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Owner, Sierra Orchards

November 23, 2011

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The Honorable John Laird
California Natural Resources Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

The Honorable Charles Hoppin
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-0100

Mr. Mark Cowin, Director
California Department of Water Resources
P.O. Box 942836, Room 1115-1
Sacramento, CA 94236-0001

Dear Secretary Laird, Chairman Hoppin, and Director Cowin:

During the regular meeting of the California State Board of Food and Agriculture on October 26, 2011, invited experts made presentations to help the board evaluate opportunities and issues related to water transfers, water exchanges, as well as land management programs between irrigation districts serving agricultural regions of the state with urban agencies. The current system does not provide for the optimal and timely use of water transfers. As such, the Board desires a discussion with the California Natural Resources Agency, the State Water Resources Control Board and the California Department of Water Resources in order to:

- Potentially broaden the policy platform beyond the currently limited approach in the state approval process of individual water transfers - toward a system that would lead to the optimum management of existing conveyance and storage facilities.
- The envisioned new system would involve an efficient movement of water through a variety of exchanges, market transfers, and decentralized banking arrangements resulting in greater use of existing storage capacity throughout California and the delivery of water under greater optimum conditions meeting operational needs in our various crop-growing regions as well. This new system would also potentially attract private investment in storage and efficiency measures by growers and districts as well as their partners who could benefit from new opportunities in the marketing of water earned through efficiency.



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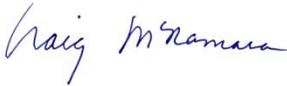
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- Identify possible strategies for overcoming short-comings in the state/federal permitting process on water transfers in order to formulate a matrix of permitting decisions that would reliably allow the timely movement of water.
- Specific recommended remedies include developing conditions for approval of a petition for long term consolidated place of use; development of a template application by state agencies involved in approval of transfers and exchanges that will allow for timely decisions so that approved deliveries can take place in an expedited manner.

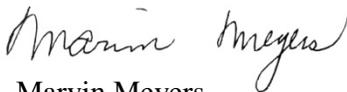
The California Roundtable on Water and Food Supply is a group of stakeholders that is looking into the efficient use of our current infrastructure and best management practices as a means of providing agriculture with a more reliable supply of water. The task force developed a check-list of issues related to water transfers that we also would like to evaluate in partnership with the Natural Resources Agency, State Water Resources Board, and the Department of Water Resources.

The current approach to managing water and operating storage and conveyance facilities does not result in the optimal use of water. We hope that you will accept our invitation to discuss the areas of concerns and remedies we are expressing so that we may properly advise the Governor and Secretary of Food and Agriculture about the state of water transfers and how we can make better use of the facilities we currently have at our disposal.

Sincerely,



Craig McNamara
President



Marvin Meyers
Chair
Water Subcommittee

cc: The Honorable Karen Ross