Attachment 'B'



December 19th, 2024

Honorable Joaquin Esquivel, Chair State Water Resources Control Board 1001 I Street Sacramento, CA 95814 SacDeltaComments@waterboards.ca.gov

Dear Chair Esquivel and Members of the State Water Resources Control Board,

We are writing to express our support for selecting the Healthy Rivers and Landscapes Program as the pathway to amending the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Watershed ("Bay Delta Plan"). From our perspective, the State Water Resources Control Board ("Board") is faced with a fundamental policy choice: amend the Bay Delta Plan by adopting unimpaired flow ("UIF") objectives, as proposed by the Water Board staff; or amend Bay Delta Plan by approving the Voluntary Agreements, also known as Healthy Rivers and Landscapes (HRL), proposed in March 2022 by a diverse group of stakeholders. These stakeholders have specific expertise in managing and operating California's water systems, which includes numerous state agencies, the Bureau of Reclamation, and numerous public water agencies.

The UIF option would cause untold social and economic disruption in communities throughout the State, while also complicating interbasin negotiations on the Colorado River. Reduced State Water Project supplies as a result of the UIF alternative make it more difficult to achieve a collaborative solution to the Colorado River's 2026 Operational Guidelines among the seven basin states.

In contrast, the HLR pathway would provide additional protection of the beneficial use of water for native fish species while also providing greater water supply reliability and regulatory certainty for those same communities than the UIF approach. For that reason, we join Governor Gavin Newsom in expressing enthusiastic support for the Voluntary Agreements and urge the Board to adopt them without modification.

Lost Groundwater Recharge Opportunities

According to the Water Board staff's analysis, adoption of the proposed unimpaired flow objectives would cause devastating water supply reductions in every region of California that relies on water originating in the Sacramento – San Joaquin Delta watershed. The Water Board staff's analysis indicates that in dry and below normal water years, regions of the San Joaquin Valley and southern California that are reliant on water provided through the Central Valley Project and the

State Water Project would suffer water supply reductions of more than 1.3 and 1.1 million acrefeet, respectively. Even in above normal water years, which should be years in which groundwater basins could see recharge opportunities under an alternative approach, these areas of California will see reduced surface water supplies of nearly 800,000 acre-feet. These water supply reductions are in addition to reductions experienced by these regions under existing restrictions imposed on CVP and SWP operations under the current Bay-Delta Plan, the federal Endangered Species Act, and the California Endangered Species Act. As a result, south-of-Delta SWP contractors are expected to receive additional allocation reductions up to 40%, and south-of-Delta CVP irrigation contractors are expected to receive zero allocations in all critical and dry years, and many below normal years.

Increased Fallowing Will Result in Economic Harm to the State

These water supply reductions are simply unbearable. In the San Joaquin Valley, an additional 260,000 acres will have to be fallowed in dry years. It is important to note that this is in addition to the estimated 700,000 acres of land that will be fallowed to comply with the requirements of California's Sustainable Groundwater Management Act (SGMA). The reduction in crop values caused by adopting the unimpaired flow objectives in a dry year will be more than \$1.3 billion dollars in the San Joaquin Valley, and statewide, the Water Board staff estimates the reduction in crop values will be more than \$2.7 billion. For regions like the San Joaquin Valley, which are dependent on irrigated agriculture, the economic impacts of these fallowed acres and reduced crop values will ripple throughout the entire region.

Perpetual Drought and Food Insecurity

A 2014 report by the US Department of Agriculture estimated the 2007-09 drought resulted in the loss of more than 21,000 jobs in the San Joaquin Valley. The same report states it is reasonable to project that similar drought conditions could result in an overall unemployment rate as high as 40% in communities dependent on agricultural production, "leading to a dramatic increase in demand for assistance from social service agencies." <u>USDA Rural Development Strategy</u>. The economy of the San Joaquin Valley has not measurably changed in the last decade, and the consequence of the adoption of unimpaired flow objectives, when combined with implementation of SGMA, will result in perpetual drought for San Joaquin Valley communities and its economy.

That same 2014 USDA report also stated:

Ironically, a number of communities within the [San Joaquin Valley], many of which are dependent on employment in the agricultural sector are also among the most food insecure in California and the US, with 33% to 41% of low-income residents classified as food insecure.

In other words, the economic disruption caused by drought induced unemployment will exacerbate difficult socio-economic conditions in disadvantaged rural communities. This reality is acknowledged by the Water Board staff's own analysis. Draft Staff Report: Sacramento/Delta Update to the Bay-Delta Plan, pg. 8-88.

We have witnessed this scenario play out too many times in the last two-and-a-half decades. As agricultural and agricultural-related employment declines there are numerous effects. Agricultural workers are forced to migrate to other regions, which in turn leads to fewer residents in the region and lower enrollment in local schools. As land is taken out of irrigated agricultural production, local tax revenue declines, particularly when the title to land is acquired by public water agencies, as was the case in the early part of this century when water districts in Fresno County acquired 100,000 acres to reduce demands for water. At the same time as these reductions in revenue are occurring, demands for social services increase. And none of these impacts take into consideration the loss of healthy, affordable food supplies for the state and nation. All of these impacts are likely to be exacerbated if surface water supplies are further limited by the adoption of unimpaired flow objectives.

A Balanced Ecosystem and Water Supply Solution

Fortunately, there is an alternative approach - the adoption of which is entirely within the Board's discretion. The Voluntary Agreements, or HLR, pair increased instream flow and Delta outflow with non-flow measures, including habitat improvements, which will improve the biological function of aquatic habitat for the benefit of species. More specifically, the Voluntary Agreements include increased flow contributions, including instream flow and Delta outflow, which are paired with non-flow habitat restoration measures to enhance the biological function of habitat that supports native fish species. Additionally, the Agreements include funding sources (approximately \$2.6 billion) to implement the program, robust monitoring and collaborative adaptive management, and a watershed-wide shared governance and science process. The Voluntary Agreements are a viable alternative for the reasonable protection of water for fish and wildlife uses that are likely to achieve equivalent, if not better, protection for native fish viability without the water supply reductions that will result from the adoption of unimpaired flow objectives.

It is worth noting that the flow and non-flow habitat restoration program described in the March 2022 Memorandum of Understanding Advancing a Term Sheet for the Voluntary Agreements to Updated and Implement the Bay-Delta Water Quality Control Pan, and Other Related Actions ("VAs MOU") was developed by the Department of Fish and Wildlife, Department of Water Resources, Bureau of Reclamation, the U.S. Fish and Wildlife Service, and numerous public water agencies. In a statement celebrating the execution of the VAs MOU, Governor Gavin Newsom stated:

"We don't have to choose between healthy ecosystems or a healthy economy, we can choose a path that provides for both. This is a meaningful, hard-earned step in the right direction."

The Water Board staff proposal for unimpaired flow objectives is premised on the belief that "more water will lead to healthy fish populations." A 2009, Public Policy Institute of California report entitled "California Water Myths" labeled this belief as a "myth." Hanak, E., et al., 2009, California Water Myths. That same report stated "without sufficient physical habitat, more water does little good and may cause harm. Habitat needs connectivity and complexity, along with the ability to adjust to changing conditions." The Voluntary Agreements are premised on the unassailable observation that healthy fish populations need more than water to thrive.

Meeting Water Quality and Water Supply Objectives Together

The amendment of the Bay Delta Plan is a quasi-legislative act, which involves the balancing of competing uses of water. This is evident from the Legislature's declaration "that activities and factors which may affect the quality of the waters of the state shall be regulated to attain the highest water quality, which is reasonable, considering all demands being made and to be made on those waters and the total values involved, beneficial and detrimental, economic and social, tangible and intangible." Water Code § 13000 (emphasis added).

In this circumstance, what is "reasonable" considering all of the demands being made on the water involved, including environmental, economic, and social values, is undeniable. The Water Board should exercise its discretion to approve the Voluntary Agreements, as described in the VAs MOU, and reject unimpaired flow objectives proposed by the Water Board staff.

Sincerely,

Eddie Ocampo, Chair

Water Blueprint for the San Joquin Valley



At Risk
Unimpaired Flows or
Healthy Rivers and Landscapes



Bay-Delta Water Quality Control Plan Update

State Water Resources Control Board Staff Proposal

Unimpaired Flows is a staff proposal for water quality that relies on increased water releases from our reservoirs without needed habitat improvements for fish.



Water Supplies

In a dry year, exports by the Central Valley Project and the State Water Project will be reduced by more than 1.3 million acre-feet under the proposed 55% unimpaired flow standard.



Farmland

The average annual water supply reduction from unimpaired flow across all years will result in more than 140,000 acres being fallowed. Dry year cuts will skyrocket fallowing to more than 260,000 acres.



Jobs

The Sustainable Groundwater Management Act (SGMA) will cause 63,000 job losses in direct farm employment and agricultural service sector jobs.* Water losses from unimpaired flows add to these impacts, and often include reduced jobs and school enrollment in disadvantaged communities.



Crop Value

In the San Joaquin Valley, the reduction in crop value will reach more than \$1.3 billion. Statewide impacts will exceed \$2.7 billion.

SECONDARY IMPACTS

- Loss of highquality food supply
- Loss of state and local tax revenue
- Reduction in school enrollment
- Increased demand for social services

*Blueprint Economic Impact Analysis, Sunding/Roland-Holst, 2020

Water Blueprint

for the San Joaquin Valley





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Healthy Rivers and Landscapes The Alternative to the SWRCB Staff Proposal

Healthy Rivers and Landscapes integrates additional water flows with habitat restoration and landscape improvements to enhance ecosystem health and native fish populations in the Sacramento-San Joaquin River Delta.

- Provides reasonable protection of fish and wildlife
- Pairs stream flow with habitat improvements
- Reduces water supply impacts on farms and communities
- Better solution for rural jobs and the economy



Multiple Agency Support

The flow and non-flow habitat restoration program was developed by the Department of Fish and Wildlife, Department of Water Resources, Bureau of Reclamation, the U.S. Fish and Wildlife Service, and numerous public water agencies, with the support of Governor Newsom.



Protects Fish

Healthy Rivers and Landscapes provides equivalent, if not better, protection for native fish species and scraps the outdated framework that healthy fish populations just need more water to thrive.



Dedicated Funding

\$2.6 billion in funding to acquire, on a voluntary basis, water to increase instream flow and Delta outflow and to implement non-flow, habitat restoration measures and conduct scientific research.



Solutions Start Now

Avoids prolonged litigation. Accelerates recovery of native fish species. Promotes the efficient use of water. Protects beneficial use of Sacramento – San Joaquin watershed waters.

SUCCESS IS SIMPLE

Amending the BayDelta Plan involves
balancing competing
uses of water. The
State Water
Resources Conrol
Board (SWRCB)
should exercise its
discretion to approve
Healthy Rivers and
Landscapes, rather
than the Unimpaired
Flow plan proposed
by SWRCB staff.

Water Blueprint

for the San Joaquin Valley





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John Jansons

From:

Rajveer Rakkar < rrakkar@calcities.org >

Sent:

Wednesday, December 18, 2024 5:22 PM

To:

Rajveer Rakkar

Subject:

SWRCB Regulations

Attachments:

12-9-24 SAMPLE RESOLUTION_WQCP_FINAL.docx; 12-9-24 Farmland at Risk -

Unimpaired Flow FINAL (1).pdf; 2024-12 Letter RE-Unimpaired Flows Objectives .pdf

Good Evening City Managers,

I wanted to reach out regarding the email below, I received and some of you may have received it already. While Cal Cities currently has not taken a position on the issue, our division is encouraging cities to submit resolutions. I am forwarding you all the email that I received last week, which has more information about the regulations and the sample resolution as well.

If you have any questions, please feel free to let me know.

Thank you, Raj

From: Geoff Vanden Heuvel,
Director of Regulatory and Economic Affairs - Milk Producers Council
Board member of the Water Blueprint for the San Joaquin Valley
Board member of the Southern California Water Coalition

Re: Important Water Information

Dear Friends,

In addition to each of you being an elected official in your city there are two other things that you have in common. One is that each of your communities depend in some way on water supplies that are transported through the delta region of California. And secondly, I have met each of you at least once and in some cases we have been friends for decades.

The threat to our water supplies from regulation being considered by the State Water Resources Control Board (State Board) is very significant. The State Board staff is recommending an approach to the delta regulation called an "unimpaired flow" approach. This approach essentially requires that at least 55% of the flow of the rivers must stay in the river and head to the ocean.

If this approach is adopted, there will be a significant reduction in water exports to Central and Southern California in every water year type. Reduced water deliveries mean water rationing and increased water costs for cities as well as curbing all economic activity tied to water availability like agriculture and food processing, construction and manufacturing.

There is an alternative approach that has been developed by some state and federal agencies along with the public water agencies with the support and endorsement of Governor Newsom. This alternative is called the Voluntary Agreements, and has been renamed the Healthy Rivers and Landscapes alternative. This alternative recognizes that to improve native fish populations in the delta there needs to be improvements in habitat, a curbing of alien species and better wastewater treatment. Increased water flow should be strategically and not indiscriminately deployed. This is the alternative that both helps the environment and preserves much of the water deliveries that we all depend on for our communities.

You can see a short information video here: https://www.youtube.com/watch?v=6d0eG3OfFyM&authuser=0

Attached is a resolution template for your use, an infographic flier and the comment letter the SJV Water Blueprint has produced which you are free to use as a reference. There is also likely to be a coalition letter that you or your city (or both) could sign onto.

Expressions of your concern about the impacts of this decision can be communicated to the State Board members at the following email address:

Board.Clerk@waterboards.ca.gov

Thanks so much for your consideration of this request. Feel free to reach out to me with any questions or concerns. I can be reached at 909-730-1240 cell/text. geoffreyvh60@gmail.com