

What To Do With \$171 Million? Dam Backers May Turn It Down.

David Taub July 25, 2018

The good news is, a state board officially approved \$171 million for Temperance Flat Reservoir.

But, get this: The lead agency for the project isn't sure if it wants the money.

Have you ever heard of government, or anyone else, turning down \$171 million?

It could happen. That's because project organizers requested \$1.3 billion, and need \$2.7 billion to build the dam on the San Joaquin River above Millerton Lake.

Tuesday (July 24), the <u>California Water Commission</u> voted to accept staff recommendations for funding California water projects with Proposition 1 dollars.

The commission set the amount at its <u>meetings in May</u> and the funding figure caused great <u>consternation</u> among a bipartisan group of Temperance Flat supporters.

"It also gives enough time to figure out whether we want to take the \$171 million from the state, depending on what the strings may be associated to that."—Mario Santoyo, SJVWIA The project still needs to meet additional criteria — permitting, financing, environmental reports — to receive the money. Mario Santoyo, executive director of the <u>San Joaquin Valley</u> <u>Water Infrastructure Authority</u> expects those hurdles to be cleared in 2019 or 2020.

"We're not in a real hurry for the \$171 million because there are things to do," Santoyo said. "It also gives enough time to figure out whether we want to take the \$171 million from the state, depending on what the strings may be associated to that."

Water Agency Vote

In all, the commission awarded \$2.7 billion on eight water storage projects. Voters created the state board and the water project funding by passing Proposition 1 in 2014.

CWC staff classified Temperance Flat Reservoir as a Rank 2 project, meaning it earned a score between 70 and 84 (Rank 1 is 85 and higher. Rank 3 is less than 70).

Staff determined ranking scores by the project's total return on investment. The higher the ranking group, the higher the priority to receive funding. Five Rank 2 projects received \$1.6 billion in state funds.

After the 8-0 vote, CWC Chairman Armando Quintero led the room in a celebratory clapping. "Congratulations to the Rank 2 projects!" he exclaimed.

Senate Republican Leader Patricia Bates (R-Laguna Niguel) expressed frustration in a statement emailed after the vote.

"While I'm disappointed the Commission didn't see the value in providing more significant funding for Temperance Flat, which is important to the Central Valley and the entire state, these water storage projects are critical to ensuring California provides water for its 40 million citizens into the future," Bates said.



Now What for the \$171 Million?

Photo illustration of proposed Temperance Flat Dam. (Screen Capture/YouTube)

Santoyo said there is no specific plan for the money, which is a small fraction of the project's potential cost. To see Temperance Flat built, the federal government must increase funding.

"Our primary emphasis is to work with our federal legislators in rewriting the (federal) WIIN Act to allocate bigger chunks of dollars over a series of years to these water projects," he said.

About 30 public agencies have committed to Temperance Flat. One of those backers is the city of Fresno. The city council approved \$500,000 for the project over three years last year.

Santoyo said the Temperance project authority spent \$350,000 on engineering work for the Prop. 1 funding application.

Early Funding Rejected

The state water commission presented Temperance Flat with more bad news Tuesday when it rejected a request for early funding. The commission OK'd similar requests by three other projects.

Initially, Temperance Flat requested \$8.56 million in early funding. Members expressed concern over finances and environmental impacts. While the board voted 4-3 in favor, with one commissioner abstaining, it did not attain enough votes per board policy.

"I get very, very concerned about spending taxpayer dollars on projects that I don't feel comfortable today that are going to come to fruition," said commissioner Catherine Keig, who voted no.

Carol Baker, who abstained, said it was Temperance Flat's low score on environmental feasibility that influenced her decision.

The board made an alternate proposal to award half the request, \$4.3 million. But the 4-4 vote meant the alternate plan failed as well.



David Taub has spent most of his career in journalism behind the scenes working as a TV assignment editor and radio producer. For more than a decade, he has worked in the Fresno market with such stops at KSEE-24, KMJ and Power Talk 96.7. Taub also worked the production and support side of some of TV sports biggest events including the Super Bowl, the NBA Finals and NASCAR to name a few. Taub graduated from the University of Michigan with dual degrees in communications and political science. You can contact David at 559-492-4037 or at dtaub@gvwire.com.

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