# State Water Project is the wrong solution for the Ojai Valley

#### By Carolee Krieger

s a resident of Santa Barbara County, I know from painful experience that state water is outrageously expensive and unreliable. Don't make the same mistake we did. Please reject the State Water Project.

In three essays, I'll share what every regional water district

should consider when developing solutions aimed at ensuring a secure water future for their community and explain why the State Water Project is not a viable path toward that goal. I'll also present realistic alternative solutions to state water and how we can achieve sustainable and equitable water policy for all of California. The Casitas Municipal Water District is currently working with the Ventura County Flood Control District and other



entities to construct a pipeline to hook up with the State Water Project through the Los Angeles Metropolitan Water District. This will be expensive and will not guarantee Ojai any new water as explained below.

#### **PART 1: Paper water**

#### Not reliable

In 1991, when Santa Barbara voted to contract with the State Water Project (SWP), we were told it would be 97 percent reliable. However, when we needed state water in times of drought, we usually received only a very small percentage of our contract allocation. For example, in 2014 all contractors received only 5 percent of what the SWP was obligated to supply. Since Santa Barbara began receiving state water in 1998, our four South Coast water districts have received an average of only 28 percent of our allocation.

#### **Outrageously expensive**

We were told our total cost of participating in the SWP would be \$270 million. Santa Barbara ratepayers will have instead had to pay \$1.7 billion. When you sign up for the SWP, you pay these bond costs whether or not you receive any water. Once you're under contract with the SWP, all costs associated with delivery are passed on to the ratepayers. Worse still, ratepayers have no voice: All decisions on expenditures are controlled by the California Department of Water Resources. If Ojai approves a contract with the SWP, you'll be obligated to pay for the proposed multibillion dollar Twin Tunnels, if approved. These tunnels promise no new water.

# Paper water

When the state was asked how much water was available in the 20 rivers of the California Delta watershed that supply the SWP system, it said it didn't know. In 2009, the California Water Impact Network (C-WIN), a citizens group I founded in 2001, hired a technical hydrology consultant to find out.

It took three years — through Public Records Act and Freedom of Information Act requests — to quantify the amount of water available from the Delta watershed for export to SWP contractors. We found that the state has an average of 29 million acre-feet of consumptive water available, and that there are 153.7 million acre-feet of claims for that water, meaning

there is 5.5 times more water allocated under contract than there is actual water in the Delta watershed. In 2012, the University of California at Davis completed a study corroborating our work and conclusions. The difference between what the state has allocated and reality is what the California Appeals Court has labeled "paper water": water that doesn't exist.

Two-thirds of California's consumptive fresh water comes from the California Delta watershed, serving half our state's population. The Delta Reform Act of 2009 mandated that California Delta water be managed to balance the "coequal goals" of restoring and protecting the Delta and ensuring a reliable water supply. The SWP has not quantified the water because it knows it can't justify new infrastructure projects — let alone meet its existing contract obligations and satisfy the Delta Reform Act mandates of providing reliable water and restoring the Delta. Until the problem of paper water is corrected, California ratepayers will continue to pay for water they will never get, and the health of California's largest source of fresh water will continue to decline.

# Mismanaged water: Agriculture vs. urban

Drought or not, there's enough water to meet the needs of all Californians and the environment if it's managed equitably. Mismanagement of public water is undermining the economic stability and well-being of California's communities and environment. Paper water enables developers to build without real water and large agricultural users to sell so-called "excess water" back to the ratepayers who have already paid for it.

More than 80 percent of developed water in the state is used by agriculture. The subsidized low cost of most agricultural water gives growers little or no incentive to use water efficiently. The rule is "use it or lose it," for if water is not used, the right to it is threatened.

Unfortunately, it's legal to sell unused allocations and profit from the sale. These transactions are known as "water transfers." There was a time when water transfers mostly occurred between farms in the same district for no profit. More and more, "excess" agricultural water is being sold back to the urban water districts that never got the allocations they paid for ... with the profits going to the seller.

A few large-scale farms in the San Joaquin Valley are behind the efforts to exert more control of the water being diverted from the California Delta and get California ratepayers to pay for it. The Department of Water Resources is seeking SWP "contract amendments" and new contracts like what Ojai is currently considering. If passed, the new amendments will lock in funding sources that have no public oversight or input.

## We need water now

Because diverting more water from the Delta is essentially illegal, the ill-conceived Twin Tunnels project will be mired in lawsuits for years to come. Regional solutions are far closer to reality and much less expensive than the SWP. Regional water districts are already collaborating and combining resources to regain control and benefit their communities. Smaller and more nimble, these communities will see solutions come on line long before the SWP — with reliable solutions that provide real water. The city of Santa Monica is well on its way to being independent of SWP water by 2023.

In Part 2, I'll outline some of these solutions and talk about

#### **Further Reading**

C-WIN's Delta Quantification study:

www.c-win.org/s/CWIN-BayDeltaQUANTIFICATION-Final.pdf

C-WIN's Central Valley Paper Water Summary: www.c-win.org/s/C-WIN-Central Valley Quantification-Summary.pdf

UC Davis Quantification study:

www.c-win.org/s/UC-Davis-2014-Grantham-Water-Rights-in-CA.pdf

C-WIN's Santa Barbara Report: www.c-win.org/thesanta-barbara-report

#### Resources

C-WIN web site: <a href="www.c-win.org">www.c-win.org</a>
Water Education Foundation: <a href="www.watereducation.org">www.watereducation.org</a>
Maven's Notebook: <a href="www.mavensnotebook.com">www.mavensnotebook.com</a>

#### **Voice Your Concerns:**

Ventura County District 1, Ojai Valley Municipal Advisory Council

District office phone: 805-654-2703 Supervisor Steve Bennett: <u>steve.bennett@ventura.org</u> Chief of Staff Cindy Cantle: <u>cindy.cantle@ventura.org</u>

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# Casitas Municipal Water District

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Founded in 2001, the California Water Impact Network (C-WIN) is a nonprofit, tax-exempt California corporation that advocates for the just and environmentally sustainable use of California's water through research, planning, public education, media outreach and litigation. To learn more, visit www.c-win.org.

what's working in Santa Barbara. Since water is a public trust resource, we will examine the role of the Public Trust Doctrine in solving the paper water problem. The Doctrine successfully saved Mono Lake and guided sound water policy in Idaho and Colorado.

In Part 3, I'll share the road map to enacting into law the sustainable and equitable water polices California needs for a secure water future.

— Longtime Santa Barbara resident Carolee Krieger leads C-WIN's efforts to design and implement collaborative and lasting solutions for California's fresh water resources. Santa Barbara 1st District Supervisor Naomi Schwartz named Krieger Woman of the Year in 1997. She has been featured in Mother Jones, Bloomberg and an Emmy-nominated PBS broadcast about the impact of almonds on water supply.

# Ojai can learn from Santa Barbara's mistakes with state water

**By Carolee Krieger** 

# PART 2: Regional solutions, statewide reform

As a long-term resident of California concerned with the availability of water for all Californians, I'm sharing what

Ojai residents need to know about the State Water Project before considering a contract with the SWP. This is Part 2 of a three-part series. In Part 1, I described how California's fresh water is mismanaged via something known as "paper water" and how the SWP uses it to extract exorbitant fees from regional SWP contractors (ratepayers like you and me) without supplying the water allocated to them in their contracts:



— Led to believe that we would receive 97 percent of our allocation at a total cost of \$270 million, Santa Barbara County voted to become an SWP contractor in 1991. Since then, we've received an average of only 28 percent of our allocation for a cost to ratepayers of \$1.7 billion. The Ojai Valley would find itself in the same situation should it become a SWP contractor. Ojai will lose local control over costs as the Department of Water Resources expands its infrastructure projects, the cost of which local contractors are obligated to pay.

— The Department of Water Resources and the SWP have allocated 5.5 times the amount of water known to exist in the California Delta watershed. This is what the California Court of Appeals has termed "paper water" — water that doesn't exist. The SWP does not have the endless supply of water it would let you believe.

—The source water for the SWP comes from the California Delta watershed. The 2009 Delta Reform Act requires Southern California SWP contractors to reduce their dependency on state water. This is in conflict with bringing new contractors into the SWP and ensures lengthy court battles for any new infrastructure projects relying on water from the Delta. The current Twin Tunnels project has been stuck in the courts for 10 years and counting.

On paper, the State Water Project may look like a good component of a diversified water security plan for the Ojai Valley, except that it's literally paper — not water. Very expensive paper.

# **Regional solutions**

The current drought adds the burden of urgency to a difficult problem requiring strategic and creative solutions. Since state water is an overpriced myth, what can the Ojai Valley do to meet its needs?

My county of Santa Barbara has been grappling with this issue for many years, an issue that remains a worsening problem throughout the state. Many of the lessons learned in Santa Barbara County and elsewhere apply to Ventura County and the Ojai Valley.

For instance, there are still significant supplies of water to be mined from conservation. Regional agency cooperation in the form of Joint Powers of Authority is already on the table in the Ojai Valley: Partnering with the appropriate agencies would pool resources and broaden the scope of potential solutions. Smaller, regionally controlled reclamation and storm

water capture infrastructure projects would be more efficient and timely, are often candidates for federal grants, and ratepayers would have a voice.

Areas throughout California are beginning innovative strategies to secure local sources of water. The city of Santa Monica has reduced its consumptive use of water and is scheduled to be free of SWP imports by 2023. The California Water Impact Network (C-WIN), a citizens group I founded in 2001, recently produced a white paper outlining potential solutions for the Montecito Water District. These and others are solutions Ojai and Ventura should consider:

# Short term: One year

- 1. Continue conservation.
- Install drought-tolerant landscaping.
- Leak monitoring.
- Use of compost and mulch to retain water.
- Replace spray irrigation with drip systems.
- Irrigate only between 5 p.m. and 9 a.m.
- Public awareness initiatives.
- 2. MWD Desalination Partnership with the city of Santa Barbara

#### Medium and long term: 2 to 10 years

- 1. Incorporate recycled wastewater into a balanced water portfolio.
- Install state-of-the-art technology to treat wastewater to a potable standard.
- Treat wastewater to a high enough standard for safe use by large landscaping users.
- Treat wastewater to a high enough standard to safely recharge our aquifer and prevent seawater intrusion.

#### 2. Desalination

- Innovation needed for an acceptable intake system.
- Innovation needed to lower energy costs.
- Innovation needed to minimize environmental footorint.
- Innovation needed to secure California Coastal Commission permits.
- 3. Local management and monitoring of groundwater basins and private wells.
  - 4. Water and sanitary district consolidation.
  - 5. Repair/replace aging systems and leaks.
  - 6. State and federal grants.
  - •Drought preparedness.
  - Water recycling.
  - Groundwater sustainability.
  - Reliable drinking water for small communities.
  - Statewide operational improvements.
  - Flood management.

Solutions such as those outlined above are realistic, effective, much more reliable, locally controlled and a far better use of limited resources.

## Statewide reform

Paper water is a component of all of California's water conveyance systems, not just the SWP, and it's how Californians have been distracted from the real causes of our water problems. As districts struggle with empty promises and scramble to find alternatives to empty pipes, they're discovering truth.

Rejecting state water sends a strong message to Sacra-

#### Resources

C-WIN web site: www.c-win.org

Water Education Foundation: www.watereducation.org

Maven's Notebook: www.mavensnotebook.com

# **Voice your concerns:**

Ventura County District 1, Ojai Valley Municipal Advisory Council District office phone: 805-654-2703

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mento, but there's more to be done. As long as paper water exists, the potential for mismanagement will have devastating consequences for all Californians. We're in this together.

The good news is that the law is on the side of the people and the environment, and there is precedence and a clear path to equitable and sustainable distribution of water in California.

The state holds all our natural resources in trust, and is required by law to protect that trust. The Public Trust Doctrine — part of California's Constitution — states that, "No water... can be taken from a stream, lake or other natural resource without a careful assessment of the harm that might be done." As I mentioned in Part 1, the state has not done this assessment. Contracts and policies continue to be written without knowing the real consequences.

The Public Trust Doctrine saved Mono Lake, and it applies now to the state's largest single source of fresh water, the California Delta watershed.

In Part 3, I'll talk more about the Public Trust Doctrine and the steps needed to create an equitable and sustainable water policy for California.

— Santa Barbara resident Carolee Krieger leads C-WIN's efforts to design and implement collaborative and lasting solutions for California's fresh water resources.

If it matters to you, it matters to us letters@OjaiValleyNews.com

# Connecting to state water does not guarantee Ojai any new water

**By Carolee Krieger** 

#### **PART 3: The Public Trust**

Currently, mismanagement of public water is far more dangerous than the drought to the economic stability and well-being of California's communities and environment.

As the Ojai Valley community considers potential sources of reliable and secure fresh water, I'd like to share the relevant and telling experiences of my county of Santa Barbara — with the hope that Ojai residents may learn from our mistakes and see what's working for your coastal neighbors. This is the third of three essays outlining some of the serious problems with the State Water Project, why Ojai



should reject it, what realistic solutions should be considered instead, and the path to the secure, equitable and sustainable water future all Californians are entitled to.

In Part 1, I explained how Santa Barbara County ratepayers are paying \$1.7 billion for state water instead of the \$270 million the SWP said it would cost, while receiving only 28 percent of our allocation, and how the state has over-allocated fresh water by a factor of 5.5 (the practice of "paper water"), and where the water is actually going and why.

Part 2 outlined a carefully considered list of viable alternatives to state water, many of which are already being successfully implemented in Santa Barbara County and elsewhere.

Here in Part 3, I'll talk about how the state of California can end the destructive practice of "paper water" (allocating water that doesn't exist), and manage our natural resources more equitably— to the benefit of all Californians.

# Water belongs to the people

The California Constitution states that California's water belongs to the people. Included in both the U.S. and California constitutions, a clause known as the Public Trust Doctrine provides that the state holds natural resources like water "in trust" to safeguard them for the long-term benefit of the general public. The Public Trust Doctrine requires policymakers to assess all impacts of any project using our natural resources: "No water ... can be taken from a stream, lake or other natural resource without a careful assessment of the harm that might be done."

The Public Trust Doctrine was applied in the historic case that saved Mono Lake. The 1983 ruling "National Audubon Society v. Superior Court" established protection of the lake in the public trust, requiring the Los Angeles Department of Water and Power to reduce diversion flows to ecologically sustainable levels: The state should "attempt, so far as feasible, to avoid or minimize any harm to those (public trust) interests."

More than half of all Californians (including many of us in the southern parts of the state) rely on California's single-largest source for fresh water: the California Delta watershed. All of the water in the State Water Project system comes from the Delta. Without quantification of the water in the Delta and an analysis of the impacts of proposed diversion scenarios, allocation targets cannot be set and no project that diverts that water can move forward legally.

#### Water is a valuable resource

In California, Public Trust responsibilities for water resources include protecting natural instream flows — and the from the California Delta.

ecological, habitat and recreational benefits these flows provide — as well as municipal, industrial and agricultural water uses. Balancing competing uses requires knowing the costs and benefits of increasing/decreasing water allocations to any and all of these users.

This is best done through the process of Public Trust assessment and analysis: an economic benefit/cost analysis of public trust resources. Benefit/cost analysis is simple in concept: Identify the user groups affected by the water allocation alternatives; calculate the costs to each group for each alternative; calculate the benefits to each group for each alternative; compare costs and benefits; select an alternative. Applying benefit/cost analysis, however, can be complex, especially when some of the trust resources at issue, e.g., instream flow and riparian habitats, are not traded in markets and so have no market prices with which to compare with other trust resources that are traded in markets, e.g., agricultural production. A complete analysis takes into account both market and nonmarket values and can describe the net economic effects of proposed scenarios. For example, the economic analysis in the Mono Lake case concluded that the economic benefits of preserving the public trust of instream flows for Mono Lake the nonmarket values — outweighed the cost to Los Angeles of finding an alternative water source to Mono Lake — a market value — by a factor of 50.

#### We can stop paper water

If Ojai contracts for state water, that water will come from the California Delta. The decline of the Delta watershed is very well-documented. With the passage of the 2009 Delta Reform Act, the state wisely enacted into law the preservation of the Delta and specifically stated the need for the southern regions of the state to significantly reduce their reliance on Delta water. Paper water is what allows this destructive contradiction to persist, and why it's up to Ojai and all of us south of the Delta to be active in ending paper water for good.

Ojai citizens need to be aware that the Casitas Municipal Water Agency (Ojai water) is currently working with other local water agencies on a proposal to construct a pipeline to hook up to the State Water Project through the Los Angeles Metropolitan Water District.

A Draft Environmental Impact Report on the project is being prepared by the city of Ventura (Ventura water) and should be released to the public soon. The cost of the pipeline will be expensive, but not nearly as expensive as ongoing State Water costs associated with maintaining the SWP infrastructure (the Twin Tunnels, Oroville dam repair, etc.). These costs are determined by the Department of Water Resources and passed on to SWP ratepayers without their approval. Connecting to the SWP will not guarantee Ojai any new water, and as I have outlined in this series, the State Water Project is not sustainable in its current form.

The California Water Impact Network (C-WIN), a citizens group I founded in 2001 with Patagonia owner Yvon Chouinard, is leading the effort to end paper water. We are active participants in State Water Resources Control Board hearings and several lawsuits challenging the Twin Tunnels project. We have a proven track record of success toward our goal of sustainable and equitable water policy for California, and have created the road map to end paper water.

It includes these crucial steps:

• Quantification by the state of water available for export

#### Resources

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- A Public Trust assessment and analysis of export scenar-
- Implementation of the 2009 Delta Reform Act standards, including non-renewal of and non-participation in new contracts with the SWP.
- Adjudication of the 20 rivers of surface water and groundwater in the Delta watershed.

C-WIN represents a statewide coalition of water agencies and activists who feel that ending paper water is one of the most important efforts of our time. We have assembled the team of court-designated experts needed to perform the quantification and Public Trust assessment, and are actively raising funds and awareness. But we are not asking you for a donation. We are asking you to help educate your neighbors and your local government representatives. We are asking you not to participate in the destructive mismanagement and abuse of California's fresh water, but instead seek regional solutions. We are asking you to share these three essays with every Californian you know. Not only will Ojai gain nothing in a contract with the SWP, it will lose the ability to serve its community's water needs and control its future.

Thank you for reading. Thank you for taking action.

— Santa Barbara resident Carolee Krieger leads C-WIN's efforts to design and implement collaborative and lasting solutions for California's fresh water resources.