

Placer County Water Agency

Business Center: 144 Ferguson Rd. • Mail: P.O. Box 6570 • Auburn, California 95604-6570
(530) 823-4850 800-464-0030 www.pcwa.net



A Public Agency

BOARD OF DIRECTORS

*Pauline Rocucci • Alex Ferreira
Otis Wollan • Lowell Jarvis
Michael R. Lee
David A. Breninger, General Manager
Ed Tiedemann, General Counsel*

June 7, 2006
File: Regional University, 100-14

Bill Santucci, Chair
Placer County Board of Supervisors
175 Fulweiler Avenue
Auburn, CA 95603

Gerry Brentnall, Chair
Placer County Planning Commission
11414 B Avenue
Auburn, CA 95603

Subject: Proposed Regional University Project, Infrastructure Phasing Plan

The Placer County Water Agency Board of Directors on June 1, 2006, was advised that despite representations to the Agency by AKT representatives that they understood the need and benefits to service their proposed Regional University project with surface water, the project proponents continue to identify only groundwater as the water supply for this project in the plans and documents submitted to County staff. The latest example is found in the Regional University Project Infrastructure Phasing Plan which County Planning staff recently forwarded to the Agency for comment. That Plan indicates groundwater supply only for phases 1 & 2 of the project and makes no reference whatsoever that surface water is to be used in the development of this project.

As far back as November 2004, in response to the NOP for this project, the Agency has advised AKT and the County that surface water is currently available to supply the De LaSalle Project (now the Regional University Project) and that the integrated use of surface water as the primary source and groundwater as the backup source for drought and emergencies was the preferred method of serving this project.

The Agency's water supply assessment letter, May 9, 2005, for this project specifies:

"Through the integrated use of existing surface water entitlements, reclaimed water and demand reduction resources and groundwater as proposed herein, the Agency has an adequate water supply to meet the anticipated buildout demands of the De LaSalle University and Community Specific Plan Project in addition to the rest of the buildout demands currently anticipated within the Agency's projected service area in western Placer County in normal, single dry and multiple dry years. [T]he DLSSP Project will need to extend the Agency's existing transmission infrastructure to the project site and construct the needed onsite infrastructure, including the potable water distribution system, needed groundwater facilities and reclaimed water facilities.

The Agency is opposed to developments in western Placer County such as this relying entirely on groundwater.

While some integrated use of groundwater is appropriate and necessary to ensure the highest level of reliability, particularly in times of drought and for backup in emergency situations, to insure that there is no adverse long term impact of such dry year groundwater use there must be groundwater banking in normal and wet years to offset the planned dry year use. That banking can most efficiently occur through "in-lieu recharge" which is the reduction of historic groundwater use in normal and wet years allowing the natural recharge flow to accumulate in the aquifer. The De LaSalle project would provide just such an opportunity for in-lieu recharge of the groundwater basin in most years by offsetting historic groundwater use for agriculture on this property with surface water for urban development.

Bill Santucci and Garry Brentnall
Page two
June 7, 2006

However, continuing to use groundwater in normal and wet years when surface water resources are available to meet project needs unnecessarily depletes the resource making less available to the system when groundwater is needed in dry years. Alternate 1 is an inappropriate use of the west Placer's groundwater resources and PCWA encourages the County to reject this alternative."

Apparently, the AKT representatives, because of their projects' remote location in western Placer County, object to use of surface water because they do not want to pay the cost for the offsite transmission lines necessary to extend surface water to this project. However, to relieve this project of its customary obligation to construct necessary infrastructure when all the other public utilities and roads are built, would unnecessarily increase the total ultimate cost of the water facilities and could potentially shift the cost to other projects or to the Agency's ratepayers. This is inappropriate and poor public policy.

Groundwater in Western Placer County, and throughout the rest of the basin in South Placer County, Northern Sacramento County and South Sutter County, has been over-utilized in the past with significant adverse consequences to existing homeowners and agriculture. Since the last major development on groundwater was approved by Sacramento County in Antelope over 20 years ago, understandings have been reached throughout the region that new developments, such as the Regional University project, shall be on surface water and not groundwater.

The Agency, the City of Roseville, the City of Lincoln and the County of Placer are currently working on the development of a joint groundwater management plan, consistent with Regional Water Authority goals, to ensure the long term sustainability of the resource while at the same time ensuring that the residents of Placer County will have the most reliable water system available. Relying solely on groundwater when surface water supplies are available to meet those needs is a waste of resources. Unnecessarily depleting our county's groundwater resources ultimately threatens the reliability of not only the groundwater supplies but the reliability of all of the water systems that conjunctively serve western Placer County in dry years.

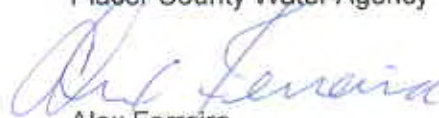
The Board of Directors of the Agency finds that the AKT Plan would unnecessarily deplete Placer County's groundwater resources in order to allow AKT to avoid paying for the cost of infrastructure necessary to serve this proposed project.

The Agency Board of Directors recommends that the County Board of Supervisors and Planning Commission reject the Plan to serve this project on groundwater as inappropriate public policy and only authorize it to proceed on surface water supplies.

On behalf of the Agency's Board of Directors should you have any questions or need clarity on this important water resource policy issue please contact me. Also available to represent the Agency on this is David Breninger, General Manager, and Einar Maisch, Director of Strategic Affairs.

Sincerely,

Placer County Water Agency



Alex Ferreira
District 2 Director and Chair

C: AKT Development Co., City of Lincoln City Council, City of Roseville City Council, Regional Water Authority Board of Directors, South Sutter Water District Board of Directors, PCWA Board of Directors

Kathi



640 Fifth Street • Lincoln, California 95648 • www.ci.lincoln.ca.us



June 27, 2006

PLANNING DEPT.

Bill Santucci, Chair
Placer County Board of Supervisors
175 Fulweiler Avenue
Auburn, CA 95603

Gerry Brentnail, Chair
Placer County Planning Commission
11414 B Avenue
Auburn, CA 95603

SUBJECT: REGIONAL UNIVERSITY PROJECT

Dear Sirs:

The City of Lincoln recently received the Placer County Water Agency's (PCWA) June 7, 2006 comments regarding the water supply component of the Infrastructure Phasing Plan for the Regional University Project proposed by the AKT Development Co.

This latest PCWA letter, attached for reference, reaffirms that the project proponents continue to avoid the use of PCWA surface water available in the area, and continue to identify groundwater as the permanent water supply for the Regional University Project in documents submitted to County staff.

The City of Lincoln believes that such an undertaking to allow for the use of groundwater as the primary source of water for the Regional University Project or any other new development of this magnitude in western Placer County would be an ill advised change in public policy. This is particularly the case when surface water can be made available to such projects.

At the outset of preparing for its large scale development projects, the City of Lincoln has established a policy that surface water is to be its primary potable water supply. This sound water policy has been implemented by the City over the last 7 years with great success. The City, with the assistance of the development community, has spent over \$2.0 million dollars in developing a comprehensive integrated water management plan which includes a Groundwater Management Plan, and an Urban Water Plan which clearly establishes surface water as the primary source of water being surface water for new development.

The City is in the process of adopting a 50-year General Plan Update that will increase its build-out population by over 75,000. The City plans to continue to meet its water demands with surface water as the primary source. It is my understanding the City is currently participating with the County, PCWA and the City of Roseville on the

City Manager's Office

Community Development

Finance & Administrative Services

Public Works

p: 916.645.3314
jpl@pcwa.ktgnuniv.6.21.06.sc
f: 916.645.8903

p: 916.645.3320
f: 916.645.3552

p: 916.645.3314
f: 916.645.9502

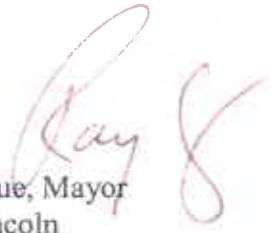
p: 916.645.8576
f: 916.645.6152

development of the Western Placer County Groundwater Management Plan (WPCGMP). The WPCGMP is a joint effort to share available data, and pursue new data that will help identify the long-term availability of groundwater for agriculture and as a backup to surface supplies for both normal and drought supply conditions.

It appears to me, as the mayor of Lincoln, that there has been a surface water supply plan in place for western Placer County since PCWA's formation in the 1950's by the Placer County Board of Supervisors. Why then, after almost 50 years of service, is PCWA's water supply policy being challenged?

Sincerely,

Ray Sprague, Mayor
City of Lincoln



Attachment

C: Lincoln City Council
Placer County Board of Supervisors
Dave Breninger, PCWA
Tom Miller, Placer County Executive
Gerald F. Johnson, City Manager, City of Lincoln
John Pedri, P.E., Director of Public Works/City Engineer

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11414 B Avenue
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Bill Santucci and Garry Brentnall
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June 7, 2006

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The Board of Directors of the Agency finds that the AKT Plan would unnecessarily deplete Placer County's groundwater resources in order to allow AKT to avoid paying for the cost of infrastructure necessary to serve this proposed project.

The Agency Board of Directors recommends that the County Board of Supervisors and Planning Commission reject the Plan to serve this project on groundwater as inappropriate public policy and only authorize it to proceed on surface water supplies.

On behalf of the Agency's Board of Directors should you have any questions or need clarity on this important water resource policy issue please contact me. Also available to represent the Agency on this is David Breninger, General Manager, and Einar Maisch, Director of Strategic Affairs.

Sincerely,

Placer County Water Agency



Alex Ferreira
District 2 Director and Chair

c: AKT Development Co., City of Lincoln City Council, City of Roseville City Council, Regional Water Authority Board of Directors, South Sutter Water District Board of Directors, PCWA Board of Directors

City Council

311 Vernon Street
Roseville, California 95678-2649

RECEIVED
JUL 19 2006

PLANNING DEPT.

July 19, 2006

Bill Santucci, Chair
Placer County Board of Supervisors
175 Fulweiler Avenue
Auburn, CA 95603

Gerry Brentnall, Chair
Placer County Planning Commission
11414 B Avenue
Auburn, CA 95603

Subject: Proposed Regional University Project

Dear Sirs,

Recently, the City of Roseville received the June 7, 2006 letter from the Placer County Water Agency (PCWA) regarding the water supply component of the Infrastructure Phasing Plan for the Regional University Project proposed by the AKT Development Company.

Based on the above referenced letter from PCWA, we are concerned over the project proponent's request that groundwater be the primary water supply for the Regional University Project, even when surface water is available in the project area. Shifting to the use of groundwater as the primary water supply for this project would mark a dramatic departure from Placer County's longstanding water supply policy that has established use of surface water for urban development as the norm for western Placer County.

Allowing urban growth on groundwater for the sake of allowing the project proponent to avoid the cost of installing offsite transmission lines to convey surface water to the project or to allow development ahead of secured water supplies is simply poor public policy. The City of Roseville is currently working with PCWA, the City of Lincoln and Placer County on the development of a joint groundwater management plan, which is consistent with Regional Water Authority goals. Once in place, this agreement will ensure long-term sustainability of western Placer County's groundwater supply through an integrated management approach.

If AKT Development Company is allowed to move forward with its plan to rely on groundwater for the Regional University Project, it could jeopardize future plans to increase our water reliability through infrastructure development, undermine regional efforts to properly manage groundwater, decrease accountability for the use of groundwater and set a poor public policy precedent by contradicting Placer County's longstanding policy that emphasizes use of readily available surface water.

Additionally, the City of Roseville is currently in the testing phase of our Aquifer Storage and Recovery Program that would, once fully implemented, benefit the region through active recharge of the groundwater aquifer to provide a back-up water source to ready the region for the next drought. Allowing groundwater use in-lieu of available surface water outside of an integrated plan in an area near Roseville's border could not only jeopardize the ASR project, but would also partially or wholly nullify any potential benefit that could be realized through ASR groundwater recharge.

As Mayor, I agree with PCWA's recommendation that the County Board of Supervisors and the Planning Commission reject AKT's plan, as currently proposed, and ask that AKT work with PCWA to come to a solution that can let the project proceed without jeopardizing Placer County's prudent policy on use of surface water for this type of project.

If you have any questions regarding the City of Roseville's position on this matter, please contact Mr. Derrick Whitehead, Director of Environmental Utilities, at (916) 774-5593.

Sincerely,



Gina Garbolino
Mayor

cc: Roseville City Council
Placer County Board of Supervisors
Dave Breninger, PCWA
Tom Miller, Placer County
W. Craig Robinson, City Manager, City of Roseville
Derrick Whitehead, Director, Environmental Utilities Department

RECEIVED
11/18/2005