

California Water and Infrastructure Report

Formerly, the “California Drought (and Flood) Update”



For February 15, 2018

by Patrick Ruckert

Published weekly since July, 2014

An archive of all these weekly reports can be found at both links below:

<http://www.californiadroughtupdate.org>

<https://www.facebook.com/CaliforniaDroughtUpdate>

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The only solution is to go back to what Franklin D. Roosevelt did in 1933: implement Glass-Steagall, end the casino economy, and then go to a Hamiltonian banking system—call it what you want, you can call it the Reconstruction Finance Corporation, or you can call it the German Kreditanstalt für Wiederaufbau. Once you make the financial system sound again in this way, there would be absolutely nothing standing in the way of the full cooperation of Western countries with the Asian Infrastructure Investment Bank, the Silk Road Fund, and all the other financial institutions which are backing the Belt and Road Initiative. That is the only way to avoid complete disaster— that is what people should really help to implement.

*The New Silk Road is Changing the World-- America Must Join
Helga Zepp-LaRouche's weekly webcast for Feb. I can be seen at
newparadigm.schillerinstitute.com*

A Note To Readers

The best response to the Trump administration's announced infrastructure policy on Monday is the above quotation from Helga Zepp-LaRouche. A more detailed analysis of that policy is the first item below this week's introduction.

Begin with this: The building and rebuilding of the nation's infrastructure; in fact moving to a new, higher productive platform that is led by fusion power, the space program and a nation-wide high speed rail system, is an existential necessity. It is only in that way that unemployment, poverty, drug addiction, crime, immigration and everything else can be addressed.

What we can say that what is positive about the administration's focus on infrastructure is that by putting the discussion of the nation's broken-down and backward infrastructure on the front burner, the real solution and policy has now a place at the table. Good. The more discussion, the more we will be able to make clear the difference between the Goldman Sachs policy as announced, and a real American System policy that Alexander Hamilton, Abraham Lincoln and Franklin Roosevelt would support.

Speaking of Abraham Lincoln, whose birthday was just three days ago, he was a president who acted on his determination to get things done. That is why he initiated the building of the Transcontinental Railroad in the midst of the Civil War. That war would end he knew, and the future of the nation for the next 50-100 years required that railroad. It is that sense of a mission for the nation-- the building of what the nation must have 50-100 years into the future-- that must define the President's policy.

Do not be distracted by anything else-- not a school shooting, a wife-beater in the White House, or any single issue like immigration. Unless our people are focused and determined to rebuild the nation's industry and infrastructure, nothing will change, especially not for the better. The President knows this.

In This Week's Report

Look at the U.S. Drought Monitor on page 5, and then note the headline of the first article: "Paltry snows could send state 'screaming into a drought.'" There were so many articles this past week on how the state is in a new drought that I shall just include the links for most that I cite.

The "Oroville Dam Update" this week continues reporting on the fallout from the disintegration of the main spillway and the near catastrophe as the auxiliary spillway threatened to collapse one year ago. First, now there is a \$51 billion dollar lawsuit for damages filed. Yes, that is \$51 billion. Next is a summary report of the affects and developments one year later, which gives many personal stories, but covers much more. Finally, the disaster has prompted a complete overhaul of the monitoring of all the dams in the state. That is reported in the article entitled, "Memo Shows Seven State-Operated Dams Need a Closer Look in Wake of Oroville Dam Incident."

In addition, in January, the Federal Energy Regulatory Commission, the Federal agency with oversight for hydropower, sent a letter to the owner-operators of the entire U.S. inventory of 1,700 hydropower dams, calling on them to inspect and monitor their structures.

Our more extensive reporting this week is on the outrageous action by the California Water Commission in rejecting all 11 proposed water storage projects authorized by the 2014 vote by California voters. As I wrote last week, while the ballot initiative made damn clear voters expected dams and reservoirs to be built, the commission's criteria for approval, in the words of one commission staffer does not include water storage, but that all the projects must be graded on how much they add to conservation, alleviate climate change, protect the environment and fish and enhance recreation.

There is strong opposition and protests to this abomination from especially the agricultural sector of the state, but it is largely impotent. Either it is weak complaints about the criteria or a capitulation to it. There is not, yet, the required uproar and challenge required, like a march on Sacramento with torches and pitchforks.

The final section on water covers the recent developments around the California WaterFix-- the tunnels under the Delta, again to protect the environment and fish. It looks like the Metropolitan Water District of Southern California may move in and take the whole thing over after the governor cut back the project from two tunnels to one two weeks ago.

The Feature this week covers more on the President's infrastructure proposal and related areas.

White House Infrastructure Plan Has Virtue of Clarity: Won't Build America, Won't Pass

Feb. 12 (EIRNS)—The White House infrastructure policy “rolled out” by President Trump today is certainly a great disappointment to Americans committed to build a new economic infrastructure for the nation. But even its real creators, at Goldman Sachs bank, immediately advised it has “virtually no chance of becoming law.” Therefore those Americans who are so committed, including elected officials, should be galvanized into action to bring forward the four legislative actions proposed by EIR Founding Editor Lyndon LaRouche, and save the situation from disaster.

The White House outline was released around a meeting of the President with about 40 state and local officials, and paradoxically defines remaking the nation's infrastructure as a state responsibility. Decades of Federal “80-20” grants would be replaced by “20-80 incentives” to states. In the new budget proposal issued simultaneously by the White House, Federal infrastructure grants and loans for FY2019 total just \$21 billion, and this is achieved by cuts in other areas of domestic spending including transportation. That is provoking some GOP members of Congress for the first time cautiously to discuss increasing the Federal gas tax—not really to fund new infrastructure, but to replace those cuts!

The roll-out was described by one person experienced in the White House deliberations as “a mind-boggling concoction of financial wizards from Wall Street. It's a thinly-veiled effort to force states to enter into public-private partnerships (PPPs) and privatizations; a disaster.” He further stated, “important infrastructure is not the responsibility of the states. They should have first created a national infrastructure bank, and let the bank's board create the plan.” Indeed, one of the ironic features of National Economic Council Director Gary Cohn's plan is that it commits some Federal dollars to supporting creation of state infrastructure banks.

Details of the contraption aside, President Trump has capitulated to Cohn, et al.: There is no new Federal credit for infrastructure here at all, just new rules—focused on PPPs and new state taxes and fees—for existing levels of funding. Drops in a bucket, which leaks badly to Wall Street funds.

If Americans were to notice any immediate impact from such a scheme, it would be the states using new-found authority to impose tolls all over the interstate highways, making driving more expensive and slower.

The burden is now clearly on Congress to come up with something better, as midterm election campaigning heats up. This only highlights LaRouchePAC's mobilization for LaRouche's “Four Laws.”

My commentary on the President's infrastructure policy

The following is from the horse's ass, Gary Cohn, who has the title of “President Trump's National Economic Council Director,” who displays not only his Goldman Sachs pedigree, but also his extreme stupidity and ignorance.

"In the past," Cohn generalized grandly, "the Federal government politically allocated funds for projects, leading to waste, mismanagement, and misplaced priorities. The answer to our nation's infrastructure needs is not more projects selected by bureaucrats in Washington, D.C.

"Instead, the President's plan designates half of its \$200 billion for matching funds to stimulate state, local, and private investment. Rather than telling governors and mayors what to do, we will partner with them as they invest in the most pressing projects in the highest-need places. And where it makes sense, we will move old infrastructure off the government balance sheet and into private investment."

Those of us in California know damn well that the Federal government built the Central Valley Water Project, which could never have been built by the state, and the benefits of that project for the entire population of the nation is daily found on their dinner tables.

And, the most important infrastructure project of the 20th century, which did most for the general welfare of the American people, was the creation of the Tennessee Valley Authority. The TVA was conceived in Washington, D.C. by a Senator from Nebraska -- outside the TVA region. It was supported with Federal funds voted by Washington, D.C. Congresses, and carried out by Washington, D.C. bureaucrats and experts. An entire five-state region that previously lived in Third World conditions was brought into the 20th century.

One more: The Rural Electrification Administration, begun by President Franklin D. Roosevelt in 1936. In that year 90 percent of the farms of the nation had no electricity. The Federal government, by providing the funding for farmers to create coops, began electrifying farms and just 15 years later only 10 percent of the farms were still without electricity. What did farmers think of that?

In Tennessee, a farmer who got his lights in the early 1940s, rose the next Sunday at church to bear witness: ***"Brothers and sisters, I want to tell you this. The greatest thing on earth is to have the love of God in your heart, and the next greatest thing is to have electricity in your house."***

The horse's ass Cohn has proposed selling off the TVA power lines, which is not only more Wall Street insanity, but thankfully will go nowhere. More on this in the "Feature" below.

After defeating the coup attempt, now reeling as its perpetrators in the DOJ and FBI may soon face criminal indictments, President Trump will then have to clean out his administration of scum like Cohn.

The State Goes Screaming Into A Drought'

Paltry snows could send state 'screaming into a drought'

Published: Monday, February 12, 2018

<https://www.eenews.net/climatewire/2018/02/12/stories/1060073489>

The Sierra Nevada is on track for a dangerously dry season as last week's snowpack undershot amounts from the same date three years ago, when the dry winter wreaked havoc on thirsty farms and cities.

On Thursday, the Sierra's snowpack measured just 23 percent of the date's average. Precipitation in the northern part of the range, where runoff feeds into California's largest reservoirs, has been 66 percent of the average.

California could face first dry February in 150 years

By Mark Gomez, Bay Area News Group

02/13/18

<http://www.marinij.com/article/NO/20180213/NEWS/180219916>

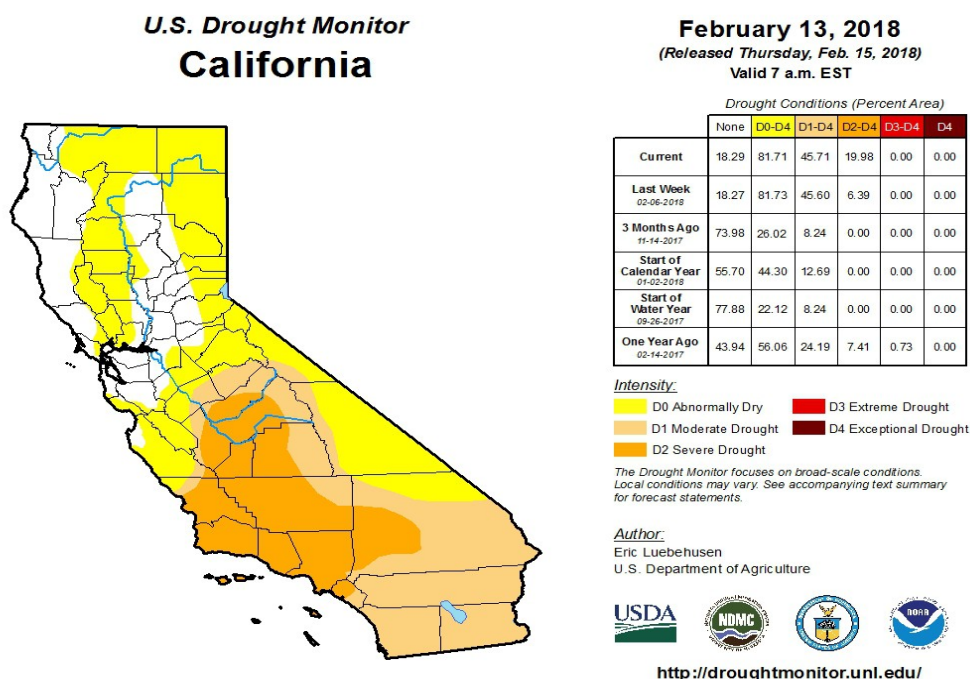
The Bay Area has experienced February dry spells before, including twice from 2013 to 2016 during California's historic drought when rainfall totals were drastically below average.

But this February could close with a distinction most in the Bay Area would like to avoid. This could become the first February in more than 150 years with no rainfall

“Lincoln was president the last time San Francisco had an 0 for February,” said Jan Null, a meteorologist with Golden Gate Weather Services in Saratoga.

U.S. Drought Monitor

Note that the portion of the state in “Severe Drought,” the third most intense category, jumped in the past week from 6 percent to 20 percent.



Drought Conditions Spread Across the West – Are We Ready?

By Alastair Bland

February 14, 2018

<https://www.newsdeeply.com/water/articles/2018/02/14/drought-conditions-spread-across-the-west-are-we-ready>

The driest December in California’s recorded history was followed by a relieving gush of rain in January, when it seemed there was a chance the state would be on track to receive at least its average level of precipitation.

According to the [U.S. Drought Monitor](#), most of California is either abnormally dry or experiencing drought, and about two-thirds of Arizona and three-fourths of New Mexico are facing severe or extreme drought. The Rio Grande, a major water source for much of the Southwest, contains just half the water it did during recent drought years. Currently, the rate of flow at the Otowi Bridge in New Mexico is 21 percent of average – what hydrologists say could be the lowest such reading in 70 years.

The reservoirs of the Colorado River are seriously depleted, with Lake Powell just 56 percent full and Lake Mead 41 percent full. Pitt said Lake Mead’s surface elevation has not been so low since the reservoir was first filling with water during World War II.

How dry is this winter? Sierra snowpack on pace to shatter record low of 2015

By [Kurtis Alexander](#)

February 8, 2018

<https://www.sfchronicle.com/news/article/How-dry-is-this-winter-Sierra-snowpack-now-on-12563228.php#photo-15014793>

La Niña ending, here comes 'La Nada'

By Doyle Rice, USA TODAY

February 10, 2018

<http://www.wtsp.com/article/news/nation-now/la-nina-ending-here-comes-la-nada/465-1eea26f4-5689-410a-812e-5379b3595c33>

California's drought restrictions on wasteful water habits could be coming back — this time they'll be permanent

By [Steve Scauzillo](#)

San Gabriel Valley Tribune

February 12, 2018

<https://www.ocregister.com/2018/02/12/californias-drought-restrictions-on-wasteful-water-habits-could-be-coming-back-this-time-theyll-be-permanent/>

Anyone caught wasting water in California may be fined as much as \$500 under new rules being considered by the state water board, officials said Monday.

Oroville Dam Update

Oroville Dam: One year after crisis, distrust lingers, big questions remain

By [Risa Johnson](#), Chico Enterprise-Record

02/10/18

<http://www.chicoer.com/environment-and-nature/20180210/oroville-dam-one-year-after-crisis-distrust-lingers-big-questions-remain>

Oroville >> Today marks one year since water spilled down the Oroville Dam emergency spillway for the first time in history, spelling near-disaster for nearly 188,000 residents downstream.

Oroville Dam crisis prompts \$51 billion lawsuit

Dale Kasler

The Sacramento Bee

Feb. 8, 2018

<http://www.vcstar.com/story/news/2018/02/08/oroville-dam-crisis-prompts-51-billion-lawsuit/322469002/>

The state got hit with another lawsuit over the Oroville Dam emergency, and this one is enormous.

Butte County's district attorney sued the Department of Water Resources on Wednesday for the environmental damage created by last February's crisis. In particular, District Attorney Michael Ramsey said DWR should have to pay between \$34 billion and \$51 billion for the tons of concrete, rock and other debris that fell into the Feather River below the dam.

Memo Shows Seven State-Operated Dams Need a Closer Look in Wake of Oroville Dam Incident

By Stephen Stock, Rachel Witte and Michael Horn

February 5, 2018

<https://www.nbcbayarea.com/investigations/Memo-Shows-Seven-State-Operated-Dams-Need-a-Closer-Look-in-Wake-of-Oroville-Dam-Incident-472392023.html>

NBC Bay Area obtained a memo written by engineers at California's Department of Water Resources (DWR) in June 2017 that raises safety questions involving seven dams owned and operated by the agency.

The [memo](#) was sent by DWR to the state's Division of Safety of Dams and copied to the Federal Energy Regulatory Commission, which oversees dam safety and regulation around the country. It states the seven dams are in need of immediate evaluation.

The memo questions whether the seven dams, which are similar in age, design and construction to Oroville Dam, may have, "potential geologic, structural or performance issues that could jeopardize their ability to safely pass a flood event."

Federal Energy Regulators Warn That 1,700 Hydropower Dams Need Monitoring for Hazard

Feb. 12 (EIRNS)—In January, the Federal Energy Regulatory Commission, the Federal agency with oversight for hydropower, sent a letter to the owner-operators of the entire U.S. inventory of 1,700 hydropower dams, calling on them to inspect and monitor their structures. On Jan. 5, 2018, FERC's Independent Forensics Team had issued a finding that the February 2017 failure of the Oroville Dam Spillway was mostly the fault of the owner-operator, the California Department of Water Resources, for not properly monitoring and correcting conditions with the dam.

The FERC stated that, "flaws in the Oroville Dam Spillway existed since construction that were missed by the owner [since original construction in 1968], regulators, and consultants. It is very clear that just because a project has operated successfully for a long period of time does not guarantee that it will continue to do so."

California Water Commission vs. Sanity

To repeat from the introduction above: The outrageous action by the California Water Commission in rejecting all 11 proposed water storage projects authorized by the 2014 vote by California voters. As I wrote last week, while the ballot initiative made damn clear voters expected dams and reservoirs to be built, the commission's criteria for approval, in the words of one commission staffer does not include water storage, but that all the projects must be graded on how much they add to conservation, alleviate

climate change, protect the environment and fish and enhance recreation.

What follows are a sampling of this abominable and absurd “debate” now ongoing, just as we enter a new drought. Three and one-half years ago the voters approved the bond to build more water storage, and decisions on which projects will be funded are still not made and will not be made until at least later this year.

The first item is from the body responsible, the California Water Commission, which, like, unfortunately, most of the California institutions these days, pretends to say something but does not. So I do not include much of the document here.

That, thus far, the anger from especially farm interests is fairly muted. In fact the public statements reported express either a capitulation to the insane criteria or just downright impotence. For example, this: “Now that we have received staff’s initial technical review and results, we will work with the Water Commission to gain a better understanding of the methodologies and criteria used to score our project and adjust accordingly,” said Jim Watson, general manager for the Sites Project Authority, in a press release.

The exception is the people from *Families Protecting the Valley*. Here is a sample of their statement, and more of it can be found below: “The problem Temperance Flat has is that the state no longer regards farming as a public benefit. So to convince the California Water Commission that they should fund part of the project, supporters have to put together a proposal that doesn't give water to agriculture. That's right. To try to get water for ag, supporters have to make a proposal that promises that ag won't get the water.”

California Water Commission Releases Initial Technical Reviews for 11 Water Storage Projects Seeking Proposition 1 Funding

February 2, 2018

From the California Water Commission:

In a step toward expanding the state’s water storage capacity, the [California Water Commission](#) today released initial technical reviews for 11 water storage projects seeking \$2.7 billion in funding under the Proposition 1 Water Storage Investment Program (WSIP). The reviews focused on quantifying the public benefits associated with the proposed projects, as defined in Proposition 1 and program regulations.

Can New California Water Storage Projects Win State Funding?

By Matt Weiser

February 12, 2018

<https://www.newsdeeply.com/water/articles/2018/02/12/can-new-california-water-storage-projects-win-state-funding>

If California taxpayers are going to spend \$2.7 billion on new water storage projects, the projects had better come with many more environmental benefits.

That was the message sent by the California Water Commission, which on February 2 released its first analysis of 11 projects vying for a share of the riches. The money will come from Proposition 1, a ballot measure approved by voters in 2014, which empowered the state to issue nearly \$2.7 billion in bonds for water storage, whether new reservoirs, groundwater recharge or some form of hybrid.

But according to Prop. 1, the money can only pay for “public benefits” associated with the projects, not just the cost of storing water. This includes environmental enhancements like improving streamflow for fish, the capacity to capture or convey floodwaters, recreational amenities and emergency response capabilities.

In its [initial review](#) of the projects, the commission found that none would deliver all the public benefits claimed in their applications. Some were very far off the mark, the commission found, especially concerning environmental benefits. In a few cases, the commission actually zeroed-out the claimed benefits.

State slashes benefit claims of projects seeking Proposition 1 water storage money

By [Steve Schoonover](#)

Chico Enterprise-Record

02/02/18

<http://www Orovillemr.com/general-news/20180202/state-slashes-benefit-claims-of-projects-seeking-proposition-1-water-storage-money>

The California Water Commission Friday [posted its staff evaluation](#) of the public benefit of the 11 projects vying for Proposition 1 water storage bond money, and the numbers were far lower than the applicants had claimed.

The money cannot pay to just increase the amount of water stored. Instead the language of Proposition 1 limits the money’s use to achieve five public benefits: ecosystem benefits, water quality, flood control, emergency response and recreation.

Sites Authority has work to do in its pitch for Prop. 1 funding

February 6, 2018

By Jake Abbott

http://www.appeal-democrat.com/news/sites-authority-has-work-to-do-in-its-pitch-for/article_ffba98f0-0bb7-11e8-80b0-b74f8bcc05d4.html

The California Water Commission is responsible for determining the public benefits of each of the projects competing for funding. Using a scoring system, the commission is essentially looking at whether or not every dollar invested on a particular project will come back to the state in the form of a public benefit of equal value.

Some projects were determined to have no public benefits. Others had some form of public benefit, but not enough to justify funding just yet.

“Now that we have received staff’s initial technical review and results, we will work with the Water Commission to gain a better understanding of the methodologies and criteria used to score our project and adjust accordingly,” said Jim Watson, general manager for the Sites Project Authority, in a press release.

Sites received an initial public benefit score of 0.4 earlier this month, after it received credit for wildlife refuge improvements, flood control and recreation.

From Erik Wilson of the Face Book Group “My Job Depends On Ag”

February 10, 2018

What do these 3 pictures represent? It is the average number of days it rains in each of these major cities in California. What's the point of these pictures? Well..... it shows that no matter if you are in San Francisco, Los Angeles, or Fresno, there are not a lot of opportunities for rain. In fact about 90% of the time it doesn't rain here. So I ask to those who are opposed to building storage..... what do you to do provide yourself water for the 300+ days it doesn't rain in California? If you don't know the answer to this... well I can tell you.....generations before you were smart enough to think about capturing and storing water in reservoirs to provide water for the days it doesn't rain. Thank God.... people before us had the common sense solution to this simple fundamental problem of California weather. If you live here and are opposed to storage keep your mouth shut unless you are making your own provisions to sustain yourself... otherwise your're ignorant to the fact that your water is being stored on your behalf because someone before you had the foresight to build the storage needed to keep you alive.

Here are two of the three graphs Erik mentions (I dropped the third for space reasons)

Los Angeles, CA Weather averages		
OVERVIEW		GRAPHS
Month	High / Low (°F)	Rain
January	68° / 49°	5 days
February	69° / 51°	5 days
March	70° / 52°	4 days
April	73° / 55°	1 day
May	75° / 58°	0 days
June	79° / 62°	0 days
July	83° / 65°	0 days
August	84° / 66°	0 days
September	83° / 65°	0 days
October	79° / 60°	1 day
November	73° / 53°	2 days

San Francisco, CA Weather averages		
OVERVIEW		GRAPHS
Month	High / Low (°F)	Rain
January	58° / 46°	8 days
February	61° / 48°	8 days
March	62° / 49°	7 days
April	63° / 50°	4 days
May	65° / 51°	2 days
June	67° / 53°	0 days
July	67° / 54°	0 days
August	68° / 55°	0 days
September	70° / 56°	0 days
October	70° / 55°	2 days
November	64° / 51°	6 days

What is the benefit of Sites Reservoir?

By Duane Chamberlain and Matt Rexroad

Duane Chamber and Matt Rexroad represent districts 5 and 3 on the Yolo County Board of Supervisors.

Posted: 01/29/18, 3:06 PM PST | Updated: 11 hrs ago

<http://www.dailydemocrat.com/opinion/20180129/what-is-the-benefit-of-sites-reservoir>

Last week, state regulators released their initial findings for potential dam and reservoir projects that could receive funds from Proposition 1, the \$7.5 billion water bond passed by voters in 2014 in response to California's record drought. The bond was approved with the promise of at least \$2.7 billion for increased water storage but based on what was released last week, none of the projects that applied met the criteria for this money.

One critical factor for deciding if a project will receive funding is its so-called "public benefit." According to state regulator's evaluations, none of the 11 storage projects that applied for funding met

the mark for sufficient public benefit, half coming back with zero benefits. How can this be?



Kelly M. Grow/ California Department of Water Resources. View of the proposed Sites reservoir near Maxwell.

Tucked in the fine print of the water bond is a provision that says that state funding can only pay for a proposed dam or reservoir's public benefits defined as things like flood protection, recreation and environmental improvement. It explicitly bars any money going toward the water storage component of a project, even though most people would agree that this is a clear public benefit. Because of how the formula was devised, this has created a huge problem for getting water bond funding for storage projects like the proposed Sites Reservoir off the Sacramento River, even though the project does have significant benefits.

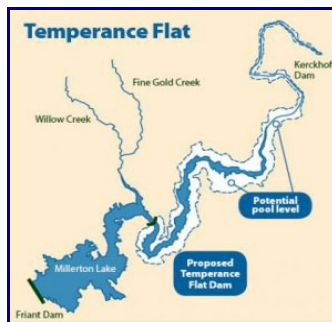
The Western View: Temperance Flattened?

February 7, 2018

<http://agnetwest.com/western-view-temperance-flattened/>

The staff of the [California Water Commission](#) sure burst a bubble this week. They told the voters that their voice isn't very important to them.

In 2014, the voters approved a 7 billion dollar bond measure to finance new water supply projects. [Temperance Flat](#) and other dam projects in Central and Northern California were pushed as absolutely essential for solving the drought issues in the future, and the money from the bonds, along with matching federal funds, were going to be used to build these dams.



However, the staff of the water commission doesn't agree. They recently released their benefit rating for these dams. Temperance Flat, like several of the projects, scored a big fat zero.

The scoring is a measure of the benefit the dam is supposed to provide. The projects need to score a 1 or higher to be considered.

Ag Is Public Benefit!!(Excerpts)

Families Protecting the Valley

That's right. To try to get water for ag, supporters have to make a proposal that promises that ag won't

get the water.

Jan 30, 2018

<http://familiesprotectingthevalley.com/news.php?ax=v&n=5&id=10&nid=703>

We think most people would agree that we all want Temperance Flat to provide water for agriculture. The 2014 Prop 1 Water Bond will provide public money for proposed projects that have the necessary 'public benefits'. The problem Temperance Flat has is that the state no longer regards farming as a public benefit. So to convince the California Water Commission that they should fund part of the project, supporters have to put together a proposal that doesn't give water to agriculture. That's right. To try to get water for ag, supporters have to make a proposal that promises that ag won't get the water.

It is a sad state of affairs that farming is no longer considered a 'public benefit' by the State of California. There was a time when most of these water projects like Shasta, Oroville and Friant Dams and the Central Valley Project were built that farming was considered a public benefit. Getting inexpensive water to farmers would allow them to grow crops that would be more affordable to the people. There wasn't a lot of debate about this. If water is more expensive, food will cost more. Making it less expensive, therefore, is a public benefit.

JFK could see the benefit when he spoke at the ground breaking ceremony of the San Luis Dam when he said, "We always have some different ideas of how that course of action can be made more perfect, and yet in this case, one part of your State has been willing to help another part...Nothing could be more disastrous for this country than for the citizens of one part of the State to feel that everything that they have is theirs and it should not be shared with other citizens of this State."

Tracking Prop 1 (excerpts)

Families Protecting the Valley

February 8, 2018

If agriculture doesn't count what's the point?

<http://familiesprotectingthevalley.com/news.php?ax=v&n=5&id=10&nid=704>

In our last newsletter (Ag Is Public Benefit!!) we explained how the California Water Commission doesn't regard agriculture as a public benefit, so when advocates make their presentation to the Commission they have to make the case for what the water will be used for that is a public benefit.

What does the Commission allow as public benefits? The Oroville Mercury News reports that the Prop 1 language "limits the money's use to achieve five public benefits: ecosystem benefits, water quality, flood control, emergency response and recreation." Nothing about agriculture.

Of course, the only reason we want to build Temperance Flat Dam and Reservoir is for the benefit of agriculture, but if ag doesn't count what's the point? The Commission awards points based on their list of public benefits.

If you can't see the writing on the wall, you're just not looking.

We had a deal. Without Sites, Temperance you're breaking a promise (Excerpts)

By Adam C. Gray

Adam Gray represents the 21st Assembly District which includes Merced and part of Stanislaus

counties.

February 13, 2018 11:21 AM

<http://www.modbee.com/opinion/state-issues/article199864684.html>

In 2014, I asked you to support Proposition 1, \$7.5 billion water bond written during one of the worst droughts in the state's modern history.

Those who wanted to eliminate any funding for water storage when the bond was being written are going back on the deal. Working through the California Water Commission – the agency tasked with selecting the storage projects that will receive funding – they are arguing that no storage project offers enough “public benefit” to deserve state investment. That is, except for one or two projects that will give more water to San Francisco, Silicon Valley and the rest of the Bay Area – where many of the environmentalists happen to live.

Where Goes the Delta Tunnel(s) Project?

I'll not repeat my comments on this section made in the introduction on page 2.

Brown tried to smooth the way for Delta project. All he got was more friction

By Dale Kasler

February 08, 2018

<http://www.sacbee.com/news/state/california/water-and-drought/delta/article199128614.html>

California officials tried to smooth the way for the Delta tunnels project by slicing it in half. Instead they're facing more pushback and the possibility of additional delays.

One day after Gov. Jerry Brown's administration [downsized the Delta tunnels project](#), a host of project opponents tried Thursday to halt a state regulatory hearing that's crucial to getting it built. They argued that Brown's decision, after a decade of planning, creates such a monumental change that they need time to analyze the potential impacts on fish, agriculture and the rest of the Delta's troubled ecosystem.

State: Delta tunnels a good investment

By [Alex Breitler](#)

Record Staff Writer

Feb 13, 2018

<http://www.recordnet.com/news/20180213/state-delta-tunnels-good-investment/1>

More than six years after critics began calling for a full economic study of the Delta tunnels plan, the Brown administration released one on Tuesday, finding that the benefits outweigh the costs — albeit by a slim margin for some water users.

Delta interests immediately dismissed the study as skewed and speculative.

[The new study](#) looks only at the first of the two tunnels, which now are expected to be [built in phases](#) after officials couldn't get water districts to commit to the full \$17 billion cost.

Assuming that future water supplies to cities and farms as far south as San Diego would decrease

substantially if the tunnels aren't built, an economist working for the state found that the project would bring about \$2 billion to \$4 billion in net benefits to urban areas and likely several hundred million dollars in net benefits for agricultural districts. That's spread over the expected century-long life of the tunnels.

Sunding's report also clashes with previous work by University of the Pacific economist Jeff Michael, a consultant for anti-tunnels groups. Michael's own [2016 analysis](#) found that the costs of the tunnels would outweigh the benefits by perhaps \$8 billion to \$10 billion.

Why are the two economists so far apart? They rely on different baselines to calculate the costs and benefits

CAL WATER FIX: Metropolitan Committee discusses the possible staged construction of the project (And, I will add, the takeover of the entire project by the Metropolitan Water District of Southern California)

[February 13, 2018 Maven Meetings](#)

<https://mavensnotebook.com/2018/02/13/cal-water-fix-metropolitan-committee-discusses-possible-staged-construction-project/>

Metropolitan to build the full project ... ?

Director Richard Atwater reminds that the project was sized and scaled at 9000 cfs to maximize the environmental benefits and to meet statewide needs. "What I'd like to do is ask the staff if over the next month, they can fully consider doing both tunnels at the same time now, just because this is an investment. In the San Joaquin Valley, they have an incredible need ... I think for Metropolitan, if you want to show leadership, you really do want to build the project that maximizes the benefits because one of the unfortunate [consequences] of doing it in phases, as a lot of the experts at PPIC and UC Davis have pointed out, is that the 9000 cfs has more environmental benefits. ... that's an investment you know will have a significant return on investment because over time, the rest of the state is going to need that reliability, so you're going to have the federal and the state agencies willing to subsidize the environmental benefits ... "

"We have analyzed the costs of doing the whole project, but what we haven't analyzed, and I believe that's what you're asking, is what if Met were to finance the rest of it and wait for others, and then presumably have control of that extra capacity and be able to sell that, lease that, etc.," said Mr. Kightlinger. "Is that what you're asking us to analyze?"

"Absolutely," said Director Atwater. "That's the legacy of Metropolitan. In the 1950s and 60s, we had huge excess capacity in the Colorado Aqueduct, and we used that to solve other people's problems, like groundwater overdraft, a whole variety of issues or shortages across the region ... those multiple benefits are something we ought to be proud of."

"We can get that," said Mr. Kightlinger. "We can prepare that information for the committee."

Feature: The President's Infrastructure Plan

CGTN Guest Commentary: 'Make America Great Again--with Chinese Money!'

Feb. 14, 2018 (EIRNS)--A Chinese professor has an excellent idea, similar to that proposed by Lyndon

LaRouche, as to how President Trump can succeed in his plan to make America great again, building "gleaming new roads" and other infrastructure, as he promised in his State of the Union address. But, "[T]hank goodness he did not say with American money!" says Dr. John Gong in a CGTN guest commentary today. Gong is a professor at the prestigious University of International Business and Economics in Beijing. In addition to his career in economic policy, he was a researcher at Bell Communications Research Laboratory in New Jersey.

Gong offers a way to finance a multi-trillion-dollar U.S. infrastructure program: "I have a great idea. Bank of China and other major banks from China are now flush with dollar cash and other dollar-denominated liquid assets, totaling over \$3 trillion, mostly in the form of holdings in U.S. Treasury bills and bonds. This money can be readily used for Chinese investors to participate in America's infrastructure boom. By that I mean, Chinese investors can participate in those infrastructure projects as active equity investors and maybe contractors or suppliers at the same time.

"Call it the Belt and Road. Call it America-belt-America-road. I don't care, as long as China's current account trade surplus can be somehow transformed into a capital account stock, in the form of money invested in America as permanent equity shareholders, and more importantly permanent stakeholders of a stable and prosperous Sino-U.S. economic relationship. This could be a win-win mode for both countries."

'Democracy': Is It The General Welfare Principle Or Partisan Paralysis and Regime-Change War?

<https://larouhepac.com/20180214/democracy-it-general-welfare-principle-or-partisan-paralysis-and-regime-change-war>

Twice in the past two days, op-eds in one of China's leading newspapers, Global Times have directly contrasted that nation's ability to serve the general welfare of its people — government by and for the people — to the United States' extreme partisan paralysis and pursuit of "democracy" abroad by war. The second op-ed took up an issue now central to American partisan paralysis: economic infrastructure.

As the President has repeatedly acknowledged: The United States fails to deal with its crumbling infrastructure, does not defend its citizens from repeated hurricane flooding, fatal transportation breakdowns, bridge and dam collapses, contaminated drinking water — let alone improve their lives with new infrastructure platforms, as China has rapidly built out 15,000 miles of the most modern high-speed rail lines and revolutionized its people's mobility. If the United States insists that China is its competitor, Global Times wrote, "Infrastructure construction is also a sort of competition."

And this is a competition to serve the general welfare. President Trump's infrastructure plan, pushed on him by Goldman Sachs bank, will not do it; but neither has either political party offered a workable alternative — for well over half a century of decay and breakdown.

The only workable alternative is the one that aims at the common welfare of the American people and of mankind. That alternative starts by breaking up the Wall Street banks — reinstating the Glass-Steagall Act — and issuing trillions in new productive credit through a new national bank or Reconstruction Finance Corporation, to build a new, high-technology infrastructure platform for the United States. That approach is from [Lyndon LaRouche's now famous "Four Laws,"](#) which also specify restoring the "Apollo Project" level of NASA effort for space exploration, and reviving research on fusion power technologies to the level of a crash program.

The infrastructure issue will now become part of the partisan 2018 elections. Let the common aims and

welfare of mankind judge that competition, as they will judge China, America and "democracy."

White House Infrastructure Plan Is Goldman Sachs' Plan—Which Trump Opposes

Feb. 10 (EIRNS)—An NBC News article Feb. 9 was headlined, "Skeptics on Trump Infrastructure Plan Include Trump." The headline is ironic, but no joke: It is accurate.

NBC's report starts by recounting that days before the Jan. 30 State of the Union address, Director of the National Economic Council Gary Cohn thought that he had finally convinced Trump that, due to the Federal deficit Cohn has helped create, no Federal funds are available for new infrastructure, and that states and private sources have to fund any projects. The most recent "six-page White House memo" based on this idea, was duly leaked.

But Trump then bucked, NBC's sources reported ("waffled" was the word used in the article), and not for the first time. The President came back once again to his knowledge that public-private partnerships (PPPs) do not work for infrastructure projects—"all you do is wind up in court." The public release of a plan, planned by D.J. Gribbin for the White House just before the State of the Union, did not happen then, and is now scheduled for Monday, Feb. 12.

A planner of infrastructure priority projects for the White House, who has since been kicked to the curb, told EIR that Trump has repeatedly done this, and "thinks he wants a lot of Federal funding"; but that no matter how many times he objects, Cohn and "infrastructure advisor" and hedge fund veteran D.J. Gribbin will push the same PPP policy, and only that. They do this, he said, under the driving hand of Goldman Sachs CEO Lloyd Blankfein, managing an "infrastructure fund" of tens of billions and emphatically expecting 10% annual profits on that fund.

The White House Feb. 12 announcement may be disastrous, because this Goldman Sachs plan is to be released simultaneously with the White House budget proposal for the remainder of FY2018, which will again cut existing transportation infrastructure loan and grant programs. No pro-infrastructure lobbies or Democratic elected officials are likely to work with the White House on it.

NBC's article also stated that Trump is in a vise between Cohn et al. and the Republican leadership in both Houses, who oppose Federal funding for infrastructure. House Speaker Paul Ryan's group wants only to cut entitlements. Senate Majority Leader Mitch McConnell claims to be open to infrastructure legislation, but blames Barack Obama—"We gave him \$1 trillion for infrastructure and got nothing," he reportedly claims—so the effect is of the same policy as Ryan's. GOP leaders say "the White House has to lead on this," but they mean Goldman's Cohn has to lead, not Trump.

And here is an excerpt from the White House statement on the February 12 proposal:

Washington Will No Longer be a Roadblock to Rebuilding America

February 13, 2018

https://www.whitehouse.gov/articles/washington-will-no-longer-roadblock-rebuilding-america/?utm_source=ods&utm_medium=email&utm_campaign=1600d

This week, President Trump released his [Legislative Outline for Rebuilding Infrastructure in America](#), a 53-page document that lays out six principles for reversing this unacceptable course. Here is what the President is calling upon Congress to help him achieve:

- 1. **\$200 billion in Federal funding to spur at least \$1.5 trillion in investments.** Federal infrastructure spending will promote State, local, and private investments and maximize the value of every taxpayer dollar. Of this \$200 billion, \$100 billion will create an Incentives*

Program that will promote accountability by making Federal funding conditional on projects meeting agreed upon milestones.

2. **A \$50 billion investment in infrastructure for Rural America.** *The bulk of the dollars in the Rural Infrastructure Program will be allocated to State governors, giving States the flexibility to prioritize their communities' needs.*
3. **Empowerment of State and local authorities.** *The President's plan would return decision-making authority to the State and local level, including by expanding processes that allow environmental review and permitting decisions to be delegated to States.*
4. **Elimination of barriers that prevent efficient development and management of infrastructure projects.** *For example, more flexibility will be provided to transportation projects that have minimal Federal funding but are currently required to seek Federal review and approval.*
5. **Streamlined permitting to simplify the approval process.** *Working with Congress to establish a "one agency, one decision" structure for environmental reviews will shorten approval processes while protecting natural resources.*
6. **Investment in America's most important asset: its people.** *The President's plan would reform Federal education and workforce development programs to better prepare Americans to perform the in-demand jobs of today and the future.*

Trump launches \$1.5 trillion infrastructure sales pitch

By [BRIANNA GURCIULLO](#)

02/11/2018

<https://www.politico.com/story/2018/02/11/trump-infrastructure-plan-transportation-trillion-403248>

The Administration's 'Looney Idea' To Sell TVA Power Lines Is Dead on Arrival

Feb. 14 (EIRNS)—Tennessee Sen. Lamar Alexander's calling the Washington's plan to sell off the Tennessee Valley Authority's 16,000 miles of electricity transmission lines, "looney," and is assuring his constituents that this ill-conceived scheme to "raise money" to fund infrastructure will not pass Congress. "This looney idea ... seems to keep popping up regardless of who is President," Alexander said in a Feb. 12 statement, on the day the proposed FY2019 budget was sent to Capitol Hill.

When President Obama proposed selling all of the TVA's assets in 2013, Alexander recalled, "all it did was undermine TVA's credit, raise interest rates on its debt, and threaten to increase electric bills for 9 million Tennessee Valley ratepayers."

During the Great Depression, Franklin Roosevelt's TVA brought nearly 5 million people in the Southeast United States out of poverty. It was the model for many river development projects around the world, including the largest, the Three Gorges Dam in China. To consider tearing it apart should be unthinkable.

Finally, this article from USA Today, highlights why the "Kennedy Democrats" voted for Donald Trump:

RFK's visit to Appalachia, 50 years later: How Kennedy country became Trump country

<https://www.usatoday.com/story/news/politics/2018/02/12/rfks-visit-appalachia-50-years-later-how-kennedy-country-became-trump-country/310267002/>