

SB35 - Who are Utah's 9 Water Barons?



Why are we buying a water shortage and borrowing the money to do it?

The Pioneer's managed water for as many multiple uses as possible before release into a dead pool like the Great Salt Lake where beneficial use is lost. **SLC is the dominate, alpha Water & Land Baron.**

SLC controls and operates BOR's Deer Creek Dam. SLC's Water Lawyer represents CUWCD. SLC controls Metro SLC & Sandy. SLC controls Provo River Water Users (Deer Creek). SLC water lawyers represent Sandy, Holliday Water Company, Draper's East Jordan Irrigation Company, Utah Lake Distributing Company (Herriman, Riverton, South Jordan, Bluffdale, Saratoga Springs), Lehi and American Fork Irrigation, etc. SLC employees are appointed by the State Engineer as water commissioners. SLC has 2 of 5 board seats on Board of Canal Presidents.

SLC is the oldest (1876) and smartest Water Baron in Utah bar none. SLC leverages majority control of one water company into the next company into the next water company to cross pollinate and multiply its water power for dollars.

It's SLC that effectively controls Utah's 34 water lobbyists, re-writes water law using the courts, and legislation like SB35. Does anyone doubt SLC Public Utility Director is the real Utah State Engineer?



SLC Deputy City Attorney is Vice President of League of Cities and Towns who "supervises Salt Lake City lobbying efforts with the State Legislature."

SLC must quietly smile as it choreographs Republican legislators to do SLC's water dance.



Utah's Water Cartel manage water for one use before release to a dead pool like the Great Salt Lake.

What is an example of Pioneer water management today? Water use in the Sevier Basin was set up by Pioneers. Water is used 7 times before it discharges into Sevier Lake.

What this means for the Sevier Basin is that if 300,000 acre-feet is put into the top of the water system with a 30% depletion, then that 300,000 acre-feet has a use of as the water is used over and over 7 times. The math is the following:

$$300,000 + (300,000 \times 70\%) + (300,000 \times 70\% \times 70\%) + (300,000 \times 70\% \times 70\% \times 70\%) + (300,000 \times 70\% \times 70\% \times 70\% \times 70\%) + (300,000 \times 70\% \times 70\% \times 70\% \times 70\% \times 70\%) = 917,645.7$$

$$300,000 + 210,000 + 147,000 + 102,900 + 72,030 + 50,421 + 35,294.7 = 917,645.7 \text{ acre-feet of water.}$$

That's right. 300,000 acre-feet of water can be the source of 917,645.7 acre-feet of water rights.

This is the smart Pioneer Water Management Method.

<p>Smart Pioneer Water Management in the Sevier Basin</p> <p>A drop of water originating from Mammoth Creek above Hatch can be and is diverted as follows:</p> <ol style="list-style-type: none"> 1. Irrigation from Mammoth Creek 2. Returns for use in Panguitch Valley basin 3. Returns for use in Piute basin area 4. Returns for use in Marysvale area 5. Returns for use in Richfield valley area. 6. Returns for use in Gunnison area 7. Returns for use in Delta Valley area. <p>Total uses: 7 times before it discharges to Sevier Lake</p> <p>300,000 acre-feet becomes 917,645.7 acre-feet</p>	<p>Less Smart Water Cartel Management in Provo River – Strawberry River System/Basin</p> <p>A drop of water brought to Salt Lake via pipeline/aqueduct can be and is diverted as follows:</p> <ol style="list-style-type: none"> 1. Diverted for use in southern or northern Salt Lake Valley. 2. Returned to the Jordan River with no further use. The wetlands around the Great Salt Lake do not need or use it. <p>Total uses: 1 time before it discharges to the Great Salt Lake</p> <p>300,000 acre-feet stays 300,000 acre-feet</p>
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The less smart Utah Water Cartel Water Management Method is 300,000 acre-feet of Strawberry Water piped in a mega million dollar pipe paid for with bonds to Salt Lake County where the water is used once and up to 95% is flushed to the Great Salt Lake to evaporate.

If the 300,000 acre-feet is used during Autumn to Spring period (7 months or 215 days), then 285,000 acre-feet of that Strawberry water hits the Great Salt Lake to evaporate.

This is what a Pioneer would call less smart. It would be short sighted, if the Water Cartel did not know what they were doing, but they do know so it's just less smart.

Utah's Water Cartel thinks that giving control of Utah's water to the Federal Government (BOR) with water bills like SB35, and HB25 will be ok, because the Federal Government, the 800 pound gorilla,

will “work with us.”

As soon as USBOR gets what they want and they usually do, they'll turn SB35 into mega lawsuits against Utah. It was not very long ago, that Strawberry Water Users Association spent \$500,000 fighting the Federal government (BOR) for the right to transfer federal contract water. Now the State wants to change a 112 year old law and hand control to BOR. Why?

Idea of owning water leads to waste, because it blocks the multiple use of water like in the Sevier Basin. There is a time element in water which can not be owned.

While Utah run's Water Cartel bills like SB35, California is paying \$2 per square foot to remove grass. That's \$86,528 per acre of grass removed. Utah subsidizes dry land with \$90,000 to \$120,00 of CUWCD water. We need major reform based on a major Leg Audit today.

It appears the Leg Audit Office release of the Water Resource water project audit has been delayed until after the Leg Session ends. Why is that?

The Big Water 9 are active market participants in buying and selling water. The Big 9 have been promoting water regulations like SB35, and HB25 to restrain trade.

Often, a city will take over the board of an irrigation company like Sandy Irrigation Company. The city controlled board block water transfers and will then hire the city's water lawyer to represent the company.

Not only is this a breach of fiduciary duty by conflicted board members, bad faith, but it also violates antitrust laws, because its a restraint on trade. Cheating is cheating. The injustice is compounded by the loyalty of the lawyer - first to the city, second to the city's board members, and third to the shareholders' interests.

The ideas promoted by Utah's Water Cartel like banking (hoarding) water for 40 years, guaranteed Non-Use Application approvals for public water suppliers, contract water can only transfer with permission of “owner of record,” not updating indoor water use regulations for 35 years, and gifting 25% more water to a Salt Lake County farmer than a Utah County farmer gets with nothing more than a 20 feet elevation drop between the to valleys hurt Utah.

If the Central Utah Water Conservancy District (CUWCD) was so well run, then counties would join not flee. Isn't that a fair statement. 4 of the original 12 counties got out. Why? Duchesne County would like to flee and hired a Denver law firm to get what it was promised. CUWCD spends \$550,000 on PR. Why? Good performance is its own PR.

If one looks at the CUWCD 2013-2014 Budget, it's too fat. Water sales provide 17% of the revenue. Water Property Taxes provide 25% of the revenue. That's right. The water taxes collected from 8 counties is more than the water billed to the few users mostly on the west side of Salt Lake County.

Salt Lake County pays about \$27 million in water property taxes to CUWCD. Basically, the east side subsidizes the west sides water bills for a select block of users in Day Break.

CUWCD's “Public Affairs” budget is amazing. \$566,300 in 2011, \$561,300 in 2012, \$574,900 in 2013, and \$574,900 in 2014.

That's \$2,277,400 for Public Affairs” in the past 4 years. Again, good performance is its own PR.

CUWCD spends \$87,200 on a 2.5 acre water conservation garden annually which is more PR. \$50,000 for “Advertising & Promotional Items.” Printing brochures is outdated.

The CUWCD has tons of engineers, yet out sources for more engineers - \$600,000 in 2014.

\$250,000 for “Water Needs Planning Studies.” After 50 years, isn't this pretty nailed down by now?

Division of Water Rights \$10 million budget. Water Resources \$6 million budget. And water districts all over the state are doing the same work.

Do we really need 20 engineers doing “Water Needs Planning Studies” in 12 water districts doing this every year?

What about the \$26,000 per month for the “Legal Consulting Service” contract held 50 years by Edward Clyde, then Steve Clyde, then Jonathan Clyde. No bid government contract for \$312,000 per year plus more for “as recommended” litigation.

\$615,000 for more “Consultants-Managerial” outsourced help “to advise the district on matters as needed.” What is the actually staff doing?

\$32,700 for “Building & Grounds” on the 6.06 acre site Tax ID 19:028:0077 . Why don't they take care of the 2.5 acre conservation garden and save us \$87,000. It looks like \$33,700 to care of 2.5 acres of high maintenance grass, shrubs, trees and \$87,000 to take care of low maintenance conservation garden. There is the \$50,000 for brochures.

\$311,000 for “Office Furniture and Equipment” to “replace outdated district office furniture . . .” Is this an annual expense.

We've spent \$3.5 Billion on CUWCD stuff. What did we get? One can't find on the website how much water the water district sells. It's not reported to Division of Water Rights.

Central Utah Water Conservancy District Digested: A water district hiding the amount of water it sells. Spent \$3.5 Billion. Sells \$17 million in water a year with \$123 million in annual expenses. Plus Utah promised the Federal govt to cut 1 million acre-feet of water use to borrow the billions. Plus Duchesne County gave up 500,000 acre-feet of water.

CUWCD Project developed 94,750 acre-feet for cities (most to west Salt Lake County), and 112,600 acre-feet for farming. Contrast this with the famous 4-5 irrigation duty issue.

A Division of Water Right Regional Engineer in Salt Lake County ginned up the irrigation duty on 125,000 acres and gave away 125,000 acre-feet of water worth \$250 million with a pencil. That 125,000 has no beneficial use, wastes to the Great Salt Lake to evaporate. It also lowers the level of Utah Lake forcing drinking grade water to be released into Utah Lake. It also impacted all Utah County public supply wells.

These are the effects of a Water Cartel in Utah. It's the Water Cartel this creating a water shortage, running wild water bills like SB35, and SB25 to change 112 year old water laws.

Utah's Water Cartel could be positive on Utah Water Markets, but it's negative and draining Utah of billions, lost jobs, lost education dollars, and lost private property rights.

Individually, the water managers are great people. Collectively, the herd of water buffaloes is going in the wrong direction. Instead of protecting small users and farmers who own the future public water supplies, the water cartel is leveraging their power to re-write water law to take private property by regulation. It's big taking from the small instead of the big protecting the small.

Utah's Water Cartel Big 9		Tel - email	Pay
Bureau of Reclamation	Area Manager Wayne G. Pullan	801-379-1000 wpullan@usbr.gov	\$200,000?
Central Utah Water Conservancy	GM Gene Shawcroft	801-226-7100 gshawcroft@cuwcd.com	\$200,000.00
SLC Public Utilities	Director Jeffery T Niermeyer	801-483-6900 jeff.niermeyer@slcgov.com	\$214,450.00
Metro Salt Lake & Sandy	GM Mike Wilson	801-942-1391 Wilson@mwdsls.org	\$193,223.00
Sandy City Public Utilities	Director Shane Pace	801-568-7280 SPace@Sandy.Utah.Gov	\$189,292.00
Provo River Water Users Association	President Mike Wilson GM Keith Denos	801-796-8770 migkd@prwua.org	Dark to GRAMA \$175,000?
Jordan Valley Water Conservancy	GM Richard Bay	801-565-4300 RichardB@jvwcd.org	\$216,101.00
Weber Basin Water Conservancy	GM Tage I Flint	801-771-1677 tflint@weberbasin.com	\$232,681.00
Washington County Water Conservancy	GM Ron Thompson	435-673-3617 rwthompson@utah.gov	\$200,818.00
River and Lake Commissioners - Water insiders chosen by cartel	34 paid water lobbyists		\$1.8 million

Symptoms supporting major water reform -

- The LDS Church is overcharged \$31 million for water in one city.
- The wife of former Town of Alta's Attorney is sued and her water connection disputed for 10 years.
- The Estate of a former Alta Town Council member is sued over water connections.
- A SLC says It's not about the watershed, we just say that in court.
- Utah Home Builders are double charged for water by cities, because the State Engineer's and DDWs water regulations not updated in 35 years.
- A new home buyer pays an extra \$45 per month for 360 months, because water regulations are not updated in 35 years.
- Farmers on 125,000 acres in Salt Lake County gets 25% more water than a Utah County farmer with no basis in science.
- The State Engineer won't require water inventories from cities filing Non-Use Application to bank water for 40 years.
- The State Engineer counts 5 cows in a barn, but won't count a city's water holdings.

- A 53,000 acre-feet water transfer for a nuclear plant is approved faster than a water transfer for a cabin in Alta.
- \$40 million water/sewer bond defaulted in Wasatch County – old water regulations are a factor.
- Water applications to appropriate water in closed, over appropriated water basins pending for over 50 years with no action.
- A water transfer process that now has 19 steps and can take 10 years.
- The amount of wet water versus paper water per water in each basin not available on the Division of Water Rights website.
- No map generator for uniformity for processing water applications.
- The State Engineer is no longer politically neutral, but lobbies for Utah Water Cartel bills like SB35, and HB25 which grants judicial powers to the State Engineer.
- A water company fixes the price of shares at \$1,100, and sells shares out from underneath owners who move from the area.
- An 8 County water district CUWCD sells \$17 million in water by spending \$123 million a year. The amount of wet water delivered and paper water sold not transparent.
- It appears Duchesne County alone gave up 500,000 acre-feet of water for a \$3.5 Billion CUWCD water project to develop 96,750 acre-feet of city water, 112,600 acre-feet of farm water. The 50,000 acre-feet of environmental water”developed” would not be needed if not for the project, so its not a net positive.
- Do 63 houses in Alta need a \$1.5 million town budget with \$335,000 for managers, and \$655,000 for Police Service? Of is the town a business using a SLC water contract to keep hotel competition out of the town and should be regulated by antitrust laws?

Executive Summary-

Utah Officials need better water data to manage Utah's water and Utah's water cartel. The 2nd driest water baron state in the US is being run by Water Baron's enabled by public dollars used to fund lawyers, lobbyists, and highly paid water mangers to promote anti-western water policy for dollars and power.

The action needed is a comprehensive Legislative Audit by the Auditor General and the Utah Attorney General to re-balance, re-center and re-calibrate Utah's water back to Pioneer principles. Principles like using water over and over to wear it out before dumping in a dead pool. Principles like the user of the water is the true owner not the so-called “owner of record”. Principles that the State Engineer and his \$10 million State budget is politically neutral. State employees are not paid to lobbyists to spend 45 days lobbying each year on the Hill for “their causes” during the work week. This is not appropriate.

Are we for water hoarding, the hoarding of public assets for dollars and power for the big to use against the small, or are we for a State Engineer leveling the playing field to keep water prices lows, home building costs low, education dollars high, and maximizing water to energize Utah's \$130 Billion dollar economy, 1.3 million jobs, and expanding \$7.5 Billion Tourism industry?

The time for sweeping and comprehensive water reform is needed today. The first steps are audits. One by the Legislative General and one by the Attorney General. The time to nip water antitrust issues is in the bud not after the bloom.

Cities have become for profit companies. \$2 Billion airport expansion, \$100 million theatre building, \$150 million Public Safety building, \$250 million treatment plant, 500,000 acre-feet of water, 24,000 acres in the canyons. owner from this much power?

Is there a back story on Mountain Accord? Will Mountain Accord pop the SLC's 12,688 acres in Parley's Canyon? Are their conservation easements on SLC's 24,000 acres in the canyon?

Table 10 Area-wide Ownership		
Owner	Acreage	Percentage
Forest Service	78893	62.00%
Private	24589	19.30%
Salt Lake City	23773	18.60%
Salt Lake County	268	<1.0%
Total	127522	100.00%

SLC outside corporate land holdings	
City Creek Canyon	6,575 acres (57%)
Red Butte Canyon	508 acres (9%)
Emigration Canyon	3,540 acres (28%)
Parleys Canyon	12,688 (38%)
Millcreek Canyon	0
Neffs Canyon	0
Big Cottonwood	438 acres (1%) (now 640 acres 2%?)
Little Cottonwood Canyon	0 acres (now 10?)
Data from Salt Lake City Watershed Management Plant 1998	

SLC is the oldest (**1876**) and smartest Water and Land Baron in Utah bar none. SLC leverages majority control of one water company into the next company into the next water company to cross pollinate and multiply their power into the hands of one person. The raw power from 500,000 acre-feet of water and 24,000 acres in the canyon from water is unregulated with antitrust immunity.

What are the protections for the small water and canyon land owners and for the Utah itself?

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