2017: A Banner Year for California Water?
WESTCAS 2017 Annual Conference

June 20, 2017
About ACWA

Who We Represent . . .
• ACWA members responsible for 90% of the state’s distributed water

Water Sources & Services
• Federal, state and local projects
• Surface and groundwater
• Agricultural, urban, industrial customers
• Wholesale, retail
Drivers for Success in 2017

• Committed governor
• Federal partnership (?)
• We have a plan
• Broad support though not universal
California Water at Another Tipping Point in 2017

There is, of course, a lot of devil in the details...
California at Another Tipping Point in 2017

...but standing still is not an option!
...and We Are Certainly Not Standing Still

- **WaterFix**
  Final EIR/EIS

- **Storage**
  $5-$10B in 2018

- **Flows**
  State Water Board triggers critical debate

- **Conservation**
  Negotiations in the Legislature

$25+ Billion Capital Program Primed to Launch
ACWA Priority Goals for 2017

Policy-Related Goals
ACWA will continue to serve as the driving force in advancing comprehensive solutions that improve water supply reliability for all parts of the state.

- Provide leadership on Bay-Delta solutions: ACWA will provide leadership and a strong, unified voice to advocate for Bay-Delta policies that are consistent with comprehensive solutions and the coequal goals of improving water supply reliability and ecosystem health. ACWA will highlight the fact that Delta conveyance solutions advanced through California WaterFix must be part of a comprehensive plan that benefits all parts of California. It also will seek to ensure that flow decisions by the State Water Resources Control Board are consistent with the California Water Action Plan and compatible with a future that includes a vibrant agricultural and urban economy.

- Develop long-term conservation and drought policy: ACWA will advocate for policy that presents local decision making, recognizes the role of local water supply investments, and promotes sound policy on water use efficiency and long-term climate adaptation.

- Advance water storage investments: ACWA will continue to define and highlight the benefits of storage project integration and provide technical analysis to inform decision making by the California Water Commission as it allocates funds from Proposition 1.

- Promote policy advances on headwaters: ACWA will work with coalition partners to educate audiences and promote policies and funding to protect the pace and scale of headwaters and forestry management.

- Advance raced water rates policy: ACWA will engage in legislative and administrative solutions that provide flexibility for local agencies to enact voluntary demand-based rates and allow rates without creating any new state authority that might restrict local discretion. ACWA will also seek solutions that address drinking water affordability in a manner that is consistent with local decision-making authority over rate-related decisions.

- Provide leadership on drinking water solutions for disadvantaged communities: ACWA will take a leadership role to develop and advance solutions that are reasonable and effective and do not unfairly impact ACWA members.

Organizational-Related Priority Goals
Building on key organizational changes and efficiencies made in recent years, ACWA will pursue all opportunities in 2017 to meet member needs and ensure the long-term success and financial sustainability of the association.

- Develop long-range plan for financial sustainability and staff resources: ACWA will continue implementation of the succession plan for staff developed in 2016. It also will execute programs to create a significant increase in non-dues revenue and decide on a plan for the future of its building at 910 K Street in Sacramento.

- Assist ACWA members with recruiting and engaging next generation: ACWA will pursue strategies to assist members with this important priority.

- Improve involvement by ACWA’s agricultural members: ACWA will elevate the importance of issues affecting agricultural members and work to increase their engagement in the association.

- Maximize the “Meet the President” initiatives: ACWA will seek to engage less-involved members and enhance regional outreach and effectiveness through meetings and events as part of the initiative.

- Implement the Integrated Marketing/Communications/Outreach Plan: Building on the successful rollout of a new brand in 2016, ACWA will implement remaining actions, including a major redesign of its website and enhanced social media presence.
California WaterFix

- In December 2016, Governor submitted final EIR/EIS

- State Water Board conducting water rights hearings on CA WaterFix

- Federal government stepping forward as a partner; biological opinions under preparation
CA WaterFix
Alternative 4A Elements

• $17.1 Billion project, mostly funded by public water agencies

• Three new diversion points in the north Delta

• Two gravity-fed tunnels to send water to Tracy pumping plants

• Habitat improvements under EcoRestore plan
ACWA’s Perspective on CA Water Fix

• Key element of CA Water Action Plan

• With Delta conveyance:
  ✓ Storage works better
  ✓ The market works better
  ✓ Habitat restoration works better
  ✓ Water quality is better

• **Key concern:** Conveyance solutions must move forward as part of a comprehensive plan
Investing in 21st Century Water Storage

- ACWA has been a long-time supporter of more storage – above- and below-ground
- Prop. 1 passed by 2:1 margin
- CA Water Commission:
  - Workable regulations
  - WSIP applications due Aug. 14
  - $2.7B allocated in 2018, will leverage up to $10B in new storage
ACWA Water Storage Integration Study
3.5 MAF Combined New Storage

Sites JPA
Sites Reservoir
1,810 TAF

Nevada ID
Centennial Reservoir
110 TAF

Regional Water Authority
American River
Conjunctive Management

Contra Costa WD
Los Vaqueros
Reservoir Expansion
+115 TAF

Existing Delta
Conveyance &
Proposed CA WaterFix

CVP
San Luis Reservoir
Expansion
+120 TAF

Friant Water Users
Temperance Flat
Reservoir
1,260 TAF

Semitropic WSD
Tulare Lake
Bottom Storage
120 TAF

RRBWSD/IRWD
Kern Fan Groundwater
Conjunctive Management
ACWA Water Storage Integration Study

- Substantial water available for storage
- Fraction of that can be stored to enhance coequal goals
- New storage increases carryover by 1.9 MAF per year
- Storage + creative operations = more resiliency
- Integration works - conveyance doubles storage value
- Investments enhance SGMA implementation
Conservation “As a Way of Life”

- All agree we need to raise the bar on efficiency
- Tremendous teamwork in “ACWA-land”
- Action now in Legislature
- **Key issue:** Local discretion vs. State Board overreach
Integrating Flows into the Package
ACWA Policy on Bay-Delta Flow Requirements

- Expresses concerns about State Water Board SED proposal
- Identifies criteria for a path forward
- Defines common sense metrics of success
Bay-Delta Flow Requirements

Concerns about the SED

State Board Staff Proposal:

- Focuses on “unimpaired flow”
- San Joaquin River range: 30% - 50% (40% starting point)
- Acknowledges role for non-flow measures and voluntary agreements but...
State Water Board Proposal

Concerns about the SED

• Flows clearly come first
• Widespread concern:
  • Large loss of water
  • Land out of production
  • Reduced reliability for M & I
  • Groundwater basins thrown into critical overdraft
State Water Board Proposal
Concerns about the SED

Q: How is this consistent with:
   • Coequal goals?
   • SGMA Implementation?
   • Success of the CA Water Action Plan?

A: It isn’t.
ACWA’s Policy on Bay-Delta Flow Requirements
Criteria for a path forward

• Collaborative, negotiated solutions

• Comprehensive water supply management

• “Functional” flows and comprehensive ecosystem management
“Voluntary agreements in which water rights holders improve stream flows and restore habitat could offer a faster, less contentious, and more durable outcome.”
Collaborative Negotiations

Sacramento Valley

American River System

Delta Flow Requirements

San Joaquin River Tributaries

Nemeth

Babbitt

Cowin

Bonham
The Water Manager’s Comprehensive Toolkit

- Demand Management
- Recycling
- Stormwater Recovery
- Groundwater Cleanup
- Water Markets
- Local Storage
- Myriad of other tools

$20 billion and counting
We have uncoupled the growth-imports relationship
The Ecosystem Manager’s Comprehensive Toolkit

• Floodplain habitat
• Riverine habitat
• Predation control
• Pollution control
• Food management
• Harvest management
• Flow/temperature management
SED Proposal: Percent of Unimpaired Flow

Concerns:

• “Top down” approach is highly inefficient

• Limited connection to rest of package

• Very large impacts, especially on agriculture

We need a more effective and efficient approach for flow requirements
“Functional” Flows

So, what do we want to the State to do?

• Implement true, integrated resources planning for ecosystem management

• Engage all the tools within life cycle framework

• Develop flow requirements from the “bottom up,” not “top down” and tie flows to specific biological functions

• Link flows to other elements in the integrated package (e.g. flood plains)
“Functional” Flows

These actions will:

• Dramatically improve the productivity of flow measures to enhance the environment

• Significantly reduce impacts on water users to help achieve the coequal goals
Bay-Delta Flow Requirements

Common sense metrics of success:

☑️ Does the proposal have broad support?
☑️ Does it significantly enhance the environment?
☑️ Is it consistent with a “more reliable water supply” and a growing Ag and Urban economy?
☑️ Does the policy help accomplish the goals of SGMA?
☑️ Does the policy promote the implementation of the CA Water Action Plan?
Leadership

- War is easy – collaboration is hell
- ACWA Board principles envision powerful, difficult change
- This always requires courage and leadership

Failure is not an option
Questions?
Feel free to contact me

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