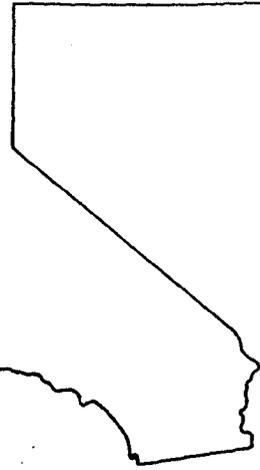


# State Water Contractors

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## Directors

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Solano County Water Agency
- Walter L. Wadlow**  
Santa Clara Valley Water District

April 18, 1997

The Honorable Barbara Boxer  
United States Senate  
Washington, DC 20510

Dear Senator Boxer:

The Board of Directors of the State Water Contractors has unanimously agreed to provide these specific comments to you concerning a significant and immediate threat to the Bay-Delta Accord. As you are aware, the December 1994 Bay-Delta Accord was a major victory for all Californians since it established a stable regulatory and political environment for the pursuit of long-term solutions to Bay-Delta problems. Despite its high water cost, California urban and agricultural water users strongly supported the Accord, in large measure because it set forth the principle that for the duration of the Accord there would be no further reductions in water supplies. We view this "no net loss" principle as inviolate. In fact, the assurances from Interior Secretary Babbitt to Governor Wilson that a "deal is a deal" was fundamental to receiving support for the Accord by the Governor and California water users.

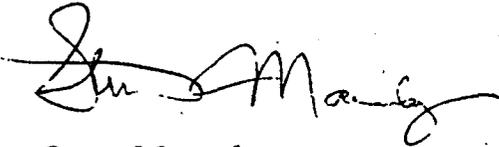
We are deeply troubled by the recent actions of the Department of the Interior which cast a cloud over their commitment to the CALFED management and decision-making process. In particular, we believe that the federal efforts to implement 1997 environmental restrictions in addition to those provided by the Accord, shows total disregard for the "no net loss" principle. As parties-in-interest to CALFED, the State Water Contractors strongly support California's position that the cooperation of the State Water Project in implementing the proposed tighter restrictions is contingent on "no net loss" applying to water deliveries to SWP and CVP water users.

The Accord is already costing water users a large amount of water during 1997, particularly because we have had virtually no rainfall since the January floods. While we have cooperated on "no net loss" programs for the past two wet years, the federal government has yet to develop a plan to adhere to this fundamental principle under dry conditions. Efforts by Interior to impose even higher water losses this year without the "no net loss" provisions are misguided and entirely contrary to the principle of water user and regulatory certainty contained in the December 1994 federal commitment. It is not an exaggeration to conclude that these

misguided efforts seriously threaten the remarkable progress that CALFED is making in developing the long-term Bay-Delta solution package.

The State Water Contractors stand ready to work aggressively with other parties on development of a plan to preserve the "no net loss" principle while seeking to maximize the benefits of the Accord.

Sincerely,



Steve Macaulay  
General Manager

c: Interior Secretary Babbitt  
Governor Pete Wilson  
California Congressional Delegation  
Central Valley Project Water Association  
San Luis & Delta-Mendota Water Authority  
Lester Snow