

**CALFED
BAY-DELTA
PROGRAM**

Handwritten: READING

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July 10, 2000

Mr. David Guy
Mr. Dan Keppen
Northern California Water Association
455 Capitol Mall, Suite 335
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Dear David and Dan,

Thank you for your June 22 letter expressing your concerns regarding CALFED's plans for groundwater in the Sacramento Valley. We understand that these concerns stem from proposals regarding groundwater management included in CALFED's recently released document, *California's Water Future: A Framework for Action*. I am writing to address the issues outlined in your letter and to provide some clarification on the groundwater elements contained in our recent document.

Basin-wide Groundwater Management

As your letter conveys, our *Framework for Action* document states that groundwater should be managed at the basin level. This assertion is intended to reflect CALFED's recognition that groundwater management would be more effective if the boundaries of management plans were coincident with hydrogeologic boundaries. CALFED's use of the term "basin" in the *Framework for Action* document is not intended as a direct reference to the groundwater basins defined in the Department of Water Resources' Bulletin 118. Rather, CALFED is referring to a more general definition of basin: an area with common groundwater resources defined by hydrogeologic boundaries that limit the influence of groundwater activities on adjacent areas (e.g. Butte Basin). CALFED will continue to support groundwater planning and management at the sub-basin level, as defined in Bulletin 118. While CALFED believes it is fundamental that local groundwater management plans should not conflict at either the basin or sub-basin level, it is not our intent to dilute the principle of local control in resolving potential conflicts. Our objective is to encourage local agencies to coordinate and integrate existing AB 3030 plans to accomplish stakeholder-driven basin and sub-basin management objectives, while keeping in tact the goals and elements of local plans.

CALFED strongly supports local groundwater management, and we agree that considerable progress has been made in the Sacramento Valley with respect to sub-basin planning. We understand that AB 3030 provides a mechanism for local water agencies to

CALFED Agencies

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| <p>California</p> <ul style="list-style-type: none"> The Resources Agency Department of Fish and Game Department of Water Resources California Environmental Protection Agency State Water Resources Control Board Department of Food and Agriculture | <p>Federal</p> <ul style="list-style-type: none"> Environmental Protection Agency Department of the Interior Fish and Wildlife Service Bureau of Reclamation U.S. Geological Survey Bureau of Land Management U.S. Army Corps of Engineers | <ul style="list-style-type: none"> Department of Agriculture Natural Resources Conservation Service U.S. Forest Service Department of Commerce National Marine Fisheries Service Western Area Power Administration |
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develop memoranda of agreements and joint power agreements to allow for larger scale groundwater management efforts. However, most agencies have not taken advantage of this provision of AB 3030. Therefore, CALFED is attempting to provide incentives to encourage agencies to move toward more effective sub-basin planning and management.

County Ordinances and AB 3030 Plans

We understand your confusion with respect to the ordinance language. CALFED's intent is to promote consistency between county groundwater management ordinances and groundwater management plans adopted by water agencies under AB 3030 or other statutory authority. We do not intend to recommend that either county ordinances or groundwater management plans be subordinate to the other. The combination of local government ordinances and local agency management plans should complement each other in establishing basin management objectives to increase water supply reliability. We look forward to your input to help achieve this goal.

Water Code Section 1220

Water Code Section 1220 is ambiguous with respect to projects that involve the import of water into a groundwater basin for later export. This ambiguity and resulting concern regarding landowner protections has made it difficult to implement projects that could benefit local communities. This issue affects portions of the San Joaquin Valley as well as the Sacramento Valley. CALFED's intent is to support legislation that will provide remedy for these uncertainties, while maintaining all of the existing protections for water users in the Sacramento and San Joaquin valleys.

Groundwater Management Incentives

We are encouraged to hear that NCWA supports our efforts to strengthen certain sections of AB 3030 and our desire to provide incentives for increased groundwater management. We agree that CALFED can best assist in this endeavor by continuing to provide technical and financial assistance to local and regional entities. As you know, our Integrated Storage Investigations program is designed to work with local stakeholders to help define local groundwater objectives, identify potential projects, and provide funding assistance to help implement viable and voluntary programs that provide local benefits.

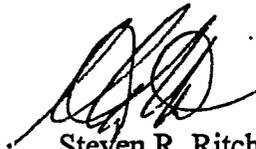
We agree that tremendous progress has been made over the last several years to address the perception that CALFED was simply seeking to export groundwater from the areas of origin. CALFED remains committed to the "Principles of Implementation" that were developed as a result of our groundwater outreach program and published originally in 1997. We especially want to emphasize that all CALFED-supported groundwater projects will be voluntary, locally

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controlled, and designed to address local water needs before considering regional or statewide benefits.

We appreciate NCWA's comments, and look forward to working with you to develop groundwater management programs that increase water supply reliability for all Sacramento Valley water users.

Sincerely,



Steven R. Ritchie
Acting Executive Director

Enclosure