



June 22, 2000

Mr. Steve Ritchie
Acting Executive Director
CALFED Bay-Delta Program
1416 Ninth Street, Suite 1148
Sacramento, CA 95814

RE: CALFED "Framework for Action" – Groundwater Management

STEVE
Dear Mr. ~~Ritchie~~:

We have reviewed "A Framework for Action" released by Governor Davis and Secretary Babbitt on June 9, 2000. As you know, we support efforts to develop this framework to guide near-term implementation of a solution to the environmental, water quality and water supply problems of the Bay-Delta. There is, however, among other issues, tremendous confusion and concern throughout the Sacramento Valley with the provisions regarding groundwater management and particularly Appendix H. To ensure that Northern California water users properly understand the intent of these provisions and to help guide our constructive efforts, we believe that it is imperative that you immediately clarify CALFED's intent regarding groundwater management. To do this, we respectfully request that CALFED provide clarification of the following concerns:

1. **Basin-wide Groundwater Management.** The Framework states that "Groundwater should be managed at the basin level. Such a management system would avoid multiple, potentially conflicting sub-basin groundwater management plans." (Page 15.) What does this statement mean and how does it relate to the other provisions in the framework that foster and rely upon groundwater management at the sub-basin level? In our view, this statement directly conflicts with local groundwater management programs under AB 3030, other local groundwater management efforts, and the Department of Water Resources (DWR) recent efforts as part of the Integrated Storage Investigations (ISI) and other programs to better define and understand groundwater at the sub-basin level. Most important, this statement will likely serve as an impediment to the considerable progress that is already occurring with respect to groundwater management at the sub-basin level in the Sacramento Valley and elsewhere. Recall that AB 3030 already provides a mechanism for local water agencies and counties to develop memoranda of agreements and joint power agreements to allow for larger scale, coordinated management efforts to link sub-basins together.

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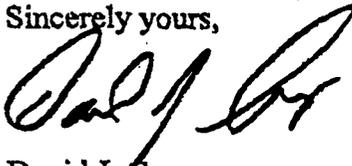
2. **County Ordinances/AB 3030 Plans.** The Framework proposes in Appendix H that "county groundwater management ordinances must be consistent with groundwater management plans adopted by water agencies under AB 3030 or other statutory authority." You can be sure that this provision has spawned confusion and has led to varying interpretations. We strongly suggest that CALFED focus its efforts to encourage cooperation and coordination among local agencies and affected landowners with authority over groundwater. Many local interests in the Sacramento Valley have spent considerable efforts to work towards this end and to develop unique, local solutions that have brought historic adversaries together. The process is typically very volatile and extremely sensitive. The current CALFED language could shatter these efforts.
3. **Water Code Section 1220.** Appendix H refers to the need for amendments to Water Code section 1220 to facilitate conjunctive use, groundwater banking and groundwater transfers in the Delta-Sierra Basin. While we acknowledge that this is an ambiguous provision in law, we do not understand how it is unique in this regard for the Water Code. Reopening this section of the Water Code will have direct implications for the Sacramento Valley and will immediately create fear that groundwater will be exported from the Valley. Again, what purpose does this serve? In any event, Sacramento Valley water users will demand that their groundwater is protected in Water Code 1220, and that any modification to the Water Code maintains the level of protection currently provided for the Sacramento Valley.
4. **Groundwater Management Incentives.** The framework requires local agencies to have a groundwater management program to receive program benefits. We fully agree with the concept posed by the Framework that local agencies should be strongly encouraged to develop and implement AB 3030 groundwater management plans. In fact, we support efforts to strengthen certain sections of AB 3030 and we are willing to work with CALFED and the legislature to accomplish this goal. We believe, however, that the most effective way to accomplish this is for the CALFED agencies to provide technical and financial incentives to these entities. We are therefore greatly encouraged by CALFED's support for AB 303 (Thomson) to provide this type of incentives to local entities. In this regard, CALFED's Framework should acknowledge those efforts to develop plans that "address both groundwater and surface water" are already underway throughout the Sacramento Valley, including Butte, Glenn, Shasta, and Tehama counties. These efforts span over a dozen groundwater sub-basins. Appendix H must be clarified to provide consistency with earlier CALFED publications that promote cooperative and incentive based locally controlled groundwater management.

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As you are well aware, Sacramento Valley water users strongly objected to initial CALFED conjunctive management actions proposed over three years ago. This was because CALFED and DWR set a specific (and completely unrealistic) target for groundwater exports and as a result Sacramento Valley interests perceived CALFED as an "outside entity" seeking to export groundwater from the area of origin. To the credit of CALFED, its member agencies and staff, tremendous progress had been made in the last several years to assuage these concerns. Most notably, CALFED has stressed that groundwater management and conjunctive management programs will be crafted, implemented and controlled at the local level. The Framework provisions, unfortunately, are seen by many Central Valley interests as a step backward, to the place CALFED was three years ago.

Again, we appreciate your efforts to address this complicated issue. We look forward to your response.

Sincerely yours,



David J. Guy
Executive Director



Dan Keppen
Director of Member & Government Relations

cc: Naser Bateni