







August 19, 2021

The Honorable Gavin Newsom
Governor, State of California
State Capitol, First Floor
Sacramento, CA 95814

The Honorable Toni Atkins
Senate President pro Tempore
State Capitol, Room 205
Sacramento, CA 95814

The Honorable Anthony Rendon
Speaker of the Assembly
State Capitol, Room 219
Sacramento, CA 95814

Re: Drought Relief and Climate Resilience Water Infrastructure Funding Needs for Southern California

Dear Governor Newsom, Senate President pro Tem Atkins and Assembly Speaker Rendon:

On behalf of the signatories below, we respectfully request equitable access to financial assistance for Southern California drought relief and climate resiliency actions. As the California Natural Resource Agency reported to the Legislature in March of this year on lessons learned from the 2012-2016 drought, Southern California's investments in conservation, storage, and local supplies helped the region endure. Those lessons are paying dividends today as the state faces severe drought. We view this regional success as a momentum gained rather than a destination reached. Thus, we stand as one with the state and are working to voluntarily reduce per-capita water use.

Southern California's two main sources of imported water, the Colorado River and the State Water Project, face continuing drought conditions. State reservoirs are at or below historic levels. The Sierra Nevada is so dry that a zero percent initial State Water Project allocation is expected, and heavy rains would be needed to nudge that allocation much above 20 percent. Moving to another critical watershed, a two-decade drying sequence on the Colorado River is leading to the first-ever shortage declaration.

On August 17, the Metropolitan Water District of Southern California declared a regional Water Supply Alert. Under a Water Supply Alert, local water agencies are asked to review their past drought measures and their newly adopted state Water Shortage Contingency Plans and implement voluntary conservation measures. These actions will be combined with a unified regional message in the media and outreach campaigns to communicate the need for increased conservation to the general public, businesses, stakeholders, and industries. With state funding, these actions can all be accelerated.

Though conservation has become a way of life for Southern Californians, we know that more can be done. Potable water use in the region is down 40 percent over the past 30 years, but there are still opportunities to cut water use across our diverse communities. Because the region has already substantially lowered per-capita water use through significant conservation investments and not seen a rebound in per capita water use since the last drought, increased conservation as called for by the Governor will be more costly and warrants statewide investment. For example, outdoor conservation could be accelerated by increasing turf removal incentives and underserved communities could benefit from more direct-install programs to replace toilets in multi-family housing. We also need to invest in municipal distribution system leak detection and repairs that produce water savings without further reducing revenues for the water systems who are already stressed financially. Southern California's businesses can also be part of the solution. But as they recover from the pandemic's impacts, they need financial assistance to help cover the cost of high-efficiency plumbing fixtures, HVAC, and commercial kitchen equipment, for example. The more we save today, the more we will have for future dry conditions.

In preparation for the inevitable drought periods and to reduce demand on imported supplies, Metropolitan has for years provided significant incentives to local water agencies to develop new local supplies including recycled water, stormwater capture, and groundwater recovery. We need to build on these local investments to prepare for a potentially dry future by making progress on regional-scale water recycling projects like those planned by Metropolitan and the cities of Los Angeles and San Diego. Beyond improving water supply reliability, local projects also support the regional economy through job creation which helps the region recover from the economic disruption wrought by the Covid-19 pandemic.

The State can help. State funding can leverage existing investments and take advantage of Metropolitan and local water agency conservation rebate programs to accelerate immediate drought relief which will relieve pressure on imported water benefitting the entire state. We urge your support for the additional funding for Southern California over the next three years shown below as a start for drought relief and climate resiliency.

Water Use Efficiency:

- An additional \$200 million to fund rebates for multifamily housing toilet replacement, municipal distribution system leak detection and repair, turf replacement, and commercial equipment.

Local Supply Projects:

- \$650 million for water reuse and recycling
- \$100 million for stormwater capture
- \$100 million additional for groundwater remediation and wellhead treatment for PFAS.

Groundwater Storage:

- \$250 million for groundwater storage and conjunctive use projects.

While Southern California's achievements in water reliability has allowed the emergency declarations to exclude Southern California counties so far, we must ensure continued momentum and not discourage or disincentivize agencies from investing in a secure water future. Half of the state's people live and work in Southern California, many whom live in under-resourced communities. We all can be a part of the solution by conserving precious supplies to help meet the Governor's goal to reduce water use statewide by 15 percent. In order to do so, Southern Californians should have access to state resources to help make the crucial investments in conservation and local supplies needed now.

We urge you to consider our request for additional funding and assurances that Southern Californian water agencies will have equitable access to conservation and water infrastructure funding to invest in a secure water future for 19 million Californians. Thank you for your commitment to invest in water infrastructure, drought response and climate resilience to help us all better prepare for the critically dry periods ahead. If you have questions or would like additional information about the funding needs and existing programs, please contact Kathy Viatella, kviatella@mwdh2o.com or (619) 517-5823.

Sincerely,

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cc: Members of the Senate Budget and Fiscal Review Committee
Members of the Assembly Budget Committee
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Matt Almy, Assistant Program Budget Manager, Natural Resources, Environment
Kip Lipper, Office of Senate President pro Tempore Toni Atkins
Alf Brandt, Office of Assembly Speaker Anthony Rendon
Joanne Roy, Consultant, Senate Budget and Fiscal Review Subcommittee No. 2
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