

BOARD OF SUPERVISORS COUNTY OF INYO

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January 21, 2014

Mr. Mel Levine, President Board of Water and Power Commissioners Department of Water and Power of the City of Los Angeles 111 North Hope Street Los Angeles, California 90012

Subject: LADWP's Requirements for Owens Lake Agreements

Dear Mr. Levine:

On January 24, 2013, the LADWP Board of Water and Power Commissioners found that before LADWP can commit the significant investment in money and resources to implement its proposed Master Project at Owens Lake, certain agencies and stakeholders first agree to seven objectives and requirements. The Water and Power Commissioners' seven objectives and requirements are:

- 1. Acceptance of Master Plan elements that protect or improve the habitat and public benefit goals within the areas where LADWP dust controls currently exist.
- 2. Reduction in the amount of Los Angeles Aqueduct water applied to Owens Lake for dust mitigation by at least 50 percent to lessen Los Angeles' need for water from other California sources.
- 3. Lawfully-established limit of 45 square miles of dust controls that Los Angeles is responsible to construct and maintain.
- 4. Approved new waterless dust control methods.
- 5. Allowance to transition sufficient areas of the lakebed without penalties.
- 6. Easement or other indisputable, permanent right to execute and maintain the lakebed according to the plan provisions.
- 7. Allowance to utilize groundwater under the lakebed to achieve the full habitat goals.

Following the action of the Board of Water and Power Commissioners, LADWP's management requested that the agencies involved with Owens Lake (the County, Great Basin Unified Air Pollution Control District (GBUAPCD), California State Lands Commission, California Department of Fish and Wildlife and others) present their views on LADWP's requirements. Until now, the County has not formally responded to LADWP's request.

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The County believes that, at a time when the entire state is facing a potential third straight critically dry year, it is important for the County to express its support of efforts to reduce the use of potable water for dust control on Owens Lake that can be implemented without reducing the effectiveness of dust control on the lake and while maintaining critical habitat on the lake. Accordingly, in this letter, the County presents its views on LADWP's proposed objectives and requirements.

Concerning requirements 1 and 4, subject to review of a more complete description of these measures and review of an assessment of their environmental consequences, the County would support the implementation of these measures.

With regard to requirement 2, the County supports the reduction in the amount of Los Angeles Aqueduct water applied to Owens Lake for dust mitigation practices provided that the reduction does not diminish the effectiveness of dust control measures, and LADWP agrees to invest one third of water saved in the maintenance of healthy watershed conditions on Los Angeles-owned lands in the Owens Valley.

With respect to requirement 3, the County understands LADWP's desire for certainty and finality with respect to the amount of dust abatement on Owens Lake. Therefore, if the GBUAPD and LADWP were to agree to the areas where dust control is the responsibility of LADWP and that LADWP is not responsible for dust emanating from outside the agreed upon areas, the County would support the requirement.

The County supports the concept of transition areas; therefore, if the GBUAPCD and LADWP were to agree on transition areas, the County would support the implementation of requirement 5.

The County would support a request that the State Lands Commission grant an easement or other permanent right to LADWP to maintain the lakebed as described in requirement 6.

Finally, with regard to requirement 7 a groundwater monitoring, management, and mitigation plan must be agreed upon by LADWP and the County. Crucial components of this plan would be protection for non-LADWP groundwater users, protection of groundwater dependent resources, specification of each condition that would be considered a significant impact, management of groundwater pumping based on quantified triggers set to avoid significant impacts, on-site mitigation for property owners should unforeseen impacts occur, open and timely sharing of relevant data, regular reporting, and ongoing adaptive management of pumping based on accumulated monitoring data. If the agreed upon plan is analyzed and implemented through LADWP's EIR on its Master Project for Owens Lake, the County would agree to not challenge the adequacy of the portion of EIR that addresses the plan.

In addition, for the County to support requirement 7, the County and LADWP must reach a mutually acceptable resolution of the dispute filed on December 21, 2011 by LADWP. In the dispute, LADWP contends that groundwater pumping to supply water for dust control on Owens Lake is exempt from the provisions of the Long Term Water Agreement (Agreement). The County's position is that such groundwater pumping is subject to the Agreement—a position affirmed by the Standing Committee in 1998. A resolution of the dispute would recognize the positions of both parties, acknowledge that groundwater pumping pursuant to the plan outlined in the previous paragraph and implemented

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through LADWP's Master Project EIR would not be subject to the Agreement--provided that LADWP and the County agree that any other groundwater pumping by LADWP in Inyo County, whether for the purpose of supplying water for dust control on Owens Lake or for other purposes, would be subject to the Agreement.

With regard to the proposed Master Project, the County's previous input submitted regarding the Master Plan that preceded the Master Project continues to be important to us, and we incorporate that input herein by reference¹ and request that it be considered moving forward.

The County recognizes that the entire state is facing the third straight critically dry year. Inevitably, this serious situation presents major challenges in Los Angeles and in the Owens Valley. Consequently, we believe that it would be beneficial for both parties to commence discussions as soon as possible with the goal of working together to develop mutually acceptable plans for managing the water resources of the Owens Valley during this severe drought period while maintaining the shared goals and objectives memorialized in the Long Term Water Agreement.

In conclusion, the County hopes that the County's good faith effort will lead to the opportunity for productive discussions concerning these important matters with representatives of LADWP.

Sincerely,

Supervisor Richard Pucci, Chairperson Inyo County Board of Supervisors

Cc: Inyo County Water Commission Martin Adams, LADWP

Colin Connor, CSLC Mel Joseph, LPPSR Bruce McKinney, CDFW Ted Schade, GBUAPCD

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