



November 23, 1998

Dear Secretary Babbitt and Governor Wilson:

Your leadership in reaching a decision on the CALFED Bay-Delta Program is very much appreciated by all of us in the business community. Your focus and commitment are essential if we are to move the process toward a timely and equitable resolution. Further, the immediate interest and involvement from Governor-elect Davis are welcomed and vital to the success of a CALFED decision and its implementation. We look forward to continuing to work with Governor Davis, the Legislature, the federal Administration and Congress in the months ahead.

California's economy depends on a reliable, affordable, adequate supply of high-quality water. Adequate supplies are currently maintained only by intensive management of complex, overtaxed, and aging water infrastructure. By 2020, California's population is projected to grow almost 50 percent, to more than 47 million people. Drinking water standards are expected to become more stringent. The cost of drinking water treatment and water recycling continues to increase.

The CALFED Bay-Delta Program is the single best opportunity to resolve in a timely and equitable manner water issues that threaten California's environmental quality and economic prosperity. The CALFED Bay-Delta Program remains the best means of achieving a Delta "fix" that is a balanced, consensus-based solution that meets the needs of all Californians.

We encourage a decision on the planning, financing, and scheduling of all components of an overall CALFED Bay-Delta solution by the end of 1998--already 4 years after the signing of the original Bay-Delta Accord. Time is of the essence.

Attached are recommendations from the business community in California regarding the key components that should be included in a framework of a balanced CALFED Bay-Delta Program solution. We strongly urge you to incorporate these components into a timely CALFED decision.

Sincerely,

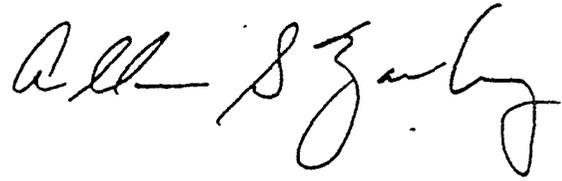
(See Attached Signatures.)

California Business Roundtable, California Chamber of Commerce, California Council for Environmental and Economic Balance, California Farm Bureau, Western Growers Association, Bay Area Council, Los Angeles Area Chamber of Commerce, Orange County Business Council, Silicon Valley Manufacturing Group, Southern California Water Committee.

cc: Governor-elect Davis
Members of the State Legislature
Members of California Congressional Delegation



Bill Hauck
California Business Roundtable



Allan Zarembeg
California Chamber of Commerce



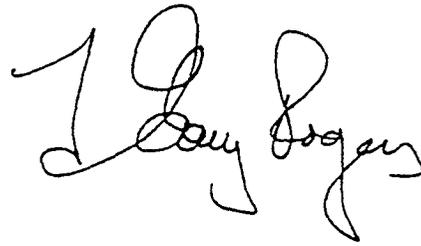
Victor Weisser
California Council for Environmental & Economic Balance



Bill Pauli
California Farm Bureau Federation



David Moore
Western Growers Association



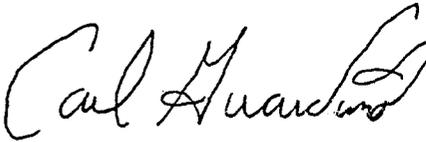
T. Gary Rogers
Bay Area Council



Ezunial Burts
Los Angeles Area Chamber of Commerce



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Orange County Business Council



Carl Guardino
Silicon Valley Manufacturing Group



Steve Zapotoczny
Southern California Water Committee, Inc.