



MEMORANDUM

From: Greg Burns
To: Cambria Community Services District
Subject: Report on Activities
Date: September 15, 2011

Fiscal Year 2012 Appropriations Update

On September 7, the Senate Appropriations Committee passed the Fiscal Year 2012 Energy & Water Appropriations bill, which proposes funding for a number of Federal agencies, including the Corps of Engineers, the Department of Energy, and the Bureau of Reclamation. Senator Feinstein chairs the Energy & Water Appropriations Subcommittee in the Senate.

As you may remember, in Fiscal Year 2011, the Corps of Engineers were provided with \$4.857 billion in funding. For Fiscal Year 2012, the Administration proposed \$4.573 billion for the agency, while the House has proposed \$4.768 billion. The Senate Committee has now proposed \$4.864 billion for the agency, an increase over all prior funded or recommended levels. Clearly this is excellent news and again shows the strong Congressional support the Corps enjoys.

Within the \$4.864 billion recommended by the Senate Committee, \$1.61 billion is allocated to the Construction, General account, from which the Cambria project would be funded. Similar to the House, the Senate proposes no earmarks (other than the Administration's proposed projects, which are somehow not considered earmarks) and instead adds additional funding for what the Committee terms "Additional Funding for Ongoing Work."

Within this funding, the Committee recommends providing \$40 million in funding for "environmental infrastructure projects" such as the Cambria project. Should this recommendation become law and the project need additional Federal funding in the coming fiscal year, it should be available. The availability of funding highlights the importance of our work with Congress and the Corps of Engineers and shows that our advocacy for continued funding of additional environmental infrastructure projects has been effective.

For your information, the Senate Committee language related to the additional construction funding, which is illustrative for a number of reasons, follows:

Additional Funding for Ongoing Work.-The Committee recommendation includes additional funds above the budget request to continue ongoing projects and activities. The Committee recommends that these funds be used for flood control, storm damage reduction, navigation, environmental restoration, environmental infrastructure, and miscellaneous projects. The Committee recommends that priority in allocating these funds should be towards completing on-going projects, accelerating projects which will

enhance the Nation's economic development, job growth and international competitiveness or those where the local sponsor has the funding in-place for their share of the construction contemplated with the funds available.

The administration has complete discretion over how these funds are to be used. The intent of these funds is for ongoing work that either did not make it into the administration request or were inadequately budgeted. Within 30 days of enactment, the Corps shall provide the House and Senate Appropriations Committees a work plan delineating how these funds are to be distributed and in which phase the work is being accomplished.

Given that Fiscal Year 2012 begins October 1, 2011, it is unlikely Congress will agree to a final Energy & Water bill prior to the end of the month, but the House will begin consideration today of legislation to continue to fund the government through November 18, 2011. During the next two months, or shortly afterwards, it is expected that Congress will resolve most of its annual appropriations process, including that for the Corps.

Advocacy Efforts

I will look forward to seeing some of you on Wednesday, September 21 for a meeting with staff from Representative Capps' San Luis Obispo office. I will be in the area at that time and will appreciate the opportunity to join you for that meeting.

Director DeMicco has also finalized his plans to travel to Washington, D.C. in early October for anticipated meetings with staff for Senators Boxer and Feinstein, Representative Capps, staff for the Subcommittee on Energy & Water Appropriations, and the Corps of Engineers. We have already begun to set up meetings for that visit and will report on the outcome prior to the October CCSD Board meeting.

These visits will dovetail well with the CCSD's recent meeting with Colonel Toy of the Corps in Los Angeles and are vitally important as we continue to engage all levels of the Federal government with regard to the Federal project.

Water Resources Development Act

In April, we submitted language on behalf of the CCSD to Senators Boxer and Feinstein for inclusion in a future Water Resources Development Act (WRDA) to reflect cost increases of the Federal project. Since then, the Senate Committee on Environment and Public Works delayed their date for receipt of project requests from Senators because of the more pressing need to focus on the reauthorizations of both the surface and aviation transportation programs. As the Committees in the House and Senate continue to try to resolve challenges with those programs, they have had little time to focus on another WRDA. Also, the main driver of a WRDA are often several completed "Chief's Reports," which recommend the authorization of major public works projects (think roughly \$500 million projects). Only seven or eight Chief's Reports have been completed since WRDA was last passed in 2007 and that has not provided enough of an impetus for a new Corps authorization bill to date. Regardless, I continue to keep in close touch with each Senate office to support the CCSD's language request.