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16	BEFORE THE		
17	CALIFORNIA STATE WATER RESOURCES CONTROL BOARD		
18	HEARING IN THE MATTER OF) JOINT PROPOSAL OF THE SAN JOAQUIN	
19	CALIFORNIA DEPARTMENT OF WATER RESOURCES AND UNITED STATES) COUNTY PROTESTANTS, LAND, ET AL.) PROTESTANTS, AND ISLANDS, INC. RE:	
20	BUREAU OF RECLAMATION REQUEST) ISSUES APPROPRIATELY ADDRESSED IN	
21	FOR A CHANGE IN POINT OF DIVERSION FOR CALIFORNIA WATER) CLOSING BRIEFS AT THE CONCLUSION) OF THE PART 1 REBUTTAL CASES AND	
22	FIX) SUR-REBUTTAL PRESENTATIONS	
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	SAN JOAQUIN CO./LAND/ISLANDS.	i INC. PROTESTANTS' JOINT PROPOSAL RE:	
	ISSUES APPROPRIATE CLOSING BRIEFS AT THE CONCLUSION OF PART 1		

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Protestants County of San Joaquin, San Joaquin County Flood Control and Water Conservation District, and Mokelumne River Water and Power Authority ("San Joaquin County Protestants"), the Local Agencies of the North Delta, Bogle Vineyards/Delta Watershed Landowner Coalition, Diablo Vineyards and Brad Lange/Delta Watershed Landowner Coalition, Stillwater Orchards/Delta Watershed Landowner Coalition ("LAND, et al. Protestants"), and Islands, Inc. (collectively, "San Joaquin County/LAND/Islands, Inc. Protestants") jointly submit this Proposal Re: Issues Appropriately Addressed in Closing Briefs for Part 1 of this hearing, in response to the Hearing Officers' Ruling of December 19, 2016.

I. INTRODUCTION

Earlier in this proceeding – prior to hearing the testimony unfold and prior to several evidentiary rulings – the San Joaquin County/LAND/Islands, Inc. Protestants expressed their intent to file a closing brief at the end of Part 1. Since then, several proffered evidentiary presentations have been moved into Part 2 as a result of the Hearing Officers' rulings. Also, as a result of the Part 1 evidentiary presentations, rulings on a number of objections, and several colloquies between the Hearing Officers and counsel, the distinction between Part 1 issues and Part 2 issues, always problematic, has become even more uncertain. Further, it appears that several parties will present rebuttal cases responsive to assertions, conclusions and positions advanced by the Petitioners in Part 1.

Other related processes, such as those surrounding the WaterFix FEIR/S and the Water Quality Control Plan, have also generated additional uncertainty with respect to both Part 1 and Part 2 issues. For example, the 2016 FEIR/S, released after the San Joaquin County/LAND/Islands, Inc. Protestants presented their cases in chief, admitted that model WaterFix simulations indicate up to a "5-foot episodic lowering" of groundwater levels beneath the Sacramento River due to lower flows in the

river as a result of diversions at the north Delta intakes that result in a reduction in river flows and elevations." (2016 FEIR/S, pp. 7-117, 7-118, 7-119.) This is a significant change from the 2014 RDEIR/S discussion about rising groundwater levels, one that would have been addressed in the groundwater interference component of the San Joaquin County/LAND/Islands, Inc. Protestants' Part 1 cases in chief had the 2016 FEIR/S been available at the time.

In light of the foregoing considerations, the San Joaquin County/LAND/Islands, Inc.

Protestants now doubt the efficacy of a "closing" brief limited to Part 1 issues. At the very least, any Part 1 "closing" brief schedule should not set filing deadlines until after the close of the rebuttal cases and any sur-rebuttal presentations. To avoid further confusion of issues and duplication of efforts, the San Joaquin County/LAND/Islands, Inc. Protestants now believe the most sensible path forward would be to submit all "closing" briefs at the end of Part 2 if Part 2 is allowed to proceed at all.

That said, none of the foregoing considerations obviate or diminish the Board's independent duty to conduct its own rigorous and unbiased analysis to determine whether Petitioners have met their heavy burden in Part 1 of establishing that the proposed WaterFix will not "operate to the injury of any legal user of the water involved." (Water Code § 1702.) The San Joaquin County/LAND/Islands, Inc. Protestants believe that if the Board does conduct such an analysis of Petitioners' Part 1 presentations there is a high likelihood that the WaterFix Hearing will not proceed to Part 2.

Further, we recommend that the Hearing Officers not rule on the parties' proposed issues for briefing, or on any of the closing brief requirements (e.g., deadlines, length of briefs) until after Part 1 rebuttal and sur-rebuttal cases are completed. As a result of the rebuttal cases, the parties may identify additional issues that should be addressed in closing briefs; therefore, the San Joaquin County/LAND/Islands, Inc. Protestants recommend that the Hearing Officers accept additional closing

brief proposals following the completion of the rebuttal cases and any sur-rebuttal presentations.

II. PROPOSED ISSUES APPROPRIATE FOR "CLOSING" BRIEFS AT THE END OF THE PART 1 REBUTTAL AND SUR-REBUTTAL CASES

Should the Hearing Officers proceed with Part 1 "closing" briefs, the San Joaquin County/LAND/Islands, Inc. Protestants recommend that briefing be accepted on the following issues.

Issue 1: Is the Petition for Change in the Point of Diversion Incompatible with the Petitioners' Identified Water Rights and/or Otherwise Defective?

The October 30, 2015 Notice of Public Hearing identifies as a "key issue" for this Hearing: "Will the changes proposed in the Petition in effect initiate a new water right?" (Notice, p. 11.)

Ample evidence offered in Part 1 – reviewed against the backdrop of the pertinent statutory and case law and prior rulings of the SWRCB itself – confirms that the answer to this question is "yes." A new water right, for which Petitioners have not applied, would be required to go forward with the twin tunnel project as proposed. Further, as result of omissions of information essential to a legally or technically sufficient consideration of the Petition, the Petition is defective and should therefore be denied. These threshold issues could appropriately be addressed prior to Part 1, though, as discussed above, the blurred lines between Part 1 and Part 2 and seemingly inevitable overlap would also make this issue appropriate for a closing brief at the end of Part 2, assuming Part 2 is allowed to proceed at all.

Issue 2: Have Petitioners Met Their Burden of Proof in Establishing That the Petition, If Granted, Would Not "Operate to the Injury of Any Legal User of the Water Involved"?

A core issue identified in the October 30, 2015 Notice is whether the Petition's "proposed changes [will] cause injury to any municipal, industrial or agricultural uses of water, including associated legal users of water." (Notice, p. 11.) In the February 11, 2016 Pre-Hearing Conference Ruling, the Hearing Officers clarified that the water use injuries that are issues appropriate for Part 1

include injuries to "human uses that extend beyond the strict definition of legal users of water'
(Pre-hearing Conference Ruling, p. 10; see, also, October 7, 2016 Ruling, p. 2.)

Having reviewed the Petition and the evidence submitted in support of the Petition, the San Joaquin County/LAND/Islands, Inc. Protestants have concluded that the Petitioners failed to meet their burden of proof on this critical issue. Among other fatal deficiencies, Petitions failed to define the project, relying instead on an impossibly uncertain "boundary" approach and a purported "adaptive management" program which, lacking meaningful science-based safeguards, amounts to no more than a wink, a nod and vague assurance that the same agencies that have presided over the Delta's dramatic collapse over the past fifty years will do better in the distant future. As proposed, the adaptive management program offers no protection against inevitable political and economic pressure to maximize water exports in the future with little or no regard to the health of the Delta or the welfare of Delta communities.

More specific to the San Joaquin County/LAND/Islands, Inc. Protestants' cases in chief, the Petition and evidence presented in Petitioners' case in chief fail to address the proposed project's likely injury to legal users of water as a result of: interference with groundwater flows; exacerbation of the conditions that promote proliferation of harmful algal blooms and the neurotoxin, microcystin; and adverse economic impacts for Delta agriculture, especially in San Joaquin County, stemming from the resulting increase in salinity.

The question of whether Petitioners have met their burden of proof under Water Code § 1702 also implicates Petitioners' misplaced reliance on existing water quality standards, especially D-1641. Tunnel proponents' speculative projections about future compliance with D-1641 and other water quality standards in no way meet Petitioners' burden of proving that the proposed project will not result in injury to legal users of water. Even if such speculation about compliance with D-1641 were

Stillwater Orchards/DWLC Dated: January 30, 2017 HANSON BRIDGETT LLP By: MICHAEL J. VAN ZANDT Attorneys for Protestants Islands, Inc.

STATEMENT OF SERVICE

CALIFORNIA WATERFIX PETITION HEARING Department of Water Resources and U.S. Bureau of Reclamation (Petitioners)

I hereby certify that I have this day submitted to the State Water Resources Control Board and caused a true and correct copy of the following document(s):

JOINT PROPOSAL OF THE SAN JOAQUIN COUNTY PROTESTANTS, LAND, ET AL. PROTESTANTS, AND ISLANDS, INC. RE: ISSUES APPROPRIATELY ADDRESSED IN CLOSING BRIEFS AT THE CONCLUSION OF THE PART 1 REBUTTAL CASES AND SUR-REBUTTAL PRESENTATIONS

to be served **by Electronic Mail** (email) upon the parties listed in Table 1 of the **Current Service List** for the California WaterFix Petition Hearing, dated January 13, 2017, posted by the State Water Resources Control Board at

http://www.waterboards.ca.gov/waterrights/water issues/programs/bay delta/california waterfix /service list.shtml

I certify that the foregoing is true and correct and that this document was executed on January 30, 2017.

Signature: 00 MO Same: Tonia Robancho

Title: Legal Assistant for Thomas H. Keeling

Freeman Firm

Party/Affiliation:

County of San Joaquin, San Joaquin County Flood Control and Water Conservation District, and Mokelumne River Water and Power Authority

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