

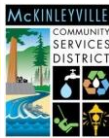
HUMBOLDT BAY MUNICIPAL WATER DISTRICT

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December 2, 2015



Ms. Felicia Marcus
Chairwoman
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814

Dear Chairwoman Marcus:

We are offering these comments on the potential extension of the emergency water conservation regulations, adopted on May 5, 2015. Humboldt Bay Municipal Water District (HBMWD) supplies wholesale water from the Mad River to three cities (Arcata, Blue Lake and Eureka) and four community services districts (Fieldbrook-Glendale, Humboldt, Manila and McKinleyville) for ultimate delivery to approximately 90,000 residents in Humboldt County. This water is stored in Ruth Reservoir and delivered 75 miles down the river to collection and treatment facilities near Arcata.

As we have documented in previous correspondence, we are not currently experiencing drought conditions on the Mad River, or any shortages in the availability of water supply. The attached Figures 1 and 2 show lake elevation and rainfall patterns over the past four years. Even though water year 2013-14 was lower than normal precipitation, Ruth Reservoir filled four times during that year. The reservoir filled each year during the past four years of drought.

On May 12 of this year, we submitted an analysis that showed that the safe yield of our reservoir and water supply system is approximately 36.5 million gallons per day (MGD), using very conservative assumptions - annual rainfall comparable to the lowest on record (1976-77) and demand supplied directly from the reservoir, rather than the diversion point 75 miles downstream, where available supply is substantially greater due to accretions from tributaries. Current demand on our system is 11 MGD, so under even these catastrophic drought conditions – significantly worse than the past four years – our water supply would not be impacted.

This is the context for our comments on a potential extension of emergency conservation regulations, which follow.

Recognize Local Conditions

The hydrologic conditions during the past four years have affected different regions in California in different ways. As just noted, the Humboldt Bay area has not suffered any diminution in water supply availability – reservoir levels have followed normal patterns, and water supply far exceeds ongoing demand levels. In fact, HBMWD proposed in 2014 a temporary urgency change in place of use, to be able to offer water supplies for other communities on the North Coast that were suffering supply shortages. Other areas of the state are in similar circumstances – Marin County reservoirs are at 98% of average levels for this time of year and the major water supply reservoir in Sonoma County is at approximately 85% of the average of the last ten years. While smaller tributaries may be flowing lower than normal, those reaches that are supplied by releases from reservoirs in these counties (Mad River, Russian River and Lagunitas Creek) have been meeting environmental flow requirements.

Water agencies throughout the state have prepared and implemented water shortage contingency plans, to address their specific water supply situations. As indicated by current reservoir conditions in Humboldt County and other adjoining coastal counties, water supplies continue to meet or exceed demands. Given the latest projections from the National Weather Service of the significant probability of above-normal rainfall in Northern California during this El Nino year, this situation of more than adequate water supplies to meet normal demand will continue on the North Coast. Any conservation regulations in 2016 to address a drought emergency should apply only to those areas of the state in which water supplies are inadequate to meet normal demand.

Support Investments in Diversified Portfolios

As part of their water supply planning efforts, and in response to previous significant droughts, water agencies throughout California have made major, and effective investments in demand reduction measures. They have also invested ratepayer funds in the diversification of their supply portfolios, in part at the urging of state and federal regulators. These investments include drought-resilient supplies such as direct non-potable and indirect potable use of recycled water, groundwater recharge and banking, and desalination. In addition to these investments, water agencies continue to face the need to fund infrastructure repairs and replacements. All of these investments have increased the price of water, and water bills have been increasing during the past decade at two to three times the rate of inflation (PPIC, “Paying for Water in California,” 2014.)

Ratepayers have been generally willing to accept these increases in the cost of their water supplies. However, they expect a reasonable return on their investment, particularly when paying for the cost of drought-resilient supplies. In any new or extended water conservation regulations to address a drought emergency, these investments in drought-resilient supplies should be recognized, and should be exempted from any mandates to reduce their use.

Implementation Date for Extended Regulations

Section 1058.5 of the Water Code provides for extension of emergency conservation regulations, should the water year be designated as a critically dry year, and following two consecutive below normal, dry or critically dry years. Emergency conservation regulations may also be extended if the Governor has issued a proclamation of a state of emergency. There is no deadline specified in the code for a decision by the Board to extend emergency regulations.

The water year is defined by the Department of Water Resources on or about April 1, based on the hydrologic conditions at the time. Preliminary water year definitions are issued on February 1 and March 1, at which time water allocations for contractors of the State Water Project and the Central Valley Project are also defined.

During El Nino years, precipitation events tend to be skewed toward the latter part of the winter (January and later). The attached Figure 3 shows rainfall amounts and temporal distributions for El Nino, La Nina and normal years, for the NOAA region headquartered in Eureka

While the Governor's Executive Order authorizes the State Water Resources Control Board to extend emergency conservation regulations should drought conditions persist through January, it does not define a date by which to do so. Given that California's reservoirs filled during the El Nino years of 1983 and 1998 – and indeed did so even during the drought-ending, yet non-El Nino years of 1978 and 1993 – the Board should wait until the full hydrology of the water year is known, and thus whether or not a drought emergency exists that would necessitate an extension of emergency conservation regulations.

We recommend that the Board consider and hold workshops and hearings on potential actions in the February, 2016 timeframe (consistent with the Governor's reference to drought conditions persisting through January), with a final decision on any regulations on or after the April 1 definition of water year type (which is based on runoff projections calculated from precipitation levels and snowpack). Such a schedule will allow for timely adoption of conservation actions in 2016, while avoiding imposition of any measures that become unnecessary or difficult to implement, should significant precipitation occur later in the winter.

Credibility

In 2015, Californians have taken to heart the messages concerning the drought emergency, and have met the Governor's challenge to reduce urban use. Reductions in the use of surface water supplies by agriculture have been even greater. Should a serious drought continue in 2016 (as defined by water indices being "critically dry," per the standard in Water Code Section 1058.5), Californians will likely understand the need to extend emergency drought regulations, and will likely continue to take action to reduce their use below usage in 2013.

However, should rainfall levels be adequate in 2016 to refill reservoirs (as happened in the springs of 1978 and 1993, after the two most recent serious droughts), our customers are not likely to understand the need for, or support the implementation of any conservation regulations related to a drought emergency. This would be particularly true if they were to

face further water rate increases. For this reason, we recommend again that the Board wait until the state's hydrologic conditions are defined on April 1 before deciding whether or not to proceed with any emergency drought conservation regulations, and where in the state such regulations would apply.

Thank you for the opportunity to provide these comments. We look forward to continuing to work with the Board to ensure that our state's rivers and streams are healthy and that water supplies are reliable.

Sincerely,

Paul Helliker

Paul Helliker, President
Humboldt Bay Municipal Water District



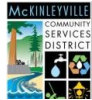
David Hull

David Hull, Manager
Humboldt Community Services District



Greg Orsini

Greg Orsini, Manager
McKinleyville Community Services District



Mark J. Andre

Mark Andre, Director of Environmental Services
City of Arcata



Brian Gerving

Brian Gerving, Public Works Director
City of Eureka



Richard Hanger

Richard Hanger, Manager
Fieldbrook Glendale Community Services District



Christopher Drop

Christopher Drop, Manager
Manila Community Services District



John Berchtold

John Berchtold, City Manager
City of Blue Lake



Figure 1
Elevation (Storage) Levels of Ruth Reservoir

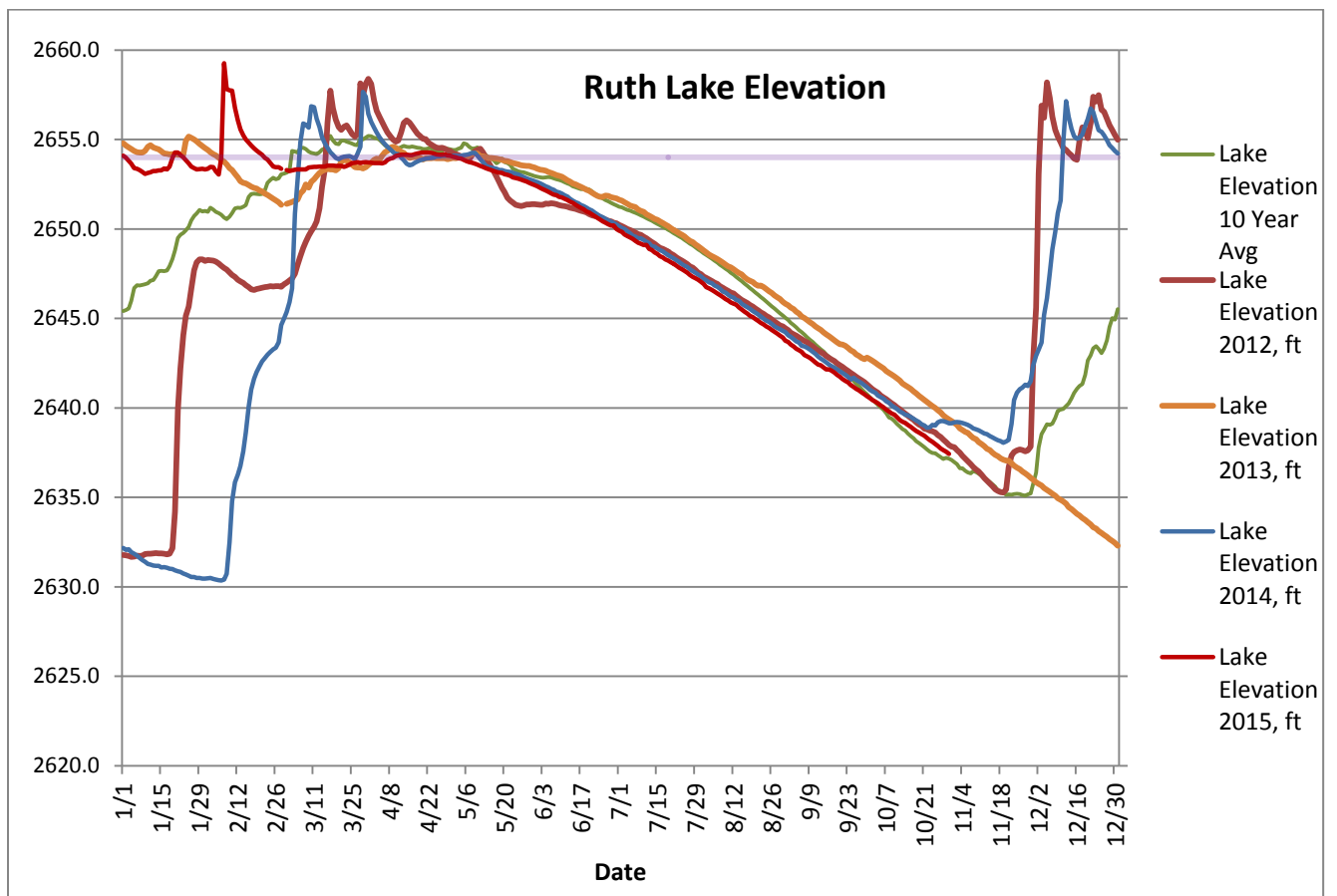


Figure 2
Precipitation at Ruth Reservoir

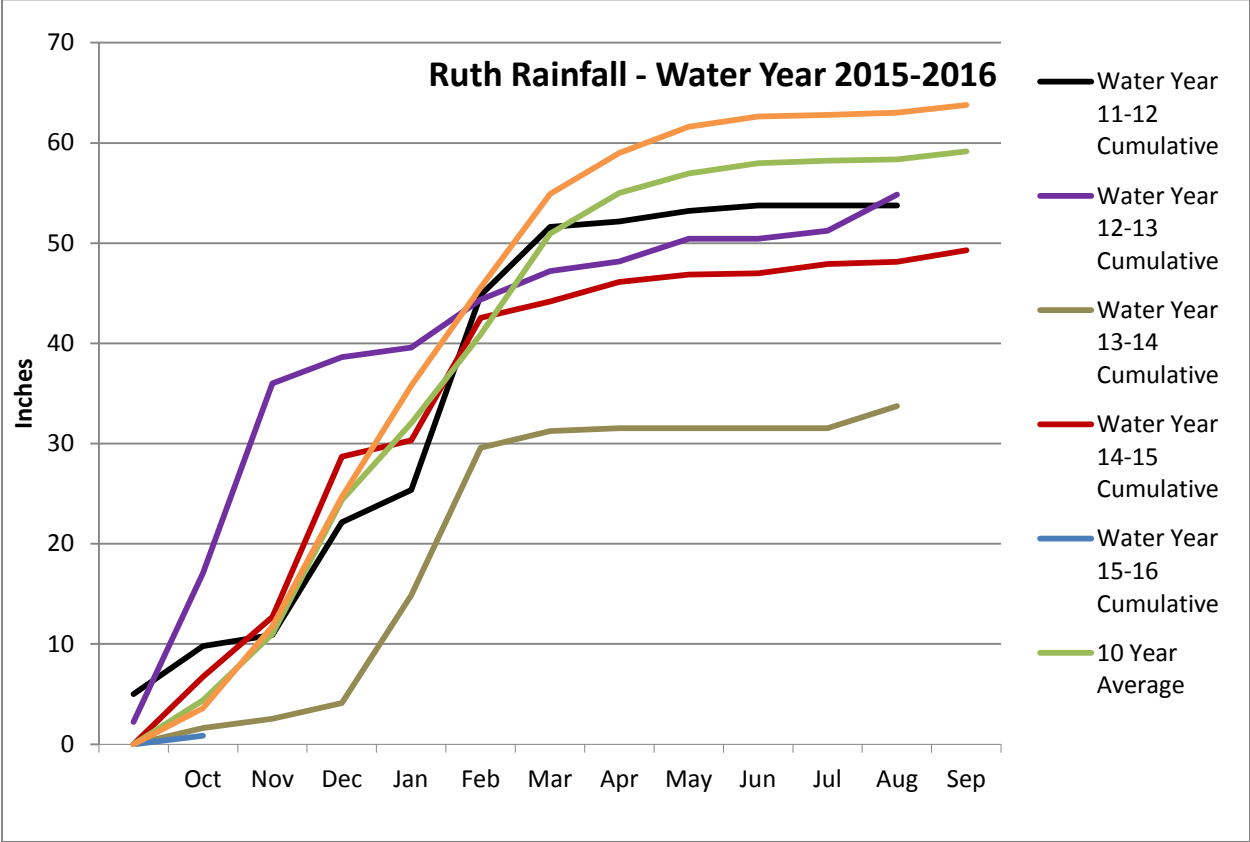


Figure 3
Typical Rainfall Patterns

