



May 28th, 2014

The Honorable Felipe Fuentes
Chair, Energy & Environment Committee
Los Angeles City Council
200 North Spring Street, Room 455
Los Angeles, CA 90012

Re: SUPPORT – Council File 12-1909-S1: City Comments on Bay Delta Conservation Plan Environmental Impact Statement/Environmental Impact Report

Dear Councilmember Fuentes:

We, the undersigned Los Angeles business associations, write to collectively express our support for the Bay Delta Conservation Plan (“BDCP”) and Alternative #4 as outlined in its Draft Environmental Impact Report/Environmental Impact Statement (“EIR/EIS”).

Securing a long-term, reliable baseline supply of water for the City of Los Angeles (“L.A.”) is of paramount importance to our organizations and members. Many of L.A.’s core economic sectors, such as entertainment, tourism, manufacturing, and hospitality are dependent on a reliable and affordable water supply. We are concerned that more than half of L.A.’s current water supply is in jeopardy due to fragile levees and ecosystem deterioration in the Sacramento-San Joaquin Delta (“Delta”). We believe a natural disaster, extended drought conditions, or further degradation of the ecosystem in the Delta could jeopardize L.A.’s \$1 trillion regional economy.

L.A.’s business community supports policies and investments that reduce L.A.’s reliance on imported water. However, as noted in the L.A. Department of Water and Power’s (“DWP”) 2010 Urban Water Management Plan (“Plan”), “although the City plans to reduce its reliance on Metropolitan Water District of Southern California’s supply, [DWP] has made significant investments in MWD anticipating that the City will continue to rely on the wholesaler to meet its current and future supplemental water needs.” According to the plan, DWP plans to procure 25% of its water supply from MWD in fiscal year 2034-35 despite increasing its current mix of local supplies up from 11% to nearly one-third. Given L.A.’s current and future reliance on imported water, we encourage the City to help the state and federal government identify a solution to the current challenges impacting the Delta that benefits L.A.

We believe, after careful consideration, that BDCP EIR/EIS Alternative #4 best helps resolve both the conveyance and ecosystem concerns in the Delta. Alternative #4 will provide for three new intakes on the Sacramento River in the northern Delta, as well as a 9,000 cubic feet per second tunnel system to convey water to the existing aqueduct system. This proposed construction will protect public water supplies if a seismic event were to trigger levee breaks and cause saltwater to intrude from San Francisco Bay, guaranteeing vital water access to the potential 25 million people and 3 million acres of prime farmland that would be affected in the event of an earthquake.

Additionally, Alternative #4 would mandate a comprehensive habitat conservation plan for the Delta. The new intakes in the northern Delta will reduce conflicts between water systems and migrating fish species such as salmon, and habitat improvements will provide native species with the healthy ecosystems they need to survive. This along with the proposed tunnel system will best meet California's co-equal goals of improving water supply reliability and the Delta ecosystem.


Alternative #4 is a smart and prudent investment for L.A. that will provide a needed update to our 50-year old state water system. The cost, spread among water users from the Bay Area to San Diego, is projected to be \$5 per household each month phased in over the course of ten years. In L.A., the cost is estimated to be about \$2 per household each month according to a recent analysis conducted by the DWP's Ratepayer Advocate. \$2-5 per household is an insurance policy L.A.'s business community is willing to invest in because the price of inaction is even greater.

We understand that a project of such magnitude will require some difficult decisions and compromise between stakeholders in L.A. with varying priorities. However, L.A. cannot sit idly by while other local governments and stakeholders across the state decide the fate of a project that will profoundly impact our city and region. As we continue to face one of the worst droughts in our state's history, we need to ensure that we are preparing for future generations. After eight years of development, refinement and review, it's time to get BDCP across the finish line. We urge you to join us in supporting this critically important project for L.A.

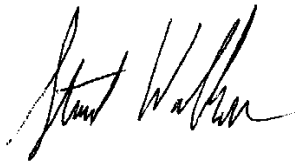
Sincerely,



Tracy Rafter
CEO
Los Angeles County Business Federation



Gary Toebben
President & CEO
Los Angeles Area Chamber of Commerce



Stuart Waldman
President
Valley Industry and Commerce Association



Carol Schatz
President & CEO
Central City Association of Los Angeles

CC: Honorable Eric Garcetti
Honorable Gilbert Cedillo
Honorable Paul Krekorian
Honorable Bob Blumenfield
Honorable Tom LaBonge
Honorable Paul Koretz
Honorable Nury Martinez
Honorable Bernard Parks

Honorable Curren D. Price, Jr.
Honorable Herb J. Wesson, Jr.
Honorable Mike Bonin
Honorable Mitchell Englander
Honorable Mitch O'Farrell
Honorable Jose Huizar
Honorable Joe Buscaino