

- **Board of Directors**
Communications and Legislation Committee

May 16, 2006 Board Meeting

9-4

Subject

Report on SB 1574 (Kuehl, D-Santa Monica): Sacramento-San Joaquin Delta

Description

Background:

Last year AB 1200 (Laird, D-Santa Cruz) was enacted to direct the Department of Water Resources (DWR) to evaluate the potential impacts of levee failures and to further require DWR and the Department of Fish and Game to evaluate various options for protecting a range of benefits provided by the levees – including protection of water supplies, improvement of water quality, flood protection and preservation of Delta lands, highways, utility facilities and other infrastructure located within the Delta, and ability to restore salmon and other fisheries that use the Delta.

According to the author's office, SB 1574 ([Attachment 1](#)) was introduced to revisit last year's legislation in response to concerns that the AB 1200 study may include an analysis of an option to convey State Water Project supplies around the Delta, rather than through existing in-Delta channels. In light of this concern, the author is seeking to require DWR to study an option "that shall be designed to reduce dependence on the Delta for water supply through greater investments in local water supplies, water use efficiency, water recycling, demand management programs, and other actions outside of the Delta."

Metropolitan "Oppose Unless Amended" position based on current policy principles:

The provisions in SB 1574 that require DWR to study reduced dependence on the Delta for water supply – therefore essentially requiring that DWR study the option of reduced exports from the Delta – could result in actions that conflict with critical State and Metropolitan policies pertaining to assuring reliable current and future water supplies.

First, this requirement is in conflict with the goals and objectives of the CALFED program, which reflects an agreement among state and federal agencies and stakeholders that preservation and appropriate enhancement of Delta water supplies is a core principle in the long-term Delta solution. Through the California Bay-Delta Authority Act, the Legislature has codified the CALFED program's fundamental objective of improving the reliability of Delta water supplies.

Moreover, the CALFED program remains the appropriate forum for public discussion and debate regarding current Delta water supplies and future modifications to the amount of supplies or means of conveyance. With respect to concerns pertaining to State Water Project conveyance, the subject of maintaining "through-Delta" conveyance or shifting to another means of conveyance will be revisited in 2008 following the conclusion of Stage 1 of the CALFED program.

With respect to the provision in SB 1574 calling for study of an option to reduce dependence on Delta water supplies "through greater investments in local water supplies, water use efficiency, water recycling, demand management programs, and other actions outside of the Delta," it must be noted that Southern California has been a leader in making substantial investments in a balanced portfolio of water management strategies. For example, in 2005 alone, conservation from all sources resulted in about 735,000 acre-feet of water savings, water-recycling efforts produced 200,000 acre-feet and recovery of degraded groundwater produced 66,000 acre-feet. Additionally, Metropolitan has been a leader in maximizing effective groundwater storage opportunities and

utilizing voluntary water transfers to meet Southern California water needs. As drafted, it is not clear whether the bill would recognize these extensive and successful management measures taken over the last decade and more. The singular focus of SB 1574 on reduction of Delta water supplies through alternative means unfairly singles out State Water Project contractors, is misplaced in the context of the purpose of the AB 1200 study and ignores the importance of effective, resource-conserving water strategies throughout the state. In addition, the requirement in SB 1574 to examine “reduced dependence on the Delta” would fail to examine other water supply impacts on the Delta, such as water suppliers throughout the Sacramento and San Joaquin watersheds who divert substantial amounts of water that would otherwise flow to the Delta. Because SB 1574 focuses only on water use reduction in Southern California and other export regions, it is inconsistent with the board policy that water use efficiency throughout the state will be required to sustain the Delta.

More importantly, cost-effective maximization of water supply options such as utilization of local water supplies, water use efficiency, water recycling and demand management are already components of the CALFED program and Metropolitan’s recently adopted Delta policy principles. If the Legislature wishes to accelerate these efforts in the hope of further reducing dependence on the state’s water resources – including the Delta, surface streams and groundwater – a statewide, comprehensive report on the subject would be appropriate. The report required by AB 1200 is not the appropriate context for such an examination and effectively singles out Central and Southern California water contractors who already are leaders in water conservation and management.

Additionally, AB 1200 sought to determine the best options for protecting many of the Delta’s uses – including water supply, water quality, preservation of Delta lands, protection of highways, utility facilities and other infrastructure – yet SB 1574 would specifically require focus on the reduction of just one use.

Finally, the scope of the AB 1200 study is focused on timely development of options for protection of Delta uses and environmental quality, and it is important to allow DWR to proceed with its work on the study as quickly and objectively as possible. Given the magnitude and complexity of the issues posed by the language in SB 1574, the bill could derail what should be development of options based on realistic factors pertaining to water supply, water quality, land use, infrastructure and other Delta uses.

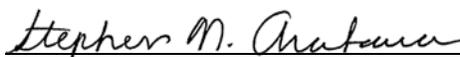
Given the above concerns, Metropolitan will seek amendments to SB 1574 to address consistency with the CALFED program and with Metropolitan’s recently adopted Delta policy principles. The key amendments that will be proposed will seek to ensure that all options are studied regarding the Delta and that export reduction to Southern California is not singled out for study.

Policy

Policy principles regarding long-term actions for the Sacramento-San Joaquin River Delta, as approved April 11, 2006.

Fiscal Impact

No direct fiscal impact.


 Stephen N. Arakawa
 Manager, Water Resource Management

5/3/2006
 Date


 Jeffrey Kightlinger
 General Manager

5/3/2006
 Date

SENATE BILL**No. 1574****Introduced by Senator Kuehl**

February 23, 2006

An act to amend Section 139.4 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 1574, as introduced, Kuehl. Sacramento-San Joaquin Delta.

Existing law requires the Department of Water Resources and the Department of Fish and Game to identify, evaluate, and comparatively rate the principal options available to implement certain objectives that relate to the Sacramento-San Joaquin Delta or the Sacramento and San Joaquin river systems. Existing law requires the departments to jointly report to the Legislature and the Governor the results of their evaluations and comparative ratings, as specified, no later than January 1, 2008.

This bill would require one of those principal options to be designed to reduce dependence on the delta for water supply through greater investments in local water supplies, water use efficiency, water recycling, demand management programs, and other actions outside the delta. The bill would substantially revise those objectives relating to the delta and Sacramento and San Joaquin river systems. The bill would require the Department of Water Resources and the Department of Fish and Game, on or before July 1, 2007, to provide a draft joint report to the Independent Science Board of the California Bay-Delta Authority, or its successor. The bill would require that board to provide the Department of Water Resources with an independent peer review of the draft report. The bill would require the Department of Water Resources to revise the draft joint report to reflect the comments of the peer review in the joint report.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 139.4 of the Water Code is amended to
2 read:

3 139.4. (a) The department and the Department of Fish and
4 Game shall determine the principal options for the delta. *At least*
5 *one option shall be designed to reduce dependence on the delta*
6 *for water supply through greater investments in local water*
7 *supplies, water use efficiency, water recycling, demand*
8 *management programs, and other actions outside the delta.*

9 (b) The department shall evaluate and comparatively rate each
10 option determined in subdivision (a) for its ability to ~~do~~ *meet* the
11 following *objectives*:

12 ~~(1) Prevent the disruption of water supplies derived from the~~
13 ~~Sacramento-San Joaquin Delta.~~

14 ~~(2) Improve the quality of drinking water supplies derived~~
15 ~~from the delta.~~

16 ~~(3) Reduce the amount of salts contained in delta water and~~
17 ~~delivered to, and often retained in, our agricultural areas.~~

18 ~~(4) Maintain delta water quality for delta users.~~

19 ~~(5) Assist in preserving delta lands.~~

20 *(1) Improve water supply reliability to current users of delta*
21 *water.*

22 *(2) Improve delta water quality for each beneficial use.*

23 *(3) Reverse, stop, or reduce subsidence.*

24 ~~(6)~~

25 ~~(4) Protect water rights of the "area of origin" and protect the~~
26 ~~environments of the Sacramento-San Joaquin river systems.~~
27 ~~origin."~~

28 ~~(7)~~

29 *(5) Protect highways, utility facilities, and other infrastructure*
30 *located within the delta.*

31 ~~(8)~~

32 *(6) Preserve, protect, and improve delta levees.*

33 (c) The Department of Fish and Game shall evaluate and
34 comparatively rate each option determined in subdivision (a) ~~for~~
35 ~~its ability to restore salmon and other fisheries that use the San~~
36 ~~Francisco Bay/Sacramento-San Joaquin Delta Estuary.~~ *based on*
37 *its consistency with the following objectives:*

1 (1) *The recovery of each delta-dependent species listed as*
 2 *threatened or endangered under either the California*
 3 *Endangered Species Act (Chapter 1.5 (commencing with Section*
 4 *2050) of Division 3 of the Fish and Game Code) or the federal*
 5 *Endangered Species Act (16 U.S.C. Sec. 1531 et seq.)*

6 (2) *The restoration of historic wetlands, and aquatic and*
 7 *terrestrial habitat.*

8 (d) (1) *On or before July 1, 2007, the department and the*
 9 *Department of Fish and Game shall provide a draft report to the*
 10 *Independent Science Board of the California Bay-Delta*
 11 *Authority, or its successor, with regard to the results of the*
 12 *evaluation required by Section 139.2 and the comparative*
 13 *ratings required by subdivisions (b) and (c). That board shall*
 14 *provide the department with an independent peer review of the*
 15 *draft report. The department shall revise the draft report to*
 16 *reflect the comments of the peer review in its joint report*
 17 *pursuant to paragraph (2).*

18 ~~(d)~~

19 (2) *On or before January 1, 2008, the department and the*
 20 *Department of Fish and Game shall jointly report to the*
 21 *Legislature and Governor, in writing, with regard to the results of*
 22 *the evaluation required by Section 139.2 and the comparative*
 23 *ratings required by subdivisions (b) and (c).*

24 (e) *As used in this section, "delta" means the Sacramento-San*
 25 *Joaquin Delta.*