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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

7-5

September 24, 1996

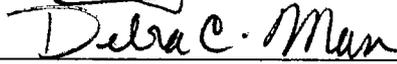
To: Board of Directors (Water Planning and Resources Committee--Action)
(Executive Committee--Action)

From: General Manager

Submitted by: Debra C. Man, Chief
Planning and Resources

Subject: Approval to Sign Bay-Delta Federal Funding Coalition Agreement





RECOMMENDATION

It is recommended that your Board authorize the General Manager to enter into an agreement with urban, agricultural, and environmental Bay-Delta interests to form a coalition and hire a consultant to assist in representing their collective interests in obtaining federal funding for the San Francisco Bay-Delta Estuary. The funding for this effort is \$15,000 per agency, for a total budget of approximately \$150,000.

EXECUTIVE SUMMARY

Over the last year, significant effort has been put forth on securing a financial commitment from the State to ensure the success of the CALFED Bay-Delta program, resulting in passage of Senate Bill 900 and inclusion of California Proposition 204 on the November 1996 ballot. Consistent with the State effort, Metropolitan in conjunction with other stakeholders have been meeting in Sacramento and Washington, DC over the last few months to develop strategies and coordinate efforts to secure federal moneys for meeting the federal share of funding public benefit improvements in the Bay-Delta. To formalize this effort, an agreement has been drafted to establish a working coalition, retain a consultant, and establish a steering committee to manage the effort. The interests currently involved in this effort represent Northern and Southern California urban agencies, Sacramento and San Joaquin Valley agricultural agencies, and Bay Area environmental interests.

DETAILED REPORT

Background

In August 1996, the California State Legislature approved a \$995 million general obligation bond measure, Senate Bill 900, allowing Proposition 204 - the Safe, Clean, Reliable Water Supply Act to be placed before the voters on the November 1996 ballot. The bond measure seeks to provide a financial foundation for the CALFED Bay-Delta program designed to increase water supplies, improve water quality, and safeguard the environment.

Consistent with the securing of State funding, Metropolitan, in conjunction with other Bay-Delta interests and legislators, have been meeting to develop strategies and coordinate efforts for securing federal funds. These meetings have resulted in the development of a draft agreement to form a coalition to implement and maintain a consistent strategy. The proposed coalition would also provide a mechanism to annually fund consultant services to represent their collective interests.

Proposed Coalition Strategy & Action Plan

The coalition's overall strategy is to gain bipartisan endorsement for authorization and eventual appropriation of federal funds to support the CALFED early-start core programs and the long-term preferred solution. The action plan includes:

- Identifying federal agency accounts and programs that could provide environmental restoration funding;
- Developing a recommended strategy for securing these funds;
- Seeking immediate commitments through authorizing legislation for funding from the administration and congressional leadership;
- Developing a multi-year programmatic budget in coordination with CALFED that identifies priorities and federal agency cost-sharing roles;
- Utilizing coalition interests, Washington lobbyists, and key business and labor leaders to gain support for long-term commitments;
- Assisting the State/federal government in implementing a framework agreement for cost-sharing as identified in Proposition 204; and
- Requesting the Army Corps of Engineers join in as a member of CALFED.

Management & Financial Arrangements

The proposed agreement calls for hiring a consultant to identify potential funding sources and coordinate Washington activities. The agreement will be administered through the Association of California Water Agencies and managed by a steering committee consisting of representatives from the signatory agencies. The executive committee would provide general policy direction and oversight of the consultant's activities. The funding for this effort is \$15,000 per agency, for a total budget of approximately \$150,000.

Potential Parties to the Agreement

The interests currently involved in this effort are presently bringing this agreement to their respective board of directors. These interests represent Northern and Southern California urban agencies, Sacramento and San Joaquin valley agricultural agencies, and Bay Area environmental interests.

Environmental Considerations

The recommended Board action is exempt from the California Environmental Quality Act (CEQA) under section 15378 (b)(5) of the State CEQA Guidelines since it entails the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

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