



Sierra Watch  
408 Broad Street #12  
Nevada City, CA 95959

June 27, 2014

Araceli Cazarez, P.E.  
Kennedy/Jenks Consultants  
10850 Gold Center Drive, Suite 350  
Rancho Cordova, CA 95670

Dear Ms. Cazarez,

Thank you for the opportunity to comment on the Draft Tahoe Sierra Integrated Regional Water Management Plan.

Sierra Watch is committed to protecting water as an immeasurably important natural resource in the region and to ensuring that growth-inducing infrastructure improvements do not encourage development that could outstrip local supplies.

The focus of these comments is the proposed Redundant Water Supply (Project 60), submitted by Squaw Valley Public Service District.

### **Summary**

Sierra Watch opposes the inclusion of Project 60 in the Tahoe Sierra Integrated Regional Water Management Plan.

Project 60 would fund the construction of a 2,000,000 gallon water storage tank to serve as a pipeline terminal to facilitate export of water from Martis Valley to Squaw Valley and the environmental studies to pursue permits for the pipeline itself.

As proposed, the project could potentially apply state funding to subsidize private resort development. It would fund a water export project justified by prior studies that conflict with the Public Service District's own newly released Water Supply Assessment and it significantly mischaracterizes the project's compliance with the

Tahoe Sierra Integrated Regional Water Management Plan’s environmental objectives.

### **Project 60 seeks public money to improperly subsidize private resort development in Squaw Valley**

In November 2010, Denver based private equity firm KSL Capital Partners purchased Squaw Valley and, in December 2011, submitted an application to Placer County for its “Village at Squaw Valley Specific Plan.”

Although this plan has been revised multiple times over the ensuing years, the version currently undergoing environmental review proposes an additional 1,757 bedrooms, with 196,083 square feet of commercial space, Also proposed is an indoor amusement park that would be permitted for a variety of water based facilities and activities including: stand up paddleboarding, wake boarding, water skiing, four different kinds of swimming pools, water slides, a wave pool, and two different types of artificial rivers.<sup>1</sup>

According to the scientific literature relied upon in Project 60 to justify the need for supplemental and redundant water from the Martis Valley aquifer, water demands for a twenty year build-out, including the Village at Squaw Valley proposal, would require an assumed additional 1,210 acre feet per year of water.<sup>2</sup> Meanwhile, the Village at Squaw Valley Specific Plan includes the construction of a 700,000 to 1,500,000 gallon water storage tank to meet peak water demand.<sup>3</sup>

As a result it is clear that both of Project 60’s goals, constructing a large surface water storage tank and acquiring additional water supplies from the Martis Valley aquifer, would serve the expansion of the Village at Squaw Valley currently under consideration by Placer County. Accordingly, including this project in the Integrated Regional Water Management Plan would be an improper endorsement of the use of public money for a private development project.

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<sup>1</sup> The Village at Squaw Valley Specific Plan, Jan 2014 at 3-8 and 3-13. Available at: <http://www.placer.ca.gov/~media/cdr/Planning/SpecificPlans/VillageAtSquawValley/Jan2014Update/Ch3LandUse.pdf> accessed June 26, 2014.

<sup>2</sup> Redundant Water Supply, Squaw Valley Public Service District, Mike Geary at3. Available at: [http://tahoesierrairwm.com/wp-content/uploads/2013/12/60\\_Sq\\_Valley\\_PSD\\_Redundant\\_wtr\\_supply.pdf](http://tahoesierrairwm.com/wp-content/uploads/2013/12/60_Sq_Valley_PSD_Redundant_wtr_supply.pdf) accessed June 26, 2014.

<sup>3</sup> Revised Notice of Preparation of a Draft Environmental Impact Report for the Proposed Village at Squaw Valley Specific Plan at 9, Placer County, February 21, 2014. Available at: [http://www.placer.ca.gov/~media/cdr/Planning/SpecificPlans/VillageAtSquawValley/Squaw%20Revised%20NOP%202-20-14\\_smaller%20file.pdf](http://www.placer.ca.gov/~media/cdr/Planning/SpecificPlans/VillageAtSquawValley/Squaw%20Revised%20NOP%202-20-14_smaller%20file.pdf) accessed June 27, 2014.

**The Project 60 proposal is based on scientific studies that have since been contradicted by the Squaw Valley Public Service District’s own Draft Water Supply Assessment**

A primary justification for Project 60 is the need for redundant and supplemental water supplies in order to provide sufficient and reliable drinking water over the next twenty years.<sup>4</sup> The project purports to meet the following Plan Objectives:

- Water Supply 1 - Provide water supply to meet projected demands for a twenty year planning horizon,
- Water Supply 2 - Operate and maintain, build, or replace infrastructure to reliably supply water,
- Ground Water Management 1 - Maintain and monitor groundwater supply to assure future reliability, and
- Ground Water Management 3 - “manage groundwater for multiple uses (e.g. municipal/industrial/agricultural supply and environmental use).”<sup>5</sup>

The explanations for how the project meets these criteria repeatedly state that the project would provide both redundant and supplemental water supplies, as much as 1,210 acre feet per year, to satisfy these various objectives.<sup>6</sup> Additionally, Project 60 claims that it would “reduce[] or eliminate[] the need to treat future groundwater suppl[ies].”<sup>7</sup>

However, since submitting this application, the Squaw Valley Public Service District has completed a Draft Water Supply Assessment for the Village at Squaw Valley. This assessment purports to show that there is sufficient water supply to meet all water demands in Squaw Valley through 2040 without importing or treating any water.<sup>8</sup> Specifically it claims that “The Olympic Valley Groundwater Basin has sufficient supply to meet the needs of the Project, in addition to the existing and planned future uses in the Olympic valley over the next 25 years in normal, single, and multiple dry years.”<sup>9</sup> Sierra Watch has engaged water

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<sup>4</sup> Redundant Water Supply, Squaw Valley Public Service District at 3. Available at: [http://tahoesierrairwm.com/wp-content/uploads/2013/12/60\\_Sq\\_Valley\\_PSD\\_Redundant\\_wtr\\_supply.pdf](http://tahoesierrairwm.com/wp-content/uploads/2013/12/60_Sq_Valley_PSD_Redundant_wtr_supply.pdf) accessed June 26, 2014.

<sup>5</sup> Id. at 3,4.

<sup>6</sup> Id.

<sup>7</sup> Id. at 7.

<sup>8</sup> Draft Village at Squaw Valley Specific Plan water Supply Assessment, prepared by Farr West Engineering, Hydrometrics WRI, and Todd Groundwater for Squaw Valley Public Service District and Placer County June 17, 2014. Available at: [http://www.svpsd.org/pdffiles/Agenda%20Package/J-Final\\_Draft\\_WSA\\_6-18-14.pdf](http://www.svpsd.org/pdffiles/Agenda%20Package/J-Final_Draft_WSA_6-18-14.pdf) accessed June 26, 2014.

<sup>9</sup> Id. at 8-2.

management experts who are currently undertaking a detailed evaluation of the Draft Water Supply Assessment's methodology and conclusions.

Surely, the water district cannot have it both ways. Either there is enough water in Squaw Valley or there isn't. Either a sufficient and safe drinking water supply requires a pipeline to Martis Valley or it doesn't. In any event, until this apparent contradiction is resolved, or at the very least acknowledged in the project description, it would be inappropriate to include Project 60 in the Tahoe Sierra Integrated Water Management Plan.

**The Project 60 proposal overstates environmental benefits and compliance with the Integrated Regional Water Management Plan's stated environmental objectives**

Project 60 claims to meet multiple plan objectives related to environmental values. These environmental benefits appear largely illusory. It also fails to identify areas where the project would likely conflict with other environmental plan objectives.

Project 60 states that it meets Plan Objective Ecosystem Restoration 1, to "enhance and restore water bodies, wetlands, riparian areas and associated uplands to support healthy watersheds, viable native fish, wildlife and plant habitats."<sup>10</sup> It would achieve this by promoting reduced groundwater pumping in Squaw Valley that would in turn increase streamflows in Squaw Creek. However, the project proposal states that imported water would merely be redundant and supplemental. It is difficult to understand how supplemental or redundant water supplies would reduce groundwater pumping from current levels. This benefit is speculative at best.

Meanwhile, the proposal fails to consider the environmental impacts of running an eight-mile pipeline along and across the Truckee River or potential streamflow impacts to Martis Creek and other surface waters receiving discharge from the Martis Valley aquifer. As a result, it seems highly unlikely that a water export project of this scale would result in net positive impacts for the environmental values specified in Plan Objective Ecosystem Restoration 1.

Project 60 also claims that Plan Objective Ecosystem Restoration 4 "minimize ecosystem impacts caused by existing and new development" does not apply.<sup>11</sup> Due to the growth inducing effects of importing water supplies to Squaw Valley,

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<sup>10</sup> Redundant Water Supply, Squaw Valley Public Service District at 4. Available at: [http://tahoesierrairwm.com/wp-content/uploads/2013/12/60\\_Sq\\_Valley\\_PSD\\_Redundant\\_wtr\\_supply.pdf](http://tahoesierrairwm.com/wp-content/uploads/2013/12/60_Sq_Valley_PSD_Redundant_wtr_supply.pdf) accessed June 26, 2014.

<sup>11</sup> Id. at 5, 7.

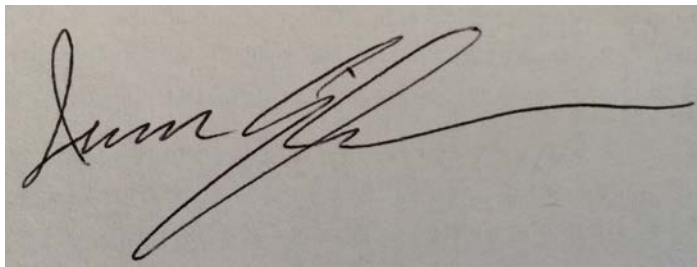
Project 60 would, in all likelihood, increase ecosystem impacts caused by new development.

Finally, Project 60 claims greenhouse gas reductions. This benefit is based on a desire to route a natural gas pipeline in the same utility corridor as the water line and the belief that fuel switching from propane to cleaner natural gas would reduce emissions. Although this is a potential benefit, it fails to mention the direct greenhouse gas emissions associated with pumping and transporting water from distant well fields or the indirect emissions from traffic and energy use associated with induced growth. On balance, it appears much more likely that Project 60 would increase greenhouse gas emissions, not reduce them.

### **Conclusion**

Project 60 would be growth inducing and potentially utilize state money to subsidize private resort development. Project 60's compliance with the Tahoe Sierra Integrated Water Management Plan is based on technical analyses that are contradicted by the district's own water supply assessment, overstated and illusory environmental benefits, and silence regarding many of the project's probable and negative environmental effects. Sierra Watch opposes including the Squaw Valley Public Service District's Redundant Water Supply (Project 60) in the Tahoe Sierra Integrated Regional Water Management Plan.

Sincerely,

A handwritten signature in black ink on a light-colored background. The signature is cursive and appears to read "Isaac Silverman".

Isaac Silverman  
Staff Attorney