

**MEMORANDUM**

To: Regional Coordinating Committee

From: CMAP Staff

Date: October 3, 2012

Re: Re-Establishing State/Regional Water Supply Planning and Management

Historically the region has been considered water rich, and scarcity has been a minor issue. Yet water supplies are not unlimited, and significant demand for water has been placed on sources that may be unable to sustain it in the long term. To address this, CMAP led the process to develop *Water 2050*, the northeastern Illinois regional water supply/demand plan. Additionally, many of the recommendations included in *Water 2050* were echoed as a top priority in GO TO 2040.

As we turned our attention to implement recommendations included in *Water 2050* and GO TO 2040, the State and the region did not have a dedicated funding mechanism or administrative framework to support water supply planning and management. In order to continue this important work, our state and region must recommit to their partnership for sustainable water-supply management by pursuing sensible policies and programs whose benefits will repay the initial investment many times over.

The *Water 2050* Process

Adopted in January 2010, *Water 2050* was a partnership between our region and the State of Illinois. By executive order in 2006, the Illinois Department of Natural Resources (IDNR) Office of Water Resources established an overall framework for water supply planning. The Illinois State Water Survey and Illinois State Geological Survey provided a rigorous scientific basis for *Water 2050*'s eventual conclusions.¹

Our regional *Water 2050* planning process successfully resulted in science-based policy recommendations, brought stakeholders together, and increased public awareness during the

¹ Another plan based on a similar arrangement between the state and a regional group was developed in the Mahomet Aquifer area.

plan's three-year development phase. The plan noted something that has become all too apparent with the drought of 2012: Even in a state blessed with abundant water, shortages are a real concern. For example, the deep-bedrock aquifer provides half of the groundwater used in the Chicago area, yet water from that source is being withdrawn much faster than it is being replenished. Ninety-six percent of the water supply available from Lake Michigan is now allocated.

Though the resulting plan is scientifically rigorous and enjoys broad support across the region, even the funding of *Water 2050's* development phase was problematic. It began with adequate funding for the first two years by the State, but the third-year funding was cut from the State's general revenue fund. A year later, support for the third year was partially restored with funds from a one-time source (environmental compliance settlements). CMAP and its partners contributed significant funding to cover the remainder of the plan's development cost, including funding to conclude the scientific work conducted by the State Water Surveys. The plan was completed, but no ongoing State of Illinois revenue has been identified to support the regional water-supply plans whose development IDNR encouraged, including *Water 2050*.

The Problem: Lack of Funding for *Water 2050* Implementation

IDNR has been unable to maintain its state/regional program due to this lack of funding. The State surveys are likewise unable to carry out critical data collection and analysis required for *Water 2050* implementation. Exacerbating the situation, the State also eliminated its Comprehensive Regional Planning Fund, a key source of CMAP's funding that had supported this and other non-transportation planning efforts.

Water supply planning and management are simply not possible without a new, dedicated revenue stream and statewide administrative framework. In the absence of such a State commitment, Illinois will lack:

- A solid foundation in science and planning.
- The implementation of completed regional water plans.
- The ability to fulfill the Water Use Act of 1983.
- The resources to address unsustainable groundwater mining.

With Illinois and the metropolitan Chicago region more vulnerable than ever to shortages caused by drought and increasing population, the IDNR program for state/regional water supply planning and management needs to be rejuvenated. *Water 2050* points out the need to fulfill several existing Illinois statutes on water supply management, which are among numerous policy recommendations in the plan that are not being carried out by the State. These include funding the Illinois State Water Survey to analyze the potential impacts of new high-capacity wells and surface water intakes on nearby users, in addition to fulfilling the Illinois Groundwater Protection Act by proposing a program to manage withdrawals from the deep-bedrock aquifer in northeastern Illinois, which is being depleted. These important obligations must be met by the State of Illinois.

Strategies for Moving Forward

CMAP calls for the General Assembly and Governor, working with partners in northeastern Illinois and elsewhere in the state, to re-establish support for state/regional water supply planning and management. Two specific steps are required:

1. *Establish a New, Sustainable Revenue Stream.*

CMAP has identified two options for the State of Illinois to collect necessary revenues. Option 1 would be to create a water-use fee in pennies-per-thousands of gallons billed by water utilities, although other options may be explored. Option 2 is a water-use permit fee system based on the highly successful [Lake Michigan Water Allocation Program](#), which may be expanded to other sources (groundwater, rivers and reservoirs). With either option, the fees would ideally be collected statewide to support a state/regional water supply program administered through IDNR. If this is not possible, the fee and the water supply program it would support could be established in specific regions,² perhaps on a county-by-county opt-in basis. The fee revenue would be spent on technical assistance, water efficiency measures, data collection, and other programs to support water supply plan implementation. If the fee is collected on a statewide basis, it should then be returned to the regions in an amount proportional to their contributions, supporting water supply planning and management.

2. *Formalize an Administrative Framework for Water Supply Planning and Management.*

IDNR has a clear statutory mandate to conduct water supply planning and management.³ The Department should develop and implement a strategic plan for state/regional water supply planning and management as the basis of a substantive statewide program. The State's program should be based on science, as embodied by the Illinois State Water and Geological Surveys -- two world-class institutions whose data and research must be funded appropriately and incorporated into the state/regional framework. This program should also emphasize interagency coordination, support for existing regional water planning groups, establish accountability through specific performance measures to be achieved, and promote transparency through consistent reporting across all regions. IDNR's ability to take these actions will depend on the funding option pursued.

In an effort to move this issue forward regionally, the Metropolitan Planning Council (MPC) is proposing a coalition of interested parties to improve coordination and develop funding for water planning in metropolitan Chicago. They have offered to coordinate this effort on our behalf. Staff is recommending that the CMAP Board support this effort to move this issue

² Established regional planning groups include [CMAP](#), [Mahomet Aquifer Consortium](#), and [Southwestern Illinois Resource Conservation and Development](#).

³ The Department of Natural Resources Act (20 ILCS 801/5-10) stipulates that OWR shall, "coordinate, determine, and provide ways and means for the equitable reconciliation and adjustment of the various conflicting claims and rights to water by users or uses," and "recommend legislation for the most feasible method or methods of conserving water resources and putting them to the maximum possible use"

forward with the intention of securing sustainable funding for our regional water supply and management work.

ACTION REQUESTED: Discussion

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