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California's Central Valley's Proposal for Positive Actions
That Will Begin the Process of Resolving Water Supply Problems
Associated with CALFED'S Efforts

Meeting with Senator Dianne Feinstein
March 21, 2000

There are any number of ways we could have chosen to approach an articulation of our current views or perspective on the CALFED process. In this regard, we are certain that when we met in Fresno, on February 17, 2000, our frustration with the CALFED process was apparent. Our views have not moderated since that time and, in particular, we remain at odds with federal regulators. Nonetheless, and without debating the appropriateness of prior federal actions, we believe that the immediate implementation of the following will be the first positive steps toward resolving the problems with which we have been grappling over the past years.

Establishment of the 1994 Accord is an absolute foundation for the purposes of determining from what level water supply improvements must be measured. A predicate for any CALFED program must be a recognition that the 1994 Accord is the irreducible minimum from which water supply improvements must be measured. The 1994 Accord, for example, reduced overall State Water Project ("SWP")/Central Valley Project ("CVP") water supplies, in dry years, by 1.1 million acre feet. This voluntary reduction represented an up-front commitment to stabilize Delta fishery populations and was to mark the level from which recovery, through the CALFED process, for both water users and the environment was to begin. Instead, since 1994, additional reductions have been imposed on the water users. These include reduction of supply imposed by federal agencies under the cover of the Central Valley Project Improvement Act ("CVPIA") and the Endangered Species Act ("ESA").

The CALFED process, once CVP/SWP water supplies are returned to their 1994 Accord levels, must be focused on the fundamental goal of continuous water supply improvements and the sharing of consequential benefits among agricultural

and urban interests and the environment. Accomplishing this goal begins with the following:

1. CALFED and its member agencies shall, in cooperation and partnership with CVP/SWP contractors, immediately develop and implement means, either through revisions of biological opinions, revisions in the methodology by which CVPIA impact on yield reduction is calculated, revisions in project operations, or through the purchase of water supplies through the Environmental Water Account ("EWA") or through other means, by which CVP/SWP water supplies will be returned to the 1994 Accord levels. This program must be completed not later than May 15, 2000. Thereafter, no CALFED or member agency action will impose restrictions or mandates which will reduce CVP/SWP water supply levels below the 1994 Accord levels. The foregoing must be committed to, in writing, by CALFED and its member agencies in a manner that is enforceable by the water users.

With the clear understanding that returning CVP/SWP water supplies to the 1994 Accord levels is an absolute prerequisite to any further discussion or action, and without debating the point further, the following programs and projects should be implemented to recover water supplies voluntarily relinquished by the water users, on a temporary basis, as a part of their commitment to hasten environmental recovery within the Bay-Delta system:

2. In undertaking the foregoing, as well as the items delineated below, CALFED and its member agencies shall be directed that implementation of projects and programs must be undertaken in a manner that will not redirect negative impacts to other regions of California, including, but not limited to, the Sacramento Valley, mountain counties and upstream areas within the San Joaquin River watershed.

3. A scientific review panel that would provide neutral scientific oversight of future ESA, ERP, EWA and other CALFED implementation programs

shall be authorized. Appointments to this panel shall be made by the President and the Governor. This panel, among other things, shall be vested with authority to overrule unilateral decisions made by CALFED member agencies in areas that fall under the CALFED umbrella or, at a minimum, relevant agency decision making and administrative records and recommendations shall address the views of this scientific review panel.

4. CALFED and its member agencies shall, in cooperation with affected local interests, develop and implement programs for (1) the intra- and inter-basin marketing of water for both water supply and environmental purposes; (b) voluntary incentive-based retirement of agricultural lands, which include clear protections for local areas, including provisions, in the case of land acquisition, for in-lieu taxes and in which the water obtained is utilized in local areas to off-set the need for additional Delta diversions; (c) properly funded, incentive-based conservation programs and urban water reclamation and recycling in which the water obtained is utilized in local areas to off-set the need for additional Delta diversions. These programs shall be put in place not later than January 1, 2001.

5. CALFED and its member agencies shall develop and implement, in partnership with Sacramento Valley and San Joaquin Valley interests, a program to enhance the better management of water within the Sacramento Valley and San Joaquin Valley. These programs will include conjunctive use (direct diversion, stored water, groundwater) of the respective region's water resources and management resources and the intra-basin transfer of water in order to insure that the existing and future needs of the Sacramento Valley and San Joaquin Valley are met while reducing the amount of new water that otherwise would need to be devoted to this purpose and to produce additional supplies of water for south-of-Delta consumptive use and for environmental purposes. This program shall be implemented not later than March 15, 2001.

6. CALFED and its member agencies shall prepare, in partnership with local interests, the programmatic and site-specific environmental and other related

documents associated with the construction of an enlarged Shasta Reservoir, a Sites Reservoir, an enlarged Los Vaqueros Reservoir or other facility in or adjacent to the Delta, and an enlarged Millerton Reservoir (or other similar facility associated with the Friant Project) and a Los Banos Grande or other south-of-Delta off-stream storage facility. The preparation authorized herein shall be focused on, among other things, the need to operate these facilities to provide water supply, water quality and environmental benefits on a balanced basis. The analysis shall assume the application of Section 404(r) of the Clean Water Act, 33 U.S.C. § 1344(r). "Local interests" shall include the Central Valley Project Water Association ("CVPWA") and State Water Contractors with respect to an enlarged Shasta Reservoir; the Glenn-Colusa Irrigation District ("GCID"), Tehama Colusa Canal Authority ("TCCA") with respect to a Sites Reservoir, and include an evaluation of the utilization of both the GCID Main Canal and the Tehama Colusa Canal as a means to wheel water into that reservoir; the Contra Costa Water District ("CCWD") with respect to an enlarged Los Vaqueros Reservoir; the Friant Water Users Authority with respect to modifications associated with the Friant Project; and the State Water Contractors with respect to Los Banos Grande or other south-of-Delta off-stream storage facility. The environmental work shall be completed not later than March 15, 2002; with final permitting completed and construction decisions to be made not later than January 1, 2003.

7. CALFED and its member agencies, in partnership with the SWP contractors and the San Luis & Delta-Mendota Water Authority ("SLDMWA"), shall, for the purposes of reducing water supply, water quality and environmental conflicts in the Delta, construct a screen diversion on the main stem of the Sacramento River at Hood, or at another suitable location. This program shall be implemented not later than January 1, 2002.

8. CALFED and its member agencies, in partnership with the SWP contractors and the SLDMWA, shall implement the South Delta Improvement Program to improve, from both environmental and water supply perspectives, the