



March 17, 2023

The Honorable Gavin Newsom
 Governor, State of California
 1021 O Street, Suite 9000
 Sacramento, CA 95814

The Honorable Toni Atkins
 Pro Tempore, California State Senate
 1021 O Street, Suite 8518
 Sacramento, CA 95814

The Honorable Anthony Rendon
 Speaker, California State Assembly
 1021 O Street, Suite 8330
 Sacramento, CA 95814

The Honorable Phil Ting
 Chair, Assembly Budget Committee
 1021 O Street, Suite 8230
 Sacramento, CA 95814

The Honorable Nancy Skinner
 Chair, Senate Budget Committee
 1020 N Street, Suite 502
 Sacramento, CA 95814

Subject: CASQA and the California Stormwater Community Response: Governor's Proposed 23-24' Budget & Climate Resilience Bond

CASQA WATER SUPPLY STRATEGY RESPONSE AND FUNDING REQUEST

Dear Governor Newsom and Members of the California Legislature,

On behalf of the local governments, cities, counties, flood control districts, water districts, construction associations, and industrial groups signed on to this letter, we **express support for the Governor's proposed \$135.5 million investment in Urban Flood Risk Reduction and ask that stormwater capture projects be prioritized in this proposed funding, along with any major Climate or Resilience Bond passed by the legislature.**

If we have learned anything from California's record-breaking wet winter, it is that we must invest in better infrastructure to prepare for more extreme droughts and floods. Investing and incentivizing stormwater capture projects will build water resilience across the state, enhance water quality in our sacred watersheds and protect communities from catastrophic flooding events.

STORMWATER CAPTURE IS KEY TO THE STATE'S WATER SUPPLY STRATEGY

Our coalition applauds the direction laid out within the Administration's California Water Supply Strategy, in particular the focus on making new water available for use throughout our state by capturing stormwater. Stormwater is a critically untapped resource, and our state's infrastructure must be updated to capture as much as possible, while also providing key water quality, greenspace and other objectives to benefit our waterways and communities. We stand ready to support the Administration in constructing stormwater projects throughout the state to capture at least 250,000 acre feet by 2030 and 500,000 acre-feet by 2040. We also can confirm the Administration's recognition that funding is the key obstacle in constructing new stormwater capture projects throughout the state.

CREATING NEW WATER

With changing precipitation patterns and declining snowpack, capturing stormwater in our urban communities simply must occur to adapt to climate change and long periods of drought. Our aging flood control systems were designed to capture and move water from urban landscapes as fast as possible. Meaning, even when experiencing extreme drought, **the majority of our rainwater simply washes out of our communities.** The current water year underscores how vital it is to invest today, to ensure that our communities are prepared and able to maximize opportunities for capture when the rains and snow are abundant. Capturing water in our communities and protecting our water resources will provide substantial value — healthier, more livable, and more resilient communities. An investment in stormwater capture is also an investment in flood control, green infrastructure, street beautification, sanitation, water conservation, and groundwater recharge.

As reflected in the Water Supply Strategy, the opportunity for stormwater capture to boost California's water supply is significant. It is estimated that state's urban regions shed 770,000 to 3.9 million acre feet of runoff a year that could be captured¹. We simply cannot ignore the potential that stormwater capture has in drought proofing our state as we head into a new climate reality.

CRITICAL NEED

As identified by the California Water Supply Strategy, most stormwater programs in California lack dedicated funding. Almost all municipalities rely solely on their local general fund — the same source of funding for law enforcement, fire, paramedics, parks, street lighting and libraries. Even if local communities were to secure a dedicated local source of funding, local communities alone cannot provide the resources needed to reshape our urban landscapes. The State of California has a significant role to play, particularly in our underserved communities.

To comply with existing stormwater permit conditions, local governments are already facing funding gaps of hundreds of millions of dollars per year, with cumulative gaps over the next 20 years in the billions of dollars. Existing requirements for stormwater needs in the Los Angeles area alone will require \$20 billion over 20 years, averaging out

¹ Pacific Institute, https://pacinst.org/wp-content/uploads/2022/04/PI_California_Untapped_Urban_Water_Potential_2022-1.pdf

CASQA WATER SUPPLY STRATEGY RESPONSE AND FUNDING REQUEST

to a \$ 1 billion needed each year. The County of San Mateo has a need of \$700 million - \$1 Billion. The annual funding gap to achieve existing permit requirements is hundreds of millions of dollars, **per county**. At the city scale, the City of San Diego has identified a funding gap of \$467.8 million in FY 2022, with a cumulative funding gap of \$5.47 billion over FYs 2022-2041.

FUNDING REQUEST & CLIMATE/RESOURCE/WATER BOND

It will require visionary thinking and long-term, substantial investment to replumb California and mitigate for the increasing environmental challenges we see due to climate change. It is therefore critical not only to recognize and value stormwater capture as vital to climate adaptation, but to provide the significant financial investments to make it a reality.

While stormwater management is one of the most important ways we can protect our precious waterways while also increasing valuable water supplies, stormwater capture remains one of the most chronically underfunded infrastructure needs facing local governments today. Prop 218 is a major impediment to building projects due to the inability to raise revenue (e.g., there is no rate base). No other water infrastructure investment has this issue. We welcome a discussion on how the Administration and Legislature can lead in solving for this critical issue so local communities can partner in building a more resilient and integrated water infrastructure system."

We were pleased to hear of the Administration and Legislature's interest in pursuing a climate resilience bond to double-down on California's commitment to a climate resilient infrastructure and the California Stormwater Quality Association and our coalition respectfully request significant funding go towards stormwater capture projects that reduce urban flood risk and promote water quality in any proposed bond measure. Specifically, our coalition would request at least \$500 million be dedicated to stormwater capture projects in AB 1567 (Garcia) and SB 867 (Allen).

We stand ready to discuss how stormwater capture can play a significant role in implementing the Governor's Water Supply Strategy and upgrade our state's infrastructure to increase supply demands while also protecting our communities. Thank you for your consideration.

Sincerely,

Karen Cowan, Executive Director, California Stormwater Quality Association²
Gary Singh, Mayor, City of Manteca
Steve Carrigan, City Manager, City of Salinas
Micah Runner, City Manager, City of Rancho Cordova
Matt Young, Manager, Santa Barbara County Water Agency
Peter Sanchez, General Manager, Fresno Metropolitan Flood Control District
Julie Lucido, Public Works Director, City of Napa
Brendon Biggs, M.S., P.E., Director of Public Works, San Bernardino County and
Chief Flood Control Engineer, San Bernardino County Flood Control District
Stephanie Reyna-Hiestand, Assistant Director - Utilities, City of Tracy
Dale Goodman, Municipal Services Director, City of Turlock
John L. Ilasin, Public Works Director/City Engineer, City of Carpinteria

² CASQA is a nonprofit corporation that advances sustainable stormwater management protective of California water resources. With approximately 2,000 members, our membership is comprised of a diverse range of stormwater quality management organizations and individuals, including over 180 cities, 23 counties, special districts, federal agencies, state agencies, ports, universities and school districts, wastewater agencies, water suppliers, industries, and consulting firms throughout the state. Collectively, CASQA represents over 26 million people in California.

CASQA WATER SUPPLY STRATEGY RESPONSE AND FUNDING REQUEST

Jeffrey J. Mosher, General Manager, Santa Ana Watershed Project Authority
Andy Rodgers, Executive Director, Russian River Watershed Alliance
Sean Charpentier, Executive Director, City/County Association of Governments of San Mateo County
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Sharon Gosselin, Management Committee Chair, Alameda Countywide Clean Water Program
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