



# San Gabriel Basin Water Quality Authority

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**WQA LEGISLATIVE/PUBLIC INFORMATION COMMITTEE  
AND SPECIAL MEETING OF THE BOARD OF DIRECTORS  
TO BE HELD ON WEDNESDAY, AUGUST 12, 2015 AT 10:00 A.M.  
AT  
1720 W. CAMERON AVE., SUITE 100 IN WEST COVINA, CA**

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*\*The Legislative/Public Information Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board that are not assigned to the Legislative/Public Information Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the Committee as advisory to the Board, members of the Board who are not assigned to the Legislative/Public Information Committee will not vote on matters before the Committee*

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## **AGENDA**

**Committee Members:** Luis Ayala, Louie Aguiñaga and Bryan Urias

**Liaison Member:** Dan Arrighi

- I. Call to Order
- II. Public Comment
- III. Discussion Regarding Next Advertorial
- IV. Legislative Activities/Reports [enc]
  - a. State
  - b. Federal
- V. Executive Director's Report
- VI. Adjournment

## Stephanie Moreno

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**From:** Bob Gore <Bob\_Gore@gualcogroup.com>  
**Sent:** Wednesday, August 05, 2015 3:57 PM  
**To:** Ken Manning; Randy Schoellerman; Gabriel Monares; Stephanie Moreno  
**Cc:** Jackson R. Gualco; Kendra Daijogo  
**Subject:** "WaterFixed", SGMA Insights, Prop 1 Groundwater "Pre-App" & More - Water Whirled  
**Attachments:** 9E71AF66-C8DD-4D1B-884B-CCD6FAE5AFFB[12].png

Ken, Randy, Gabriel, Stephanie, good afternoon,

Resources senior official outlines how Gov. Brown is selling WaterFix — the new face of the Bay Delta Conservation Plan (BDCP). The Department of Water Resources (DWR) provides hints, insights, and outright clear statements of regulatory intent for the Sustainable Groundwater Management Act (SGMA) in 2016. The State Water Resources Control Board (SWRCB) posts the recommended “pre-app” for Prop. 1 groundwater quality and hosts a storm water workshop. Not to be outdone, DWR publishes the 2015 Ag Water Management Plan guidebook. A diverse Water Whirled from the The Gualco Group, Inc. (TGG, Inc.).

### “WaterFix”: BDCP Gets a Facelift

Natural Resources Agency Undersecretary Janelle Beland outlined the Brown administration’s new Delta conveyance marketing plan for the State Board of Food & Agriculture (which includes at least two irrigation district directors). The BDCP, as you probably know, has a new name, “WaterFix,” accompanied by a splashy new logo and slogan: “Reliable. Clean. Water.” Her message points from the Corner Office are summarized below:

- “We are replacing an ineffective, inefficient system to move roughly the same amount of water.”
- WaterFix is structured to be compatible with water district business decisions — the project will provide a sufficient return on investment to merit their financial partnership in construction and operation.
- The new design of river-level intakes upstream means no fish take and no shutting down pumps due to fish take. WaterFix will use natural flow and save energy.
- WaterFix will move 9,000cfs. Bookend analyses showed 15,000 was too much and 3,000 was not sufficient for storm water capture.
- WaterFix is “environmentally and economically friendly.” WaterFix front-loads habitat restoration which begins this year and is due to complete 30,000 acres by 2018.
- Record Of Decision in the spring of 2016. SWRCB point-of-diversion process begins this month and takes two years after which construction begins...before the governor leaves office.
- \$15 billion price tag at a cost of \$5 a month for urban water users. Irrigation district tab TBD.
- New BiOps will be required.
- “If we don’t do this, Southern California will get a lot less water,” she said when asked if the water work will restore the original Central Valley Plan delivery commitment.

Don’t forget to visit the website: <http://www.californiawaterfix.com><<http://www.californiawaterfix.com/news>>

### DWR Posts SGMA Regulatory Thinking

As DWR lays the groundwork for a huge water year — 2016 rolling out the SGMA — the regulatory staff is publishing papers that contain hints, insights, and outright statements of what you can anticipate. Four such papers were published in the past few weeks. Quick briefing and links below.

### Groundwater Replenishment

DWR by New Year’s Eve 2016 owes us a best guess on water available for groundwater replenishment. But how to count? Do we use a simple inventory of “available surplus water” or a more complex analytic approach based on

anticipated future demand? How about a “system-wide assessment using future climate and growth scenarios and robust decision making”? And just what is replenishment water anyway? Do we allow for regional variances and report by basin? Should an economic and feasibility study be required?

[http://water.ca.gov/groundwater/sgm/pdfs/SGMA\\_Water\\_for\\_Replenishment\\_Issues\\_discussion\\_paper.pdf](http://water.ca.gov/groundwater/sgm/pdfs/SGMA_Water_for_Replenishment_Issues_discussion_paper.pdf)

#### Alternative Groundwater Plans

The SGMA allows alternative Groundwater Sustainability Plans, as you recall. But medium and high-priority basin managers have only until January 2020 or 2022. Of course, an adjudication is an alternative, and so is a comprehensive basin analysis that shows a decade of operations within sustainable yield.

[http://water.ca.gov/groundwater/sgm/pdfs/SGMA\\_GSP\\_Topic-4\\_Alternative\\_Submittal\\_080315.pdf](http://water.ca.gov/groundwater/sgm/pdfs/SGMA_GSP_Topic-4_Alternative_Submittal_080315.pdf)

#### Overlapping and Fringe Areas

And they don’t mean fringe benefits. Regulators from the beginning have warned against leaving the so-called “white space areas,” and this paper reminds us that the SWRCB can “intervene” to require governance. Conversely, the paper asks for the answer when two or more SGAs claim the same turf. This paper also includes the process for declaration of a probationary basin, even though it’s not in the title. Buyer beware!

[http://water.ca.gov/groundwater/sgm/pdfs/SGMA\\_GSP\\_Topic-5\\_Boundaries\\_Overlapping\\_Fringe\\_Areas\\_080315.pdf](http://water.ca.gov/groundwater/sgm/pdfs/SGMA_GSP_Topic-5_Boundaries_Overlapping_Fringe_Areas_080315.pdf)

#### Intra-Basin Coordination Agreements

A benign title masking what could be an innovative opportunity for significant Integrated Regional Water Management Program funding for first-movers who use a coordination agreement to connect multiple regional agencies. What elements should be required? Once again, there is something missing from the paper’s title — this one segues into several local control v. statewide standards issues, including land use planning.

[http://water.ca.gov/groundwater/sgm/pdfs/SGMA\\_GSP\\_Topic-6\\_Intra-and-Inter\\_Basin\\_Coordination\\_080315.pdf](http://water.ca.gov/groundwater/sgm/pdfs/SGMA_GSP_Topic-6_Intra-and-Inter_Basin_Coordination_080315.pdf)

SWRCB Posts Groundwater Quality “Pre-App”; Hosts Storm Water Workshop SWRCB opened the suggested pre-application for groundwater quality projects using the Financial Assistance Application Submittal Tool (FAAST<<https://faast.waterboards.ca.gov/>>). Added are links to PDF versions of the Groundwater Quality Funding Programs Pre-

Application<[http://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/gw\\_funding/docs/faast\\_pre\\_app\\_scap\\_prop1\\_changes073115.pdf](http://www.waterboards.ca.gov/water_issues/programs/grants_loans/gw_funding/docs/faast_pre_app_scap_prop1_changes073115.pdf)> and Pre-Application

Instructions<[http://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/gw\\_funding/docs/faast\\_pre\\_app\\_instructions.pdf](http://www.waterboards.ca.gov/water_issues/programs/grants_loans/gw_funding/docs/faast_pre_app_instructions.pdf)>. These documents and additional information regarding the Groundwater Quality Fund Programs can also be found at: [http://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/gw\\_funding/](http://www.waterboards.ca.gov/water_issues/programs/grants_loans/gw_funding/).

The GWQF Pre-Application is the first step in the process to apply for projects requesting funds from Proposition 1 Groundwater

Sustainability<[http://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/proposition1/groundwater\\_sustainability.shtml](http://www.waterboards.ca.gov/water_issues/programs/grants_loans/proposition1/groundwater_sustainability.shtml)> or the Site Cleanup Subaccount

Program<[http://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/scap/](http://www.waterboards.ca.gov/water_issues/programs/grants_loans/scap/)>. The requested information is needed in order to review proposed projects based on the current requirements in law. No criteria in addition to Proposition 1 and SB 445 have been adopted to date. SWRCB Division of Financial Assistance (DFA) staff will determine which program, if any, is the most appropriate for each project; therefore, applicants do not need to designate a program preference. Providing the information requested in the GWQF Pre-Application allows staff to assess potential eligibility of projects and identify the appropriate fund source. Final Applications are not yet available.

For questions or comments, contact us by phone at: (800) 813-FUND (3863) or email to: [gwquality.funding@waterboards.ca.gov](mailto:gwquality.funding@waterboards.ca.gov)<<mailto:gwquality.funding@waterboards.ca.gov>>.

SWRCB is holding a storm water workshop Aug. 19, on which TGG, Inc. will attend and brief. Draft guidance proposal and project list are available to view or download:

[http://www.waterboards.ca.gov/water\\_issues/programs/stormwater/strategy\\_initiative.shtml](http://www.waterboards.ca.gov/water_issues/programs/stormwater/strategy_initiative.shtml).

Groundwater Sustainability Agencies Interactive Map DWR has launched an interactive map<[http://water.ca.gov/groundwater/sgm/gsa\\_map.cfm](http://water.ca.gov/groundwater/sgm/gsa_map.cfm)> that shows the location of local agencies that have elected to become GSAs. The boundaries of GSAs are based on information submitted to DWR by those local agencies. DWR makes every effort to provide accurate information, however DWR has not verified the GSA boundary information contained in this map. In addition to GSA boundaries, this map shows the following: Bulletin 118-2003 groundwater basins; CASGEM basin prioritization; and adjudicated areas listed in Water Code §10720.8 (full list available soon). Access the interactive map at [http://water.ca.gov/groundwater/sgm/gsa\\_map.cfm](http://water.ca.gov/groundwater/sgm/gsa_map.cfm).

#### Final Ag Water Management Plan Guidebook Hot Off the Virtual Presses + Workshops!

DWR has released the Final 2015 Agricultural Water Management Plan (AWMP) Guidebook. The 2015 AWMP Guidebook is to assist agricultural water suppliers in preparing their AWMPs. For agricultural water suppliers that supply greater than 25,000 acres of irrigated lands, AWMPs must be adopted by December 31, 2015, and submitted to DWR by January 31, 2016 (existing requirement), and for agricultural water suppliers that supply 10,000-25,000 irrigated acres, AWMPs must be submitted to DWR by July 1, 2016 (new requirement of Governor's Executive Order B-29-15). Use of this guidebook is optional, but may help agricultural suppliers address existing requirements as well as new requirements under EO B-29-15 directives 12 and 13.

The Guidebook is available at: <http://www.water.ca.gov/wateruseefficiency/sb7/>. The attached letter lists the significant changes that were made to the Guidebook.

DWR will hold two Agricultural Water Management Planning workshops: the first in Fresno on August 18, 2015 and the second in Sacramento on August 25, 2015. The purpose of these workshops is to provide guidance to agricultural water suppliers and consultants in the preparation of Agricultural Water Management Plans (AWMPs). Water suppliers who provide water to more than 25,000 acres must adopt plans by December 31, while water suppliers who supply between 10,000 and 25,000 acres must submit plans to DWR by July 1, 2016.

#### Workshop Details:

Location: Fresno County Farm Bureau, 1274 W Hedges Ave, 559-237-0263

Time: 1:30-4:00 PM

Note: no conference call or WebEx for this workshop

Location: Department of Water Resources, 901 P Street, Sacramento, 2nd Floor Large Conference Room (213A)

Time: 9:00-11:30 AM

Conference Call: 1-877-952-3588; Attendee access code: 590 225 6

WebEx: Meeting # 749 313 076

Log in: <https://resources.webex.com/resources/j.php?MTID=m8111ee50c00fa626223c3983c653051a>

Glad to answer questions and provide more detail, Bob Robert J. Gore The Gualco Group, Inc.

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# Capital News & Notes

*For The Gualco Group, Inc. Clients & Friends*

Capital News & Notes (CN&N) finds and summarizes California legislative and regulatory insights you are unlikely to find elsewhere. The Gualco Group, Inc. harvests articles, reports and white papers from dozens of sources for the past week, tailored to your business and advocacy interests. Please feel free to forward.

Ideas and inquiries are welcome: [bob\\_gore@gualcogroup.com](mailto:bob_gore@gualcogroup.com)

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## CN&N for Monday, August 3, 2015

### **CLEARING CALIFORNIA'S AIR –**

**No States Follow California's Lead**

**Governor's New GHG Reduction Push Raises Questions**

**Leaving Energy in the Ground Also Raises Questions**

**Grow Food, Reduce Carbon Emissions**

**Truckers Fight CARB Diesel Filters as Public Safety Hazard**

**Poll Finds CA Voters Connect Drought to Global Warming**

### **WATER & DROUGHT –**

**Strong El Nino Grows**

**Judge Indicates SWRCB Curtailment Notices Proper**

**SJV Cities, TID Approve Water & Treatment Plant Pact**

**Salton Sea Restoration Plan Rolled Out**

**Workers' Comp Costs Grow At Double-Digit Rate**

**CA Lawmakers "Behest" \$28 Million in Donations**

*READ ALL ABOUT IT!!!*

### **Clearing California's Air:**

#### **No States Follow California's Lead**

It was mid-morning one day in May and somewhere deep inside a 25-story tower in Sacramento, an auction, cloaked in secrecy, was about to begin.

State workers surrendered their cell phones and took positions monitoring computer screens inside the building that houses California's environmental agencies. Across the world, traders logged in, poised to buy permits that allow businesses in California to emit the kind of pollution responsible for global warming.

Four hours later, the auction was over and California state government was \$626 million richer.

That's the state's cap and trade program at work, the only one like it in the country.

How many staff monitor the online auctions? Which companies bought the permits? State officials won't say. Making too much information public, they say, could compromise the integrity of the quarterly auctions.

"What we don't do and won't do is get into the individual business strategies that companies use to decide when to buy, what auctions to participate in, who to trade with, and so forth," said

Mary Nichols, chair of the California Air Resources Board, which runs the cap and trade program.

The secrecy around the auctions is meant to keep them fair and prevent participants from colluding; other carbon markets use a similar “sealed bid” technique.

Under California’s two-year-old cap and trade system, the state sets a limit on how much greenhouse gases businesses can emit, and reduces the amount each year. Companies decide how to stay below the cap: They can buy permits to pollute through the auction, change operations to use energy more efficiently or pay for “offsets,” which are environmentally beneficial projects somewhere else that allow businesses to continue sending emissions into the atmosphere in California.

Cap and trade is among the most pioneering — yet controversial — elements of California’s multi-layered approach to combating climate change. The program covers most major polluting industries and is generating billions of dollars for the state, money that must be poured into efforts to further reduce greenhouse gas emissions. So far, courts have upheld the approach in the face of legal challenges.

Yet the national reach of the program has fallen short of expectations. One Canadian province has joined and another is working on it, but California remains the only state that charges almost every industry a price for emitting carbon.

It wasn’t supposed to be this way, said former Assembly Speaker Fabian Núñez, who carried Assembly Bill 32, the 2006 measure that led to cap and trade.

“The environmental community said, ‘Look, the reason why this has to be the most progressive bill is because once California passes a law, all of these other states are going to follow suit. All of them,’ ” Núñez said in a recent interview.

“The irony of this is that once the law passed in California, no one followed suit. No one.”

[http://www.recordnet.com/article/20150724/NEWS/150729780/101007/A\\_NEWS](http://www.recordnet.com/article/20150724/NEWS/150729780/101007/A_NEWS)

### **Governor’s New GHG Reduction Push Raises Questions**

A first-stage decarbonization program is underway. But Gov. Brown and other political figures, such as Kevin de León, the president pro tem of the state Senate, want California to set a global example over the next 15 years by reducing petroleum consumption in cars and trucks by 50 percent, making buildings more energy-efficient and increasing electrical production from renewable sources – solar, wind and geothermal – from 33 percent, the current goal, to 50 percent. De León is carrying Senate Bill 350 that would implement those goals.

Their crusade, however, raises multiple questions:

- How will those ambitious goals be met, and at what cost?
- Will decarbonization be the economic boon that Brown and others envision, or will it make California less attractive for job-creating investment?
- Will it have a trend-setting effect on global carbon policy, or be ignored by the rest of the world?
- Does it even go far enough?

The last question is, in some ways, the most intriguing. Brown told the Vatican conference that to truly control climate change, humankind must limit carbon dioxide emissions annually to 2 metric tons per person, pegging current U.S. emissions at 20 tons and California’s at 12 tons.

Federal agencies put California at about 9 tons per capita, equal to Germany and Japan. With 12 percent of the nation's population but just 6 percent of its carbon emissions, California already has one of the nation's smallest carbon footprints, and its 350 million metric tons each year are just 1 percent of global emissions.

Thus, whatever happens here – even slashing California's emissions by three-fourths to 2 tons per capita – won't have a major, or perhaps even measurable, physical impact. Its effect, if any, would be metaphysical, as the governor clearly hopes.

That gets us back to the first questions about methodologies and costs.

Californians have more than 30 million cars and light trucks and drive them more than 300 billion miles a year, consuming about 15 billion gallons of fuel costing roughly \$50 billion. The Air Resources Board, California's chief implementer of carbon reductions, says policies already in place would reduce automotive petroleum use by more than 20 percent by 2030 and that we could achieve the 50 percent goal by improving fuel economy of new cars, increasing the number of zero-emission (electric) vehicles, shifting to low-carbon fuels, building the state's bullet train and "supporting community planning to reduce vehicle-miles traveled."

The bullet train, often touted as an alternative to carbon-burning cars and airplanes, would, by the High-Speed Rail Authority's own data, reduce automotive travel by scarcely 1 percent. Meanwhile, according to the Legislature's budget analyst, construction will actually increase carbon emissions.

The state's petroleum industry says reducing use of fuel by 50 percent could have a massive negative impact on tens of thousands of jobs in refineries and other industries, but decarbonization advocates reject its assertions.

"We are demonstrating it's possible to reduce our greenhouse gas emissions and grow our economy at the same time," de León insists.

However, the first stage of decarbonization under Assembly Bill 32, signed in 2006, has only recently begun. Thus, decarbonization has had minimal impact, positive or negative, so far.

The more ambitious second stage would have major impacts, propelling Californians to drive less, use transit more, and live in denser, high-rise housing complexes rather than single-family homes.

Brown's Department of Transportation has drafted a new state transportation plan that emphasizes non-automotive transit, seeks to cut vehicle-miles of travel and specifically rejects projects to ease congestion, implying it will encourage motorists to reduce driving.

The "Sustainable Communities and Climate Protection Act of 2008," Senate Bill 375, not only orders the ARB to set regional automotive carbon emission targets but directs each regional planning agency to adopt a "sustainable community strategy" to achieve those targets by limiting urban sprawl and encouraging, or mandating, "transit-friendly" residential development.

It codified, in effect, a policy that Brown had adopted as attorney general, threatening to sue counties he deemed to be insufficiently committed to denser development.

For the past half-decade, regional planning agencies have been writing SB 375's mandated plans, and they are generating local squabbling, with some of the most heated conflict in the liberal, economically booming San Francisco Bay Area. Its housing costs have soared, driving many middle- and working-class families out. Advocates for the poor say encouraging more high-rise

development in the name of carbon reduction will displace even more nonaffluent families and force them into long commutes.

The Bay Area's soaring housing costs hint that the decarbonized state Brown and others advocate also could be a more stratified society, with only the affluent able to live in spacious homes and enjoy other amenities that once were the aspirations of all Californians.

Finally, what would be the effect of shifting California's electrical power to 50 percent renewable sources?

California's electric power rates are already among the nation's highest.

But as Brown and other decarbonization advocates quickly point out, Californians' actual home power bills are among the nation's lowest.

They credit the state's tough energy conservation standards for buildings, appliances and other power users and contend that shifting to non-carbon generation will not be an economic burden. But it's not that simple.

The U.S. Energy Information Administration reports that in 2013, the average residential power customer in California consumed 557 kilowatt-hours (KWHs) of power per month, scarcely half the national average, and paid an average of 16.19 cents per KWH for an average bill of \$90.19. Overall, Californians are now paying about \$15 billion a year for residential power.

California's residential consumption is the third lowest of any state, but its 16.19-cent rate is third highest of any state outside of Hawaii or Alaska, and the average bill is seventh lowest. Conservation no doubt plays a role, although recent research indicates that insulation and other conservation tactics don't pay for themselves. The ARB claims that energy efficiency decrees have saved consumers \$74 billion over the last 40 years, but that's perhaps 10 percent of what they shelled out for power during that period and doesn't count costs of conservation measures. Mostly, analysts say, our low consumption reflects high power rates, a relatively mild climate and scant use of electricity for heating.

A bigger shift to renewable sources will push rates even higher, all authorities agree, but how high is uncertain. Last year, the state's Little Hoover Commission criticized politicians for enacting carbon emission policies that "lack ... an overall cost estimate."

It's a reminder that Brown and others are prodding the state into a somewhat mysterious realm, with policies whose impact on 39 million Californians is uncertain, while leaving nitty-gritty details to an unelected agency, and hoping to influence hundreds of other governments to follow suit.

They see a moral imperative to set an example, but could it be merely hubris and symbolism taken to an nth – and very costly – degree?

[http://www.sacbee.com/news/politics-government/dan-walters/article28766335.html#emlnl=Morning\\_Newsletter](http://www.sacbee.com/news/politics-government/dan-walters/article28766335.html#emlnl=Morning_Newsletter)

### **Leaving Energy in the Ground Also Raises Questions**

Even the greenest, most eco-friendly politicians rarely utter the words Gov. Jerry Brown spoke at the Vatican's climate change symposium last week.

To prevent the worst effects of global warming, one-third of the world's known oil reserves must remain in the ground, Brown told the gathering of government officials from around the world. The same goes for 50 percent of natural gas reserves and 90 percent of coal.

But it's a concept few politicians will touch. That's because it raises a question no one wants to answer: Whose oil has to stay put?

“They’ve all got their own oil,” said environmental activist and author Bill McKibben, who first popularized the issue with a widely read 2012 article in Rolling Stone. “Recognizing that you’ve got to leave your own oil — and not somebody else’s — in the ground is the next step.”

Take California.

No state has done more to fight global warming. By 2020, under state law, one-third of California’s electricity must come from the sun, the wind and other renewable sources. Brown wants 50 percent renewable power by 2030 and has called for slashing the state’s oil use in half by the same year.

But he has shown no interest in cutting the state’s oil production. He has touted the economic potential of California’s vast Monterey Shale formation, whose oil reserves drillers are still trying to tap. And he has steadfastly refused calls from within his own party to ban fracking.

“If we reduce our oil drilling in California by a few percent, which a ban on fracking would do, we’ll import more oil by train or by boat,” Brown told “Meet the Press.” “That doesn’t make a lot of sense.”

California remains America’s third-largest oil producing state, behind Texas and North Dakota. The industry directly employs 184,100 Californians, helps support an estimated 271,840 other jobs and yields \$21.2 billion in state and local taxes each year, according to the Los Angeles County Economic Development Corporation.

“Just like we have a plan for increasing renewables, we need a plan for phasing out oil drilling in California,” said Dan Jacobson, state director for Environment California.

It’s difficult for politicians to even talk about something as stark as putting limits on pumping oil, he said.

The percentages Brown cited come from a study published this year in the scientific journal Nature. The researchers calculated that in order to keep average global temperatures from rising more than 2 degrees Celsius — 3.6 degrees Fahrenheit — above preindustrial levels, the world’s economy can pump no more than 1,100 gigatons of carbon dioxide into the atmosphere between 2011 and 2050. Burning the world’s known fossil fuel reserves would produce roughly three times that amount, they wrote.

<http://www.sfchronicle.com/business/article/Gov-Brown-wants-to-keep-oil-in-the-ground-But-6406708.php?t=ab2d28f39400af33be&cmpid=twitter-premium>

### **Grow Food, Reduce Carbon Emissions**

Food is a constant tug-of-war between people and planet. We can’t feed ourselves without doing environmental harm. “Agriculture costs us no matter what,” says Rattan Lal, director of the Carbon Management and Sequestration Center at Ohio State University. “Every option has trade-offs.”

Food production takes a toll, and neither maximizing the food nor minimizing the toll is a workable response. No one principle can reliably tell us how to make those trade-offs, because every situation is different.

Which doesn’t mean there are no good ideas. Take organic agriculture, based on the idea of building soil health. Everyone — literally, everyone — agrees that building soil health is important. But if you take that idea and build a system around it, a system with rules and prohibitions and certifications, you take away the flexibility to make case-by-case calls. Heavy use of chemical fertilizers can lead to water-polluting runoff, but that doesn’t mean the best alternative is no chemical fertilizers at all.

<http://wapo.st/1MwnZ3z>

### **Truckers Fight CARB Diesel Filters as Public Safety Hazard**

A group representing California truckers, farmers and business owners is claiming the state attorney general's office is ignoring a rash of recent truck fires it claims were sparked by faulty diesel particulate filters.

The Alliance for California Business, a Chico-based nonprofit with more than 400 members, is blasting both the attorney general and the California Air Resources Board (CARB) for "refusing to investigate" the truck fires — and attempting "to block others from doing so."

"These diesel particulate filters [DPFs] are the most dangerous pieces of equipment ever put on a truck," said Alliance President Bud Caldwell, 65, a former "kingpin" for the California Truckers Association and owner of Northgate Petroleum in Chico. In the trucking business for nearly 50 years, Caldwell said he formed the Alliance in 2013 "to lead the charge" against mandatory DPF laws in California, the only state in the country that currently requires them. "I'm getting calls on a daily basis from truckers having trouble with these things," he said. "I don't have the staff to handle it."

Perhaps most worrisome of all, Caldwell added, is that the filters are also standard equipment on all diesel-powered buses in the state, including school buses.

Earlier this year, a judge in Northern California denied the Alliance's request for a preliminary injunction related to use of the filters, which, when a truck engine is running, can reach temperatures exceeding 600 degrees Celsius. The Alliance will soon seek a permanent injunction, Caldwell said. When Glenn County Superior Court Judge Peter Twede declined to issue an injunction against CARB, he said the Alliance failed to show "a significant showing of irreparable injury" caused by DPFs. "However," the judge added, "the possibility of these safety issues is very concerning."

A spokesperson from the office of Attorney General Kamala Harris declined to comment on Caldwell's allegations, directing questions to CARB.

In December 2008, CARB established the 'California Statewide Truck and Bus Rule,' which requires all on-road diesel heavy trucks and buses operating in California be "retrofitted, repowered or replaced to reduce particulate matter emissions by at least 85 percent." In order to decrease sooty emissions, DPFs are standard equipment on new trucks and installed — retrofitted — onto older diesel engines. CARB mandates the use of specific filter types based on a truck engine's age and manufacturer.

<http://www.thebusinessjournal.com/news/transportation/18646-group-blames-dangerous-diesel-filters-for-truck-fires>

### **Poll Finds CA Voters Connect Drought to Global Warming**

Nearly two-thirds of Californians say global warming is contributing to the state's drought, but there's a distinct partisan divide, according to a survey released Wednesday.

Seventy-eight percent of Democrats said global warming has contributed to the four-year drought, while 62 percent of Republicans said it has not, according to the poll by the nonpartisan Public Policy Institute of California.

Overall, 64 percent of respondents see a link between a changing world climate and a dried-up California, the survey said.

The blue-red divide doesn't apply just to the drought, the poll found. Asked when the effects of global warming will become apparent, nearly a third of Republicans said never. Just 3 percent of Democrats and 7 percent of independents agreed.

<http://www.sfgate.com/politics/article/Most-Californians-link-climate-change-drought-6413533.php>

### **Strong El Nino Grows**

New computer models suggest that the current El Niño formation brewing in the Pacific could become the strongest in recorded history. The latest data from the National Weather Service's North American Multi-Model Ensemble indicates a greater-than 95 percent chance of a strong El Niño and a greater-than 60 percent chance of the strongest El Niño on record.

The broad swath of warmer-than-usual seawater is spreading and deepening. The two largest concentrations are off the coast of Peru, where water is 4 degrees Centigrade warmer than usual, and just west of Vancouver and Seattle — 3 degrees warmer.

If this El Niño continues to grow, it could surpass the modern record-setting 1997-98 El Niño event, which inundated the Bay Area and the rest of California for months, causing flooding, mudslides and subsidences, and heavy snowfalls in the Sierra.

But Jan Null, certified consulting meteorologist with Golden Gate Weather Services, cautions that those scenarios are based on only one of many models. "We don't know if one model is better than any other," said Null, who noted that strong ocean warming trends have occurred before in the summer only to have the El Niño fizzle out in the winter.

While El Niño is associated with warming in the southern Pacific, Null is also keeping an eye on the temperature rise in the Gulf of Alaska, which he said is unprecedented. "We don't know what that means," he said.

Typically, a robust El Niño phenomenon indicates heavier than normal rainfall in California in the fall and winter, a mild Atlantic hurricane season, a warmer than normal winter over major parts of the U.S., and a very active hurricane and typhoon season in the Pacific.

Null said we would need two and a half times normal rainfall (23-24 inches is the norm) to erase the current drought deficit, something that has never happened. Even in the modern-record El Niño of 1997-98, California received only 47 inches. A powerful El Niño would almost ensure that 2015 will be the warmest year on record.

<http://www.sfgate.com/science/article/Worse-than-97-8-New-El-Ni-o-growing-into-6404076.php>

### **Judge Indicates SWRCB Curtailment Notices Proper**

California's demand for lower agricultural water use during the drought will likely survive a legal challenge, a judge indicated Thursday.

Sacramento Superior Court Judge Shelleyanne Chang said during a hearing that she believes the state's revised approach to warning farmers of insufficient supplies is legal.

She previously ruled that other notices were improper.

At issue are thousands of letters sent this year to farmers, government agencies and corporations with water rights telling them to cease pumping because rivers and streams in the Central Valley are too dry to meet demand.

Recipients were required to fill out a form confirming they stopped diverting water, although only about a third did so.

The West Side Irrigation District, serving farmers east of San Francisco, challenged its notice in court and said it amounted to an illegal order without a hearing. Chang partially agreed and said the state couldn't enforce its notices.

The State Water Resources Control Board responded by sending new letters that stripped out mandatory-sounding language. However it still maintains it can fine those who take water when there is not enough available under their rights.

Board prosecutors issued a cease-and-desist order against West Side to stop it from pumping from a waterway and provided an opportunity to have a hearing before the water board.

Steve Herum, an attorney for West Side, said at Thursday's hearing that the water board was retaliating against the irrigation district for challenging the cuts in court and that the new letters were still illegal.

The judge did not issue a final ruling.

The case is one of several in California involving irrigation districts going to court to protect their rights to divert water for crops.

[http://customwire.ap.org/dynamic/stories/U/US\\_CALIFORNIA\\_DROUGHT\\_WATER\\_CUTS\\_CAOL-?SITE=CASON&SECTION=STATE&TEMPLATE=DEFAULT&CTIME=2015-07-30-14-34-19](http://customwire.ap.org/dynamic/stories/U/US_CALIFORNIA_DROUGHT_WATER_CUTS_CAOL-?SITE=CASON&SECTION=STATE&TEMPLATE=DEFAULT&CTIME=2015-07-30-14-34-19)

### **SJV Cities, TID Approve Water & Treatment Plant Pact**

The Turlock Irrigation District gave final approval this week to selling Tuolumne River water to a proposed treatment plant.

The 5-0 vote by the district board came two weeks after it approved the idea of providing the supply for Turlock, Ceres and south Modesto. City representatives approved the agreement, but with a slight change that required a second TID vote.

The plant, expected to cost the cities \$150 million to \$200 million, would reduce their reliance on wells. A similar plant operated by the Modesto Irrigation District has provided this benefit to the rest of Modesto since 1995.

The cities have not decided to build the plant, which likely would require major rate increases for their water customers. Construction could be done as soon as 2020, according to the Stanislaus Regional Water Authority, which the cities formed to pursue the project.

TID agreed to sell up to 30,000 acre-feet from the Tuolumne each year. Its farmers have topped 500,000 acre-feet in years with ample rain and snow, but drought has slashed that by almost two-thirds.

The cities would pay TID at the highest rate tier for farmers, currently \$20 per acre-foot. They would face the same dry-year cutbacks as the irrigators.

To make up for some of its reduced river supply, the district would get 2,000 acre-feet a year of water recycled at Turlock's sewage treatment plant. In years with less-than-normal precipitation, TID also could get recycled water or nonpotable well water from the authority, with a cap of 15,000 acre-feet.

<http://www.modbee.com/news/article29240680.html>

### **Salton Sea Restoration Plan Rolled Out**

The new price tag for restoring the Salton Sea: \$3.15 billion.

That's how much money local officials now say they want from California, as detailed in a plan approved Tuesday by the Imperial Irrigation District's board of directors. It's less expensive than

a \$9 billion plan that died in the state Legislature, and local officials hope it will pressure state officials to live up to their promise to restore the lake.

The \$3.15 billion would fund shovel-ready pilot projects and new geothermal energy development around the Salton Sea, California's largest lake. The money would come from several sources, including fees from companies that emit planet-warming greenhouse gases and the \$7.5 billion water bond that voters approved in November.

"It's a bargain compared to \$9 billion, which everyone agrees has only served to impede any real discussion about what to do," Kevin Kelley, the Imperial Irrigation District's general manager, said at a board meeting Tuesday.

The Salton Sea was once a prime destination for fishing, boating and tourism. But as the agricultural runoff that feeds the lake has declined in recent years, the water has receded, kicking up dust that blows into the Coachella and Imperial valleys. The lake has also become increasingly salty, leading to tilapia die-offs and threatening endangered desert pupfish.

The lake will shrink even more rapidly starting in 2018, due to a massive water transfer deal that will send more farm runoff to San Diego County and the Coachella Valley. If nothing is done to slow its decline, the lake could become a public health and environmental disaster costing as much as \$70 billion, according to the Oakland-based Pacific Institute.

<http://www.desertsun.com/story/news/environment/2015/07/28/iid-imperial-county-want-billion-salton-sea/30811085/?from=global&sessionKey=&autologin=>

### **Workers' Comp Costs Grow At Double-Digit Rate**

The Workers' Compensation Insurance Research Bureau's 2015 State of the System Report summarizes the key components of the California workers' compensation insurance system as of mid-2015. Principal findings include:

- Written premiums in California continue to grow at a double-digit annual rate due to higher premium rates and to growth in insured payroll resulting from economic expansion and wage level increases.

- California has the highest premium rates in the country. California's high rates are largely driven by the highest frequency of permanent disability claims in the country, high medical costs per claim driven by a more prolonged pattern of medical treatments, and much higher-than-average costs of handling claims and delivering benefits.

- In both 2013 and 2014, 83% of total system costs were for indemnity and medical benefits incurred on behalf of injured workers and the cost of delivering those benefits.

- Even after adjusting for regional differences in wage levels and industrial composition, indemnity claim frequency in the Los Angeles Basin and San Joaquin Valley areas were approximately one-fifth higher than the statewide average and indemnity claim frequency in the Bay Area was approximately one-third lower.

- The average California medical benefit per claim is among the highest in the country with costs more than 90% above the countrywide median. However, recent favorable trends in California medical severities suggest that the differential will moderate.

- The high cost of medical benefits in California relative to other states is not driven by treatment costs early in the life of a claim, but rather by the length of time a claim remains open and medical benefits are paid.

- California has the highest ratio of loss adjustment expenses to losses in the country.

While the cost of medical cost containment programs in California has grown and is among the highest in the country, average annual medical inflation in California workers' compensation since 2001 has been well below that of other systems, reducing total medical costs by billions from what they otherwise could have been.

Senate Bill No. 863 impacts have generally been emerging consistent with initial WCIRB projections with potentially greater-than-projected savings in medical cost reductions offset in part by less-than-projected savings in reduced frictional costs.

[http://www.wcirb.com/sites/default/files/documents/state\\_of\\_the\\_wc\\_system\\_report\\_2015.pdf](http://www.wcirb.com/sites/default/files/documents/state_of_the_wc_system_report_2015.pdf)

### **CA Lawmakers "Behest" \$28 Million in Donations**

California lawmakers and other state officials arranged for donors, many with business at the Capitol, to contribute \$28 million to nonprofit organizations, local museums and other favored causes during the first half of the year, according to the most recent filings with the Fair Political Practices Commission.

So-called behested payments must be reported when a public official asks a business, union, foundation or other entity to donate to a particular legislative, charitable or governmental purpose. Unlike campaign donations, which have limits, behested payments can be of any amount.

More than 250 entities made behested payments during the first half of the year, money that was on top of what many donors spent on lobbying or contributing to elected officials' campaign committees.

About 170 foundations, unions, businesses and other donors gave \$3.7 million in payments behested by Gov. Jerry Brown to a pair of charter schools the Democratic governor started when he was mayor of Oakland – the Oakland Military Academy and the Oakland School for the Arts. The Maurice S. Kanbar Revocable Trust gave \$1 million, \$200,000 came from the San Pablo Lytton Casino and \$100,000 apiece from the W.M. Keck Foundation and the foundation of Prem Reddy, the major owner of Prime Healthcare Services, Inc. Actor Robert Downey, Jr. donated about \$50,000.

Lt. Gov. Gavin Newsom behested \$642,000 in payments from Comcast, AT&T, the Tides Foundation and others to several causes, including this year's Special Olympics, We Day California 2015, and Newsom's inauguration events.

Lawmakers also solicited donations to the nonprofit arms of several racial, ethnic or religious legislative caucuses.

Assemblyman Reginald Jones-Sawyer, D-Los Angeles, the chairman of the Legislative Black Caucus, behested \$370,000 in payments from business, union and trade groups to the caucus' policy institute. Assemblyman Luis Alejo, D-Watsonville, the chairman of the Latino Legislative Caucus, secured \$137,500 in donations to that caucus' policy institute.

State Sen. Marty Block, D-San Diego, and Assemblyman Katcho Achadjian, R-San Luis Obispo, arranged donations of \$20,000 and \$5,000 to the foundations of the Legislature's Jewish and Armenian caucuses, respectively.

Lawmakers also must report grants, awards and other money they helped arrange between governmental and non-governmental entities. San Diego-area lawmakers have been particularly active in that area this year, filings show.

Nine San Diego-area lawmakers, including Assembly Speaker Toni Atkins, D-San Diego, each reported \$800,000 in behested payments to the Maritime Museum of San Diego by the California Coastal Conservancy, a state agency. The lawmakers had asked for grants and loan forgiveness to help pay for a replica of the ship San Salvador, which sailed into San Diego Bay in 1542. The California Energy Commission gave about \$6 million in renewable fuel and vehicle technology grants to Transportation Power, Inc., a Poway-based maker of zero-emission engines and vehicles. Assemblyman Brian Maienschein, R-San Diego, reported the grant as a behested payment.

Maienschein also listed a \$2 million business-incentive grant to General Dynamics NASSCO ship-building facility in San Diego, by the Governor's Office of Business and Economic, known as Go Biz.

<http://www.sacbee.com/news/politics-government/capitol-alert/article29401006.html#storylink=cpy>

## ***MEMORANDUM***

August 6, 2015

TO: The San Gabriel Basin Water Quality Authority

FROM: Mallika Vastare

SUBJECT: Congressional Update

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### **Drought Legislation**

#### **H.R. 2898**

In June, House Republican legislators drafted H.R. 2898 in response to the California drought; the House of Representatives passed this bill on July 16, 2015, by 245 – 176. This legislation increases flexibility for water delivery to cities and farms, while suggesting alternatives to reduced pumping. Although other methods for drought relief are mentioned to address the long-term issues of potable water, the bill only designates funds for studies rather than the actual construction of water storage projects. In addition, the bill provides only a brief allusion to Title XVI that lacks the strength to ensure success in future water recycling initiatives and other endeavors that have proven successful. The bill is not expected to be taken up in the Senate.

#### **H.R. 2983**

Representative Jared Huffman (D-CA) introduced his legislation, H.R. 2983, on July 8, 2015. This bill provides \$300 million for the Reclamation Fund, including \$100 million for Title XVI, \$100 million for WaterSMART, and \$50 million for the Refuge Water Supply Program. \$40 million has also been allocated for Section 5039 for WRDA 2007, an environmental infrastructure authorization for California that has never been funded.

### **Senate Drought Bills/ Revitalizing Title XVI**

Senator Dianne Feinstein (D-CA) and Senator Barbara Boxer (D-CA) introduced drought legislation on July 29, 2015. Upon review, this legislation outlines several initiatives to combat both current and future water issues. For example, the Desalination Act would be reauthorized along with \$50 million over five years for feasibility and design for desalination projects. Other cost-effective Federal programs would receive increased funding: \$200 million for Title XVI and \$100 million for the WaterSMART program. The bill language also includes a provision that would remove the congressional requirement for Title XVI project authorization. The Furman Group will continue to work with Senator Murkowski and her staff as the drought bill discussions resume after the August recess.

