

Appendix C: Correspondences

- UWMP Notice of Preparation, March 10, 2016
- Growth Projection Letter to Cities and Counties
- UWMP Public Draft Comments

Appendix C: Correspondences

- UWMP Notice of Preparation, March 10, 2016



CALIFORNIA WATER SERVICE

1720 North First Street
San Jose, CA 95112-4598 Tel: (408) 367-8200

March 10, 2016

[Name_F] [Name_L]

[Organization]

[Address]

[City], CA [ZipCode]

Dear [Title] [Name_L]:

California Water Service (Cal Water) is committed to providing safe, reliable, and high-quality water utility service in our Bakersfield service area. At Cal Water, one of our top priorities is ensuring that our customers have a sustainable supply of water for decades to come.

With that in mind, we wanted to take this opportunity to let you know that we are updating our Urban Water Management Plan (UWMP) for this service area. This UWMP is reviewed and updated every five years pursuant to the Urban Water Management Plan Act, and will be completed by July 1, 2016. Our UWMP is a foundational document that supports our long-term water resource planning to ensure our customers have adequate water supplies to meet current and future demands.

Proposed revisions to our 2010 UWMP will be made available for public review, and we will be holding a public hearing, during which the updates for the 2015 UWMP will be discussed. The draft 2015 UWMP and the date, time and location of the public hearing will be available on our web site in a few weeks at www.calwater.com/conservation/uwmp. A hard copy of the draft UWMP will also be available at our Bakersfield Customer Center located at 3725 South H Street, Bakersfield, CA 93304.

If you have any questions about the UWMP for this service area, please contact Michael Bolzowski, Cal Water Senior Engineer, at (408) 367-8338 or e-mail Planninginfo@calwater.com.

Sincerely,

Scott Wagner
Director of Capital Planning & Water Resources

Council Member Weir
Council Member
City of Bakersfield
3725 South H Street
Bakersfield, CA 93304
ken@weircpa.com

Nick Fidler
Public Works Director
City of Bakersfield Public Works Department
1501 Truxtun Avenue, 2nd Floor
Bakersfield, CA 93313
nfidler@bakersfieldcity.us

Martin Ortiz
Advanced Planning
City of Bakersfield, Planning Division
3725 South H Street
Bakersfield, CA 93304
mortiz@bakersfieldcity.us

Supervisor Couch
Supervisor
Kern County
3725 South H Street
Bakersfield, CA 93304
district4@co.kern.ca.us

Supervisor Maggard
Supervisor
Kern County
3725 South H Street
Bakersfield, CA 93304
district3@co.kern.ca.us

Supervisor Scrivner
Supervisor
Kern County
3725 South H Street
Bakersfield, CA 93304
district2@co.kern.ca.us

Lorelei Oviatt
Planning Director
Kern County, Planning Department
3725 South H Street
Bakersfield, CA 93304
LoreleiO@co.kern.ca.us

Mayor Hall
Mayor
City of Bakersfield
3725 South H Street
Bakersfield, CA 93304
hallh@hallamb.com

Ralph Braboy
Wastewater Manager
City of Bakersfield Public Works Department
3725 South H Street
Bakersfield, CA 93304
rbraboy@bakersfieldcity.us

Jason Meadors
Water Resources Director
City of Bakersfield, Water Resources
Department
3725 South H Street
Bakersfield, CA 93304
jmeadors@bakersfieldcity.us

Supervisor Gleason
Supervisor
Kern County
3725 South H Street
Bakersfield, CA 93304
district1@co.kern.ca.us

Supervisor Perez
Supervisor
Kern County
3725 South H Street
Bakersfield, CA 93304
district5@co.kern.ca.us

Dave Beard
Improvement District No. 4 Manager
Kern County Water Agency
3725 South H Street
Bakersfield, CA 93304
dbeard@kcwa.com

L. Mark Mulkay
General Manager
Kern Delta Water District
3725 South H Street
Bakersfield, CA 93304
mulkay@kerndelta.org

Appendix C: Correspondences

- Growth Projection Letter to Cities and Counties

Blanusa, Danilo

From: Blanusa, Danilo
Sent: Thursday, August 20, 2015 3:53 PM
To: 'Jason Meadors (jmeadors@bakersfieldcity.us)'; 'Martin Ortiz (mortiz@bakersfieldcity.us)'
Cc: Salzano, Tom; Bolzowski, Michael R.; Keck, Jonathan; Valles, Rudy; Kelly, Tamara
Subject: Cal Water Urban Water Management Plan (UWMP) growth forecast for your review - Bakersfield District
Attachments: Letter to City Planning Officials - Attachmet - BK.pdf

Tracking:	Recipient	Delivery
	'Jason Meadors (jmeadors@bakersfieldcity.us)'	
	'Martin Ortiz (mortiz@bakersfieldcity.us)'	
	Salzano, Tom	Delivered: 8/20/2015 3:53 PM
	Bolzowski, Michael R.	Delivered: 8/20/2015 3:53 PM
	Keck, Jonathan	Delivered: 8/20/2015 3:53 PM
	Valles, Rudy	Delivered: 8/20/2015 3:53 PM
	Kelly, Tamara	Delivered: 8/20/2015 3:53 PM

Dear Mr. Meadors and Mr. Ortiz,

Pursuant to California Water Code, Division 6, Part 2.6, Sections 10610 through 10656, California Water Service is in the process of preparing the required 2015 update of our Urban Water Management Plans. These plans are required to be updated every five (5) years for each of our services areas (Districts). As you know our Bakersfield District provides water service to the City of Bakersfield.

The purpose of this communication is to solicit your assistance in reviewing and advising us with respect to one of the key elements of the plan, which is the development of a growth forecast for our district. This growth forecast is conducted based on growth in each customer service classification applicable to a particular district, which typically include:

- Single family residential
- Multi-family residential
- Commercial
- Industrial
- Government (City or County parks, median strips, landscaping and schools)
- Dedicated Irrigation (rare)
- Other (temporary construction meters)

The forecasted growth rates are combined with a demand per service factor applicable to each customer class to determine the future water demands for the district. These growth factors are adjustable and we want to review them with you so that we are consistent with anticipated growth that your planning efforts forecast. If adjustments are necessary we can do them now and avoid conflicts and confusion later in this process.

Some specific information regarding our approach to forecasting customer service growth is detailed as follows:

- **Residential** – Typically two residential customer service categories represent the vast majority of the service counts as well as subsequent water sales or demand in our districts. Cal Water considers both single family and multi-family residential services independently as individual classes, but combines them together in order to assess population growth and housing unit growth. While we use historical trends in the establishment for the growth rates for these two customer classes, we also analyze census data for population and housing factors and compare our forecast results for these two parameters with

available data from City General Plans, as well as County Economic Forecast data and Regional government association forecasts as a reality or appropriateness check of our results.

- **Commercial & Industrial** – Historical trend is a key influence in this customer class, however where we have seen negative trends in recent years for these categories due to the economic downturn, we typically employ either a zero rate of growth or a small, reasonable positive rate of growth. We have also undertaken during the last ten years some reassessment of customer service classifications that has resulted in reallocation of some customer service accounts between various classes. This reallocation, which included commercial, industrial, multi-family residential and in some cases government services, has made the analysis of growth a bit more difficult.
- **Government** – Growth trends are generally parallel to that of the residential sector, so we verify that our rate of grow is not dramatically out-of-sequence with the overall community.
- **Other** – The use of temporary-assigned construction meters varies considerably from year to year, and can represent considerable water demand. In this case, we select a growth rate that is stable, yet reflects the overall growth of the community.

We have included with this communication a set of tables and graphs (see attachment) that illustrate the parameters that influence the growth forecast as currently set up for this district. These include:

- A. The historical and projected service data in both graph and table form
- B. The 2000 and 2010 Census data for the districts service area
- C. Housing projection chart comparing Cal Water's forecast (always in red) with those from other organizations
- D. Population projection chart comparing Cal Water's forecast (always in red) with those from other organizations
- E. Table of population and housing values along with multi-family residential unit density and persons per housing unit density that are employed in this forecast effort.

Please note that the 2015 data, which we need to include in our finished forecast, is not yet final, and some minor fluctuation of these values is possible.

Please examine these documents to determine if you concur with our forecasted housing and population numbers. It would be greatly appreciated if you could, by **September 11, 2015**, provide us with an indication of your support or in the case you do not agree with our forecast a reason why and the appropriate rate or growth pattern that we should employ. **If I do not hear back from you by the end of business (EOB) on the above date I will assume that you concur with our forecast.**

If you need a more detailed explanation of these numbers or want to review them with us please feel free to contact me at (408) 367-8340 or by email at tsalzano@calwater.com.

Thank you for your assistance in this effort.

Respectfully,

Thomas A. Salzano

Thomas A. Salzano
Water Resource Planning Supervisor

Danilo Blanus, P.E.
Senior Engineer
CALIFORNIA WATER SERVICE

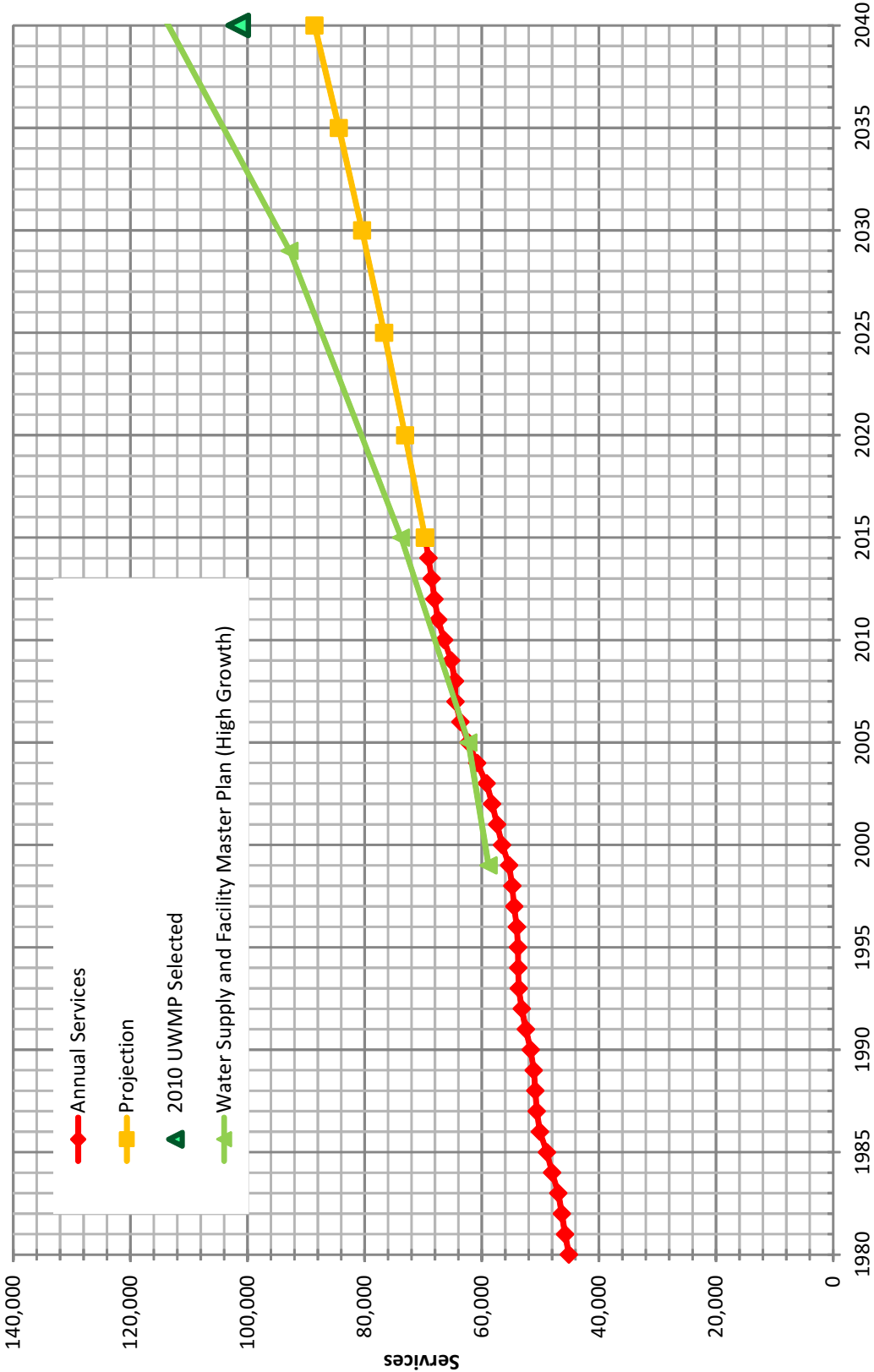
408-367-8387



Quality. Service. Value.

calwater.com

Historical & Projected Services

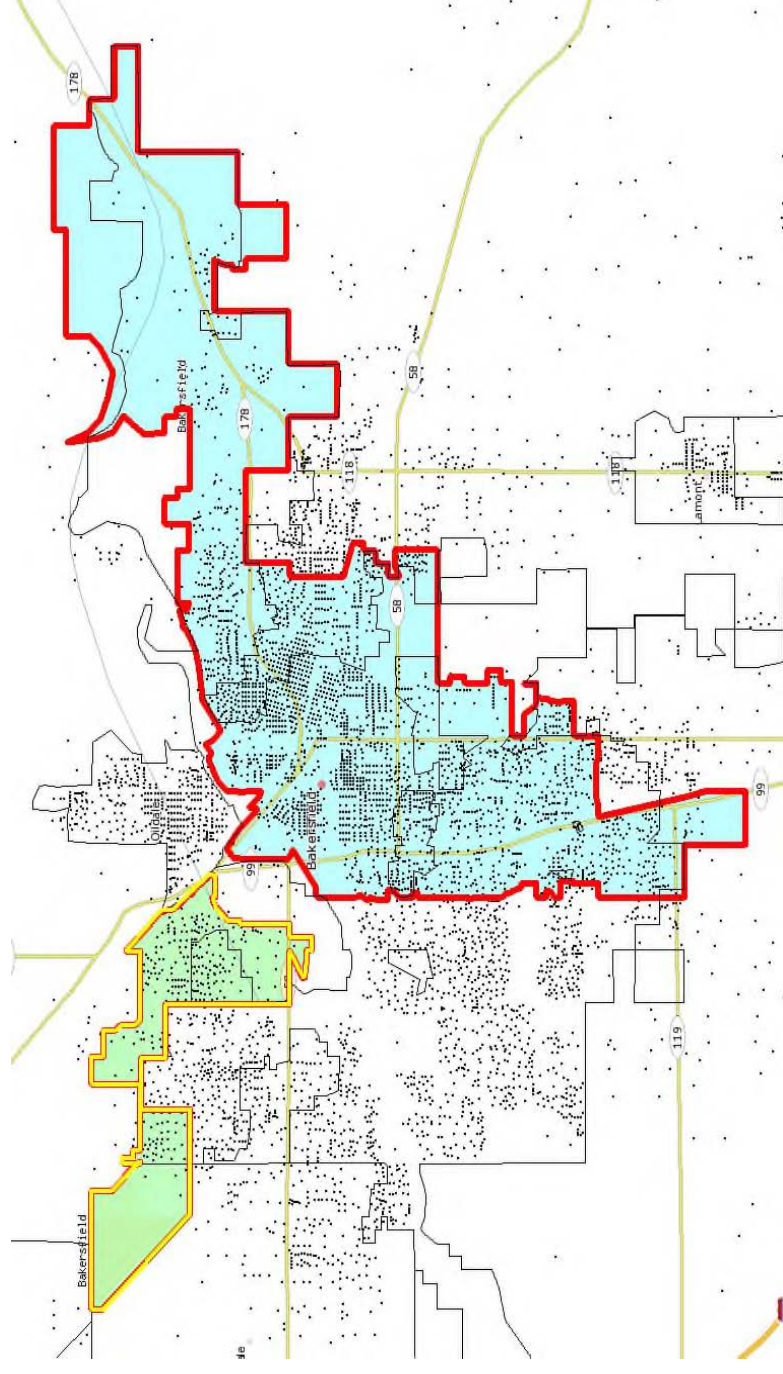


California Water Service Company - Bakersfield District
Water Supply and Demand Analysis and Projections

Worksheet 8

Customer Category	Selected Trend		Growth Rate	Actual Services			Projected Services						
				2000	2005	2010	Base Year		2015	2020	2025	2030	2035
SFR	SFR_B	5 Yr. Avg.	1.01%	49,160	54,563	58,357	61,364	61,364	64,527	67,852	71,348	75,025	78,891
MFR	MFR_E	20 Yr. Avg.	1.12%	448	960	1,089	1,198	1,198	1,267	1,339	1,415	1,496	1,581
COM	COM_C	10 Yr. Avg.	0.44%	6,443	6,047	6,229	6,320	6,320	6,461	6,606	6,754	6,905	7,060
IND	IND_A	Zero Growth Rate	0.00%	40	36	32	30	30	30	30	30	30	30
GOV	GOV_B	5 Yr. Avg.	1.08%	378	573	661	698	698	736	777	820	865	913
OTH	OTH_A	Zero Growth Rate	0.00%	56	93	56	76	76	76	76	76	76	76
TOTAL	Average growth rate 2012-2040		0.96%	56,525	62,271	66,424	69,686	69,686	73,097	76,679	80,443	84,397	88,551

California Water Service Company - Bakersfield District
Water Supply and Demand Analysis and Projections
MarPlot Summary

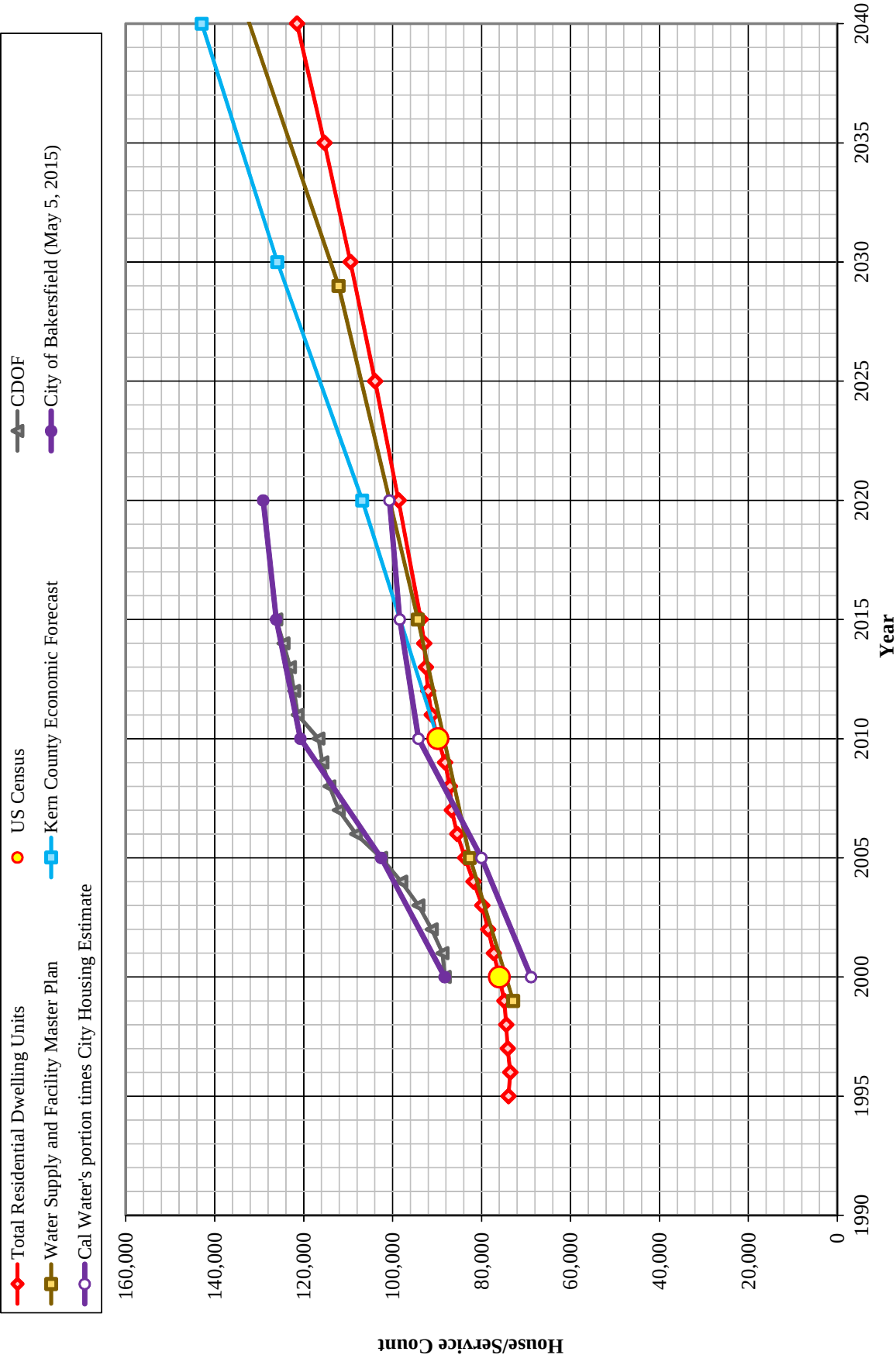


System	US Census 2000 Summary			US Census 2010 Summary			2000-2010 Change		
	Census Blocks	Population	Housing Units (HU)	Density	Census Blocks	Population	Housing Units (HU)	Density	Density Change
Bakersfield					2,651	243,138	80,892	3.01	
North Garden					250	24,117	8,945	2.70	
District	2,699	220,851	76,022	2.91	2,901	267,255	89,837	2.97	102.4%

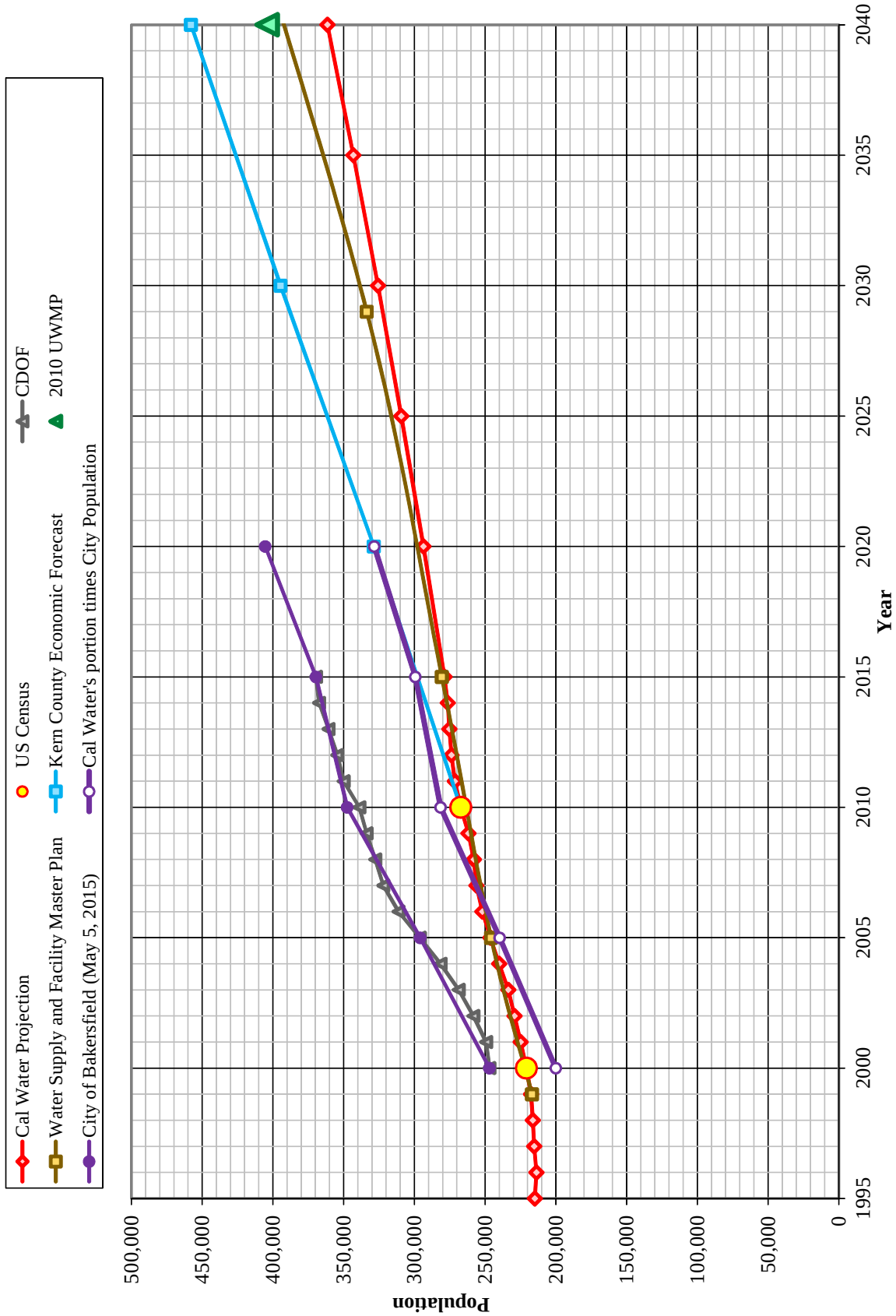
City of Bakersfield	3,318	330,483	115,715	2.86
Percent of City service by Cal Water	87.4%	80.9%	77.6%	

MARPLOT disclaimer: The population and housing number given above are only rough estimates. They are based on the US Census Blocks. Although Census Blocks are polygons, MARPLOT uses the centroid, or center point, rather than the entire polygon. If a Census Block centroid is within any of the MARPLOT selected objects, the population and housing numbers for that block are tallied, even if only part of the block is within the selected object. It is possible for a block not be counted if its centroid is not within selected objects, even though part of the block is within the selected objects.

Housing Projections



Population Projections



California Water Service Company - Bakersfield District

Water Supply and Demand Analysis and Projections

Population Estimate

Year	US Census		Persons per Housing Unit	Single Family Residential		Multi Family Residential			Flat Rate
	Population	Housing Units		Residential Services (DU)	Unit Density	Services	Residential Units (DU)	Unit Density	
2000	220,851	76,022	2.905	12,972	60.0	448	26,862	60.0	36,188
2010	267,255	89,837	2.975	28,480	60.0	1,089	31,480	28.9	29,877
	21.0%	18.2%	2.4%	119.6%		143.1%	17.2%	-51.8%	-17.4%

Year	Single Family Residential Services (DU)	Multi Family Residential		Flat Rate Residential Services (DU)	Total Residential Dwelling Units	Persons per Housing Unit	Estimated District Population
		Services	Residential Units (DU)				
1995	8,784	458	27,457	37,720	73,961	2.905	214,863
1996	9,400	446	26,782	37,373	73,555	2.905	213,683
1997	10,288	448	26,902	36,927	74,117	2.905	215,318
1998	11,011	448	26,907	36,538	74,456	2.905	216,301
1999	11,871	446	26,782	36,226	74,879	2.905	217,530
2000	12,972	448	26,862	36,188	76,022	2.905	220,851
2001	13,847	450	27,324	36,068	77,239	2.912	224,924
2002	15,033	449	27,786	35,705	78,523	2.919	229,212
2003	16,218	516	28,247	35,380	79,845	2.926	233,630
2004	18,737	970	28,709	34,391	81,837	2.933	240,029
2005	21,168	960	29,171	33,395	83,734	2.940	246,177
2006	23,069	936	29,633	32,776	85,477	2.947	251,898
2007	24,444	931	30,094	32,168	86,707	2.954	256,127
2008	25,154	998	30,556	31,418	87,129	2.961	257,982
2009	26,478	1,035	31,018	30,720	88,216	2.968	261,817
2010	28,480	1,089	31,480	29,877	89,837	2.975	267,255
2011	30,848	1,185	31,942	28,422	91,212	2.975	271,344
2012	33,434	1,194	32,184	26,419	92,036	2.975	273,798
2013	35,947	1,194	32,198	24,391	92,535	2.975	275,282
2014	38,190	1,190	32,074	22,635	92,899	2.975	276,364
2015	41,536	1,198	32,303	19,828	93,668	2.975	278,651
2020	64,527	1,267	34,145	0	98,671	2.975	293,536
2025	67,852	1,339	36,091	0	103,943	2.975	309,218
2030	71,348	1,415	38,149	0	109,497	2.975	325,741
2035	75,025	1,496	40,323	0	115,348	2.975	343,148
2040	78,891	1,581	42,622	0	121,513	2.975	361,487
ACTUAL							
PROJECTED							
Λ							
Ι							
∇							
ACTUAL							
PROJECTED							
Λ							
Ι							
∇							

Notes: linear extrapolation used to estimated MFR-DU from 2000. Estimate extend until 2011 due to reclassification, afterwards a constant MFR Unit Density is used.

Blanusa, Danilo

From: Blanusa, Danilo
Sent: Thursday, August 20, 2015 3:57 PM
To: 'Lorelei Oviatt (LoreleiO@co.kern.ca.us)'
Cc: Salzano, Tom; Bolzowski, Michael R.; Keck, Jonathan; Valles, Rudy; Kelly, Tamara
Subject: Cal Water Urban Water Management Plan (UWMP) growth forecast for your review - Bakersfield District
Attachments: Letter to City Planning Officials - Attachmet - BK.pdf

Tracking:	Recipient	Delivery
	'Lorelei Oviatt (LoreleiO@co.kern.ca.us)'	
	Salzano, Tom	Delivered: 8/20/2015 3:57 PM
	Bolzowski, Michael R.	Delivered: 8/20/2015 3:57 PM
	Keck, Jonathan	Delivered: 8/20/2015 3:57 PM
	Valles, Rudy	Delivered: 8/20/2015 3:57 PM
	Kelly, Tamara	Delivered: 8/20/2015 3:57 PM

Dear Ms. Oviatt,

Pursuant to California Water Code, Division 6, Part 2.6, Sections 10610 through 10656, California Water Service is in the process of preparing the required 2015 update of our Urban Water Management Plans. These plans are required to be updated every five (5) years for each of our services areas (Districts). As you know our Bakersfield District provides water service to Kern County.

The purpose of this communication is to solicit your assistance in reviewing and advising us with respect to one of the key elements of the plan, which is the development of a growth forecast for our district. This growth forecast is conducted based on growth in each customer service classification applicable to a particular district, which typically include:

- Single family residential
- Multi-family residential
- Commercial
- Industrial
- Government (City or County parks, median strips, landscaping and schools)
- Dedicated Irrigation (rare)
- Other (temporary construction meters)

The forecasted growth rates are combined with a demand per service factor applicable to each customer class to determine the future water demands for the district. These growth factors are adjustable and we want to review them with you so that we are consistent with anticipated growth that your planning efforts forecast. If adjustments are necessary we can do them now and avoid conflicts and confusion later in this process.

Some specific information regarding our approach to forecasting customer service growth is detailed as follows:

- **Residential** – Typically two residential customer service categories represent the vast majority of the service counts as well as subsequent water sales or demand in our districts. Cal Water considers both single family and multi-family residential services independently as individual classes, but combines them together in order to assess population growth and housing unit growth. While we use historical trends in the establishment for the growth rates for these two customer classes, we also analyze census data for population and housing factors and compare our forecast results for these two parameters with

available data from City General Plans, as well as County Economic Forecast data and Regional government association forecasts as a reality or appropriateness check of our results.

- **Commercial & Industrial** – Historical trend is a key influence in this customer class, however where we have seen negative trends in recent years for these categories due to the economic downturn, we typically employ either a zero rate of growth or a small, reasonable positive rate of growth. We have also undertaken during the last ten years some reassessment of customer service classifications that has resulted in reallocation of some customer service accounts between various classes. This reallocation, which included commercial, industrial, multi-family residential and in some cases government services, has made the analysis of growth a bit more difficult.
- **Government** – Growth trends are generally parallel to that of the residential sector, so we verify that our rate of grow is not dramatically out-of-sequence with the overall community.
- **Other** – The use of temporary-assigned construction meters varies considerably from year to year, and can represent considerable water demand. In this case, we select a growth rate that is stable, yet reflects the overall growth of the community.

We have included with this communication a set of tables and graphs (see attachment) that illustrate the parameters that influence the growth forecast as currently set up for this district. These include:

- A. The historical and projected service data in both graph and table form
- B. The 2000 and 2010 Census data for the districts service area
- C. Housing projection chart comparing Cal Water's forecast (always in red) with those from other organizations
- D. Population projection chart comparing Cal Water's forecast (always in red) with those from other organizations
- E. Table of population and housing values along with multi-family residential unit density and persons per housing unit density that are employed in this forecast effort.

Please note that the 2015 data, which we need to include in our finished forecast, is not yet final, and some minor fluctuation of these values is possible.

Please examine these documents to determine if you concur with our forecasted housing and population numbers. It would be greatly appreciated if you could, by **September 11, 2015**, provide us with an indication of your support or in the case you do not agree with our forecast a reason why and the appropriate rate or growth pattern that we should employ. **If I do not hear back from you by the end of business (EOB) on the above date I will assume that you concur with our forecast.**

If you need a more detailed explanation of these numbers or want to review them with us please feel free to contact me at (408) 367-8340 or by email at tsalzano@calwater.com.

Thank you for your assistance in this effort.

Respectfully,

Thomas A. Salzano

Thomas A. Salzano
Water Resource Planning Supervisor

Danilo Blanus, P.E.
Senior Engineer
CALIFORNIA WATER SERVICE

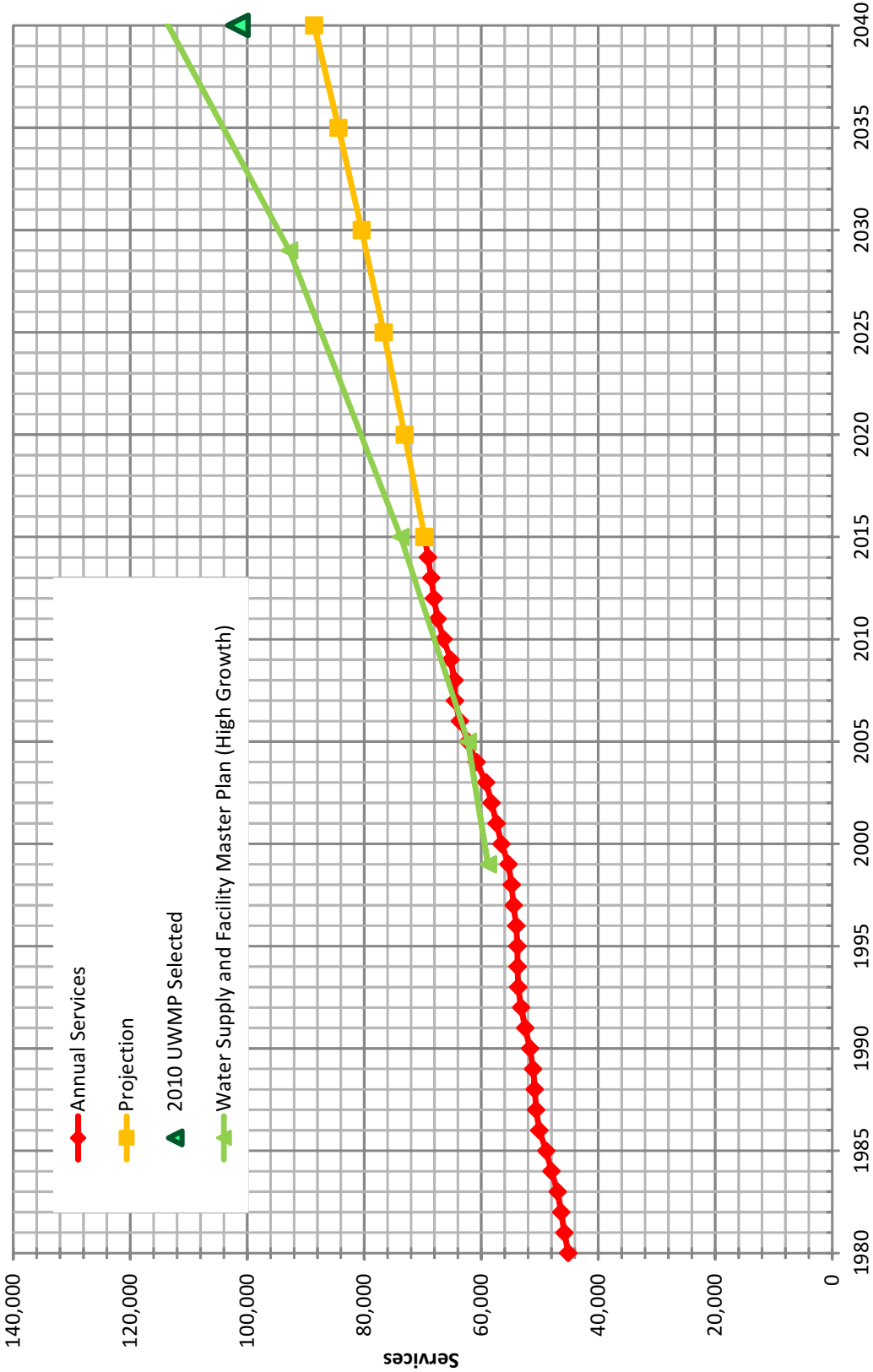
408-367-8387



Quality. Service. Value.

calwater.com

Historical & Projected Services

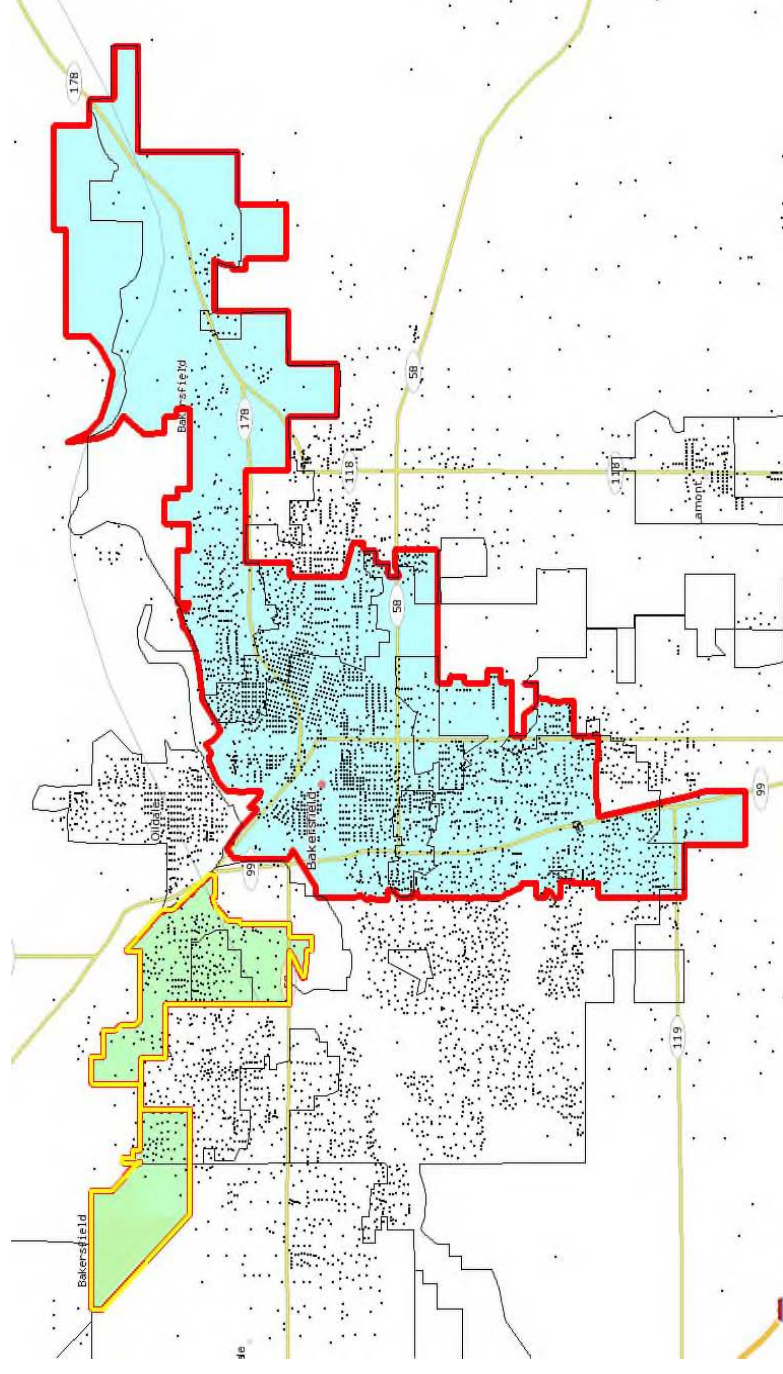


California Water Service Company - Bakersfield District
Water Supply and Demand Analysis and Projections

Worksheet 8

Customer Category	Selected Trend		Growth Rate	Actual Services			Projected Services						
				2000	2005	2010	Base Year		2015	2020	2025	2030	2035
SFR	SFR_B	5 Yr. Avg.	1.01%	49,160	54,563	58,357	61,364	61,364	64,527	67,852	71,348	75,025	78,891
MFR	MFR_E	20 Yr. Avg.	1.12%	448	960	1,089	1,198	1,198	1,267	1,339	1,415	1,496	1,581
COM	COM_C	10 Yr. Avg.	0.44%	6,443	6,047	6,229	6,320	6,320	6,461	6,606	6,754	6,905	7,060
IND	IND_A	Zero Growth Rate	0.00%	40	36	32	30	30	30	30	30	30	30
GOV	GOV_B	5 Yr. Avg.	1.08%	378	573	661	698	698	736	777	820	865	913
OTH	OTH_A	Zero Growth Rate	0.00%	56	93	56	76	76	76	76	76	76	76
TOTAL	Average growth rate 2012-2040		0.96%	56,525	62,271	66,424	69,686	69,686	73,097	76,679	80,443	84,397	88,551

California Water Service Company - Bakersfield District
Water Supply and Demand Analysis and Projections
MarPlot Summary

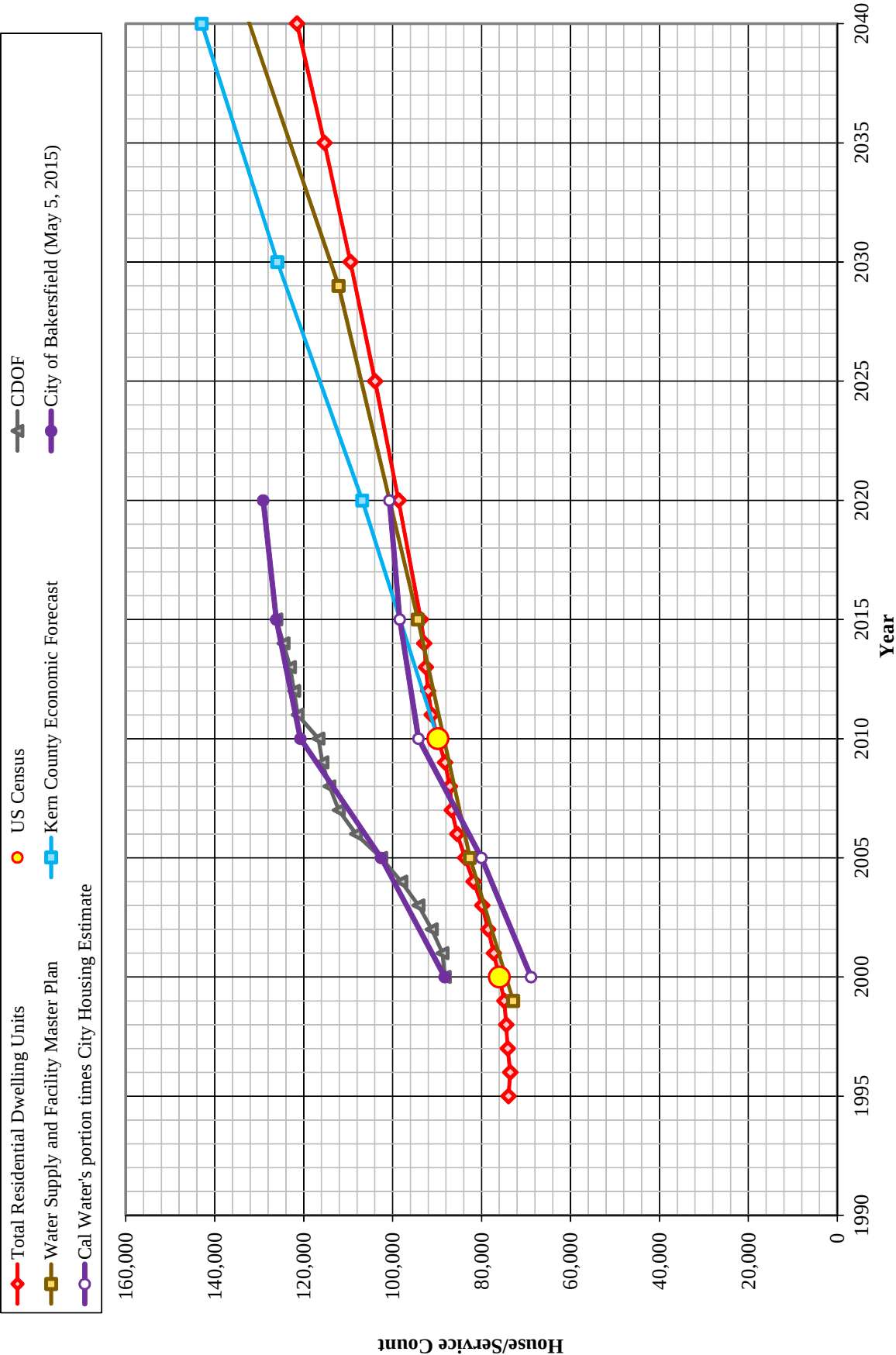


System	US Census 2000 Summary			US Census 2010 Summary			2000-2010 Change		
	Census Blocks	Population	Housing Units (HU)	Density	Census Blocks	Population	Housing Units (HU)	Density	Density Change
Bakersfield					2,651	243,138	80,892	3.01	
North Garden					250	24,117	8,945	2.70	
District	2,699	220,851	76,022	2.91	2,901	267,255	89,837	2.97	102.4%

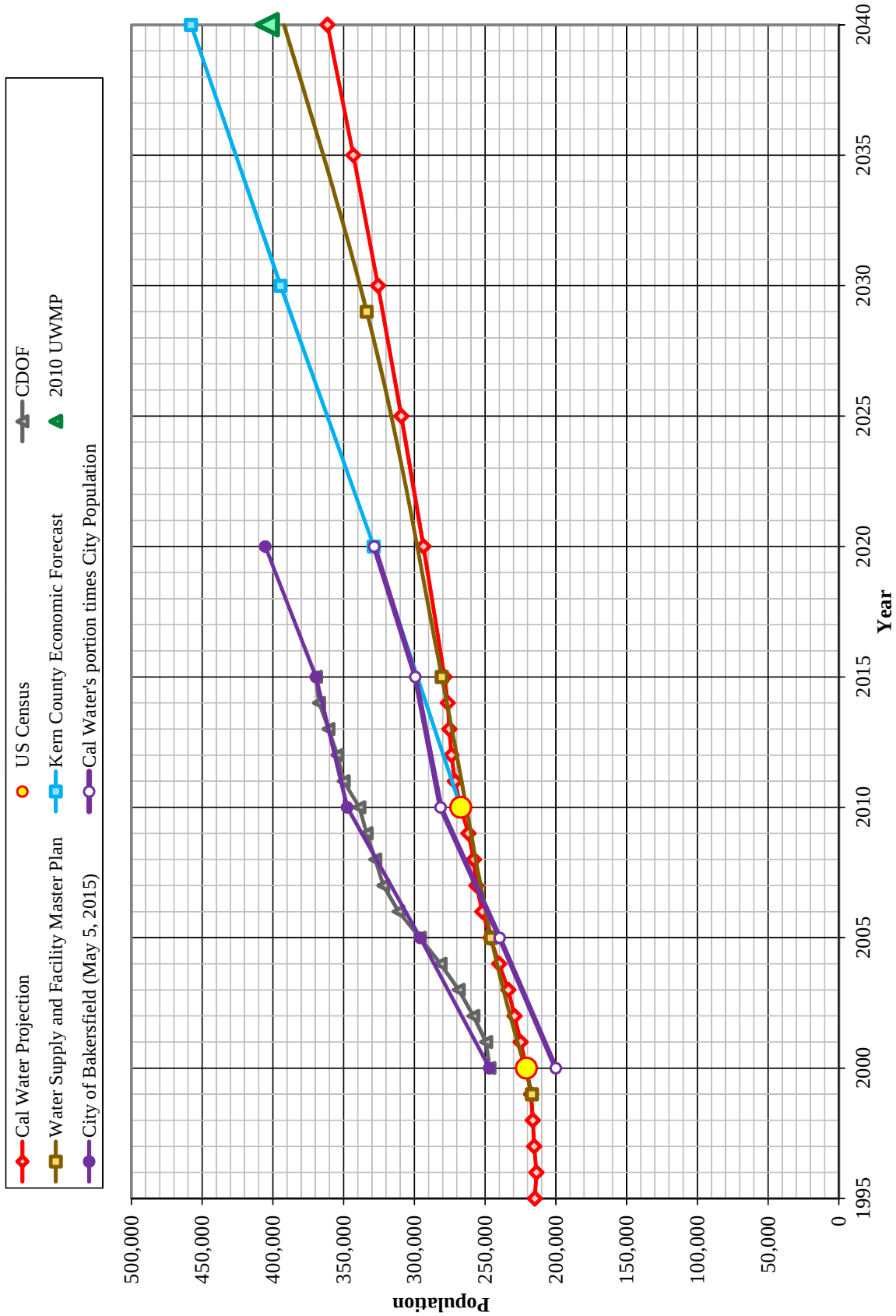
City of Bakersfield	3,318	330,483	115,715	2.86
Percent of City service by Cal Water	87.4%	80.9%	77.6%	

MARPLOT disclaimer: The population and housing number given above are only rough estimates. They are based on the US Census Blocks. Although Census Blocks are polygons, MARPLOT uses the centroid, or center point, rather than the entire polygon. If a Census Block centroid is within any of the MARPLOT selected objects, the population and housing numbers for that block are tallied, even if only part of the block is within the selected object. It is possible for a block not be counted if its centroid is not within selected objects, even though part of the block is within the selected objects.

Housing Projections



Population Projections



California Water Service Company - Bakersfield District

Water Supply and Demand Analysis and Projections

Population Estimate

Year	US Census		Persons per Housing Unit	Single Family	Multi Family Residential			Flat Rate
		Housing Units		Residential		Residential	Unit	
				Services (DU)	Services	Units (DU)	Density	
2000	220,851	76,022	2.905	12,972	448	26,862	60.0	36,188
2010	267,255	89,837	2.975	28,480	1,089	31,480	28.9	29,877
	21.0%	18.2%	2.4%	119.6%	143.1%	17.2%	51.8%	-17.4%

Year	Single Family Residential Services (DU)	Multi-Family Residential			Flat Rate Residential Services (DU)	Total Residential Dwelling Units	Persons per Housing Unit	Estimated District Population
		Services	Residential Units (DU)	Unit Density				
1995	8,784	458	27,457	60.0	37,720	73,961	2.905	214,863
1996	9,400	446	26,782	60.0	37,373	73,555	2.905	213,683
1997	10,288	448	26,902	60.0	36,927	74,117	2.905	215,318
1998	11,011	448	26,907	60.0	36,538	74,456	2.905	216,301
1999	11,871	446	26,782	60.0	36,226	74,879	2.905	217,530
2000	12,972	448	26,862	60.0	36,188	76,022	2.905	220,851
2001	13,847	450	27,324	60.7	36,068	77,239	2.912	224,924
2002	15,033	449	27,786	61.9	35,705	78,523	2.919	229,212
2003	16,218	516	28,247	54.7	35,380	79,845	2.926	233,630
2004	18,737	970	28,709	29.6	34,391	81,837	2.933	240,029
2005	21,168	960	29,171	30.4	33,395	83,734	2.940	246,177
2006	23,069	936	29,633	31.7	32,776	85,477	2.947	251,898
2007	24,444	931	30,094	32.3	32,168	86,707	2.954	256,127
2008	25,154	998	30,556	30.6	31,418	87,129	2.961	257,982
2009	26,478	1,035	31,018	30.0	30,720	88,216	2.968	261,817
2010	28,480	1,089	31,480	28.9	29,877	89,837	2.975	267,255
2011	30,848	1,185	31,942	27.0	28,422	91,212	2.975	271,344
2012	33,434	1,194	32,184	27.0	26,419	92,036	2.975	273,798
2013	35,947	1,194	32,198	27.0	24,391	92,535	2.975	275,282
2014	38,190	1,190	32,074	27.0	22,635	92,899	2.975	276,364
2015	41,536	1,198	32,303	27.0	19,828	93,668	2.975	278,651
2020	64,527	1,267	34,145	27.0	0	98,671	2.975	293,536
2025	67,852	1,339	36,091	27.0	0	103,943	2.975	309,218
2030	71,348	1,415	38,149	27.0	0	109,497	2.975	325,741
2035	75,025	1,496	40,323	27.0	0	115,348	2.975	343,148
2040	78,891	1,581	42,622	27.0	0	121,513	2.975	361,487
ACTUAL PROJECTED I V								

Notes: linear extrapolation used to estimated MFR-DU from 2000. Estimate extend until 2011 due to reclassification, afterwards a constant MFR Unit Density is used.

Blanusa, Danilo

From: Martin Ortiz <mortiz@bakersfieldcity.us>
Sent: Tuesday, September 01, 2015 3:04 PM
To: Blanusa, Danilo; Jason Meadors
Cc: Salzano, Tom; Bolzowski, Michael R.; Keck, Jonathan; Valles, Rudy; Kelly, Tamara
Subject: RE: Cal Water Urban Water Management Plan (UWMP) growth forecast for your review - Bakersfield District
Attachments: Growth Information.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Danilo,

Because the City is mostly interested in the overall growth and economic status of the entire city, it is difficult to remove and examine the California Water Service Company service area. However, based on your information you sent us for review we provide you with the attached information from the City's Housing Element that we are working on currently. The Draft Housing Element can be found on the City's website and the link is available as follows
- http://www.bakersfieldcity.us/pdfs/2015_8_21_Bakersfield%20Draft%20HE%20-%20Public%20Review%20Web.pdf.

Please take a look at the projected Persons per Household, which is different than what you provide. Remember this projection is for the entire city and may not reflect what you experience in your service area.

We concur with the forecasted housing/population and commercial/industrial numbers you have provided.

If you need anything else, please do not hesitate to contact me at this office by phone or email.

Thanks.

Martin.

Martin Ortiz, Principal Planner

City of Bakersfield Community Development Department

1715 Chester Avenue | Bakersfield, CA 93301

☎: (661) 326-3786 | Fax: (661) 326-2136

✉: mortiz@bakersfieldcity.us

www.bakersfieldcity.us



B A K E R S F I E L D

Community Development Department - Planning Division

www.bakersfieldcity.us

CONFIDENTIALITY NOTICE: This e-mail/transmission is intended to be sent only to the recipient stated herein. This e-mail/transmission is confidential and also may be legally privileged or protected by the attorney-client privilege or work product doctrine, and also may be restricted from disclosure by applicable state and federal law. Any copying, disclosure, distribution, review or use of this e-mail/transmission by other than the intended recipient or that person's agent is strictly prohibited. If you have received this e-mail/transmission in error, please notify the sender, and immediately permanently delete or destroy this e-mail/transmission, and all copies thereof from any drives or storage media, and destroy any printouts of the e-mail/transmission.

From: Blanusa, Danilo [mailto:dblanusa@calwater.com]

Sent: Thursday, August 20, 2015 3:53 PM

To: Jason Meadors; Martin Ortiz

Cc: Salzano, Tom; Bolzowski, Michael R.; Keck, Jonathan; Valles, Rudy; Kelly, Tamara

Subject: Cal Water Urban Water Management Plan (UWMP) growth forecast for your review - Bakersfield District

Dear Mr. Meadors and Mr. Ortiz,

Pursuant to California Water Code, Division 6, Part 2.6, Sections 10610 through 10656, California Water Service is in the process of preparing the required 2015 update of our Urban Water Management Plans. These plans are required to be

updated every five (5) years for each of our services areas (Districts). As you know our Bakersfield District provides water service to the City of Bakersfield.

The purpose of this communication is to solicit your assistance in reviewing and advising us with respect to one of the key elements of the plan, which is the development of a growth forecast for our district. This growth forecast is conducted based on growth in each customer service classification applicable to a particular district, which typically include:

- Single family residential
- Multi-family residential
- Commercial
- Industrial
- Government (City or County parks, median strips, landscaping and schools)
- Dedicated Irrigation (rare)
- Other (temporary construction meters)

The forecasted growth rates are combined with a demand per service factor applicable to each customer class to determine the future water demands for the district. These growth factors are adjustable and we want to review them with you so that we are consistent with anticipated growth that your planning efforts forecast. If adjustments are necessary we can do them now and avoid conflicts and confusion later in this process.

Some specific information regarding our approach to forecasting customer service growth is detailed as follows:

- **Residential** – Typically two residential customer service categories represent the vast majority of the service counts as well as subsequent water sales or demand in our districts. Cal Water considers both single family and multi-family residential services independently as individual classes, but combines them together in order to assess population growth and housing unit growth. While we use historical trends in the establishment for the growth rates for these two customer classes, we also analyze census data for population and housing factors and compare our forecast results for these two parameters with available data from City General Plans, as well as County Economic Forecast data and Regional government association forecasts as a reality or appropriateness check of our results.
- **Commercial & Industrial** – Historical trend is a key influence in this customer class, however where we have seen negative trends in recent years for these categories due to the economic downturn, we typically employ either a zero rate of growth or a small, reasonable positive rate of growth. We have also undertaken during the last ten years some reassessment of customer service classifications that has resulted in reallocation of some customer service accounts between various classes. This reallocation, which included commercial, industrial, multi-family residential and in some cases government services, has made the analysis of growth a bit more difficult.
- **Government** – Growth trends are generally parallel to that of the residential sector, so we verify that our rate of grow is not dramatically out-of-sequence with the overall community.
- **Other** – The use of temporary-assigned construction meters varies considerably from year to year, and can represent considerable water demand. In this case, we select a growth rate that is stable, yet reflects the overall growth of the community.

We have included with this communication a set of tables and graphs (see attachment) that illustrate the parameters that influence the growth forecast as currently set up for this district. These include:

- A. The historical and projected service data in both graph and table form
- B. The 2000 and 2010 Census data for the districts service area
- C. Housing projection chart comparing Cal Water’s forecast (always in red) with those from other organizations

- D. Population projection chart comparing Cal Water's forecast (always in red) with those from other organizations
- E. Table of population and housing values along with multi-family residential unit density and persons per housing unit density that are employed in this forecast effort.

Please note that the 2015 data, which we need to include in our finished forecast, is not yet final, and some minor fluctuation of these values is possible.

Please examine these documents to determine if you concur with our forecasted housing and population numbers. It would be greatly appreciated if you could, by **September 11, 2015**, provide us with an indication of your support or in the case you do not agree with our forecast a reason why and the appropriate rate or growth pattern that we should employ. **If I do not hear back from you by the end of business (EOB) on the above date I will assume that you concur with our forecast.**

If you need a more detailed explanation of these numbers or want to review them with us please feel free to contact me at (408) 367-8340 or by email at tsalzano@calwater.com.

Thank you for your assistance in this effort.

Respectfully,

Thomas A. Salzano

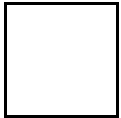
Thomas A. Salzano
Water Resource Planning Supervisor

Danilo Blanus, P.E.

Senior Engineer

CALIFORNIA WATER SERVICE

408-367-8387



Quality. Service. Value.

calwater.com

This e-mail and any of its attachments may contain California Water Service Group proprietary information and is confidential. This e-mail is intended solely for the use of the individual or entity to which it is addressed. If you are not the intended recipient of this e-mail, please notify the sender immediately by replying to this e-mail and then deleting it from your system.

Population Trends

Bakersfield has had a steadily increasing population with average annual growth rate at about 3 percent. However, in recent years the rate of growth has decreased. In 2013, there were 359,221 persons estimated to reside in the City, according to CA Department of Finance. The current population represents a numeric increase of 112,164 persons since 2000 or 45 percent growth.

Table 1: City of Bakersfield Population Trends (1990 - 2013)

Year	Total Population	Numeric Change	% Growth	Avg. Annual Growth
1990	174,820	n/a	n/a	n/a
2000	247,057	72,237	41%	3.9%
2010	347,483	100,426	41%	3.9%
2013	359,221	11,738	3%	1.7%
Source: U.S. Census, CA Department of Finance				

Employment by Industry

The largest employment group in Bakersfield is Educational, Health Care and Social Services (23 percent) followed by Retail, according to the U.S. Census. Farming only comprises 10 percent of the labor force in Bakersfield.

Table 2: Kern County Employment by Industry (2007 - 2013)

Industry	2007	%	2013	%
Total Farm	48,200	16%	55,900	18%
Mining, Oil & Gas Extraction, Well Drilling	10,000	3%	12,900	4%
Construction	17,400	6%	17,800	6%
Manufacturing Durable Goods	5,700	2%	5,400	2%
Manufacturing Nondurable Goods	7,800	3%	8,900	3%
Wholesale	8,000	3%	9,200	3%
Retail	30,000	10%	31,200	10%
Transportation, Warehousing & Utilities	9,700	3%	9,900	3%
Information	2,900	1%	2,500	1%
Financial, Insurance & Real Estate	8,900	3%	8,800	3%
Professional & Business Services	25,400	9%	26,800	9%
Educational & Health Services	27,800	10%	31,800	10%
Leisure & Hospitality	21,600	7%	23,000	7%
Other Services	7,000	2%	7,500	2%
Federal Government	9,600	3%	9,900	3%
State & Local Government	52,300	18%	49,800	16%
TOTAL	292,300	100%	311,300	100%
Source: California Employment Development Department				

Employment by Industry

According to the California EDD, there were 165,800 persons in the Bakersfield labor force in 2014, an increase of 18,300 persons from 2007. Generally, the unemployment rate has decreased since 2010 in the City and the County with the City unemployment rate consistently remaining lower than the Kern County rate. At the end of 2014, the City unemployment rate was 6.8 percent and the County rate was 9.9 percent. Bakersfield has many employment options that are dispersed at various locations throughout the City.

Table 3: Bakersfield Employment by Industry (2006 - 2013)

Industry	2006	Percent	2013	Percent
Agriculture, Fisheries, Oil and Gas	11,520	8%	14,929	10%
Construction	12,932	9%	8,381	6%
Manufacturing	5,725	4%	7,854	5%
Wholesale	5,522	4%	4,856	3%
Retail	15,798	11%	16,650	11%
Transportation, Warehousing and Utilities	8,804	6%	7,642	5%
Information	2,774	2%	2,104	1%
Finance, Insurance and Real Estate	8,766	6%	7,859	5%
Professional and administrative services	11,079	8%	11,726	8%
Educational, Health Care and Social Services	31,396	23%	33,019	23%
Arts, Entertainment, Hotels and Food Services	8,414	6%	12,850	9%
Other Services, Except Public Administration	8,154	6%	7,172	5%
Public Administration	7,659	6%	9,859	7%
Total Working Population	138,543	100%	144,901	100%
Source: U.S. Census Bureau, 2009-2013 5-Year American Community Survey				

Persons Per Household Trends

In 2000, more than half of the Bakersfield population was in a two to four person household (62 percent). The larger households (five or more persons) were the largest proportionate gainers between 2000 and 2013 with a 48 percent increase, with the bigger increase being renter occupied (73 percent).

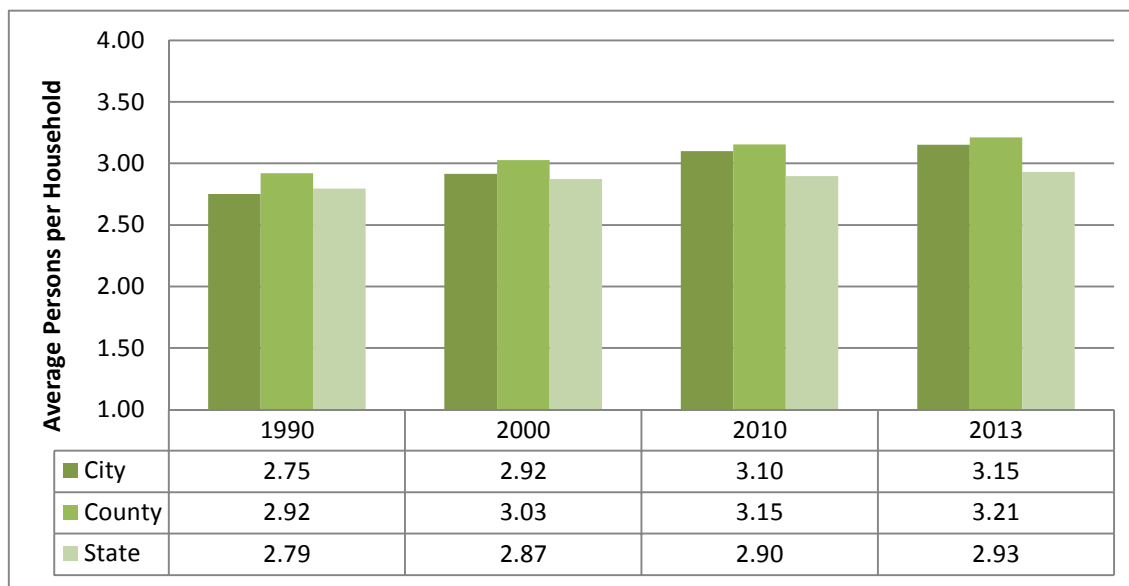
This is a reflection of high housing costs and foreclosure rates as well as tighter lending requirements during the housing market crash of which we are still feeling the effects. At the peak of the recession, Bakersfield ranked eighth nationally in Metropolitan Foreclosure Rates with over 47,000 Notices of Default filed with the Kern County Assessor between 2007 and 2010 (compared to the 38,000 that were filed in the ten years prior to 2007). Homebuyers, young and first-time in particular, experience difficulties qualifying for loans due to credit, unemployment or underemployment, and underwriting standards, thus swelling the renter numbers. California's rate of homeownership has declined since the 2008 Great Recession, a drop of over seven percentage points since its peak year of 2006.

Table 4: Bakersfield Persons per Household Trends (2000 – 2013)

	2000	% of Total	2010	% of Total	2013	% of Total	2000-2013	
							Net Change	% Change
Total:	83,441		111,132		109,932			
Owner occupied:	50,502	61%	66,323	60%	63,549	58%	13,047	26%
1 person	8,420	10%	10,699	10%	10,691	10%	2,271	27%
2 - 4 persons	33,646	40%	42,676	38%	41,692	38%	8,046	24%
5+ persons	8,436	10%	12,948	12%	11,166	10%	2,730	32%
Renter occupied:	32,939	39%	44,809	40%	46,383	42%	13,444	41%
1 person	9,542	11%	11,101	10%	10,976	10%	1,434	15%
2 - 4 persons	18,322	22%	24,220	22%	26,644	24%	8,322	45%
5+ persons	5,075	6%	9,488	9%	8,763	8%	3,688	73%
Source: 2000 & 2010 Census, 2009-2013 American Community Survey 5-Year Estimates								

Household Size

The City of Bakersfield average household size has consistently remained smaller than Kern County and has remained higher than the State since 2000. At the same time, the State average household size has consistently remained less than the County. For example, the City average household size was 3.10 persons per household in 2010, while the County average household size was 3.15 and the State average household size was 2.90. The average household size in the City, County and State has been increasing since 1990, indicating a need for housing units with a larger number of bedrooms or new housing for millennials still living with parents and seniors living with adult children. Foreclosures have also caused an increase in more than one family living in a household.

Figure 1: Average Household Size (1990 to 2013)

Blanusa, Danilo

From: Jason Meadors <jmeadors@bakersfieldcity.us>
Sent: Tuesday, September 01, 2015 3:14 PM
To: Salzano, Tom; Blanusa, Danilo; Martin Ortiz
Cc: Bolzowski, Michael R.; Keck, Jonathan; Valles, Rudy; Kelly, Tamara
Subject: RE: Cal Water Urban Water Management Plan (UWMP) growth forecast for your review - Bakersfield District

Follow Up Flag: Follow up
Flag Status: Flagged

Tom,

Thanks for the additional information. I think that Martin Ortiz with City Planning, or someone in his department, would be better informed about growth projections for commercial and industrial water users within the City limits. I have noticed many new commercial developments in our water service area, but I do not know the growth rate. Also, I would think that more development occurs in the City's domestic water service area than in Cal Water's, so your assumptions are probably reasonable.

Thanks,

Jason Meadors

Water Resources Director
City of Bakersfield
(661) 326-3715

From: Salzano, Tom [mailto:TSalzano@calwater.com]
Sent: Tuesday, September 01, 2015 2:03 PM
To: Jason Meadors; Blanusa, Danilo; Martin Ortiz
Cc: Bolzowski, Michael R.; Keck, Jonathan; Valles, Rudy; Kelly, Tamara
Subject: RE: Cal Water Urban Water Management Plan (UWMP) growth forecast for your review - Bakersfield District

Jason,

I want to thank you for your review of our data and your comments regarding growth in our Bakersfield District. I wanted to respond to your comment made in your email below that we are not factoring in growth in the commercial and industrial sectors in our service area. It is true that we put a bit more focus on population and housing growth, which is associated with the two residential sectors (single family and multi-family) because represent 83% of all our services and 65% of our total water demand. However, I want to point out that on the second page of the attachment (Attachment A, sheet 2 of 2) we include a table that shows the growth rates we are using for each customer class or sector. We are including a growth rate for commercial of 0.44% per year, which takes us from the current (2015) service count of 6,320 to count 7,060 in 2040. This is equal to our ten year average growth for that category. I am interested in your input as to whether this is sufficient growth for the community. We could adjust the rate if a high growth rate is warranted.

Yes it is true that we are showing zero growth for the industrial sector, but our experience has been one of steady decline in this sector since 1980 so to fix it as not declining further, as we have, is in some ways a conservative approach to demand estimating. But, here too as someone who knows the city better than I do,

is this zero growth rate appropriate or should we anticipate an economic turn-around in this sector, or should we show the decline continuing?

We really do appreciate your input on these items. And, if you wish to discuss these directly please feel free to contact me at (408) 367-8340 or by email at tsalzano@calwater.com.

Thank you very much for your time spent on this for us.

Tom

Thomas A. Salzano

Water Resource Planning Supervisor

California Water Service

1720 North First Street, San Jose, CA 95112-4598

(408) 367-8340

tsalzano@calwater.com

From: Jason Meadors [<mailto:jmeadors@bakersfieldcity.us>]

Sent: Tuesday, September 01, 2015 1:19 PM

To: Blanusa, Danilo; Martin Ortiz

Cc: Salzano, Tom; Bolzowski, Michael R.; Keck, Jonathan; Valles, Rudy; Kelly, Tamara

Subject: RE: Cal Water Urban Water Management Plan (UWMP) growth forecast for your review - Bakersfield District

Danilo,

I have reviewed your email and table and graphs and do not have any comments regarding population growth factors for Cal Water's domestic water service area.

The only comment I would have is that it is surprising that you are not factoring in growth of the commercial and industrial sectors. In the City's domestic water service area we have seen substantial growth in the commercial sector during recent years.

Martin Ortiz with City Planning may have additional comments.

Thank you,

Jason Meadors

Water Resources Director

City of Bakersfield

(661) 326-3715

From: Blanusa, Danilo [<mailto:dblanusa@calwater.com>]

Sent: Thursday, August 20, 2015 3:53 PM

To: Jason Meadors; Martin Ortiz

Cc: Salzano, Tom; Bolzowski, Michael R.; Keck, Jonathan; Valles, Rudy; Kelly, Tamara

Subject: Cal Water Urban Water Management Plan (UWMP) growth forecast for your review - Bakersfield District

Dear Mr. Meadors and Mr. Ortiz,

Pursuant to California Water Code, Division 6, Part 2.6, Sections 10610 through 10656, California Water Service is in the process of preparing the required 2015 update of our Urban Water Management Plans. These plans are required to be updated every five (5) years for each of our services areas (Districts). As you know our Bakersfield District provides water service to the City of Bakersfield.

The purpose of this communication is to solicit your assistance in reviewing and advising us with respect to one of the key elements of the plan, which is the development of a growth forecast for our district. This growth forecast is conducted based on growth in each customer service classification applicable to a particular district, which typically include:

- Single family residential
- Multi-family residential
- Commercial
- Industrial
- Government (City or County parks, median strips, landscaping and schools)
- Dedicated Irrigation (rare)
- Other (temporary construction meters)

The forecasted growth rates are combined with a demand per service factor applicable to each customer class to determine the future water demands for the district. These growth factors are adjustable and we want to review them with you so that we are consistent with anticipated growth that your planning efforts forecast. If adjustments are necessary we can do them now and avoid conflicts and confusion later in this process.

Some specific information regarding our approach to forecasting customer service growth is detailed as follows:

- **Residential** – Typically two residential customer service categories represent the vast majority of the service counts as well as subsequent water sales or demand in our districts. Cal Water considers both single family and multi-family residential services independently as individual classes, but combines them together in order to assess population growth and housing unit growth. While we use historical trends in the establishment for the growth rates for these two customer classes, we also analyze census data for population and housing factors and compare our forecast results for these two parameters with available data from City General Plans, as well as County Economic Forecast data and Regional government association forecasts as a reality or appropriateness check of our results.
- **Commercial & Industrial** – Historical trend is a key influence in this customer class, however where we have seen negative trends in recent years for these categories due to the economic downturn, we typically employ either a zero rate of growth or a small, reasonable positive rate of growth. We have also undertaken during the last ten years some reassessment of customer service classifications that has resulted in reallocation of some customer service accounts between various classes. This reallocation, which included commercial, industrial, multi-family residential and in some cases government services, has made the analysis of growth a bit more difficult.
- **Government** – Growth trends are generally parallel to that of the residential sector, so we verify that our rate of grow is not dramatically out-of-sequence with the overall community.
- **Other** – The use of temporary-assigned construction meters varies considerably from year to year, and can represent considerable water demand. In this case, we select a growth rate that is stable, yet reflects the overall growth of the community.

We have included with this communication a set of tables and graphs (see attachment) that illustrate the parameters that influence the growth forecast as currently set up for this district. These include:

- A. The historical and projected service data in both graph and table form

- B. The 2000 and 2010 Census data for the districts service area
- C. Housing projection chart comparing Cal Water's forecast (always in red) with those from other organizations
- D. Population projection chart comparing Cal Water's forecast (always in red) with those from other organizations
- E. Table of population and housing values along with multi-family residential unit density and persons per housing unit density that are employed in this forecast effort.

Please note that the 2015 data, which we need to include in our finished forecast, is not yet final, and some minor fluctuation of these values is possible.

Please examine these documents to determine if you concur with our forecasted housing and population numbers. It would be greatly appreciated if you could, by **September 11, 2015**, provide us with an indication of your support or in the case you do not agree with our forecast a reason why and the appropriate rate or growth pattern that we should employ. **If I do not hear back from you by the end of business (EOB) on the above date I will assume that you concur with our forecast.**

If you need a more detailed explanation of these numbers or want to review them with us please feel free to contact me at (408) 367-8340 or by email at tsalzano@calwater.com.

Thank you for your assistance in this effort.

Respectfully,

Thomas A. Salzano

Thomas A. Salzano
Water Resource Planning Supervisor

Danilo Blanus, P.E.

Senior Engineer

CALIFORNIA WATER SERVICE

408-367-8387



Quality. Service. Value.

calwater.com

This e-mail and any of its attachments may contain California Water Service Group proprietary information and is confidential. This e-mail is intended solely for the use of the individual or entity to which it is addressed. If you are not the intended recipient of this e-mail, please notify the sender immediately by replying to this e-mail and then deleting it from your system.

This e-mail and any of its attachments may contain California Water Service Group proprietary information and is confidential. This e-mail is intended solely for the use of the individual or entity to which it is addressed. If you are not the intended recipient of this e-mail, please notify the sender immediately by replying to this e-mail and then deleting it from your system.

Appendix C: Correspondences

- UWMP Public Draft Comments

Note: There were no public comments received on the UWMP Public Draft.