



# Yorba Linda Water District

*Independent, Reliable and Trusted  
Service for More Than 100 Years*

December 1, 2015

Jeanine Townsend, Clerk to the Board  
State Water Resources Control Board  
1001 I St 24<sup>th</sup> Floor  
Sacramento CA 95814



RE: Comments on the Emergency Drought Regulations

Dear Ms. Townsend:

The State Water Resources Control Board (State Board) developed emergency drought conservation regulations to rapidly respond to the urgent situation. Although the emergency regulations present significant challenges for our agency, Yorba Linda Water District (YLWD) is committed to doing our part to help California get through the extreme drought. As such, YLWD has followed every State regulation to the letter and we have swiftly implemented conservation mechanisms and policies allowing us to exceed our 36% mandate in short order. However, those achievements have come with great consequences to our District.

As the State Board revisits the regulations with the extension of the Governor's Executive Order, we implore you to consider the implications that YLWD, and other water providers are facing, and provide the following accommodations should the emergency continue.

Though there are several extremely vital issues to consider pertaining to the protection of public health and public safety, the financial impacts of a 36% conservation mandate on YLWD cannot be overstated. The immediate 36% cut in water sales put our District on the brink of insolvency. We were forced to expeditiously make a dramatic shift in our business model to cover more of the cost of providing service on the fixed portion of our bills. This was necessary to guarantee meeting the debt covenants ratio conditioned by our loan obligations, and ultimately to protect the agency from defaulting on our financial obligations of which exceed reserves.

The sudden and unexpected loss of revenue forced us to immediately accelerate a rate adjustment through the Proposition 218 process, without time to do a measured communications and education campaign. Although the new rates were approved via the 218 process, the backlash from a segment of the community has been devastating. As a result, our approved water rates have been challenged via referendum, and we are presently threatened with litigation and a board recall election. Certainly other agencies will endure similar challenges as they are forced to follow suit. As such, ***we ask the State Board to consider offering emergency financial protection when emergency conservation regulations require water rationing.***



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Another daunting consequence of the emergency regulation that is somewhat unique to our agency is the ever present fire danger that looms over our service area. A great deal of water is used to protect public safety due to extreme fire hazards that encompass our District. YLWD shares a border with Chino Hills State Park. The Orange County Fire Authority mandates residential irrigation of fuel modification zones. With no fire break between the State's property and residential land, thousands of customers must irrigate this rugged terrain for the sole purpose of fire prevention.

The 2008 Freeway Complex Fire roared through State property and destroyed 314 homes. Wildfires occur almost annually in this region. That fear continues to resonate with our customers. The risk of wildfire in Chino Hills State Park is higher than ever due to this historic drought and hotter weather. El Nino, followed by another dry summer will only create more fuel for an even more overwhelming fire threat next year. Unless the State chooses to implement and maintain fire breaks, it is imperative that the Fuel Modification Zones be maintained and irrigated sufficiently to serve their intended purpose in the case of a fast moving wildfire. ***We are asking the State Board to allow agencies that border an urban-wildland interface to quantify acre feet used to support wildfire prevention. This number shall be subtracted from the total production used to calculate R-GPCD.***

***YLWD also requests the State Board offer credits for Indirect Potable Reuse (IPR) equal to that given to recycled water.*** Our public has heavily invested in the Ground Water Replenishment System that converts wastewater to potable water. The current calculation of R-GPCD allows credit for recycled water. IPR is considered a source of potable water, but it is recycled (to a higher standard), and is conserved many times over. While other parts of the State are able to use recycled water for outdoor irrigation, we and our partner agencies that participate in this expensive world-leading water source are seeing their landscapes and trees die. Due to contractual accords our wastewater is obligated to IPR.

Recognizing IPR provides equity for agencies that cannot go the route of "purple pipe". Furthermore, offering credits for the investments made in this technology, which is a critical component to our region's drought resiliency, further enhances the credibility of the State Board and the local agencies that have pioneered this revolutionary potable water source. By supporting IPR, the State Board provides an incentive for other parts of the State to make the investments that we have in Orange County.



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Finally, ***we ask that Orange County Water agencies be measured as a group in collectively reaching the Governor's conservation standard.*** Orange County has a history as a worldwide leader in water management. Collectively the family of Orange County water agencies would benefit greatly by uniform messaging and implementation of water conservation programs across the broader geographic area. Certainly as the State Board considers long term conservation solutions, this approach would be more effective from a communications and administration standpoint, as well as lending to the State Board's credibility and ours on the regional level.

We are happy to assist the State Board with further refinement of the emergency regulations. Thank you for this opportunity to express our thoughts related to the December 7, 2015 meeting.

Sincerely,

Marc Marcantonio  
General Manager

CC: YLWD Ratepayers  
Orange County Water District, PO Box 8300, Fountain Valley CA 92728  
Municipal Water District of Orange County, PO Box 20895, Fountain Valley CA 92728