

APPENDIX G

EBMUD Letter Regarding Water Supply Assessment



June 30, 2005

Scott Gregory, Contract Planner
Community and Economic Development Agency
Planning and Zoning Services Division
City of Oakland
250 Frank H. Ogawa Plaza, Suite 2114
Oakland, CA 94612-2031

Re: Water Supply Assessment – Kaiser Permanente Oakland Medical Center
Replacement Project

Dear Mr. Gregory:

This letter responds to your request of April 26, 2005 for water agency consultation concerning the Kaiser Permanente Oakland Medical Center Replacement Project (Enclosure 1). The East Bay Municipal Utility District (EBMUD) appreciates the opportunity to provide this response.

Pursuant to Sections 10910-10915 (SB-610) of the California Water Code, the project meets the threshold requirement for an assessment of water supply availability based on the amount of water this project would require, which would be greater than the amount required by a 250,000 square foot commercial development.

Please note that this assessment addresses the issue of water supply only and is not a guarantee of service, and future water service is subject to rates and regulations in effect at the time.

Project Demand

The water demands for the Kaiser Permanente Oakland Medical Center Replacement Project area are accounted for in EBMUD's water demand projections as published in EBMUD's 2000 Urban Water Management Plan (UWMP/Enclosure 2). EBMUD's water demand projections account for anticipated future water demands within EBMUD's service boundaries and for variations in demand-attributed changes in development patterns. The current water demand for the existing land uses in the Kaiser Permanente Oakland Medical Center Replacement Project area is about 100,000 gallons per day (gpd). The estimated water demand based on the projected water consumption supplied by the applicant for the proposed development is 286,000 gpd and is consistent with EBMUD's demand projections that indicate densification of these types of land uses.

Project Area

The Kaiser Permanente Oakland Medical Center Replacement Project area is located at the corner of Broadway and West MacArthur Boulevard. The project area consists of approximately 20.6 acres. At ultimate build-out, the complex is proposed to contain approximately 1.8 million square feet of hospital, medical office or medical care administrative building space along with associated parking.

EBMUD Water Demand Projections

The water consumption of EBMUD customers has remained relatively level in recent years in spite of population and account growth. Between 1987 and the present, consumption has ranged from a high of approximately 220 million gallons per day (mgd) in 1987 to a low of 170 mgd in 1989. Based on extensive forecasting in EBMUD's Water Supply Management Program (WSMP) and recent land use based demand forecasting, the WSMP forecast for 2020 water demand of 277 mgd can be reduced to 229 mgd with successful water recycling and conservation programs that are in place. The Kaiser Permanente Oakland Medical Center Replacement Project will not change the EBMUD 2020 demand projection.

EBMUD Water Supply and Water Rights

EBMUD has water rights and facilities to divert up to a maximum of 325 mgd from the Mokelumne River, subject to the availability of Mokelumne River runoff and the prior water rights of other users. EBMUD's position in the hierarchy of Mokelumne River water users is determined by a variety of agreements between Mokelumne River water right holders, the appropriative water rights permits and licenses that have been issued by the State, pre-1914 rights and riparian rights. Conditions that restrict EBMUD's ability to use its 325 mgd entitlement include:

- Upstream water use by prior right holders.
- Downstream water use by riparian and senior appropriators and other downstream obligations, including protection of public trust resources.
- Drought, or less than normal rainfall for more than a year.
- Emergency outage.

During periods of drought, runoff from the Mokelumne River is insufficient to supply the 325 mgd entitlement. EBMUD studies indicate that, with its current water supply and the water demands expected in 2020, deficiencies in supply of up to 67 percent could occur during a multi-year drought period.

EBMUD UWMP

The UWMP, adopted by the Board of Directors in Resolution No. 33242-01, includes planning level analyses at the County- and EBMUD-wide levels for existing and projected water demand. A summary of EBMUD's demand and supply projections in five-year increments is provided in a table (Enclosure 3) from the UWMP. The data reflects the latest actual and forecast values.

EBMUD's evaluation of water supply availability accounts for the diversions of both upstream and downstream water right holders and fishery releases on the Mokelumne River. Fishery releases are based on the requirements of a 1998 Joint Settlement Agreement (JSA) between EBMUD and State and Federal wildlife agencies. The JSA requires EBMUD to make minimum flow releases from its reservoirs to the lower Mokelumne River to benefit the fishery. As this water is released downriver, it is, therefore, not available for use by EBMUD's customers.

The available supply shown in the table (Enclosure 3) in years 1, 2 and 3 of a multiple-year drought was determined by EBMUD's hydrologic model with the following assumptions:

- EBMUD Drought Planning Sequence is used for 1976, 1977 and 1978.
- Total system storage is depleted by the end of the third year of the drought.
- The diversions by Amador and Calaveras Counties upstream of Pardee Reservoir increase over time.
- Releases are made to meet the requirements of senior downstream water right holders and fishery releases are made according to the JSA.

As discussed under the Drought Management Program section in Chapter 3 of the UWMP, EBMUD's system storage generally allows it to continue serving its customers during dry-year events. EBMUD imposes rationing based on the projected storage at the end of September. By imposing rationing in the first dry year of potential drought, EBMUD attempts to minimize rationing in subsequent years if a drought persists while continuing to meet its current and subsequent-year fishery flow release requirements and obligations to downstream agencies. Table 3-1 in the UWMP summarizes the guidelines for consumer water reduction goals based on system storage.

In the table (Enclosure 3), "Single Dry" year (or Year 1 of "Multiple Dry Years") is determined to be a year that EBMUD would implement Drought Management Program elements at the "moderate" stage with the goal of achieving between 0 to 15 percent reduction in customer demand. Year 2 of Multiple Dry Years is determined to be a year that EBMUD would implement Drought Management Program elements at the "severe" stage with the goal of achieving between 15 to 25 percent reduction in customer demand. In Year 3 of the multiple-year drought, deficiencies from about 48 percent in year 2005 to about 67 percent in year 2020 are forecast to occur. Therefore, a supplemental supply

is needed, which is defined by EBMUD as the additional amount of water necessary to limit customer deficiency to 25 percent in a multiple-year drought while continuing to meet the requirements of senior downstream water right holders and the provisions of the 1998 JSA.

Supplemental Water Supply and Demand Management

The goals of meeting projected water needs and increased water reliability rely on three components: supplemental supply, water conservation and recycled water.

Chapter 2 of the UWMP describes EBMUD's supplemental water supply project alternatives to meet its long-term water demand. To address the need for a supplemental water supply during droughts, EBMUD signed a contract in 1970 with the Federal government for a supplemental supply from the Central Valley Project (CVP). In 2001, EBMUD certified the environmental documentation amending its CVP contract 14-06-200-5183A, reducing EBMUD's contract from 150,000 acre-feet (AF)/year to an entitlement not to exceed 133,000 AF in any one year or 165,000 AF over any three consecutive years. In 2001, EBMUD signed a Memorandum of Agreement with the City of Sacramento, the County of Sacramento and the U.S. Bureau of Reclamation to study a joint regional water project on the Sacramento River near Freeport. The Draft Environmental Impact Report/Environmental Impact Statement (EIR/EIS) of the Freeport Regional Water Project identifies several regulatory permits and approvals required for the implementation of the project alternatives. These are listed in Table 2-6 of the Freeport Regional Water Project Draft EIR/EIS, July 2003, and incorporated in the Final EIR/EIS for the project, which was certified in April 2004.

Chapter 2 of the UWMP also describes other supplemental water projects, including the development of groundwater storage within EBMUD's service area. EBMUD is studying the environmental impacts of these proposed projects. Specific capital outlay and financing information for these projects are included in EBMUD's FY04-05 Capital Improvement Program and Five-Year Plan. The Freeport project would also allow for a future groundwater conjunctive use component and, along with the proposed local groundwater projects, emergency interties and planned water recycling and conservation efforts, would ensure a reliable water supply to meet projected demands for current and future EBMUD customers within the current service area. Without a supplemental water supply source, continued conservation efforts and further use of recycled water, deficiencies in supply are projected as noted above.

The Kaiser Permanente Oakland Medical Center Replacement Project presents an opportunity to incorporate many water conservation measures. Conditions of approval for the implementation of the Kaiser Permanente Oakland Medical Center Replacement Project should require that the project comply with the Landscape Water Conservation Section of the City's Municipal Code, Article 9-4.54 of

Chapter 4 of Title 9. EBMUD staff would appreciate the opportunity to meet with the project sponsor to discuss water conservation programs and best management practices applicable to the proposed project. A key objective of this discussion will be to explore timely opportunities to expand water conservation via early consideration of EBMUD's conservation programs and best management practices applicable to the project.

The project sponsor should contact David J. Rehnstrom, Senior Civil Engineer, at (510) 287-1365 for further information.

Sincerely,



William R. Kirkpatrick
Manager of Water Distribution Planning Division

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- Enclosures:
1. Letter of Request for Water Supply Assessment dated April 26, 2005
 2. EBMUD's 2000 Urban Water Management Plan
 3. EBMUD's Projected Demand and Available Supply Table

cc: Board of Directors w/o Enclosure 2