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23443 S. Hays Road
Manteca, CA 95337
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Lester Snow and BDAC Members
1416 Ninth St., Suite 1155
Sacramento, CA 95814

Dear Lester and Fellow Council Members:

It was evident from our discussion on January 30 that the BDAC is far from a consensus in regard to mandatory implementation of water use efficiency measures. In order to resolve this we must be sure that we clearly understand not only each others positions, but also the difference in perceptions that underlie those positions. My intent here is to more clearly enunciate these matters as I see them.

I am not aware of any disagreement regarding the goal of reducing the mismatch between water needs and water supply. The differences have to do with (a) perceptions of the most effective way of achieving this reduction, (b) whether the goal is maximum reduction in the mismatch or universal participation in the reduction effort even if it results in reducing voluntary efforts, (c) whether it is reasonable to have an enforcement mechanism other than the SWRCB's responsibility for reasonable use, (d) whether we should seek a controversial level of non-discretionary compliance by water users while ignoring the substantial potential for more multiple use and reuse of water on a watershed basis, and (e) whether the water saved by better ag and urban efficiency is all intended to go to streamflow.

I believe the goal is maximum reduction in the mismatch rather than equal participation. There are numerous reasons to believe that a non-mandated effort will be more effective, particularly in agriculture. The range of situations is far too great to be understood by any enforcement agency; differences in weather, soils, crops, water quality, source reliability, delivery systems, drainage systems, use of water from more than on source, etc., etc. It is, therefore, not reasonable to expect farmers to give up their discretionary prerogatives. Most will back away from any voluntary commitment that threatens to become mandatory. It is not unlike asking urban users to take only three showers a week and limit the size of their gardens, while threatening reprisals on those who don't comply. Many of us believe that more overall reduction will occur in the absence of regulatory threats, and that it is, therefore, counter productive to attempt to coerce those few who don't voluntarily do their best.

Our experience in seeking coordination of the operation of San Joaquin River System dams was that all would vigorously

oppose any mandatory coordination for reasons of preserving discretionary control of a complex system. But all of them have cooperated beautifully in a voluntary coordination plan in 1997.

I have repeatedly urged attention by the water efficiency group to the potential for better watershed management for increased multiple use and reuse of water. I don't recall my suggestion even being mentioned in the minutes. I expect to forward a specific watershed plan in the near further that is believed by its authors to be beneficial on balance for all interests and will achieve better stream flows and water quality in the San Joaquin River system without taking land out of production.

It is not clear who is expected to benefit from efforts to use water more efficiently. Some members appear to assume that all water savings should accrue to increased stream flow. This adds to a perception that there are various schemes for taking land and water from agriculture, and no clear intent that agriculture share in any water savings or new yield. Furthermore, the Cal Fed support for free marketing water from agriculture to other uses will clearly reallocate a lot of water from agriculture. Water purchases with taxpayer funds for environmental use can outbid agriculture. Urban users for whom water is a minor budget item can also always outbid agriculture for whom water is a major budget item. The burden will therefore fall on agriculture and not on urban users. Agriculture will lose a lot of water unless sales from one region and purpose of use to another is limited in a manner comparable to zoning limitations on the purposes for which land is sold. These transfers will cause severe third part impacts and will ultimately cause a rise in food prices and a reduction in food choices. The State has no plan regarding how it will feed the next twenty million Californians while also taking water from agriculture. Critics of agriculture rarely understand the fact that in the Central Valley very little overapplied water is lost, and crop plants must <u>consume</u> a rather inflexible amount of water to grow a pound of biomass. I continue to believe that Cal Fed must not exacerbate problems that it does not attempt to solve.

I hope this discussion will help proponents of mandatory compliance to understand our position even if they disagree with it.

Sincerely,

Alex Hildebrand

Alex Hildebrand

cc Judith Redmond
Brad Shinn