



August 20, 2013

Assembly Member Anthony Rendon  
Chair, Assembly Water, Parks and Wildlife Committee  
1020 N Street, Room 160  
Sacramento, CA 95814

RE: Documentation for Adjustment of Allocations Within the Water Bond Framework  
to Support Increased Funding for Recycled Water Projects

Dear Chairman Rendon:

On behalf of WateReuse California, I am writing to reiterate our support for maintaining a recycled water-focused bond chapter, similar to that included in the existing bond language.

As conveyed through our prior letter and the distribution of our 2014 bond principles, WateReuse is cognizant of the effort to reduce the overall size of the bond from the current \$11 billion level. In recognition of that effort, we believe our principles are reasonable in asking that any reductions to the existing recycling water/conservation bond level of roughly \$1 billion be made in proportion to the overall reductions to the bond size. For example, if the bond is \$8 billion, we believe maintaining a stand-alone chapter of roughly \$600 million is appropriate. Or, if the ultimate bond is \$5 billion, we believe roughly \$450 million is appropriate. As detailed below, funds available within the context of the \$1 billion in the existing recycled water/conservation chapter would be quickly and efficiently used in support of progress toward the statewide, statutory recycled water goal, but we understand the realities of the effort to achieve reductions in the bond overall.

Broad support exists for enhancing the state's water supply reliability and regional self-reliance through recycled water projects. The WateReuse principles that serve as the underpinning for this position were crafted by representatives of WateReuse members in Northern and Southern California and unanimously supported by board members throughout the state. Additionally, legislative support for recycled water has long spanned many regions throughout the state and is generally supported in a bipartisan manner.

Specifically, we request that Section VII of the Framework be adjusted to recognize the environmental, water supply and Delta benefits of increased state partnerships in local recycling projects. State studies have consistently called for increased state support for recycling.

***Recycling Water to Meet the World's Needs***

***International Office:*** 1199 North Fairfax Street, Suite 410, Alexandria, Virginia 22314 • 703-684-2409 • 703-548-3075 (fax)  
***California Section Office:*** 621 Capitol Mall, 25th Floor • Sacramento, California 95814 • 916 669-8401 • 916 720-0331 (fax)

[www.watereuse.org](http://www.watereuse.org)

August 21, 2013

Page 2

As you are aware, recycled water projects can be developed quickly to compensate for water shortages. For example, the current drought in the Colorado River basin and climate variability pose imminent challenges to the state's water supply. California's reservoirs were full in spring of 2012 but 2014 water allocations will be 0 percent of planned allocations even with normal precipitation in the winter of 2013-14.

Clearly, expanding water sources not dependent on precipitation, such as recycled water, is needed to stabilize the state's water supply. Currently, more than 3.5 million acre-feet (AF) of recyclable water is discharged to the ocean each year. Not only can this resource be recovered and reused to reduce pressure on imported water supplies within the next 5 years, but doing so would also require much lower energy than importing water or desalinating water. The benefits of a dedicated investment of Water Bond funds in recycling will provide multiple immediate benefits and is recognized as "new" supply.

In March 2012 the Assembly Committee on Water, Parks and Wildlife held an informational hearing on recycled water issues and found "Fortunately, the level of supplies that could potentially be derived from recycled water is substantial. The National Academy of Sciences, in its recent report: *Water Reuse: Potential for Expanding the Nation's Water Supply Through Reuse of Municipal Wastewater* states that in the U.S. approximately 12 billion gallons of municipal wastewater effluent is discharged each day to an ocean or estuary and that reusing these coastal discharges could directly augment public supply by 27 percent. Unlike water that is discharged into a stream and potentially used by another downstream party, water discharged to the ocean is considered "irrecoverable" and thus constitutes 'new' supply."

Funding for a Water Recycling Program should be allocated competitively through the existing Water Recycling Funding Program (WRFP) at the State Water Resources Control Board (Board). As far back as 2005, the WRFP "Competitive Project List" (CPL) included 87 projects in 50 jurisdictions, located in 15 counties, awaiting funding. These project sponsors applied for past bond funds and were evaluated and prioritized by the Board. A few of those have been funded and are no longer on the list. But since 2005 the Board has awarded planning grants to 77 additional projects that will apply for the next round of state assistance. This sort of recycled water-focused program is critical to ensuring that optimal, expedited benefit is gained from state assistance and that quality projects gain funding.

Besides this demonstrated need for assistance please consider the historical perspective. The Legislature created the 2002 Recycled Water Task Force to identify impediments to recycling and make recommendations to help the state meet the water needs of 2030. This multi-agency, public process led by the Department of Water Resources and the Board made strong recommendations that are more compelling today than when first presented to the Legislature in 2003.

The Task Force was clear that an additional 1.5 million AFY could be recycled by 2030 at a cost of \$11 billion. Given the fiscal condition of the state, our organization and local recycling producers do not expect the state to meet that challenge through a single bond issue. But we would hope, and the people of the state deserve, that the next water bond

August 21, 2013

Page 3

include a substantial investment from the state to become a partner with local entities in providing safe and reliable water supplies, particularly since advances in science and technology have substantially reduced the cost of water recycling since the Task Force issued its report.

Also, the Recycled Water Policy adopted by the Board in 2010 included a water policy goal of having an additional 2.5 MAF of recycled water per year by 2030. The Policy included this strong statement, “The water industry and the environmental community have agreed jointly to advocate for \$1 billion in state and federal funds over the next five years to fund projects needed to meet the goals and mandates for the use of recycled water established in this Policy.” It is now the official policy of the State of California that on behalf of the people of the state, the water industry and the environmental community do all that we can to find the funds needed to increase the supply of a safe and reliable recycled water supply.

The Legislative Analyst’s California Water Primer in 2008 suggested: “For long-term options, investing in the long-term solution of recycled municipal water would be the first funding priority;” a recommendation the Legislature should heed by structuring the Framework and the next bond to provide significant funding for recycling.

Consistent with the substantial documented need for direct state support of water recycling, we urge that the August 14, 2013 water bond framework be amended to provide at least \$450 million in funding – in the context of a \$5 billion dollar total bond level - dedicated to water recycling and allocated competitively through the Board’s WRFPP.

Finally, as the Assembly continues its current process and moves to drafting of proposed text, WaterReuse stands ready to provide input consistent with its principles and this request.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "David W. Smith". The signature is fluid and cursive, with the first name "David" being the most prominent.

David W. Smith, PhD  
Managing Director

cc: Via Email - Principal Committee Consultant Tina Cannon Leahy