

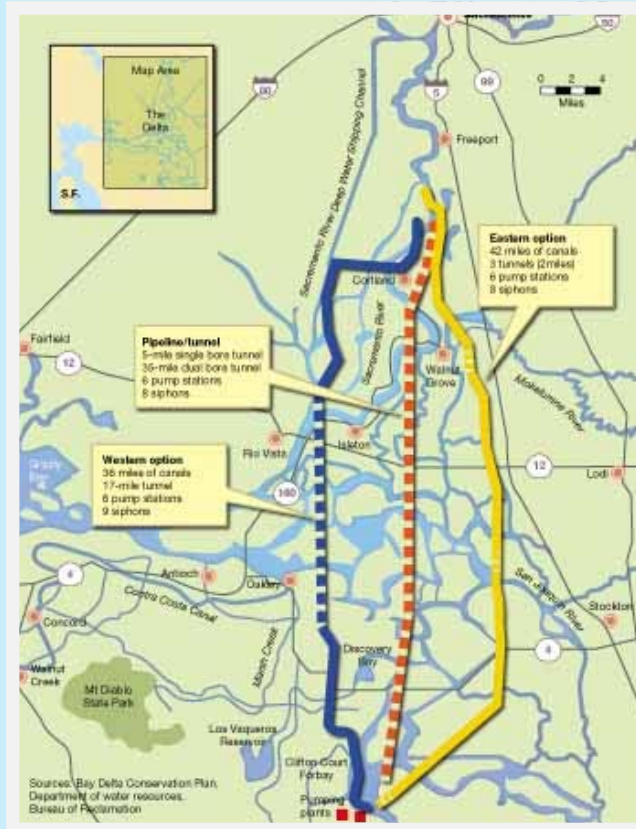


TID TIDINGS

Newsletter of the Tulare Irrigation District

The Delta Solution – Is There a Light at the End of the Tunnel(s)?

Much has been in the press up and down the state lately about Gov. Brown administration's push for a solution to the serious problems facing the Sacramento-San Joaquin Delta and its key role in providing water to the San Joaquin Valley and Southern California. That the problems are finally getting a serious look with the goal of finally fixing them is laudable. Often referred to as "Brown's Tunnels" and part of the larger Bay Delta Conservation Plan (BDCP), the proposed fix is two 33-foot diameter tunnels to move water around the Delta from the Sacramento River at the north end to the CVP and SWP pumps about 35 miles to the south. The tunnels' carrying capacity will be 9,000 cfs. Coupled with this major infrastructure addition will be many thousands of acres of Delta lands to be devoted to environmental habitat and other species restoration programs. The water supply goal is to make the exported water going to the south more reliable from year to year and less vulnerable to cutbacks because of endangered fisheries, such as several salmon species and the Delta Smelt. Other benefits are afforded as well, including protection from seawater intrusion in the event of an earthquake or long-term sea level rise should global warming bring this about.



Governor Brown's February 2013 Proposal

Board of Directors

David Bixler
President

Richard Borges
Vice President

Michael Thomas

Scott Rogers

Dave Martin



J. Paul Hendrix
General Manager

The Board of Directors holds regular public meetings on the 2nd Tuesday of every month at 9:00 am at the District office in Tulare

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Early state planners, working under then-Governor senior, saw the need for such a peripheral canal around the Delta as early as the late 1950's, when the SWP was in the formulation stages. They figured it was the best way to get water to the pumping plants without disrupting Delta tidal flows and drawing in salty ocean water during dry periods when little fresh water is coming in from the Sacramento, San Joaquin, and other rivers in between. Initial bond money fell short and this feature was put off into the future. In the minds of most in the water supply community, it's been long overdue.

Fast forward to today, and other problems have risen to the forefront besides pulling in salt water. Delta levee stability, fishery declines and other related issues have complicated things. Add to this inflation over time, environmental reports and permitting complexities, costs to acquire rights of way and other construction challenges, and you have what was, in the 1950's-era planning stages, thought to cost about \$70 million mushrooming to at least \$14 billion. Even as recently as 2006, figures for its cost were in the \$4 billion range, about 75% less than today's projected cost.

While the soaring cost projections are relatively new, the provincialism surrounding the project remains as intense as it was 50 years ago. There's northern v. southern California, the Delta farmers v. the government and its big projects bearing down on them and, more to the forefront today, fishery interests v. water-exporting agricultural districts and municipalities.

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Needless to say, \$14 billion is a lot of money. Who's going to pay? There'll be some public money, particularly for all of the environmental needs of the project. But the bulk of the cost is figured to be picked up by the urban and agricultural regions in the South Bay area, San Joaquin Valley and over the Tehachapis down to San Diego – the primary users of the water pumped from the Delta. As far as the San Joaquin Valley is concerned, where do we fit in? Hopefully nowhere in this, at least that's what we have believed for many years. Our Friant region gets water from local rivers and from Millerton Lake on the San Joaquin River, not from the Delta.

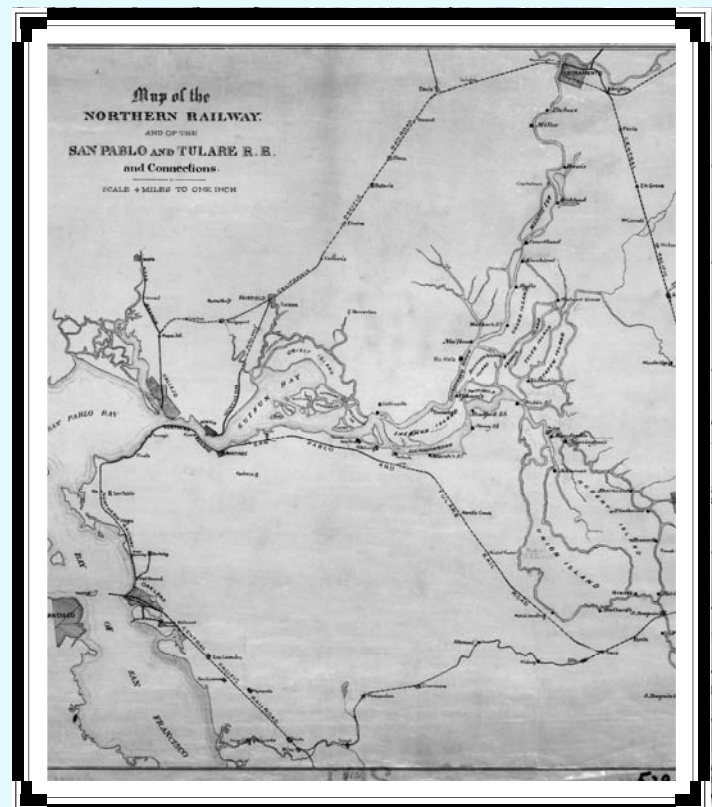
However, oft taken for granted and out of the limelight is Friant's access to San Joaquin River water only to the extent the original water rights owners (called the San Joaquin River Exchange Contractors which serve the historical Miller & Lux lands) cannot get a substitute supply from the Delta. If they can't, then Friant water goes down river instead of down the Friant-Kern and Madera canals. These Exchange Contractors are first in line when it comes to apportioning water from the Delta pumps, and, from Friant's perspective, the least likely to benefit from the tunnel project since their supply has never been cut back to any degree. Recent studies commissioned by the Friant Water Authority have confirmed that the tunnel project and its improved pumping operations do little to increase this first-priority supply out of the Delta.

Based on such findings and underlying water rights hierarchy, Friant representatives are earnestly holding on to this position. TID Board President David Bixler and Director Scott Rogers accompanied other Friant representatives to Washington, D.C. last fall to educate federal legislators on Friant's position and historical role in Delta operations. Political support for Friant is being expressed – to wit, a recent statement from Senator Feinstein, "It is my understanding that the BDCP was always conceived of as a 'beneficiary pays' project, and therefore beneficiaries should only contribute at a level that is proportionate to the benefits they receive. However, until a detailed financial plan is finalized, there will continue to be legitimate questions and concerns by Friant, other water users and the public eager to understand what precisely 'beneficiary pays' means in terms of cost allocations. I am especially concerned that this lack of clarity will impact the contractors' willingness to continue funding the project."

If we cannot prevail, it'll be a tough row to hoe. The Exchange Contractor share of the tunnel project may be as high as \$2 billion based on their share of total exports. Financing this up-front cost and spreading it out annually among the Friant districts would amount to an *additional* \$150 to \$200 per acre-foot to our Friant water cost. Tulare ID gets maybe up to half its water from Friant, so this could add around \$80 or more to our water sale

rate to farmers here in the District. Considering we're at \$30 to \$35 per acre-foot now for ditch water sales to growers, this would be quite a blow to the local farming economy. To sum it up, we in the east side and within Friant's service area are squarely in the ring, asking questions such as "why should we pay?", "how much can we afford to pay?" and, if the price tag pegged on us is too high, "do we even support the proposed tunnel project at all?"

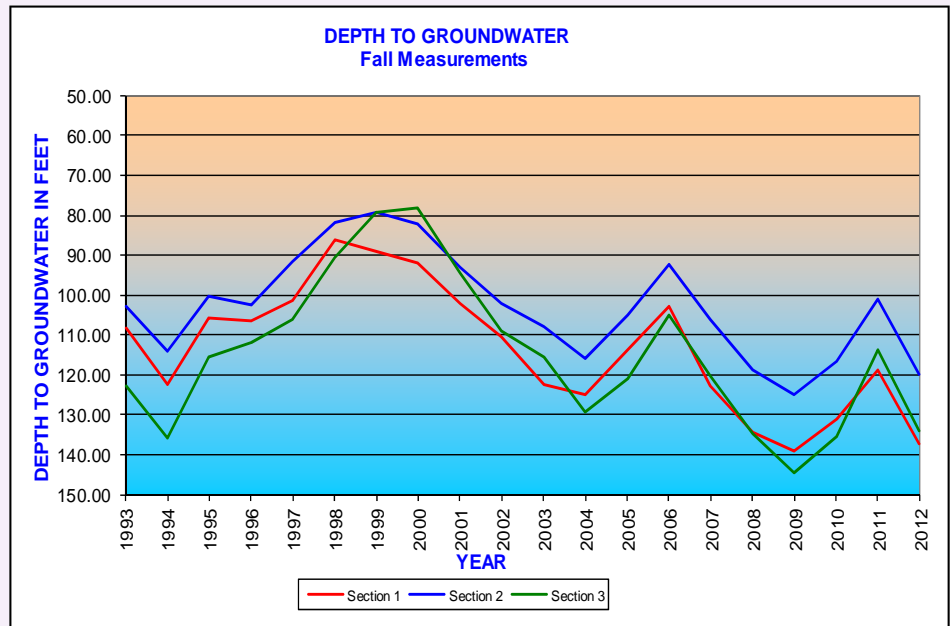
To turn the project down and join the ranks of naysayers, Valley farmers have to swallow hard. The devastating water shortages resulting from the inability to deliver adequate supplies southward from the Delta may well be their ultimate ruination. We should pause and remember past circumstances when costs for new water supplies brought into the Valley were up for consideration: Many thought in the 1940s that the \$2 to \$3 per acre-foot for CVP Friant water would break the Ag economy. Similarly, in the early 1960s, there was pessimism along the west side and in Kern County over the projected \$15 per acre-foot cost of SWP water to be brought in from the Delta via the California Aqueduct and the likely demise of cotton production if water were priced that high. Somehow, the Ag sector adjusted, life went on and the extra water helped sustain the area and preserve the groundwater reservoirs below. Can we absorb this new Delta tunnel cost? Does it put us past the economic tipping point? Only time will tell.



Early Map of Delta Waterways, Circa Late 1860s

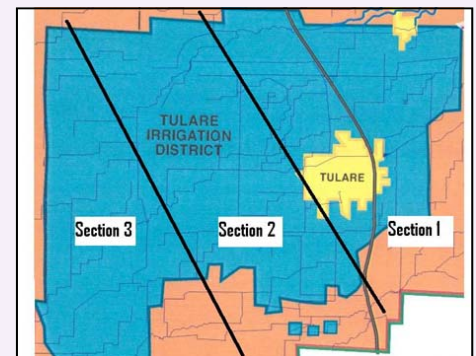
Groundwater Gains – One Step Forward, Two Back

The wetter years bring lots of surface water, driving TID into high gear with its various groundwater recharge programs. A lot of effort by us and others in the Kaweah basin area are geared towards putting back as much of this extra surface water into the underground aquifers as possible. The back-to-back wet years of 2010-11 are a recent example, during which the rise in the water table was about 26 ft. Last year was a duster, and the fall 2012 measurements across the District showed a drop of 19 ft, erasing away much of this hard-fought gain. This year's storm patterns don't fare too much better than last, with the combined Jan/Feb snowfall and rain totals being some of the lowest on record. We fully expect that these recent prior gains will be entirely gone and that depths to water may drop to new lows, beating the prior deepest depths set in 1994 and then in 2009.



How are we to confront this situation? By doing what we can. TID is readying itself to take full advantage of wetter conditions when they do occur again. Here are some of the things we're doing:

- o We've added significantly to the recharge basin capacity in our service area – about 180 acres in all. More is being planned.
- o We've partnered with the City of Tulare in basin construction and financial contributions to better position us to capture wet-year water when it's made available from the Friant system.
- o TID is joining with CSUF's California Water Institute and Natural Resource Conservation Service to study ways in which agricultural lands may be infused into on-farm recharge programs in cooperation with overlying farmers.
- o TID has also recently amended a water exchange agreement with Lindsay-Strathmore ID which will increase our access to low-cost surplus water from Friant and provide extra Kaweah water over time.
- o Finally, we have just established a long-term relationship with the City of Visalia which will bring about 12,000 AF of new local surface water each year to portions of TID's service area and is designed to result in increased imports of Friant supplies into the Kaweah basin averaging about 6,000 AF annually.



TID's Good Track Record Earns a Refund!



On Tuesday, March 12, 2013, Andy Sells, Chief Executive Officer with the ACWA/JPIA, attended TID's Board of Directors meeting and presented a refund check in the amount of \$99,884. This refund is the result of the District's employees having low liability, property and workers' compensation claims in recent years.

Congratulations TID Employees! Keep up the good work!

Pictured left to right are: Andy Sells, Board President David Bixler, and O & M Superintendent Wayne Fox

Tulare Irrigation District
6826 Avenue 240
Tulare, California 93274

LOOK INSIDE...

The Delta Solution
Groundwater Gains
TID's Good Track Record
Earns a Refund!

Visit us at...
www.tulareid.org



Founded in 1889, Tulare ID was one of the first irrigation districts in California. Its purpose is to serve the water supply needs of the greater Tulare area, a rich and agriculturally diverse region within the Southern San Joaquin Valley. The water provided comes locally from the Kaweah River and is also imported from the Federal Central Valley Project.

Important Dates to Remember

March

12th—TID Board of Directors Meeting

April

9th—TID Board of Directors Meeting

May

1st—Second Installment Assessments Mailed
14th—TID Board of Directors Meeting

June

11th—TID Board of Directors Meeting
20th—Second Installment Assessment Delinquent

July

4th—Front Office Closed for Holiday
9th—TID Board of Directors Meeting