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Date: October 17, 2016
To: County of San Luis Obispo
From: Mike Miller
Re: Federal Agenda Update

This memorandum provides a brief review of the County's 2016 federal agenda and outlines the County's 2017 federal agenda development.

2016 Federal Agenda

This year's federal agenda efforts and outcomes have been undistinguished when compared to prior successful years due to several factors, including the ongoing congressional stalemate, the upcoming election, and other factors. The November election may clear the way for some action in late 2016 and moving forward into 2017.

The County's March 2016 advocacy meetings went well with thirteen meetings in Washington DC focusing on San Luis Obispo County's top agenda items. Notwithstanding these meetings and associated follow up, action on many items on the County's federal agenda slowed or halted during the late spring and summer due to a variety of factors. The following bullets summarize the County's agenda topics.

- **Drought.** Our goal in March was to ensure awareness and advocate for relief in key legislative and Administration offices of the ongoing drought situation in California generally and the particular ongoing challenges facing San Luis Obispo County. Federal drought legislation and federal assistance generally moved slowly in 2016. TFG continues advocating for funding and other assistance (including low interest infrastructure loan programs) to assist with drought impacts and long term water resource development and conservation. While some legislation has made progress in the House and Senate the federal government has not yet put in place broad and useful federal drought and resource legislation.
- **Salinas Dam.** We briefed key offices on opportunities presented by Salinas Dam for increased water storage capacity and explored regulatory and funding assistance. With action on appropriations legislation at a standstill there were few opportunities to pursue meaningful action in the past several months.

- **Arroyo Grande.** We briefed the congressional delegation and the Corps of Engineers regarding the need to have field staff focus and move forward expeditiously on the Section 404 permit.
- **Desalination and Diablo Canyon.** We outlined opportunities presented by the facility located at Diablo Canyon and explored regulatory and funding assistance. PG&E's decommissioning announcement has not affected the priority of Diablo Canyon as a facility of concern but, clearly, goals and objectives at the federal level have changed dramatically. TFG has gone through a preliminary review of the situation with County staff leading to new agenda priorities and action items. We understand desalination is likely to remain a priority interest area for the County but our strategy might decouple desalination and Diablo Canyon.
- **Los Osos Assistance.** We continued our work with USDA to provide funding for on lot costs associated with the wastewater project. We are awaiting 2017 appropriations action to determine funding opportunities.
- **Sustainable Groundwater Management Act.** We emphasized the difficulties presented by funding necessary to comply with SGMA and sought assistance, including specific assistance from the Bureau of Reclamation to ensure on time delivery of their pending basin study.
- **Rail Safety.** We noted the County's ongoing interest in rail safety legislation currently under consideration in Congress. We continue to monitor federal action in this area.

In addition to the specific issues outlined *above*, The Ferguson Group (TFG) continues to assist San Luis Obispo County in federal legislative and regulatory matters of direct interest to the County. TFG provides the County with weekly updates on legislation, regulatory action, and grant opportunities with particular attention to water resources and transportation. TFG is in regular communication with the County's congressional delegation regarding the County's federal agenda.

2017 Federal Agenda

The County's 2016 presented in the matrix below is our starting point for developing the County's 2017 agenda. The November election could have a significant impact on federal priorities. We are coordinating a post-election meeting schedule in San Luis Obispo with County officials and staff shortly after the election to quickly develop and take action on County priorities factoring in election results and other considerations.

Field	Projects/Issues	Grants – NOFAs – Notes
Water Resources	<ul style="list-style-type: none"> • Drought & Water Reliability • Los Osos • Clean water • Salinas Dam • HCPs • South County Sanitation District – Water Recycling • Flood Control • Title 16 authorization • Desalination funding 	<ul style="list-style-type: none"> • Drought legislation stalled • Coastal Protection (FWS) • Rural Community Development (USDA) • Domestic well assistance. • WIFIA/RIFIA (WRDA) • Title 16 Bureau program to fund water supply and other projects – requires authorization legislation to participate in program • Desalination – FY 2016 Approximately \$3.5 million included in House & Senate E&W Appropriations bill
Transportation & Public Infrastructure	<ul style="list-style-type: none"> • Reauthorization Bill • Highway Trust Fund insolvency 	<ul style="list-style-type: none"> • DRIVE Act introduced in Senate (NOTE: authorization bill enacted). • Highway Trust Fund action pending
Public Safety, Social Services & County Revenue	<ul style="list-style-type: none"> • Yucca Mountain & Nuclear Waste Policy • Payment in Lieu of Taxes (PILT) Program funding • Homelessness • Veterans Assistance • Fire Hydrant Bill (CWA) • Hazardous Materials and Rail Transportation 	<ul style="list-style-type: none"> • Assistance to Firefighters (FEMA) • Museum (IMLS) • Job Training (EDA) • Arrest Policy & Protection Order Enforcement (DOJ) • 2nd Chance Reentry (DOJ) • Probation & Parole (DOJ) • Environmental Workforce (EPA) • Rural veterans transportation • Housing Preservation Grants

Additional Projects & Issues Watch List. The table below outlines additional projects and issues TFG continues to track for the County.

Field	Project/Issue
Water & Natural Resources	<ul style="list-style-type: none"> • Lopez Lake HCP • NPDES – MSR4s Phase II • Stormwater conveyance & liability • Invasive species (aquatic) • Arroyo Grande Creek – levees, HCP, and Waterway Management Plan (Corps) • Property Assessed Clean Energy Program (PACE) • Climate Change • Water recycling • Waters of the US rulemaking (WOTUS) • On lot connection assistance (USDA) • On lot water reuse (EPA) • Water Basin Study (Rec)
Transportation & Public Infrastructure	<ul style="list-style-type: none"> • Energy efficiency for public facilities
Public Safety, Social Services & County Revenue	<ul style="list-style-type: none"> • Anti-Gang Funding • Human trafficking • Veterans Treatment Court • DNA Cold Hit funding • Cambria Library – Program Support • Homeless services and facilities funding • Medicare reimbursement • Disaster preparedness & insurance • Secure Rural Schools funding