GOVERNOR ARNOLD SCHWARZENEGGER

February 28, 2008

The Honorable Don Perata
President pro Tempore
California State Senate
State Capitol
Room 205
Sacramento, California 95814

The Honorable Darrell Steinberg
California State Senate
State Capitol
Room 4035
Sacramento, California 95814

The Honorable Mike Machado
California State Senate
State Capitol
Room 5066
Sacramento, California 95814

Dear Don, Mike and Darrell,

My administration has been working on solutions for addressing California's water supply and the environmental crisis in the Sacramento-San Joaquin Delta for more than two years. As you all have acknowledged during our negotiations on a comprehensive water infrastructure package over the last year, the heart of California's vital water supply system is in jeopardy of collapse without both immediate action and long term solutions to restore the ecosystem and protect water supplies.

I created the bipartisan Delta Vision Blue Ribbon Task Force by administrative action in 2006. The Task Force has issued its Vision and will develop a Strategic Plan to implement the Vision by the end of this year. In its recommendations, the Task Force identified a series of near-term actions that should be taken to protect the estuary, including studying the options for improving water transfer in the Delta. Far from acting unilaterally, my administration has been transparent in working with stakeholders and legislators on identifying both administrative and legislative actions that will be necessary to address the recommendations of the Task Force. As part of that effort, I will continue to negotiate in good faith with legislators on a comprehensive water infrastructure package.

To clarify the administrative actions we are considering as part of a comprehensive solution in the Delta, let me outline some of the key elements under development:

1. A plan to achieve a 20 percent reduction in per capita water use statewide by 2020. Conservation is one of the key ways to provide water for Californians and protect and improve the Delta ecosystem. A number of efforts are already underway to expand conservation programs, but I plan to direct state agencies to develop this more aggressive plan and implement it to the extent permitted by current law. I would welcome legislation to incorporate this goal into statute.

2. Protection of floodplain in the Delta. The Department of Water Resources (DWR) and other appropriate state agencies will expedite the evaluation and protection of critical floodplains. This action protects people and property, the existing water export system and the Delta ecosystem.

- **Policy guidance on Delta land use.** The Blue Ribbon Task Force made it clear that changing land use patterns may limit our ability to address critical issues with the existing water export system and the Delta ecosystem. Accordingly, I will ask the Delta Protection Commission to update their Land Use and Resource Management Plan and direct the Governor's Office of Planning & Research and the State Architect to develop model Delta land use guidelines for distribution to local governments.

- **Levee protection and standards.** DWR is actively involved in efforts to improve our flood protection and levee systems and, as part of this effort, should establish recommended standards for Delta levees.

3. Multi-agency Delta disaster planning. DWR, in coordination with the Office of Emergency Services, and other appropriate state agencies will develop and implement an emergency response plan and conduct a multi-agency disaster planning exercise in the Delta.

- **Contract for emergency response equipment and services.** I will authorize DWR to continue its efforts to obtain equipment and services including barge services, sheet piling and other flood fighting materials to respond to disasters in the Delta. In addition to my previous orders, we must expedite the placement of materials and supplies in and near the Delta, to improve our emergency response capabilities.

4. Expedite interim Delta actions. The Resources Agency, DWR, Department of Fish and Game and the State Water Resources Control Board have already begun efforts to help protect and restore Delta habitat and help water users cope with supply interruptions.

I will direct the Resources Agency to expedite the completion of the Bay Delta Conservation Plan (BDCP), including the environmental review and permitting activities. Ongoing Delta actions, in conjunction with these efforts, will provide a foundation to help conserve at-risk species and improve water supply reliability.

5. Water quality. While additional storage and improved conveyance can allow greater control of water flows that improve drinking water quality, more must be done. I will direct the State Water Resources Control Board to develop and implement a comprehensive program in the Delta to protect water quality.

6. Improvements to Delta water conveyance. DWR and other appropriate state agencies will soon begin the public process to study the alternatives available for improving the Delta water conveyance system. As part of this study, DWR must coordinate with BDCP efforts to recover at-risk species. DWR must also incorporate the issues of water supply reliability; seismic and flood durability; ecosystem health and resilience; water quality; and projected schedule, cost and funding in their options review, as suggested by the Task Force.

The Task Force recommended that we study a "dual conveyance facility" as a starting point. However I believe we must look at a full range of options for improving conveyance in the Delta.

Accordingly, I intend to direct DWR to proceed with the NEPA/CEQA analysis on at least four alternatives for Delta conveyance. They shall consider the following:

- The possibility of no new Delta conveyance facility;
- The possibility of a dual conveyance facility, as suggested by the Task Force;
- The possibility of an isolated facility;
- The possibility of substantial improvements and protections of the existing water export system, most often referred to as 'armoring the Delta' or a "through-Delta" solution.

7. **Water storage.** DWR will complete the feasibility studies for the CALFED storage projects including Temperance Flat, Sites Reservoir, and the Los Vaqueros expansion. Each of these projects, depending on how they are built and operated, can provide substantial public benefits. Unlike in the past, when local entities built storage facilities for their own benefit and with little state investment, the current deteriorating condition of the Delta and the statewide water system demand public investment in exchange for the public benefit the entire state will realize.

In addition, I will direct DWR to expedite funding for groundwater storage projects throughout the state that will improve water supply reliability.

Please know that I will continue to work with the Legislature and all stakeholders to develop a comprehensive solution to the crisis in the Delta, and I will act on administrative measures in a transparent manner at the appropriate time.

California's history is filled with innovators and problem solvers. In 2006, with Democrats and Republicans working together for a common cause, we added to that legacy by building up our infrastructure. We showed leadership, not for the benefit of our own ambitions, but for the future of the state. That's something that Californians weren't used to, and they responded forcefully, approving all of the bonds. It's time for us to put the state first and add another chapter to the history books. It's time to secure a safe, clean and reliable water supply for the next generation of Californians. We have a great opportunity, and the people are counting on us. Let's not let it pass.

Sincerely,

Arnold Schwarzenegger