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**Department of Water Resources**

# California Water News

*A daily compilation of significant news articles and comment*

*November 16, 2005*

## **5. Agencies, Programs, People**

### **FLOOD ISSUES:**

**Flood bills beg better planning - Davis Enterprise**

**Levee security crucial - Marysville Appeal-Democrat**

**Editorial: Discord follows Delta dam plan - San Francisco Examiner**

### **PERSONNEL ISSUES:**

**Council doubles as water board - Monterey Herald**

### **OWENS VALLEY:**

**Owens Plan May Expand; Pollution control officials say the DWP's dust-mitigation program should grow - Los Angeles Times**

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### **FLOOD ISSUES:**

**Flood bills beg better planning**

**Davis Enterprise – 11/15/05**

**By Beth Curda, staff writer**

Flooding and related water problems pose a major threat to California, and protective measures are needed.

That's the message from Assemblywoman Lois Wolk, D-Davis, who says local governments can help protect Californians by not continuing to approve housing projects in the potential paths of floods.

That issue is addressed within a package of legislation she has planned for next year. She is calling the group of proposals her “show-me-the-flood-protection” bills, and Assembly Bill 802 would, among other things, require local governments to consider flood management as they create general plans.

A key issue in California, she said, is where city and county officials are allowing housing.

“Most levees were built to protect agricultural land,” she said, “but local governments are allowing housing to be built there. So, we're putting people in harm's way.”

Flooding is a topic at the forefront of many state government discussions in light of Hurricane Katrina and the flooding in New Orleans. Some leaders have been focusing on it for a while and, now, no one can ignore it, particularly since signs point to a vulnerable levee system in California.

State Sen. Mike Machado, D-Linden, and others hosted a hearing earlier this month, and took testimony from the Department of Water Resources, the Reclamation Board and the Governor's Office of Emergency Services.

California doesn't have the hurricane risk seen among the Gulf Coast states, but it could be hit with earthquakes and snow melts.

The situation is fragmented in the state. Local governments provide housing and decide where development occurs. The state Reclamation Board oversees the levees and they are owned and operated by a range of agencies, some private groups. Local, state, federal and sometimes private money funds levee repairs.

If flooding that happened in 1985, 1986 or 1997 repeated itself, “we risk terrible loss of lives,” Wolk said. It is even more the case today, as more homes have been built in what could be the path of flood waters, she said.

So, Wolk said, it is important to address these issues right away, to protect homes already in flood plains and to safeguard against building more in areas of potential flooding.

There are cases where building in a flood plain is OK, however, said Yvonne Hunter, a legislative representative for the League of California Cities. City officials evaluate levees and determine whether protection is sufficient, work needs to be done or changes in the development proposal are needed, she said.

Plus, she said, the issue is addressed in the California Environmental Quality Act, which mandates studies before projects are approved, and in general plans.

“So there may be areas to look at this and say, ‘You know, we need to improve or expand on this requirement, do some additional evaluation,’ ” she said. “That’s why simply saying, ‘You shouldn’t build in flood plains’ is an over-simplified statement.”

The state has a housing shortage, she said, and cities are told to address it but not to build in flood plains. The state and cities need to find an appropriate balance, while addressing legitimate flood concerns, she said, and the organization is glad to be working with Wolk on the issue.

“We’re going to be working internally to look at ... the appropriate roles for cities. A lot of it is, we don’t own and operate the levees,” Hunter said. “So, we need more information.”

She said one idea for cities’ participation is annual or bi-annual updates from the state on the status of levees and maintenance plans for the league so it can be more informed on planning decisions. More cross-communication is needed, she said.

An idea Wolk has for protecting people already in a potential path of flooding is flood insurance. She has no legislation on it yet, but Diane Colborn, chief consultant to the state Assembly Water, Parks and Wildlife Committee, is working with Wolk’s office on a state plan.

The federal government requires people who live within designated flood hazard areas to have insurance, Colborn said, but the federal flood zones are

defined narrowly and use maps that are out of date.

Also, the federal rule pertains to areas that do not have at least 100-year flood protection, but that is not long, relatively speaking, she said. The term 100-year flood refers to a flood's magnitude, rather than necessarily pertaining to the time element - the larger the number is, the greater the flood being described. It means there is a 1-in-100 chance of such a flood happening in a given year.

Colborn is looking into whether the state could expand the definition of the zones to include areas protected by levees, or increase the time element, such as to 200-year flood protection.

Enforcement is another puzzle piece, she said, and the state would have to decide whether to include lenders, insurance companies or find another method to encourage or require insurance.

“I think the bottom-line goal is to get people secured,” Colborn said.

In Yolo County, Supervisor Frank Sieferman Jr. said a regional water plan that is under way will address, among other issues, flooding. The Water Resources Association of Yolo County is an organization that brings to the table people from the county, its cities and other water-related groups in the area, and it is creating a plan to prioritize and combine water issues.

The plan is an effort to address them through more collaboration, and Sieferman said money has been added to address flood protection as well as other issues. #

<http://www.davisenterprise.com/articles/2005/11/15/news/046new1.txt>

**Levee security crucial**  
**Marysville Appeal-Democrat – 11/15/05**  
**By Daniel Thigpen, staff writer**

Marysville is trying to get a jump on making sure the roughly 7-mile levee circling the city is in shape while the federal government updates its flood maps.

The City Council on Tuesday night approved a \$7,000 contract with Sacramento-based MBK Engineers to help guide the city through the certification process, which includes inspecting the levee for any deficiencies.

The federal government requires levees meet a 100-year flood standard, meaning there's a 1 percent chance of a flood in any year. In the next three years, the Federal Emergency Management Agency is working to update its flood maps in thousands of communities nationwide.

If an area is protected by a levee that does not meet the 100-year flood standard, FEMA will assume the levee doesn't exist for the purposes of gauging flood-prone areas.

Mapping an area into a flood plain could make new development more difficult and cause flood insurance premiums to skyrocket.

Marysville is hoping to be ahead of the curve.

“We're concerned that we need to start working on this before we're in a situation that harms the city,” said City Services Director David Lamon.

The levee surrounding Marysville is under the jurisdiction of the Marysville Levee Commission, a state-created entity responsible for routine maintenance.

The council wanted to ensure the certification process is begun.

If any problems with the levee are discovered and any improvements are needed - which likely would cost millions - Lamon said the city will work with the appropriate agencies to figure out who's responsible and how any projects will be paid for.

“I think it's important we take a proactive stance on this issue,” said Councilwoman Christina Billeci.

Most of the Central Valley's 1,600 miles of levees were grandfathered into FEMA's 100-year flood standard years ago. But an inspection would likely find many built to protect what was then farmland don't meet modern requirements.

Yuba-Sutter officials have wrestled with the 100-year flood plain designation for most of this year after the state Department of Water Resources said it would ask FEMA to place large sections of each county in the flood plain.

The Three Rivers Levee Improvement Authority in Yuba County is overseeing a massive levee improvement program, spurred by housing developments in the Plumas Lake area, that would provide at least a 185-year level of flood protection before FEMA makes a final decision on the state's flood-mapping request. #

[http://www.appeal-democrat.com/articles/2005/11/16/news/local\\_news/news6.txt](http://www.appeal-democrat.com/articles/2005/11/16/news/local_news/news6.txt)

### **Editorial: Discord follows Delta dam plan San Francisco Examiner – 11/15/05**

On Nov. 1, California Department of Water Resources Director Lester Snow warned a joint legislative committee that a 6.5-magnitude earthquake could produce 30 levee breaks that would shut down water deliveries to the eastern Bay Area and throughout two-thirds of the state. The damage to the 100-year-old earthen levees would require at least 15 months to repair and would cause a catastrophic \$40 billion in economic losses to California over a five-year period.

Just nine days after that joint hearing, the Water Resources Department released its long-delayed environmental report on a plan to issue \$110 million in bonds to build four 100-foot steel gates that would rise like drawbridges on giant hinges at the river bottom, creating temporary freshwater pools at the southern end of the Delta.

According to the Water Resources Department, the purpose of these gates is to make better quality, more oxygenated water available to Delta farmers and to protect freshwater fish by controlling the inflow of saltwater from San Francisco Bay.

Once the system is in place, perhaps as early as 2009, the department might consider pumping out more water to Central Valley farmers and Southern California cities. "We would only increase the export when it is environmentally safe to do it," Bay-Delta Office Chief Katherine Kelly said

in an interview with the Associated Press.

Suspicion that the dam gate plan is simply a smokescreen for pumping more water out of the Delta has raised a red flag among environmentalists and regional water authorities. The South Delta Water Agency's engineer, who is also a farmer in that area, insisted the dam gate plan would not make conditions better along the San Joaquin River, where farmers complain about both the quantity and the saltiness of their irrigation water.

Obviously, California has a variety of competing special interests, including the Bay Area and Northern California, that push conflicting priorities. Clearly, it is in the Bay Area's best interests not to endanger the Delta fisheries and farms by pumping more water south.

The Water Resources Department is trying to defuse the controversy by holding public hearings about the dam gates in two phases. The first round of hearings would consider only whether the gate technology truly enhances water quality, conditions for wildlife and the environment. The second round would deal with how much water to pump away.

But even beyond the thorny question of how much Delta water can be safely removed, it is not comforting to see the Water Resources Department seeking to devote so much money and effort to a peripheral project like the dam gates that would do little to make the aging levees safer from catastrophe.

Of course, the Water Resources Department wants the Legislature to fund "major investments in levee maintenance and improvements." Meanwhile, the department has embarked on a two-year study of the "Delta Risk Management Strategy."

For now, California can only hope that the 6.5 earthquake doesn't strike before the Delta's 19th-century levees are replaced. #  
[http://www.sfexaminer.com/articles/2005/11/15/opinion/20051115\\_op01\\_editorial.txt](http://www.sfexaminer.com/articles/2005/11/15/opinion/20051115_op01_editorial.txt)

**PERSONNEL ISSUES:**  
**Council doubles as water board**  
**Monterey Herald – 11/16/05**

**By Julia Reynolds, staff writer**

Monterey's City Council members have fashioned themselves a new job description: water barons.

The council agreed to serve as the permanent board of a desalination plant for a private Cannery Row development project.

The plant would provide water to Ocean View Plaza, a retail and condominium project that has been delayed for years -- and still has no water supply.

On Tuesday, the council voted 4-1 in favor of the plan, with Clyde Roberson dissenting

"I'm uncomfortable being the director of a community services district for a private company," Roberson said.

A county health ordinance and the state Coastal Commission require the formation of a government-like entity called a community services district to manage desalination plants, and the sponsoring city's council must serve as its board.

The approval came after "layers and layers" of legal protections were added to contract between the city and the project's private developers. The protections were meant to reassure council members that the city is protected against lawsuits.

The dozen or more indemnification clauses were comparable to warnings on an aspirin label that say "if you take this pill, you'll die," said City Manager Fred Meurer. He said the city faces zero risk of a lawsuit in any endeavor.

"Never have so many attorneys made so much money trying to figure out how to protect the city," he said.

Now the city is awaiting a signed waiver from California American Water, detailing what happens when and if the company builds its own desalination plant and supplies more water to the city.

Only the extra water from Cal Am -- or passage of special legislation -- would allow the city to step down from running the new board. Meurer said Cal Am had promised in September that its waiver would be "no sweat," but for some reason has lagged.

The mixed condominium and retail project has suffered years of setbacks ranging from lack of investors, opposition by open space groups and problems with the developer's handling of historic buildings on the site.

Meurer has stressed that the city's goal is to fill one of the last open lots in Cannery Row, and its involvement is not meant as a special favor to the project's owners, a Palo Alto real estate firm.

The city's objective, Meurer said, is "to ensure that if this project didn't fly, the next developer would get water."

Seven years ago, the Palo Alto firm's partners failed to get local approval for a massive residential and retail project in San Benito county.

When Cal-Am's waiver is obtained, the city staff will forward an application to the county's Local Agency Formation Commission to create the special district.

Then developers must approach the Coastal Commission for approval of the 190,000-square-foot complex of apartments, shops, restaurants and parking spaces spanning five buildings. #

<http://www.montereyherald.com/mld/montereyherald/news/13181087.htm>

**DESALINATION PROJECT ON HOLD:  
News briefs from California's Central Coast  
The Fresno Bee – 11/17/05  
By The Associated Press**

MOSS LANDING, Calif. (AP) - California American Water's pilot desalination project has been delayed by Duke Energy's failure to meet one of the environmental conditions placed on its permit to remove oil tanks from the Moss Landing Power Plant in 2000. Cal Am wants to place its pilot desalination plant at Duke's power plant, but Monterey County planners have withheld a permit because Duke has not finalized a plan to replace 13 acres of wetlands affected by removal of the oil tanks, planner Alana Knaster said. A permit for the pilot plant will not be issued until a realistic mitigation plan is submitted by Duke, which recently announced it is selling the power plant, Knaster said.

"One of the conditions of the permit was to provide mitigation for some habitat and you have to have a plan for doing it that is realizable," she said. "You can't just say we would like to do this - you have to be able to say it has happened or it's feasible that it can happen."

The pilot plant is already a year behind schedule.

Cal Am said this week they are optimistic issues can be resolved without affecting the established timeline of the full-scale desalination plant. But if the pilot is not operational by June, it could slow design of the project.#

[http://www.fresnobee.com/state\\_wire/story/11491120p-12229879c.html](http://www.fresnobee.com/state_wire/story/11491120p-12229879c.html)

**DESALINATION PROJECT:****Water bills to jump 40 percent with desal plant****Santa Cruz Sentinel – 11/20/05****By Shanna McCord, staff writer**

SANTA CRUZ — The city's 25,000 water customers have been paying toward a desalination plant for more than a year.

And they will keep on paying, as incremental rate hikes are scheduled for at least four more years.

Same will likely go for the 13,700 customers of the Soquel Water Creek District, residents from Capitola to La Selva Beach, should the district partner with Santa Cruz on building the \$40 million desalination facility.

The planned hikes will put residents in both the Soquel district and in Santa Cruz well above the current statewide \$30 average monthly water bill, but area planners say the expense is necessary.

The Santa Cruz City Council gave unanimous approval earlier this month for a desalination plant to be built on the city's Westside, saying it's the only way for residents and businesses to weather a drought — which typically occurs once every seven to 10 years.

"No question it's the most expensive water project we've ever done," Water Department Director Bill Kocher said. "But we've built to a point we have to do this. "If we don't, the economic consequences of a 50 percent shortfall in a drought would be shocking. Water is the economic engine of the community."

**True Cost of Desal**

Santa Cruz Water Department officials were banking on winning council approval for the desalination plant when they adopted the series of rate hikes in June 2004.

Where monthly water bills for Santa Cruz customers now average about \$45 for a typical household, rate hikes will put the average bill at \$65 by 2009.

About 30 percent of the \$13 million of new revenue expected with the five-year rate increases will pay for building the desalination plant, Kocher said. The higher rates will continue at the 2009 level beyond 2009. The rest of the new rate-hike revenue will go to funding other capital water projects and operational costs, including new water mains, installing a pipe from the Graham Hill treatment plant to the Bay Street reservoir and replacing an old, leaky North Coast water main.

Meanwhile, the typical single family household from Capitola to La Selva Beach, pays about \$39 a month for water.

This week, district officials proposed a 16 percent increase in rates to cover rising operational costs that, if approved in December, would put the average monthly payment at \$45 starting in January. The rate hike, however, does not factor in the possibility of contributing \$15 million to the desalination project in Santa Cruz, said Bob Stevens, the district's financial director.

"If and when it comes time to look at expenses for desalination, we'll look at how much rates will have to be adjusted," Stevens said.

Formal talks about joining Santa Cruz on the desalination plant — slated to be constructed in 2009, though a pilot plant should be up and running by June — will be held in January with a public hearing and vote by the district's board.

### **Benefits of desal**

On a busy summer day, customers of the Santa Cruz Water Department might use a total 16 million gallons of water.

While during the rainy season water use drops significantly, during the dry months supplies can become taxed.

The last source to be tapped, after others like the San Lorenzo River and North Coast sources are exhausted, is the Loch Lomond Reservoir, which can provide 1 billion gallons of water annually to the city. Loch Lomond is considered the Water Department's "savings account," Kocher said

And this "savings account" has been drawn down every year, using all but a third of it, Kocher said, a cushion that he considers too thin.

"If we had a drought like we had in 1977, the shortfall would bring us to our knees," he said.

The desalination plant would have the capacity to produce at least 912 million gallons of fresh water a year, though Kocher said the plant would not be used in winter when other sources are plentiful.

This amount of desalinated water would provide the needed cushion, Kocher said.

Critics of desalination, though few in number, question the need and the expense of such an endeavor. Their main point of contention is energy consumption.

Once the desalination plant is turned on, the energy used will cost three times more to produce fresh ocean water than conventional water, Kocher confirmed.

The energy increase associated with desalination would add about \$5 a month to the city's cost of producing water for each household.

Otherwise, the cost of distributing water is the same.

Critics say this energy-intensive process is a waste compared with alternatives such as stricter conservation and recycling water.

Using recycled water for maintaining golf courses would be a good starting place, said Patricia Matecjek, an environmentalist and Westside resident.

"Conservation and recycling alone would meet California's water needs," Matecjek, who's attended several conferences on the subject, said. "Those costs are far more controllable than the so-called blank check we're writing for desalination."

Aldo Giacchino, member of the local chapter of the Sierra Club, said, "Certainly there is more room for conservation," and the city should provide more incentives for residents to use low-flow toilets and showers.

Yet, Kocher says there's hardly room left for water customers to scale back use any more than they have, and recycled water isn't allowed for drinking, leaving desalination as the best and only option during dry years.

"I've been studying this stuff for 20 years," he said. "If something else would work, we would have found it by now."

Meanwhile, statewide, water is continuously an issue of heightened demand and sometimes questionable supply.

The average monthly water bill in California is about \$30, with Central Coast and Bay Area residents paying the most at \$38 a month, according to a report released in June from the Public Policy Institute of California.

If ultimately approved by the California Coastal Commission, Santa Cruz would join other coastal areas with desalination plants such as Marina, Santa Barbara, Long Beach and Marin County.

**By the numbers:**

16 million gallons: Santa Cruz's water use on a busy day.

2.5 million gallons: What new desal plant could produce in a day.

\$40 million: Cost of desalination plant.

\$45: Current monthly water payment for typical Santa Cruz household.

\$39: Current monthly water payment for household in Soquel water district.

\$30: Average monthly water bill in California.

\$65: Projected monthly water payment for typical Santa Cruz household in 2009. #

<http://www.santacruzsentinel.com/archive/2005/November/20/local/stories/02local.htm>

## **AQUIFER RECOVERY PLANS:**

**Cal Am, district in accord; Company, water board seek deal on aquifer storage**

**Monterey Herald – 11/22/05**

**By Virginia Hennessey, staff writer**

In a rare consensus, members of the Monterey Peninsula water board and representatives of California American Water agreed to let bygones be bygones in an attempt to jump-start negotiations over a joint project that injects excess winter runs from the Carmel River into the Seaside Basin aquifer.

Known as aquifer storage and recovery, the project is seen as an environmental boon that would recharge the overpumped aquifer and reduce pumping on the river in summer months.

However, negotiations on a long-term operating agreement have been stalled since the spring when a majority of the Monterey Peninsula Water Management Board of Directors approved a ballot measure to fund a study of a public takeover of Cal Am.

That initiative, Measure W, was rejected by 63 percent of the voters on Nov. 8. Proponents and opponents of the measure told the board Monday night the vote was a clear message from Peninsula residents that they want a solution to local water supply problems. Part of that solution, the board and Cal Am representatives agreed, is the aquifer storage project.

The state Department of Health Services has ordered Cal Am and the water district to reach a long-term agreement before it will issue a permanent permit for the program, which has been operating on a temporary permit since 1998. Without a state permit, the district would be allowed to inject winter runs into the basin, but neither Cal Am nor the district would be allowed to extract it for later use.

Animosity between the two groups has run high in recent months. Aside from Measure W, the two entities became entrenched in opposition over Cal Am's lawsuit seeking a judicial ruling on water rights and safe pumping yields in the basin.

The district submitted its last revised draft of the aquifer storage agreement to Cal Am in June and, until last week, the company had not responded. According to reports by the district staff on Monday night, Cal Am's most recent objections to the agreement were over the issue of water rights, specifically who would own rights to water pulled from the Carmel River during the winter. As proposed, the district would retain those rights.

Board chairman Larry Foy suggested the issue be removed altogether from the agreement so the parties can move forward.

"We need to move forward on this very quickly," Foy said. "What we need for the community -- and we've heard it from both sides (of Measure W) -- is we need this water supply"

A suggestion that the board could become a water wholesaler and pursue the aquifer project without Cal Am appeared abandoned as the board agreed to seek acceptable language for a contract with the company.

Cal Am representatives indicated Monday the delays in negotiations were caused by issues not related to Measure W.

Steve Leonard, Cal Am's general manager, said the company stepped back from negotiations because of "threats" from the National Marine Fisheries Service to levy massive fines on Cal Am for harming threatened species on the Carmel River with its pumping.

Leonard said the company has asked the federal agency to review its "mitigation strategy" to ensure that the aquifer program was acceptable, "so we're not adding good money after bad."

Water board members, however, said Cal Am withdrew from negotiations in ire over Measure W and the issue of water rights.

Foy, an opponent of Measure W, said water rights were the sticking point in negotiations over the aquifer project.

"I think Cal Am was looking for that agreement to be more of a partnership, and I think the biggest stumbling block is water rights," he said. "They feel it should be a partnership and water rights should be shared equally."

Foy added that "now that Measure W has been put aside," he hoped negotiations would move forward.

Kristi Markey, vice chairwoman of the board and a proponent of Measure W, was more critical.

"Cal Am didn't want to talk about some of the finer details of the agreement because they were unhappy with the fact that we were talking about a takeover," she said. "I thought it was unprofessional.

"I find it hypocritical of Cal Am to pout over discussion of a takeover when they are in court over the Seaside Basin adjudication and fighting us every step of the way. And the district is trying to protect that resource."

Leonard said the issue is not related to the so-called Seaside adjudication. That lawsuit will go to trial Dec. 13 unless the judge grants a stipulated judgment proposed by Cal Am and others who pump from the basin.

That proposed settlement would establish a watermaster board to control the basin and continue current pumping levels. The district and Monterey County oppose the settlement and are calling for immediate reduction in pumping. #

<http://www.montereyherald.com/mld/montereyherald/13232153.htm>