

James McLeod

Jan 8, 2021



James McLeod

November 13, 1928 - January 1, 2021

Third generation Tracy area farmer, James McLeod, passed away peacefully due to complications of COVID on January 1, 2021 at the age of 92. He was born on November 13, 1928 in Modesto, attended Jefferson Elementary School, graduated from Tracy High School in 1947, then attended Stockton College (now Delta College). Farming his entire life, Jim produced apricots, walnuts, some row crop products and was instrumental in improving many farming techniques, such as the first to mechanically harvest apricots instead of the then conventional method of hand picking. He was active in agricultural water management serving on many water boards across the state for 60 years and was a member of the Banta Carbona Irrigation District Board since 1961, serving as president since 1973. He advocated for water rights needed to protect northern California agriculture, fish and wildlife, and delivered many speeches over the years at state agriculture and water conferences.

Jim received many awards over the years including Tracy High Alumni of the Year, City of Tracy Farmer of the Year, Tracy Elk of the Year, San Joaquin County Agriculturalist of the Year, and was inducted into the San Joaquin County Agricultural Hall of Fame. He was also active in community service as members of Tracy Recreation Board, and the Tracy High School Board, serving as president in his final year. In his private life he was an avid hunter, loved to fish with his friends and family in Alaska, and a regular golfer being distinguished and lucky enough to win a new vehicle in a hole-in-one golf tournament.

He is survived by his wife Darline of 66 years, daughter Roxanne (Todd) Felver, daughter-in-law Dawn McLeod, sister-in-law Delores Sullivan, and six grandchildren: Gregory Felver, Geoffroy (Nicole) Felver, Meghan McLeod, Stephan (Breanna) McLeod, James McLeod, and Taylor McLeod. He was preceded in death by his two sons Ronald and Roger McLeod, parents Edison Sr and Josephine McLeod, and his brother Edison Jr. (Ruth) McLeod.

Viewing will be available on Monday January 11 from 3:00-7:00 pm at Tracy Memorial Chapel, burial will be private. Please consider donating blood products in Jim's name to help those fighting COVID. In lieu of flowers donations may be made to a charity of your choice.

Questions concerning obituaries should be directed to the Tracy Press advertising department at tpads@tracypress.com or 209-830-4260.

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MEMORANDUM

TO: SLDMWA BOARD OF DIRECTORS
FROM: DAN KEPPEL, EXECUTIVE DIRECTOR
SUBJECT: EXECUTIVE DIRECTOR'S REPORT
DATE: JANUARY 8, 2021

This memo is intended to keep you apprised as to what is happening behind the scenes on policy issues the Family Farm Alliance is engaged in. In the past month, our efforts have focused on preparing for the new Biden-Harris administration, tracking water legislative developments in Congress, engaging in federal agency rulemaking efforts, planning for our 2021 "virtual" annual conference and addressing some important administrative matters. These issues and other matters important to our members are further discussed in this memo.

TRUMP ADMINISTRATION ACTIVITIES

1. Final Regulatory Agenda

The Trump White House in late 2020 released their biannual Unified Agenda which outlines federal regulatory activity for the next 12 months. With President Trump finishing up his term, the White House is using the release to highlight its deregulatory efforts. The release says the Administration achieved "record success" under EO 13771, which directed agencies to toss two regulations for each major new one. President-elect Joe Biden is expected to rescind that order. In FY 2020, the agenda says, agencies issued "more than three deregulatory actions for every regulatory action" and cut nearly \$200 billion in "overall regulatory costs" across the federal government.

2. Environmental Protection Agency: Clean Water Act Rulemaking

A draft memo from Environmental Protection Agency (EPA) Assistant Administrator for the Office of Water David Ross appears to provide some clarity to industry follow the Supreme Court opinion in *County of Maui v. Hawaii Wildlife Fund*, on how permits would be required under the Clean Water Act (CWA) for pollution that moves through groundwater. Recall that the Alliance

was part of a group of eight national agriculture organizations that joined in an *amicus curiae* (“friend of the court”) brief that was transmitted to the U.S. Supreme Court in May 2019. This amicus effort was intended to protect routine agricultural operations from a potentially limitless expansion of the CWA National Pollution Discharge Elimination System (NPDES) program.

In the opinion, the Supreme Court justices said such a determination hinges on several factors, including time and the distance the pollution travels, as well as the nature of the material through which the contaminants move. Some indirect paths, the court wrote, may have the ability to dilute or chemically alter pollution that travels through them. The Court added the term “functional equivalent” as a test whether pollutants moving through groundwater to CWA jurisdictional “navigable waters” are a direct discharge into such waters. The draft memo offers several recommendations to the regulated community and permitting authorities on how to implement the *Maui* opinion as part of the NPDES permit program.

EPA is soliciting public comments on the draft memorandum for thirty days. The Agency may pursue a future rulemaking action to provide greater regulatory certainty concerning discharges subject to the NPDES permit program. By issuing this draft guidance memorandum, the Agency intends only to provide clarity to the public regarding existing requirements under the law or Agency policies. Comments must be received on or before January 11, 2021. I’m having discussions with some of our other contractors to determine the level of engagement on this matter, since it is something that the incoming administration may quickly axe. We’ll be working on a brief letter that clarifies that the existing exemptions from the NPDES permit requirements in the CWA (e.g., for irrigation return flows and for water transfers) are not negated or otherwise impacted by the *Maui* decision.

3. Department of Interior, Fish and Wildlife Service

a. Definition of “Habitat” for Critical Habitat Designations

FWS and National Marine Fisheries Service (NMFS) have finalized a regulatory definition of the term “habitat” that will be used for designating critical habitat under the ESA. The definition is part of the efforts of the Trump Administration to balance effective, science-based conservation with common-sense policy designed to bring the ESA into the 21st century. The final definition of habitat is, “For the purposes of designating critical habitat only, habitat is the abiotic and biotic setting that currently or periodically contains the resources and conditions necessary to support one or more life processes of a species.” This definition explicitly limits the term habitat to apply only to critical habitat designations under the ESA, and no previously finalized critical habitat designations will be reevaluated as a result of its establishment. More than three years ago, the Department of the Interior and the Department of Commerce began considering improvements to the regulations the federal government uses to implement the ESA to make them more efficient and effective. Last year, the Service finalized regulatory changes to section 4 of the ESA dealing with the listing, delisting and critical habitat, and to section 7 consultation processes.

Working with Western water managers and attorneys, we developed formal comments for each of these rulemaking efforts. Given the nature of water storage and delivery, Western farmers and ranchers are often directly impacted by the implementation of the ESA and other federal laws. We strongly support this administration's efforts to reform the ESA and its implementing regulations to provide clearer direction to the agencies in applying and enforcing the law. The final definition of habitat will continue to improve implementation of the ESA, which defines critical habitat and establishes separate criteria depending on whether the area is within or outside the geographical area occupied by the species at the time of listing. It does not define the broader term "habitat," however, and the Services have not previously defined this term in implementing regulations.

BIDEN-HARRIS TRANSITION TEAM

Early in the morning of January 7, the new 117th Congress formally recognized Joe Biden as the next President of the United States and Kamala Harris as the next Vice President after certifying the Electoral College vote. The joint session to count electoral votes was delayed for several hours after rioters breached the Capitol Building. Before certifying the vote, Congress rejected Member objections to the electoral votes of Arizona and Pennsylvania. Several more objections were expected; however, after the riots broke out in and around the Capitol Wednesday, any additional objections were abandoned.

4. Energy and Environment Cabinet/Climate Advisor Choices

President-elect Joe Biden has formally announced several key picks for top agriculture, energy, environment, and climate change jobs critically important to Western irrigated agriculture. They include Tom Vilsack returning to the role of Secretary of Agriculture, Rep. Deb Haaland (D-NEW MEXICO) for Secretary of the Interior; former Michigan Gov. Jennifer Granholm for Secretary of Energy; North Carolina DEQ head Michael Regan for Environmental Protection Agency (EPA) Administrator; Brenda Mallory for Chair of the Council on Environmental Quality (CEQ); Natural Resources Defense Council head Gina McCarthy as White House domestic climate czar; and Ali Zaidi, advisor to NY Gov. Andrew Cuomo, as Ms. McCarthy's deputy. Environmental organizations and progressive Democrats have enthusiastically praised most of Mr. Biden's picks. President-elect Biden has selected Rhode Island Gov. Gina Raimondo to serve as Secretary of Commerce, according to POLITICO. The Commerce Department housed the National Marine Fisheries Service, which has considerable power in West Coast ESA consultation processes that impact federal water operations like the Central Valley Project.

The Waterkeeper Alliance is urging the incoming Biden administration to issue several executive orders (EOs) in its first 100 days to reverse controversial Trump Administration policies on the CWA, environmental justice, the National Environmental Policy Act (NEPA) and fossil fuels. Some of the Waterkeeper Alliance' plans includes reversing President Trump's EO 13771, which directed all federal agencies to repeal at least two existing regulations for each new regulation issued; EO 13778, which directed EPA and the Army Corps of Engineers to change the definition of "waters in the United States" (WOTUS) as used in the CWA; and EO 13868, which directed EPA to reconsider CWA section 401 regulations governing states' control over water quality

protections in federal permits. These are all actions which the Family Farm Alliance supported. The plan also recommends that President-elect Biden issue one or more EOs of his own to expedite "repairing the tragically broken definition of" WOTUS and reform federal environmental justice policies and enforcement. So – it looks like we'll be busy.

a. Alliance Activities

In late November, the Alliance transmitted a letter for the Biden-Harris transition team that outlines the issues important to our organization. We are looking with an eye towards finding common ground, and using new avenues and messaging to drive our initiatives. Many of the new policies implemented by the Trump Administration are successful and have value. Aging infrastructure and payment for ecosystem services are areas of focus, and we also believe that the Trump Water Subcabinet concept should be advanced. All of these recommendations are infused in our letter with a message conveying the importance of domestic food production and a reliable food supply chain, issues that have been highlighted due to the COVID crisis.

As previously discussed, the president-elect's transition team has privately started laying the groundwork to strike a bipartisan infrastructure deal during the first year of his term. Many Republicans are reluctant to agree to another trillion-dollar deal after passing a massive stimulus bill at the outset of the pandemic, and another massive one last week, but with Democrats now in control of the Senate, they'll obviously have a tougher time winning that argument. I've also heard that Democrats in the House are already teeing up H.R. 2 from the last Congress as a starting point for their infrastructure stimulus package.

The Alliance has been working with California Farm Bureau, Western Growers Association, National Water Resources Association (NWRA) and Association of California Water Agencies (ACWA) on letters to Congress and the White House intended to tee up federal policy makers of the need to include Western water infrastructure in any new stimulus package that includes an infrastructure component. We completed our letter on January 8, which was signed on by nearly 200 ag, urban and water organizations. The letter will be transmitted to the Hill and the Biden-Harris transition team on January 11. Now, we are working on securing support from those who signed on to help push and lobby the Hill.

b. National Ocean Policy

The National Ocean Policy Coalition (NOPC) last month transmitted a letter to President-elect Biden requesting support for collaborative, transparent, and balanced multi-use ocean policies that support economic and environmental goals and help achieve mutual desires for greater economic prosperity and job creation, including through a vibrant "Blue Economy". The letter was signed by 70 groups - including the Family Farm Alliance- representing a wide array of commercial and recreational interests from across the United States. The Alliance testified before two Congressional committees in 2017 on the state of the National Ocean Policy and the program's interaction with existing laws and regulations for ocean management.

DEVELOPMENTS IN CONGRESS

The House and Senate are in recess until Inauguration Day on January 20. With Tuesday's election victories in Georgia for Senators-elect Raphael Warnock (D-GA) and Jon Ossoff (D-GA), the Senate Democratic Caucus will increase to 50 members in the coming weeks, giving Democrats the majority in the Senate for the first time since 2014 (with Vice President-elect Kamala Harris serving as the tie-breaking vote). This also means that Sen. Chuck Schumer (D-NY) is poised to become the new Senate Majority Leader, controlling the legislative agenda for the next two years alongside House Speaker Nancy Pelosi (D-CA).

House and Senate committees will continue to formally organize themselves over the next several weeks, including the adoption of their rules and procedures. Committee assignments for rank-and-file members in the House and Senate will continue to be made, and the Chair and Ranking Member positions for Senate Committees will formally be adopted. Big-ticket items over the next several months that Congress will likely consider include another COVID relief bill and some type of infrastructure package.

Control of the Senate is also important to the incoming Biden Administration as most key appointees require Senate confirmation – a much tougher road in a GOP-controlled Senate. Democrats could try to overturn several recently finalized Trump Administration regulations using the Congressional Review Act. The CRA allows Congress and the President to quickly kill regulations finalized within the last 60 congressional days.

We anticipate the 117th Congress will take up infrastructure and more COVID relief legislation in the coming months and will commence the FY 2022 budget process a bit later than normal due to a potentially slow start on the President's budget request from the incoming Biden Administration.

5. FY 2021 Spending Package - with Western Water Provisions

Days after suggesting he wouldn't, President Trump on December 28 averted a government shutdown and signed a massive year-end spending and COVID-19 relief deal into law. The nearly 6,000 page bill included a \$1.4 trillion Fiscal Year 2021 appropriations package, \$900 billion for COVID relief, and the Water Resources Development Act (WRDA) of 2020. The President's action puts into effect a wide range of energy and environmental provisions that Congress negotiated in the closing days of the lame duck session. President Trump signed the bill, but also demanded that Congress increase individual stimulus payments from \$600 to \$2,000, limit legal protections on tech companies and investigate fraud as a condition for signing the \$900 billion stimulus bill. Senate Majority Leader Mitch McConnell acknowledged those conditions in a floor speech. However, Congress was not able to address those issues as energies focused on setting up the veto override vote on the annual defense bill before the 116th Congress ended.

a. Overview of Western Water Provisions in FY 21 Spending Package

The massive package signed into law by President Trump includes WRDA and water related appropriation provisions that will benefit Western water users.

i. Water Resources Development Act

WRDA is legislation that authorizes U.S. Army Corps of Engineers (Corps) studies, project construction, operation and maintenance activities, and policy guidance and modifications for water resources priorities across the country. Since 1986, Congress has generally approved a WRDA bill every two years. WRDA is an authorization bill, not an appropriations bill, which means that all programs, activities, and projects included in the bill must still be funded through the annual appropriations process. After months of negotiations, on December 4, the House Transportation and Infrastructure Committee and Senate Environment and Public Works Committee released their final, compromise 2020 WRDA bill. The House quickly passed the bill on December 8 by voice vote, sending the bill to the Senate for final approval. The language of WRDA 2020 was negotiated by Senators John Barrasso (R-WYOMING), Tom Carper (D-DE), and House Transportation and Infrastructure Committee Chairman Peter DeFazio (D-OREGON) and Ranking Member Sam Graves (R-MO). In order to pass the bill with the limited amount of floor time left in the calendar year, WRDA 2020 was added to the *Consolidated Appropriations Act of 2021*.

The 2020 WRDA includes several provisions of importance to Western water users, including authorization for enhanced Army Corps inspections of aging federal water resources, water storage, and irrigation projects using current and innovative technologies. These inspections will help prevent future irrigation tunnel collapses like the one that happened with the Fort Laramie irrigation tunnel in 2019. Alliance President Pat O'Toole was quoted in Sen. Barrasso's press release on WRDA passage. Pat testified before Chairman Barrasso's committee in 2019 as the ideas for the 2020 WRDA were being conceptualized.

ii. Reclamation Title

Throughout the course of the year, several western water bills and legislation related to Reclamation were considered by Congress with the anticipation of either passing a standalone bill or adding a "Reclamation Title" to WRDA 2020. While agreement was not reached on a full Reclamation Title, provisions that both the House Natural Resources Committee and the Senate EPW Committee reached agreement on were included in the *Consolidated Appropriations Act of 2021* approved by Congress on December 21.

Specifically, this Act included the following legislative provisions:

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- **Bureau of Reclamation Aging Infrastructure Account** - Establishes an aging infrastructure account to fund Reclamation's existing maintenance program.
- **Aquifer Recharge Flexibility Act** - Provides greater flexibility for Reclamation to use its facilities for aquifer recharge (applicable west-wide, except California; the Central Valley Project has a similar authority in place).
- **WaterSMART Extension & Expansion** -Increases the authorization ceiling for the WaterSMART program by \$170 million, expands project applicant eligibility to nonprofit conservation organizations, and makes modifications to project eligibility, prioritization, and cost sharing, including prioritizing projects developed through a collaborative process among water users and other stakeholders that enhance drought resilience by benefitting ecosystems and water supplies.
- **Cooperative Watershed Management Program** - Reauthorizes Reclamation's Cooperative Watershed Management Program, which provides grant funding to watershed groups to encourage diverse stakeholders to form local solutions to address their water management needs, for 5 years and adds representatives from "disadvantaged communities" as eligible participants of a watershed group.
- **Aquatic Ecosystem Restoration** - Establishes an aquatic ecosystem restoration program at the Department of the Interior at \$15 million annually for 5 years that will help fund projects to improve the health of fisheries, wildlife, and aquatic habitat.
- **Snow Water Supply Forecasting** - Authorizes \$15 million for a Snow Water Supply Forecasting program at the Department of the Interior to provide more accurate data about expected runoff that will allow improved water system operations.
- **Water Technology Investment** - Increases the authorization for desalination research at Reclamation from \$3 million to \$20 million annually to provide additional resources to study brine management.

The Family Alliance was engaged as all of these provisions and related bills were developed and several Alliance representatives testified before Congressional committees in support of many of them during the 116th Congress.

iii. Energy and Water Development Appropriations

The Energy and Water Development and Related Agencies Appropriations bill, which was included in the *Consolidated Appropriations Act of 2021*, funds the Corps and the Reclamation programs, as well as the Department of Energy and other related agencies. The FY2021 bill provides \$49.5 billion in discretionary funding, \$1.1 billion above the FY2020 enacted level. Most of the money in the bill, however, goes to Department of Energy defense and non-defense programs. Funding for the Corps (\$7.8 billion) and Reclamation (\$1.67 billion) combine to make up just over 19 percent of total spending in the bill.

The bill provides Reclamation with \$1.67 billion, an increase of \$10 million above the FY2020 level and \$542 million above the President's budget request. Importantly, the bill provides \$559 million in additional funding for water resources projects, including those authorized in the *Water*

Infrastructure Improvements for the Nation (WIIN) Act. WIIN Act storage projects named in the bill for study/preconstruction/construction funding, as requested by the Department of the Interior in June and December 2020 letters to Congress, included the following:

- \$206 million - Friant-Kern Canal Capacity Correction Project (CALIFORNIA)
- \$13.7 million - Sites Reservoir Project (CALIFORNIA)
- \$12.88 million - Boise River Basin – Anderson Ranch Dam Raise Project (IDAHO)
- \$11.945 million - Los Vaqueros Reservoir Expansion Project (CALIFORNIA)
- \$3 million - Cle Elum Pool Raise (WASHINGTON)
- \$3 million - Delta Mendota Canal Subsidence Correction Project (CALIFORNIA)
- \$1.5 million - Del Puerto Water District Project (CALIFORNIA)
- \$1.7 million - San Luis Low Point Improvement Project (CALIFORNIA)
- \$870,000 - Sacramento Regional Water Bank (CALIFORNIA)

Various WIIN Act recycling and desalination projects were also named for funding in the bill, as recommended by Interior. The bill includes \$55.88 million for the Central Valley Project Restoration Fund, and \$33 million for California Bay-Delta Restoration. The bill also allocates additional funding for ongoing work, including \$255.1 million provided under the bill for Water Conservation and Delivery. Of this amount, \$134 million was added for the WIIN Act authorized storage account, \$8 million for feasible Reclamation water conveyance restoration projects, \$20 million for aquifer storage and recovery projects in the Great Plains Region, and \$40 million for water conservation and banking or infrastructure in extended drought-affected areas. Of the additional \$42.5 million in environmental restoration funding, \$40 million is for ESA species restoration. Reclamation must provide Congress with a spending plan for selected projects no later than 45 days after enactment.

Reclamation's WaterSMART program received a significant boost in funding relative to the budget request, and about the same levels received in FY2020. The bill allocates \$55 million to WaterSMART grant programs, \$5.2 million for basin studies and \$4 million drought responses and comprehensive drought plans. The bill further allocates \$63 million for Title XVI water reclamation and water reuse projects west wide, including \$20 million to WIIN Act authorized water reuse projects. The bill also allows a transfer of funds from the Western Area Power Administration to Reclamation for environmental stewardship and endangered species recovery purposes.

b. Four Years of Western Water Infrastructure Progress

The Alliance spent considerable time working with Reclamation on water infrastructure policy in the past four years, as well testifying before committees and working on WRDA and the components of the Reclamation title in the 116th Congress. We count this is a big win for Western water.

6. Massive Coronavirus Relief Package Signed into Law

As millions of doses of coronavirus vaccines were being shipped across the country, President Trump finally signed the \$900 billion coronavirus relief package into law, as part of a massive \$2.3 trillion deal to fund the federal government through September 30, 2021 and provide long-sought coronavirus relief. The *Consolidated Appropriations Act of 2021* (H.R. 133), ties the \$900 billion relief package to the \$1.4 trillion FY 2021 appropriations omnibus package (*see above*).

The package does not include additional direct aid for state and local governments to cover lost revenue and other COVID-related expenditures. However, additional funding was approved to support emergency rental assistance, testing and tracing, for example, which will trickle down to local governments. Importantly, the package extends the use, by states and localities, of CARES Act Coronavirus Relief Funds to December 31, 2021.

The bill would set aside \$13 billion for direct payments, purchases, and loans to farmers and ranchers hurt by the coronavirus pandemic. Another \$13 billion will be used to support nutrition programs and \$7 billion will go towards broadband infrastructure. The Paycheck Protection Program (PPP) will be expanded, and more support will be provided for specialty and non-specialty crop growers. Livestock producers will be eligible to receive 80 percent of their losses incurred due to canceled or delayed orders. The latest round of aid also provides \$20 per planted acre for both specialty and non-specialty crop growers.

ALLIANCE INITIATIVES

7. Family Farm Alliance 2021 “Virtual” Annual Meeting

We hope you will join us (virtually, that is) on February 18-19, 2021, to learn how Western agricultural water users are working with their communities, federal and state governments, investors and NGOs to shore up their water reliability. The 2021 Family Farm Alliance annual conference originally scheduled to be held in Reno (NEVADA) at that time will now be a virtual event, conducted via a ZOOM meeting platform. This decision by the Alliance board of directors was made after careful consideration of all options. With the global COVID pandemic, and the associated uncertainty that surrounds us during this difficult time, the board decided it was not in the best interest of our attendees to move forward with an on-location event.

The 2021 conference will consist of two morning ZOOM sessions planned for Thursday, February 18 and Friday, February 19. The 30-minute 2021 annual ZOOM meeting is scheduled for members only on noon (Pacific) on February 18th. The 2021 program will include a mix of departing Trump Administration water officials, incoming Biden Administration advisors, and experts who will provide updates on Western wildlife and forest health and climate change policy. We have secured the participation of two Members of Congress and are working on two key Western Senators now. The program will also feature some old Alliance conference traditions, including the Bureau of Reclamation Roundtable and the Capitol Hill Update. More information - including registration

and sponsorship opportunities, and a program agenda- are being developed and will be shared with Alliance membership and the public in the coming weeks.

8. Alliance in the News

As the year came to an end, Family Farm Alliance members and representatives were in the news across the country:

- Alliance advisory committee member Tom Myrum (Washington State Water Resources Association), Alliance members Scott Revell (Roza Irrigation District) and Vicky Sharlau (Columbia Basin Development League), and yours truly were all quoted in this press release issued by Rep. Newhouse's office on December 22.
- I wrote a letter to the editor regarding California water management that ran in the December 27, 2020 Sunday edition of the *San Jose Mercury News*. My December column for *Western Farmer-Stockman* magazine discussed Western implications and opportunities associated with the November 2020 election.
- *Western Farmer-Stockman* also ran an article this month about the NRCS listening session on Western water that was held December 17th. Excerpts of comments made during that session by Alliance member Craig Simpson (general manager of the East Columbia Basin Irrigation District in Othello, Wash.) and me were included in that article.
- Alliance President Pat O'Toole (WYOMING) was quoted in this December 23, 2020 press release that highlights the growing support for the Outdoor Restoration Force Act, a bill that Senator Michael Bennet (D-COLORADO) recently introduced to invest in our forests and create jobs. Since introduction, Coloradans, westerners like Pat O'Toole, and national organizations have expressed their support for the bill as a solution to the challenges facing our forests, watersheds, and wildlife. Family Farm Alliance advisory committee member Andy Mueller – the general manager of the Colorado River District – is also quoted in Senator Bennet's press release.

All in all, it was a nice way to end a year that most are ready to put behind them.

9. Water Futures in the West

There has been lots of national media coverage in the past month regarding Wall Street's new engagement in water futures. Much of it has to do with self-generated public relations coming out of CME Group Inc. and its new contract. The United Nations drew additional attention to the issue when it issued a statement that could lead to a price run-up for a resource that "belongs to everyone" and is a vital tool in combating the Covid-19 pandemic. The new futures contract is linked to the \$1.1 billion spot water market in California.

Here is a sampling of some recent media coverage on the matter:

- [California Water Futures Begin Trading Amid Fear of Scarcity](#)
- [Three Billion People Live in Farming Areas with Water Shortages](#)
- [CME's First Water Futures Are Coming as U.S. West Burns](#)
- [Why Water Won't Make It as a Major Commodity: David Fickling](#)

The most accurate and complete story I've seen on water speculation was [this New York Times article](#), focused on the Colorado River system. The coverage on the California water market is a bit sketchier. A pretty good take on the California situation is provided in [this column](#), which recently ran in the *Los Angeles Times*. There are some comments made in this piece that provide a reality check on what might or might not happen in California. [This column](#), which recently ran in the Denver Post, has irrigators on Colorado's West Slope very concerned.

This is a quick summary of just a few of the issues the Alliance has been engaged in. Please do not hesitate to contact me at dan@familyfarmalliance.org if you would like further information about what the Alliance is doing to protect water for Western irrigated agriculture.

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