

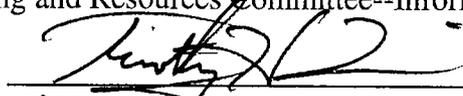


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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

9-11

January 28, 1997

(Committee on Legislation--Information)
To: Board of Directors (Water Planning and Resources Committee--Information)
From: *for* General Manager 
Submitted by: Debra C. Man, Chief 
Planning and Resources
Subject: Update on Efforts of the Bay-Delta Federal Funding Coalition

RECOMMENDATION

For information only.

EXECUTIVE SUMMARY

In October 1996, your Board authorized 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. To date, 24 agencies have joined the coalition. This includes Bay Area environmental organizations, Sacramento/San Joaquin Valley agricultural interests, and northern and southern California water supply interests. Near-term activities are focused on ensuring an adequate level of federal appropriations for the CALFED Bay-Delta program in the 1998 budget. Congressional appropriation hearings are scheduled to begin in March 1997.

DETAILED REPORT

Background

In September 1996, the California Bay-Delta Environmental Enhancement Act, H.R. 4236, was approved by the House and Senate and signed by the President in the Omnibus Parks and Public Lands Management Act of 1996. The legislation authorized \$430 million for three years (\$143.3 million per year in 1998, 1999, and 2000) for Bay-Delta ecosystem

restoration and Category III projects. The legislation received overwhelming bipartisan support from the California delegation and leadership in the House and Senate.

In October 1996, your Board authorized 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 securing federal funding appropriations for the Bay-Delta Estuary. The Coalition was to provide a mechanism to annually fund efforts to represent the Coalition's collective interests and to coordinate the development of consistent strategies. The agreement calls for a contribution of \$15,000 per participating agency to support this effort. The agreement also authorizes the signatory parties to allow for a contribution of in-kind services in lieu of part or all of a participating agencies' funding commitment.

Membership and Budget

Consistent with your authorization, Metropolitan staff has been working over the last few months to gain the endorsement and membership of other interest groups. The Coalition now has a membership of 24 agencies and organizations. This includes Bay Area environmental organizations, Sacramento/San Joaquin Valley agricultural interests, and northern and southern California water supply interests. Representatives from southern California include the: San Diego County Water Authority, Los Angeles Department of Water and Power, Calleguas Municipal Water District, Coachella Valley Water District, Municipal Water District of Orange County, West and Central Basin Municipal Water District, and Metropolitan Water District of Southern California. A detailed list of participants is attached.

Funding commitments for the coalition effort have totaled approximately \$300,000 to date. Contributions from five participating environmental organizations include \$15,00 in funding and \$60,000 of in-kind services.

Management and Staffing

The Coalition agreement is administered through the Association of California Water Agencies and managed by an executive committee consisting of representatives from the signatory agencies. The executive committee provides general policy direction and oversight of the consultant's activities. The Coalition has hired Richard Atwater of Bookman-Edmonston Engineering, Inc. with other needed support staff, including federal budget expert Bill Klostermeyer, to provide advice and represent the collective interests of the signatory agencies. The Coalition has also placed under retainer David Weiman, who represents numerous environmental interests in Washington, D.C. Other water agency and environmental representatives in Washington, D.C have also coordinated their activities on this initiative.

Near-Term Activities

The near-term activities are focused on: (1) ensuring an adequate level of federal appropriations for the CALFED Bay-Delta program in the 1998 federal budget; and (2) making the Bay-Delta Estuary a priority environmental issue within the Congress and Administration. The President's budget is scheduled to be announced on February 6, 1997. Once announced, Coalition representatives will begin working with other state and federal administration officials to coordinate their response.

Recent meetings with Administration officials in Washington, DC indicate the concept of a streamlined/centralized account within the Department of Interior rather than separate individual budgets is being received favorably. This centralized account would provide for easier implementation of CALFED projects and reduced federal agency overhead. The Coalition is also working with California's House and Senate leaders to request oversight hearings on CALFED to help build support. The House Energy and Water appropriations hearings are scheduled to begin in early March.

To continue the effort of building support for CALFED, additional Coalition meetings are being scheduled in Washington, D.C. for February and March. The March meeting will coincide with the Association of California Water Agencies Conference in Washington, D.C.

Coalition Strategy

The coalition's overall strategy is to gain bipartisan endorsement for appropriation of federal funds to support CALFED's early-start core programs and the long-term preferred CALFED solution package. Additional specific strategies include:

- Seeking Western States Support. Solutions to the problems of the Bay-Delta Estuary also effect aquatic and avian ecosystems in other western states. These include, among others, the Pacific coastal salmon fisheries and the Pacific Flyway waterfowl. The Coalition will work to educate and ensure that western states recognize our shared interests so that they will support solutions for the Bay-Delta.
- Ensuring Full Appropriation of 'Authorized' Federal Funds. The passage of California Proposition 204 led to the authorization by Congress of \$430 million through the year 2000 for Bay-Delta ecosystem programs. With the cost of a full CALFED solution expected in the billions of dollars, the Coalition will work with Congress and the Administration to ensure support of full appropriation of authorized Federal funds and needed future authorizations.

- Pursuing Centralized Approach to Administering Federal Appropriations.
To ensure efficient utilization of Bay-Delta revenues and coordination of federal agency administrative budget procedures, the Coalition will work with Congress and the Administration to recommend these funds be budgeted and spent in a programmatic fashion under the auspices of the interagency CALFED group, rather than through individual agency actions.
- Requesting Corps Membership to CALFED. To ensure the effective and integrated implementation of CALFED environmental and water supply projects, including levee setbacks and habitat restoration, the Coalition will work with Congress and the Administration to recommend that the U.S. Army Corps of Engineers become a signatory member of the CALFED policy group with full voting privileges.
- Developing a Multi-Year Budget & State/Federal Cost-Share Agreement.
To appropriately identify priorities and federal agency cost-sharing roles, the Coalition will work with Congress and the Administration to ensure that CALFED agencies develop a coordinated multi-year programmatic budget.

Each of these strategies have been reviewed with your Board's Bay-Delta Political Advisory Committee and they have concurred. Staff will continue to keep your Board apprised of developments as the Coalition efforts continue and the federal budget is developed.

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Attachment

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ATTACHMENT

FEDERAL FUNDING COALITION PARTICIPANTS

1. Association of California Water Agencies
2. Central Valley Project Water Association
3. Northern California Water Association
4. San Luis Delta-Mendota Water Authority
5. Kern County Water Agency
6. Tulare Lake Basin Water Storage District
7. Coachella Valley Water District
8. Metropolitan Water District of Southern California
9. Calleguas Municipal Water District
10. San Diego County Water Authority
11. West and Central Basin Municipal Water District
12. Municipal Water District of Orange County
13. Los Angeles Department of Water and Power
14. Central Coast Water Authority
15. City and County of San Francisco
16. Santa Clara Valley Water District
17. East Bay Municipal Water District
18. Contra Costa Water District
19. Environmental Interests (\$15,000 funding + \$60,000 In-Kind)
 - Environmental Defense Fund
 - The Nature Conservancy
 - California Waterfowl Association
 - Natural Heritage Institute
 - San Francisco Bay Association
20. Stockton East Water District and other San Joaquin County interest