

Office of the General Manager

August 16, 2017

Ms. Maureen A. Stapleton General Manager San Diego County Water Authority 4677 Overland Avenue San Diego, CA 92123-1233

Dear Ms. Stapleton,

General Manager Kightlinger has asked me to respond to your letter dated August 3, 2017 regarding alleged discrepancies between MWD's and Member Agencies' 2015 Urban Water Management Plans.

I would like to reiterate his offer for your staff and/or your consultant, Gordon Hess and Associates, to contact me to clarify Metropolitan's Integrated Water Resources Plan and Urban Water Management Plan contents and findings. I believe that further discussion would help your staff to understand Metropolitan's planning documents and approaches.

In the meantime, I am providing the following in response to the points that you make in your letter.

- 1) "Coordination, under UWMP Act." Metropolitan stands behind its comprehensive and inclusive coordination process with its member agencies. We disagree with your statements that there is a "material discrepancy" between Metropolitan's UWMP and those of its member agencies. We are aware of the future potential projects identified and disclosed in our member agency UWMPs and the potential impacts that those projects may have on future demands for Metropolitan supplies. As we demonstrated in our Board Report, projects in developmental phases other than existing and under-construction are conceptual at that point in time with the full knowledge that many of these projects will not be built during the time frame of the UWMP. Metropolitan monitors the progress of local projects on a continuous basis. Metropolitan's Board is committed to continuing to evaluate water supply projects and making decisions based on sound water resources principles.
- 2) "Continued reliance on flawed 2015 UWMP." Metropolitan stands behind its planning and reporting processes. We do not agree with your claim that MWD's UWMP (or the member agency UWMPs by association) is flawed. As noted in our Board Report, Metropolitan's UWMP was confirmed by the Department of Water Resources to be in compliance with the California Water Code. We continue to coordinate with our member agencies, including yours, to develop and update data to ensure effective implementation of regional projects and investment of regional dollars. We also do not feel that sending the demonstrably flawed Hess Report and Board Memo to your Board, Metropolitan's Board, legislators, agency

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managers, and city and county officials is merely "seeking engagement." To my knowledge, the SDCWA has not requested any meetings with Metropolitan staff to discuss the differences in accounting for local projects. The invitation to do so remains open.

3) "Continued reliance on flawed 2015 IRP Update." Metropolitan stands behind its Integrated Water Resources Planning process, a regional, participatory process that has been in the works since the early 1990 and has proven to serve the region well over the past two decades. We disagree with your interpretation of the IRP baseline analytical case. The basic principles of water resource management require the establishment of a baseline. The do-nothing case is simply a baseline projection from which other alternatives can be measured now and in the future. Your letter states that you do not believe this should be the baseline and offers the puzzling claim that it is "artificial." The assumptions of Metropolitan's baseline analytical case are well documented. The label, "do-nothing" is not a description of what Metropolitan believes will happen in the future, but is an indication of what would happen if no further water supplies were developed. Metropolitan is very aware that member agencies – and their sub-agencies and municipalities - are not "doing nothing" with regard to local resources development and conservation. We are also aware that much of what local agencies have done in the past has actually been done in conjunction with regional participation, cooperation, and financial incentives from Metropolitan. The IRP process itself was initiated to increase regional coordination of water supply and conservation development, and we believe that it continues to accomplish that goal.

Your assertion that Metropolitan is having difficulty adapting to a changing world with options other than imported water is unfounded. Metropolitan's IRP is, by definition, an adaptive management approach, and Metropolitan's water resources portfolio contains options, specifically in conservation and local resources development, other than imported water. We agree that the assumptions that go into the UWMP and IRP are subject to discussion, and at the many meetings we held with our member agencies and our Board, we discussed and reviewed these assumptions. As noted above, we would be happy to discuss these issues with your staff and/or your consultants.

Very truly yours,

Brandon Goshi

Manager, Water Policy and Strategy

BG:rr

cc: GM Kightlinger

MWD Board of Directors SDCWA Board of Directors