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August 21, 2013

Assembly Member Anthony Rendon
Chair, Assembly Water, Parks & Wildlife Committee
State Capitol, Room 2036
Sacramento, CA 95814

Re: Assembly Water Bond Working Group "Water Bond Framework"

Dear Chair Rendon:

The Sacramento Regional County Sanitation District (SRCSD) appreciates the opportunity to provide these preliminary comments on the Water Bond Working Group's "Water Bond Framework" (dated August 14, 2013). We remain quite interested in reviewing the Working Group's upcoming Water Bond legislative proposal.

General Provision - Priority for "Shovel-Ready Projects"

One of the "general provisions" outlined in the Framework is to provide funding priority for "shovel-ready projects." SRCSD does not support this General Provision, primarily because it does not promote the purpose of the Water Bond itself. To provide funding priority for projects simply because they are "shovel-ready" runs the risk of diminishing or even precluding projects that could provide far more benefits with regard to Delta sustainability, ecosystem restoration, water quality, or clean and safe drinking water for communities that have done without.

Moreover, as a threshold matter, defining what constitutes "shovel-ready" may prove difficult, if not impossible. California's experience in distributing American Recovery and Reinvestment Act (ARRA) funds for so-called "shovel-ready" public works projects several years ago demonstrated how subjective the term "shovel-ready" could be interpreted.

In summary, SRCSD urges the Working Group to remove any reference to "shovel-ready" projects as a criterion for funding priority and, instead, promote the concept that projects that provide the most benefits to achieve the purposes and goals of the Water Bond will receive funding priority.

Regional Self Reliance

SRCSD supports a Water Bond framework that recognizes water recycling as a key component in the development of both new water supplies and enhanced reliability. Enhanced regional water recycling can help local agencies become more self-reliant, as well as provide multiple environmental and Delta benefits by reducing dependency on imported water. The state has a goal of achieving

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2.5 million acre feet per year of recycled water by 2030. However, to achieve this goal, it is imperative that the state become a partner with local entities to help finance and streamline the development of water recycling projects. The Water Bond should provide funding for water recycling projects, allocated in an equitable and competitive manner.

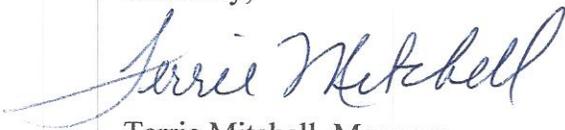
Sacramento-San Joaquin Delta Sustainability

SRCSO supports Water Bond funding for projects that promote Delta ecosystem restoration and sustainability, and particularly those projects which can demonstrate multiple benefits related to groundwater management, regional water sustainability and ecosystem system restoration of the Delta and its immediate tributaries. These types of projects can have substantial, long-term benefits to the Delta as well as synergistic benefits to individual endangered and other species of concern.

A significant issue of concern to SRCSO is what state agency is charged with distributing funds from the "Sacramento-San Joaquin Delta Sustainability" section of the Water Bond. We believe strongly that the most appropriate agency to handle funds distribution for projects intended to promote ecosystem restoration and Delta sustainability is the Delta Conservancy. The Delta Conservancy was created in the Natural Resources Agency in 2009 with the specific Legislative purpose of being the primary state agency to implement ecosystem restoration in the Delta and to support efforts that advance environmental protection and the economic well-being of Delta residents. (*See, Public Resources Code §§32300 et seq.*) It is vital to ensure that Delta ecosystem and Delta sustainability projects be evaluated by the Delta Conservancy for future project funding determination, and we urge the Working Group to recognize this in its Water Bond legislation.

SRCSO appreciates the opportunity to provide these comments on the Water Bond Framework and we look forward to working with the Committee and its staff as the Assembly Water Bond legislation moves forward.

Sincerely,



Terrie Mitchell, Manager
Legislative & Regulatory Affairs

cc: Members, Assembly Water, Parks & Wildlife Committee
Members, Assembly Water Bond Working Group
Senator Steinberg
Senator Wolk
Senator Gaines
Assembly Member Dickinson
Assembly Member Pan
Assembly Member Cooley
Assembly Member Gaines