

COMMENTS: Proposed Principles for Developing a Water Bond

August 5, 2013

NOTE: Assemblymember Anthony Rendon received the following comments from parties with an interest in a general obligation bond for water resources. Rendon staff summarized lengthy comments and then included some of each party's comments verbatim, which are shown in italics.

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Association of California Water Agencies supports modifications to the current water bond. It emphasizes a reduction in the size of the bond, the importance of regional self-reliance through IRWM programs, assistance for disadvantaged communities and preserving current bond funding levels for water storage and Delta ecosystem restoration. ACWA proposes an \$8.2 billion water bond, with \$2.15 billion for local resources development support, \$3.05 billion for Delta ecosystem restoration and watersheds, and \$3 billion for storage to achieve the Co-Equal goals.

[...] ACWA's go-forward direction includes [...] supporting substantial funding for local resources development projects, including Integrated Regional Water management programs in both urban and rural areas, water recycling/conservation, and groundwater cleanup; and providing additional funding at the local/regional level for local projects but looking at new tools and approaches that work for local water agencies.

California Chamber of Commerce (Valerie Neva) supports the principles on creating new water storage options because it believes that the principles address key concerns involving climate change. The Chamber wants the principles to define how exactly the bond will "protect" the Delta, and wants to see that definition include habitat restoration. It also suggests changing "water conservation" to "water efficiency," which is a term it believes includes conservation, and changing "groundwater cleanup" to "groundwater storage," which it believes will make the language consistent. Furthermore, the Chamber wants to know the status of the language on continuous appropriations and want to see the bond work with the BDCP to accomplish the Co-Equal goals and restore the Delta ecosystem.

On the issue of storage, the Chamber supports additional water storage options. As climate change progresses, it will become ever more important to capture and store as much water as possible during wet periods for use in drier periods. Neither the Principles document nor the background document addresses the "continuously appropriated" language that exists in the current bond. Will that concept be retained in future bond discussions? It is very important to Chamber members that it be retained for storage dollars.

California Groundwater Coalition (Ken Manning) wants the bond to assist local agencies in receiving funding for conservation, groundwater and stormwater capture, infiltration and reuse projects, and does not want the bond to consider funding for recycled water projects as earmarks

[...] the 2009 Delta/Water Legislation and water bond signaled the importance of groundwater to the State water supply by including, among other provisions, \$1 billion in funding for recycling projects that enhance local management efforts and groundwater cleanup. This funding should not be considered an "earmark," but rather, an investment in local water supply development that will permit demonstrable reduction in the amount of imported water supply needed to replenish our groundwater basins.

California Conference of Carpenters (Daniel M. Curtin) expresses its concerns on funding levels for Delta restoration, regional self-reliance through IRWM programs, public benefits, and safe drinking water for disadvantaged communities.

We would like to reiterate from our discussion the need for funding the critical components that are in the existing bond measure, namely Delta Restoration, public goods portion of storage, critical water needs of disadvantaged communities and greater reliance on Integrated Water Management policies for solutions to local and regional water issues.

California State Association of Counties (Karen A. Keene) supports many of the principles in the bond, including those on regional self-reliance, Delta protection, the preservation of area-of-origin rights and safe drinking water for disadvantaged communities. CSAC wants to see the bond include funding for flood management, groundwater storage and groundwater cleanup. Additionally, while it expresses its support for accountability and oversight of the bond, CSAC does not want a complex funding awards process.

[...] many of the elements we would like to see in a bond are addressed in the proposed principles' list of priorities for water bond funding, such as the Delta protections, regional self-reliance/integrated regional water management, safe drinking water, water conservation and water storage. All of your identified priorities are generally consistent with the policy direction we have been given over the years on this wide range of water bond and water issues.

California Trout (Mark Drew) supports the principles that promote regional self-reliance, protect area-of-origin rights, provide safe drinking water for disadvantaged communities and invest in new technologies that increase water conservation and reuse. CalTrout wants the bond to provide safe drinking water for sovereign tribal nations and to fund research for new technologies that improve water quality. Furthermore, CalTrout believes that the bond should include planning for the impacts of climate change, protect ecosystem and natural resource health across California, expand protection to all salmonid and native fish species to California waterways, and highlight the importance of other areas of the state and not just the Delta.

CalTrout is strongly supportive of the concept of regional self-reliance and reducing use of water imported from other watersheds. We also believe in using the Integrated Regional Water Management Program as the vehicle for implementing regional self-reliance, as is noted in Principles 1(b) and 2(b). Given the successful history of the IRWM program in many regions, the now-established infrastructure, and support from the Department of Water Resources regarding the IRWM programs being the future of water management in the state, it will be most time and cost effective to use these established groups to craft regional solutions to water problems.

The Principles should emphasize other important regions of the state, not just the Delta. Healthy headwaters regions are essential to ensuring a high quality and abundant water supply downstream. The Sierra Nevada and Cascade Ranges together provide over 60% of the States domestic water supply and provide water to some of California's most highly populated areas. Protection of these critical headwater regions should be emphasized alongside the Delta. CalTrout is highly supportive of the respect for California water rights outlined in Principle 3, particularly for the concept of area-of-origin protections.

California Water Association (Jack Hawks) supports the achievement of the Co-Equal goals of the Delta, beneficiary pays, protection of area-of-origin rights and the promotion of regional self-reliance. Additionally, CWA supports the use of unspent bond fund by IRWM programs, but believes that the state should have oversight in some programs. CWA also wants the bond to include funding for groundwater storage.

CWA supports the interdependent goals of the 2009 comprehensive water legislation, which, among other things, calls for state and regional investments in the Sacramento-San Joaquin Delta that (1) preserve a more reliable water supply for California and (2) protect and restore the Delta Ecosystem.

City of Cudahy (Chris Garcia) supports increased accountability and providing safe drinking water for disadvantaged communities, but wants the bond to include funding for groundwater cleanup.

The city of Cudahy supports increased accountability on bond funding, but focuses its comments on the Water Bond Principle of ensuring that members of disadvantaged communities have access to clean and safe drinking water. Specifically, the city of Cudahy emphasizes the importance of Groundwater Protection and Water Quality funding for projects that will serve disadvantaged communities or economically distressed areas

City of Lakewood (James B. Glancy) wants the principles to explicitly preserve funding levels for water conservation and recycled water, and opposes any cuts to funding levels for those areas of the bond.

It is important to Lakewood and our region that the final version maintain a high level of funding for A) Water Conservation/Water Efficiency Projects and B) Recycled Water Projects. Funding levels for these two critical areas is at \$250 million and \$1 billion respectively. Conservation is the most cost effective method available to local agencies to in effect gain additional water supply for other areas of consumer need. Recycled water is the only gallon for gallon shift away from the use of drinking water for irrigation and industrial applications. Although we agree with the ACWA comments already posted, we disagree that funding to these two programs should be cut by 64%.

City of Long Beach (Bob Foster) urges investment in water conservation and efficiency projects, recycled water projects, stormwater management and reuse, projects that will achieve the Total Maximum Daily Load, and Delta restoration.

[...] we encourage the State to invest in water conservation and recycled water. Water conservation is the most cost-effective source of water available to local governments and water agencies. Conservation programs require little to no capital investment can be

implemented immediately and are relatively low cost compared to alternative water supplies. Recycled water serves as an important alternative water supply for many areas in the state. Every gallon of recycled water that gets utilized in California means one less gallon of water that must be imported from regions that are becoming increasingly susceptible to drought, climate change and other operational restrictions

City of Lynwood (Sarah Magaña Withers) supports increased accountability and providing safe drinking water for disadvantaged communities, but wants the bond to include funding for groundwater cleanup.

The City of Lynwood relies heavily on groundwater production for its potable water needs and is very concerned with the possible contamination of its groundwater, in view that the City has several nearby active water wells. With the high cost of imported Metropolitan Water District (MWD) water, the loss of a water well to groundwater contamination would be of dire consequence for the economic wellbeing of the community.

City of Monrovia (Laura Lile) believes that the bond will not have any direct effect on Monrovia unless there are principles on stormwater capture, cleanup and use. The city wants to see the bond expand on regional self-reliance to include separate funding for stormwater projects and also want it to include local-level funding for stormwater storage and recycling.

Currently, there is no dedicated, long-term funding source to help cities and other local governments to fund programs and infrastructure that secure and reuse stormwater and urban runoff. In Los Angeles County, our cities are collaborating with the County, the business community, and other stakeholders to secure local funding sources to meet our goals, but it is not enough. The 2014 Water Bond provides an opportunity to make a critical investment for local governments and the state to meet the State's water quality objectives.

City of Turlock (Dan Madden) supports current bond language on water recycling funding levels, and wants further promotion to achieve California water recycling goals.

Seek a bond measure that supports attainment of California's water recycling goals. The State Water Resources Control Board (SWRCB) established a goal of adding 1 million acrefeet of recycling water use by 2020, and 2 million acrefeet

Clean Water Action (Jennifer Clary) and Community Water Center (Omar Carrillo) appreciate the public involvement in the construction of the bond and highlight this involvement as a critical tenet of accountability, and suggest that the bond include a commitment to public involvement. They support the emphasis on regional self-reliance and the focus on the needs of disadvantaged communities. However, they urge the Legislature to consider the usefulness of IRWM programs to promote regional self-reliance and to ensure that disadvantaged communities receive the necessary funding to access clean drinking water. Additionally, they believe that the 2014 bond is an opportunity to properly implement the human right to water.

A basic tenet of our work is that individuals and communities must have the opportunity to meaningfully participate in decision-making affecting their access to safe and affordable water. We appreciate your efforts to be open and deliberative in your efforts to develop a bond, and consider transparency essential to ensure that all viewpoints are recognized and

discussed. We suggest that a commitment to a transparent and public process for developing a bond be included as a key accountability principle

Contra Costa County Water Agency (Ryan Hernandez) supports the direction of the bond, but wants the principles to provide more comprehensive ecosystem and habitat protection and restoration efforts for the Delta.

a. Protect the Sacramento-San Joaquin Delta, <u>including enhancement of the Delta</u>
<u>ecosystem for fish and wildlife and improvement of water quality, consistent with the</u>
2009 Delta Reform Act and control of invasive species.

Council for Watershed Health (Nancy L.C. Steele) agrees with the direction of the bond principles, but wants them to include the protection and restoration of California watersheds, an increase in groundwater supplies, investment in "green infrastructure" projects that facilitate stormwater capture and use, and *improved* rather than *increased* accountability. Additionally, the Council believes that the bond should include reimbursement policies for local and regional agencies and districts that receive grants.

Regarding Principle 1, we would like to see greater emphasis on watershed protection and restoration (1d.), without the limitation placed by specifically naming protection of salmon to the exclusion of other important aquatic and terrestrial species. The health of a watershed depends on the health of the many species that make up the web of relationships within it, not just one or a few keystone aquatic species.

Delta Diablo Sanitation District (Gary W. Darling) emphasizes the importance of funding for recycled water, and wants to ensure that water recycling projects receive the necessary levels of funding.

Seek a bond measure that supports attainment of California's water recycling goals. The State Water Resources Control Board (SWRCB) established a goal of adding 1 million acrefeet of recycled water use by 2020, and 2 million acrefeet of recycled water use by 2030. These aggressive goals are not likely to be attained without significant public funding support, such as that which would be provided in a water bond.

Earth Law Center (Linda Sheehan) advocates a new vision for water management. One of its priorities aims to secure and maintain local water supplies for all Californians through the use of various types of storage, the human right to water, detailed water availability analysis, expansion of groundwater storage, and prohibition of the construction of new Delta water conveyance facilities through bond funding. Earth Law Center also wants to protect and restore waterways through funding for habitat restoration and watershed protection. Additionally, it wants to provide clear accountability and oversight through a public process, regional self-reliance, a ban on earmarks and beneficiary pays. To ensure the bond's success, Earth Law Center urges the Legislature to adopt various water law and policy changes.

A water bond represents decades of investment in ecosystems and infrastructure. Accordingly, it must implement a clear vision for California's use of water for the foreseeable future. We propose that this vision be one of communities and regions supported by locally sustainable and resilient water supplies, and in-ecosystem water flows sufficient to ensure thriving waterways, habitats and species throughout the state. Each element of the

bond must be tied to this vision, which should further be implemented through clear accountability criteria and processes and necessary water law and policy reforms.

Eastern Municipal Water District (Paul D. Jones II, P.E.) wants the bond to include language on the importance of Delta ecosystem restoration, the use of other competitive grant programs besides IRWMPs, and new financing tools for regional and local agencies.

Recognizing that the Sacramento-San Joaquin Delta is a key component of the state's water supply portfolio, EMWD would like to emphasize the importance of this key element by elaborating on proposed principle 1 a. "Protect the Sacramento-San Joaquin Delta." The role of Delta ecosystem and habitat restoration within the Policy Principles should be highlighted, as the critical need for preserving and protecting this delicate estuary is a public benefit with long lasting statewide benefits;

Friant Water Authority (Ronald D. Jacobsma) supports the bond principles on regional self-reliance, bans on earmarks and the protection of area-of-origin rights. Friant also supports the principles on disadvantaged communities, but believes that the bond should increase the availability of funds for disadvantaged communities. Additionally, Friant wants the 2014 bond language on surface storage to follow the language created in the 2009 bond and wants any principles concerning the Delta to reflect the Co-Equal goals.

[...] we suggest expansion, refinement and further delineation of Delta related principles that reflect programs and policy in keeping with the co-equal goals of water supply reliability and ecosystem improvement that were cornerstones of the 2009 water legislative package.

Gateway Water Management Authority (Christopher S. Cash) wants the bond to assist local agencies in receiving funding for conservation, groundwater and stormwater capture, infiltration and reuse projects.

The GMWA urges the Governor and the Legislature to work with local government and other stakeholders to provide adequate funding to water conservation, ground water recharge and capture and reuse of stormwater runoff in the 2014 water bond. The GWMA requests that the water bond be prioritized to assist local governments in funding these programs. Funding should be clearly designated for projects that capture, infiltrate and reuse stormwater and urban runoff.

Glenn-Colusa Irrigation District (Thaddeus L. Bettner) supports the language on regional self-reliance and emphasizes its role in California water policy. GCID also supports the principles that protect area-of-origin rights and expand water storage, but wants the 2014 bond to include the original language on water storage from the original 2009 bond.

GCID encourages the Working Group to include all of the water storage language contained in SB X7-2 as part of the principles for the development of a new bond.

Groundwater Resources Association (Timothy K. Parker) believes that the bond should include more comprehensive language on groundwater usage.

- (1f) Expand California water storage options, including surface storage, groundwater storage, groundwater recharge, groundwater cleanup, recycled water, and stormwater capture
- (1g) Strike a fair, intelligent balance between improvements and maintenance of existing infrastructure and construction of new infrastructure for surface water and groundwater supplies
- (1h) Enhance California's public awareness of surface water and groundwater resources and challenges on a local, regional and statewide basis to increase source water protection, conservation, water reuse, and water supply reliability.

Local Agencies of the North Delta (Osha R. Meserve) does not want BDCP to have assurances that it will be able to use bond funding. Additionally, LAND supports the focus on regional self-reliance, but wants proper oversight in the use of existing bond funds and an additional principle that protects property from eminent domain for the use of funds.

4. Prohibit use of water bond funding for <u>design</u>, <u>permitting</u>, construction, <u>operation</u>, <u>maintenance and</u> mitigation of new <u>or existing</u> water conveyance facilities in the Delta <u>as well</u> as funding any habitat conservation that supports the design, permitting, construction, operation, maintenance and mitigation of <u>new or existing conveyance facilities</u>.

Long Beach Water Department (John D.S. Allen) commends the work on the water bond and supports the emphasis on regional self-reliance, the development of new technologies that facilitate water conservation and reuse, and the expansion of above and below-ground water storage. LWBD also wants the bond to protect current levels of funding for conservation, reuse and recycling, and for it to include investment for alternative water supply projects that increase regional self-reliance.

Accordingly, we strongly support Proposed Principles section 1(b), which would authorize bond funding for purposes that increase regional self-reliance and diversification of local water supplies, and reduce reliance on water imported from other watersheds. We also agree that utilizing Integrated Regional Water Management can serve as an effective vehicle for achieving regional self-reliance in California.

For the above reasons, we again express our support for Proposed Principles for Developing a Water Bond and hope that as you move forward in this process you will continue to place a high importance on utilizing bond funding for investments in cost-effective local projects that improve statewide water supply reliability and regional self-reliance.

Los Angeles County Division of the League of California Cities (Ling-Ling Chang) supports the emphasis on regional self-reliance, but would like to see the principles include funding for groundwater storage and reuse.

[...] the Division is very encouraged by the Working Group's priority listed as "Regional Self Reliance",

"Regional Self-Reliance: How does bond funding support state policy on reducing reliance on Delta water exports, in statute and in the new Delta Plan? Does bond

funding support development of new technology and local water resources, such as stormwater capture?"

Metropolitan Water District (Kathleen Cole) wants the bond to consider the needs of regions that rely on Delta water exports when promoting regional self-reliance and to include groundwater storage in the principles. Additionally, MWD believes that any public investments in habitat restoration provide broad public benefits.

The 2009 legislative package also called for increased investments to improve regional self-reliance and diversification of water supplies. Existing law applies the "reduced reliance" requirement on a watershed basis for all who draw water supplies from the Delta watershed. The proposed bond principle should not be "exporter centric" or ignore the many stressors or beneficiaries who rely on the Delta watershed. Public investments should improve the efficiency of water use overall within the Delta watershed and in export areas and aim towards sustainable use that is compatible with water quality standards and Delta restoration.

Mountain Counties Water Resources Association (John Kingsbury) supports the bond principles on the protection of area-of-origin rights and the expansion of water storage options. While MCWRA also supports the protection and restoration of the Delta, it wants the bond to include protection and restoration of the Sierra Nevada watershed, particularly due to wildfire damage.

We support the working group's recommendation that protection and restoration of the Sacramento-San Joaquin Delta remain a high priority. However, we encourage you to ensure that any plan for Delta protection considers, with the same specific focus and priority, protection and restoration in the headwaters in the Sierra Nevada watersheds, which provides approximately fifty percent of the source water for the Delta. As such, it is essential that the State recognize that without a solution in the "Delta Watershed", there can be no Delta solution nor statewide solution.

Nature Conservancy (Jay Ziegler) wants the bond to explicitly mention Delta restoration, recognize the needs of Sierra Nevada watersheds, provide a clear definition of "public" and "private" benefits, acknowledge funding needs for certain projects, include reporting requirements on bond spending, and ensure all forms of groundwater storage receive attention.

Provision If should include the widest possible variety of groundwater storage options including managed recharge projects and well-planned conjunctive use projects.

North Bay Water Reuse Program (David Rabbitt) wants the bond to include substantial funding for water recycling projects and wants it to allow local and regional agencies to more easily access funding for water recycling projects.

[...] NBWRA strongly supports the water bond principles that have been advanced by WateReuse. WateReuse has adopted principles to urge the Legislature to shape a fair and balanced 2014 water bond that will support recycled water and serve statewide regional needs. In particular, we note that WateReuse's principles support maintaining focused funding for water recycling projects on a competitive basis, which is critical for recycled water projects throughout the state. We believe that this is generally consistent with the spirit

of the draft principles as released by the Assembly working group in the sense of emphasizing regional self-reliance and sustainability. However, we note that retaining a focused bond chapter for recycled water and conservation purposes is not yet explicit in the Assembly's current principles and we urge the Assembly to support such a chapter

Northern California Water Association (Todd Manley) supports the language on regional self-reliance and emphasizes its role in California water policy. NCWA also supports the principles that protect area-of-origin rights and expand water storage, but wants the 2014 bond to include the original language on water storage from the original 2009 bond.

Addressing water reliability challenges through increased regional self-reliance is an important new policy for the state of California. [...] The water users in the regions upstream from the Delta are not reliant upon the Delta for their water supplies and therefore cannot reduce their reliance upon the Delta. What they are doing, and have been for quite some time, is working to continually increase their regional self-reliance.

Otay Water District (Mark Watton) supports the general direction of the bond, but wants to see the principles include specific criteria to reduce reliance on the Delta and to provide specific guidelines for the competitive grant process.

[...] we support the prohibition on earmarks, but also believe that it is important that specific criteria be developed by the Legislature to guide the competitive process. We believe this is important in order to achieve the priorities that the Legislature ultimately determines for the water bond, as well as to assure ratepayers that we know how water bond funding will be used.

Pacific Forest Trust (Paul Mason) highlights the importance of watershed protection and wants the bond to ensure that California watersheds, particularly those along the North Coast, receive proper protection.

While many of California's most important sources of water are located in northern, rural areas of the state, this does not diminish their importance to urban areas of the state. The fact remains that California's water system is highly integrated, and the vast majority of the state's residents consume drinking water from regions of the state they may never visit.

Regional Water Authority (John Woodling) supports the language on regional self-reliance and protection of area-of-origin rights. RWA wants any principles on water storage to follow the language from the 2009 bond. Additionally, the Authority wants the bond to promote the *implementation* of new and existing water technologies, in addition to the *development* of new technologies.

[...] the bond must recognize that while water management actions may provide local, regional, and statewide benefits, they may not be cost effective for the implementing agency. Promoting implementation of both existing and new technology is critical, along with the development of technology.

Rural County Representatives of California (Kathy Mannion) provided an extensive comment letter. In this letter, RCRC expresses support for the bond principles that protect area-of-origin rights, ensure disadvantaged communities receive safe drinking water, require

"beneficiary pays," provide for the leveraging of funding, promote more accountability on bond fund spending, and prohibit bond funding for construction of new Delta conveyance facilities. Additionally, while RCRC supports the bond principles on regional self-reliance, local decision-making on water investment issues, and competitive funding, it wants to ensure that legislators do not forget the needs of rural communities in developing these issues within the bond. RCRC also wants the principles to include funding for groundwater storage. Furthermore, RCRC questions the usefulness of large amounts of bond funding, fees and taxes to achieve California's infrastructure needs.

Decisions as to how to increase regional self-reliance are best determined at the local/regional level, and Integrated Regional Water Management (IRWM) is one tool. Not every area of the State has all the tools they need to increase regional self-reliance. For example, currently there is no program to help fund groundwater management programs in areas of fractured rock. Areas in the fractured-rock foothill and mountain areas of the State, in order to increase regional self-reliance, need financial and technical assistance in developing groundwater management plans.

Sacramento-San Joaquin Delta Conservancy (Campbell Ingram) wants the principles to explicitly commit to Delta sustainability to ensure that sustainability projects receive proper attention and funding, and supports increased oversight for water bond spending.

Explicitly recognizing the imperative need to support the Delta as place in the Principles will help create a better sense of inclusion, and support of the Delta community.

[...] the Delta Conservancy strongly supports Principle 2) a. - g., and stands ready as a lead agency for ecosystem restoration and economic development to assist with the necessary coordination and integration to ensure accountability and transparency.

San Diego County Water Authority (Dennis A. Cushman) wants to ensure that the bond does not repurpose funds from IRWM programs. SDCWA supports Delta ecosystem restoration to achieve the Co-Equal goals and the use of IRWM programs, but opposes ending direct allocations unless the bond ends all such allocations. Additionally, SDCWA wants to end statewide fees for public benefits, create new financing mechanisms for water projects and explore other funding sources.

[...] the Water Authority would not be supportive of repurposing water bond funding away from integrated regional water management (IRWM) projects. The San Diego region, along with other regions throughout the state, are relying on existing authorized IRWM funding for important local water supply development to help reduce reliance on water supplies imported from the Delta. We would not want to see that funding repurposed for projects other than those conceptualized, developed, and prioritized locally through IRWM plans.

San Gabriel Basin Water Quality Authority (Ken Manning) supports the bond principles but wants to know how the language of the bond will reflect the principles, as SGBWQA wants the bond to include separate sections for groundwater cleanup and recycled water to satisfy the needs of the San Gabriel Valley.

While the San Gabriel Valley water agencies support the principles, we are very interested in how the principles will translate into actual bond language. As emphasized by the San

Gabriel Valley Legislative Caucus' letter to the Association of California Water Agencies dated May 29, 2013 (attached); our general interests are the unique needs of the San Gabriel Valley and the resources required to sustain the most aggressive and successful large scale groundwater cleanup effort in the Country along with the diversification of our water supply through the use of significantly more recycled water.

San Gabriel Valley Council of Governments (Barbara Messina) supports the principle on regional self-reliance and suggests that the bond include funding for stormwater reuse, stormwater capture and urban runoff on the local level.

[...] we appreciate the Proposed Principles released by the Assembly's Water Bond Working Group in early July as a new framework for the Water Bond. Specifically, we are encouraged by the Group's priority listed as "Regional Self Reliance",

Regional Self-Reliance: How does bond funding support state policy on reducing reliance on Delta water exports, in statute and in the new Delta Plan? Does bond funding support development of new technology and local water resources, such as stormwater capture?

San Gabriel Valley Legislative Caucus highlights the importance of funding for groundwater cleanup, local recycling projects and support for Superfund site water supplies. The Caucus believes that the bond must protect funding for these projects.

[...] we write to underscore our support for the \$1 billion for groundwater cleanup in the water bond currently slated to be on the General Election ballot in November, 2014.

We also wish to underscore our support for the \$100 million for communities already facing the added threat of Superfund status and which have already merited congressional action to establish a federal funding source [...]

Also of importance to us is Chapter 11 of the bond which provides \$1 billion in funding for recycling projects that enhance local water management efforts [...]

San Joaquin County (Paul Yoder) opposes any new conveyance in the Delta and believes that area-of-origin rights need stronger protection.

If "construction of new infrastructure" includes isolated conveyance in the Delta, we are troubled by that part of the Principle. San Joaquin County has taken a formal position of opposition to any isolated conveyance in the Delta. We understand that Principle 4) would prohibit use of water bond funding for such construction, but we are concerned that complete concurrence in Principle 1)g's language would be taken as this County's support for isolated conveyance in the Delta.

San Joaquin River Exchange Contractors Water Authority (Steve Chedester) supports the bond principles on regional self-reliance, earmark prohibitions and the protection of area-of-origin rights. SJRWA also supports the principles on disadvantaged communities, but believes that the bond should increase the availability of funding for disadvantaged communities. Additionally, SJRWA wants the 2014 bond language on surface storage to follow the language created in the 2009 bond.

The Authority believes water quality for disadvantaged communities should be a priority for the development of a water bond. Disadvantaged communities that receive their water from small public water systems often lack the infrastructure and financial resources to remove contaminants from the groundwater prior to it being delivered or to convey surface water from other sources. It is important to remove barriers and hurdles to ensure funding reaches its intended targets – the water bond presents an opportunity to address these issues directly.

Santa Clarita Valley Sanitation District supports funding for IRWM programs to assist in local and regional water projects and wants to add a new principle on maintaining water quality.

We support inclusion of substantial funding for Integrated Regional Water Management and using this program as the mechanism for tailoring water resource programs and projects to local/regional needs. (Note: The District is a member of the Regional Water Management Group for the Upper Santa Clara River IRWM region.) We propose that an additional principle be added to Principle 1 (categories for bond funding authorizations), to read:

Protect and restore the chemical integrity of the waters of the State, especially with respect to salinity, nutrients and toxic contaminants.

This would assist us and many other point and non-point sources in addressing critical water quality (and related water supply) issues in our communities and regions.

Sierra Club wants the bond to include a provision that prevents the awarding of state funds for projects that do not reduce reliance on the Delta and also wants the bond to include a flood management plan.

In the Sierra Nevada, global warming will likely result in more rainfall instead of snowfall. The resulting earlier runoff will result floods far greater than what we see today. Therefore it is critical that the water bond incorporate a flood management plan to protect our cities, the existing ecosystems and the water supply of California.

Sierra Fund wants the bond to provide protection for Sierra waterways to protect the Delta and fund reservoir improvement technology that addresses mercury contamination.

The first step to ensuring a safe, secure water source for downstream communities, especially in the Sacramento-San Joaquin Delta, is maintaining, and restoring, where necessary, the health of upstream waters. The legacy of mining is only one example of a problem faced by the Sierra that can only be addressed in the Sierra. Such problems affect every water source that traces its origin to the Sierra, especially the Sacramento-San Joaquin Delta. Only a bond that addresses the origin of so much of California's water will constitute a serious response to California's water crisis.

Sierra stakeholders (Nine Sierra-related groups via John Kingsbury) support the emphasis on protection and restoration of the Delta, but want the bond to include a focus on watershed protection and restoration to Sierra Nevada waterways.

We support the working group's recommendation that protection of the Sacramento-San Joaquin Delta remain a high priority. However, we encourage you to ensure that any plan

for Delta protection considers the protection and restoration of the source of fresh water that flows though the Delta as a priority as well.

Sierra Nevada Conservancy (Jim Branham) emphasizes the importance of watershed protection and restoration, particularly in the Sierra Nevada region.

Does bond funding support activities in the watersheds that are the source of the state's water? Doe the bond address issues of watershed restoration (forest and meadow), reduced sedimentation (which results in loss of reservoir storage capacity) and water quality improvement, such as mercury remediation?

Sonoma County Water Agency (Ann DuBay) proposes funding to improve the reliability, capacity and quality of surface and groundwater supplies, restore salmon and steelhead populations, increase water conservation and efficiency, and adjust to climate changes.

b. Protect and improve the quality of water supplied from surface and groundwater sources and assure that drinking water supplies meet required water quality standards.

Southwest Megaregion Alliance (Mark Pisano) raises the question of the state's fiscal sustainability in relation to the proposed bond measure. It also raises questions on the effectiveness of using IRWM programs to promote regional self-reliance and suggests new financing methods to attain self-reliance.

Improvements in regional institutions and pricing could accelerate the goal of self-reliance. The principle of users pay for their beneficial uses will be an important strategy not only for increased accountability, but also for creating an environment in which local and regional investments are better integrated and more beneficial uses and dollars are brought into the investment mix. By combining flood, water quality, open space, habitat and water supply payment schedules, new financing structures could be developed.

State Water Resources Control Board Member Frances Spivy-Weber suggests that the bond include funding for regions that achieve integrated water management but do not use IRWM programs, the promotion of public awareness of new water technologies, and groundwater storage. Spivy-Weber also suggests the inclusion of market mechanisms to leverage funding and public benefits that go beyond the scope of water.

Finally, regional projects will be stronger if they provide multiple benefits beyond water, such as climate change mitigation and adaptation, public health benefits, and watershed protection and restoration, with a plan for enhanced public awareness.

Dr. Thomas Harter of UC Davis proposes that several principles include language on groundwater supply and added an additional principle that emphasizes the importance of including objective science-based outreach and education as part of creating and executing water projects. (AS CORRECTED ON 8/2/13)

(1h) Promote fair, objective, and science-based outreach, education and facilitation to and of stakeholders as an essential ingredient for effective and successful implementation of water projects.

Tulare County Board of Supervisors believes that the bond should reconsider the Wild and Scenic Rivers statuses of North Coast waterways to provide water for the Central Valley. Additionally, the Board believes the current bond funding levels for surface water storage are insufficient, and wants to see an increase in that funding.

The Tulare County Board of Supervisors would support a holistic Water Bond that would ensure a long term sustainable solution that would withstand the test of courts, biological cycles, and interlinked economics throughout the state. Unfortunately, we cannot support a Water Bond that lacks a definitive surface storage program.

WateReuse (**David W. Smith**) wants the bond to include substantial funding for water recycling projects and wants to increase local and regional agencies' accessibility to funding for water recycling projects.

We respectfully request and recommend that principle 1.e be amended to emphasize the need for support of water recycling projects instead of technology as follows:

"Promote development of new <u>water reuse projects and</u> technology to support greater water conservation and water reuse."

Yuba County Water Agency (Curt Aikens) suggests that the bond include a competitive grant project to restore fish habitats in the Sacramento River. YCWA supports the language on regional self-reliance and emphasizes its role in California water policy, and also supports the principles that protect area-of-origin rights and expand water storage. However, it wants the 2014 bond to include the original language on water storage from the original 2009 bond.

California's salmon and steelhead populations would benefit from new, large-scale restoration projects [...] To ensure success, the grant program should be competitive, require a significant local cost-share, and meet contemporary scientific and technical requirements.