



Established in 1918 as a public agency

Coachella Valley Water District

(2/2/16) Board Meeting- Item 7
Conservation Extended Emergency Reg
Deadline: 1/28/16 by 12:00 noon

Directors:

John P. Powell, Jr., President - Div. 3
Peter Nelson, Vice President - Div. 4
G. Patrick O'Dowd - Div. 1
Ed Pack - Div. 2
Cástulo R. Estrada - Div. 5

Officers:

Jim Barrett, General Manager
Julia Fernandez, Board Secretary

Best Best & Krieger LLP, Attorneys

January 25, 2016

The Honorable Felicia Marcus, Chair
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814



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Dear Chair Marcus:

Thank you for the opportunity to review and comment on the January proposal for regulatory changes to achieve statewide reductions in urban potable water usage. Coachella Valley Water District (CVWD) has appreciated the opportunity to be involved in this process through the technical working group. We appreciate this opportunity to provide feedback on staff's recommendations.

CVWD is committed to helping its domestic water use customers achieve the State's water reduction mandate and we remain committed to managing our water supplies in a long-term, sustainable manner. CVWD and its customers are taking the drought restrictions very seriously, as evidenced by our conservation data. CVWD this fiscal year (FY) increased its water conservation staff from 13 full-time employees in 2014 to 16 full-time employees and three temporary employees. Additionally, we have trained 22 other staff members to assist in Water Waste Patrol. Funding for water conservation rebate programs has increased from \$852,000 in FY 2013 to \$6.7 million for FY 2016. However, we continue to fall short of our target because we are impacted by our unique situation in the desert. We appreciate the staff's attempt to try to create equity to mitigate our situation; however, we feel that the proposed framework falls short of doing so.

We have reviewed the Proposed Framework and offer the following comments:

A Cap on Credits and Adjustments:

While we can appreciate that the state is erring on the side of caution, the caps placed on the adjustments are arbitrary and unjustified. Executive Order B-36-15 (EO B-36-15) does not stipulate that the state must achieve a 25% reduction; therefore, the State Water Resources Control Board (SWRCB) has the discretion to move away from that number in the name of equity. We ask that you reconsider this cap in the name of good science and true equity. At the very least, increase the climate adjustment cap to greater than 4% as to align it with the overall 8% cap. Rational for this request is described below.

Climate adjustment:

We were pleased to see the climate adjustment in the proposal as we feel strongly that the climate adjustment is necessary. However, we are disappointed with the 4% cap that was placed on this adjustment. As you are well aware, climate varies dramatically across the state. Because evapotranspiration (ET) rates and water use are directly linked, it is appropriate that climate be given more consideration in the adjustments.

The Department of Water Resources' Reference ET Zones Map places CVWD within Zone 18, the highest reference ET Zone within the State of California. Our annual reference ET is 71.6". Comparatively, the average state ET reference is 51.76" and the coastal Zone 1 reference ET is 32.9". This would clearly put us in the ">20%" category which would equate to a 4 % conservation requirement. However, we disagree that such a variance in ET can be called equitable when a variance of that degree only results in a 4% adjustment. We believe the climate adjustment should be consistent with the climate variance.

We support the proposal submitted by stakeholders that uses a one-time adjustment to the Conservation Standard (as assigned in May 2015 for each of the 400+ reporting water agencies) calculated based on each reporting agency's deviation from the statewide ET value using the formula provided in the proposal:

$$\text{Conservation Standard} * (1 - \text{Difference in ET}) = \text{New Conservation Standard}$$

Our Residential Gallons Per Capita Per Day calculation is skewed:

Despite your direction to staff at the December 7, 2015 Public Workshop to work with us on the seasonal resident issue, we were not contacted for any information before the framework was released. We would have appreciated the opportunity to discuss this topic with SWRCB staff. The Coachella Valley economy relies very heavily on seasonal residents with second homes and the tourism industry. The homes in our area use landscape water year-round despite their owners only being present a few months each year. Additionally, many of the second homes in our area serve as vacation rentals. Vacation rentals also use landscape water year-round, whether they are occupied or not. Neither seasonal residents, nor visitors are included in census calculations for our area, despite the fact that local cities estimate they increase local population by up to 43%. Thus, our Residential Gallons Per Capita Per Day calculation is skewed.

We have asked time and time again to work with the staff on this issue because regardless of the outcome, our R-GPCD is being calculated incorrectly. For the sake of accuracy, this needs to be addressed.

Our region previously submitted data to demonstrate this which was reviewed by the SWRCB staff. Despite demonstrating that the water is used year-round, staff informed us we could only include our non-permanent residents when they are physically here. We have no way to document their presence in a scientific way and, as previously mentioned, their homes use landscape water regardless of the occupancy. Approximately 80% of the urban water used in the Coachella Valley is used outdoors.

We have not asked that our seasonal residents be given any special consideration; in fact, a change to this process would likely not change our conservation standard. We are simply asking that our population be counted accurately.

Outline the process for revisions to the mandates:

We understand the importance of a robust water supply and appreciate the SWRCB staff's statements that we will likely not have a good understanding of our water year until April 1, 2016. However, we ask that the new framework outline what the process and rationale will be at that time. We would

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like the SWRCB to provide specific data points or a specific threshold that will trigger a revision of the mandates. For example, if the snowpack reaches 150% of normal by April 1, 2016, will the mandates be rolled back and, if so, how? This is extremely important because we risk losing credibility with our customer bases if we are not prepared to back away from the emergency scenario as we approach normalcy again. It is imperative that our customers continue to trust us and we fear that if we do not react to changes appropriately, we will face backlash from those we serve.

Conclusion:

In summary, we ask that the SWRCB staff reconsider the following:

1. Remove the cap on credits and adjustments.
2. Allow the Climate Adjustment for a greater range than 4% based on actual climate variances.
3. Allow for the inclusion of seasonal residents in the R-GCPD calculation.
4. Outline a plan for mandate revision after April 1, 2016.

Once again, we appreciate the opportunity to participate in this process and will continue to do so. Please keep in mind that CVWD is happy to provide additional data or information that could help with this process.

Sincerely,



J. M. Barrett
General Manager