



What does it Take to Build Water Infrastructure Projects Today During Hard Economic Times?

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The Honorable Dick Ackerman

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The New Era of American Infrastructure

- Started in the Great Depression
- Hoover Dam
- Bonneville and Grand Coulee Dams in Washington and Oregon;
- Norris Dam in the Tennessee River Valley
- Shasta Dam in California

Building Infrastructure Then

- Unemployment:
 - in 1931: 16.3%
 - in 1932: 24.1%
 - in 1933: 24.9%
 - in 1934: 21.7%
 - in 1935: 20.1%
 - in 1936: 16.9%

Building Infrastructure Then

- *Average government spending as percentage of GDP, 1929-32: 12.0%*
= \$7.6 Billion, on average
- *Average government spending as percentage of GDP, 1933-39: 15.4%*
= \$12.9 Billion, on average

Building Infrastructure Then

- Minimal Regulatory Compliance required
- No Environmental Impact Reports or mitigation required
- No Occupational Safety and Health Administration compliance

Hoover Dam

Hoover
BCP 16

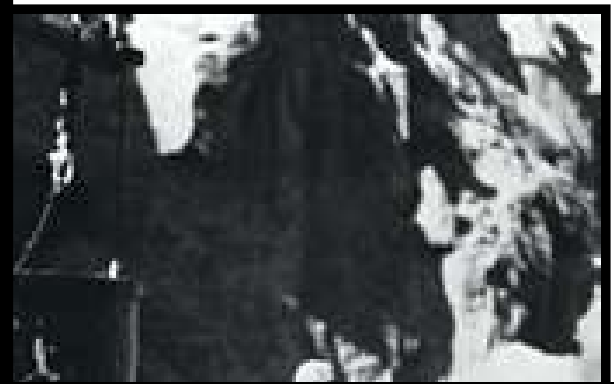
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**Cost in 1936:
\$49 Million
Cost 2011:
\$13 Billion ***

***Does Not include Permit
Costs**



**If Built today:
Permits
Required: 42**

Building Infrastructure Now

- Unemployment:
 - in 2007: 4.5%
 - in 2008: 5.0%
 - in 2009: 8.9%
 - in 2010: 9.9%
 - in 2011: 9.0%

Building Infrastructure Now

- *Average government spending as percentage of GDP, 2010: 39.97%*
= \$5.79 TRILLION
- Spending by major government function
 - Pensions \$939 Billion
 - Health Care \$1.028 Trillion
 - Education \$887 Billion
 - Defense \$848 Billion
 - Welfare \$727 Billion
 - Interest \$296 Billion

Groundwater Replenishment System



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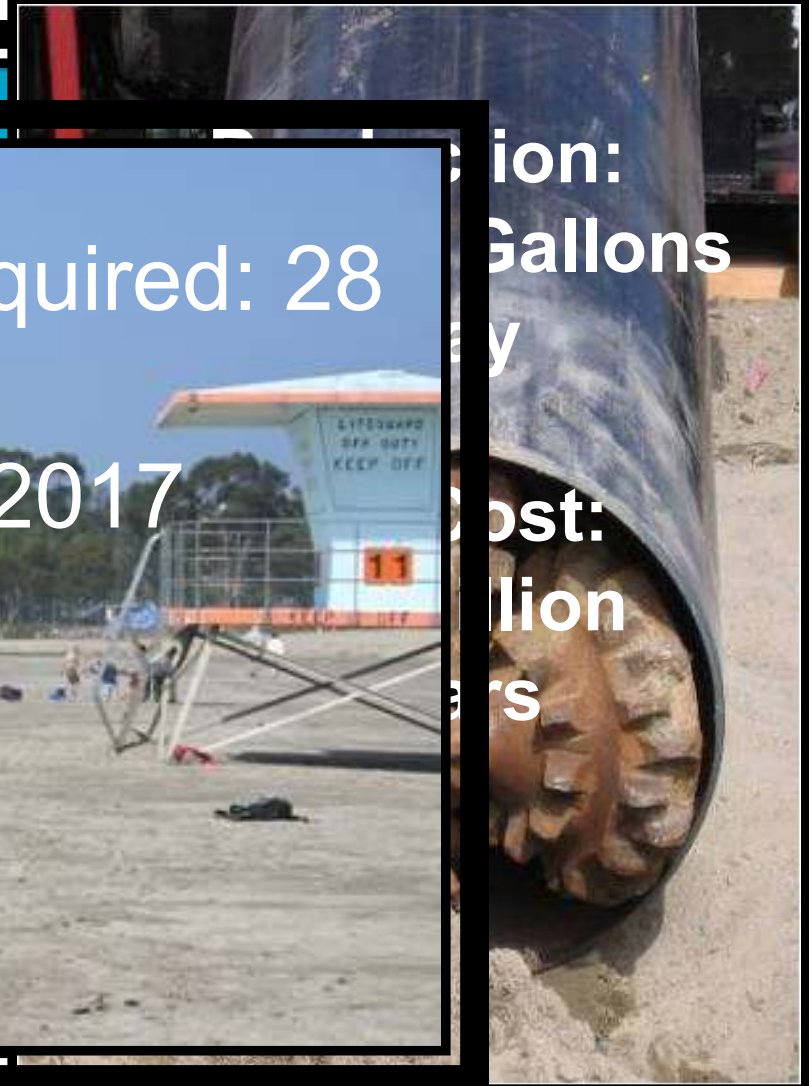


South Orange Coastal Ocean
Desalination Project

So. Orange Coastal Ocean Desalination

Estimated Permits Required: 28

Project On-Line: 2017



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The Cost of Regulations

- **\$500 Billion dollars a year in California**
 - ▬ Almost 5X five times the State's general fund budget
 - ▬ Almost a third of the State's gross product.
 - ▬ An employment loss of 3.8 million jobs, which is a tenth of the State's population.



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Complex, Overlapping Laws and Regulations

- State and federal environmental regulations governing new water conservation and supply projects are complex
- Overlapping state and federal jurisdiction



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Regulatory Requirements Often Overlap or Conflict

- The California Environmental Quality Act (CEQA)
- The National Environmental Policy Act (NEPA)
- The federal Clean Water Act
- California Porter-Cologne Act
- California Streambed Protection Statute
- The federal Endangered Species Act
- The California Endangered Species Act
- The California Coastal Act
- The federal Coastal Zone Management Act
- The National Historic Preservation Act
- California laws concerning Native American cultural and sacred sites



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Streamlining Regulatory Process

- Municipal Water District of Orange County Hosted a Workshop
- Interested parties participated
- Dialogue resulted in key lessons

Key Lessons

- Do your homework
- Collaborate, Coordinate & Communicate
- Use the tools available
 - Tiered EIR
 - Process agreements, etc
- Find a Lead Agency
- Did I say COLLABORATE?



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QUESTIONS?

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