

DRAFT LETTER  
(to be run in final on PV Water letterhead)  
November 3, 2017

Mr. Matthew McCarthy, Senior Environmental Scientist  
Coastal Lahontan Permitting Unit  
Division of Water Rights  
State Water Resources Control Board  
1001 I Street, Room 2-114  
Sacramento, California 95814

Re: Request for Release from Priority of Water Right Application 18334

Dear Mr. McCarthy:

The Pajaro Valley Water Management Agency (“PV Water”) is filing a petition for partial assignment of water-right Application 18334 for the College Lake Integrated Resources Management Project (the “College Lake Project”) and, as a backup to the petition, a new application for a water-right permit for this project. PV Water requests that, if the State Water Board denies PV Water’s petition for partial assignment but grants PV Water’s new application, then the State Water Board release the priority of Application 18334 in favor of PV Water’s new application. This request for release from priority is made pursuant to Water Code section 10504.

**1. Water Right Application 18334**

The California Department of Water Resources (“DWR”) filed water-right Application 18334 in 1958, pursuant to a request from the Santa Cruz County Flood Control and Water Conservation District (the “District”). That application was for a permit to divert water from the Pajaro River at rates up to 200 cubic-feet per second (“cfs”) and 21,000 acre-feet per year (“af/yr”) for storage at the proposed Watsonville Dam. Copies of the District’s September 11, 1958 transmittal letter and September 8, 1958 Resolution No. 591-58 are enclosed with this letter. The District’s resolution stated that the District’s Board of Directors believed that the various projects described in the resolution, including the Watsonville Dam project, would substantially solve the water supply problems of Santa Cruz County and not be incompatible with the California State Master Plan. The District’s resolution further stated that the District was asking DWR to file the application for the purpose of protecting the interest of Santa Cruz County until such time as the proposed water development projects could be constructed.

**2. Creation of PV Water and Development of Basin Management Plan Update**

PV Water was created in 1984 by a special act of the California Legislature, the Pajaro Valley Water Management Agency Act, Stats.1984, c. 257, West’s Water Code Appendix, sections 124-

101 to 124-1008. PV Water's purpose is "to efficiently and economically manage existing and supplemental water supplies in order to prevent further increase in, and to accomplish continuing reduction of, long-term overdraft and to provide and insure sufficient water supplies for present and anticipated needs within the boundaries of the agency." (West's Water Code App., § 124-102, subd. (f).)

Over the past several decades, groundwater pumping for agricultural and municipal uses in the Pajaro Valley area has led to overdrafts of the aquifers beneath the Valley. These overdrafts have led to intrusion of seawater into the aquifers along the coast and drops in groundwater levels inland, threatening the long-term viability of the Pajaro Valley's groundwater supply and the economy that depends on it. Existing supplemental supplies developed over the last decade have helped reduce the rates of overdraft and seawater intrusion, but more needs to be done to ensure the future of the Valley's groundwater resources and economy.

In 2014, PV Water completed its Basin Management Plan Update ("BMP Update"), which consists of three main components and seven programs and projects. The BMP Update concludes that conservation will provide over 40% of the reduced groundwater pumping needed to solve the basin problem. Upgrades to recycled water storage, increased water deliveries and Harkins Slough recharge facilities will allow the community to obtain more water from existing infrastructure. Supplemental water supply projects will provide new sources of water to replace the remaining amounts of groundwater pumping that need to be replaced to bring the groundwater aquifers into balance.

### **3. College Lake Integrated Resources Management Project**

The College Lake Integrated Resources Management Project is the largest of the proposed supplemental water supply projects. College Lake, located about one mile northeast of the Watsonville city limits, is a naturally occurring seasonal lake fed by Green Valley, Casserly and Hughes Creeks. The lake outflows downstream through Salispuedes Creek to the Pajaro River. Historically, the College Lake Reclamation District (the "District") has operated a low flashboard weir to prevent water from flowing upstream through Salispuedes Creek into the lakebed during times of high flows and when the District is pumping water from the lake. The District normally has drained the lakebed during the spring of each year to allow row crops to be farmed on the lake bottom during the summer. The District's pumping has continued intermittently during the summer and fall as necessary to keep the lakebed dry while crops are growing.

For the College Lake Integrated Resources Management Project, PV Water will construct a new adjustable weir approximately 100 feet downstream of the existing District weir. This new weir will allow the Agency to raise the controlled College Lake level by 2.4 feet to an elevation of 62.5 feet. When irrigation water is needed, PV Water will pump water from College Lake (including both direct diversions of water flowing into the lake and re-diversions of water previously stored in the lake) to a new water treatment plant. PV Water will convey the treated water through a new pipeline to the Coastal Distribution System ("CDS"). The water then will be conveyed through the CDS for deliveries to farmers who will use the water for irrigation in lieu of pumping equivalent amounts of groundwater.

**4. PV Water's Petition for Partial Assignment of Application 18334 and New Application for Water Right Permit**

Concurrently with this request, PV Water is filing a petition for partial assignment of the portion of Application 18334 that is necessary for the College Lake Project. The proposed application that is included in that petition is for a permit to directly divert water from College Lake at a maximum rate of 30 cfs and to collect up to 1,764 af/yr to storage in the lake. The total maximum combined amount of direct diversion plus collection to storage is 3,000 af/yr. If the State Water Board grants this petition, then the State Water Board would continue to hold the remainder of Application 18334.

As a backup, in case the State Water Board denies PV Water's petition for partial assignment of Application 18334, PV Water also is filing a new application for a water-right permit for the College Lake Project. This new application contains all of the same elements as those in the proposed application that is included in PV Water's petition for partial assignment of Application 18334.

**5. PV Water's Request for Release from Priority**

PV Water requests that, if the State Water Board denies PV Water's petition for partial assignment of Application 18334 but grants PV Water's new application, then the State Water Board release the priority of Application 18334 in favor of PV Water's new application for the College Lake Project. This release from priority would not conflict with, and would be in furtherance of, the general and coordinated plan of development that DWR contemplated in 1958 when it filed Application 18334. Although some of the details have changed since the District proposed the Watsonville Dam Project in 1958, the overall goal remains the same: to divert water from the Pajaro River watershed and to convey that water to growers in the lower Pajaro River watershed for irrigation purposes. With these deliveries, these growers can reduce the amounts of groundwater they need to pump, which will help bring the groundwater basin into balance and reverse the current seawater intrusion.

The water that will be diverted and used by the College Lake Project currently is not used and flows into the Pacific Ocean, and development of this project will not deprive Santa Cruz County (the only county in which this water originates) of any water necessary for its development. Development of this project is in the best interests of the people of the State of California because this project will help reduce the very serious groundwater overdrafts and seawater intrusion that currently exist in the lower Pajaro Valley.

**CONCLUSION**

For the reasons stated in this letter, PV Water requests that, if the State Water Board denies PV Water's petition for partial assignment of water-right Application 18334, but grants PV Water's new application, for the College Lake Project, then the State Water Board release the priority of Application 18334 in favor of the new application.

**DRAFT, Nov. 3, 2017**

Mr. Matthew McCarthy

November 3, 2017

Page 4

Sincerely,

Brian Lockwood  
General Manager

Encls.

DRAFT

DRAFT, Nov. 3, 2017

**SANTA CRUZ COUNTY** FLOOD CONTROL AND WATER CONSERVATION DISTRICT

September 11, 1958

Harvey O. Banks, Director  
Department of Water Resources  
PO Box 1079  
Sacramento 5, California

Dear Mr. Banks:

Enclosed is a certified copy of this Board's resolution No. 591-58 adopted September 8, 1958, by which your department is requested to file with the State Water Rights Board applications to appropriate water from the following streams in Santa Cruz County for the purposes and in the amounts indicated in the resolution:

*W/R 18334*  
X 18335 P  
X 18336 P  
X 18337 P  
X 18338 P  
X 18339 P

Soquel Creek  
Zayante Creek  
Scott Creek

Soquel Creek, West Branch  
Aptos Creek  
Pajaro River

This resolution rescinds Resolution No. 531-58 which was forwarded to you with my letter of September 2, 1958, and was made in order to correct number of acre feet for diversion to be stored at Aptos Dam. The figure of 4100 acre feet was taken from the copy of application to appropriate unappropriated water forwarded to this office. The correct number of acre feet in connection with Aptos Creek (Aptos Dam) is 8300 acre feet, not 4100 acre feet.

We ask that this error be corrected in your records and that you substitute the enclosed resolution in place of No. 531-58 previously sent to you.

We understand that Creegan and D'Angelo, engineers for the Santa Cruz County Flood Control and Water Conservation District, have contacted your department by telephone during the past week in connection with this matter.

Yours very truly,

*Francis Silliman*  
Francis Silliman, Chairman

RESOLUTION NO. 591-58

On the motion of SUPERVISOR Nelson  
duly seconded by SUPERVISOR McLean  
the following resolution is adopted:

RESOLUTION REQUESTING STATE DEPARTMENT OF WATER  
RESOURCES TO FILE APPLICATIONS TO APPROPRIATE  
WATER ON STREAMS IN SANTA CRUZ COUNTY AND RESCIND-  
ING RESOLUTION NO. 591-58

W/R  
18334

WHEREAS the Santa Cruz County Flood Control and Water Conservation District engaged the firm of Creagan and D'Angelo, Civil Engineers, to make a survey and study of the water resources of Santa Cruz County, and to prepare a report and master plan for water development in said county, and

WHEREAS said engineers completed said survey and study and filed with the Santa Cruz County Flood Control and Water Conservation District their report and master plan for water development in Santa Cruz County, which said report is dated January, 1957, and a copy of which said report is on file with the State of California Department of Water Resources, and

WHEREAS said report provides for and recommends future water development projects on the following streams in Santa Cruz County, to wit:

<u>Name of Stream</u>	<u>Name of Proposed Dam</u>	<u>Total Capacity of Dam</u>
Soquel Creek	Upper Soquel Reservoir	6,800 acre feet
Soquel Creek, West branch	Greenwood Dam	7,250 acre feet
Zayante Creek	Zayante Dam	7,500 acre feet
Aptos Creek	Aptos Creek Dam	8,300 acre feet
Scott Creek	Archibald Dam	20,000 acre feet
Pajaro River	Watsonville Dam	21,000 acre feet

WHEREAS the board of directors of the Santa Cruz County Flood Control and Water Conservation District believe that water development projects on the above named streams will substantially solve the water supply problems of Santa Cruz County, and said projects will not be incompatible with the California State Master Plan, and

WHEREAS it is the desire of this board that maximum diligence be exercised and all possible steps taken to protect the County's interest in the waters of the above named streams, and it is the desire of this board that the

State of California Department of Water Resources file with the State Water Rights Board applications to appropriate unappropriated waters from the above named streams for the purpose of protecting the interest of Santa Cruz County until such time as the proposed water development projects can be constructed.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Supervisors of the County of Santa Cruz, State of California, hereby requests the State Department of Water Resources to file with the State Water Rights Board applications to appropriate unappropriated water from the above named streams, in order to protect the interest of Santa Cruz County in the waters of said streams until such future time as said County can construct on said streams the proposed water development projects outlined in the said Creegan-D'Angelo report.

BE IT FURTHER RESOLVED AND ORDERED that a certified copy of this resolution be forwarded to the California State Department of Water Resources, together with an appropriate letter of transmittal to be executed by the chairman of this board.

BE IT FURTHER RESOLVED AND ORDERED that Resolution No. 531-58 be and it hereby is rescinded.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 8th day of September, 1958 by the following vote:

AYES:	SUPERVISORS	Merrill, Nelson, Locatelli, McLean & Silliman
NOES:	SUPERVISORS	None
Absent:	SUPERVISORS	None

FRANCIS SILLIMAN  
Chairman of said Board

ATTEST:

TOM M. KELLY  
Clerk of said Board

Approved as to Form

WILLIAM H. CARD  
Deputy County Counsel

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State of ~~California~~, **DRAFT, Nov 3, 2017** Cruz—ss

I, Tom M. Kelley, County Clerk and ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing is a true and correct copy of a resolution passed and adopted by and entered in the Minutes of the said Board.

In Witness whereof I have hereunto set my hand and affixed the

seal of the said Board on Sept. 10, 1958

**TOM M. KELLEY, County Clerk**

By Jason V. Steele Deputy Clerk

418-2500-957