10. ADJOURNMENT

NOTE: This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Agendas for the meeting of the Board of Directors may be obtained from the Board Executive Secretary. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site http://www.mwdh2o.com.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.
Adjourned Board Meeting

November 6, 2018

12:00 p.m. – Boardroom

1. Call to Order
   
   (a) Invocation: Ron Dominguez, Senior IT Infrastructure Administrator, Information Technology
   
   (b) Pledge of Allegiance: Director Tim Smith, San Diego County Water Authority

2. Roll Call

3. Determination of a Quorum

4. Opportunity for members of the public to address the Board on matters within the Board’s jurisdiction. (As required by Gov. Code § 54954.3(a)

5. OTHER MATTERS

   A. Approval of the Minutes of the Meeting for October 9, 2018
      (A copy has been mailed to each Director)
      Any additions, corrections, or omissions
   
   B. Report on Directors’ events attended at Metropolitan expense for month of October

   C. Approve committee assignments

   D. Chairman's Monthly Activity Report
E. Induction of new Director Yazdan T. Emrani from the City of San Fernando
   (a) Receive credentials
   (b) Report on credentials by General Counsel
   (c) File credentials
   (d) Administer Oath of Office
   (e) File Oath

F. Approve Commendatory Resolution for Director Sylvia Ballin representing the City of San Fernando

G. Authorize preparation of Commendatory Resolution for Association of California Water Agencies Executive Director Tim Quinn for his service to the water community

H. Report from Executive Committee on nominations for Board Secretary

I. Nomination and Election for Board Secretary for two-year term effective January 1, 2019

6. DEPARTMENT HEADS' REPORTS

A. General Manager's summary of activities for the month of October

B. General Counsel’s summary of activities for the month of October

C. General Auditor’s summary of activities for the month of October

D. Ethics Officer’s summary of activities for the month of October
7. CONSENT CALENDAR ITEMS — ACTION

7-1 Approve The Metropolitan Water District of Southern California's salary schedules pursuant to CalPERS regulations; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA.

7-2 Review and consider the Lead Agency’s adopted Mitigated Negative Declaration and adopt the Lead Agency’s findings, and adopt resolution for Eastern 109th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan. (F&I)

7-3 Adopt Resolution for Eastern 110th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (F&I)

END OF CONSENT CALENDAR

8. OTHER BOARD ITEMS — ACTION

8-1 Approve and authorize the distribution of Appendix A for use in the issuance and remarketing of Metropolitan's Bonds; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (F&I)

8-2 Award $43,998,000 contract to Bernards Bros., Inc. for seismic upgrades and building improvements for Metropolitan’s Headquarters Building; award $620,713 contract to R&F Rolapp Enterprises, Inc. for staff relocation services; and authorize: (1) agreement with Lee & Ro, Inc. for a not-to-exceed amount of $2.5 million, for specialized inspection support; (2) increase of $3.98 million to an agreement with ABS Consulting, Inc., for a new not-to-exceed total of $11.58 million for technical support; and (3) increase of $245,000 to an agreement with IBI Group, for a new not-to-exceed total of $1,135,000, for technical support; the General Manager has determined that the proposed actions are exempt or otherwise not subject to CEQA. (E&O)
8-3 Review and consider Addendum No. 2 to the 2017 Program Environmental Impact Report, and award $14,536,130 contract to J. F. Shea Construction, Inc. to rehabilitate a portion of the Second Lower Feeder. (E&O)

8-4 Review and consider Addendum No. 2 to the 2014 Mitigated Negative Declaration, and award $6,967,500 contract to Michels Pipeline Construction to replace the lining in a portion of the Orange County Feeder. (E&O)

8-5 Adopt CEQA determination that the proposed action was previously addressed in the certified Program Environmental Impact Report and award $2,606,700 contract to Minako America Corporation for electrical upgrades at 15 structures. Authorize an agreement with Kennedy/Jenks Consultants, Inc., with a not-to-exceed amount of $2,037,000, for technical support of electrical upgrades at 290 structures within the Orange County operating region; the General Manager has determined that this proposed action is exempt or otherwise not subject to CEQA. (E&O)

8-6 Approve amendments to the Water Use Efficiency Guidelines for proposed annexations in Metropolitan’s Administrative Code Sections 3107 and 2700; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (WP&S)

8-7 Approve amendments to the Administrative Code to clarify the Ethics Officer Reporting Structure and Duties and to establish the Audit and Ethics Committee as a Standing Committee of the Board; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (A&E)

9. BOARD INFORMATION ITEMS

9-1 Update on Conservation Program

9-2 Overview of agreements related to drought contingency planning in the Colorado River Basin. (WP&S)
9-3  Information on proposed approach to increasing conservation in Disadvantaged Communities. (WP&S)

10. OTHER MATTERS

Added

a. Review of Settlement Proposal received from SDCWA and Report on San Diego County Water Authority v. Metropolitan Water District of Southern California, et al., San Francisco County Superior Court Case Nos. CPF-10-510830, CPF-12-512466, CPF-14-514004, CPF-16-515282, CPF-16-515391 and CGC-17-563350; the appeal of the 2010 and 2012 actions, Court of Appeal for the First Appellate District Case Nos. A146901 and A148266 and California Supreme Court Case No. S243500; the petition for extraordinary writ in the 2010 and 2012 actions, Court of Appeal for the First Appellate District Case No. A155310; the petition for extraordinary writ in the second 2016 action, Court of Appeal for the First Appellate District Case No. A154325 and California Supreme Court Case No. S251025; and Los Angeles County Superior Court Case No. BS173868.

[Conference with legal counsel – existing litigation; to be heard in closed session pursuant to Gov. Code Section 54956.9(d)(1)]

11. FOLLOW-UP ITEMS

12. FUTURE AGENDA ITEMS

13. ADJOURNMENT

NOTE: Each agenda item with a committee designation will be considered and a recommendation may be made by one or more committees prior to consideration and final action by the full Board of Directors. The committee designation appears in parentheses at the end of the description of the agenda item e.g., (E&O, F&I). Committee agendas may be obtained from the Board Executive Secretary.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.
Summary Report for
The Metropolitan Water District of Southern California
Board Meeting
November 6, 2018

COMMITTEE ASSIGNMENTS

Director Emrani was appointed to the Communications and Legislation Committee, the Organization, Personnel and Technology Committee, the Facilities Naming Committee, and the Audit and Ethics Committee. (Agenda Item 5C)

FINANCE AND INSURANCE COMMITTEE

Approved and authorized the distribution of Appendix A for use in the issuance and remarketing of Metropolitan's Bonds; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. (Agenda Item 8-1)

ENGINEERING AND OPERATIONS COMMITTEE

Awarded $43,998,000 contract to Bernards Bros., Inc. for seismic upgrades and building improvements for Metropolitan’s Headquarters Building; awarded $620,713 contract to R&F Rolapp Enterprises, Inc. for staff relocation services; and authorized: (1) agreement with Lee & Ro, Inc. for a not-to-exceed amount of $2.5 million, for specialized inspection support; (2) increased of $3.98 million to an agreement with ABS Consulting, Inc., for a new not-to-exceed total of $11.58 million for technical support; and (3) increased of $245,000 to an agreement with IBI Group, for a new not-to-exceed total of $1,135,000, for technical support. (Agenda Item 8-2)

Reviewed and considered Addendum No. 2 to the 2017 Program Environmental Impact Report, and award $14,536,130 contract to J. F. Shea Construction, Inc. to rehabilitate a portion of the Second Lower Feeder. (Agenda Item 8-3)

Reviewed and considered Addendum No. 2 to the 2014 Mitigated Negative Declaration, and award $6,967,500 contract to Michels Pipeline Construction to replace the lining in a portion of the Orange County Feeder. (Agenda Item 8-4)

Adopted CEQA determination that the proposed action was previously addressed in the certified Program Environmental Impact Report and award $2,606,700 contract to Minako America Corporation for electrical upgrades at 15 structures; and authorized an agreement with Kennedy/Jenks Consultants, Inc., with a not-to-exceed amount of $2,037,000, for technical support of electrical upgrades at 290 structures within the Orange County operating region. (Agenda Item 8-5)
WATER PLANNING AND STEWARDSHIP COMMITTEE

Approved amendments to the Water Use Efficiency Guidelines for proposed annexations in Metropolitan’s Administrative Code Sections 3107 and 2700 with discretion to staff to adjust the grammar as needed. (Agenda Item 8-6)

AUDIT AND ETHICS COMMITTEE

Approved amendments to the Administrative Code to clarify the Ethics Officer Reporting Structure and Duties and to establish the Audit and Ethics Committee as a Standing Committee of the Board with additional duties, and as modified, to increase the Ethics Officer’s contract authority to $50,000 and to make the Ethics Officer’s review process consistent with the review process for the Auditor. (Agenda Item 8-7)

CONSENT CALENDAR

In other actions, the Board:

   Approved The Metropolitan Water District of Southern California's salary schedules pursuant to CalPERS regulations. (Agenda Item 7-1)

   Reviewed and considered the Lead Agency’s adopted Mitigated Negative Declaration and adopt the Lead Agency’s findings, and adopted resolution for Eastern 109th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan. (Agenda Item 7-2)

   Adopted Resolution for Eastern 110th Fringe Area Annexation to Eastern Municipal Water District and Metropolitan. (Agenda Item 7-3)

OTHER MATTERS

Inducted new Director Yazden Emrani representing the City of San Fernando. (Agenda Item 5E)

Approved Commendatory Resolution for Director Sylvia Ballin representing the City of San Fernando. (Agenda Item 5F)

Authorized preparation of Commendatory Resolution for Association of California Water Agencies Executive Director Tim Quinn for his service to the water community. (Agenda Item 5G)

Director Leticia Vazquez-Wilson was nominated and elected as the Board Secretary for two-year term effective January 1, 2019. (Agenda Item 5I)
THIS INFORMATION SHOULD NOT BE CONSIDERED THE OFFICIAL MINUTES OF THE MEETING.

Board letters related to the items in this summary are generally posted in the Board Letter Archive approximately one week after the board meeting. In order to view them and their attachments, please copy and paste the following into your browser

http://edmsidm.mwdh2o.com/idmweb/home.asp

All current month materials, before they are moved to the Board Letter Archive, are available on the public website here: http://mwdh2o.com/WhoWeAre/archived-board-meetings
2018 Election Results

On November 6th, all 435 House of Representatives seats and 34 Senate seats were on the ballot. The majority of the Water Authority’s Congressional delegation will remain the same in the 116th Congress. Rep. Hunter, Rep. Vargas, Rep. Davis, and Rep. Peters all won re-election. In the 49th District, the seat currently held by retiring Rep. Issa, Mike Levin (D) was the winner and will be the Water Authority’s newest Member of Congress. Additionally, Sen. Feinstein was also re-elected for another six-year term. Sen. Harris was not on the ballot. She will be up for re-election in 2022.

Democrats picked up enough seats in the House to take the majority. Democrats will have 235 seats to the Republicans 200 seats. In the Senate, Republicans will continue to be in the majority. Republicans will have 53 seats to the Democrats 47 seats.

In the House, Republicans elected the current Majority Leader Kevin McCarthy (CA) to be the Minority Leader in the next Congress. On the Democratic side, current House Democratic Leader Nancy Pelosi (CA) has won the Democratic nomination to be Speaker of the House. The entire House of Representatives will vote for Speaker on January 3rd. In the Senate, the current Majority Leader Mitch McConnell (KY) and Minority Leader Chuck Schumer (NY) will continue in their current leadership roles in the next Congress.

The 116th Congress will have many new faces on Capitol Hill. There will be 9 new Senators and 101 new Members of Congress. Additionally, many Democrats currently serving in the House have never served in the majority.

FY19 Appropriations Update

So far, Congress has passed and the President has signed into law 5 of the 12 Fiscal Year 2019 appropriations bills. The remaining 7 appropriations bills (Agriculture; Commerce, Justice Science; Financial Services; Homeland Security; Interior and the Environment; State/Foreign Ops; Transportation, Housing, and Urban Development) are being funded by a Continuing Resolution (CR) that runs through Friday, December 7th.
Due to the unexpected passing of former President George H.W. Bush, Congress and the White House have agreed to a two-week CR that will run through Friday, December 21st. Between now and the 21st, Congress and the White House need to agree on either a legislative package containing the remaining 7 appropriations bills or another CR. Should Congress and the President be unable to reach an agreement on either option, we would be facing a partial government shutdown. The reason for the partial shutdown is because 5 of the FY19 appropriations bills have already been signed into law. Those federal agencies are already receiving their FY19 funding, and thus would not be subject to a shutdown.

There are a couple of complicating factors adding to the difficulty for Congress and the President to reach an agreement. The President has continued to express a strong desire for a funding package to include $5 billion in federal funding for a wall to be constructed at the southern border, which many Congressional Democrats oppose. Additionally, several Congressional Democrats want language to be included in a final spending package that would protect Special Counsel Robert Mueller.

Interior and Commerce Sign MOA regarding Western Water Memo

Last month President Trump issued an executive memorandum on western water. The memorandum directed the Department of the Interior and the Department of Commerce to work together to expedite environmental reviews and streamline regulations regarding major water projects in the West, specifically the Central Valley Protect, the California State Water Project, the Klamath Irrigation Project, and the Columbia River Basin system. The memorandum also called for adopting better technology to forecast water availability and allowing for local input on hydroelectric projects.

Department of the Interior Secretary Ryan Zinke and Department of Commerce Secretary Wilbur Ross signed a Memorandum of Agreement (MOA) regarding the implementation of the President’s recent western water memo. The MOA designates Paul Souza, who is currently serving as the Regional Director for the Pacific Southwest Region of the U.S. Fish and Wildlife Service, as the lead official in charge of managing the Central Valley Projects' compliance with the memo. In doing so, he will be charged with identifying regulations that could burden projects and making a plan to reduce these burdens as the projects move forward.

WIIN Act Extension Draft Circulating on the Hill

There is an effort underway for Congress to pass legislation in the lame duck session that would extend the authorization and funding levels for several programs that were included in the 2016 Water Infrastructure Improvements for the Nation (WIIN) Act. There is draft legislation circulating on Capitol Hill that would propose to do the following:

- **WIIN Act Section 4007 (Storage):** The proposed bill would change the funding authorization in this section from a total of $335 million to remain available until
expended to $134 million each year from FY2020-FY2024. It would also extend the current sunset provision from Jan. 1, 2021 to Jan. 1, 2028.

- WIIN Act Section 4013 (Duration): The proposed bill would extend expiration date of the WIIN Act from 5 years to December 16, 2028. It would also extend the expiration date of Section 4004 (Consultation on Coordinated Operations) from 10 years to December 16, 2033.

- WIIN Act Section 4009 (a) (Water Desalination Act Amendment): The proposed bill would change the funding authorization in this section from a total of $30 million to remain available until expended to $12 million each year from FY2020-FY2024.

- WIIN Act Section 4009 (C) (Authorization of New Water Recycling and Reuse Projects) (Title XVI): The proposed bill would change the funding authorization in this section from a total of $50 million to remain available until expended to $20 million each year from FY2020-FY2024.

- WIIN Act Section 4007 (k) (Calfed Authorization): The proposed bill would extend the authorization from 2019 to 2024.

House Republicans Announce Ranking Members for the 116th Congress

The House Republicans announced their list of Committee ranking members for the 116th Congress:

- Agriculture: Rep. Mike Conway (TX-11)
- Appropriations: Rep. Kay Granger (TX-12)
- Armed Services: Rep. Mac Thornberry (TX-13)
- Budget: Rep. Steve Womack (AR-03)
- Education and the Workforce: Rep. Virginia Foxx (NC-05)
- Financial Services: Rep. Patrick Henry (NC-10)
- Foreign Affairs: Rep. Michael McCaul (TX-10)
- Judiciary: Rep. Doug Collins (GA-09)
- Natural Resources: Rep. Rob Bishop (UT-01)
- Science, Space and Technology: Rep. Frank Lucas (OK-03)
- Small Business: Rep. Steve Chabot (OH-01)
- Transportation and Infrastructure: Rep. Sam Graves (MO-06)
- Veterans’ Affairs: Rep. Phil Roe (TN-01)
- Ways and Means: Rep. Kevin Brady (TX-08)
- Select Committee on Intelligence: Rep. Devin Nunes (CA-22)

House Democrats have yet to officially announce their list of Committee chairs for the 116th Congress.