

WEST BASIN MUNICIPAL WATER DISTRICT

OCTOBER 8, 2007 - Communications

Kwan (Chair), Gray

OCTOBER 22, 2007 - Board Meeting

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INFORMATION CALENDAR

LEGISLATIVE UPDATE

SUMMARY:

At the conclusion of the 2007 Legislative Session, the State Legislature convened a Special Session devoted to water. Specifically, this Special Session was intended to address the immediate water crisis created by several contributing factors, including the recent drought conditions, aging infrastructure and environmental concerns. As such, several legislative solutions, including two water bonds, have been introduced to address these issues.

On September 19, Senator President Pro Tempore Don Perata (D-Oakland) introduced SB X2 in response to the federal court order reducing water flow from the Sacramento-San Joaquin Delta. Pro Tem Perata's legislation, co-authored by Senator's Machado and Steinberg, would authorize \$5.8 billion in general obligation bonds to be issued and sold for the purpose of funding a water supply reliability and environmental restoration program. If passed and signed by the Governor, the Water Supply Reliability Bond Act of 2008 would be placed on the February 2008 ballot.

In response to the Democrats proposal, Senator Cogdill, along with Senator Ackerman, introduced SB X3. SB X3 is the \$9.085 billion Water Supply Reliability Bond Act of 2008, as originally proposed by Governor Schwarzenegger. Similar to SB X2, if passed and signed by the Governor, this measure would be placed on the February 2008 ballot.

The following is a comparative summary of the two water bond proposals to be discussed during the current legislative special session.

Bills	SB X2 (Perata)	SB X3 (Cogdill)
Total Bonds to be issued	\$5.8 billion	\$9.085 billion
Delta Sustainability	\$2.4 billion - \$1 billion for specified "early action" projects. - \$1.4 billion to protect and enhance sustainability.	\$1.9 billion - \$.5 billion for "early action" projects. - \$1.4 billion to protect and enhance sustainability.
Water Supply Reliability	\$2 billion - Competitive IRWMP grants (w/50% cost share). - \$369 million for the LA sub-region.	\$1 billion - Competitive IRWMP grants. - \$155.5 million for LA/Ventura.
Resource Stewardship and Environmental Restoration Program	\$1 billion - Resource stewardship, ecosystem restoration, urban watershed and stormwater management projects.	\$.585 billion - \$.5 billion Resource stewardship, ecosystem restoration, urban watershed and stormwater management projects. - \$.085 billion expenditures and grants to protect the Delta ecosystem from invasive species (i.e. quagga mussels).

Water Storage Development Projects	None	\$5.6 billion - \$5.1 for design, acquisition and construction of surface water storage projects (3 identified projects). - \$.5 billion for grants and expenditures for the planning, design and construction of local surface water storage projects.
Groundwater Protection	\$.4 billion - Expenditures, grants and loans for projects to prevent/reduce contamination of groundwater.	None

To provide further insight related to the Special Session and the 2007 Legislative Session, John O'Malley and Michael Boccadoro will be attending the October 22 West Basin Board Meeting and will provide the Board with a detailed legislative oral report.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Communications Committee on October 8, 2007 and agendized to the October 22, 2007 Board meeting as information for discussion.

RECOMMENDED MOTION:

This item is for information only.