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VIA EMAIL AND FIRST-CLASS MAIL

Teresa Alvarado, Chair  
California Water Commission  
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**RE: Water Storage Investment Program: Chino Basin Program Continuing Eligibility and Feasibility Determination**

Dear Chair Alvarado,

As the California Water Commission evaluates the Inland Empire Utility Agency's (the "IEUA") subject Chino Basin Program (the "CBP", "Program", or "Project") application, it is important to do so with full knowledge of the various local agency perspectives within the IEUA service area. The undersigned agencies do not support the Project given the potential financial and water resource impacts on the communities we represent. Therefore, we appreciate this opportunity to provide written comment concerning the CBP.

The City of Montclair, City of Ontario, and Monte Vista Water District (the "Respective Agencies") provide retail wastewater and/or water services within the IEUA service area. The IEUA is submitting a letter to the Department of Water Resources making a local financial commitment of not less than 75 percent of the non-public benefit cost share for the proposed Program. The Respective Agencies are concerned that IEUA is making a financial commitment on behalf of its collective members (the "Member Agencies") without receiving commitments of public funds from Member Agencies and their respective governing boards. Additionally, the Respective Agencies are concerned that the CBP will export vital local water supplies that will be required to meet the long-term needs of our growing region.

IEUA has most recently identified two funding sources for the financial commitment of not less than 75 percent of the non-public benefit cost share for the proposed Project: (i) future IEUA wastewater rates for advanced treatment of wastewater, and (ii) water supply reliability costs paid for by Member Agencies.

There are ten Member Agencies within the IEUA service area that provide either water, sewer, or combined water and sewer services to their respective communities. Not one of the Member Agencies has made a financial commitment towards the local match, and only two of these agencies submitted a joint letter of interest as a potential participating agency. Their letter of interest, submitted jointly with a neighboring retail agency outside of IEUA's service area, explicitly demurs from making a specific financial commitment to the CBP. Additional letters of interest from neighboring water retail and wholesale agencies outside of IEUA's service area likewise decline to make any financial commitments.

Over the past several years of planning for the CBP, a number of local and regional agencies expressed several concerns regarding the Project's potential negative impacts including, but not limited to, the following: (i) the export of a drought-proof local water supply, (ii) reduction of available groundwater replenishment water, (iii) differential distribution of benefits and costs to retail agencies, and (iv) potential Program impacts on non-participating agencies. These concerns have been repeatedly communicated to the IEUA. Regrettably, replies from the IEUA have been either unclear, vague, or less than substantive despite the strategic and overall importance of these matters to the Project's plan for implementation.

Finally, we note with concern comments made during the October 20, 2021, IEUA Board of Directors meeting by the chair of the Board's Chino Basin Program Ad Hoc Committee, indicating a reluctance to continue collaborating with Member Agencies to address stated and other ongoing concerns. A sampling of past correspondence between a number of Member Agencies, the IEUA and other local and regional retail agencies are indexed and attached as Exhibit A. Note that the above-referenced CBP Ad Hoc Committee board member's comments begin at the 17:50 minute mark on the meeting recording posted at [www.ieua.org/agendas-minutes](http://www.ieua.org/agendas-minutes).

The Respective Agencies acknowledge that a Project with some similar elements to the CBP is required for the region to meet near-term water quality requirements and to achieve long-term water supply reliability. The Respective Agencies, along with the remaining Member Agencies, are studying an alternative project that can garner broad support in meeting these objectives by fully developing and utilizing local water resources in the face of imported water supply reliability challenges.

Based on the current posture and lack of assurances from IEUA that the Project will not adversely impact our agencies, the Respective Agencies cannot support the Project in its current form and will actively and assertively protect the interests of the communities we serve. In that spirit we welcome the opportunity to meet with representatives of the California Water Commission on this matter.

Sincerely,

(signatures on following page)



Javier "John" Dutrey  
City of Montclair  
Mayor



Paul S. Leon  
City of Ontario  
Mayor



Sandra S. Rose  
Monte Vista Water District  
President

cc: Inland Empire Utility Agency Board of Directors  
Chino Basin Watermaster Board of Directors  
Adel Hagekhalil, Metropolitan Water District General Manager