

Committee on Resources

Testimony

Subcommittee on Water and Power

Thursday, April 17, 1997

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**COMMITTEE ON RESOURCES
SUBCOMMITTEE ON WATER AND POWER
OVERSIGHT HEARING ON
FY 1998 FEDERAL FUNDING REQUEST FOR THE CALFED PROGRAM
APRIL 17, 1997**

**Statement Presented by Director Rosemary Kamei
Santa Clara Valley Water District**

Mr. Chairman and Members of the Subcommittee, thank you for providing me an opportunity to submit this statement on the CALFED Bay-Delta Program on behalf of the Santa Clara Valley Water District, a member of the California Bay-Delta Water Coalition, and on behalf of the Bay-Delta Advisory Council. The coalition represents a diverse alliance of conservation interests, urban water suppliers, agricultural water users and business leaders working together on water policy issues in California.

1. Status of the CALFED process from the urban water users' perspective

California's economy is one of the strongest in the world, and that strength is dependent on sufficient and reliable supplies of water. The San Francisco Bay-Delta Estuary supplies water to 20 million people and supports an \$800 billion economy and job base. The San Francisco Bay Area is the No. 1 business location in the United States, and second in the world.

Santa Clara County, the Silicon Valley, is the single most important high-tech center in the U.S., being home to over 4,000 high-tech companies. The Silicon Valley receives one-third or over \$1 billion of the venture capital invested in the United States annually, and employs over 230,000 people. The high-tech and manufacturing industries are the key to the future of the western region as America's gateway to the Pacific Rim. These growing industries need a reliable source of high quality water to produce the products that fuel the economic engine. Santa Clara County is home to 1.6 million people and it constitutes 25% of the Bay Area's total population and economy. In an average year, half of the water supply to Santa Clara County comes from the Bay-Delta. A reliable and adequate supply of high quality water is of the utmost importance to the businesses and residences of the Silicon Valley.

The CALFED Bay-Delta Program is an unprecedented cooperative effort among federal, state and local agencies to restore the Bay-Delta. The Program is developing a long-term solution that equitably addresses water problems in four key and inter-related areas: water supply reliability, water quality, ecosystem health, and levee system vulnerability. As a member of the urban water users community and an active participant of the CALFED Bay-Delta Program, I am pleased with the progress of the Program and the degree to which the Program has promoted an open, consensus-building process in developing a long-term solution for the

problems facing the Bay-Delta. The Program is on a very ambitious schedule but I think it is important for CALFED to continue with the momentum that has been generated. From the urban perspective, the CALFED process is on track to increase water supply reliability. This is absolutely critical to maintaining the quality of life not just in my area but throughout the state.

2. The role that the BDAC is playing in the development of a long-term plan for the management of Bay-Delta resources

The Bay-Delta Advisory Council (BDAC) is a federally-chartered stakeholder group which provides policy guidance to CALFED in its development of the long-term Bay-Delta solution. It is a 32-member council consisting of representatives from urban, agricultural, environmental, business, and fishing interests. It is the formal forum for stakeholders to discuss issues, understand the concerns from all of the interests that will be affected by the CALFED Bay-Delta Program, and provide recommendations to CALFED in developing balanced alternatives for addressing water problems in the Bay-Delta.

Since its creation from May 1995, BDAC has been engaged in providing input on the elements of the CALFED solution including: water use efficiency, water quality, storage and conveyance, levee stability, and the nexus between ecosystem restoration and flood management. There are also four BDAC sub-groups set up to address in more detail, policy issues related to program elements and other necessary and companion components of the CALFED package such as financing and assurances. These BDAC workgroups are also comprised of balanced representation from urban, agricultural, environmental, and business interests. In addition, BDAC has appointed a subcommittee, the Ecosystem Roundtable, to provide advice on near-term ecosystem restoration efforts.

3. The need for the funding currently requested in the President's budget

Although the CALFED program requires all parts of the long-term solution to move forward together, the CALFED agencies and stakeholder interests have recognized an immediate need to begin implementation of the ecosystem restoration element. Because the ecosystem restoration element is designed to serve as the foundation for all of the other program elements, immediate restoration action is necessary to achieve long-term water supply reliability and water quality benefits. There are ecosystem restoration projects and programs and water quality actions to improve ecosystem quality that can be undertaken now and will result in immediate ecological benefit. There are other projects that need to go forward now because of the considerable lead time necessary to produce species and habitat benefits.

The California Bay-Delta Water Coalition, including Santa Clara Valley Water District, strongly supports the Administration's budget request for funding the interim CALFED ecosystem restoration program. The Coalition believes it is critical that all of the parties to this process -- federal, state, local and stakeholder interests -- contribute financially to the CALFED Bay-Delta Program, and that full funding in support of the Administration's ecosystem restoration funding request is a crucial step in this regard.

4. Our assessment regarding the process by which funds -- both federal and non-federal -- will be allocated among competing potential projects

In order to help prioritize and allocate federal and non-federal funds among similar but competing needs, CALFED agencies have created a Restoration Coordination Program to receive stakeholder input such as those from the Ecosystem Roundtable. The Ecosystem Roundtable is an advisory group appointed under the Federal Advisory Committees Act (FACA) and is a sub-committee reporting to the Bay-Delta Advisory

Council (BDAC). The Ecosystem Roundtable is a balanced group representing the various interests involved in Bay-Delta issues and its mission is to advise CALFED on near-term ecosystem restoration project selection and coordination with other ongoing programs such as the CVPIA.

The project selection and funding prioritization process is being performed in a manner that fosters cooperative planning and implementation with all the federal, state, and local agencies and stakeholders. Prioritization is based on a rigorous evaluation of environmental needs, biological benefits, technical feasibility, cost effectiveness, potential environmental and third-party impacts, and consistency with CALFED goals for water quality, levee reliability, water use efficiency and water supply reliability. I believe that this Ecosystem Roundtable process is the most effective method for coordinating overlapping agency programs and for bringing in meaningful stakeholder involvement and buy-in.

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