



San Luis & Delta-Mendota Water Authority

CALFED POSITION STATEMENT

November 5, 1998

BACKGROUND

The San Luis & Delta-Mendota Water Authority ("Water Authority") was established in January 1992. It is a Joint Powers Authority consisting of 32 member agencies, all of which receive Central Valley Project (CVP) water under separate contracts with the Bureau of Reclamation. Water Authority member agencies provide water supplies to meet the needs of over 1.1 million acres of highly productive agricultural land within the western San Joaquin Valley, San Benito and Santa Clara Counties. They also provide approximately 200,000 acre-feet annually for municipal and industrial uses, primarily in the Santa Clara Valley, and 350,000 to 450,000 acre-feet of water annually for waterfowl and wildlife habitat in the San Joaquin Valley.

Because all of the CVP water used by Water Authority members is moved by the CVP through the Delta, the Water Authority strongly supports a comprehensive, long-term solution to the ecological, water quality and water supply problems CalFed is attempting to address. Our goal for the CalFed program is to restore those water supplies that were given up by (or "reallocated from") our contractors under the Endangered Species Act (ESA), the 1994 Bay-Delta Accord and the Central Valley Project Improvement Act (CVPIA), and to improve the source water quality delivered to our municipal contractors.

We believe storage and conveyance improvements are needed to achieve this goal, to prevent any further supply cutbacks, and to enable the movement of purchased water supplies to our area.

The accumulated impacts of the ESA, CVPIA and Bay-Delta Accord have reduced the average annual allocation of water to our agricultural service contractors by 25 to 35 percent. The Water Authority's support of the Accord was based on the expectation of regulatory certainty and the recognition that environmental protections and improvements are necessary components of reliable water supplies. Through the Accord, our members agreed to provide additional water upfront to meet agreed upon environmental objectives with the understanding that the State Water Resources Control Board water rights hearings and the CalFed program would restore this water "loan" for environmental improvement.

WATER AUTHORITY GOALS FOR THE CALFED PROGRAM

- **Short-Term Certainty and Reliability**

CalFed must move aggressively to adopt a 1999 Operations Plan that will provide assurances regarding project operations and short-term export water supplies, relying on the "no net loss" provisions of the Accord.

- **Water Supply Improvements in Stage 1**

Beginning immediately and progressing over the next seven years, CalFed Stage 1 actions must provide Water Authority members with increased water supply and reliability. The Water Authority will not support continued funding for ecosystem or other CalFed "common programs" unless Stage 1 begins to provide phased improvements in

export water supplies. Any reduction in water supplies beyond those reductions already experienced as a result of the Accord plus the upstream AFRP actions would be unacceptable and vigorously opposed by members of the Water Authority. We believe that improved water supply can occur in Stage 1 through operational changes such as joint point of use, which can be coupled with measures that will simultaneously provide additional environmental and water quality benefits. CalFed must expand real-time monitoring and adaptive management techniques and evaluations to provide both improved fish protection and increased operation flexibility for water suppliers.

- **Improved Drinking Water Quality**

The Water Authority expects improved source water quality as a result of CalFed Bay-Delta program implementation. Our M&I contractors' investments in advanced treatment processes must be complemented with significant reductions in levels of organics and bromide in order for them to be able to meet future, more stringent drinking water regulations in an economical and feasible manner.

- **Role of Soft Path Measures**

The Water Authority acknowledges that "soft path" measures and programs are a necessary component of the CalFed solution and should be part of a balanced Stage 1 program. The Water Authority is willing to work with the rest of the agricultural community to develop an appropriate soft path component for Stage 1 of the CalFed program. Because most of our farmers have already implemented water efficiency practices that are cost-effective on an on-farm basis, achieving additional water savings in the agricultural sector that would be cost-effective on a statewide basis will require significant state and

federal funding. Elimination of certain institutional barriers for voluntary water transfers will also need to be an important component of the Stage 1 package. Another important component will be a locally tailored, voluntary land retirement program that helps the region address drainage issues -- provided that the water remain in the region for agricultural use.

- **Storage and Conveyance**

The Water Authority supports CalFed's conclusion that storage, including both surface and groundwater, is a necessary component of the CalFed solution. Resources should be dedicated in Stage 1 for site development, environmental and feasibility studies, permitting and construction. The CalFed program must also include a strong commitment to improved conveyance facilities. CalFed should acknowledge that existing technical information appears to support Alternative 3 (dual Delta conveyance) as the best alternative to achieve CalFed's environmental and water quality goals. During Stage 1, CalFed should proceed with all planning, environmental documentation and permit acquisition needed for construction of a dual Delta conveyance facility. CalFed should presume that a dual facility is needed unless specific scientific and technical data clearly demonstrate that it is in fact not needed.

- **Environmental Accountability**

Environmental water use must be accounted for and justified as carefully as all other water uses in the state, and must be subject to the same legal, regulatory, fiscal and physical limits that apply to other water uses. CalFed should explore the establishment of a single "Ecosystem Entity" which will be responsible for the successful recovery of

endangered species and for the use of dedicated water and money utilized in this effort. The entity should implement actions in a thoroughly scientific manner, adjusting actions based on cost/benefit standards of efficacy.

- **Affordable Solution and Equitable Cost Allocation**

Stage 1 and the long-term Bay-Delta solution must be affordable. The allocation of costs must be equitable, must be commensurate with benefits, and must sustain the State's vibrant agricultural economy. The CalFed solution must recognize the financial contributions already being made by CVP water users for environmental water acquisitions and habitat improvements through their CVPIA Restoration Fund payments. To the extent that the CalFed solution results in replacement of water supplies previously taken for environmental uses through regulatory actions, or replacement of water dedicated to environmental protections by legislative actions, water users should not be required to pay additional costs for such replacement supplies. CVP water users are already paying increased rates for operation, maintenance and capital costs of facilities now being used to deliver water reallocated to the environment.

- **CVPIA Integration**

The CalFed solution must fully integrate existing and outlying CVPIA programs and objectives. CVPIA objectives related to Anadromous Fish Restoration, b(2), and Trinity River are the same as the CalFed objectives. CVPIA implementation should not occur outside of the CalFed program. The CalFed EIR/EIS must fully evaluate the impacts of proposed increases in Trinity River flows.

- **Balanced Staging and Substaging**

Stage 1 must be implemented in such a way as to ensure that there is balanced progress in each of the CalFed elements. Progress on all elements of the CalFed solution must be linked together to ensure that we all "get better together."