

Fresno's million-dollar water deal: What a bargain in this drought

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Fresno bought nearly 3,000 acre-feet of Millerton Lake water last week for \$1 million — a deal so uncommon this year that I had to read reporter George Hostetter's story twice.

On the open water market, the Millerton water might be worth five times that price. Plus, this was supposed to be a second heart-breaking drought year when Millerton Lake customers largely get zero.

So what happened here? Cloud burst over Millerton? Time travel? Serendipity?

Turns out, the Fresno deal was part of bigger behind-the-scenes meetings that brought together federal leaders, east- and west-side agriculture as well as Kern County interests.

The setup: Federal leaders would have been forced this summer to release Millerton Lake water to farmers with senior water rights on the San Joaquin Valley's west side. Just like last summer, no water would have been left for Fresno and the 15,000 farmers who buy water from Millerton.

But water officials found a way to leave water in Millerton.

Some land will be left idle among the senior water-rights farmers. Water swaps between state and federal projects will take place. Delivery of some leftover water from previous years will be delayed until fall after the critical irrigation time.

The idea is to provide water for the senior water-rights farmers without releasing it from Millerton Lake. It had to be insanely complex to work because there simply is not much water available anywhere.

"Talk about a well-choreographed ballet of water exchanges," said Fresno's representative Georganne White, chief of staff for Mayor Ashley Swearingen. "At a time when everyone is protecting what little water they have, it's pretty remarkable."

Now, there's 60,000 acre-feet available in Millerton. That's roughly 5% of the high-priority water for Millerton customers, according to Friant Water Authority officials, who represent east Valley farmers and some cities.

That's where Fresno's water deal came from, but there's more to it. I'll get to that part in a moment.

First, you need to know the four main players: [U.S. Bureau of Reclamation](#) (owner of Friant Dam), [Friant Water Authority](#) (representing Millerton customers), [San Joaquin River Exchange Contractors Water Authority](#) (representing growers with historic rights to the San Joaquin River) and [Westlands Water District](#) (a key federal water customer).

Two other important players involved in water swaps are the [Delano-Earlimart Irrigation District](#) and the [Kern-Tulare Water District](#).

Eric Quinley, acting general manager of the Friant Water Authority, said it took a lot of effort to make the deal work for everyone.

"It shows the power of working together in a drought," he said.

So let's get down to the bottom line. After land was fallowed among the senior water-rights farmers, 10,000 acre-feet of water was made available at \$1,000 per acre-foot. But that was only a fraction of the water made available.

The other 50,000 acre-feet costs less, said officials involved in the deal. I don't have the numbers yet, but among the cheaper water is something called "avoided losses."

Such losses happen when Millerton water is sent to the west side. The water sinks into the groundwater table on its way to the west side. Officials say a loss of 15,000 to 20,000 acre-feet of water was avoided by keeping the water in Millerton.

With a blend of different costs for water, the result was less than \$400 an acre-foot — a deal that would be snapped up anywhere in the Valley this year.

One other important note: The San Joaquin River Exchange Contractors Authority last year left 5,000 acre-feet of water in Millerton for "health and safety" needs in small communities, such as Orange Cove, Terra Bella and Lindsay. The agency did the same thing this year.

Last year in the drought, the exchange contractors also sold water at discounted prices to five struggling east-side districts — Terra Bella, Lindmore, Kern Tulare, Stone Corral and Orange Cove.

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