

James Cioffi, President
Joseph K. Stuart, Vice President
Kristin Bloomer, Secretary-Treasurer
Patricia G. Oygar, Director
Craig A. Ewing, Director



Mark S. Krause, General Manager-Chief Engineer
Best, Best & Krieger, General Counsel
Krieger & Stewart, Consulting Engineers

SENT VIA EMAIL: CWFhearing@waterboards.ca.gov

May 31, 2016

California WaterFix Co-Hearing Officer Felicia Marcus
California WaterFix Co-Hearing Officer Tam M. Doduc,
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-0100

RE: California WaterFix: Project Justification, Implementation Objectives for Desert Water Agency

Dear Co-Hearing Officer Marcus and Co-Hearing Officer Doduc:

Desert Water Agency (DWA) appreciates the opportunity to submit a policy statement in support of the joint petition submitted to the State Water Resources Control Board (State Water Board) by the Department of Water Resources and the U.S. Bureau of Reclamation for a change to the water rights necessary to allow for the implementation of key components of California WaterFix.

Background

DWA was established with the specific goal of increasing imported water to the western Coachella Valley. DWA became one of the original 29 State Water Contractors to invest in the State Water Project (SWP) to bring imported supplies from the Sierra Nevada snowpack to replenish the Coachella Valley groundwater basin along with our partner, Coachella Valley Water District. More than 50 years later, the current system falls short of meeting the state's water supply needs, and limits the ability of our region to recharge our groundwater basin.

The future economic and environmental wellbeing of the Coachella Valley is tied to the ability to reliably import water.

Should the State Water Board approve the petition, establishing appropriate flow criteria and mitigation measures will play a key role in shaping California's water supply outlook and associated economic and environmental benefits.

Health of Region's Groundwater Basin Depends on Reliable SWP Imports

Before DWA was established, our region's groundwater basin had been in overdraft for decades. Our agency was established specifically to reverse the problem with imported supplies and ensure a healthy groundwater basin for the future. To achieve the agency's core mission, DWA and CVWD pioneered an impactful approach to groundwater management that has become a model for programs nationwide, including Governor Brown's 2014 Sustainable Groundwater Management Act.

By continuing to do our part every day, carefully monitoring and replenishing the basin when SWP exports are available, groundwater levels have been on the rise for decades. However, the continued success of our region's approach and health of the groundwater basin rests on imported supplies.

History shows that natural replenishment is not enough to sustain a healthy groundwater basin in our region. California's precipitation is highly variable across the state – while the north coast can receive more than 100 inches annually, the Coachella Valley receives less than [five](#) inches in a year. We cannot rely on rainfall alone to replenish the basin or to meet our region's water supply needs. The variability of California's climate is expected to increase, which will include prolonged, more severe droughts – supplies need to be captured when available for use when needed.

Our basin is sustainable, but only with an imported supply for recharge. There are parts of this state where land is caving in as a result of subsidence from groundwater overdraft. California's groundwater basins rely on Delta exports for replenishment. Without action, decades of declining deliveries could cause irreparable harm to California's environment and economy.

Implementation Principles and Priorities:

It is in DWA's interest to see the proposed California WaterFix plan to build two tunnels and three new intakes in the North Delta, and its ability to form a more reliable, dual-conveyance system move forward. Water rights necessary to allow for project implementation, required mitigation measures and flow criteria are key factors in determining the viability and interest in supporting the California WaterFix project.

- **Support Reliable Water Deliveries:** Stabilizing the declining reliability of Delta exports is critical to DWA. Antiquated infrastructure paired with increased restrictions on Delta exports has created an inadequate system. Pumping restrictions have forced dramatic cutbacks in water deliveries even when supplies are abundant, and as a result, declining fish populations have seen little benefit and water supplies have been significantly limited for people and farms. As the reliability of SWP deliveries has continued to decline in recent years, it has limited the supplies available for groundwater replenishment. While our region's approach has sustained groundwater elevation levels despite the steep drop in deliveries, the declining trend in SWP deliveries cannot continue for years into the future without negative impacts to the state. Water supply assurances in the original Bay Delta Conservation Plan have already been eliminated. Improvements can – and should – be made to the current plan to maximize potential exports. While water deliveries may not return to what they once were, the objective must be to reverse the declining reliability of Delta exports.
- **Maximize Available Supplies to Rebuild Reserves during/between Droughts:** Sustainable groundwater management requires strategic, long-term planning. Our region's groundwater basin has been managed to accommodate drought scenarios, and as a result, the average water elevation in the groundwater basin has increased during the record-breaking drought. But, this approach rests on the ability to replenish the basin when supplies are available to prepare for years when SWP deliveries may be reduced. We continue to miss opportunities to capture additional supplies when needed most – notably when winter storms could provide much needed relief during dry years. With a better system, California's water agencies would be able to capture and store more supplies, resulting in higher SWP allocations. We continue to tell customers that every drop counts – as the state's water managers we must live up to this standard. When and where possible, regulators must

maximize the flexibility provided to the state and federal water projects to capture abundant supplies when river flows are high and supplies are needed most.

- **Prevent Stranded Investments:** DWA and our customers have made significant investments in our region's state-of-the-art recharge facilities used to actively replenish our groundwater basin with imported SWP supplies. Additionally, since DWA was founded, our customers have spent \$110,056,000 on SWP capital expenses. If nothing changes, our region will certainly see a diminishing return on the investments we have made in the SWP and our groundwater recharge facilities. Infrastructure projects need to be maintained to remain functional. Maintenance investments in the SWP need to be made in order to help prevent it from eventually become a stranded investment.
- **Weigh Water Demand of a Growing Population:** Today, DWA's service area includes approximately 62,000 permanent residents and an estimated 34,000 seasonal residents along with the area's flourishing business community, which is heavily dominated by tourism. Many of the area's tourists are Californians, and it is reasonable to expect that this industry will continue to expand as California's population will cross the 50 million mark in [2049](#) – nearly a 30 percent increase over today's population. The Coachella Valley rests in the heart of Riverside County, which is expected to experience a [population](#) boom from 2.3 million residents today to 3.7 million in 2060 – a 61 percent increase in just 45 years. With the system that is in place today, California will not be equipped to meet the water demand of the state's growing population. Policy decisions need to continue anticipating future needs.
- **Prepare for Future Certainties, Threats to State's Primary Water Supply:** The aging levees protecting the state's water supplies are not built to withstand a major earthquake, continuing land subsidence and rising sea levels. A major earthquake could wipe out the state's water supply for up to a year – a risk we have the ability to mitigate.

Our community and the success of our local water management efforts depend on reliable imported water supplies from the Delta. The state as a whole should be better prepared to capture and utilize available supplies. DWA supports the DWR and U.S. Bureau of Reclamation request to add diversion points. We look forward to analyzing California WaterFix when cost and benefit information is available, and are hopeful that it is a project that advances the interests of our community, and those throughout the state.

Sincerely,



Mark Krause
General Manager-Chief Engineer
Desert Water Agency