



Santa Clara Valley Water District

File No.: 17-0816

Agenda Date: 2/27/2018

Item No.: 7.1.

BOARD AGENDA MEMORANDUM

SUBJECT:

Recommended Position on State Legislation: Proposition 68 SB 5 California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, AB 1876 (Frazier) Delta Stewardship Council Membership, and Other Legislation Which May Require Urgent Consideration for a Position by the Board.

RECOMMENDATION:

- A. Adopt a position of "Support" on: Proposition 68 SB 5 (De Leon) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018; and
- B. Adopt a position of "Oppose" on: AB 1876 (Frazier) Delta Stewardship Council Membership.

SUMMARY:

Proposition 68: California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018

Position Recommendation: Support

Priority: 2

SB 5 (De Leon) was approved by the Legislature and signed by Governor Brown to place a ballot measure before the voters to approve \$4 billion in general obligation bonds to finance programs related to drought, water, parks, climate change, coastal protection, and outdoor access. The California Secretary of State has assigned SB 5 with the ballot measure number of "Proposition 68."

Proposition 68 seeks to improve inequities in access to parks and the outdoors for disadvantaged communities, both in rural and urban areas, by providing funding to improve park and recreational access. The bond measure would ensure that disadvantaged communities benefit from the funding by allocating 10 to 20 percent from various bond appropriations for that purpose.

For additional details on specific program allocation see Attachment #1.

Importance to the District

Proposition 68 authorizes bond expenditures for numerous grant programs from which the District could benefit, such as water recycling, groundwater sustainability, flood control, coastal protection, and environmental stewardship.

For example, the Watersheds Division could possibly qualify for funding under Chapter 11.5 which would provide grant opportunities for multi-benefit flood control projects. The expansion of the Expedited Purified Water Program could possibly qualify for funding under Chapter 11.6 which would provide grant opportunities water recycling and groundwater recharge projects that use recycled water.

The ballot measure also would provide \$3 million in funding for the protection of Los Gatos Creek and the Guadalupe River in Santa Clara County. Both waterways provide habitat for multiple species, recreation, and an important source of water for the county.

Staff recommends that the Board adopt a position of “Support” on Proposition 68.

Pros

- Provides potential funding opportunities for numerous District programs including water recycling, groundwater recharge, flood control, coastal protection, and environmental restoration and protection.
- Provides funding to improve access to the outdoors and parks for the disadvantaged communities.
- Provides funding for projects that assist with climate adaptation and preparedness.

Cons

- The flood protection funding is modest considering statewide and local needs.
- This ballot measure does not authorize funding for dams with seismic restrictions that limit storage capacity.

AB 1876 (Frazier) Delta Stewardship Council Membership (I-01/16/18)

Position Recommended: Oppose

Position Priority: 2

AB 1876, would increase the number of members of the Delta Stewardship Council (Council) from seven to eleven by adding four new members from the Delta region. The Delta Stewardship Council was created by the Delta Reform Act of 2009 (SBX7 1), which also established the concept of “coequal goals” in California Water Code §85054, intended to balance the goals of water supply reliability and protecting, restoring, and enhancing the Delta ecosystem.

The Council’s primary responsibilities include developing and maintaining the Delta Plan, a long-term management plan for the Delta adopted in 2013 to provide coordinated action at the federal, state, and local levels. The Council leads the Delta Plan Interagency Implementation Committee, provides ongoing agency coordination, develops science to support Delta Plan implementation, and has regulatory authority over “covered actions,” which include plans, programs, or projects that are required to be certified as consistent with the Delta Plan.

The Council currently is made up of seven members who are intended by the Legislature to provide a broad, statewide perspective. Four members of the Council are appointed by the Governor and confirmed by the Senate, one member is appointed by the Senate Committee on Rules, one member is appointed by the Speaker of the Assembly, and one member is the Chairperson of the Delta Protection Commission. The Delta Protection Commission is a fifteen-member board comprised primarily of city and county officials from the five-county Delta region, and the Chairperson's role at the Delta Steward Council is to speak for the Delta. The other members of the Delta Stewardship Council are intended to speak for the 23 million people in Central and Southern California and the agricultural interests of 1,130,000 acres of farmland that source at least part of their water supply from the Delta.

Importance to the District

The Board Chair had previously approved an "oppose" position through the EL-7.8 emergency legislative position process on AB 792, a bill with language identical to AB 1876. Assembly Member Frazier was not successful in moving AB 792 and now has re-introduced the same language in AB 1876.

The District is concerned that AB 1876 would tilt the Delta Stewardship Council toward Delta regional interests that have largely opposed the formation of the Council and opposed the California WaterFix. This could impact the process whereby the Council certifies that plans, programs, or projects are consistent with the Delta Plan. The Council is expected to consider whether the WaterFix is consistent with the Delta Plan in 2018, but that action could be delayed.

If passed by the Legislature and signed by Governor Brown, AB 1876 would take effect on January 1, 2019. A newly constituted Delta Stewardship Council could affect water storage projects located south of the Delta which may be determined by the Council to be a "covered action" under the Delta Reform Act.

Resolution 17-68 adopted by the Board on October 17, 2017, declares the District's conditional support for the California WaterFix and included as Guiding Principle #1, "Santa Clara County needs are the primary drivers in all our decisions involving the WaterFix project." The Guiding Principle goes on to state, "Fresno, Huron, Southern California, Discovery Bay, Rio Vista and other places in California have important desires, but providing safe, clean, affordable water for the people, businesses, wildlife and habitat of *Santa Clara County* is our primary focus."

District principles on the WaterFix dated March 14, 2017, as revised and reviewed by the Board in 2017, support Delta environmental protection and ecosystem restoration. Adding four seats to the Delta Stewardship Council, as proposed in AB 1876, would not increase the momentum or success of Delta protection and environmental restoration efforts. The Delta Reform Act provides sufficient direction and ample authority to the Delta Stewardship Council and other agencies to accomplish these outcomes.

AB 1876 seeks to change the membership of the Delta Stewardship Council such that it would be less likely to support the District's interests in protecting the water supply of Santa Clara County.

Staff recommends the Board adopt a position of "Oppose" on AB 1876.

Pros

- From a District perspective, there may be no upside to AB 1876. Elevating the influence of Delta regional interests at the Delta Stewardship Council could help ensure those interests are, at a minimum, appropriately compensated and/or mitigated for WaterFix impacts. However, appropriate compensation or mitigation of impacts can be addressed through existing mechanisms.

Cons

- A newly constituted Delta Stewardship Council could negatively affect the Council's determination regarding whether the California WaterFix is consistent with the Delta Plan.
- Adding additional hurdles for the Waterfix project would delay the implementation of potential solutions to the problems affecting the Delta.

FINANCIAL IMPACT:

There is no financial impact associated with this item.

CEQA:

The recommended action does not constitute a project under CEQA because it does not have a potential for resulting in direct or reasonably foreseeable indirect physical change in the environment.

ATTACHMENTS:

Attachment 1: Prop 68 Funding Detail

UNCLASSIFIED MANAGER:

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