

7.0 REGIONAL WATER RESOURCE MANAGEMENT

The Santa Clarita Valley, like all of California, faces greater uncertainty relating to its future water supplies than has been experienced or perceived in the past. Climate change is anticipated to result in new precipitation patterns as well as increased evapotranspiration rates. Greater quantities of water may be dedicated for environmental uses. Uncertainties related to the pace and practicality of future land development also exist even as the state's population is projected to increase significantly. Increased water use efficiency and integration of diverse water supplies are becoming keystones of state water policy. State policies are, appropriately, refocusing water planning and management to take place at the scale of surface watersheds and groundwater basins. There is also a push towards the idea of greater local self-reliance that has been raised in the Delta planning process.

In recognition of these conditions, the Governor developed the California Action Plan which states:

“...most new water will come from a combination of improved conservation and water use efficiency, conjunctive groundwater management (that is, coordinated management of surface water and groundwater supplies), recycled water, drinking water treatment and groundwater remediation... There is increased focus on projects with multiple benefits, such as stormwater capture and floodplain reconnection, that can help simultaneously improve the environment, flood management and water supplies. These diversified regional water portfolios will relieve pressure on foundational supplies and make communities more resilient against drought, flood, population growth and climate change.”

Challenge: *Keep pace with an ever changing environment impacting water resource development and planning.*

Opportunity: *Provide a single forum to debate and set policy to achieve the most effective way to develop and manage water resources.*

Summary: A combined new district would be better positioned to take a regional perspective to address opportunities such as conjunctive use and recycled water use expansion. Effective regional water planning will also be vital in obtaining grant funding and developing viable financial plans for these significant local water resource efforts.

7.1 Integrated Planning

In 2002, the Legislature passed the Regional Water Management Planning Act. Among the Legislative findings chaptered in the Act (Water Code Section 10531) were:

“Local agencies can realize efficiencies by coordinating and integrating their assets and seeking mutual solutions to water management issues.”

“Water management is integrally linked to public health and the health of all natural resources within our watersheds. It is the intent of the Legislature that

water management strategies and projects are carried out in a way that promotes these important public values.”

“The reliability of water supplies can be significantly improved by diversifying water portfolios, taking advantage of local and regional opportunities, and considering a broad variety of water management strategies...”

“Water is a valuable natural resource in California, and should be managed to ensure the availability of sufficient supplies to meet the state’s agricultural, domestic, industrial, and environmental needs. It is the intent of the Legislature to encourage local agencies to work cooperatively to manage their available local and imported water supplies to improve the quality, quantity, and reliability of those supplies.”

“The implementation of this part will facilitate the development of integrated regional water management plans, thereby assisting each region of the state to improve water supply reliability, water quality, and environmental stewardship to meet current and future needs.”

Bond acts subsequently approved by voters have since provided \$1.5 billion to support and advance Integrated Regional Water Management planning and projects. Access to these funds was predicated on formation of watershed based Regional Water Management Groups, and developing specified levels of Integrated Regional Watershed Management Plans (IRWMP).

Local agencies and stakeholders within the Upper Santa Clara River Watershed developed an IRWMP, most recently updated in 2014. The geographical and hydrologic scope of the Upper Santa Clarita River Watershed extends far beyond the reach of any one retail entity, with CLWA coming closest in matching the span of the watershed. The IRWMP helps to integrate multi-agency planning and implementation efforts through goals to reduce potable water demand, increase water supply, improve water quality, promote resource stewardship, reduce negative effects from flooding and hydromodification, and adapt to and mitigate climate change when possible.

Local agencies participating in the IRWMP include CLWA, the four water retailers, the City of Santa Clarita, the County of Los Angeles, the Sanitation District, and the Rivers and Mountains Conservancy. Together the agencies develop (consistent with the integrated water management approach), rank, and apply for grant funding for various water-related projects in the Santa Clarita Valley. CLWA and the four water retailers work together on some efforts, but because they are separate agencies, they individually sponsor projects. For example the 2014 IRWMP shows teamwork and individual sponsorship for:

- An SCWD Water Use Efficiency Master Plan;
- Santa Clarita Valley Water Use Efficiency Strategic Plan;
- Foothill Feeder Connection
- Residential Turf Removal Program
- Volatile Organic Compound Groundwater Investigation

- CASGEM Groundwater Monitoring Program

Because water use efficiency programs are handled at both the retail and wholesale level, and to different degrees by different retailers, there were three distinct set of water use efficiency programs in the 2014 IRWMP.

Outside of the 2014 IRWMP, the coordination still takes place, but again without full integration of efforts. For example CLWA and the retailers are working on the Recycled Water Master Plan, which describes a long range suite of project ideas to make the best use of available recycled water. The current plan envisions four separate recycled water pipelines (Phase 2A, 2B, 2C and 2D) which will ultimately work together. CLWA is preparing environmental documents for Phase 2A 2 2B, NCWD is preparing the documents for Phase 2C and SCWD is preparing documents for Phase 2B. Each of these three separate efforts were developed with three separate requests for proposals, different project schedules, and consulting firms. Design efforts have been similarly divided up, even though the recycled water system will need to function as a regional scale project when fully realized. Significant coordination is required to ensure all of the pieces are handled appropriately by each participant. Such an approach can get the environmental documents and design plans prepared, but seems on its face to be inherently inefficient.

While the Santa Clarita Valley's water providers have come a long way with their efforts to practice Integrated Regional Watershed Management Planning, there is room to improve on the model through a regional scale water district that can take on these projects rather than cobbling together parts implemented by various water providers. Though agencies described above often have shared interests and similar goals, and have at times worked admirably in a cooperative fashion, they are, by definition separate entities. They have their own structural differences, financing capability, internal processes, staffing capabilities and limitations, and so forth. These type of structure differences make it less efficient and more challenging, even when working to achieve shared goals.

7.2 Groundwater Sustainability Agency

The Sustainable Groundwater Management Act of 2014 (SGMA) has set in motion sweeping legislation and regulations related to the need for sustainable groundwater management throughout the State, among them a process requiring the creation of Groundwater Sustainability Agencies (GSA's) for each groundwater basin in the state.

SMGA's legislative findings include:

"The people of the state have a primary interest in the protection, management, and reasonable beneficial use of the water resources of the state, both surface and underground, and that the integrated management of the state's water resources is essential to meeting its water management goals."

“When properly managed, groundwater resources will help protect communities, farms, and the environment against prolonged dry periods and climate change, preserving water supplies for existing and potential beneficial use.”

The Groundwater Sustainability Agencies (GSA’s) for high and medium priority basins must be formed by June 30, 2017. Prior to this, basin boundaries were reviewed and updated by the Department of Water Resources in concert with local agencies. The boundaries of the Upper Santa Clarita River basin (confirm correct name) extend throughout much of the Santa Clarita Valley.

There are two key steps on the horizon, both requiring careful integration of interests. The first is organizational, and the second technical and scientific in nature. Developing a GSA will create a new local agency, most likely a Joint Powers Authority, with a governing board, budget, and potentially new authorities. The Act allows for local agencies to form the GSA board, and creates a narrow option for involvement from water corporations and private mutual water companies. Community and stakeholder interests are required to be considered in the development of the GSA as well.

The GSA will be charged, by law, with the development and implementation of a Groundwater Sustainability Plan, designed to assure groundwater sustainability for the long term. CLWA, the retailers and stakeholders share many of the same goals. From a strictly water provider perspective, the water agencies have many more goals in common than separate, but because the agencies are separate, significant time will be spent on governance discussions designed to meld separate agency bureaucracies for the purpose of forming a GSA. A new water entity would ensure that the primary water providers in the valley are speaking with one voice through the GSA, leading to increased efficiencies in developing the Groundwater Sustainability Plan.

7.3 Water Re-Use

Greater use of recycled water in the Santa Clarita Valley would benefit the region through development of local supply that is not subject to reduction due to drought conditions. This supply source can be used to provide irrigation for local landscapes as well as recharge local groundwater sources. Statewide development of recycled water is a priority, with a goal to achieve 2.5 million acre-feet per year of recycled water use by 2030. CLWA and NCWD, along with the other water purveyors, have recently completed a Recycled Water Master Plan Update that identifies near and longer-term projects to advance the use of this valuable local resource. The Santa Clarita Valley’s 2015 Urban Water Management Plan calls for increasing current recycled water usage from about 450 AFY to over 10,000 AFY by 2035. The updated master plan acknowledges that additional opportunities may exist beyond these levels and further study is needed to further refine feasibility, and cost effectiveness.

The scale of these recycled water facilities will most likely be regional facilities and may be concentrated in areas located closer to source supplies. Nevertheless, the water supply reliability benefits can certainly extend beyond users being provided recycled

water, by offsetting potable water demand. This would result in improved water supply reliability to water retailer customers.

Significant work remains to realize the benefits of this new supply. Challenges include:

- Developing institutional agreements that recognize recycled water as a regional supply and assuring regional water supply benefits are equitably distributed.
- Assuring funding resources are sufficient for the proposed programs including supplemental funding from grants that may be necessary to keep the proposed projects affordable.
- Achieving equity between water retailers relating to access to recycled water and covering capital costs.
- Acquiring necessary approvals from regulatory agencies such as the State Water Resources Control Board and the California Department of Fish and Wildlife.

A combined new district would be much better positioned to address these issues, particularly dealing with the regional benefits and appropriate financial responsibility.

7.4 Water Use Efficiency

The first item in the California Water Action Plan is to “Make Conservation a California Way of Life”. The plan in part states:

“Conservation must become a way of life for everyone in California... There is more that can be done and all Californians must embrace this effort. In 2009, the state adopted the Water Conservation Act through the passage of Senate Bill X7 7 requiring that we achieve a 20 percent reduction in urban per capita water use by December 31, 2020, promoting expanded development of sustainable water supplies at the regional level... On April 1, 2015 for the first time in state history, the Governor directed the State Water Resources Control Board to implement mandatory water reductions in cities and towns across California to reduce water usage statewide by 25 percent. Even after the current drought emergency recedes, we must continue to build on our efforts to conserve water and promote innovative strategies for increased water conservation.”

Further, the Governor’s Executive Order 37-16 directs the Department of Water Resources to work with State Water Resources Control Board to develop the “new water use targets as part of a permanent framework for urban water agencies.” These new targets would build on the existing SBX 7-7 requirements to reduce per capita water use by 20 percent by 2020. All of the water retailers in the Santa Clarita Valley will be faced with continued challenges of helping customers use water more efficiently.

Managing resources to meet current and future water conservation mandates would be enhanced through valley-wide conservation programs administered by one entity. Currently, customers must visit wholesale and retail agencies to get their water use efficiency questions and needs taken care of. Customers often ask why a program that is offered by a neighboring retailer is not available to them. Frequently, customers comment that they do not understand why they can’t just go to one entity to get all of the information

in one place. For example, while CLWA manages the Lawn Replacement Program for turf grass removal and replacement with water-efficient plants, irrigation related to installation of water-efficient plants can only be rebated through the water retail agencies, including NCWD.

Under a combined water district, existing staff could specialize in various types of water use efficiency program management (e.g., outdoor water use, indoor water use, and commercial water use), as well as providing enhanced customer service with their expertise. Additionally, outreach funds are currently spent by multiple entities, including consultants and media buys concentrated on water use efficiency messaging. By concentrating these funds in one agency, outreach messaging could be consistent and clear without multiple messages and logos.

7.5 Advocacy and Regulatory Climate

Actions of local, state, and national government can have a significant impact on the availability and cost of water supplies for the SCV. Thus the two agencies have engaged legislative advocates at multiple levels. The creation of a new district would provide an opportunity to save costs by avoiding a duplication of efforts. Additionally, staff from both agencies often participate in the same advocacy organizations such as Association of California Water Agencies. Combining efforts could reduce expenses and allow for a wider variety of issues being tracked and more effective engagement to advance policy objectives.

The SCV's water supply is in part governed by a matrix of regulatory agencies, each with its own jurisdiction, responsibilities and permitting authority. At times in the past, the SCV's water agencies have supported alternative solutions that have diluted the effectiveness of the advocacy. A new water district would provide the opportunity to arrive at a single position that could more effectively advance the interest of the entire SCV.