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## SB 695 Signed – Improving Intersectional Infrastructure Project Development

**Sacramento, CA** – On October 13, Governor Newsom signed SB 695 into law, directing the California Department of Transportation and the California Transportation Commission to prepare a regular report identifying non-transportation infrastructure projects that enhance climate resiliency throughout California that also have significant transportation infrastructure funding cost exposure.

In response to the Governor's signature of SB 695, the San Luis & Delta-Mendota Water Authority issued the following statement:

*"Governor Newsom's signature on this legislation is clear recognition that unrelated components of many water and energy infrastructure projects influence their affordability, and that the first step is to understand the scope of the issue," said Federico Barajas, Executive Director of the San Luis & Delta-Mendota Water Authority. "We thank Senators Cortese and Caballero, Assemblymember Soria, and our legislative delegation, for their leadership to create a framework to help resolve this issue, not only as it relates to the B.F. Sisk Dam Raise and Reservoir Expansion Project, but for beginning to create an organized process to address these issues of interconnected infrastructure with project funding development timelines that don't align."*

*"We can build big things in California, and improving the project development and delivery process is a first step to making projects not only more affordable, but delivered more quickly. The scale and scope of projects that are needed to improve water reliability for the communities, farms, and ecosystems in the Water Authority's service area, and the broader San Joaquin Valley, are significant, and will require a multi-agency government approach. The passage of SB 695 is another step towards a more coordinated and affordable future for large infrastructure project delivery."*

Additional Statements were issued, including:

*"This new law will equip our transportation agencies and the Legislature with the critical tools needed to make smart, strategic decisions about infrastructure priorities that move*

*California toward a more climate-resilient future. Through passage of SB 695, California will be better prepared to enhance its resilience to climate change, reduce disaster recovery costs, and ensure continued public safety and economic vitality.” – Senator Dave Cortese, author of SB 695 and Senate Transportation Chair.*

*“Lessons from the past have taught us we must plan for climate change with more accuracy and more urgency. SB 695 gives us new tools to take inventory of the highest infrastructure needs in our state to better deploy resources and support planning efforts that actually move the needle and make California more resilient and our communities more safe.” – Senator Anna Caballero, principal co-author of SB 695*

B.F. Sisk Dam Raise and Reservoir Expansion Project participants had the following statements:

*“Valley Water thanks Governor Newsom, Senator Cortese and the Legislature for passing SB 695, which encourages state agencies to work together so major infrastructure projects can stay affordable and move forward,” said Valley Water Board Vice Chair Richard P. Santos. “The B.F. Sisk Dam Raise and Reservoir Expansion Project is key to improving California’s water reliability and climate resilience. It’s imperative we find ways to ensure transportation and safety costs are shared fairly across the state, keeping essential water projects affordable for the communities we serve.”*

Many water and energy infrastructure project development timelines are shorter than long-term transportation project funding allocations, creating a substantial disconnect between the ability of existing transportation funding sources to fund transportation related expenses on larger water and energy infrastructure projects in California.

For example, the B.F. Sisk Dam Raise and Reservoir Expansion Project would raise the B.F. Sisk Dam by 10 feet, increasing water storage capacity at the San Luis Reservoir by 130,000 acre-feet, or enough storage capacity to provide annual water supply for nearly 400,000 households. The total cost of the project is estimated to be \$1.1 billion, with an estimated \$525 million of those expenses associated with raising and improving seismic safety on a nearly 1-mile embankment over Cottonwood Creek. The seismic safety improvements are unrelated to the reservoir expansion and have an estimated \$400 million cost – absent other funding being applied to cover these expenses, water ratepayers funding the reservoir expansion project will be forced to bear the cost of funding these public safety improvements for all Californians utilizing SR-152 to travel between the San Joaquin and San Benito and Silicon Valleys.

SB 695 would create a path to resolve this issue in the development and passage of state budgets by the Governor and the Legislature to improve the affordability of infrastructure projects by using transportation related funding to pay for transportation costs, rather than having these transportation expenses subsidized by water or energy ratepayers.



**About Us:** The San Luis & Delta-Mendota Water Authority was established in January of 1992 and consists of 27 member agencies within the western San Joaquin, San Benito, and Santa Clara Valleys, that provide water service to approximately 1,200,000 acres of irrigated agriculture, 2.5 million people, including many living in economically disadvantaged communities, and 130,000 acres of managed wetlands of importance to the Pacific Flyway.