

NEWSOM ANNOUNCES PROPOSED BUDGET WITH FUNDING FOR WATER CATEGORIES

Acwa.com, 01/11/23

Gov. Gavin Newsom on Jan. 10 unveiled his proposed budget for the next fiscal year which includes a projected budget deficit of \$22.5 billion. To address this shortfall, the governor has proposed to delay certain investments to future years and reduce other planned expenditures. Specific to water and drought issues, the proposed budget includes some new funding and also reduces and delays some previous budget commitments.

Relative to new investments, the governor has proposed timely new funding for flood risk reduction and protection, as well as several other important water management issues. Specifically, the governor's proposed budget calls for funding in the following categories.

- Urban Flood Risk Reduction — \$135.5 million over two years to support local agencies working to reduce urban flood risk.
- Delta Levee — \$40.6 million for ongoing Delta projects that reduce risk of levee failure and flooding, provide habitat benefits, and reduce the risk of saltwater intrusion contaminating water supplies.
- Central Valley Flood Protection — \$25 million to support projects that will reduce the risk of flooding for Central Valley communities while contributing to ecosystem restoration and agricultural sustainability.
- 2023 Drought Contingency — \$125 million one-time as a drought contingency set-aside to be allocated as part of the spring budget process, when additional water data will be available to inform future drought needs.
- Modernizing Water Rights — \$31.5 million one-time in 2023-'24 to continue development of the Updating Water Rights Data for California Project to enhance California's water management capabilities.
- Urban Water Use Objectives — \$7 million over four years to implement legislation signed into law last year which established a new framework for water conservation and drought planning.

The governor's proposed budget includes significant reductions and delays across a broad range of issues and departments. Specific to water and drought issues, Newsom is proposing delays to several of ACWA's priority issues.

- Watershed Resilience Programs — A reduction of \$24 million in 2023-'24 and a delay of an additional \$270 million to 2024-'25.
- PFAS Cleanup — A reduction from \$100 million to \$30 million for PFAS cleanup and a delay of that funding from 2023-'24 to 2024-'25.
- Water Recycling/Groundwater Cleanup — A reduction from \$210 million to \$170 million in 2023-'24 to support water recycling and groundwater clean-up.

While ACWA understands the need to balance the budget, ACWA will advocate to ensure that the previous budget commitments remain intact and on time. In addition, ACWA will continue to advocate for additional significant investment in water infrastructure either through the State Budget or through a General Obligation Bond.

NOAA Predicts California Storm Could Cost \$1B

Cbs8.com, 01/11/23

A climatologist with The National Oceanic and Atmospheric Administration is predicting that the ongoing storms in California will likely be the first billion-dollar storm of 2023 in the United States.

"The size of California, so many assets that are vulnerable near the coast, large populations, large economic sectors be impacted," Adam Smith explained.

Smith is an applied climatologist at NOAA's National Center for Environmental Information. He's the lead researcher for the annual "Billion-Dollar Weather and Climate Disaster's" report.

"It takes into account many different impacts such as damage to homes, businesses, government assets like schools, all the contents of those structures," Smith said. "Your time element losses, like business interruption or loss of living quarters, of course, damage to vehicle boats, piers, levees, electrical systems, even military bases, and even agricultural damage, which of course, California has a lot of that with crops, livestock, commercial timber, and the wildfire fighting suppression costs as well."

Who's paying?

"The state government, the federal government and the private sector with insurance are the three primary payment entities," Smith said, "But it does come down to the local level of your home, your business, yourself, your family."

For example, if all of your food in your fridge goes bad due to power loss, that's not included.

"So, you could actually say that this is a conservative baseline estimate, that captures kind of the core of the costs," Smith said.

That's something Terri Pullen, a Lemon Hill resident, is dealing with now.

"The refrigerator, everything in the fridge is gone," Pullen said. "Bad. Gotta clean that out, and it's completely dark."

Smith said the larger the event, the longer it takes to finish analyzing. They're still not done analyzing the Buffalo blizzard over Christmas. He expects we'll know for sure if this was a billion-dollar storm by the end of January - into February.

The last time California has had a billion-dollar storm was just last year with the severe drought and heat wave that impacted the west and central states.

Last year's storms were the third most costly year in terms of climate disasters in 43 years.

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Water Is a Terrible Thing for California to Waste

The Golden State hasn't built the storage to make use of winter rains.

rial Board [Follow](#)

1 pm ET



Santa Cruz Sheriff navigates flooded road way in Aptos, Calif., Jan. 14.

PHOTO: PETER DASILVA/SHUTTERSTOCK

California's political leaders are obsessed with climate, so why don't they prepare for droughts or deluges? The atmospheric rivers that are sweeping the parched Golden State should be a cause for relief, but they've instead given way to catastrophic floods and enormous water waste.

Scientists last fall forecast another warm and dry winter following three of California's driest years on record. Yet storms this winter have already dropped tens of trillions of gallons of water across the state and more than a dozen feet of snow in the Sierra Nevada mountains. Alas, little of the storm runoff is getting captured.

One problem is the state's lack of investment in public works, especially storage and flood control. Drought has recurred throughout California history, punctuated by wet winters like

this one. Two seven-year droughts that started in the late 1920s and 1940s spurred the construction of a massive system of canals, dams and reservoirs.

But few large water projects have been built since the birth of the modern environmental movement in the 1970s. Species protections for salmon and the three-inch smelt limit how much water can be pumped south through the Sacramento-San Joaquin River Delta, which receives runoff from rivers in the North and the Sierra mountains.

The amount of water surging into the Delta on Friday could have filled a reservoir the size of Yosemite's Hetch Hetchy almost every 24 hours. Instead, nearly 95% of the Delta's storm water this year has flushed into the Pacific Ocean. Such waste occurs whenever there's a deluge and is why some reservoirs south of the Delta remain low despite the storms.

Former Gov. Jerry Brown wanted to build massive tunnels under the Delta that can export more water to farmers in the fertile Central Valley and cities in Southern California. But environmentalists oppose this idea as they do expanding water storage.

More reservoirs are desperately needed in the North to capture melting snowpack that would otherwise drain into the Pacific or overflow river banks. Reservoirs store runoff and help prevent flooding. Most reservoirs in the North are now above historical average levels so they may have to release water this spring to avoid overflowing.

State voters have approved eight water bonds since 2000 that authorize some \$27 billion in funding for various water projects, but little of the money has gone to storage or flood control. That's because politicians buy off green support for water bonds by promising to spend a large share of their proceeds on ecosystem restoration.

Only \$2.7 billion of a \$7.5 billion water bond that voters approved in 2014 was allocated for storage. None of the seven storage projects selected by the state for funding has begun construction. Blame in part a government permitting morass. Most aren't expected to be completed until the end of this decade, assuming they aren't marooned by lawsuits.

Voters support water bond measures because they think the money will be spent on drought preparation. But it never is. Liberals use droughts and floods to campaign for water bonds that end up funding pet environmental causes. Rinse and repeat. Mr. Newsom last week floated another bond measure for water projects and wildfire mitigation.

If water projects are a political priority, why not finance them with general tax revenue as the state does climate programs like electric-vehicle subsidies? Perhaps because borrowing for

water projects allows the government to spend more on other things. As a result, taxpayers wind up paying more for debt service.

Californians are also having to pay much more for water owing to restricted supply. Central Valley farmers and Southern Californians have been slammed by rising water rates. The Nasdaq Veles California Water Index, which tracks the spot price for water in the state, has more than quadrupled over the past three years.

Some local water districts have invested in desalination and wastewater reclamation, but these are expensive. The state is also paying farmers up to \$2.5 million to leave fields fallow. About 531,000 acres were left unplanted last year. That's one reason California's Central Valley boasts five of the 10 metro areas with the highest unemployment rates in the country.

California's problems never stay in California. Its profligate water policies are straining the overburdened Colorado River, which supplies six other states and California. Recent storms aren't expected to bolster the Colorado, and federal officials are threatening to restrict supply for all seven states if they don't reach an agreement to curb usage by the end of this month.

California has a dry climate long marked by drought. But its failure to plan for water storage and delivery during the wet periods is one more failure of the state's government and its misguided political priorities.

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State laws hamper flood flow storage but one San Joaquin Valley water district cut through the red tape. Can others follow?

Sjvwater.org, 01/14/23

It seems like such a no brainer: Grab the floodwater inundating California right now and shove it into our dried-up aquifers for later use.

But water plus California never equals simple.

Yes, farmers and water districts can, legally, grab water from the state's overflowing rivers, park it on their land and it will recharge the groundwater.

But if those farmers and districts want to claim any kind of ownership over that water later, they can't. Not without a permit. And permits are costly, time consuming and overly complicated, according to critics.

Farmers and districts in some areas are taking flood water independently in order to relieve problems for people downstream.

But there just isn't a large-scale, systematic way for water agencies and farmers to absorb the current deluge and store it for future use, mostly because of regulatory hurdles, critics say.

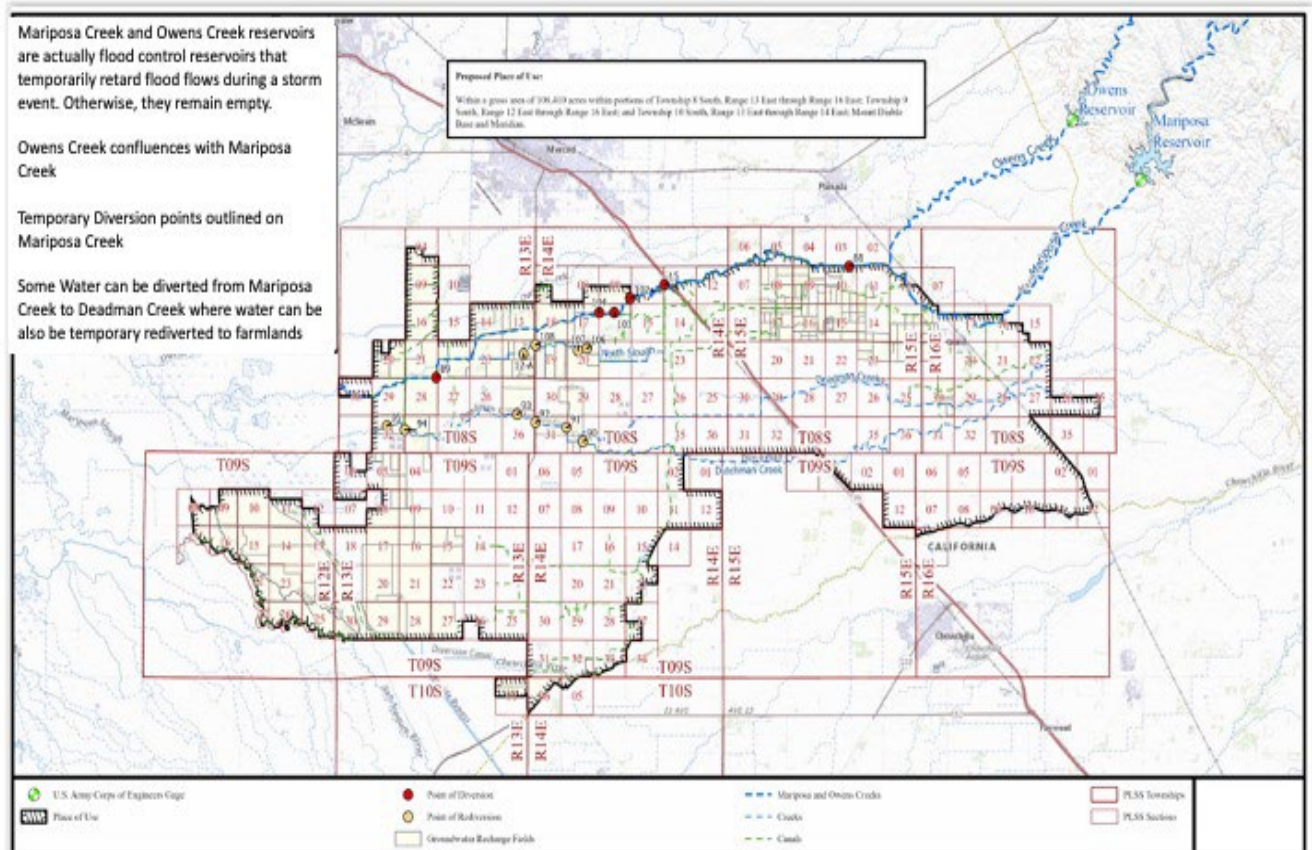
The Merced Irrigation District, however, launched a pilot project last summer with technical and financial help from the California Department of Water Resources that may serve as a template for other districts. The goal is to shunt damaging flood waters away from homes and businesses and be able to access it later.

"Diverted flood waters under this permit are intended to benefit lands outside of MID boundaries but within the same groundwater basin as MID," explained Hicham Eltal, deputy general manager of Merced Irrigation District. The project is intended to alleviate flooding on area roadways and benefit lands where growers don't have access to surface water that have suffered subsidence, land sinking.

The district has been working for several years on the concept. It involves taking water directly from an individual creek and spreading it over agricultural lands where farmers have volunteered to participate.

It's complicated and required multiple permits from multiple state agencies and for the state Water Resources Control Board permitting division to do a lot of "outside the box thinking," Eltal said.

“But I’m very pleased so far with how it’s working,” he said Friday evening, as the state braced for another set of storms that brought worse flooding to the already besieged Merced region.



Merced Irrigation District flood project to move water in three diversion steps.

Other agricultural water watchers called the Merced Irrigation District flood water permit a “breakthrough.”

The Merced permit relieves restrictions typically attached to temporary flood water permits that require applicants to do preliminary biological work, accounting, daily reporting and even, in some cases, to install fish screens, explained Sarah Woolf, owner of Water Wise, a water policy consulting agency in Fresno who has been working with the state on a better permitting structure for times of flood.

“We’re hopeful we can operate under something similar,” she said, in reference to her clients who can take flood water off the Chowchilla/Eastside Bypass, a structure built in Madera and Merced Counties to channel San Joaquin River flood water away from towns.

Even though the bypass is a flood channel, not a flowing river, Woolf said, it is being treated as a river under the permitting process, requiring environmental analysis and protections.

“Merced found a solution but it’s taken an emergency for (the state) to come up with this,” Woolf said.

An emergency situation is quickly developing on the bypass, she said, as sidebars are deteriorating on major bridges from flood waters.

“This is a real thing, these flood waters are causing serious damage,” Woolf said. “Meanwhile, permitting is bogged down in bureaucracy.”

Some farmers are already taking water out of the bypass but “I guarantee you if landowners knew they could keep the groundwater credits, that would incentivize more people to take this water. Right or wrong, that’s the reality,” she said.

Farmers and others in Madera County are so frustrated by the situation, the Board of Supervisors voted at its meeting Jan. 10 to draft a petition demanding all fees and permitting requirements for taking flood waters be waived for the next six months. They plan to hand deliver it to Governor Newsom.

One farmer said getting a permit can take four to eight months.

“So, this water’s all going to be gone,” Larry Pietrowski told the board.

Supervisors agreed this could become a wasted opportunity.

“It’s an absolute crime that these flood flows can’t go where we need them,” Supervisor Jordan Wamhoff said at the meeting. “This isn’t a business decision; these flood flows belong to the people.”

Yes, temporary flood water permits can be pricey and cumbersome, agreed Erik Ekdahl, Deputy Director of the Rights Division of the State Water Resources Control Board.

But there is no eight-month, or even four-month, backlog of temporary flood water permit applications.

“No one has asked,” he said. “Madera can complain about the process, but the fact is they haven’t submitted an application to us.”

The division received eight temporary flood permit applications for this winter’s flood waters. Of those, Ekdahl said, three have been processed (including the one for Merced Irrigation District), two more will likely be done the week of Jan. 16-20. Of the remaining three, two don’t have facilities built yet and one from the City of Huron has historically been opposed by the Westlands Water District.

“There’s a sentiment that the Water Board isn’t doing anything to aid in capturing groundwater and that’s a false narrative,” Ekdahl said.

He acknowledged there are a number of permit applications for permanent rights to flood waters and those definitely take longer, years, to process.

But for temporary permits, he said the Water Board has worked to streamline that process and added extra staff to prioritize moving them through the system.

Even the streamlined versions, though, take a lot of time, money and consultation. And results still aren't clear, Woolf said.

"Last year, the state needed more time for permit processing than we provided, so we canceled them," she said. "We turned in applications early this year and some are still pending."

Others called the process, even for streamlined temporary permits, downright "glacial."

Matt Hurley, general manager for the McMullin Area Groundwater Sustainability Agency, applied in 2021 for flood waters on the San Joaquin River in winter 2022. His application was denied in May 2022, long after the period he was applying for.

Now it's too late to apply for current flood water.

He's planning to file his application for potential 2023-2024 winter floods next month.

"It's a little frustrating, he said of the process.

The crux of the problem goes back to the fact that California didn't regulate groundwater until passage of the Sustainable Management Groundwater Act (SGMA) in 2014. The state's water laws apply to surface water and there hasn't been any real work to incorporate its obvious connection to groundwater.

Meanwhile, SGMA requires newly formed groundwater sustainability agencies (GSAs) to account for groundwater and replenish aquifers. Flood water is the only water that's still "up for grabs" in California. But, again, without a permit, recharged floodwater can't be claimed and counted by the GSA.

"Solving our groundwater problems with flood flows is the right concept but there hasn't been the policy support to enact it," Woolf said. "State regulatory agencies are still operating under old surface water laws."

That needs to evolve quickly as the state adapts to a changing climate expected to bring more and longer periods of drought interspersed by occasional big, wet winters that produce more rain than snow.

"Existing laws just aren't built for this."