

2018 Water Bond Act Initiative

**Benefits for Los Angeles  
County**

# Status of Prop. 1 funds

\$2.7 billion in storage funds to be allocated by California Water Commission in 2018.

Of remaining \$4.8 billion, \$1 billion is still to be allocated by legislature.

Prop. 1 funds will be largely exhausted by 2019.

# Prop. 68 interaction

- SB 5 (DeLeon)
- June vs November
- Small overlap (18%)
- Voters forget after 5 months
- Need for compatible campaigns

- HOW MUCH WATER AND FLOOD CONTROL INVESTMENT DOES CALIFORNIA NEED?
- San Francisco Baylands flood protection. \$1.43 billion
- Flood Control in Central Valley \$17 billion
- State Flood control: \$50 billion
- Wastewater recycling: \$15 billion
- Water conservation: 2,000,000 AF: \$800 million
- Salton Sea stabilization: Up to \$3 billion
- Safe Drinking Water: \$45 million per year for many years
- Stormwater: \$20 billion in Los Angeles Region alone
- Stormwater, safe drinking water, flood management, water for endangered species, and integrated water management: \$2-3 billion per year for foreseeable future

- **IMPACT ON STATE DEBT**

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- • Bond debt service should not substantially exceed six percent of general fund.

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- • Present ratio is projected to decline below five percent.

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- • With \$16 billion of new debt in 2018, the debt ratio will climb a bit above 5%, and then gradually decline again.

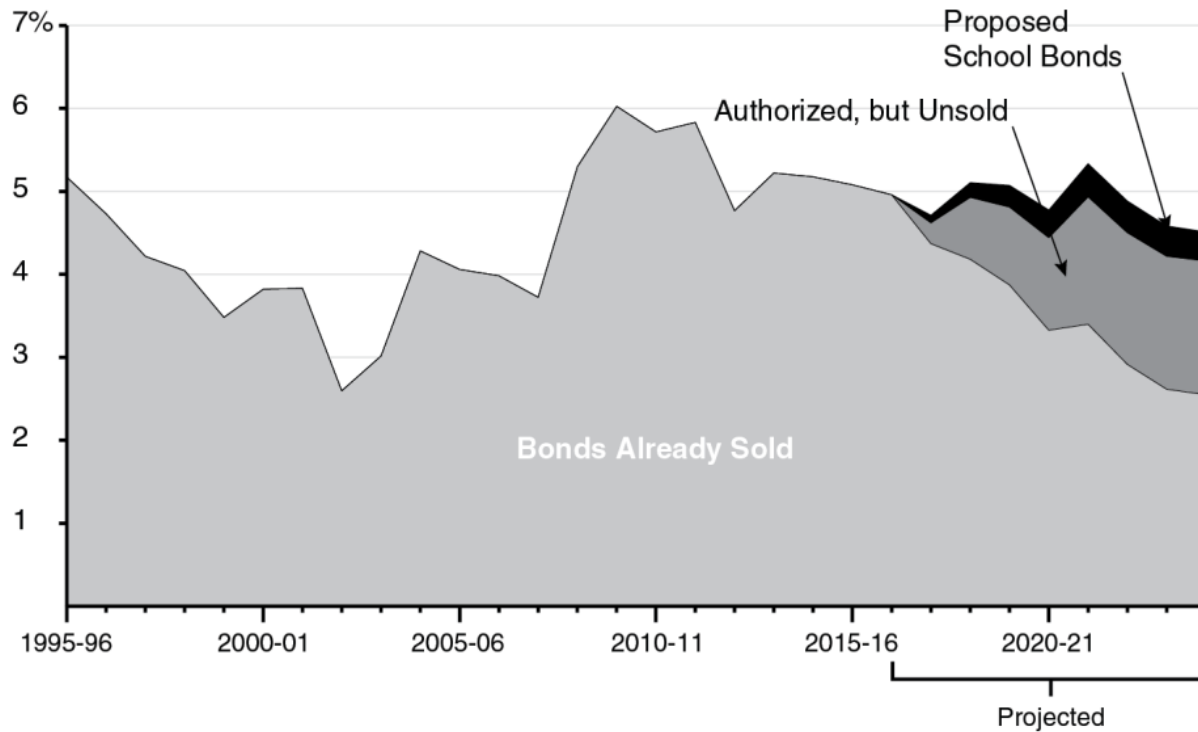
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- • A lot depends on the growth of the general fund budget.

Figure 1

## General Fund Debt-Service Ratio

*Percent of General Fund Revenues Spent on Debt Service*



## HOW WAS THE SIZE OF THE WATER BOND INITIATIVE DETERMINED?

Trend in water bonds:

1996 Prop 204	\$995 million
2002 Prop 50	\$3.4 billion
2006 Prop 84	\$5.4 billion
2014 Prop 1	\$7.12 billion
(2016 Prop 51 Schools)	\$9 billion
Water bond initiative	\$8.877 billion

**WATER SUPPLY BENEFITS OF THE  
WATER SUPPLY AND CLEAN WATER BOND INITIATIVE  
BASED ON INVESTMENT AND REQUIRED MATCHING FUNDS**

<b>SOURCE</b>	<b>SUPPLY IN ACRE FEET/YEAR</b>
WASTEWATER RECYCLING	124,000
DESALTING	70,000
STORMWATER CAPTURE	101,000
URBAN WATER CONSERVATION	589,000
WATERSHED MANAGEMENT AND TREATMENT	661,000
REPAIR OF FLOOD CONTROL DAMS	20,000
REPAIR OF FRIANT KERN CANAL (ESTIMATE)	300,000
<b>TOTAL</b>	<b>1,865,000</b>



## KEY FUNDING CATEGORIES OF IMPORTANCE IN LA

- **Safe Drinking Water** \$500 million
- **Wastewater for DACs** \$250 million
- **Urban Water Conservation** \$300 million
- **Wastewater Recycling** \$400 million
- **Desalting (inland)** \$400 million
- **SGMA Compliance** \$675 million
- **Flood Control Reservoir Repairs** \$100 million
- **Oroville Dam Repair** \$200 million
- **Repair Friant Kern Canal** \$750 million
- **Salton Sea** \$200 million
- **Stormwater** \$550 million
- **Fish Habitat & Waterfowl Habitat** \$1450 million
- **Watershed restoration** \$2400 million

# History of voting on California Water Bonds

Year	Act Name
1960	burns porter act. Bond. Established state water project.
1970	recreation at state water project; fish and wildlife enhancement
	clean water bond act
1974	clean water bond act
1976	safe drinking water bond act
1978	clean water and water conservation bond
1980	amend safe drinking water bond act of 1976
1984	safe drinking water bond act
	clean water bond act
1986	water conservation and water quality bond
	safe drinking water bond act
1988	water conservation bond act
	clean water and water reclamation bond act
	safe drinking water bond act
1990	water resources bond act
1996	safe reliable water supply bond act
2000	parks, water, air coast bond act
	water bond act
2002	parks, water, air, coast bond act
	water quality supply safe drinking water initiative
2006	water bond act initiative
	Disaster preparedness and flood prevention
2014	water Quality, Supply, Treatment, Storage

- **Prop. 1 water bond statewide (2014: 67%)**
- **Measure AA SF Bay Restoration (2016: 70%)**
- **Governor position; candidates for Governor**
- **Strong inter-sector support**
  - **California Building Industry Association, California Chamber of Commerce, Sierra Business Council**
  - **Ducks Unlimited, California Waterfowl Association, Save the Bay, Ca. Native Plant Society**
  - **Southern California Water Committee, Association of California Water Agencies , Northern California Water Agency**
  - **Rice, Fresh Fruit, Pistachio, Dairy, Ag council, Western Growers**

# Key funders

<b>Friant water users</b>	<b>\$560,000</b>
<b>Fresh Fruit</b>	<b>\$100,000</b>
<b>Rice</b>	<b>\$100,000</b>
<b>Ducks Unlimited</b>	<b>\$200,000</b>
<b>Northern Ca. Water Association</b>	<b>\$100,000</b>
<b>California waterfowl</b>	<b>\$275,000</b>
<b>American Pistachio</b>	<b>\$60,000</b>
<b>California Wildlife Foundation</b>	<b>\$150,000</b>
<b>Grasslands</b>	<b>\$20,000</b>
<b>Borrego Groundwater supporters</b>	<b>\$92,500</b>
<b>California Citrus Mutual</b>	<b>\$25,000</b>
<b>California Building Industry Assoc.</b>	<b>\$25,000</b>
<b>Dairy industry</b>	<b>\$230,000</b>
<b>Wonderful Company</b>	<b>\$50,000</b>