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April 13, 2015

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Ms. Jessica Bean State Water Resources Control Board P.O. Box 100 Sacramento, CA 95814

RE: COMMENTS ON DRAFT MANDATORY CONSERVATION PROPOSED REGULATORY FRAMEWORK

Dear Ms. Bean,

The City of Ontario (City) would like to thank the State Water Resources Control Board (SWRCB) for its continued efforts in addressing this historic statewide drought and appreciates the opportunity to respond to the April 7, 2015 Draft Mandatory Conservation Proposed Regulatory Framework (Draft).

While the City understands the complexity and difficulty of developing a statewide framework that appropriately shares the conservation goals and responsibilities, the City is concerned that the Draft does not adequately take into account past investments in water saving programs. Over the last 15 years, the City has invested over \$20 million in recycled water and water use efficiency programs. These investments have already resulted in a 25% reduction in gallons per capita per day (gpcd) since 2000. The City encourages the SWRCB to take into consideration previous investments, and more importantly the subsequent conservation results, as part of the Draft.

The City is in support of a statewide coordinated response to the current drought and is committed in helping to achieve the Governor's goal of a 25% reduction in potable urban water use.

Attached is the City's input on the proposed Regulatory Framework including responses to the questions posed in the SWRCB Mandatory Conservation Fact Sheet.

Sincerely,

Al C. Boling City Manager

## City of Ontario Response to State Mandatory Conservation & Draft Proposed Regulatory Framework

## General Comments/Questions

- 1) The Executive Order directs urban water suppliers to utilize rate structures and pricing mechanisms such as surcharges, fees and penalties in order to achieve the 25% reduction. In order to expedite that process, it would be helpful if the State could develop guidelines on how to expeditiously implement this to avoid conflicting with Proposition 218 requirements.
- 2) The City has and continues to make significant investments in demand management and developing sustainable local water supplies for existing and future residents. As a result, the community's water demands are met with as little as 20% reliance on imported water from the State Water Project. The proposed conservation standard for Ontario is a 25% reduction in potable water demand. We request that the final conservation standards for Ontario and others have some consideration for past investments and the resulting reduction on imported water reliance.
- 3) The City of Ontario is experiencing economic development as part of the local and national recovery from the Great Recession. As part of the regional transportation hub for Southern California there is also considerable demand for residential land uses. Through the Regional Housing Needs Assessment process, the City received a significant obligation for housing in San Bernardino County and the western Inland Empire. In addition, Housing Element law places an obligation on Ontario for over 10,000 residential units within the current 2013-2021 Housing Element cycle.

There are currently approved specific plans for over 15,000 residential units and 2.1 million square feet of non-residential uses. To date, roughly 400 building permits have been issued for residential units. Under the Executive Order, the City is obligated to reduce its overall potable water consumption by 25% compared to 2013. The proposed regulatory framework should account for growth occurring after the 2013 baseline period in a manner that does not further increase the effective conservation amount as a result of this growth. This can be accomplished by measuring residential compliance on a per capita basis (as opposed to an overall reduction of 25%) and allowing for inclusion of the corresponding new water demand in determining overall compliance.

- 4) Directive 5 of the Executive Order indicates that the Water Board shall impose restrictions on commercial, industrial, and institutional properties to reduce potable water usage by 25%. It is unclear whether this reduction is for the property, meaning landscaping, or includes the business operations associated with the properties. Ontario is home to many manufacturing uses (e.g. food processing, water bottling, commercial laundries, paper manufacturing, etc.) that rely heavily on water for their operations. Requiring businesses to reduce their operational requirements by 25% could have a devastating effect on the business community and result in the elimination of much needed jobs.
- 5) Directive 7 of the Executive Order provides for very specific irrigation system types. Rather than mandating specific technologies, the City suggests establishing the criteria to be met and allow for flexibility in irrigation design while still complying with the reduction target.

## Response to SWRCB "How Can You Help" Questions

- 1. Are there other approaches to achieve a 25% statewide reduction in potable urban water use that would also impose a greater responsibility on water suppliers with higher per capita water use than those that use less?
  - o Response The City suggests reviewing the 20% by 2020 methodologies that were developed and see if there is any correlation to using those methodologies to achieve the 25% reduction goal. Specifically, using a longer baseline period to account for and recognize past investments made that have resulted in potable water reductions already achieved on one-time projects as well as recurring savings that will continue long into the future.
- 2. How should the regulation differentiate between tiers of high, medium and low per capita water users?
  - o Response Because the tiers were solely based on residential gpcd, the City would suggest that other key factors (e.g. geography, climate, rainfall, temperature, etc...) should be included when differentiating regulation between the tiers.
- 3. Should water suppliers disclose their list of actions to achieve the required water reductions?
  - Response The City supports disclosing general actions taken (not specific analyses on how 25% reductions will be achieved) to achieve the required water reductions.
- 4. Should these actions detail specific plans for potable water use reductions in the commercial, industrial, and institutional (CII) sectors?
  - Response The City supports disclosing general actions taken (not specific analyses on how 25% reductions will be achieved) to achieve the required water reductions.
- 5. Should additional information be required in the monthly conservation reports for urban water suppliers to demonstrate progress towards achieving the required water reductions?
  - Response The City suggests including a Public Outreach Actions section in the monthly conservation reports; and should be evaluated when determining compliance and/or enforcement actions.
- 6. How and when should compliance with the required water reductions be assessed?
  - Response The City suggests continuing to assess water reductions on a monthly basis. However, considering the magnitude of a 25% reduction and the reality that it will take time to reach that goal, provide for an incremental approach over time when determining if an agency is in compliance.
- 7. What enforcement response should be considered if water suppliers fail to achieve their required water use reductions?
  - Response The City suggests a similar approach as described above with regards to compliance. An incremental approach will provide agencies the required time to realistically implement programs necessary to be successful in achieving the conservation goals.