

- **Board of Directors**
Communications, Outreach and Legislation Committee

February 11, 2003 Board Meeting

10-3

Subject

Action Plan for securing Proposition 50 funding

Description

Last November, California voters approved Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002. Proposition 50 authorizes the issuance of \$3.4 billion in state general obligation bonds to fund a variety of water supply and water quality infrastructure projects throughout California (see [Attachment 1](#)). In response, staff, in cooperation with the member agencies and other stakeholders, has developed a proposed Action Plan to secure funding for specific projects that help meet the region's water supply and water quality needs. The Plan identifies four project categories selected as funding priorities and outlines the proposed staff actions to obtain funding for these projects. The four project categories are:

- **Metropolitan Projects**

- (1) *Alternative Treatment Technologies* – Metropolitan should pursue **\$261 million** in funding under Chapter 4 (Safe Drinking Water) for treatment projects at the Diemer, Skinner and Weymouth treatment plants to accelerate Metropolitan's ability to treat State Water Project supplies and comply with all provisions of the U.S. Environmental Protection Agency's Stage 1 Disinfectants/Disinfection By-Products Rule.
- (2) *Colorado River Programs* – Metropolitan should pursue funding in cooperation with other water agencies for the following projects to help implement California's Colorado River Water Use Plan: (a) **\$20 million** in funding under Chapter 9 (Colorado River) for canal lining projects; (b) up to **\$150 million** in funding for projects that facilitate water transfers pursuant to the Quantification Settlement Agreement and that contribute to achieving the benchmarks of the Interim Surplus Guidelines; and (c) **\$50 million** in funding under Chapter 9 (Colorado River) for environmental restoration.

Staff Action - work with state legislators and state resources agency staff to secure funding for these projects.

- **Regional Partnership Projects** – regional projects that will be identified working with other partners through an agreed upon process.

Staff Action – (1) continue to work with Metropolitan's member agencies and other stakeholders to identify appropriate regional benefit projects, and (2) jointly communicate and advocate for the selected projects.

- **Seawater Desalination Projects** – up to **\$50 million** in funding under Chapter 6 (Containment and Salt Removal Technologies) is available for desalination of ocean and brackish waters.

Staff Action - continue to work with the member agency Seawater Desalination Working Group to obtain funding for both capital costs and research and development for the region's seawater desalination programs.

- **Locally Sponsored Projects** – local projects that Metropolitan will support based on the development of regional benefits.

Staff Action - work with Metropolitan's member agencies and other entities to provide letters of support for appropriate projects.

In addition to the aforementioned categories, staff will work with other agencies and partners to secure Proposition 50 funding for CALFED-related projects including urban water conservation, recycling and other water use efficiency projects.

Policy

By Minute Item 41734, dated January 9, 1996, the Board approved the Integrated Resources Plan.

By Minute Item 42820, dated February 10, 1998, the Board adopted the Source Water Quality Protection Policy Principles.

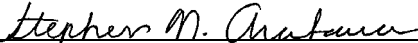
By Minute 43344, dated January 12, 1999, the Board adopted the Colorado River Basin Management Policy Principles.


By Minute 43688, dated August 17, 1999, the Board adopted the Statement of Needs for the CALFED Bay-Delta Program.

By Minute Item 43964, dated April 11, 2000, the Board adopted the Watershed Management Policy Principles.

Fiscal Impact

None

 Stephen N. Arakawa Manager, Water Resource Management	1/17/2003 Date
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 Ronald R. Gastelum Chief Executive Officer	1/24/2003 Date
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Attachment 1 – Water Security, Clean Drinking Water Coastal and Beach Protection Act of 2002

BLA #2105

**WATER SECURITY, CLEAN DRINKING WATER,
COASTAL AND BEACH PROTECTION ACT OF 2002**

1. WATER QUALITY **\$955 million**

(a) Water Security \$50 million

- Monitoring and warning systems
- Protective structures
- Emergency interconnections
- Communication systems

(b) Safe Drinking Water \$435 million

- Small system upgrades
- Treatment and contaminant removal
- Drinking water source protection
- Revolving loan fund (not less than 60 percent of funds shall be available to Southern California water agencies to meet the state's reduction of Colorado River water use)

(c) Clean Water and Water Quality \$370 million

- Pollution prevention, reclamation, blending and exchange
- River parkways that provide water quality benefits
- Lake Tahoe water quality projects
- Coastal, inland waterway and groundwater protection (funds would also be made available to mitigate pathogen risk at drinking water reservoirs)
- Sierra Nevada water quality projects

(d) Contaminant and Salt Removal Technologies \$100 million

- Desalination projects
- Treatment projects for MTBE, arsenic, chromium, etc.
- Treatment tech development

2. CALFED BAY-DELTA PROGRAM: **\$825 million**

- Storage planning and feasibility studies
- Water conveyance
- Delta levee restoration
- Interim water supply reliability
- Ecosystem restoration
- Watershed protection
- Conservation and efficiency projects

3. REGIONAL PROJECTS: \$710 million**(a) Integrated Regional Water Management \$640 million**

- Water supply reliability
- Storm water management
- Wetland restoration, pollution reduction
- Groundwater recharge, salt removal and reclamation
- Water banking and exchange
- Integrated flood management
- Fish and wildlife enhancement
- Conservation and efficiency programs
- Treatment technology
- Groundwater monitoring (eligible projects must be consistent with adopted integrated water management plans and include matching funds or donated services from non-state sources)

(b) Colorado River \$70 million

- Canal lining
- Ecosystem restoration requirements

4. COASTAL PROTECTION \$950 million**(a) Watershed Protection and Restoration \$200 million**
(Includes specified funding for conservancies)**(b) Wetland Restoration and Protection \$750 million**

- SF Bay wetland restoration
- Southern California wetland and watershed protection

TOTAL: \$3.4 billion