

Alliance for Responsible Planning

February 2, 2015

Hon. Ron Mikulaco
Hon. Shiva Frentzen
Hon. Brian Veerkamp
Hon. Michael Ranalli
Hon. Sue Novasel
El Dorado County Board of Supervisors
330 Fair Lane, Building A
Placerville, California 95667

Re: February 3, 2015 – Agenda Item #13 – File 15-0128
El Dorado County Water Supply Planning

Honorable Members of the Board of Supervisors,

We understand that the Board of Supervisors will receive a report from El Dorado County Water Agency (“EDCWA”) concerning the 2014 West Slope Update, a part of the water resources master planning for El Dorado County and its water purveyors.

Alliance for Responsible Planning (Alliance) has recently prepared the attached report in support of the El Dorado Water Power Authority (“EDWPA”) and the El Dorado County Water Reliability Project application for additional Area of Origin water rights. The Alliance report also addresses the need for better coordination of El Dorado County water planning with land use planning.

As the only entity with land use authority, the County should work with EDCWA and the El Dorado Irrigation District (EID) in preparing and presenting General Plan land use growth forecasts considering current conditions, such as are presented in the Alliance report. EID and EDCWA could then refine this demand information and focus on their role - planning for and providing the supply to meet this demand. Without the County’s active participation, EID and EDCWA may rely on incomplete planning information, resulting in conflicting findings. The El Dorado County Community Development Agency, EDCWA and EID have excellent and professional staff that would welcome direction from the Board of Supervisors to work together and coordinate, review and reconcile growth and water demand projections and findings. Coordination of these land use and water planning efforts will result in unified demand projections to match with supply and further the Project objectives. In turn, the County will have coordinated water information for land use decisions.

Thank you for considering our input on this important issue.

Very truly yours;

ALLIANCE FOR RESPONSIBLE PLANNING

[Sent via email; original to follow]

Water Resources Subcommittee

/rlk

Attachment (1)

Alliance for Responsible Planning is a nonprofit public benefit corporation, comprised of residents, ranchers, growers and other business owners. We are a “coalition of the middle” – those who feel the dialogue on land use has been dominated by no growth advocates on the one hand and development interests on the other. We support slow growth, support the extension of Measure Y to prevent gridlock, and seek a better future for our families and our community.

Keeping Our Water: Area of Origin Rights and Water Necessary for the Development of El Dorado County

Prologue

Alliance for Responsible Planning (Alliance) was formed in September of 2014 as an educational and advocacy organization focused on planning and land use issues in El Dorado County. During the recent November 2014 election process, Alliance studied the ballot measures to prepare fact-based white papers to inform voters. These documents were made available to voters on edcarp.org, the Alliance web site, and through flyers, newspaper ads, e-mails and meetings with a wide range of local officials and citizens.

After the election, Alliance hosted a gathering of folks interested in El Dorado County planning matters, and planned future informational meetings and white papers on topics of interest.

Water was identified as one of the key topics of interest. Within the past few months, El Dorado County residents have been presented with various conflicting “facts” from the Mt. Democrat, two EID Directors, two Supervisors and other members of the public about the need and feasibility of securing new water sources, such as: “two supervisors and two directors from the El Dorado Irrigation District want to give up on the cheapest new water available — 40,000 acre-feet of water”; “pursuing new water rights would be futile”; “having EID ratepayers pay for a water project is illegal”; “Sacramento owns all water rights to the Upper American River”; “Protect our water from developers”; “an additional water source would help prevent the cannibalization of the agricultural water supply”; “It is incredibly irresponsible to propose 33,000 more homes when EID only has enough water for 3,600”.

Alliance for Responsible Planning searched unsuccessfully for a document that clearly addresses these concerns. Accordingly, this white paper was prepared, reaching the following conclusion:

Area of Origin water rights, long planned by County forefathers, are necessary to provide a continuing stream of economic, social and cultural benefits to the county and meet General Plan objectives.

Whether or not additional water sources are available, the county must accommodate it’s near and long term fair share of regional growth. Increased demand without a corresponding increase in supply will require more conservation measures and reallocation among existing users – such as agriculture and recreation – at greater cost. In the mid 1970’s, Santa Barbara abandoned its efforts to apply for state water because it might prove growth inducing. Today, as an alternative to her \$120,000 a year water bill, Oprah Winfrey, along with other wealthy Santa Barbara residents, trucks in water, depleting nearby agricultural groundwater supplies. After Marin County recently imposed some of the most onerous water use restrictions in the state, residents ask, “What can be done to get more water?”¹ **Fortunately, in El Dorado County, something can and is being done to get more water.**

¹ http://www.marinij.com/marinnews/ci_25011698/marin-water-chief-water-rationingt-april-1

Executive Summary

During the formative years of the major water projects, Area of Origin laws were passed to alleviate fears of Northern California interests that local water supplies would be depleted by shipping water to Southern California. These laws ensure that counties where water originates are entitled to an adequate supply of water necessary for development of the county, **with priority over downstream users.**

Whether El Dorado County (County) has an adequate supply of water to meet near and long term demand requires a review of the El Dorado County 2004 General Plan (General Plan).

The General Plan is the County's near and long term plan for compliance with State law requiring that the County accommodate its share of regional housing growth, along with meeting job, agricultural, commercial, governmental, and environmental objectives.

Near term, the General Planning Horizon accommodates 17,500 new housing units, provides for creation of new jobs and expansion of agriculture. The actual growth rate, or timing when the 17,500 new housing units are built, depends largely on market demand. El Dorado County forecasts growth will occur at the historical rate of 1.03%; at this rate the General Plan Horizon would be met by 2035. Using the last 5 year actual rate of 200 homes per year would result in a much later horizon; on the other hand, ***if growth occurs at a rate greater than 1.03% annually, these new housing units would be built sooner than 2035.*** Long term, before these 17,500 housing units are built, the General Plan Horizon will be extended to continue to accommodate a fair share of regional growth while meeting job and agricultural objectives.

Existing water supply is only sufficient to meet the near term Planning Horizon.

Recognizing the time had come to apply for water rights to meet long term General Plan demand, the El Dorado Water and Power Authority (EDWPA), a joint powers authority currently comprised of EDCWA, the County and EID, submitted a 2014 revised application to the State to secure Area of Origin water rights in the American River using existing SMUD facilities.

The costs to fight for these long promised and planned for rights pale next to the stream of benefits the County receives from a new water supply. With or without these rights, demand will increase resulting in greater user cost and reallocation of existing priorities.

Understandably, downstream users are concerned about the effects on them. As statewide demand increases, so will conflicts between areas of origin and downstream users. This application presents an opportunity for stakeholders to work together to resolve these issues and incorporates regional benefits to create incentives for cooperation among conflicting interests.

It is imperative that we support and pursue these County of Origin water rights to provide a continuing stream of economic, social and cultural benefits to the county – to help to preserve the way of life important to our residents and our economic well-being.

**I. BACKGROUND OF EDWPA APPLICATION FOR RIGHTS OF ORIGIN
IN THE SOUTH FORK OF THE UPPER AMERICAN RIVER**

A. State Adoption of County of Origin Laws

Water usage in California is divided such that approximately 50% is used for environmental purposes, 40% for agriculture, and 10% for urban uses, though that varies considerably between regions and between wet and dry years. Around 75% of California’s water supply comes from north of Sacramento, while 80% of the water demand occurs in the southern two-thirds of the state. This mismatch of water supply and demand created early conflict.

In response to growing political and legal contests for limited water resources, the State established the Water Commission in 1914 to oversee permits associated with the rights to use surface water – such as the South Fork of the American River. The Water Commission later evolved into the State Water Resources Control Board (Water Control Board).

A 1927 law allowed the State to file for all available state water rights in waters of the State necessary for a statewide water plan. In 1927, the State filed Applications reserving surface water in the American River for future development. After this date, local agencies seeking American River surface water rights were required to apply to the State for a partial assignment of these applications, or seek a release of their priority over later-filed applications. Any approved assignments would have a priority date of 1927. Counties where water originated, such as El Dorado, were concerned their water would be stolen by the State, leaving these counties without water to develop their communities. This concern led to County of Origin laws passed in 1931 to ensure that the 1927 reservations by the State, whether used by the State or released by the State to others, would not deprive the county of origin of water necessary for the development of the county of origin.

B. Central Valley Project (CVP) and the Watershed Protection Statute

Originally conceived and approved in the CVP Act as a state project, the U.S. Bureau of Reclamation (Bureau) later took over construction of the Central Valley Project during the Great Depression. The CVP Act included the 1933 Watershed Protection Statute. Like the County of Origin Laws, the Watershed Protection Statute was passed as part of the CVP Act to reassure watersheds of origin that their rights to future water would be protected from CVP exports.

After passage of these two Area of Origin statutes, the Central Valley Project was built. Today, the CVP manages over 9 million acre feet² from Shasta Dam to Bakersfield. Folsom Dam, with a storage capacity of almost 1 million acre feet, was built in 1955 as part of the CVP and is operated by the Bureau. Folsom Dam regulates flows in the American River for multiple uses, including irrigation, power, flood control, consumptive use, fishery, salt water intrusion in the Delta and recreation.

² An “acre foot” is a volume of water that covers one acre to a depth of one foot.

C. The SMUD Upper American River Project

The Sacramento Municipal Utility District (SMUD) was formed in 1923 and by 1948 had taken over the electric distribution system for Sacramento. **In 1948**, SMUD took its first step toward producing its own power by introducing plans to build the Upper American River Project (UARP) in El Dorado County. As part of the project, SMUD filed for and was granted two water rights for consumptive (e.g., agricultural or domestic) water uses. SMUD needed both State and Federal Energy Commission (FERC) approvals for the UARP. Concerned with the effect of the UARP on its Area of Origin water rights, El Dorado County protested the SMUD project.

On **June 28, 1957**, SMUD assigned the two consumptive water rights in the UARP to the City of Sacramento. SMUD retains non-consumptive water rights (e.g. water storage at Union Valley, Ice House, and Loon Lake Reservoirs and power generation) granted to SMUD in March, 1957.

On **July 11, 1957**, El Dorado County and SMUD entered into the “Agreement Between County of El Dorado and Sacramento Municipal Utility District” (the “**1957 Agreement**”), supplemented in 1961. Among other things, **SMUD agreed to permit El Dorado County to make use of certain UARP facilities** for diverting up to 40,000 acre-feet per year (AFY) of water for irrigation, domestic, municipal and stock watering purposes within El Dorado County, and the County agreed to withdraw its protests to SMUD’s then-pending applications for non-consumptive water rights for the UARP. To be clear, El Dorado County was granted specific rights to use UARP facilities, not water rights in the amount of 40,000 acre feet AFY. Water rights to 40,000 AFY would have to be approved by the Water Control Board.

In response to several water rights applications for water originating from the American River, on **March 18, 1958** the Water Control Board rendered Decision No. 893 (D 893) which, among other things, approved SMUD's water right applications to develop the UARP and the City of Sacramento's applications assigned by SMUD to water originating in SMUD’s UARP, and conditioned both Bureau and City permits to include protections for future El Dorado County use of the American River. The American River water rights of the City and the Bureau are subject to reduction by future appropriation of water for beneficial use by El Dorado County. ***In other words, a grant of Area of Origin water rights to El Dorado County would have a priority date of 1927 and be senior to downstream rights, including Sacramento and Bureau rights.***

The El Dorado County Water Agency (**EDCWA**) was formed in **1959** as a long term water planning organization to lead, assist and participate in important projects such as securing water rights for El Dorado County. EDCWA is governed by selected members of the El Dorado County Board of Supervisors and county water agencies.

Effective **September 27, 1993**, the County and EDCWA transferred and assigned all rights and duties under the 1957 and 1961 Agreements to the **El Dorado Irrigation District (EID)**, an irrigation special district, which by the 1990’s was the largest domestic supplier of water in the County. EID agreed to implement the 1957 and 1961 Agreements providing for the use of up to 40,000 AFY of the UARP facilities.

By 2004, the original SMUD FERC 50-year license for UARP was about to expire. The **El Dorado Water and Power Authority (EDWPA)**, a Joint Powers Authority, composed of EDCWA, the County, EID and Georgetown Public Utility District (GPUD), was organized to negotiate with SMUD the effects and impacts on EDC interests of the grant by the FERC of new and additional licenses for the UARP. The governance of EDWPA, limited to agencies involved in the UARP Agreement, allows key decisions to be made by County, Water Agency and EID with County and EID having equal Board representation. Costs are shared equally between the member entities (approximately 1/3 each). EID costs are paid by new user hook- up fees rather than user fees.

In **2005, the EDWPA agencies entered into the “El Dorado Intra-County Coordination Agreement”** which allocated to each agency the benefits and costs of both seeking water rights and using the UARP facilities to store and divert 40,000 AFY. In 2009, GPUD withdrew from EDWPA, citing a lack of current access to the water supply from UARP.

D. 2005 SMUD Cooperation Agreement Reaffirms and Defines Right to Use SMUD Facilities

SMUD, the County, EDWPA, EID and GPUD entered into the **SMUD Cooperation Agreement** in November, 2005 (“**Cooperation Agreement**”). The Agreement contains the Parties’ respective rights and obligations concerning all licensing issues and the contents of the 1957 and 1961 Agreements. Significantly, the Agreement clarified EDWPA member agency’s use of SMUD facilities to store and deliver 30,000 AFY through 2025, and 40,000 AFY thereafter, including up to 15,000 AFY of carryover storage for drought protection. Water available for withdrawal under the proposed project will be consistent with UARP FERC license conditions.

The **Cooperation Agreement** does not provide any water rights. The benefits EDWPA acquired to utilize the SMUD facilities for storage and delivery capacity can only be realized if EDWPA is able to obtain new water rights for up to 40,000 AFY.

E. 2008 EDWPA Initial Application for Water Rights

In 2008 EDWPA applied for partial assignment of two 1927 state filings to gain appropriate diversion and storage rights of up to 40,000 AFY in the UARP’s Loon Lake, Ice House and Union Valley reservoirs. The requests were “pursuant to the policy of the State of California, reserving priority water rights to protect the areas in which water originates”. The need for the water rights was identified in the EDWCA 2007 Water Resources Development and Management Plan as based on the 2004 El Dorado County General Plan. Based on General Plan performance and growth projections to that date, the application concluded that General Plan demand would exceed supply by about 30,500 AFY by 2025. State mandated 20 percent urban water conservation, reduced agricultural demand projection, and other factors have resulted in revisions of these projections.

As the request for Area of Origin water is based on General Plan demand, the next section addresses General Plan projections, 2014 existing conditions and County growth forecasts.

II. THE 2004 EL DORADO COUNTY GENERAL PLAN, 2011 to 2015 PLAN REVIEW AND UPDATE AND 2014 HOUSING, AGRICULTURE AND JOBS EXISTING CONDITIONS

Under state planning law, every county must develop and maintain a General Plan. The General Plan must accommodate a share of the state and Regional Housing Needs Allocation (RHNA); growth and development must be consistent with the General Plan. Typically, a General Plan will forecast growth for approximately 20 years and analyze the effects of that growth and mitigation for those identified impacts. Before the 20 year plan period lapses, a county will either comprehensively amend the plan or develop a new plan. The county must maintain a valid General Plan to be in compliance with state law.

The 2004 El Dorado County General Plan analyzed the effects of building 32,491 new homes and creating 42,000 new jobs, primarily in the Community Regions, between the 1999 base year and 2025 (or later). This time period was called the “**Planning Horizon**”. The General Plan analysis also included a calculation that multiplied the land use classifications by the maximum theoretical densities and concluded the General Plan could accommodate a maximum of 78,692 new homes and 86,688 new jobs. These **theoretical buildout** calculations did not take into account significant site specific constraints, economic factors and regulatory requirements, but did demonstrate an oversupply of lands available to meet future development. In practice, General Plan implementation does not reach “theoretical maximums”; in fact, the 2011 General Plan review, discussed below, concluded that actual implementation has fallen below original Planning Horizon goals and objectives.

A. 2011 General Plan Review Finds Plan on Course with Targeted Corrections

The 2004 General Plan provides for reviews at five-year intervals and updates as necessary. During the five-year review in 2011, the County found the General Plan Goals and Objectives were generally on course; however the plan implementation was deficient in the following important areas:

1. Job creation to date has lagged behind General Plan projections; actual new job creation is less than 0.5 jobs per new home, rather than the projected 1.3 jobs per new home. To meet original plan projections, 1.79 jobs would be required for every new home;
2. The rural economy, including agriculture, ranch marketing, and home occupations, is underutilized, resulting in loss of jobs, retail leakage, and increased out-of-county vehicle trips;
3. Retail and sales leakage, a taxable and non-taxable \$800 million, causing loss of jobs and out-of-county vehicle trips;
4. New housing for moderate income households (up to \$91,000 annual income) is non-existent;
5. The General Plan required the Zoning Ordinance be updated by 2005 to be consistent with the General Plan;

6. The Traffic and Circulation Element of the General Plan required a current Traffic Demand Model and the current model was updated in 2014.

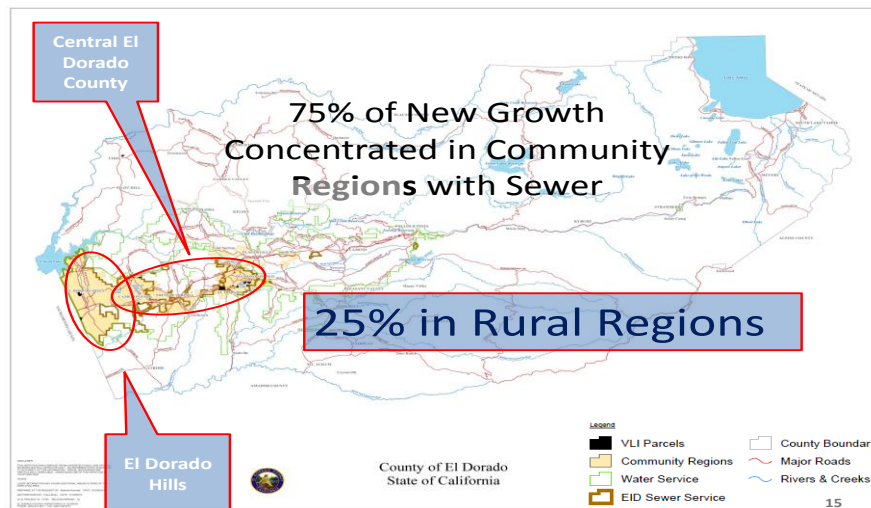
B. 2011-2015 General Plan, Zoning and Traffic Demand Model Update

The County developed a comprehensive plan to address General Plan implementation concerns. This plan included Targeted General Plan Amendments, Zoning Ordinance Update and the development of an updated Traffic Demand Model to evaluate the traffic effect of these considered actions. The Traffic Demand Model has been completed and a Draft Environmental Impact Report (EIR) has been prepared to evaluate the TGPA/ZOU proposed actions. In 2015, the Board of Supervisors will consider a number of policy amendments to the General Plan, including:

1. Expansion of Agricultural Districts by 17,000 acres;
2. Reclassifying Camino/Pollock Pines as Rural Centers rather than Community Regions;
3. Increased agricultural, ag/tourism and ag support activities allowed on agricultural lands;
4. Expanded “working lands” and ranch/tourism economic activities on rural lands;
5. Expanded use of private forest lands for economic and recreation benefit;
6. Expanded home occupations with standards based on land use, zoning and parcel size;
7. Allowing detached single family Moderate Housing on Multi-Family designated lands;
8. Limited mixed use development on Commercial and Multi-Family designated lands;
9. Creation of multiple commercial zones to facilitate uses appropriate to specific areas;
10. Community-based design standards for commercial and multi-family development.

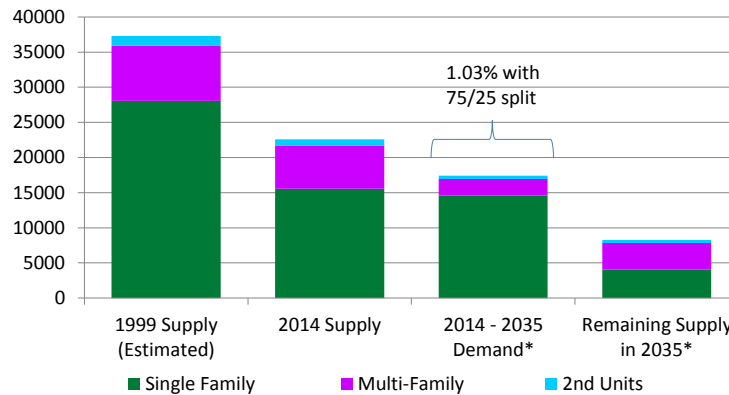
C. Current Condition of General Plan Goals and Projections as of 2014

15,000 of the 32,491 planned new units have been built since 1999, leaving about 17,500 residential units to be built over a Planning Horizon of 2035, assuming a 1.03% growth rate equivalent to the county’s historical growth during the past 50 years. 75% of the 17,500 (about 13,125) are forecast for the Community Regions with sewer and water. The remaining 25% of new homes (4,400) are forecast for the Rural Regions with services or wells and septic.



The following chart shows that there are currently enough entitled lots (existing parcels, approved tentative subdivision maps, Specific Plan approved units) on lands within the Community Regions with sewer and water to supply all but about 4,000 units of the Community Regions' 75% share of the 20-year anticipated residential demand.

**West Slope Housing Supply (1999, 2014 & 2035)
with 20-Year Demand Forecast (2014-2035)
Without Land Use Changes**



Assumes 4,000 New Single Family parcels created county-wide between 2014 and 2035.
Nearly all Remaining SF supply is rural with Community Regions being multi family

18

Even with the creation of about 4,000 new single family lots, residential parcel inventory will decrease by more than 20,000 lots between 1999 and the Plan Horizon. Remaining entitled residential parcels available for the next General Plan update will be located primarily in rural regions of the county.

Agriculture Historical to Current Conditions Based on Crop Reports

Agricultural (Crop and Livestock) Acreages by Crop Report Year							
Year	1960	1970	1980	1990	2000	2010	2013
Fruit & Nut Crops							
Bearing Acres	4385	3246	2959	2772	2954	3307	3466
Apples	343	509	546	745	838	845	850
Pears	3670	2287	1682	738	451	130	105
Grapes		10	178	715	1565	1946	2123
Other	372	440	553	574	100	386	388
Non-bearing	843	351	245	192	400	261	220
Miscellaneous*			31	105	47	38	34
Pasture, Deciduous, Other							
Irrigated Pasture	2500	5240	4500	3000	1100	927	925
Cattle (Cows/Calves)	10500	11400	11288	5922	4300	6078	5978
Christmas Trees (each)		33748	50950	72925	91000	47539	37486
Hay	4000	5500	2000	400	350	216	255
Total per EDC Crop Report	11728	14337	9735	6469	4851	4749	4900
General Plan Forecast**					9471	13050	14260

*Berries, kiwis, pumpkins, persimmons, truck gardens, etc.

**Wood Rogers 2003 Report -- 2000 Baseline and Irrigated Ag Lands Forecast

Having reviewed near term housing condition and agriculture historical to current conditions, we next review water planning and supply to meet near and long term General Plan demand.

III. COORDINATION OF WATER PLANNING WITH LAND USE PLANNING

As the only agency with land use authority, El Dorado County is responsible for adoption and update of the General Plan, the foundation for all subsequent land use decisions. EDCWA, the **countywide water resources planning agency**, is responsible under the General Plan and El Dorado County Water Agency Act to insure adequate water supplies to meet demand to support existing and planned land uses, both near and long term. Accordingly, EDCWA prepared a **2007 Water Resources and Management Plan**, including a **2014 West Slope Update (2014 WRMP)**. EID, as the primary western slope purveyor, also prepares an annual **Water Resources and Service Reliability Report** and developed the **2013 Integrated Water Resources Master Plan** using General Plan land uses to project future demand. All major purveyors prepare periodic **Urban Water Management Plans**; EID’s most recent UWMP was prepared in 2010. Major projects are required to obtain water purveyor approval of a Water Supply Assessment (WSA) which establishes that a sufficient 20-year water supply is available to meet project demands, together with existing and planned General Plan land uses.

For approval of a project, WSA law and CEQA require the County to determine “based on the entire record, whether projected water supplies will be sufficient to satisfy the demands of the project, in addition to existing and planned future uses”. **General Plan policies provide:**

“Prior to the approval of any discretionary development, the approving authority shall make a determination of the adequacy of the public services and utilities to be impacted by that development” ... “if the total entitled water supplies available during normal, single dry and multiple dry years within a 20-year projection will meet the highest projected demand associated with the approval, in addition to existing and 20-year projected future uses within the area served by the water supplier...”. “Absent evidence beyond a reasonable doubt, the County will rely on the information received from such purveyors and shall not substitute its judgment for that of the responsible purveyors on questions of capacity or levels of service.”

The following charts show where the forecast 17,500 units will be built, the water demand by usage category and the available supply to meet this demand.

General Plan Housing Demand: What Type & Where?

17,500 new units over 20+ years:

75% Community Regions* (Within EID Service Boundaries)		25% Rural Centers & Rural Regions (EID, GDPUD, Other purveyors or private wells)		Total
Single Family:	11,000	Single Family:	4,200	15,200
Multi Family†:	2,100	Multi Family†:	200	2,300
Total CRs	13,100	Total RC/RRs	4,400	17,500

*Assumes Camino/Pollock Pines changed to Rural Center

†Multi Family unit count based on 2013-2021 RHNA allocation. This number is subject to change in 2021 at next Housing Element Update.

(Note: All Numbers are Rounded)

EID Residential and Non-Residential Demand Factors

EID Water Demand Category	Density Range	Project Demand Factors (af/du)
3 Acre Custom Estate Lots	.33 DU/Ac	3.48
1 Acre Custom Homes	1 DU/Ac	1.04
1/2 Acre Custom Homes	2 DU/Ac	0.80
8,000 to 10,000 sf Lots	3 - 4 DU/Ac	0.52
5,000 to 7,000 sf Lots	4 - 5 DU/Ac	0.48
Age Restricted 5,000 to 8,000 sf Lots	4 - 5 DU/Ac	0.48
Condominiums/Townhomes	7 - 12 DU/Ac	0.38
Multi-Family Housing	15 - 24 DU/Ac	0.16
Office Park/Commercial		1.94
Community Center		4.48
Parks		2.77
Schools		1.43
ROW Landscaping		3.30
Open Space		0.00

EID Existing and Planned Water Supply; Maximum, Normal and Dry Year

Water Right or Entitlement	Maximum Water Assets Available (Ac-ft)	Normal Year Planned Supply Availability (Ac-ft)	Dry-Year Planned Supply Availability (Ac-ft)
License 2184 and pre-1914 ditch rights including Warren Act Contract 06-WC-20-3315	4,560	4,560	3,000
Licenses 11835 and 11836	33,400	23,000	20,920 ¹
CVP 1 14-06-200-1375A-LTR	7,550	7,550	5,660
Pre-1914 American River diversion and storage rights	15,080	15,080	15,080
Permit 21112 (Area of Origin rights authorized in 1992)	17,000	17,000	17,000
Subtotal Existing	77,590	67,190	61,660
Central Valley Project "Fazio" water entitlement (PL 101-514 (1990) Fazio) [Available starting in 2015]	7,500	7,500	5,625
Applications 5645X12, 5644X02 and partial assignment of Applications 5645, 5644 with El Dorado-SMUD Cooperation Agreement [Available starting in 2025]	40,000 ²	30,000	5,000 ³
Subtotal Planned	47,500	37,500	10,625
Recycled Water	5,600	5,600	5,600
Total	130,690	110,290	77,885

¹This is the modeled safe-yield of this water right during a single dry year. For planning purposes, the second and third dry years of a three-year dry period are assumed to be 17,000 acre-feet, and 15,500 acre-feet, respectively.

²Section 5.1.1 of the El-Dorado SMUD Cooperation Agreement indicates that 40,000 acre-feet of SMUD water will be available after 2025. For conservative Normal Year planning purposes, the District uses 30,000 acre-feet of available supply.

³Available supply is 15,000 acre-feet in a single dry year but in preparing for multiple dry years EID anticipates using only 5,000 acre-feet per year for a three-year period.

The General Plan is the foundation for water supply planning as well as land use decisions. Utilizing current conditions and estimated growth distribution, the County projects the Planning Horizon of 17,500 new units (at 1.03% annual growth) will be reached by about 2035. EDCWA's long range planning, generally using 2004 General Plan reports, addresses growth rate variations through the Planning Horizon to long term demand generated by ultimate General Plan build out. **Utilizing either EDC current baseline with annual growth at 1.03% or demand projected from 2004 General Plan reports, current water supplies are only adequate to satisfy near term General Plan needs. A new source must be secured to meet long term demand.**

IV. EL DORADO COUNTY WATER RELIABILITY PROJECT

“When you're thirsty, it's too late to think about digging a well.”

– Japanese Proverb

Every jurisdiction in the state wants additional water rights. This is not just drought related. Chinatown, a 1974 movie, chronicled the California water wars at the beginning of the 20th century. Even earlier, Mark Twain is credited with saying “*Whiskey is for drinking and water is for fighting over*”. Wars have been and will be fought over water rights. Water rights are wanted by all and worth fighting for.

The argument that only developers want more water rights was tested, among others, by Santa Barbara. In the mid 1970's with a population of about 265,000, Santa Barbara abandoned its efforts to apply for state water because it might prove growth-inducing. Today, with a population approaching 425,000, wealthy Santa Barbara residents truck in water, depleting neighboring agricultural groundwater. Wealthy residents such as Oprah Winfrey find this a more affordable alternative to her \$120,000 a year water bill for two residential properties. Apparently, it wasn't "water" that was growth inducing. Lack thereof...water that is...didn't stop the growth. Failure to plan for growth includes not planning for water rights. Some would like to see El Dorado County become Marin County east. Marin County has imposed some of the most restrictive water conservation measures in the state, while **residents** (not developers) ask, “What can be done to get more water?”

Current users and residents understand: **Water is not exempt from the laws of supply and demand**. With or without a new water source, the County must accommodate its near and long term fair share of regional growth and long term General Plan objectives. Increasingly greater demand for a diminishing supply will increase costs and require greater conservation and reallocation among existing users – including domestic, agriculture and recreation. Without a new supply, more pressure will be put on both surface and groundwater at a time global warming models project a decreased snowpack.

In a recent election, voters were urged to support candidates who promised to “protect our water from developers”. Area of Origin water rights in the Upper American River have been promised since the 1930s and planned by El Dorado County elders since at least 1957. El Dorado County voters are not “protected from developers” by conceding our El Dorado County of Origin water rights to downstream users.

On March 13, 2014, EDWPA issued a Notice of Preparation of an Environmental Impact Report for what is now called the “**El Dorado County Water Reliability Project**.” Although framed as an application for Area of Origin water rights, the project seeks to implement important rights bargained for by El Dorado County more than a half-century ago, to use water originating in El Dorado County and stored in the SMUD/UARP facilities. The project will also provide regional benefits, such as the opportunity to store surplus water in wet years in a Sacramento aquifer (nature's reservoir) that could be exchanged during a dry year with a downstream user to offset the impact of El Dorado County diverting more water either at or upstream of Folsom Reservoir.

Although the intent of Area of Origin law is clear – to ensure water originating in a county or area is available for its future needs – the language is broad with limited judicial review.³ This Application presents an opportunity for decision makers to address Area of Origin laws in the context of such facts as: 50 year notice of intent to seek rights when necessary; economic and environmental value of use of UARP facilities; and regional banking. El Dorado County is not the only jurisdiction interested in protecting Area of Origin Rights. In responding to the EDWPA 2014 application, the Cities of Folsom and Roseville and the Sacramento Suburban Water District (SSWD) and San Juan Water Districts (SJWD) raised objections, but made clear:

“At the outset, Folsom, Roseville, SJWD and SSWD want to express support for EDWPA’s right as an Area of Origin agency to apply for and obtain a new water right to support future development in El Dorado County.”

Conclusions and Recommendations

- 1. The roles of the various agencies involved in water supply planning and land use planning should be better defined to improve final outcomes.** To ensure consistency between various agencies, water planning efforts, the Area of Origin application should recognize the County’s current baseline, growth forecast and estimated growth distribution for projected needs over the near-term General Plan Horizon. Long-term demand analysis can utilize the General Plan build out forecast until the time that a comprehensive General Plan update or new General Plan is developed. This process and any growth-inducing effect of a new water source may be addressed in the EDWPA EIR, and any General Plan update of the near term Planning Horizon
- 2. Retain EDWPA as an independent JPA. There is a crucial need for direct and equal oversight of the application process and protection of the rights in the UARP Agreement by EDC, EDCWA, EDWPA and EID.** There is a need to continue to review and apportion their costs and coordinate and restructure, as appropriate, their efforts for the benefit of all.
- 3. Support the “El Dorado County Water Reliability Project”.** There is adequate water supply to satisfy demand for the near term Planning Horizon. Far sighted County fathers gained the right to use SMUD’s UARP facilities to store upper American River water when it became necessary for development of the county. That time has come. This will perfect separate but related rights: 1) Our “Area of Origin” rights – assurances by the state from the 1930s’, that we are entitled to keep as much of our water as is “necessary for development of” the County; and 2) The benefits bargained for in 1957, 1961 and 2005 between the County interests and SMUD and known since then to all licensing authorities and downstream users.

The costs and time to pursue these water rights are incidental when compared to the benefits. Our forefathers fought for the water rights we enjoy and we must fight for the next generation. There are uncertainties – including, whether the laws will be repealed. The only thing certain is that failure to proceed with the Application now will mean a loss of these rights.

³ A fair review of Area of Origin laws may be found at http://www.waterboards.ca.gov/board_info/agendas/2013/oct/100813_7origin.pdf