



PLACER COUNTY WATER AGENCY  
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## NEWS RELEASE

FOR IMMEDIATE RELEASE:

October 9, 2009

Contact: David A. Breninger, (530) 823-4860  
or: Dave Carter, (530) 265-NEWS

### **North State Water Suppliers Lobby for Respect, Local Control**

*AUBURN* -- Officials of the Placer County Water Agency are outraged that the water rights and investments for Placer County and other northern California counties are not being considered as the Governor and State Legislature pursue major changes to the Delta and State water laws.

"We're doing everything we can to protect the water supplies for all of the people of Placer County," said PCWA General Manager David Breninger, who has joined with many other north state water leaders who are carrying their message to the Capitol.

"Northern California is excluded from representation as the Legislature and the Governor meet in closed sessions to determine the fate of the Delta, to dictate water usage and to carve up water rights," said Breninger.

North state water leaders fear that local water supplies, usage and rates will be adversely changed forever by legislation that is one-sided and designed to supply water to western San Joaquin Valley farmers and coastal California cities at the expense of northern Californians.

In an October 5 letter to legislative leaders, PCWA Board Chairman Gray Allen said the agency is opposed to legislation that requires "top-down uniform imposition of specific cutbacks by state mandate.

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“Placer County Water Agency cannot support a water package that does not respect the massive local water supply investments that have been made and the vigorous measures that have been made by some water suppliers, including PCWA, to achieve water use efficiency.”

The legislature is proposing a mandated 20 percent reduction of water to inland California, such as Placer County—while coastal counties are asked to reduce by 5 percent. “PCWA adamantly opposes any water rationing mandate scheme by the State as it will harm Placer County’s farms, cities and quality of life.” said Allen.

PCWA is one of 18 north state cities, agencies, districts, authorities and associations in an advocacy group called The Upstream Coalition, which is carrying a northern California perspective of concerns and advocacy to legislative leaders.

In an Oct. 6 letter signed by leaders of all organizations, The Upstream Coalition said all affected parties must be heard in the legislative process.

“We want to restate our desire and commitment for a comprehensive solution to the Delta’s ecosystem and the state’s water supply problems,” the letter says.

“However, such a solution must respect the massive local water supply and ecosystem investments that our communities have made based upon our water rights.”

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Attached are the above-referenced letters for more detail:  
October 5, 2009, Agency letter from the Board Chairman Gray Allen  
October 6, 2009, Upstream Coalition letter



PLACER COUNTY WATER AGENCY  
SINCE 1957

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October 5, 2009

The Honorable Darrell Steinberg  
Senate President *Pro Tempore*  
State Capitol, Room 205  
Sacramento, California 95814

The Honorable Karen Bass  
Speaker of the Assembly  
State Capitol, Room 213  
Sacramento, California 95814

The Honorable Dennis Hollingsworth  
Senate Minority Leader  
State Capitol, Room 305  
Sacramento, California 95814

The Honorable Sam Blakeslee  
Assembly Minority Leader  
Post Office Box 942849  
Sacramento, California 94249

**Re: Placer County Water Agency Position on Water Bill Package**

Placer County Water Agency cannot support a water package that does not respect the massive local water supply investments that have been made and the vigorous measures that have been made by some water suppliers, including Placer County Water Agency, to achieve water use efficiency. Because of these past investments and efforts, an across-the-board 20% rationing of water to our customers is inequitable, and, quite possibly, unconstitutional.

Placer County Water Agency's past investment in water supply development and reliability, coupled with an aggressive water efficiency program have ensured that its water supply will meet the needs of all potential development within the scope of existing general plans in Placer County. In addition, due to the existing active water efficiency program, water demand has "hardened" so that additional water use reduction is increasingly more difficult to achieve. As evidenced by Placer County Water Agency's policies and decisions, local control of water development, including water conservation measures, is a better means for meeting the State's future water needs than a top-down uniform imposition of specific cutbacks by state mandate.

Rationing, such as is proposed by AB49, is not necessary to meet the needs of future population growth in Placer County, even though it has been the fastest growing county population in the state in recent years. Such rationing can only be justified, if at all, by a rationale that locally unnecessary cutbacks are needed in order to provide water to others elsewhere in the state. This is demonstrably untrue in many areas of the state, including coastal areas and the Tahoe-Truckee basin, where water use reduction will provide no benefits at all, and where environmental protection can (and should) be considered on a case-by-case basis. Rationing mandated by such a rationale violates both area of origin protections and Article XIII B of the state's Constitution.

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October 5, 2009

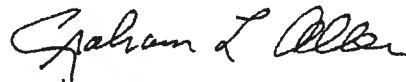
Water suppliers are prohibited by Article XIII B (Proposition 218) from imposing water rates that are greater than the costs of providing water service. While legislation was passed in the last few years that endorses inclining block rates, that legislation cannot override the Constitutional limitation on water rates. And, given inherently lower costs associated with many northern California water systems that do not have to pump or convey water over great distances, the limits of inclining block rates are unlikely to achieve great reductions in per capita use.

Finally, water suppliers, for the most part, lack both land use authority and police power authority to enforce water conservation regulations effectively.

For the above reasons, AB49's state-wide mandate to ration water is inequitable, unjustified and fatally flawed. Placer County Water Agency urges the legislature to reconsider the basic premises underlying the bill and the legal issues surrounding its implementation.

Thank you for your consideration of these comments. Placer County Water Agency would appreciate the opportunity to present them orally before the committee(s) considering AB49.

Sincerely,



Gray Allen, Chair  
Placer County Water Agency

cc: Tom Gohring, Executive Director of the Water Forum Successor Effort  
Placer County Board of Supervisors  
Tom Miller, Placer County Executive Officer  
Patrick Luzuriaga, Executive Director, MCWRA  
Greg Norton, Executive Director, RCRC  
Neil McCormick, Executive Director, California Special District Association  
Ron Stork, Friends of the River  
Terry Davis, Sierra Club  
Jim Jones, SARA  
Jim Peifer, City of Sacramento  
Keith DeVore, County of Sacramento  
Derrick Whitehead, City of Roseville  
Shauna Lorange, San Juan Water District  
Robert Roscoe, Sacramento Suburban Water District  
Ken Payne, City of Folsom  
John Woodling, Regional Water Authority  
Sacramento Metropolitan Chamber of Commerce  
Tim Quinn, ACWA  
Jerry Jordan, CMUA

# The Upstream Coalition

## List of Coalition Members

October 6, 2009

Northern California  
Water Association

San Francisco Public  
Utilities Commission

East Bay Municipal  
Utility District

City of Sacramento

San Joaquin River  
Group Authority

Yuba County Water  
Agency

Regional Water  
Authority

Modesto Irrigation  
District

Merced Irrigation  
District

Placer County Water  
Agency

Stockton East Water  
District

San Juan Water  
District

Sacramento Suburban  
Water District

City of Folsom

City of Roseville

Yolo County Flood  
Control and Water  
Conservation District

Tuolumne Utilities  
District

Browns Valley  
Irrigation District

Carmichael Water  
District

The Honorable Darrell Steinberg  
Senate President Pro Tempore  
State Capitol, Room 205  
Sacramento, CA 95814

The Honorable Dennis Hollingsworth  
Senate Minority Leader  
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Speaker of the Assembly  
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Sacramento, CA 95814

The Honorable Sam Blakeslee  
Assembly Minority Leader  
P.O. Box 942849  
Sacramento, CA 94249

Re: Position on Water Bill Package

The members of this coalition appreciate the continuing opportunity to communicate our concerns and comments to you on the matter of the water bill package presently being negotiated and deliberated between the Legislature and the Governor's office. In the spirit of continuing the dialogue on these critically important matters of water policy we wanted to follow up on our letter of September 23, 2009. We want to restate our desire and commitment towards working for a comprehensive solution to the Delta's ecosystem and the state's water supply problems. However, as we stated in our previous letter, such a solution must respect the massive local water-supply and ecosystem investments that our communities have made based on our water rights.

It is important to the process and to a successful outcome for the state that all affected parties have an opportunity to be heard on these highly technical points of law, and discuss the objectives of the legislation. Deliberations upon the water bill package should provide to all parties involved the opportunity to build understanding of the diversity of perspectives on these issues of statewide importance. We rely upon you to ensure the full airing of perspectives on this year's important package of water legislation. Absent this type of dialogue and process, we could do more harm than good by setting in motion a set of negative and debilitating water policy consequences that would take years to correct and possibly damage our present efforts to find the statewide solutions we all seek.

In our prior communication with you we set forth the critical policy features that we believed need to be present in a comprehensive water bill package. In order to build upon your understanding of these highly technical points of law and help us clarify the objectives of this legislation we have further delineated our policy concerns that the members of this coalition share:

- SB 68 does not ensure that upstream water rights and water supplies will be preserved in developing new Delta governance and conveyance measures and operations. Legislation must ensure that such new measures and operations – including, but not limited to, those of a Delta Council and Plan, BDCP and any new Central Valley Project (CVP) or State Water Project (SWP) Delta

conveyance – will not reduce the water supplies of water users who rely on supplies other than CVP or SWP exports from the Delta.

- SB 68's terms concerning streamflows in the Delta and in upstream rivers provide no assurances that those terms will be implemented in a way that preserves upstream water rights and the related water supplies. SB 68 does not provide an adequate opportunity for our coalition's members to present evidence to support their perspectives on those issues. Any legislation concerning streamflows must provide such an opportunity by requiring that the State Water Resources Control Board hold appropriate evidentiary hearings. Moreover, any legislation concerning Delta streamflows or ecosystem-restoration measures must: (1) allocate obligations among water users in a way that respects water-right priorities; (2) ensure that a water supplier's obligation will address only ecosystem problem(s) directly caused by that supplier's operations; and (3) also ensure, in that context, that a water supplier's obligation, if any, is proportional to that supplier's contribution to the problem. North of Delta storage could provide the water thought to be needed for in-Delta uses without the raising concerns that existing demands would result in a reallocation of existing water supplies.
- A Delta Council's authority must be limited to the statutory Delta, with an allowance for voluntary projects to be undertaken elsewhere in the Sacramento and San Joaquin Valleys. The Delta Council must serve a planning and coordination role and not a regulatory one.
- The portions of SB 68 that derive from SB 681 and SB 229 could threaten water rights throughout the state, require water users to pay very large amounts of money just to obtain full hearings before the State Board, impose severe financial penalties for water use reporting mistakes made in good faith and require the Department of Water Resources to develop a new groundwater-monitoring program with no state funding. Those portions of SB 68 should be deleted and replaced with: (1) water use reporting terms similar to those in AB 900 (De Leon); and (2) groundwater monitoring terms similar to those in 2007's SB 178 (Steinberg).
- SB 68's water conservation terms reflect a top down, "one size fits all" approach that does not adequately address local agencies' unique circumstances and water supplies. The bill's terms that seek to provide flexibility simply cannot be implemented by most agencies. SB 68's water conservation terms must be amended: (1) to reflect the fact that agencies that rely on local water sources have lower water costs that will cause Proposition 218 to limit their ability to implement state conservation legislation that does not benefit their local

Hon. Darrell Steinberg  
Hon. Karen Bass  
Hon. Dennis Hollingsworth  
Hon. Sam Blakeslee  
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customers; (2) to recognize conservation investments that agencies made before the 1987-1992 drought in anticipation of water shortages; (3) to ensure that state


agencies and courts do not assume control over local agencies' operations as a result of conservation legislation; and (4) to explicitly state that no local agency actions or inactions related to the legislation may be taken as evidence of waste or unreasonable use.

- Any Delta watermaster's authority must be limited to the statutory Delta and to require full SWRCB approval of any enforcement action.
- A Delta conservancy must not have any authority to regulate the operations of local agencies.


We look forward to discussing these concerns further in any future hearings or stakeholder meetings that you collectively or individually convene. We stand ready to discuss these issues at any time and work with you toward the resolution of these concerns in a manner that is beneficial to the all the water interests of the state. Each coalition member's unique circumstances will ultimately determine whether it can support a water bill package.

Very truly yours,


EAST BAY MUNICIPAL UTILITY  
DISTRICT

By:   
Dennis M. Diemer  
General Manager


NORTHERN CALIFORNIA WATER  
ASSOCIATION

By:   
Donn Zea  
President & CEO

SAN FRANCISCO PUBLIC UTILITIES  
COMMISSION

By:   
Ed Harrington  
General Manager

CITY OF SACRAMENTO


By:   
Marty Hanneman  
Director, Department of Utilities

Hon. Darrell Steinberg  
Hon. Karen Bass  
Hon. Dennis Hollingsworth  
Hon. Sam Blakeslee  
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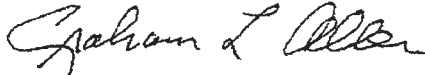
YUBA COUNTY WATER AGENCY

By:   
Curt Aikens  
General Manager

SAN JOAQUIN RIVER GROUP  
AUTHORITY

By:   
Allen Short  
Coordinator

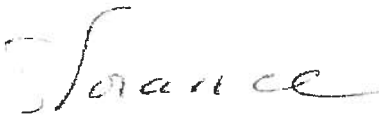
PLACER COUNTY WATER AGENCY

By:   
Gray Allen  
Chairman, Board of Directors


YOLO COUNTY FLOOD CONTROL &  
WATER CONSERVATION DISTRICT

By:   
Tim O'Halloran  
General Manager

SAN JUAN WATER DISTRICT

By:   
Shauna Lorance  
General Manager

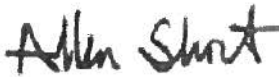
CITY OF ROSEVILLE

By:   
Derrick Whitehead  
Environmental Utilities Director

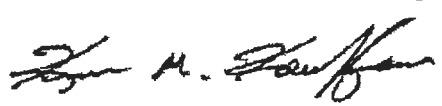
REGIONAL WATER AUTHORITY

By:   
John Woodling  
Executive Director


MODESTO IRRIGATION DISTRICT

By:   
Allen Short  
General Manager

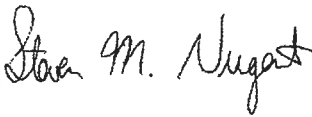
STOCKTON EAST WATER DISTRICT

By:   
Kevin M. Kauffman  
General Manager

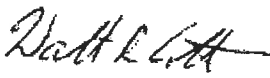
SACRAMENTO SUBURBAN WATER  
DISTRICT

By:   
Robert Roscoe  
General Manager

CARMICHAEL WATER DISTRICT

By:   
Steven M. Nugent  
General Manager

BROWNS VALLEY IRRIGATION  
DISTRICT

By:   
Walter Cotter  
General Manager

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Hon. Dennis Hollingsworth  
Hon. Sam Blakeslee  
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CITY OF FOLSOM



By: Kenneth V. Payne  
Utilities Director

SACRAMENTO COUNTY  
WATER AGENCY



By: Keith DeVore  
Director of Water Resources

cc: Hon. Fran Pavley  
Hon. Dave Cogdill  
Hon. Jared Huffman  
Hon. Jean Fuller  
Members of Senate Natural Resources and Water Committee  
Members of Assembly Water, Parks & Wildlife Committee  
Members of Legislative Water Conference Committee  
Charles Hoppin, State Water Resources Control Board  
Lester Snow, Department of Water Resources  
John Moffatt, Office of the Governor  
Dennis O'Connor, Senate Natural Resources and Water Committee  
Alf Brandt, Assembly Water, Parks and Wildlife Committee  
Steve McCarthy, Senate Republican Caucus  
Doug Harland, Assembly Republican Caucus  
Greg Hurner, Senate Republican Caucus  
Delette Olberg, Assembly Republican Caucus