



Agenda Item No. 12  
Meeting Date: April 20, 2022  
Resolution: Yes

**AGENDA DOCKET FORM**

**SUBJECT: DROUGHT MANAGEMENT PROGRAM IN RESPONSE TO GOVERNOR'S EXECUTIVE ORDER N-7-22**

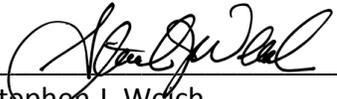
**SUMMARY:** Governor Newsom issued Executive Order N-7-22 on March 28, 2022, calling on all Californians to increase efforts to use water efficiently. Executive Order N-7-22 directs the State Water Resources Control Board (SWRCB) to, no later than May 25, 2022, consider emergency regulations requiring urban water suppliers to implement, at a minimum, the drought response actions outlined in Stage 2 of their Water Shortage Contingency Plans, which is part of each water supplier's Urban Water Management Plan. The Executive Order follows earlier drought emergency proclamations on April 21, May 10, July 8, and October 19, 2021. California is in its third consecutive year of drought. Despite precipitation early in the season in October and December, the first three months of 2022 have been extremely dry, with no significant relief in the forecast. The Contra Costa Water District's (District's) Central Valley Project (CVP) contract supply allocation for 2022 currently provides for minimum public health and safety levels.

The District has sufficient supply to meet efficient customer demands this year, with the CVP contract supply and local supplies, including transfer water from East Contra Costa Irrigation District secured under a long-term agreement, and water stored in Los Vaqueros Reservoir. However, in response to the continued dry conditions, with the possibility of the drought continuing for a fourth year into 2023, and the Governor's Executive Order and expected forthcoming SWRCB emergency regulations, the District proposes to enact a Drought Management Program (Program) consistent with Stage 2 of the Water Shortage Contingency Plan.

*(Continued on Page 2)*

**FISCAL IMPACT:** The impacts of the Drought Management Program will be addressed in the upcoming review of the proposed Fiscal Year 2023/FY24 budget on May 18 and June 1, 2022.

**RECOMMENDED ACTION:** Adopt Resolution No. 22-013 establishing a Drought Management Program.

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| <p><br/>_____<br/>Lucinda Shih<br/>Water Resources Manager</p> | <p><br/>_____<br/>Jeff Quimby<br/>Assistant General Manager</p> | <p><br/>_____<br/>Stephen J. Welch<br/>General Manager</p> |
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LHS:kh

Attachments: 1) Water User Prohibitions and Drought Response Tools; 2) Resolution No. 22-013

## **AGENDA DOCKET FORM**

### **SUMMARY (Continued from Page 1):**

#### **Water Use Reduction Requirements**

The Program proposes to declare Stage 2 of the District's Water Shortage Contingency Plan and request District customer conservation of 15 percent relative to 2020 use. The conservation target may be refined to adhere to SWRCB emergency drought regulations, which are expected to be issued by May 25. The Program applies to all customer classes and seeks greater reductions from dedicated irrigation with the highest discretionary use, and lesser reductions from commercial and industrial customers with the least discretionary use to avoid impacting the economy. Customer outreach and public education have been and will continue to highlight the many resources available to help customers save both water and money. The District's municipal retail customers will also be requested to reduce use by 15 percent and are in the process of implementing similar drought programs in response to the Governor's Executive Order.

#### **Baseline for Target Reductions**

The Governor's July 2021 Executive Order specified the use of 2020 as the conservation baseline for this drought. On July 7, 2021, following a low CVP contract allocation for 2021, the Board of Director's (Board) adopted a resolution calling for 10 percent voluntary conservation consistent with Stage 1 of the District's Water Shortage Contingency Plan. The Program proposes to continue to utilize 2020 as the baseline to not penalize customers for their conservation efforts in 2021.

#### **Temporary Drought Surcharge**

The District is proposing temporary conservation pricing adjustments of a drought surcharge of up to 15 percent, effective for water delivered starting July 1. The pricing adjustment will signal to customers the need to achieve the prescribed water use reductions. The pricing adjustments will result in up to a \$0.79 per unit (748 gallons) increase in the treated water quantity charge, and a \$0.37 per 1,000-gallon increase in the untreated water quantity charge. These levels establish the price signal anticipated to achieve the desired conservation behaviors. Customers who meet a 15 percent reduction target will not see an increase in their water bill, thereby incentivizing them to conserve. Residential treated customers who use less than 200 gallons per day (gpd) are considered to be efficiently using water based on a typical District customer profile and may be provided a rebate to offset the pricing adjustment but are still encouraged to achieve additional conservation. Consistent with Proposition 218 principles, the proposed rebate would be funded through non-rate revenues.

The pricing adjustments will be brought to the Board in the form of an ordinance on June 15, 2022. These pricing changes are subject to Proposition 218 and require that the District notify all District customers of the June 15 public hearing at least 45 days in advance. The District anticipates sending out the Proposition 218 notices before May 1 to meet the 45-day notification requirement. The

financial impacts associated with the Program and pricing adjustments will be identified and discussed in the ordinance. The pricing adjustments will be rescinded through an action by the Board after the District has recovered from impacts of the drought.

#### Conservation Incentives

The District's Water Use Efficiency Program offers a range of conservation services to assist District customers in meeting the 15 percent water use reductions. Examples include free conservation site surveys, rebates for water efficient fixtures and landscape conversions, and other incentives. The District also provides numerous outreach programs, workshops, and educational materials. Customers will be encouraged to use the available recycled water fill stations offered by local sanitary districts.

#### Water Waste Prohibitions and Fines

The Board permanently adopted prohibitions against the wasteful use of water and associated fines that were initially adopted during the 2014-2015 drought (see Attachment 1). The Program proposes to include several additional prohibitions, which are outlined in Exhibit A to Attachment 2 and will be added to the existing list of prohibitions along with any other prohibitions put in place by the SWRCB in the expected forthcoming emergency regulations. Fines and penalties to enforce the new prohibitions will be assessed under the same structure as the existing prohibitions. These additional prohibitions will terminate when the Board takes an action to end the Drought Management Program.

## **Water Waste Prohibitions**

### Permanent Water Waste Prohibitions and Fines (CCWD Code of Regulations Section 5.44.010)

- Failure to repair a leak
- Causing excess water run-off
- Watering during and up to 48 hours after rainfall
- Watering between 9 a.m. and 5 p.m.
- Using a hose without a shutoff valve to wash a vehicle
- Washing hardscapes, unless failure to do so would create a hazard to health and safety
- Using potable water in a non-re-circulating fountain
- Irrigating ornamental turf in public street medians with potable water
- Irrigating landscapes outside of newly constructed buildings in a manner inconsistent with State regulations
- Violation of any prohibitions subject an administrative fine of not more than two hundred fifty dollars (\$250.00) for a first offense, and five hundred dollars (\$500.00) for a second offense; each administrative fine to be accompanied by an additional penalty of up to \$10.00 per unit of water used or applied, in an amount to be determined in the District's sole discretion

### Additional Drought Management Program Water Use Prohibitions

- Watering of newly constructed homes/buildings that is not drip or microspray
- Serving drinking water other than upon request in eating and drinking establishments
- Hotels/motels shall provide guests with the option of choosing not to have towels and linens laundered daily.
- Using non-recycled water for dust control/construction (currently in place, as part of Stage 1 Drought Response)
- Irrigation of non-functional turf in the commercial, industrial, and institutional sectors consistent with final emergency regulations enacted by the State Board

**RESOLUTION NO. 22- 013**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF CONTRA COSTA WATER DISTRICT  
ESTABLISHING A DROUGHT MANAGEMENT PROGRAM  
IN RESPONSE TO THE GOVERNOR OF CALIFORNIA'S Executive ORDER N-7-22**

WHEREAS, the Contra Costa Water District (District) is a County Water District organized and existing pursuant to the County Water District Law, Division 12 of the California Water Code beginning with section 30000 and is empowered thereunder and under article XI, section 9 to provide raw and treated water service to its customers in northern, eastern and central Contra Costa County; and

WHEREAS, article X, section 2 of the California Constitution declares that waters of the State are to be put to beneficial use, that waste, unreasonable use, or unreasonable method of use of water be prevented, and that water be conserved for the public welfare, and further declares that it is self-executing; and

WHEREAS, the District is authorized pursuant to sections 31024, 31026, 31027, 31028, 31029, and 31035 of the County Water District Law, and California Water Code sections 350 et seq., and sections 375 et seq., to establish and enforce rules and regulations for the sale, distribution, and use of water; and to enact rules and regulations to restrict the use of water during any water emergency caused by drought, or other threatened or existing water shortage, and to prohibit the wastage of District water or the use of District water during such periods, for any purpose other than household uses or such other restricted uses as may be determined to be necessary by the District and may prohibit use of such water during such periods for specific uses which the District may from time to time find to be non-essential; and

WHEREAS, District Regulations 5.04.020, 5.04.030, 5.04.060, and 5.04.070 provide further authority for the District's adoption of rules and regulations regarding the use of water delivered by the District, the prevention of waste or unreasonable use during times of water shortage, and compliance with District rules and regulations; and

WHEREAS, on May 10, 2021, the California Governor formally declared a condition of drought related emergency conditions for a total of 41 counties, including Contra Costa County, and

directed state agencies to take action to preserve critical water supplies and mitigate the effects of drought and ensure the protection of public health and safety and the environment; and

WHEREAS, the District adopted a 10% drought management program on July 7, 2021 in response to the Governor's May 2021 Executive Order and worsening water supply conditions; and

WHEREAS, on July 8, 2021, the Governor expanded the drought declaration to the entire state and called on all Californians to voluntarily reduce water use by 15 percent compared to 2020 levels;

WHEREAS, on March 28, 2022, the Governor issued Executive Order N-7-22 which, in part, directs the State Water Resources Control Board (SWRCB) to, no later than May 25, 2022, consider adopting emergency regulations requiring urban water suppliers to implement, at a minimum, the drought response actions outlined in Stage 2 of their Water Shortage Contingency Plans; and

WHEREAS, the SWRCB is developing emergency regulations to implement the directives of Executive Order N-7-22; and

WHEREAS, the United States Bureau of Reclamation (Reclamation) has announced its 2022 water year allocations for the Central Valley Project (CVP) and has forecast that the water supply available to the District to be for public health and safety needs only; and

WHEREAS, drought conditions contribute to further uncertainty regarding regulatory conditions in the Sacramento-San Joaquin Delta that affect the amount and quality of water that can be legally moved from Reclamation's reservoirs to pumping plants in the Delta, including the District's; and

WHEREAS, as of the date of enactment of this resolution, based on current and historic water supply availability and Executive Order N-7-22, District staff projects that the District water supplies will be negatively impacted in 2022-2023 as a result of drought conditions; and

WHEREAS, conservation and waste prevention measures are necessary to manage demands within the District in order to comply with Executive Order N-7-22 and the anticipated emergency regulations to be considered by the SWRCB; and, to ensure sufficient water is available for critical domestic, municipal, and industrial water needs of the District's customers in 2022-2023; and, to ensure that available water supplies are not depleted in the event that the following year is also dry; and

WHEREAS, while District water conservation efforts, recycled water, and supplemental water purchases have stretched the District's available water supplies, discretionary outdoor water use will require further reduction pursuant to the actions and requirements of the State.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Contra Costa Water District that the Board hereby finds and determines that:

1. Based upon the facts recited above, and upon the authority contained in Water Code sections 350 et seq., sections 375 et seq., sections 31021 et seq., sections 31024 et seq., and sections 31026 et seq., drought and water shortage conditions exist that will negatively affect water supply and quality available to the District.
2. Conservation and measures to prevent waste and unreasonable use are necessary to manage demands so that the reasonable water needs of District customers can be met in 2022-2023, and to ensure that water supplies are not depleted in the event that the following year is also dry.
3. The District intends to meet the overall drought management program requirements by activating Stage 2 of its Water Shortage Contingency Plan, with a planned goal of reducing water use by 15% through the following actions:
  - a. As of the effective date of this resolution, Stage 2 of the Contra Costa Water District Water Shortage Contingency Plan is activated and in effect, including all water conservation and waste prevention measures contained therein which measures

may also be augmented, modified or rescinded in the discretion of the Board of Directors; and

- b. Commercial and industrial customers are hereby required to reduce their water use by 5%, as compared to water use for the same billing period during calendar year 2020 which shall be used as the baseline for reduction; and
  - c. Dedicated Irrigation and Agricultural customers are hereby required to reduce their irrigation water use by 25%, as compared to water use for the same billing period during calendar year 2020 which shall be used as the baseline for reduction; and
  - d. Municipal Retail customers are hereby requested to reduce their water use by 15% pursuant to Executive Orders N-10-21 and N-7-22, as compared to water use for the same billing period during calendar year 2020 which shall be used as the baseline for reduction; and
  - e. Residential and all other customer classes are hereby required to reduce their water use by 15%, as compared to water use for the same billing period during calendar year 2020 which shall be used as the baseline for reduction.
4. The water use prohibitions, attached hereto as Exhibit A and incorporated herein as if fully set forth, are necessary to conserve water, promote effective water supply planning, assure reasonable and beneficial use of water, prevent waste and unreasonable use of water, and prevent unreasonable methods of use of water within the District; and said water use prohibitions are necessary to assure that sufficient supplies of water will be available to meet the needs of, and to protect the health and safety of, the District's customers and other members of the public. This paragraph is not a limit on the District's authority to determine that a customer is wasting or failing to put water received from the District to reasonable and beneficial use.
5. The General Manager is hereby directed to take all steps necessary in order for the Board of Directors to consider an ordinance that will, among other things, impose a temporary conservation pricing adjustment (Temporary Drought Surcharge) to be effective for water delivered on and after July 1, 2022, and will include for Board consideration a rebate for those residential customers who use less than 200 gallons per day which rebate shall be

funded through the use of non-rate revenues consistent with the principles of Proposition 218.

6. This Resolution is effective and operative immediately upon its adoption and will remain in effect and operative until such time as the Board of Directors acts to amend, repeal, or supersede this Resolution.

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The foregoing Resolution was duly and regularly adopted at a meeting held on the 20th day of April 2022, by the Board of Directors of the Contra Costa Water District by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Lisa M. Borba, President

ATTEST:

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Veronica Sepulveda, District Secretary

**WATER USE PROHIBITIONS**

The following uses of water supplied by the District have been determined to be wasteful and are prohibited at any time when the 2022 Drought Management Program is in effect:

- Watering of newly constructed homes/buildings that is not drip or microspray; and
- Serving drinking water that other than upon request in eating and drinking establishments; and
- Hotels/motels shall provide guests with the option of choosing not to have towels and linens laundered daily; and
- Using non-recycled water for dust control/construction (currently in place, as part of Stage 1 Drought Response); and
- Irrigation of non-functional turf in the commercial, industrial, and institutional sectors consistent with final emergency regulations enacted by the State Board; and
- The foregoing measures supplement all prior measures previously adopted by the Board of Directors, ordered by the State, or contained in the District Code of Regulations which remain in effect.