

**Prop 84: The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006**

**Staff Recommendation (8/24/06):** NO POSITION

**Board Recommendation (9/15/06):** SUPPORT

**Background:**

*State Spending on Resources Programs.* The state operates a variety of programs to conserve natural resources, protect the environment, provide flood control, and offer recreational opportunities for the public. The state also operates a program to plan for future water supplies, flood control, and other water-related requirements of a growing population. In addition to direct state expenditures, the state also provides grants and loans to local governments and nonprofit organizations for similar purposes. These programs support a variety of specific purposes.

*Funding for Resources Programs.* Funding for various programs has traditionally come from General Fund revenues, federal funds, and general obligation bonds. Since 1996, voters have authorized approximately \$11 billion in general obligation bonds for various resources purposes. Of this amount, approximately \$1.4 billion is projected to remain available for new projects as of June 30, 2006, primarily for water-related purposes. Legislation enacted earlier this year provides \$500 million from the General Fund for emergency levee repairs and other flood control-related expenditures.<sup>1</sup>

**Proposal:**

This initiative allows the state to sell \$5.4 billion in general obligation bonds for safe drinking water, water quality, and water supply; flood control; natural resource protection; and park improvements. Figure 1 summarizes the purposes for which the bond money would be available for expenditure by various state agencies and for loans and grants, primarily to local agencies and nonprofit organizations. In order to spend most of these bond funds, the measure requires the Legislature to appropriate them in the annual budget act or other legislation.

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<sup>1</sup> LAO Analysis, <http://www.lao.ca.gov/>

<b>Figure 1</b>		
<b>Proposition 84</b>		
<b>Uses of Bond Funds</b>		(In Millions)
<b>Water Quality</b>		<b>\$1,525</b>
	Integrated regional water management	1,000
	Safe drinking water	380
	Delta and agriculture water quality	145
<b>Protection of Rivers, Lakes and Streams</b>		<b>\$928</b>
	Regional conservancies	279
	Other Projects-public access, river parkways, urban stream restoration, California Conservation Corps.	189
	Delta and coastal fisheries restoration	180
	Restoration of the San Joaquin River	100
	Restoration projects related to the Colorado River	90
	Stormwater pollution prevention	90
<b>Flood Control</b>		<b>\$800</b>
	State flood control projects-evaluation, system improvements, flood corridor program	315
	Flood control projects in the Delta	75
	Local flood control subventions (outside the Central Valley flood control system)	180
	Floodplain Mapping and assistance for local land use planning	30
<b>Sustainable Communities and Climate Change Reduction</b>		<b>\$580</b>
	Local and regional parks	400
	Urban water and energy conservation projects	90
	Incentives for conservation in local planning	90
<b>Protection of Beaches, Bays, and Coastal Waters</b>		<b>\$540</b>
	Protection of various coastal areas and watersheds	360
	Clean Beaches Program	90
	California Ocean Protection Trust Fund-marine resources, sustainable fisheries, and marine wildlife conservation	90
<b>Parks and Natural Education Facilities</b>		<b>\$500</b>
	State park system-acquisition, development, and restoration	400
	Nature education and research facilities	100
<b>Forest and Wildlife Conservation</b>		<b>\$450</b>
	Wildlife habitat protection	225
	Forest conservation	180
	Protection of ranches, farms, and oak woodlands	45
<b>Statewide Water Planning</b>		<b>\$65</b>
	Planning for future water needs, water conveyance systems, and flood control projects	65
<b>Total</b>		<b>\$5,388</b>

Source: Legislative Analyst's Office

### **Fiscal Effects:**

**Bond Costs.** The cost of these bonds would depend on interest rates in effect at the time they are sold and the time period over which they are repaid. The state would likely make principal and interest payments from the state's General Fund over a period of about 30

years. If the bonds were sold at an average interest rate of 5 percent, the cost would be about \$10.5 billion to pay off both the principal (\$5.4 billion) and interest (\$5.1 billion). The average payment would be about \$350 million per year.

The Water Authority has stated that future legislation will be introduced in which water meter payments will pay the remainder of the bond instead of using general fund revenues as the source of repayments. This legislation would be required to go before voters.

### ***California's Bonded Indebtedness***

As of December 2005, Californians owed approximately \$53 billion in outstanding bonds, with an annual debt service of approximately \$4 billion. If all the bond measures on the November 2006 ballot should pass, the voters will have authorized an additional \$42.6 billion. When these bonds are sold, the debt service will increase by approximately \$2.1 billion per year. Assuming a total debt service of \$6 billion per year, and using the tax revenue for 2005-2006 of \$94.4 billion, the ratio of debt service to revenue comes to slightly over 6%. Although California has not adopted a specific limit for debt service capacity, bond-rating organizations generally consider 6% to be the prudent limit.<sup>2</sup> Please see separate attachment for full report on California's bond debt.

***Property Tax-Related Impacts.*** The initiative provides funds for land acquisition by governments and nonprofit organizations for various purposes. Under state law, property owned by government entities and by nonprofit organizations (under specified conditions) is exempt from property taxation. To the extent that this initiative results in property being exempted from taxation due to acquisitions by governments and nonprofit organizations, local governments would receive reduced property tax revenues. These reduced property tax revenues would be several million dollars annually. On the other hand, the bonds could leverage additional local and federal funds to provide regional and local benefits. The Governor expects the investment of \$37 billion in transportation, education, housing, and flood protection to have a major stimulating effect on the economy, which may in turn increase the state's tax revenues and its capacity to pay for the bonds. To the extent these measures produce a positive economic stimulus, Proposition 84 could have a similar effect.

***Operational Costs.*** State and local governments may incur additional costs to operate or maintain the properties or projects, such as new park facilities, that are purchased or developed with these bond funds. The amount of these potential additional costs is unknown, but could be tens of millions of dollars per year.<sup>3</sup>

### **San Diego Region:**

If passed, San Diego will receive \$154 million, or 9.4 percent of the directly allocated funding and is eligible for \$616 million in competitive grants (Figures 2 and 3). The region would also receive \$612 million in indirect benefits from statewide projects

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<sup>2</sup> LAO Analysis

<sup>3</sup> LAO Analysis: Fiscal Effects

(Figure 3). The cost of the measure for the County is \$861 million over the next 30 years (\$28.7 million per year).<sup>4</sup>

**Estimated Per Capita  
Funding Analysis  
(Figure 2)**

<b>Category</b>	<b>Total Funding</b>	<b>San Diego Funding</b>	<b>San Diego Percent</b>
<b>Water Related Projects</b>			
<i>Direct Allocations</i>			
IRWM (Integrated Regional Water Management)	\$900 Million	\$91 Million	10.10%
Rivers, Lakes & Streams	\$514 Million	\$36 Million	7%
<i>Non-direct Allocations</i>			
Competitive Process	\$720 Million	Unknown	Unknown
Statewide Benefit	\$384 Million	Unknown	Unknown
<b>Flood, Environment, Parks, Etc.</b>			
<i>Direct Allocations</i>			
Beaches, Bays & Coastal	\$225 Million	\$27 Million	12%
<i>Non-direct Allocations</i>			
Competitive Process	\$1.220 Billion	Unknown	Unknown
Statewide Benefit	\$1.425 Billion	Unknown	Unknown
	Total Funding Directly Allocated to San Diego County	\$154 million	

Source: SDCWA

<sup>4</sup> SDCTA calculation based upon \$10.6 billion total bond with interest and San Diego County population per capita analysis.

### Direct, Indirect and Competitive Grant Funding Available to San Diego Region (Figure 3)

Funding Category or Sub-Category	Direct, Indirect or Competitive	Amount
Implementation of QSA Allocation Agreement (canal lining)	Direct	\$36 Million
Protection of San Diego Bay and adjacent watersheds	Direct	\$27 Million
	<b>Total Direct</b>	<b>\$63 Million</b>

IRWM Allocation to the San Diego Sub-Region	Competitive within San Diego County	\$91 Million
	<b>Total Competitive within San Diego</b>	<b>\$91 Million</b>

Emergency Drinking Water Projects	Competitive	\$10 Million
Small Community Infrastructure Improvements	Competitive	\$180 Million
Safe Drinking Water State Revolving Fund	Competitive	\$50 Million
State Water Pollution Control Revolving Fund	Competitive	\$80 Million
Prevention of Groundwater Contamination	Competitive	\$60 Million
Resource Stewardship and Ecosystem Restoration	Competitive	\$234 Million
	<b>Total Competitive</b>	<b>\$616 Million</b>

Lower Colorado River Multi-species Conservation Plan	Indirect	\$7 Million
Delta Water Quality	Indirect	\$130 Million
Delta Levees	Indirect	\$275 Million
Statewide Water Planning and Design	Indirect	\$65 Million
Bay-Delta Conservation Plan	Indirect	\$20 Million
CALFED Ecosystem Restoration Program	Indirect	\$115 Million
	<b>Total Indirect</b>	<b>\$612 Million</b>

Source: SDCWA

**Overall Total \$1.382 Billion**

### San Diego Areas Receiving Funding:

#### *All-American Canal*

Chapter 5 of the resources portion of the bond provides \$36 million for lining of the All-American and Coachella Canals. Such funding would increase the state's contributions to the canal lining projects from \$219 million to \$255 million as part of the state's commitment to the Colorado River Quantification Settlement Agreement. If this measure does not pass, the Water Authority will still go forward with this project despite not receiving \$36 million from the bond.

#### *San Diego Bay Funding*

Proposition 84 allocates \$225 million for beaches, bays and coastal protection. Of this amount, \$27 million is allocated to the State Coastal Conservancy for projects that protect San Diego Bay and its adjacent watersheds.<sup>5</sup>

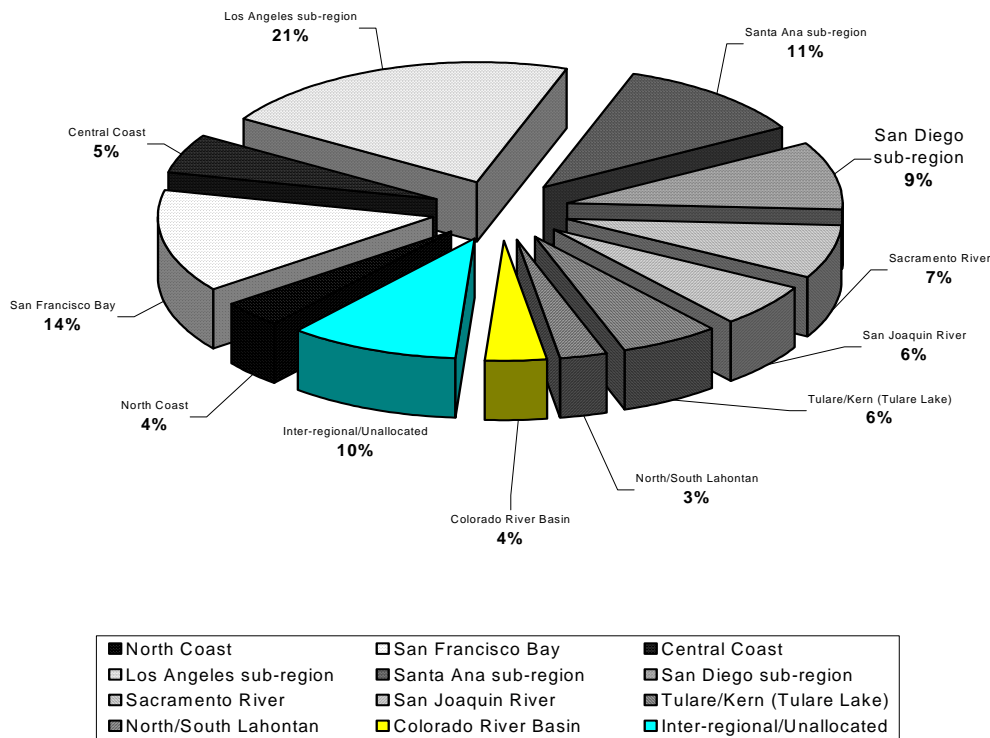
#### *Integrated Regional Water Management Planning*

Chapter 2 of Proposition 84 provides \$1 billion for integrated regional water management (IRWM). Of this, \$100 million is reserved for competitive grants for inter-regional projects. The remaining \$900 million is divided among 11 regions and sub-regions. The

<sup>5</sup> San Diego County Water Authority, LCO Board Packet

bond allocates an initial \$25 million to each region or sub-region, and then a proportionate share of the remaining funds based on a per-capita basis. Under this formula, the San Diego sub-region will receive \$91 million. The money may be used for a wide variety of water-related projects, provided it is used in accordance with a multi-agency, multi-benefit IRWM plan, and demonstrate integration between all agencies within the County. Figure 4 is a break down of the total \$1 billion.<sup>6</sup>

Figure 4  
Chapter 2  
Section 75026 Fund Allocations



IRWM plans generally must consider traditional water supply projects in accordance with the State IRWM Plan Standards, including recycled water, imported water, seawater desalination, groundwater, water transfers, and surface water. A plan must demonstrate how strategies provide water supply reliability.

The County of San Diego, along with the City of San Diego and the San Diego County Water Authority (SDCWA), are responsible for submitting a San Diego IRWM plan. The objectives of the plan are to develop reliable water supplies, protect and enhance water quality, and provide stewardship of the region’s natural resources. If these three parties were to use the same Memorandum of Understanding (MOU) as was used for Proposition 50, SDCWA would have overall responsibility in developing the IRWM plan, administering grants in the San Diego region along with oversight responsibility

<sup>6</sup> Chapter 2, Section 75026 allocations

over projects awarded grants under the MOU. There is some concern as to what projects will be submitted for IRWM Project funding, and whether or not smaller retail agencies will receive the same attention as wholesale agencies.

Agencies that are included in the IRWM plan could receive funding from the \$91 million San Diego sub-regional IRWM allocation, although other projects outside of the county, the City, or SDCWA are eligible for funding, i.e. storm water and watershed projects. The Department of Water Resources will administer the IRWM grant program in Chapter 2 of Proposition 84. IRWM funds under Proposition 84 are available for a wide variety of purposes under an IRWM plan. These may include:

1. Water supply reliability, water conservation, and water use efficiency.
2. Storm water captures, storage, clean up, treatment and management.
3. Removal of invasive non-native species, creation and enhancement of wetlands, and the acquisition, protection, and restoration of open space and watershed lands.
4. Non-point source pollution reduction, management, and monitoring.
5. Groundwater recharge and management projects.
6. Contaminant and salt removal through reclamation, desalting, and other treatment technologies and conveyance of reclaimed water for distribution to users.
7. Water banking, exchange, reclamation and improvement of water quality.
8. Flood management.
9. Watershed protection and management.
10. Drinking water treatment and distribution.
11. Ecosystem and fisheries restoration and protection.<sup>7</sup>

### **Needs of San Diego:**

SDCWA has determined that the top need within the county is to diversify the region's water supply so it remains safe and reliable. This includes reducing reliance on water imported through the Metropolitan Water District (MWD), through programs such as the Imperial Irrigation District (IID) water transfer and the canal-lining projects. The county would be able to decrease dependency on these programs by developing more local supplies through desalination, recycling, increased use of groundwater and maximizing surface storage.

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<sup>7</sup> Integrated Regional Water Management Grant Guidelines,  
[http://www.swrcb.ca.gov/funding/irwmgp/docs/prop50chap8\\_guidelines113004r1.pdf](http://www.swrcb.ca.gov/funding/irwmgp/docs/prop50chap8_guidelines113004r1.pdf)

## Proposition 84 and Proposition 1E:

<b>Water Bond Trust Fund: Flood Control (14.85% of total) (Figure 5)</b>					
<b>§7503(#)</b>	<b>Amount (\$)</b>	<b>Percentage</b>	<b>Recipient</b>	<b>Purpose</b>	
(1)	\$30,000,000	3.75%	Department of Water Resources	Floodplain mapping, assisting local land-use planning, and avoidance/reduction of future flood risks and damages	
(2)	\$275,000,000	34.38%	Department of Water Resources	Flood control projects including improvement, construction, modification and relocation of food control levees, weirs or bypasses, improvements to the department's emergency response capability, environmental mitigation and infrastructure relocation costs, and implementation of a multi-objective management approach for floodplains	
(2.5)	\$40,000,000	5.00%	Department of Water Resources	Flood Protection Corridor projects	
(3)	\$275,000,000	34.38%	Department of Water Resources	Delta flood control projects to improve emergency response preparedness and reduce potential for levee failures	
(4)	\$180,000,000	22.50%	Department of Water Resources	Funding state's share of nonfederal costs of flood control and prevention projects	
<b>TOTAL</b>	<b>\$800,000,000</b>	<b>100.00%</b>			

Chapter 3 within Proposition 84 allocates \$800 million to the Department of Water Resources for the purpose of flood control programs. The figure above outlines the amount of money dedicated to specific projects within the Department of Water Resources. There are programs within Proposition 84 that have funding overlaps with projects within Proposition 1E. Totals for these programs are outlined below:

<b>Overlap of Prop. 84 and Prop. 1E Funds (Figure 6)</b>					
	Floodplain Mapping	Floodcontrol Repairs and Improvements	Floodcontrol Corridor Projects	Delta Improvements	Funding state's share of nonfederal costs of flood control and prevention projects
Proposition 84	\$30,000,000	\$275,000,000	\$40,000,000	\$275,000,000	\$180,000,000
Proposition 1E	Up to \$290,000,000	Up to \$3,000,000,000	Up to \$290,000,000	Up to \$3,000,000,000	\$500,000,000
<b>Total</b>	<b>Up to \$320,000,000</b>	<b>Up to \$3.275 Billion</b>	<b>Up to \$330,000,000</b>	<b>Up to \$3.275 Billion</b>	<b>\$680,000,000</b>

### Concern Over Ballot Title:

The ballot title beginning with the words *Water Quality, Safety and Supply* indicate a measure pertaining mostly with water, which may mislead voters. Analysis indicates that only one-third of the bond is for water supply and water quality. Research, along with Mr. Caves himself, has indicated that the placement of water within the title polls better with voters than without. It has been stated that the Association of California Water Agencies (ACWA) will be developing a \$8.54 billion bond exclusively dedicated to

water that will be put on the ballot in 2008, and passage of this bond will make it difficult to gain support for the 2008 measure.<sup>8</sup>

### **Other Considerations:**

An alternative to a state bond measure is to issue a local/regional water bond specifically for local/regional projects. The bond rating for the SDCWA is at AA and the Metropolitan Water District (MWD) is at AA+, while the state has a comparatively low bond rating of A+. The state will pay a higher interest rate on bonds than would SDCWA or MWD. However, local agencies only have authority to issue GO bonds for local projects, thus this does not address statewide or inter-regional water projects. A local GO bond would also require a two-thirds majority of local voters, and that would likely be a challenge to achieve. Payment of the bond debt would come from the water rate, or from a property tax levy, if water rate revenues were inadequate. SDCWA has not issued GO bonds since 1968 and has relied on revenue bonds and other funding mechanisms since then.

### **Support From Local Agencies:**

SDCWA Board of Directors voted to support Proposition 84. The motion to support the measure passed with 11 members of the board in favor, 8 members opposed, and 4 members absent. Other supporters of this measure include Mayor Jerry Sanders, State Senator Denise Ducheny, State Senator Christine Kehoe, San Diego Natural History Museum, and the Alliance for Habitat Conservation.

### **Opposition From Local Agencies:**

Region 10 of ACWA, including the Olivenhein Municipal Water District, the Fallbrook Public Utility District, and the Valley Center Municipal Water District have voted to oppose Proposition 84.

### **Past Measures – Proposition 50 (November 2002):**

Proposition 50 was passed by the voters in November 2002 as a \$3.4 billion general obligation bond that was to fund a variety of water projects throughout California and to be repaid from the state's General Fund. The state Legislative Analyst estimated the cost of the measure to be \$6.9 billion over 30 years, an annual payment of \$230 million.

The measure was intended to protect and provide clean and safe water in California and make critical upgrades to water infrastructure and restoration of reclamation projects, purchasing and protecting coastal wetlands. Despite the title, *Water Quality, Supply and Safe Drinking Water Act of 2002*, 38% of this bond, \$1.31 billion, was specified for the acquisition of land from willing buyers, with 42% of the measure related to non-water issues.

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<sup>8</sup> San Diego County Water Authority, LCO Board Meeting, Thursday, July 27, 2006

No funds within this measure were earmarked for direct appropriations for San Diego projects. As of July 2006, San Diego projects have received \$37.6 million through competitive grants (Figure 7).

Prop. 50 provided for \$368 million in total funding to IRWM. In 2005, San Diego submitted 22 projects to the Department of Water Resources to compete for IRWM funding, but all were rejected due to a lack of integration between the agencies within the county.

San Diego's share of the cost of Prop. 50 is \$621 million (or \$20.7 million per year). SDCTA opposed Prop. 50 in 2002.

**PROPOSITION 50 FUNDING OBTAINED BY SAN DIEGO COUNTY WATER AGENCIES**

**As of July, 2006 (Figure 7)**

<b>Program</b>	<b>Agency</b>	<b>Project</b>	<b>Project Cost</b>	<b>\$ Requested</b>	<b>\$ Awarded</b>
Chapter 4b-Safe Drinking Water	Sweetwater Authority	Expansion of Reynolds Groundwater Desalter	\$110,000,000	\$5,500,000	\$5,500,000
Chapter 6-Contaminant Salt Removal	SDCWA	SONGS Feasibility Study	\$800,000	\$250,000	\$250,000
	City of San Diego	Study - SD Formation Brackish Groundwater Desalination - Phase II	\$500,000	\$249,700	\$249,700
	City of San Diego	Pilot - San Pasqual Brackish Groundwater Desalination - Phase III	\$5,090,000	\$2,500,000	\$2,500,000
Chapter 7-CALFED Bay-Delta Recycling	Olivenhein MWD	NW Quadrant Recycled Water Project	\$3,740,000	\$1,080,000	\$1,080,000
	Otay Water District	Recycled Water, 30" Main 450-1 Reservoir 680-1 Pump Station	\$31,400,000	\$4,000,000	\$4,000,000
	City of San Diego	South Bay Water Reclamation Plant, Piping, Storage, Pump Station	\$35,000,000	\$1,010,000	\$1,010,000
	City of San Diego	North City Reclamation System Black Mountain, Phase II	\$17,580,000	\$4,000,000	\$4,000,000
Chapter 7 Conservation	City of San Diego	Study - Recirculating Hot Water Systems - Residential Survey	\$84,100	\$30,100	\$30,100
Chapter 9 Colorado River	SDCWA	Canal Lining	-	\$20,000,000	\$19,000,000
<b>TOTAL GRANTS</b>					<b>\$37,619,800</b>

Source: San Diego County Water Authority

**Prop 50 IRWM Recommended Funding List: June 14, 2005 (Figure 8)**

	Control #(s)	Title	Recommended Grant \$	Match \$	Total Project \$	Category % Grant \$	Agency Lead
Ecosystems (Acquisition)	47	Santa Margarita Corridor	\$2,500,000	\$9,000,000	\$11,500,000	27.2%	County
	51	Lake Sutherland Acquis.	\$990,000	\$110,000	\$1,100,000		City
	52	Rutherford	\$5,000,000	\$10,300,000	\$15,300,000		County
	59	Ramona Grasslands	\$5,000,000	\$500,000	\$5,500,000		County
Ecosystems (Restoration)	36	North County Invasives	\$4,900,000	\$18,100,000	\$23,000,000	28.9%	County
	27	Chollas Creek Restoration	\$2,950,000	\$295,000	\$3,245,000		City
	38/54	Tijuana River Invasives Projects	\$4,000,000	\$688,792	\$4,688,792		City
	82	Sweetwater Reservoir Rest.	\$2,500,000	\$250,000	\$2,750,000		County
Facilitation	26	Urban Landscape	\$250,000	\$35,000	\$285,000	7.9%	City
	28	Common Ground	\$3,500,000	\$1,600,000	\$5,100,000		County
	34	GW Recharge Study	\$112,176	\$12,464	\$124,640		CWA
	70/71	Community Conserv. To Go/ Water Brooms	\$50,000	\$25,000	\$75,000		CWA
Infrastructure	72	Reg. Infra. Proj. 72,74,75,79	\$5,000,000	\$158,700,000	\$163,700,000	14.8%	CWA
	76	Olivenhein Upgrade	\$1,000,000	\$1,000,000	\$2,000,000		CWA
	77	Ramona By-pass Line	\$200,000	\$200,000	\$400,000		CWA
	78	Emergency Treated Water	\$1,140,000	\$1,140,000	\$2,280,000		CWA
Local Supply	5	Lakeside GW Recharge	\$4,276,960	\$7,464,440	\$11,741,400	12.1%	CWA
	19	Mission Valley Desal	\$627,000	\$628,000	\$1,255,000		City
	20	North City Recycled	\$1,100,000	\$6,900,000	\$8,000,000		City
Water Quality	39	Wild Animal Park	\$2,500,000	\$3,000,000	\$5,500,000	9.0%	City
	41	Lagoon Pollutant Reduction	\$1,536,737	\$153,700	\$1,690,437		County
	44	Overirrigation	\$446,744	\$90,548	\$537,292		County
<b>Total</b>			<b>\$49,579,617</b>	<b>\$220,192,944</b>	<b>\$269,772,561</b>	<b>100.0%</b>	

**Water-related Bond Propositions Since 1970 (Figure 9)**

Proposition	Type	Year	Amount
The Clean Water Bond Law of 1970	Legislative	1970	\$250,000,000
Clean Water Bond Law of 1974	Legislative	1974	\$250,000,000
California Safe Drinking Water Bond Law of 1976	Legislative	1976	\$175,000,000
Clean Water and Water Conservation Bond Law of 1978	Legislative	1978	\$375,000,000
California Safe Drinking Water Bond Law of 1976	Legislative	1980	\$30,000,000 <sup>9</sup>
Clean Water Bond Law of 1984	Legislative	1984	\$325,000,000
California Safe Drinking Water Bond Law of 1984	Legislative	1984	\$75,000,000
Water Conservation and Water Quality Bond Law of 1986	Legislative	1986	\$150,000,000
California Safe Drinking Water Bond Law of 1986	Legislative	1986	\$100,000,000
Water Conservation Bond Law of 1988	Legislative	1988	\$60,000,000
Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000	Legislative	2000	\$2,100,000,000
Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Act	Legislative	2000	\$1,970,000,000
The California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002	Legislative	2002	\$2,600,000,000
Water Quality, Supply and Safe Drinking Water Projects Coastal Wetlands Purchase and Protection Bonds	Initiative	2002	\$3,440,000,000
The Safe Drinking, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (PENDING)	Initiative	2006	<b>\$5,388,000,000</b>

Source: Los Angeles County Law Library (<http://lalaw.lib.ca.us/ballot.html>).

<sup>9</sup> Increased authorized amount over original measure

## **Arguments in Opposition to, and in Support of Proposition 84**

The following paragraphs summarize the central arguments in favor and arguments against Proposition 84. Efforts have been made to objectively convey what the opponents and supporters are saying about the measure; what follows is a representative, rather than exhaustive, listing of their core arguments.

### *Arguments in Opposition to Proposition 84*

- Proposition 84 was written without public involvement and without public hearings or public meetings.
- The initiative was written by environmental groups and only a small group of members from the Association of California Water Agencies (ACWA).
- The title will mislead voters into thinking they are voting for a water bond when more than half of the bond funds will go to land acquisition and other resources needs. Bonds that are titled water bonds should only fund projects that provide water supply and water quality benefits.
- Proposition 84 does not include funding for seawater desalination, or security for local water facilities or local storage projects.
- Proposition 84 does not include funding for construction of statewide surface storage projects to further the CALFED effort.

### *Signors to Opposition of Proposition 84*

- Bill Leonard, Member, California State Board of Equalization

### *Arguments in Support of Proposition 84*

- Proposition 84 was drafted in consultation with the larger water community, Legislative leadership, and the Schwarzenegger Administration.
- Originally, this bond was intended to just fund parks and other natural resources, but shifted to include water infrastructure at the specific request of the larger water community.
- The proponents of Proposition 84 invited the water community to identify project/program needs and included many of those needs in the initiative.
- For the first time, an initiative water bond provides funding specifically for the San Diego region.
- Beside the direct investment in the San Diego region, San Diego will have a chance to qualify for other funding, and will receive indirect benefits from investments in the Bay-Delta region and the Colorado River.

### *Signors in Support of Proposition 84*

- Mark Burget, Executive Director, The Nature Conservancy
- Larry Wilson, Chair, Board of Directors Santa Clara Valley Water District
- E. Richard Brown, Ph.D., Professor, School of Public Health UCLA