



**BOARD OF DIRECTORS
EAST BAY MUNICIPAL UTILITY DISTRICT**

375 - 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

Notice of Time Change

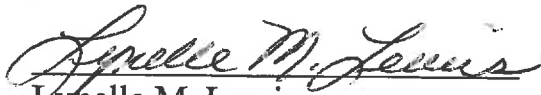
**LEGISLATIVE/HUMAN RESOURCES
COMMITTEE MEETING**

10:30 a.m.

Tuesday, February 10, 2015

Notice is hereby given that on Tuesday, February 10, 2015 the Legislative/Human Resources Committee Meeting of the Board of Directors has been rescheduled from 10:15 a.m. to 10:30 a.m. The meeting will be held in the Training Resource Center of the Administration Building, 375 - 11th Street, Oakland, California.

Dated: February 5, 2015


Lynelle M. Lewis
Secretary of the District



**BOARD OF DIRECTORS
EAST BAY MUNICIPAL UTILITY DISTRICT**

375 – 11th Street, Oakland, CA 94607

Office of the Secretary: (510) 287-0440

AGENDA

Legislative/Human Resources Committee

Tuesday, February 10, 2015

10:30 a.m.

Training Resource Center

(Committee Members: Directors Coleman {Chair}, McIntosh and Patterson)

ROLL CALL:

PUBLIC COMMENT: The Board of Directors is limited by State law to providing a brief response, asking questions for clarification, or referring a matter to staff when responding to items that are not listed on the agenda.

DETERMINATION AND DISCUSSION:

1. 2015 Affirmative Action Programs (Turner)
2. Legislative Report (Dumaine)
 - Receive Legislative Report No. 01-15 and consider positions on the following bills: Bill No. TBD (Hancock) Legislation to Eliminate the 2015 Sunset Date on EBMUD's Lien Authority for Delinquent Water and Wastewater Services; AB 1 (Brown) Drought: Local Government: Fines; AB 149 (Chavez) Urban Water Management Plans; SB 20 (Pavley) Wells: Reports: Public Availability; S. 176 (Boxer) Water in the 21st Century Act; and H.R. 291 (Napolitano) Water in the 21st Century Act
 - Update on Legislative Issues of Interest to EBMUD

ADJOURNMENT:

Disability Notice

If you require a disability-related modification or accommodation to participate in an EBMUD public meeting please call the Office of the Secretary (510) 287-0404. We will make reasonable arrangements to ensure accessibility. Some special equipment arrangements may require 48 hours advance notice.

Document Availability

Materials related to an item on this Agenda that have been submitted to the EBMUD Board of Directors within 72 hours prior to this meeting are available for public inspection in EBMUD's Office of the Secretary at 375 11th Street, Oakland, California, during normal business hours.

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: February 5, 2015

MEMO TO: Board of Directors

THROUGH: Alexander R. Coate, General Manager *ARC*

FROM: Delores Turner, Manager of Human Resources *DTurner*

SUBJECT: 2015 Affirmative Action Programs

SUMMARY

During the Legislative/Human Resources Committee meeting on January 13, 2015, staff presented the planned changes to the District's Affirmative Action Programs and reporting. The 2015 Affirmative Action Programs (Programs) comply with Executive Order 11246 (EO 11246), the Vietnam Era Veterans Readjustment Assistance Act (VEVRAA) and Section 503 of the Rehabilitation Act (Section 503), and the implementing regulations. The Programs specifically provide information on the District's progress on its female and minority placement goals from the 2014 Affirmative Action Plan (AAP) and the effectiveness of its good faith efforts to achieve those goals, and its placement goals for the 2015 Program for Minorities and Women and its action-oriented programs moving forward. The 2015 Programs will be presented to the Legislative/Human Resources Committee on February 10, 2015.

DISCUSSION

For the 2014 AAP for Minorities and Women, the District had 49 placement goals. As the District is now setting goals for minorities as a whole¹, the goals progress was analyzed by minorities as a whole, reducing the number of goals to 25. Of those 25 goals, four had limited opportunity placements² during FY2014, and therefore did not present feasible goals as achievement of the goal would have resulted in less than a whole person. The District achieved 11 out of the 21 feasible placement goals and made progress on 13 out of the 21 goals for an achievement rate of 52.38% and a progress rate of 61.90%. Total job placements for FY2014 were 164, with the District placing 36 women and 71 minorities.

For the 2015 Program for Minorities and Women, the AA goals were calculated using detailed data from the 2010 U.S. Census. In addition, the District determined placement goals by a statistical analysis approach, specifically the Exact Binomial Test. The change in methodology in determining placement goals was made to provide accurate information regarding the District's problem areas, allow the District the ability to focus on the material issues, track trends, and make improvements when needed.

¹ The Code of Federal Regulations only requires federal contractors to analyze utilization by minorities as a whole, rather than by racial/ethnic subset.

² Placements consist of hires and "promotions into" the target job group.

The specific placement goals for 2015 are set forth below:

2015 Placement Goal Summary

JOB GROUP	PLACEMENT GOAL	
	MINORITY	FEMALE
Plant Operators Lead/Supervisors	46.20%	
Laboratory and Quality Control Technicians		59.00%
Rangers	65.80%	
Pipeline Maintenance	61.50%	
Heavy Equipment/Truck Operators	68.30%	
Electrical/Structural Maintenance	53.10%	15.00%
Mechanical Maintenance	46.00%	
Service Maintenance	73.40%	

An analysis of applicant flow and hires was conducted to determine why the District had fewer minorities and women than would reasonably be expected for the above job groups. The analysis showed that for many job groups the percentage of minority applicants or minority contender applicants was less than the calculated availability for the requisite job group. Applicants are those individuals that applied for an open, posted EBMUD job and met the minimum qualifications (MQs) of the posted job. Contender applicants are those applicants that have sufficient qualifications above and beyond MQs to compete and win selection. In addition, in reviewing the internship programs designed to increase diversity for job groups, we identified problems with success on exams and clearing background evaluations.

Accordingly, the 2015 action-oriented programs focus on increasing qualified and contender minority and female applicant pools. Staff is in the process of compiling a list of organizations that the District could potentially do targeted outreach to and obtain referrals from. The District is considering high schools with trade programs; additional community colleges with trade and science programs; female, minority, veteran and disability groups; and other community-based groups in the District's local recruitment area. In addition, the District hopes to partner with some of these organizations regarding training and/or test preparation for civil service exams. For the internships, in collaboration with Swords to Plowshares and Laney College, the District is piloting a Veterans cohort for Water Distribution Plumber I with a test preparation component. Staff is optimistic that this will increase intern success on the civil service exam. If successful, a goal will be to replicate this approach with other District internships programs. The District will also perform pre-internship selection background checks, similar to the screening performed for candidates applying for District employment, to avoid disqualification at the job application stage.

EBMUD is proud to be a leader in taking legal, proactive steps in support of a diverse workforce and upholding equal employment opportunity. EBMUD's Programs comply with EO 11246, VEVRAA and Section 503. Pursuant to EO 11246, EBMUD establishes placement goals on an annual basis for job groups whenever the percentage of minorities or women employed in that

job group is less than would be reasonably expected, given their availability in the relevant labor market. EBMUD also strives to make good faith efforts toward reaching those goals, to advise top management of program effectiveness, and to submit recommendations to improve performance.

The 2015 Programs comply with the above requirements and provide information on the effectiveness of EBMUD's good faith efforts to achieve a workforce that is reflective of the available labor market during the past year.

NEXT STEPS

The Board of Directors will also be asked to consider adoption of the 2015 Programs at the regular meeting on February 10, 2015.

ARC:DT:rdw TUR15-12c

Attachment: 2015 Affirmative Action Programs

I:\Sec\2015 Board Related Items\02-10-15 LEGHR Committee\HRD – 2015 Affirmative Action Programs.doc

**2015
Affirmative Action Programs (Programs)**

Embrace Diversity



East Bay Municipal Utility District



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INTRODUCTION

EBMUD is a publicly-owned utility formed under the Municipal Utility District Act (MUD Act). The MUD Act, as codified by the Public Utilities Code of the State of California, authorizes the formation and governance of the District. The District has a federal contract that renders it subject to the affirmative action requirements of Executive Order 11246 (EO 11246), Section 503 of the Rehabilitation Act of 1973 as amended, (Section 503) and the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA), Section 4212. Because the District has \$50,000 or more in annual contracts, specifically the Long Term Renewal Water Supply Contract with the Federal Bureau of Reclamation and employs 50 or more employees, we are required to prepare annual written affirmative action programs (AAPs) for minorities and women, for protected veterans (Protect Veterans), and for individuals with disabilities (IWDs) for our organization. Failure to comply with these laws and their implementing regulations, which are enforced by the Office of Federal Contract Compliance Programs (OFCCP), can result in debarment of the District from future contracts and subcontracts. Although the District does not believe any violation of Title VII of the Civil Rights Act exists, it has developed this Program in accordance with and in reliance upon the EEOC's Guidelines on Affirmative Action, Title 29 Code of Federal Regulations, Part 1608. The District's AAP as defined under EO 11246 does not violate California's Proposition 209.

**EXECUTIVE ORDER 11246 AFFIRMATIVE ACTION PROGRAM FOR MINORITIES
AND WOMEN**

EAST BAY MUNICIPAL UTILITY DISTRICT (DISTRICT OR EBMUD)

375 11th Street
Oakland, CA 94607

July 1, 2014 – June 30, 2015

Dun's #: 05-190-4423 Water

EIN (tax) #: 94-6000590

EEO-4 #: 06505230

NAICS: 2213 Water, Sewage and Other Systems

MSA: 41860 San Francisco-Oakland-Fremont, CA

Affirmative Action (AA)/

Equal Employment

Opportunity (EEO) Contact: Dorian West Blair
Affirmative Action Officer
East Bay Municipal Utility District
PO Box 24055
Oakland, CA 94623-9979
Attn: Affirmative Action Office/MS 601
(510) 287-0710

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Exhibits

- Exhibit 1 – Organization Profile
- Exhibit 2 – Job Group Analysis
- Exhibit 3 – Job Group Summary
- Exhibit 4 – Availability Analysis
- Exhibit 5 – Placement Goal Analysis

A. Responsibility for Implementation

41 C.F.R. § 60-2.17(a)

As part of its efforts to ensure equal employment opportunity (EEO) to all individuals, the District has designated specific responsibilities to various staff to ensure that the Executive Order 11246 Affirmative Action Program for Minorities and Women (hereinafter referred to as EO 11246 AAP or AAP) focuses on all components of the employment system. To that end, the Board of Directors, General Manager, the Manager of Human Resources, the Affirmative Action Officer, those employed as supervisors and managers, and employees have undertaken the responsibilities described below.

Board of Directors (Board)

The seven-member Board, publicly elected pursuant to the MUD Act, is the legislative body of the District and determines all questions of policy. The Board is also responsible for fair and equal treatment at the District. Specifically, Board Members promote diversity and equality in personnel matters consistent with state and federal laws and assist in achieving the equal opportunity objectives of EBMUD. (District Policy 6.04, Ethics Policy of the EBMUD Board) The Board adopts the EO 11246 AAP annually and EEO policies, Policy 2.25 and 2.26, are updated and presented for adoption by the Board on a prescribed schedule.

Policy 2.25, Equal Employment Opportunity, provides for EEO in all employment practices, including recruitment, selection, transfers, promotions, and training consistent with the principles of the District and in order to promote the full realization of EEO. It prohibits discrimination and harassment based on race, gender, national origin, religion, and other protected categories. In addition, the Policy prohibits retaliation against employees alleging discrimination and harassment, or involved as witnesses in a discrimination or harassment investigation. Employees who oppose and/or refuse to participate in illegal discrimination or harassment are also protected against retaliation. Finally, it requires development and maintenance of an AAP consistent with applicable laws, including any recruitment and placement methods that will enhance District efforts to achieve a workforce composition reflective of the labor market in the community served by the District.

Policy 2.26, Prevention of Sexual Harassment in the Workplace, provides for a workplace for all employees that is free from any form of sexual harassment. It affirmatively states that sexual harassment will not be condoned or tolerated. In addition, it prohibits retaliation against employees alleging sexual harassment or involved as witnesses in a sexual harassment investigation. Employees who oppose and/or refuse to participate in sexual harassment are also protected against retaliation.

General Manager (GM)

The Board appoints a GM to conduct the business affairs of the District, including the administration of the Civil Service System of the District. Accordingly, the District's GM has the overall responsibility to implement the District EEO policy and AAP. The GM has delegated the Civil Service System responsibilities, including the direct responsibility to

implement and administer the EEO policy and AAP to the Manager of Human Resources. The Manager of Human Resources has the full support of and access to senior management officials.

Manager of Human Resources (Manager of HR)

The Manager of HR is responsible for overall supervision of the AAP and EEO programs. The Manager of HR has delegated the EEO and AA programs to the Affirmative Action Officer. The Manager of HR ensures, through the Affirmative Action Officer and department managers and supervisors, that all relevant policies and procedures are adhered to. Successful implementation of the AAP and EEO Policy is one of the elements considered in evaluating the Manager of HR's effective work performance.

Affirmative Action Officer (AA Officer)

The AA Officer provides leadership and direction in the development, implementation, and evaluation of an effective AA and EEO programs. The AA Officer has the full support of and access to senior management officials. Successful implementation of the AA and EEO programs are a basis for evaluating the AA Officer's effective work performance. The AA Officer's responsibilities include, but are not limited to, the following:

- Develop and revise EEO policy, procedures, and work rules to enhance EEO and in accordance with federal and state laws. Prepare the annual AAP and present findings and recommendations to the Board.
- Identify problem areas and barriers to EEO, and develop strategies and programs with management to address these problems.
- Develop, implement, and maintain audit and reporting systems to measure the effectiveness of EEO programs, including those that will indicate the need for remedial action and determine the degree to which goals and objectives have been obtained.
- Serve as a liaison between the District and enforcement agencies.
- Serve as a liaison between the District and minority organizations, women's organizations and community action groups concerned with the employment opportunities of minorities and women.
- Keep managers informed of the latest developments in the equal opportunity area.

Managers and Supervisors

Supervisors at all levels act on behalf of the District. Accordingly, all managers and supervisors have the following AA and EEO program responsibilities:

- Monitor his or her work unit for discriminatory or harassing behavior and take appropriate steps to stop and correct behavior that violates District EEO policy.
- Enforce District EEO policy as well as adhere to it.
- Familiarize himself or herself with the District's policies on discrimination and harassment (Policies 2.25 and 2.26), to incorporate them into his or her own behavior, and to inform employees in the work unit to do the same.

- Be familiar with the EEO Discrimination/Harassment Complaint Procedure (Procedure 227) and be ready to assist employees (including those who do not report directly to them) who raise EEO-related complaints.
- Regard all complaints of EEO discrimination or harassment seriously. Manager/supervisors should not ignore or minimize such complaints or otherwise discourage employees from reporting them.
- Participate in and support staff's involvement with AA, EEO and diversity programs and recruitment activities.
- Work with the AA Officer to enhance the effectiveness of the AA and EEO programs and make good faith efforts by considering alternate methods to fill vacant positions in order to create a diverse and qualified candidate pool.
- Consider all qualified candidates for promotion/hire and ensure that all selections are made for valid job-related reasons and without discrimination.

All District Employees

Employees at all levels are responsible for supporting the District's AA and EEO programs, as may be appropriate in the performance of their official duties, by assuring equal treatment, and equal access to service for all persons with whom they deal.

All District employees are required to adhere to the District's EEO policies and encouraged to make positive contributions to creating an inclusive work environment.

B. Identification of Problem Areas and Correction of Deficiencies

41 C.F.R. § 60-2.17(b)

Terminology

The phrases “comparison of incumbency to availability,” and “problem area” appearing in this subpart are terms the District is required by government regulations to use. The criteria used in relation to these terms are those specified by the government. These terms have no independent legal or factual significance. Although the District will use the terms in good faith in connection with its EO 11246 AAP, such use does not necessarily signify the District agrees that these terms are properly applied to any particular factual situation and is not an admission of non-compliance with EEO laws, regulations, or objectives. In addition, the establishment of a placement goal does not amount to an admission of impermissible conduct. It is neither a finding of discrimination nor a finding of a lack of good faith affirmative action efforts. Rather, the establishment of a placement goal is designed to be a technical targeting term used exclusively by affirmative action planners who seek to apply good faith efforts to increase in the future the percentage employment of minorities and women in a workforce.

Progress on 2014 AAP Goals:

- For the reporting period of the 2014 AAP, the District was in its 4th year of a hiring freeze, which ended in July 2014. Accordingly, the 2015 AAP goal progress reflects a higher rate of regular full-time hires as a result of the District’s ability to fill additional positions.
- During Fiscal Year 2014, the District prioritized its hiring in three areas: Operations & Maintenance, Infrastructure, and Customer Service. With retirements and a growing need for infrastructure maintenance, the District also continues to have employment opportunities in several skilled trade and entry-level job positions, e.g., Water Distribution Plumber I, Mechanical Maintenance Worker II/Plant Maintenance Worker II and Instrument Worker II.

For the 2014 AAP, the District had 49 placement goals. This was because the District performed a utilization analysis by racial/ethnic subset and determined placement goals by the *any difference rule with whole person modification*¹. This year, the District conformed the utilization analysis to the Code of Federal Regulations (CFR), i.e., setting forth the incumbency, availability and any needed placement goals to reflect the percentage of minorities as a whole, rather than percentages

¹ With the *any person rule*, anytime female/minority representation of the incumbency is less than availability, a goal is established. With the *whole person modification*, when the difference between the female/minority representation is one whole person or greater than the availability, then a goal is established.

by racial/ethnic subset. The change was made not only to conform to current legal requirements, but to provide more accurate information regarding the District's problem areas and allow the District the ability to focus on the material issues. Applying the amended utilization analysis approach to last year's placement goals reduced the number of goals to 25. A summary of the progress on those goals is set forth below.

Prior Year AAP – Placement Goals Met

Job Group	Category	Placement Rate Goal (%)	Actual Placement* Rate (%)	Goal Achieved?
Directors/Managers	Minority	38.80%	44.44%	Yes
Analysts	Minority	50.80%	50.00%	Yes**
Other Professionals	Female	55.30%	60.00%	Yes
General Clerical	Female	90.30%	93.75%	Yes
Customer Services	Female	59.60%	66.67%	Yes
Technicians	Minority	59.30%	100.00%	Yes
Plant Operators	Female	9.70%	9.09%	Yes**
Plant Operators Lead/Supervisors	Minority	38.50%	50.00%	Yes
Laboratory and Quality Control Technicians	Female	50.80%	50.00%	Yes**
Rangers	Minority	42.20%	50.00%	Yes
Supervising Engineers	Female	22.70%	50.00%	Yes

*Placements consist of hires and promotions into the target job group from 7/1/2013 to 6/30/2014.

**Actual placement rate was not exactly at placement goal, however, difference was so negligible as to be insignificant.

From a review of the above table, the District met or exceeded female placement goals in the four following job groups:

- Other Professionals
- General Clerical
- Customer Services
- Supervising Engineers

From a review of the above table, the District met or exceeded minority placement goals in the four following job groups:

- Directors/Managers
- Technicians
- Plant Operators Lead/Supervisors
- Rangers

Although the District technically did not meet placement goals in the following three job groups, as the actual placement rate did not exactly match the goal placement rate, the difference was so negligible as to be insignificant:

- Analysts
 - Minority placement goal – 50.80%; actual placement rate – 50.00%
- Plant Operators
 - Female placement goal – 9.70%; actual placement rate – 9.09%
- Laboratory and Quality Control Technicians
 - Female placement goal – 50.80%; Actual placement rate – 50.00%

Prior Year AAP – Placement Goals Partially Met

Job Group	Category	Incumbency Rate (%)	Actual Placement Rate (%)	Goal Achieved?
Electrical/Structural Maintenance	Minority	21.57%	27.27%	Partially met
Mechanical Maintenance	Minority	30.16%	38.71%	Partially met

While the District did not meet its minority placement goals for the above job groups, it did improve on its placement rate in comparison to its incumbency percentage.

Prior Year AAP – Placement Goals – Limited Opportunity Placement (LOP)

Job Group	Category	Placement Rate Goal (%)	Total Placements	Placement #	Actual Placement Rate (%)	Goal Achieved?
Technicians	Female	36.20%	1	0	0.00%	LOP*
Rangers	Female	36.80%	2	0	0.00%	LOP*
Engineering Technicians	Female	17.60%	5	0	0.00%	LOP*
Pipeline Maintenance Lead/ Supervisors	Female	4.70%	8	0	0.00%	LOP*

*The number of job opportunities, i.e., placements, when multiplied by the goal percentage would result in less than a whole person and accordingly was not a feasible goal for the year.

The District did not meet its female placement goals for the job groups set forth in the above table. However this is not because of a lack of good faith efforts on behalf of the District. The placement rate goal for these job groups when multiplied by the number of placements made for the job group for the year was equal to less than a whole person. Accordingly, the goal was infeasible based on the limited number of actual job opportunities for that job group. The only way to meet the goal was to hire at a rate/percentage well in excess of the placement rate goal, which is not in keeping with the AAP goal to reflect availability.

Prior Year AAP – Placement Goals Not Met

Job Group	Category	Placement Rate Goal (%)	Total Placements	Placement #	Actual Placement Rate (%)	Goal Achieved?
Analysts	Female	72.10%	4	2	50.00%	No
Science Professionals	Female	49.00%	3	1	33.33%	No
Laboratory and Quality Control Technicians	Minority	54.30%	4	0	0.00%	No
Supervising Engineers	Minority	46.15%	4	1	25.00%	No
Pipeline Maintenance	Minority	58.40%	21	9	42.86%	No
Heavy Equipment/ Truck Operators	Minority	67.30%	8	2	25.00%	No
Service Maintenance	Minority	74.00%	11	6	54.55%	No

The District did not make any progress on its minority placement goal for the Laboratory and Quality Control Technicians job group. The job group had three recruitments between July 1, 2013 and June 30, 2014. One recruitment was under availability for minority applicants². Only 14.29% of the persons that passed the minimum qualifications (MQs) review were minorities. For another recruitment, the minority representation through to the certification list was above availability, but unfortunately a minority candidate was not hired. For the third recruitment, the passage rate for minorities on the written test was at a rate of 42.86% - below availability.

While the District did not meet its female placement goals for Analysts and Science Professionals, and did not meet its minority placement goals for Supervising Engineering, it was not for a lack of good faith efforts on behalf of the District of the kind set forth in subpart C, Action-Oriented Programs. The District only made 3 placements for Science Professionals and 4 placements for Analysts and Supervising Engineers between July 1, 2013 and June 30, 2014. Therefore the difference between achieving the goal or not was a difference of only one person. The District continues to have minority placement goals for the balance of job groups set forth in the above table for the 2015 AAP and therefore the analysis of the problem areas for those job groups will be discussed below.

Accordingly, due to limited opportunity, only 21 of the 25 placement goals for the 2014 AAP were reasonably measurable. The District met 11 out of the 21 placement goals from last year and made progress on two additional ones. This is an achievement rate of 52.38% and a progress rate of 61.90%.

² The District defines an applicant as a person who applies for a specific, open, posted position during the designated timeframe and is within the allowable number of applications who meets the following: is eligible to work in the U.S., is willing to perform the requirements of the job, e.g., work a swing shift if required, and meets the minimum qualifications of the job.

2015 AAP Goals:

In addition to changing the utilization analysis, the District made another change to its AAP during this year's reporting period that significantly affects the identification and discussion of problem areas. When incumbency was less than availability for a particular job group, the determination of whether the difference was less than reasonable was determined by a statistical analysis approach, specifically the Exact Binomial Test³, rather than by the *any difference rule or any difference rule with whole person modification*, as had been used in the past. The changes were made to provide more accurate information regarding the District problem areas and allow the District the ability to focus on the material issues.

As a result of applying the Exact Binomial Test, a number of placement goals that were set last year were not set as placement goals this year. This is because the Exact Binomial Test eliminated any goals that were not statistically significant. Or, put another way, no goals were set where the difference between incumbency and availability was due to chance. The placement goals that fit in this category are set forth below:

- Analysts – Females
- Science Professionals – Females
- Technicians – Females
- Supervising Engineers – Minorities
- Engineering Technicians – Females
- Pipeline Maintenance Lead/Supervisors – Females
- Mechanical Maintenance – Females

In addition, the Female placement goal for Rangers was eliminated as the availability percentage dropped from 36.80% to 13.20%.

³Under the Exact Binomial Test, when comparing the incumbency to availability, if a job groups displays a probability value of .05 or lower then the result is considered significant and the result is listed with the respective goal.

In accordance with 41 C.F.R. § 60-2.17(b)(1), an analysis of minority and female utilization within each job group was accomplished by a thorough investigation of comparison of incumbency to availability set forth in Exhibit 5, Placement Goals Analysis. The specific Placement Goals for 2015 are set forth below:

2015 Placement Goal Summary

JOB GROUP	PLACEMENT GOAL*	
	MINORITY	FEMALE
Plant Operators Lead/Supervisors	46.20%	
Laboratory and Quality Control Technicians		59.00%
Rangers	65.80%	
Pipeline Maintenance	61.50%	
Heavy Equipment/Truck Operators	68.30%	
Electrical/Structural Maintenance	53.10%	15.00%
Mechanical Maintenance	46.00%	
Service Maintenance	73.40%	

*Placement goals are established within each of the job groups at no less than the current availability data for the job group.

While the District met its minority placement goal for Rangers for 2014 AAP, the District has a minority placement goal for Rangers for 2015 AAP. This is because availability increased from 42.30% to 65.80% for the 2015 AAP. Likewise, while the District met its female placement goal for Laboratory and Quality Control Technicians, the District has a female placement goal for Laboratory and Quality Control Technicians for the 2015 AAP. This is because availability increased from 50.80% to 59.00% for the 2015 AAP. Finally, while the District met its minority placement goal for Plant Operators Lead/Supervisors for the 2014 AAP, the District has a minority placement goal for Plant Operator Lead/Supervisors for 2015 AAP. This is because availability increased from 38.50% to 46.20% for the 2015 AAP. In addition, the District has placement goals for a new job group – Electrical/Structural Maintenance – Female. This is because female availability for Electrical/Structural Maintenance increased from 3.60% to 15.00%.

A review of the minority applicant flow for Plant Operators Lead/Supervisors, Rangers and Electrical/Structural Maintenance, and Service/Maintenance⁴ job groups, and the female applicant flow for Electrical/Structural Maintenance and Laboratory and Quality Control Technicians job groups showed the applicant pool percentages below the calculated availability and therefore

⁴ The applicant pools were under availability for minorities for three out of four of the recruitments for the relevant period. On the fourth recruitment, the applicant pool was well above availability and there were 14 eligible minorities on the certification list. However, there were no hires off that list.

appear to be contributing to the utilization problems for these job groups. Plant Operators Lead/Supervisors minority availability is at 46.20%, while the applicant pool rate is at 36.44%. Rangers minority availability is at 65.80% availability while the applicant pool rate is at 18.57%. Electrical/Structural Maintenance female availability is at 15.00% while the applicant pool is at a 1.50% rate and the minority availability is at 53.10%, while the applicant pool is at a 44.39% rate. Laboratory and Quality Control Technicians female availability is at 58.80%, while the applicant pool rate is only at 42.02%.

A review of minority applicant flow for Heavy Equipment/Truck Operators showed not only that the applicant pools are below calculated availability but that there is an insufficient number of contender applicants⁵. Heavy Equipment/Truck Operators minority availability is at 68.30% while the applicant pool rate is at 54.38%. In addition, candidates fall out upon screening of driving experience and record. For example, the minority applicant pool rate for the Heavy Transport Operator position was under availability at 55.38%. For the Truck Driver II position, the minority applicant pool rate was also under availability at 56.25%. In addition, a review of candidate's driving record and experience eliminated all but 14.81% of all the candidates; 7.41% of which were minorities. The primary issue was that most candidates had long-haul driving experience rather than construction driving experience.

A review of the minority applicant flow for the Pipeline Maintenance and Mechanical Maintenance job groups show that the applicant pools are at or above availability for these job groups. These job groups, however, have insufficient minority contender candidates. For example, for Water Distribution Plumber I, 951 people applied in the Fall 2013; 607 were minorities. Only 629 applicants (403 minorities) attended the orientation. Only 508 applicants showed up for and took the written test. Only 9.82% of the minority applicants passed the exam. The passage rate for all applicants was only 23.59%. Accordingly, staff developed internship programs for both these job groups to increase the minority contender candidate pool and the District has changed the exam for Water Distribution Plumber Is. Although, the Electrical/Structural Maintenance job group minority applicant pool was below calculated availability, staff also developed an internship program for this job group in hopes of improving the visibility of the position and increasing the diversity of the applicant pool.

These internship programs have been successful in that they have attracted diverse candidates and resulted in limited-term internships provided to diverse candidates. The last Water Distribution Plumber Internship Program was from June 17, 2013 through August 9, 2013 and had five interns. Two were Asian and one was Black/African American. The last Instrument Worker Internship Program (for the Electrical/Structural Maintenance job group) was from May 27 through August 1, 2014, and had five interns. There were three Black/African American males and two White females. The last Industrial Maintenance Internship Program (Mechanical Maintenance job group) was in the Fall 2012. There were two Asians, one Black/African American and two Whites.

⁵ Contender applicants are applicants that have sufficient qualifications above and beyond MQs to compete and win selection.

The Industrial Maintenance Internship Program was successful. It resulted in two out of five interns being hired – a White male and an Asian male. Another minority intern was promising but unfortunately was eliminated from the candidate pool due to a driving record issue. One out of five of the interns from the Instrument Worker Internship Program made it to the certification list – a Black/African American male. As to the Water Distribution Plumber I Internship Program, no interns passed the Water Distribution Plumber I civil service exam.⁶ See subpart C, Action-Oriented Programs, for the District's plans to address the background and exam issues.

In addition to comparing incumbency to availability within job groups, the District has conducted studies to identify problem areas in each of its selection procedures (i.e., hires, promotions, and terminations). The District will continue to monitor and update these studies during each AAP year. In each case where potential problem areas have been identified, affirmative actions, as appropriate, will be taken consistent with any of the action-oriented programs described in subpart C of this AAP.

41 C.F.R. § 60-2.17(b)(1): Workforce by Organizational Unit

An analysis of minority and female distribution within each organizational unit was accomplished by a thorough investigation of *Exhibit 1, Organization Display*. No impediments to EEO were found.

41 C.F.R. § 60-2.17(b)(2): Personnel Activity

Applicant flow, hires, promotions, and terminations were analyzed by job group. An analysis of selection disparities in personnel activity between men/women and whites/minorities was accomplished by a thorough examination of transaction data and/or cohort analysis. Higher rates of terminations were found for females for the Heavy Equipment/Truck Operators job group. However, this was due to a lower total number of women in the job group (7) coupled with the retirement of two women of seven total retirements (28.57%). Higher rates of terminations were also found for minorities for the Directors/Managers job group. This was due to the retirement of four minorities out of total of five retirements during the reporting period. The *Summary of Personnel Transactions Report* for each job group is retained by the Affirmative Action Office.

41 C.F.R. § 60-2.17(b)(3): Compensation Systems

Compensation analyses were conducted by comparing the salaries for men v. women, and whites v. minorities in each job title/job group/pay grade. No impediments to EEO were found. The *Compensation Analysis* is retained by the Affirmative Action Office.

⁶As an aside, one of the Water Distribution Plumber I interns, a woman, sat for the Carpenter examination, passed and was hired. The Carpenter title is in the Electrical/Structural Maintenance job group for which the District has a female placement goal for the 2015 AAP.

C. Development and Execution of Action-Oriented Programs

41 C.F.R. § 60-2.17(c)

The District tailors its action-oriented programs each year to ensure they are specific to the problems identified. The action-oriented programs designed to address the problem areas are listed below. These action-oriented programs will be carried out throughout the AAP year. The Manager of HR, the AA Officer, the Manager of Recruitment and Classification, and managers and supervisors are responsible for ensuring that the following are implemented.

The District will need to increase minority representation in the applicant pools for the Plant Operators Lead/Supervisors, Rangers, Electrical/Structural Maintenance, and Service/Maintenance job groups and female representation in the applicant pools for the Laboratory and Quality Control Technicians and Electrical/Structural Maintenance job groups. The Affirmative Action Office is currently researching all high schools with trade programs; community colleges with trade and science programs; women, minority, veteran and disability groups; and other community-based groups in the District's local recruitment area. These are organizations that the District could potentially do targeted outreach to and obtain referrals from. In addition, the District hopes to partner with some of these organizations regarding training and/or test preparation for civil service exams, particularly for job groups for which it has placement goals.

For the Pipeline Maintenance job group, the District will continue the Water Distribution Plumber I Internship Program to increase the pool of qualified diverse candidates. As discussed in subpart B, Identification of Problem Areas, while the internships themselves have been successful, the interns have not fared well on the civil service exam for the Water Distribution Plumber I (WDPI) job. Accordingly, we have made some adjustments in an attempt to address this problem. First, the Manager of Recruitment and Classification, in partnership with management, has developed a new multiple choice written exam in lieu of the old video format. Second, the AA Office is partnering with both Laney College and Swords to Plowshares (STP) for this internship. The District has increased the requirements for the interns in terms of mathematical, reading comprehension and mechanical spacial abilities. In addition, the program will require the interns to work with STP to prepare for the WDPI exam. The WDPI Internship will host up to 5 interns and will run between February and May 2015. The WDPI exam will be held in April 2015.

In addition, as discussed in subpart B, Identification of Problem Areas, the District had to eliminate a promising minority intern from the Industrial Maintenance Internship Program from the candidate pool for the Machine/Plant Maintenance job due to a driving record issue. Accordingly, the District is now screening all intern candidates as if they are applying for the actual job in question to avoid disqualification at civil service exam/ application stage.

The District also plans to continue the Industrial Maintenance Internship Program and Instrument Worker Internship Programs for the Mechanical Maintenance and Electrical/Structural Workers job groups to increase minority contender candidates. Assuming the test preparation model used for the WDPI Internship is successful, it will be replicated for these internships.

As discussed in subpart B, Identification of Problem Areas, minority candidates were eliminated

at screening for Heavy Equipment/Truck Operators due to not meeting the minimum qualifications, unsuitable driving experience and/or poor driving records. Accordingly for this job group, the district is reviewing minimum qualifications and appropriate outreach to increase the contender applicant pool.

The District will continue to engage in the following action-oriented programs, particularly for those job groups where it has a placement goal.

Recruitment:

1. The District will continue to contact minority and women's organizations for referrals including the following:
 - Tradeswomen, Inc.
 - National Association of Women in Construction
 - The CA Women's Ventures Project
 - The Unity Council, A Latino Community Development Corporation
 - Cypress/Mandela Training Center, Inc.
 - Lao Family Community Development, Inc.
2. The District holds formal briefing sessions on company premises with representatives of recruiting sources. These sessions include presentations by minority and female employees, and provide clear and concise explanations of current and future job openings, as well as of the District's selection process. The District has made classification descriptions, worker specifications and recruiting literature available to these representatives by email or on-line. The District has also made formal arrangements with some of these recruiting sources for referral of applicants.
3. The District actively encourages minority and female employees to refer applicants.
4. The District includes minorities and women on its Employee Relations and Recruitment staff.
5. The District encourages minority and female employees to participate in Career Days, Youth Motivation Programs, and related outreach activities in the community, to represent EBMUD's diversity, including but not limited to the following:
 - a. Serving as judges in Richmond High School's Robotics competition.
 - b. Serving as mentors for high school engineering students in several Alameda and Contra Costa County schools.
 - c. Supporting Mathematics, Engineering, Science Achievement (MESA) and the Minority Engineering Program (MEP).
6. The District advertises on a regular basis in Employment/Career Center/Jobs sections of minority and women's interest media.

7. District advertisements always carry the EEO clause.
8. The District participates in job fairs if there are sufficient numbers of job openings to warrant participation.
9. The District continues to recruit at several local colleges and universities. The District targets community colleges and universities based in part on the high-level of diversity of their student body.
10. The District includes minority and female members of the workforce in recruiting brochures which pictorially present work situations.

Job Specifications/Selection Process:

1. The District will continue to develop classification descriptions that accurately reflect classification functions, and are consistent for the same classification from one location to another.
2. The District will continue to develop classification or worker specifications that contain academic, experience, and skill requirements that do not constitute inadvertent discrimination. The District will continue to develop specifications that are free from bias with regard to age, race, color, religion, national origin, disability or veteran status.
3. Approved classification specifications and worker specifications will continue to be made available to all members of management involved in the recruiting, screening, selection, and promotion process. Copies may also be made available to recruiting sources.
4. The District will continue to use only worker specifications that include job-related criteria.

Job Advancement:

1. The District will continue to post or announce promotional opportunities in accordance with civil service rules.
2. The District will continue to offer the LEAD Academy, for employees interested in first line supervisory positions and the Pathways Academy, for first line supervisors interested in mid-level management positions. These programs provide employees with tools to assess their current academic, skill, and experience level and provide training for promotional opportunities.
3. The District continues to provide career counseling programs including coaching on communication skills, managing conflict, and career development and education; job rotation programs; coaching/mentoring programs; and similar programs.

4. The District will continue to use the Performance Plan and Appraisal Procedure for the annual performance review of all employees.
5. Hiring managers will continue to prepare and submit to HR written justifications for all promotions and hires, including hires/promotions where they do not upgrade seemingly qualified minority or female employees.
6. Employees can choose training courses through the Training Schedule and include them in their career development plan.
7. The Tuition Refund Program is offered to all employees who wish to improve their job skills and performance, and to pursue promotions. The current maximum amount approved this fiscal year is \$3,500 per employee.

Welfare:

1. The District will continue to actively encourage all employees to participate in facilities and District-sponsored social and recreational activities.
2. The District will continue to encourage the design of various programs, such as training and mentorship programs, to improve employment opportunities for minorities and females.

D. Design and Implementation of Internal Audit and Reporting Systems

41 C.F.R. § 60-2.17(d)

As stated previously, the AA Officer is responsible for implementing the auditing and reporting system. The District's auditing and reporting system measures the effectiveness of its total AAP. Together with the Manager of HR, the Manager of Recruitment and Classification, the AA Officer periodically monitors this system. The reporting and auditing system provides for:

1. Accurate and up-to-date records on all referrals, applicants, hires, promotions, transfers and terminations by race and sex to ensure that all employees are treated on a fair and equitable basis.
2. Regular reports to HR from hiring managers on all hires and promotions.
3. Recruitment reports on a scheduled basis reflecting the degree to which EEO and organizational objectives are attained.
4. Review of selections, promotions and training to ensure that they are nondiscriminatory.
5. Review of report results with management, advising top management of program effectiveness and submitting recommendations to improve unsatisfactory performance.

E. Organizational Profile

41 C.F.R. § 60-2.11

Pursuant to 41 C.F.R. § 60-2.11, we have provided an Organizational Display of the District. Specifically, the Organizational Display shows four fields of information in each organizational box displaying an organizational unit:

1. Name of each organizational unit being displayed;
2. The job title, gender, race, and ethnicity of the unit supervisor;
3. Total number of employees in each organizational unit; and
4. Total number of employees in each organizational unit displayed by race/ethnicity and gender.

See the *Organizational Display* at Exhibit 1.

F. Job Group Analysis: Job Titles and Placement of Incumbent in Job Groups

41 C.F.R. §§ 60-2.12-2.13

Disclaimer

The grouping of job titles into given job groups does not suggest that the District believes the jobs so grouped are of comparable worth.

Pursuant to 41 C.F.R. § 60-2.12, we have supplied a listing of all job groups at this establishment listing each job title in each job group. Specifically, we have grouped those jobs having similar job content, wage rates and promotional opportunities. As a result, we have grouped 1773 employees as of June 30, 2014, into 22 job groups. See *Job Group Analysis* at Exhibit 2. Pursuant to 41 C.F.R. § 60-2.13, we have placed all 1773 employees into the job groups by race and gender to determine the percentage of females and minorities per job group. See *Job Group Summary* at Exhibit 3.

G. Availability Analysis

41 C.F.R. § 60-2.14

Disclaimer

The comparison of incumbency to availability contained within this AAP is required by government regulations to be based on certain statistical comparisons. Geographic areas and sources of statistics used herein for these comparisons were used in compliance with government regulations, as interpreted by government representatives. The use of certain geographic areas and sources of statistics does not indicate the District's agreement that the geographic areas are appropriate in all instances of use or that the sources of statistics are the most relevant. The use of such geographic areas and statistics may have no significance outside the context of this AAP. Such statistics and geographic areas will be used, however, in total good faith with respect to this AAP.

"Availability" is an estimate of the proportion of each sex and race/ethnic group available and qualified for employment at the District for a given job group in the relevant labor market during the life of the AAP. Availability indicates the approximate level at which each race/ethnic and sex group could reasonably be expected to be represented in a job group if the District's employment decisions are being made without regard to gender, race, or ethnic origin. Availability estimates, therefore, are a way of translating EEO into concrete numerical terms. Correct comparisons of incumbency to availability, worthwhile and attainable goals, and real increases in employment for problem groups depend on competent and accurate availability analyses. With valid availability data, we can compare the percentages of those who could reasonably be expected to be employed versus our current employment (from Exhibit 3, Job Group Summary), identify problem areas or areas of deficiency, and establish goals to correct the problems.

Steps in Comparison of Incumbency to Availability

I. Identify Availability Factors

The following availability factors are required of federal government contractors for consideration when developing availability estimates for each job group:

A. External Factor: The external requisite skills data comes from the 2010 5-year EEO Tabulation, which is based on the 2006 – 2010 American Community Survey from the U.S. Census Bureau.

1. Local Labor Area: The District's Local Labor Area is 50% Alameda County and 50% Contra Costa County.

2. Reasonable Labor Area: The reasonable recruitment area is defined as the geographical area from which the District usually seeks or reasonably could seek workers to fill the position in question. The reasonable recruitment area varies by job group.

- B. Internal Factor: The percentage of minorities or women among those promotable, transferable, and trainable within the District. Trainable refers to those employees within the District who could, with appropriate training which the District is reasonably able to provide, become promotable or transferable during the AAP year. The internal factors are based on feeder job groups and vary by job group.

II. Identify Final Availability

- A. Assign Internal and External Factor Weights: Weights were assigned to each factor for each job group. A combination of historical data and experience were used to determine the weights; specifically, internal and external job posting trends were used. Weights are never assigned in an effort to hide or reduce problem areas.
- B. Identify Final Availability: Weights were multiplied by the component-specific data to produce weighted data for each component. Weighted data for each component was summed. This produced a final availability estimate for each gender and race/ethnic group, as well as for minorities in the aggregate.⁷

See the *Availability Analysis* at Exhibit 4 for the availability breakdown for each job group.

H. **Placement Goal Analysis**

41 C.F.R. §§ 60-2.15-2.16

Once final availability estimates were made for each job group, the District compared the percentage of incumbents in each job group to their corresponding availability. A comparison was made between the percentage employed as of June 30, 2014, and that group's final availability.

Disclaimer

The establishment of a placement goal does not amount to an admission of impermissible conduct. It is neither a finding of discrimination nor a finding of a lack of good faith affirmative action efforts. Rather, the establishment of a placement goal is designed to be a technical targeting term used exclusively by affirmative action planners who seek to apply good faith efforts to increase in the future the percentage employment of minorities and women in a workforce.

⁷ In most cases, the final availability report (and most other technical reports in this AAP) only includes data/information for females and minorities in the aggregate.

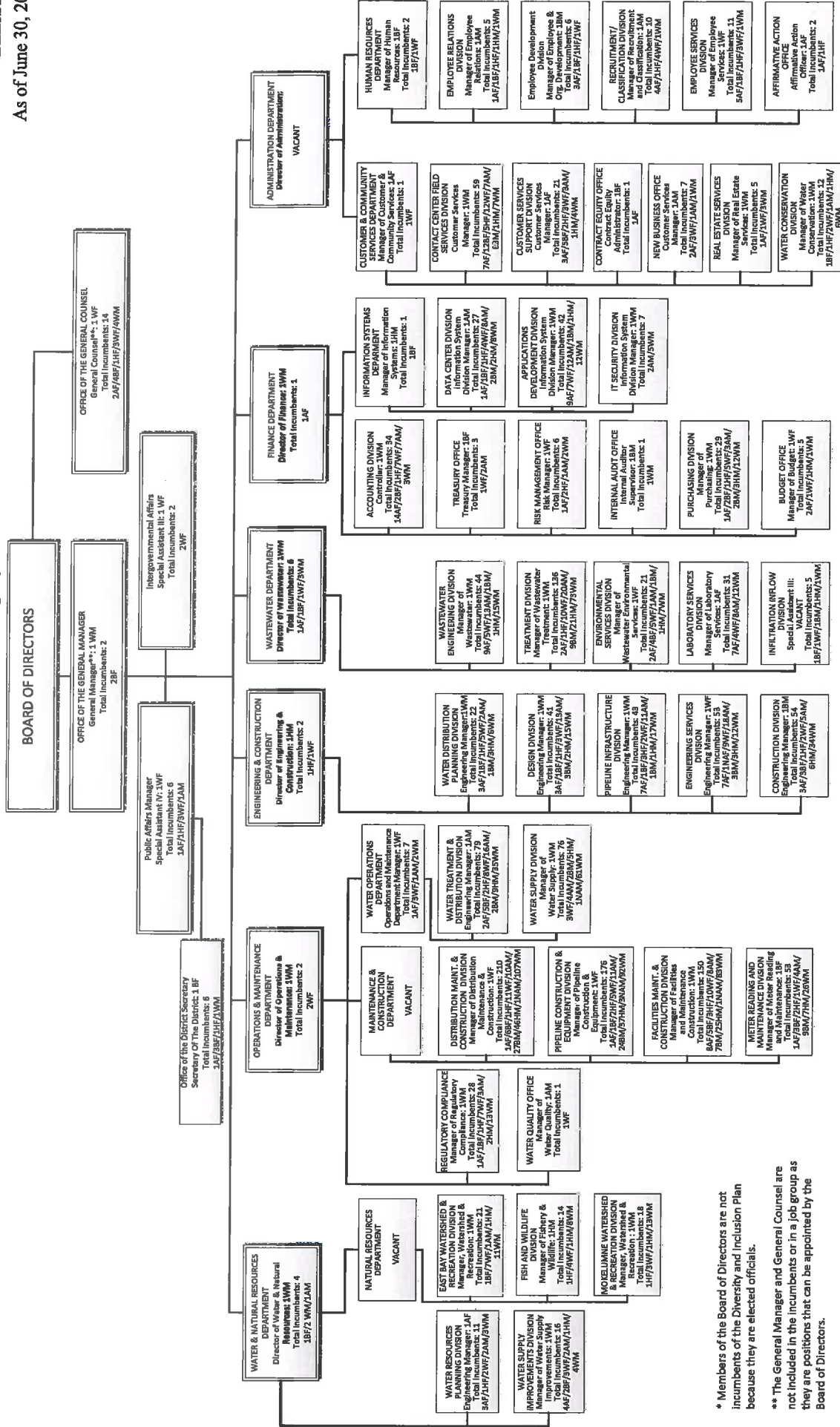
The District has established an annual percentage placement goal whenever it found that minority or female representation within a job group was less than would reasonably be expected given their availability. The District used the Exact Binomial Test to determine placement goals. In each case, the goal was set at the availability figure derived for women and/or minorities, as appropriate for that job group. Goals are not rigid inflexible quotas which must be met, but are instead targets reasonably attainable by means of applying good faith efforts to make the entire AAP work. These goals will be reached primarily through recruiting and advertising to increase the pool of qualified minority and female applicants and through implementation of our action-oriented programs. Selections will occur only from among qualified applicants. Goals do not require the hiring of a person when there are no vacancies or the hiring of a person who is less likely to do well on the job ("less qualified") over a person more likely to do well on the job ("better qualified"), under valid selection procedures. Goals do not require that the District hire a specified number of minorities or women.

See *Placement Goals Analysis* at Exhibit 5 for each job group.

EXHIBITS

Organizational Display

Exhibit 1
As of June 30, 2014



* Members of the Board of Directors are not incumbents of the Diversity and Inclusion Plan because they are elected officials.

** The General Manager and General Counsel are not included in the incumbents or in a job group as they are positions that can be appointed by the Board of Directors.

Job Group Analysis

Exhibit 2

Directors/Managers

Assistant General Counsel	Manager of Employee Relations	Manager of Source Control
Chief Trial Attorney	Manager of Employee Services	Manager of Wastewater Engineering
Controller	Manager of Environmental Compliance	Manager of Wastewater Environmental Svcs.
Customer Services Manager	Manager of Facilities Maint. & Construction	Manager of Wastewater Treatment
Director of Administration	Manager of Fishery & Wildlife	Manager of Water Conservation
Director of Engineering & Construction	Manager of Fleet & Construction Support	Manager of Water Meters
Director of Finance	Manager of Human Resources	Manager of Water Quality
Director of Operations & Maintenance	Manager of Information Systems	Manager of Water Supply
Director, Wastewater	Manager of Laboratory Services	Manager of Water Supply Improvements
Director, Water & Natural Resources	Manager of Meter Reading and Maintenance	Manager of Water System
Engineering Manager	Manager of Natural Resources	Manager of Water Treatment
Environmental Affairs Officer	Manager of Operations/Maintenance Planning	Manager of Watershed & Recreation
Information Systems Division Manager	Manager of Pipeline Construction	Manager of Workplace Health and Safety
Manager of Budget	Manager of Purchasing	Operations and Maint. Department Manager
Manager of Business Continuity	Manager of Real Estate Services	Risk Manager
Manager of Customer & Community Services	Manager of Recruitment & Classification	Secretary of the District
Manager of Customer Services	Manager of Regulatory Compliance	Special Assistant I-V
Manager of Distribution Maintenance & Const.	Manager of Regulatory Planning and Analysis	Treasury Manager
Manager of Employee & Organizational Development	Manager of Security and Emergency Preparedness	

Programmers

Information Services Supervisor
Information Systems Administrator I-II
Information Systems Support Analyst I-II
Network Analyst I-III
Principal Information Systems Analyst
Programmer Analyst I-II
Senior Programmer Analyst
Senior Systems Programmer
Supervising Systems Programmer
Systems Programmer I-II

Analysts

Affirmative Action Officer	Senior Community Affairs Representative
Classification and Pay Administrator	Senior HRIS Analyst
Community Affairs Representative I-II	Senior Human Resources Analyst
Contract Equity Administrator	Senior Public Information Representative
HRIS Analyst I-II	Technical Trainer
Human Resources Analyst I-II	Technical Training & Writing Administrator
Management Analyst I-III	Workers' Comp. Manager & Risk Specialist
Principal Management Analyst	

Job Group Analysis

Exhibit 2

Other Professionals

Accountant I-III	Internal Auditor	Real Estate Representative I-II
Accounting & Financial Systems Analyst	Internal Auditor Supervisor	Security & Emergency Preparedness Spec.
Accounting Systems Supervisor	Junior Water Resources Specialist	Senior Acctng. & Financial Systems Analyst
Assistant Capital Projects Coordinator	Law Clerk	Senior Real Estate Representative
Assistant Planner	Purchasing Contract Supervisor	Supervising Accountant
Assistant Water Resources Specialist	Building Tenant Services Supervisor	Supervisor of Water Conservation
Associate Architect	Buyer I-II	Water Conservation Administrator/Supv.
Associate Planner	Cost Estimator	Water Conservation Representative
Associate Water Resources Specialist	Industrial Water Conservation Representative	Water System Planning Analyst
Attorney I-III		

Science Professionals

Chemist I-II	Quality Assurance Officer	Senior Environmental Health/Safety Spec.
Environmental Health/Safety Specialist I-II	Research Chemist	Senior Microbiologist
Fisheries/Wildlife Biologist I-II	Research Microbiologist	Supervising Microbiologist
Laboratory Supervisor	Senior Chemist	Supervising Fisheries/Wildlife Biologist
Microbiologist I-II		

General Clerical

Account Clerk I-III	Messenger-Mail Clerk	Senior Word Processing Specialist
Administrative Clerk	Senior Administrative Clerk.	Telephone/Radio Operator
Administrative Clerk, Confidential	Senior Administrative Confidential	Word Processing Specialist II
Dispatch/Contact Center Rep.	Senior Messenger-Mail Clerk	

Administrative Assistants

Accounting Technician	Executive Assistant I-II	Paralegal
Administrative Assistant	Human Resources Technician	Public Affairs Specialist
Administrative Secretary I-II	Legal Secretary I-II	Risk Management Assistant
Administrative Secretary I-II, Confidential	Litigation Secretary	Senior Legal Secretary
Administrative Services Supervisor	Office Assistant, General Manager's Office	Supervising Legal Secretary
Assistant To The General Manager		

Customer Services

Customer Services Representative I-III	Meter Reader I-II	Senior Field Services Representative
Customer Services Supervisor	Meter Reading Foreman	Senior New Business Representative
Dispatch/Contact Center Representative	New Business Representative I-II	Water Conservation Technician
Field Services Representative I-II	Senior Customer Services Representative	

Technicians

Computer Operations Supervisor	Fisheries/Wildlife Technician	Printing Technician I-II
Computer Operations Technician	Information Systems Specialist I-III	Senior Facility Technician
Corrosion Control Technician	Materials Inspector	Senior Printing Technician
Electronic Technician	Materials Testing Supervisor	Supervising Information Syst. Supp. Spec.
Fisheries/Wildlife Aide	Materials Testing Technician I-II	

Plant Operators Lead/Supervisors

Assistant Superintendent Aqueduct/Pardee	Power Treatment Plant Maintenance Supt.	Wastewater Operations Coordinator
Assistant Supt., Water Treatment & Dist	Power Plant Supervisor	Wastewater Shift Supervisor
Assistant Wastewater Shift Supervisor	Superintendent of Aqueduct Section	Wastewater Treatment Superintendent
Hydroelectric Power Plant Supervisor	Superintendent of Pardee Section	Water Distribution Supervisor
Pardee Water/Wastewater Supervisor	Superintendent of Water Trtmnt. & Distribution	Water Treatment Supervisor

Plant Operators

Hydroelectric Power Plant Mechanic	Senior Water Treatment Operator	Water Distribution Operator
Hydroelectric Power Plant Operator I-II	Treatment Plant Specialist	Water Treatment Operator
Power Plant Mechanic/Operator	Wastewater Plant Operator I-II	Water Trtmnt/Dist. Operator Trainee
Senior Water Distribution Operator	Wastewater Plant Operator Trainee	

Laboratory and Quality Control Technicians

Laboratory Technician I-III	Supervising Wastewater Control Representative	Wastewater Control Representative
Senior Wastewater Control Inspector	Wastewater Control Inspector I-II	Water Sampler
Supervising Wastewater Control Inspector	Wastewater Control Operator	Water Systems Inspector I-II

Engineers

Assistant Civil Engineer	Associate Civil Engineer	Associate Electrical Engineer
Assistant Electrical Engineer	Associate Control Systems Engineer	Associate Mechanical Engineer
Assistant Mechanical Engineer	Associate Corrosion Control Specialist	Junior Engineer

Supervising Engineers

Senior Civil Engineer	Senior Electrical Engineer	Senior Mechanical Engineer
Senior Control Systems Engineer	Senior Engineering Planner	Supervising Administrative Engineer
Senior Corrosion Control Engineer		

Engineering Technicians

Assistant Surveying Supervisor	Graphic Designer I-II	Senior Pipeline Designer
Chief of Party	Hydrographer I-III	Supervising Construction Inspector
Construction Inspector	Pipeline Designer I-II	Supervising Hydrographer
Drafter I-III	Senior Construction Inspector	Supervising Plant Inspector
Drafting Supervisor	Senior Drafter	Survey Technician I-II
Graphic Design Supervisor	Senior Graphic Designer	Surveying Supervisor

Mechanical Maintenance

Automotive Maintenance Worker I-III	Maintenance Specialist I-III	Meter Mechanic/Backflow Tester
Automotive Mechanic A&B	Maintenance Superintendent	Meter Repair and Testing Supervisor
Equipment Superintendent	Maintenance Supervisor	Plant Maintenance Mechanic
Equipment Supervisor	Mechanical Maintenance Worker I-III	Plant Maintenance Superintendent
General Equipment Mechanic	Mechanical Supervisor	Plant Maintenance Supervisor
Heavy Equipment Maintenance Worker I-III	Meter Mechanic I-II	Plant Maintenance Worker I-III
Heavy Equipment Mechanic	Meter Reader/Mechanic	Plant Mechanical Maintenance Supervisor
Machining Maintenance Worker I-III	Meter Reader/Mechanic Foreman	Senior Mechanic
Maintenance Machinist	Meter Reader & Maintenance Supervisor	Senior Meter Mechanic/Backflow Tester

Job Group Analysis

Exhibit 2

Pipeline Maintenance Lead/Supervisors

Truck Driver II	Maintenance Shift Supervisor
Truck Driver II Trainee	Paving Crew Foreman
Assistant C& M Superintendent	Pipeline Welding Supervisor
Construction & Maintenance Scheduler	Senior Supervisor of Maint. Shift Ops.
Construction & Maintenance Superintendent	Water Distribution Crew Foreman
General Pipe Supervisor	

Pipeline Maintenance

Concrete Finisher I-II
Paving Raker A-B
Pipeline Welder I-III
Water Distribution Plumber I-IV
Utility Laborer

Electrical/Structural Maintenance

Carpenter	Facility Specialist I-II	Maintenance Superintendent
Carpenter Supervisor	Facility Supervisor	Painter
Carpentry Worker I-III	Facility Technician	Painter Foreman
Electrical Supervisor	Instrument Maintenance Supervisor	Painting Worker I-III
Electrical Technician	Instrument Supervisor	Plant Electrical Maintenance Supervisor
Electrical Worker I-III	Instrument Technician	Plant Structures Maintenance Supervisor
Facility Foreman	Instrument Worker I-III	Security Shift Supervisor

Service Maintenance

Automotive Services Attendant I-II	Janitor Foreman	Materials Storage Supervisor
Gardener I-II	Janitor Supervisor	Recreation Area Attendant
Gardener Foreman	Materials Specialist	Storekeeper I-II
Housekeeper	Materials Storage Foreman	Stores Supervisor
Janitor		

Heavy Equipment/Truck Operators

Crane Operator	Heavy Forklift Operator
Dispatcher	Heavy Transport Operator
Heavy Equipment Operator	

Rangers

Ranger Supervisor
Ranger/Naturalist I-II
Senior Ranger/Naturalist

Job Group Summary

Exhibit 3

As of June 30, 2014

Job Group	Total Number Incumbents	Total Number Females	Total Number Minorities	Total Percentage Females	Total Percentage Minorities
Directors/Managers	62	24	19	38.71%	30.65%
Programmers	89	31	53	34.83%	59.55%
Analysts	41	26	19	63.41%	46.34%
Other Professionals	49	23	25	46.94%	51.02%
Science Professionals	39	17	12	43.59%	30.77%
Administrative Assistants	54	51	36	94.44%	66.67%
General Clerical	104	90	63	86.54%	60.58%
Customer Services	94	49	54	52.13%	57.45%
Technicians	23	5	8	21.74%	34.78%
Plant Operators	116	9	46	7.76%	39.66%
Plant Operators Lead/Supervisors	37	5	10	13.51%	27.03%
Laboratory & Quality Control Techs	8	19	20	39.58%	41.67%
Rangers	33	7	4	21.21%	12.12%
Engineers	148	42	83	28.38%	56.08%
Supervising Engineers	36	7	18	19.44%	50.00%
Engineering Technicians	88	12	36	13.64%	40.91%
Pipeline Maintenance	181	3	89	1.66%	49.17%
Heavy Equipment/Truck Operators	84	3	26	3.57%	30.95%
Pipeline Maintenance Lead/Superv.	68	2	33	2.94%	48.53%
Electrical/Structural Maintenance	100	4	22	4.00%	22.00%
Mechanical Maintenance	144	3	47	2.08%	32.64%
Service Maintenance	68	15	41	22.06%	60.29%
Totals	1706	447	764		

Availability Analysis

Exhibit 4

Job Group: Directors/Managers

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	40.2	42.8	30.00	12.1	12.8	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	36.9	22.2	20.0	7.4	4.4	National
Internal Factors:						
Feeders	31.1	46.9	50.00	15.5	23.5	Analysts, Professional, Plant Operators Lead/ Supervisors and Supervising Engineers
Final Availability %			100.00	35.0	40.7	

Job Group: Programmers

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	26.7	50.5	44.30	11.8	22.4	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	23.5	46.5	29.60	6.9	13.8	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	60.9	54.4	26.10	15.9	14.2	Administrative Assistants, General Clerical, Technicians, Laboratory & Quality Control Technicians, Engineering
Final Availability %			100.00	34.6	50.3	

Availability Analysis

Exhibit 4

Job Group: Analysts

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	61.4	47.3	53.40	32.8	25.3	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	60.8	42.5	13.30	8.1	5.7	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	91.8	64.6	33.30	30.6	21.5	Administrative Assistants, General Clerical
Final Availability %			100.00	71.5	52.4	

Job Group: Other Professionals

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	54.5	46.8	55.00	30.0	25.8	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	56.9	46.0	23.60	13.4	10.9	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	55.7	58.0	21.40	11.9	12.4	General Clerical, Customer Service, Engineering
Final Availability %			100.00	55.3	49.0	

Availability Analysis

Exhibit 4

Job Group: Science Professionals

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	47.4	36.1	53.80	25.5	19.4	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	42.7	21.3	23.10	9.9	4.9	Arizona - 20 %, California - 20 %, Nevada - 20 %, Oregon - 20 %, Washington - 20 %
Internal Factors:						
Feeders	55.2	48.0	23.10	12.8	11.1	General Clerical, Laboratory & Quality Control Technicians
Final Availability %			100.00	48.2	35.4	

Job Group: Administrative Assistants

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	86.7	49.0	30.00	26.0	14.7	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	83.6	47.9	20.00	16.7	9.6	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	86.5	60.6	50.00	43.3	30.3	General Clerical
Final Availability %			100.00	86.0	54.6	

Availability Analysis

Exhibit 4

Job Group: General Clerical

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	91.0	49.2	60.0	54.6	29.5	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	89.3	48.7	40.00	35.7	19.5	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	0	0	0	0	0	
Final Availability %			100.00	90.3	49.0	

Job Group: Customer Services

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	56.4	61.5	53.20	30.0	32.7	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	53.8	59.4	22.80	12.3	13.5	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	72.4	58.7	24.00	17.4	14.1	General Clerical, Water Distribution Plumber & Maintenance
Final Availability %			100.00	59.6	60.3	

Availability Analysis

Exhibit 4

Job Group: Technicians

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	35.5	52.8	53.30	18.9	28.1	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	39.1	55.6	35.60	13.9	19.8	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	52.1	57.4	11.10	5.8	6.4	Customer Service
Final Availability %			100.00	38.6	54.3	

Job Group: Plant Operators

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	5.2	32.8	53.80	2.8	17.6	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	4.9	23.4	23.10	1.1	5.4	Arizona - 20 %, California - 20%, Nevada - 20 %, Oregon - 20 %, Washington - 20%
Internal Factors:						
Feeders	25.4	50.1	23.10	5.9	11.6	Customer Service, Mechanical Maintenance, Service Maintenance
Final Availability %			100.00	9.8	34.6	

Availability Analysis

Exhibit 4

Job Group: Plant Operators Lead/Supervisors

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	22.3	52.0	65.00	14.5	33.8	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	18.0	34.8	30.00	5.4	10.4	Arizona - 20 %, California - 20%, Nevada - 20 %, Oregon - 20 %, Washington - 20%
Internal Factors:						
Feeders	11.3	39.9	5.0	0.6	2.0	Plant Operators, Laboratory & Quality Control Technicians
Final Availability %			100.00	20.4	46.2	

Job Group: Laboratory & Quality Control Technicians

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	60.1	49.1	70.00	42.1	34.4	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	56.3	50.7	30.0	16.9	15.2	San Francisco-Oakland-Fremont, CA Metro Area - 100 %
Internal Factors:						
Feeders	0	0	0	0	0	
Final Availability %			100.00	59.0	49.6	

Availability Analysis

Exhibit 4

Job Group: Rangers

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	8.5	78.6	60.00	5.1	47.1	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	20.6	46.6	40.00	8.2	18.6	Arizona - 20 %, California - 20%, Nevada - 20 %, Oregon - 20 %, Washington - 20%
Internal Factors:						
Feeders	0	0	0	0	0	
Final Availability %			100.00	13.3	65.8	

Job Group: Engineers

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	14.6	52.6	63.20	9.2	33.3	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	14.1	45.0	34.10	4.8	15.3	California - 100%
Internal Factors:						
Feeders	13.6	40.9	2.70	0.4	1.1	Engineering Technicians
Final Availability %			100.00	14.4	49.7	

Availability Analysis

Exhibit 4

Job Group: Supervising Engineers

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	15.4	54.5	25.00	3.9	13.6	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	11.9	22.4	15.0	1.8	3.4	National
Internal Factors:						
Feeders	28.4	56.1	60.00	17.0	33.6	Engineering
Final Availability %			100.00	22.7	50.6	

Job Group: Engineering Technicians

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	17.1	42.9	51.40	8.8	22.0	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	17.3	22.3	34.30	5.9	7.7	Arizona - 20 %, California - 20 %, Nevada - 20 %, Oregon - 20 %, Washington - 20 %
Internal Factors:						
Feeders	1.7	49.2	14.3	0.2	7.0	Water Distribution Plumbers & Maintenance
Final Availability %			100.00	15.0	36.7	

Availability Analysis

Exhibit 4

Job Group: Pipeline Maintenance

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	0.9	62.3	63.10	0.6	39.3	San Francisco-Oakland-Fremont, CA Metro Area - 100 %
Reasonable	1.5	60.0	34.00	0.5	20.4	California - 100%
Internal Factors:						
Feeders	22.1	60.3	2.90	0.6	1.7	Service Maintenance
Final Availability %			100.00	1.7	61.5	

Job Group: Heavy Equipment/Truck Operators

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	6.8	76.1	48.50	3.3	36.9	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	4.9	78.7	20.80	1.0	16.4	San Francisco-Oakland-Fremont, CA Metro Area - 100%
Internal Factors:						
Feeders	1.7	49.2	30.70	0.5	15.1	Water Distribution Plumbers & Maintenance
Final Availability %			100.00	4.8	68.3	

Availability Analysis

Exhibit 4

Job Group: Pipeline Maintenance Lead/Supervisors

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	5.6	44.1	8.20	0.5	3.6	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	6.0	43.4	3.50	0.2	1.5	San Francisco-Oakland-Fremont, CA Metro Area - 109%
Internal Factors:						
Feeders	4.8	48.1	88.30	4.1	42.5	Professionals, Water Distribution Plumbers & Maintenance, Heavy Equipment/Truck Operators
Final Availability %			100.00	4.9	47.6	

Job Group: Electrical/Structural Maintenance

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	13.8	54.0	57.30	7.9	30.9	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	16.2	53.9	38.20	6.2	20.6	San Francisco-Oakland-Fremont, CA Metro Area - 109%
Internal Factors:						
Feeders	21.7	34.8	4.50	1.0	1.6	Technicians
Final Availability %			100.00	15.4	53.2	

Availability Analysis

Exhibit 4

Job Group: Mechanical Maintenance

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	4.3	50.1	59.30	2.5	29.7	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	4.3	44.8	32.00	1.4	14.4	San Francisco-Oakland-Fremont, CA Metro Area - 109%
Internal Factors:						
Feeders	4.0	22.0	8.70	0.3	1.9	Electrical/Structural Workers
Final Availability %			100.00	4.4	46.0	

Job Group: Service Maintenance

As of June 30, 2014

Factor	Raw %		Factor Weight	Weighted %		Source
	Female	Minority		Female	Minority	
External Factors:						
Local	29.0	73.8	62.60	18.2	46.2	Alameda, California - 50%, Contra Costa, California - 50%
Reasonable	29.6	75.2	33.70	10.0	25.3	San Francisco-Oakland-Fremont, CA Metro Area - 109%
Internal Factors:						
Feeders	1.7	49.2	3.70	0.1	1.8	Water Distribution Plumbers & Maintenance
Final Availability %			100.00	28.2	73.4	

Placement Goal Analysis

Exhibit 5

As of June 30, 2014

Job Group	Number Of Incumbents	Total Minority		Female		Placement Goal Established? (Yes* / No)	
		Employment %	Availability %	Employment %	Availability %	Minority	Female
Directors/Managers	62	30.65%	40.70%	38.71%	35.00%	NO	NO
Programmers	89	59.55%	50.30%	34.83%	34.60%	NO	NO
Analysts	41	46.34%	52.40%	63.41%	71.50%	NO	NO
Other Professionals	49	51.02%	49.00%	46.94%	55.30%	NO	NO
Science Professionals	39	30.77%	35.40%	43.59%	48.20%	NO	NO
Administrative Assistants	54	66.67%	54.60%	94.44%	86.00%	NO	NO
General Clerical	104	60.58%	49.00%	86.54%	90.30%	NO	NO
Customer Services	94	57.45%	60.30%	52.13%	59.60%	NO	NO

* The establishment of a "Placement Goal" does not amount to an admission of impermissible conduct. It is neither a finding of unlawful discrimination nor a finding of a lack of good faith affirmative action efforts. Nor does the establishment of a Placement Goal permit unlawful discrimination. Rather, the establishment of a "Placement Goal" is a technical targeting term used exclusively by affirmative action planners who seek to apply good faith efforts to increase, in the future, the percentage utilization of minorities and women in a work force.

Placement Goal Analysis

Exhibit 5

As of June 30, 2014

Job Group	Number Of Incumbents	Total Minority		Female		Placement Goal Established? (Yes* / No)	
		Employment %	Availability %	Employment %	Availability %	Minority	Female
Technicians	23	34.78%	54.30%	21.74%	38.60%	NO	NO
Plant Operators	116	39.66%	34.60%	7.76%	9.80%	NO	NO
Plant Operators Lead/Supervisors	37	27.03%	46.20%	13.51%	20.40%	YES	NO
Laboratory & Quality Control	48	41.67%	49.60%	39.58%	59.00%	NO	YES
Rangers	33	12.12%	65.80%	21.21%	13.30%	YES	NO
Engineers	148	56.08%	49.70%	28.38%	14.40%	NO	NO
Supervising Engineers	36	50.00%	50.60%	19.44%	22.70%	NO	NO
Engineering Technicians	88	40.91%	36.70%	13.64%	15.00%	NO	NO

* The establishment of a "Placement Goal" does not amount to an admission of impermissible conduct. It is neither a finding of unlawful discrimination nor a finding of a lack of good faith affirmative action efforts. Nor does the establishment of a Placement Goal permit unlawful discrimination. Rather, the establishment of a "Placement Goal" is a technical targeting term used exclusively by affirmative action planners who seek to apply good faith efforts to increase, in the future, the percentage utilization of minorities and women in a work force.

Placement Goal Analysis

Exhibit 5

As of June 30, 2014

Job Group	Number Of Incumbents	Total Minority		Female		Placement Goal Established? (Yes* / No)	
		Employment %	Availability %	Employment %	Availability %	Minority	Female
Pipeline Maintenance	181	49.17%	61.50%	1.66%	1.70%	YES	NO
Heavy Equipment / Truck Operators	84	30.95%	68.30%	3.57%	4.80%	YES	NO
Pipeline Maint. Lead/Supervisors	68	48.53%	47.60%	2.94%	4.90%	NO	NO
Electrical/Structural Maintenance	100	22.00%	53.10%	4.00%	15.00%	YES	YES
Mechanical Maintenance	144	32.64%	46.00%	2.08%	4.30%	YES	NO
Service Maintenance	68	60.29%	73.40%	22.06%	28.20%	YES	NO

* The establishment of a "Placement Goal" does not amount to an admission of impermissible conduct. It is neither a finding of unlawful discrimination nor a finding of a lack of good faith affirmative action efforts. Nor does the establishment of a Placement Goal permit unlawful discrimination. Rather, the establishment of a "Placement Goal" is a technical targeting term used exclusively by affirmative action planners who seek to apply good faith efforts to increase, in the future, the percentage utilization of minorities and women in a work force.

**VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT AND SECTION
503 OF THE REHABILITATION ACT AFFIRMATIVE ACTION PROGRAM FOR
PROTECTED VETERANS AND INDIVIDUALS WITH DISABILITIES**

EAST BAY MUNICIPAL UTILITY DISTRICT (DISTRICT or EBMUD)

375 11th Street
Oakland, CA 94607

July 1, 2014 – June 30, 2015

Contractor Facility

Dun's # for Water: 05-190-4423

EIN (tax) #: 94-6000590

EEO-4 #: 06505230

NAICS: 2213 Water, Sewage and Other Systems

MSA: 41860 San Francisco-Oakland-Fremont, CA

AA/EEO Contact: Dorian West Blair
Affirmative Action Officer
East Bay Municipal Utility District
PO Box 24055
Oakland, CA 94623-9979
Attn: Affirmative Action Office/MS 601
(510) 287-0710

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A. Policy Statement

41 C.F.R. §§ 60-300.44(a); 60-741.44(a)

It is the policy of the District that equal employment opportunity (EEO) be provided in the employment and advancement for all persons regardless of sex, race, color, ancestry, religious creed, national origin, physical disability, mental disability, medical condition, age, marital status, domestic partnership status, gender, genetic information, gender identity, gender expression, sexual orientation, military or veteran status, or family or medical leave status, at all levels of employment, including the executive level. The District does not and will not discriminate against any applicant or employee regardless of sex, race, color, ancestry, religious creed, national origin, physical disability, mental disability, medical condition, age, marital status, domestic partnership status, gender, genetic information, gender identity, gender expression, sexual orientation, military or veteran status, or family or medical leave status, status to any position for which the applicant or employee is qualified.

In addition, the District is committed to a policy of taking affirmative action to employ and advance in employment qualified protected veteran (Protected Veteran) employees and individuals with disability (IWDs). Such affirmative action shall apply to all employment practices, including, but not limited to hiring, promotion, upgrading, demotion or transfer, recruitment, recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship and on-the-job training. Decisions related to personnel policies and practices shall be made on the basis of an individual's capacity to perform a particular job and the feasibility of any necessary job accommodation. The District will make every effort to provide reasonable accommodations to any physical and mental limitations of IWDs and to disabled Protected Veterans.

Employees and applicants shall not be subjected to harassment, intimidation, threats, coercion or discrimination because they have engaged in or may engage in any activity protected by state, federal or local anti-discrimination laws including the following activities:

- (1) Filing a complaint;
- (2) Assisting or participating in an investigation, compliance evaluation, hearing, or any other activity related to the administration of the affirmative action provisions of the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (VEVRAA) or any other Federal, state or local law requiring equal opportunity for disabled veterans, recently separated veterans, active wartime or campaign badge veterans, or Armed Forces service medal veterans (Protected Veterans) or Section 503 of the Rehabilitation Act of 1973, as amended (Section 503) or any other federal, state or local law requiring equal opportunity for disabled persons;
- (3) Opposing any act or practice made unlawful by VEVRAA or its implementing regulations or any other federal, state or local law requiring equal opportunity for Protected Veterans or section 503 or its implementing regulations or any other federal, state or local law requiring equal opportunity for disabled persons; or

(4) Exercising any other right protected by VEVRAA or Section 503 or their implementing regulations.

District obligations in this area stem from not only adherence to various state and federal regulations, but also from our commitment as an employer in this community to provide job opportunities to all persons regardless of race, religion, color, national origin, sex, age, status as a protected veteran or an individual with disability. The District's EEO policy and affirmative action (AA) obligations include the full support from General Manager, Alexander R. Coate and are set forth in Policy 2.02, Accommodations for Individuals with Disabilities in the Workplace and Policy 2.25, Equal Employment Opportunity and Policy 2.26, Prevention of Sexual Harassment in the Workplace.

The District will also continually design and implement audit and reporting systems that will measure the effectiveness and the compliance of the VEVRAA and Section 503 AA Program (AAP), identify the need for remedial actions, determine if objectives were attained, and determine if opportunities to participate in District-sponsored activities were extended to all employees and applicants.

If you have any questions regarding our EEO, harassment policies or the complaint procedure, you may contact the AA Office. The AAP may be reviewed by making an appointment with the AA Office.

B. Review of Personnel Processes

41 C.F.R. §§ 60-300.44(b); 60-741.44(b)

To ensure that all personnel activities are conducted in a job-related manner which provides and promotes EEO for all known Protected Veterans and employees and applicants with disabilities, reviews are periodically made of the District's examination and selection methods to identify barriers to employment, training, and promotion.

1. The District reviews its recruitment processes before it announces an examination to establish an open and/or internal eligible list for a classification. It ensures there are no barriers to the consideration of Protected Veterans and IWDs. In order to determine whether an individual is qualified for a particular job, a close examination of the content of the job is made, as well as a review of the job qualifications of known Protected Veterans and IWDs, both applicants and employees. In determining the qualifications of a Protected Veteran, consideration is given only to that portion of the military record, including discharge papers, relevant to the job qualifications for which the veteran is being considered.
2. The District ensures that its personnel processes do not stereotype IWDs or Protected Veterans in a manner which limits their access to jobs for which they are qualified.
3. The District ensures that applicants and employees with disabilities have equal access to

its personnel processes, including those implemented through information and communication technologies. The District uses an online application system to accept applications for employment and potential applicants with disabilities either can use the system or can submit an application in a timely manner through alternative means such as paper application.

4. The District provides reasonable accommodations to applicants and employees with disabilities to ensure that EEO is extended in the operation of its personnel processes, unless such accommodations will cause undue hardship to the District.

C. Physical and Mental Qualifications

41 C.F.R. §§ 60-300.44(c); 60-741.44(c)

To ensure that all physical and mental qualifications and requirements of job classifications are job-related and promote EEO for all known Protected Veterans and employees and applicants with qualified disabilities, the District reviews the physical and mental qualifications of a job classification before it announces an examination to establish an open and/or internal eligible list for a classification.

The District's physical and mental job classification requirements are reviewed by the Manager of Recruitment of Classification, the hiring manager and the unions to determine whether or not they are job-related and consistent with business necessity and safe performance on the job.

Schedule for Review: Any previously reviewed classification will be reviewed again if there is a change in working conditions which affects the job's physical or mental requirements (e.g., new requirements, new equipment, etc.) or if a class study is requested.

D. Reasonable Accommodation to Physical and Mental Limitations

41 C.F.R §§ 60-300.44(d); 60-741.44(d)

The District will make every effort to provide reasonable accommodations to physical and mental limitations of applicants and employees with disabilities, or who are disabled veterans. Such reasonable accommodations are explained and documented in District's Procedure 201. The District ensures that qualified applicants and employees with disabilities, who are unable to fully utilize the on-line job application system, are provided equal opportunities to apply and be considered for all jobs.

The District will confidentially review issues of employees to determine whether a reasonable accommodation is needed when: 1) the employee is having significant difficulty with job performance, and 3) it is reasonable to conclude that the problem is related to the known disability.

Employees may also contact the following person at any time to formally request an accommodation:

Name: Roger Wapner
Title: HR Regulatory Coordinator
Phone: (510) 287-0380
Email: rwapner@ebmud.com

E. Harassment

41 C.F.R. §§ 60-300.44(e); 60-741.44(e)

The District has developed and implemented a set of procedures to ensure that its employees with disabilities and Protected Veterans are not harassed due to those conditions. The District's Policy 2.25 on EEO includes a section prohibiting harassment of IWDs or Protected Veterans, and is available for distribution to new as well as to existing employees. The District's Procedure 227 on EEO Discrimination/Harassment Complaints outlines the complaint and investigation process.

F. External Dissemination of Policy, Outreach, and Positive Recruitment

41 C.F.R. §§ 60-300.44(f); 60-741.44(f)

Based upon the District's review of its personnel policies as described in subpart B, the following activities will be implemented or continued to further enhance our AA efforts. All activities are the responsibility of the Affirmative Action Officer, Manager of Recruitment and Classification, and the Contract Equity Administrator.

1. The District will initiate and maintain communication with organizations having special interests in the recruitment of and job accommodations for Protected Veterans and IWDs.
2. The District provides information emphasizing job opportunities for Protected Veterans and IWDs to local educational institutions, public and private.
3. The District informs all recruiting sources of the District's AA policy for Protected Veterans and IWDs.
4. The District lists with the California State Employment Development Department (EDD) all suitable job openings.

The exemptions for posting jobs are when positions are:

- (1) executive and top management positions,
- (2) positions that will be filled from within the contractor's organization,
- (3) and positions lasting three days or less.

This is an on-going activity. A listing of job opportunities reported to the local State

Employment Service Delivery System is kept current.

5. The District sends written notification of the District's AA policy to all subcontractors, vendors, and suppliers requesting appropriate action on their part.
6. The District conducts formal briefing sessions with representatives from recruiting sources. Included as part of the briefing sessions are clear and concise explanations of current and future job openings, position descriptions, worker specifications, explanations of the District's selection process, and recruiting literature. The District arranges for referral of applicants.
7. The District participates in veterans "job fairs."
8. The District grants leaves of absence to employees who participate in honor guards for the funeral of veterans.

G. Internal Dissemination of Policy

41 C.F.R. §§ 60-300.44(g); 60-741.44(g)

In order to gain positive support and understanding for the AAP for Protected Veterans and IWDs the District will implement or continue to implement the following internal dissemination procedures, all of which are the responsibility of the AA Officer and Manager of Employee Relations. The following policies and procedures are designed to foster support and understanding from District's executive staff, management, supervisors, and other employees in an effort to encourage all employees to take the necessary actions to aid the District in meeting its obligations.

1. Discuss Policies 2.02, 2.25, and 2.26 and the AAP in both employee orientation and management training programs.
2. Inform union officials of Policies 2.02, 2.25, and 2.26 and the AAP, and request their cooperation.
3. Include non-discrimination clauses in all union agreements, and review all contractual provisions to ensure they are non-discriminatory.
4. Post Policies 2.02, 2.25, and 2.26 and the AAP policy on District bulletin boards, along with the District's harassment policy which includes protection from harassment on the basis of disability.

H. Audit and Reporting System

41 C.F.R. §§ 60-300.44(h); 60-741.44(h)

The District has developed and currently implements an audit and reporting system that addresses the following:

1. Measures the effectiveness of the District's overall AAP and whether the District is in compliance with specific obligations.
2. Indicates the need for remedial action. Any corrective actions will be the responsibility of the subject matter manager with oversight by the AA Officer and the Manager of HR.
3. Measures the degree to which the District's objectives are being met.
4. Considers whether there are any undue hurdles for Protected Veterans and IWDs regarding District sponsored educational, training, recreational, and social activities. This will also include, but not be limited, to the review of the on-line and electronic application system to determine its accessibility and ensure that procedures to request accommodations are displayed and that individuals with disabilities can readily obtain the reasonable accommodation.

I. Responsibility for Implementation

41 C.F.R. §§ 60-300.44(i); 60-741.44(i)

As part of its efforts to ensure EEO to Protected Veterans and IWDs, the District has designated specific responsibilities to various staff to ensure the AAP focuses on all components of the employment system. To that end, the General Manager, Manager of HR, Affirmative Action Officer, HR Regulatory Coordinator, Risk Manager, and those employed as supervisors and managers have undertaken the responsibilities described below.

Board of Directors (Board)

The seven-member Board, publicly elected pursuant to the MUD Act, is the legislative body of the District and determines all questions of policy. The Board is also responsible for fair and equal treatment at the District. Specifically, Board Members promote diversity and equality in personnel matters consistent with state and federal laws and assist in achieving the equal opportunity objectives of EBMUD. (District Policy 6.04, Ethics Policy of the EBMUD Board of Directors) The Board adopts the VEVRAA and Section 503 AAP annually and EEO policies, Policies 2.02 and 2.25, are updated and presented for adoption by the Board on a prescribed schedule.

General Manager (GM)

The Board appoints a GM to conduct the business affairs of the District, including the administration of the Civil Service System of the District. Accordingly, the District's GM has the overall responsibility to implement the District EEO policy and AAP. The GM has delegated the Civil Service System responsibilities, including the direct responsibility to implement and administer the EEO policy and AAP to the Manager of Human Resources. The Manager of Human Resources has the full support of and access to senior management officials.

Manager of Human Resources (Manager of HR)

The Manager of HR is responsible for overall supervision of the AAP and EEO programs. The Manager of HR has delegated the EEO and AA programs to the Affirmative Action

Officer. The Manager of HR ensures, through the AA Officer and department managers and supervisors, that all relevant policies and procedures are adhered to. Successful implementation of the AAP and EEO Policy is one of the elements considered in evaluating the Manager of HR's effective work performance.

Affirmative Action Officer (AA Officer)

The AA Officer provides leadership and direction in the development, implementation, and evaluation of an effective AA and EEO programs. The AA Officer has the full support of and access to senior management officials. Successful implementation of the AAP and EEO programs are a basis for evaluating the AA Officer's effective work performance. The AA Officer's responsibilities include, but are not limited to, the following:

- Develop and revise EEO policy, procedures, and work rules to enhance EEO and in accordance with federal and state laws. Prepare annual AAP and present findings and recommendations to the Board.
- Identify problem areas and barriers to EEO, and develop strategies and programs with management to address these problems.
- Develop, implement, and maintain audit and reporting systems to measure effectiveness of EEO programs, including those that will indicate the need for remedial action and determine the degree to which goals and objectives have been obtained.
- Conduct periodic audits to ensure that all required posters and the EEO policies and AAP are displayed properly. Conduct audits to ensure that the Invitation to Self-Identify (pre and post offer) for Protected Veterans and IWDs, the District's EEO, and AAP policies are being utilized appropriately and thoroughly communicated.
- Ensure that employees are re-surveyed regarding their disability status every five (5) years and send out reminders to employees, at least once during the five (5) year intervals, that they may voluntarily update their disability status at any time.
- Serve as a liaison between the District and enforcement agencies.
- Keep managers informed of the latest developments in the equal opportunity area.

Human Resources Regulatory Coordinator and Risk Manager

The HR Regulatory Coordinator (HRRC) acts as the District's ADAAA Compliance Officer. The HRRC responds to requests for reasonable accommodation of physical or mental disabilities covered under ADAAA and FEHA. The Risk Manager responds to requests for reasonable accommodations of physical or mental disabilities covered under ADAAA and FEHA when a claim originates with a worker compensation injury.

Managers and Supervisors

Supervisors at all levels act on behalf of the District.

Accordingly, all managers and supervisors have the following AA and EEO program responsibilities:

- Monitor his or her work unit for discriminatory or harassing behavior and take appropriate steps to stop and correct behavior that violates District EEO policy.
- Enforce District EEO policy as well as adhere to it.

- Familiarize himself or herself with the District's policies on discrimination and harassment (Policies 2.25 and 2.26), to incorporate them into his or her own behavior, and to inform employees in the work unit to do the same.
- Be familiar with the EEO Discrimination/ Harassment Complaint Procedure and be ready to assist employees (including those who do not report directly to them) who raised EEO-related complaints.
- Regard all complaints of EEO discrimination or harassment seriously. Managers/supervisors should not ignore or minimize such complaints or otherwise discourage employees from reporting them.
- Participate in and support staff's involvement with AA, EEO and diversity programs and recruitment activities.
- Work with the AA Officer to enhance the effectiveness of the AA and EEO programs and make good faith efforts by considering alternate methods to fill vacant positions in order to create a diverse and qualified candidate pool.
- Consider all qualified candidates for promotion/hire and ensure that all selections are made for valid job-related reasons and without discrimination.

All District Employees

Employees at all levels are responsible for supporting to the District's AA and EEO programs, as may be appropriate in the performance of their official duties, by assuring equal treatment, and equal access to service for all persons with whom they deal.

All District employees are required to adhere to the District's EEO policies and encouraged to make positive contributions to creating an inclusive work environment.

J. Training

41 C.F.R. §§ 60-300.44(j); 60-741.44(j)

The District trains all employees involved in any way with the recruitment, selection, promotion, training, and related processes regarding IWDs or Protected Veterans to ensure commitment to the District's stated AA goals.

K. Data Collection Analysis

41 C.F.R. §§ 60-300.44(k); 60-741.44(k)

The District has adopted the current national percentage of veterans in the civilian labor force of 7.2% as its hiring benchmark for protected veterans. The District will update its hiring benchmark as new data is published and updated via the OFCCP's website. The 7.2% hiring benchmark is applied to each job group within the District.

The District also adopted the current national utilization goal of 7.0% for qualified individuals with disabilities. The District will update its utilization goal as new data becomes available, updated and published. The 7.0% utilization goal is applied to each job group within the District.

Goals and/or benchmarks do not require that the District hire, promote, train, and/or retain a specified number of IWDs and/or Protected Veterans. These goals/benchmarks are not rigid and inflexible quotas which must be met, but are instead targets.

The District is collecting the required data and conducting studies to identify areas of opportunities in the employment of Protected Veterans and IWDs. The District will continue to monitor and update these studies periodically during each AAP year. This year, the District is piloting a veterans' cohort internship for the Water Distribution Plumber I (WDPI) Internship Program. The District believes that veterans have the transferable skills for the WDPI position and is optimistic that they will be successful in the internship and on the exam. The District is looking into other possible employment programs for Protected Veterans and for IWDs.

In each case where the hiring benchmark for Protected Veterans and/or the utilization goal for IWDs are not met, affirmative actions, as appropriate, will be taken consistent with the activities mentioned in subpart F (External Dissemination of Policy and Outreach and Positive Recruitment) and measures described in subpart H (Internal Audit and Reporting) of this AAP.

The VEVRAA Hiring Benchmark Analysis and the 503 Utilization Goals Analysis per job group will be available in next year's AAP.

EAST BAY MUNICIPAL UTILITY DISTRICT

DATE: February 5, 2015
MEMO TO: Board of Directors
FROM: Alexander R. Coate, General Manager *ARC*
SUBJECT: Legislative Report No. 01-15

The following issues are being referred to the Legislative/Human Resources Committee for review and recommendation to the Board of Directors for action, as appropriate.

RECOMMENDED ACTION

Approve positions on the following bills: 1) Sponsor Legislation by Senator Hancock to Eliminate the 2015 Sunset Date on EBMUD's Lien Authority for Delinquent Water and Wastewater Charges, 2) Support AB 1 (Brown) Drought: Local Government: Fines, 3) Support AB 149 (Chavez) Urban Water Management Plans, 4) Support SB 20 (Pavley) Wells: Reports: Public Availability, 5) Support S. 176 (Boxer) Water in the 21st Century Act, and 6) Support H.R. 291 (Napolitano) Water in the 21st Century Act.

STATE LEGISLATION

RECOMMENDED POSITION

**BILL NO. TBD
(Hancock)**

**LEGISLATION TO ELIMINATE THE
2015 SUNSET DATE ON EBMUD'S LIEN
AUTHORITY FOR DELINQUENT WATER
AND WASTEWATER CHARGES**

SPONSOR

Consistent with the State Legislative Initiatives for the 2015 Legislative Year, approved by the Board on November 12, 2014, EBMUD is sponsoring legislation to eliminate the statutory 2015 sunset date on EBMUD's lien authority for delinquent water and wastewater charges. Staff has secured an author, Senator Loni Hancock, for the measure and the measure will be introduced in the coming weeks.

In 2010, EBMUD co-sponsored SB 1035 (Hancock) with Alameda County to provide EBMUD with the authority to impose a lien on properties for delinquent water and wastewater service charges and to collect delinquent charges through county property tax rolls. At the time, EBMUD had a specific barrier in its enabling law (the Municipal Utility District Act) that precluded it from recording a lien on a property for delinquent charges. No other utility is known to have had this specific and controlling barrier in its enabling law.

SB 1035 was enacted into law (Chapter 485 of 2010), however, the lien authority provided by SB 1035 included a sunset date and is effective only until January 1, 2016. The lien authority will be repealed unless a new statute is enacted to delete or extend the sunset date.

The proposed bill will be specific to EBMUD and would amend the Municipal Utility District Act to remove the sunset date in existing law, allowing EBMUD to continue recording a lien on a property for non-payment of water and wastewater charges and collecting delinquent charges through the county property tax rolls.

EBMUD's Lien Program, adopted following the enactment of SB 1035, has improved EBMUD's ability to collect unpaid delinquent charges and compels payment while allowing water service to continue in multi-family buildings. Continuance of the Lien Program serves in the best interest of the customer and EBMUD as a viable alternative to terminating water service to tenants when the property owners or customer of record is unable to pay the delinquent charges and EBMUD recovers the delinquent charges.

Though the measure has not yet been introduced, in order to express EBMUD's sponsorship and support for the bill immediately upon the bill's introduction, staff recommends that the Board adopt a "sponsor" position on the proposed legislation.

There are currently no other entities listed in support or opposition to this legislation.

**AB 1
(Brown)**

**DROUGHT: LOCAL GOVERNMENT:
FINES**

SUPPORT

Existing law regarding water conservation includes various provisions and allows local governments to adopt ordinances restricting watering during times of drought. In addition, the Davis-Stirling Common Interest Development Act governs the regulation of common interest developments (CIDs) and prohibits a CID from imposing a fine or assessment for reducing or eliminating watering of plants or lawns if the governor or local government has declared a drought emergency.

AB 1, as introduced on December 1, 2014, would facilitate conservation during a governor-declared drought emergency by prohibiting a city, county, or city and county from imposing fines on residents for failing to water a lawn or for having a brown lawn.

In January 2014, Governor Brown declared a state of emergency due to drought and called on Californians to reduce their water use by 20 percent. Since that time, California has continued to experience dry conditions, with January 2015 being one of the driest months on record. According to the Association of California Water Agencies, more than 50 percent of residential water use takes place outdoors. One way to conserve water is to reduce outdoor watering.

While current law allows local governments to restrict watering and prohibits a CID from fining a homeowner who chooses to conserve water by reducing his or her watering of their plants or lawns during a state or locally declared drought emergency, Californians who reduce their outdoor water use in an effort to comply with the governor's call to conserve water could be penalized if their lawns are not maintained in accordance with city, county or city and county ordinances. According to the author's office, since the governor's drought declaration residents in multiple cities have reported being fined or having received warnings from their cities for failing to maintain their lawn by not watering it or allowing it to turn brown.

AB 1, if enacted, would help ensure Californians could comply with the governor's request to conserve water as well as any local water provider's water use restrictions without being penalized by a city, county, or city and county for not maintaining their landscaping. With regard to EBMUD, the Board declared a water shortage emergency on August 12, 2014 and is currently asking customers to voluntarily cut back water use by 15 percent. AB 1's objective is consistent with EBMUD's efforts to increase water conservation in its service area and to provide residents and homeowners with options to reduce their water use.

In 2014, EBMUD supported five measures, AB 1636 (Brown), AB 2100 (Campos), AB 2104 (Gonzalez), SB 992 (Nielsen), and SB 1144 (Galgiani), to facilitate outdoor water conservation. AB 1636, which was similar to AB 1, failed to advance out of the legislature. AB 2100 prohibited a CID from penalizing homeowners for reducing or eliminating watering of plants or lawns during a governor or locally declared state of emergency and was signed into law (Chapter 164). AB 2104 precluded a CID from prohibiting the replacement of existing turf with low water-using plants and was signed into law (Chapter 421). SB 992 was similar to AB 2100 and, among other things, prohibited CIDs from imposing a fine or assessment for reducing or eliminating watering of plants and lawns if the governor has declared a drought emergency. SB 992 was signed into law (Chapter 434). SB 1144 would have prohibited CIDs from imposing a fine or assessment for yard maintenance issues related to under-watered plants and lawns if the governor has declared a drought emergency. SB 1144 failed to advance out of the legislature.

There are currently no entities listed in support or opposition to AB 1.

AB 149
(Chavez)

URBAN WATER MANAGEMENT
PLANS

SUPPORT

Existing law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan (UWMP) and to update its UWMP at least once every five years on or before December 31 in years ending in zero and five. UWMPs include, among other things, a description of the supplier's service area, the identity and quantity of water resources, and water use projections. Urban water suppliers must submit copies of these plans to the Department of Water Resources (DWR) and DWR is required to submit to the legislature, on

or before December 31 in the years ending in one and six, a report summarizing the status of UWMPs.

AB 149 (Chavez) as introduced on January 15, 2015, would permanently change the adoption dates for UWMPs to December 31 of years ending in one and six, rather than years ending in zero and five. The bill would also change the dates that DWR must submit its report to the Legislature to years ending in two and seven, rather than one and six.

As part of the 2015 UWMP, urban water suppliers are required to provide an interim report on their progress in reducing their per capita water use by 20 percent by the year 2020. However, with a December 31, 2015 submittal due date, it would not be possible for urban water suppliers to include water usage data for the entirety of 2015 in the UWMP. To ensure that the interim water use target reporting could be fully included in the 2015 UWMP, AB 2067 (Weber), which EBMUD supported, was passed in 2014, to, among other things, delay the due date for the 2015 UWMPs from December 31, 2015 to July 1, 2016 to allow water suppliers more time to gather and process data for inclusion.

However, AB 2067 did not change the due dates for subsequent UWMPs and there will be a similar issue with providing complete water use target reporting data in the 2020 UWMP, and possibly future UWMPs, unless the deadline is changed. In addition, as the decennial U.S. Census is conducted in years ending in zero, the current deadline for adoption of UWMPs in years ending in zero will not allow adequate opportunity to include comprehensive census data in those UWMPs.

As part of its long range planning, and in accordance with state law, EBMUD prepares and adopts UWMPs. The last UWMP was adopted by the Board on June 28, 2011. EBMUD staff is in the process of preparing the 2015 UWMP in order to meet the July 1, 2016 submittal date requirement. By changing the submittal dates for future UWMPs, AB 149 would assist urban water suppliers, including EBMUD, whose customers are ahead of schedule in meeting the 20 percent reduction goal in per capita water use by 2020, in reporting on interim progress towards meeting water use efficiency goals by 2020 and including comprehensive census data in their UWMPs.

EBMUD has previously supported legislation intended to promote urban water conservation and facilitate reporting of water conservation measures in UWMPs. In 2014, EBMUD supported three measures to implement recommendations from the DWR Independent Technical Panel on Demand Management Measures. AB 2067 (Weber), which delayed the 2015 UWMP submittal deadline and updated the demand management measurement requirements, was signed into law (Chapter 463). SB 1036 (Pavley) authorized the optional inclusion of energy-related information in UWMPs. SB 1036 was signed into law (Chapter 485). SB 1420 (Wolk), which required reporting of distribution system water loss and allowed reporting of projected future water savings from compliance with local codes and standards, was also signed into law (Chapter 490).

There are currently no entities listed in support or opposition to AB 149.

SB 20 WELLS: REPORTS: PUBLIC AVAILABILITY SUPPORT
(Pavley)

Existing law requires a person who installs a water well, cathodic protection well, or a monitoring well, or abandons, destroys, deepens, or re-perforates a well, to file a report of completion with the Department of Water Resources (DWR). Existing law prohibits these well completion reports from being made available to the public, except under certain circumstances.

SB 20 (Pavley) would require DWR to make well completion reports available to the public upon request and would require DWR to provide specified disclaimers when providing the reports.

Well completion reports include information on the well location, depth of the well, geology of the surrounding soils, and depth of the groundwater table. This information is useful to groundwater managers, consulting hydrologists, academics, and others interested in and conducting studies on the geologic, hydrologic, and water quality characteristics of groundwater basins, earthquake risk assessments, and other geologic hazards.

Well completion reports can also be used to construct detailed underground aquifer maps used to determine possible locations for efficient and effective groundwater banking, to identify key recharge areas, and to better protect and improve groundwater quality. This information is central to developing and implementing groundwater management plans.

Local groundwater resources are a key component of EBMUD's future supplemental water supply strategy. EBMUD led the effort to develop the South East Bay Plain Basin Groundwater Management Plan to safeguard this valuable basin that underlies a portion of EBMUD's service territory. Within the South East Bay Plain Basin, EBMUD has constructed the first phase of the Bayside Groundwater Project which will provide much needed drought supplies to EBMUD customers by storing wet year water underground for use in dry years.

SB 20's requirement that well completion reports be made available to the public would benefit EBMUD and others involved in groundwater management planning by reducing costs associated with groundwater management planning. The detailed information in existing well completion reports would enable groundwater management planners to focus their exploration efforts on those areas where data is lacking and reduce the cost to obtain groundwater-related information for those areas with pre-existing wells. SB 20's objective to increase transparency is consistent with EBMUD's current practices of making its well completion information public by including it in the relevant environmental impact reports and providing the information to interested parties upon request.

EBMUD has previously supported measures to facilitate groundwater management. EBMUD's Board previously adopted a "support" position on a substantially similar measure, SB 1146 (Pavley) in 2012. SB 1146 failed to advance out of the legislature. In 2014, EBMUD supported AB 1739 (Dickinson) and SB 1168 (Pavley), companion measures to enact the Sustainable Groundwater Management Act to require local management of groundwater resources and allow for state intervention where local management is deemed to be inadequate. Both measures were signed into law (Chapter 347 and Chapter 346, respectively).

There are currently no entities listed in support or opposition to SB 20.

FEDERAL LEGISLATION

S. 176 (Boxer) H.R. 291 (Napolitano)	WATER IN THE 21ST CENTURY ACT	SUPPORT
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In 2006, the U.S. Environmental Protection Agency (EPA) initiated a "WaterSense" voluntary labeling program to recognize water-using products that are 20 percent more water-efficient and perform as well or better than standard products. According to the WaterSense website, the program's goal is to decrease indoor and outdoor nonagricultural water use through more efficient products, equipment and programs. Since the program's inception, WaterSense product recognition has been awarded to high-efficiency toilets, urinals, bathroom sink faucets, showerheads, landscape irrigation controllers, and new homes.

S. 176 (Boxer) and H.R. 291 (Napolitano) are substantially similar to S. 2771 (Boxer) and H.R. 5363 (Napolitano), which the Board adopted "support" positions on in 2014, and are identical companion measures known as the Water in the 21st Century Act (Act). The Act would primarily do five things: (1) strengthen the WaterSense program by providing funding for the program; (2) create a new competitive grant program within EPA to assist water and wastewater systems with climate change mitigation efforts such as projects to conserve water, increase water efficiency or reuse, and modify or move infrastructure; (3) provide loans, loan guarantees, and grants to help support projects on a regional scale such as projects related to water recycling, groundwater management, water storage and water conveyance infrastructure; (4) support water-use efficiency and desalination research by reauthorizing the Water Resources Research Act and the Water Desalination Act through 2020; and (5) authorize funding for water research institutes.

The WaterSense funding is of particular interest to EBMUD. Similar to S. 2771 and H.R. 5363 from 2014, which EBMUD supported and which would have provided funding and institutional recognition for the WaterSense program, the Act contains authorizations for the WaterSense program of \$100 million, \$150 million, \$200 million, \$150 million, and \$100 million for the years 2015, 2016, 2017, 2018, and 2019, respectively. This funding would be provided to cover

up to 50 percent of the costs of state and local programs that provide financial incentives for consumer purchases and installation of water-efficient products, buildings, or landscapes. Entities that would be eligible to receive this funding are the state government, local or county governments, tribal governments, wastewater or sewage utilities, municipal water authorities, energy utilities, water utilities, or nonprofit organizations. Under the provisions of this measure, EBMUD would be considered an eligible entity for this funding.

EBMUD provides incentives to its residential customers for the installation of water saving devices such as high-efficiency toilets and water-efficient clothes washers. The Act would promote water conservation by providing federal support for water conservation incentive programs, such as the ones operated by EBMUD.

In addition, the Act seeks to provide additional funding support for climate change mitigation projects, such as water conservation, water-use efficiency, and water recycling projects through a new competitive grant program, though authorized funding levels are not specified. The Act would also provide funding support for local investments in regional projects, such as water recycling, desalination, and groundwater management, through a loan and loan guarantee program as well as a grant program. The Act would authorize \$500 million for the loan and loan guarantee program, \$100 million annually from fiscal year 2015 through fiscal year 2019, and would authorize \$700 million, an increase from \$150 million in S. 2771 and H.R. 5363, for the grant program. EBMUD would potentially be eligible to compete for funding under these provisions.

Support of S. 176 and H.R. 291 is consistent with EBMUD's support for S. 2771 and H.R. 5363 in 2014, as well as EBMUD's efforts to encourage water conservation and water recycling and EBMUD's 2015 federal initiatives to seek federal funding opportunities. Both S. 2771 and H.R. 5363 failed to advance out of congress. EBMUD also supported three prior measures, which were identical to each other, which would have provided funding for the WaterSense program, H.R. 123 (Holt, Miller) in 2013, H.R. 1967 (Holt, Miller) in 2011 and H.R.2368 (Holt, Miller) in 2009. Each of these measures failed to advance out of congress.

A current list of support and opposition to S. 176 and H.R. 291 is not available.

ARC:MD:JF

ASSEMBLY BILL

No. 1

Introduced by Assembly Member Brown

December 1, 2014

An act to add Section 8627.7 to the Government Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 1, as introduced, Brown. Drought: local governments: fines.

The California Constitution requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that the waste or unreasonable use or unreasonable method of use of water be prevented. Existing law, the California Emergency Services Act, sets forth the emergency powers of the Governor under its provisions and empowers the Governor to proclaim a state of emergency for certain conditions, including drought.

This bill would prohibit a city, county, or city and county from imposing a fine under any local maintenance ordinance or other relevant ordinance for a failure to water a lawn or having a brown lawn during a period for which the Governor has issued a proclamation of a state of emergency based on drought conditions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares that this act
- 2 is in furtherance of the policy contained in Section 2 of Article X
- 3 of the California Constitution and is a matter of statewide concern.

1 SEC. 2. Section 8627.7 is added to the Government Code, to
2 read:

3 8627.7. (a) During a period for which the Governor has issued
4 a proclamation of a state of emergency under this chapter based
5 on drought conditions, a city, county, or city and county shall not
6 impose a fine under any local maintenance ordinance or other
7 relevant ordinance for a failure to water a lawn or for having a
8 brown lawn.

9 (b) A violation of this section is not subject to the criminal
10 penalties set forth in Section 8665.

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ASSEMBLY BILL

No. 149

Introduced by Assembly Member Chávez

January 15, 2015

An act to amend Section 10644 of, and to amend, repeal, and add Section 10621 of, the Water Code, relating to water management.

LEGISLATIVE COUNSEL'S DIGEST

AB 149, as introduced, Chávez. Urban water management plans.

Existing law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan and to update its plan once every 5 years on or before December 31 in years ending in 5 and zero, except as specified. The act requires an urban water supplier to submit to the Department of Water Resources a copy of its plan and requires the department to prepare and submit to the Legislature, on or before December 31, in the years ending in 6 and 1, a report summarizing the status of plans adopted pursuant to the act.

This bill, commencing January 1, 2017, would instead require an urban water supplier to update its plan at least once every 5 years on or before December 31 in years ending in 6 and one. The bill would instead require the department to submit its report to the Legislature, on or before December 31, in years ending in 7 and two.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 10621 of the Water Code is amended to
2 read:

3 10621. (a) Each urban water supplier shall update its plan at
4 least once every five years on or before December 31, in years
5 ending in five and zero, except as provided in subdivision (d).

6 (b) Every urban water supplier required to prepare a plan
7 pursuant to this part shall, at least 60 days before the public hearing
8 on the plan required by Section 10642, notify any city or county
9 within which the supplier provides water supplies that the urban
10 water supplier will be reviewing the plan and considering
11 amendments or changes to the plan. The urban water supplier may
12 consult with, and obtain comments from, any city or county that
13 receives notice pursuant to this subdivision.

14 (c) The amendments to, or changes in, the plan shall be adopted
15 and filed in the manner set forth in Article 3 (commencing with
16 Section 10640).

17 (d) Each urban water supplier shall update and submit its 2015
18 plan to the department by July 1, 2016.

19 (e) *This section shall remain in effect only until December 31,*
20 *2016 and as of that date is repealed.*

21 SEC. 2. Section 10621 is added to the Water Code, to read:

22 10621. (a) Each urban water supplier shall update its plan at
23 least once every five years on or before December 31, in years
24 ending in six and one.

25 (b) Every urban water supplier required to prepare a plan
26 pursuant to this part shall, at least 60 days before the public hearing
27 on the plan required by Section 10642, notify any city or county
28 within which the supplier provides water supplies that the urban
29 water supplier will be reviewing the plan and considering
30 amendments or changes to the plan. The urban water supplier may
31 consult with, and obtain comments from, any city or county that
32 receives notice pursuant to this subdivision.

33 (c) The amendments to, or changes in, the plan shall be adopted
34 and filed in the manner set forth in Article 3 (commencing with
35 Section 10640).

36 (d) This section shall become operative on January 1, 2017.

37 SEC. 3. Section 10644 of the Water Code is amended to read:

1 10644. (a) (1) An urban water supplier shall submit to the
2 department, the California State Library, and any city or county
3 within which the supplier provides water supplies a copy of its
4 plan no later than 30 days after adoption. Copies of amendments
5 or changes to the plans shall be submitted to the department, the
6 California State Library, and any city or county within which the
7 supplier provides water supplies within 30 days after adoption.

8 (2) The plan, or amendments to the plan, submitted to the
9 department pursuant to paragraph (1) shall be submitted
10 electronically and shall include any standardized forms, tables, or
11 displays specified by the department.

12 (b) (1) Notwithstanding Section 10231.5 of the Government
13 Code, the department shall prepare and submit to the Legislature,
14 on or before December 31, in the years ending in ~~six~~ *seven* and
15 ~~one~~ *two*, a report summarizing the status of the plans adopted
16 pursuant to this part. The report prepared by the department shall
17 identify the exemplary elements of the individual plans. The
18 department shall provide a copy of the report to each urban water
19 supplier that has submitted its plan to the department. The
20 department shall also prepare reports and provide data for any
21 legislative hearings designed to consider the effectiveness of plans
22 submitted pursuant to this part.

23 (2) A report to be submitted pursuant to paragraph (1) shall be
24 submitted in compliance with Section 9795 of the Government
25 Code.

26 (c) (1) For the purpose of identifying the exemplary elements
27 of the individual plans, the department shall identify in the report
28 water demand management measures adopted and implemented
29 by specific urban water suppliers, and identified pursuant to Section
30 10631, that achieve water savings significantly above the levels
31 established by the department to meet the requirements of Section
32 10631.5.

33 (2) The department shall distribute to the panel convened
34 pursuant to Section 10631.7 the results achieved by the
35 implementation of those water demand management measures
36 described in paragraph (1).

- 1 (3) The department shall make available to the public the
- 2 standard the department will use to identify exemplary water
- 3 demand management measures.

O

Introduced by Senator Pavley

December 1, 2014

An act to repeal and add Section 13752 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 20, as introduced, Pavley. Wells: reports: public availability.

Existing law requires a person who digs, bores, or drills a water well, cathodic protection well, or a monitoring well, or abandons or destroys a well, or deepens or reperforates a well, to file a report of completion with the Department of Water Resources. Existing law prohibits those reports from being made available to the public, except under certain circumstances.

This bill would instead require the department to, upon request, make the reports available to the public. The bill would require the department to provide specified disclaimers when providing the reports to the public. The bill would authorize the department to charge a fee for the provision of a report to recover the department's costs, that does not exceed the reasonable costs to the department of providing the report. The bill would require the release of a report to comply with the Information Practices Act of 1977 and would require the department to redact from the report specified information pertaining to the well owner. The bill would require a person who requests a report to provide his or her name, address, identification number from a government-issued source, as provided, and reason for making the request.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 13752 of the Water Code is repealed.

2 ~~13752. Reports made in accordance with paragraph (1) of~~
3 ~~subdivision (b) of Section 13751 shall not be made available for~~
4 ~~inspection by the public, but shall be made available to~~
5 ~~governmental agencies for use in making studies, or to any person~~
6 ~~who obtains a written authorization from the owner of the well.~~
7 ~~However, a report associated with a well located within two miles~~
8 ~~of an area affected or potentially affected by a known unauthorized~~
9 ~~release of a contaminant shall be made available to any person~~
10 ~~performing an environmental cleanup study associated with the~~
11 ~~unauthorized release, if the study is conducted under the order of~~
12 ~~a regulatory agency. A report released to a person conducting an~~
13 ~~environmental cleanup study shall not be used for any purpose~~
14 ~~other than for the purpose of conducting the study.~~

15 SEC. 2. Section 13752 is added to the Water Code, to read:

16 13752. (a) Upon request, the department shall make available
17 to the public a report made in accordance with paragraph (1) of
18 subdivision (b) of Section 13751.

19 (b) When providing a report to the public pursuant to subdivision
20 (a), the department shall also provide a statement that includes all
21 of the following:

22 (1) The information provided in a report varies in accuracy,
23 scale, origin, and completeness.

24 (2) The information is provided without warranty of the
25 suitability of the information for any particular purpose.

26 (3) Use of the information in the report may require professional
27 interpretation or judgment.

28 (4) Any use of the information provided in a report is at the
29 user's own risk.

30 (c) (1) The department may charge a fee for the provision of a
31 report to recover the department's costs, that does not exceed the
32 reasonable costs to the department of providing the report pursuant
33 to this section. These costs may include the costs of promulgating
34 regulations to implement this section.

35 (2) The release of a report in possession of the department shall
36 comply with the Information Practices Act of 1977 (Chapter 1
37 (commencing with Section 1798) of Title 1.8 of Part 4 of Division
38 3 of the Civil Code).

1 (3) Prior to releasing a report pursuant to this section, the
2 department shall redact from the report the name and address of
3 the well owner.

4 (d) (1) A person making a request pursuant to subdivision (a)
5 shall, on a form provided by the department, provide his or her
6 name, address, identification number from an identification card
7 issued pursuant to Section 13000 of the Vehicle Code, driver's
8 license, or passport, and reason for making the request.

9 (2) The department shall maintain copies of the forms submitted
10 pursuant to paragraph (1) for five years.

114TH CONGRESS
1ST SESSION

S. 176

To advance integrated water management and development through innovation, resiliency, conservation, and efficiency in the 21st century, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 13, 2015

Mrs. BOXER introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

To advance integrated water management and development through innovation, resiliency, conservation, and efficiency in the 21st century, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Water in the 21st Century Act” or “W21”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definition of Administrator.

TITLE I—CONSERVATION AND EFFICIENCY

Sec. 101. Water efficiency, conservation, and adaptation.

TITLE II—RECYCLING, STORAGE, AND INTEGRATED WATER
MANAGEMENT

Sec. 201. Definitions.

Subtitle A—Innovative Financing

- Sec. 211. Purposes.
- Sec. 212. Authority to provide assistance.
- Sec. 213. Applications.
- Sec. 214. Eligibility for assistance.
- Sec. 215. Determination of eligibility and project selection.
- Sec. 216. Secured loans.
- Sec. 217. Program administration.
- Sec. 218. State and local permits.
- Sec. 219. Regulations.
- Sec. 220. Funding.
- Sec. 221. Report to Congress.

Subtitle B—Integrated Regional Water Management, Reclamation, and
Recycling Projects

- Sec. 231. Water storage projects.
- Sec. 232. Authorization of appropriations.

Subtitle C—Title Transfers

- Sec. 241. Authorization to transfer title.

TITLE III—INNOVATION THROUGH RESEARCH, DATA, AND
TECHNOLOGY

- Sec. 301. Open water data system.
- Sec. 302. Water Resources Research Act amendments.
- Sec. 303. Reauthorization of Water Desalination Act of 1996.
- Sec. 304. Review of reservoir operations.

TITLE IV—DROUGHT PREPAREDNESS AND RESILIENCE

- Sec. 401. National drought resilience guidelines.
- Sec. 402. Drought preparedness for fisheries.

1 SEC. 2. DEFINITION OF ADMINISTRATOR.

2 In this Act, the term “Administrator” means the Ad-
3 ministrator of the Environmental Protection Agency.

1 **TITLE I—CONSERVATION AND**
2 **EFFICIENCY**

3 **SEC. 101. WATER EFFICIENCY, CONSERVATION, AND ADAP-**
4 **TATION.**

5 (a) **WATERSENSE.**—

6 (1) **IN GENERAL.**—There is established within
7 the Environmental Protection Agency a WaterSense
8 program to identify and promote water efficient
9 products, buildings, landscapes, facilities, processes,
10 and services so as—

11 (A) to reduce water use;

12 (B) to reduce the strain on water, waste-
13 water, and stormwater infrastructure;

14 (C) to conserve energy used to pump, heat,
15 transport, and treat water; and

16 (D) to preserve water resources for future
17 generations, through voluntary labeling of, or
18 other forms of communications about, products,
19 buildings, landscapes, facilities, processes, and
20 services that meet the highest water efficiency
21 and performance criteria.

22 (2) **DUTIES.**—The Administrator shall—

23 (A) establish—

24 (i) a WaterSense label to be used for
25 certain items; and

1 (ii) the procedure by which an item
2 may be certified to display the WaterSense
3 label;

4 (B) promote WaterSense-labeled products,
5 buildings, landscapes, facilities, processes, and
6 services in the marketplace as the preferred
7 technologies and services for—

8 (i) reducing water use; and

9 (ii) ensuring product and service per-
10 formance;

11 (C) work to enhance public awareness of
12 the WaterSense label through public outreach,
13 education, and other means;

14 (D) preserve the integrity of the
15 WaterSense label by—

16 (i) establishing and maintaining per-
17 formance criteria so that products, build-
18 ings, landscapes, facilities, processes, and
19 services labeled with the WaterSense label
20 perform as well or better than less water-
21 efficient counterparts;

22 (ii) overseeing WaterSense certifi-
23 cations made by third parties;

24 (iii) conducting reviews of the use of
25 the WaterSense label in the marketplace

1 and taking corrective action in any case in
2 which misuse of the label is identified; and

3 (iv) carrying out such other measures
4 as the Administrator determines to be ap-
5 propriate;

6 (E) regularly review and, if appropriate,
7 update WaterSense criteria for categories of
8 products, buildings, landscapes, facilities, proc-
9 esses, and services, at least once every 6 years;

10 (F) to the maximum extent practicable,
11 regularly estimate and make available to the
12 public the production and relative market
13 shares of, and the savings of water, energy, and
14 capital costs of water, wastewater, and storm-
15 water infrastructure attributable to the use of
16 WaterSense-labeled products, buildings, land-
17 scapes, facilities, processes, and services, at
18 least annually;

19 (G) solicit comments from interested par-
20 ties and the public prior to establishing or re-
21 vising a WaterSense category, specification, in-
22 stallation criterion, or other criterion;

23 (H) provide reasonable notice to interested
24 parties and the public of any changes (including
25 effective dates), on the adoption of a new or re-

vised category, specification, installation criterion, or other criterion, along with—

(i) an explanation of the changes; and

(ii) as appropriate, responses to comments submitted by interested parties and the public;

(I) provide appropriate lead time (as determined by the Administrator) prior to the applicable effective date for a new or significant revision to a category, specification, installation criterion, or other criterion, taking into account the timing requirements of the manufacturing, marketing, training, and distribution process for the specific product, building and landscape, or service category addressed;

(J) identify and, if appropriate, implement other voluntary approaches in commercial, institutional, residential, industrial, and municipal sectors to encourage recycling and reuse technologies to improve water efficiency or lower water use; and

(K) if appropriate, authorize the WaterSense label for use on products that are labeled by the Energy Star program implemented by the Administrator and the Secretary of Energy.

1 (3) AUTHORIZATION OF APPROPRIATIONS.—

2 There are authorized to be appropriated to carry out
3 this section—

4 (A) \$5,000,000 for fiscal year 2015;

5 (B) \$10,000,000 for fiscal year 2016;

6 (C) \$15,000,000 for fiscal year 2017;

7 (D) \$20,000,000 for fiscal year 2018; and

8 (E) for each subsequent fiscal year, the ap-
9 plicable amount for the preceding fiscal year, as
10 adjusted to reflect changes for the 12-month
11 period ending the preceding November 30 in
12 the Consumer Price Index for All Urban Con-
13 sumers published by the Bureau of Labor Sta-
14 tistics of the Department of Labor.

15 (b) STATE WATER EFFICIENCY AND CONSERVATION
16 INCENTIVES PROGRAM.—

17 (1) DEFINITIONS.—In this subsection:

18 (A) ELIGIBLE ENTITY.—The term “eligible
19 entity” means a State government, local or
20 county government, tribal government, waste-
21 water or sewerage utility, municipal water au-
22 thority, energy utility, water utility, or non-
23 profit organization that meets the requirements
24 of paragraph (2).

(B) INCENTIVE PROGRAM.—The term “incentive program” means a program for administering financial incentives for consumer purchase and installation of water-efficient products, buildings (including new water-efficient homes), landscapes, processes, or services described in paragraph (2)(A).

(C) WATER-EFFICIENT PRODUCT, BUILDING, LANDSCAPE, PROCESS, OR SERVICE.—

(i) IN GENERAL.—The term “water-efficient product, building, landscape, process, or service” means a product, building, landscape, process, or service for a residence or a commercial or institutional building, or the landscape of a residence or commercial or institutional building, that is rated for water efficiency and performance—

(I) by the WaterSense program;

or

(II) if a WaterSense specification does not exist, by the Energy Star program or an incentive program approved by the Administrator.

(ii) INCLUSIONS.—The term “water-efficient product, building, landscape, process, or service” includes—

(I) faucets;

(II) irrigation technologies and services;

(III) point-of-use water treatment devices;

(IV) reuse and recycling technologies;

(V) toilets;

(VI) clothes washers;

(VII) dishwashers;

(VIII) showerheads;

(IX) xeriscaping and other landscape conversions that replace irrigated turf;

(X) new water efficient homes certified under the WaterSense program;

(XI) green stormwater installations such as permeable pavement, rain gardens, rain barrels, and green roofs;

1 (XII) composting solutions com-
2 plementary to water use and water
3 quality; and

4 (XIII) other water-efficient prod-
5 ucts, services, processes, or behavioral
6 water efficiency solutions that address
7 the objectives of the WaterSense pro-
8 gram.

9 (D) WATERSENSE PROGRAM.—The term
10 “WaterSense program” means the program es-
11 tablished by subsection (a).

12 (2) ELIGIBLE ENTITIES.—An entity shall be eli-
13 gible to receive an allocation under paragraph (3) if
14 the entity—

15 (A) establishes (or has established) an in-
16 centive program to provide financial incentives
17 to residential, commercial, and institutional
18 consumers for the purchase of water-efficient
19 products, buildings, landscapes, processes, or
20 services;

21 (B) submits an application for the alloca-
22 tion at such time, in such form, and containing
23 such information as the Administrator may re-
24 quire; and

1 (C) provides assurances satisfactory to the
2 Administrator that the entity will use the allo-
3 cation to supplement, but not supplant, non-
4 Federal funds made available to carry out the
5 incentive program.

6 (3) AMOUNT OF ALLOCATIONS.—For each fiscal
7 year, the Administrator shall determine the amount
8 to allocate to each eligible entity to carry out para-
9 graph (4), taking into consideration—

10 (A) the population served by the eligible
11 entity during the most recent calendar year for
12 which data are available;

13 (B) the targeted population of the incen-
14 tive program of the eligible entity, such as gen-
15 eral households, low-income households, or first-
16 time homeowners, and the probable effective-
17 ness of the incentive program for that popu-
18 lation;

19 (C) for existing programs, the effectiveness
20 of the program in encouraging the adoption of
21 water-efficient products, buildings, landscapes,
22 facilities, processes, and services;

23 (D) any allocation to the eligible entity for
24 a preceding fiscal year that remains unused;
25 and

1 (E) the per capita water demand of the
2 population served by the eligible entity during
3 the most recent calendar year for which data
4 are available and the availability or reliability of
5 water supplies to the eligible entity.

6 (4) USE OF ALLOCATED FUNDS.—Funds allo-
7 cated to an eligible entity under paragraph (3) may
8 be used to pay up to 50 percent of the cost of estab-
9 lishing and carrying out an incentive program.

10 (5) ISSUANCE OF INCENTIVES.—

11 (A) IN GENERAL.—Financial incentives
12 may be provided to residential, commercial, and
13 institutional consumers that meet the require-
14 ments of the applicable incentive program.

15 (B) MANNER OF ISSUANCE.—An eligible
16 entity may—

17 (i) issue all financial incentives di-
18 rectly to residential, commercial, and insti-
19 tutional consumers; or

20 (ii) with approval of the Adminis-
21 trator, delegate all or part of financial in-
22 centive administration to other organiza-
23 tions, including local governments, munic-
24 ipal water authorities, water utilities, and
25 nonprofit organizations.

1 (C) AMOUNT.—The amount of a financial
 2 incentive shall be determined by the eligible en-
 3 tity, taking into consideration—

4 (i) the amount of any Federal or
 5 State tax incentive available for the pur-
 6 chase of the water-efficient product or
 7 service;

8 (ii) the amount necessary to change
 9 consumer behavior to purchase water-effi-
 10 cient products and services; and

11 (iii) the consumer expenditures for on-
 12 site preparation, assembly, and original in-
 13 stallation of the product.

14 (6) AUTHORIZATION OF APPROPRIATIONS.—

15 There are authorized to be appropriated to the Ad-
 16 ministrator to carry out this subsection—

17 (A) \$100,000,000 for fiscal year 2015;

18 (B) \$150,000,000 for fiscal year 2016;

19 (C) \$200,000,000 for fiscal year 2017;

20 (D) \$150,000,000 for fiscal year 2018;

21 (E) \$100,000,000 for fiscal year 2019; and

22 (F) for each subsequent fiscal year, the ap-
 23 plicable amount for the preceding fiscal year, as
 24 adjusted to reflect changes for the 12-month
 25 period ending the preceding November 30 in

1 the Consumer Price Index for All Urban Con-
2 sumers published by the Bureau of Labor Sta-
3 tistics of the Department of Labor.

4 (c) WATER SYSTEM MITIGATION AND ADAPTATION
5 GRANTS.—

6 (1) DEFINITIONS.—In this subsection:

7 (A) OWNER OR OPERATOR.—

8 (i) IN GENERAL.—The term “owner
9 or operator” means a person (including a
10 regional, State, local, municipal, or private
11 entity) that owns or operates a water sys-
12 tem.

13 (ii) INCLUSION.—The term “owner or
14 operator” includes a non-Federal entity
15 that has operational responsibilities for a
16 federally owned water system.

17 (B) WATER SYSTEM.—The term “water
18 system” means—

19 (i) a community water system (as de-
20 fined in section 1401 of the Safe Drinking
21 Water Act (42 U.S.C. 300f));

22 (ii) a publicly owned treatment works
23 (as defined in section 212 of the Federal
24 Water Pollution Control Act (33 U.S.C.

1292)), including a municipal separate storm sewer system;

(iii) a decentralized wastewater treatment system for domestic sewage;

(iv) a groundwater storage and replenishment system; or

(v) a system for transport and delivery of water for irrigation or conservation.

(2) GRANTS.—Beginning in fiscal year 2015, the Administrator shall make grants to owners or operators of water systems to address any ongoing or forecasted (based on the best available research and data) climate-related impact on the water quality or quantity of a region of the United States, for the purposes of mitigating or adapting to the impacts of climate change.

(3) ELIGIBLE USES.—In carrying out this subsection, the Administrator shall make grants to assist in the planning, design, construction, implementation, or maintenance of any program or project to increase the resilience of a water system to climate change by—

(A) conserving water or enhancing water use efficiency, including through the use of

1 water metering to measure the effectiveness of
2 a water efficiency program;

3 (B) modifying or relocating existing water
4 system infrastructure made or projected to be
5 made inoperable by climate change impacts;

6 (C) preserving or improving water quality,
7 including through measures to manage, reduce,
8 treat, or reuse municipal stormwater, waste-
9 water, or drinking water;

10 (D) investigating, designing, or con-
11 structing groundwater remediation, recycled
12 water, or desalination facilities or systems;

13 (E) enhancing water management by in-
14 creasing watershed preservation and protection,
15 such as through the use of natural or engi-
16 neered green infrastructure in the management,
17 conveyance, or treatment of water, wastewater,
18 or stormwater;

19 (F) enhancing energy efficiency or the use
20 and generation of renewable energy in the man-
21 agement, conveyance, or treatment of water,
22 wastewater, or stormwater;

23 (G) supporting the adoption and use of ad-
24 vanced water treatment, water supply manage-
25 ment (such as reservoir reoperation), or water

1 demand management technologies, projects, or
2 processes (such as water reuse and recycling or
3 adaptive conservation pricing) that maintain or
4 increase water supply or improve water quality;

5 (H) modifying or replacing existing sys-
6 tems or constructing new systems for existing
7 communities or land currently in agricultural
8 production to improve water availability, stor-
9 age, or conveyance in a manner that—

10 (i) promotes more efficient use of
11 available water supplies; and

12 (ii) does not further exacerbate
13 stresses on ecosystems;

14 (I) supporting practices and projects, such
15 as improved irrigation systems, water banking
16 and other forms of water transactions, ground-
17 water recharge, stormwater capture, and reuse
18 or recycling of drainage water, to improve water
19 quality or promote more efficient water use, in-
20 cluding on land currently in agricultural pro-
21 duction;

22 (J) conducting and completing studies or
23 assessments to project how climate change may
24 impact the future operations and sustainability
25 of water systems;

1 (K) developing and implementing mitiga-
2 tion measures to rapidly address impacts on
3 water systems most susceptible to abrupt cli-
4 mate change, including those in the Colorado
5 River Basin and coastal regions at risk from
6 rising sea levels; or

7 (L) funding of transactions costs and cred-
8 it enhancement for pay-for-performance-based
9 public-private initiatives intended to advance
10 the eligible uses of the program or project.

11 (4) APPLICATION.—To be eligible to receive a
12 grant from the Administrator under paragraph (2),
13 the owner or operator of a water system shall submit
14 to the Administrator an application that—

15 (A) includes a proposal of the program,
16 strategy, or infrastructure improvement to be
17 planned, designed, constructed, implemented, or
18 maintained by the water system;

19 (B) cites the best available research or
20 data that demonstrates—

21 (i) the risk to the water resources or
22 infrastructure of the water system as a re-
23 sult of ongoing or forecasted changes to
24 the hydrological system brought about by
25 factors arising from climate change, in-

cluding rising sea levels and changes in precipitation levels; and

(ii) how the proposed program, strategy, or infrastructure improvement would perform under the anticipated climate conditions;

(C) explains how the proposed program, strategy, or infrastructure improvement is expected to enhance the resiliency of the water system, including source water protection for community water systems, to these risks or reduce the direct or indirect greenhouse gas emissions of the water system; and

(D) demonstrates that the program, strategy, or infrastructure improvement is—

(i) consistent with any approved State and tribal climate adaptation plan; and

(ii) not inconsistent with any approved natural resources plan.

(5) COMPETITIVE PROCESS.—

(A) IN GENERAL.—Each calendar year, the Administrator shall conduct a competitive process to select and fund applications under this subsection.

1 (B) PRIORITY REQUIREMENTS AND
2 WEIGHTING.—In carrying out the process, the
3 Administrator shall—

4 (i) prioritize funding of applications
5 that are submitted by the owners or opera-
6 tors of water systems that are, based on
7 the best available research and data, at the
8 greatest and most immediate risk of facing
9 significant climate-related negative impacts
10 on water quality or quantity;

11 (ii) in selecting among the priority ap-
12 plications determined under clause (i), en-
13 sure that the final list of applications fund-
14 ed for each year includes a substantial
15 number that, to the maximum extent prac-
16 ticable, includes each eligible use described
17 in paragraph (3);

18 (iii) solicit applications from water
19 systems that are—

20 (I) located in all regions of the
21 United States; and

22 (II) facing varying risks as a re-
23 sult of climate change; and

24 (iv) provide for solicitation and con-
25 sideration of public input in the develop-

1 ment of criteria used in evaluating applica-
2 tions.

3 (6) COST SHARING.—

4 (A) FEDERAL SHARE.—The Federal share
5 of the cost of any program, strategy, or infra-
6 structure improvement that is the subject of a
7 grant awarded by the Administrator to a water
8 system under paragraph (2) shall not exceed 50
9 percent of the cost of the program, strategy,
10 and infrastructure improvement.

11 (B) CALCULATION OF NON-FEDERAL
12 SHARE.—In calculating the non-Federal share
13 of the cost of a program, strategy, or infra-
14 structure improvement proposed by a water sys-
15 tem through an application submitted by the
16 water system under paragraph (4), the Admin-
17 istrator shall—

18 (i) include the value of any in-kind
19 services that are integral to the completion
20 of the program, strategy, or infrastructure
21 improvement, as determined by the Admin-
22 istrator; and

23 (ii) not include any other amount that
24 the water system receives from a Federal
25 agency.

1 (7) LABOR STANDARDS.—

2 (A) IN GENERAL.—All laborers and me-
3 chanics employed on infrastructure improve-
4 ments funded directly by or assisted in whole or
5 in part by this subsection shall be paid wages
6 at rates not less than those prevailing for the
7 same type of work on similar construction in
8 the immediate locality, as determined by the
9 Secretary of Labor in accordance with sub-
10 chapter IV of chapter 31 of part A of subtitle
11 II of title 40, United States Code.

12 (B) AUTHORITY AND FUNCTIONS.—With
13 respect to the labor standards in this para-
14 graph, the Secretary of Labor shall have the
15 authority and functions set forth in Reorganiza-
16 tion Plan Numbered 14 of 1950 (64 Stat.
17 1267; 5 U.S.C. App.) and section 3145 of title
18 40, United States Code.

19 (8) LOCAL HIRING.—

20 (A) IN GENERAL.—The recipient of assist-
21 ance may advertise and award a contract for
22 construction containing requirements for the
23 employment of individuals residing in or adja-
24 cent to any of the areas in which the work is
25 to be performed under the contract, if—

1 (i) all or part of the construction work
2 performed under the contract occurs in an
3 area that has—

4 (I) a per capita income of 80 per-
5 cent or less of the national average
6 per capita income; or

7 (II) an unemployment rate that
8 is, for the most recent 24-month pe-
9 riod for which data are available, at
10 least 1 percent greater than the na-
11 tional average unemployment rate;

12 (ii) the estimated cost of the project
13 of which the contract is a part is greater
14 than \$1,000,000; and

15 (iii) the recipient does not hire indi-
16 viduals who do not have the necessary
17 skills to perform work in the applicable
18 craft or trade, except for individuals who
19 are subject to an apprenticeship program
20 or other training program meeting, as de-
21 termined by the Secretary.

22 (B) ADVERTISEMENT.—In advertising and
23 awarding a contract under this subsection, the
24 Secretary or recipient of assistance shall ensure

1 that the requirements contained in the adver-
2 tisement would not—

3 (i) compromise the quality of the
4 project;

5 (ii) unreasonably delay the completion
6 of the project; or

7 (iii) unreasonably increase the cost of
8 the project.

9 (9) EFFICIENT, INTEGRATED PROCUREMENT
10 FOR PROGRAMS JOINTLY FUNDED WITH THE DE-
11 PARTMENT OF HOUSING AND URBAN DEVELOP-
12 MENT.—

13 (A) DEFINITION OF ELIGIBLE PROJECT.—
14 In this paragraph, the term “eligible project”
15 means a project for which the amount of fund-
16 ing provided by the Department of Housing and
17 Urban Development is 10 percent or more of
18 the amount of funding provided under this sub-
19 section.

20 (B) PREFERENCES.—Notwithstanding the
21 competitive bidding requirements of this section
22 (including regulations), in the case of an eligible
23 project funded jointly with funding provided by
24 the Department of Housing and Urban Devel-
25 opment that is covered by section 3 of the

1 Housing and Urban Development Act of 1968
 2 (82 Stat. 846; 12 U.S.C. 1701u), a contracting
 3 agency may apply the preferences required for
 4 the funding by the Department of Housing and
 5 Urban Development under section 3 of that Act
 6 (including regulations) with respect to the fund-
 7 ing, to the elements of the project funded in
 8 any part under this subsection.

9 (C) PERMISSIBLE RESTRICTIONS.—A State
 10 or local law governing contracting practices that
 11 prohibits the awarding of contracts to busi-
 12 nesses that have solicited or made contributions
 13 to political candidates, political parties, and
 14 holders of public office shall not be considered
 15 a violation of this section.

16 (10) REGULATIONS.—

17 (A) IN GENERAL.—Not later than 1 year
 18 after the date of enactment of this Act, the Ad-
 19 ministrator shall promulgate final regulations to
 20 carry out this subsection.

21 (B) SPECIAL RULE FOR THE CONSTRUC-
 22 TION OF TREATMENT WORKS.—In carrying out
 23 this paragraph, the Administrator shall incor-
 24 porate all relevant and appropriate require-
 25 ments of title VI of the Federal Water Pollution

1 Control Act (33 U.S.C. 1381 et seq.) applicable
 2 to the construction of treatment works that are
 3 carried out under this subsection.

4 (11) REPORT TO CONGRESS.—Not later than 3
 5 years after the date of enactment of this Act, and
 6 every 3 years thereafter, the Administrator shall
 7 submit to Congress a report on progress in imple-
 8 menting this subsection, including information on
 9 project applications received and funded annually.

10 (12) AUTHORIZATION OF APPROPRIATIONS.—
 11 There are authorized to be appropriated to carry out
 12 this subsection such sums as are necessary.

13 **TITLE II—RECYCLING, STORAGE,** 14 **AND INTEGRATED WATER** 15 **MANAGEMENT**

16 **SEC. 201. DEFINITIONS.**

17 In this title:

18 (1) ELIGIBLE ENTITY.—The term “eligible enti-
 19 ty” means—

20 (A) a corporation;

21 (B) a partnership;

22 (C) a joint venture;

23 (D) a trust;

24 (E) a Federal, State, or local governmental
 25 entity, agency, or instrumentality; and

1 (F) a conservancy district, irrigation dis-
 2 trict, canal company, mutual water company,
 3 water users' association, Indian tribe, agency
 4 created by interstate compact, or any other en-
 5 tity that has the capacity to contract with the
 6 United States under Federal reclamation law.

7 (2) FEDERAL CREDIT INSTRUMENT.—The term
 8 “Federal credit instrument” means a secured loan,
 9 loan guarantee, or other credit enhancement author-
 10 ized to be made available under this title with re-
 11 spect to a project.

12 (3) INVESTMENT-GRADE RATING.—The term
 13 “investment-grade rating” means a rating of BBB
 14 minus, Baa3, bbb minus, BBB (low), or higher as
 15 assigned by a rating agency to project obligations.

16 (4) LENDER.—

17 (A) IN GENERAL.—The term “lender”
 18 means any non-Federal qualified institutional
 19 buyer (as defined in section 230.144A(a) of
 20 title 17, Code of Federal Regulations (or a suc-
 21 cessor regulation) (commonly known as “Rule
 22 144A(a) of the Securities and Exchange Com-
 23 mission” and issued under the Securities Act of
 24 1933 (15 U.S.C. 77a et seq.))).

1 (B) INCLUSIONS.—The term “lender” in-
2 cludes—

3 (i) a qualified retirement plan (as de-
4 fined in section 4974 of the Internal Rev-
5 enue Code of 1986) that is a qualified in-
6 stitutional buyer; and

7 (ii) a governmental plan (as defined in
8 section 414 of the Internal Revenue Code
9 of 1986) that is a qualified institutional
10 buyer.

11 (5) LOAN GUARANTEE.—The term “loan guar-
12 antee” means any guarantee or other pledge by the
13 Secretary to pay all or part of the principal of, and
14 interest on, a loan or other debt obligation issued by
15 an obligor and funded by a lender.

16 (6) OBLIGOR.—The term “obligor” means an
17 eligible entity that is primarily liable for payment of
18 the principal of, or interest on, a Federal credit in-
19 strument.

20 (7) PROJECT OBLIGATION.—

21 (A) IN GENERAL.—The term “project obli-
22 gation” means any note, bond, debenture, or
23 other debt obligation issued by an obligor in
24 connection with the financing of a project.

(B) EXCLUSION.—The term “project obligation” does not include a Federal credit instrument.

(8) RATING AGENCY.—The term “rating agency” means a credit rating agency registered with the Securities and Exchange Commission as a nationally recognized statistical rating organization (as defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).

(9) RECLAMATION STATE.—The term “Reclamation State” means any of the States of—

(A) Arizona;

(B) California;

(C) Colorado;

(D) Idaho;

(E) Kansas;

(F) Montana;

(G) Nebraska;

(H) Nevada;

(I) New Mexico;

(J) North Dakota;

(K) Oklahoma;

(L) Oregon;

(M) South Dakota;

(N) Texas;

1 (O) Utah;

2 (P) Washington; and

3 (Q) Wyoming.

4 (10) SECRETARY.—The term “Secretary”
5 means the Secretary of the Interior.

6 (11) SECURED LOAN.—The term “secured
7 loan” means a direct loan or other debt obligation
8 issued by an obligor and funded by the Secretary in
9 connection with the financing of a project under sub-
10 title A.

11 (12) SUBSIDY AMOUNT.—The term “subsidy
12 amount” means the amount of budget authority suf-
13 ficient to cover the estimated long-term cost to the
14 Federal Government of a Federal credit instrument,
15 as calculated on a net present value basis, excluding
16 administrative costs and any incidental effects on
17 Governmental receipts or outlays in accordance with
18 the Federal Credit Reform Act of 1990 (2 U.S.C.
19 661 et seq.).

20 (13) SUBSTANTIAL COMPLETION.—The term
21 “substantial completion”, with respect to a project,
22 means the earliest date on which a project is consid-
23 ered to perform the functions for which the project
24 is designed.

1 **Subtitle A—Innovative Financing**

2 **SEC. 211. PURPOSES.**

3 The purposes of this subtitle are—

4 (1) to promote increased development of critical
5 water resources infrastructure by establishing addi-
6 tional opportunities for financing water resources
7 projects;

8 (2) to attract new investment capital to infra-
9 structure projects that are capable of generating rev-
10 enue streams through user fees or other dedicated
11 funding sources;

12 (3) to complement existing Federal funding
13 sources and address budgetary constraints on Bu-
14 reau of Reclamation programs; and

15 (4) to leverage private investment in water re-
16 sources infrastructure.

17 **SEC. 212. AUTHORITY TO PROVIDE ASSISTANCE.**

18 (a) IN GENERAL.—The Secretary may provide finan-
19 cial assistance under this subtitle to carry out projects
20 within—

21 (1) any Reclamation State;

22 (2) any other State in which the Bureau of
23 Reclamation is authorized to provide project assist-
24 ance; and

25 (3) the States of Alaska and Hawaii.

1 (b) SELECTION.—In selecting projects to receive fi-
2 nancial assistance under subsection (a), the Secretary
3 shall ensure diversity with respect to—

4 (1) project types; and

5 (2) geographical locations.

6 **SEC. 213. APPLICATIONS.**

7 To be eligible to receive assistance under this subtitle,
8 an eligible entity shall submit to the Secretary an applica-
9 tion at such time, in such manner, and containing such
10 information as the Secretary may require.

11 **SEC. 214. ELIGIBILITY FOR ASSISTANCE.**

12 (a) ELIGIBLE PROJECTS.—The following projects
13 may be carried out using assistance made available under
14 this subtitle:

15 (1) A project for the reclamation and reuse of
16 municipal, industrial, domestic, and agricultural
17 wastewater, and naturally impaired ground and sur-
18 face waters, which the Secretary, acting through the
19 Commissioner of Reclamation, is authorized to un-
20 dertake.

21 (2) Any water infrastructure project not specifi-
22 cally authorized by law that—

23 (A) the Secretary determines, through the
24 completion of an appraisal investigation and
25 feasibility study, would contribute to a safe,

1 adequate water supply for domestic, agricul-
 2 tural, environmental, or municipal and indus-
 3 trial use; and

4 (B) is otherwise eligible for assistance
 5 under this title.

6 (3) A new water infrastructure facility project,
 7 including a water conduit, pipeline, canal, pumping,
 8 power, and associated facilities.

9 (4) A project for enhanced energy efficiency in
 10 the operation of a water system.

11 (5) A project for accelerated repair and replace-
 12 ment of an aging water distribution facility.

13 (6) A brackish or sea water desalination
 14 project.

15 (7) Acquisition of real property or an interest
 16 in real property for water storage, reclaimed or recy-
 17 cled water, or wastewater, if the acquisition is inte-
 18 gral to a project described in paragraphs (1)
 19 through (6).

20 (8) A combination of projects, each of which is
 21 eligible under paragraphs (1) through (7), for which
 22 an eligible entity submits a single application.

23 (b) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—For
 24 purposes of this subtitle, an eligible activity with respect

1 to an eligible project under subsection (a) includes the cost
2 of—

3 (1) development-phase activities, including plan-
4 ning, feasibility analysis, revenue forecasting, envi-
5 ronmental review, permitting, transaction costs, pre-
6 liminary engineering and design work, and other
7 preconstruction activities;

8 (2) construction, reconstruction, rehabilitation,
9 and replacement activities;

10 (3) the acquisition of real property (including
11 water rights, land relating to the project, and im-
12 provements to land), environmental mitigation, con-
13 struction contingencies, and acquisition of equip-
14 ment;

15 (4) capitalized interest necessary to meet mar-
16 ket requirements, reasonably required reserve funds,
17 capital issuance expenses, and other carrying costs
18 during construction;

19 (5) refinancing interim construction funding,
20 long-term project obligations, or a secured loan, loan
21 guarantee, or other credit enhancement made under
22 this subtitle;

23 (6) reimbursement or success payments to any
24 public or private entity that achieves predetermined

1 outcomes on a pay-for-performance or pay-for-suc-
 2 cess basis; and

3 (7) grants, loans, or credit enhancement for
 4 community development financial institutions, green
 5 banks, and other financial intermediaries providing
 6 ongoing finance for projects that meet the purposes
 7 of this subtitle.

8 **SEC. 215. DETERMINATION OF ELIGIBILITY AND PROJECT**
 9 **SELECTION.**

10 (a) **ELIGIBILITY REQUIREMENTS.**—To be eligible to
 11 receive financial assistance under this subtitle, a project
 12 shall meet the following criteria, as determined by the Sec-
 13 retary:

14 (1) **CREDITWORTHINESS.**—

15 (A) **IN GENERAL.**—Subject to subpara-
 16 graph (B), the project shall be creditworthy, as
 17 determined by the Secretary, who shall ensure
 18 that any financing for the project has appro-
 19 priate security features, such as a rate cov-
 20 enant, to ensure repayment.

21 (B) **PRELIMINARY RATING OPINION LET-**
 22 **TER.**—The Secretary shall require each appli-
 23 cant to provide a preliminary rating opinion let-
 24 ter from at least 1 rating agency indicating that
 25 the senior obligations of the project (which may

1 be the Federal credit instrument) have the po-
2 tential to achieve an investment-grade rating.

3 (2) ELIGIBLE PROJECT COSTS.—The eligible
4 project costs of a project and other projects in a wa-
5 tershed shall be reasonably anticipated to be not less
6 than \$10,000,000.

7 (3) DEDICATED REVENUE SOURCES.—The Fed-
8 eral credit instrument for the project shall be repay-
9 able, in whole or in part, from dedicated revenue
10 sources that also secure the project obligations.

11 (4) PUBLIC SPONSORSHIP OF PRIVATE ENTI-
12 TIES.—In the case of a project carried out by an en-
13 tity that is not a State or local government or an
14 agency or instrumentality of a State or local govern-
15 ment, the project shall be publicly sponsored.

16 (b) SELECTION CRITERIA.—

17 (1) ESTABLISHMENT.—The Secretary shall es-
18 tablish criteria for the selection of projects that meet
19 the eligibility requirements of subsection (a), in ac-
20 cordance with paragraph (2).

21 (2) CRITERIA.—The selection criteria shall in-
22 clude the following:

23 (A) The extent to which the project is na-
24 tionally or regionally significant.

1 (B) The extent to which assistance under
 2 this section would foster innovative public-pri-
 3 vate partnerships and attract private debt or
 4 equity investment.

5 (C) The likelihood that assistance under
 6 this section would enable the project to proceed
 7 at an earlier date than the project would other-
 8 wise be able to proceed.

9 (D) The extent to which the project uses
 10 new or innovative approaches.

11 (E) The extent to which projects track evi-
 12 dence about the effectiveness of the 1 or more
 13 projects financed and the availability of the evi-
 14 dence and project information to the public to
 15 facilitate replication.

16 (F) The amount of budget authority re-
 17 quired to fund the Federal credit instrument
 18 made available under this subtitle.

19 (G) The extent to which the project helps
 20 maintain or protect the environment.

21 (H) The extent to which the project sup-
 22 ports the local economy and provides local jobs.

23 (c) RECEIPT OF OTHER FEDERAL FUNDING.—Re-
 24 ceipt of a Federal grant or contract or other Federal fund-
 25 ing to support an eligible project shall not preclude the

1 project from being eligible for assistance under this sub-
2 title.

3 (d) FEDERAL REQUIREMENTS.—

4 (1) EFFECT OF SECTION.—Nothing in this sec-
5 tion supersedes the applicability of other require-
6 ments of Federal law (including regulations).

7 (2) NEPA.—A Federal action carried out re-
8 garding a loan or loan guarantee provided under this
9 subtitle shall not be considered to be a Federal ac-
10 tion for purposes of the National Environmental
11 Policy Act of 1969 (42 U.S.C. 4321 et seq.).

12 **SEC. 216. SECURED LOANS.**

13 (a) AGREEMENTS.—

14 (1) IN GENERAL.—Subject to paragraphs (2)
15 through (4), the Secretary may enter into agree-
16 ments with 1 or more obligors to make secured
17 loans, the proceeds of which shall be used—

18 (A) to finance eligible project costs of any
19 project selected under section 206;

20 (B) to refinance interim construction fi-
21 nancing of eligible project costs of any project
22 selected under section 206; or

23 (C) to refinance long-term project obliga-
24 tions or Federal credit instruments, if that refi-
25 nancing provides additional funding capacity for

1 the completion, enhancement, or expansion of
2 any project that—

3 (i) is selected under section 206; or

4 (ii) otherwise meets the requirements
5 of section 206.

6 (2) LIMITATION ON REFINANCING OF INTERIM
7 CONSTRUCTION FINANCING.—A secured loan under
8 paragraph (1) shall not be used to refinance interim
9 construction financing under paragraph (1)(B) later
10 than 1 year after the date of substantial completion
11 of the applicable project.

12 (3) RISK ASSESSMENT.—Before entering into
13 an agreement under this subsection for a secured
14 loan, the Secretary, in consultation with the Director
15 of the Office of Management and Budget and each
16 rating agency providing a preliminary rating opinion
17 letter under section 206(a)(1)(B), shall determine an
18 appropriate capital reserve subsidy amount for the
19 secured loan, taking into account each such prelimi-
20 nary rating opinion letter.

21 (4) INVESTMENT-GRADE RATING REQUIRE-
22 MENT.—The execution of a secured loan under this
23 section shall be contingent on receipt by the senior
24 obligations of the project of an investment-grade rat-
25 ing.

1 (b) TERMS AND LIMITATIONS.—

2 (1) IN GENERAL.—A secured loan provided for
3 a project under this section shall be subject to such
4 terms and conditions, and contain such covenants,
5 representations, warranties, and requirements (in-
6 cluding requirements for audits), as the Secretary
7 determines to be appropriate.

8 (2) MAXIMUM AMOUNT.—The amount of a se-
9 cured loan under this section shall not exceed the
10 lesser of—

11 (A) an amount equal to 100 percent of the
12 reasonably anticipated eligible project costs; and

13 (B) if the secured loan does not receive an
14 investment-grade rating, the amount of the sen-
15 ior project obligations of the project.

16 (3) PAYMENT.—A secured loan under this sec-
17 tion—

18 (A) shall be payable, in whole or in part,
19 from State or local taxes, user fees, or other
20 dedicated revenue sources that also secure the
21 senior project obligations of the relevant
22 project;

23 (B) shall include a rate covenant, coverage
24 requirement, or similar security feature sup-
25 porting the project obligations; and

1 (C) may have a lien on revenues described
2 in subparagraph (A), subject to any lien secur-
3 ing project obligations.

4 (4) INTEREST RATE.—The interest rate on a
5 secured loan under this section shall be not more
6 than the yield on United States Treasury securities
7 of a similar maturity to the maturity of the secured
8 loan on the date of execution of the loan agreement,
9 as determined by the Secretary.

10 (5) MATURITY DATE.—The final maturity date
11 of a secured loan under this section shall be not
12 later than 35 years after the date of substantial
13 completion of the relevant project.

14 (6) NONSUBORDINATION.—A secured loan
15 under this section shall not be subordinated to the
16 claims of any holder of project obligations in the
17 event of bankruptcy, insolvency, or liquidation of the
18 obligor of the project.

19 (7) FEES.—The Secretary may establish fees at
20 a level sufficient to cover all or a portion of the costs
21 to the Federal Government of making a secured loan
22 under this section.

23 (8) NON-FEDERAL SHARE.—The proceeds of a
24 secured loan under this section may be used to pay

1 any non-Federal share of project costs required if
2 the loan is repayable from non-Federal funds.

3 (c) REPAYMENT.—

4 (1) SCHEDULE.—The Secretary shall establish
5 a repayment schedule for each secured loan provided
6 under this section, based on the projected cash flow
7 from project revenues and other repayment sources.

8 (2) COMMENCEMENT.—Scheduled loan repay-
9 ment of principal or interest on a secured loan under
10 this section shall commence not later than 5 years
11 after the date of substantial completion of the
12 project.

13 (3) DEFERRED PAYMENTS.—

14 (A) AUTHORIZATION.—If, at any time
15 after the date of substantial completion of a
16 project for which a secured loan is provided
17 under this section, the project is unable to gen-
18 erate sufficient revenues to pay the scheduled
19 loan repayments of principal and interest on the
20 secured loan, the Secretary may allow the obli-
21 gor, subject to subparagraph (C), to add unpaid
22 principal and interest to the outstanding bal-
23 ance of the secured loan.

24 (B) INTEREST.—Any payment deferred
25 under subparagraph (A) shall—

(i) continue to accrue interest in accordance with subsection (b)(4) until fully repaid; and

(ii) be scheduled to be amortized over the remaining term of the secured loan.

(C) CRITERIA.—

(i) IN GENERAL.—Any payment deferral under subparagraph (A) shall be contingent on the project meeting such criteria as the Secretary may establish.

(ii) REPAYMENT STANDARDS.—The criteria established under clause (i) shall include standards for reasonable assurance of repayment.

(4) PREPAYMENT.—

(A) USE OF EXCESS REVENUES.—Any excess revenues that remain after satisfying scheduled debt service requirements on the project obligations and secured loan and all deposit requirements under the terms of any trust agreement, bond resolution, or similar agreement securing project obligations may be applied annually to prepay a secured loan under this section without penalty.

1 (B) USE OF PROCEEDS OF REFI-
2 NANCING.—A secured loan under this section
3 may be prepaid at any time without penalty
4 from the proceeds of refinancing from non-Fed-
5 eral funding sources.

6 (d) SALE OF SECURED LOANS.—

7 (1) IN GENERAL.—Subject to paragraph (2), as
8 soon as practicable after the date of substantial
9 completion of a project and after providing a notice
10 to the obligor, the Secretary may sell to another en-
11 tity or reoffer into the capital markets a secured
12 loan for a project under this section, if the Secretary
13 determines that the sale or reoffering can be made
14 on favorable terms.

15 (2) CONSENT OF OBLIGOR.—In making a sale
16 or reoffering under paragraph (1), the Secretary
17 may not change the original terms and conditions of
18 the secured loan without the written consent of the
19 obligor.

20 (e) LOAN GUARANTEES.—

21 (1) IN GENERAL.—The Secretary may provide a
22 loan guarantee to a lender in lieu of making a se-
23 cured loan under this section, if the Secretary deter-
24 mines that the budgetary cost of the loan guarantee
25 is substantially the same as that of a secured loan.

1 (2) **TERMS.**—The terms of a loan guarantee
 2 provided under this subsection shall be consistent
 3 with the terms established in this section for a se-
 4 cured loan, except that the rate on the guaranteed
 5 loan and any prepayment features shall be nego-
 6 tiated between the obligor and the lender, with the
 7 consent of the Secretary.

8 **SEC. 217. PROGRAM ADMINISTRATION.**

9 (a) **REQUIREMENT.**—The Secretary shall establish a
 10 uniform system to service the Federal credit instruments
 11 made available under this subtitle.

12 (b) **FEES.**—The Secretary may collect and spend
 13 fees, contingent on authority being provided in appropria-
 14 tions Acts, at a level that is sufficient to cover—

15 (1) the costs of services of expert firms retained
 16 pursuant to subsection (d); and

17 (2) all or a portion of the costs to the Federal
 18 Government of servicing the Federal credit instru-
 19 ments provided under this subtitle.

20 (c) **SERVICER.**—

21 (1) **IN GENERAL.**—The Secretary may appoint
 22 a financial entity to assist the Secretary in servicing
 23 the Federal credit instruments provided under this
 24 subtitle.

1 (2) DUTIES.—A servicer appointed under para-
2 graph (1) shall act as the agent for the Secretary.

3 (3) FEE.—A servicer appointed under para-
4 graph (1) shall receive a servicing fee, subject to ap-
5 proval by the Secretary.

6 (d) ASSISTANCE FROM EXPERTS.—The Secretary
7 may retain the services, including counsel, of any organi-
8 zation or entity with expertise in the field of municipal
9 and project finance to assist in the underwriting and serv-
10 icing of Federal credit instruments provided under this
11 subtitle.

12 (e) LOAN COORDINATION; INTERAGENCY COOPERA-
13 TION.—The Secretary—

14 (1) shall coordinate implementation of loan
15 guarantees under this section with the Administrator
16 to avoid duplication and enhance the effectiveness of
17 implementation of the State revolving funds estab-
18 lished under the Federal Water Pollution Control
19 Act (33 U.S.C. 1251 et seq.) and the Safe Drinking
20 Water Act (42 U.S.C. 300f et seq.);

21 (2) shall consult with the Secretary of Agri-
22 culture before promulgating criteria with respect to
23 financial appraisal functions and loan guarantee ad-
24 ministration for activities carried out under this sub-
25 title; and

1 (3) may enter into a memorandum of agree-
 2 ment providing for Department of Agriculture finan-
 3 cial appraisal functions and loan guarantee adminis-
 4 tration for activities carried out under this subtitle.

5 **SEC. 218. STATE AND LOCAL PERMITS.**

6 The provision of financial assistance for a project
 7 under this subtitle shall not—

8 (1) relieve any recipient of the assistance of any
 9 obligation to obtain any required State or local per-
 10 mit or approval with respect to the project;

11 (2) limit the right of any unit of State or local
 12 government to approve or regulate any rate of re-
 13 turn on private equity invested in the project; or

14 (3) otherwise supersede any State or local law
 15 (including any regulation) applicable to the construc-
 16 tion or operation of the project.

17 **SEC. 219. REGULATIONS.**

18 The Secretary may promulgate such regulations as
 19 the Secretary determines to be appropriate to carry out
 20 this subtitle.

21 **SEC. 220. FUNDING.**

22 (a) IN GENERAL.—There is authorized to be appro-
 23 priated to the Secretary to carry out this subtitle
 24 \$100,000,000 for each of fiscal years 2015 through 2019,
 25 to remain available until expended.

1 (b) ADMINISTRATIVE COSTS.—Of the funds made
 2 available to carry out this subtitle, the Secretary may use
 3 for the administration of this subtitle not more than
 4 \$2,200,000 for each of fiscal years 2015 through 2019.

5 **SEC. 221. REPORT TO CONGRESS.**

6 Not later than 2 years after the date of enactment
 7 of this Act, and every 2 years thereafter, the Secretary
 8 shall submit to the Committee on Energy and Natural Re-
 9 sources of the Senate and the Committee on Natural Re-
 10 sources of the House of Representatives a report summa-
 11 rizing the financial performance and on-the-ground out-
 12 comes of the projects that are receiving, or have received,
 13 assistance under this subtitle, including an assessment of
 14 whether the objectives of this subtitle are being met.

15 **Subtitle B—Integrated Regional**
 16 **Water Management, Reclama-**
 17 **tion, and Recycling Projects**

18 **SEC. 231. WATER STORAGE PROJECTS.**

19 (a) AGREEMENTS.—The Secretary may enter into a
 20 cost-shared financial assistance agreement with any non-
 21 Federal entity in a Reclamation State or the State of Ha-
 22 waii to carry out the planning, design, and construction
 23 of any permanent water storage and conveyance facility
 24 used solely to regulate and maximize the water supply

1 arising from a project that is eligible for assistance under
2 this title or any other provision of law—

3 (1) to recycle wastewater, impaired surface
4 water, and ground water; or

5 (2) to use integrated and coordinated water
6 management on a watershed or regional scale.

7 (b) FINANCIAL ASSISTANCE.—In providing financial
8 assistance under this section, the Secretary shall give pri-
9 ority to storage and conveyance components that—

10 (1) ensure the efficient and beneficial use of
11 water or reuse of the recycled water;

12 (2) make maximum use of natural systems;

13 (3) consistent with Secretarial Order No. 3297,
14 dated February 22, 2010, support sustainable water
15 management practices and the water sustainability
16 objectives of 1 or more offices of the Department of
17 the Interior or any other Federal agency;

18 (4)(A) increase the availability of usable water
19 supplies in a watershed or region to benefit people,
20 the economy, and the environment; and

21 (B) include adaptive measures needed to ad-
22 dress climate change and future demands;

23 (5) where practicable—

24 (A) provide flood control or recreation ben-
25 efits; and

1 (B) include the development of incremental
2 hydroelectric power generation;

3 (6) include partnerships that go beyond political
4 and institutional jurisdictions to support the effi-
5 cient use of the limited water resources of the
6 United States and the applicable region;

7 (7) generate environmental benefits, such as
8 benefits to fisheries, wildlife and habitat, and water
9 quality and water-dependent ecological systems, as
10 well as water supply benefits to agricultural and
11 urban water users; and

12 (8) the financing of which leverages private and
13 other non-Federal resources.

14 (c) FEDERAL SHARE.—The Federal share of the cost
15 of a project carried out under subsection (a) shall be—

16 (1) equal to the lesser of—

17 (A) 50 percent of total cost of the project;

18 and

19 (B) \$15,000,000, adjusted for inflation;

20 and

21 (2) nonreimbursable.

22 (d) NON-FEDERAL SHARE.—The non-Federal share
23 of the cost of a project carried out under subsection (a)
24 may include in-kind contributions to the planning, design,
25 and construction of a project.

(e) TITLE AND COSTS.—A non-Federal entity entering into a financial assistance agreement under this section shall—

(1) hold title to all facilities constructed under this section; and

(2) be solely responsible for the costs of operating and maintaining those facilities.

SEC. 232. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated \$700,000,000 to carry out this subtitle.

Subtitle C—Title Transfers

SEC. 241. AUTHORIZATION TO TRANSFER TITLE.

The Secretary may transfer to any non-Federal operating entity title to any Reclamation project or facility, or any separable element of such a project or facility, that is authorized before the date of enactment of this Act, if—

(1) all previous Federal construction contract obligations or other related repayment contracts or agreements associated with the project have been paid out by a non-Federal project beneficiary;

(2)(A) a project facility or separable element of such a facility is in need of rehabilitation or improvement, as determined by the Secretary; and

(B) the non-Federal operating entity is otherwise eligible for a loan guarantee under this title;

4 (4)(A) the Secretary notifies each congressional
5 committee of jurisdiction of the transfer by not later
6 than 60 days before the date of the transfer; and

7 (B) no objection to the transfer is raised by any
8 such committee.

9 **TITLE** **III—INNOVATION**
10 **THROUGH RESEARCH, DATA,**
11 **AND TECHNOLOGY**

12 SEC. 301. OPEN WATER DATA SYSTEM.

13 (a) DEFINITIONS.—In this section:

14 (1) EDUCATIONAL INSTITUTION.—The term
15 “educational institution” means—

16 (A) a public or private elementary or sec-
17 ondary school;

(B) an institution of vocational, profes-
sional, or higher education (including a junior
college or teachers' college); and

21 (C) an association of schools or institutions
22 described in subparagraphs (A) and (B).

23 (2) INDIAN TRIBE.—The term “Indian tribe”
24 has the meaning given that term in section 4 of the

1 Indian Self-Determination and Education Assistance
2 Act (25 U.S.C. 450b).

3 (3) SECRETARY.—The term “Secretary” means
4 the Secretary of the Interior, acting through the Di-
5 rector of the United States Geological Survey.

6 (4) STATE.—The term “State” means—

7 (A) a State;

8 (B) the District of Columbia;

9 (C) the Commonwealth of Puerto Rico;

10 and

11 (D) any other territory or possession of the
12 United States.

13 (5) SYSTEM.—The term “system” means the
14 open water data system established under subsection
15 (b).

16 (b) SYSTEM.—The Secretary shall establish and
17 maintain an open water data system within the United
18 States Geological Survey to advance the availability, time-
19 ly distribution, and widespread use of water data and in-
20 formation for water management, education, research, as-
21 sessment, and monitoring purposes.

22 (c) PURPOSES.—The purposes of the system are—

23 (1) to advance the quantification of the avail-
24 ability, use of, and risks to, water resources through-
25 out the United States;

1 (2) to increase accessibility to, and expand the
2 use of, water data and information in a standard,
3 easy-to-use format by Federal, State, local, and trib-
4 al governments, communities, educational institu-
5 tions, and the private sector; and

6 (3) to facilitate the open exchange of water in-
7 formation particularly in the face of climate change
8 and unprecedented drought.

9 (d) ACTIVITIES.—In carrying out this section, the
10 Secretary shall—

11 (1) integrate water data and information into a
12 interoperable, national, geospatially referenced water
13 data framework;

14 (2) identify new water data and information
15 needs, including data on surface and groundwater
16 quality and quantity, sediment, erosion, transport,
17 water chemistry, precipitation, reservoir storage,
18 water cycle, landscape variables, hydrography, cli-
19 mate and weather impacts, soil moisture, and human
20 use;

21 (3) leverage existing shared databases, infra-
22 structure, and tools to provide a platform for water
23 data and information innovation, modeling and data
24 sharing, and solution development;

1 (4) support water data and information shar-
 2 ing, applied research, and educational programs of
 3 State, local, and tribal governments, communities,
 4 educational institutions, and the private sector; and

5 (5) promote cooperation and sharing of exper-
 6 tise regarding water data and information among
 7 State, local, and tribal governments, communities,
 8 educational institutions, and the private sector.

9 (e) AUTHORIZATION OF APPROPRIATIONS.—There
 10 are authorized to be appropriated to carry out this section
 11 such sums as are necessary.

12 **SEC. 302. WATER RESOURCES RESEARCH ACT AMEND-**
 13 **MENTS.**

14 (a) CONGRESSIONAL FINDINGS AND DECLARA-
 15 TIONS.—Section 102 of the Water Resources Research
 16 Act of 1984 (42 U.S.C. 10301) is amended—

17 (1) by redesignating paragraphs (7) through
 18 (9) as paragraphs (8) through (10), respectively;

19 (2) in paragraph (8) (as so redesignated), by
 20 striking “and” at the end; and

21 (3) by inserting after paragraph (6) the fol-
 22 lowing:

23 “(7) additional research is required to increase
 24 the effectiveness and efficiency of new and existing

1 treatment works through alternative approaches, in-
 2 cluding—

3 “(A) nonstructural alternatives;

4 “(B) decentralized approaches;

5 “(C) water use efficiency and conservation;

6 and

7 “(D) actions to reduce energy consumption
 8 or extract energy from wastewater;”.

9 (b) WATER RESOURCES RESEARCH AND TECH-
 10 NOLOGY INSTITUTES.—Section 104 of the Water Re-
 11 sources Research Act of 1984 (42 U.S.C. 10303) is
 12 amended—

13 (1) in subsection (b)(1)—

14 (A) in subparagraph (B)(ii), by striking
 15 “water-related phenomena” and inserting
 16 “water resources”; and

17 (B) in subparagraph (D), by striking the
 18 period at the end and inserting “; and”;

19 (2) in subsection (c)—

20 (A) by striking “From the” and inserting

21 “(1) IN GENERAL.—From the”; and

22 (B) by adding at the end the following:

23 “(2) REPORT.—Not later than December 31 of
 24 each fiscal year, the Secretary shall submit to the
 25 Committee on Environment and Public Works of the

1 Senate, the Committee on the Budget of the Senate,
 2 the Committee on Transportation and Infrastructure
 3 of the House of Representatives, and the Committee
 4 on the Budget of the House of Representatives a re-
 5 port regarding the compliance of each funding re-
 6 cipient with this subsection for the immediately pre-
 7 ceding fiscal year.”;

8 (3) by striking subsection (e) and inserting the
 9 following:

10 “(e) EVALUATION OF WATER RESOURCES RESEARCH
 11 PROGRAM.—

12 “(1) IN GENERAL.—The Secretary shall con-
 13 duct a careful and detailed evaluation of each insti-
 14 tute at least once every 3 years to determine—

15 “(A) the quality and relevance of the water
 16 resources research of the institute;

17 “(B) the effectiveness of the institute at
 18 producing measured results and applied water
 19 supply research; and

20 “(C) whether the effectiveness of the insti-
 21 tute as an institution for planning, conducting,
 22 and arranging for research warrants continued
 23 support under this section.

24 “(2) PROHIBITION ON FURTHER SUPPORT.—If,
 25 as a result of an evaluation under paragraph (1), the

1 Secretary determines that an institute does not qual-
 2 ify for further support under this section, no further
 3 grants to the institute may be provided until the
 4 qualifications of the institute are reestablished to the
 5 satisfaction of the Secretary.”;

6 (4) in subsection (f)(1), by striking
 7 “\$12,000,000 for each of fiscal years 2007 through
 8 2011” and inserting “\$7,500,000 for each of fiscal
 9 years 2015 through 2020”; and

10 (5) in subsection (g)(1), in the first sentence,
 11 by striking “\$6,000,000 for each of fiscal years
 12 2007 through 2011” and inserting “\$1,500,000 for
 13 each of fiscal years 2015 through 2020”.

14 **SEC. 303. REAUTHORIZATION OF WATER DESALINATION**

15 **ACT OF 1996.**

16 Section 8 of the Water Desalination Act of 1996 (42
 17 U.S.C. 10301 note; Public Law 104–298) is amended—

18 (1) in the first sentence of subsection (a)—

19 (A) by striking “\$5,000,000” and inserting
 20 “\$8,000,000”; and

21 (B) by striking “2013” and inserting
 22 “2020”; and

23 (2) in subsection (b), by striking “for each of
 24 fiscal years 2012 through 2013” and inserting “for
 25 each of fiscal years 2015 through 2020”.

1 **SEC. 304. REVIEW OF RESERVOIR OPERATIONS.**

2 (a) IN GENERAL.—Not later than 1 year after receiv-
3 ing a request of a non-Federal sponsor of a reservoir, the
4 Secretary of the Army, in consultation with the Adminis-
5 trator of the National Oceanic and Atmospheric Adminis-
6 tration, shall review the operation of the reservoir, includ-
7 ing the water control manual and rule curves, using im-
8 proved weather forecasts and run-off forecasting methods,
9 including the Advanced Hydrologic Prediction System of
10 the National Weather Service and the Hydrometeorology
11 Testbed program of the National Oceanic and Atmos-
12 pheric Administration.

13 (b) DESCRIPTION OF BENEFITS.—In conducting the
14 review under subsection (a), the Secretary of the Army
15 shall determine if a change in operations, including the
16 use of improved weather forecasts and run-off forecasting
17 methods, will improve 1 or more of the core functions of
18 the Corps of Engineers, including—

- 19 (1) reducing risks to human life, public safety,
20 and property;
21 (2) reducing the need for future disaster relief;
22 (3) improving local water storage capability and
23 reliability in coordination with the non-Federal spon-
24 sor and other water users;

1 (4) restoring, protecting, or mitigating the im-
2 pacts of a water resources development project on
3 the environment; and

4 (5) improving fish species habitat or population
5 within the boundaries and downstream of a water
6 resources project.

7 (c) RESULTS REPORTED.—Not later than 90 days
8 after completion of a review under this section, the Sec-
9 retary shall submit a report to Congress regarding the re-
10 sults of the review.

11 (d) MANUAL UPDATE.—As soon as practicable, but
12 not later than 3 years after the date on which a report
13 under subsection (c) is submitted to Congress, pursuant
14 to the procedures required under existing authorities, if
15 the Secretary of the Army determines based on that report
16 that using improved weather and run-off forecasting meth-
17 ods improves 1 or more core functions of the Corps of
18 Engineers at a reservoir, the Secretary of the Army
19 shall—

20 (1) incorporate those methods in the operation
21 of the reservoir; and

22 (2) update the water control manual.

1 **TITLE IV—DROUGHT PREPARED-** 2 **NESS AND RESILIENCE**

3 **SEC. 401. NATIONAL DROUGHT RESILIENCE GUIDELINES.**

4 (a) IN GENERAL.—The Administrator, in conjunction
5 with the Secretary of the Interior, the Secretary of Agri-
6 culture, the Director of the National Oceanic and Atmos-
7 pheric Administration, and other appropriate Federal
8 agency heads along with State and local governments,
9 shall develop nonregulatory national drought resilience
10 guidelines relating to drought preparedness planning and
11 investments for communities, water utilities, and other
12 water users and providers.

13 (b) CONSULTATION.—In developing the national
14 drought resilience guidelines, the Administrator and other
15 Federal agency heads referred to in subsection (a) shall
16 consult with—

- 17 (1) State and local governments;
- 18 (2) water utilities;
- 19 (3) scientists;
- 20 (4) institutions of higher education;
- 21 (5) relevant private entities; and
- 22 (6) other stakeholders.

23 (c) CONTENTS.—The national drought resilience
24 guidelines developed under this section shall, to the max-

1 inum extent practicable, provide recommendations for a
2 period of 10 years that—

3 (1) address a broad range of potential actions,
4 including—

5 (A) analysis of the impacts of climate
6 change and drought on the future effectiveness
7 of water management tools;

8 (B) the identification of drought-related
9 water management challenges in a broad range
10 of fields, including—

11 (i) public health and safety;

12 (ii) municipal and industrial water
13 supply;

14 (iii) agricultural water supply;

15 (iv) water quality;

16 (v) ecosystem health; and

17 (vi) water supply planning;

18 (C) water management tools to reduce
19 drought-related impacts, including—

20 (i) water use efficiency through gal-
21 lons per capita reduction goals, appliance
22 efficiency standards, water pricing incen-
23 tives, and other measures;

24 (ii) water recycling;

1 (iii) groundwater clean-up and stor-
2 age;

3 (iv) new technologies, such as behav-
4 ioral water efficiency; and

5 (v) stormwater capture and reuse;

6 (D) water-related energy and greenhouse
7 gas reduction strategies; and

8 (E) public education and engagement; and

9 (2) include recommendations relating to the
10 processes that Federal, State, and local governments
11 and water utilities should consider when developing
12 drought resilience preparedness and plans, includ-
13 ing—

14 (A) the establishment of planning goals;

15 (B) the evaluation of institutional capacity;

16 (C) the assessment of drought-related risks
17 and vulnerabilities, including the integration of
18 climate-related impacts;

19 (D) the establishment of a development
20 process, including an evaluation of the cost-ef-
21 fectiveness of potential strategies;

22 (E) the inclusion of private entities, tech-
23 nical advisors, and other stakeholders in the de-
24 velopment process;

- 1 (F) implementation and financing issues;
 2 and
 3 (G) evaluation of the plan, including any
 4 updates to the plan.

5 **SEC. 402. DROUGHT PREPAREDNESS FOR FISHERIES.**

6 (a) DEFINITIONS.—In this section:

7 (1) INDIAN TRIBE.—The term “Indian tribe”
 8 has the meaning given the term in section 4 of the
 9 Indian Self-Determination and Education Assistance
 10 Act (25 U.S.C. 450b).

11 (2) QUALIFIED TRIBAL GOVERNMENT.—The
 12 term “qualified tribal government” means a govern-
 13 mental body of an Indian tribe that the Secretary of
 14 the Interior determines—

15 (A) is involved in salmon management and
 16 recovery activities under the Endangered Spe-
 17 cies Act of 1973 (16 U.S.C. 1531 et seq.); and

18 (B) has the management and organiza-
 19 tional capability to maximize the benefits of as-
 20 sistance provided under this section.

21 (b) SALMON DROUGHT PLAN.—

22 (1) IN GENERAL.—Not later than January 1,
 23 2016, the Director of the United States Fish and
 24 Wildlife Service shall, in consultation with the Direc-
 25 tor of the National Marine Fisheries Service, the

1 Commissioner of Reclamation, the Chief of Engi-
 2 neers, and the head of the California Department of
 3 Fish and Wildlife, prepare a salmon drought plan
 4 for the State of California.

5 (2) CONTENTS.—The plan developed under
 6 paragraph (1) shall—

7 (A) contribute—

8 (i) to the recovery of populations list-
 9 ed as threatened or endangered under the
 10 Endangered Species Act of 1973 (16
 11 U.S.C. 1531 et seq.); and

12 (ii) to the goals of the Central Valley
 13 Project Improvement Act (title XXXIV of
 14 Public Law 102-575; 106 Stat. 4706); and

15 (B) include options to protect salmon pop-
 16 ulations originating in the State of California,
 17 with a particular focus on actions that can be
 18 taken to aid salmon populations in the State of
 19 California during the driest 12 years, such as—

20 (i) relocating the release location and
 21 timing of hatchery fish to avoid predation
 22 and temperature impacts;

23 (ii) barging fish to improve survival
 24 and reduce straying;

1 (iii) coordinating with water users, the
 2 Commissioner of Reclamation, and the
 3 head of the California Department of
 4 Water Resources regarding voluntary
 5 water transfers to determine if water re-
 6 leased upstream to meet the needs of
 7 downstream or South-of-Delta water users
 8 can be managed in a way that provides ad-
 9 ditional benefits for salmon;

10 (iv) hatchery management modifica-
 11 tions, such as expanding hatchery produc-
 12 tion during the driest years of fish listed
 13 as endangered or threatened under the En-
 14 dangered Species Act of 1973 (16 U.S.C.
 15 1531 et seq.), if appropriate; and

16 (v) increasing rescue operations of up-
 17 stream migrating fish.

18 (c) FUNDING.—

19 (1) IN GENERAL.—Out of any funds in the
 20 Treasury not otherwise appropriated, the Secretary
 21 of the Treasury shall transfer to the Director of the
 22 United States Fish and Wildlife Service to carry out
 23 this section \$3,000,000, to remain available until ex-
 24 pended, for urgent fish, stream, and hatchery activi-
 25 ties relating to extreme drought conditions, including

1 work carried out in conjunction with the Director of
2 the National Marine Fisheries Service, the Commis-
3 sioner of Reclamation, the Chief of Engineers, the
4 head of the California Department of Fish and
5 Wildlife, or a qualified tribal government.

6 (2) RECEIPT AND ACCEPTANCE.—The Director
7 of the United States Fish and Wildlife Service shall
8 be entitled to receive, shall accept, and shall use to
9 carry out this section the funds transferred under
10 paragraph (1), without further appropriation.

○

114TH CONGRESS
1ST SESSION

H. R. 291

To establish a WaterSense program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 13, 2015

Mrs. NAPOLITANO (for herself, Mrs. CAPPS, Ms. CHU of California, Mr. CONYERS, Mr. DOGGETT, Ms. ESHOO, Mr. GARAMENDI, Mr. GRIJALVA, Ms. HAHN, Mr. HASTINGS, Mr. HINOJOSA, Mr. HONDA, Mr. HUFFMAN, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. KIRKPATRICK, Ms. NORTON, Ms. LEE, Mr. LOWENTHAL, Mr. BEN RAY LUJÁN of New Mexico, Mr. PETERS, Ms. ROYBAL-ALLARD, Mr. RUIZ, Mr. SHERMAN, Ms. SLAUGHTER, Mrs. TORRES, and Mr. VARGAS) introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committees on Transportation and Infrastructure, Energy and Commerce, and Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a WaterSense program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Water in the 21st Century Act” or “W21”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definition of Administrator.

TITLE I—CONSERVATION AND EFFICIENCY

- Sec. 101. Water efficiency, conservation, and adaptation.

TITLE II—RECYCLING, STORAGE, AND INTEGRATED WATER MANAGEMENT

- Sec. 201. Definitions.

Subtitle A—Innovative Financing

- Sec. 211. Purposes.
- Sec. 212. Authority to provide assistance.
- Sec. 213. Applications.
- Sec. 214. Eligibility for assistance.
- Sec. 215. Determination of eligibility and project selection.
- Sec. 216. Secured loans.
- Sec. 217. Program administration.
- Sec. 218. State and local permits.
- Sec. 219. Regulations.
- Sec. 220. Funding.
- Sec. 221. Report to Congress.

Subtitle B—Integrated Regional Water Management, Reclamation, and Recycling Projects

- Sec. 231. Water storage projects.
- Sec. 232. Authorization of appropriations.

Subtitle C—Title Transfers

- Sec. 241. Authorization to transfer title.

TITLE III—INNOVATION THROUGH RESEARCH, DATA, AND TECHNOLOGY

- Sec. 301. Open water data system.
- Sec. 302. Water Resources Research Act amendments.
- Sec. 303. Reauthorization of Water Desalination Act of 1996.
- Sec. 304. Review of reservoir operations.

TITLE IV—DROUGHT PREPAREDNESS AND RESILIENCE

- Sec. 401. National drought resilience guidelines.
- Sec. 402. Drought preparedness for fisheries.

1 SEC. 2. DEFINITION OF ADMINISTRATOR.

- 2 In this Act, the term “Administrator” means the Ad-
- 3 ministrator of the Environmental Protection Agency.

1 **TITLE I—CONSERVATION AND**
2 **EFFICIENCY**

3 **SEC. 101. WATER EFFICIENCY, CONSERVATION, AND ADAP-**
4 **TATION.**

5 (a) **WATERSENSE.**—

6 (1) **IN GENERAL.**—There is established within
7 the Environmental Protection Agency a WaterSense
8 program to identify and promote water efficient
9 products, buildings, landscapes, facilities, processes,
10 and services so as—

11 (A) to reduce water use;

12 (B) to reduce the strain on water, waste-
13 water, and stormwater infrastructure;

14 (C) to conserve energy used to pump, heat,
15 transport, and treat water; and

16 (D) to preserve water resources for future
17 generations, through voluntary labeling of, or
18 other forms of communications about, products,
19 buildings, landscapes, facilities, processes, and
20 services that meet the highest water efficiency
21 and performance criteria.

22 (2) **DUTIES.**—The Administrator shall—

23 (A) establish—

24 (i) a WaterSense label to be used for
25 certain items; and

1 (ii) the procedure by which an item
2 may be certified to display the WaterSense
3 label;

4 (B) promote WaterSense-labeled products,
5 buildings, landscapes, facilities, processes, and
6 services in the marketplace as the preferred
7 technologies and services for—

8 (i) reducing water use; and

9 (ii) ensuring product and service per-
10 formance;

11 (C) work to enhance public awareness of
12 the WaterSense label through public outreach,
13 education, and other means;

14 (D) preserve the integrity of the
15 WaterSense label by—

16 (i) establishing and maintaining per-
17 formance criteria so that products, build-
18 ings, landscapes, facilities, processes, and
19 services labeled with the WaterSense label
20 perform as well or better than less water-
21 efficient counterparts;

22 (ii) overseeing WaterSense certifi-
23 cations made by third parties;

24 (iii) conducting reviews of the use of
25 the WaterSense label in the marketplace

1 and taking corrective action in any case in
2 which misuse of the label is identified; and

3 (iv) carrying out such other measures
4 as the Administrator determines to be ap-
5 propriate;

6 (E) regularly review and, if appropriate,
7 update WaterSense criteria for categories of
8 products, buildings, landscapes, facilities, proc-
9 esses, and services, at least once every 6 years;

10 (F) to the maximum extent practicable,
11 regularly estimate and make available to the
12 public the production and relative market
13 shares of, and the savings of water, energy, and
14 capital costs of water, wastewater, and storm-
15 water infrastructure attributable to the use of
16 WaterSense-labeled products, buildings, land-
17 scapes, facilities, processes, and services, at
18 least annually;

19 (G) solicit comments from interested par-
20 ties and the public prior to establishing or re-
21 vising a WaterSense category, specification, in-
22 stallation criterion, or other criterion;

23 (H) provide reasonable notice to interested
24 parties and the public of any changes (including
25 effective dates), on the adoption of a new or re-

1 vised category, specification, installation cri-
2 terion, or other criterion, along with—

- 3 (i) an explanation of the changes; and
4 (ii) as appropriate, responses to com-
5 ments submitted by interested parties and
6 the public;

7 (I) provide appropriate lead time (as deter-
8 mined by the Administrator) prior to the appli-
9 cable effective date for a new or significant revi-
10 sion to a category, specification, installation cri-
11 terion, or other criterion, taking into account
12 the timing requirements of the manufacturing,
13 marketing, training, and distribution process
14 for the specific product, building and landscape,
15 or service category addressed;

16 (J) identify and, if appropriate, implement
17 other voluntary approaches in commercial, insti-
18 tutional, residential, industrial, and municipal
19 sectors to encourage recycling and reuse tech-
20 nologies to improve water efficiency or lower
21 water use; and

22 (K) if appropriate, authorize the Water-
23 Sense label for use on products that are labeled
24 by the Energy Star program implemented by
25 the Administrator and the Secretary of Energy.

1 (3) AUTHORIZATION OF APPROPRIATIONS.—

2 There are authorized to be appropriated to carry out
3 this section—

4 (A) \$5,000,000 for fiscal year 2015;

5 (B) \$10,000,000 for fiscal year 2016;

6 (C) \$15,000,000 for fiscal year 2017;

7 (D) \$20,000,000 for fiscal year 2018; and

8 (E) for each subsequent fiscal year, the ap-
9 plicable amount for the preceding fiscal year, as
10 adjusted to reflect changes for the 12-month
11 period ending the preceding November 30 in
12 the Consumer Price Index for All Urban Con-
13 sumers published by the Bureau of Labor Sta-
14 tistics of the Department of Labor.

15 (b) STATE WATER EFFICIENCY AND CONSERVATION
16 INCENTIVES PROGRAM.—

17 (1) DEFINITIONS.—In this subsection:

18 (A) ELIGIBLE ENTITY.—The term “eligible
19 entity” means a State government, local or
20 county government, tribal government, waste-
21 water or sewerage utility, municipal water au-
22 thority, energy utility, water utility, or non-
23 profit organization that meets the requirements
24 of paragraph (2).

1 (B) INCENTIVE PROGRAM.—The term “in-
2 centive program” means a program for admin-
3 istering financial incentives for consumer pur-
4 chase and installation of water-efficient prod-
5 ucts, buildings (including new water-efficient
6 homes), landscapes, processes, or services de-
7 scribed in paragraph (2)(A).

8 (C) WATER-EFFICIENT PRODUCT, BUILD-
9 ING, LANDSCAPE, PROCESS, OR SERVICE.—

10 (i) IN GENERAL.—The term “water-
11 efficient product, building, landscape, proc-
12 ess, or service” means a product, building,
13 landscape, process, or service for a resi-
14 dence or a commercial or institutional
15 building, or the landscape of a residence or
16 commercial or institutional building, that
17 is rated for water efficiency and perform-
18 ance—

19 (I) by the WaterSense program;

20 or

21 (II) if a WaterSense specification
22 does not exist, by the Energy Star
23 program or an incentive program ap-
24 proved by the Administrator.

1 (ii) INCLUSIONS.—The term “water-
2 efficient product, building, landscape, proc-
3 ess, or service” includes—

4 (I) faucets;

5 (II) irrigation technologies and
6 services;

7 (III) point-of-use water treat-
8 ment devices;

9 (IV) reuse and recycling tech-
10 nologies;

11 (V) toilets;

12 (VI) clothes washers;

13 (VII) dishwashers;

14 (VIII) showerheads;

15 (IX) xeriscaping and other land-
16 scape conversions that replace irri-
17 gated turf;

18 (X) new water efficient homes
19 certified under the WaterSense pro-
20 gram;

21 (XI) green stormwater installa-
22 tions such as permeable pavement,
23 rain gardens, rain barrels, and green
24 roofs;

1 (XII) composting solutions com-
2 plementary to water use and water
3 quality; and

4 (XIII) other water-efficient prod-
5 ucts, services, processes, or behavioral
6 water efficiency solutions that address
7 the objectives of the WaterSense pro-
8 gram.

9 (D) WATERSENSE PROGRAM.—The term
10 “WaterSense program” means the program es-
11 tablished by subsection (a).

12 (2) ELIGIBLE ENTITIES.—An entity shall be eli-
13 gible to receive an allocation under paragraph (3) if
14 the entity—

15 (A) establishes (or has established) an in-
16 centive program to provide financial incentives
17 to residential, commercial, and institutional
18 consumers for the purchase of water-efficient
19 products, buildings, landscapes, processes, or
20 services;

21 (B) submits an application for the alloca-
22 tion at such time, in such form, and containing
23 such information as the Administrator may re-
24 quire; and

1 (C) provides assurances satisfactory to the
2 Administrator that the entity will use the allo-
3 cation to supplement, but not supplant, non-
4 Federal funds made available to carry out the
5 incentive program.

6 (3) AMOUNT OF ALLOCATIONS.—For each fiscal
7 year, the Administrator shall determine the amount
8 to allocate to each eligible entity to carry out para-
9 graph (4), taking into consideration—

10 (A) the population served by the eligible
11 entity during the most recent calendar year for
12 which data are available;

13 (B) the targeted population of the incen-
14 tive program of the eligible entity, such as gen-
15 eral households, low-income households, or first-
16 time homeowners, and the probable effective-
17 ness of the incentive program for that popu-
18 lation;

19 (C) for existing programs, the effectiveness
20 of the program in encouraging the adoption of
21 water-efficient products, buildings, landscapes,
22 facilities, processes, and services;

23 (D) any allocation to the eligible entity for
24 a preceding fiscal year that remains unused;
25 and

1 (E) the per capita water demand of the
2 population served by the eligible entity during
3 the most recent calendar year for which data
4 are available and the availability or reliability of
5 water supplies to the eligible entity.

6 (4) USE OF ALLOCATED FUNDS.—Funds allo-
7 cated to an eligible entity under paragraph (3) may
8 be used to pay up to 50 percent of the cost of estab-
9 lishing and carrying out an incentive program.

10 (5) ISSUANCE OF INCENTIVES.—

11 (A) IN GENERAL.—Financial incentives
12 may be provided to residential, commercial, and
13 institutional consumers that meet the require-
14 ments of the applicable incentive program.

15 (B) MANNER OF ISSUANCE.—An eligible
16 entity may—

17 (i) issue all financial incentives di-
18 rectly to residential, commercial, and insti-
19 tutional consumers; or

20 (ii) with approval of the Adminis-
21 trator, delegate all or part of financial in-
22 centive administration to other organiza-
23 tions, including local governments, munic-
24 ipal water authorities, water utilities, and
25 nonprofit organizations.

1 (C) AMOUNT.—The amount of a financial
 2 incentive shall be determined by the eligible en-
 3 tity, taking into consideration—

4 (i) the amount of any Federal or
 5 State tax incentive available for the pur-
 6 chase of the water-efficient product or
 7 service;

8 (ii) the amount necessary to change
 9 consumer behavior to purchase water-effi-
 10 cient products and services; and

11 (iii) the consumer expenditures for on-
 12 site preparation, assembly, and original in-
 13 stallation of the product.

14 (6) AUTHORIZATION OF APPROPRIATIONS.—

15 There are authorized to be appropriated to the Ad-
 16 ministrator to carry out this subsection—

17 (A) \$100,000,000 for fiscal year 2015;

18 (B) \$150,000,000 for fiscal year 2016;

19 (C) \$200,000,000 for fiscal year 2017;

20 (D) \$150,000,000 for fiscal year 2018;

21 (E) \$100,000,000 for fiscal year 2019; and

22 (F) for each subsequent fiscal year, the ap-
 23 plicable amount for the preceding fiscal year, as
 24 adjusted to reflect changes for the 12-month
 25 period ending the preceding November 30 in

1 the Consumer Price Index for All Urban Con-
 2 sumers published by the Bureau of Labor Sta-
 3 tistics of the Department of Labor.

4 (c) WATER SYSTEM MITIGATION AND ADAPTATION
 5 GRANTS.—

6 (1) DEFINITIONS.—In this subsection:

7 (A) OWNER OR OPERATOR.—

8 (i) IN GENERAL.—The term “owner
 9 or operator” means a person (including a
 10 regional, State, local, municipal, or private
 11 entity) that owns or operates a water sys-
 12 tem.

13 (ii) INCLUSION.—The term “owner or
 14 operator” includes a non-Federal entity
 15 that has operational responsibilities for a
 16 federally owned water system.

17 (B) WATER SYSTEM.—The term “water
 18 system” means—

19 (i) a community water system (as de-
 20 fined in section 1401 of the Safe Drinking
 21 Water Act (42 U.S.C. 300f));

22 (ii) a publicly owned treatment works
 23 (as defined in section 212 of the Federal
 24 Water Pollution Control Act (33 U.S.C.

1 1292)), including a municipal separate
2 storm sewer system;

3 (iii) a decentralized wastewater treat-
4 ment system for domestic sewage;

5 (iv) a groundwater storage and re-
6 plenishment system; or

7 (v) a system for transport and deliv-
8 ery of water for irrigation or conservation.

9 (2) GRANTS.—Beginning in fiscal year 2015,
10 the Administrator shall make grants to owners or
11 operators of water systems to address any ongoing
12 or forecasted (based on the best available research
13 and data) climate-related impact on the water qual-
14 ity or quantity of a region of the United States, for
15 the purposes of mitigating or adapting to the im-
16 pacts of climate change.

17 (3) ELIGIBLE USES.—In carrying out this sub-
18 section, the Administrator shall make grants to as-
19 sist in the planning, design, construction, implemen-
20 tation, or maintenance of any program or project to
21 increase the resilience of a water system to climate
22 change by—

23 (A) conserving water or enhancing water
24 use efficiency, including through the use of

1 water metering to measure the effectiveness of
2 a water efficiency program;

3 (B) modifying or relocating existing water
4 system infrastructure made or projected to be
5 made inoperable by climate change impacts;

6 (C) preserving or improving water quality,
7 including through measures to manage, reduce,
8 treat, or reuse municipal stormwater, waste-
9 water, or drinking water;

10 (D) investigating, designing, or con-
11 structing groundwater remediation, recycled
12 water, or desalination facilities or systems;

13 (E) enhancing water management by in-
14 creasing watershed preservation and protection,
15 such as through the use of natural or engi-
16 neered green infrastructure in the management,
17 conveyance, or treatment of water, wastewater,
18 or stormwater;

19 (F) enhancing energy efficiency or the use
20 and generation of renewable energy in the man-
21 agement, conveyance, or treatment of water,
22 wastewater, or stormwater;

23 (G) supporting the adoption and use of ad-
24 vanced water treatment, water supply manage-
25 ment (such as reservoir reoperation), or water

1 demand management technologies, projects, or
2 processes (such as water reuse and recycling or
3 adaptive conservation pricing) that maintain or
4 increase water supply or improve water quality;

5 (H) modifying or replacing existing sys-
6 tems or constructing new systems for existing
7 communities or land currently in agricultural
8 production to improve water availability, stor-
9 age, or conveyance in a manner that—

10 (i) promotes more efficient use of
11 available water supplies; and

12 (ii) does not further exacerbate
13 stresses on ecosystems;

14 (I) supporting practices and projects, such
15 as improved irrigation systems, water banking
16 and other forms of water transactions, ground-
17 water recharge, stormwater capture, and reuse
18 or recycling of drainage water, to improve water
19 quality or promote more efficient water use, in-
20 cluding on land currently in agricultural pro-
21 duction;

22 (J) conducting and completing studies or
23 assessments to project how climate change may
24 impact the future operations and sustainability
25 of water systems;

1 (K) developing and implementing mitiga-
2 tion measures to rapidly address impacts on
3 water systems most susceptible to abrupt cli-
4 mate change, including those in the Colorado
5 River Basin and coastal regions at risk from
6 rising sea levels; or

7 (L) funding of transactions costs and cred-
8 it enhancement for pay-for-performance-based
9 public-private initiatives intended to advance
10 the eligible uses of the program or project.

11 (4) APPLICATION.—To be eligible to receive a
12 grant from the Administrator under paragraph (2),
13 the owner or operator of a water system shall submit
14 to the Administrator an application that—

15 (A) includes a proposal of the program,
16 strategy, or infrastructure improvement to be
17 planned, designed, constructed, implemented, or
18 maintained by the water system;

19 (B) cites the best available research or
20 data that demonstrates—

21 (i) the risk to the water resources or
22 infrastructure of the water system as a re-
23 sult of ongoing or forecasted changes to
24 the hydrological system brought about by
25 factors arising from climate change, in-

cluding rising sea levels and changes in precipitation levels; and

(ii) how the proposed program, strategy, or infrastructure improvement would perform under the anticipated climate conditions;

(C) explains how the proposed program, strategy, or infrastructure improvement is expected to enhance the resiliency of the water system, including source water protection for community water systems, to these risks or reduce the direct or indirect greenhouse gas emissions of the water system; and

(D) demonstrates that the program, strategy, or infrastructure improvement is—

(i) consistent with any approved State and tribal climate adaptation plan; and

(ii) not inconsistent with any approved natural resources plan.

(5) COMPETITIVE PROCESS.—

(A) IN GENERAL.—Each calendar year, the Administrator shall conduct a competitive process to select and fund applications under this subsection.

1 (B) PRIORITY REQUIREMENTS AND
2 WEIGHTING.—In carrying out the process, the
3 Administrator shall—

4 (i) prioritize funding of applications
5 that are submitted by the owners or opera-
6 tors of water systems that are, based on
7 the best available research and data, at the
8 greatest and most immediate risk of facing
9 significant climate-related negative impacts
10 on water quality or quantity;

11 (ii) in selecting among the priority ap-
12 plications determined under clause (i), en-
13 sure that the final list of applications fund-
14 ed for each year includes a substantial
15 number that, to the maximum extent prac-
16 ticable, includes each eligible use described
17 in paragraph (3);

18 (iii) solicit applications from water
19 systems that are—

20 (I) located in all regions of the
21 United States; and

22 (II) facing varying risks as a re-
23 sult of climate change; and

24 (iv) provide for solicitation and con-
25 sideration of public input in the develop-

1 ment of criteria used in evaluating applica-
2 tions.

3 (6) COST SHARING.—

4 (A) FEDERAL SHARE.—The Federal share
5 of the cost of any program, strategy, or infra-
6 structure improvement that is the subject of a
7 grant awarded by the Administrator to a water
8 system under paragraph (2) shall not exceed 50
9 percent of the cost of the program, strategy,
10 and infrastructure improvement.

11 (B) CALCULATION OF NON-FEDERAL
12 SHARE.—In calculating the non-Federal share
13 of the cost of a program, strategy, or infra-
14 structure improvement proposed by a water sys-
15 tem through an application submitted by the
16 water system under paragraph (4), the Admin-
17 istrator shall—

18 (i) include the value of any in-kind
19 services that are integral to the completion
20 of the program, strategy, or infrastructure
21 improvement, as determined by the Admin-
22 istrator; and

23 (ii) not include any other amount that
24 the water system receives from a Federal
25 agency.

1 (7) LABOR STANDARDS.—

2 (A) IN GENERAL.—All laborers and me-
3 chanics employed on infrastructure improve-
4 ments funded directly by or assisted in whole or
5 in part by this subsection shall be paid wages
6 at rates not less than those prevailing for the
7 same type of work on similar construction in
8 the immediate locality, as determined by the
9 Secretary of Labor in accordance with sub-
10 chapter IV of chapter 31 of part A of subtitle
11 II of title 40, United States Code.

12 (B) AUTHORITY AND FUNCTIONS.—With
13 respect to the labor standards in this para-
14 graph, the Secretary of Labor shall have the
15 authority and functions set forth in Reorganiza-
16 tion Plan Numbered 14 of 1950 (64 Stat.
17 1267; 5 U.S.C. App.) and section 3145 of title
18 40, United States Code.

19 (8) LOCAL HIRING.—

20 (A) IN GENERAL.—The recipient of assist-
21 ance may advertise and award a contract for
22 construction containing requirements for the
23 employment of individuals residing in or adja-
24 cent to any of the areas in which the work is
25 to be performed under the contract, if—

1 (i) all or part of the construction work
2 performed under the contract occurs in an
3 area that has—

4 (I) a per capita income of 80 per-
5 cent or less of the national average
6 per capita income; or

7 (II) an unemployment rate that
8 is, for the most recent 24-month pe-
9 riod for which data are available, at
10 least 1 percent greater than the na-
11 tional average unemployment rate;

12 (ii) the estimated cost of the project
13 of which the contract is a part is greater
14 than \$1,000,000; and

15 (iii) the recipient does not hire indi-
16 viduals who do not have the necessary
17 skills to perform work in the applicable
18 craft or trade, except for individuals who
19 are subject to an apprenticeship program
20 or other training program meeting, as de-
21 termined by the Secretary.

22 (B) ADVERTISEMENT.—In advertising and
23 awarding a contract under this subsection, the
24 Secretary or recipient of assistance shall ensure

1 that the requirements contained in the adver-
2 tisement would not—

3 (i) compromise the quality of the
4 project;

5 (ii) unreasonably delay the completion
6 of the project; or

7 (iii) unreasonably increase the cost of
8 the project.

9 (9) EFFICIENT, INTEGRATED PROCUREMENT
10 FOR PROGRAMS JOINTLY FUNDED WITH THE DE-
11 PARTMENT OF HOUSING AND URBAN DEVELOP-
12 MENT.—

13 (A) DEFINITION OF ELIGIBLE PROJECT.—
14 In this paragraph, the term “eligible project”
15 means a project for which the amount of fund-
16 ing provided by the Department of Housing and
17 Urban Development is 10 percent or more of
18 the amount of funding provided under this sub-
19 section.

20 (B) PREFERENCES.—Notwithstanding the
21 competitive bidding requirements of this section
22 (including regulations), in the case of an eligible
23 project funded jointly with funding provided by
24 the Department of Housing and Urban Devel-
25 opment that is covered by section 3 of the

1 Housing and Urban Development Act of 1968
2 (82 Stat. 846; 12 U.S.C. 1701u), a contracting
3 agency may apply the preferences required for
4 the funding by the Department of Housing and
5 Urban Development under section 3 of that Act
6 (including regulations) with respect to the fund-
7 ing, to the elements of the project funded in
8 any part under this subsection.

9 (C) PERMISSIBLE RESTRICTIONS.—A State
10 or local law governing contracting practices that
11 prohibits the awarding of contracts to busi-
12 nesses that have solicited or made contributions
13 to political candidates, political parties, and
14 holders of public office shall not be considered
15 a violation of this section.

16 (10) REGULATIONS.—

17 (A) IN GENERAL.—Not later than 1 year
18 after the date of enactment of this Act, the Ad-
19 ministrator shall promulgate final regulations to
20 carry out this subsection.

21 (B) SPECIAL RULE FOR THE CONSTRU-
22 TION OF TREATMENT WORKS.—In carrying out
23 this paragraph, the Administrator shall incor-
24 porate all relevant and appropriate require-
25 ments of title VI of the Federal Water Pollution

1 Control Act (33 U.S.C. 1381 et seq.) applicable
 2 to the construction of treatment works that are
 3 carried out under this subsection.

4 (11) REPORT TO CONGRESS.—Not later than 3
 5 years after the date of enactment of this Act, and
 6 every 3 years thereafter, the Administrator shall
 7 submit to Congress a report on progress in imple-
 8 menting this subsection, including information on
 9 project applications received and funded annually.

10 (12) AUTHORIZATION OF APPROPRIATIONS.—
 11 There are authorized to be appropriated to carry out
 12 this subsection such sums as are necessary.

13 **TITLE II—RECYCLING, STORAGE,** 14 **AND INTEGRATED WATER** 15 **MANAGEMENT**

16 **SEC. 201. DEFINITIONS.**

17 In this title:

18 (1) ELIGIBLE ENTITY.—The term “eligible enti-
 19 ty” means—

- 20 (A) a corporation;
- 21 (B) a partnership;
- 22 (C) a joint venture;
- 23 (D) a trust;
- 24 (E) a Federal, State, or local governmental
- 25 entity, agency, or instrumentality; and

1 (F) a conservancy district, irrigation dis-
 2 trict, canal company, mutual water company,
 3 water users' association, Indian tribe, agency
 4 created by interstate compact, or any other en-
 5 tity that has the capacity to contract with the
 6 United States under Federal reclamation law.

7 (2) FEDERAL CREDIT INSTRUMENT.—The term
 8 “Federal credit instrument” means a secured loan,
 9 loan guarantee, or other credit enhancement author-
 10 ized to be made available under this title with re-
 11 spect to a project.

12 (3) INVESTMENT-GRADE RATING.—The term
 13 “investment-grade rating” means a rating of BBB
 14 minus, Baa3, bbb minus, BBB (low), or higher as
 15 assigned by a rating agency to project obligations.

16 (4) LENDER.—

17 (A) IN GENERAL.—The term “lender”
 18 means any non-Federal qualified institutional
 19 buyer (as defined in section 230.144A(a) of
 20 title 17, Code of Federal Regulations (or a suc-
 21 cessor regulation) (commonly known as “Rule
 22 144A(a) of the Securities and Exchange Com-
 23 mission” and issued under the Securities Act of
 24 1933 (15 U.S.C. 77a et seq.))).

1 (B) INCLUSIONS.—The term “lender” in-
2 cludes—

3 (i) a qualified retirement plan (as de-
4 fined in section 4974 of the Internal Rev-
5 enue Code of 1986) that is a qualified in-
6 stitutional buyer; and

7 (ii) a governmental plan (as defined in
8 section 414 of the Internal Revenue Code
9 of 1986) that is a qualified institutional
10 buyer.

11 (5) LOAN GUARANTEE.—The term “loan guar-
12 antee” means any guarantee or other pledge by the
13 Secretary to pay all or part of the principal of, and
14 interest on, a loan or other debt obligation issued by
15 an obligor and funded by a lender.

16 (6) OBLIGOR.—The term “obligor” means an
17 eligible entity that is primarily liable for payment of
18 the principal of, or interest on, a Federal credit in-
19 strument.

20 (7) PROJECT OBLIGATION.—

21 (A) IN GENERAL.—The term “project obli-
22 gation” means any note, bond, debenture, or
23 other debt obligation issued by an obligor in
24 connection with the financing of a project.

(B) EXCLUSION.—The term “project obligation” does not include a Federal credit instrument.

(8) RATING AGENCY.—The term “rating agency” means a credit rating agency registered with the Securities and Exchange Commission as a nationally recognized statistical rating organization (as defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).

(9) RECLAMATION STATE.—The term “Reclamation State” means any of the States of—

(A) Arizona;

(B) California;

(C) Colorado;

(D) Idaho;

(E) Kansas;

(F) Montana;

(G) Nebraska;

(H) Nevada;

(I) New Mexico;

(J) North Dakota;

(K) Oklahoma;

(L) Oregon;

(M) South Dakota;

(N) Texas;

1 (O) Utah;

2 (P) Washington; and

3 (Q) Wyoming.

4 (10) SECRETARY.—The term “Secretary”
5 means the Secretary of the Interior.

6 (11) SECURED LOAN.—The term “secured
7 loan” means a direct loan or other debt obligation
8 issued by an obligor and funded by the Secretary in
9 connection with the financing of a project under sub-
10 title A.

11 (12) SUBSIDY AMOUNT.—The term “subsidy
12 amount” means the amount of budget authority suf-
13 ficient to cover the estimated long-term cost to the
14 Federal Government of a Federal credit instrument,
15 as calculated on a net present value basis, excluding
16 administrative costs and any incidental effects on
17 Governmental receipts or outlays in accordance with
18 the Federal Credit Reform Act of 1990 (2 U.S.C.
19 661 et seq.).

20 (13) SUBSTANTIAL COMPLETION.—The term
21 “substantial completion”, with respect to a project,
22 means the earliest date on which a project is consid-
23 ered to perform the functions for which the project
24 is designed.

1 **Subtitle A—Innovative Financing**

2 **SEC. 211. PURPOSES.**

3 The purposes of this subtitle are—

4 (1) to promote increased development of critical
5 water resources infrastructure by establishing addi-
6 tional opportunities for financing water resources
7 projects;

8 (2) to attract new investment capital to infra-
9 structure projects that are capable of generating rev-
10 enue streams through user fees or other dedicated
11 funding sources;

12 (3) to complement existing Federal funding
13 sources and address budgetary constraints on Bu-
14 reau of Reclamation programs; and

15 (4) to leverage private investment in water re-
16 sources infrastructure.

17 **SEC. 212. AUTHORITY TO PROVIDE ASSISTANCE.**

18 (a) IN GENERAL.—The Secretary may provide finan-
19 cial assistance under this subtitle to carry out projects
20 within—

21 (1) any Reclamation State;

22 (2) any other State in which the Bureau of
23 Reclamation is authorized to provide project assist-
24 ance; and

25 (3) the States of Alaska and Hawaii.

1 (b) SELECTION.—In selecting projects to receive fi-
 2 nancial assistance under subsection (a), the Secretary
 3 shall ensure diversity with respect to—

- 4 (1) project types; and
- 5 (2) geographical locations.

6 **SEC. 213. APPLICATIONS.**

7 To be eligible to receive assistance under this subtitle,
 8 an eligible entity shall submit to the Secretary an applica-
 9 tion at such time, in such manner, and containing such
 10 information as the Secretary may require.

11 **SEC. 214. ELIGIBILITY FOR ASSISTANCE.**

12 (a) ELIGIBLE PROJECTS.—The following projects
 13 may be carried out using assistance made available under
 14 this subtitle:

- 15 (1) A project for the reclamation and reuse of
 16 municipal, industrial, domestic, and agricultural
 17 wastewater, and naturally impaired ground and sur-
 18 face waters, which the Secretary, acting through the
 19 Commissioner of Reclamation, is authorized to un-
 20 dertake.

- 21 (2) Any water infrastructure project not specifi-
 22 cally authorized by law that—

- 23 (A) the Secretary determines, through the
 24 completion of an appraisal investigation and
 25 feasibility study, would contribute to a safe,

1 adequate water supply for domestic, agricul-
 2 tural, environmental, or municipal and indus-
 3 trial use; and

4 (B) is otherwise eligible for assistance
 5 under this title.

6 (3) A new water infrastructure facility project,
 7 including a water conduit, pipeline, canal, pumping,
 8 power, and associated facilities.

9 (4) A project for enhanced energy efficiency in
 10 the operation of a water system.

11 (5) A project for accelerated repair and replace-
 12 ment of an aging water distribution facility.

13 (6) A brackish or sea water desalination
 14 project.

15 (7) Acquisition of real property or an interest
 16 in real property for water storage, reclaimed or recy-
 17 cled water, or wastewater, if the acquisition is inte-
 18 gral to a project described in paragraphs (1)
 19 through (6).

20 (8) A combination of projects, each of which is
 21 eligible under paragraphs (1) through (7), for which
 22 an eligible entity submits a single application.

23 (b) ACTIVITIES ELIGIBLE FOR ASSISTANCE.—For
 24 purposes of this subtitle, an eligible activity with respect

1 to an eligible project under subsection (a) includes the cost
2 of—

3 (1) development-phase activities, including plan-
4 ning, feasibility analysis, revenue forecasting, envi-
5 ronmental review, permitting, transaction costs, pre-
6 liminary engineering and design work, and other
7 preconstruction activities;

8 (2) construction, reconstruction, rehabilitation,
9 and replacement activities;

10 (3) the acquisition of real property (including
11 water rights, land relating to the project, and im-
12 provements to land), environmental mitigation, con-
13 struction contingencies, and acquisition of equip-
14 ment;

15 (4) capitalized interest necessary to meet mar-
16 ket requirements, reasonably required reserve funds,
17 capital issuance expenses, and other carrying costs
18 during construction;

19 (5) refinancing interim construction funding,
20 long-term project obligations, or a secured loan, loan
21 guarantee, or other credit enhancement made under
22 this subtitle;

23 (6) reimbursement or success payments to any
24 public or private entity that achieves predetermined

1 outcomes on a pay-for-performance or pay-for-suc-
 2 cess basis; and

3 (7) grants, loans, or credit enhancement for
 4 community development financial institutions, green
 5 banks, and other financial intermediaries providing
 6 ongoing finance for projects that meet the purposes
 7 of this subtitle.

8 **SEC. 215. DETERMINATION OF ELIGIBILITY AND PROJECT**
 9 **SELECTION.**

10 (a) **ELIGIBILITY REQUIREMENTS.**—To be eligible to
 11 receive financial assistance under this subtitle, a project
 12 shall meet the following criteria, as determined by the Sec-
 13 retary:

14 (1) **CREDITWORTHINESS.**—

15 (A) **IN GENERAL.**—Subject to subpara-
 16 graph (B), the project shall be creditworthy, as
 17 determined by the Secretary, who shall ensure
 18 that any financing for the project has appro-
 19 priate security features, such as a rate cov-
 20 enant, to ensure repayment.

21 (B) **PRELIMINARY RATING OPINION LET-**
 22 **TER.**—The Secretary shall require each appli-
 23 cant to provide a preliminary rating opinion let-
 24 ter from at least 1 rating agency indicating that
 25 the senior obligations of the project (which may

1 be the Federal credit instrument) have the po-
 2 tential to achieve an investment-grade rating.

3 (2) ELIGIBLE PROJECT COSTS.—The eligible
 4 project costs of a project and other projects in a wa-
 5 tershed shall be reasonably anticipated to be not less
 6 than \$10,000,000.

7 (3) DEDICATED REVENUE SOURCES.—The Fed-
 8 eral credit instrument for the project shall be repay-
 9 able, in whole or in part, from dedicated revenue
 10 sources that also secure the project obligations.

11 (4) PUBLIC SPONSORSHIP OF PRIVATE ENTI-
 12 TIES.—In the case of a project carried out by an en-
 13 tity that is not a State or local government or an
 14 agency or instrumentality of a State or local govern-
 15 ment, the project shall be publicly sponsored.

16 (b) SELECTION CRITERIA.—

17 (1) ESTABLISHMENT.—The Secretary shall es-
 18 tablish criteria for the selection of projects that meet
 19 the eligibility requirements of subsection (a), in ac-
 20 cordance with paragraph (2).

21 (2) CRITERIA.—The selection criteria shall in-
 22 clude the following:

23 (A) The extent to which the project is na-
 24 tionally or regionally significant.

1 (B) The extent to which assistance under
 2 this section would foster innovative public-pri-
 3 vate partnerships and attract private debt or
 4 equity investment.

5 (C) The likelihood that assistance under
 6 this section would enable the project to proceed
 7 at an earlier date than the project would other-
 8 wise be able to proceed.

9 (D) The extent to which the project uses
 10 new or innovative approaches.

11 (E) The extent to which projects track evi-
 12 dence about the effectiveness of the 1 or more
 13 projects financed and the availability of the evi-
 14 dence and project information to the public to
 15 facilitate replication.

16 (F) The amount of budget authority re-
 17 quired to fund the Federal credit instrument
 18 made available under this subtitle.

19 (G) The extent to which the project helps
 20 maintain or protect the environment.

21 (H) The extent to which the project sup-
 22 ports the local economy and provides local jobs.

23 (c) RECEIPT OF OTHER FEDERAL FUNDING.—Re-
 24 ceipt of a Federal grant or contract or other Federal fund-
 25 ing to support an eligible project shall not preclude the

1 project from being eligible for assistance under this sub-
2 title.

3 (d) FEDERAL REQUIREMENTS.—

4 (1) EFFECT OF SECTION.—Nothing in this sec-
5 tion supersedes the applicability of other require-
6 ments of Federal law (including regulations).

7 (2) NEPA.—A Federal action carried out re-
8 garding a loan or loan guarantee provided under this
9 subtitle shall not be considered to be a Federal ac-
10 tion for purposes of the National Environmental
11 Policy Act of 1969 (42 U.S.C. 4321 et seq.).

12 **SEC. 216. SECURED LOANS.**

13 (a) AGREEMENTS.—

14 (1) IN GENERAL.—Subject to paragraphs (2)
15 through (4), the Secretary may enter into agree-
16 ments with 1 or more obligors to make secured
17 loans, the proceeds of which shall be used—

18 (A) to finance eligible project costs of any
19 project selected under section 206;

20 (B) to refinance interim construction fi-
21 nancing of eligible project costs of any project
22 selected under section 206; or

23 (C) to refinance long-term project obliga-
24 tions or Federal credit instruments, if that refi-
25 nancing provides additional funding capacity for

1 the completion, enhancement, or expansion of
2 any project that—

- 3 (i) is selected under section 206; or
4 (ii) otherwise meets the requirements
5 of section 206.

6 (2) LIMITATION ON REFINANCING OF INTERIM
7 CONSTRUCTION FINANCING.—A secured loan under
8 paragraph (1) shall not be used to refinance interim
9 construction financing under paragraph (1)(B) later
10 than 1 year after the date of substantial completion
11 of the applicable project.

12 (3) RISK ASSESSMENT.—Before entering into
13 an agreement under this subsection for a secured
14 loan, the Secretary, in consultation with the Director
15 of the Office of Management and Budget and each
16 rating agency providing a preliminary rating opinion
17 letter under section 206(a)(1)(B), shall determine an
18 appropriate capital reserve subsidy amount for the
19 secured loan, taking into account each such prelimi-
20 nary rating opinion letter.

21 (4) INVESTMENT-GRADE RATING REQUIRE-
22 MENT.—The execution of a secured loan under this
23 section shall be contingent on receipt by the senior
24 obligations of the project of an investment-grade rat-
25 ing.

1 (b) TERMS AND LIMITATIONS.—

2 (1) IN GENERAL.—A secured loan provided for
3 a project under this section shall be subject to such
4 terms and conditions, and contain such covenants,
5 representations, warranties, and requirements (in-
6 cluding requirements for audits), as the Secretary
7 determines to be appropriate.

8 (2) MAXIMUM AMOUNT.—The amount of a se-
9 cured loan under this section shall not exceed the
10 lesser of—

11 (A) an amount equal to 100 percent of the
12 reasonably anticipated eligible project costs; and

13 (B) if the secured loan does not receive an
14 investment-grade rating, the amount of the sen-
15 ior project obligations of the project.

16 (3) PAYMENT.—A secured loan under this sec-
17 tion—

18 (A) shall be payable, in whole or in part,
19 from State or local taxes, user fees, or other
20 dedicated revenue sources that also secure the
21 senior project obligations of the relevant
22 project;

23 (B) shall include a rate covenant, coverage
24 requirement, or similar security feature sup-
25 porting the project obligations; and

1 (C) may have a lien on revenues described
2 in subparagraph (A), subject to any lien secur-
3 ing project obligations.

4 (4) INTEREST RATE.—The interest rate on a
5 secured loan under this section shall be not more
6 than the yield on United States Treasury securities
7 of a similar maturity to the maturity of the secured
8 loan on the date of execution of the loan agreement,
9 as determined by the Secretary.

10 (5) MATURITY DATE.—The final maturity date
11 of a secured loan under this section shall be not
12 later than 35 years after the date of substantial
13 completion of the relevant project.

14 (6) NONSUBORDINATION.—A secured loan
15 under this section shall not be subordinated to the
16 claims of any holder of project obligations in the
17 event of bankruptcy, insolvency, or liquidation of the
18 obligor of the project.

19 (7) FEES.—The Secretary may establish fees at
20 a level sufficient to cover all or a portion of the costs
21 to the Federal Government of making a secured loan
22 under this section.

23 (8) NON-FEDERAL SHARE.—The proceeds of a
24 secured loan under this section may be used to pay

1 any non-Federal share of project costs required if
2 the loan is repayable from non-Federal funds.

3 (c) REPAYMENT.—

4 (1) SCHEDULE.—The Secretary shall establish
5 a repayment schedule for each secured loan provided
6 under this section, based on the projected cash flow
7 from project revenues and other repayment sources.

8 (2) COMMENCEMENT.—Scheduled loan repay-
9 ment of principal or interest on a secured loan under
10 this section shall commence not later than 5 years
11 after the date of substantial completion of the
12 project.

13 (3) DEFERRED PAYMENTS.—

14 (A) AUTHORIZATION.—If, at any time
15 after the date of substantial completion of a
16 project for which a secured loan is provided
17 under this section, the project is unable to gen-
18 erate sufficient revenues to pay the scheduled
19 loan repayments of principal and interest on the
20 secured loan, the Secretary may allow the obli-
21 gor, subject to subparagraph (C), to add unpaid
22 principal and interest to the outstanding bal-
23 ance of the secured loan.

24 (B) INTEREST.—Any payment deferred
25 under subparagraph (A) shall—

(i) continue to accrue interest in accordance with subsection (b)(4) until fully repaid; and

(ii) be scheduled to be amortized over the remaining term of the secured loan.

(C) CRITERIA.—

(i) IN GENERAL.—Any payment deferral under subparagraph (A) shall be contingent on the project meeting such criteria as the Secretary may establish.

(ii) REPAYMENT STANDARDS.—The criteria established under clause (i) shall include standards for reasonable assurance of repayment.

(4) PREPAYMENT.—

(A) USE OF EXCESS REVENUES.—Any excess revenues that remain after satisfying scheduled debt service requirements on the project obligations and secured loan and all deposit requirements under the terms of any trust agreement, bond resolution, or similar agreement securing project obligations may be applied annually to prepay a secured loan under this section without penalty.

1 (B) USE OF PROCEEDS OF REFI-
2 NANCING.—A secured loan under this section
3 may be prepaid at any time without penalty
4 from the proceeds of refinancing from non-Fed-
5 eral funding sources.

6 (d) SALE OF SECURED LOANS.—

7 (1) IN GENERAL.—Subject to paragraph (2), as
8 soon as practicable after the date of substantial
9 completion of a project and after providing a notice
10 to the obligor, the Secretary may sell to another en-
11 tity or reoffer into the capital markets a secured
12 loan for a project under this section, if the Secretary
13 determines that the sale or reoffering can be made
14 on favorable terms.

15 (2) CONSENT OF OBLIGOR.—In making a sale
16 or reoffering under paragraph (1), the Secretary
17 may not change the original terms and conditions of
18 the secured loan without the written consent of the
19 obligor.

20 (e) LOAN GUARANTEES.—

21 (1) IN GENERAL.—The Secretary may provide a
22 loan guarantee to a lender in lieu of making a se-
23 cured loan under this section, if the Secretary deter-
24 mines that the budgetary cost of the loan guarantee
25 is substantially the same as that of a secured loan.

1 (2) **TERMS.**—The terms of a loan guarantee
 2 provided under this subsection shall be consistent
 3 with the terms established in this section for a se-
 4 cured loan, except that the rate on the guaranteed
 5 loan and any prepayment features shall be nego-
 6 tiated between the obligor and the lender, with the
 7 consent of the Secretary.

8 **SEC. 217. PROGRAM ADMINISTRATION.**

9 (a) **REQUIREMENT.**—The Secretary shall establish a
 10 uniform system to service the Federal credit instruments
 11 made available under this subtitle.

12 (b) **FEES.**—The Secretary may collect and spend
 13 fees, contingent on authority being provided in appropria-
 14 tions Acts, at a level that is sufficient to cover—

15 (1) the costs of services of expert firms retained
 16 pursuant to subsection (d); and

17 (2) all or a portion of the costs to the Federal
 18 Government of servicing the Federal credit instru-
 19 ments provided under this subtitle.

20 (c) **SERVICER.**—

21 (1) **IN GENERAL.**—The Secretary may appoint
 22 a financial entity to assist the Secretary in servicing
 23 the Federal credit instruments provided under this
 24 subtitle.

1 (2) DUTIES.—A servicer appointed under para-
2 graph (1) shall act as the agent for the Secretary.

3 (3) FEE.—A servicer appointed under para-
4 graph (1) shall receive a servicing fee, subject to ap-
5 proval by the Secretary.

6 (d) ASSISTANCE FROM EXPERTS.—The Secretary
7 may retain the services, including counsel, of any organi-
8 zation or entity with expertise in the field of municipal
9 and project finance to assist in the underwriting and serv-
10 icing of Federal credit instruments provided under this
11 subtitle.

12 (e) LOAN COORDINATION; INTERAGENCY COOPERA-
13 TION.—The Secretary—

14 (1) shall coordinate implementation of loan
15 guarantees under this section with the Administrator
16 to avoid duplication and enhance the effectiveness of
17 implementation of the State revolving funds estab-
18 lished under the Federal Water Pollution Control
19 Act (33 U.S.C. 1251 et seq.) and the Safe Drinking
20 Water Act (42 U.S.C. 300f et seq.);

21 (2) shall consult with the Secretary of Agri-
22 culture before promulgating criteria with respect to
23 financial appraisal functions and loan guarantee ad-
24 ministration for activities carried out under this sub-
25 title; and

1 (3) may enter into a memorandum of agree-
 2 ment providing for Department of Agriculture finan-
 3 cial appraisal functions and loan guarantee adminis-
 4 tration for activities carried out under this subtitle.

5 **SEC. 218. STATE AND LOCAL PERMITS.**

6 The provision of financial assistance for a project
 7 under this subtitle shall not—

8 (1) relieve any recipient of the assistance of any
 9 obligation to obtain any required State or local per-
 10 mit or approval with respect to the project;

11 (2) limit the right of any unit of State or local
 12 government to approve or regulate any rate of re-
 13 turn on private equity invested in the project; or

14 (3) otherwise supersede any State or local law
 15 (including any regulation) applicable to the construc-
 16 tion or operation of the project.

17 **SEC. 219. REGULATIONS.**

18 The Secretary may promulgate such regulations as
 19 the Secretary determines to be appropriate to carry out
 20 this subtitle.

21 **SEC. 220. FUNDING.**

22 (a) IN GENERAL.—There is authorized to be appro-
 23 priated to the Secretary to carry out this subtitle
 24 \$100,000,000 for each of fiscal years 2015 through 2019,
 25 to remain available until expended.

1 (b) ADMINISTRATIVE COSTS.—Of the funds made
2 available to carry out this subtitle, the Secretary may use
3 for the administration of this subtitle not more than
4 \$2,200,000 for each of fiscal years 2015 through 2019.

5 **SEC. 221. REPORT TO CONGRESS.**

6 Not later than 2 years after the date of enactment
7 of this Act, and every 2 years thereafter, the Secretary
8 shall submit to the Committee on Energy and Natural Re-
9 sources of the Senate and the Committee on Natural Re-
10 sources of the House of Representatives a report summa-
11 rizing the financial performance and on-the-ground out-
12 comes of the projects that are receiving, or have received,
13 assistance under this subtitle, including an assessment of
14 whether the objectives of this subtitle are being met.

15 **Subtitle B—Integrated Regional**
16 **Water Management, Reclama-**
17 **tion, and Recycling Projects**

18 **SEC. 231. WATER STORAGE PROJECTS.**

19 (a) AGREEMENTS.—The Secretary may enter into a
20 cost-shared financial assistance agreement with any non-
21 Federal entity in a Reclamation State or the State of Ha-
22 waii to carry out the planning, design, and construction
23 of any permanent water storage and conveyance facility
24 used solely to regulate and maximize the water supply

1 arising from a project that is eligible for assistance under
 2 this title or any other provision of law—

3 (1) to recycle wastewater, impaired surface
 4 water, and ground water; or

5 (2) to use integrated and coordinated water
 6 management on a watershed or regional scale.

7 (b) FINANCIAL ASSISTANCE.—In providing financial
 8 assistance under this section, the Secretary shall give pri-
 9 ority to storage and conveyance components that—

10 (1) ensure the efficient and beneficial use of
 11 water or reuse of the recycled water;

12 (2) make maximum use of natural systems;

13 (3) consistent with Secretarial Order No. 3297,
 14 dated February 22, 2010, support sustainable water
 15 management practices and the water sustainability
 16 objectives of 1 or more offices of the Department of
 17 the Interior or any other Federal agency;

18 (4)(A) increase the availability of usable water
 19 supplies in a watershed or region to benefit people,
 20 the economy, and the environment; and

21 (B) include adaptive measures needed to ad-
 22 dress climate change and future demands;

23 (5) where practicable—

24 (A) provide flood control or recreation ben-
 25 efits; and

1 (B) include the development of incremental
2 hydroelectric power generation;

3 (6) include partnerships that go beyond political
4 and institutional jurisdictions to support the effi-
5 cient use of the limited water resources of the
6 United States and the applicable region;

7 (7) generate environmental benefits, such as
8 benefits to fisheries, wildlife and habitat, and water
9 quality and water-dependent ecological systems, as
10 well as water supply benefits to agricultural and
11 urban water users; and

12 (8) the financing of which leverages private and
13 other non-Federal resources.

14 (c) FEDERAL SHARE.—The Federal share of the cost
15 of a project carried out under subsection (a) shall be—

16 (1) equal to the lesser of—

17 (A) 50 percent of total cost of the project;

18 and

19 (B) \$15,000,000, adjusted for inflation;

20 and

21 (2) nonreimbursable.

22 (d) NON-FEDERAL SHARE.—The non-Federal share
23 of the cost of a project carried out under subsection (a)
24 may include in-kind contributions to the planning, design,
25 and construction of a project.

1 (e) TITLE AND COSTS.—A non-Federal entity enter-
 2 ing into a financial assistance agreement under this sec-
 3 tion shall—

4 (1) hold title to all facilities constructed under
 5 this section; and

6 (2) be solely responsible for the costs of oper-
 7 ating and maintaining those facilities.

8 **SEC. 232. AUTHORIZATION OF APPROPRIATIONS.**

9 There is authorized to be appropriated \$700,000,000
 10 to carry out this subtitle.

11 **Subtitle C—Title Transfers**

12 **SEC. 241. AUTHORIZATION TO TRANSFER TITLE.**

13 The Secretary may transfer to any non-Federal oper-
 14 ating entity title to any Reclamation project or facility,
 15 or any separable element of such a project or facility, that
 16 is authorized before the date of enactment of this Act, if—

17 (1) all previous Federal construction contract
 18 obligations or other related repayment contracts or
 19 agreements associated with the project have been
 20 paid out by a non-Federal project beneficiary;

21 (2)(A) a project facility or separable element of
 22 such a facility is in need of rehabilitation or im-
 23 provement, as determined by the Secretary; and

24 (B) the non-Federal operating entity is other-
 25 wise eligible for a loan guarantee under this title;

1 (3) the title transfer meets all applicable Fed-
 2 eral laws and regulations, as determined by the Sec-
 3 retary; and

4 (4)(A) the Secretary notifies each congressional
 5 committee of jurisdiction of the transfer by not later
 6 than 60 days before the date of the transfer; and

7 (B) no objection to the transfer is raised by any
 8 such committee.

9 **TITLE III—INNOVATION**
 10 **THROUGH RESEARCH, DATA,**
 11 **AND TECHNOLOGY**

12 **SEC. 301. OPEN WATER DATA SYSTEM.**

13 (a) DEFINITIONS.—In this section:

14 (1) EDUCATIONAL INSTITUTION.—The term
 15 “educational institution” means—

16 (A) a public or private elementary or sec-
 17 ondary school;

18 (B) an institution of vocational, profes-
 19 sional, or higher education (including a junior
 20 college or teachers’ college); and

21 (C) an association of schools or institutions
 22 described in subparagraphs (A) and (B).

23 (2) INDIAN TRIBE.—The term “Indian tribe”
 24 has the meaning given that term in section 4 of the

1 Indian Self-Determination and Education Assistance
2 Act (25 U.S.C. 450b).

3 (3) SECRETARY.—The term “Secretary” means
4 the Secretary of the Interior, acting through the Di-
5 rector of the United States Geological Survey.

6 (4) STATE.—The term “State” means—

7 (A) a State;

8 (B) the District of Columbia;

9 (C) the Commonwealth of Puerto Rico;
10 and

11 (D) any other territory or possession of the
12 United States.

13 (5) SYSTEM.—The term “system” means the
14 open water data system established under subsection
15 (b).

16 (b) SYSTEM.—The Secretary shall establish and
17 maintain an open water data system within the United
18 States Geological Survey to advance the availability, time-
19 ly distribution, and widespread use of water data and in-
20 formation for water management, education, research, as-
21 sessment, and monitoring purposes.

22 (c) PURPOSES.—The purposes of the system are—

23 (1) to advance the quantification of the avail-
24 ability, use of, and risks to, water resources through-
25 out the United States;

1 (2) to increase accessibility to, and expand the
2 use of, water data and information in a standard,
3 easy-to-use format by Federal, State, local, and trib-
4 al governments, communities, educational institu-
5 tions, and the private sector; and

6 (3) to facilitate the open exchange of water in-
7 formation particularly in the face of climate change
8 and unprecedented drought.

9 (d) ACTIVITIES.—In carrying out this section, the
10 Secretary shall—

11 (1) integrate water data and information into a
12 interoperable, national, geospatially referenced water
13 data framework;

14 (2) identify new water data and information
15 needs, including data on surface and groundwater
16 quality and quantity, sediment, erosion, transport,
17 water chemistry, precipitation, reservoir storage,
18 water cycle, landscape variables, hydrography, cli-
19 mate and weather impacts, soil moisture, and human
20 use;

21 (3) leverage existing shared databases, infra-
22 structure, and tools to provide a platform for water
23 data and information innovation, modeling and data
24 sharing, and solution development;

1 (4) support water data and information shar-
 2 ing, applied research, and educational programs of
 3 State, local, and tribal governments, communities,
 4 educational institutions, and the private sector; and

5 (5) promote cooperation and sharing of exper-
 6 tise regarding water data and information among
 7 State, local, and tribal governments, communities,
 8 educational institutions, and the private sector.

9 (e) AUTHORIZATION OF APPROPRIATIONS.—There
 10 are authorized to be appropriated to carry out this section
 11 such sums as are necessary.

12 **SEC. 302. WATER RESOURCES RESEARCH ACT AMEND-**
 13 **MENTS.**

14 (a) CONGRESSIONAL FINDINGS AND DECLARA-
 15 TIONS.—Section 102 of the Water Resources Research
 16 Act of 1984 (42 U.S.C. 10301) is amended—

17 (1) by redesignating paragraphs (7) through
 18 (9) as paragraphs (8) through (10), respectively;

19 (2) in paragraph (8) (as so redesignated), by
 20 striking “and” at the end; and

21 (3) by inserting after paragraph (6) the fol-
 22 lowing:

23 “(7) additional research is required to increase
 24 the effectiveness and efficiency of new and existing

1 treatment works through alternative approaches, in-
 2 cluding—

3 “(A) nonstructural alternatives;

4 “(B) decentralized approaches;

5 “(C) water use efficiency and conservation;

6 and

7 “(D) actions to reduce energy consumption
 8 or extract energy from wastewater;”.

9 (b) WATER RESOURCES RESEARCH AND TECH-
 10 NOLOGY INSTITUTES.—Section 104 of the Water Re-
 11 sources Research Act of 1984 (42 U.S.C. 10303) is
 12 amended—

13 (1) in subsection (b)(1)—

14 (A) in subparagraph (B)(ii), by striking
 15 “water-related phenomena” and inserting
 16 “water resources”; and

17 (B) in subparagraph (D), by striking the
 18 period at the end and inserting “; and”;

19 (2) in subsection (c)—

20 (A) by striking “From the” and inserting
 21 “(1) IN GENERAL.—From the”; and

22 (B) by adding at the end the following:

23 “(2) REPORT.—Not later than December 31 of
 24 each fiscal year, the Secretary shall submit to the
 25 Committee on Environment and Public Works of the

1 Senate, the Committee on the Budget of the Senate,
 2 the Committee on Transportation and Infrastructure
 3 of the House of Representatives, and the Committee
 4 on the Budget of the House of Representatives a re-
 5 port regarding the compliance of each funding re-
 6 cipient with this subsection for the immediately pre-
 7 ceding fiscal year.”;

8 (3) by striking subsection (e) and inserting the
 9 following:

10 “(e) EVALUATION OF WATER RESOURCES RESEARCH
 11 PROGRAM.—

12 “(1) IN GENERAL.—The Secretary shall con-
 13 duct a careful and detailed evaluation of each insti-
 14 tute at least once every 3 years to determine—

15 “(A) the quality and relevance of the water
 16 resources research of the institute;

17 “(B) the effectiveness of the institute at
 18 producing measured results and applied water
 19 supply research; and

20 “(C) whether the effectiveness of the insti-
 21 tute as an institution for planning, conducting,
 22 and arranging for research warrants continued
 23 support under this section.

24 “(2) PROHIBITION ON FURTHER SUPPORT.—If,
 25 as a result of an evaluation under paragraph (1), the

1 Secretary determines that an institute does not qual-
 2 ify for further support under this section, no further
 3 grants to the institute may be provided until the
 4 qualifications of the institute are reestablished to the
 5 satisfaction of the Secretary.”;

6 (4) in subsection (f)(1), by striking
 7 “\$12,000,000 for each of fiscal years 2007 through
 8 2011” and inserting “\$7,500,000 for each of fiscal
 9 years 2015 through 2020”; and

10 (5) in subsection (g)(1), in the first sentence,
 11 by striking “\$6,000,000 for each of fiscal years
 12 2007 through 2011” and inserting “\$1,500,000 for
 13 each of fiscal years 2015 through 2020”.

14 **SEC. 303. REAUTHORIZATION OF WATER DESALINATION**
 15 **ACT OF 1996.**

16 Section 8 of the Water Desalination Act of 1996 (42
 17 U.S.C. 10301 note; Public Law 104–298) is amended—

18 (1) in the first sentence of subsection (a)—

19 (A) by striking “\$5,000,000” and inserting
 20 “\$8,000,000”; and

21 (B) by striking “2013” and inserting
 22 “2020”; and

23 (2) in subsection (b), by striking “for each of
 24 fiscal years 2012 through 2013” and inserting “for
 25 each of fiscal years 2015 through 2020”.

1 **SEC. 304. REVIEW OF RESERVOIR OPERATIONS.**

2 (a) IN GENERAL.—Not later than 1 year after receiv-
3 ing a request of a non-Federal sponsor of a reservoir, the
4 Secretary of the Army, in consultation with the Adminis-
5 trator of the National Oceanic and Atmospheric Adminis-
6 tration, shall review the operation of the reservoir, includ-
7 ing the water control manual and rule curves, using im-
8 proved weather forecasts and run-off forecasting methods,
9 including the Advanced Hydrologic Prediction System of
10 the National Weather Service and the Hydrometeorology
11 Testbed program of the National Oceanic and Atmos-
12 pheric Administration.

13 (b) DESCRIPTION OF BENEFITS.—In conducting the
14 review under subsection (a), the Secretary of the Army
15 shall determine if a change in operations, including the
16 use of improved weather forecasts and run-off forecasting
17 methods, will improve 1 or more of the core functions of
18 the Corps of Engineers, including—

- 19 (1) reducing risks to human life, public safety,
20 and property;
21 (2) reducing the need for future disaster relief;
22 (3) improving local water storage capability and
23 reliability in coordination with the non-Federal spon-
24 sor and other water users;

1 (4) restoring, protecting, or mitigating the im-
2 pacts of a water resources development project on
3 the environment; and

4 (5) improving fish species habitat or population
5 within the boundaries and downstream of a water
6 resources project.

7 (c) RESULTS REPORTED.—Not later than 90 days
8 after completion of a review under this section, the Sec-
9 retary shall submit a report to Congress regarding the re-
10 sults of the review.

11 (d) MANUAL UPDATE.—As soon as practicable, but
12 not later than 3 years after the date on which a report
13 under subsection (c) is submitted to Congress, pursuant
14 to the procedures required under existing authorities, if
15 the Secretary of the Army determines based on that report
16 that using improved weather and run-off forecasting meth-
17 ods improves 1 or more core functions of the Corps of
18 Engineers at a reservoir, the Secretary of the Army
19 shall—

20 (1) incorporate those methods in the operation
21 of the reservoir; and

22 (2) update the water control manual.

1 **TITLE IV—DROUGHT PREPARED-**
2 **NESS AND RESILIENCE**

3 **SEC. 401. NATIONAL DROUGHT RESILIENCE GUIDELINES.**

4 (a) IN GENERAL.—The Administrator, in conjunction
5 with the Secretary of the Interior, the Secretary of Agri-
6 culture, the Director of the National Oceanic and Atmos-
7 pheric Administration, and other appropriate Federal
8 agency heads along with State and local governments,
9 shall develop nonregulatory national drought resilience
10 guidelines relating to drought preparedness planning and
11 investments for communities, water utilities, and other
12 water users and providers.

13 (b) CONSULTATION.—In developing the national
14 drought resilience guidelines, the Administrator and other
15 Federal agency heads referred to in subsection (a) shall
16 consult with—

- 17 (1) State and local governments;
18 (2) water utilities;
19 (3) scientists;
20 (4) institutions of higher education;
21 (5) relevant private entities; and
22 (6) other stakeholders.

23 (c) CONTENTS.—The national drought resilience
24 guidelines developed under this section shall, to the max-

1 imum extent practicable, provide recommendations for a
2 period of 10 years that—

3 (1) address a broad range of potential actions,
4 including—

5 (A) analysis of the impacts of climate
6 change and drought on the future effectiveness
7 of water management tools;

8 (B) the identification of drought-related
9 water management challenges in a broad range
10 of fields, including—

11 (i) public health and safety;

12 (ii) municipal and industrial water
13 supply;

14 (iii) agricultural water supply;

15 (iv) water quality;

16 (v) ecosystem health; and

17 (vi) water supply planning;

18 (C) water management tools to reduce
19 drought-related impacts, including—

20 (i) water use efficiency through gal-
21 lons per capita reduction goals, appliance
22 efficiency standards, water pricing incen-
23 tives, and other measures;

24 (ii) water recycling;

1 (iii) groundwater clean-up and stor-
2 age;

3 (iv) new technologies, such as behav-
4 ioral water efficiency; and

5 (v) stormwater capture and reuse;

6 (D) water-related energy and greenhouse
7 gas reduction strategies; and

8 (E) public education and engagement; and

9 (2) include recommendations relating to the
10 processes that Federal, State, and local governments
11 and water utilities should consider when developing
12 drought resilience preparedness and plans, includ-
13 ing—

14 (A) the establishment of planning goals;

15 (B) the evaluation of institutional capacity;

16 (C) the assessment of drought-related risks
17 and vulnerabilities, including the integration of
18 climate-related impacts;

19 (D) the establishment of a development
20 process, including an evaluation of the cost-ef-
21 fectiveness of potential strategies;

22 (E) the inclusion of private entities, tech-
23 nical advisors, and other stakeholders in the de-
24 velopment process;

- 1 (F) implementation and financing issues;
2 and
3 (G) evaluation of the plan, including any
4 updates to the plan.

5 **SEC. 402. DROUGHT PREPAREDNESS FOR FISHERIES.**

6 (a) DEFINITIONS.—In this section:

7 (1) INDIAN TRIBE.—The term “Indian tribe”
8 has the meaning given the term in section 4 of the
9 Indian Self-Determination and Education Assistance
10 Act (25 U.S.C. 450b).

11 (2) QUALIFIED TRIBAL GOVERNMENT.—The
12 term “qualified tribal government” means a govern-
13 mental body of an Indian tribe that the Secretary of
14 the Interior determines—

15 (A) is involved in salmon management and
16 recovery activities under the Endangered Spe-
17 cies Act of 1973 (16 U.S.C. 1531 et seq.); and

18 (B) has the management and organiza-
19 tional capability to maximize the benefits of as-
20 sistance provided under this section.

21 (b) SALMON DROUGHT PLAN.—

22 (1) IN GENERAL.—Not later than January 1,
23 2016, the Director of the United States Fish and
24 Wildlife Service shall, in consultation with the Direc-
25 tor of the National Marine Fisheries Service, the

1 Commissioner of Reclamation, the Chief of Engi-
2 neers, and the head of the California Department of
3 Fish and Wildlife, prepare a salmon drought plan
4 for the State of California.

5 (2) CONTENTS.—The plan developed under
6 paragraph (1) shall—

7 (A) contribute—

8 (i) to the recovery of populations list-
9 ed as threatened or endangered under the
10 Endangered Species Act of 1973 (16
11 U.S.C. 1531 et seq.); and

12 (ii) to the goals of the Central Valley
13 Project Improvement Act (title XXXIV of
14 Public Law 102–575; 106 Stat. 4706); and

15 (B) include options to protect salmon pop-
16 ulations originating in the State of California,
17 with a particular focus on actions that can be
18 taken to aid salmon populations in the State of
19 California during the driest 12 years, such as—

20 (i) relocating the release location and
21 timing of hatchery fish to avoid predation
22 and temperature impacts;

23 (ii) barging fish to improve survival
24 and reduce straying;

1 (iii) coordinating with water users, the
2 Commissioner of Reclamation, and the
3 head of the California Department of
4 Water Resources regarding voluntary
5 water transfers to determine if water re-
6 leased upstream to meet the needs of
7 downstream or South-of-Delta water users
8 can be managed in a way that provides ad-
9 ditional benefits for salmon;

10 (iv) hatchery management modifica-
11 tions, such as expanding hatchery produc-
12 tion during the driest years of fish listed
13 as endangered or threatened under the En-
14 dangered Species Act of 1973 (16 U.S.C.
15 1531 et seq.), if appropriate; and

16 (v) increasing rescue operations of up-
17 stream migrating fish.

18 (c) FUNDING.—

19 (1) IN GENERAL.—Out of any funds in the
20 Treasury not otherwise appropriated, the Secretary
21 of the Treasury shall transfer to the Director of the
22 United States Fish and Wildlife Service to carry out
23 this section \$3,000,000, to remain available until ex-
24 pended, for urgent fish, stream, and hatchery activi-
25 ties relating to extreme drought conditions, including

1 work carried out in conjunction with the Director of
2 the National Marine Fisheries Service, the Commis-
3 sioner of Reclamation, the Chief of Engineers, the
4 head of the California Department of Fish and
5 Wildlife, or a qualified tribal government.

6 (2) RECEIPT AND ACCEPTANCE.—The Director
7 of the United States Fish and Wildlife Service shall
8 be entitled to receive, shall accept, and shall use to
9 carry out this section the funds transferred under
10 paragraph (1), without further appropriation.

○

