

Transparency is not alive and well in the WaterFix tunnels realm

The League (LWVC) promotes transparency in government, but transparency is not alive and well in the WaterFix tunnels realm. For more than three years, LWVC has criticized the Delta tunnels project (“WaterFix”) for the project’s lack of transparency, as well as the failure to assess the project’s economic, social and environmental costs and benefits. (WaterFix would bore two 40-foot-wide tunnels, each 35 miles long under the Delta to carry water south.)

For over nine years, the State Legislative Analyst’s Office (LAO) has called for more transparency and legislative oversight of the way the Department of Water Resources (DWR) manages the State Water Project (SWP), because DWR expenditures are not currently subject to ongoing legislative review and approval.^[1] (SWP projects include dams—such as Oroville—and of course WaterFix.) In 2009, LAO criticized DWR for “lacking checks and balances that would help ensure accountability” in SWP budgets and recommended “an appropriate level of legislative fiscal and policy oversight....” The LAO recommendations for legislative oversight of the SWP have not, to date, been acted on.

The effects of the lack of oversight became painfully evident on September 11, when a state joint legislative committee, meeting without a quorum and with no power to change the outcome, was pressured into scheduling an "informational" hearing on the SWP contracts. The mere fact that the hearing was held—with no further legislative input required—removed contractual obstacles to approval of the WaterFix tunnels project. As a consequence of that hearing, terms of the State Water Project contracts can be changed by DWR to allow water projects built after 1987—think WaterFix—to be paid for with bond monies. If WaterFix moves forward, and if it is legally determined to be part of the SWP, the project could be funded through bonds, or other means such as an ad valorem real property tax on taxpayers by local water agencies. This change will supply critically needed funding for the still-escalating cost of the \$19.9 billion tunnels.

With DWR’s ability to spend SWP funds for operations and capital outlay expenditures, but with no concomitant opportunity for legislators, taxpayers and ratepayers to weigh in on the contract changes—or on the WaterFix tunnels themselves—transparency continues to be badly served in this process. League has opposed WaterFix for many good reasons, perhaps transparency foremost among them.

[1]https://lao.ca.gov/2009/rsrc/Reforming_Davis-Dolwig/Davis-Dolwig_030909.aspx, see especially, "LAO Recommends Bringing the State Water Project 'On Budget'" in a box towards the end of the article.