

California Agricultural Water Caucus

A forum to discuss current agricultural water issues

July 14, 2000

Governor Gray Davis
State of California
State Capitol
Sacramento, CA 95814

Bruce Babbitt, Secretary
US Department of the Interior
1849 C Street, N.W.
Washington, DC 20240

Re: Agricultural Water Caucus Comments on Framework For Action

Dear Governor Davis and Secretary Babbitt

The Agricultural Water Caucus is providing comments on the document, "California's Water Future: A Framework For Action." The Agricultural Water Caucus (AWC) is an informal coalition of agricultural production organizations, water suppliers and users from throughout California. The information in this letter is supported by The Agricultural Water Caucus Position On A Solution For The Bay-Delta (AWC Position Paper) which was submitted to members of the Bay-Delta negotiating team in April 2000.

It is essential that those who develop policies and those responsible for carrying them out proceed in a fair and balanced manner that will meet California's water needs today and in the future. Like other water users in the state, California agriculture is dependent upon an adequate, dependable and affordable water supply. It is our hope that the balanced approach to a workable solution as defined at the beginning of the CalFed program will culminate in a system-wide infrastructure that is capable of serving the full and complete needs of all water users.

The AWC has examined the CalFed "Framework for Action" as it compares to the AWC Position Paper that was developed with great care and submitted previously to CalFed. Based on this comparison, we find the Framework vague in some respects. In the Overview of the Framework it is stated that "this framework document sets out actions anticipated to be included in a proposed preferred alternative for implementing Stage 1." It is assumed, therefore, that the preferred alternative referred to is the one submitted in April and May 2000 by the CalFed staff to the BDAC and the CalFed Policy Group. The Overview refers to the recommendations of BDAC, of which some of the recommendations are included in Appendix K, but it is not clear which aspects of BDAC's recommendations, if any, are included in the Plan.

Of great concern to the Agricultural Water Caucus are a number of issues that are either addressed in a manner detrimental to the agriculture industry, or are issues that go beyond what the AWC believes to be within the original scope of CalFed's EIR/EIS.

The following should be considered topics for clarifying comments:

1. User Fees

User fees to fund the Ecosystem Restoration Program were not originally planned to be part of the CalFed Bay-Delta Program. Such user fees can pose an additional burden on water suppliers and users if not tied to benefits received. Environmental benefits are a public interest and should be funded as such. In addition, user fees should not be included as a part of any legislation that funds CalFed programs. Further, with over \$2 billion available through bond measures and existing state and federal environmental programs, the Framework does not demonstrate that a new tax is needed to fund this work, nor that it would generate benefits. Imposing a new tax on water users could prove to be a destructive blow to what could be a constructive program.

2 Environmental Water Account

The Environmental Water Account must be used in a manner that protects all water users, not just those defined as State Water Project or Central Valley Project users. The EWA should be operated as a statewide resource for the benefit of the environment and water users who would otherwise be in jeopardy of water supply reductions in order to meet state and federal ESA requirements.

3. Quantification of Yield from Storage Proposals

Throughout the Framework document, storage is referred to in terms relative to total capacity, not annual yield. The only dependable, annual quantity of water is that which is quantified as yield, or the amount of water that can be produced from a particular project on an annual basis. A facility with a storage capacity of 300,000 acre-feet may only produce an annual yield of 50,000 acre-feet. In addition, the Framework document continues to use the ambiguous term "water supply reliability" without saying whether "reliability" means "adequacy" or "predictability" (refer to Position Paper page 11, second paragraph, middle of Page 23).

The AWC Position Paper on pages 2, 12, and 13 states that the Program must supply enough water to meet all essential needs for water in and from the Central Valley. The Framework and the Preferred Alternative do not include any of the data required to quantify the need. These documents ignore BDAC's recommended process and basis for quantifying the need for increased water supply. The Framework continues to talk only of "water storage" rather than the "water supply" such storage could provide. It does not say how the storage would be operated and provides none of the analyses recommended on page 2 of the Position Paper.

The AWC Position Paper on pages 2 and 13 states that in quantifying the need for new supplies, the supply should be adequate "to replace in the aggregate the current unsustainable overdraft of groundwater in the Central Valley." The Framework and preferred alternative ignore this request by both the AWC and the BDAC.

Scientific panels convened for the purposes of investigating and advising on the suitability of storage must include engineers in addition to biologists to provide workable solutions for water storage.

4. Agricultural agency and stakeholder participation in CalFed governance and implementation

The Framework document does not include agricultural agency or landowner representation in its implementation or long-term governance strategies. Implementation of the CalFed Preferred Program Alternative must include early, meaningful participation of agricultural agencies and stakeholders. While the AWC does support the concept of a CalFed Bay-Delta Commission, the AWC insists that CalFed implement a long-term governance structure that fully integrates all CalFed Programs, includes state and federal agencies that represent agriculture, and includes strong representation of locally affected agricultural water users and landowners.

5. Groundwater Management

Historically, groundwater management in California has been a locally controlled issue. There have been no documents to-date from CalFed that have provided any information, background or justification for a statewide groundwater management program. The Framework document seems to set in motion the beginning steps toward statewide control of groundwater resources. The AWC strongly supports local control of groundwater as predicated in AB 3030 and discourages any efforts to diminish local control. Basin-wide groundwater management will be perceived as a threat to local control of local water resources and may generate strong grassroots opposition to the CalFed planning effort.

6. Analysis and Mitigation of Cumulative and Site Specific Impacts to Agricultural Land and Water Resources

The AWC strongly opposes the reallocation of agricultural resources, including land and water, without appropriate scientific justification and appropriate mitigation for the associated environmental impacts. Any and all CalFed actions must be based on the best available scientific information and endorsed by the Independent Science Board. Full environmental documentation (NEPA and CEQA) that discloses both

cumulative and site specific impacts to agricultural resources and provides appropriate mitigation measures to address those impacts must be completed prior to any action taken by CalFed or a CalFed agency.

7. Through-Delta Water Conveyance

CalFed's through-Delta conveyance system does not meet the needs set forth on pages 3 and 18 of the Position Paper. For example, it will postpone for seven years construction of the South Delta barriers and will then only allow them to be operated when permitted by the fishery agencies. As a result, potential impacts on South Delta water levels could delay and impede the ability to carry out important Delta conveyance projects. CALFED needs to more closely coordinate its Delta conveyance studies with Delta interests who have experience and expertise in these areas.

Furthermore, the Framework document is unclear as to how it will improve in-Delta water quality, including salinity concentrations. It does not address the AWC Position Paper recommendation that "CalFed must vigorously improve the through-Delta approach."

8. Comprehensive Water Management Coordination

The Framework document envisions a number of different water management programs to achieve the goals of CalFed. These programs, including the Environmental Water Account, water acquisition for the Ecosystem Restoration Program, the Governor's drought contingency program and management of CVPIA resources must all be coordinated to assure they are working to the maximum efficiency and in compatible harmony.

9. Water Use Efficiency and Conservation

The Framework document references targets of estimated water savings that are to be achieved during Stage 1. The agricultural target (260 to 350 TAF) does not reference how much of the target is locally cost-effective or cost-effective at the statewide level, nor does it take into consideration the cost to attain such water savings or the availability of funds. Hence the target is probably overly optimistic. In addition, the Agricultural Water Use Efficiency Program is still in the process of identifying which specific CalFed objectives can reasonably be achieved through water conservation practices.

The CalFed water use efficiency program is premised on two tiers of implementation. The base tier references the Agricultural Water Management Council as the appropriate entity to oversee implementation of locally cost-effective water management practices. We support this reference to the voluntary, Council-driven process. The second tier references CalFed's voluntary, incentive-driven program for implementation of water management practices that are only cost-effective from the statewide perspective. CalFed envisions grant funding as a key mechanism for implementation of this second tier.

Both of these tiers have significant uncertainty surrounding their overall water conservation potential as well as their specific contribution to CalFed objectives. While achievement of the levels of "water savings" identified in the Framework document is not specifically identified as a measure of success, such numbers are likely to achieve a significance much greater than they were intended to be. It is difficult, if not impossible, in the early stages of implementation to assess the practicality of water conservation measures and their potential for success. Therefore, the AWC believes it would be better to express WUE success in terms of the Agricultural Water Management Council's activities, funding availability and progress on CalFed's incentive-driven program in achieving the specific objectives to be identified during Stage 1.

10. Assurances

The Framework document must clarify assurances to water users who are reliant on export Bay-Delta supplies, the upstream water suppliers and landowners who are impacted by ecosystem restoration measures. In the future, EWA assets must be used to protect export water supplies from the impacts of incidental take reduction actions. In upstream areas, federal agencies and local participants should be encouraged to enter into agreements that further the federal agencies' Bay-Delta conservation goals and provides assurances that: (i) better define the actions that the federal agencies may take in implementing applicable law, (ii) protect local participants' privacy interests, and (iii) preserve local participants' property rights. Furthermore the Framework document does not describe in enough detail how the EWA water

assets will be secured on a sustainable basis. For example, 150,000 acre-feet of annual purchases south of the delta are questionable from an area that has a water supply deficiency even at the present level of development.

The AWC requests that serious consideration be given to these comments. We hope that the process can move forward in a manner that is beneficial and balanced to all water users in the CalFed solution area.

As always, if you have any questions, please feel free to contact me.

Yours very truly,



Allen Short

Chairman

Agricultural Water Caucus

c/o California Farm Water Coalition

717 K Street, Suite 505

Sacramento, CA 95814

Agricultural Water Caucus:

Ag America Farm Credit Bank

Ag Credit of California

AgResource Solutions

Agricultural Council of California

Banta-Carbona Irrigation District

Black Butte Ranch

California Cattlemen's Association

California Chamber of Commerce

California Farm Bureau Federation

California Farm Water Coalition

California Fertilizer Association

California Forestry Association

California Grain and Feed Association

California Seed Association

Central Valley Production Credit Association

Central Valley Project Water Association

Colusa-Glenn Production Credit Association

Federal Land Bank Association of Colusa, FLCA
Del Puerto Water District
Delta Water Users Association
Dudley Ridge Water District
Exeter Irrigation District
Federal Land Bank of Yosemite
Friant Water Users Authority
Kern County Farm Bureau
Kern County Water Agency
Kings River Conservation District
Modesto Irrigation District
Northern Calif. Federal Land Bank Association, FLCA
Northern California Production Credit Association
Northern California Water Association
Oak Flat Water District
Paramount Farming Company
Reclamation District 2075
Sacramento Valley Farm Credit, ACA
San Joaquin Farm Bureau Federation
San Joaquin River Exchange Contractors
San Luis & Delta-Mendota Water Authority
South Delta Water Agency
Stanislaus County Farm Bureau
Tulare Lake Basin Water Storage District
Valley Federal Land Bank Association, FLCA
Valley Production Credit Association
Western Farm Credit Bank
Western Growers Association
Westlands Water District

Wheeler Ridge-Maricopa Water Service District

cc: David Hayes
Mary D. Nichols
Patrick Wright
Steven Ritchie
Susan Kennedy
Lester A. Snow
Thomas M. Hannigan
Dianne Feinstein
Richard Pombo
John Doolittle