



Santa Ana Watershed Project Authority

February 2, 2007

Ron Sullivan
Commission
Chair

Celeste Cantú
General
Manager

Eastern
Municipal
Water
District

Inland
Empire
Utilities
Agency

Orange
County
Water
District

San
Bernardino
Valley
Municipal
Water
District

Western
Municipal
Water
District

Mr. Lester Snow, Director
California Department of Water Resources
1416 Ninth Street, Room 1115-1
P.O. Box 942836
Sacramento, CA 94236-0001

Dear Mr. Snow:

Re: Proposition 50, Chapter 8 First Funding Cycle Recommended Project List

On January 23rd and January 30th, the California Department of Water Resources and the State Water Resources Control Board held workshops in Northern and Southern California to present their recommendations for additional projects to be funded under the first funding cycle of State Proposition 50, Chapter 8 Implementation Grant Program. The Santa Ana Watershed Project Authority (SAWPA) is fully supportive of the Proposition 50 Implementation Grant additional funding recommendations, and appreciates the responsiveness of your staff to our previous comments to the funding process. This proposal effectively leverages local funds that are available to implement the projects now, recognizes the significant effort and expense associated with preparing meritorious grant applications through the two-step grant application process, and addresses concerns regarding north-south funding split.

It is clear that any delay in awarding these funds will result in reduced purchasing power of the grant funds as construction costs continue to rise.

We believe that the State staff has effectively addressed the main goal to implement priority water supply and water quality improvement projects as soon as possible with the available Proposition 50 funding. Moving funding forward and dividing funding amounts equitably among meritorious grant applicants is sound and meets the intent of the Proposition 50 bond legislation and the funding split between north and south. **On behalf of SAWPA and its member agencies, as well as numerous stakeholders throughout the Santa Ana region, we fully support the DWR and SWRCB recommendation that funding allocated to Proposition 50, Chapter 8 Implementation under the second funding cycle be moved to the first funding cycle to allow the funding of the SAWPA application and the other Step 2 applications.**

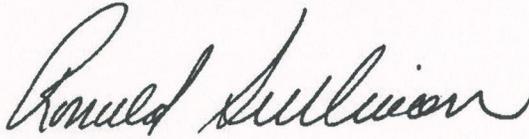


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Over the past year, SAWPA has worked closely with SWRCB and DWR staffs to present the very best plan and priority integrated water resources projects for our region. We appreciate your support and the work of you and your staff in hearing our concerns and revising the funding process to more expeditiously implement new water projects that will benefit the State for years to come.

Sincerely,

Santa Ana Watershed Project Authority

A handwritten signature in cursive script that reads "Ronald Sullivan". The signature is written in dark ink and is positioned above the printed name and title.

Ronald Sullivan
Chair

RS:MN:pb
K/Projects/Prop 50/ltr-DWR Snow for Prop 50 SAWPA Funding 2-2-07