

L. Snow
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January 6, 2006

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Mr. Lester Snow
Director
Department of Water Resources
P.O. Box 942836
Sacramento, CA 94236-0001

RE: South Delta Improvements Program

Dear Director Snow,

On behalf of the Orange County Business Council, I am writing today to express our organization's support for the Department of Water Resources' (DWR) South Delta Improvements Program (SDIP), a critical water supply, water quality and environmental project designed to meet California's projected water needs. This October, DWR and the U.S. Bureau of Reclamation released a draft Environmental Impact Report/Statement (EIR/S) for SDIP, kicking off an important public review and comment process.

Orange County Business Council member companies represent approximately 200,000 employees in Orange County and 2,000,000 employees worldwide. With over 3 million residents, Orange County is the fifth largest County in the nation, second largest County in the state, and more densely populated than any metropolitan area in California but for San Francisco. Orange County's economy produces a gross product of over \$150 billion per year, more than many countries such as Ireland and Thailand. Like the growth within all of California, Orange County's population growth is consistent and predictable. In fact, most of our population growth is from children being born to families already living and working in Orange County. Further, because of Orange County's strong economy, our businesses, local governments, and most importantly, growing Orange County families, are proactively planning for and trying to accommodate this region's growing population.

As you know, California is facing a critical challenge: We need a safe, reliable and high quality water supply to keep pace with our growing population and trillion-dollar economy. However, we have limited water supplies in our arid state, so we must better utilize our existing water resources and infrastructure. Without good planning and better utilization of water resources, our communities, businesses, environment, and prosperity will be at risk. Two-thirds of California receives its water from the San Francisco Bay/Sacramento-San Joaquin Delta. Given its importance, we need better ways to manage the Delta's water delivery system, as well as the water itself.

In 2000, the state and federal governments initiated the historic CalFed Bay-Delta Program to manage the Bay-Delta's water resources and eco-system. A unique collaboration of interests supported the plan including environmental organizations,

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water agencies, business interests, farmers, and state and federal water and fish agencies. SDIP is the next step forward in this long-term planning effort for the Bay-Delta.

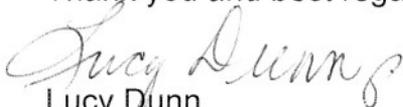
SDIP is a responsible and balanced plan to better utilize and integrate our existing water management infrastructure in the Delta. Collectively, it will improve our state's water supply reliability, water quality and the overall health of the Bay-Delta ecosystem. SDIP is an ideal option for California to advance – it will not require building a new project or the construction of major new infrastructure. And, funding for the program has already been secured through passage of voter approved bonds in 2000.

Given all these points, SDIP is supported by a statewide, broad coalition of water, agriculture, business, planning organizations, and local government officials including the Association of California Water Agencies, State Water Contractors, California Chamber of Commerce, California Business Properties Association and the Western Growers Association.

Water is the lifeblood of California – critical to our businesses, economy, and families. It is our responsibility to use this precious resource wisely through all possible best management practices, including water conservation, recycling and storage, to ensure California's water future. It is imperative that we have a more flexible water delivery system so that we can continue to accommodate growth in our population and economy while relying on existing water supplies.

Again, we strongly support SDIP and encourage all key stakeholders to help advance this critically needed project.

Thank you and best regards,



Lucy Dunn
President and CEO
Orange County Business Council

cc: Hon. Governor Arnold Schwarzenegger
Mr. Ryan Brodderick, Director, California Department of Fish and Game
Mr. Mike Chrisman, Secretary, California Resources Agency
Mr. Joe Grindstaff, Director, California Bay-Delta Authority
Mr. Kirk Rodgers, Regional Director, Mid-Pacific Region, U.S. Bureau of Reclamation
Mr. Dan Skopec, Deputy Cabinet Secretary, Office of the Governor
Mr. Terry Tamminen, Cabinet Secretary, Office of the Governor

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