



VAN SCOYOC
ASSOCIATES

MEMORANDUM

From: Greg Burns
To: Cambria Community Services District
Subject: Report on Activities
Date: February 17, 2009

Earlier this month, the Administration kicked off the Fiscal Year 2011 Federal budget process by releasing their version of the budget. The budget included a proposed \$4.939 billion for the Corps of Engineers, a reduction in funding over what Congress provided the Corps in FY 2010. For the construction account in particular, the Administration has recommended \$1.69 billion.

As expected, the budget does not include funding for the Cambria desalination facility, nor has funding ever been proposed for the project in any Administration budget. However, in three years, Congress has deemed the project a priority and provided funding via their consideration of a budget for the Corps of Engineers. This is what we are seeking again this year. [For your information, I have included the California portion of the Corps' Administration budget. Note the number of projects that are proposed to receive funding in your area (and Congresswoman Capps' Congressional district), particularly harbor maintenance projects.]

Since the release of the President's budget, the Cambria CSD has officially requested funding for the desalination facility via the offices of Senator Feinstein, Boxer, and Representative Capps. We have filled out the necessary paperwork to make that official request and have submitted request letters to each office. Our request is for \$6,775,000, which is the remaining Federal funding currently authorized for the project. It is unlikely that we will be successful in securing that level of funding, but it is paramount that we secure some level of funding as our last appropriation from Congress was in FY 2005.

We have also begun to prepare for a trip to Washington by Board President Greg Sanders and General Manager Tammy Rudock in early March to advocate for funding of the project. We have begun to set up meetings with your Congressional delegation, the Headquarters office of the Corps of Engineers, and relevant Appropriations Committee staff that write the funding bill for the Corps.

Last month, I also reported on a potential new jobs bill that Congress had begun to consider. However, the recent election in Massachusetts, a greater emphasis on bipartisanship, and focus on the debt and budget deficits has led to the Senate reconsidering the approach the House took in mid-December, which was to propose a large infrastructure spending bill. Instead, the Senate has decided to try to pass several smaller bills that would then make up a larger jobs "package." So far, the Senate has yet to pass any of these bills, but is planning to consider their first part of

the package next week. The bill is very narrowly focused and is primarily a \$15 billion effort at small business job creation using tax credits.

As always, if you have any questions, please let me know.