

BOARD OF SUPERVISORS COUNTY OF MONO

P.O. BOX 715, BRIDGEPORT, CALIFORNIA 93517 (760) 932-5538 • FAX (760) 932-5531 Shannon Kendall, Clerk of the Board

April 19, 2018

Via email and U.S. Mail

Mayor Eric Garcetti City of Los Angeles 200 North Spring Street Los Angeles, CA 90012

RE: Los Angeles Department of Water and Power Plan to Eliminate Water for Agricultural Operations in Mono County

Honorable Mayor Garcetti:

The Mono County Board of Supervisors requests your help regarding a plan recently announced by the Los Angeles Department of Water and Power (LADWP) to dry up thousands of acres of agricultural lands in Mono County and thereby increase the risk of wildfires, destroy wetlands and riparian areas, devastate critical habitat for sensitive species such as the bi-state sage grouse, reverse more than 70 years of LADWP water management policy and practice in the region, and undermine the agricultural economies, heritage, and tradition of both Mono and Inyo Counties.

1. Mono County and its Ranching Community Need Your Help to Ensure that Sufficient Water is Provided to Continue Historic Ranching Operations by the Beginning of this Irrigation Season – May 1.

In the Eastern Sierra the irrigation season begins, at the latest, on May 1. Historically, LADWP has provided ranchers leasing its lands in Mono County with approximately five (5) acre feet per year (AFY) of water per acre for irrigation and stock watering purposes. However, in March 2018, without prior written notice, LADWP provided ranchers with new draft leases that make absolutely clear that no water – whether for irrigation or stock purposes – will be supplied to the leased properties. Adding insult to injury, the new draft leases require ranchers to maintain the properties as if LADWP were supplying both irrigation and stock water.

After a meeting of this Board last week at which LADWP's proposal to permanently eliminate irrigation and stock water from its ranch leases in Mono County was discussed, an LADWP staff person verbally informed one lessee that a small amount of water would be

provided to lessees this irrigation season so that historic operations may continue while LADWP analyzes the environmental impacts of its proposal. Indeed, since this Board's meeting last week, LADWP appears to have relaxed its pressure on ranchers to execute the new draft leases until the environmental impacts are analyzed. Nonetheless, the ranchers remain in limbo. The beginning of the irrigation season (May 1) is fast approaching, and without executed leases ranchers have been left in the lurch, without certainty or direction whether they will receive irrigation water, let alone in what amount, for this irrigation season. It is impossible, and quite frankly insulting, to ask agricultural businesses to plan and make operational decisions now for the entirety of this summer based solely on an oral statement by one individual LADWP staff member regarding what may or may not be an amount of water sufficient to sustain historic operations. Quite simply, the ranchers need more certainty regarding what to expect on May 1.

Mono County requests your help not only in obtaining certainty from LADWP regarding the amount and timing of water to be provided this irrigation season (beginning May 1), but also to ensure that the amount of irrigation and stock water is sufficient to sustain historic operations and therefore prevent the devastating environmental and cultural impacts that may "inadvertently" occur this year – in advance of required environmental review – due to LADWP's change in policy.

2. LADWP's Proposal to Dewater Mono County Agricultural Lands is Poorly Reasoned and Will Have Profound and Irreversible Impacts on the Economy, Environment, and Cultural Heritage of Mono and Inyo Counties.

Mono County also seeks your assistance in making sure that LADWP understands that its proposal to permanently eliminate irrigation and stock water from its agricultural leases in Mono County threatens the environment, is bad for the City of Los Angeles' (City) relationship with its Eastern Sierra neighbors, and is not necessary for any legal or water supply reason. In addition, LADWP's proposal will undermine agricultural operations in Inyo County, which are highly dependent on those in Mono County.

a. <u>Dewatering Thousands of Acres of Historic Agricultural Lands in Mono County</u> Will Destroy Habitat and Undermine the Eastern Sierra's Economy – AGAIN.

In the early part of the twentieth century, LADWP surreptitiously acquired water rights up and down the Eastern Sierra as part of a plan by William Mulholland and others to bring water to the then-developing City. This story is well known and need not be retold here. However, in light of lessons learned from this history, and knowledge of the environmental impacts gained over this time, it simply shocks the conscience for LADWP to propose dewatering the last historic ranch properties (and their associated wetlands and habitat) in Mono County. Specifically, the complete elimination of water supplies to these lands will affect ten (10) leases totaling more than 6,400 irrigated acres in the valleys and meadows of southern Mono County. The loss of water will seriously threaten the agricultural industry in southern Mono County, which provides more than \$51 million to the local economy, including more than \$31 million in direct value, and supports almost 250 local jobs.

¹ As required by the California Environmental Quality Act (CEQA).

Moreover, the complete dewatering of these ranch properties will have significant environmental and wildlife impacts that jeopardize LADWP's continued water and power operations in Mono and Inyo Counties. LADWP's proposal will dry up ranches and increase the risk of wildfire on those properties and potential liability to adjacent property owners if such fires were to spread. Similarly, eliminating irrigation and stock water will significantly reduce, if not entirely eliminate, wetlands and other watercourses on the ranch properties. Impacts to wetlands and watercourses require analysis under CEQA and possibly permitting under Clean Water Act Section 404 and California Fish and Game Code Section 1602.

Drying up wetlands will also limit the properties' ability to support the endangered and threatened species and species of special concern identified in LADWP's habitat conservation plan (HCP) prepared in support of a wildlife permit application for its ongoing water and power operations in Mono and Inyo Counties. Therefore, notwithstanding the rosy conclusions of LADWP's 2015 Draft HCP, which included the habitat created by irrigation on these lands, the new draft leases would change those assumptions and increase the risk that LADWP's ongoing water and power operations will "take" endangered or threatened species, such as the Owens pupfish (endangered), the Owens tui chub (endangered), Bell's vireo (threatened), the Yellow Flycatcher (threatened), and the bi-state population of sage grouse (if listed), in violation of the federal Endangered Species Act (ESA). Federal courts have found similar ESA violations sufficient to warrant the shutdown of projects much larger than LADWP's Owens Valley water and power facilities.

Also, it is unclear whether LADWP properly complied with California water law and regulations requiring water users to petition the State Water Resources Control Board before changing the place of use of the water proposed to be withheld from the ranch properties. These regulations ensure that water right holders are not injured by proposed changes in place and purpose of use. As a water right holder on the Owens River and its tributaries, it seems obvious that the City would demand such regulations be enforced if another water user proposed a change. Reciprocity demands that LADWP similarly comply with the petition process for any change in place or use resulting from LADWP's proposal and the new draft leases.

Finally, Mono County and its ranchers view the City as one of its Eastern Sierra neighbors. We have not always agreed with LADWP's water management decisions, and we are likely to have disagreements in the future. Nonetheless, as neighbors, we have worked collaboratively in the past to reach consensus on similar issues. Notably, during the recent unprecedented drought, Mono County ranchers and LADWP were able to conserve water for LADWP's water and power needs while also accommodating certain demand from local ranchers. We urge you not to dismiss these successes and the potential benefits of working together as good neighbors.

b. <u>Contrary to Assertions by LADWP, the Los Angeles City Charter Does Not Require That Ranch Properties be Dewatered.</u>

After more than 70 years of delivering water to ranches in Mono and Inyo Counties to maintain a limited amount of historical agriculture, LADWP's lawyers now claim that this practice violates the City's charter. This assertion is patently absurd. The water at issue under

the ranch leases is being applied to lands owned by LADWP for purposes beneficial to the City. The ranchers are performing a service for the City, specifically, diverting and spreading water to maintain wetlands, critical habitat, and riparian areas and recharge the groundwater aquifers underling the ranch properties. Just because the ranchers derive an incidental benefit does not lessen the benefit to the City or suggest that the charter has been violated. Even if there were no benefit to the City, Section 677 of the charter explicitly authorizes the City to supply water to consumers outside of the City for their own use. Additionally, in Inyo County, where irrigation water is currently being supplied to ranchers under the same conditions and circumstances, LADWP has not proposed to similarly eliminate irrigation and stock water from ranch leases. Therefore, LADWP's reliance on the City's charter to dewater ranch properties in Mono County but not Inyo County is an internally contradictory, and frankly impossible, position.

In short, assertions that the City charter restricts LADWP's ability to enter into new leases is an untenable position that flies in the face of any reasonable interpretation of the charter's language and more than 70 years of history during which LADWP supplied water to ranch properties in Mono County without question, qualm, or concern. Accordingly, LADWP should not be allowed to hide behind the City's charter to justify its proposal to dewater Mono County ranch properties.

c. <u>LADWP's Proposal to Dewater Mono County Ranch Properties is Not Necessary</u>
Because Existing Leases Provide Flexibility in Dry Years or Times of Shortage.

The existing leases under which Mono County ranchers currently operate provide LADWP more than enough flexibility to make real-time water allocation decisions, eliminating the need to dewater ranch properties and eliminate irrigated agriculture in southern Mono County. Specifically, the leases make clear that the commitment to deliver approximately five (5) AFY of water per acre to ranch properties is subject to the City's paramount right to discontinue the supply of water for the benefit of its residents and depends on weather conditions and the availability of water during any given year. The recent unprecedented drought caused LADWP to rely on these provisions to completely eliminate or significantly reduce the amount of water supplied to Mono County ranchers over the course of multiple irrigation seasons. Nonetheless, despite the obvious hardships of such realities, Mono County ranchers and LADWP worked together to successfully implement the reduced allocations. The collaborative effort to respond to the drought and implement the reduced allocations over the course of multiple years undermines any argument that the dewatering of Mono County ranch properties is necessary for the City's water supply and management goals.

d. The Agricultural Industries of Mono and Inyo County are Inextricably Connected and Any Water Supply Reduction in Mono County Will Have Serious Impacts in Inyo County.

Eliminating irrigation and stock water in southern Mono County will also adversely affect the agricultural economy and natural environment of Inyo County. Most if not all of the ranchers operating in Mono County also operate in Inyo County. When ranchers in Inyo County are prohibited from grazing under land management plans, such as the Owens Valley Land Management Plan prepared by LADWP in 2010 (LADWP Grazing Plan), they move cattle to

their ranch properties in Mono County. This option will be effectively eliminated if Mono County ranchers are unable to irrigate; consequently, during such times, ranchers will have no place to graze their cattle. Ultimately, this will force ranchers in both counties to find more reliable alternatives.

In addition to lost lease revenue, the loss of these leases will threaten LADWP's ability to comply with several legal and regulatory requirements. For example, the stated goals of the LADWP Grazing Plan include, among other measures, implementing sustainable land management practices for agriculture (i.e., grazing) and other resource uses; improving biodiversity and ecosystem health; and protecting and enhancing habitat for threatened and endangered species on ranch properties in Inyo County. Achieving these goals in Inyo County will be impaired if irrigation and stock water are completely eliminated from Mono County ranch leases (or reduced to unsustainable levels) because pressure on Inyo County ranch properties will be increased without the availability of ranch properties in Mono County to offset it. Ultimately, the success of any ecosystem, including the species that rely on that habitat, depends on the preservation of habitat created and maintained in both counties – not just habitat areas in Inyo County. The failure of LADWP to realize and maintain these goals will certainly call into question LADWP's ability to extract and export groundwater from the Owens River Valley under the Long-Term Water Agreement.

For all of the reasons stated in this letter and others not stated, the Mono County Board of Supervisors respectfully requests your personal assistance, and the assistance of your office and staff, prior to May 1 of this year, to ensure the continued existence of historic agricultural operations on lands owned by the City in Mono County. LADWP's short-sighted proposal to dewater thousands of acres, devastating valuable habitat and natural environments, should not become your legacy. Mono County needs your help to walk back LADWP's proposal, ensure adequate irrigation and stock water for this season, and ultimately move forward with new leases for these properties which will ensure both adequate water supplies to the City and the preservation of lands in Mono and Inyo Counties.

Thank you in advance for your anticipated assistance with this very significant issue. If you have any questions or require additional information, please contact Mono County Administrative Officer Leslie Chapman at (760) 932-5414 or lchapman@mono.ca.gov.

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Sincerely,

Bob Gardner, Chair Mono County Board of Supervisors

Cc: Nury Martinez, Los Angeles City Councilwoman and Chair of the Energy, Climate Change, and Environmental Justice Committee
Los Angeles Department of Water and Power Commissioners
Inyo County Board of Supervisors and Water Department

California State Senator Berryhill California Assemblymember Frank Bigelow California Assemblymember Devon Mathis U.S. Congressman Paul Cook U.S. Senator Kamala Harris U.S. Senator Dianne Feinstein United States Fish and Wildlife Service California Department of Fish and Wildlife California State Water Resources Control Board Lahontan Regional Water Quality Control Board California Department of Water Resources Inyo/Mono Cattlemen's Association Inyo/Mono Farm Bureau Mono Lake Committee Eastern Sierra Audubon Society Sierra Club Range of Light Group Owens Valley Committee California Trout Los Angeles City Council

Encl.: Photo of irrigated lands in Long Valley
Photo of irrigated lands in Little Round Valley
Photo of bi-state sage grouse on irrigated lands in Mono County