SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-C**

FROM: Steve Mack, General Manager

Meeting Date: May 7, 2009

SUBJECT: DECLARATION OF STAGE I WATER SHORTAGE

RECOMMENDED ACTION: Consider approval of Resolution 09-14 which declares a Stage I Water Shortage requesting District customers decrease water use up to 25% through October 2, 2009

FISCAL IMPACT: A 25% reduction in water sales would have approximately a $200,000 reduction in District revenues. There would be additional, relatively small District expenses associated with the water conservation effort.

DISCUSSION:

The Russian River system has been in disarray since the FERC relicensing of the Potter Valley Project which reduced diversions from the Eel River system to the Russian River by about 33% (approximately 50,000 acre feet (af) per year). Combined with low rainfall this year, the reductions in diversions means that Lake Mendocino is seasonably low and will not have enough storage to fulfill release requirements for normal year flows in the Russian River through this calendar year. The Sonoma County Water Agency (SCWA) requested a temporary urgency change to the permits which govern the minimum flow levels in the Russian River so that the minimum flows could be at the Extremely Dry levels. In response to that request the State Board issued Board Order WR 2009-0027-DWR which approves the temporary urgency change in SCWA Permits for the Russian River and, among other directions, directs SCWA to "submit a plan to the State Water Resources Control Board to obtain the cooperation and participation of agricultural and municipal Russian River water users to reach a water conservation goal of 25 percent in Sonoma County" through October 2, 2009.

The Order also states that should inflow to Lake Mendocino not reach 25,000 af by July 1, 2009, minimum flows would be at the Extremely Dry level. This means minimum flow target would be 35 cubic feet per second (cfs) downstream of the Dry Creek confluence with the Russian River. The reduction in minimum flows, regardless whether Dry Year minimum flows (75 cfs) or Extremely Dry Year

minimum flows, would not impact the ability of the District to produce water this summer.

The Board Order is not direct regarding the participation of the Sweetwater Springs Water District participation in the Russian River conservation effort, nor has the District received any direct communication from the State Board. On May 6, 2009 there is a Board Hearing on this order and I will be attending. I will present any clarification provided at that hearing at the District's May 7, 2009 meeting. The District is a Russian River water user and is clearly intended in the language quoted above to be a participant in the conservation effort. A reduction in the amount of 25% will be a big achievement and will require the participation of all water users in the watershed. The District should set an example for others in this effort. And we must remember that water that is not diverted is water that stays in the river.

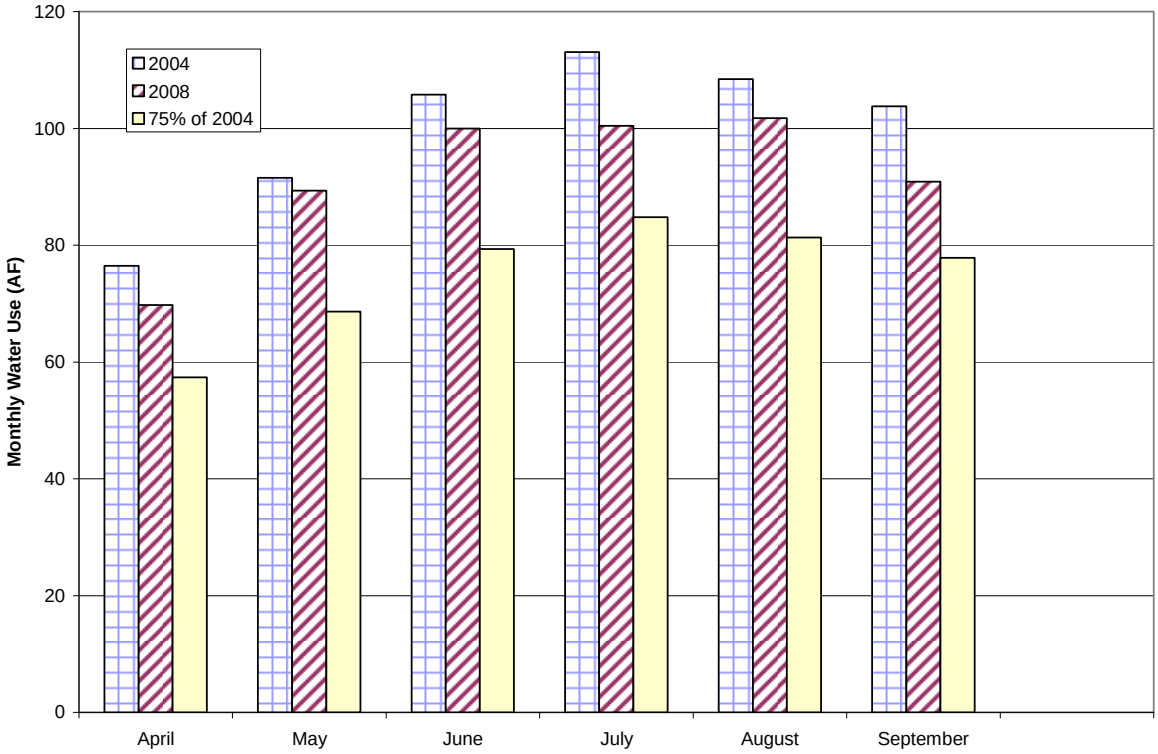
The District's 2005 Urban Water Management Plan (UWMP) has a chapter on water shortage contingency planning. That chapter lists three stages of water shortage – I, II, and III. Table 15, excerpted from the UWMP and shown below, shows that reductions in the 15%-25% call for a Stage I declaration by the Board. The UWMP is sparse on the details of what a Stage I Water Shortage Conservation Plan would include, only stating that the conservation would be voluntary. Exhibit A to Resolution 09-14 contains the proposed elements of the Stage I Water Shortage Conservation Plan. This plan is based on staff experience of working in the conservation field, of having participated in a drought conservation effort in the early 1990's at the City of Santa Barbara, and discussions with SCWA staff of what is available for regional programs. Because of the hurried nature of this conservation effort and the current lack of an overall regional coordination of regional water conservation, the Plan must be considered subject to change. As we find better ways to achieve results, we will implement those better ways.

Table 15
Water Rationing Stages and Reduction Goals

Shortage Condition	Stage	Customer Reduction Goal	Type of Rationing Program
15 – 25%	I	25%	Voluntary
26 – 35%	II	35%	Mandatory
36 – 50%	III	50% or >	Mandatory

What does a 25% reduction in production look like? The base year for comparison is 2004 (we believe – the Board Order states 2009 but that's a typo and we've been told by SCWA it's 2004). Figure 1 compares production for 2004 with 2008 production and a 25% reduction from 2004.

Figure 1. April through September Monthly Water Use
Sweetwater Springs Water District



Some Observations:

- Conservation efforts cannot be turned on and off like a light switch. The Board Order is remarkable is that it declared the conservation goal to start on April 6, 2009, for an April 6 date order, and end on October 2, 2009. Conservation programs don't work that way. It takes time for the message to get to all customers and when they start conserving they don't stop when some agency tells them it's ok to start using water again. The date of this State I declaration is May 7, it will take another month to get the word out to our customers (June 7) and not all customers will get the message right away. And when October 2, 2009 comes around, many customers who have developed water saving (and money saving) habits will keep them. From my experience at the City of Santa Barbara with the 1989-1992 drought, predrought demand was 16,400 afy; minimum demand (in 1990) was approximately 9,500 afy; post drought demand did not reach 15,000 af until approximately 2000, although population had increased by 10,000.

- Revenue impact is estimated to be $200,000. The revenue model estimates that a 25% reduction in demand for one year would be $200,000. As indicated above, revenue might take several years to come back to current levels.

- The District has no police power to enforce restrictions. The proposed water conservation plan is voluntary. Any plan that had mandatory restrictions would be difficult to enforce. The District's only punitive tool available is turning off service. We cannot fine anyone for not abiding by water use restrictions. One approach to get police power would be to have Sonoma County enact water use restriction ordinances and delegate the enforcement authority to the District. That would be a time-consuming process, if even feasible, and is not available for this summer. (nor is it necessary)

- Regional effort is lacking coordination and thus I wonder how well this will work. A 25% reduction in water use is not an easy goal to achieve. The goal is a regional one, yet there is no regional coordination in this effort. My communications with SCWA on this has been that they would like to know what the District's plan is and get reports on how we are doing. I have asked for resources from SCWA and to participate in the regional program and have been told they have no resources and there really is no regional program. I have had no communication with other agencies.

- Regional effort is lacking energy. Even without regional coordination, I am not observing any real regional effort to really conserve water. The lack of water in the watershed for all needs this summer and fall is a real problem, but I don't see the urgency needed to achieve real results in a water conservation effort this summer.

- There is not an absence of water, just a reduction in availability and, there is only a desire to have it reallocated by many of the participants. Perhaps one of the reasons there isn't a sense of urgency out there is because not everyone thinks there's a real problem for them. In 1991 with the Santa Barbara County drought situation, one small reservoir was completely empty and the large reservoir was at 17,000 af out of a total storage of 200,000 af. All that was left was groundwater and the City of Santa Barbara decided to build a desalination facility (in 1990). This year with the Russian River, Lake Mendocino still has a fair amount of water – it's at approximately 50% of storage and Lake Sonoma has plenty of water, it has release restrictions. No one is going to run out of water, it's just a question of at what levels the minimum flows should be. The May 6 State Board hearing is about whose ox is going to get gored – who takes what reductions and how much. If this was a shortage problem such that reservoirs and the river both might be empty and dry without a real change in the weather, we might see a different kind of effort.

- Expect this request for reduced minimum flows – temporary urgency change requests - to be repeated fairly frequently until D1610 gets fixed and that doesn't appear to be happening soon. The real problem here is that diversions from the Eel River have been significantly reduced and the minimum flow levels in the Russian River and current diversions from the Russian River cannot be sustained by the water supply available.

As shown above the conservation effort is not being done perfectly, and much can be done to improve regional cooperation. However, the District needs to be a participant in the conservation effort. Exhibit A shows a reasonable plan that can be presented to District customers to get the effort moving. Declaration of Stage I Water Shortage is an essential element to the effort and I recommend Board approval of Resolution 09-14.

Resolution 09-14

A Resolution of the Sweetwater Springs Water District Declaring a Stage I Water Shortage

WHEREAS, the California State Water Resources Board issued Board Order WR 2009-0027-DWR (the "Order") on April 6, 2009, which approves a Temporary Urgency Change in Sonoma County Water Agency (SCWA) Permits to Russian River water users. The Order directs SCWA to "submit a plan to the State Water Resources Control Board to obtain the cooperation and participation of agricultural and municipal Russian River water users to reach a water conservation goal of 25 percent in Sonoma County" through October 2, 2009; and

WHEREAS, the reservoirs in the Russian River system and the flows in the River are low and projections indicate that conditions will deteriorate further later in the summer and fall of 2009; and

WHEREAS, it is in the District's and SCWA's interest that a cooperative effort be developed to address the water shortage situation in the Russian River system; and

WHEREAS, the District adopted the 2005 Urban Water Conservation Plan (the "Plan") by Resolution 08-01 on February 7, 2008, which includes a water shortage contingency element: and

WHEREAS, the Plan's voluntary and mandatory rationing stages may be triggered by a water supply shortage; and

WHEREAS, the Order issued by the California State Water Resources Board indicates a water supply shortage exists thereby triggering the rationing stage provisions of the Plan; and

WHEREAS, the Plan has a three stage rationing plan and provides that Stage I voluntary rationing should be declared when the conservation goal target is between 15-25%; and

WHEREAS, Stage I voluntary conservation by District customers may be achieved by adjustment to their interior or exterior water use, but still requires concerted effort by District staff; and

WHEREAS, the Plan contains programs and activities that will help the District and its customers achieve a conservation target of up to 25% based on 2004 summer usage; and

WHEREAS, attached as Exhibit A is a list of the programs and activities that will be undertaken by the District to assist its customers in achieving water savings under the voluntary Stage I conservation program.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Sweetwater Springs Water District declares the implementation of Stage I of the District's 2005 Urban Water Conservation Plan and directs staff to begin implementation the programs and activities listed in Exhibit A.

This Resolution was adopted this May 7, 2009, on roll call by the following vote:

Wanda Smith : _____
Victoria Wikle : _____
Jim Quigley: _____
Ken McLean: _____
Gaylord Schaap: _____

_____
Victoria Wikle
President of the Board

ATTEST:

_____
Julie A. Kenny
Clerk of the Board

Exhibit A
Resolution 09-14
Sweetwater Springs Water District Water Shortage Contingency Plan
Stage I Water Shortage
May 7, 2009

Reduction Target is 15-25%. According to 2005 Urban Water Management Plan, this is State 1 of the Water Shortage Contingency Plan

Triggering Mechanism is State Board Order directing the Sonoma County Water Agency (SCWA) to "submit a plan to the State Water Resources Control Board to obtain the cooperation and participation of agricultural and municipal Russian River water users to reach a water conservation goal of 25 percent in Sonoma County" in response to SCWA's Temporary Urgency Change request for Decision 1610. The base year for the reduction calculation is calendar year 2004.

The approach/strategy is voluntary conservation whereby District customers are encouraged and offered resources to use water wisely, and to search for and fix leaks on their property. The District will continue with its capital projects aimed at reducing system losses, pay attention to water wasting in the District, fix surfacing leaks as quickly as possible, and look for other opportunities to reduce system losses.

Plan Elements:

- Public Education/Information
    - Work with SCWA and other water providers in the region for coordinated message
    - Information on website
    - Mailer in May
    - Home Water Audits – self and assisted:
        - Instructions on meter reading.
        - Check for leaks inside and outside.
        - Evaluate all water uses in your facility or home.
        - Provide information on rebates, incentive programs, and water conservation strategies for residents/businesses.
    - Office Display with handouts – rebates, low flow showerheads, faucet aerators
    - Water Wise Gardening – connect with SCWA effort?
    - Media Spots – press releases, PSA's done on a regional basis?
    - Connect with Statewide effort
- Waste of Water Prohibited, staff will be alerted to be on the lookout for wastage of water.
- Rate incentives – rates scheduled to go into effect July 1 have increase financial incentive to reduce water use (higher incline to tiered rates.
- Capital Improvement Program – CIP IV-A is replacing water distribution mains as part of program to reduce system losses. CIP IV-A, Project 2 is starting May 11 and should help reduce losses this summer. CIP IV-A, Project 1 should be completed in mid May and also will reduce system losses.
- District staff fix reported and found leaks on a priority basis.