Established in 1918 as a public agency



Coachella Valley Water District

Directors; John P. Powell, Jr., President - Div. 3 Peter Nelson, Vice President - Div. 4 G, Patrick O'Dowd - Div. 1 Ed Pack - Div. 2

Ed Pack - Div. 2 Cástulo R. Estrada - Div. 5 December 1, 2015 Officers: Jim Barrett, General Manager Julia Fernandez, Board Secretary

Best Best & Krieger LLP, Attorneys

State Water Resources Control Board 1001 I Street Sacramento, CA 95814

Dear Chair Marcus and Board Members:



File: 0022.21 0541.38.1 0804.

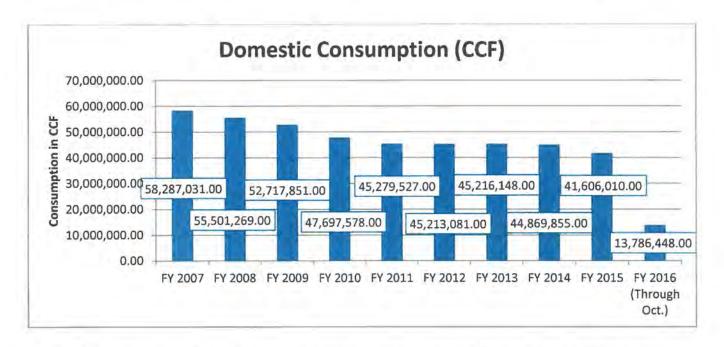
Coachella Valley Water District (CVWD) would like to thank you for your on-going leadership as our state continues to deal with California's unprecedented drought and we look ahead to 2016. Thank you also for this opportunity to comment on the possible extension of drought restrictions.

CVWD has been participating in the discussions with State Water Resources Control Board (SWRCB) staff on potential refinements to the Drought Emergency Regulations. We have appreciated the opportunity to weigh in on these complex issues and we look forward to continued participation. We are committed to helping the State achieve its water reduction goals 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 currently has a conservation staff of 16 full-time employees and three temporary employees, up from 13 full-time employees in 2014. In just five short months, CVWD customers have reduced use by more than 5 billion gallons, the seventh most of 411 agencies in the State. Further, our customers and staff have taken the following steps to reduce use since May 2015 when the conservation mandates were put into place:

- 160 landscape plan checks completed for compliance with a landscape ordinance that was
 25% more strict than the State's Model Landscape Ordinance
- 275 residential toilet rebates issued
- 420 free in-home conservation kits distributed
- 437 smart irrigation controllers installed
- 651 Water Waste investigations
- 12,771 inefficient irrigation nozzles replaced
- 892 water audits conducted
- 36.882 additional customer contacts
- 1,637,102 square feet of turf removed, for a total of nearly 6 million square feet since the program began in 2008.

But it has not just been the drought that has spurred these changes. Over the course of the last 10 years, CVWD has reduced year-to-date consumption by 39%, in spite of the addition of about 9,250 new connections during that time. Our 2002 Water Management Plan and 2010 Water Management Plan demonstrate our dedication and forward thinking for sustainability of our aquifer. Our long-term conservation strategies and programs have resulted in tremendous savings over the course of a decade.



We stand firm in support of the efforts to reduce overall water use in California during this historic drought. We do ask, however, that the SWRCB consider adjusting the regulations in a way that creates equity among the regions. As you are aware, water use throughout the State varies, as do levels of efficiency.

Below we have outlined some of the important distinctions between our area and other parts of the state. While we know that many agencies are asking for adjustments, we hope that the comments provided will demonstrate why the existing regulations are inappropriate for all regions.

Seasonal Population is not Counted in Census:

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 (R-GPCD) calculation is skewed. Using R-GPCD as the metric to set conservation restriction targets is inaccurate and puts the tourism-based economies at a disadvantage.

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. This is a topic that deserves to be reconsidered.

A Growing Population Requires More Water:

Between 2013 and 2015, CVWD has added 1,200 new connections. These new customers all use water, and must be considered when establishing water conservation goals.

Arid Climate Requires Greater Water Use:

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 considered in extending the regulations. Even areas that are landscaped fittingly for their region have differing water needs in different climates—this is evident in the State's own Model Landscape Ordinance, which bases Maximum Water Allowance on ET. Adjusting for ET would not only be logical, but also consistent with existing state policy.

Further, the data are easy to come by. Local temperature and rainfall information is readily available. The Department of Water Resources has an extensive network of CIMIS stations that can provide estimated ET data for each reporting agency in the State. DWR's Reference ET Zones Map places CVWD squarely within Zone 18, the highest reference ET Zone within the State of California. Our annual reference ET is 71.6" a figure 27.7% higher than the average state ET reference of 51.76" and 54% above the coastal Zone 1 reference ET of 32.9". An ET-based adjustment to the reduction mandates is warranted and will make these water reduction goals more equitable where local weather conditions naturally create higher water needs.

Large Lot Sizes Require More Water:

Further, the size of parcels is a fundamental difference between regions that is directly related to water use. CVWD uses budget-based tiered rates. Parcel size is a key factor in determining the water budget allocation for each customer. As you know, a large parcel will use significantly more water than a smaller one in order to achieve the same level of landscaping. It is incorrect to assume that a half-acre parcel has the same water needs as an acre parcel. We ask that parcel size be included in the discussion of the emergency restriction extension.

Previous Conservation Efforts are Baked into 2013 Numbers:

As described above, CVWD has prioritized conservation for many years. In addition to conservation based rates, we have a robust conservation team and a range of programs for every customer class that includes:

- a. Residential Single-Family: CVWD provides assistance/rebates for turf conversion to desert landscape, free smart irrigation controllers that are programmed and installed at no cost to the customer, new generation irrigation nozzles rebates, toilet rebates, free indoor conservation kits, conservation site visits, simplified audits, landscape workshops and leak repair workshops.
- b. Residential Multi-Family: CVWD provides assistance/rebates for turf conversion to desert landscape, smart controller rebates, toilet replacements, conservation site visits, simplified audits, landscape workshops and leak repair workshops.
- c. Commercial; CVWD provides assistance/rebates for turf conversion projects to desert landscape, toilet replacements, conservation site visits, and simplified audits.
- d. Industrial: CVWD provides assistance/rebates for turf conversion projects to desert landscape, smart controller rebates, toilet replacements, water broom, pre-rinse spray nozzles, conservation site visits, and simplified audits.
- e. Institutional: CVWD provides assistance/rebates for turf conversion projects to desert landscape, smart controller rebates, toilet replacement, water broom, pre-rinse spray nozzles, turf conversion rebates, smart irrigation controllers, new generation spray nozzles, conservation site visits, and simplified audits.

Additionally, we have had stringent landscaping criteria in place since 2009 to ensure that new development is required to landscape appropriately for our climate. Our local ordinance has been consistently more restrictive in its maximum water allowance calculation than the State's model ordinance and remains so despite the State's recent tightening up of regulations.

Our efforts, however, are not being acknowledged in the SWRCB's regulations. The use of R-GPCD was an effort to do so, however, R-GPCD is not a measure of efficiency because it fails to account for efficiency improvements made prior to 2013, among other factors. We urge you to consider previous conservation efforts in the extension of any new regulations.

Urban Water Management Plans (UWMP) are in place throughout the State and have 20% by 2020 targets. The 2015 UWMP guidelines were recently released and agencies will be required to report their progress toward achieving their 2015 milestone established in the 2010 UWMP. Progress towards the 2020 targets is one way that the SWRCB could incorporate previous efforts.

Non-Revenue Water is Not Lost:

Non-revenue water is impacting the ability of CVWD to reduce production, yet is not lost water. Assuming our non-revenue water is 10% of production, if we reduce our metered consumption by 30%, and our non-revenue water remains at 10% of production, or reported production is reduced by only 27.3%. Because of our unique geology, water that leaks out of an underground pipeline percolates back into our aquifer, the source of all of our domestic supply, and, therefore, is not lost. It is important to CVWD to address those leaks and we have an aggressive leak detection program; however, those projects are costly and take time. CVWD should be given credit for non-revenue water that is not lost.

Investment in a Diverse Water Supply Portfolio Must be Rewarded:

A flaw of the existing water use restrictions is that they only consider demand, and ignore supply. Water agencies that have a diverse water supply portfolio are not in the same situation as those who rely entirely on the State's system. CVWD started planning for long-term sustainability nearly 100 years ago by securing multiple sources of water. CVWD is the only retail agency in California that has a diverse portfolio of groundwater, Colorado River water, recycled water and State Water Project supplies. If there is a shortage in one system, we are able to sustain on the others. Investment in new supply must be encouraged and rewarded. By disregarding supply, the SWRCB disincentives investment in a diverse water supply portfolio. The long-term repercussions of doing so could have very serious detrimental effects on water management.

Local Control of Revenue:

CVWD is supportive of efforts to use conservation based rates, as well as efforts to provide funding to Disadvantage Communities, as proposed by several groups during the Technical Working Group process. However, we do ask that the SWRCB allow for local control in doing so. Local agencies have the best understanding of their community's needs and resources. We ask that you continue to support these efforts, however, allow agencies to implement them in a way that best suits their customers' needs.

Use Governor's 25% Mandate, not R-GPCD

For all the reasons stated above, CVWD is unique among agencies in the state. The R-GPCD calculation does not recognize CVWD's unique attributes, and does not reward the sound water management that has been the hallmark of CVWD for nearly 100 years. CVWD has a sustainable supply of water. Nonetheless, CVWD is committed to conservation, and believes rather than using the R-GPCD formula, CVWD's conservation goal should be equal to the 25% statewide conservation goal.

Sincerely.

M Barrett

General Manager