



June 7, 2021

Rick Callender, Chief Executive Officer
Tony Estremera, District 6, Chair, Board of Directors
John Varela, District 1, Board Member
Linda LeZotte, District 4, Board Member
Barbara Keegan, District 2, Board Member
Richard Santos, District 3, Board Member
Gary Kremen, District 7, Board Member
Nai Hsieh, District 5, Board Member

Valley Water District
5750 Almaden Expressway
San Jose, CA 95118

Re: Preliminary Comments to Valley Water's Draft 2020 Urban Water Management Plan

Dear Mr. Callender, Chair Estremera and Directors Varela, LeZotte, Keegan, Santos, Kremen and Hsueh,

Friends of the River is a statewide organization that is dedicated to saving rivers through revolutionary water solutions. We envision a climate resilient water future with healthy rivers, safe and affordable drinking water, and a thriving sustainable economy for all Californians.

Friends of the River and the undersigned organizations (Friends of the River et al.) thank Valley Water District for its dedication to providing Silicon Valley with safe, clean water for a healthy life, environment, and economy, and for the extensive time and preparation given to updating the critical planning document, the 2020 Urban Water Management Plan (UWMP). We appreciate the opportunity to provide comment and engage with the Valley Water Board and staff on the draft UWMP.

The undersigned organizations believe the UWMP is a critical planning tool that must accurately prepare the community in the face of climate change for a resilient water future. To assist with that important effort, please find the preliminary comments of Friends of the River et al. for the draft 2020 UWMP below.

Introduction

The UWMP is an important planning tool to help Valley Water improve efficiencies and provide information and a record to the public on the District's stewardship of precious water resources. Ideally, the UWMP will also inform the District's Drought Management Plan, the 2040 Master Plan Monitoring and Assessment Program Report, the Water Conservation Strategic Plan, the Countywide Reuse Master Plan, and other important planning processes that will be occurring later this year. These Plans will guide Valley Water in determining if the Silicon Valley needs additional water storage, which will require substantial fiscal investment and increase water rates. Therefore, it is essential the UWMP include thorough and accurate data and modeling so that the community can understand our present and future water needs.

Overall, Friends of the River et al. is concerned about the data and modeling in Valley Water's UWMP because they once again seem to inflate demand and rely on increased surface water supplies from the San Francisco Bay Delta. It is still unclear why Valley Water would incorporate such assumptions into a critical planning document, especially in the face of a worsening drought and larger long-term impacts from climate change. Therefore, the Friends of the River et al. comments are organized in two parts: first, overarching comments about the Plan itself, and second, a list of questions about the Plan that we requested be answered by the Board or Valley Water staff.

Public Engagement

On May 28, 2021, Friends of the River respectfully requested additional time to review the UWMP and important associated documents such as the Water Storage Contingency Plan and Appendix H, Reduced Delta Reliance. The documents were first released to the public May 24, 2021. This only gave FOR and the public two weeks before the Board's Public Hearing and potential approval of the draft UWMP. Friends of the River et al. reiterate this request for additional review time, in addition to offering preliminary comments and questions on the Draft 2020 UWMP.

In light of the new UWMP legislative requirements from AB 1668 and SB 606, in addition to the worsening drought, Friends of the River et al. would appreciate two additional weeks to review the plans and submit comments to the Board. We recognize that the legal deadline for Valley Water to submit its plan to the California Department of Water Resources (DWR) is July 1, 2021. Additionally, Friends of the River respects that regional water retailers, such as San Jose Water Company, rely on the information provided in Valley Water's Draft 2020 UWMP to produce their own management plans by the same deadline.

Friends of the River et al. therefore recommends the Board hold an informational workshop on June 8, 2021 and then hold the formal hearing at the next regularly scheduled Board meeting on June 22, 2021. This additional time will allow Friends of the River, other important stakeholders and the public to truly evaluate the state of the District's water supply, projected demand and planned actions to secure the region's sustainable water future.

Public participation in these important regional planning processes is especially critical after such a tumultuous year that impacted the Silicon Valley, California and the world. From devastating fires to a worsening drought to a pandemic, Valley Water's plans to keep this region resilient are more important now than ever before.

It is also worth noting that other major urban California water districts such as Metropolitan Water District and East Bay Municipal Utility District released their draft 2020 UWMPs in April 2021, giving on average a month of public comment and review before holding a public hearing and submission to the state.¹ Additionally, in contrast to this year, Valley Water released the first draft of the 2015 UWMP on May 4, 2016.² The community should have the same amount of time as these other California regions to review and engage in this process, as they have had in the past.

The Board's Policy Priority #4 states the intention to "Engage and Educate the Community, Elected Officials and Staff on Future Water Supply Strategies in Santa Clara County." Friends of the River et al. thanks Valley Water for this effort and believes this extension request aligns with the Board's motivations while still ensuring the District adheres to legal requirements.

Water Demand

Friends of the River et al. is concerned that the 2020 UWMP is over-inflating water demand in the future, similar to the overestimation included in the 2015 UWMP. This over inflation may result in unnecessary water rate increases and expensive capital investments. It may also result in critical funds not being prioritized to local climate resilience and environmental equity projects needed for the community.

First, Friends of the River et al. recommends that Valley Water consider using the Department of Finance's current population projections (2010-2060) to more accurately determine future demand. The Department of Finance's numbers vary quite a bit with the population growth and estimation sources currently used in the UWMP.³ As Sierra Club's Loma Prieta Chapter noted in Valley Water UWMP 2015 comments and the Pacific Institute's report proved, overestimating demand in an Urban Water Management Plan can be expensive and delay needed action to diversify water supplies in the face of climate change impacts.⁴

¹ See Metropolitan Water District's Draft 2020 Urban Water Management Plan here: <http://www.mwdh2o.com/AboutYourWater/Planning/Planning-Documents> and East Bay Municipal Utility District's Draft 2020 Urban Water Management Plan here: <https://www.ebmud.com/water/about-your-water/water-supply/urban-water-management-plan/>. Both agencies are fellow members with Valley Water District in California Urban Water Agencies. <https://www.cuwa.org/member-agencies>

² See Valley Water Urban Water Management Plan 2015, pg. 9.

³ See Valley Water Urban Water Management Plan 2020, pg. 12 (hereinafter referred to as "2020 UWMP"). The Department of Finance projections for regional population in 2045 are 2,241,634, compared to the Association of Bay Area Governments (ABAG) projections used in the UWMP which indicate a population in 2045 of 2,699,046. That is a significant difference.

⁴ See Abraham, Sonali, Sarah Diringer, and Heather Cooley. 2020. An Assessment of Urban Water Demand Forecasts in California. Oakland, Calif.: Pacific Institute. Available online: <https://pacinst.org/publication/urban-water-demand-forecasts-california/>

Additionally, Friends of the River et al. would appreciate clarification on the overall total demand projections shown in the UWMP.⁵ Table 4-3 shows total demand increasing by 15,000 acre-feet between 2025 and 2045. However, this seems misleading because the UWMP also assumes demand increases by 24,000 acre-feet in the first five years.⁶ There's also the odd notation of overall demand actually declining between 2025 and 2030, then rising again.⁷

Overall, the 2020 UWMP estimates appear to be unnecessarily high. This is noteworthy given that Santa Clara County population decreased in 2020 and water demand will decrease in 2021 due to the drought and the Board's proactive action to reduce demand by 25 percent compared to 2013.⁸ The data is already diverging from the UWMP forecasts, which should be a concern if the Plan will be used as a basis for decision-making.

Finally, Friends of the River et al. is concerned that Valley Water's retailers are assuming even higher demand than the District.⁹

Water Supply

Friends of the River et al. thanks Valley Water for not relying on increased water supply from transfers or increased imported water from any constructed Bay-Delta tunnel or the proposed expansion of Pacheco Reservoir.¹⁰ We believe this is a realistic approach that allows for better regional planning.

Friends of the River et al. also thanks Valley Water for participating in important regional collaborative processes such as the Bay Area Regional Reliability (BARR) and local Integrated Regional Water Management (IRWM) programs in order to diversify funding and "identify projects and processes to enhance water supply reliability across the region, leverage existing infrastructure investments, facilitate water transfers during critical shortages, and improve climate change resiliency."¹¹ We understand that while specific water supply benefits cannot be identified at this time, Friends of the River et al. looks forward to hearing more about this planning process and recommends Valley Water consider amending the 2020 UWMP in the future to include this additional vital water supply information.

⁵ 2020 UWMP, pgs. 20-21.

⁶ 2020 UWMP, pg. 17, Table 4-1. The UWMP 2020 actual demand is 306,000 acre feet and 2025 estimated demand is 330,000 acre feet.

⁷ 2020 UWMP, pg. 21, Figure 4-4.

⁸ See Valley Water Board Chair Estremera Statement on Reduction of Water Allocation from Central Valley Water Project, June 5, 2021. <https://www.valleywater.org/news-events/news-releases/valley-water-board-chair-estremere-statement-reduction-water>. Please also note the Valley Board is holding a Special Board Meeting June 9, 2021 to consider declaring a water shortage emergency, which only calls for a voluntary reduction of 20 percent compared to 2013, see Resolution 17-43.

https://scvwd.legistar1.com/scvwd/meetings/2021/6/1933_A_Board_of_Directors_21-06-09_Regular_Meeting_Agenda.pdf?utm_medium=email&utm_source=govdelivery

⁹ 2020 UWMP, pg. 22.

¹⁰ 2020 UWMP, pgs. 38-39, with the exception of the drought risk analysis.

¹¹ 2020 UWMP, Appendix H, pg. 5.

Unfortunately, we were dismayed to see the UWMP relies on a ten percent increase in exports from the already over-stressed and overallocated Bay-Delta by 2045.¹² With the impacts of climate change, we are concerned this is not a sustainable or reliable source of water supply for the region.

Friends of the River et al. would also appreciate additional clarification from Valley Water staff for the projected ten percent increase in imported water from San Francisco Public Utilities Commission (SFPUC).¹³ We appreciate the acknowledgement that the “projections do not account for potential decreases in supply allocations by the SFPUC during dry years.”¹⁴ Unfortunately, we are concerned that with the impacts of climate change those dry years will become more the norm.

Finally, the UWMP does not consider the implementation of the Bay-Delta Plan or any other possible future regulatory measures which could further decrease imported water supplies from SFPUC, and from the State and Federal water projects. To offset possible declines in imported water, Friends of the River et al. recommends Valley Water re-examine regional goals for water recycling. These goals can be increased by expanding the use of purple pipe water, working with the City of San Jose to expand purified water projects, and supporting on-site reuse.

Questions

Due to the short timeline for engagement and review of the extensive UWMP and associated documents, Friends of the River et al. have the following questions for Valley Water Board and staff.

- How do DWR’s future goals to reduce per capita indoor water use fit into this plan? Was this considered in the demand model?
- Why does Valley Water project only a relatively small increase in non-potable recycled water, from 16,000 acre-feet in 2025 to 28,000 acre-feet in 2045?¹⁵
- How does Valley Water project a short-term decline in actual recycled water down from 2020 estimates of 17,000 acre-feet to only 16,000 acre-feet in 2025?
- Why does Valley Water’s “Other Programs that Contribute to Regional Self- Reliance (natural groundwater recharge)” remain mostly static over the projected period, 61,000 acre-feet to only 62,000 acre-feet?¹⁶
- Can Valley Water please provide additional explanation for such a dramatic increase in local water supplies from dam improvement projects?¹⁷

¹² 2020 UWMP, pg. 40. Increase of 130,000 acre feet in 2030 to 142,000 acre feet by 2045.

¹³ 2020 UWMP, pg. 27.

¹⁴ 2020 UWMP, pg. 27.

¹⁵ 2020 UWMP, pgs. 36-37.

¹⁶ 2020 UWMP, Appendix H, pg. 9.

¹⁷ 2020 UWMP, pgs. 39-40.

Conclusion

Friends of the River and the undersigned organizations look forward to engaging with Valley Water in response to these comments and reviewing the draft Urban Water Management Plan with the intent to inform Valley Water's important future water planning efforts. Please feel free to contact Friends of the River's Executive Director, Eric Wesselman, eric@friendsoftheriver.org, or Resilient Rivers Director, Ashley Overhouse, ashley@friendsoftheriver.org, if you have questions or concerns.

Sincerely,



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