WATER SUPPLY ASSESSMENT
FOR THE VISTA CANYON SPECIFIC PLAN PROJECT

September 2010

Prepared by:

The Santa Clarita Water Division of Castaic Lake Water Agency

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1.0 INTRODUCTION

This report is a Water Supply Assessment (WSA) addressing the Vista Canyon Specific Plan (Project). The WSA has been prepared pursuant to the requirements of applicable sections of the California Water Code and California Public Resources Code[1] as contemplated by Senate Bill 610 (Costa; Chapter 643, Stats. 2001) (SB 610). These regulations require public water agencies, parties, or purveyors that may supply water to certain proposed development projects to prepare a WSA for use by the planning agency in compliance with the California Environmental Quality Act (CEQA).

The Project site is located within the Santa Clarita Water Division (SCWD)[2] of the Castaic Lake Water Agency (CLWA) service area boundary (refer to Figure 1). This WSA has been prepared by the SCWD because the SCWD would serve the Project. The SCWD is authorized to serve the Project pursuant to section 15.1 of the Castaic Lake Water Agency law, Water Code section 12944.7. As the operator of the public water system that may provide water to the proposed Project, SCWD is responsible for preparing a WSA.[3]

A WSA is required for any "project" that is subject to CEQA[4] and proposes, among other things, residential development of more than 500 dwelling units.[5] The Project is a qualifying project under this definition.[6] This WSA will provide information to the City of Santa Clarita (City) for its consideration in making a determination as to whether there is a sufficient water supply available to serve the Project. The WSA will assist the City in meeting its responsibilities as a CEQA Lead Agency. The WSA must be submitted to the City within 90 days of its request to the public water system. The City of Santa Clarita requested this WSA from SCWD on August 11, 2010.

1 SB 610 amended section 21151.9 of the California Public Resources Code, and amended sections 10631, 10656, 10910, 10911, 10912, and 10915 of, repealed section 10913 of, and added and amended section 10657 of, the California Water Code.

2 SCWD is the "public water system" for purposes of this WSA as defined by Water Code § 10912 (b), (c). A public water system has 3,000 or more service connections and provides piped water to the public for human consumption.

3 Water Code 10910(b).

4 Public Resources Code § 21080.

5 Water Code § 10912(a)(1). This section also includes other types of development that are defined as a "project" by this section of the code.

6 Water Code § 10912(a)(1). This section also includes other types of development that are defined as a "project" by this section of the code.

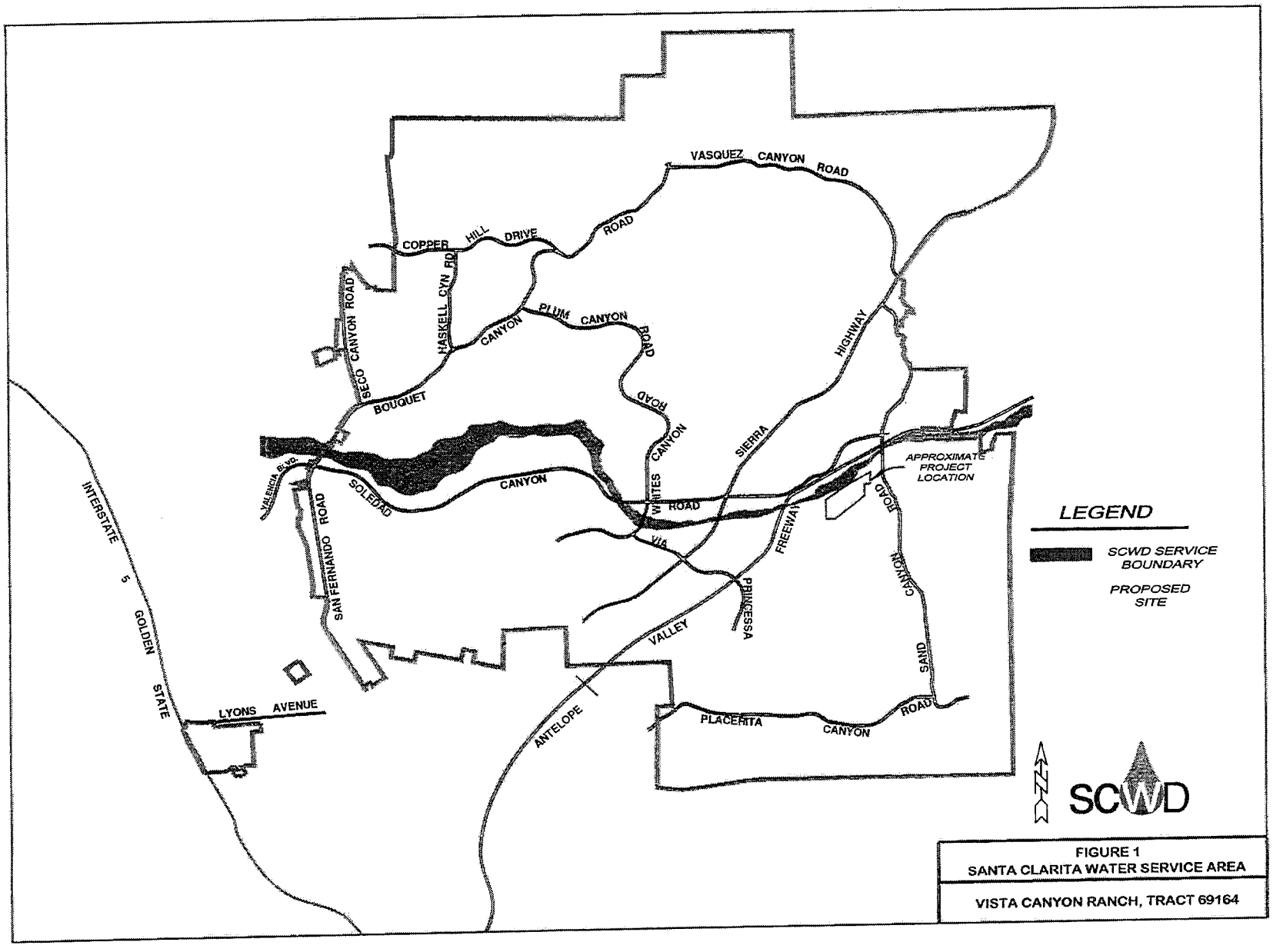

FIGURE 1
SANTA CLARITA WATER SERVICE AREA

VISTA CANYON RANCH, TRACT 69164

1.1 Vista Canyon Specific Plan Project Description

The Project applicant proposes to develop the approximately 185-acre Project site into a mixed-use development. The land uses proposed as a part of the Project consist of 1,117 dwelling units (96 single-family residential lots and 1,021 attached condominiums (up to 579 of these attached condominium units may be rented or leased), and up to 950,000 square feet of commercial and medical office, retail, theater, restaurant, and hotel uses within four Planning Areas (PA). A residential overlay over the corporate office campus site within PA-2 would allow for a conversion of up to 250,000 square feet of office floor area to 233 attached residential units. If implemented, this conversion would permit a maximum of 1,350 residential units and 700,000 square feet of commercial floor area. Both development scenarios are evaluated in this WSA.

The Project also includes approximately 18 acres of parks/recreation facilities, including the Oak Park, Town Green, Community Garden, River Education/Community Center, private recreation facilities, and project trails. Up to six private recreational facilities would be constructed throughout the Project site. Further, there are approximately 10 acres of proposed public streets, including the extension of Lost Canyon Road from Fair Oaks Ranch to Vista Canyon Road and the construction of the Vista Canyon Road Bridge to connect Lost Canyon Road and Soledad Canyon Road. Various other off-site improvements would be necessary to implement the Project.

The applicant also is proposing construction of a water reclamation plant (WRP), located adjacent to the western project boundary and directly north of Lost Canyon Road, which would treat wastewater generated by the Project and some wastewater generated offsite. The WRP would also provide recycled water for use in the Project's landscaped areas and toilets within restroom areas within commercial areas of the Project. A surplus supply of recycled water would be created by the Project and would either be discharged into on-site water percolation areas or utilized by CLWA as part of its proposed recycled water system.

A hydraulic analysis of the proposed development concluded that SCWD has adequate water storage to accommodate the Project although overall storage capacity will be impacted. However, no new storage reservoirs or booster pump stations are required. This Project does propose to remove one, municipal groundwater well which will reduce SCWD's overall supply capacity. To compensate for this lost capacity, the Project will construct and develop a new, municipal groundwater well which will replace the lost capacity. The Project as proposed allows for multiple locations to connect the development to the existing SCWD distribution grid. Connecting to multiple points will provide an adequate loop throughout the development and the adjacent pressure zone to maintain distribution system redundancy and meet demand and fire flow requirements.

The Project also proposes to annex to the City various properties surrounding and including the Project site which currently are located under the jurisdiction of the County of Los Angeles. In total, the annexation area includes approximately 3,250 acres, including the Project site (approximately 185 acres), Fair Oaks Ranch (approximately 1,082 acres), Jakes Way multi-family area (approximately 260 acres), and the unincorporated Sand Canyon area (approximately 1,723 acres). These proposed

annexation areas are either developed or would be developed in a separate application process, with their own CEQA review, and their inclusion in the Project would not affect total water demand for the Project.

Project Location

The Project site is located in an unincorporated area of northern Los Angeles County within the Santa Clarita Valley. It is located immediately south of State Route 14 (SR-14), west of La Veda Avenue, north of the Metrolink rail line and east of Lost Canyon Road and the Colony Townhome community. The site also includes a portion of the Santa Clara River along the southern boundary.

Build-out of the Project is expected to be complete in 2015. At build-out, total water demand for the Project using the more water consumption scenario is estimated to be approximately 529 acre-feet per year (AFY) with approximately 354 AFY for residential requirements and the balance for commercial, industrial, parks, manufactured slopes' landscaping and recreation facilities.

1.2 Purpose of the WSA

The legislative purpose of a SB 610 WSA is to strengthen the process pursuant to which local agencies determine the adequacy of existing and planned future water supplies to meet existing and planned future demands on those water supplies. The intent of this WSA is to provide an analysis of whether the SCWD water system has sufficient projected water supplies to meet projected demands of the Project.[7] Specifically, this WSA evaluates whether the total projected water *supply* determined to be available for the Project during normal, single dry, and multiple dry water years over the next 20 years, will meet projected water *demand* associated with the Project, in addition to existing and planned future water uses, including agriculture and manufacturing uses.[8] If the water supply is anticipated to be insufficient, the WSA must describe measures being taken to obtain an adequate supply.[9] Water Code §10911(b), (c) requires this WSA to be included in the Environmental Impact Report prepared for the Project pursuant to CEQA.[10]

1.3 Castaic Lake Water Agency

CLWA is a public water agency that serves an area of 195 square miles in Los Angeles and Ventura Counties. CLWA is a water wholesaler that provides about half of the water that Santa Clarita households and businesses use. CLWA, through the SCWD, also provides retail water service to the area previously served by the Santa Clarita Water Company. CLWA operates two potable water treatment

7 Water Code § 10910(c).

8 Water Code § 10910 (c) (4).

9 Water Code § 10911(a).

10 Water Code § 10911(b), (c).

plants, storage facilities, and approximately 35 miles of transmission pipelines. CLWA supplements local groundwater supplies with State Water Project (SWP) water from northern California and other sources of imported water. This water is treated and delivered to the local water retailers, including the SCWD. The other three retail purveyors served by CLWA are Los Angeles County Waterworks District #36, Newhall County Water District (NCWD), and Valencia Water Company (VWC).

CLWA also delivers highly treated recycled water from one of the two water reclamation plants in the Santa Clarita Valley owned by the Sanitation Districts of Los Angeles County in order to meet non-potable water demands (golf course and landscape irrigation).

1.4 Santa Clarita Water Division

In September 1999, CLWA acquired the Santa Clarita Water Company, an investor-owned retail water company serving the eastern part of the Santa Clarita Valley.[11] The former Santa Clarita Water Company was incorporated as CLWA's Santa Clarita Water Division, which continues to serve the same area previously served by the Santa Clarita Water Company. SCWD's service area includes portions of the City of Santa Clarita and unincorporated portions of Los Angeles County in the communities of Saugus, Canyon Country, and Newhall. SCWD supplies water from both groundwater wells and CLWA imported water. As stated, the SCWD is the retailer that would serve the Project.

1.5 2005 UWMP

Projected water demand associated with the proposed Project was accounted for in the 2005 Urban Water Management Plan (UWMP). The Project site is within the CLWA service area and was expected to be developed in Land Use Sections of both the City of Santa Clarita General Plan and the County of Los Angeles Community Plan for the area. The timing of the Project places it within the timeframe for calculating "planned future uses" within the 2030 water supply projection included in the 2005 UWMP (see Section 4.0 for a discussion of the legal challenge to the 2005 UWMP). The supply and demand figures in the 2005 UWMP represent a summary of the findings of a number of other water studies compiled for area-wide planning purposes. Information regarding projected demand of the Project included in the 2005 UWMP is incorporated into this WSA by reference. SB 610 requires the WSA to document the water demand for existing uses, planned future uses, and the proposed development. Water Code §10910(c)(2) states that if the proposed project was accounted for in the most recently adopted urban water management plan, the public water system may incorporate the requested information from the urban water management plan in preparing the WSA. The 2005 UWMP concluded that sufficient water supplies would continue to be available to meet projected demand, which includes the proposed project. Existing land use data and new housing construction information were compiled

11 Following the acquisition of Santa Clarita Water Company (SCWC) by CLWA, a lawsuit was filed challenging the authority of CLWA to purchase SCWC and to sell water at retail. The lawsuit was ultimately resolved in 2004 when the Court of Appeals upheld the authority of the CLWA to sell water at retail. The Court of Appeals decision is final. A second lawsuit was filed in 2001 which also challenged the financing of the acquisition of the SCWC by CLWA. The Court in the second lawsuit ruled in favor of the Agency on the basis that the first lawsuit resolved the issue.

from each of the retail water purveyors and projections prepared by "One Valley One Vision," a joint planning effort by the City of Santa Clarita and Los Angeles County Department of Regional Planning. This information was compared to historical trends for new water service connections and customer water usage. The 2005 UWMP is available for review at CLWA, on its website (www.clwa.org) and copies can be obtained upon the payment of a fee to cover the cost of reproduction.

The following list identifies additional documentation that has been relied upon in the preparation of this WSA. The referenced documents are incorporated into this WSA as if fully set forth herein. Copies of the referenced documents are available for review at SCWD.

- 2009 Santa Clarita Valley Water Report, May 2010, CLWA, Santa Clarita Water Division of CLWA, Los Angeles County Waterworks District #36, Newhall County Water District, and Valencia Water Company, prepared by Luhdorff & Scalmanini Consulting Engineers, (CLWA et al, 2010)
- 2001 Update Report, Hydrogeologic Conditions in the Alluvial and Saugus Formation Aquifer Systems, Richard C. Slade & Associates LLC, July 2002 (Slade 2002)
- Castaic Lake Water Agency, Capital Improvement Program, Kennedy-Jenks Consultants, 2003
- The 2009 State Water Project Delivery Reliability Report, Final, California Department of Water Resources, 2009 (DWR 2009~~9~~10)
- Water Supply Contract Between the State of California Department of Water Resources and the Castaic Lake Water Agency, 1963 (plus amendments, including the "Monterey Amendment," 1995, and Amendment No. 18, 1999, the transfer of 41,000 acre-feet of entitlement from Kern County Water Agency to Castaic Lake Water Agency)
- 2002 and 2004 Point of Delivery Agreements among the Department of Water Resources of the State of California, Castaic Lake Water Agency and Kern County Water Agency (Semitropic Groundwater Storage Program)
- Castaic Lake Water Agency Groundwater Management Plan – Santa Clara River Valley Groundwater Basin, East Subbasin, December 2003, prepared by Luhdorff & Scalmanini Consulting Engineers
- 2006 Point of Delivery Agreement among the Department of Water Resources of the State of California, Castaic Lake Water Agency, and Kern County Water Agency for the Castaic Lake Water Agency/Rosedale-Rio Bravo Water Storage District Water Banking and Exchange Program
- Regional Groundwater Flow Model for the Santa Clarita Valley: Model Development and Calibration, prepared for the Upper Basin Water Purveyors, April 2004, prepared by CH2M HILL
- Analysis of Groundwater Supplies and Groundwater Basin Yield, Upper Santa Clara River Groundwater Basin, East Subbasin, prepared for Santa Clarita Valley Municipal Water Purveyors, August 2009, prepared by Luhdorff & Scalmanini Consulting Engineers and Water Solutions, Inc. (LSCE & WSI 2009)

- California Department of Water Resources, California's Groundwater, Bulletin 118, Santa Clara River Valley Groundwater Basin, Santa Clara River Valley East Subbasin, February 2004

2.0 WATER SUPPLY ASSESSMENT

Based on the information contained in the 2005 UWMP and other supporting information relied upon in the preparation of this report, SCWD concludes that there will be a sufficient water supply available when the Project is ready for occupancy, in addition to existing and other planned future uses.

SCWD has existing water entitlements, rights, and contracts to meet future demand as needed over time, and has committed sufficient capital resources and planned investments in various water programs and facilities to serve all of its existing and planned customers. SCWD has also identified an operational strategy combined with a prudent and flexible management approach to ensuring water reliability.

2.1 Current Demand

In 2009, SCWD's service area demands were approximately 27,816 AFY. Total municipal demand (supplied by all purveyors) in the CLWA service area was approximately 69,974 AFY with an additional 16,564 AFY for agricultural and other uses, for a total of 86,538 AFY (CLWA et al, 2010). The 86,538 AFY demand is the total demand, without conservation, and is over 13,000 AFY less than the 100,050 AFY 2010 demand projected in the 2005 UWMP. The projected 2010 demand without conservation is between 82,000 to 84,000 AFY and is over 14,000 AFY less than the 100,050 AFY 2010 demand projected in the 2005 UWMP (CLWA et al, 2010).

Depending on whether the Project is completed as proposed or the overlay is used, the Project will require approximately 497 or 529 AFY respectively at build-out. The conclusions of the SCWD related to the water demand requirements of the WSA for the Project are provided in Table 1 below. Water demand factors are from the SCWD's 2008 Water Master Plan and those used in previous, recent water supply assessments.

Table 1
Water Use Estimate for the Vista Canyon Project

Land Use Categories	Water Use Factor		Proposed Project Size (option 1)	Estimated Water Use (AFY)	Proposed Project Size (option 2) (overlay)	Estimated Water Use (AFY)
	Demand Factor (AF)	Per				
Single Family Residential	0.82	unit/yr	96	79	96	79
Multi-Family Residential	0.219	unit/yr	1021	224	1254	275
Landscape/OS/Parks	3	acft/ac/yr	30.4	91	30.4	91
Commercial (SCWD)	67.6	gpd/1K ft^2	950,000	72	700,000	53
Bank Protection	1.4	acft/ac/yr	22.3	31	22.3	31
Total				497		529

2.2 Current/Projected Water Supply

Table 2 provides a summary of the current and planned water supplies and banking programs. Table 3 provides projected average/normal water year water supplies and demands, and Tables 4 and 5 provide projected single and multiple dry year water supplies and demands. The analysis provided in the 2005 UWMP takes into account the available water supplies and water demands for CLWA's service area to assess the region's ability to satisfy demands through the year 2030. The supplies have been updated to reflect changes to the SWP reliability based on DWR's *State Water Project Delivery Reliability Report 2009* and the inclusion of three new sources of supplies added since the preparation of the 2005 UWMP. These new sources of supply are the Newhall Land's Nickel Water, Newhall Land water stored in the Semitropic water banking program and recycled water from the proposed Newhall Ranch project. These changes are noted in the footnotes to the tables. The analysis was based on a number of independent studies and sources and those conclusions were used in the 2005 UWMP and in this WSA. Diversity of supply allows CLWA and the purveyors the option of drawing on multiple sources of supply in response to changing conditions, such as varying climatic conditions (average/normal years, single dry years, multiple dry years), natural disasters, and contamination, such as perchlorate.

Table 2
CURRENT AND PLANNED WATER SUPPLIES AND BANKING PROGRAMS[1]

(ACRE-FEET)

	2007	*2010*	*2015*	*2020*	*2025*	*2030*
EXISTING SUPPLIES						
Wholesale (Imported)	*61,800*	*75,787*	*75,787*	*74,407*	*74,407*	*74,407*
SWP Table A Supply [2]	57,120	57,120	57,120	57,120	57,120	57,120
Buena Vista-Rosedale	0	11,000	11,000	11,000	11,000	11,000
Nickel Water – Newhall Land[9]	0	1,607	1,607	1,607	1,607	1,607
Flexible Storage Account [3] (CLWA)	4,680	4,680	4,680	4,680	4,680	4,680
Flexible Storage Account [3,4] (Ventura County)	0	1,380	1,380	0	0	0
Local Supplies						
Groundwater	*40,000*	*46,000*	*46,000*	*46,000*	*46,000*	*46,000*
Alluvial Aquifer	35,000	35,000	35,000	35,000	35,000	35,000
Saugus Formation	5,000	11,000	11,000	11,000	11,000	11,000
Recycled Water	1,700	1,700	1,700	1,700	1,700	1,700
Total Existing Supplies	103,500	123,487	123,487	122,107	122,107	122,107
EXISTING BANKING PROGRAMS [3]						
Semitropic Water Bank[5]	50,870	45,920	0	0	0	0
Rosedale-Rio Bravo[7]	64,898	64,898	64,898	64,898	64,898	64,898
Semitropic Water Bank - Newhall Land [8]	0	18,828	18,828	18,828	18,828	18,828
Total Existing Banking Programs	115,768	132,946	83,726	83,726	83,726	83,726
PLANNED SUPPLIES						
Local Supplies						
Groundwater	*0*	*10,000*	*10,000*	*20,000*	*20,000*	*20,000*
Restored Wells (Saugus Formation)	0	10,000	10,000	10,000	10,000	10,000
New Wells (Saugus Formation)	0	0	0	10,000	10,000	10,000
Recycled Water - CLWA[6]	0	0	1,600	6,300	11,000	15,700
Recycled Water – Newhall Ranch	0	0	1,500	2,500	3,500	5,344

Table 2

CURRENT AND PLANNED WATER SUPPLIES AND BANKING PROGRAMS[1]

(ACRE-FEET)

	2007	*2010*	*2015*	*2020*	*2025*	*2030*
Total Planned Supplies	0	10,000	13,100	28,800	34,500	41,100
Planned Banking Programs [3]						
Additional Planned Banking	0	0	20,000	20,000	20,000	20,000
Total Planned Banking Programs	0	0	20,000	20,000	20,000	20,000

Notes:

1. The values shown under "Existing Supplies" and "Planned Supplies" are supplies projected to be available in average/normal years. The values shown under "Existing Banking Programs" and "Planned Banking Programs" are total amounts currently in storage.

2. SWP supplies are calculated by multiplying CLWA's Table A Amount of 95,200 AF by percentages of average deliveries projected to be available, based on Tables 6.3 and 6.12 of DWR's "State Water Project Delivery Reliability Report 2009". Year 2030 figure is calculated by multiplying by DWR's 2029 percentage of 60%.

3. Supplies shown are total amounts that can be withdrawn, and would typically be used only during dry years. Each water bank has annual limitations on withdrawals that are reflected in Tables 4 and 5.

4. Initial term of the Ventura County entities' flexible storage account is ten years (from 2006 to 2015).

5. Supplies shown are the total amount currently in storage, and would typically be used only during dry years. Once the current storage amount is withdrawn, this supply would no longer be available and in any event, is not available after 2013.

6. Recycled water supplies based on projections provided in CLWA's 2005 UWMP Chapter 4, Recycled Water.

7. CLWA has 64,898 AF of recoverable water as of 12/31/09 in the Rosedale-Rio Bravo Water Banking and Recovery Program.

8. Supplies shown are the total amounts currently in storage. As of December 31, 2009, there is 18,828 AF of water stored in the Semitropic Groundwater Storage Bank by The Newhall Land and Farming Company for the Newhall Ranch Specific Plan. The stored water can be extracted from the bank in dry years in amounts up to 4,950 AFY. Newhall Ranch is located within the CLWA service area. Delivery of stored water from the Newhall Land Semitropic Groundwater Bank requires further agreements between CLWA and Newhall Land.

9. This water was acquired by the Newhall Ranch Specific Plan applicant for use within the Specific Plan area. This water is 100 percent reliable on a year-to-year basis.

Source: CLWA 2005 Table 3-1 and DWR's "State Water Project Delivery Reliability Report 2009)

Table 3

PROJECTED AVERAGE/NORMAL YEAR SUPPLIES AND DEMANDS (ACRE-FEET)

	2010	*2015*	*2020*	*2025*	*2030*
EXISTING SUPPLIES					
Wholesale (Imported)	*69,727*	*69,272*	*69,727*	*69,727*	*69,727*
SWP Table A Supply[1]	57,120	57,120	57,120	57,120	57,120
Buena Vista-Rosedale	11,000	11,000	11,000	11,000	11,000
Nickel Water – Newhall Land[6]	1,607	1,607	1,607	1,607	1,607
Flexible Storage Account (CLWA)[2]	0	0	0	0	0
Flexible Storage Account (Ventura County)[2]	0	0	0	0	0
Local Supplies					
Groundwater	*46,000*	*46,000*	*46,000*	*46,000*	*46,000*
Alluvial Aquifer	35,000	35,000	35,000	35,000	35,000
Saugus Formation	11,000	11,000	11,000	11,000	11,000
Recycled Water	1,700	1,700	1,700	1,700	1,700
Total Existing Supplies	117,427	117,427	117,427	117,427	117,427
EXISTING BANKING PROGRAMS					
Semitropic Water Bank[2]	0	0	0	0	0
Rosedale-Rio Bravo[2]	0	0	0	0	0
Semitropic Water Bank – Newhall Land[2]	0	0	0	0	0
Total Existing Banking Programs	0	0	0	0	0
PLANNED SUPPLIES					
Local Supplies					
Groundwater	*0*	*0*	*0*	*0*	*0*
Restored Wells (Saugus Formation)[2]	0	0	0	0	0
New Wells (Saugus Formation)[2]	0	0	0	0	0
Recycled Water[3]	0	1,600	6,300	11,000	15,700
Recycled Water – Newhall Ranch	0	1,500	2,500	3,500	5,344
Total Planned Supplies	0	3,100	8,800	14,500	21,100
PLANNED BANKING PROGRAMS					
Additional Planned Banking[2]	0	0	0	0	0
Total Planned Banking Programs	0	0	0	0	0
Total Existing and Planned Supplies and Banking	117,427	120,527	126,227	131,927	138,527
Total Estimated Demand (w/o conservation)[4]	100,050	109,400	117,150	128,400	138,300

Conservation[5]	(8,600)	(9,700)	(10,700)	(11,900)	(12,900)
Total Adjusted Demand	91,450	99,700	106,450	116,500	125,400

Notes:

1. SWP supplies are calculated by multiplying CLWA's Table A Amount of 95,200 AF by 60%.

2. Not needed during average/normal years.

3. Recycled water supplies based on projections provided in CLWA's 2005 UWMP Chapter 4, Recycled Water.

4. Demands are for uses within the existing CLWA service area. Demands for any annexations to the CLWA service area are not included.

5. Assumes 10 percent reduction on urban portion of total demand resulting from conservation best management practices, as discussed in CLWA's 2005 UWMP, Chapter 7.

6. This water was acquired by the Newhall Ranch Specific Plan applicant for use within the Specific Plan area. This water is 100 percent reliable on a year-to-year basis.

Source: CLWA 2005, Table 6-2 and DWR's "State Water Project Delivery Reliability Report 2009

Table 4
PROJECTED SINGLE DRY YEAR SUPPLIES AND DEMANDS (ACRE-FEET)

	2010	*2015*	*2020*	*2025*	*2030*
EXISTING SUPPLIES					
Wholesale (Imported)	*25,331*	*26,283*	*25,855*	*26,807*	*27,759*
SWP Table A Supply[1]	6,664	7,616	8,568	9,520	10,472
Buena Vista - Rosedale	11,000	11,000	11,000	11,000	11,000
Nickel Water – Newhall Land[11]	1,607	1,607	1,607	1,607	1,607
Flexible Storage Account (CLWA)	4,680	4,680	4,680	4,680	4,680
Flexible Storage Account (Ventura County)[2]	1,380	1,380	0	0	0
Local Supplies					
Groundwater	*47,500*	*47,500*	*47,500*	*47,500*	*47,500*
Alluvial Aquifer	32,500	32,500	32,500	32,500	32,500
Saugus Formation	15,000	15,000	15,000	15,000	15,000
Recycled Water	1,700	1,700	1,700	1,700	1,700
Total Existing Supplies	74,531	75,483	75,055	76,007	76,959
EXISTING BANKING PROGRAMS					
Semitropic Water Bank[3]	17,000	0	0	0	0
Rosedale-Rio Bravo[4]	20,000	20,000	20,000	20,000	20,000
Semitropic Water Bank – Newhall Land[5]	4,950	4,950	4,950	4,950	4,950
Total Existing Banking Programs	41,950	24,950	24,950	24,950	24,950
PLANNED SUPPLIES					
Local Supplies					
Groundwater	*10,000*	*10,000*	*20,000*	*20,000*	*20,000*
Restored Wells (Saugus Formation)	10,000	10,000	10,000	10,000	10,000
New Wells (Saugus Formation)	0	0	10,000	10,000	10,000
Recycled Water[6]	0	1,600	6,300	11,000	15,700
Recycled Water – Newhall Ranch	0	1,500	2,500	3,500	5,344
Total Planned Supplies	10,000	13,100	28,800	34,500	41,100
PLANNED BANKING PROGRAMS					
Additional Planned Banking[7]	0	20,000	20,000	20,000	20,000
Total Planned Banking Programs	0	20,000	20,000	20,000	20,000
Total Existing and Planned Supplies and Banking	126,481	133,533	148,805	155,457	163,009
Total Estimated Demand (w/o conservation)[8, 9]	110,100	120,300	128,900	141,200	152,100

Table 4

PROJECTED SINGLE DRY YEAR SUPPLIES AND DEMANDS (ACRE-FEET)

	2010	*2015*	*2020*	*2025*	*2030*
Conservation[10]	(9,500)	(10,700)	(11,700)	(13,100)	(14,200)
Total Adjusted Demand	100,600	109,600	117,200	128,100	137,900

Notes:

1. SWP supplies are calculated by multiplying CLWA's Table A amount of 95,200 AF by percentages of single dry year deliveries projected to be available on Tables 6.4 and 6.13 of DWR's "State Water Project Delivery Reliability Report 2009". Year 2030 figure is calculated by multiplying by DWR's 2029 percentage of 11%.

2. Initial term of the Ventura County entities' flexible storage account is ten years (from 2006 to 2015).

3. One third of the maximum amount stored (51,000 AF) could be withdrawn in a single year. ~~The remaining amount of water currently in storage is 45,920 AF, available through 2013.~~ Withdrawals of up to this amount are potentially available in a dry year, but given possible competition for withdrawal capacity with other Semitropic banking partners in extremely dry years, it is assumed here that about one third of the total amount stored could be withdrawn.

4. CLWA has 64,898 AF of recoverable water as of 12/31/09 in the Rosedale-Rio Bravo Water Banking and Recovery Program.

5. Delivery of stored water from the Newhall Land Semitropic Groundwater Bank requires further agreements between CLWA and Newhall Land.

6. Recycled water supplies based on projections provided in CLWA's 2005 UWMP Chapter 4, Recycled Water.

7. Assumes additional planned banking supplies available by 2014 (to be identified).

8. Assumes increase in total demand of 10 percent during dry years.

9. Demands are for uses within the existing CLWA service area. Demands for any annexations to the CLWA service area are not included.

10. Assumes 10 percent reduction on urban portion of total normal year demand resulting from conservation best management practices ([urban portion of total normal year demand x 1.10] * 0.10), as discussed in CLWA's 2005 UWMP, Chapter 7.

11. This water was acquired by the Newhall Ranch Specific Plan applicant for use within the Specific Plan area. This water is 100 percent reliable on a year-to-year basis.

Source: CLWA 2005. Table 6-3 and DWR's "State Water Project Delivery Reliability Report 2009

Table 5

PROJECTED MULTIPLE DRY YEAR SUPPLIES AND DEMANDS[1] (ACRE-FEET)

	2010	*2015*	*2020*	*2025*	*2030*
EXISTING SUPPLIES					
Wholesale (Imported)	*46,485*	*46,485*	*47,097*	*47,097*	*47,097*
SWP Table A Supply [2]	32,368	32,368	33,320	33,320	33,320
Buena Vista - Rosedale	11,000	11,000	11,000	11,000	11,000
Nickel Water – Newhall Land[13]	1,607	1,607	1,607	1,607	1,607
Flexible Storage Account (CLWA)[3]	1,170	1,170	1,170	1,170	1,170
Flexible Storage Account (Ventura County)[3]	340	340	0	0	0
Local Supplies					
Groundwater	*47,500*	*47,500*	*47,500*	*47,500*	*47,500*
Alluvial Aquifer	32,500	32,500	32,500	32,500	32,500
Saugus Formation[4]	15,000	15,000	15,000	15,000	15,000
Recycled Water	1,700	1,700	1,700	1,700	1,700
Total Existing Supplies	95,685	95,685	96,297	96,297	96,297
EXISTING BANKING PROGRAMS					
Semitropic Water Bank[3]	~~12,700~~11,500	0	0	0	0
Rosedale-Rio Bravo [7, 6]	5,000	15,000	15,000	15,000	15,000
Semitropic Water Bank – Newhall Land [12]	4,950	4,950	4,950	4,950	4,950
Total Existing Banking Programs	~~22,650~~21,450	19,950	19,950	19,950	19,950
PLANNED SUPPLIES					
Local Supplies					
Groundwater	*6,500*	*6,500*	*6,500*	*6,500*	*6,500*
Restored Wells (Saugus Formation)[4]	6,500	6,500	5,000	5,000	5,000
New Wells (Saugus Formation)[4]	0	0	1,500	1,500	1,500
Recycled Water[5]	0	1,600	6,300	11,000	15,700
Recycled Water – Newhall Ranch	0	1,500	2,500	3,500	5,344
Total Planned Supplies	6,500	9,600	15,300	21,000	27,600
PLANNED BANKING PROGRAMS					
Additional Banking Programs[8]	0	5,000	15,000	15,000	15,000
Total Planned Banking Programs	0	5,000	15,000	15,000	15,000

Total Existing and Planned Supplies and Banking	~~124,835~~123,635	130,235	146,547	152,247	158,847
Total Estimated Demand (w/o conservation)[9,10]	110,100	120,300	128,900	141,200	152,100
Conservation[11]	(9,500)	(10,700)	(11,700)	(13,100)	(14,200)
Total Adjusted Demand	100,600	109,600	117,200	128,100	137,900

Notes:

1. Supplies shown are annual averages over four consecutive dry years (unless otherwise noted).

2. SWP supplies are calculated by multiplying CLWA's Table A Amount of 95,200 AF by percentages of average deliveries projected to be available during the worst case four-year drought of 1931-1934 as provided in Tables 6.4 and 6.13 of DWR's "State Water Project Delivery Reliability Report 2009." Year 2030 figure is calculated by multiplying by DWR's 2029 percentage of 35%.

3. Based on total amount of storage available divided by 4 (4-year dry period). Initial term of the Ventura County entities' flexible storage account is ten years (from 2006 to 2015).

4. Total Saugus pumping is the average annual amount that would be pumped under the groundwater operating plan, as summarized in Table 3-6 of the 2005 UWMP ([11,000+15,000+25,000+35,000]/4).

5. Recycled water supplies based on projections provided in CLWA's 2005 UWMP Chapter 4, Recycled Water.

6. CLWA has 64,898 AF of recoverable water as of 12/31/09 in the Rosedale-Rio Bravo Water Banking and Recovery Program.

7. Average dry year period supplies could be up to 20,000 AF for each year depending on storage amounts at the beginning of the dry period.

8. Assumes additional planned banking supplies available by 2014.

9. Assumes increase in total demand of 10 percent during dry years.

10. Demands are for uses within the existing CLWA service area. Demands for any annexations to the CLWA service area are not included.

11. Assumes 10 percent reduction on urban portion of total normal year demand resulting from conservation best management practices ([urban portion of total normal year demand x 1.10] * 0.10), as discussed in CLWA's 2005 UWMP, Chapter 7.

12. Delivery of stored water from the Newhall Land Semitropic Groundwater Bank requires further agreements between CLWA and Newhall Land.

13. This water was acquired by the Newhall Ranch Specific Plan applicant for use within the Specific Plan area. This water is 100 percent reliable on a year-to-year basis.

Source: CLWA 2005, Table 6-4, and DWR's "State Water Project Delivery Reliability Report 2009.

CLWA's demands vary from year to year depending on local hydrologic and meteorological conditions, with demands generally increasing in years of below-average local precipitation and decreasing in years of above-average local precipitation. As shown in Table 3, CLWA's 2010 average year demand (without conservation) is estimated to be 100,050 AF and 138,300 AF by 2030 (without conservation). In 2001, CLWA signed the Memorandum of Understanding Regarding Urban Water Conservation in California (MOU). By signing the MOU, CLWA became a member of the California Urban Water Conservation

Council (CUWCC) and pledged to implement all cost-effective Best Management Practices (BMPs) for water conservation. CLWA has estimated that conservation measures within the service area can reduce total water demands by about 10 percent of the urban portion of total demand. As shown in the tables and stated in the 2005 UWMP, based on conservative water supply and demand assumptions over the next 25 years in combination with conservation of non-essential demand during certain dry years, CLWA and the retail water purveyors will be able to deliver a reliable water supply to its customers.

3.0 IDENTIFICATION OF EXISTING WATER SUPPLY SOURCES

3.1 Annual Existing Water Supply Entitlements, Water Rights, or Water Service Contracts

The first substantive requirement of the WSA is the identification and description of the existing water supply sources in the public water system that will serve the Project. Water Code §10910(d) requires the WSA to include an identification of any existing water supply entitlements, water rights, or water service contracts relevant to the identified water supply for the proposed project and a description of the quantities of water received in prior years by the public water system. The identification of existing water supplies shall be demonstrated by providing information related to the following:

- written contracts or other proof of entitlement to an identified water supply;
- copies of a capital outlay program for financing the delivery of a water supply that has been adopted by the public water system;
- federal, state, and local permits for construction of necessary infrastructure associated with delivering the water supply; and,
- any necessary regulatory approvals that are required in order to be able to convey or deliver the water supply.

The current water supply for the Santa Clarita Valley is derived from the following sources:

1. Groundwater from the Alluvial Aquifer
2. Groundwater from the Saugus Formation
3. Recycled Water
4. Imported Water

Within the SCWD service area, the sources of water supply can be characterized as 1) *local supplies*, consisting of Alluvial Aquifer groundwater and 2) *imported supplies*, transported via the SWP and consisting of SWP entitlement and water from other sources.

Potential future water sources to the SCWD service area include recycled water, desalination, storm water runoff, Saugus formation pumping, and SWP reliability projects.

3.2 Groundwater

Historically, local groundwater extracted from the Alluvial and Saugus aquifers has been the primary source of water in SCWD's service area. However, since 1980, local groundwater supplies have been supplemented with imported water from the SWP and other sources.

Water Code §10910(f) requires this WSA to include specific information describing groundwater resources if the water supply for a proposed project includes groundwater. Slade (2002) and LSCE & GSI (2009) include a detailed review of the groundwater resources available to SCWD to supply the Project, including historic yields, estimated capacity, and projected future yield capacity. Groundwater is drawn from two aquifer systems within the Santa Clara River Valley East Sub-basin, one of several sub-basins identified along the Santa Clara River in Los Angeles and Ventura Counties by updated Bulletin 118 of the California Department of Water Resources. The shallow aquifer system is designated the Alluvial Aquifer and the deeper aquifer is designated the Saugus Formation. In addition to the SCWD, other large municipal and larger scale agriculture producers (including NCWD, Valencia Water Company, Newhall Land and Farming and Peter Pitchess Detention Center) produce groundwater from the Alluvial and Saugus Formations aquifers. Aggregate groundwater production by hundreds of other, small scale, water wells account for less than 1 percent of total production from these aquifer systems.

The following sub-parts respond to specific requirements of Water Code §10910(f):

Water Code §10910(f)(1). Review of relevant information contained in the urban water management plan.

Chapter 3 of the 2005 UWMP provides an overview description of the Santa Clara River Groundwater Basin – East Subbasin (comprised of the two local aquifer systems [the Alluvial Aquifer and the Saugus Formation]). An overview of the adopted Groundwater Management Plan is also provided. Finally, a discussion of available groundwater supplies is contained in the 2005 UWMP and includes: the groundwater operating plan for the Alluvium and Saugus Formation; the adequacy of supply (including Alluvium and Saugus Formation pumping capacity from the active municipal supply wells); and sustainability. Historical and projected groundwater pumping by the retail water purveyors is also provided.

As stated in the 2005 UWMP, the groundwater operating plan is based on the concept that pumping can vary from year to year to allow increased groundwater use in dry periods and increased recharge during wet periods and to collectively assure that the groundwater Basin is adequately replenished through various wet/dry cycles.

Water Code §10910(f)(2). Description of any groundwater basin or basins from which the proposed project will be supplied including information concerning adjudication and overdraft.

Slade (2002) Sections 2 through 5 and the 2005 UWMP (CLWA 2005) Section 3.4-3 describe two aquifer systems, the Alluvial Aquifer and the Saugus Formation, within the Santa Clara River Valley East Sub-basin ("Basin") and provide a detailed description of the Basin. These documents also provide an

assessment of the operational yield and other parameters of production capacity and a characterization of the long-term sustainable yield. The Basin is about 22 miles long east to west and about 13 miles wide. Slade (2002) estimates that about 200,000 AF of water is in storage in the Alluvial Aquifer and approximately 1.41 million AF of potentially usable groundwater is present from depths of 500 to 2,500 feet in the Saugus Formation. More recent information on the thickness of the alluvium and the degree of potential draw down interference between adjacent Saugus Formation and Alluvial Aquifer wells has supported a re-calculation of groundwater in storage in the Saugus Formation to approximately 1.65 million AF (Slade 2002). Neither aquifer system is in overdraft at the present time (LSCE and GSI 2009). The Basin has not been adjudicated and has not been identified as being overdraft or projected to be overdraft by the Department of Water Resources (2004).

Water Code §10910(f)(3). Description and analysis of the amount and location of groundwater pumped by the public water system for the past 5 years from any groundwater basin from which the proposed project will be supplied.

Detailed information about the amount and location of groundwater pumped from both the Alluvial and Saugus aquifers is provided in the 2009 Santa Clarita Valley Water Report (CLWA 2010). During the period 2005 to 2009, total production from the Alluvial Aquifer averaged 40,437 AFY, with a low of 38,648 AF (2005) and a high of 43,061 AF (2006) (CLWA 2010, Table 2-3). During the same period, total production from the Saugus Formation averaged 7,209 AFY, with a low of 6,453 AF (2005) and a high of 7,685 AF (2007) (CLWA 2010, Table 2-3). SCWD's production from 2005 through 2009 averaged approximately 11,641 AFY from the Alluvial Aquifer and no water was utilized from the Saugus Formation during this time period.

In 2009 total pumpage from the Alluvial Aquifer was 39,986 AF (CLWA 2010). Over the last three decades, since the inception of SWP deliveries in 1980, total pumpage from the Alluvium has ranged from a low of about 20,000 AFY (in 1983) to just over 43,000 AFY (in 1999 and 2006) (CLWA 2010). Total pumpage from the Saugus Formation in 2009 was 7,678 AF (CLWA 2010). Groundwater pumpage from the Saugus Formation peaked in the early 1990s (to a high of nearly 15,000 AFY in 1991) and then declined steadily to a low of approximately 3,700 AF in 1999 and has generally increased steadily since then to the 2009 level (CLWA 2010). Average pumpage from the Saugus Formation from 1980 to the present has been 6,788 AFY (CLWA 2010). These numbers are at the lower end of the estimated range of the operational yield of the Saugus Formation.

Water Code §10910(f)(4). Description and analysis of the amount and location of groundwater that is projected to be pumped by the public water system from any basin from which the proposed project will be supplied.

Slade (2002) does not provide detailed descriptions and analysis of locations or yields of specific new wells that may be constructed in the future. The report, however, anticipates that new capacity and replacement wells can be located, designed, and operated within the Basin, both within the Alluvial Aquifer and the Saugus Formation, without creating undesirable conditions (Slade 2002, page 85). Also, as stated above, projected groundwater pumping by the retail water purveyors is provided in the 2005

UWMP. The groundwater operating plan discussed in the 2005 UWMP, the updated Basin Yield report (LSCE & GSI 2009), and the above discussions, indicate that pumping can vary from year to year to allow increased groundwater use in dry periods and increased recharge during wet periods and to collectively assure that the groundwater Basin is adequately replenished through various wet/dry cycles. As formalized in the Groundwater Management Plan, the operating yield concept has been quantified as ranges of annual pumping volumes.

In response to recent legislation that could impact the future reliability of the principal supplemental water supply for the Santa Clarita Valley, i.e., water from the State Water Project, the Basin Yield report was updated in 2009 (LSCE and GSI 2009) in part to further assess groundwater development potential including distribution of the yield by reach of the Santa Clara River alluvium and its tributaries. Also included in the updated assessment is the potential effect of global climate change on local groundwater supplies, i.e. the yield of the Basin. This report concluded that the 2008 Operating Plan will not cause detrimental short- or long-term effects to the ground or surface water resources in the Valley and is, therefore, sustainable. Although the Basin as a whole can sustain the 2008 Operating Plan, local conditions of the Alluvium in the eastern end of the basin can result in reduced well yields. The model analyses showed that those reductions can be made up by an equivalent amount of increased pumping in other parts of the Basin without disrupting basin-wide sustainability or local pumping capacity in those other areas.

Water Code §10910(f) (5). Analysis of the sufficiency of the groundwater from the basin or basins from which the proposed project will be supplied to meet projected water demand associated with the proposed project.

Slade (2002) concludes that the Alluvial Aquifer has storage capacity of about 200,000 AF, with a sustainable operational yield ranging from 30,000 to 40,000 AFY and that Alluvial Aquifer extractions should be reduced to 30,000 to 35,000 AFY during dry periods. The total annual groundwater production from the Alluvial Aquifer (urban and agricultural production) over a 10-year period averaged approximately 38,500 AFY, about 10 percent higher than the "practical or perennial yield" without any evidence of undesirable conditions that might be an indication of aquifer overdraft (Slade 2002).

Slade (2002) concludes that the Saugus Formation has storage capacity of 1.4 million AF, with a sustainable operational yield of 7,500 to 15,000 AFY. As stated above, more recent information on the thickness of the alluvium and the degree of potential draw down interference between adjacent Saugus Formation and Alluvial Aquifer wells has supported a re-calculation of groundwater in storage in the Saugus Formation to approximately 1.65 million AF (Slade 2002). Slade (2002) concludes that Saugus Formation extraction can be increased on an infrequent basis to the range of from 15,000 to 35,000 AFY, without creating undesirable conditions. However, the increase to 35,000 AFY would be temporary and would need to return to, or be reduced below, the historical range of 7,500 to 15,000 AFY once rainfall patterns returned to normal in order to avoid long-term adverse affects to the aquifer. As discussed, on a long-term average basis since the importation of SWP water, total pumpage from the Saugus Formation has ranged from a low of about 3,700 AF (in 1999) to a high of nearly 15,000 AFY (in 1991); average pumpage from 1980 to present has been about 6,800 AFY (CLWA 2010).

3.3 Sustainability of Existing Groundwater Supplies and Projected Supplies

Groundwater supplies were reviewed in the 2005 UWMP and evaluated as to whether supply and production projections were sustainable for average and dry conditions. Prior evaluation of the sustainability of the groundwater supplies was derived from the more than 60 years of operational experience for the Alluvial aquifer and a shorter period for the Saugus Formation. These records show the long-term stability of groundwater levels and storage for the Alluvial Aquifer including the recovery of these parameters following periods of lower recharge. The record for the Saugus Formation shows fairly low annual pumping in most years, with one 4-year period of increased pumping up to about 15,000 AFY that produced no long-term depletion of the substantial groundwater storage. These empirical observations have been complemented with the development and application of numerical models which have been used to forecast aquifer response to a range of operational alternatives and contaminant migration scenarios (LSCE & GSI, 2009).

Simulated Alluvial Aquifer response to the range of hydrologic conditions and pumping stresses is essentially a long-term repeat of the historical conditions. The historical experience and model predicted responses are:

(1) Generally constant groundwater levels in the middle to western portion of the Alluvium and fluctuating groundwater levels in the eastern portion as a function of wet and dry hydrologic conditions;

(2) Variations in recharge that directly correlate with wet and dry hydrologic conditions; and

(3) No long-term decline in groundwater levels or storage.

The 2005 UWMP and the updated Basin Yield (LSCE & GSI, 2009) concluded that the Alluvial Aquifer is considered a sustainable water supply source to meet the Alluvial portion of the operating plan for the groundwater Basin.

Simulated Saugus Formation response to the ranges of pumping hydrologic conditions and pumping rates is consistent with actual experience. The predicted response consists of:

(1) Short-term declines in groundwater levels and storage near pumped wells during dry-period pumping;

(2) Rapid recovery of groundwater levels and storage after cessation of dry-period pumping; and

(3) No long-term decreases or depletion of groundwater levels or storage.

The combination of actual experience with Saugus Formation pumping and recharge complemented with modeled projections of aquifer response show that the Saugus Formation can be considered a sustainable water supply source to meet the Saugus portion of the operating plan for the groundwater Basin (CLWA 2005).

Additionally, the 2005 UWMP concluded that there are sufficient supplies to meet demand. This level of sustainable yield from the Alluvial Aquifer and the Saugus Formation has been confirmed by the 2009

Basin Yield Report (CLWA 2010). Therefore, both the Alluvial Aquifer and the Saugus Formation are reasonable and sustainable sources at the yields represented in the 2005 UWMP.

3.4 Recycled Water

Wastewater that has been highly treated and disinfected can be reused for landscape irrigation and other purposes. It is not suitable for use as potable water. In 1993, CLWA completed a *Recycled Water Master Plan* to use recycled water as a reliable water source to meet some non-potable demands within the Santa Clarita Valley. The Master Plan is being updated and the amount of recycled water demand is expected to steadily increase to approximately 17,400 AF per year in 2030. CLWA is currently under contract for 1,700 AF per year that became available in 2003. In addition, the proposed Newhall Ranch project is estimated to use an additional 5,344 AF per year making the total use of recycled water in the Santa Clarita Valley approximately 22,800 AF per year by the year 2030.

Although the Project may not be located in an area which will have recycled water infrastructure available in the near future, the Project does propose to construct a recycled water plant onsite for landscape irrigation and other allowable uses such as restroom facilities for office and commercial uses. Referred to as the Vista Canyon Wastewater Treatment Facility or Water Factory, it would be constructed and operational prior to the first occupancy in Vista Canyon.

As proposed, the onsite water reclamation facility would be sized to treat approximately 395,411 gallons per day (gpd) and would be owned and operated by the City of Santa Clarita (City). As such, it would be considered a "municipal wastewater treatment plant" or publically owned treatment work (POTW). The Project site is not currently within the boundary of the Santa Clarita Valley Sanitation District, but is within the Santa Clarita Water Division of Castaic Lake Water Agency (CLWA) service boundaries. The Project applicant proposes to construct the water reclamation facility in conjunction with the Project, and provide a turn-key facility to City. The City would likely contract for operation of the Water Factory. All costs associated with the ongoing maintenance of the proposed plant would be paid for by future residents and property owners within the Vista Canyon project through the formation of an assessment district.

The Water Factory would treat the wastewater generated by the Project along with a portion of flow from a sewer line crossing the Project site. All separated solids from the water reclamation facility will be sent to the Santa Clarita Valley Sanitation District's Valencia Water Reclamation Plant for processing and disposal. Recycled water from the onsite water reclamation facility would be used for non-potable uses onsite and the remaining recycled water would be delivered to CLWA as the wholesale water agency for the Santa Clarita Valley. This water would be distributed by CLWA through its reclaimed water distribution system both within and outside of the Project boundary. Since CLWA's recycled water system currently does not extend to the site, some of the water may be directed to the percolation pond(s), or infiltration basin(s), adjacent to the Water Factory until the Project site is able to connect to the CLWA recycled system.

The proposed Water Factory is anticipated to generate approximately 443 AFY of recycled water including the Project's estimated 240 AFY of wastewater. A portion of this water (approximately 132 AFY) would be reused on site and decrease the demand for potable water. This reduction in potable water demand further confirms that there will be available supplies to meet the Project's anticipated water use.

3.5 Imported Water

3.5.1 State Water Project Water

Since 1980, local supplies in the Santa Clarita Valley have been supplemented with imported water from the SWP. CLWA's contractual "right" to the SWP (the Table A Amount) is 95,200 AF.[12] Climatic conditions and other factors can significantly alter the availability of SWP water in any year, and DWR makes annual allocations of SWP water based on that year's hydrologic conditions, the amount of water in storage in the SWP system, and SWP contractors' requests for SWP supplies. In December 2009, the California Department of Water Resources (DWR) issued its draft 2009 State Water Project Delivery Reliability Report, including the delivery reliability information provided to the SWP contractors. The final version of the report was issued September 2010. The 2009 SWP Delivery Reliability Report presented DWR's current information regarding the annual water delivery reliability of the SWP for existing and future levels of development in the water source areas, assuming historical patterns of precipitation. The Department of Water Resources prepared delivery reliability analysis information that it recommended for use by the State Water Project Contractors in developing their 2010 Urban Water Management Plans. Tables 2 through 5 above provide the anticipated SWP water available to CLWA based upon the information provided. CLWA's average or normal year SWP supply is estimated to be 57,120 AF for years 2010 to 2030. Additional SWP supplies may be available in above-average years, and conversely, CLWA's SWP supply would be less in below-average years.

3.5.2 Other Imported Water

CLWA has entered into an agreement with the Buena Vista Water Storage District and Rosedale-Rio Bravo Water Storage District for participation in the Water Banking and Recovery Program (BV/RRB Water Acquisition Project). The BV/RRB Water Acquisition Project has been operational since 2007. Under the BV/RRB Water Acquisition Project, Buena Vista's high flow Kern River entitlements (and other acquired waters that may become available) are captured and recharged within the Rosedale-Rio Bravo's service area on an ongoing basis. CLWA will receive 11,000 AF of these supplies annually through either an in-lieu exchange of Buena Vista's and Rosedale-Rio Bravo's SWP supplies or through direct delivery of water to the California Aqueduct via the Cross Valley Canal.

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[12] Of CLWA's 95,200 AF of annual Table A Amount discussed in the tables above, 41,000 AFY was permanently transferred to CLWA in 1999 by Wheeler Ridge-Maricopa Water Storage District, a member unit of the Kern County Water Agency. Litigation challenging this transfer ended with a favorable judgment for CLWA in July 2010. Specifically, the Court of Appeal ruled that CLWA's 41,000 AFY transfer has significant independent or local utility, in view of its benefits to CLWA's service area and relative autonomy from the Monterey Agreement. (*Planning & Conservation League v. Castaic Lake Water Agency*, (2009) 180 Cal. App. 4th 210, 237.)

3.6 Water Reliability Actions

3.6.1 SWP Terminal Reservoir Flexible Storage

Flexible storage is storage available to SWP contractors that share in repayment of the costs of terminal reservoirs (Castaic and Perris lakes). These contractors may withdraw water from their share of flexible storage, in addition to any other SWP supplies available to the contractor. The contractor must replace any water it withdraws from flexible storage within 5 years.

CLWA may withdraw up to 4,680 AF of water from Castaic Lake as flexible storage (CLWA 2005). CLWA manages this storage by keeping the account full in normal and wet years and then withdrawing that stored amount (or a portion of it) to deliver during dry periods. The account is refilled during the next year that adequate SWP supplies are available to CLWA to do so.

In addition, CLWA has negotiated with Ventura County water agencies to obtain the use of their Flexible Storage Account. As part of this agreement, CLWA has access to another 1,380 AF of storage in Castaic Lake on a year-to-year basis for 10 years, beginning in 2006 (CLWA 2005).

3.6.2 Semitropic Groundwater Banking Projects

CLWA has two groundwater banking agreements with the Semitropic Water Storage District. In 2002, CLWA stored an available portion of its Table A Amount (24,000 AF) in an account in Semitropic's program. In 2004, 32,522 AF of available 2003 Table A Amount water was stored in a second Semitropic account. CLWA withdrew a total of 4,950 AF from storage in the Semitropic Water Bank in 2009 and 2010. CLWA can withdraw up to 45,920 AF of water to meet its demands ~~over a 10-year period (~~until 2012/13~~)~~. Once the current storage amount is withdrawn, the supply would no longer be available. This 45,920 AF will need to be extracted by 2013 or later if agreed to by all parties to the original banking agreement.

3.6.3 Rosedale-Rio Bravo Water Storage District Groundwater Storage, Banking, Exchange, Extraction and Conjunctive Use Program

In addition to the banking in Semitropic, CLWA finalized an agreement with the Rosedale-Rio Bravo Water Storage District in 2005 and can now bank up to 100,000 AFY of surplus Table A Amount in that District's Water Banking and Exchange Program. In addition to 20,000 AF previously banked in both 2005 and 2006, CLWA banked 8,200 AF of water in 2007. Modifications to RRBWSD facilities or extra capacity in these facilities would allow CLWA to withdraw up to an additional 25,000 AFY for a total annual withdrawal of 45,000 AF. Additionally, as part of the Buena Vista Water Acquisition Agreement, CLWA is entitled to 22,000 AF of water that was stored in the Rosedale Rio-Bravo Water Banking and Exchange Program in 2005 and 2006 on CLWA's behalf. In accordance with the provisions of that agreement, CLWA can withdraw all of that water, at a rate up to 20,000 AFY, to meet Valley water demands when needed. Since SWP water deliveries are subject to reduction when dry conditions occur in Northern California, the UWMP includes programs, like the Semitropic and Rosedale-Rio Bravo programs, for enhancing water supply reliability during such occurrences.

3.6.4 Semitropic Water Bank Newhall Land

The Newhall Ranch Specific Plan project applicant has entered into an agreement to reserve and purchase water storage capacity of up to 55,000 AF in the Semitropic Water Storage District Groundwater Banking Project (Los Angeles County 2003). Sources of water that could be stored include, but are not limited to, the Nickel Water. The stored water could be extracted in dry years in amounts up to 4,950 AFY (Los Angeles County 2003). As of December 31, 2007, there is 18,828 AF of water stored in the Semitropic Groundwater Storage Bank by The Newhall Land and Farming Company for the Newhall Ranch Specific Plan. Newhall Ranch is located within the CLWA service area. Delivery of stored water from the Newhall Land Semitropic Groundwater Bank requires further agreements between CLWA and Newhall Land.

3.6.5 Nickel Water – Newhall Land

The Newhall Ranch Specific Plan and Water Reclamation Plant Revised Draft Additional Analysis, November 2002 describes an additional source of water that has been acquired by the Newhall Ranch Specific Plan applicant for use within the Specific Plan area. The Newhall Ranch Specific Plan applicant has secured 1,607 AF of water under contract with Nickel Family LLC in Kern County. This water is 100 percent reliable on a year-to-year basis, and not subject to the annual fluctuations that can occur to the SWP in dry year conditions (Newhall Ranch, 2002).

4.0 LITIGATION EFFECTS ON AVAILABILITY OF IMPORTED WATER

During the past few years, there have been a series of litigation challenges against CLWA concerning imported water supplies in the Santa Clarita Valley. The litigation challenges have all been completed in favor of CLWA. Currently, no litigation is pending against CLWA challenging an imported water supply specific to CLWA.

5.0 CONCLUSIONS REGARDING WATER SUPPLY AND CONSERVATION

The determination that SCWD has an adequate supply rests in part on the assumptions of supply, demand and conservation in the 2005 UWMP as modified by more recent information described in this WSA. The 2005 UWMP assumes that the CLWA service area will achieve a ten percent conservation target from projected demand and that this level of conservation is required to ensure an adequate supply in 2030. Therefore, the Project must employ water use efficiency measures to help ensure that the SCV meets the conservation target in the 2005 UWMP.

Additionally, the State Legislature enacted SBX7-7 in September of 2009, which requires that any water agency serving more than 3,000 connections demonstrate a ten percent reduction in per capita water demand by 2015 and twenty percent reduction in demand by 2020. Both the SCWD and the CLWA are required to comply with SBX7-7. As a new project in the service areas of both agencies, the Project area must employ water use efficiency measures that will ensure that the SCV does not violate this law.

All of the necessary water use efficiency measures and the use of recycled water on the Project site must be enforceable conditions in order for the findings of an adequate water supply in the WSA to be valid. The water use efficiency measures and the recycled water components of the Project must be part of the Project design or be mitigation measures in the final environmental document. All of these design/mitigation measures must then be incorporated as conditions of project approval for both the Project and any tract maps for the Project.

ITEM NO. 4.3.2

Castaic Lake Water Agency
Memorandum

October 5, 2010

To: CLWA Board of Directors

From: Mauricio E. Guardado, Jr.
Retail Manager

Subject: Approve a Resolution Adopting the Deposit Policy

SUMMARY

Over the course of recent years, Santa Clarita Water Division (SCWD) has experienced increasing write-offs from uncollectable accounts. As such, staff is recommending a deposit be required for all new customers that wish to open an account, irrespective of credit history. Additionally, deposits would be required for all existing customers that are delinquent, have been shut-off and want service to be reconnected.

DISCUSSION

The attached resolution provides that, effective January 1, 2011, all new customers would be required to pay a deposit of $100, and all existing customers being reconnected would be required to pay a deposit of $100 or an amount equal to two times the average monthly bill for the shut-off account during the previous twelve months, whichever is greater. Under the proposed policy, SCWD would reserve the right to modify the deposit amount for a particular account based on changes in the average bill and may request additional deposit amounts if more than one shut-off occurs within a twelve month period.

Upon cancellation of service, SCWD would refund the customer's deposit or the balance in excess of the final bill, plus any other unpaid bills for service. Deposits would not be used to pay past due invoices except when closing an account. There would be no interest earned by customers on deposits held by SCWD.

On October 4, 2010, the Retail Operations Committee considered staff's recommendation to approve the attached resolution adopting the Deposit Policy.

The Retail Operations Committee recommended adding language for the Retail Manager to have discretion to accommodate customers facing special circumstances. General Counsel recommended having alternatives to a cash deposit proposed by the customer that would still protect SCWD's interests, subject to approval by the Retail Manager or designee. These could include a certificate of deposit or an irrevocable standby letter of credit, as noted in the Deposit Policy, as well as other arrangements that are acceptable to the Retail Manager or his designee.

FINANCIAL CONSIDERATIONS

None at this time.

RECOMMENDATION

The Retail Operations Committee recommends that the Board of Directors approve the attached resolution approving the proposed Santa Clarita Water Division Deposit Policy.

Attachments

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RESOLUTION NO.

RESOLUTION OF THE CASTAIC LAKE WATER AGENCY BOARD OF DIRECTORS APPROVING THE SANTA CLARITA WATER DIVISION DEPOSIT POLICY

WHEREAS, in recent years, SCWD has experienced a steady increase in the number of delinquent accounts and related service disconnections, as well as an increase in write-offs from uncollectable accounts; and

WHEREAS, requiring a deposit for accounts that have no credit history with SCWD, or that have a history of nonpayment, would provide protection against such write-offs; and

WHEREAS, under the Deposit Policy attached as Exhibit A, effective January 1, 2011, a deposit will be required for all new customers to open an account, irrespective of credit history, and for all existing customers that are delinquent and have been shut off and want service to be reconnected; and

WHEREAS, the Deposit Policy will require all new customers to pay a deposit of $100, and all existing customers being reconnected will be required to pay a deposit of $100 or an amount equal to two times the average monthly bill for the shut-off account during the previous twelve months, whichever is greater; and

WHEREAS, the Deposit Policy will provide the SCWD Retail Manager or designee with discretion to accept an alternative to a cash deposit that will still adequately protect the interests of SCWD and serve the purposes of the Deposit Policy as stated herein.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Castaic Lake Water Agency, as follows:

1. The best interests of the Castaic Lake Water Agency and its Santa Clarita Water Division will be served by requiring customers to pay a deposit on the terms stated herein.

2. Effective January 1, 2011, the Santa Clarita Water Division will implement the Deposit Policy as set forth in Exhibit A.

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Exhibit A

Santa Clarita Water Division Deposit Policy
Effective January 1, 2011

General Requirements

1. New Customers – Deposits are required for all new accounts, irrespective of credit history.

2. Existing Customers – Deposits are required for delinquent customers that have been shut off and want service to be reconnected.

3. Customers may propose an alternative to a cash deposit, such as a certificate of deposit, an irrevocable standby letter of credit, or another arrangement, subject to approval by the Retail Manager or designee.

Amount of Deposit

1. For existing customers, a deposit of $100 or an amount equal to two times the average monthly bill for the shut-off account during the previous twelve (12) months, whichever is greater, is required to reestablish service. All new customers will be required to pay a deposit of $100.

2. SCWD reserves the right to modify the deposit required for a particular account based on changes in the average bill and other factors. SCWD may request additional deposit amounts if more than one shut off occurs within a twelve (12) month period.

Return of Deposit

Upon cancellation of service, SCWD will refund the customer's deposit or the balance in excess of the final bill, plus any other unpaid bills for service.

Interest on Deposits

There shall be no interest paid on deposits held by SCWD.

Note: Deposits will not be used to pay past due invoices except when closing an account.

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ITEM NO. 4.4

Castaic Lake Water Agency
Memorandum

October 7, 2010

To: CLWA Board of Directors

From: Brian J. Folsom BJF
Engineering and Operations Manager

Subject: October 6, 2010 Special Planning and Engineering Committee Meeting

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The Planning and Engineering Committee met on Wednesday, October 6, 2010 at 6:30 P.M. in the Training Room of the Rio Vista Water Treatment Plant. In attendance were Committee Chair Bill Cooper, Vice Chair Bob DiPrimio; Directors Dean Efstathiou and Peter Kavounas; Senior Engineer Jim Leserman and me. No members of the public were present. A copy of the agenda is attached.

Item 1: Public Comment – There was no public comment.

Item 2: Recommend Approval of Delegation of Authority to the General Manager to Purchase Ion Exchange Replacement Resin for the Perchlorate Treatment Plant – Recommended actions for this item are included in a separate report being submitted at the October 13, 2010 regular Board meeting.

Item 3: Review of Draft Data Document (Proposed 2010 Facility Capacity Fees) – Jim Leserman and I presented the status of the preparation of the 2010 Data Document and reviewed the draft Capital Improvement Program (CIP) that is the basis for the Data Document.

Item 4: Capital Improvement Projects Construction Status Report – The Committee reviewed and discussed the September 30, 2010 Capital Improvement Projects Construction Status Report.

Item 5: General Report on Engineering and Operations Department Activities – I discussed efforts by staff to coordinate with the California Department of Public Health (DPH) to schedule the public hearing required prior to issuance of the DPH Operating Permit for the Perchlorate Treatment Plant.

Item 6: Adjournment – The meeting adjourned at 7:35 P.M.

BJF

Attachment

DMS 42025

DMM

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September 23, 2010

CASTAIC LAKE WATER AGENCY

TO: Planning and Engineering Committee
Bill Cooper, Chair
Bob DiPrimio, Vice Chair
Tom Campbell
Dean Efstathiou
Peter Kavounas

FROM: Brian J. Folsom BJF
Engineering and Operations Manager

BOARD OF DIRECTORS
PRESIDENT
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JACQUELYN H. McMILLAN
B. J. ATKINS
GENERAL MANAGER
DAN MASNADA
GENERAL COUNSEL
McCORMICK, KIDMAN & BEHRENS, LLP
SECRETARY
APRIL JACOBS

The Special Planning and Engineering Committee is scheduled to meet on **Wednesday, October 6, 2010 at 6:30 P.M.** in the Training Room at the Rio Vista Water Treatment Plant.

MEETING AGENDA

1. Public Comment
2. * Recommend Approval of Delegation of Authority to the General Manager to Purchase Ion Exchange Replacement Resin for the Perchlorate Treatment Plant
3. Review of Draft 2010 Data Document (Proposed 2010 Facility Capacity Fees)
4. * Capital Improvement Projects Construction Status Report
5. General Report on Engineering and Operations Department Activities
6. Adjournment

* Indicates attachment
♦ To be distributed

cc: CLWA Board of Directors
Russ Behrens

Notice:

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning (661) 297-1600, or writing to Castaic Lake Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Castaic Lake Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Web site, accessible at http://www.clwa.org.