



MEMORANDUM OF UNDERSTANDING

Between the

CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

And the

CALIFORNIA RESOURCES AGENCY

For the Implementation of the

Framework for Protecting California's Watersheds

"I intend to show the world that economic growth and the environment can coexist.

And if you want to see it, then come to California."

Governor Arnold Schwarzenegger, 2004 State of the State Address

Revised November 30, 2004

I. BACKGROUND

Clean beaches, clean water, and healthy watersheds are part of the legacy of California, and necessary to support the state's resources, environment and communities, both human and wildlife. A healthy environment is critical to California's economic future, contributing to human health and quality of life, clean water, habitats and wildlife, sustainable resource use, recreation and tourism, and the businesses and jobs that are attracted by these values.

In order to protect these values, California must cost-effectively use its resources and investments to leverage funds and reduce duplication, ensure program accountability, and encourage creative public-private partnerships and innovation. Watershed management is a valuable approach for achieving these objectives.

Watersheds provide an effective natural unit to integrate agency programs that provide technical assistance or financial support for watershed management and/or restoration, and to ensure the efficient use of state funds. Coordination by watershed also incorporates and capitalizes on the hundreds of local watershed partnerships in the state that are already engaged in the restoration and management of the state's streams, rivers, and lands, and the use of watershed management principles and practices. These partnerships are a powerful resource for developing innovative

solutions to critical problems and for leveraging resources to ensure efficient and effective use of public funds.

II. FRAMEWORK FOR PROTECTING CALIFORNIA'S WATERSHEDS

- A. Multiple state programs within Cal/EPA and Resources are currently administering programs that provide technical assistance, financial support, enforcement, management of resources, information and other services critical to the accomplishment of the commitments outlined in this MOU. Coordination of these programs has been the subject of several state efforts, including:
- Report to the Legislature, as required by AB 2117 (Wayne), Chapter 735, Statutes of 2000, which investigated and evaluated what the state should do to assist local partnerships as they work to protect individual watersheds. The report recommended that the state adopt statewide watershed policy; develop a strategic plan; improve technical assistance, communication and access to science and monitoring information for local partnerships; ensure public accountability; and clarify link to regulations.
- 2. Development of the California Agency Watershed Management Strategic Plan, which describes specific initiatives to be undertaken by Cal/EPA and Resources to coordinate and improve state agency processes in order to improve service to local watershed efforts, to demonstrate improvement in watershed health, and to promote collective investment among state, federal and local resources.
- 3. The Watershed, Clean Beaches, and Water Quality Act (Act) authored by Assembly member Pavley (Division 20.4, section 30901, et seq; and Division 21, Chapter 5.5, section 31220 of the Public Resources Code), for the purpose of ensuring that Resources Agency and Cal/EPA coordinate and integrate programs to fund projects. It is intended to include working with diverse local efforts, support community-based, collaborative strategies, and give priority to projects with multiple benefits. It also establishes the Integrated Watershed Management Program (IWMP) and requires an MOU between Resources and Cal/EPA to ensure coordination of IWMP with their other programs and to establish a stakeholder advisory process to assist in setting priorities and allocating funds for watershed projects.
- 4. Most recently, the Governor's Environmental Action Plan and California's Action Strategy for Protecting Our Ocean (the "Ocean Action Plan") that contain initiatives to protect California's rivers, bays, groundwater and coastline. The "Ocean" action strategy calls for which restructuring, focusing, and strengthening the California Watershed Management MOU to identify priority watersheds for resource protection and use, fishery recovery, and water quality, and improve delivery of state technical and financial assistance to impaired coastal watersheds (Action 11). It would also

"integrate coastal water quality programs to improve their efficiency and effectiveness in cleaning up coastal watersheds, estuaries, bays, beaches, and near-shore waters" (Action 12).

- B. This MOU replaces the April 28, 2003 California Watershed Management MOU required by the Watershed, Clean Beaches, and Water Quality Act. This MOU is written for the implementation of the following:
 - The California Agency Watershed Strategic Plan
 - Coordination of the new Integrated Watershed Management Program with all other watershed programs
 - Stakeholder advisory processes to assist in setting priorities and allocating funds
 - Watershed protection objectives in the Governor's Environmental Action Plan and the "Ocean Action Plan"

III. STATE AGENCY RESPONSIBILITIES

This MOU cannot be implemented without the cooperation and involvement of the state agencies. The Secretaries for Cal/EPA and Resources will oversee the implementation efforts of this MOU. This MOU will focus on agency programs within Cal/EPA and Resources.

- A. The responsibilities of the secretaries, under this MOU, include, but are not limited to the following:
 - 1. Direct their departments to establish an interagency forum to revise the California Agency Watershed Management Strategic Plan and to prioritize initiatives to ensure their cost-effectiveness and consistency with the Governor's Environmental Action Plan and "Ocean Action Plan."
 - 2. Establish an interagency forum for improving integration and coordination of environmental policies and watershed programs, including funding, planning, permitting or other activities. This forum will be overseen by a group of deputy directors, directors or executive directors from agency departments, boards, commissions or conservancies with program responsibilities for commitments contained in this MOU. This group should consider opportunities to coordinate and integrate activities through local and regional efforts such as CalFed, Southern California Wetlands Recovery Project, the California Ocean Protection Council, recovery plans for fish or other aquatic species, and also with federal funding programs.
 - Meet annually to review integration and coordination of watershed programs with State, local and federal agencies, and the public to identify additional opportunities for progress.

- 4. Ensure that individual boards, departments, or conservancies use stakeholder advisory processes to assist in setting priorities and allocating funding for watershed projects as required by the Act. Where grant programs overlap in mandate and geographic jurisdiction, agencies will work together to solicit stakeholder input, to develop criteria and to establish and conduct project selection processes.
- B. This MOU recognizes that agency programs make funding and many other regulatory and programmatic decisions.

IV. PROVISIONS AND AGREEMENTS

Nothing in this MOU is intended to delegate, limit, or expand any agency or agency program's responsibilities, statutory and other authorities, or discretion. This MOU can be executed in parts. Certain monies specified in Public Resources Code, section 30947 for the SWRCB are subject to the terms of this MOU.

Based upon an annual review of program implementation by the agencies, and agency programs, the MOU will be reviewed and amended if necessary.

This MOU shall remain in effect unless terminated by either agency secretary.

This MOU is not a contract; but defines a cooperative process for improving the health of California's watersheds.

V. SIGNED AND DATED

MIKE CHRISMAN Secretary for Resources	TERRY TAMMINEN Secretary for Environmental Protection
11/30/2004	11/30/2004
DATE	DATE