



February 17, 2017

Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
Cal/EPA
1001 I Street, 24th Floor
Sacramento, CA 95814-0100

RE: Comment Letter – 2016 Bay-Delta Plan Amendment & SED

Dear Ms. Townsend:

On behalf of the signatories to this letter, we appreciate the opportunity to comment on the State Water Resources Control Board's 2016 Bay-Delta Plan Amendment and SED released September 15, 2016.

The business community supports a comprehensive solution to address the water supply and quality challenges in the San Francisco/Sacramento-San Joaquin Delta Estuary. Unfortunately, a comprehensive solution for California is now being jeopardized by the "unimpaired flow" approach proposed by the State Water Resources Control Board (Board) in the above referenced proposal. "Unimpaired flow" refers to the concept of a theoretical percentage of all runoff occurring in real-time in a watershed over the course of a year.

More specifically, the "unimpaired flow" approach will release critical water in storage and prevent the diversion of water throughout California, which will significantly affect precious water supplies for businesses, local communities and the environment throughout California. This is particularly true in dry years like the last five.

The proposal will have a devastating impact on drinking water, sanitation needs, food production, the economy and jobs for people stretching from the upper Central Valley throughout the Bay Area. The San Francisco Public Utilities Commission predicts "significant" job and other economic losses as well as "more severe and more frequent water rationing" for its 2.6 million customers. It will also have serious implications in drought years and in post drought years when districts and landowners are trying to refill their systems and replenish groundwater. The Tuolumne River alone accounts for 85 percent of San Francisco's drinking

water and 55 percent of the drinking water used overall in the Silicon Valley and by the Alameda County Water Agency. A 30 percent to 50 percent reduction in water supplies from the San Joaquin River would be extremely difficult to replace unless more groundwater is pumped. However, the Sustainable Groundwater Management Act will restrict how much water can be pumped based on basin sustainability.

According to an economic study prepared for the Merced Irrigation District, losses in the agricultural sector would range from \$127 million to \$231 million, decline in employment from between 587 and 970 full and part-time jobs, and a reduction in labor income ranging from \$37 million to \$59 million in the Merced area.¹ The proposal underestimates the degree of economic distress that it will have on the agricultural industry dependent on the San Joaquin River for their water supplies. Main street businesses will suffer a loss of revenue and nonfarm jobs as well as local governments who will see a significant decline in revenues that support essential services.

The state's Department of Water Resources (DWR) offered testimony at the January 3, 2017 public hearing indicating some of the shortcomings of the proposal. Amongst other comments, DWR pointed out that the proposal contains out of date and incomplete scientific information, contains erroneous information on water quality within the South Delta, makes unverified assumptions about its effects on groundwater sustainability and uses unimpaired flow standards not suited for real-time operations. The facts and science used to develop the proposal are unsupported and therefore should be set aside.

We believe the Board should abandon this flawed approach and instead encourage parties to develop voluntary agreements as called for in the California Water Action Plan and reiterated by the Governor in a September 19, 2016 letter to Chairwoman Marcus.

Should you have any questions, please feel free to contact me via email (Valerie.nera@calchamber.com) or at (916) 444-6670.

California Chamber of Commerce
California Building Industry Association
California Business Properties Association
California Forestry Association
California League of Food Processors
Family Winemakers of California
Fresno Chamber of Commerce
Greater Bakersfield Chamber of Commerce
NAIOP Commercial Real Estate Development Association – Southern California Chapter
Orange County Business Council
Ripon Chamber of Commerce
Western Growers Association

cc: Catalina Hayes-Bautista, Office of the Governor
The Honorable Adam Gray
The Honorable Vince Fong
The Honorable Cathleen Galgiani
John Kennedy, Assembly Republican Caucus
Todd Moffitt, Senate Republican Caucus

¹ Cardno and Highland Economics, 2016. Estimated Economic Impacts of Reduced Water Availability on the Merced Irrigation District. Cardno, Sacramento CA; Highland Economics, Portland Oregon.



July 23, 2015

Ms. Felicia Marcus, Chair
 Members of the Board
 State Water Resources Control Board
 P.O. Box 100
 Sacramento, CA 95812-0100

Re: Unimpaired Flows

Dear Chair Marcus and Members of the Board:

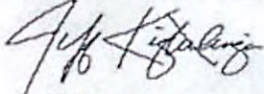
The broad coalition of undersigned public water agencies and water companies in every part of California call on the State Water Resources Control Board to abandon its effort to advance an “unimpaired flow” or similar approach to water management in the Sacramento-San Joaquin Delta and San Francisco Bay, including the Water Quality Control Plan process.

Our coalition supports and is implementing progressive and innovative 21st century water management for 39 million people within the stable framework of California’s well-established water rights system. Four consecutive dry years have revealed the fallacy of attempting to mimic “unimpaired flows” to protect beneficial uses in present-day California. In fact, if the “unimpaired flow” approach was in place over the past five years, precious water resources would have already been drained from reservoirs throughout California before we entered these past several dry years. As a result, there would be even less water available in 2015 for the benefit of all beneficial uses, which includes cities and rural communities, fire suppression, cold water to sustain salmon, farms, birds and the Pacific Flyway, and recreational opportunities. Stated another way, an “unimpaired flow” approach would create greater risk for all beneficial uses during dry years. This dynamic would be further exacerbated under the various climate change scenarios evaluated by your administration. We cannot afford to go back in time and rely on defunct measures like an “unimpaired flow” approach for a system that has been highly altered over time. This type of approach will not improve the highly altered system and will only prove to deplete upstream reservoirs that all of California relies on.

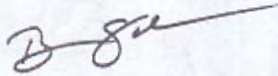
We instead urge you and the administration to pursue a different and more practical approach--as called for in your California Water Action Plan--to improve flow regimes that will increase and sustain native fish populations through programs of implementation. This will include both strategic re-managed flows and other non-flow measures such as addressing the predation of native species by invasive species, which appears to be the largest factor that negatively affects salmon in the Central Valley. California needs a progressive approach that will empower 21st century water resources management to support a vibrant economy and environment.

We look forward to discussing new approaches with you in more detail at your earliest convenience.

Sincerely yours,



Jeff Kightlinger
Metropolitan Water District



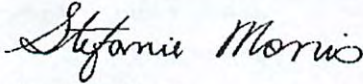
Beau Goldie
Santa Clara Valley Water District



Steve Knell
San Joaquin River Tributaries Authority



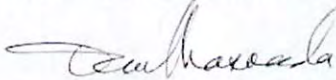
David Guy
Northern California Water Association



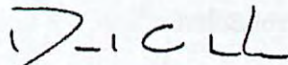
Stefanie Morris
State Water Contractors



John Woodling
Regional Water Authority



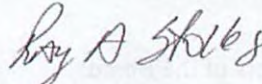
Dan Masnada
Castaic Lake Water Agency



Dan Nelson
San Luis & Delta Mendota Water Authority



Tom Birmingham
Westlands Water District



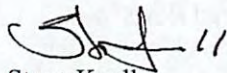
Ray Stokes
Central Coast Water Authority



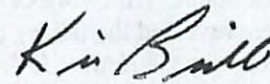
John Sweigard
Merced Irrigation District



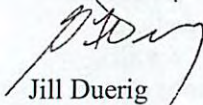
Jim Beck
Kern County Water Agency



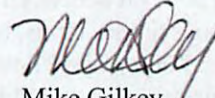
Steve Knell
Oakdale Irrigation District



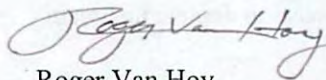
Kirby Brill
Mojave Water Agency



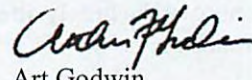
Jill Duerig
Zone 7 Water Agency



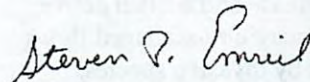
Mike Gilkey
Tulare Lake Basin Water Storage District



Roger Van Hoy
Modesto Irrigation District



Art Godwin
Turlock Irrigation District



Steve Emrick
South San Joaquin Irrigation District

cc: Tom Howard
Michael Lauffer
Michael George
Natural Resources Agency



FOR IMMEDIATE RELEASE
 September 15, 2016

Media Contacts

For Stanislaus County: David Jones | David.Jones@stancounty.com | 209.652.1177
For Merced County: Mike North | MNorth@co.merced.ca.us | 209.726.2744

Broad coalition stands together against state water grab

Multi-county region calls for better analyses, improved process and mitigation of impacts

Today, after much delay and with nominal input from or response to our communities, the State Water Resources Control Board released its revised Draft Substitute Environmental Document (SED) in support of Phase 1 of its Bay-Delta Water Quality Control Plan.

The broad coalition of local governments and organizations listed above is greatly disappointed that the State Water Board and its consultants have rejected numerous requests from our region to discuss the

assumptions and data underlying the SED's analyses and recommendations. No other agency would be permitted to conduct a multi-year study, at the cost of tens of millions of taxpayer dollars, and fail to even discuss its assumptions with those who stand to be impacted by its recommendations. The release of this new environmental document marks a failure to engage in serious technical analyses of environmental, social, economic, educational and cultural impacts with those to be affected in this region.

Our region has never been more united on this issue, and these coalition members stand together in opposition of the SED as currently drafted. We will continue to analyze the voluminous updated SED carefully in order to fully understand the depths that the State Water Board will go to harm our region on the whim of possibly benefitting the Delta and salmon.

Groundwater and Drinking Water

Despite a groundwater crisis that resulted in the Sustainable Groundwater Management Act in 2014, as well as continued drought impacts, the State Water Board desires even more water from one of California's most challenged regions. Groundwater is the drinking water source for most of the 800,000 residents of this multi-county region. The 2012 SED ignored the well-documented recharge value of irrigation water, and was unable to account for the state's new groundwater laws and groundwater pumping increases resulting from the drought. If this proposal is implemented, this region will be severely vulnerable in the effort to achieve state-mandated groundwater sustainability.

Many of our communities already face significant drinking water quality and quantity issues. These were ignored in the 2012 SED. The regulatory taking that's recommended in the SED will threaten the ability to provide surface water for drinking to the cities of Turlock, Ceres and other communities. It also directly undermines efforts to maintain groundwater quality in disadvantaged communities that don't have surface water.

Economics

If implemented, the proposal shuts down any hope of economic growth in this multi-county region, eliminates swaths of agricultural employment, thwarts job creation and creates enormous funding challenges for schools, cities, public health, law enforcement and other essential public services.

Our region is among the most economically challenged in the entire state. We have some of the highest unemployment rates, a multitude of health challenges, and the lowest educational achievement rates in all of California.

This water grab by the state of California, without mitigation or due analysis of impacts, will be vigorously opposed by this coalition. Our organizations will continue to review the updated SED carefully. We resolve to strongly oppose the SED in every possible venue unless its impacts are fully mitigated.

Coalition List

In Stanislaus County:

City of Ceres
City of Hughson
City of Modesto
City of Newman
City of Oakdale
City of Patterson
City of Riverbank
City of Turlock
City of Waterford
County of Stanislaus
El Concilio
Modesto Chamber of Commerce
Modesto Irrigation District
Oakdale Irrigation District
Turlock Irrigation District
Stanislaus County Farm Bureau
Stanislaus County Office of Education

In Merced County:

City of Atwater
City of Gustine
City of Livingston
City of Los Banos
City of Merced
County of Merced
Greater Merced Chamber of Commerce
Merced County Farm Bureau
Merced County Office of Education
Merced Irrigation District

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The State Water Resources Control Board is proposing regulations that will send another 350,000 acre-feet of California's limited water out to sea – *that's enough water to irrigate over 100,000 acres of farmland or meet the domestic needs of 2 million people for a year.*

If implemented, this rule will have a devastating impact on farms, schools, the economy and the health of California residents with absolutely no evidence that it will achieve its intended goal.

That's why this regulation is opposed by schools, health departments, farmers, cities, economic development officials and more.

Drinking Water Quality and Availability Will Be Negatively Impacted

"Let us be clear. The detrimental impacts of the Board's plan will be felt strongly by the children that we serve. . . it is unclear why you have not taken the time to study the financial implications to school districts that would be forced to provide bottled water and portable toilets, or relocate schools entirely, as wells go dry. . . Access to drinking water and water for sanitation is a basic requirement for us to fulfill our mandate to provide quality education to the children of our districts."

Steven Gomes, Merced County Superintendent of Schools
Tom Changnon, Stanislaus County Superintendent of Schools

"Many communities in the Merced area are already experiencing well production problems and drinking water quality issues . . . Over 800,000 people live in the two counties [Stanislaus and Merced]. Groundwater is the primary source of drinking water for the majority of the local population. The plan sorely understates the devastation this recommendation will cause. As an Interim Director of Environmental Health, I am required to ensure that safe, adequate, and dependable water supplies are available for domestic use."

Vicki Jones, Interim Director of Environmental Health
Merced County Department of Public Health

Jobs and the Economy Will Suffer

"The consequences of these cutbacks potentially could cripple our Bay Area economy. Our initial economic analysis of the first iteration of this plan forecast up to 51 percent rationing, resulting in 140,000 to 188,000 jobs lost in the Bay Area."

Harlan L. Kelly Jr., General Manager, San Francisco Public Utilities Commission
Nicole Sandkulla, CEO and General Manager, Bay Area Water Supply & Conservation Agency.

"I am all for protecting the environment to the best of our ability, but not at the expense of our farmers, businesses and citizens. . . When farmers are forced to fallow more land, our food prices go up and the poor in our communities suffer the greatest. This proposal will raise the cost of water and electricity, as well."

Pamela LaChapell
Modesto

"As the Director of Environmental Resources for the County, I am responsible for the administration and oversight of over 200 public water systems, approximately 2,000 retail food facilities and countless other businesses. This would be devastating to the local economy."

Jami Aggers, Director of Environmental Resources
Stanislaus County

"We grew up in Stanislaus County and our parents, grandparents, and great grandparents were all farmers. . . We also are grateful that our children were raised here and their children will be raised here . . . Without water there will be many of us who will not be able to farm and those that work the fields and canneries during the harvest will be unemployed and unable to feed their families, buy clothing and supplies in our local stores. Our electricity costs will increase and our ground water will be depleted . . . we implore you to reconsider."

George and Annemarie Espinola
Hughson

"Food production is a multi-billion dollar industry in our county and adds tremendous value to the State of California. . . Tens of thousands of people are dependent on jobs in agriculture, food

processing, and its related industries. Our businesses pay millions of dollars in taxes each year to sustain our state government . . . We ask that you please consider our needs in the Central Valley with others' needs and wants."

David White, Chief Executive Officer
Stanislaus Business Alliance

And yet the Board wants to keep doing more of the same even though it has been proven ineffective

"Simply flushing water down the river in the spring and fall does not work - a fact supported by more than two decades of proven science."

Robbie Lake
French Camp

"I've lived on the Stanislaus for 40 years. Salmon are declining and the striped bass are increasing. What the state is doing is creating the opposite effect of what it says it wants."

Jeff McPhee
Oakdale

"[The proposed regulation] is yet another demonstration of the complete disregard you hold for the people you are supposed to be serving. . . I encourage you to reduce your personal water use by 35% and pour that extra water into the street and watch it flow away. That is what you would be doing to the people you serve."

Roxanne Garbez
Oakdale

"Releasing more water from reservoirs so it can flow through this highly altered system is not a salmon solution. A policy focus on this approach is a threat to the species. It will take restored habitat—upstream and downstream—and carefully timed flows to improve conditions for salmon, which is a policy and an approach that Metropolitan wholeheartedly supports."

Randy Record , Chairman, Board of Directors
Metropolitan Water District of Southern California

People Are Asking for Common Sense, Balance and an End to Tactics That Just Make a Bad Situation Worse

"We need a common sense approach to how this water is used. . . In your efforts to help, you are creating a bigger problem than we had before."

Nancy Petersen
Hughson

"We have worked hard to be good citizens and lower our water usage in the face of this drought. In fact, the Central Valley has led the state in water conservation efforts . . . We implore you to send staff to meet with us and come up with a common sense approach to this situation."

David White, Chief Executive Officer
Stanislaus Business Alliance

"Why add water to the ocean? Does it need more?"

Suzy Fivecoat
Waterford

"It is time we manage our water resource in a way that is fair to everyone and strikes a balance between water supply and the environment."

Roseanna Swanberg
Modesto