

August 21, 2013

The Honorable Anthony Rendon, Chair
Assembly Committee on Water, Parks & Wildlife
Legislative Office Building, Room 160
1020 N Street
Sacramento, California 95814

RE: Comments on 2013 Water Bond Framework

Dear Assemblymember Rendon,

On behalf of The Nature Conservancy (Conservancy), I write in response to the Water Bond Working Group's solicitation for comments on its "2013 Water Bond Framework" (Framework) and to express our support for the effort to reconfigure the 2014 water bond.

The Conservancy was closely involved in the process of shaping the original bond in the fall of 2009 as part of the broader water reform legislative package, and has continued to support the bond as an important catalyst in achieving more sustainable water management practices. The bond would provide critical public investment to restore the Sacramento and San Joaquin River watersheds and the Delta; upgrade the state's aging water infrastructure; and, develop alternative regional water supplies, thereby reducing reliance on the Delta. In recent years, however, it has become clear that the current version of the bond is not politically viable and we thank you for your leadership in re-examining and downsizing the water bond.

The Framework proposed by the Assembly Working Group does a good job of building on the principles put forth in July 2013 and addresses several topics necessary for a bond to be approved by voters on the November 2014 ballot. We offer the following general and specific comments on the Framework:

- 1) **Water Quality: Clean and Safe Drinking Water [V.]**. Ensuring that all Californians have access to clean drinking water should be the highest priority for water bond funds. There is great need across the state for the types of investments in water quality outlined in the Framework.
 - a. Projects that benefit disadvantaged communities should have "minimal cost-sharing requirements" [V.B.1.a] and these communities should also be provided with technical

support in applying for bond funds as well as implementing projects funded under the bond.

- b. Groundwater cleanup [V.B.2.] is critical to ensuring a reliable water supply and funding should be directed to projects that protect groundwater from further contamination and entail carefully planned groundwater recharge projects that address groundwater quality issues brought on by or exacerbated by overdraft.

2) **Protecting Rivers, Lakes, Streams, and Watersheds [VI.]**. Watersheds provide the natural infrastructure that collects, filters, regulates and transports the state's freshwater. As recognized by the Working Group, this category encompasses a broad range of activities that provide cost effective means to ensure clean and abundant water for communities, economies, and ecosystems.

- a. A water bond can be effective in reducing tensions between regulated entities and the need to protect rivers, streams and estuaries by increasing in-stream flows where they are critically needed. We recommend that the water bond include a mechanism for voluntary water transactions intended to provide flows necessary to sustain functioning natural streams, rivers and estuaries, which will also contribute to the recovery and protection of California's native and imperiled fish species.
- b. Projects that provide multiple benefits as "green infrastructure" should be prioritized in programmatic decisions for bond funding. Examples of elements of such projects include restoration of floodplains for flood protection, tidal and coastal marsh restoration for sea-level rise adaptation, and forest management practices to reduce wildfire threats.
- c. Given the efficiencies and multiple benefits afforded by Natural Community Conservation Plans (pursuant to Fish & Game Code, section 2800 *et seq*) and Habitat Conservation Plans (pursuant to section 10(a)(2)(B) of the federal Endangered Species Act), these plans should be given preference for this category of funding.
- d. The geographic allocation of these funds should ensure that projects that support areas that are the source of water for Californians, such as the Sierra Nevada, are included as part of wider conservation and water management strategies.
- e. The state is legally bound to support large restoration projects (i.e., Klamath Dam removal, San Joaquin River restoration, and Salton Sea restoration) and, presumably, these projects would be funded under this section of a bond; however, we recommend that a separate category of funding be reserved for these projects and that the funds be directed to these projects pursuant to legal obligations.

- 3) **Climate Change Preparedness & Regional Self-Reliance for Water [VII.].** We support the programs aimed to improve the regional sustainability of local water management entities. A broad range of activities should be funded under this category and preference should be given to projects that accrue multiple benefits for people and the environment.
- 4) **Sacramento-San Joaquin Delta Sustainability [VIII.].** Significant investment in Delta restoration and sustainability independent of the Bay-Delta Conservation Plan (BDCP) is necessary and bond funding should not support Delta Conveyance [IV.B.2.]. Bond funding should be clearly separated from the ongoing BDCP process.
- 5) **Storage for Climate Change [IX.].** The impacts of climate change are already being felt and will exacerbate the difficulty of meeting California's water supply needs for people and nature. In the face of these challenges, the Conservancy believes an emphasis should be placed on identifying opportunities for and developing groundwater storage, and strategies for better coordinating surface and groundwater management to address the needs of stressed ecosystems and reduce groundwater overdraft. There is a broad range of potential groundwater storage mechanisms, from managed recharge projects to well-planned conjunctive use projects that can serve to meet both the needs of people and the environment. It is also our view that it is vitally important to retain and strengthen the requirement that bond funds can only be used towards the public benefit portion of a project under this category.
- 6) **Make funds available for implementation of Central Valley Flood Protection Plan (CVFPP).** This is one area of funding that is critical and is not clearly included within the Framework. A portion of the funds under VII., VIII., and IX. might all be applied for this purpose. Again, priority should be given to projects that are multi-benefit: reducing flood risk and enhancing environmental values would be key criteria in awarding funds in this area.
 - a. The development and use of Regional Advanced Mitigation Plans (RAMP) should also be required when implementing projects under this category as both a more effective use of mitigation funds, and a strategy that will yield more effective conservation outcomes. Further, a portion of the funds applied for implementation of the CVFPP should be set aside to catalyze the development and implementation of a RAMP program to ensure that these efficiencies are realized.
 - b. Funding should prioritize projects that not only reduce flood risk, but also provide the means to adapt to climate change.

Thank you for the opportunity to provide these comments. We appreciate the collaborative and transparent manner in which the Water Bond Working Group's is proceeding and we are available and willing to help the process in any way possible.

Sincerely,

A handwritten signature in black ink, reading "Jay Ziegler". The signature is written in a cursive style with a large, looped "J" and "Z".

Jay Ziegler
Director, External Affairs & Policy