

DRAFT General Plan EIR Comments

Memorandum

To: John Ledbetter, Principal Planner, General Plan, City of Santa Barbara,
Community Development Dept.

From: City Water Commission

Date: April 7, 2010

Re: General Plan EIR Comments

The Water Commission submitted a Comment Memorandum to the General Plan EIR Notice of Preparation that stated in part: "The Water Commission is very interested in the Water Supply section of the General Plan EIR and believes it will be a critically important water planning tool for the City at its publication and for the City's future. We hope that the Water Commission will be given the opportunity to be informed on, and have input to the Water Supply section of the document." We also pointed out that the City Charter states in relevant part:

"The Water Commission shall act in an advisory capacity to the City Council in all matters pertaining to the management and operation of the Water Department and water facilities of the City including development, production and use of water, operation of all dams and water facilities and recommend to the City Council plans, rules and regulations pertaining to the same."

The preparation and submittal of this Comment Memorandum is the Water Commission's first opportunity to formally participate in the General Plan process. These are our Comments to the EIR. We have formatted these Comments to first address Water Supply in the Public Utilities Section of the document. We next address Wastewater. We conclude with some general Comments. Water issues are addressed in other Sections of the EIR but we believe we have adequately addressed those in our Comments to the Public Utilities Section. We wish to point out that it is not our intent to challenge the legal adequacy of the EIR. We agree with the most important finding that the City has an adequate water supply to serve what we understand to be the Preferred Alternative, *Plan Santa Barbara*. In addition to being our first opportunity to participate in the General Plan process, we see this Comment Memorandum as fulfilling our advisory role under the City Charter as stated above, on this most important planning document. We believe these Comments facilitate the purpose of information dissemination to the decision makers and the public that is at the heart of an EIR.

Introduction

As an introductory Comment we note throughout the Water Supply Section discussion of future water supply strategies, plans and policies. We are not aware of the source of these discussions other than the Community Development Department staff identified as Report Preparers and the EIR consultant. These plans and policies are certainly not the product of this Water Commission or this City Council. We hope it is understood and agreed by all involved, the City Attorneys' Office, Community Development Dept., Water Resources and the Council that in certifying the EIR and approving the General Plan, that these future water supply plans and policies are not considered binding on the City. The Council has already authorized and budgeted and we have made progress towards developing a new Long Term Water Supply Program ("LTWSP"). The last LTWSP was approved in 1994 and is outdated and that is why substantial financial resources, Commission time and staff resources are being dedicated to developing the new LTWSP. The new LTWSP should be complete and before the Council for approval after the General Plan is approved and we hope by the end of the year. The Water Commission will consider the full spectrum of future water supply plans and policies in developing the LTWSP. We will recommend a new LTWSP to the Council for approval after that informed consideration. We hope it will not be construed that the plans and policies discussed in this EIR will be considered binding on the City, and restrict the discretion of the Water Commission and the Council to potentially adopt different and alternative approaches, plans and policies in the new LTWSP. This issue should be expressly addressed and clarified in the Response to Comments and the Final EIR to help avoid any confusion on the issue in the future.

p. 15-4; **Table 15-2: Typical Water Supply and Demand**

Comment: We will specifically address each of these Comments under the heading for each water supply source, below. These are the revisions we would propose for **Table 15-2**.

Gibraltar Reservoir	3,206 instead of 3,612
State Water	858-1,122 instead of 1,650
Groundwater	1,000 instead of 1,300
Recycled Water	should be separately addressed from potable water supply
Total Potable Water Supply	14,766-15,030 instead of 17,064
Reserved for Safety Margin	1,477-1,503 instead of 1,706

Estimated Current Potable Demand	13,800 (13,200 through Potable System, 600 through Recycled System)
Available Surplus Without Safety Margin	966-1,230

Water Supply Sources

pp. 15-4—15-9

Lake Cachuma

Although we agree with using the contractual entitlement of 8,277 afy as the yield for Cachuma for the General Plan EIR it should be noted that the EIR identifies the fact that at the end of the planning period there will be reduction in yield of approximately 300 afy as a result of siltation. There are also challenges to Cachuma production from both the State Water Board Water Right hearings and the proposed Steelhead Recovery Plan. We are well represented in both forums and it would be speculative today to anticipate their outcome. There is no question that Cachuma production will never go up, and there is a possibility that it could go down.

Gibraltar Reservoir

As discussed in the EIR we are attempting to implement the Pass Through Operation for the first time. History should teach us that anticipating yield from a new operation on the Santa Ynez River is always a challenge and we should be conservative. Operations at Cachuma are becoming increasingly complex. Downstream Water Right releases have first priority; environmental releases for fish and other environmental resources have the next priority; Cachuma operations and State Water operations must be accommodated; and then we will see how the Pass Through Operations will be implemented. We recommend using the yield figure found at Table 15.3 of **3,206 afy**, instead of 3,612 until actual operations provide more reliable information.

State Water Project

Several studies are referenced in this Section. Glaringly absent is the Water Supply Planning Study prepared for the City by our consultant Carollo Engineers dated August 2009. The City paid well over \$100,000.00 for this Study. A significant Section of the Study is the State Water Reliability Assessment. It is Carollo’s recommendation that the City use a reliability yield figure of a range between 26% - 34% of Table A amount, or 858-1,122 afy.

At the beginning of this Water Year DWR was only proposing to deliver 5% of Table A amount, the lowest in history. After the substantial and above normal rainfall and snowfall this winter,

that was increased first to 15%, and just this week, to 20%. The State Water Project is facing tremendous challenges that will not be rectified any time soon. It is imperative that we be conservative in anticipating future State Water Project yield for land use and water supply planning purposes. The EIR's use of a 50% reliability factor is difficult to understand at this point in history. It is our understanding that it is staff's opinion that so long as the current restrictions on State Water pumping remain in place, that are the result of environmental litigation and at least two current Federal Court Orders, the maximum delivery the City should expect in any one year is 50%. Over the course of the 20 year planning period for the General Plan it is unreasonable to expect average annual deliveries to be 50% in light of these existing conditions. After the substantial investment the City has made in the Water Supply Planning Study, and absent any better information at this point, we recommend that the 26-34% range recommended in the Study be used by the City as the State Water Project reliability factor, rather than the 50% used in the EIR.

Although the Legislature has approved submission of a ballot measure to the electorate for the November election to approve bonds to initiate funding for Delta "fixes", the success of that ballot measure in these economic times is anything but assured. Even if successful, the bonds would only provide the first increment of funding necessary to address the multitude of problems faced by the State Water Project. Preliminary estimates are that overall proposed program costs would exceed \$33 billion dollars. The ballot measure this year, if successful will only provide \$11 billion. We can also anticipate lengthy litigation and regulatory challenges to the implementation of these plans. In a best case scenario, improvements to the State Water Project will not be operational to significantly increase anticipated yield, until after the 20 year planning period for this General Plan.

It is Commissioner Neustadt's opinion that the City should use a reliability factor of 22%. The EIR at pp. 15-6 and 7 discusses anticipated yield during a critical drought and estimates average annual delivery at 22%. Historically the City has done its reliability planning based on critical drought year water supply. It is Commissioner Neustadt's opinion that the 22% reliability figure should be used for the State Water Project for purposes of this General Plan EIR, with a yield of 726 afy.

Groundwater

The 1,300 afy figure used for the EIR is a maximum average long term production figure. We believe that over the course of the General Plan planning period it is more likely that the City will produce 1,000 afy on an average basis, which is more in line with historic production. Producing groundwater at a groundwater basin's maximum safe yield may not be a prudent management approach. We are just now initiating a comprehensive groundwater management

study with the USGS. When that Study is complete we should be better informed to address anticipated long term yield from groundwater production.

Recycled Water

We all support maximum use of recycled water. For purposes of full disclosure and information in this EIR we must discuss the fact that we currently have a water quality problem that, as discussed, requires significant blending of potable water in the system. We have approximately 800 afy of customer demand for recycled water. We use approximately 300 afy of water from the recycled system for effluent dilution process water at the wastewater facility. The system therefore has a current demand of approximately 1,100 afy. In the last Water Year we were required to blend approximately **615 afy of potable water** in the system, more than 50% of the demand. This is our current condition and the CEQA baseline. We do not know today exactly what needs to be done to rectify this condition; how much it will ultimately cost; nor when we can anticipate that it will be successfully accomplished. We fully support continued efforts to resolve the matter and we are confident that eventually it will be successfully addressed.

For these reasons and others we believe it provides a more accurate picture of our water supply condition to separate out recycled water supply and demand from potable water supply and demand when addressing these matters. Potable water and recycled water are in fact very different resources and they should be analyzed and quantified separately to give the decision makers and the public an accurate understanding of our current water supply and demand condition.

Desalination

It should be understood that the approximately \$20 million re-activation cost stated in the EIR is in 2008 dollars and would be inflated to a present value figure if re-activation is actually required in the future. The entire discussion of rate impacts in the second paragraph under this heading found at p. 15-9 is based on information that the Water Commission has never seen. When doing that sort of analysis the assumptions used are critical to the result reached. How was it calculated to repay the \$20 million plus, re-activation cost? How were those payments allocated? The 6% rate increase figure is not explained. The statement is made, "During the period of operation, drought surcharges equivalent to an additional average 16 percent increase would be required to fund operating costs." We have no information on the basis for that discussion. Suffice it to say, re-activation of the Facility would be extremely costly and have a significant impact on water rates. We support maintaining the Facility as an emergency back-up water source (which costs us over \$100,000.00 per year) and we hope that during the General Plan planning period it will not be necessary to implement re-activation.

Water Supply Planning Issues

State Water Project Reliability

p. 15-10

In addition to the 2007 Wanger decision discussed here, in a separate Federal lawsuit Judge Wanger has issued a subsequent Order that has further reduced pumping and therefore, yield.

Please see our Comments above, on the State Water Project.

Desalination

p. 15-11

The document states that the Facility is considered as a feasible planned and **funded** water source. The re-activation costs are not currently funded and as discussed above, are prohibitive absent a serious emergency condition. If the Facility is proposed to be activated in the future, that would be the subject of a discretionary decision by the Council that would include a determination on how the re-activation cost would be funded and paid for.

Reliability Improvements and Supply Augmentation

pp. 15-11 and 12.

Increased Carryover at Lake Cachuma; State Water Project Carryover; Water Banking.

In considering the new LTWSP the Water Commission will study these and other approaches to water supply during times of shortage. These are not the exclusive approaches available for that purpose.

State Water Project Conveyance Improvements.

Please see our Comments, above, on the State Water Project.

Expanded Recycled Water Use.

We support prioritizing the remedy necessary to rectify our existing water quality problem with the Recycled Facility which is of course a prerequisite to expanding use.

Water Demand

p. 15-12 and 13

As discussed above, we believe it gives a more accurate picture of the City's water supply and demand picture to separate out recycled water supply and demand, from potable. The City's current potable water demand is approximately 13,800 afy, 13,200 through the potable system and 600 afy through the recycled system.

p. 15-13

Please see our comments above, regarding quantifying potable supply.

Table 15.3 Critical Drought Period Water Supply

p. 15-13, line items within Table 15.3

State Water, Non-Table A

This will be an area of study for the new LTWSP. The information stated here has not been studied and approved by the Water Commission or the Council.

Groundwater

These high production figures we understand will be sustainable after the current upgrades to the City's facilities are complete. The Water Commission has not been presented with the information to support these production figures at this time.

p. 15-13

Desalination

This approach to drought water supply has not been studied and approved by the Water Commission. It will be one of the elements of the new LTWSP. It may be the case that there are more effective and much less costly means to supply water during a 5 year drought than re-activating and operating the Desalination Facility.

15.3 Public Utilities Impact Evaluation Methodology

p. 15-20

15.3.1 Project Components

Just to re-iterate, the Policies identified in the second paragraph of this Section are apparently the product of Community Development Dept. staff and the EIR consultant. They have not been

adopted or approved by the Water Commission or the City Council. We hope and expect that the Water Commission and the City Council will have complete discretion to adopt these or other and alternative plans and policies in developing the new LTWSP.

15.4 Citywide Public Utilities Impacts

p. 15-22

IMPACT PU-1: FUTURE WATER SUPPLY AND DEMAND

Potential increase in water demand, and adequacy of water supply to support future growth.

Impact PU-1.1. Increased Demand and Existing Water Supplies.

p. 15-22

The residential demand figures in the first paragraph are based on new water duty factors that are less than those historically used by the City. The Water Commission was shown the Report (Appendix H, Public Utilities) that is the source of these new water duty factors but we were not asked to spend much time on it, nor to approve it. We hope they prove accurate. The same for the non-residential water duty factors addressed in the second paragraph.

pp. 15-22 and 23

The evaluation of supply and demand is not consistent with the Water Commission's Comments, above. It is our opinion that our potable water supply is in a range of approximately 14,766-15,030 afy. Our current potable demand is approximately 13,800 afy. Add the projected new demand from *Plan Santa Barbara* of 791 afy for a future projected demand of 14,591 afy. Although we agree with the finding that the City has an adequate water supply to serve *Plan Santa Barbara*, we do not concur with the comment that "and a substantial surplus would remain."

p. 15-23

Discussion of five year critical drought supply and demand.

Please see our Comments on water supply sources, above, and our Comments to **Table 15.3 Critical Drought Period Water Supply**, p. 15-13 above. We expect that the major revisions to the new LTWSP, from the 1994 document will be in the plans and policies to be proposed for dealing with drought water supply.

Impact Significance:

p. 15-24

As discussed here, we agree with the impact finding that the City has an adequate water supply to serve the projected water demand from implementation of *Plan Santa Barbara*. We do not agree with the approach used to analyze current supply and demand. It is our position that potable supply is in a range of 14,766-15,030 afy. Current potable demand is approximately 13,800 afy.

p. 15-24

Issues to be examined in the process of developing the new LTWSP.

The Water Commission intends to study these and other plans and policies that may be suggested by Water Commissioners, staff, consultants and the public.

State Water Project (SWP)

p. 15-25

Please see our Comments above on the State Water Project. This is obviously one of the critical issues to address in developing an accurate and conservative picture of our anticipated water supply for the General Plan planning period and we believe the 50% reliability factor used in the EIR is unreasonable in light of current conditions.

Desalination Plant

5-25

Please see our Comments, above, on Desalination.

Existing Policies and Programs

pp. 15-26 and 27

State Water Project Carryover; Groundwater Banking

Please see our Comments, above, to pp. 15-11 and 12 and to the State Water Project. These approaches will be studied as we develop the new LTWSP. These plans and policies are not in fact part of existing approved City policy. We have not yet had a great need to pursue these approaches but we will need to thoroughly investigate all such approaches as we plan for the future.

Recycled Water Expansion

p. 15-26

Please see our Comments, above, on Recycled Water. We support recycled water use expansion and that is why we must prioritize addressing the existing water quality problem. There is over 600 afy of potable water already at issue, in addition to the 300-400 afy in potential new customer use identified here.

Long Term Water Supply Program Update

p. 15-27

The EIR states: “Multiple scenarios will be investigated for cost-effectiveness, feasibility, and conformance with *Plan Santa Barbara policies*.” We are not aware of these policies and we hope that it is not intended that they establish a criteria that must be conformed with, thereby restricting the discretion of the Water Commission and Council as we study the full spectrum of potential plans and policies as we develop the new LTWSP.

15.6 Comparative Impacts of Project Alternatives

p. 15-33

Table 15.4: Public Utilities Demand Under the Project and Alternatives

Please see our Comments, above, regarding new water demand, water duty factors, at p. 15-22.

15.6.3 Additional Housing Alternative

p. 15-36

We will leave it to the EIR consultant and staff to assess the finding on adequacy here in light of our prior Comments on available potable water supply. We do not agree with the finding stated that, “The City’s water supply would retain a surplus, in addition to the 1,705 AFY safety margin.”

15.7 Extended Range (2050) Public Utilities Impacts

p. 15-37

Water Supply and Demand

As discussed above, the supply and demand figures used in this Section are not consistent with our Comments here. At this time we believe it is premature for the Water Commission to address Extended Range issues in this Comment Memorandum. We will address Extended Range issues in the new LTWSP. We also note that the demand figures in Table 15.5 are based on the new, lower water duty factors discussed above at our Comments to p. 15-22.

Wastewater Treatment

pp. 15-14 to 15-16.

General Comments

Certain Commissioners believe the City should pursue an agreement with the Montecito Water District that would allow the City to have exclusive jurisdiction over the approval of water service to those properties that are in the City limits, but are currently served by the Montecito Water District (MWD), primarily on Coast Village Road and properties in that vicinity. Such an agreement could provide a water credit to MWD for water used in that area so that such service would have no impact on MWD water supplies, and eliminate the current problem of having joint jurisdiction over new development approvals in that area. The water supply and demand impacts, which should be relatively minimal, would need to be quantified.

At some point in time during the General Plan planning period the similar, so called "Overlap" issues with the Goleta Water District should be resolved.