



December 1, 2015

Jeanine Townsend, Clerk of the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814



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Industry Association

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Regarding: Building Industry Comments regarding the Urban Water Conservation Workshop

Dear Ms. Townsend:

The Building Industry Association of San Diego County represents 700 member companies and is the voice of over 60,000 men and women in the construction industry.

We wish to offer our comments and recommendations regarding potential changes to the Emergency Regulation for Statewide Urban Water Conservation to the State Water Resources Control Board.

The current regulation's focus on achieving the state's water reduction standards solely through conservation does not allow regional or local water agencies to realize the benefits of their investments in water supply reliability – investments in self-reliance that are consistent with Governor Brown's Water Action Plan.

The construction industry has heeded the call for water conservation and is proud to be the producers of the most water efficient buildings in the state, if not the nation. In addition, we have long supported efforts by our local water agencies to invest billions of dollars to develop a portfolio of sustainable water supplies specifically designed to make our region less vulnerable to droughts and devastating water supply cutbacks.

But despite the efforts of our industry and our local water agencies to responsibly address our water supply needs, we are dismayed that the current regulations strip away the drought protections these supplies provide by not allowing the region to benefit from these investments. This approach threatens to discourage ratepayers from supporting future water supply investments, stunting California's ability to meet the needs of its growing population amid a changing and more challenging climate.

The imposition of demand reduction targets as the state's primary drought response places California at a competitive disadvantage in terms of business attraction and business expansion. Businesses are unlikely to relocate to, or expand their businesses in California under prolonged water use reduction mandates that ignore

the availability of sustainable water supplies to meet our state's economic needs. These businesses and industries need to be convinced that the state is doing everything in its power to develop new and drought-resilient water supplies to serve their businesses. One of the things the state can do now is amend the regulation to provide credits for new supply development.

The emergency regulation has also contributed to rising water rates for residents and businesses, as local water agencies are forced to meet their revenue requirements on lower sales. It also enhances the level of frustration of all ratepayers who are upset by the concept of "paying more for using less," which undermines public support for ongoing conservation and continued investment in sustainable water supplies and infrastructure.

Finally, the regulations are threatening property values by inhibiting efforts to re-landscape dead lawns with water-smart plants, which require irrigation to establish even though they reduce overall water use in the long term and also provide aesthetic and environmental benefits. Without healthy landscapes, soil erosion and stormwater runoff will increase, wildlife habitat will decrease and the urban heat island effect will intensify.

It is critical to maximize the water reliability benefits of drought-resilient and sustainable water supplies, such as the Carlsbad Desalination Project, during drought conditions to help support California's economy and quality of life.

On behalf of the 700 member companies that comprise the Building Industry Association of San Diego County and the local water agencies and ratepayers they service, we respectfully request that you support modifications to the Emergency Regulation to allow water agencies to meet reduction targets through a combination of conservation and sustainable drinking water supplies, such as desalination, potable reuse and long-term transfers of conserved water.

This is a more balanced, more flexible approach to drought management will help save water now given our current supply challenge and better prepare California for future droughts.

Your favorable consideration of our recommendations is greatly appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "David Poole".

David Poole
Chairman of the Board