

- **Board of Directors**
Water Planning and Resources Committee
Communications and Legislation Committee

April 11, 2000 Board Meeting

8-4

Subject

Legislative Policy Principles on Watershed Management

Description

Due to growing emphasis on drinking water source protection, Metropolitan has significant interest in addressing water quality problems and solutions on a regional or watershed basis. Watershed management involves a comprehensive fully-integrated approach to watershed restoration and water quality improvement. Metropolitan's interest in watershed management is to pursue source water quality improvement and water supply reliability objectives in the Bay-Delta system, the Colorado River basin and in Southern California.

CALFED has a Watershed Program as one of its elements. The purposes of the Watershed Program are to provide financial and technical assistance for local watershed activities, and to promote coordination among watershed efforts that will contribute to achieving CALFED's overall objectives. Metropolitan's interest in the CALFED Watershed Program is to pursue source water quality improvement, water supply reliability and ecosystem restoration objectives, and to urge greater integration of CALFED's program elements to achieve these objectives (consistent with Board letter on "CALFED Principles Developed Jointly by Northern and Southern Interests", approved at the January 11, 2000 Board meeting).

Metropolitan's Board of Directors approved legislative policy principles on watershed management in January 1995 ([Attachment 1](#)). These principles provide direction to staff in the following areas: (1) the incorporation of source water quality improvement and supply reliability objectives into watershed management programs; (2) the development of watershed management plans that recognize local authorities and conditions in the watershed; and (3) participation as a stakeholder in watershed planning activities. These principles do not address funding for watershed management activities.

Legislation considered by the State Legislature in 1999 and introduced this year addresses funding mechanisms to support watershed management activities and the assessment of watershed funding needs. Due to the issues raised in recent legislation, staff has identified the need for legislative policy principles on funding for watershed management. Staff is recommending the adoption of the set of legislative policy principles provided below. They include new principles on funding for watershed management, and revisions to the January 1995 principles concerning watershed management plans and participation in watershed planning processes. The January 1995 principles have been revised to provide clarification, to focus on Metropolitan's current issues of concern and to present these legislative policy principles as a comprehensive position. These recommended legislative policy principles would replace the existing legislative policy principles on watershed management. Staff acknowledges the interest of the Board in revising the source water quality protection principles ([Attachment 2](#)) and plans to do this as part of a comprehensive review of all Board-adopted legislative policy principles.

Recommended Legislative Policy Principles

Funding for Watershed Management:

- Support public funding for watershed restoration and management programs that provide broad public benefits, including water quality, water supply reliability and environmental improvements. Public funding

mechanisms include voter-approved State General Obligation Bonds and federal and state budget appropriations.

- Public agencies that administer watershed management funding programs and allocate public funds for specific watershed projects should: (1) develop well-defined criteria for the distribution of funds; (2) justify that funding levels represent actual needs; (3) provide oversight for the funding program; and (4) specify monitoring and reporting requirements for watershed project proponents receiving funding.
- Support watershed management funding methods that promote watershed responsibility and fairly allocate costs to those entities responsible for water quality degradation in the watershed.
- Watershed management programs funded by fees on water exporters or on residential, commercial and industrial users of water should be evaluated on a case by case basis. Such fees must meet the following criteria: (1) the purpose and use of the fee must be clearly identified; and (2) a determination must be made that there is a reasonable relationship between the fee and the benefit to be derived. These criteria are consistent with Government Code Section 66001 concerning fees for development projects.

Watershed Management Plans:

- Support legislation that provides for the development of watershed management plans, in both the southern California region and the Bay-Delta watershed, that are consistent with the following criteria:
 - Watershed management plans should address all water resources management objectives for the watershed, including source water quality improvement, groundwater protection, water supply reliability, flood protection and ecosystem restoration objectives.
 - To achieve water quality improvement objectives for surface waters and groundwater basins, watershed management plans should address all sources of pollutants within the watershed and consider the relative impact of each source when developing and implementing control measures.
 - Watershed management plans should recognize local primacy in basin management and land-use planning, consider local conditions, needs and objectives, and encourage joint cooperation in watershed management activities.
 - Watershed planning processes should have a public participation process that includes public drinking water suppliers as a stakeholder and facilitates cooperative working relationships among all watershed stakeholders.
 - Watershed management plans should be consistent and coordinated with the authority of the State to manage allocation of water supplies within its jurisdiction.

Participation in Watershed Planning Processes:

- Support Metropolitan's involvement as a stakeholder in watershed planning and management processes for imported sources of supply (i.e., the Bay-Delta watershed and the multi-state Colorado River watershed), to work in cooperation with other watershed stakeholders, and ensure consideration of drinking water quality and water supply reliability objectives.
- Support Metropolitan's involvement as a stakeholder working cooperatively with the Member Agencies and others on watershed planning efforts for local water supplies and potential local water supplies, to ensure consideration of drinking water quality and water supply reliability objectives.

Policy

Consistent with "Action Principles for the CALFED Bay-Delta Program" developed jointly with the Regional Council of Rural Counties, Santa Clara Water District, Southern California Water Committee and Urban Water Institute, and adopted by Metropolitan (Board Letter 9-10 dated January 11, 2000).

Consistent with legislative policy principles for watershed management (M.I. 41221 – January 10, 1995) and for source water quality protection (M.I. 39929 – November 10, 1992; M.I. 40878 – June 14, 1994; M.I. 41222 – January 10, 1995; and M.I. 42820 – February, 1998).

Board Options/Fiscal Impacts

Option #1

Adopt the legislative policy principles on watershed management as proposed.

Fiscal Impact: For watershed management funding programs that include fees on water exporters, reduces potential for arbitrarily high or inequitable fees.

Option #2

Adopt the recommended legislative policy principles on watershed management with specific revisions.

Fiscal Impact: Unknown at this time.

Option #3

No action.

Fiscal Impact: Unknown, potentially significant increased costs associated with funding watershed management.

Staff Recommendation

Option #1.



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Acting Manager, Water Resource Management

3/29/2000

Date



General Manager

3/30/2000

Date

Attachment 1 – Existing Legislative Policy Principles on Watershed Management

Attachment 2 – Existing Legislative Policy Principles on Source Water Quality Protection

Existing Legislative Policy Principles on Watershed Management

Adopted January 10, 1995

1. Support federal and state legislative and regulatory proposals to establish watershed management programs that are consistent with the following principles:
 - State-level implementation of watershed management laws and regulations;
 - Development of watershed management programs which recognize local primacy in basin management and land-use controls, and which facilitate cooperative working relationships among all watershed stakeholders;
 - Development of watershed management plans based on site-specific conditions, needs and objectives;
 - Development of watershed management plans which consider all water resources management objectives for the watershed, including source water quality protection and/or improvement, water supply availability, water supply storage, flood and erosion control, and aquatic ecosystem protection objectives;
 - Inclusion of public drinking water suppliers in the group of stakeholders involved in the development of watershed management plans;
 - Development of watershed management plans which address all discharges within a particular watershed, and consider their relative impacts on the watershed in the implementation of control measures; and
 - Development of watershed management plans which ensure no interference with the authority of the state to manage allocation of water supplies within their jurisdiction.
2. Support Metropolitan's involvement as a stakeholder in watershed management planning efforts for imported sources of supply (i.e., the Bay-Delta watershed and the multi-state Colorado River watershed), in order to work in cooperation with other interests throughout the watersheds, and ensure consideration of drinking water quality and water supply availability objectives.
3. Support Metropolitan's involvement as a stakeholder working cooperatively with others on watershed management planning efforts impacting the District's locally stored water supplies.
4. Support Metropolitan's coordination with Member Agencies to cooperatively participate in watershed management planning efforts impacting local sources of water supply, and to provide assistance to local primacy agencies.

Existing Legislative Policy Principles on Source Water Quality Protection

1. Support Clean Water Act amendments to explicitly include protection of public drinking water supplies as a goal of the Clean Water Act. (Adopted 11/10/92)
2. Support legislation establishing partnership-based and/or regulatory-based source water protection programs, that are implemented in addition to existing water quality control requirements for point source and nonpoint source discharges, in order to facilitate resolution of source water quality problems. Support for cooperative source protection programs does not preclude support for regulatory-based programs in cases where cooperative programs are unsuccessful. (Adopted 6/14/94)
3. Support federal and state legislative and regulatory proposals to establish source water quality protection programs that are consistent with the following principles:
(Adopted 1/10/95)
 - Provide water quality protection for surface water bodies and groundwater basins designated as public drinking water supplies, most importantly protection from sources of drinking water pollutants;
 - Protect potential future uses of water bodies as drinking water supplies;
 - Allow innovative approaches to source water quality protection, including incentive-based partnerships and other cooperative approaches to source protection; and
 - Allow flexibility in the implementation of source water quality protection programs to allow achievement of both water quality and water management objectives, and recognize that such programs will vary from site-to-site.
4. Support federal legislation for better regulation of interstate pipelines to prevent contamination of drinking water sources by MTBE and other gasoline additives. (Adopted 2/98)
5. Support legislation that provides for the necessary controls on motorized recreational watercraft and fueling operations that may contribute to surface water contamination by MTBE and other gasoline additives. (Adopted 2/98)
6. Support legislation to assure effective remediation and clean-up of perchlorate, MTBE, other gasoline additives or other contaminants that have impacted groundwater and surface water. (Adopted 2/98)
7. Support legislation to provide the necessary funding for research on the occurrence, treatment, health effects and environmental clean-up related to contamination of drinking water sources by MTBE, other gasoline additives, or perchlorate. (Adopted 2/98)
8. Support legislation that incorporates sound scientific principles in adopting drinking water standards for drinking water contaminants. (Adopted 2/98)