

DEPARTMENT OF WATER RESOURCES

ITEM 253 of the Budget Bill

Budget page 635

FOR SUPPORT OF DEPARTMENT OF WATER RESOURCES
FROM THE GENERAL FUND

Amount requested	\$5,585,693
Estimated to be expended in 1959-60 fiscal year	5,804,613
Decrease (3.8 percent)	\$218,920
TOTAL RECOMMENDED REDUCTION	\$317,295
Summary of Recommended Reductions	
	<i>Budget</i>
	<i>Amount Page Line</i>
General administration	
Assistant chief, Division of Administration	\$20,000 635 68
Basic data programs	
General reduction	150,000 647 79
Sacramento River Trial Distribution	70,000 647 56
Other projects and activities	
Investigations for other state agencies	77,295 652 48

ANALYSIS

The total support program of the Department of Water Resources is \$22,200,802 in 1960-61, an increase of approximately \$2,500,000 over the current year. The total number of positions increases by 120, including those established as a result of augmentations to the current year budget by the 1959 General Session. Total authorized positions requested in 1960-61 is 1,924.

There is major improvement in the presentation of the department's budget for next fiscal year, with all support expenditures shown under seven programs:

General administration—the management of departmental activities;

Technical co-ordination—departmentwide co-ordination of engineering, scientific and technical specialties;

California water planning program—study and analysis of the needs and development of recommendations for water development projects;

California water development program—construction of projects authorized by the Legislature;

Basic data program—collection, recording, and analysis of data bearing upon the quantity, quality, and availability of water;

Services to other agencies—studies, investigations, and construction for other agencies conducted on a reimbursable basis; and

Other projects and activities—statutory and regulatory activities, and other projects unrelated to, or not directly connected with, the major programs.

The department's expenditures by organization and by object are shown in the appendix of the Governor's Budget.

Under the general administration program, the department is requesting funds for a new position of assistant chief, Division of Administration. A new position of deputy director-administration and management was added by the 1959 Legislature. For several years, there has been in existence a position of assistant director whose major duties are in the field of administration and management. These two positions in the director's office, plus the position of chief of the Division of Administration, should be sufficient without adding a fourth top level layer of supervision by establishing an assistant division chief.

Department of Water Resources—Continued

No specific justification has been advanced for the new position. *We recommend that \$20,000 be removed from the budget to eliminate this new position of assistant chief, Division of Administration.*

In the past we have repeatedly pointed out the need for the department to give attention to the capital records problem of accounting for its construction expenditures. Next year's budget request still makes no provision to meet this problem.

For the past four years we have urged the department to lay out fundamental needs and significant guides to an adequate but economical program for collecting data on weather conditions, streamflows, ground water levels, water quality and related fields of mapping, geology, land and water use, etc. This program should have been integrated with the activities of other agencies so as to show the appropriate role the department could play. During the past year the requested report was finally completed. Unfortunately, the report primarily reviews present arrangements with other interested agencies for the collection of data and then goes on to certain broad assertions about further expansion of the department's activities. It does not contain the basis for a program.

Our original request for formulation of a basic data program by the department was to permit judging the adequacy of present data-gathering activities and to assure that essential work was provided for in the budget. Each year's budget has contained substantial increases for basic data work. The 1960-61 request is \$2,121,621 compared to \$1,546,579 for 1959-60. Approximately \$400,000 of the increase is for program expansion. We have concluded that this program will continue its growth unless some policies or guides are established. Since the department has not established restraints upon this program, we feel that it is necessary to look elsewhere for such restraints. The problems involved are highly technical and cover a variety of specialized fields which are beyond the competence of existing staff in the Department of Finance or the Legislature. Assistance from the outside appears to be the only solution.

Indicative of some of the problems involved are the following examples:

- a. The basic data report makes no reference to radar tracking of storms, yet within months of issuing the report, the department installed a radar weather station in co-operation with the United States Weather Bureau. So far as we can determine, no money was ever budgeted for this activity.
- b. The basic data report makes no reference to fault-strain and seismic work. However, the current year's budget contains money for expensive seismographs and next year's budget contains funds for large amounts of new seismic equipment. There is now a geologic staff in both the Division of Resources Planning and in the Division of Design and Construction working on seismic problems. Our review of equipment requests revealed that both staffs were requesting expensive new equipment to study the identical geographic areas. The future extent of this program is obscure.

Department of Water Resources—Continued

- c. The basic data report states that "no requirements for immediate expansion of the department's geological programs is anticipated." Next year's budget requests three new positions for geologic supervision and "special assignments."
- d. The basic data report indicates only moderate expansion of the co-operative work with the Geological Survey to collect data on sedimentation. Next year's budget requests funds to initiate a new program of sedimentation studies "in an area of need not to be covered by the co-operative studies of the Geological Survey."

In addition to the above inconsistencies in program formulation, evaluating the requests for new activities in basic data and related programs contained in next year's budget involves many highly technical considerations such as noted below. All quotations are from the Governor's Budget.

- a. Power Planning. "The preparation of a formalized manual of methods and procedures for making power studies will be initiated in 1960. Studies of integrated power operation of the Northern and Southern California power markets, using electronic computers, will also be started."
- b. "Meteorology co-ordination will continue at approximately the same level during the 1960-61 fiscal year as in the preceding year, with integration of the climatological data and snow survey programs into the work of the department as primary objectives."
- c. Applied Nuclear Engineering. "Emphasis during the 1960-61 fiscal year will be on studies of the application of nuclear energy for pumping, as a source of heat and electricity, together with corollary studies of hazards, waste disposal, etc."
- d. Ground Water Measurement. "The objectives are . . . to gradually extend water level measurements and collection of other basic ground water data to all significant ground water basins in the State. . . . Principal additional work will comprise the incorporation of the well measurement programs currently conducted as part of the Northeastern Counties Ground Water Investigation into the sustaining activity of the unit."
- e. Co-operative Snow Surveys. "Snow course maps are being redrawn and distributed; a summary of all historical snow data is being published; and a number of runoff forecast schemes are being reviewed and revised. . . . New forecast schemes will be completed for streams not presently being forecast. A project will be started to investigate the effects of rainfall on snow."
- f. Climatologic Data. "The promotion of increased weather data collection in record-deficient areas through co-operating agencies and individuals. The job of collecting, reviewing and editing all evaporation records in California is being started."
- g. Reclamation of Water From Wastes. "During 1960-61 the activity will be expanded to keep pace with the increasing discharge of waste water."

Department of Water Resources—Continued

- h. Crustal Strain and Fault Movement. "To co-ordinate and support the work of other agencies engaged in engineering seismology and general seismological activities and to add activities as needed to provide overall solutions to engineering problems concerned with seismicity as soon as practicable."
- i. Beach Erosion. "Investigations of complaints of beach conditions, furnishing information concerning beach erosion to interested parties, and co-ordination of plans of counties for beach development and erosion control."
- j. Sea Water Conversion. "The department will provide liaison service among the various agencies involved."
- k. Flood Control Forecasting. "The purpose of this program is to effectively co-ordinate the operations of flood control projects between the various agencies responsible for their operation."

The basic data program is the heart of many of the department's activities. Its strength and weaknesses penetrate into many facets of departmental work. For example, the collection, analysis and interpretation of water quality data is the foundation of the State's entire water pollution program, yet the type, extent and frequency of such water testing has never been worked out and agreed upon among the interested agencies, nor is there any program for dividing the workload of securing the data among the various state and local agencies active in water pollution.

There is seemingly no limit to the data which can be collected and analyzed. We have pointed out this problem in the past and it occurs dramatically again in the department's budget for next year. As just one example, last year the Legislature directed the department to begin the Sacramento River Water Pollution Survey. The department is spending \$134,290 in the current year and requests \$283,571 for next year. The justification states: "Detailed plans for accomplishment of this study will be prepared in 1959-60. Since a water pollution survey of this extent and magnitude is unprecedented, a consultant, or a board of consultants, may be required to provide guidance to final details of the planning and to prosecution of the study." It is apparent that the investigation is already growing and its known costs exceed \$417,000 at this time. Although there are other problems involved in the rapidly increasing costs of water pollution control among the several state agencies, one area that needs careful study and delineation is the collection of water quality samples.

Another field of rapidly growing departmental activity is the investigation of ground water conditions. Collecting and analyzing data on ground water conditions is not the same as working with surface conditions since ground water is a part of the real property on the surface. The private gain accruing to real property from investigations of ground water basins is not clear nor is there any clarification of the type of data the department might appropriately collect or what it should do with such data as a matter of state interest. An evaluation

Department of Water Resources—Continued

of the technical data involved and an understanding of its value to property owners is a necessary step to solving some of these ground water policy problems.

Another departmental program which is rooted in data gathering is the rapidly increasing work on flood control forecasting, budgeted at \$154,347 in 1959-60 and increased to \$245,417 in 1960-61. This, in turn, is related to the technical problems of the communications network for reporting flood data and also for use in voice communication. Page 709 of our analysis last year made specific recommendations concerning the department's purchase of a large number of new mobile radios. The acceptance of these recommendations by the Senate Finance and Assembly Ways and Means Committees, as well as the Departments of Finance and Water Resources has not been honored by the Departments of Finance and Water Resources. To the best of our knowledge, new equipment is being purchased without regard to the above agreement. In addition, substantial further new communications equipment is included in next year's budget request.

One final problem is the use the department makes of its data and facilities in reviewing the work of other agencies. Next year's budget requests substantial increases as follows:

	1959-60	1960-61
Review of federal reports-----	\$132,019	\$138,989
Review of local claims for reimbursement on federal flood control works-----	175,847	238,433
Review of applications for assistance under Davis- Grunsky Act -----	29,455	211,546
	<u>\$337,321</u>	<u>\$588,968</u>

The review of federal reports and review of applications under the Davis-Grunsky Act should be analyzed to assure that only a minimum of appropriate work is undertaken.

The above reasons, and others not listed, lead us to recommend that \$150,000 be removed from the department's basic data program and be used by the Legislature to finance an independent study by a consulting firm centered around the department's basic data program. This study should define the basic data problem, explore the role and relative responsibilities of state, federal and local basic data-gathering activities, establish guides and priorities to basic data gathering, and explore the application of basic data in certain highly technical problem areas. The alternative is an ever-expanding and more costly program, the technical adequacy and sufficiency of which have not been demonstrated.

For many years the department has spent large sums for the collection and analysis of data on diversions and rights to water along the Sacramento River and in the Delta. The announced objective was to arrive at an agreement between the water users and the Bureau of Reclamation on the basis of which the State Water Rights Board could issue a permit to the Bureau of Reclamation for features of the Central Valley Project. Hearings on the Sacramento River and Delta have now been started by the State Water Rights Board and the board has

Department of Water Resources—Continued

scheduled these hearings for completion by the middle of next fiscal year. The department's work is budgeted at \$165,000 during the current year and at \$147,000 during next year. Money is, therefore, being requested for a full year's work, even though there is only a contingent need for such work. *It is recommended that the request be cut in half or reduced by \$70,000 to limit the availability of funds to the contingent workload.*

It is recommended that other projects and activities be reduced by \$77,295. Investigations for other state agencies increases approximately \$22,000 over the current year but only \$1,000 of the increase is reimbursed to the department. Next year's budget provides for \$978,000 in services to other agencies which is reimbursed. The request for \$77,295 is in addition and is for work the department performs for other agencies which these agencies will not pay for. If the agencies for whom the work is being performed will not pay for it, we see no reason to perform the work and the request should be reduced accordingly.

DEPARTMENT OF WATER RESOURCES

ITEM 254 of the Budget Bill

Budget page 653

FOR WORK IN CO-OPERATION WITH THE FEDERAL
GOVERNMENT FROM THE GENERAL FUND

Amount requested	\$1,228,685
Estimated to be expended in 1959-60 fiscal year	1,154,763
Increase (6.4 percent)	\$73,922
TOTAL RECOMMENDED REDUCTION	\$30,000

Summary of Recommended Reductions

	Amount	Budget Page	Line
Leveling in subsidence areas	\$30,000	654	65

Leveling in Subsidence Areas

The department's work in co-operation with the federal government contains a new project in the amount of \$30,000 requested for a co-operative program between the United States Coast and Geodetic Survey to conduct surveys and investigations of subsidence in the San Joaquin and Santa Clara Valleys, the Delta region and the Long Beach area. The department states: "The location and scheduling of operations will be mutually decided upon by the co-operating agencies and costs will be shared equally. Data obtained under this program is vital to safe and economic design of canals, aqueducts and other engineering structures in the State." *Until the program has been specified and can be reviewed for budgetary purposes, we recommend that no funds be appropriated. The item should be reduced by \$30,000.*

DEPARTMENT OF WATER RESOURCES

ITEM 255 of the Budget Bill

Budget page 647

FOR SACRAMENTO WATER POLLUTION STUDY
FROM THE CALIFORNIA WATER FUND

Amount requested	\$283,571
Estimated to be expended in 1959-60 fiscal year	134,290
Increase (111.2 percent)	\$149,281

TOTAL RECOMMENDED REDUCTION..... None

ANALYSIS

The sum of \$283,571 is being requested by this budget item to finance the second year of the Sacramento Water Pollution Study. This study was authorized by Chapter 1909, Statutes of 1959, which appropriated \$130,000 for the study. *Approval is recommended.*

DEPARTMENT OF WATER RESOURCES

ITEM 256 of the Budget Bill

Budget page 637

FOR CALIFORNIA WATER PLANNING PROGRAM
FROM THE CALIFORNIA WATER FUND

Amount requested	\$3,773,792
Estimated to be expended in 1959-60 fiscal year	3,931,594
Decrease (4.0 percent)	\$157,802

TOTAL RECOMMENDED REDUCTION..... \$73,628

Summary of Recommended Reductions

	Amount	Page	Line
Reconnaissance surveys, priority planning	\$28,796	641	26
Project planning, San Diego (net)	44,832	642	48

ANALYSIS

Neither the request for \$28,796 for reconnaissance surveys or the \$44,832 for project planning in San Diego are justified in the Governor's Budget. We understand that the San Diego work is for a flood control plan for the San Diego area. Flood control planning and construction have traditionally been the responsibility of the U.S. Corps of Engineers, who have already done work in the San Diego area, and not the responsibility of the Department of Water Resources. *We recommend that both requests be deleted from the budget and the item be reduced by \$73,628.*

We feel that the attention of the Legislature should be called to the increasing delays in issuing certain important planning reports. Large sums of money have been appropriated for extensive investigations of areas in the State where important water resources development problems exist and the department has had major work underway in these areas for several years. Important public controversies exist regarding some of these areas and public policy decisions are about to be made, but the published reports of the department are not available.

The most conspicuous example of this problem is the Upper Feather River investigation on which more than \$750,000 has been spent. The final report was originally scheduled for publication in June 1958 but

California Water Planning Program—Continued

has not been released to date. In the meantime, controversy exists over the development of the Middle Fork of the Feather River but the California public does not have the benefit of the extensive work the department has done in the area. If the report is not released until after the controversy is settled, the department's work will have missed its most valuable use. The North Coastal area studies, particularly with respect to the Eel River, is developing into another case. The department's work on the Yuba and Bear Rivers may be another case unless the projected interim report is released in 1960 as scheduled. *It is recommended that whenever an investigation exceeds three years in duration, an interim report be published by the department every two years.*

The following table shows the Water Development Planning Program by investigation, category or degree of thoroughness of investigation, completion date, and estimated expenditures. A comparison of this table with a similar one published on page 717 of last year's analysis shows three significant changes: the category has been reduced on many investigations, most completion dates have been substantially extended, and expenditures have not been closely similar to the original budgeted amount.

California Water Development Planning Program
Department of Water Resources—Fiscal Year 1960-61

Project	Category	Completion date	Estimated expenditures		
			1958-59	1959-60	1960-61
North Coastal Development					
Investigation -----	3	1/70	\$270,393	\$271,567	\$354,789
Upper Sacramento River Development -----	2	1/63	154,667	146,816	182,486
Yuba and Bear River Development -----	2	1/63	288,921	146,269	179,903
Parks Bar Studies -----	--	Completed	49,211	--	--
Northeast Counties Ground Water					
Investigation -----	Information	7/61	154,413	154,862	40,480
Mokelumne, Stanislaus, and Calaveras River Basin Investigation -----	2	7/61	222,843	127,397	46,573
Cache Creek Basin Investigation -----	2	--*	70,094	66,547	--
Mariposa Area Investigation -----	2	7/61	141,845	122,855	54,716
Tuolumne County Water District					
No. 2 Co-operative Investigation -----	2	--†	61,880	79,306	--
Upper Tule River Co-operative					
Investigation -----	1	--‡	1,101	3,899	--
Shasta County Co-operative					
Investigation -----	2	--‡	27,774	8,559	--
Upper Feather River Basin					
Investigation -----	2	--‡	82,935	--	--
Branscomb Investigation -----	2	--*	49,874	63,511	--
Southern Tuolumne County					
Co-operative Investigation -----	2	--†	26,859	32,743	--
Shasta Valley Investigation -----	2	--‡	75,380	--	--
Upper Pit River Investigation -----	2	--‡	48,802	--	--
City of San Diego Co-operative					
Investigation -----	--	Completed	12,760	--	--
Colusa Basin Studies -----	2	7/62	--	42,640	51,236

* Report to be printed in 1960-61.

† Continues as Tuolumne County Investigation.

‡ Report to be published prior to July 1960 subject to prior review by local agencies.

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Water Resources

California Water Development Planning Program
Department of Water Resources—Fiscal Year 1960-61—Continued

Project	Category	Completion date	Estimated expenditures		
			1958-59	1959-60	1960-61
Stockton and East San Joaquin Water District Investigation----	--	Completed	\$1,725	--	--
Monterey County Investigation-----	--	Completed	1,847	--	--
Salinity Control Barrier Investigation-----	3	7/61	246,348	\$271,878	\$275,611
Delta Levees Investigation-----	Information	7/61	--	126,534	57,199
Western Delta Investigation-----	2	1/61	--	129,603	83,613
Staging and Programming-----	Information Continuing		263,726	204,284	361,893
Central Valley Operations-----	Information Continuing		71,046	94,100	137,095
Aqueduct Design-----	Program Suspended		29,023	47,742	--
Sacramento Valley Seepage Investigation-----	2	7/63	--	47,208	93,726
San Joaquin Valley Drainage Investigation-----	3	7/63	314,055	360,005	426,872
Lower San Joaquin Water Quality Investigation-----	Information	7/60 §	14,230	30,856	--
Southern Alameda Salt Water Intrusion Investigation-----	--	Completed	190,807	--	--
Inventory of Water Resources and Requirements-----	Information Continuing		333,456	399,982	497,098
Trial Distribution, Sacramento River-----	Information	7/61	128,621	165,693	--
Trial Distribution, Feather River-----	Information	7/61	71,665	71,067	--
West Walker River Investigation-----	Information	7/60	8,140	4,528	1,076
Water Reclamation Studies-----	Information Continuing		--	--	52,304
Sea Water Intrusion Investigation-----	Information Continuing		--	118,042	109,329
Vegetative Water Use Study-----	Information Continuing		--	153,180	240,548
Recurring Land Use Study-----	Information—To be reactivated when required.		--	15,820	--
Urban Related Water Use Study-----	Information Continuing		--	30,000	62,263
Land and Water Use Studies, Southern California-----	Information Continuing		--	--	86,653
Unit Water Use Studies, Southern California-----	Information Continuing		--	14,000	29,821
Ground Water Basin Studies-----	Information Continuing		--	152,417	214,968
Central Basin Hydrologic Investigation-----	--§	--	--	109,714	115,001
Project Planning-----	1¶	Continuing	--	--	78,543
Madera Area Investigation-----	2¶	7/64	--	--	63,203
Upper Putah Creek Investigation-----	2¶	7/64	--	--	56,516
Dunsmuir-Mt. Shasta Area Investigation-----	2¶	7/64	--	--	54,638
Alameda County Investigation-----	2¶	7/61	--	--	10,000
Tuolumne County Investigation-----	2¶	7/61	--	--	31,457

§ Report to be printed in 1960-61.

¶ Category subject to review in light of Davis-Grunsky Act and other legislation.

DEPARTMENT OF WATER RESOURCES**ITEM 257 of the Budget Bill**

Budget page 642

FOR CALIFORNIA WATER DEVELOPMENT PROGRAM
FROM THE CALIFORNIA WATER FUND

Amount requested ----- \$5,814,541
 Estimated to be expended in 1959-60 fiscal year ----- 4,136,159

Increase (40.6 percent) ----- \$1,678,382

TOTAL RECOMMENDED REDUCTION----- None

California Water Development Program—Continued

ANALYSIS

This budget item finances the staff and related expenses of the capital outlay portion of the Division of Design and Construction. The contract construction funds are in the capital outlay portion of the budget as in past years. The use of this new budget item permits the staffing and related expenses of the construction program to be controlled on an annual basis. Previously, capital outlay appropriations had a three-year availability which made the control of positions most difficult.

The major increases in this budget item for 1960-61 are for design and construction supervision at Oroville Dam and Reservoir, San Luis Dam and Reservoir, the San Joaquin-Southern California Aqueduct and for right-of-way acquisition along the San Joaquin-Southern California Aqueduct.

Approval of this item is dependent on the decision to appropriate all the funds requested in the capital outlay portion of the budget.

DEPARTMENT OF WATER RESOURCES

ITEM 258 of the Budget Bill

Budget page 649

FOR OTHER PROJECTS AND ACTIVITIES FROM THE CALIFORNIA WATER FUND

Amount requested	\$509,546
Estimated to be expended in 1959-60 fiscal year	70,441
Increase (623.4 percent)	\$439,105

TOTAL RECOMMENDED REDUCTION..... **None**

ANALYSIS

The program known as "other projects and activities" is financed from both the General Fund and the California Water Fund. The General Fund portion is included in the support budget of the Department of Water Resources and is analyzed as part of that budget item. This item appropriates the portion of the "other projects and activities" program which comes from the California Water Fund. Because of revisions in the budget format this year, the large increase in this item is not especially significant. *Approval is recommended.*

COLORADO RIVER BOARD

ITEM 259 of the Budget Bill

Budget page 660

FOR SUPPORT OF COLORADO RIVER BOARD FROM THE GENERAL FUND

Amount requested	\$237,784
Estimated to be expended in 1959-60 fiscal year	231,304
Increase (2.8 percent)	\$6,480

TOTAL RECOMMENDED REDUCTION..... **\$23,895**

	<i>Amount</i>	<i>Page</i>	<i>Budget Line</i>
Unallocated	\$20,000	661	49
Operating Expenses			
Printing	3,895	661	33

Colorado River Board—Continued

ANALYSIS

The budget request of this agency for 1960-61 poses two major problems just as it has in past years and as was commented upon at some length in the Analysis of the Budget Bill for 1959-60. These problem areas and related recommendations briefly are:

1. *It is recommended that the budget request of the board be reduced by the amount of \$20,000, with the Department of Finance to determine the allocation of the reduction.* The nature of the board's budget does not permit the specification of what line items in the budget should be reduced. Rather, it appears the reduction will have to be spread over a number of items.

The budgetary history of this agency has been characterized by overestimation of fiscal needs. The magnitude and consistency of annual unexpended balances makes it highly improbable that unforeseeable circumstances or prudent fiscal practices leading to unexpected savings are the cause of annual surpluses. Last year's Analysis, on page 726, carried a table which showed the board as having an excess of appropriations over expenditures, ranging between \$17,788 and \$34,561, for every year since 1949-50, with the average being \$34,561. Appropriation and unexpended balance figures for 1958-59 continue the pattern, with the unexpended balance at the end of the year being \$53,642.

A detailed review of the breakdown of the unexpended balances provides no consistent record of where they are occurring but rather shows an uneven pattern of deficits and surpluses on individual items from year to year. While the board was concentrating much of its effort in the suit of *Arizona v. California* a case could possibly be made that it was not possible to predict suit-related costs and, therefore, a financial cushion was necessary. Suit-related activity has been dropping off rapidly, as indicated by the table supplied by the board in its supporting budget text, but the record of budget surpluses has continued. This long record of overbudgeting is totally inconsistent with sound management policies and budgeting.

2. *The future role of the board in state government.* In recent years the board's function has undergone fundamental changes. In 1937, when it was created, the board was charged with the general responsibility of protecting California's rights to the waters of the Colorado River. In 1952, when the suit of *Arizona v. California* was instituted, the board entered a period of major expansion, with both appropriations and authorized positions doubling by 1955-56. The suit is now concluding and the board's suit-related costs have declined from \$109,330 in 1957-58 to \$24,256 proposed for 1960-61. At the same time, the board's estimate of the costs of nonsuit-related activities has jumped from \$131,106 in 1957-58 to \$225,274 proposed for 1960-61. The increase in the cost of nonsuit activities between 1957-58 and 1960-61 is 72 percent. With the virtual elimination of a major workload responsibility (the suit), the board shows no indication of materially reducing staff or budget but appears to be concentrating its expanded facilities, developed for the suit, on other work. This

Colorado River Board—Continued

can only be construed as a major increase in a level of service which has been undertaken by the agency on its own initiative.

There is a fundamental question posed by the changing composition of the board's workload. In 1957-58, at the time the board was heavily involved in the suit, almost half its entire budget was devoted to this activity. Only about 10 percent of the funds requested for 1960-61 are allocated to suit-related activity. This change in the board's function brings into clear focus the question of its future role in state government.

In hearings before the Assembly Interim Committee on Government Organization in 1955 on the subject of the formation of a Department of Water Resources, the question of the board's independent status and its possible inclusion in the department was the subject of considerable testimony, including the following exchange:

"Chairman Weinberger: So the point that occurs to me is that possibly after the litigation is over, the need for the Colorado River Board to continue as an independent agency in safeguarding the rights . . . to one of the important water sources of the State, would be a matter of statewide interest and something that possibly could be well handled in an integrated department.

"Mr. Matthew (Chief Engineer, Colorado River Board): Well, I would think, sir, that that would be something you could determine when that time arises."

The suit is now in the hands of the master appointed by the Supreme Court and his report to the Court is expected in 1960.

Operating Expenses

It is recommended that the board's request for printing be reduced by \$3,895. In 1958-59, the most recent year for which actual printing cost figures are available, the board expended \$1,507 for this item. In the interim, according to the Department of Finance price increase letter, printing costs have increased 6.5 percent. This price increase would justify an increase to \$1,605 in 1960-61 in the board's budget for this item, not to the \$5,500 requested.

The reason for the substantial increase in this item is the board's intention to print 80,000 copies of a pamphlet entitled "California's Stake in the Colorado River," a publication which has been in print for many years. The necessity for distribution of this publication is not clear nor does the board explain its relationship to the board's function of protecting the water rights of the six water districts it represents. The board gives no indication of the distribution of this publication, but there seems little likelihood that the federal government and the public agencies in other states, who are California's competitors for Colorado River water, or the courts will be influenced to give the board's position more consideration than they have in the past.

KLAMATH RIVER COMPACT COMMISSION

ITEM 260 of the Budget Bill

Budget page 661

**FOR SUPPORT OF KLAMATH RIVER COMPACT COMMISSION
FROM THE GENERAL FUND**

Amount requested	\$572
Estimated to be expended in 1959-60 fiscal year	2,343
Decrease (75.5 percent)	\$1,771

TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

These funds are requested as necessary to meet California's share of the cost of the commission in 1960-61. The cost is shared by California and Oregon. *Approval of this request is recommended.*

In 1957, \$12,000 was appropriated to meet California's initial share of the cost of the commission. It was expected this appropriation would be exhausted in 1959-60, and an additional \$2,323 was appropriated in 1959. The expenditure figures in the budget do not present an accurate record of the commission's fiscal history, as they show funds deposited in a trust account rather than actual or estimated expenditures. Actual expenditures in 1958-59 were \$1,267, estimated expenditures in 1959-60 are \$6,840 and proposed expenditures for 1960-61 are \$6,165. The proposed program for 1960-61 includes \$1,000 for a sanitary study of the Klamath River, \$2,500 for a land use study, \$2,500 for administrative services secured from the Department of Water Resources under a service agreement and \$165 for equipment. The 1960-61 program is substantially the same as that for 1959-60.

The Klamath River Basin Compact was adopted by California and Oregon and approved by Congress in 1957. The representative of the United States serves as chairman of the commission. The service agreement with the Department of Water Resources is for clerical and related services required by the chairman.

CALIFORNIA-NEVADA INTERSTATE COMPACT COMMISSION

ITEM 261 of the Budget Bill

Budget page 662

**FOR SUPPORT OF CALIFORNIA-NEVADA INTERSTATE COMPACT
COMMISSION FROM THE GENERAL FUND**

Amount requested	\$94,840
Estimated to be expended in 1959-60 fiscal year	101,928
Decrease (7.0 percent)	\$7,088

TOTAL RECOMMENDED REDUCTION	\$20,000
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Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
Services by Department of Water Resources	\$20,000	663	6

ANALYSIS

The present status of the negotiations between the respective commissions of California and Nevada is that a basic draft of the proposed compact relative to the distribution of the waters of Lake Tahoe, and

California-Nevada Interstate Compact Commission—Continued

the Truckee, Carson and Walker Rivers is scheduled to be completed before the end of 1959-60. A final draft of compact is to be submitted to the legislature of both states in 1962. The year 1960-61, according to the commission, will see the final phase of negotiations.

As in past year, approximately 90 percent of the present budget request, or \$85,890, is for services from the Department of Water Resources. For 1960-61, the commission indicates that staff may be required to make final studies on the effects of allocations of water, preparation of maps to be incorporated by reference into the compact and of reports and data to support the proposed compact when it is presented to interested agencies and groups. The department may also be requested to supply technical information to the compact drafting committee and administrative services to the commission.

It is recommended that \$20,000 be deleted from the commission's request for services from the Department of Water Resources. Since 1956-57 the Department of Water Resources has maintained what is, in effect, a staff of six engineering man-years, and one clerk, under the supervision of a part-time principal and supervising engineer, to serve the commission. It is proposed, according to the department and commission, to continue this staffing at its present strength through 1960-61. This budget request is apparently based on the fiscal requirements of the staff rather than the cost of actual services required by the commission. In view of the terminal nature of the commission's program during the 1960-61 fiscal year, it is highly improbable that this level of staffing will be required and a full-time staff, in any event, should not be provided in the budget to serve a variable workload.

The amount requested for services from the department for 1960-61 is \$85,890. This is \$16,430 more than was actually expended on this item in any previous year, including those years when engineering assistance required by the commission was at a peak. A review of past appropriations for this purpose and actual expenditures indicates that in every year but 1956-57, the first year it was budgeted, the commission has overbudgeted by a wide margin for services from the department. The excess of appropriation over expenditures in 1958-59 was \$28,226, or 42.6 percent. It appears, on the basis of expenditures in the first five months that similar overbudgeting exists for 1959-60. The above recommendation will allow an amount approximately equal to that expended in 1958-59 when engineering workload was at a higher level than can be expected in 1960-61.

RECLAMATION BOARD

ITEM 262 of the Bdget Bill

Budget page 657

FOR SUPPORT OF RECLAMATION BOARD
FROM THE GENERAL FUND

Amount requested	\$168,308
Estimated to be expended in 1959-60 fiscal year.....	166,294
Increase (1.2 percent).....	\$2,014
TOTAL RECOMMENDED REDUCTION.....	None

Reclamation Board—Continued

ANALYSIS

The Reclamation Board is requesting \$168,308, an increase of \$2,014 or 1.2 percent over estimated expenditures in 1959-60 and \$47,862, or 39.7 percent more than actual expenditures in 1958-59.

It is recommended that the budget request of the board be approved as submitted.

The board is requesting three new positions, one senior civil engineer and two engineering aids. The senior engineer position is proposed as necessary to effectuate certain organizational changes in the Right-of-way Engineering Section which, according to the board, are required to eliminate delays and costly change orders. The two engineering aid positions are proposed as required by increased workload.

WATER POLLUTION CONTROL BOARD

ITEM 263 of the Budget Bill

Budget page 663

FOR SUPPORT OF WATER POLLUTION CONTROL BOARD
FROM THE GENERAL FUND

Amount requested	\$912,820
Estimated to be expended in 1959-60 fiscal year	740,491

Increase (23.3 percent)	\$172,329
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TOTAL RECOMMENDED REDUCTION	\$42,930
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Summary of Recommended Reductions

Regional Boards	Amount	Budget Page	Line
3 Associate water pollution control engineer	\$24,336	664	41
1 Intermediate stenographer-clerk	3,810	664	43
1 Assistant civil engineer	6,672	664	42
1 Associate water pollution control engineer	8,112	664	34

ANALYSIS

The State Water Pollution Control Board request of \$912,820 is an increase of \$172,329 or 23.3 percent over estimated expenditures in 1959-60. The total expenditure estimate for 1960-61 includes \$100,202, of which \$14,100 is federal funds, for support of the state board, \$500,203 for the support of the nine regional water pollution control boards, \$307,500 for research in technical phases of water pollution control, including \$113,000 in federal funds, and \$132,015 for field and laboratory services by other agencies. These four major components of the board's total budget will be discussed separately below.

State Board and Services From Other Agencies

This budget proposes to continue the activity of the state board and the request for field and laboratory services from other agencies at essentially the same level as in 1959-60, with a small increase resulting from enactment of new legislation. *Approval of these requests is recommended.*

Regional Boards

It is not clear at this time what impact the 1959 amendments to the Water Pollution Act will have on the activities of the nine regional

Water Pollution Control Board—Continued

boards. Among other changes, the amendments provide the boards with authority to issue cease and desist orders, take summary abatement action and establish requirements for existing, as well as new or changed, discharges. The implications for the boards in terms of workload and personnel will not be known until after experience has been acquired in enforcing the amended act.

It is noted that of the three boards requesting new engineering positions for 1960-61, none have developed programs of local agency cooperation to any extent. A number of boards with urban and industrial complexes within their regions have delegated a large degree of responsibility for routine enforcement activities, such as reporting and monitoring, to nonstate agencies. This co-operative method of enforcing water pollution control requirements has proven workable and effective and has relieved board staffs for other duties. In practice, it has permitted a higher level of service by the boards with a minimum of staff.

The requests for new positions for regional boards are discussed separately for each board below.

San Francisco Bay Regional Board (No. 2)

- 2 Associate water pollution control engineer (budget page 664, line 41) ----- \$16,224
- 1 Intermediate stenographer-clerk (budget page 664, line 43) ----- \$3,810

The Regional Board is requesting these positions on the basis that they are required by workload under the Water Pollution Act as amended in 1959.

It is recommended that two associate water pollution control engineer and one intermediate stenographer-clerk positions be deleted for a reduction of \$20,034. The changes in the Water Pollution Act affect all nine boards equally except for size, yet only this board is requesting new positions on the grounds they are necessary to implement these changes. This board has not had any more experience with the amended law than the other regional boards which are not requesting new staff. Unless and until firm estimates of potential workload increases resulting from the amended law can be made for all regions, we do not believe that staffing should be allowed for one region. Apparently serious questions still exist concerning whether the recent amendments will affect workload or not.

This board has not developed to any extent a co-operative program of delegating responsibility to local agencies for monitoring and other enforcement activities. It is recommended that Regional Board No. 2 undertake a systematic and concerted program of organizing local agencies to assume the routine activity of water pollution control.

Central Valley Regional Board (No. 5)

- 1 Assistant civil engineer (budget page 664, line 42) ----- \$6,672

The Central Valley Regional Board is requesting one assistant engineer position on the basis that it is required by basic workload and would be utilized in a program to create a staff of full-time inspectors.

Water Pollution Control Board—Continued

This inspection staff, according to the board, is to be composed of assistant civil engineers and would total eight positions by 1965-66.

It is recommended that one assistant civil engineer position be deleted for a reduction of \$6,672. As with Regional Board No. 2, Regional Board No. 5 has not developed a systematic plan for utilizing local agencies for inspections. While other boards have delegated inspection activity and minimized personnel requirements, this board proposes to build up an eight-man staff. As was recommended for Regional Board No. 2, it is recommended that Regional Board No. 5 initiate a program of enlisting the co-operation of local agencies to assume inspection workload, under the supervision of the board, rather than add positions in order to perform all inspections with board personnel.

Lahontan Regional Board (No. 6)

- 1 Associate water pollution control engineer (budget page 664, line 40) ----- \$8,112

The entire staff of this board is composed of the executive officer who has technical qualifications and one clerical position. The board states that workload has increased greatly in recent years, requiring an engineer position to assist the executive officer.

It is recommended that one associate water pollution control engineer position be deleted for a reduction of \$8,112. An associate engineer position was originally authorized for this board, but because of prolonged vacancy and recruiting difficulties, the position was recently transferred to another region. The present request, in effect, would recreate the transferred vacancy. Rather than create another authorization for an associate engineer position which would in all probability remain unfilled because of recruiting difficulties, *it is recommended the State board transfer to this region the presently authorized, but unfilled since 1954, associate engineer position presently existing on the staff of Region No. 1 for one year, and if it is not filled by that time, that the position be abolished.*

Los Angeles Board (No. 4)

- 1 Associate water pollution engineer (budget page 664, line 34) \$8,112

It is recommended that one associate water pollution engineer position, presently authorized for Region No. 4, be abolished. In addition to the associate engineer position which has been vacant since 1954 on the staff of Region No. 1, a similar position has also been vacant since 1954 on the staff of Region No. 4. As this position has now been vacant for six years, there seems little reason for its retention.

Research in Technical Phases of Water Pollution Control

The estimated cost of this program in 1959-60 is \$307,500, of which \$113,600 is in federal funds. The 1960-61 request continues the 1959-60 program at essentially the same level but includes, in addition, a new item of \$115,500 for a comprehensive investigation of San Francisco Bay. The new item is a continuation of a study for which \$83,000 was appropriated to the University of California for 1959-60. *Approval of this request is recommended.*

STATE WATER RIGHTS BOARD

ITEM 264 of the Budget Bill

Budget page 656

FOR SUPPORT OF STATE WATER RIGHTS BOARD
FROM THE GENERAL FUND

Amount requested	\$805,529
Estimated to be expended in 1959-60 fiscal year	695,283
Increase (15.9 percent)	\$110,246
TOTAL RECOMMENDED REDUCTION	\$39,338

Summary of Recommended Reductions

	Amount	Budget	
		Page	Line
Salaries and Wages			
1 senior hydraulic engineer	\$9,384	656	71
2 assistant hydraulic engineer	13,344	656	72
1 intermediate stenographer-clerk	3,720	656	74
3 intermediate typist-clerk	10,890	656	75
Operating Expenses			
Printing	2,000	657	4

ANALYSIS

The board's appropriation proposal of \$805,529 for 1960-61 is an increase of \$110,246 or 15.9 percent over estimated expenditures in 1959-60.

Salaries and Wages

In 1959-60, for the first time since its establishment as a separate agency in 1956, the board has filled all authorized engineer positions. In 1957-58, there were 8.3 vacancies and in 1958-59 the number of vacancies was 5.6. That the board has now filled all 42 of its authorized engineer positions means that the engineering man-years available in 1959-60 and 1960-61 are increased by 25.7 percent over any past year.

For 1960-61 the board is requesting a total of eight positions for five activities. These activities and positions are discussed separately below.

Hearing Analysis Unit

- 1 Assistant hydraulic engineer (budget page 656, line 72)----- \$6,672
 3 Intermediate typist-clerk (budget page 656, line 75)----- \$10,890

These positions are requested on the grounds that the board has found it necessary, because of a continuing backlog of applications, to establish a second hearing team. Related engineering and clerical staff to supply the board with staff services are also requested.

It is recommended that one assistant hydraulic engineer and three intermediate typist-clerk positions be deleted for a reduction of \$17,562. The Analysis of the Budget Bill for 1959-60, on pages 736 and 737, discussed the board's serious hearing backlog situation. The analysis pointed out that although the board had more than doubled its staff and expenditures since 1956, little progress has been made to reduce the backlog. It was also pointed out that much of the money and time consumed in the board's proceedings is a direct result of the board's practices. The board has since made no substantive changes in its methods, other than to hold simultaneous hearings, and the high cost, slow progress and large backlog still exists.

State Water Rights Board—Continued

The previous analysis stated that more staff and higher expenditures were not necessarily the solution to the board's backlog problems, and that simplifying the record, reducing the quantity of testimony and lowering costs should be explored to see if more work could be performed with the existing staff. The board rejected this recommendation and this year is requesting a substantial increase in its hearing staff and expenditure authorization for this purpose.

We recommend that the increases be denied until the board has explored our recommendations and demonstrated their infeasibility.

Field Inspection Unit

1 Assistant hydraulic engineer (budget page 656, line 72)----- \$6,672

This position is requested on the basis it is required by the increase in inspection workload in recent years.

It is recommended that one assistant hydraulic engineer position be deleted for a reduction of \$6,672. Since engineer positions may be, and are, shifted between activities by the board to meet workload requirements and there has been no major change in the composition of the board's activities since 1956, reference to total engineer man-years available and inspection workload in past years provides a valid measurement of the past inspection workload. The board has provided statistics on inspections per year since 1955-56 and in every year but 1957-58, the inspections per engineer have been between 19 and 26. With the present authorized engineer staff the inspections per engineer, based on estimated 1960-61 workload, would be 21. On this basis, with no increase in staff the board will be able to maintain the existing level of service in 1960-61.

Permit and License Change Unit

1 Senior hydraulic engineer (budget page 656, line 71)----- \$9,384

This position is requested by the board on the grounds it is required to head a new unit which will be concerned with a growing workload of changes in permits and licenses. The other staff for the proposed unit will be composed of presently authorized positions.

It is recommended that one senior hydraulic engineer position be deleted for a reduction of \$9,384. The comment above regarding the composition of workload and availability of staff for inspections applies equally to workload resulting from changes in licenses and permits. The number of changes processed in 1956 was 1,017 at a time when the board had an engineer staff of 25, or 41 changes per engineer position. The number of changes has been increasing at an average rate of 15.5 percent per year and the board estimates there will be 1,400 in 1960. Since 1955, the engineer staff has increased to 42 and in 1959 the number of changes per engineer was 31. In 1960-61, the number of changes per engineer, based on the board's estimate, will be 33 in 1960-61 with no addition to engineer staff. This is a higher level of service than has existed previously in every year but 1959-60.

Adjudications Unit

1 Intermediate stenographer-clerk (budget page 656, line 74)___ \$3,720

This position is requested on the basis it will be required by the move

State Water Rights Board—Continued

of the adjudications and legal staffs to a new location where the facilities of the board's clerical pool will no longer be available. In addition, according to the board, the workload in the adjudications unit now requires an additional clerical position.

It is recommended that one intermediate stenographer-clerk be deleted for a reduction of \$3,720. The move of these two sections to another building presumably relieves the present clerical pool of a portion of its workload and, if this workload is sufficient to justify a clerical position as the board states, an existing clerical position should be moved to the new quarters. It is recommended that the board transfer one clerical position to the new location of the adjudications section if the workload is adequate.

The statement that the ongoing workload of the adjudications unit justifies an additional clerical position is open to question. This is a function required by law to be fully reimbursable. A review of the reimbursements for the current year and estimated for 1960-61 indicates that reimbursements will decline from \$82,308 to \$60,000. Most of the cost for adjudications is salaries and wages. The decline in reimbursements indicates that workload related to adjudications will be substantially reduced in 1960-61.

Operating Expenses

Printing (budget page 657, line 4)----- \$7,900

It is recommended that the board's request for printing expenses be reduced by \$2,000. In 1958-59, the most recent year for which actual expenditure figures are available, the board spent \$4,412. The cost of printing has increased 6.5 percent since that time. The same level of printing in 1960-61 as in 1958-59 would cost \$4,700, or \$3,200 less than requested. The recommended reduction would allow a substantial amount for increased workload.

Miscellaneous

WORKMEN'S COMPENSATION BENEFITS FOR STATE EMPLOYEES

ITEM 265 of the Budget Bill

Budget page 671

FOR SUPPORT OF WORKMEN'S COMPENSATION FOR STATE
EMPLOYEES FROM THE GENERAL FUND

Amount requested -----	\$1,750,000
Estimated to be expended in 1959-60 fiscal year-----	1,540,000
Increase (13.6 percent)-----	\$210,000

TOTAL RECOMMENDED REDUCTION----- None

ANALYSIS

For workmen's compensation insurance purposes the State is self-insured. The State Compensation Insurance Fund acts as adjusting agent for the State and administers the payment of claims. *Approval as budgeted is recommended.*

The increase in this request over estimated expenditures for 1959-60 is consistent, in percentage terms, with annual increases in past years.