

Another water project could divide the state

San Joaquin Valley farmers hope for \$3.3-billion dam and reservoir at Temperance Flat, but they need help paying for it.

Bettina Boxall, Los Angeles Times, 3-9-10

ORANGE COVE, Ca. -- Harvey Bailey was 11 when Friant Dam started spitting the San Joaquin River into an irrigation canal the size of a freeway.

His father and other growers laid bets on when the river's cool waters would reach their little farm town on the east side of the San Joaquin Valley, promising an end to the region's irrigation woes. Life magazine published a big photo spread on the canal's opening.

"It was a huge event," recalled Bailey, 72, president of the Orange Cove Irrigation District.

Now he hopes another dam will rise on the San Joaquin, at a narrow spot seven miles upriver from Friant, called Temperance Flat.

Backed by the Schwarzenegger administration and Central Valley farm interests, the \$3.3-billion dam and reservoir at Temperance Flat would be the biggest water storage project in California in more than three decades.

But amid a deep recession and an endemic budget crisis in Sacramento, some are questioning whether it's worth the investment and whether taxpayers should keep subsidizing water projects that primarily benefit California agribusiness.

"Let's spend it where it would have the biggest effect: conservation and efficiency," said Pacific Institute president Peter Gleick. "It's a fallacy to believe all we have to do is build a couple of big dams and our problems will be over."

Bailey and his brother Lee grow oranges, lemons and olives on 1,100 acres they own and 900 more they manage in the citrus belt that runs in a shiny green grid along the flanks of the Sierra Nevada.

Orange Cove gets its name from the hills that embrace it, sheltering groves from the cold.

"Family been here since '10," Bailey said, meaning 1910.

Like most other Central Valley settlers, his grandparents pumped groundwater to irrigate fields or grew crops that could survive on the valley's scant rainfall.

But aquifer levels nose-dived in the years before World War II. Citrus groves were abandoned. "You could see across 10 acres because there weren't any leaves on the trees," Bailey said.

The federal government came to the rescue with the Central Valley Project, the nation's biggest irrigation operation, which erected Friant Dam in the pine-flecked Sierra foothills about 40 miles northwest of Orange Cove. It was completed in 1942.

Two monster canals guzzled water from Millerton Lake, the reservoir formed by the dam. The Madera ran north and the Friant-Kern snaked south, feeding the east side's myriad irrigation ditches.

The river's Chinook salmon soon vanished and some 60 miles of riverbed downstream from Friant turned to desert in all but the wettest years.

The U.S. Bureau of Reclamation knew when it planned the dam that it would rob the lower San Joaquin, which meanders north to meet the Sacramento River and forms a sprawling delta leading to San Francisco Bay.

Drying up the San Joaquin was a problem for the corporate descendants of the 19th century cattle empire amassed by two San Francisco butchers, Henry Miller and Charles Lux. They held rights to the lower river, which they used to green 250,000 acres on the valley's baking west side, running from Mendota north to Patterson.

To keep them happy, the Bureau of Reclamation built the Delta Mendota Canal to ferry supplies 117 miles upstream from the delta to a spot near Mendota, where the water was dumped into the desiccated San Joaquin for use by the Miller-Lux successors, known as exchange contractors. Their rights predate the Central Valley Project, so they pay nothing for an annual allocation of water greater than the city of Los Angeles uses in a year.

Not only are their supplies free, the exchange contractors are at the head of the line. If there isn't enough delta water to fill their allotments, the bureau has to give them river water from Millerton, raiding other irrigators' supplies.

That has yet to happen. But as the delta's environmental problems grow and its fish populations teeter on the edge of extinction, the state and federal water projects that draw from it have been hit with increasingly severe pumping restrictions.

Sometime soon, the exchange contractors may have to take supplies from Friant, stirring unrest on the San Joaquin that could threaten their deal. Build more storage, they reason, and peace will reign.

"When the dog isn't hungry, he doesn't go out hunting," said Steve Chedester, executive director of the San Joaquin River Exchange Contractors Water Authority.

The push for another reservoir on the San Joaquin is not new. The concrete had barely set on Friant when grousing began: It was built in the wrong place. Millerton was too small to capture all the high flows of Sierra snowmelt.

"They made a boo-boo," said Mario Santoyo, assistant general manager of the Friant Water Authority, which represents districts supplied by Millerton.

Santoyo, 53, is the son of Central Valley farmworkers. His father, who laid irrigation pipes in other men's fields, was politically invisible.

Not Santoyo. A veteran water manager, he helped found the 4-year-old California Latino Water Coalition, which is allied with Gov. Arnold Schwarzenegger and is a vocal proponent of building more dams and reservoirs.

Santoyo said he worries that Friant farmers are being squeezed both by the delta's environmental restrictions and by a 2006 court settlement that requires them to release some of their water into the river to revive a once-

bounteous Chinook salmon run.

"Things are only going to get worse," Santoyo said.

In his campaign for Temperance, Santoyo may encounter opposition broader than the expected environmental groups: urban taxpayers and budget guardians.

In 1960, California voters approved a big bond to build the State Water Project, a network of dams and aqueducts that captures Northern California water and ships it through the delta to the south's subdivisions and cities.

The primarily urban water agencies, and ultimately their rate-payers, are repaying most of the bond, with interest. They also shoulder almost all of the system's annual operating costs.

Bailey and the other irrigators in the Central Valley Project have, in contrast, enjoyed the equivalent of a 60-year, interest-free loan. They have so far repaid about 19% of their \$1.2-billion share of the federal project's capital costs. And under reclamation law, the government charges them no interest.

Though as much as three-fourths of Temperance Flat's releases could go to growers, they say they can't afford to take on that proportion of the dam's costs.

Standing in a newly planted citrus grove, Bailey does some budget calculations and shakes his head. "There's no way you could pay \$1,500 an acre for water," he says flatly.

Temperance, which would boost the state's annual water supply by a small fraction of California's total demand, could win a big chunk of state taxpayer funding through the \$11-billion water bond measure slated for the November ballot.

But the bond, which would set aside \$3 billion for unspecified surface and groundwater storage, can pay no more than half of any project's total cost. So dam backers would still have to turn elsewhere for money -- most likely to the federal government or urban Southern California.

"If it's just going to be on the backs of ag, it's probably not going to be doable," Santoyo said. "Municipalities are going to have to play a major role in this."

Government planners have devised a scenario under which some water from Temperance could go to the State Water Project that helps supply the Southland.

But officials with the Metropolitan Water District of Southern California aren't making any commitments.

"We're certainly not going to write a check without a benefit," said Jeffrey Kightlinger, the district's general manager. If agriculture needs financing partners, he said, "they are going to have to go out and get them and make it attractive."