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May 4, 2015

Felicia Marcus, Chair
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-0100

VIA EMAIL: commentletters@waterboards.ca.gov

Subject: Comment Letter – Emergency Conservation Regulation

Chair Marcus,

I am writing on behalf of Olivenhain Municipal Water District (OMWD) to provide comment on the SWRCB's proposed action in response to the governor's Executive Order issued April 1, 2015. As this is my agency's third letter in less than three weeks, I will get right to the key points as follows:

1. It remains unclear how the SWRCB determined the 20 percent requirement for agricultural water to apply for an exemption. This will affect the livelihoods of generations of farmers simply due to farm location within service area boundaries, which is completely beyond their control. OMWD understands that a proposal was submitted late last week by the **San Diego County Farm Bureau wherein suppliers with less than 20% agricultural water sales within any county can collectively prepare an Agricultural Water Management Plan.** The proposal also includes a 15% conservation standard for those commercial agricultural operators who qualify under the plan. The proposal by the San Diego County Farm Bureau is a very fair and equitable solution to this issue and OMWD **wholeheartedly supports this proposal.**
2. The suggestion to allow agencies to **come together as a region to collectively achieve a conservation target** has not been addressed. The SWRCB started down this path with the first release of the Emergency Regulations in April, but any mention of a regional approach disappeared entirely in your second release on April 28th. Please permit agencies to form a region **via the process for SB X7-7 region formation already provided for in Water Code §10608.28 (a)**, which sets forth that, once formed, all reports shall provide information both for the regional water management group and separately for each consenting urban retail water supplier. Several local agencies in San Diego County already have a region under SBX7, which has been in place since 2011, and it has worked well to date. I have attached a copy of the agreement between the agencies establishing our reporting region under SBX7-7. It is a simple agreement and



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the reporting requirements remain the same for the individual agencies, with the additional layer of reporting for the region as a whole. This approach is working under our SBX7-7 requirements and can work for the SWRCB as well.

3. Water Code section 1058.5 grants the SWRCB the authority to adopt emergency regulations in certain drought years in order to “prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, **to promote water recycling** or water conservation, to require curtailment of diversions when water is not available under the diverter’s priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports.” Promotion of recycled water efforts has not been prevalent in SWRCB actions to date; in fact, the SWRCB does not seem to take into account the importance of local supply development. **A credit for agencies that no longer rely entirely on imported supply due to investments in local supplies should be considered in the emergency regulations.** We suggest some type of credit for the development of local supplies to reflect an agency’s genuine efforts to comply with and achieve the California Water Action Plan and sustainable water management.
4. Our wholesaler, the San Diego County Water Authority, has made a proposal to the SWRCB that allows **any drought proof water supplies to be credited to process water consumption by commercial and industrial customers.** Process water consumption is not outdoor ornamental landscaping that is the key target for conservation. Process water consumption is the direct link to the livelihood of the business and economy in our region. We developed local drought proof supplies and are paying more for these local drought proof supplies so that our businesses and economy could thrive. **Please do not disregard our investment in sustainability for our region.**

We appreciate the hard work and efforts by the SWRCB and your staff. OMWD understands the need for conservation and looks forward to implementing a fair and equitable plan that ultimately benefits all of California. If you or your staff should need any additional information regarding our assessment of the proposed framework responsive to the governor’s Executive Order, please contact me at 760-753-6466.

Sincerely,



Kimberly A. Thorner
General Manager

cc: Olivenhain Municipal Water District Board of Directors
Maureen Stapleton, San Diego County Water Authority

**COOPERATIVE AGREEMENT TO ESTABLISH AND CARRY OUT A
REGIONAL ALLIANCE IN ACCORDANCE WITH PART 2.55 OF THE
CALIFORNIA WATER CODE**

The Olivenhain Municipal Water District (“OMWD”), the Vallecitos Water District (“VWD”), the Rincon del Diablo Municipal Water District (“RDMWD”), and the San Dieguito Water District (“SDWD”), herein referred to individually or collectively as a “Party” or the “Parties,” enter into this Cooperative Agreement to Establish and Carry Out a Regional Alliance in Accordance with Part 2.55 of the California Water Code (the “Agreement”), effective June 30, 2011 (the “Effective Date”).

RECITALS

A. WHEREAS, Part 2.55 was added to Division 6 of the California Water Code pursuant to SBX7-7, as enacted, under the 2009-2010 Extraordinary Session of the California Legislature (herein referred to as “SBX7-7”); and

B. WHEREAS, SBX7-7 set a goal for, among other things, a 15 percent per capita reduction in urban water use statewide by the year 2015 and a 20 percent per capita reduction in urban water use statewide by the year 2020, and establishes methods for urban retail water suppliers to determine targets for achieving increased water use efficiency by the years 2015 and 2020 in accordance with the goal of reducing per capita water use statewide; and

C. WHEREAS, SBX7-7 requires each urban retail water supplier to develop an urban water use target and an interim urban water use target, as defined therein, and authorizes urban retail water suppliers to determine and report progress toward achieving these targets on an individual or regional basis as provided in Water Code section 10608.28(a); and

D. WHEREAS, SBX7-7 recognizes, among other things, that the factors used to formulate water use efficiency targets can vary significantly from location to location based on factors including weather, patterns of urban and suburban development, and past efforts to enhance water use efficiency; and

E. WHEREAS, the California Department of Water Resources Guidebook to Assist Urban Water Suppliers to Prepare a 2010 Urban Water Management Plan (March 2011) (herein, the “DWR Guidebook”) and the California Department of Water Resources Methodologies for Calculating Baseline and Compliance Urban Per Capita Water Use (For the Consistent Implementation of the Water Conservation Act of 2009) (October 1, 2010) (herein, the “DWR Methodologies”) provide guidance to urban retail water suppliers for purposes of forming and carrying out a Regional Alliance in accordance with Water Code section 10608.28(a) and related provisions of SBX7-7; and

F. WHEREAS, the DWR Guidebook and the DWR Methodologies provide that urban retail water suppliers are eligible to form a Regional Alliance in accordance

with Water Code section 10608.28(a) if the suppliers meet at least one of several specified criteria, such as (1) the suppliers are recipients of water from a common wholesale water supplier, or (2) the suppliers are located within the same hydrologic region, which for this purpose refers to the 10 hydrologic regions as shown in the California Water Plan; and

G. WHEREAS, each of the Parties hereto is an urban retail water supplier and required to develop an urban water use target and an interim urban water use target pursuant to SBX7-7; and

H. WHEREAS, all of the Parties are recipients of water from a common wholesale water supplier, which for this purpose is the San Diego County Water Authority, and all of the Parties are located within the same hydrologic region, which for this purpose is the South Coast Hydrologic Region as shown in the California Water Plan, and all of the Parties share other relevant commonalities; and

I. WHEREAS, the Parties are authorized to establish and carry out a Regional Alliance pursuant to Water Code section 10608.28(a), the DWR Guidebook, and the DWR Methodologies; and

J. WHEREAS, the Parties desire and intend in entering this Agreement to cooperatively establish and carry out a Regional Alliance for the purposes of determining and reporting progress toward achieving their water use targets on a regional basis.

NOW, THEREFORE, the Parties mutually agree as follows:

1. Formation of Regional Alliance. The Parties hereby agree to form a Regional Alliance and agree to send a joint letter to the California Department of Water Resources (hereinafter "DWR") no later than July 1, 2011, informing DWR that the Parties have formed a Regional Alliance. Notwithstanding the formation of a Regional Alliance and the undertaking of activities described in this Agreement, the Parties recognize and agree that each Party will prepare, adopt, and submit its own 2010 Urban Water Management Plan and that each Party is individually responsible for compliance with the requirements of the Urban Water Management Planning Act.

2. Development of Individual Water Use Targets. Each Party agrees to develop its own urban water use target ("Individual Urban Water Use Target") and its own interim urban water use target ("Individual Interim Urban Water Use Target") using Method 1 as set forth in Water Code section 10608.20(b)(1) and as further provided in the DWR Guidebook and the DWR Methodologies. Each Party agrees to develop its Individual Urban Water Use Target and its Individual Interim Urban Water Use Target and make that target information available to each of the other Parties no later than June 30, 2011.

3. Development of Regional Alliance Water Use Targets. The Parties agree that, pursuant to a collective and cooperative effort, and using the Individual Urban Water Use Target and Individual Interim Urban Water Use Target information developed pursuant to Paragraph 2, above, the Parties will develop a regional urban water use target

("Regional Alliance Urban Water Use Target") and a regional interim urban water use target ("Regional Alliance Interim Urban Water Use Target") using Method 1 as set forth in Water Code section 10608.20(b)(1) and as further provided in the DWR Guidebook and the DWR Methodologies. The Parties agree to develop the Regional Alliance Urban Water Use Target and the Regional Alliance Interim Urban Water Use Target no later than June 30, 2011.

4. Reporting in Individual Urban Water Management Plans. The Parties agree that, in addition to other information they will otherwise include in their individual 2010 Urban Water Management Plans, each Party will report the following information in its individual 2010 Urban Water Management Plan: (A) a copy of this Agreement; (B) a copy of the letter to DWR as referenced in Paragraph 1, above; (C) an identification of any other regional alliance to which the Party may be a member; (D) its baseline gross water use and service area population; (E) its Individual Urban Water Use Target and its Individual Interim Urban Water Use Target; (F) its compliance year gross water use and service area population, as applicable; and (G) the Regional Alliance Urban Water Use Target and the Regional Alliance Interim Urban Water Use Target.

5. Regional Alliance Reporting. The Parties agree to jointly prepare and submit a Regional Alliance Report in accordance with Water Code sections 10608.40 and 10608.52 and as further provided in the DWR Guidebook and the DWR Methodologies.

6. Assessing Compliance. The Parties mutually recognize and understand the following statement as set forth in the DWR Methodologies: "The following guidelines will be used to assess compliance: If a regional alliance meets its regional target, all suppliers in the alliance will be deemed compliant. . . . If a regional alliance fails to meet its regional target, water suppliers in the alliance that meet their individual targets will be deemed compliant. Water suppliers in alliances that meet neither their individual targets nor their regional targets will be deemed noncompliant. These suppliers can still apply for grant funds if their application is accompanied by a plan that demonstrates how the funds being sought will bring them into compliance with their targets (Section 10608.56)."

7. Withdrawal or Dissolution. Any Party may withdraw without penalty from the Regional Alliance formed under this Agreement upon sixty (60) days advance written notice to the other Parties. Any such withdrawal shall become effective upon the sixtieth (60th) day after the last non-withdrawing Party receives the notice required by this Paragraph. Any Party that withdraws from the Regional Alliance recognizes and agrees that it is thereafter individually responsible for timely compliance with the urban water use target and interim urban water use target requirements of SBX7-7. In the event that any Party to this Agreement withdraws from the Regional Alliance pursuant to this Paragraph, the non-withdrawing Parties agree to jointly notify DWR of such withdrawal within thirty (30) days of the effective date of the withdrawal. Furthermore, in the event of such a withdrawal, the non-withdrawing Parties may choose to either (A) develop a revised Regional Alliance Urban Water Use Target and a revised Regional Alliance Interim Urban Water Use Target or (B) dissolve the Regional Alliance. In the event the non-withdrawing Parties choose to develop a revised Regional Alliance Urban Water Use

Target and a revised Regional Alliance Interim Urban Water Use Target, the non-withdrawing Parties agree to develop said revised targets in accordance with Paragraph 3, above, within sixty (60) days of the effective date of a withdrawal and to submit such revised information to DWR within thirty (30) days of the completion of the revised information. In the event that (A) upon a Party's withdrawal, the non-withdrawing Parties choose to dissolve the Regional Alliance, or (B) absent a Party's withdrawal, the Parties choose to dissolve the Regional Alliance, the Parties agree to memorialize their decision in writing and to jointly notify DWR of such dissolution within thirty (30) days of the dissolution decision. The Parties further recognize and agree that, in the event of a dissolution of the Regional Alliance under this Paragraph, each Party is thereafter individually responsible for timely compliance with the urban water use target and interim urban water use target requirements of SBX7-7. A dissolution of the Regional Alliance in accordance with this Paragraph shall terminate the Agreement.

8. Notice. Any notice required by this Agreement shall be in writing and shall be made by personal delivery, certified mail, or other form of delivery for which a signature acknowledging receipt is required, and shall be provided as follows:

Olivenhain Municipal Water District
General Manager
1966 Olivenhain Road
Encinitas, CA 92024

Vallecitos Water District
General Manager
201 Vallecitos de Oro
San Marcos, CA 92069

Rincon del Diablo Municipal Water District
General Manager
1920 North Iris Lane
Escondido, CA 92026-1318

San Dieguito Water District
General Manager
160 Calle Magdalena
Encinitas, CA 92024

Any Party may change its contact information for purposes of this Paragraph by providing written notice to each of the other Parties within five (5) working days of said change.

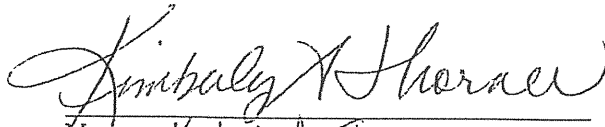
9. Costs. The Parties recognize and agree that each Party shall bear all of its own costs, fees and expenses of whatever nature that may arise out of this Agreement, including, but not limited to, staffing, consulting, legal, and any other costs related to the preparation or implementation of this Agreement.

10. Hold Harmless. Each Party agrees to hold harmless each of the other Parties and its respective public officials, employees, officers, agents, successors and assigns from any and all losses, claims, liens, demands, judgments, and causes of action of every kind and character that may arise under this Agreement. Neither this Paragraph nor any other Paragraph or provision of this Agreement is intended to create any claim or cause of action in favor of any Party or any third party against any of the Parties. The obligations of each Party under this Paragraph shall survive any Party's withdrawal from the Regional Alliance, the dissolution of the Regional Alliance, and any other termination of this Agreement.

11. Term. Except as otherwise provided in Paragraph 6, above, or Paragraph 12, below, this Agreement shall remain in effect until December 31, 2020.

12. Amendments. This Agreement shall not be amended except by written agreement of Parties.

13. Authority and Counterparts. Each Party agrees that its respective signatory below is authorized to sign and enter this Agreement on behalf of the Party. This Agreement may be executed in counterparts.


Name: Kimberly A. Thorne
Olivenhain Municipal Water District

6/16/2011
Date

Name: _____
Vallecitos Water District

Date

Name: _____
Rincon del Diablo Municipal Water District

Date

Name: _____
San Dieguito Water District

Date

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Name: _____
Olivenhain Municipal Water District

Date



Name: DENNIS O. CAMP
Vallecitos Water District

6/16/2011
Date

Name: _____
Rincon del Diablo Municipal Water District

Date

Name: _____
San Dieguito Water District

Date

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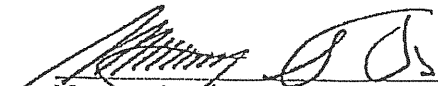
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Name: _____
Olivenhain Municipal Water District

Date

Name: _____
Vallecitos Water District

Date


Name: Mitchell S. Diaz
Rincon del Diablo Municipal Water District

16 Jun 11
Date

Name: _____
San Dieguito Water District

Date

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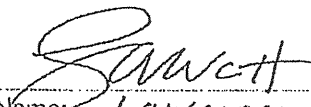
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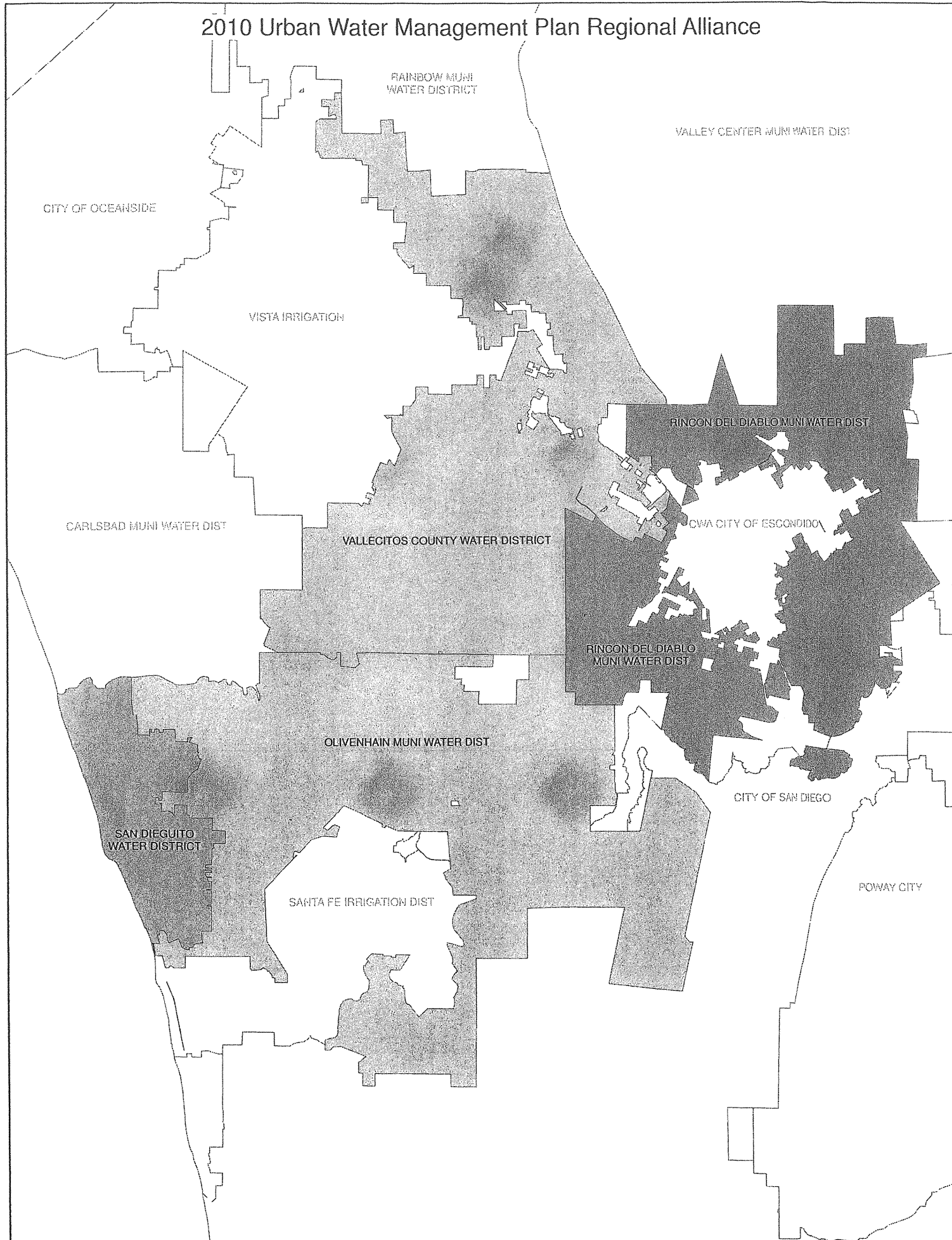
Name: _____ Date _____
Olivenhain Municipal Water District

Name: _____ Date _____
Vallecitos Water District

Name: _____ Date _____
Rincon del Diablo Municipal Water District


Name: Lawrence A. Watt Date: 6/17/2011
San Dieguito Water District

2010 Urban Water Management Plan Regional Alliance



**20 x 2020 GPCD Target for Regional Alliance:
Olivenhain MWD, San Dieguito WD, Vallecitos WD, and Rincon del Diablo MWD**

Olivenhain MWD	2015	2020
GPCD Goal ¹	319	283
Population Projection	66993	67987
20x2020 Demand Target (AF)	23938	21552

San Dieguito WD	2015	2020
GPCD Goal ¹	180	160
Population Projection	40515	41870
20x2020 Demand Target (AF)	8147	7484

Vallecitos WD	2015	2020
GPCD Goal ¹	179	159
Population Projection	96123	98001
20x2020 Demand Target (AF)	19273	17454

Rincon del Diablo MWD	2015	2020
GPCD Goal ¹	239	213
Population Projection	29212	30984
20x2020 Demand Target (AF)	7820	7392

REGIONAL ALLIANCE	2015	2020
GPCD Goal	227	201
Population Projection	232843	238842

¹ 2015 goal based on 10% reduction and 2020 goal based on 20% reduction