

October 18, 2013

Mr. Mark Cowin
California Department of Water Resources
1416 Ninth Street, Room 1115-1
Sacramento, California 95814

Re: California Statewide Water Action Plan

Dear Mr. Cowin:

The Delta Vision Foundation is encouraged by and supports recent efforts to develop and define a California Statewide Water Action Plan to be implemented in concert with a Bay-Delta Conservation Plan (BDCP) to achieve meaningful progress and implementation to achieve the Two Co-Equal Goals of ecosystem restoration and water supply reliability through comprehensive, statewide action. In March, the Delta Vision Foundation reaffirmed a commitment to an integrated "Delta fix" that includes dual conveyance, habitat restoration, a suite of statewide water management actions, and legally reliable assurances to ensure funding and implementation (see March 27, 2013 letter, attached).

The California Statewide Water Action Plan (SWAP) will be successful if it integrates five key elements to assure progress:

1. Strong, clear leadership and direction from the Governor and the Administration to reinforce alignment and focus.
2. A coordinated policy framework and performance management structure to link actions to results.
3. Specific, realistic actions, timetables, approval processes, and funding sources to define and advance implementation.
4. Commitments, linkages, and assurances to reinforce and ensure progress and results in all areas.
5. Agency coordination, public transparency, and stakeholder alignment to accelerate action and increase accountability.

The 2008 *Delta Vision Strategic Plan* and the 2009 water legislation establish the foundation for this linked, integrated approach for addressing California's water and environmental challenges, beginning in the Delta.

The Delta Vision Foundation has reviewed the recommendations from the Association of California Water Agencies (ACWA) and several environmental interests provided to the Administration on September 30th and September 6th respectively. As part of the DVF review, staff has prepared a table comparing the recommended actions in the *Delta Vision Strategic Plan*, the ACWA SWAP, and the environmental community letter, by topic area. Notably, the ACWA SWAP did not discuss increased flows for the environment and the environmental community letter did not discuss storage and conveyance infrastructure. An effective SWAP must include sufficient plans to modify Federal, State, regional, and local infrastructure, policies, and operating strategies to achieve the Two Co-Equal Goals. It is also notable that neither document addresses critical needs regarding Delta as Place, such as economic development and cultural preservation. The comparison document is attached and additional comments follow.

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The Delta Vision Foundation was established by former members of the Delta Vision Blue Ribbon Task Force, the independent body convened under Governor's Executive Order S-17-06.

The mission of the Delta Vision Foundation is to encourage implementation and progress by the State of California toward achieving the Two Co-Equal Goals as defined in the *Delta Vision Strategic Plan*:

Restore the Delta Ecosystem

Ensure Water Supply Reliability

The Delta Vision Foundation monitors, evaluates, and provides information to government officials, policymakers, and the public about implementing the *Delta Vision Strategic Plan* recommendations as a set of integrated and linked actions.

Delta Vision Foundation

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The ACWA effort is commendable in that it represents agreement among diverse water agencies across the state. Generally, it discusses the major components of a comprehensive solution (with the important exception of the policies and operating strategies to achieve the Two Co-Equal Goals while protecting and enhancing the Delta as an evolving place, as noted above). The ACWA SWAP lacks the specificity of realistic performance targets, actions, implementation strategies, and funding to qualify as an action plan. The few targets and timelines referenced are apparently drawn from the CALFED Bay-Delta Program, which is now nearly 15 years old. Based on recent discussions with DWR and others, the Administration's action plan is focusing on implementation in the next five years. This immediate focus is appropriate given the limited implementation of near-term actions since the *Delta Vision Strategic Plan* was released in 2008. However, an effective Statewide Water Action Plan should be specific about actions and targets and the policy and funding framework to ensure implementation and monitor progress in the immediate term (1 to 5 years), mid-term (5 to 15 years), and long-term (15 years or more). The Action Plan must be more than a wish list for various interest groups.

The ACWA SWAP recognizes that California's regulatory framework must evolve to adapt to new understanding of ecosystem function. That is, the Two Co-Equal Goals now guide water management planning and operations. The ACWA SWAP also appropriately notes the importance of avoiding or mitigating redirected impacts from one region of the state to another. However, beyond the broad guiding principles, there are few specifics that demonstrate a co-equal approach to water management, seek to lessen conflicts between water users and the environment in the Delta watershed, and foster a partnership among the State of California and regional interests to address long-standing problems. For example, the ACWA SWAP suggests that increased local and regional water use efficiency should not provide benefits to the Delta ecosystem. Further, the ACWA SWAP recommends State investment in water use efficiency actions that are not locally cost effective without the concomitant return of water supply to meet State objectives. This approach supports local water supply reliability at State expense without linkage to the Co-Equal Goals and resolving Delta conflicts. The California Statewide Water Action Plan must be guided by the Two Co-Equal Goals and implemented through collaboration, performance management and incentives, and regulatory oversight.

Interagency coordination, implementation, and public transparency are fundamental to the success of a Statewide Water Action Plan. The Natural Resources Agency, Delta Stewardship Council, State Water Resources Control Board, and other agencies have critical, and in some cases overlapping, responsibilities for ensuring success. The California Statewide Water Action Plan should include executive direction from the Governor to all relevant State agencies to implement and cooperate with an effective Interagency Coordination Committee, as directed by the 2009 Delta Reform Act and recommended in the DVF Report Cards. This committee should include public transparency, regular progress reporting, and a stakeholder oversight committee. As recommended by the ACWA SWAP, this committee should develop a coordination and implementation plan within 90 days.

Most importantly, neither the ACWA SWAP nor the environmental community letter include urgent, realistic near-term actions, particularly related to the Delta, such as actions to improve through-Delta conveyance, protect fish, improve water quality, and secure Delta levees. The 2011, 2012, and 2013 water years demonstrate the urgency for action to address existing conflicts and invest now in improvements until new storage and conveyance are implemented and operated consistent with the Two Co-Equal Goals. The following are specific, immediate actions to include in the California Statewide Water Action Plan.

1. Near-term Ecosystem Restoration

- a. Immediately direct State agencies to coordinate and accelerate approvals and implementation of Delta ecosystem restoration pilot projects and biological opinion compliance projects. Provide necessary funding and science oversight to streamline implementation and assure adaptive learning.

2. Strategic Levee System and Through-Delta Conveyance

- a. Immediately conduct a hydrodynamic analysis of potential fish protection benefits of widening and/or deepening Old and Middle Rivers to increase capacity to divert water in wet periods (and allow for reduced diversions in dry periods).
- b. Immediately convene an expert panel with stakeholder input to review existing information and recommend water quality and fish protection actions in the Delta, including physical and non-physical barriers, fish screens, levee restoration, and operations (such as turbidity management). Actions to consider include, but are not limited to: Middle River Corridor two barrier project, Three Mile Slough barrier project, demonstration fish protection screen at Clifton Court Forebay, Delta Cross-Channel gate operations and barriers, and a barrier at Head of Old River.
- c. Fund and accelerate floodplain improvements in the lower San Joaquin River and lower Sacramento River.
- d. Based on the analysis results and expert panel input, develop a strategic levee plan to improve diversion and flood conveyance capacity and timing while protecting fish and water quality. Identify priority actions for implementation within six months. Direct State agencies to accelerate review and implementation of the most promising pilot projects, implementation actions, and operational changes. Identify and secure funding and accelerate implementation.
- e. Complete a preliminary Delta levee investment strategy for public review by April 2014 and the final levee investment strategy by January 1, 2015.
- f. Continue implementation of the recommendations of the Sacramento-San Joaquin Delta Multi-Hazard Coordination Task Force Report of 2012.

3. Reservoir Operations

- a. Immediately identify reservoir operations modifications to increase Delta inflow at all times and reduce Delta watershed diversions in dry years.

4. Storage and Retention

- a. Immediately establish water storage performance measures to achieve the Two Co-Equal Goals including increasing Delta inflow at critical times for fish and retaining water in wet periods for all beneficial uses.
- b. Immediately conduct a survey of water districts and other interested stakeholders to identify immediate, mid-term, and long-term water storage and retention opportunities.
- c. Establish an outcome-based, competitive funding process with specific benefits that warrant State investment.

5. Delta as Place

- a. Through the Delta Protection Commission, Delta Conservancy, and Delta Stewardship Council, immediately develop and fund an economic investment strategy for the Delta region, including agriculture, recreation, tourism, and other appropriate regional businesses.

6. Regional Water Management

- a. Immediately identify and quantify the realistic potential benefits of regional water management strategies (water use efficiency, recycled water, desalination, stormwater management, watershed management, groundwater treatment, etc.) for each major region of the state and for the Delta. Estimate the level of investment necessary to achieve these benefits.

7. Policy and Performance Framework

- a. Immediately define the policy objectives and water management strategies that will guide State investment and regulation to achieve the Two Co-Equal Goals, building on the work of the Delta Stewardship Council. For example, define how the State will guide and reinforce the co-equal strategy of capturing more water in wet periods when it is surplus to the needs of the environment and diverting less in dry periods when conflicts with ecosystem needs are greatest.
- b. Direct all State agencies to modify policies and regulations to be consistent with the Two Co-Equal Goals.
- c. Immediately establish statewide and regional performance measures that evaluate progress toward the Two Co-Equal Goals, building on the measures in the *Delta Vision Strategic Plan* and the *Delta Plan*. Report at least annually on performance.
- d. Immediately provide public accountability and reporting of State efforts to coordinate and implement actions, approvals, oversight, regulation, and funding through the Interagency Coordinating Committee.

8. Funding and Financing

- a. Establish open, transparent reporting of available bond funds, including delineation of projects or programs for which funds have been obligated but not expended.
- b. Establish performance targets for administrative overhead costs for bond programs and provide public reporting of expenditures for administrative overhead, studies and evaluations, and implementation.
- c. Develop a funding and financing strategy for the California Statewide Water Action Plan based on the principles of beneficiaries pay.
- d. Immediately establish a Delta Flood Risk Management Assessment District as recommended in the Delta Plan.

9. Linkages and Assurances

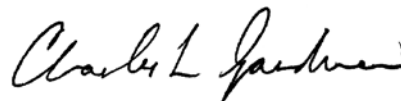
- a. Linkages and assurances are critical articulating a path forward on immediate actions to implement and commit the funding on the companion "Plus" components. Immediately negotiate legally-reliable assurances and commitments among the State of California, the Federal Government, and stakeholders to assure funding, incentives, progress, action, and results.

The Delta Vision Foundation is working with a broad cross-section of stakeholders to refine a Framework for an Integrated Water Action Plan with specific actions and assurances (see attached Framework and work groups). Incorporating these actions and principles into the California Statewide Water Action Plan will help ensure implementation of the solutions envisioned in the *Delta Vision Strategic Plan* to achieve the Two Co-Equal Goals and secure the economic and environmental future for California. Please do not hesitate to contact us if we can provide further clarification.

Sincerely,



Sunne Wright McPeak
President, Delta Vision Foundation
Former Secretary, California Business, Transportation,
and Housing Agency



Charles L. Gardiner
Executive Director

Cc: Dr. Jerry Meral, California Natural Resources Agency