



September 15, 2015

Mr. Robert Merkamp
Development Planning Manager
City of Oakland
250 Frank H. Ogawa Plaza, Suite 2214
Oakland, CA 94612

**Re: Water Supply Assessment – Oak Knoll Mixed-Use Community Plan Project,
Oakland**

Dear Mr. Merkamp:

This letter follows East Bay Municipal Utility District's (EBMUD's) April 10, 2015 written response (April 10 Letter) to the Notice of Preparation of a Revised Supplemental Environmental Impact Report concerning the Oak Knoll Mixed-Use Community Plan Project (2015 Project). EBMUD appreciates the opportunity to provide additional information concerning the 2015 Project.

EBMUD first responded to a request from the City of Oakland (City) for water agency consultation concerning the Oak Knoll Project on November 15, 2006. The 2006 Water Supply Assessment (WSA) for the project concluded that water demands for the project – estimated at 220,000 gallons per day (gpd) – were accounted for in EBMUD's water demand projections. The staff report on the 2006 WSA further explained that “The 2005 [Urban Water Management Plan] concludes that the District has, and will have, adequate water supplies to serve existing and projected demand within the Ultimate Service Boundary during normal and wet years, but that deficits are projected for drought years.”

In the April 10 Letter, EBMUD considered the 2015 Project, a revised version of the project first considered in 2006 (2006 Project). The April 10 Letter set forth EBMUD's initial water demand estimate for the 2015 Project of 234,000 gpd and explained that “[t]he project demand is accounted for in our projections, which include minor variations in demand-attributed changes in development patterns. Therefore, EBMUD concludes that the WSA approved by EBMUD is still valid, and a second WSA is not required.” Please note that the water demand of 234,000 gpd stated in the April 10 Letter was in error and should be corrected to 207,000 gpd, which is 13,000 gpd less than the estimated demand for the 2006 Project considered in the 2006 WSA.

California Water Code Section 10910(h) provides that where a project has been the subject of a WSA, no additional WSA shall be required for subsequent projects within the scope of the project considered in the earlier WSA unless one or more of the following occurs:

1. Changes in the project that result in a substantial increase in water demand for the project;
2. Changes in the circumstances or conditions substantially affecting the ability of the public water system to provide a sufficient supply of water for the project; or
3. Significant new information becomes available which was not known and could not have been known at the time when the assessment was prepared.

Here, the 2015 Project is essentially the same as the 2006 Project, except it is slightly smaller, with approximately 25 fewer residential units and approximately 10,000 fewer square feet of commercial development, and with a 13,000 gpd reduction in estimated water demand. For the reasons explained below, EBMUD expands upon its conclusion of April 10, 2015 that a second WSA need not be approved for the 2015 Project and corrects the water demand projection in that letter from 234,000 gpd to 207,000 gpd.

Changes in the Project

Since 2006, there have been minor modifications to the project, none of which affect the 2006 WSA's conclusions regarding water supply. The 2015 Project area is still bounded by Sequoyah Road on the south, Keller Avenue on the north and east, and Mountain Boulevard on the west and now consists of approximately 180 acres. At build-out, the 2006 Project would have added approximately 960 residential units and 82,000 square feet of commercial space, which included a grocery store, retail, and restaurant uses. The 2015 Project is proposing to develop approximately 935 residential units and approximately 72,000 square feet of commercial space.

The changes that were made to the 2006 Project as part of the 2015 Project will result in a slight decrease in water demand. Based on these changes, EBMUD estimates the 2015 Project would require approximately 207,000 gpd, compared to the 2006 Project, which was estimated to require approximately 220,000 gpd. Accordingly, there have been no changes in the project that would result in a substantial increase in water demand for the project.

Changes in Circumstances or Conditions

EBMUD concludes that there have been no changes in circumstances or conditions that substantially affect its ability to provide a sufficient supply of water for the project, including the approval of the 2010 Urban Water Management Plan (UWMP) and the current drought. The 2006 WSA relied on EBMUD's 2005 UWMP and considered multi-year droughts in its analysis. EBMUD adopted a new UWMP ("2010 UWMP") since approval of the 2006 WSA, and both the 2005 UWMP and 2010 UWMP conclude that EBMUD will be able to continue to provide water service during multi-year droughts with implementation of various drought-related actions,

including achieving reductions in customer demand. Consistent with the drought-related actions anticipated in the 2005 and 2010 UWMPs and the 2006 WSA, to address the current drought, EBMUD has adopted new water use restrictions and purchased supplemental water supplies to ensure its ability to provide water service to its customers.¹ The 2015 Project would be subject to the same restrictions and requirements as other EBMUD customers.

For these reasons, EBMUD concludes that there have been no changes in circumstances or conditions that substantially affect its ability to provide a sufficient supply of water for the project, including the approval of the 2010 UWMP and the current drought.

New Information

No significant new information has become available that was not known and could not have been known at the time when the 2006 WSA was prepared. As discussed above, EBMUD identified that a multi-year drought was possible when it prepared the 2006 WSA and considered such droughts in that document. (See 2006 WSA, Pages 3-4.) The 2010 UWMP similarly anticipated the potential for drought. As mentioned above, if approved, the project would be subject to the same drought restrictions and regulations as other EBMUD customers.

Although the 2006 WSA relied on the 2005 UWMP, the 2010 UWMP assumes the same water use for the project area as the 2005 UWMP. This is because the project area's General Plan designation has not changed, and the City has continued to indicate that the project area is planned for redevelopment with a significant number of residences and commercial uses. The 2010 UWMP indicates that EBMUD has taken the project into account in its water supply and demand projections through 2040. The 2010 UWMP thus does not present new information that would change the conclusions in the 2006 WSA.

Like the 2006 Project, the 2015 Project presents an opportunity to incorporate water conservation measures. Conditions of approval for the implementation of the 2015 Project should require that the project comply with the Assembly Bill 325, Model Water Efficient Landscape Ordinance (Division 2, Title 23, California Code of Regulations, Chapter 2.7, Sections 490 through 495). EBMUD staff would appreciate the opportunity to meet with project sponsors to discuss water conservation programs and best management practices applicable to such projects. A key objective of these discussions 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 projects.

As stated in the November 14, 2006 WSA response letter, this letter 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.

¹On April 14, 2015, EBMUD declared a Stage 4 Drought, updated its drought management program guidelines, approved a mandatory EBMUD-wide water use reduction goal of 20 percent, and adopted revised regulations regarding mandatory water use prohibitions and restrictions.

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If you have any questions concerning this response, please contact me at (510) 287-1365.

Sincerely,



David J. Rehnstrom

Manager of Water Distribution Planning

DJR:dk

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