

**Comments to the Little Hoover Commission on CALFED/Bay-Delta Authority Governance and the August 25 meeting on the Program's History and Purpose  
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The CALFED Bay-Delta Program must balance the ecological demands of a range of fish species in a tidal flow delta, funding for maintenance of levees that protect people living and farming in the Delta, improve water supply reliability for cities and farms that use water from the Delta, and improve drinking water quality for those that import the water.

**CALFED Bay-Delta Program lessons that apply directly to governance:**

1. Regional and local projects outside the Delta that develop more diverse sources of supply will greatly improve water supply reliability and flexibility, growth in water supply, and better drinking water quality for State Water Project importers, particularly those in Southern California. As Lester Snow, DWR Director, said, less than 25% of California's current water demands are provided from the combined State Water Project and Central Valley Project systems.

Currently the other 75% of California's water comes from many sources, including the Colorado River Aqueduct, groundwater, transfers outside the Bay-Delta system, conservation, water recycling, and desalination of brackish water, and more. The California Water Plan Highlights ([www.waterplan.water.ca.gov](http://www.waterplan.water.ca.gov)), page 15, provides a graph of these expected sources of water out to 2030.

**Governance impact:** The Bay-Delta governance structure must recognize that local and regional agencies statewide are at the heart of the future of water supply growth and reliability and drinking water quality. Any governance structure you create to focus on the Delta should not undercut potential state and Federal funding of this very vibrant local and regional sector. A new CALFED governance structure should take advantage of the creative local and regional leadership and funding capability of water supply reliability and drinking water quality projects to address these two CALFED priorities.

2. Integrated water management will solve many Bay-Delta water problems cost-effectively. For example, today the CALFED Bay-Delta Program has an integrated surface and groundwater storage program to hold water that can be used by farmers and the environment, the Environmental Water Account. Before CALFED, groundwater was not considered central to solving Bay-Delta problems. As discussed above, local and regional agencies are expanding their water supplies and addressing water quality problems through local projects.

Integrated water management should also result in principles for taking action, such as those found in energy and waste management: First conserve, then use resources efficiently, and as a last resort make less efficient or more environmentally damaging choices.

**Governance impact:** The Bay-Delta governance structure should require stakeholders and experts in the Bay-Delta Public Advisory Committees (BDPAC) to develop integrated water management principles and recommendations for priorities and their implementation. Currently BDPAC subcommittees meet as separate interest groups, developing silo recommendations and advising State and Federal agencies that are also poorly integrated. Integration would also support watershed approaches and public trust concerns.

3. State and Federal funding, if applied through competitive grant-making, can drive cost-effective creativity in solving water supply and drinking water quality problems; the beneficiary pays principles can reduce the likelihood of stranding public investment assets.

Proposition 50 imbeds the CALFED concept of competition, local and regional matches, and extensive public outreach in its CALFED-related grant-making. Judging by the volume and quality of agencies' and communities' proposals and some of the early reports on projects, local water supply will increase and assuming future infusions of funding, local projects will meet all the future needs from population growth.

The concept of beneficiaries pays seems more important so far in what it keeps from happening than from its effect on increasing the bottom line for CALFED projects. It tests the market value of a project and reduces the influence of powerful stakeholders in getting public funds for a pet project that is likely to become a stranded asset.

**Governance impact:** the Bay-Delta governance structure should hold onto this, open, competitive and matching grant approach and the concept of beneficiaries pays if it retains or expands its responsibilities for finding funds from Congress, the Legislature, state bond voters, or local measures.

4. Science, including fisheries science and economic analyses, gives stakeholders and decision-makers a strong basis from which to debate and decide Bay-Delta Program policy issues.

Findings from the fisheries science program, for example, are changing long-held assumptions about the relationship between the Delta and fish, which could lead to Delta interests being managed in a different way in the future. CALFED-financed technical analyses of water use efficiency yields to meet future demand, as another example, have contributed to the consideration and adoption of a broader portfolio of water supply and water quality options to meet future demand and future uncertainties due to natural disaster and/or climate change.

**Governance impact:** Science must remain a cornerstone of the CALFED Bay-Delta Program. It is the one element of the Program that has near unanimous support from all stakeholders.

## **GOVERNANCE RECOMMENDATIONS:**

1. The CALFED Bay-Delta Authority should either be given more authority over the direction of the Program or it should serve as a Commission, similar to the Little Hoover Commission, and take the time necessary to consider and make recommendations on the major political challenges to the Program, such as adjustments to State Water Project contracts to mitigate the damage the Project has caused to the environment, a concern that was not envisioned when the contracts were signed.

In either case, the government agency appointees should become *ex officio* members, because they are unable to act independently.

2. A related, partial alternative: Give the California Energy Commission an expanded but complimentary mission to address statewide water supply principles and issues. The State Water Project is the single largest user, I understand, of the State's energy supply. Using hot and cold water more efficiently is of greater economic value to the State's energy sector than to the water sector, given the comparative cost of energy and water.
3. The CALFED Bay-Delta Public Advisory Committee's subcommittees should be integrated to address the four Program priorities.
4. The Department of Water Resources, separately, but collaboratively, with CALFED should establish strong regional integrated water management advisory boards to assist in improving the State's ability to make sure that State plans and programs are in sync with regional priorities and plans, to gather better planning information, and to educate communities and elected officials about water use principles and priorities.
5. The Governor and the Interior Secretary should formally agree that cooperation is the highest priority for their respective implementing agencies, establish and empower a state and Federal lead, and agree on a mechanism for sharing the expertise of BDPAC.

**Background of Frances Spivy-Weber on the Bay-Delta Program:** Since 1997, I have been an active stakeholder in many aspects of the CALFED/Bay-Delta Program process, serving first on the Bay-Delta Advisory Committee, then after the Record of Decision on the Bay-Delta Public Advisory Committee and as co-chair of the Water Use Efficiency Subcommittee. In addition I am co-chair of the Southern California Water Dialogue that brings together diverse stakeholders in the region once a month to learn about and discuss CALFED and other water issues.

Thank you for this opportunity to share my expertise with you. **Frances Spivy-Weber, 1200 South Catalina Ave., #406, Redondo Beach, CA 90277, 310-316-0041, frances@monolake.org**

