

OTAY WATER DISTRICT AND  
OTAY SERVICE CORPORATION

SPECIAL MEETING OF THE BOARD OF DIRECTORS  
DISTRICT BOARDROOM

2554 SWEETWATER SPRINGS BOULEVARD  
SPRING VALLEY, CALIFORNIA

**WEDNESDAY**  
**April 29, 2015**  
**3:30 P.M.**

**AGENDA**

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. PUBLIC PARTICIPATION – OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO SPEAK TO THE BOARD ON ANY SUBJECT MATTER WITHIN THE BOARD'S JURISDICTION BUT NOT AN ITEM ON TODAY'S AGENDA
5. DISCUSSION ON THE DISTRICT'S DROUGHT AND WATER CONSERVATION EFFORTS TO COMPLY WITH THE STATE WATER BOARD'S EMERGENCY CONSERVATION REGULATIONS AND THE STATE'S MANDATORY CONSERVATION OF POTABLE URBAN WATER USE (WATTON)
6. ADJOURNMENT



# AGENDA ITEM 5



## STAFF REPORT

TYPE MEETING:	Special Board	MEETING DATE:	April 29, 2015
		PROJECT:	DIV. NO. All
SUBMITTED BY:	Mark Watton, General Manager		
APPROVED BY:	<input checked="" type="checkbox"/> Joseph R. Beachem, Chief Financial Officer		
	<input checked="" type="checkbox"/> German Alvarez, Assistant General Manager		
	<input checked="" type="checkbox"/> Mark Watton, General Manager		
SUBJECT:	Drought and Water Conservation Efforts		

### **GENERAL MANAGER'S RECOMMENDATION:**

This is an informational item only.

### **COMMITTEE ACTION:**

N/A

### **PURPOSE:**

To comply with the State Water Board's emergency conservation regulations and the state's mandatory conservation of potable urban water use.

### **ANALYSIS:**

On April 1, 2015, Governor Jerry Brown issued a series of executive orders on actions necessary to address California's ongoing severe drought. For the first time in its history, mandatory conservation of potable urban water use is in place throughout the state. Now entering its fourth straight year of drought, with snowpack in the Sierra's the scarcest it has been in 75 years of recordkeeping, with groundwater levels declining and with major reservoir storage shrinking each day, the governor views mandatory conservation as the only way the state can forestall even more catastrophic impacts if it does not rain next year.

With his executive orders, the governor established a statewide goal of reducing urban potable water use by 25%. In real terms, the state is seeking to reduce urban potable water use by approximately 1.3 million acre-feet over the next nine months, or roughly twice as much water as used in San Diego County in a typical year. To achieve these significant water savings, the governor directed the State Water Board to implement mandatory water conservation measures in cities and towns throughout California.

### **State Water Board Timeline**

The State Water Board has set the following timeline for adoption of the emergency regulations:

4/17/15 - Draft of regulatory framework and request for public comment  
4/22/15 - Comments due on draft of regulatory framework  
4/28/15 - Emergency rulemaking formal notice  
5/5 or 5/6/15 - Board hearing and adoption

The 25% reduction target is a statewide average, with individual water suppliers each having their own conservation goal based on average gallons-per-capita-per-day (GPCD) data. Communities with the lowest GPCD usage are required to achieve an additional 8% reduction goal. Communities with the highest GPCD usage will be required to reduce use by as much as 36%.

### **Current Reduction Targets by Agency**

The chart below shows the mandated conservation targets for all agencies in San Diego County. According to the current draft of the regulations, agencies that deliver more than 20% of their total water production to commercial agriculture may be allowed to modify their conservation requirement. This will allow some agencies listed below to reduce this mandated amount.

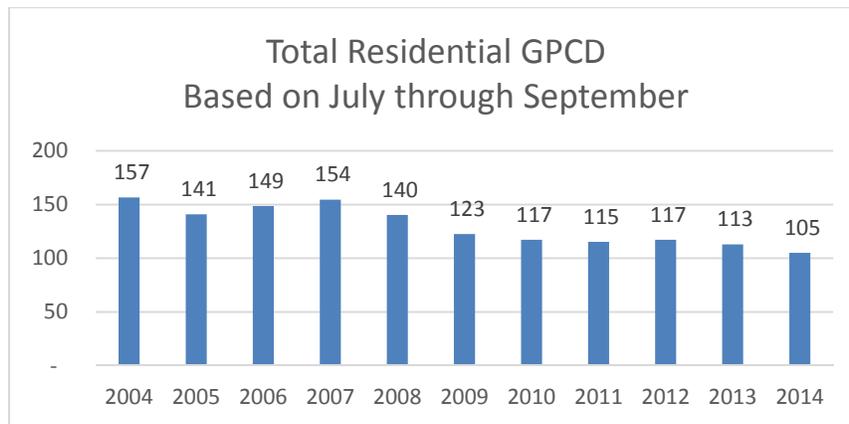
<b>Agency</b>	<b>Mandate</b>
Sweetwater Authority	12%
City of San Diego	16%
Otay Water District	16%
Helix Water District	20%
City of Oceanside	20%
City of Escondido	20%
Vista Irrigation District	24%
Lakeside Water District	24%
Vallecitos Water District	24%
Padre Dam Municipal Water District	28%
San Dieguito Water District	28%
Ramona Municipal Water District	28%
Rincon Del Diablo Municipal Water District	32%
Carlsbad Municipal Water District	32%
City of Poway	32%
Fallbrook Public Utility District	36%
Rainbow Municipal Water District	36%
Olivenhain Municipal Water District	36%
Santa Fe Irrigation District	36%
Valley Center Municipal Water District	36%

### Historical Residential GPCD

The state is using residential GPCD as a method for determining the level of overall potable cutbacks each agency would need to achieve. The state calculated the July through September residential GPCD as 93. At 93 GPCD, the Conservation Standard prescribed by the state is 16% (the state is using July-September as the basis for setting the Conservation Standard). There is a discrepancy between what the state is showing for the District and the current calculations. If the state revises the standard based on the GPCD shown below, the Conservation Standard would increase to 20%.

For reference purposes, the following is an historical GPCD for multi-residential and single-family residential.

	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Master Meter	16	14	15	17	17	16	16	16	16	16	16
Residential	141	127	134	137	123	107	102	100	101	96	89
<b>Total GPCD</b>	<b>157</b>	<b>141</b>	<b>149</b>	<b>154</b>	<b>140</b>	<b>123</b>	<b>117</b>	<b>115</b>	<b>117</b>	<b>113</b>	<b>105</b>



**Water Use and Revenue by Customer Type**

The State Water Board is mandating cuts of 16% from the District's 2013 potable water use. The chart below shows a breakdown of 2013 potable water use in acre-feet and total revenue by customer class.

Customer Type	No. of Connections	Usage (acre-feet)	Revenue
Single Family Residential	44,670	17,991	\$ 42,815,887
Master Meter	759	3,432	\$ 6,066,997
Commercial/Public	1,444	4,658	\$ 6,480,313
Landscape/Ag	1,227	3,957	\$ 7,535,176
Temporary	91	234	\$ 504,134
Fire	730	3	\$ 266,788
<b>Total</b>	<b>48,921</b>	<b>30,276</b>	<b>\$ 63,669,294</b>

Single-family Residential water use makes up approximately 59% of total potable water use in the District.

Below is a breakdown of usage that falls into the highest two tiers. Usage that falls in these tiers is assumed to be used primarily outdoors and offers the greatest opportunity for conservation.

Customer Type	Consumption (acre-feet)	Irrigation Use (Assumed)	Excess Use (Assumed)
		Tier 2 Usage	Tier 3 Usage
Single-Family Residential	17,991	5,037	2,699
Master Meter	3,432	1,030	481
Commercial/Public	4,658	978	1,025
<b>Total</b>	<b>26,081</b>	<b>7,045</b>	<b>4,204</b>
		<b>Total Tiers 2 &amp; 3</b>	<b>11,249</b>

**Compliance Assessment**

The state will begin assessing compliance with the submittal of the June monthly report on July 15<sup>th</sup>. Beyond June, the state will track compliance on a cumulative basis. Below is a chart showing an example provided by the state.

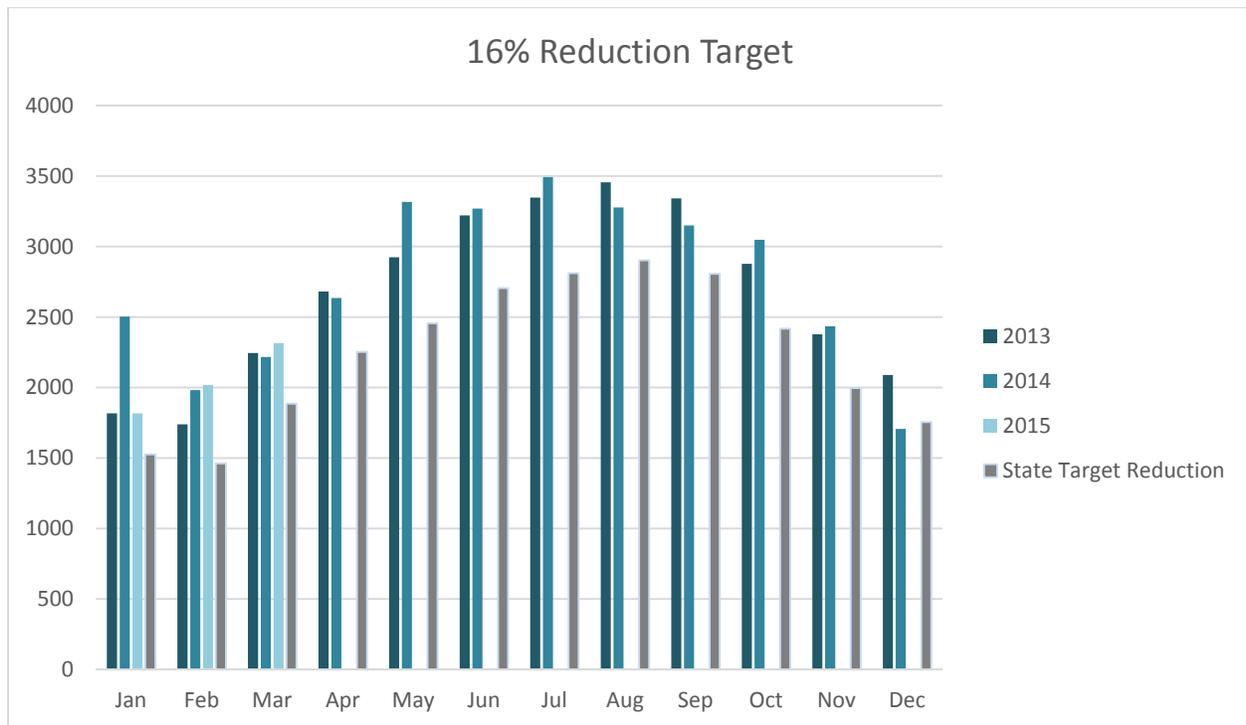
	<b>2013 Water Use</b>	<b>2015 Water Use</b>	<b>Monthly Savings</b>	<b>Cumulative or Running Savings</b>
June	1,000	800	20%	20%
July	1,500	1,050	30%	26%
August	1,200	1,020	15%	22%
September	900	825	8%	20%

Using the state’s example and the actual usage for the District starting in June of 2013, the following example of the change in water usage for the District is provided below.

<b>Otay Potable Water Purchases from CWA (in acre-feet)</b>					
	<b>2013 Water Use</b>	<b>2015 Water Use</b>	<b>Monthly Savings</b>	<b>Monthly Savings</b>	<b>Cumulative or Running Savings</b>
June	3,220	2,700	520	16%	16%
July	3,347	2,800	547	16%	16%
August	3,455	2,900	555	16%	16%
September	3,342	2,800	542	16%	16%
October	2,877	2,425	452	16%	16%
November	2,377	2,000	377	16%	16%
December	2,089	1,750	339	16%	16%
January	2,503	2,100	403	16%	16%
February	1,982	1,660	322	16%	16%
March	2,216	1,860	356	16%	16%
April	2,634	2,200	434	16%	16%
May	3,316	2,800	516	16%	16%

**Monthly Reduction Requirements**

The chart below shows total monthly potable purchases for 2013, 2014 and 2015 year-to-date and the monthly targets Otay would be required to meet with a 16% reduction mandate.



### **Water Conservation Opportunities**

The District has a number of public outreach tools already being used to promote water conservation. These include use of the District's website, social media, newsletters, bill inserts, bill messaging, water audits through CWA, and water audits by District staff to name just a few. The District also has a number of communications tools used mainly to promote customer service related outreach such as high water use and leak alert emails and letters, door hangers, and monthly and annual water use data presented on customer bills.

In addition to current conservation efforts, the list below outlines additional conservation opportunities the District may choose to pursue:

- Temporary staff to assist with outreach and water conservation violation enforcement.
- Revision to current leak alarm process to increase frequency of notifications and expand contact of customer base.
- Autodial and email campaigns to promote conservation and alert customers to high water usage. The District currently has email addresses for more than 60% of its customers and has phone numbers on nearly all accounts. Messages through phone and email are an inexpensive way to give our customers notifications in a timely manner.

- Increase frequency of large meter testing to ensure our largest water users are accurately billed for all usage flowing through their meters.
- Targeted outreach to high residential users via email, autodial and regular mail.
- Targeted outreach to landscape irrigation customers via mail and phone calls from Water Conservation staff.
- Targeted outreach to mixed-use multi-residential customers via mail and phone calls from Water Conservation staff.
- Additional advertising to all customers (bill messaging, emails, bill inserts, bill envelope messages, social media campaigns, and signage throughout District).
- Individual conservation targets for all customers printed on bills.
- Conservation packets to mail or handout to high users or those interested in conserving more.
- Seminars on water conservation tips.
- Drought rates.
- Increased CWA water audits.

#### **Preliminary Water Rate Guidance**

CWA will be giving the member agency preliminary rate guidance on April 29<sup>th</sup> at the Member Agency Finance Officers meeting. Typically, the preliminary guidance is sufficient for the District to use as a basis for adopting the annual budget. However, because of the uncertainty of volumetric water sales due to the drought and the state's mandates to cut water usage, it may be advisable to delay the approval of a rate increase. So, while the May budget workshop is still planned, a delay may occur until staff receives clearer information on the proposed CWA rate increase and drought response. The Board can approve rates as late as October 7<sup>th</sup> and still implement rates at the normal time for bills beginning January 1, 2016.

#### **Estimated and Preliminary Water Rates under a 16% Reduction in Sales**

Using the FY2015 rate model, staff ran the following scenario to determine the effect on water rates:

1. Reduce the volumetric sales of potable water in FY2016 by 16%, then increasing 4% in both FY2017 and FY2018, and then maintaining the 8% as a permanent reduction in sales.
2. Reduce the volumetric sales of recycled water in FY2016 by 4%, then increasing 2% in both FY2017 and FY2018, returning to the FY2015 level in remaining years FY2019 and FY2020.

The resulting impact on water rates are for discussion purposes only to give the Board a rough estimate of the rate impact of a dramatic sales decrease.

	2015	2016	2017	2018	2019	2020
FY2015 Model	5.8%	4.7%	4.7%	4.6%	4.6%	4.5%
FY2016 Model	5.8%	12.4%	2.8%	2.8%	2.7%	2.7%
Increase due to reduced water sales		7.7%	(1.9%)	(1.8%)	(1.9%)	(1.8%)

**Proposition 218**

Given a dramatic sales decrease of 16%, the District appears to have just enough "room" to raise rates to balance the budget, and still comply with Proposition 218 limitations without another 218 hearing. The five-year Proposition 218 notice that was adopted on September 4, 2013, allows for the pass-through of all rate increases adopted by our water providers including MWD, CWA and the City of San Diego, without limitations. Additionally, there is an annual provision for the internal District cost increases of up to 10% per year, which would include reduced water sales. Last year 25% of the adopted 5.8% rate increase was due to internal District cost increases.

As a rough estimate, using the same 25% and applying it to the 4.7%, then adding that to the 7.7%, the total rough estimate of the internal District cost increases is just under the 10% maximum coming in at 9.15%.

Also note that due to the spike in FY2016 rates, the following years will require a lower rate increase as the increases are cumulative, year-after-year.

**Use of Reserves**

Currently, the District's Water Reserves are above target by approximately \$16.6 million. While the \$16.6 million will be used to fund water projects, it can also be used to mitigate the impact of the drought. The District could raise rates by only the 4.7%, that was projected last year, and drawn down reserves in FY2016 by \$2.5 million. With this approach, the debt coverage ratio in FY2016 drops to 138% which is below the target of 150%.

There is also the ability to combine the use of both rates and reserves. With this approach, rates could be increased above the 2015 planned increase of 4.7% by an additional 2.9%. This approach would give the District a debt coverage ratio of 150% and use \$1.5 million of reserves instead of \$2.5 million, as discussed above.

It should be understood that the use of reserves may slightly pull forward the time when a new debt issuance is needed. Also, it should

be understood that the possible lowering of the debt coverage ratio could give the rating agencies cause to place the District back on the watch list for possible ratings downgrades. Staff will be consulting with Suzanne Harrell, the District's Financial Advisor, regarding potential rating agency actions related to proposed rate increases. While it is difficult to predict the actions of rating agencies, staff will use the advice of our Financial Advisor to reduce the likelihood of a rating agency's negative action.

### **Rates Tailored to Meet Potential Variability of Conservation**

In addition to the range of rates and reserves that can be used, there is a range of potential conservation levels that might be obtained. Staff will be looking for a conservation level that meets two opposing concerns. Conservation should not be set so low that if the full 16% of conservation is actually achieved the District would be placed in financial hardship, such as not being able to meet its debt coverage obligation of 120%. At the same time, the projected conservation should not be set so high that if it is significantly underachieved the District would be collecting significantly too much revenue from the customers. Corrective action is always an option in the following year or potentially sooner, however, the initial range of potential conservation does pose a new challenge with this year's rate setting.

### **Neighboring Agencies**

The City of San Diego plans on conducting a Prop 218 hearing to raise the rates, but it is unknown at this time what their rate increase will be. Currently in their draft FY2016 budget, they have not updated the reduced water purchases and sales but plan on doing so. The City is waiting to hear what the final percentage cutback will be before they propose new rates.

Helix Water District plans on reducing water sales to achieve the state's 20% reduction target. They don't plan on implementing a rate change until January 1<sup>st</sup>, but will be going through a Prop 218 process this summer for increasing rates. In the interim, Helix is exploring the possibility of instituting a surcharge/penalty on water use above a certain level.

### **Water Conservation Timeline**

The District has a long history of efforts to conserve water. Motivated by prior droughts and the District's location at the end of the pipeline, Otay Boards have supported programs that have reduced our dependency of the limited supply of potable water. These efforts have reduced water usage significantly, prior to the most recent drought. While staff feels strongly that these efforts should be considered when the state calculates the savings required by our

customers, they are not being considered. Some of these efforts are listed below.

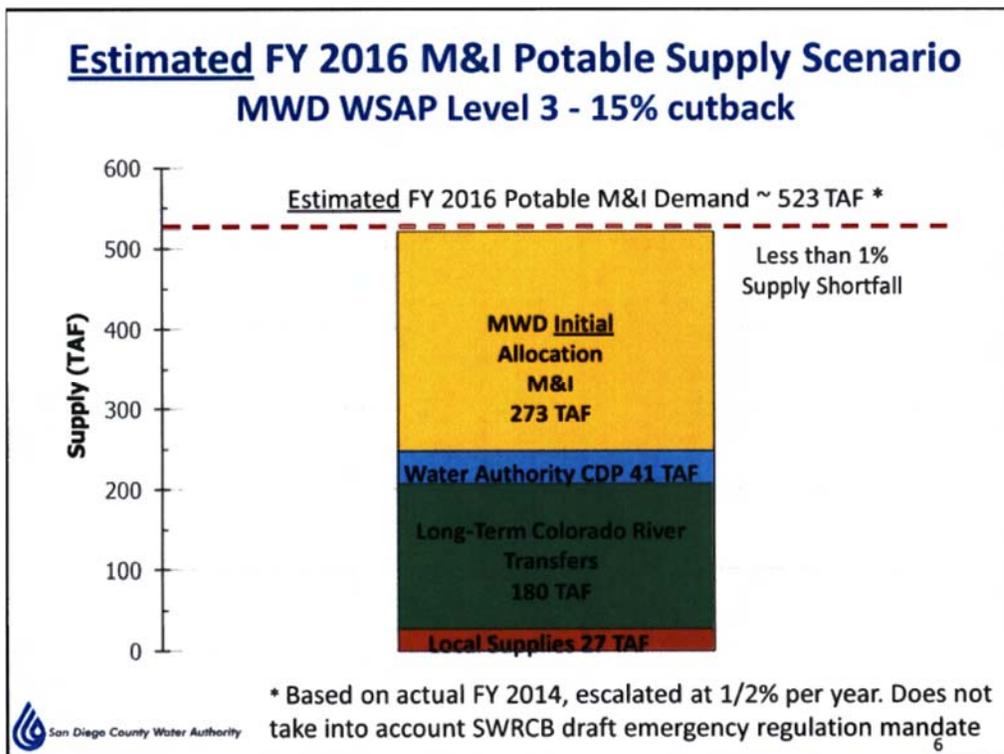
- 1980- Ralph W. Chapman Water Recycling Facility opened and a costly recycled distribution system was built.
- 1990- New home subdivisions in eastern Chula Vista were dual-plumbed for potable and recycled water and all median and common irrigation areas began using recycled water.
- 1991- Low flow toilet rebate program began.
- 1994- Washing machine rebate program began.
- 1999- Water Conservation Garden opens.
- 2001- Eastern Chula Vista schools replaced or installed artificial turf in sports fields.
- 2007- Additional recycled water from the City of San Diego was obtained.
- 2008- Turf removal program began.

### **SDCWA and MWD Supply**

This section of the staff report contains information and exhibits on the San Diego region's water supply situation.

As a result of the 1991 drought, when the region was facing a 50% supply reduction from MWD and was only rescued by the "March Miracle" rains, the membership at CWA was determined to never again have that vulnerability to supply reductions. The drought of 1991 was truly our regional wakeup call. In the ensuing years, much has been accomplished to reach the goal of having a regional water supply that is diverse and reliable. This includes water recycling, the QSA IID conservation program, the All-American Canal lining, consumer conservation programs, desalination and more.

Because of the reliability programs that customers have funded over the years, the supply scenario for the fiscal year, starting on July 1, 2016, shows a 1% cutback requirement would be necessary to meet regional water demand (see chart below). This is notwithstanding the governor's executive order for a statewide 25% cutback, which translates to a 16% reduction for Otay customers. The question was recently posed that since the real water supply emergency is on the State Water Project (SWP), due to the well-reported snowfall deficit, "If the CWA region were to not take any SWP water, how much would it have to reduce?" The answer is another 2%. Consequently, if the region were able to utilize its existing water supply reliability and not take any SWP water, a total cutback of approximately 3% would be necessary to accomplish this goal.



The SWP is in a precarious condition with extreme cutbacks to water deliveries to the point that some junior water rights holders will receive no water this year, and MWD will only receive approximately 20% of its allocation.

The Colorado River supply is a large increment of water supply for MWD's service area and a large portion of CWA's supply by virtue of the QSA IID program and the All-American Canal lining. The Colorado River and Lake Mead have been in the news for the reduced storage and supply. The Colorado River system has a very complex "Law of the River" water right allocation that positions the California supply allocation, that MWD and CWA depends on, in a superior position. Included as "Attachment A" is a set of slides from a CWA presentation that will help explain the Colorado River supply deliveries. The Colorado River supply for California (MWD and CWA) is at a higher priority level than the other lower basin states, as shown in the attached slides, and is not likely to be reduced.

SDCWA has been our regional advocate to the SWRCB. Included as "Attachments B & C" are two letters to the SWRCB outlining the issue with the Executive Order for not allowing the region to utilize local water supply that customers have paid for and developed over the last 20 years. The letters also cite the high levels of conservation that the San Diego region has achieved, approximately 28%, over the last 8 years.

**FISCAL IMPACT:**             Joe Beachem, Chief Financial Officer

N/A

**STRATEGIC GOAL:**

Actively manage water supply and demand.

**LEGAL IMPACT:**

None.

**Attachments:**

- A) CWA Presentation
- B) SWRCB Letter 4/13/15
- C) SWRCB Letter 4/22/15

# Seven Basin States Update

Imported Water Committee  
April 23, 2015

*Kara Mathews, Colorado River Program*

## Colorado River Reservoir Operations and Shortage Projections

- ▶ Criteria outlined in 2007 Interim Guidelines
- ▶ 2015 reservoir releases determined in August but updated this month
- ▶ Implications of future shortage predictions



## Current Water Supply Outlook

As of April 20, 2015

Current Storage	Percent Full	Volume (MAF)	Elevation (Feet)
Lake Powell	45%	10.87	3,590.6
Lake Mead	39%	10.12	1,081.3
Total System Storage	48%	28.53	-----
Upper Basin Snowpack		56% of Average	
Forecasted Water Year Runoff into Powell		6.83 MAF 63% of Average	



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## Lake Mead End of Month Elevations

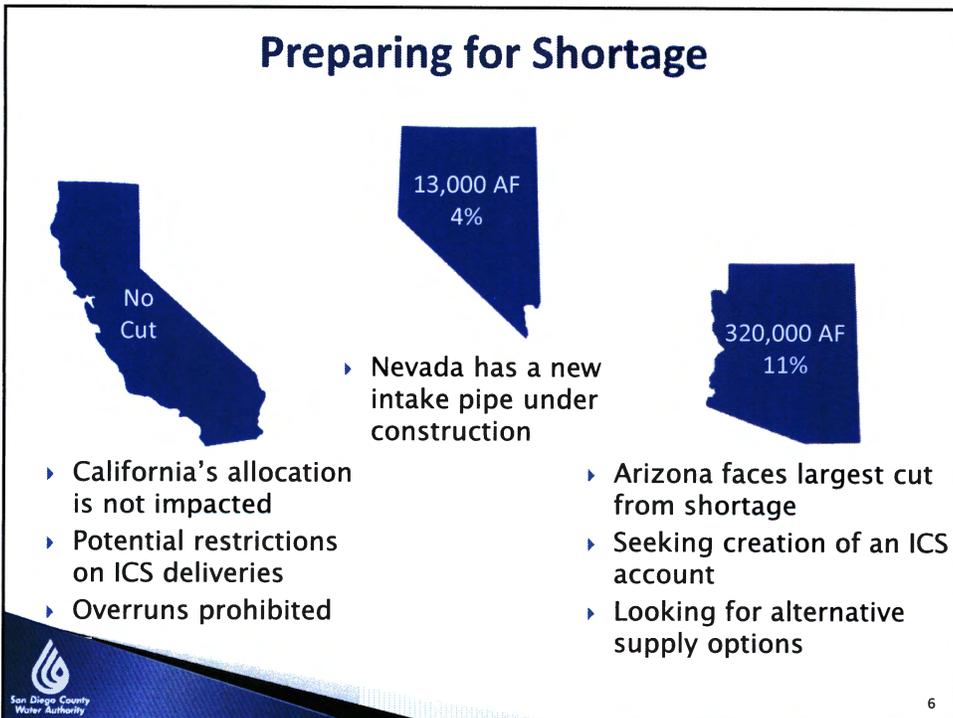
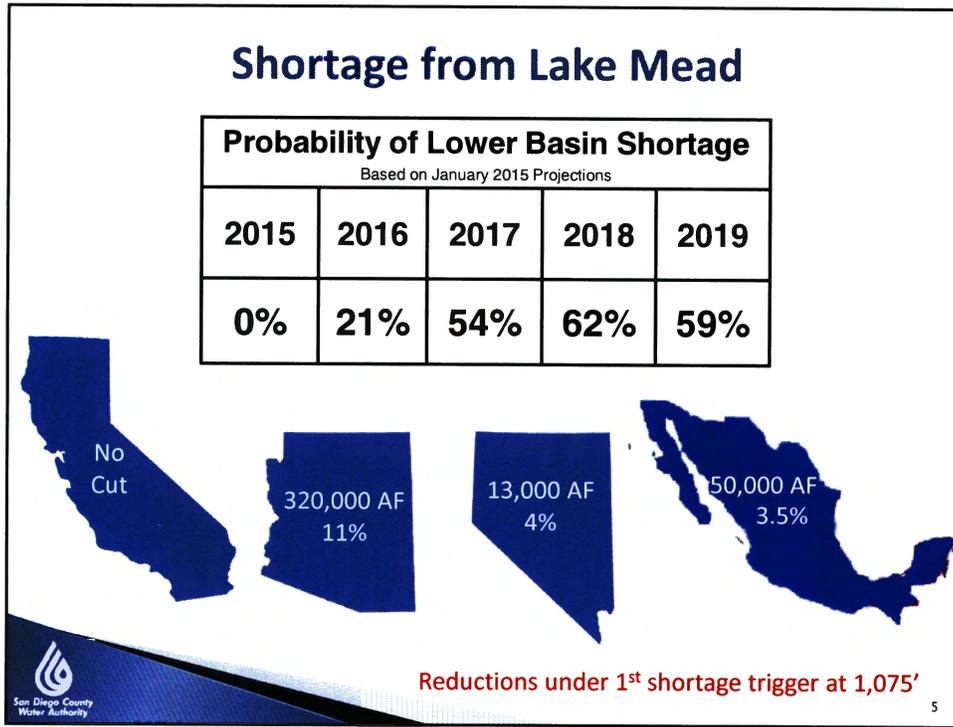
Based on April 2015 Projections



9.0 MAF is most probable release volume from Lake Powell in 2015 and 2016.



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COPY

## San Diego County Water Authority

4677 Overland Avenue • San Diego, California 92123-1233  
 (858) 522-6600 FAX (858) 522-6568 www.sdcwa.org

April 13, 2015

Felicia Marcus, Chair  
 State Water Resources Control Board  
 P.O. Box 100  
 Sacramento, CA 95812-0100

### MEMBER AGENCIES

Carlsbad  
Municipal Water District

City of Del Mar

City of Escondido

City of National City

City of Oceanside

City of Poway

City of San Diego

Fallbrook  
Public Utility District

Helix Water District

Lakeside Water District

Oliverhain  
Municipal Water District

Otay Water District

Padre Dam  
Municipal Water District

Camp Pendleton  
Marine Corps Base

Rainbow  
Municipal Water District

Ramona  
Municipal Water District

Rincon del Diabla  
Municipal Water District

San Dieguito Water District

Santa Fe Irrigation District

South Bay Irrigation District

Vallecitos Water District

Valley Center  
Municipal Water District

Vista Irrigation District

Yuma  
Municipal Water District

### OTHER REPRESENTATIVE

County of San Diego

Sent via email to: [jessica.bean@waterboards.ca.gov](mailto:jessica.bean@waterboards.ca.gov)

Dear Chair Marcus,

With California experiencing a fourth consecutive year of drought and the possibility that it could continue into 2016 and beyond, the San Diego County Water Authority supports the Governor's call for increased water conservation and has called upon residents across the region to significantly increase their conservation efforts. The Water Authority does have serious concerns regarding the State Water Board's proposed regulatory framework to achieve the additional conservation savings. The proposed framework would deter development of future local water supplies, unnecessarily threaten state and regional economies and doesn't take into account the climatic variable found in California. This comment letter provides recommendations on how the State Water Board can address these issues and achieve the increased savings called for in the Governor's April 1, 2015 Executive Order.

The recommendations we provide are based on the Water Authority's leadership and experience in preparing and planning for water shortages due to drought. Through our 2006 Water Shortage and Drought Response Plan, we have established a comprehensive and orderly approach to managing droughts that reduces the impacts of supply shortages to our region. During shortages, the plan also includes a fair and equitable means to allocate available supplies to our member agencies. The Water Authority worked closely with its member agencies in 2008 to also develop a model drought response ordinance to provide consistent drought response actions throughout the region. The water-use restrictions in the model focus on reducing discretionary water use to avoid economic impacts and protect health and safety. All of our 24 member agencies have updated their ordinances based on the model and enacted them in a unified manner consistent with the State Water Board's existing emergency regulations. The Water Authority's model ordinance is included in the Governor's Office of Planning and Research March 2014 drought toolkit as a model to be used by agencies throughout the state.

The Water Authority and its member agencies have also long supported water conservation as a foundational action to improve supply reliability for the San Diego region. Since 1991, the Water Authority's water use efficiency programs and initiatives cumulatively have conserved more than 930,000 acre-feet of water. These savings have been achieved through measures ranging from incentives on water-efficient devices, to legislative efforts, to outreach campaigns and programs. The San Diego residents and businesses have responded to these efforts, with potable per capita water use in San Diego County having declined 31 percent since 1990 and 24 percent from 2007. The region has already met the state's 2009 mandate to reduce per capita water use 20 percent by 2020.

*A public agency providing a safe and reliable water supply to the San Diego region*

Below are our key concerns regarding the proposed regulatory framework with Attachment A containing our recommendations for the draft emergency regulations.

Key Concerns:

1. The proposed framework is contrary to State policy to reduce dependence on the Bay Delta by discouraging investment in local water supplies.

The Governor's California Water Action Plan encourages agencies to increase self-reliance, manage and prepare for dry periods and reduce dependence on the Bay-Delta. Following the drought of the 1990s and continuing today, the San Diego Region has been investing to diversify our water supply and reduce dependence on imported supplies from the Metropolitan Water District. This has been done at a substantial cost through a historic water conservation and transfer agreement for independent Colorado River supplies and construction of the Carlsbad Desalination Project. The diversification strategy has received strong support from the public and our business community on the basis that it would reduce impacts to customers during water shortages and drought periods. The \$1 billion Carlsbad Desalination Project is the largest in the western hemisphere, will produce up to 56,000 acre-feet of water annually when it begins production in fall 2015 and is funded by local ratepayers. Water suppliers in the region will continue to ask ratepayers to support drought proof supplies, such as potable reuse or desalination, and need to explain the benefits of local supply reliability. State action to eliminate those benefits creates an impediment to development of drought proof supplies when customers must reduce water even though the supplies they invested in may be available.

2. The proposed framework fails to consider the economic impacts of targeting the commercial, institutional and industrial (CII) sector.

California's \$2 trillion economy cannot survive without a reliable water supply for its business and industry. A water supply cut of 25 percent across the board to Californian's commercial and industrial customers would have a devastating impact on the State's economy. Many, if not a majority, of California businesses have already increased efficiency in their processes and save water. Further cuts to these customers will gravely impact their ability to provide services and products, and may encourage them to leave the State. The Governor's Executive Order requires CII properties, such as campuses, golf courses and cemeteries, to reduce water use by 25%. While the Governor appears to be focused on discretionary outdoor use in the CII sector, the State Board is focused on reducing all CII use, which would include process water and other essential water use necessary to support business in this State. Manufacturing, the largest contributor to San Diego County's \$206 billion economy, will be seriously harmed by these proposed reductions.

3. The proposed framework will have a devastating impact on agricultural production in areas served by urban water suppliers, which have already suffered significant reductions.

The Governor has publicly stated that the current mandatory reduction program is not aimed at California agriculture. In 2013, San Diego County had the most small farms, and was the 19th largest agricultural economy of any county in the United States, with a value totaling \$1.9 billion. San Diego County produces the highest dollar value per acre crop of any county in California. Some of these farms may be served by residential meters, driving up the residential per capita use numbers. Under the proposed framework, these micro-farms would be restricted just like

residential ornamental landscape. Since 2007, agricultural deliveries have fallen 50% in San Diego County because farmers have been hit hard by the economic recession and drought. Including San Diego County agricultural in the mandated 25% reduction in potable urban water use is inconsistent with the Governor's Executive Order and ignores the fact that agriculture is a major economic driver in our region. If left unchanged, local agriculture would be devastated under the proposed framework.

4. The proposed framework incorrectly assumes that higher per capita water use is always due to inefficient and inappropriate water use and fails to consider climate and weather.

Water use is significantly impacted by weather, economy and local land uses. Under the tiered water reduction approach, coastal communities with naturally lower water use are being rewarded, while inland rural communities are being penalized. In addition to inappropriately penalizing inland communities, the proposed framework fails to consider average differences in temperature and rainfall, local land uses, such as agriculture, residential ownership of livestock and other urban and rural land uses. The proposed regulation requires one third of the State's water suppliers to require their customers to reduce water use by 35%. This is inappropriately based on a single month of use in September 2014. Although weather is the largest short-term driver of water use during a single month, the proposed criteria fails to consider this when determining compliance.

As it is currently written, the approach taken in the proposed mandatory conservation framework creates policy that does not promote safe, sustainable and integrated water management. During these times of critical water supply shortages, the State Water Board's actions will have a significant impact on future water supply reliability. Similar to our model drought response ordinance, we recommend that the framework focus on reducing discretionary water use in order to preserve water to protect public health and safety, and to support the \$2 trillion California economy.

With the rapid time frame for developing criteria, we appreciate that State Board releasing a conceptual regulatory framework to the public for comment before drafting actual regulations. Attachment A includes the Water Authority's specific recommendations for changes to the Mandatory Conservation Framework. We hope these recommendations will help guide the State Board's development of emergency regulations that can preserve the State's water supply, encourage local water supply development, and be reasonably implementable by water suppliers.

Sincerely,



Maureen A. Stapleton  
General Manager

Attachment A

cc: State Water Resources Control Board Members



## Attachment A

### San Diego County Water Authority's Recommendations for Changes to the Mandatory Conservation Framework

#### **A. Include Development of Drought-Proof Supplies as a Means for Agencies to Demonstrate Compliance.**

- One of the ultimate goals in managing California's drought is to decrease reliance on Bay-Delta supplies severely impacted by four consecutive dry years. Reducing an agency's demand on these supplies can be accomplished in two ways: (1) conservation savings; and (2) development of local drought proof supplies. The Governor's Executive Order highlights the importance of developing local water supply projects by requiring state agencies to prioritize permitting of water infrastructure projects and programs that increase local supplies.
- Increasing regional self-reliance through the development of local supplies is a key action included in the Governor's California Water Action Plan to ensure water security at the local level.
- The proposed regulatory framework must take into account investments being made in local drought-proof supplies; otherwise agencies will have no incentive to continue developing these supplies.

**Recommendation:** The emergency regulations should exclude from the June 2015 through February 2016 monthly water production reporting any local or regional drought-proof supplies, such as desalination or potable reuse projects that begin production after 2013. Communities should be able to reach their identified tier cutback target through any combination of demand reduction or demand displacement through creation of new drought-proof supplies.

#### **B. Focus reductions in the Commercial, Industrial and Institutional (CII) sectors on discretionary landscape uses, not CII uses needed to support the economy. Encourage State leadership in institutional sector.**

- The Governor's Executive Order asked for a 25% reduction in CII uses, such as campuses, golf courses, and cemeteries. The Executive Order is focused on discretionary uses and not critical uses, such as process water, required to support economic output.

- The proposed regulatory framework targets CII water uses that are critical to maintaining the livelihood of businesses and our economy. If implemented as regulations, the framework could hamper economic recovery in San Diego and statewide.
- Most institutions, such as state universities, community colleges, schools, and prisons are State funded, putting the State in a better position than local agencies to encourage or mandate conservation activities.

Recommendations:

(1) The CII water use reductions goals should be focused on discretionary outdoor irrigation use as measured by dedicated landscape meters and reported to the State. Other reporting of CII water use should not be mandated.

(2) The State should take a leadership role on obtaining compliance for reductions for institutional customers subject to State funding.

**C. Exempt All Agricultural Deliveries from Mandatory 25% Reduction in Urban Water Use.**

- The Governor's Executive Order clearly excludes agricultural water usage from the directive requiring a 25% statewide reduction in potable urban water use.
- San Diego County has a \$1.9 billion agriculture economy and is the 19<sup>th</sup> largest agricultural county in the United States.
- "Urban water suppliers" within San Diego's North County provide the water necessary to sustain this agricultural production.
- There are urban water suppliers and small water suppliers within the county whose agricultural demands account for the majority of their water deliveries.
- In San Diego County, supply shortages from Metropolitan Water District will occur in 2015 and agricultural customers will experience supply cutbacks equal to or greater than municipal and industrial customers.
- Under the proposed framework, San Diego County farmers supplied by urban water agencies would experience economic hardship greater than other farms in California.

Recommendations:

(1) The emergency regulations must clearly exempt California agriculture across the state from the mandated 25% statewide reduction in urban water use.

(2) Urban water suppliers that exclude their agricultural deliveries must have adopted 2010 urban water management plans that identify their agricultural demands and contain a water shortage contingency plan.

**D. Agencies should be provided adequate time to enforce water use reduction and enforcement penalties should consider agencies' compliance efforts; penalties should be used to support local drought response.**

- Water suppliers understand the seriousness of the drought and the important and urgent need to reduce demands.
- Water suppliers need to have time to educate customers on the water reduction requirements and provide customers with due process.
- A phased-in approach to reaching the goals will be most effective to create both short-term and permanent long-term water use reductions
- Compliance determinations should be based on results of actions taken by water suppliers and their customers, not short-term fluctuations based on weather.
- An industry-accepted scientific approach to model monthly weather normalization has already been developed by Department of Water Resources and could be used by the State Board.
- Water supplier penalties should be reduced if they are aggressively pursuing actions to comply with the goals.

**Recommendations:**

The emergency regulations should contain the following approach regarding assessing compliance and enforcement:

- (1) Reaching the conservation standard should be progressive in the following 90 day increments:

Time frame	Average water use reduction(a)
First 90 days	15% (if applicable)
Second 90 days	25% (if applicable)
Third 90 days	35% (if applicable)

(a) Average of monthly weather normalized data during 90 day period, as compared to average of monthly 2013 water use data during same time period.

- (2) The water suppliers should report monthly on water use, and the actions and approach they are taking to reduce water use.
- (3) If an agency is not meeting their targets as described in the above table, water suppliers should be ordered to prepare a "corrective action plan" identifying measures to be implemented to come into compliance.
- (4) Failure to achieve required water use reductions should be finally determined only at the end of the 270-day duration of the emergency regulation and water production data should be weather-normalized to accurately reflect water reductions obtained through a water supplier's actions to require conservation and their customer response.
- (5) Penalties should be reduced on a sliding scale based on amount conserved. This will encourage all agencies to take immediate action toward achieving their goals.

- (6) Any penalties collected for violations should be allowed to remain with the local or regional agency where the violation occurred for use in local conservation programs or development of local drought proof water supplies.

**E. The State Board should not use a single month to determine an agency's conservation standard.**

- The Governor's Executive Order established a baseline year of 2013.
- Utilizing September 2014 residential per capita water use to establish an agency's conservation standard is not an accurate measure of an agency's overall water usage and unfairly targets areas of the state with warmer climates.
- Agencies will be measured over the course of nine months, so therefore an average per capita water use would be more appropriate for determining their conservation target.

**Recommendation:** Instead of a single month, the emergency regulations should use a 12-month average of water use during the baseline year of 2013, to establish the rankings for the required percent reduction of per capita use for each water agency.



COPY

## San Diego County Water Authority

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April 22, 2015

### MEMBER AGENCIES

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Municipal Water District

City of Del Mar

City of Escondido

City of National City

City of Oceanside

City of Poway

City of San Diego

Fallbrook  
Public Utility District

Helix Water District

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Municipal Water District

Otay Water District

Padre Dam  
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Camp Pendleton  
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Vallecitos Water District

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Vista Irrigation District

Yuma  
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### OTHER REPRESENTATIVE

County of San Diego

**Felicia Marcus, Chair**  
**State Water Resources Control Board**  
**P.O. Box 100**  
**Sacramento, CA 95812-0100**

Sent via email to: [jessica.bean@waterboards.ca.gov](mailto:jessica.bean@waterboards.ca.gov)

Dear Chair Marcus:

The San Diego County Water Authority appreciates the opportunity to provide recommendations on the State Water Resources Control Board's (State Water Board's) Draft Emergency Regulations for Urban Water Conservation (draft regulations). We appreciate the efforts by the State Water Board to incorporate previously submitted comments into the draft regulations released April 18. It was encouraging to see that the draft regulations recognize that commercial agricultural water use in San Diego County is not a part of the Governor's goal to reduce urban water use by 25 percent. This is a welcomed change in the draft framework, and will help protect San Diego County's \$1.9 billion agricultural sector.

In the Water Authority's April 13, 2015 comment letter on the State Water Board's proposed framework, we recommended that the regulations recognize the critical importance of developing new drought-proof supplies during these times of serious drought shortages to help protect the State's \$2 trillion economy and the health and welfare of the citizens of California. Demand reduction – the sole focus of the proposed regulations – is one side of a two-sided coin to meeting the challenges posed by prolonged drought; the other is new supply development. The draft regulations can play a vital role in advancing the Governor's Water Action Plan and state law if they provide appropriate credit for the development of drought-proof water supplies.

The Governor's California Water Action Plan encourages agencies to increase self-reliance, manage and prepare for dry periods and reduce dependence on the Bay-Delta. Specifically, the Roadmap for Action in the 2013 update prioritizes regional self-reliance:

*"Increase regional self-reliance for water by investing in water use efficiency, water recycling, advanced water technologies, local and regional water-supply projects, improved regional coordination of local and regional water supplies, and other strategies."*

In addition, The Delta Plan published by the Delta Stewardship Council in 2013, said:

*"Consequently, to achieve the statewide water supply mandates and the coequal goal of statewide water supply reliability, regions located outside the Delta also must take*

*actions outside the Delta to increase water efficiency and develop sustainable local and regional sources of water, which will contribute to improved water supply reliability. Individual actions by water suppliers throughout the state will be vital to success in this regard." (Emphasis added.)*

A similar mandate occurs in Section 85021 of State Water Code (added by SBX7-1, 2009):

*"The policy of the State of California is to reduce reliance on the Delta in meeting California's future water supply needs through a statewide strategy of investing in improved regional supplies, conservation, and water use efficiency. Each region that depends on water from the Delta watershed shall improve its regional self-reliance for water through investment in water use efficiency, water recycling, advanced water technologies, local and regional water supply projects, and improved regional coordination of local and regional water supply efforts." (Emphasis added.)*

While the proposed regulations have an initial effective period of only 270 days, the State Board must look beyond this fourth-consecutive year of drought and provide an incentive for local agencies to expedite the development of new drought-proof supplies. In formulating and adopting these regulations, the State Board should consider the very real possibility that this drought will stretch into a fifth and sixth year – perhaps longer. With proposed reduction targets as high as 36 percent for the period of June 1, 2015-February 28, 2016, should the drought continue unabated, it will not be realistic to assume that the imposition of even deeper demand reductions next year or the year after could be achieved without causing serious damage to the California economy. Development of new drought-proof supplies may prove to be the only method to protect California's economy from more prolonged and recurring droughts. Modifying the proposed regulations to provide an increased emphasis on new supply development to support the local economy would provide an unprecedented catalyst for a new era of local supply development, as urban water suppliers will be highly motivated by their civic leaders, businesses, industries and residents to improve local water supply conditions to protect their economies and quality of life from the specter of even steeper cutbacks.

In addition to modifying the regulations to provide credit for the development of new, drought-proof local supplies, outlined above, we also recommend the following changes to the proposed regulations to improve clarity, focus actions on achieving immediate water use reductions, and target waste and unreasonable use.

1. Section 864 (a)(8) requires irrigation with potable water outside of newly constructed homes and buildings to be delivered by drip or microspray, but does not define "newly constructed." For clarity, "newly constructed" should include homes and buildings where a permit for the landscape construction has not been issued by the local jurisdiction prior to the effective date of this regulation.
2. Section 865(b)(2) requires water suppliers to submit water use data for each of the following sectors: commercial, industrial and institutional. It is important to note that agencies can only submit water use data consistent with their existing billing system, and not all may be able to comply with the specific requirements of the regulations. The language should be modified to provide added flexibility that will facilitate reporting of information.

Ms. Felicia Marcus

April 22, 2015

Page 3

3. Section 865(d)(2) states that compliance will be determined on a cumulative basis. The fact sheet implies that compliance would be based on a four-month running average. We recommend that the language in the regulation be modified to reflect a four-month running average as the basis for compliance. Use of a running average will encourage agencies that have challenges meeting the goals during the first month to continue trying to come into compliance over the 270-day compliance period.
4. Section 866 states that the State Board may issue conservation orders requiring additional actions by the supplier to come into compliance with the conservation standard. We recommend that the regulation be more specific on the types of actions the State Board might include in the orders. The State Board orders should focus on activities that gain the most immediate water savings including short-term landscape restrictions and proactive enforcement. The fact sheet suggests that the orders could include mandates on changes to rates and pricing, restrictions on outdoor irrigation, public outreach rebates and audit programs, leak detection and repair and other methods. Rates and pricing mechanisms that may be used to help encourage conservation should be left to individual water agencies, which must comply with statutory and Constitutional rate-setting requirements based upon the unique facts and circumstances present within each agency. Incentive programs should not be included as a part of any conservation order. While incentives are an important aspect of long-term conservation programs, during mandatory water use restrictions, new incentive programs will not contribute significantly to achieving the immediate water use reductions required by these regulations. Agencies that currently manage conservation incentive programs are likely to keep those programs in operation for the duration of these regulations and beyond.
5. The proposed reduction goals were set without consideration of actual water uses or a definition of what might be considered waste and unreasonable use. This could have unintended consequences by requiring actions that are not targeted at waste and unreasonable use if the established goal is not reasonably achievable. Section 866 of the regulations should define what is clearly not intended by this regulation, including: actions that would put human health and safety at risk; reductions of water use necessary for sustaining animals and livestock; and reductions in commercial or industrial use that would reduce the economic output of business.

We appreciate the opportunity to comment on the proposed regulations. Attachment A includes specific recommendations for changes to the regulations highlighted in yellow. We hope these recommendations will help the State Board to refine its regulations and are offered in the hopes of improving the success of the regulations.

Sincerely,



Maureen A. Stapleton  
General Manager

Enclosure

Attachment A

San Diego County Water Authority's Recommendations for Changes to Emergency Regulation

**PROPOSED TEXT OF EMERGENCY REGULATION**

**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) On April 1, 2015, the Governor issued an Executive Order that, in part, directs the State Board to impose restrictions on water suppliers to achieve a statewide 25 percent reduction in potable urban usage through February 28, 2016; require commercial, industrial, and institutional users to implement water efficiency measures; prohibit irrigation with potable water of ornamental turf in public street medians; and prohibit irrigation with potable water outside newly constructed homes and buildings that is not delivered by drip or microspray systems;

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

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

(56) 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 prevent waste and unreasonable use of water and to further promote conservation.

Authority: Section 1058.5, Water Code.

References: Sections 102, 104 and 105, Water Code.

Sec. 864. ~~End-User~~ Requirements in Promotion of Water Conservation.

(a) To prevent the waste and unreasonable use of water and 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;

(5) The application of potable water to outdoor landscapes during and within 48 hours after measurable rainfall; and

(6) The serving of drinking water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased.;

(7) The irrigation with potable water of ornamental turf on public street medians;  
and

(8) The irrigation with potable water outside of newly constructed homes and Buildings that is not delivered by drip or microspray systems. This applies to landscapes for newly constructed homes and buildings where a landscape permit has not been issued by the local jurisdiction prior to the effective date of this regulation.

(b) To promote water conservation, operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each guestroom using clear and easily understood language.

(c) Immediately upon this subdivision taking effect, all commercial, industrial and institutional properties not served by a water supplier meeting the requirements of Water Code section 10617 or section 350 shall either:

(1) Limit outdoor irrigation of ornamental landscapes or turf with potable water to no more than two days per week; or

(2) Reduce potable water usage by 25 percent for the months of June 2015 through February 2016 as compared to the amount used for the same months in 2013.

(ed) The taking of any action prohibited in subdivision (a) or the failure to take any action required in subdivisions (b) or (c), 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: Section 1058.5, Water Code.

References: Sections 102, 104, and 105, 350, and 10617, Water Code.

#### Sec. 865. Mandatory Actions by Water Suppliers.

(a) The term "urban water supplier," when used in this section, refers to a supplier that meets the definition set forth in Water Code section 10617, except it does not refer to suppliers when they are functioning solely in a wholesale capacity, but does apply to suppliers when they are functioning in a retail capacity.

~~(b)(1) To promote water conservation, each urban water supplier shall implement all requirements and actions of the stage of its water shortage contingency plan that imposes includes mandatory restrictions on the number of days that outdoor irrigation of ornamental landscapes or turf with potable water is allowed, or shall amend its water shortage contingency plan to include mandatory restrictions on the number of days that outdoor irrigation of ornamental landscapes or turf with potable water is allowed and implement these restrictions within forty five (45) days. Urban water suppliers with approved alternate plans as described in subdivision (b)(2) are exempted from this requirement.~~

~~(2) An urban water supplier may submit a request to the Executive Director for approval of an alternate plan that includes allocation based rate structures that satisfies the requirements of chapter 3.4 (commencing with section 370) of division 1 of the Water~~

~~Code, and the Executive Director may approve such an alternate plan upon determining that the rate structure, in conjunction with other measures, achieves a level of conservation that would be superior to that achieved by implementing limitations on outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two days per week.~~

~~\_\_\_\_\_ (e) To promote water conservation, each urban water supplier that does not have a water shortage contingency plan that restricts the number of days that outdoor irrigation of ornamental landscapes and turf with potable water is allowed, or has been notified by the Department of Water Resources that its water shortage contingency plan does not meet the requirements of Water Code section 10632 shall, within forty five (45) days, limit outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two days per week.~~

(db) In furtherance of the promotion of water conservation each urban water supplier shall:

(1) Provide prompt notice to a customer whenever the supplier obtains information that indicates that a leak may exist within the end-users exclusive control.

(2) Prepare and submit to the State Water Resources Control Board by the 15<sup>th</sup> of each month a monitoring report on forms provided by the Board. The monitoring report shall include the amount of potable water the urban water supplier produced, including water provided by a wholesaler, in the preceding calendar month and shall compare that amount to the amount produced in the same calendar month in 2013. The monitoring report shall specify the population served by the urban water supplier, the percentage of water produced that is used for the residential sector, descriptive statistics on water conservation compliance and enforcement efforts, and the number of days that outdoor irrigation is allowed, monthly commercial sector use, monthly industrial sector use, and monthly institutional sector use, **reported separately or in aggregate form, as data is currently available from a water supplier's existing billing system.** The monitoring report shall also estimate the gallons of water per person per day used by the residential customers it serves.

(c)(1) To prevent the waste and unreasonable use of water and to meet the requirements of the Governor's April 1, 2015 Executive Order, each urban water supplier shall reduce its total potable water production by the percentage identified as its conservation standard in this subdivision. Each urban water supplier's conservation standard considers its service area's relative per capita water usage.

(2) Each urban water supplier whose source of supply does not include groundwater or water imported from outside the hydrologic region and that received average annual precipitation in 2014 may, notwithstanding its average July-September 2014 R-GPCD, submit for Executive Director approval a request to reduce its total water usage by 4 percent for each month as compared to the amount used in the same month in 2013. Any such request shall be accompanied by information showing that the supplier's sources of supply do not include groundwater or water imported from outside the Hydrologic region and that the supplier's service area received average annual precipitation in 2014.

(3) Each urban water supplier whose average July-September 2014 R-GPCD was less than 65 shall reduce its total water usage by 8 percent for each month as compared to the amount used in the same month in 2013.

(4) Each urban water supplier whose average July-September 2014 R-GPCD was between 65 and 79.9 shall reduce its total water usage by 12 percent for each month as compared to the amount used in the same month in 2013.

(5) Each urban water supplier whose average July-September 2014 R-GPCD was between 80 and 94.9 shall reduce its total water usage by 16 percent for each month as compared to the amount used in the same month in 2013.

(6) Each urban water supplier whose average July-September 2014 R-GPCD was between 95 and 109.9 shall reduce its total water usage by 20 percent for each month as compared to the amount used in the same month in 2013.

(7) Each urban water supplier whose average July-September 2014 R-GPCD was between 110 and 129.9 shall reduce its total water usage by 24 percent for each month as compared to the amount used in the same month in 2013.

(8) Each urban water supplier whose average July-September 2014 R-GPCD was between 130 and 169.9 shall reduce its total water usage by 28 percent for each month as compared to the amount used in the same month in 2013.

(9) Each urban water supplier whose average July-September 2014 R-GPCD was between 170 and 214.9 shall reduce its total water usage by 32 percent for each month as compared to the amount used in the same month in 2013.

(10) Each urban water supplier whose average July-September 2014 R-GPCD was greater than 215 shall reduce its total water usage by 36 percent for each month as compared to the amount used in the same month in 2013.

(d)(1) Beginning June 1, 2015, each urban water supplier shall comply with the conservation standard specified subdivision (c).

(2) Compliance with the requirements of this subdivision shall be measured monthly and assessed on a cumulative basis, based on a four-month running average.

(e) Each urban water supplier that serves 20 percent or more of its total production for commercial agricultural use meeting the definition of Government Code section 51201, subdivision (a) may subtract the amount of water supplied for commercial agricultural use from its water production total, provided that the supplier complies with the Agricultural Water Management Plan requirement of paragraph 12 of the April 1, 2015 Executive Order. Each urban water supplier that serves 20 percent or more of its total production for commercial agricultural use meeting the definition of Government Code section 51201, subdivision (a) shall certify that the agricultural uses it serves meet the definition of Government Code section 51201, subdivision (a), and shall report its total water production pursuant to subdivision (b)(2), identifying the total amount of water supplied for commercial agricultural use.

(ef)(1) To prevent waste and unreasonable use of water and to promote water conservation, each distributor of a public water supply, as defined in Water Code section 350, that is not an urban water supplier shall, ~~within forty five (45) days,~~ take one or more of the following actions:

(1A) Limit outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two days per week; or

(2B) Implement another mandatory conservation measure or measures intended to achieve a 2025 percent reduction in water consumption by the persons it serves relative to the amount consumed in 2013.

(2) Each distributor of a public water supply, as defined in Water Code section 350, that is not an urban water supplier shall submit a report by December 15, 2015, on a form provided by the Board, that includes:

(A) Total potable water production, by month, from June through November, 2015, and total potable water production, by month, for June through November 2013; or

(B) Confirmation that the distributor limited outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two days per week.

Authority: Section 1058.5, Water Code.

References: Sections 102, 104, 105, 350, 1846, 10617 and 10632, Water Code.

Sec. 866. Additional Conservation Tools.

(a)(1) To prevent the waste and unreasonable use of water and to promote conservation, when a water supplier does not meet its conservation standard required by section 865 the Executive Director, or his designee, may issue conservation orders requiring additional drought response actions by the supplier to come into compliance with its conservation standard. The order may mandate the water supplier to take the following short-term drought response actions either by itself or in coordination with other regional water agencies, intended to create immediate water savings:

i. Adopt a drought response ordinance allowing the agency to enforce necessary drought restrictions

ii. Implement public outreach on the types of restrictions that are mandated and steps the public can take to reduce water consumption

iii. Restrict discretionary uses of water including reductions in landscape irrigation.

iv. Implement active enforcement actions on customers that are non-compliance with local drought restrictions

v. Immediately respond and repair water system leaks.

(2) All conservation orders issued under this article shall be subject to reconsideration under article 2 (commencing with section 1122) of chapter 4 of part 1 of division 2 of the California Water Code.

(b) The Executive Director, or his designee, may issue an informational order requiring water suppliers, or commercial, industrial or institutional properties not served by a water supplier meeting the requirements of Water Code section 10617 or section 350, to submit additional information beyond that required to be reported pursuant to the other provisions of this article. The failure to provide the information requested within 30 days or any additional time extension granted is a violation subject to civil liability of up to \$500 per day for each day the violation continues pursuant to Water Code section 1846.

(c) It is not the intent of this regulation to require any of the following as part of a conservation order:

(1) Actions that would put human health and safety at risk;

(2) Reductions of water necessary for sustaining animals and livestock;

(3) Reductions in commercial or industrial use that would reduce the economic output of business;

(4) Irrigation restrictions that would result in permanent damage to trees;

(5) Any action that is not legal under California law or the California Constitution.

Authority: Section 1058.5, Water Code.

References: Sections 100, 102, 104, 105, 174, 186, 187, 275, 350, 1051, 1122, 1123, 1825, 1846, 10617 and 10632, Water Code.