

POLICY STATEMENT

submitted by

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Honorable Members of the State Water Resources Control Board:

First, thank you for considering these Policy Statements from Delta area residents. We've been waiting for several years for state agencies or bodies involved in the important Delta water and tunnels issue to take our input seriously. Over the past nine years, going as far back as the Blue Ribbon Task Force on the Delta, many Delta residents have frequently provided oral and/or written testimony at hearings and we've participated in informational meetings. Some of us have lodged countless hours doing so. Much of it was recorded by the state sponsoring agency with the assurance that we would each receive a response from the agency to our input or question. No one I know has ever received such a response or any other indication that the input we provided was even read. To the contrary, all indications show that our input has been ignored while key decisions have been made without us. We who will be affected most by the proposed transformation of the Delta – think of it as “ground zero” -- want our input to be taken as though we know what we're talking about -- because we do. And so, we thank you for conducting these hearings and taking seriously our concerns on these important and highly-charged issues. Although the specific issue in these hearings is whether to grant permits to divert north Delta Sacramento River water into two humongous tunnels, there are other closely related policy and human misery issues that will be affected by your decision on the diversion permits.

My family has resided in Walnut Grove for more than 30 years. My family, and most of the families participating in these hearings, chose to and appreciate living in small Delta communities, with their friendly people, agricultural environment, volunteer fire departments, and their annual throw-back pieces of Americana – like the Pear Fair, and the 4th of July Parade, where patriotically decorated fire trucks and homemade floats wind through the residential streets, and families, friends, and guests gather near the firehouse to enjoy popsicles and popcorn, and social activities that people have engaged in since back in the day.

My first concern with Governor Brown's current California Water/Fix goes back 10 years to Governor Schwarzenegger's Delta Vision project that led to the 2006 creation of the Blue Ribbon Task Force on the Delta. The Task Force released a strategic plan in 2008 calling for two co-equal goals as the state's foundational policy for sustainable management of water passing through the Delta. Those co-equal goals were/are: providing a safe and reliable water supply to central and southern California, while simultaneously enabling the restoration of the ecosystem of the Delta (including improving wildlife populations and habitats.)

But the Blue Ribbon Task Force's strategic plan calling for two co-equal goals was informed by a political reality – namely, that Central and Southern California farmers, businesses, and homeowners needed water from Northern California passing through the Delta (i.e., a safe and reliable water supply.) At the same time, it was recognized that the 1982 ballot measure proposing the building of a peripheral canal to bring Delta water south was defeated largely by opposition from the environmental organizations and their many supporters, who didn't perceive the 1982 canal proposal as restoring the ecosystem of the Delta. So, in order for a new proposed conveyance moving Delta water south to be successful this time around, the two co-equal goals formula was conceived. Although these two co-equal goals were set forth in statute in 2009, and are therefore beyond the State Water Resources Control Board's authority to ignore, they were then and will forever be utterly incompatible with one another.

Jumping forward a few years, the co-equal goals were given a conceptual physical conveyance structure that now involves three out-take mechanisms taking and transporting as much as 9,000 cubic feet per second of Sacramento River water through two side-by-side 33-foot-in-diameter pipes (twin tunnels) laid 150 feet beneath the earth, and running 37 miles to the state and federal pumping stations near Tracy. We are concerned that even though the water agencies operating south of the Tracy pumps say they would never utilize the full 9,000 cfs of water out of the Sacramento River or during dry years, they would indeed have the capacity to do so in pursuit of providing a reliable water supply to their customers. Furthermore, as *Sacramento Bee* Editor Stuart Leavenworth wrote on 6/24/12, "The reality is, water contractors would never allow (a limitation on water) exports after spending \$14 billion" (on the project's construction.) "Once the facility is built, they'd unleash enormous political pressure to maximize the amount of water they could divert..." We believe that to be true.

This potential diversion of Sacramento River water from three north Delta out-take mechanisms and receiving forebay, which would then that water through the tunnels, would surely impair the project's ability to comply with the other co-equal goal: the restoration of the Delta's ecosystem. This is a main reason that so many environmental organizations now oppose the construction of the twin tunnels, even though their initial goal was the restoration of the Delta's ecosystem. If we were to continue to have more drought years, and the water agencies operating south of the Delta needed water for their customers, the effect of sending that much water through the tunnels over a sustained period of time would be to reduce major amounts of water flowing through the river below the out-take facilities, and causing the water remaining in the river to be too warm for the survival of several endangered fish species. The reduced amount of water flowing in the river would also allow more salt water from the Bay to back-up into the river itself, raising salinity levels too high for farmers to irrigate their crops.

The Blue Ribbon Task Force's recommendation, and the Legislature's enacting into statute the two so-called co-equal (but incompatible) goals was primarily a political response to California's most difficult and persistent challenge. Despite Governor Brown's recent heavy-handed push to expand and move the project forward regardless of continuing major scientific concerns by experts, it is sadly lacking in scientific merit. It needs more scientific study and should not advance until these problems are ironed out. What will we, and more importantly our children and grandchildren, do with an enormous, deeply-laid, and hugely expensive (discussed below) twin tunnels infrastructure when it becomes clear in the future that it is not only not working, but actually causing more harm?

My Second Concern is the continued stating by the Department of Water Resources, and repeated by the media (including the Sacramento Bee's front page article this past Sunday) that the cost of constructing this mega-project will be \$15 to \$15.5 billion. Here is one reason we are concerned that the now repeated \$15.5 billion figure is not realistic, and as such does a disservice to the people of California.

"After the 1989 Loma Prieta earthquake that rocked the Bay Area, officials got serious about rebuilding the vulnerable Bay Bridge connecting San Francisco and Oakland. The first

cost estimates, released in 1995, figured both east and west spans of the bridge could be upgraded for a caddy \$250 million. By the time the new east span opened in September 2013 the price tag for that span alone had reached a reported \$6.7 billion. Just your run-of-the-mill rise of 2,500 percent.”

“From \$250 million to \$6.5 Billion: The Bay Bridge Cost Overrun – A new book offers insights on how yet another huge Mega-project soared way over budget.” Eric Jaffe, CITYLAB, Oct. 13, 2015, <http://www.citylab.com/politics/2015/10/from-250-million-to-65-billion-the-bay-bridge-cost-overrun/410254/>

With mega-government infrastructure projects running routinely over-budget by vast amounts of money, we can see a similarity on the horizon between the construction costs overruns of the new Oakland Bay Bridge and what will surely happen with the proposed California Water/Fix project.

In September, 2011, representatives from the federal Department of Interior, the state Natural Resources Agency and a number of water agencies met and signed a planning agreement stating the cost of construction would be \$12 billion.

Just one and a half years later (in early 2013) the state Department of Water Resources reported that construction costs would be \$15 billion.

And in July, 2015, the Director of the Department of Water Resources stated publicly that the project’s cost “likely would rise to \$15.5 billion.”

That’s an estimated \$3.5 billion increase in less than four years.

It is critically important that the estimated cost figure of the tunnels’ construction be as realistic and accurate as humanly possible. The water agencies south of the Delta will be paying for the construction of the out-takes facilities, the forebay, and all aspects of the drilling, dirt and muck excavation and disposal, 37-miles of tunneling, the costs and labor of laying and connecting the giant pipes, and everything associated with construction of the twin tunnel infrastructure. The water agencies will then be passing those costs on to their customers/ratepayers. With this in mind, here is some background that suggests the Department of Water Resources and the water agencies responsible for estimating the project’s construction costs are hiding the ball by hanging on

deliberately to low cost estimates for fear that their rate-payers will rise up in arms and oppose the project in its tracks before it gets underway.

A consultant's report in August, 2009 -- when it was conceptually a peripheral canal, not yet its current twin-tunnels iteration -- said the cost of such a project "could run anywhere from \$23.3 billion to \$53.8 billion." Mr. Fitzgerald, writing for the *Stockton Record*, went on to say, "I predict costs will soar up to three times that much."

(Michael Fitzgerald, "Peripheral Canal Project getting bigger, unbelievable by the minute," Oct. 11, 2009, http://www.recordnet.com/app/pbcs.dll/article?AID=/20091011/A_NEWS083/9101103)

Yet the question remains, who in the Department of Water Resources has the skill or experience to calculate how much it will cost to construct the Governor's proposed twin-tunnels' project? Speaking at a tunneling conference earlier in the issue's debate, the Department of Water Resources' own chief engineer opined that "constructability challenges" will "(push) the state of the art of tunneling projects in North America." He could have said "in the entire world." The construction of the Chunnel running under the English Channel between Dover, England and Calais, France, the longest undersea tunnel in the world, but an altogether smaller and less complicated project than the proposed Delta Water/Fix tunnels, costed \$21 billion.

Yet here we are some 10-years into the twin tunnels discussion and the Department of Water Resources either can't or won't state publicly a realistic figure of how much the construction of the tunnels will cost. And even though the water agencies operating south of the Delta might recognize that the construction costs of the twin-tunnels project will likely be considerably higher than the current \$15.5 billion, they won't say so publicly for fear of arousing a rebellion by their customers/rate payers who would be paying the bill on an ongoing basis. Already, the head of the Kern County Water Agency, the largest recipient of Delta water, and the Director of the San Luis & Delta Mendota Water Authority, have publicly stated that their agencies aren't convinced that the tunnels project pencil out financially versus the amount of water they might receive from it.

My Third Concern (and last in this Policy Statement) is the deleterious impact this out-sized twin-tunnels construction project will have on Delta residents, businesses, agriculture, tourism, and recreation during the project's originally-estimated **10-year** construction period. But even now, well before construction was to begin, Delta area residents have been living with the twin-tunnels project hanging over their heads since 2006. It has depressed home values, home sales, new construction, and even home renovations. If the project ultimately goes forward, the state would take by eminent domain private property, including private homes and agricultural land, that lie in the broad path of the tunnels -- not a comforting thought for homeowners. Still worse for all of us in the Delta -- and this is key -- in July, 2015, the head of the Department of Water Resources said that construction could take not 10 years, but 14 years.

But wait, what about the lawsuits? There have already been a few, but we've not seen anything like what's coming. Right now there is too much that is unsettled; the project is still a moving target. Once the final plan is clear, there will be many lawsuits. How far each case will go and how many years it will take to resolve each one is anybody's guess, but the best guess would be a matter of years.

So, let's assume that with preliminary tunnel planning still ongoing, the last lawsuit is not resolved until around 2022. And let's assume -- purely for purpose of discussion -- that the outcome of all the litigation is that construction of the twin-tunnels project can move forward. What will life be like for people living, working, farming, touring, fishing and recreating in and around the Delta, especially from Freeport south through Rio Vista? Even without any unexpected delays, construction could run through 2036. During construction, huge tunnel-boring machines would every day be loudly excavating dirt and muck from 150 feet below the earth, and a steady flow of big trucks will be moving more than 30 million cubic yards of that dirt and muck, along Delta roads, and depositing it on a site somewhere within the Delta. <http://www.businessinsider.com/ap-things-to-know-about-californias-giant-twin-tunnels-project-2016-3>. With these harmful alterations to the Delta -- and space not permitting a more complete description of the pain that 14 years of construction will actually impose, how will the ecosystem of the largest estuary in the western United States fare, all the way

down 37 miles to the state and federal pumping stations near Tracy? In 2036, will anyone then remember the Delta smelt and other endangered fish species that once inhabited Delta waterways and were back 30-years earlier the seminal reasons for one of the co-equal goals? And after 14 years of loud and land-and-water-altering tunnel construction, will thousands of ducks and cranes continue to spend time each year in the Delta estuary? Whatever happened with that co-equal goal about restoring the ecosystem of the Delta?

But there is another viable option. Dr. Jeffrey Michaels, Ph.D., is Professor of Economics, and Director of the University of the Pacific's Center for Business and Policy Research. In 2012, the Center published a major study for the Delta Protection Commission titled the [Economic Sustainability Plan for the Sacramento-San Joaquin Delta](#). The report points out that a much more effective and practical compliance with the BDCP's co-equal goals, while at the same time being much quicker to complete and many times less expensive than the then-\$12 billion construction costs, is to make seismic levee upgrades in the Delta. Dr. Michaels and geotechnical engineer Dr. Robert Pyke wrote in a Sacramento Bee article (March 25, 2012) that "it makes more sense to invest an estimated \$2 billion to \$4 billion on improved levees that provide multiple economic and environmental benefits, and would save lives in a disaster." Regrettably, Michaels and Pyke also stated, "although the Bay Delta Conservation Plan is evaluating other alternatives, it is not currently (2012) examining seismic-levee upgrades as a component of an overall solution" We hope the Water Board will take this into consideration.

Conclusion: In conclusion, it is my hope that this policy statement on just a few of the heavy burdens this mega-project's deficiencies will impose on people living, working, and visiting the Delta will provide the members of the State Water Resources Control Board some food for thought. There are alternative approaches more effective, much less expensive, and quicker to achieve than the monster project that is the California Water/Fix. You have the capacity to put the monster out of its misery sooner than later, and save the people of California billions of dollars and the good people of the Delta much heartache and inconvenience. Thank you for your attention and consideration. Dave Stirling