

May 24, 2023

John Swiecki, AICP
Community Development Director
City of Brisbane
50 Park Place
Brisbane, CA 94005

RE: Revised NOP for Brisbane Baylands Specific Plan EIR

Dear Mr. Swiecki:

Thank you for the opportunity to comment on the revised Notice of Preparation for the Baylands Specific Plan EIR. The NOP states that water supply for the proposed project is secured through a Memorandum of Understanding (MOU) between the applicant, Baylands Development Incorporated (Baylands), and Contra Costa Water District (CCWD) and that approximately 2,500 acre-feet per year would be delivered from CCWD via storage in Los Vaqueros Reservoir through the Transfer Bethany Pipeline and the Department of Water Resources-owned Bethany Reservoir and South Bay Aqueduct and then SFPUC facilities to Baylands.

The proposed water supply could have a significant impact on SFPUC facilities as well as our ability to secure adequate supply to meet dry-year reliability goals. Due to these concerns, which are detailed below, we recommend that the applicant explore an alternative water supply or evaluate in detail the feasibility of the proposed water supply in terms of water supply source, conveyance, and operability and develop measures that would mitigate impacts on SFPUC's facilities and water supply interests that would enable the SFPUC to comply with our delivery obligations and other applicable regulatory requirements.

The City of Brisbane, where Baylands is located, operates the Brisbane Water District and the Guadalupe Valley Municipal Improvement District (GVMID) and relies on the SFPUC for 100% of its potable water supply. In Fiscal Year 2022, the City of Brisbane purchased 0.61 mgd from the SFPUC. By 2045, the City of Brisbane is projecting purchases of 0.98 mgd, which is its full contracted supply volume from the SFPUC.

London N. Breed
Mayor

Newsha K. Ajami
President

Sophie Maxwell
Vice President

Tim Paulson
Commissioner

Anthony Rivera
Commissioner

Kate H. Stacy
Commissioner

Dennis J. Herrera
General Manager

The SFPUC delivers water to over 2.7 million retail and wholesale customers through its Regional Water System (RWS). In December 2018, the State Water Resources Control Board adopted the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary Bay-Delta Plan Amendment (referred to as the 2018 Bay-Delta Plan Amendment); if implemented, this action would result in a significant reduction in the SFPUC's ability to deliver water from the RWS in future droughts. To meet projected 2045 retail and wholesale customer demands, the estimated dry-year shortfall in RWS supply is 92 mgd. This shortfall accounts for the City of Brisbane's projected 2045 purchase request of 0.98 mgd as well as the projected purchases requests from all existing retail and wholesale customers of the SFPUC. The proposed Baylands project is not accounted for in the projected demands or resulting estimated shortfall.

Since 2019, the SFPUC has been pursuing planning for regional projects to address its projected supply shortfall through the Alternative Water Supply (AWS) Program. The current AWS Program includes storage projects, potable reuse projects, and a recycled water / groundwater recharge project. All of these projects are intended to help reduce the SFPUC's projected shortfall by 2045, but they remain insufficient to fully resolve the future dry-year gap between RWS supplies and customer demands. Furthermore, the SFPUC Commission has not yet committed to the implementation of any of the AWS projects.

As reported in Section 3.3 of quarterly reports prepared for the AWS Program, the SFPUC's current planning priorities include the following:

1. Meet regulatory requirements including instream flow releases (*obligatory*)
2. Meet existing obligations to existing permanent customers (*obligatory*)
3. Make current interruptible customers permanent (*policy decision*)
4. Meet increased demands of existing and interruptible customers (*policy decision*)

Given the magnitude of the supply shortfall that could result from implementation of the 2018 Bay-Delta Plan Amendment, the AWS Program has focused mainly on Priorities 1 and 2 above. The SFPUC is also working with the Cities of San Jose and Santa Clara on a project specifically to address Priority 3, for which the SFPUC is committed to making a decision by December 2028. Any new demands, such as Baylands' water demand, would need to be addressed under Priority 4, and have not been evaluated at this time.

Among the projects identified to help meet existing demands of existing customers is the Los Vaqueros Expansion (LVE) project. This is a regional storage project with eight partner agencies, including the SFPUC, that have formed a Joint Powers Authority to manage it. Contra Costa Water District (CCWD) owns the underlying reservoir. Baylands' MOU with CCWD was approved at a time when storage was undersubscribed. The MOU

appears to contemplate that the storage needed for Baylands could be owned by CCWD or the City of Brisbane. At this time, storage among the eight existing partners is oversubscribed; the City of Brisbane is not currently a party to the MOU and CCWD does not have a storage allocation in the expanded reservoir. In the future, if the SFPUC or another partner agency does not participate in the LVE project or reduces its storage allocation, CCWD or the City of Brisbane may be able to secure storage for Baylands, subject to approval by the remaining partners.

The SFPUC's participation in the LVE project has been limited to planning activities. The SFPUC will make a decision in 2024 on whether or not to participate in this project. If it does participate in the LVE project, the SFPUC will still need to secure a water supply source and conveyance for filling and delivery from the LVE project. As the SFPUC is not hydraulically connected to the Los Vaqueros Reservoir, both supply and conveyance are critical to participation and will necessarily rely on additional partnerships to secure. Conveyance through the South Bay Aqueduct to take delivery of water from LVE, for example, would require agreement with the Department of Water Resources and available capacity after the pipeline is utilized for State Water Project deliveries. Wheeling water through third-party facilities on behalf of Baylands is not contemplated in the modeling of available capacity and would likely compete with the SFPUC's ability to serve its existing dry-year needs.

The SFPUC completed a water quality study in 2021 that identified two key issues associated with delivering water from LVE through the South Bay Aqueduct to RWS facilities: 1) the introduction of invasive species into the SFPUC's San Antonio Reservoir and greater Alameda watershed and 2) water quality changes that would require operational modifications to RWS facilities. As a dry year project that is only expected to deliver water in two to three of every ten years, the risks may be very different from those that may occur if water needed to be wheeled for Brisbane every year. The potential increase in risks to the RWS have not been evaluated.

The LVE project provides regional storage capability but relies on participating agencies to provide their own water supply. The SFPUC is currently evaluating several short- and long-term water supply alternatives but does not yet have a supply to store in the LVE project. While the MOU between Baylands and CCWD describes storage, there does not appear to be any supply associated with it.

We believe there are other water supply alternatives for the Baylands project that can be explored including the transfer of an Individual Supply Guarantee from another of SFPUC's wholesale customers, or investment in a dedicated water supply source such as potable reuse. In fact, the SFPUC has embarked on studies related to a potable reuse project, with one of two treatment plants expected to be based in the southeast corner of San Francisco. This project could be an ideal partner for Baylands. To be clear, the SFPUC is open to discussing either or both types of alternatives to support new water supply needs in Brisbane.

Please contact me at sritchie@sfgwater.org if you have any questions.

Sincerely,

Steven R. Ritchie

Steven R. Ritchie
Assistant General Manager, Water