

**Congress of the United States**  
**Washington, DC 20515**

September 10, 2018

The Honorable Toni Atkins  
California Senate President pro Tempore  
State Capitol, Room 205  
Sacramento, CA 95814

The Honorable Holly Mitchell  
Chair, Joint Legislative Budget Committee  
State Capitol, Room 5080  
Sacramento, CA 95814

The Honorable Anthony Rendon  
California Assembly Speaker  
State Capitol, Room 219  
Sacramento, CA 95814

The Honorable Phil Ting  
Vice Chair, Joint Legislative Budget Committee  
State Capitol, Room 6026  
Sacramento, CA 95814

RE: Hearing on Department of Water Resources: Proposed Water Supply Contract Extensions  
& Amendments

Dear Pro Tem Atkins, Speaker Rendon, Chair Mitchell, and Vice Chair Ting:

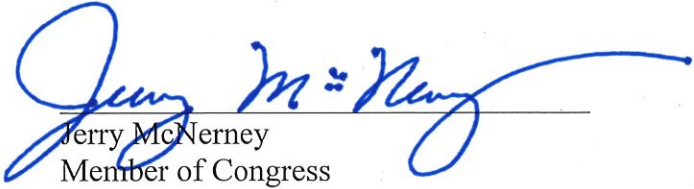
As Californians and Members of Congress, we are writing to request that the Joint Legislative Budget Committee (“Committee”) hearing, which was originally scheduled for August 30<sup>th</sup> and postponed until September 11<sup>th</sup>, be canceled pending a ruling by the Sacramento County Superior Court on the Department of Water Resources’ (DWR) validation action for the California WaterFix project. In its validation action, DWR is asking the court to affirm that it has the legal authority to issue bonds to pay for the \$17 billion twin tunnels project.

By holding this hearing, the Committee would take the first step towards extending the State Water Project (SWP) contract through 2085. It is our view that this step is premature, as the current SWP contract does not expire for an additional seventeen years. It is clear that DWR’s request for a contract extension is rooted in its desire to bond for the cost of WaterFix as it is unlikely that DWR will find lenders to issue bonds that will mature beyond the life of its contract, which in this case, is seventeen years. Such a bond would have higher financing costs than a thirty-year bond. Until there is a determination on DWR’s validation action, the Committee lacks the information needed to make such a significant and costly decision.

Additionally, we are deeply concerned about the exorbitant cost of this project and the lack of transparency throughout this process. Should the hearing be held, and the project move forward, Californians would be saddled with billions of dollars in debt without further input from the state legislature or the public.

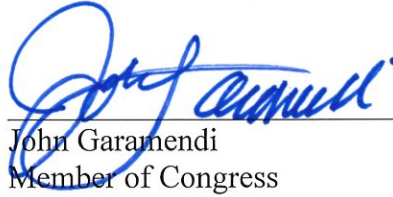
Until the court rules on the validity of DWR's claim, the Committee is pushing this project forward with insufficient information, and we strongly urge the cancellation of this hearing.

Sincerely,



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Jerry McNerney  
Member of Congress



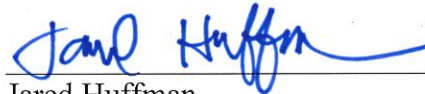
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John Garamendi  
Member of Congress



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Mark DeSaulnier  
Member of Congress



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Jared Huffman  
Member of Congress

CC: Senator Patricia Bates  
Senator Jean Fuller  
Senator Ricardo Lara  
Senator William W. Monning  
Senator Jim Nielsen  
Senator Richard Pan  
Senator Nancy Skinner  
Assemblymember Dr. Joaquin Arambula  
Assemblymember Richard Bloom  
Assemblymember Rocky J. Chavez  
Assemblymember Kevin McCarty  
Assemblymember Melissa Melendez  
Assemblymember Jay Obernolte  
Assemblymember Dr. Shirley Weber