

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA
Board of Directors Meeting
Agenda
July 21, 2014 at 1:30 p.m.

1. Call to Order, Flag Salute and Roll Call

2. Adoption and Adjustment of Agenda

3. Public Comment

Members of the public may address the Board at this time concerning items relating to any matter within the Agency's jurisdiction. To comment on specific agenda items, please complete a speaker's request form and hand it to the board secretary.

4. Consent Calendar:

If any board member requests that an item be removed from the Consent Calendar, it will be removed so that it may be acted upon separately.

- A. Approval of the Minutes of the Regular Board Meeting, July 7, 2014* (Page 2)
- B. Approval of the Minutes of the Engineering Workshop, July 14, 2014* (Page 7)

5. Reports (Discussion and Possible Action)

A. General Manager's Report

- 1. Operations Report
- 2. Construction Update
- 3. Flume Update
- 4. Update on State Water Resources Control Board Actions (SWRCB)*(Page 9)
- 5. General Agency Updates

B. Directors' Reports

6. New Business (Discussion and Possible Action)

- A. Public Hearing and Consideration of Ordinance 10 - Water Shortage Ordinance* (Page 26)
- B. Public Hearing and Consideration of Amendment to 2010 Urban Water Management Plan* (Page 34)
- C. Consideration of Resolution No. 2014-04, Establishing the Appropriations Limit for Fiscal Year 2014-2015* (Page 44)
- D. Consideration of Contract Extension Agreement in Principal* (Page 47)
- E. Consideration of Sponsorship of Santa Ana Watershed Conference* (Page 71)

7. Topics for Future Agendas

8. Announcements

- A. Finance and Budget Workshop, June 28, 2014 at 1:30 p.m.
- B. San Gorgonio Pass Regional Water Alliance – Technical Committee Meeting, Tuesday, July 29, 2014 at 4:00 p.m. – Banning City Hall Conference Room
- C. San Gorgonio Pass Regional Water Alliance Meeting Tuesday, July 29 2014 at 6:00 p.m. – Banning City Council Chambers
- D. Regular Board Meeting, August 4, 2014 at 1:30 p.m.

9. Closed Session (1 Item)

- A. Public Employee Performance Evaluation (Government Code Section 54957)
Title: General Manager

10. Adjournment

***Information included in Agenda Packet**

(1) Materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Agency's office at 1210 Beaumont Avenue, Beaumont during normal business hours. (2) Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Agency's office, located at 1210 Beaumont Avenue, Beaumont, California 92223 during regular business hours. When practical, these public records will also be made available on the Agency's Internet Web site, accessible at: www.sgpwa 1 / 8 3 person with a disability who requires accommodation in order to participate in this meeting should telephone the Agency (951 845-2577) at least 48 hours prior to the meeting in order to make a request for a disability-related modification or accommodation.

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, California 92223
Minutes of the
Board of Directors Meeting
July 7, 2014

Directors Present: John Jeter, President
Bill Dickson, Vice President
Ron Duncan, Director
Ted Haring, Director
Mary Ann Melleby, Director
Ray Morris, Director
Barbara Voigt, Director

Staff Present: Jeff Davis, General Manager
Cheryle Rasmussen, Executive Assistant
Russ Behrens, Legal Counsel

1. **Call to Order, Flag Salute and Roll Call:** The meeting of the San Gorgonio Pass Water Agency Board of Directors was called to order by Board President John Jeter at 1:30 p.m., July 7, 2014 in the Agency Boardroom at 1210 Beaumont Avenue, Beaumont, California. Director Dickson led the Pledge of Allegiance to the flag. A quorum was present.
2. **Adoption and Adjustment of the Agenda:** The agenda was adopted as presented.
3. **Public Comment:** No members of the public requested to speak at this time.
4. **Consent Calendar:**
 - A. Approval of the Minutes of the Regular Board Meeting, June, 16 2014
 - B. Approval of the Minutes of the Finance and Budget Workshop, June 23, 2014
 - C. Approval of the Finance and Budget Workshop Report, June 23, 2014
 - D. Approval of the Special Board Meeting Capacity Fee Workshop, June 26, 2014

Director Dickson moved, seconded by Director Melleby, to approve the consent calendar as presented. Motion passed 7-0.

5. Reports:

A. General Manager's Report:

(1) Operations Report: General Manager Davis reported on the following: **(a) SWP Water Deliveries:** The Agency delivered a total of 701 acre-feet to Beaumont Cherry Valley Water District ponds for the month of June. The goal is to deliver 600 acre-feet monthly however, with Crafton Hills Reservoir being out of service there are no variable speed pumps, therefore the Agency has been receiving slightly more than what was ordered. Once Crafton Hills Reservoir goes back online (possibly the first week in August) deliveries will be adjusted. The Agency has delivered 2048 acre feet so far this year. The 2014 goal is to deliver 5000 acre feet with about 500 acre feet of carryover water to next year.

(2) Beaumont Avenue Recharge Facility Pipeline Construction Update: (a) General Manager Davis provided current construction pictures and commentary of the Beaumont Avenue Regional Facility pipeline project. (b) **Timeline:** Jacking and boring is done under Noble Creek. Pipe has been laid up to Cherry Valley Boulevard. This week pipe is being laid south of Noble Creek between Noble Creek and Brookside.

(3) General Agency Updates: (a) **Water Bond:** Governor Brown announced last week that he supports a water bond in the \$6 billion range, this figure is negotiable. A number of water bond hearings took place last week, one of which was on a water bond bill that was authored by Lois Wolk. Her bill made it to a vote on the state senate floor, but did not get the required 2/3 vote. No bill has been forthcoming in the assembly. (b) **Verizon Cell Tower:** The Agency signed a contract with Verizon last week, resulting in a one-time \$1,000 signing bonus and additional income of \$24,000 per year; construction will begin later this summer. (c) **BCVWD:** On July 2nd, Melissa Bender, a much admired employee of BCVWD, was involved in a car accident and suffered major injuries; she passed away due to those injuries the evening of July 2nd. General Manager Davis expressed how deeply sorry the Agency's Board members and staff are for this tragic loss.

B. Directors Report: 1) **Director Haring** reported that he attended the June 18 YVWD Board meeting. 2) **Director Melleby** provided a report on the following meetings that she attended: 1. Banning Library District – The Agency, in conjunction with the Inland Empire Resource Conservation District, provided a children's interactive program at the Banning Library on June 18th. The event was well attended by both children and adults. Staff from IERCD did a superb job of explaining water issues and water conservation, as well as interacting with the children with a number of water related activities. 2. San Geronio Pass Regional Water Alliance Technical Committee on June 25th – Director Melleby is a member of the committee; she reported that the committee is working on budgeting for messaging purposes. 3. SGPRWA Board meeting on June 25th – A presentation on storm water was provided, and a profile on the City of Beaumont was presented. 4. YVWD Board meeting on July 2, 2014 – The District received a permit for the brine line. An in-depth discussion took place on AB 2443, pertaining to legislation on recycled water and how it affects mutual water companies. 5. Cabazon Water District - As of July 3rd, the District is working with a full board and is now able to conduct business accordingly. The District recently hired legal counsel through Best Best & Krieger. 3) **Director Voigt** reported that she attended the SGPRWA - Technical meeting and the SGPRWA Board meeting on June 25th. 4) **President Jeter** reported that he attended the YVWD Board meeting on July 2nd.

6. New Business: (Discussion and Possible Action)

A. Consideration of Cost of Living Adjustment for Staff: A staff report and a memorandum from Finance Manager Thomas Todd regarding the Consumer Price Index for 2014 were included in the agenda packet. General Manager Davis stated that the Board had discussed this item at the last Finance and Budget workshop and voted to recommend that staff (excluding the general manager) receive a 1.5% cost of living increase, based on the Consumer Price Index for Los Angeles, Orange and Riverside Counties. Director Melleby made a motion, seconded by Director Morris, that the Board approve its recommendation from the Finance and Budget workshop of June 23, to provide a 1.5% cost of living adjustment to staff, as of July 1st. Motion carried 7-0.

B. Consideration of Adoption of General Fund Budget: A staff report and the Proposed Budget for Fiscal Year 2014-15 were included in the agenda packet. General Manager Davis noted that this item had been reviewed and discussed with the Board during three separate workshops. He explained to the Board that the drafted budget that had been presented at the last workshop had a couple of figures that were inadvertently reversed and that the budget before them reflects the correct figures. He also stated that the total dollars remained the same. After discussion, Director Dickson made a motion, seconded by Director Duncan, to approve the 2014-2015 General Fund Budget. Motion carried 7-0.

C. Consideration of Payment of State Water Contractors Dues: A staff report and material related to SWC dues were included in the agenda. General Manager Davis explained that in past years this item was approved by the general manager. However, in light of efforts to heighten transparency, this item is being presented to the Board for authorization. At the June 2nd Board meeting, staff presented a summary of the State Water Contractors' achievements for 2013-14, as well as its goals for 2014-15. The organization led the way in negotiations with the Department of Water Resources on contract extension issues, and has been instrumental with the BDCP, drought issues, SWP finances, SWP operations and maintenance, and energy-related issues. This item is in the budget and is reflective of a similar amount as last year. After discussion, Director Melleby made a motion, seconded by Director Dickson, recommending that the Board approve payment of the 2014-15 SWC dues. Motion carried 7-0.

D. Consideration of Payment of State Water Project Contractors Authority Dues: A staff report and SWC Authority dues materials were included in the agenda. This is a separate organization from the SWC, Inc. The SWPCA is a joint powers agency formed by twenty State Water Contractors to perform various tasks. They have specific project committees that take on certain duties, the Municipal Water Quality Investigation Committee and the Delta Specific Project Committee. After discussion, Director Haring made a motion, seconded by Director Dickson, to approve payment of the SWPCA dues for Fiscal Year 2014-2015. Motion carried 7-0.

E. Consideration of Authorization of Legal Representation at Board Meetings and Engineering Workshops: A staff report was included in the agenda packet. General Manager Davis referred this item to the Board. President Jeter stated that this item was discussed at a Board workshop, at which time all Board members recommended this item. Director Duncan made a motion, seconded by Director Melleby, authorizing legal counsel be present at all Board meetings and Engineering workshops. Motion carried 7-0.

F. Consideration of Changing Bond Broker: A staff report was included in the agenda packet. General Manager Davis stated that this item had been discussed at the Finance and Budget workshop regarding the current bond broker not doing its job properly and causing the Agency to lose income. Director Dickson made a motion, seconded by Director Duncan, recommending that the Board move its bond investment account from its current investment company to Time Value Investments. Motion carried 7-0.

G. Consideration of Candidate for LAFCO Special District Board Member Election: A staff report and ballot instructions from LAFCO were included in the Agenda Packet. General Manager Davis stated that there are three candidates for one vacant position. Incumbent Phil Williams had submitted a letter to the Agency prior to the last Board meeting. At the June 16th Board meeting the Board tabled considering a candidate for the LAFCO Special District Board Member Election, leaving time for the other two candidates to submit letters. The Agency has not received any letters from the other two candidates. Director Melleby made a motion, seconded by Director Dickson, recommending voting Mr. Williams, of the Elsinore Valley

Municipal Water District, to the LAFCO Special District Board Member position. Motion carried 7-0. General Manager Davis stated that he will provide President Jeter with the ballot to sign within the next few days.

H. Consideration of Backup One Month Contract for Federal Energy Regulatory Commission (FERC) Consultant: A Professional Services Agreement between Environmental and Regulatory Consultant Roy McDonald and the Agency was included in the agenda packet. General Manager Davis explained to the Board that this item was not included in the original agenda that was sent out last Thursday morning; an amended agenda was sent out later that day. The purpose of adding this item to the amended agenda was due to an email that was sent out last Wednesday afternoon from Roy McDonald to General Manager Davis and others. In the email Mr. McDonald expressed his concerns regarding the flume and explained why immediate action was needed. General Manager Davis provided an overview on the current FERC process of decommissioning the existing facilities. He stated that the entities involved includes Southern California Edison, the City of Banning and the U.S. Forest Service. The specific event that triggered adding this item to the board agenda was due to FERC posting to its service list last Wednesday a San Bernardino National Forest Service letter that was written July 3, 2013 to the City of Banning citing problems with its application. This document is listed on FERC's website as a "Memo to File". Mr. McDonald is concerned that this item may be discussed at the next FERC meeting to be held on July 17th, which might include the full decommissioning of the facilities. Mr. McDonald is also concerned that the City of Banning's Legal Department may not provide him with a signed contract within the timeframe that is required, in order for him to continue his work. General Manager Davis agreed to present a "backup" contract to the Board in the event that the City of Banning does not approve the contract by the deadline date. The contract presented is for approval of one month of consulting work in the amount of \$20,789.00. President Jeter commented that on an annual basis there is about 5000 – 6000 acre-feet of water that comes from the flume to the city of Banning. He stated that if we lose the water from the flume this Agency would need to make up for the deficit...time is of the essence. Director Morris moved, seconded by Director Dickson, to approve the FERC Consultant contract. After discussion, motion carried 7-0.

7. Topics for Future Agendas: Director Melleby requested continued updates on the flume. No other topics were requested for future agendas.

8. Announcements:

- A. Engineering Workshop, July 14, 2014 at 1:30 p.m.
- B. Regular Board Meeting, July 21, 2014 at 1:30 p.m.
- C. Finance and Budget Workshop, July 28, 2014 at 1:30 p.m.
- D. San Gorgonio Pass Regional Water Alliance – Technical Committee Meeting
July 29, 2014 at 4:00 p.m. – Banning City Hall Conference Room
- E. San Gorgonio Pass Regional Water Alliance Meeting
July 29, 2014 at 6:00 p.m. – Banning City Council Chambers

The meeting adjourned to closed session at 2:24 p.m.

9. Closed Session (1 Item)

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of
Government Code Section 54956.9 (one potential case)

The meeting reconvened to open session at 3:06 p.m.

Legal Counsel Russ Behrens reported that the Board met in closed session and discussed the matter listed. No action was taken that is reportable under the Brown Act.

9. Adjournment: *President Jeter adjourned the meeting in memory of Melissa Bender at 3:07 p.m.*

Draft – Subject to Board Approval

Jeffrey W. Davis, Secretary of the Board
cmr

SAN GORGONIO PASS WATER AGENCY
1210 Beaumont Avenue, Beaumont, CA 92223
Minutes of the
Board of Directors Engineering Workshop
July 14, 2014

Directors Present: John Jeter, President
Bill Dickson, Vice President
Ron Duncan, Director
Ted Haring, Director
Mary Ann Melleby, Director
Ray Morris, Director
Barbara Voigt, Director

Staff Present: Jeff Davis, General Manager
Jeff Ferre, General Counsel

1. Call to Order, Flag Salute and Roll Call: The Engineering workshop of the San Gorgonio Pass Water Agency Board of Directors was called to order by President John Jeter at 1:30 p.m., July 14, 2014 in the Agency Board room at 1210 Beaumont Avenue, Beaumont, California. Director Dickson led the Pledge of Allegiance to the flag. A quorum was present.

2. Public Comment: No members of the public wished to address the Board at this time.

3. Discussion of Further Studies in Yucaipa/Calimesa Basins. Two proposals, vendor information, and a cost summary sheet were included in the agenda package. General Manager Davis reviewed for the Board the history of previous studies in the Yucaipa/Calimesa groundwater basins and reminded the Board that the Agency participated in these studies, that were led by the San Bernardino Valley Municipal Water District but that other water agencies shared in. He indicated that the next phase of these studies is underway. The phase includes ten boreholes and a calculation of change in storage of the Yucaipa basin. He noted that two of the Agency's retail water agencies, the Yucaipa Valley Water District and the South Mesa Water Company, would benefit from these studies, and that the Agency should at least match South Mesa's contribution of \$44,000. This was included in the Agency's approved budget for this year. Director Melleby moved, seconded by Director Duncan, that the Agency contribute an amount not to exceed \$44,000 to this effort, and that this recommendation be brought to the Board for final approval. The motion passed 7-0.

4. Review of Contract Extension Agreement in Principle. A copy of the Agreement in Principle and a copy of a Power Point were included in the agenda

package. General Manager Davis reviewed a Power Point with the Board, prepared by the State Water Contractors, that summarized the contract extension negotiation process and key points important to both sides. He noted that the negotiated Agreement in Principle is better for the Contractors than the existing contract because of increased transparency and reporting requirements for the Department of Water Resources, and because it allows the contract to be extended until 2085. He reported that the Department wants all Contractors to approve the Agreement in Principle in order to justify moving forward with the EIR. He made it clear that approval of the Agreement in Principle is not approval of an actual amendment to the Agency's contract. That vote will likely come in 2016. President Jeter moved, seconded by Director Morris, that the Agreement in Principle be brought to the Board for approval. The motion passed 7-0.

5. Construction Update. General Manager Davis presented slides showing progress on the construction of the Beaumont Avenue Recharge Facility Pipeline. He noted that Beaumont Avenue could be re-opened as soon as next week. The contractor has run into a number of problems but has not yet asked for additional money or additional time. General Manager Davis indicated that he is pleased with the progress that the contractor, Pro-Craft, is making.

6. Announcements:

- A. Regular Board Meeting, July 21, 2014 at 1:30 pm.
- B. Finance and Budget Workshop, July 28, 2014 at 1:30 p.m.
- C. San Gorgonio Pass Regional Water Alliance – Technical Committee Meeting—Tuesday, July 29, 2014 at 4:00 p.m. – Banning City Hall Conference Room.
- D. San Gorgonio Pass Regional Water Alliance Meeting—Tuesday, July 29, 2014 at 6:00 p.m. – Banning City Council Chambers.
- E. Regular Board Meeting, August 4, 2014 at 1:30 pm.

7. Adjournment: Chairman Dickson adjourned the meeting at 2:42 p.m.

DRAFT – SUBJECT TO BOARD APPROVAL

Jeffrey W. Davis, Secretary to the Board



Media Release

State Water Board Approves Emergency Regulation to Ensure Agencies and State Residents Increase Water Conservation

**For Immediate Release
July 15, 2014**

**Contact: George Kostyrko
(916) 341-7365**

In response to the ongoing severe drought, on Tuesday the State Water Resources Control Board approved an emergency regulation to ensure water agencies, their customers and state residents increase water conservation in urban settings or face possible fines or other enforcement.

The new conservation regulation is intended to reduce outdoor urban water use. The regulation, adopted by the State Water Board, mandates minimum actions to conserve water supplies both for this year and into 2015. Most Californians use more water outdoors than indoors. In some areas, 50 percent or more of daily water use is for lawns and outdoor landscaping.

Many communities and water suppliers have taken bold steps over the years and in this year to reduce water use; however, many have not and much more can and should be done statewide to extend diminishing water supplies.

With this regulation, all Californians will be expected to stop: washing down driveways and sidewalks; watering of outdoor landscapes that cause excess runoff; using a hose to wash a motor vehicle, unless the hose is fitted with a shut-off nozzle, and using potable water in a fountain or decorative water feature, unless the water is recirculated. The regulation makes an exception for health and safety circumstances.

Larger water suppliers will be required to activate their Water Shortage Contingency Plan to a level where outdoor irrigation restrictions are mandatory. In communities where no water shortage contingency plan exists, the regulation requires that water suppliers either limit outdoor irrigation to twice a week or implement other comparable conservation actions. Finally, large water suppliers must report water use on a monthly basis to track progress.

Local agencies could ask courts to fine water users up to \$500 a day for failure to implement conservation requirements in addition to their existing authorities and processes. The State Water Board could initiate enforcement actions against water agencies that don't comply with the new regulations. Failure to comply with a State Water Board enforcement order by water agencies is subject to up to a \$10,000 a day penalty.

"We are facing the worst drought impact that we or our grandparents have ever seen," said State Water Board Chair Felicia Marcus. "And, more important, we have no idea when it will end. This

CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY



STATE WATER RESOURCES CONTROL BOARD
1001 I Street, Sacramento, CA 95814 • 916-341-5254 • Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 • www.waterboards.ca.gov





Media Release

drought's impacts are being felt by communities all over California. Fields are fallowed; communities are running out of water, fish and wildlife will be devastated. The least that urban Californians can do is to not waste water on outdoor uses. It is in their self-interest to conserve more, now, to avoid far more harsh restrictions, if the drought lasts into the future. These regulations are meant to spark awareness of the seriousness of the situation, and could be expanded if the drought wears on and people do not act."

In addition to approving the emergency conservation regulation today, the State Water Board made a plea for water suppliers, communities and businesses to do even more. For example, water agencies are being asked to step up their programs to fix leaks and other sources of water loss, use more recycled water or captured stormwater, and find additional ways to incentivize demand reduction among their customers.

The new regulation was developed following two drought emergency declarations by Governor Brown. On January 17, Governor Edmund G. Brown Jr. issued a drought emergency proclamation following three dry or critically dry years in California.

The April 25 Executive Order issued by the Governor directs the State Water Board to adopt an emergency regulation as it deems necessary, pursuant to Water Code section 1058.5, to ensure that urban water suppliers implement conservation measures.

As drought conditions continue, the State Water Board may revisit this regulation and consider other measures to enhance conservation efforts throughout the state.

Following Board adoption, the regulation will likely go into effect on or about August 1, following submittal to the Office of Administrative Law. The emergency regulation remains in effect for 270 days, unless extended by the State Water Board due to ongoing drought conditions.

For more information on the proposals leading to this Board action, please visit the [Emergency Water Conservation](#) website.

Governor Brown has called on all Californians to reduce their water use by 20 percent and prevent water waste – visit [SaveOurH2O.org](#) to find out how everyone can do their part, and visit [Drought.CA.Gov](#) to learn more about how California is dealing with the effects of the drought.

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2014-0038**

**TO ADOPT AN EMERGENCY REGULATION
FOR STATEWIDE URBAN WATER CONSERVATION**

WHEREAS:

1. On April 25, 2014, Governor Edmund G. Brown Jr. issued an executive order to strengthen the state's ability to manage water and habitat effectively in drought conditions and called on all Californians to redouble their efforts to conserve water. The executive order finds that the continuous severe drought conditions present urgent challenges across the state including water shortages in communities and for agricultural production, increased wildfires, degraded habitat for fish and wildlife, threat of saltwater contamination, and additional water scarcity if drought conditions continue into 2015. The National Integrated Drought Information System reported that nearly 80% of the state was reported to be under "extreme" drought conditions at the end of June;
2. The executive order refers to the Governor's Proclamation No. 1-17-2014, issued on January 17, 2014, declaring a State of Emergency to exist in California due to severe drought conditions. The January Proclamation notes that the state is experiencing record dry conditions, with 2014 projected to become the driest year on record. Since January, state water officials indicate that reservoirs, rainfall totals and the snowpack remain critically low. This follows two other dry or below average years, leaving reservoir storage at alarmingly low levels. The January Proclamation highlights the State's dry conditions, lack of precipitation and the resulting effects on drinking water supplies, the cultivation of crops, and the survival of animals and plants that rely on California's rivers and streams. The January Proclamation also calls on all Californians to reduce their water usage by 20 percent;
3. There is no guarantee that winter precipitation will alleviate the drought conditions that the executive orders address, which will lead to even more severe impacts across the state if the drought wears on;
4. Water Code section 1058.5 grants the State Water Board the authority to adopt emergency regulations in certain drought years in order to: "prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion, of water, to promote water recycling or water conservation, to require curtailment of diversions when water is not available under the diverter's priority of right, or in furtherance of any of the foregoing, to require reporting of diversion or use or the preparation of monitoring reports";
5. Over 400,000 acres of farmland are expected to be fallowed, thousands of people may be out of work, communities risk running out of drinking water, and fish and wildlife will suffer.

6. Many Californians have taken bold steps over the years and in this year to reduce water use; nevertheless, the dire nature of the current drought requires additional conservation actions from residents and businesses. Some severely affected communities have implemented water rationing, limiting water use in some cases to only 50 gallons per person per day, foregoing showers, laundry, toilet flushing, and all outdoor watering.
7. Water conservation is the easiest, most efficient and most cost effective way to quickly reduce water demand and extend supplies into the next year, providing flexibility for all California communities. Water saved this summer is water available next year, giving water suppliers the flexibility to manage their systems efficiently. The more water that is conserved now, the less likely it is that a community will experience such dire circumstances that water rationing is required ;
8. Most Californians use more water outdoors than indoors. In many areas, 50 percent or more of daily water use is for lawns and outdoor landscaping. Outdoor water use is generally discretionary, and many irrigated landscapes would not suffer greatly from receiving a decreased amount of water;
9. Public information and awareness is critical to achieving conservation goals and the Save Our Water campaign, run jointly by the Department of Water Resources (DWR) and the Association of California Water Agencies, is an excellent resource for conservation information and messaging that is integral to effective drought response (<http://saveourwater.com>).
10. Enforcement against water waste is a key tool in conservation programs. When conservation becomes a social norm in a community, the need for enforcement is reduced or eliminated;
11. The emergency regulations set a minimum standard requiring only modest lifestyle changes across the state. Many communities are already doing more and have been for years. They should be commended, but can and should do more. Others are not yet doing so and should at least do this, but should do much more given the severity of the drought;
12. On July 8, 2014, the State Water Board issued public notice that the State Water Board would consider the adoption of the regulation at the Board's regularly-scheduled July 15, 2014 public meeting, in accordance with applicable State laws and regulations. The State Water Board also distributed for public review and comment a Finding of Emergency that complies with State laws and regulations;
13. On April 25, 2014, the Governor suspended the California Environmental Quality Act's application to the State Water Board's adoption of emergency regulations pursuant to Water Code section 1058.5 to prevent the waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water, to promote water recycling or water conservation;
14. As discussed above, the State Water Board is adopting the emergency regulation because of emergency drought conditions, the need for prompt action, and current limitations in the existing enforcement process;

15. Disadvantaged communities may require assistance in increasing water conservation and state agencies should look for opportunities to provide assistance in promoting water conservation;
16. Nothing in the regulations or in the enforcement provisions of the regulations, preclude a local agency from exercising its authority to adopt more stringent conservation measures. Moreover, the Water Code does not impose a mandatory penalty for violations of the regulations adopted by this resolution and local agencies retain their enforcement discretion in enforcing the regulations, to the extent authorized, and may develop their own progressive enforcement practices to encourage conservation.

THEREFORE BE IT RESOLVED THAT:

1. The State Water Board adopts California Code of Regulations, title 23, sections 863, 864, and 865, as appended to this resolution as an emergency regulation;
2. The State Water Board staff will submit the regulation to the Office of Administrative Law (OAL) for final approval;
3. If, during the approval process, State Water Board staff, the State Water Board, or OAL determines that minor corrections to the language of the regulation or supporting documentation are needed for clarity or consistency, the State Water Board Executive Director or designee may make such changes;
4. These regulations shall remain in effect for 270 days after filing with the Secretary of State unless the State Water Board determines that it is no longer necessary due to changed conditions, or unless the State Water Board renews the regulations due to continued drought conditions as described in Water Code section 1058.5;
5. The State Water Board directs staff to provide the Board with monthly updates on the implementation of the emergency regulations and their effect;
6. Directs State Water Board staff to condition funding upon compliance with the emergency regulations, to the extent feasible;
7. Directs State Water Board staff to work with the Department of Water Resources and the Save Our Water campaign to disseminate information regarding the emergency regulations; and
8. Directs State Water Board staff in developing an electronic reporting portal to include data fields so that local agencies may provide monthly reporting data on (i) conservation-related implementation measures or enforcement actions taken by the local agency and (ii) substitution during the drought of potable water with recycled water to extend water supplies.

THEREFORE BE IT FURTHER RESOLVED THAT:

9. The State Water Board commends water suppliers that have increased conservation messaging and adopted innovative strategies to enhance customer awareness of water use, such as applications that let customers compare their water use to water use by others; reduce system losses, such as fixing system leaks which can deplete supplies by 10 percent or more; and establish incentives to reduce demand, such as tiered or drought rate structures. The State Water Board also commends all Californians that have already been working to maximize their conservation efforts, both at home and at work;

10. The State Water Board calls upon water suppliers to take the following actions:

Educate customers and employees

- Retail water suppliers should provide notice of the regulations in English and Spanish in one or more of the following ways: newspaper advertisements, bill inserts, website homepage, social media, notices in public libraries;
- Wholesale suppliers should include reference to the regulations in their customer communications;
- All water suppliers should train personnel on the regulations;
- All water suppliers should provide signage where recycled or reclaimed water is being used for activities that the emergency regulations prohibit with the use of potable water, such as operation of fountains and other water features;
- All water suppliers should redouble their efforts to disseminate information regarding opportunities and incentives to upgrade indoor fixtures and appliances;
- All water suppliers should use education and the tools available through the Save Our Water website (<http://saveourwater.com>); and
- All water suppliers should educate and prepare their boards and councils on the drought response actions contained in the emergency regulations and in this resolution, and to make sure that drought response items are placed on agendas as early as possible;

Increasing local supplies

- All water suppliers should accelerate the completion of projects that will conserve potable water by making use of non-potable supplies, such as recycled water, "greywater," and stormwater collection projects;
- All water suppliers should improve their leak reporting and response programs and request that police and fire departments and other local government personnel report leaks and water waste that they encounter during their routine duties/patrols;
- Smaller water suppliers – those with fewer than 3,000 service connections – should take proactive steps to secure their communities' water supplies and educate their customers about water conservation and the status of their supply reserves;
- All water suppliers should conduct water loss audits and make leak detection and repair a top priority for the duration of the drought; and
- All urban water suppliers should evaluate their rate structures and begin to implement needed changes as part of planning for another dry year. Information and assistance on setting and implementing drought rates is available from the Alliance for Water Efficiency. (<http://www.allianceforwaterefficiency.org/>).

11. The State Water Board calls on all Californians to take the following additional actions:
 - Further reduce water demand, whether by using less water in daily routines indoors and out, retrofitting appliances and installing greywater and rainwater catchment systems; and
 - Check residential and business water bills to see if there are high charges that may indicate a leak and to fix the leak, if they are able, or contact their local water utility if they need assistance.
12. The State Water Board encourages its staff, the Department of Water Resources, the Public Utilities Commission, urban water suppliers, and other local agencies to look for opportunities to encourage and promote new technologies that reduce water usage, including through timely access to water usage information and behavioral response.
13. The State Water Board encourages all state and local agencies to look for additional opportunities to minimize potable water use in outdoor spaces.
14. The State Water Board encourages investor-owned utilities to expeditiously submit applications for implementation of the regulations to the California Public Utilities Commission.

CERTIFICATION


The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on July 15, 2014.

AYE: Chair Felicia Marcus
 Vice Chair Frances Spivy-Weber
 Board Member Steven Moore
 Board Member Dorene D'Adamo

NAY: None

ABSENT: Board Member Tam M. Doduc

ABSTAIN: None



Jeanine Townsend
Clerk to the Board

PROPOSED TEXT OF EMERGENCY REGULATIONS

Article 22.5. Drought Emergency Water Conservation

Sec. 863 Findings of Drought Emergency

(a) The State Water Resources Control Board finds as follows:

(1) On January 17, 2014, the Governor issued a proclamation of a state of emergency under the California Emergency Services Act based on drought conditions;

(2) On April 25, 2014, the Governor issued a proclamation of a continued state of emergency under the California Emergency Services Act based on continued drought conditions;

(3) The drought conditions that formed the basis of the Governor's emergency proclamations continue to exist;

(4) The present year is critically dry and has been immediately preceded by two or more consecutive below normal, dry, or critically dry years; and

(5) The drought conditions will likely continue for the foreseeable future and additional action by both the State Water Resources Control Board and local water suppliers will likely be necessary to further promote conservation.

Authority: Wat. Code, § 1058.5.

References: Wat. Code, §§ 102, 104, 105.

Sec. 864 Prohibited Activities in Promotion of Water Conservation

(a) To promote water conservation, each of the following actions is prohibited, except where necessary to address an immediate health and safety need or to comply with a term or condition in a permit issued by a state or federal agency:

(1) The application of potable water to outdoor landscapes in a manner that causes runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures;

(2) The use of a hose that dispenses potable water to wash a motor vehicle, except where the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use;

(3) The application of potable water to driveways and sidewalks; and

(4) The use of potable water in a fountain or other decorative water feature, except where the water is part of a recirculating system.

(b) The taking of any action prohibited in subdivision (a) of this section, in addition to any other applicable civil or criminal penalties, is an infraction, punishable by a fine of up to five hundred dollars (\$500) for each day in which the violation occurs.

Authority: Wat. Code, § 1058.5.

References: Wat. Code, §§ 102, 104, 105.