Legislative Audit Slams Utah’s Top Water Agency

After 16 months of investigation, a scathing audit of the Division of Water Resources was released that stands to reshape the dialogue about water in Utah. It found that Utah is not running out of water and questions the arguments for both Bear River development and the Lake Powell Pipeline.

The auditors found the Division doesn’t know how much water Utahns are using and exposed many errors in the Division’s data and their “Chicken Little” claims that Utah is running out of water. The Division has been drastically inflating future water needs to justify billions in new spending for both Bear River Development and the Lake Powell Pipeline. Continued on page 10

Hugely Popular RainHarvest Program Goes Viral

Immediately after RainHarvest was launched, our office was flooded with phone calls and our website received over 500 visits per hour! We sold out of $40 rain barrels in just 12 hours, and 6,000 people visited our website in just two days.

RainHarvest partners Murray City and Salt Lake County were also flooded with interest from residents, demonstrating that Utahns are ready to embrace water conservation, if only their leaders give them the tools to do so. Murray City was so thrilled by the response they agreed to continue to subsidize barrels at the $40 cost for any interested Murray residents through May 3rd.

RainHarvest is Utah’s first-of-its-kind rainwater collection program to reduce water use by providing subsidized rain barrels to residents. Our program partners, Murray and Salt Lake County, are serious about conserving water in this drought and are leading municipalities across Utah by putting their money where their mouth is. We hope more entities will join us in encouraging rainwater harvesting by subsidizing barrels for their residents. Continued on page 10

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Powell Pipeline Proponents to Submit Permit Application in 2015

Even as regional awareness expands about the rising limitations of the Colorado River in this era of climate change, Utah continues to push the largest proposed water diversion in the entire Colorado River Basin — the Lake Powell Pipeline. Utah has spent $27 million on permitting for one of the most poorly conceived water projects in state history. The final federal approval process is set to officially begin in October when Utah submits its license application to FERC, the Federal Energy Regulatory Commission.

The $2 billion Lake Powell Pipeline is a massive 140-mile long diversion of Colorado River water that echoes the archaic river-destroying water policies of America’s yesteryear. The pipeline would pump as much water as 700,000 average Americans use in a year, 2,000 feet uphill to water 200,000 St. George residents’ lawns. The proposed project recipients are America’s most wasteful water users because they have the country’s cheapest water rates, subsidized by property taxes that lower the price of water. The Washington County Water District receives as much money collecting property taxes as they do from selling water.

This destructive diversion immediately upstream of the Grand Canyon would reduce flows available for fish and wildlife over hundreds of miles of the Colorado River. Repaying the $2 billion in Lake Powell Pipeline construction costs borrowed from Utah taxpayers would require this entity to increase revenues from water rates and impact fees by at least 370 percent according to a dozen Utah economists. If St. George fails to repay the billions in expected debt, all Utah taxpayers would be saddled by this debt.

The $2 Billion Lake Powell Pipeline would divert a massive quantity of Colorado River water directly upstream of the Grand Canyon. p: GCNP
20 Years Later – Message from the Director

Thanks to all of you, the Utah Rivers Council has changed the discussion about water in Utah. Twenty years ago, we started the organization to protect Utah’s precious aquatic ecosystems by engaging people in the critical decisions being made about Utah’s rivers. The U.S.G.S. had just released a report showing Utah was the biggest municipal water user in the entire country (per person). Full of aspiration, I went to a meeting of the Utah Division of Water Resources and spoke to the need to conserve water.

I was surprised to hear Division leadership protest my comments, claiming that water conservation couldn’t prevent us from ‘running out of water.’ They argued that only new water diversions could keep us from this fate, implying that Utah’s civilization would otherwise end. Over the years, it became clear to us these claims were simply scare tactics to sell billions in new government spending for unnecessary water projects.

That’s why the URC campaigned to have an audit conducted of the Division and thanks to you it happened. After 16 months, the audit just released by the Legislative Auditor General found the Division was ignoring the fact that our water supply is growing as irrigated farmlands are replaced by cityscapes and our cities are not running out of water.

Our rivers are diverted down sterile canals so urban Utahns can water sidewalks and gutters, water in rainstorms and on 105°F afternoons. We have America’s highest water use because we have the country’s cheapest water rates. Water industry salesmen achieve these low rates by collecting property taxes then try and combat high water use with advertising campaigns and press conferences. The advertising isn’t bad, but it doesn’t address our incentivizing water waste with cheap water rates.

Utah’s water industry salesmen are now proposing America’s biggest water projects including the Lake Powell Pipeline and Bear River development. Many of them actively campaign against water conservation, while simultaneously giving lip service to it when the public is listening. This is a terrible way to adapt to the impacts of climate change.

The good news is Utahns are starting to realize this is just a sales pitch. They realize our rivers should have a right to exist because they are critical to 80 percent of Utah’s fish and wildlife species. They want to see water conservation because they want our rivers to flow into the future, not into sterile canals to spray driveways.

You can help us protect Utah’s rivers and aquatic ecosystems by making a donation to the Utah Rivers Council today. We need your help to make sure we can keep our important work moving forward for the next 20 years. Thank you for your past support and engagement and I look forward to more successes in the future.

For Life,

Zachary Frankel
Executive Director

Zach enjoying the rapids on the Green River in Dinosaur National Monument p: Kristen Sorensen
Proposed Gooseberry Dam Next in Line for Water Resources Loan

Proponents of a long-contested dam on the headwaters of the Price River are going after $30 million in loan money from the Board of Water Resources. Although the agency claims the project is years away, the proposed $50 million diversion dam recently came out of the shadows and was put at the top of the agency’s list of projects.

The shady group of water industry salesmen behind the project are a mystery since they have never delivered water to anyone, even though they have been around since 1964 and collect hundreds of thousands of dollars in property taxes every year. This “agency” has no infrastructure, no staff, no phone number and their “operations” are run out of a member’s house because they don’t have an office.

This shadowy entity brazenly refused to comply with financial reporting laws for 4 of 5 years leading the Utah Auditor to withhold property taxes paid by local taxpayers, totaling over $700,000. This amount was 60 percent of all funds withheld across Utah during this time and the single largest amount by any one entity.

This proposed trans-basin diversion of Colorado River water would bring serious impacts to the amazing ecological communities that rely on the Price River. The diversion would dry up a popular blue-ribbon trout stream and hundreds of acres of sensitive wetlands as well as a 40,000-acre roadless gorge above the confluence with the Green River that provides spawning habitat for endangered fish and a migration corridor for wildlife.

There is widespread community opposition among Carbon County’s 22,000 residents because their water supply will be greatly diminished by the diversion, causing impacts to water quality, agriculture, power production, fire suppression and recreational use. With federal funding from the Bureau of Reclamation no longer an option, dam proponents now hope to place the project’s burden on the backs of Utahns, and the Board of Water Resources is poised to help them do so.

The Board of Water Resources routinely shells out millions of dollars to water districts throughout Utah, without the rigorous scrutiny of the applicants and the efficacy of the loan process one would expect from a bank. The Board administers three separate loan funds that are flush with sales tax collections from Utahns. At past Board meetings it has been common for loan recipients to not incur penalties if loans are not repaid on time and for loans to be awarded with minimal interest rates of 1 or 2 percent that don’t even cover inflation.

The URC will continue to work to protect the amazing Price River Headwaters from this boondoggle development. We will be sure to let you know when the project is on the Board’s agenda. You can help by showing up in force to oppose this loan.

The proposed Gooseberry dam and diversion would have devastating impacts on one of the state’s Blue Ribbon fisheries.
Shrinking Great Salt Lake: A Legacy of Utah’s High Water Use

Utahns are witnessing a grim story unfold at the Great Salt Lake, one written by extremes. Vast white playas of cracked lakebed frosted with salt crystals have emerged from the depths. Marooned marinas with no trace of boats collect dust from lack of use. Vast peninsulas that once were islands now stretch across the horizon. Large pelican nesting colonies are now vulnerable to terrestrial predators for the first time in generations.

Historic drought and decades of massive river diversions have brought the Great Salt Lake to its lowest level in 50 years and it is expected to continue to drop to its lowest level in recorded history. The Lake would be 10 feet higher today without the litany of river diversions upstream of its shores, according to state estimates. The extremes we are experiencing now are the new reality and could become a historic disaster if the largest proposed river diversion in the entire country — $2 billion Bear River Development — is approved.

Many rivers that lie within the Great Salt Lake watershed are often dried up completely, because Utah's rivers do not have a legal right to exist. In September, the Spanish Fork River was dried up completely when 100 percent of its flows were diverted into a canal. When streams are dried-up, a crucial lifeline is severed for 80 percent of Utah’s wildlife species that depend on our rivers to survive. Vibrant fisheries stripped of all their critical water flows are greatly strained or at times completely obliterated.

Dry rivers and shrinking lakes are proof that some Utah water managers give only lip service to water conservation and have left Utah woefully unprepared for droughts that can span decades. If urban Utahns had the same water use (per-person) as Denver residents, we would effectively double our municipal water supply and have plenty of water available for future growth, with our rivers flowing into the future.

Our high water use is largely fed by river diversions and is therefore connected to dewatered streams and the shrinking footprint of the iconic Great Salt Lake. What’s more, our high water use is actually being used by water industry salesmen to justify building the massive $2 billion Bear River Project, a diversion that would drop lake levels even further — a nail in the coffin for the remarkable Great Salt Lake ecosystem.

The exposed belly of the Great Salt Lake is a reminder to all Utahns that we still have a chance to embrace meaningful water conservation measures before it is too late.

This photo shows Spanish Fork River in September of 2014 when it was completely dammed, diverted and dried up.

Black-necked stilts are one of 230 species of birds which rely on the GSL wetlands p:USFWS
Is It Finally the Year for Free-Market Water in Utah?

This summer, the Legislature’s Revenue and Taxation Committee will discuss phasing out property taxes for water, which is indicative of progress in the URC’s fight for free-market water pricing. Has the time come to encourage Utahns to conserve water by charging full cost for all users?

Many are surprised to learn they pay two, three or even four different property taxes for water on their homes or businesses, while large government landowners and nonprofits pay no property taxes at all. Since these institutions pay no property taxes for water, government golf courses, schools, universities and all government buildings are forcing Utah taxpayers to absorb the costs of their water waste, which are substantial. In some Utah communities, these exempt entities use 20 percent of all water in the local area.

Utah is unique in imposing property taxes on homeowners and businesses that go directly to government water suppliers to lower the price of water. While it sounds like a good deal, cheap water rates result in high consumption. Although most Utahns embrace the free market, these property taxes for water discourage the efficient use of water. This is the cornerstone of market economics; cheap prices drive high consumption yet some collectors of the tax claim that market economics don’t apply to water. Utah’s water taxes are why Utah has the highest water use (per person) in the entire U.S.

Phasing out property taxes for water would address the inequity in water costs by low income populations and greatly extend Utah’s water supply. It would also eliminate the need for exorbitant government spending like the $2 billion Lake Powell Pipeline. The agency slated to receive water from this project receives as much money collecting property taxes as they do from selling water, but is adamantly opposed to studying phasing out property taxes for water. This is ironic because repaying the $2 billion in Lake Powell Pipeline construction costs borrowed from Utah taxpayers will require large increases in water rates and impact fees, thereby lowering water use.

Over the past 15 years the URC has led a growing movement to phase out property taxes for water and real strides have been made by Utah decision makers to correct the problem. Governor Herbert even set aside $100,000 to study phasing out property taxes for water this year. Contact your legislators and tell them to support free-market water by phasing out the property taxes for water this year!

Western Water Suppliers Collecting Property Tax

Over the past 15 years the URC has led a growing movement to phase out property taxes for water and real strides have been made by Utah decision makers to correct the problem. Governor Herbert even set aside $100,000 to study phasing out property taxes for water this year. Contact your legislators and tell them to support free-market water by phasing out the property taxes for water this year!

Join Us at this Summer’s Interim Revenue and Taxation Committees!

2015 Interim Dates
May 20th
June 17th
July 15th
August 19th
October 21st
November 18th

All meetings at 2:30pm in Room 445 of the Capitol Building
Utah Water Developers Push Through Funding for Powell Pipeline and Bear River Development in Final Hours of Legislative Session

The four largest water districts in Utah spent nearly $500,000 dollars of taxpayer money lobbying at the 2015 Utah Legislature to pass a bill creating a fund for proposed Bear River Development and the Lake Powell Pipeline. SB 281, sponsored by Senator Stuart Adams, passed in the final hours of the legislative session. Despite the URC’s best efforts to stop it, the bill passed Senate floor by two votes and the Senate Natural Resources and Environment Committee by just one vote. The legislation was introduced in the last week of the legislative session to preclude public opposition.

This $5 million funding effort now moves two of America’s largest and most destructive water projects forward, Bear River Development and the Lake Powell Pipeline. While these projects are still in their preliminary phases, this fund marks the first time the State of Utah has allocated money specifically for their construction, meaning all Utahns have started paying for these projects with their tax dollars.

The fund was pushed through before a comprehensive audit was unveiled of the agency proposing these water projects. This audit revealed that the Division of Water Resources exaggerated future water needs to justify billions in spending for Bear River Development and the Lake Powell Pipeline.

The amount spent on lobbying for SB 281 is nearly twice the amount spent annually on Utah’s water conservation marketing campaign, “Slow the Flow”. These agencies have not even studied the array of alternatives that could provide the same amount of water as costly diversions for pennies on the dollar. With Utah’s water use nearly twice the national average, it’s clear there is a lot that can be done to encourage Utahns to use less water.

Did Your Legislators Vote to Fund Bear River Development and Lake Powell Pipeline?

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*Absent or not voting
According to a new study released by the USGS, Utah uses more water (per person) than any other state in the nation, averaging 248 gallons per person per day. While total U.S. water use declined by nearly 10 percent in the last 5 years of study, Utah’s per capita water use actually increased. So why exactly is this happening?

Utah’s water policies are dominated by water industry salesmen, who are very good at selling water. These salesmen sell more water to their customers (per person) than anywhere else in the country. Selling water is big business and since water conservation means selling less product and making less money, industry salesmen lead the fight against reducing their profits through water conservation.

Some naive Utahns don’t understand this industry makes money selling water. Some take exception to this claim and point to Slow the Flow, the public advertising campaign on TV, radio and in print. They claim this campaign demonstrates that water salesmen are serious about conservation. To be clear, Slow the Flow is a great program who’s only problem is that it is ridiculously underfunded. Consider that while Los Angeles has a water conservation goal of reducing water use by 20 percent in 3 years, Utah’s water conservation goal for 2015 is to reduce water use just 1 percent. In other words, Utah is taking 20 years to do what Los Angeles is doing in 3 years.

Slow the Flow is led by people working to really reduce water use. But for the water salesmen who fund the program, it’s just a marketing façade – to hide Utah’s absurdly high water use. Water industry salesmen spent twice as much money on lobbying efforts to pass legislation for Bear River development and Lake Powell Pipeline in the last 6 months as they spent all of last year on the Slow the Flow campaign. The $27 million that has been spent on permitting for the Lake Powell Pipeline could have funded the Slow the Flow campaign for 100 years.

Utah’s wasteful water use is not an accident, instead constituting the justification by water salesmen for billions in unnecessary water projects with devastating impacts to Utah’s watersheds and the species that depend on them. Although inexpensive water conservation efforts could easily eliminate the need for new diversions, water industry salesmen go so far as to claim that water conservation itself is a bad thing.

The Division of Water Resources coined an axiom, called Strong’s Law, which states “if you conserve water something has to die.” Named after past Division Director Dennis Strong, this claim has been presented repeatedly to legislative committees and widely repeated by water industry operatives as if it is science. This is ludicrous when one looks
Utah Is Officially America’s Biggest Water User

Continued from previous page

at the savings that water conservation programs have achieved around the country. If we reduce our water use it does not mean something has to die, it means we need fewer dams and diversions on Utah’s precious rivers — and fewer handouts to water industry salesmen.

With lower snowpacks and less runoff as a result of climate change, we can expect more winters with less snow, making water conservation more important than ever. Instead of adapting to this new reality by reducing our wasteful water use, water industry salesmen push for destructive new river diversions like the Lake Powell Pipeline and Bear River Development. The findings of the legislative audit of the Division of Water Resources shows it is time to stop pursuing these massive water projects and focus on water conservation like the rest of the West.

Bogus $33 Billion Wish List is Newest Scare Tactic to Justify Unnecessary Water Development Funding

The Jordan Valley, Central Utah, Weber Basin and Washington County Water Districts claim Utah must embark upon a $33 billion water spending frenzy or the Utah we love will dry up and wither away. This bogus claim is a real threat to Utah’s rivers and aquatic ecosystems because it is being used as yet another scare tactic to raise billions in taxes for a host of unnecessary new river diversions and dams.

Many legislators swallowed this $33 billion claim without asking to see a list of what the money is needed for. Four GRAMA requests to these water districts reveal that no list exists in any way, shape or form. This purported need is all marketing fluff with vague references to “repair and replacement” and “infrastructure” costs.

The only existing spending list is a $20 billion wish list that was created by the Division of Water Resources and presented to Utah Legislators, which itself was a ridiculous exercise. The list includes $2.4 billion in projects already funded by local entities, and 101 items listed as “General Needs” with no further explanation, for a total of $2.6 billion. The list also has 84 “Master Plans,” totaling $5.7 billion. One “Master Plan” for the Weber Basin Water District costs $3 billion, but isn’t needed until the year 2100!

This purported need for more water funding ignores the annual revenues these water districts collect from Utahns. Last year, these revenues totaled nearly $404 million from sales taxes, water rates, property taxes and impact fees. After expenses this amount totaled $75 million in net revenues and over the next 45 years, these revenues total $10 billion. These agencies continually fail to mention their existing revenue sources when asking for billions in new funding, yet somehow this egregious claim is eagerly swallowed by those willing to embrace misinformation without question.

With this massive funding claim, these water districts are doing an end-run around Gov. Gary Herbert and the Utah Legislature’s efforts to create a viable statewide plan for water. Instead of rushing into billions in new river diversions with a blank check signed by Utah taxpayers, Utah’s water managers should focus on conservation and alternative sources of water by participating in the ongoing dialogue on Utah’s water future.
RainHarvest Launch a Huge Success!

Continued from cover

A Denver pilot study found that rainwater collection could provide substantial water savings even in arid states as just 12 inches of annual rainfall allows the collection of 11,200 gallons of water from just a 1,500 square-foot roof.

URC members got the first chance at getting discounted rain barrels after the soft-launch of the program at the beginning of April. We didn’t expect the program would go viral when it was announced to the public right before Earth Day.

Take Part in the Next RainHarvest Event!

If you didn’t get a barrel in this event but are interested in taking part in the next RainHarvest event, please email Nick at nick@utahrivers.org.

Audit of Water Resources Released

Auditors showed Utah’s water supply is growing, as our population increases. As farmland is converted to homes and businesses, a surplus of water is created. More water will come from irrigated agricultural conversion than both the Lake Powell Pipeline and Bear River Development combined. It was also found the Division did not account for the many water rights owned by cities and set aside for future growth, even under robust growth projection scenarios.

The audit also criticized Utah’s unique practice of collecting property taxes to lower water rates as one of the reasons Utahns have the highest water use (per capita) in the nation. The audit recommended removing these taxes to encourage conservation and put off the need for developing expensive sources of water. The auditors also noted the Division’s water conservation efforts are lackluster and far behind the rest of the West.

Thanks to our awesome team of volunteers, the RainHarvest event was a huge (and rainy) success!

Renew your membership with URC!

With over 400,000 acre feet of proposed river diversions statewide, your financial support is vital in order to continue our work to protect Utah’s watersheds. Please renew your membership today.

Thanks to the 2000 people who signed our petition to initiate the audit, the Utah Rivers Council’s effort to address chronic mismanagement of Utah’s water has come to fruition. This summer the audit will be discussed at the Interim Natural Resources Committee, Natural Resources Appropriations Subcommittee, and the State Water Development Commission. Sign up for our action alert emails and follow us on Facebook and Twitter for information on the upcoming meetings!

View the audit at utahrivers.org/audit
Yes! I Want to Support the Utah Rivers Council!

To be a strong voice for your rivers we need your help, now more than ever.

Questions? Call 801-486-4776 or email nick@utahrivers.org

Contributions to Utah Rivers Council are tax deductible to the full extent allowed by law.
Is Your City a Partner in RainHarvest?

Stay Connected to the URC

www.utahrivers.org
www.facebook.com/utahrivers
www.twitter.com/utahrivers

Contact nick@utahrivers.org for more info on how you can help your city participate in our next RainHarvest program!