

Gov. Jerry Brown pushes budget measure to consolidate water agencies

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The Brown administration is pushing late-emerging budget legislation to let state officials force the consolidation of troubled water systems with larger, better-funded agencies, with the goal of improving Californians' access to safe drinking water after four years of drought.

Proponents say the measure would help people around the state, many of them poor, who depend on small agencies that have little wherewithal to deal with water shortages and quality problems. The measure could go before the Legislature as early as this week.

Sen. Jim Nielsen, R-Gerber, is concerned about the breadth of the water agencies proposal. | Hector Amezcua Sacramento Bee file

"Critical times require innovative measures," said Omar Carrillo, senior water analyst for the Community Water Center, an environmental justice group that supports the proposal. "Communities deserve more tools to secure their safe drinking water needs." He estimated that there are a few dozen small agencies in the Central Valley alone that should be consolidated with larger neighbors.



The proposal, though, has generated intense opposition from water agencies and local government groups. Larger water agencies fear absorbing the expenses and liability of other systems, even as their existing customers face tough state-imposed conservation measures. Smaller agencies, some of which have their own governing boards, criticize the loss of local control.

The administration's plan emerged only a month ago, after the release of a revised budget plan that lacked any mention of the proposal. There has been no similar legislation in recent years.

Tough times, tough drought, tough decisions to be made.

Sen. Mark Leno, D-San Francisco

In a June 10 letter to lawmakers, the Association of California Water Agencies and other local government entities objected to the proposal being heard outside the regular, months-long legislative process, which they said "offers more transparency and safeguards over the course of several months."

"Instead, this proposal is being rapidly moved through the budget trailer bill process that does not provide adequate time for stakeholder comment or public input in the span of just a few short weeks," the letter said.

It remains unclear what kind of measure could go before lawmakers, who Monday will take up a main budget bill crafted by Senate and Assembly negotiators. Legislative leaders and Gov. Jerry Brown continue talks on a final deal, and a measure to consolidate water systems could be part of that package.

Members of the Legislature's budget-writing conference committee sharply disagreed last week about the consolidation proposal and other drought-related budget measures.

"There may be some people who are happy with this proposal. But I think once it is implemented ... it's a very

stunning and enormous policy change,” said state Sen. Jim Nielsen, R-Gerber.

Countered state Sen. Mark Leno, D-San Francisco, “Tough times, tough drought, tough decisions to be made.”

410 districts provide water to 85 percent of California residents

Under current law, counties’ local agency formation commissions handle most changes in local government jurisdictions, such as annexations. It’s a years-long process that requires all sides to be in agreement.

The Legislature has become involved in a few cases. Last year, lawmakers passed a bill that consolidated a tiny Riverside County water agency with a pair of much larger water systems.

Brown’s proposal would go much further, giving the State Water Resources Control Board broad powers to order the consolidation of other water systems if the board felt it would improve residents’ water supply. Under the plan, the absorbing system would receive money to help pay for the equipment and connection work. Private water companies absorbed by larger ones would receive fair market value. Money to pay for the changes would come from Proposition 1, the November water bond measure that includes \$1.4 billion for water-quality projects, including \$260 million for drinking water in disadvantaged communities.

California has several thousand water providers, but 85 percent of residents get water from the state’s 410 largest suppliers. Carrillo pointed to the Tulare Lake basin as an area where water system consolidation would improve residents’ lives. Discolored tap water drawn from depleted wells forces residents there to depend on bottled water.

“There is definitely a great opportunity here,” Carrillo said.

Porterville, the largest nearby water system, would be a logical candidate to absorb financially ailing systems.

But Michael Reed, the city’s acting public works director, said Porterville already faces challenges serving its existing customers. City residents must reduce their water consumption by almost a third under a state water board order earlier this spring.

“You’re asking your city customers who live within city limits to reduce their water consumption by 32 percent and in turn asking them to do the water consolidation projects,” Reed said. “It seems contradictory.”

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David Siders of The Bee Capitol Bureau contributed to this report.