



Chair – Kevin Cann, Mariposa County  
First Vice Chair – Nate Beason, Nevada County  
Second Vice Chair – Lee Adams, Sierra County  
Past Chair – Kim Dolbow Vann, Colusa County

President and CEO – Greg Norton  
Executive Vice President – Patricia J. Megason  
Chief Financial Officer – Karl Dolk

August 20, 2013

The Honorable Anthony Rendon, Chair  
Assembly Water, Parks and Wildlife Committee  
Room 2136, State Capitol  
Sacramento, CA 95814

**RE: Assembly Water Bond Working Group Public Review Draft  
2013 Water Bond Framework (dated August 14, 2013)**

Dear Assembly Member Rendon:

The Rural County Representatives of California (RCRC), representing thirty-three California counties, appreciates the opportunity to submit comments on the draft Assembly Working Group (Working Group) 2013 Water Bond Framework. As you know, RCRC has previously submitted comments on the Policy Principles developed by the Working Group. Following are RCRC's comments on the Water Bond Framework:

**III. Definitions: Retain Definitions**

RCRC supports the retention of the definitions in SB 2 (2014 Water Bond), in particular the definitions of "disadvantaged community" and "economically distressed area".

**IV. General Provisions**

*IV. B. Retain Assurances.* RCRC supports retaining the assurances contained in SB 2 (2014 Water Bond), in particular: 1.) Water Rights/Area of Origin; 2) Prohibition on Delta Conveyance Funding; and, 3.) Beneficiaries Pay for Benefits. The retention of water rights/area of origin assurances is one of RCRC's highest priorities.

*IV.C. Terminate Authorization for Water Bond Funds Not Yet Appropriated.* This proposal is sure to be controversial with those entities that have applied for, or planned to apply for, existing bond funds. RCRC suggests that the Working Group consider each program's uncommitted balance and determine on a case by case basis if that specific program's funds authorization should be terminated. RCRC would have serious concerns if, for example, Proposition 84 and Proposition 1E Flood Control/Flood Prevention funds were included in the proposed termination of authorization for funds not yet appropriated.

*IV.F. Priority for Projects that Produce Greatest Public Benefit and H. Priority for Shovel-Ready Projects.* While priority for "shovel-ready projects" sounds like a good

idea, it is at odds with the prioritization of projects that produce the greatest public benefit. Federal ARRA funds had this condition, in order to get the funding out and projects underway within a short timeframe, and the projects funded were not necessarily the projects that would have been chosen to be funded absent this condition and the desire not to leave federal funding on the table.

#### **V. Water Quality: Clean and Safe Drinking Water B. Funding**

It is unclear from the Framework as to whether the Working Group intends the proposed funding to be directed to the Safe Drinking Water State Revolving Fund (SDWSRF) and Clean Water State Revolving Fund (CWSRF). Both the SDWSRF and CWSRF have a long list of important public health and safety projects waiting to be funded.

*V. B.1.a) Minimal cost-sharing requirements for disadvantaged communities.* RCRC supports the retention of the language from SB 2 (2014 Water Bond) that states that state agencies “*may waive or reduce the cost-sharing requirement of projects that directly benefit disadvantaged communities or economically distressed areas.*”

*V. B.b) Require Ability to Continue Operating Treatment Facility.* RCRC agrees that it is important to ensure that facilities funded will not become a stranded asset due to the inability of a disadvantaged community and/or economically distressed area to fund the ongoing cost of operating a treatment facility.

*V.B.c) Operations and Maintenance.* RCRC believes that bond funding for operations and maintenance should focus on training and technical assistance.

*V.B.3. Wastewater Treatment Facilities.* RCRC urges that funding be provided specifically for the State Water Resources Control Boards’ Small Community Wastewater Grant Program.

RCRC also supports funding for groundwater cleanup (V.B.2.) and stormwater management (V.B.4).

#### **VI. Protecting Rivers, Lakes, Streams and Watersheds**

RCRC has previously indicated our strong support of funding for projects and programs in the upstream areas of the Delta watershed.

RCRC’s comments on the proposed Policy Principles included the following:

*“Particularly important are those watersheds upstream of the Delta that are the primary source of the state’s water as the health of these watersheds is directly linked to the quality and the amount of water that flows through the region and downstream.”*

*“Federal and state funding for projects that enhance and restore the upper watershed forests and meadow systems could improve water quality and water supply reliability for the state. RCRC urges the Administration to press the federal government to more proactively manage federally owned land in the State.”*

*“RCRC also suggests that the Legislature consider the statewide benefits to be gained as a result of investing in the upper watersheds when establishing criteria to be utilized in making funding decisions.”*

### VII. Climate Change Preparedness & Regional Self-Reliance for Water

*VII. A. Purpose.* RCRC strongly supports funding assistance to improve Regional Self-Reliance.

*VII. B.1. Integrated Regional Water Management (Grants and Loans).* It is important to recognize that each region is different and the projects and programs needed in each region to achieve regional self-reliance will vary. RCRC supports competitive processes for awarding bond funding, and as stated in our prior comments, funding allocated by geographic area can help ensure competitiveness. However, as mentioned at the informational hearing, RCRC encourages the Working Group to look at a concept put forward by the Association of California Water Agencies (ACWA) that would provide for Urban and Rural Allocations within IRWMs. A breakdown of this type has the potential to level the playing field for small rural entities that are at a disadvantage in the competitive process when competing for funding against large well-funded urban agencies within the same region.

*VII. B.3. a) – c). Specific Program Allocations within Integrated Regional Water Management.* RCRC questions the wisdom of specific program allocations. RCRC would suggest, instead, that each region choose the combination of projects and programs (water conservation, water recycling, desalination, etc.) that meets their regional needs. Please see comments under VII.3.c) below.

*VII.3.c) Desalination with Renewable Energy Generation & Reduced Delta Exports.* The potential applicants for this proposed pot of money would be limited, as opposed to having statewide applicability. It is in effect an “earmark” for those regions that would qualify to apply for funding of these types of projects. This seems contrary to the stated intention of the Working Group.

### *VIII. Sacramento-San Joaquin Delta Sustainability*

RCRC supports funding for the Sacramento-San Joaquin Delta. However, the dollar figure proposed, \$1 billion, is inadequate.

### *IX. Storage*

*IX.B. 1-3.* RCRC supports funding for surface and groundwater storage, public benefits, and restoration of the storage capacity of existing dams. However, the dollar figure proposed, \$1 billion, is inadequate.

*IX. C 2. Continuous Appropriation.* RCRC strongly supports continuous appropriation for water storage projects.

Please refer to RCRC's comments on the "Proposed Principles for Developing a Water Bond" for more specifics on these and other related issues. Please feel free to contact me with any questions at (916) 447-4806 or [kmannion@rcrcnet.org](mailto:kmannion@rcrcnet.org).

Sincerely,

A handwritten signature in black ink that reads "Kathy Mannion". The signature is written in a cursive, flowing style.

Kathy Mannion  
Legislative Advocate

cc: Governor Jerry Brown  
Members, California State Legislature