

**SPECIAL AVALON CITY COUNCIL MEETING
TUESDAY, APRIL 7, 2015 – 6:00 P.M.
CITY HALL COUNCIL CHAMBERS
410 AVALON CANYON ROAD, AVALON
A G E N D A**

In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, please contact Denise Radde, City Clerk (310) 510-0220. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35.104 ADA Title II). All public records relating to an agenda item on this agenda are available for the public inspection at the time the records are distributed to all, or a majority of all, members of the City Council. Such records shall be available at City Hall located at 410 Avalon Canyon Rd.

CALL TO ORDER / ROLL CALL

PLEDGE OF ALLEGIANCE / INVOCATION

ANNOUNCEMENTS / WRITTEN COMMUNICATIONS

PRESENTATION - None

CITY MANAGER REPORT

CITY ATTORNEY REPORT

COUNCILMEMBER REPORTS

MAYOR REPORT

ORAL COMMUNICATION

Members of the public may address the City Council at this time. No action will be taken on non-agenda items at this meeting. Speakers should limit comments to three (3) minutes each.

CONSENT CALENDAR - None

GENERAL BUSINESS

3. Consideration of Possible Postponement of Vons Appeal Scheduled for April 21, 2015
Councilmember Hernandez has requested this special meeting to discuss and consider whether to postpone the Vons Appeal scheduled for the April 21, 2015 City Council meeting, until after the hearing with the California Public Utilities Commission (CPUC) in July 2015. On February 10, 2015 a letter was sent to the CPUC requesting an audit of Southern California Edison's water allocation practices and status of recent letters submitted to the CPUC by residents.

**CITY COUNCIL AGENDA
APRIL 7, 2015
PAGE 2**

NOTICE OF POSTING

I, Denise Radde, declare that the Special City Council Agenda for April 7, 2015 was posted on Friday, April 3, 2015, on the City's website www.cityofavalon.com, and at City Hall, 410 Avalon Canyon Road. Copies of agendas and staff reports are available at City Hall and on the City website.



Denise A. Radde, City Clerk / Chief Administrative Officer

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 20, 2015

The Honorable Richard J. Hernandez
Council Member, City of Avalon
City Hall
410 Avalon Canyon Rd.
P.O. Box 707
Avalon, CA 90704

RE: Request from the City of Avalon for an Audit of Southern California Edison's Water Allocation Practices

Dear Council Member Hernandez:

A number of Commission offices forwarded your letter of February 10, 2015 to the Division of Water and Audits (DWA) for review and response. We reviewed your letter and those of Leslie Warner, Pamela Albers, and Kathleen Carlisle and contacted Southern California Edison (SCE) for pertinent data related to new water allocations on Catalina Island. The letters of the three customers were received and investigated by DWA in December and January, and communications were initiated with SCE to investigate and analyze the water allocation concerns, which are the subject of these letters. As discussed below, DWA has determined that there were no violations of SCE tariffs at the time the decision was made regarding the water allocation to the proposed Vons store.

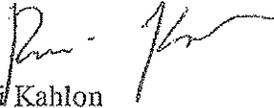
DWA does perform audits on a regular on-going basis of investor-owned utilities under Commission jurisdiction. As one form of an audit, DWA ensures that the utility follows its tariff rules when it performs its regulated functions and makes discretionary decisions. As to the subject of your letter, DWA audited SCE's water allocation decision regarding the proposed Vons store and determined that SCE complied with the tariff rules that were in place at the time of the Vons grocery store water allocation approval. SCE did not violate any of its existing tariff rules.

In addition to reviewing SCE's water allocation decision, we also have been in communication with SCE's Water Advisor, Ryan Stevenson. Mr. Stevenson has been in regular contact with the Avalon City Manager Ben Harvey and informs us that he intends to meet with you, Mr. Harvey, and any other interested staff. In addition, Mr. Stevenson has been directed by me to offer the services of a Commission mediator if informal meetings do not produce a satisfactory resolution.

The Commission is very aware of the state-wide drought as well as Catalina Island's unique water rationing situation. We want to work with the City of Avalon to satisfy you and your citizens that we are vigilant about the water service for Catalina Island customers.

Thank you for your letter and please feel free to contact me if you need further information.

Sincerely,



Rami Kahlon
Director, Division of Water and Audits
California Public Utilities Commission

CC:

President Michael Picker, CPUC
Commissioner Michel Florio, CPUC
Commissioner Carla Peterman, CPUC
Commissioner Liane Randolph, CPUC
Commissioner Catherine Sandoval, CPUC
Honorable Mayor and Members of the Avalon City Council
Ronald Hite, Southern California Edison
Ronald Garcia, Southern California Edison



City of Avalon

Santa Catalina Island

February 10, 2015

President Michael Picker
President
California Public Utility Commission
505 Van Ness Avenue
San Francisco, CA 94102

Letter Transmitted Solely Via Email

RE: Request from the City of Avalon for an audit of Southern California Edison water allocation practices and support for recent letters to the California Public Utility Commission from Avalon residents

Dear President Picker:

I am sending you this letter on behalf of the Avalon City Council to request an audit of Southern California Edison's water allocation practices, and to voice the City's desire to have the issues raised within recent letters to the California Public Utility Commission from Avalon residents Kathleen Carlisle, Leslie Warner and Pamela Albers addressed. For easy reference, copies of these letters are attached to this letter.

Southern California Edison (SCE) is the water purveyor for the City of Avalon, and greater Santa Catalina Island. As we proceed into what so far appears to be yet another dry, winter season void of adequate rainfall here on Santa Catalina Island, we are greatly concerned regarding the continued availability of fresh water for our residents and visitors.

The City of Avalon does not control the water rights in town, and relies upon SCE to be a good steward of this increasingly precious natural resource. Recent decisions by SCE to issue new water allocations need to be thoroughly explained in light of the ongoing drought, and existing needs of our residents and visitors. The City is asking that the CPUC conduct an audit of SCE's recent new water allocations to determine if they were issued appropriately, with an eye towards serving as a good steward of Santa Catalina Island's fresh water resource, while keeping the best interest of the Avalon ratepayers in mind.

**Administration/
Public Works**
P.O. Box 707
Avalon, CA 90704
310 510-0220
Fax 310 510-0901

Finance
P.O. Box 707
Avalon, CA 90704
310 510-0220
Fax 310 510-0765

Harbor Department
P.O. Box 1085
Avalon, CA 90704
310 510-0535
Fax 310 510-2640

Fire Department
P.O. Box 707
Avalon, CA 90704
310 510-0203
Fax 310 510-0104

**Recreation
Department**
P.O. Box 707
Avalon, CA 90704
310 510-0220
Fax 310 510-9528

**Planning/Building
Capital Improvements**
P.O. Box 707
Avalon, CA 90704
310 510-0220
Fax 310 510-2608

The City feels very strongly about the CPUC implementing the requested water allocation audit as soon as possible, and I thank you for your concern and recognition of the severity of the matter. Further, by copy of this letter, I would also like to know the status of the CPUC's response to the inquiries previously submitted by Avalon residents Kathleen Carlisle, Leslie Warner and Pamela Albers.

Thank you for your prompt attention and consideration of this important matter.

Sincerely,



Richard J. Hernandez
Council Member
City of Avalon

Please direct email response to gmorones@cityofavalon.com

cc: Honorable Mayor and Members of the Avalon City Council
Raminder Kahlon, Public Utility Commission
Ronald Hite, Southern California Edison
Ronald Garcia, Southern California Edison

Attachments

1. Letter to CPUC from Leslie Warner dated November 25, 2014
2. Letter to CPUC from Pamela Albers dated November 25, 2014
3. Letter to CPUC from Kathleen Carlisle dated December 1, 2014

Pamela Albers
217 Calle del Sol
P.O. Box 1676
Avalon, CA 90704
310/210-3290

November 25, 2014

VIA EMAIL

Director
Division of Water and Audits
505 Van Ness Ave.
San Francisco, CA 94102
water_division@cpuc.ca.gov

Tariff Unit, Water Division, 3rd floor
California Public Utilities Commission,
505 Van Ness Avenue, San Francisco, CA 94102
water_division@cpuc.ca.gov

VIA USPS MAIL

Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
Attention: Legal Division

Re: Southern California Edison Water Utility - Catalina Island

Dear Commission Staff:

I am writing to request an audit and review of a water allocation determination and Tariff Rule 3D water transfer approved by Southern California Edison ("SCE") for a proposed 23000+ square foot commercial grocery store in Avalon on Catalina Island. In light of the Drought Emergency declared by the Governor in January 2014 due to the driest year in California in 100 years, it is vital that the public can rely on the Commission to uphold its important role of ensuring that each jurisdictional water utility provides its customers with "just and reasonable service, . . . and facilities as are necessary to promote the safety, health, comfort and convenience of its patrons, employees, and the public." (California Water Code §451.)

In sum, SCE determined that the proposed grocery store (which includes plans for an expanded deli, a full coffee bar and florist as well as traditional grocery store components) requires .28 acre feet to operate. It is unclear whether the .28 acre feet allocation is before or after the Stage 2 mandatory 25% reduction that was imposed on all metered Catalina Island residential and commercial customers of SCE on August 11, 2014.

In addition, SCE approved a transfer of water used by a small plant nursery (which will be discontinued and demolished in order to accommodate the new Vons) together with "water savings measures" implemented by the Santa Catalina Island Company at a wholly separate business owned and operated by them, the miniature Golf Gardens. The SCE letter does not state when those water savings were first realized; however, the Golf Gardens renovation was completed in August 2009.

SCE determined that a water allocation of .28 acre feet would be sufficient for operation of the 23000+ square foot store, as well as to water the extensive landscaping proposed along the perimeter of the large land parcel. This equals a mere 250 gallons per day - the same amount of water I used in July-August 2014 at my Avalon sandwich, salad and soup fast casual establishment that is one tenth the size of the proposed new Vons Project, open only from 11 a.m. until 5 p.m. during the summer season (extended to 8 p.m. on Friday and Saturday) and which grosses less than \$400K annually. This is a fraction of the business that is proposed to take place at the new Vons such as baking of breads, cookies, bagels, and pastries, preparation of soups, sauces and side dishes, cooked wings, turkey breast, chickens (whole and separate parts), not to mention water misting vegetables and fruit, making ice and coffee, etc. (See attached Billing for Café Metropole for July-Aug 2014.)¹

With regard to the ruling pursuant to Tariff Rule 3.D. 4. (Change in Type of Fresh Water Use)(attached hereto), SCE appears to have based its decision in part upon its "understanding of the critical importance of the New Vons to the Avalon Community and the merits of replacing two antiquated and undersized grocery stores to meet the community's needs and provide for future growth." Rule 3.D.4 does not include this subjective factor, nor should non-elected utility employees be making this type of determination.

¹ This list inadvertently omits water used in connection with a full butcher and fish department.

California Public Utilities Commission
Water Audit and Review Division
Request for Investigation of Water Allocation & Transfer
November 25, 2014
Page 3

The City of Avalon relied upon the letters from SCE in its environmental review and planning permit review for the proposed development. The City Attorney advised the Planning Commission during its consideration on November 19, 2014, that it must defer to SCE regarding the amount of water deemed necessary to operate the proposed grocery store and the validity of the water transfer from the Santa Catalina Island Company to Vons, even though the information provided herein was submitted to the City of Avalon by numerous residents prior to the hearing.

The success of any rationing system depends upon the belief by all participants – who are being asked to make significant sacrifices for the greater good – that the system is being fairly applied to all and burdens are equally borne by all. The water allocation and transfer approved by SCE as described in the attached letters undermines the mandatory water rationing program in Avalon and by extension, implicates the duty of state government in general and the California Public Utilities Commission specifically to protect and manage our state's precious water resources.

Please do not hesitate to contact me should you need further information.

Sincerely,



Pamela Albers
Owner, Cafe Metropole

Attachments



May 14, 2014

J. Paul DeMyer, Sr. VP Real Estate
Santa Catalina Island Company
PO Box 737
Avalon, CA 90704

Brian Braaten
Safeway, Inc.

RE: Water Allocation Transfer Agreement - Vons

Dear Paul:

Southern California Edison Company (SCE) is in receipt of the Santa Catalina Island Company's (SCICo's) request for assurances that a fresh water allocation from SCE will be available to accommodate a new 20,000 square foot Vons grocery store that will be constructed at the corner of Sumner Avenue and Beacon Street in the Island Plaza in the City of Avalon (New Vons).¹ Pursuant to this request, SCE previously agreed to transfer the fresh water allocations from two existing Vons stores to the New Vons. Since then, SCICo has proposed an alternative water allocation transfer arrangement which is described more fully below. This letter approves of the transfer described below, and supersedes the previous agreement memorialized in the November 12, 2013 letter agreement (attached hereto for reference) in its entirety.

On June 1, 2013, after SCE received and approved SCICo's water allocation request of 0.28 acre-feet for the New Vons, SCE instituted Phase One water rationing under its California Public Utilities Commission approved Catalina Water Tariff Rule 14.1. SCE subsequently informed SCICo that pursuant to SCE's Water Tariffs, the New Vons fresh water allocation would continue to be honored during Phase One rationing.² However, pursuant to SCE's Water Tariffs, if SCE was required to implement Stage Two through Stage Four water rationing, the New Vons' fresh water allocation could not be honored until rationing was over, unless a new water resource is developed.³

¹ SCICo is making these requests on behalf of Safeway, Inc., because at this time SCICo has not yet conveyed the property upon which the New Vons will be built to Safeway, Inc. This letter also agrees to transfer the water allocation from SCICo to Safeway, Inc. upon closure of the sale of this property. (SCICo Letter Dated April 29, 2014, attached hereto).

² Rule 3, Section D.1.a

³ Rule 3, Section D.1.b

On January 30, 2014, SCICo submitted an additional request that under Rule 3 of SCE's Water Tariffs, SCE enter into a special agreement with SCICo to transfer a preexisting freshwater allocation to the New Vons in the event that Stage Two rationing was implemented.⁴

On April 29, 2014, SCICo informed SCE of its proposal to transfer in whole the preexisting water allocation from the Wilcox Nursery, currently occupying the same premises as the planned New Vons in the Island Plaza, and excess fresh water from the Golf Gardens (achieved through significant water conservation efforts), also located in the Island Plaza parcel, to cover the approved water allocation for the New Vons. SCICo also requests that this water allocation for the New Vons be transferred to Safeway, Inc. upon closure of the sale of the parcel of land in the Island Plaza where the New Vons will be located. The preexisting allocation of 0.17 acre-feet at the Wilcox Nursery and 0.54 acre-feet in excess fresh water from the Golf Gardens will satisfy the allocation amount of 0.28 acre-feet for the New Vons, with an ultimate water savings of 0.26 acre-feet. SCE understands the critical importance of the New Vons to the Avalon Community and the merits of replacing two antiquated and undersized grocery stores to meet the community's needs and provide for future growth.

SCE herein approves of the above described transfer arrangement and agrees to transfer the existing SCICo allocation from the Wilcox Nursery and excess water from the Golf Gardens to the New Vons. SCE also agrees to transfer this water allocation from SCICo to Safeway, Inc. upon completion of the sale of the property in the Island Plaza where the New Vons will be located from SCICo to Safeway, Inc. This will assure both SCICo and Safeway, Inc. of the water allocation for the New Vons in the event SCE increases water rationing to Stage Two, Three or Four. If at any time in the future, a new service connection or change to an existing service connection with an increased water requirement is requested for the Wilcox Nursery, Golf Gardens, or New Vons, the customer will be subject to SCE's existing fresh water allocation process and a water allocation is not guaranteed. Additionally, all mandatory water use restrictions as described in SCE's Water Schedule 14.1⁵ for water rationing Stages Two, Three, or Four will apply and the baseline usage rate utilized to calculate any mandatory water conservation under Stages Two, Three, or Four will be adjusted consistent with this water transfer, to .28 acre-feet.

Sincerely,



Ronald Hite
District Manager
Southern California Edison

Cc: ~~City of Avalon Planning Department~~

⁴ Rule 3, Section D.5

⁵ Schedule 14.1, Section D



November 12, 2013

J. Paul DeMeyer
Santa Catalina Island Co
PO Box 737
Avalon CA 90704

RE: Water Allocation Letter Agreement

Dear Paul:

Southern California Edison Company (SCE) is in receipt of Safeway, Inc.'s (Safeway's) request for assurances that a fresh water allocation from SCE will be available to accommodate a new 20,000 square foot Vons grocery store that is expected to be constructed at the north east corner of Sumner Avenue and Beacon Street in the City of Avalon. SCE understands that this store will replace two existing smaller Vons grocery stores that Safeway currently operates in the City of Avalon.

On June 1, 2013, after SCE received Safeway's water allocation request (which was approved), SCE instituted Phase One water rationing under Catalina Water Tariff Rule 14.1. SCE subsequently informed Safeway pursuant to its Water Tariffs¹ that its fresh water allocation for the new store would continue to be honored during Phase One water rationing. However, SCE also informed Safeway that pursuant to SCE's Water Tariffs,² if Phase Two through Phase Four water rationing were to be implemented its fresh water allocation for the new store could not be honored.

As a result, Safeway informed SCE on September 27, 2013 that it could not fund the new store if an adequate supply of water to facilitate the development and operation of the store were not guaranteed. We understand the new store is of critical importance to the Avalon community and would replace two small grocery stores that are antiquated and undersized to meet the community's needs and provide for future growth. The new store is also expected to revitalize the community and provide new capital investment on Catalina Island.

Because the new store will utilize a smaller water allocation than the allocation currently used by Safeway's two existing Vons stores that are expected to be closed, and the new store's importance to the Avalon community, SCE agrees to transfer Safeway's current fresh water allocation from its two existing Vons stores to the new store, even in the event SCE increases water rationing to Stage Two, Three or Four. Because of the ultimate water savings expected to

¹ Rule 3, Section D.1.a.

² Rule 3, Section D.1.b.
PO Box 527
#1 Pebbly Beach Road
Avalon, CA 90704

importance to the Avalon community, SCE agrees to transfer Safeway's current fresh water allocation from its two existing Vons stores to the new store, even in the event SCE increases water rationing to Stage Two, Three or Four. Because of the ultimate water savings expected to result from this transfer, SCE also agrees to permit minimal overlap in water use at the three locations as necessary only for construction and testing of systems, and a safe closure of the existing stores. Under this agreement, the existing stores may not be reopened or expect water service after three months of opening the new store, and at that time any tenant of the existing stores will have to follow SCE's existing water allocation process and a water allocation is not guaranteed.

Sincerely,



Ronald Hite
Southern California Edison
District Manager

Cc: Brian Braaten, Safeway Inc
City of Avalon Planning Department
Robert Webber, Santa Catalina Island Co



Rule No. 3
APPLICATION FOR SERVICE

Sheet 5

(Continued)

D. Santa Catalina Island Fresh Water Allocation Plan (Continued)

3. Fresh Water Allocation Process (Continued)

a. (Continued)

Applicants for fresh water service who require a building permit to complete their service connection and are under the jurisdiction of the County of Los Angeles, will be placed on the Company's Fresh Water Allocation List and may be granted a water allocation when the applicant provides evidence acceptable to the Company of an approved request for a building permit from the County of Los Angeles and a completed water questionnaire, as specified above.

b. When fresh water is not available from the Company because demand for fresh water exceeds the limit of the safe annual yield, or for any other reason:

All applicants for new service connections or an increased water allocation to an existing connection shall provide the Company with a completed water questionnaire and such other information as the Company may request to establish the applicant's fresh water needs. Unless the applicant requires a building permit from either the City of Avalon or the County of Los Angeles, the applicant will be placed on the Company's Fresh Water Allocation List. The Company will notify the applicant when the Company determines that enough fresh water is available to serve the applicant's needs in order of eligibility

Applicants for fresh water service who require a building permit to complete their service connection and are under the jurisdiction of the City of Avalon, must first contact the City. The Company will place the applicant on the Fresh Water Allocation List when the City notifies the Company that the applicant is eligible to be placed on the Fresh Water allocation List. The Company will notify the applicant and the City when the Company determines that enough fresh water is available to grant a water allocation to the applicant. The applicant, upon notification from the City, shall provide the Company with a completed water questionnaire as specified above.

Applicants for fresh water service who require a building permit to complete their service connection and are under the jurisdiction of the County of Los Angeles, will be placed on the Company's Fresh Water Allocation List when the applicant notifies the Company, in writing, of the need for fresh water service and provides evidence acceptable to the Company of the scope of the project. The Company will notify the applicant when the Company determines that enough fresh water is available to serve the applicant's needs. The applicant, upon notification from the Company, shall provide the Company with a completed water questionnaire as specified above.

(Continued)

(To be inserted by utility)

Advice 43-W
Decision 90-05-033

Issued by
Ronald Daniels
Vice President

(To be inserted by Cal. PUC)

Date Filed May 14, 1990
Effective May 14, 1990
Resolution _____

Service account 3-034-4431-91
 Service address 205 CRESCENT 113
 AVALON, CA 90704

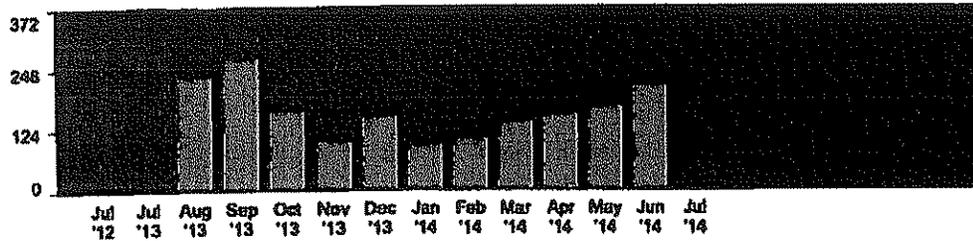
Compare the water you are using

Your current read for meter WTR-095438 - Aug 13 '14	14019
Your previous read - Jul 16 '14	- 13952
Difference	67
Multiplier	x 100.00
Total water you used this month in Gallons	6,700

Your next billing cycle will end on or about Sep 15 '14.

Your daily average water usage (Gallons)

2 Years ago: 340.63 Last year: 372.41 This year: 239.29



Details of your new charges

Your rate: W-1
 Billing period: Jul 16 '14 to Aug 13 '14 (28 days)

Water charges - Summer

Service charge		\$24.21
Quantity charge (per 1,000 Gallon)		
First 2,500	2,500 Gal/1000 x \$10.23	\$25.58
2,501 - 10,000	4,200 Gal/1000 x \$27.48	\$115.42
Subtotal of your new charges		\$165.21
1986 - Tax act credit	\$165.21 x -3.30000%	-\$5.45
State water surcharge	\$165.21 x 1.50000%	\$2.48
Your new charges		\$162.24

Additional Information:
 • Meter Size: 5/8 X 3/4 Inch

Service account 3-034-4431-91
Service address 205 CRESCENT 113
AVALON, CA 90704

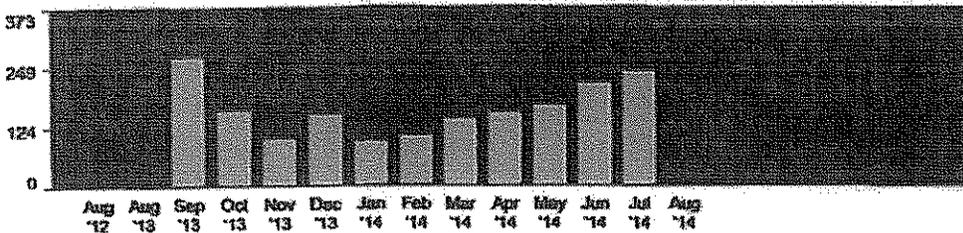
Compare the water you are using

Your current read for meter WTR-095438 - Sep 12 '14	14062
Your previous read - Aug 13 '14	- 14019
Difference	43
Multiplier	x 100.00
Total water you used this month in Gallons	4,300

Your next billing cycle will end on or about Oct 15 '14.

Your daily average water usage (Gallons)

2 Years ago: 373.33 Last year: 233.33 This year: 143.33



Details of your new charges

Your rate: W-1
Billing period: Aug 13 '14 to Sep 12 '14 (30 days)

Water charges - Summer

Service charge		\$24.21
Quantity charge (per 1,000 Gallon)		
First 2,500	2,500 Gal/1000 x \$10.23	\$25.58
2,501 - 10,000	1,800 Gal/1000 x \$27.48	\$49.46
Subtotal of your new charges		\$99.25
1986 - Tax act credit	\$99.25 x -3.30000%	-\$3.28
State water surcharge	\$99.25 x 1.50000%	\$1.49
Your new charges		\$97.46

Additional information:
• Meter Size: 5/8 X 3/4 inch

CEQA Environmental Checklist

PROJECT DESCRIPTION AND BACKGROUND

Project Title:	Vons Grocery Store
Lead agency name and address:	City of Avalon
Contact person and phone number:	Amanda Cook
Project Location:	Avalon, CA
Project sponsor's name and address:	Vons
General plan description:	Commercial
Zoning:	Commercial
Description of project: (Describe the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation.)	Construct a new 20,000 sf grocery store.
Surrounding land uses and setting; briefly describe the project's surroundings:	Special Commercial housing and businesses
Other public agencies whose approval is required (e.g. permits, financial approval, or participation agreements):	City of Avalon, Planning & Bldg Dept's LA County Health Dept AQMD (kitchen exhaust hoods)

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project. Please see the checklist beginning on page 3 for additional information.

<input type="checkbox"/>	Aesthetics	<input type="checkbox"/>	Agriculture and Forestry	<input checked="" type="checkbox"/>	Air Quality
<input type="checkbox"/>	Biological Resources	<input checked="" type="checkbox"/>	Cultural Resources	<input type="checkbox"/>	Geology/Soils
<input type="checkbox"/>	Greenhouse Gas Emissions	<input type="checkbox"/>	Hazards and Hazardous Materials	<input type="checkbox"/>	Hydrology/Water Quality
<input type="checkbox"/>	Land Use/Planning	<input type="checkbox"/>	Mineral Resources	<input checked="" type="checkbox"/>	Noise
<input type="checkbox"/>	Population/Housing	<input type="checkbox"/>	Public Services	<input type="checkbox"/>	Recreation
<input type="checkbox"/>	Transportation/Traffic	<input type="checkbox"/>	Utilities/Service Systems	<input type="checkbox"/>	Mandatory Findings of Significance

	Potentially Significant Impact	Less Than Significant with Mitigation	Less Than Significant Impact	No Impact
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

IX. HYDROLOGY AND WATER QUALITY: Would the project:

a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

EXPLANATIONS FOR ENVIRONMENTAL CHECKLIST (cont'd)
VONS - CATALINA

Less Than Significant Impact. The entire Santa Catalina Island, including Avalon, is designated as a very high fire hazard zone by the California Department of Forestry and Fire Protection. However, as the project is located in a developed, urbanized area and will be constructed in a manner that will meet all relevant fire codes, it will not expose people or structures to significant risk of loss, injury or death involving wild fires.

IX. HYDROLOGY AND WATER QUALITY

- a) Would the project violate any water quality standards or waste discharge requirements?

Less Than Significant Impact. The Project will not alter existing water quality standards. To ensure that no water quality standards are violated, during construction, the contractor will implement standard measures, pursuant to a Stormwater Pollution Prevention Plan prepared under the NPDES stormwater permit administered by the local RWQCB for construction activities, to further minimize the Project's less than significant impacts, including but not limited to regular sweeping of active construction areas to reduce sediment tracking off the Project site, covering dumpsters or keeping uncovered dumpsters under a roof (or secured with tarps or plastic sheeting), and conducting vehicle/equipment maintenance, repair, and washing away from storm drains. Implementation of such required Best Management Practices will ensure that impacts are less than significant.

- b) Would the project substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?

Less Than Significant Impact. The project site is not located in an area of significant groundwater recharge, and thus would not interfere with the replenishment of the local aquifer. The Project has received a water allocation from Southern California Edison in the amount of 0.28 acre-feet which will fully cover the Project's proposed water usage. Impacts would be less than significant.

- c) Would the project substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on or off-site?

Less Than Significant Impact. The existing site comprises an urban infill location surrounded by paved surfaces and some pervious areas within the Golf Gardens complex. The Project comprises the construction of approximately 27,500 square feet of impervious area on an existing site with approximately 2,200 square feet of impervious area. The existing pervious area on the site is compacted dirt parking and does not provide much opportunity for storm water to percolate within the site. Therefore, the development of additional paved and building surfaces on this site will not result in substantial alteration of the existing drainage pattern or substantial amounts of additional runoff flowing from the site. The project will comply with City Floodplain Management,

Leslie Warner
PO Box 1122
Avalon, CA 90704

November 25, 2014

Public Utilities Commission
Director, Division of Water and Audits
505 Van Ness Avenue
San Francisco, CA 94102

RE: Fresh Water Allocations on Catalina Island
Provided by Southern California Edison

Dear Public Utilities Commission Staff,

As you are well aware, Catalina Island is experiencing a severe drought along with all of California. Southern California Edison mandated Stage 2 Water rationing for the entire island on August 11, 2014, which requires all residents and businesses alike to reduce water consumption by 25%. Currently, we are 73 acre-feet away from Stage 3 water rationing which will mandate a 50% reduction in water consumption.

I am writing to you to ask that you investigate the recent arrangement that was made between SCE and the Santa Catalina Island Company regarding a water allocation for a proposed new development of a 23,000 square foot Vons grocery store. It is my understanding that the Santa Catalina Island Company, who currently owns the lot that Vons wishes to purchase and develop and the lot adjacent to it as well, where the Santa Catalina Island Company operates a Golf Garden, was allowed to give part of their water allotment to the Vons company for their new store because of the "excess fresh water from the Golf Gardens (achieved through significant water conservation efforts)." I fail to understand how this is legal or allowed. We are all supposed to be conserving water to help us all get through this extreme drought and I would love to be able to give my excess water away! If I save 300 gallons a month now, can I bank it for later when we are in Stage 3 water rationing? We have altered our lifestyle considerably to try to save water, and if businesses are allowed to bank water and give it away, why are residents not allowed to do the same?

Many residents are experiencing challenging hardships, and should be offered equal privileges. As you can see, this is a precedent that has been set by SCE and I feel it should be thoroughly investigated and stopped, or we should all have the same opportunities to bank and share water.

I also challenge the amount of water that SCE allocated to the new Vons, a mere .28 acre feet, which is 250 gallons a day. Seriously?? There must be other arrangements in place that are not transparent to the general public. This new Vons will have a café, deli, bakery, produce, meat and floral department, all of which will require water, along with a fully landscaped perimeter. Unfortunately, I do not know how much water the current two Vons grocery stores use, however I do know that their total square footage is less than half of the proposed 23,000 project.

The last time that I communicated with you, in July 2014, it was regarding the SCE water tariff and the lack of certain provisions that seemed appropriate and fair in drought conditions. Thankfully, you responded in a positive manner and changes were made to the tariff. Again, I ask that you seriously consider this questionable arrangement between the Santa Catalina Island Company and Southern California Edison and investigate the water allotment "give away" and protect the citizens rights to fair and equitable water resources.

Respectfully yours,

Leslie Warner

Leslie Warner
Avalon Resident

I also sent this by email.

#340396

Kathleen Carlisle
311 East Whittley Ave.
PO Box 191
Avalon, CA 90704
310-510-2236

DEC -8 2014

December 1, 2014

VIA EMAIL

Director
Division of Water and Audits
505 Van Ness Ave.
San Francisco, CA 94102

water_division@cpuc.ca.gov

Tariff Unit, Water Division, 3rd Floor
California Public Utilities Commission
505 Van Ness Ave.
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VIA USPS MAIL
Public Utilities Commission
505 Van Ness Ave.
San Francisco, CA 94102

Attn: Legal Division

Re: Southern California Edison Water Utility - Catalina Island

Dear Commission Staff:

I am writing to request an audit and review of the water allocation made by Southern California Edison ("SCE") for the proposed new development of a 23,000 square foot Vons commercial supermarket in Avalon on Catalina Island. The shady dealings going on to provide water for this new development are questionable at the least, and probably illegal. We are in a severe drought situation on Catalina Island, with residents and businesses being told to cut back 25% of their usage or incur fines - which will be irrelevant if we run out of water. Our reservoir is near empty, and our supplementary water source made by the desalination plant appears to be antiquated and inadequate. There are no immediate solutions on the horizon. We need the Commission to protect our community and ensure that we will have water.

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Our City Planners rely on SCE to provide accurate information about the use of water - especially at a newly proposed development. However, SCE determined that the proposed grocery store will only require 0.28 acre feet to operate. It is unclear if the 0.28 acre feet allocation is before or after the current mandatory Stage 2, 25% reduction imposed on all Catalina Island since August 11, 2014.

Vons plans to consolidate 2 small stores into one giant store over twice as large as the two added together. They will have an expanded deli, which means the baking of bread, preparation of soups, and side dishes, cooking of chickens, and a full coffee bar, florist, full butcher and fish department, ice machines, mist for produce, as well as all the traditional components of a large supermarket, in addition to extensive landscaping on the exterior of the building. The 0.28 acre-foot is equivalent to 250 gallons per day. Given that a small deli, one tenth the size of the proposed new Vons, showed the City Planners that it only used 250 gallons per day and is only open in the afternoon. It seems very unlikely that the new development will only use that amount. SCE should know better than this. When the City Planning Commissioners and public questioned this appropriation at the meeting considering the project, the City Attorney advised them that they must defer to SCE regarding the amount of water deemed necessary to operate the proposed grocery store as well as the validity of the other questionable thing SCE is doing, which is transferring water rights from completely other properties to this one in order to say that there is enough water for this project. Prior to the meeting, numerous residents submitted documents questioning SCE actions on this matter - but no one arranged for an SCE representative to be there to answer the concerns at this all important decision making meeting.

SCE argues that it is giving Vons water rights in a time of severe drought in part because it "understands the critical importance of the New Vons to the Avalon Community and the merits of replacing two antiquated and undersized grocery stores to meet the community's need and provide for future growth." The two existing stores combined are about 9500 square feet. There are MANY in Avalon that do not feel the need for the new store to be 23,000 square feet - especially at a time when water is such a HUGE issue, and no new sources are being developed. I don't see why utility company employees can independently make a decision about "the public good." There is no public good being served here. Vons has been doing business in Avalon for about 70 years, their stores are falling apart and their equipment is either antiquated, or in some cases, completely non-functioning (like some refrigeration equipment). They have had plenty of time to make improvements to their existing stores in order to "serve the public good" in Avalon, but they have not. They are a monopoly here on the Island and do not have to do anything to get customers. This new giant store is out of line of what tiny little Avalon needs, and it appears that the Vons representative and certain businessmen in the community stand to benefit from the construction of this giant store, and have thus manipulated the process to get what they want.

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They even had the Chamber of Commerce using its force and dollars to promote a scare campaign making the residents think that Vons would pull out and leave Avalon, and we would have no grocery store IF we didn't approve THIS project, THIS size, in THIS location with all the shenanigans of transferring water rights and not adhering to city codes for new developments to provide housing for their employees. SCE is letting Vons and the property owner of the site, "transfer" water rights from other properties in Avalon that they own. One is a miniature golf course that has LOTS of foliage, and the other is a small plant nursery. Since the Mini Golf still has to water its plants, I believe they are transferring the portion they saved - whatever that means. If we all have reduced by 25%, then that would already be the reduction. I have reduced using water at my home, does that mean that I too, can transfer my water savings to our family Bed & Breakfast so that we don't go over our water allotment? And if they transfer their water rights from an existing building (their current Vons), then will that building be left with no water? I don't know if that is part of the plan, but that's the problem, it's UNCLEAR WHAT THEY ARE UP TO. It's just not fair or right. SCE is playing a shell game with the water. I believe that this same reasoning was employed last year to transfer water and employees from a restaurant that would close down and not be used, so that the owner of that property could build new development and use the restaurant's water allotment and employee housing allowance, and that SCE again made it happen. But there is no policing, and almost every day you can see cooks and workers unloading food and supplies at the old restaurant - they must be using the kitchen for something. Plus, a make-shift spa was set up in the building all summer - I went there, I used water.

This game has gotten out of hand and so complicated that no one knows where the "pea" is hiding. That's why we need the PUC to come in and truly help protect the public good. I do not believe that the burden of the drought is being borne equally by all residents and businesses - and I think that SCE is part of the problem. Considering that I just found out that there is contamination in SCE's "Million Gallon Tank," that supplies water to many of my dearest friends at the west end of the Island. And, that the tank was inspected in 2005, and discovered that the paint lining on the inside was deteriorated and there was a layer of sediment full of PCBs on the bottom of the tank - and SCE did NOTHING to warn the people until the Spring of 2014, and only AFTER a lawsuit was filed by their hazardous waste employee in Jan. 2014 - I don't really think that they have the public good in mind.

We need the Public Utilities Commission to help protect and manage our precious water resources.

Sincerely,



Kathleen Hill Carlisle
On behalf of the entire Hill Family
Owners, The Old Turner Inn