

**Testimony of Walter J. Bishop
General Manager
Contra Costa Water District**

**Before the
House Resources Subcommittee on Water and Power
U. S. House of Representatives**

At the Oversight Hearing on

**The Immediate Federal and State Role in Addressing
Uncertain Water Deliveries for California and the Impacts on
California Communities**

Tuesday, January 29, 2008

Chairwoman Napolitano and Members of the Subcommittee:

On behalf of the Contra Costa Water District, I would like to thank the Committee for the opportunity to appear today to address the Delta crisis and immediate solutions for Delta sustainability.

Contra Costa Water District (CCWD) is 100 percent dependent on the Delta for water supplies serving 550,000 customers in Contra Costa County. Water quality in the Delta does naturally fluctuate depending on the time of year and amount of rainfall/snow melt; water quality in the Delta has also steadily declined over the years for various reasons.

Los Vaqueros Reservoir, Key to Water Management

In 1988, CCWD customers approved a local bond to build the Los Vaqueros Reservoir to store high quality water to blend with Delta water when water quality in the Delta declines. Intakes for the reservoir were built using state of the art fish screens to allow for water diversions without impacting sensitive fish species. An operational agreement with fish and wildlife agencies was also developed to ensure pumping occurred at times when sensitive fish were not present. This commitment from customers was in the interest of maintaining a consistent level of delivered drinking water quality without growing operating costs to treat source water, and fulfilling our Board's promise to implement a project that has a net environmental benefit.

Contra Costa Water District has successfully operated its Los Vaqueros Reservoir to protect fish, provide net environmental benefits to the Delta and increased yield for the Central Valley Project (CVP) for the past ten years, and is a model for future projects to promote Delta sustainability.

The design and operation of the screened intakes protect fish in the Delta. CCWD operates its facilities in strict compliance with regulations to protect Delta smelt and other fisheries. These operational restrictions include a 75 day period where the reservoir cannot be filled and diversions are restricted, and within that timeframe, another 30 day period where all of CCWD's diversions from the Delta are ceased for the sole purpose of protecting fish. CCWD works with the fish and wildlife agencies every year to determine the time to impose these restrictions that will best protect fish. Strict compliance with these operational constraints has been implemented for the past ten years, long before the crisis that is upon us was realized. The state-of-the-art fish screens, rigorous monitoring for entrainment of fish species, and operational constraints combine to make CCWD's operations safe for fish. This adaptive management program has been highly successful. In the ten years since the construction of the Old River screened intake, the District has diverted approximately one million acre feet of water and has only taken one Delta smelt larva and no salmon at its new intake.

Under current operations, as water quality in the Delta declines, CCWD blends high quality water from Los Vaqueros with Delta water to maintain consistent water quality in delivered water. Operation of the reservoir created increased yield for the Federal CVP at no cost. As water quality in the Delta continues to decline, CCWD will be more dependent on Los Vaqueros, resulting in draining the reservoir more frequently and longer pumping periods to replenish the reservoir resources. CCWD is building a new, \$100 million, state of the art screened alternate intake to counteract this impact. This decline in water quality will also require CCWD to further adjust operations to protect sensitive fish species.

Los Vaqueros Expansion

The expansion of the Los Vaqueros Reservoir is a critical solution to operational flexibility in the Delta. In March 2004, 63 percent of the rate payers of Contra Costa County agreed and voted to move forward with the project and expand the reservoir.

The ideal location of Los Vaqueros Reservoir in the western Delta, combined with the use of positive barrier fish-screens at the intakes that serve the reservoir and a connection to the South Bay Aqueduct, will provide additional flexibility to an already constrained system. An expanded Los Vaqueros offers an opportunity to reliably convey water through the Delta at times when pumping at the State and Federal pumps is curtailed by regulatory actions. Due to the use of the state-of-the-art fish screens and low velocity intake pumps, operation of the Los Vaqueros Reservoir in the Delta would not impact sensitive Delta fish populations and would not be subject to the restrictions on flows defined in the recent decision by Judge Wanger. The location of Los Vaqueros Reservoir in the Delta would also improve system flexibility by allowing re-diversion and storage of water released to meet environmental requirements upstream of the Delta. This south of Delta storage also acts as an insurance policy to provide water to the Bay Area in times of emergency when water cannot be diverted from the Delta. The expansion, like the original Los Vaqueros, will provide a benefit to fish, improved water quality, drought reliability and increased yield.

Later this year, CCWD will certify its EIR for the expansion of Los Vaqueros reservoir. All feasibility studies demonstrate that an expansion of Los Vaqueros can provide significant regional benefits to water quality, reliability and the availability of environmental water all at a reasonable cost. While we were sorely disappointed that the Bureau of Reclamation zeroed out its funding request for this fiscal year to complete the federal EIS, we are gratified that Congress saw the benefits of completing this EIS and provided sufficient funds to obtain a Record of Decision. After discussions with Reclamation however, it is highly uncertain whether they will be able to move quickly enough to catch up to the District's timeline for a decision whether they wish to purchase water from an expanded Los Vaqueros reservoir. At a time when future needs for federal environmental water are increasing and given the uncertainties of future supplies, it is disappointing that the federal agencies may be precluded from the benefits of expanding Los Vaqueros because they cannot make a timely decision.

Immediate Actions to Protect the Delta

The crashing populations of Delta smelt and other species coupled with the Federal Court decision has reduced statewide water supplies. The District is proactively managing a difficult situation but this decision has an impact on CCWD as well.

The District took immediate action this spring by voluntarily reducing pumping by 20% in areas that may have been considered sensitive for fisheries. This voluntary action is consistent with the District's policy to operate its Delta intakes for the protection of fish, and went beyond strict compliance with the requirements of the Los Vaqueros Biological Opinion and with all regulations. No taking of protected Delta smelt at CCWD facilities occurred as a result of CCWD operations during the period when State and Federal pumping was curtailed, whereas export pumps continued to experience significant taking of smelt.

The evidence presented to and accepted by Judge Wanger indicates the problems are caused by the export pumps, which do not have positive barrier screens, and not by CCWD's pumping. However, while the District continues to operate its facilities with no impact on Delta fisheries, the Federal court decision will have a financial impact on CCWD which will be more dependent on water stored in the Los Vaqueros Reservoir. So far this year, the District has lost about 6,000 acre feet of stored water supply due to increased reservoir releases and decreased reservoir filling opportunities, and we may lose another 30,000 acre feet by the end of June. This represents a total of about 30 percent of the District's annual Delta diversions and if replacement water of equal quality were to be available the cost impact would be approximately \$12 million.

Last year, the District developed a Comprehensive Delta Plan which identified projects for immediate implementation that would reconcile competing interests, improve and preserve all the beneficial uses of the Delta. These projects not only address critical issues in the Delta, they lay a foundation for any of the proposed long-term visions for the Delta. Immediate Delta actions have not been implemented even though funding is in place. They have now become emergency response projects and are needed now to reverse the deterioration in the Delta.

The crashing populations of Delta smelt and other species, the Federal Court decision (Judge Wanger) that has reduced statewide water supplies, and the lack of preparedness for a highly probable seismic or other flood event that will disrupt water supplies for an extended period have amplified the need for action to emergency levels. We are all aware that there is currently no plan for dealing with a flood emergency in the Delta. We are all aware of the significant deterioration in Delta habitat quality that has led to the recent serious decline in the populations of pelagic organisms. We are all aware that water quality in the Delta has deteriorated over the past two decades and that water supply reliability for agriculture and the 23 million Californians who depend on the Delta is threatened by recent events. Climate change is making solutions for these issues even more difficult.

We are now in crisis mode and CCWD has identified four projects that are critical as emergency response actions. These projects deal with many of the critical issues

addressed as part of Judge Wanger's decision. These issues cannot wait for lengthy discussions, planning and feasibility studies that will follow the Delta Vision process and other ongoing studies. Decisive, emergency actions are needed now. These emergency response projects can be built within 24 months and will immediately reduce flood risks, provide immediate benefits for fisheries, water supplies and water quality and offer a solution to solving future water cutbacks. In order to qualify as emergency response projects, each project must produce results within the next two years and meet the following criteria:

- Have a certified EIR or ability to obtain complete environmental documentation within six to eight months;
- Have permits in place or ability to obtain all necessary permits within six to eight months;
- Have funding through existing bonds, authorizations or local matches;
- Have construction completed and operating within 24 months or less.

The following is a list of Emergency Response actions that address the critical Delta issues. All of these projects have funding in place, can begin construction over the next 12 months and produce results in the next 2 years. These projects will bring over \$500 million of construction combined, quickly creating 10,000 new jobs for the economy.

Flood and Levee Failure

Emergency Preparedness: minimize the impacts of Delta levee failures and flooding

- Freshwater flows in the Delta must be protected and quickly restored after a major emergency such as a seismic event or flood. Protection of the transportation corridors, aqueducts and railroads is essential. Stockpiling materials for repairs and channel barriers at key locations in the Delta will reduce or prevent salt water intrusion immediately after levee failures and allow quick restoration of fresh water supplies to the 23 million Californians dependent on the Delta for water.
- Protecting water supplies and important infrastructure corridors (including Highway 4, Aqueducts and railroads), requires stockpiling materials and building cutoff levees in a key corridor. Costs are approximately \$200 to \$300 million.

Delta Quality and Smelt Recovery

Franks Tract Pilot Project for fish and water quality

- This project could have eliminated or reduced the impact on export pumping last year had it been in place because it would have reduced or eliminated the movement of smelt into an area where they were moved near the export pumps by the tides.
- A Franks Tract project (False River barrier) will reduce Delta salinity intrusion in the fall and provide substantial fish benefits in winter and spring.

- Fish Benefits: when fish are located in the San Joaquin River downstream near Franks Tract (as Delta smelt were in May of 2007), installation and operation of barriers will reduce entrainment of delta smelt at the export pumps by keeping the fish in the lower San Joaquin River and preventing their entry into Old River.
- In fall, the barrier will reduce seawater intrusion by the same mechanism: keeping the seawater out of Old River.
- A pilot project will cost approximately \$20 million and a permanent operable barrier is \$60 million.

CCWD Alternative Intake Project

- Provides Delta Fisheries benefits by allowing operational flexibility in pumping locations when sensitive fish species are present in the Delta.
- Protects water quality during emergencies by providing an separate intake that will provide fresh, safe drinking water when other Delta intakes are impacted by an emergency and unable to operate.
- Improves water quality for Contra Costa Water District's 550,000 customers and water supply reliability for up to 8 million Bay Area residents through existing, permitted interties with other Bay Area water agencies.
- Reduces construction time for Los Vaqueros Reservoir Expansion.
- Total cost is \$110 million, \$60 million pledged by CCWD and \$50 million earmarked in voter approved Proposition 84 funding.

Demonstration fish protection screen project at Clifton Court Forebay

- Reduces entrainment and predation losses in Clifton Court Forebay and the Banks Pumping Plant with capacity of not less than 500 cfs.
- Provides for monitoring to determine its effectiveness in reducing entrainment, salvage and predation of aquatic species.
- Would also be used to evaluate the effectiveness of project implementation under partnership agreements.

Emergency response projects Delta actions have broad support from a variety of stakeholders.

At the State level, the Delta Vision Blue Ribbon Task Force recommendations include Emergency Response Actions and the Governor's infrastructure plan for the Delta included these actions. At the local level in Contra Costa County, the Contra Costa Council, a business advocacy organization, adopted Delta Vision Principles including call for Emergency Response Actions and our local communities support Emergency Response Actions to sustain California's quality of life, the economy of the state, and public health; protect people, environment and fish, and guarantee fresh flows of water into and through the Delta.

Implementing these projects now does not foreclose or promote any future scenario for the Delta; rather they make the decisions easier. Funding and building these projects will provide definable assets for the State of California which fulfills the desire of the voters who passed the bonds to rebuild the state's infrastructure.

An important principle for both good public policy and good business is to avoid investments in assets that become non-performing or stranded. These projects meet this important principle and help ensure future decisions on the Delta will meet it as well. These actions provide for investments in assets that provide immediate benefits and those assets will continue to provide benefits in the future. The projects will provide immediate benefits on the critical issues facing the Delta. All will continue to provide benefits over the next 15 to 20 years as new projects are studied and built as part of a long-term Delta Vision and all will continue to be valuable assets in the 50 to 100-year term of the Delta Vision regardless of the scenario chosen.

Just as important, these projects lay the foundation for making the decisions on a Delta Vision. They will help answer important questions regarding habitat and ecosystem restoration in areas where we are currently struggling: Can salinity be improved at low water cost in the Delta? Are the fundamental factors causing the pelagic organism decline related to take at the pumps, or is it Delta flows, Delta water quality or habitat location? Putting these projects in place now will help provide information that will be necessary in making sound decisions not just on what to build in the future, but how best to stage those investments and how best to operate the system. Failure to make these investments now risks making future decisions with inadequate information and can lead to poor decisions and poor investments.

To take action most efficiently and quickly, the Federal government can direct funding to be used to implement the emergency response projects in partnerships with local entities.

These projects should be made a priority for funding and implementation. In order to streamline the implementation of these projects and to assess the effectiveness of partnerships in carrying out projects of this nature, CCWD believes that many of the projects warrant implementation through contracts with local agencies that have an interest in their success. The projects should be used to evaluate not just the effectiveness in meeting goals but also the effectiveness of implementation under local partnership agreements. A complete assessment of the projects should be required along with submission of a report describing the benefits and costs of expanding the projects and describing the efficacy of the partnerships with the local contracting agency for implementation.

The Federal government should direct restoration funds in the Delta on a priority basis for projects such as Franks Tract through the Central Valley Project Improvement Act Restoration Fund; require the Environmental Protection Agency, under the Clean Water Act, to address toxicity issues in the Delta, such as wastewater and other discharges; and

author legislation to reduce the likelihood of new invasive species being introduced to the system.

There are several Water Resources Development Act (WRDA) authorized projects that can move quickly to reduce Delta flood risk. Most significantly are levees owned by the U.S. Bureau of Reclamation similar to those that failed recently in Nevada. Projects that can move immediately to reduce flood risk and create jobs for the economy should get priority.

These emergency response projects address the most critical issues facing the Delta, providing an immediate course of action that establishes a sound foundation for making future decisions on what the Delta should be 20 years from now and 50 years from now thereby providing a better future for the Delta and all who depend on it.