

# **BAWSCA**

**Bay Area Water Supply & Conservation Agency**

February 6, 2007

Ms. Tracie Billington  
Department of Water Resources  
Division of Planning and Assistance  
P.O. Box 942836  
Sacramento, CA 94236-0001

Ms. Shahla Farahnak  
State Water Resources Control Board  
Division of Financial Assistance  
1001 "I" Street, 16<sup>th</sup> Floor  
Sacramento, CA 95814

**Subject:** Comments on Additional Grant Awards for the Integrated Regional Water Management (IRWM) Grant Program

Dear Ms. Billington and Ms. Farahnak:

I would like to express my strong support that the State fund additional proposals from among Step 2 applicants in the implementation grants process.

The Bay Area Water Supply and Conservation Agency (BAWSCA) represents the interests of 25 cities and water districts, an investor-owned utility, and a university, that purchase water wholesale from the San Francisco regional water system. These agencies, in turn, provide water to 1.7 million people, businesses and community organizations in Alameda, Santa Clara and San Mateo counties. Under State legislation enacted in 2003, BAWSCA exercises its authority to assist its member agencies to plan and implement water conservation, water recycling and alternative water supply projects.

BAWSCA collaborated with numerous water management agencies and entities around the nine-county Bay Area region and successfully completed the development of an Integrated Regional Water Management Plan (IRWMP). The Bay Area IRWMP is unprecedented in its comprehensive scope and coverage of all the water management functions undertaken by agencies around the region. Our collaborative process also brought together diverse agencies and stakeholders that historically function and pursue their individual interests independently, sometimes at odds with one another.

A number of IRWMP participants, including BAWSCA, collaborated on the implementation grant proposal as a way to promote early implementation of multi-purpose projects that provide multiple benefits to constituencies in the Bay Area region. We heeded the State's call for consolidation and accommodated the State's request to reduce the original grant proposal by 50% by increasing our local match in Step 1. However, local resources are inadequate for undertaking all the necessary functional responsibilities involved in a fully integrated water management plan. Pressure to complete local projects makes it increasingly difficult to justify additional expenditures on regional projects. A more substantial grant amount is needed to provide the needed incentive for project proponents to divert precious local resources to projects that may otherwise not be implemented.

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We are all faced with rapid escalation in construction costs and the diminishing value of the dollar because of delays in grant awards. It is imperative that the State release these public bond funds as soon as possible to put the public dollars to work. The 15 projects contained in the Bay Area proposal, if fully-funded, will produce water supply and water quality benefits valued at \$700 million.

The Bay Area region is the economic engine of the state and country. Maintaining the economic vitality of the region through sound water management is one of the top priorities of the Bay Area IRWMP. I urge the State to consider the vital importance of the Bay Area region and reward the extraordinary efforts undertaken in the Bay Area by allocating a larger portion of the remaining Proposition 50 funds to the Bay Area.

Thank you for your consideration and the hard work that you and your staff invested in the IRWM Program. Please do not hesitate to contact me or Nicole Sandkulla of my staff at (650) 349-3000 if you have any questions.

Sincerely,



Arthur R. Jensen  
General Manager

cc: Stan Williams, Chief Executive Officer, Santa Clara Valley Water District  
Nicole Sandkulla, Bay Area Water Supply & Conservation Agency