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Santa Margarita Water District

April 22, 2015

Ms. Jessica Bean 1001 I Street Sacramento, California 95814 Jessica.Bean@waterboards.ca.gov

Dear Ms. Bean:

Santa Margarita Water District (SMWD), the second-largest retail water agency in Orange County, appreciates the State Water Resources Control Board's (SWRCB) iterative approach to development of the regulations and the opportunity to provide additional comments.

SMWD has already taken steps to meet the 25% reduction. The District's board has provided direction on many initiatives including significant capital expenses, outreach to customers and changes in operations with a goal of adopting the initiatives on May 6th. We also held a workshop for over 200 HOA board members, managers and landscapers to establish goals for each of them in reducing their water demand.

Our initial concerns about the draft framework primarily centered on clarifications to ensure that the framework will gather accurate and useful information for the Governor's mandated 25% reduction in urban water use. However, after additional review, we would like to add the following comment:

• Governor Brown recognized the need for housing and its benefits to the economy in his order. As an agency that has seen significant growth since 2013, SMWD has enforced many of the measures identified by Governor Brown for sustainable development. However, the allocation plan does not recognize that efficient water use. Some provisions in permanent regulations should include, at a minimum, recognition of efficient indoor water use and drought tolerant landscaping required for new units.

The following comments were previously made and are still a concern:

- A clear and consistent definition of the term "Water production data" should be used when calculating R-GPCD. Does "production" mean water produced and put into a distribution system or is it water sold to customers? SMWD would recommend "production" clearly be defined as potable water produced/purchased.
- The formula used by SWRCB to determine 2013 water use with 2015 population figures will create faulty data in determining the 2013 R-GPCD. Monthly 2013 population values should be used to calculate monthly 2013 R-GPCD values. SWRCB should work with agencies to both clearly document population numbers and to use a single source for current and 2013 months to normalize for population growth.

- Clarify the requirement for new homes to use drip or micro-spray. For water districts, there is
 neither a review process nor a permit required for homeowner-installed systems beyond the
 meter. For centralized irrigation system, districts can work with developers who install
 irrigation systems. The State could direct homeowners associations to make alterations to
 their Codes, Covenants and Restrictions regarding sprinkler design, as those bodies would be
 better able to enforce such regulations.
- With respect to SWRCB indicating that it will move forward in establishing permanent regulations for water usage, conservation, and reporting, it will be important to recognize and provide credit for utilities that invest in innovative alternative supplies such as direct and indirect potable reuse and desalination.

With 155,000 customers, SMWD continues to be supportive of all efforts for reductions in urban water use during the drought and into the "new normal" for California. We hope our additional comments and suggestions will help us all collectively reach the Governor's target reduction.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

SANTA MARGARITA WATER DISTRICT

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