



Staff Report

for the Special Board of Directors' Meeting of July 1, 2021

TO: Board of Directors
FROM: Chip Close, Water Operations Manager
DATE: June 26, 2021
SUBJECT: Escalation of Drought Response

OPERATIONS

RECOMMENDATION:

Conduct a Public Hearing; after hearing testimony, consider adopting Resolution No. 2021-21 - Escalating Drought Response and Enhancing Conservation Measures, as discussed at the June 9, 2021, and June 26, 2021 Board of Directors meetings.

BACKGROUND:

The severely dry hydrologic conditions across California continue to stress water resources statewide. On April 21, 2021, Governor Gavin Newsom issued a State of Emergency Proclamation, stating, "Much of the West is experiencing severe to exceptional drought". The drought emergency included multiple counties across California, including all of NID's service area. In response, NID declared its own drought emergency at the April 28, 2021 Board of Directors Meeting. Water supply conditions have continued to deteriorate since that time.

On May 26, 2021, the Board of Directors (Board) authorized the purchase of roughly 16,000 acre-feet of PG&E water to bolster carryover supplies for 2022. The Board also directed staff to explore options for the escalation of the drought emergency to mandatory levels should voluntary conservation not be realized.

Unfortunately, customer response to voluntary conservation measures has not provided a significant reduction in water use. Therefore, Staff developed an escalated drought action and conservation plan to spur more conservation. The plan is a hybrid approach with a mix of action items from the District's Water Shortage Contingency Plan. The recommendations were reviewed, critiqued, and adjusted per Board and public response at the June 9, 2021, and June 25, 2021 Board of Directors meetings. The final recommendations are incorporated into Resolution No. 2021-21 for the Board's review and vote.

Staff will continue to monitor carryover storage and provide regular updates at future Board of Directors meetings. An escalation to more severe drought restrictions remains a potential if carryover storage continues to drop due to increased water use.

BUDGETARY IMPACT:

The updated drought resolution includes an increase in volumetric rates as an incentive for conservation. The higher rate will also offset increased drought-related costs and insulate losses in revenue from decreased use. The actual budgetary impact is variable and depends upon the amount of reduced consumption by NID customers.

Attachments:

- Resolution No. 2021-21



RESOLUTION NO. 2021-21
OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT

**ESCALATING DROUGHT RESPONSE AND
ENHANCING CONSERVATION MEASURES**

WHEREAS, Nevada Irrigation District (District) provides water for residential, commercial, industrial, agricultural, municipal, environmental, recreation, hydroelectric generation, and fire protection and prevention purposes, as well as other beneficial uses of water; 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

WHEREAS, regulation of the time of certain water use, manner of certain water use, method of application of water for certain uses, and installation and use of water-saving devices provide an effective and immediately available means of conserving water; and

WHEREAS, careful water management that includes active water conservation measures, particularly in times of drought is essential to ensure a reliable minimum supply of water to meet current and future water supply needs; and

WHEREAS, the 2019/2020 water year was the start of multiple dry or critically dry cycle with precipitation at 70% of average, combined with earlier than normal precipitation runoff into the District's water storage facilities that caused the need to increase withdrawals from storage and reduced end of year carryover storage to below-average volumes going into the current 2020/2021 water year; and

WHEREAS, despite persistent dry conditions in the 2019/2020 water year, the District's then-existing storage and snowpack measurements and forecasted precipitation and runoff narrowly supported a declaration of water "surplus" made by the District's Board of Directors on March 10, 2021; and

WHEREAS, on April 21, 2021, Governor Gavin Newsom issued a State of Emergency Proclamation, stating that “much of the West is experiencing severe to exceptional drought and California is in a second consecutive year of dry conditions, resulting in drought or near-drought throughout many portions of the State” and “drought conditions vary across the State and some watersheds...are extremely dry and are facing substantial water supply and ecosystem challenge”; and

WHEREAS, since the District’s surplus water declaration on March 10, 2021, water supply conditions have significantly deteriorated such that surplus water conditions no longer exist in the District, including a reduction in water supply of at least 24,000 acre feet due to lack of precipitation, increased water demands due to unusually hot and dry conditions, and forecasted low carryover storage levels far below average; and

WHEREAS, on April 28, 2021, the Board of Directors of the District adopted Resolution No. 2021-11 Declaration of Drought, which imposed increased conservation measures, and requested a 10% voluntary reduction in water use from all District customers; and

WHEREAS, since the April 28, 2021 Drought Resolution No. 2021-11, water supply conditions have continued to deteriorate, causing forecasted carryover storage levels to continue to drop; and

WHEREAS, on May 10, 2021 Governor Newsom issued a second Proclamation of a State of Emergency due to drought, observing “a historic and unanticipated” depletion of the expected snowpack runoff and declaring drought emergency in forty-one counties, including Nevada, Placer and Yuba Counties; and

WHEREAS, the District’s watersheds have also experienced a historic and unanticipated depletion of the expected snowpack runoff, resulting in the need to escalate drought response and enhance conservation measures; and

WHEREAS, the District’s adoption of Resolution No. 2021-11 requesting voluntary 10% water conservation as compared to 2013 usage has not resulted in District customers achieving water conservation at a level necessary to address emergency drought conditions and to meet the District’s carryover storage targets in the event emergency drought conditions persist into the 2021/2022 water year; and

WHEREAS, as a result of the current emergency drought prevailing within the District's boundaries, and based on the snowpack in the District's watershed being approximately 72% of the April 1st average, the District forecasts that its water supplies, without undertaking drought reduction and mitigation efforts, will drop to unacceptably low levels; and

WHEREAS, the current 2020/2021 water year is currently classified as critically dry and has resulted in drought conditions throughout the District's service area and watersheds, with precipitation being 49% or worse as compared to normal and actual snowpack runoff being historically low; and

WHEREAS, persistent drought conditions have negatively impacted, and continue to impact and threaten, the District's powerhouses that generate hydroelectric power and recreational facilities resulting in a decline in usage and resultant revenues; and

WHEREAS, following notice and public hearing, the District adopted its 2020 Update to its Agricultural Water Management Plan on April 14, 2021, which includes a Drought Contingency Plan; and

WHEREAS, on May 26, 2021, recognizing the sudden, unexpected emergency drought conditions prevailing within the District, the Board of Directors authorized the purchase of 16,000 acre-feet of water at a cost of \$700,000 from Pacific Gas & Electric Co.; and

WHEREAS, the District's enabling legislation (Division 11 of the California Water Code), the District's rules and regulations, and other applicable laws, including California Water Code sections 375 through 378 empower the District to adopt and enforce a water conservation program and to adopt and impose regulations and restrictions on water delivery to conserve water supply after holding a public hearing and making appropriate findings of necessity for the program; and

WHEREAS, to ensure continued supply of water for public health and safety and other beneficial uses, including domestic, irrigation, sanitation, environmental and fire prevention and suppression uses during this drought, it is necessary to impose enhanced water conservation measures and water use restrictions on the District's customers and other recipients of District water, including Nevada City and the City of

Grass Valley; and

WHEREAS, such conservation measures and water use restrictions must be imposed to ensure that the District has sufficient end-of-year reserves of water (carryover) in storage to enhance its ability to continue delivering water to all beneficial uses in the 2021/2022 water year should the current drought conditions continue; and

WHEREAS, notice of public hearing on the consideration of this Resolution was published on June 24, 2021 in The Union, Auburn Journal, Lincoln News Messenger and the Appeal-Democrat and a draft of the Resolution was posted onsite at the District and on its website on June 28, 2021; and

NOW, THEREFORE, BE IT RESOLVED AND PROCLAIMED by the Board of Directors of the Nevada Irrigation District that the above recitals are true and correct and are incorporated by this reference as findings.

BE IT FURTHER RESOLVED that under authority of applicable law, including California Water Code sections 375 through 378, Nevada Irrigation District hereby adopts this Resolution in order to achieve water use efficiencies and limitations and conservation to achieve a 20% reduction in total District water use.

BE IT FURTHER RESOLVED that the District's carryover storage target to begin preparing for the upcoming 2021/2022 water year shall be at least 105,000 acre feet total District storage at the end of October, 2021.

BE IT FURTHER RESOLVED, that Nevada Irrigation District imposes wise water use practices by restricting the following, except where necessary to address immediate health and safety needs:

- A. The application of irrigation or 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.
- B. The use of a hose that dispenses irrigation or 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.
- C. The application of irrigation or potable water to driveways and sidewalks.

- D. The use of irrigation or potable water in a fountain or other decorative water feature, except where the water is part of a recirculating system.
- E. The application of irrigation or potable water to outdoor landscapes during and within 48 hours after measurable rainfall.
- F. 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.
- G. Irrigating ornamental turf on public street medians with irrigation or potable water.
- H. Irrigating landscapes outside of newly constructed homes and buildings with irrigation or potable water in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development.

BE IT FURTHER RESOLVED that the District's treated water customers shall be subject to the following measures as determined by the District and established in the District's Drought Contingency Plan:

- A. All District treated water customers will be required to reduce water use by 20%.
- B. Outdoor irrigation shall be limited to the following:
 - a. watering shall be limited to three days per week;
 - b. Water shall be limited to early morning (before 10 AM) and late evening (after 6 PM); and
 - c. Under no circumstance shall customers irrigate in a manner that creates runoff.
- C. Drought pricing at Drought Contingency Plan, Stage 2 levels, will go into effect immediately and will remain until the drought emergency has been lifted by the Board of Directors.

BE IT FURTHER RESOLVED that the District's irrigation water customers shall be subject to the following measures as determined by the District and established in the District's Drought Contingency Plan:

- A. All District irrigation water customers are strongly encouraged to implement irrigation efficiency practices.
- B. Outdoor irrigation of landscape shall be limited to the following:

- a. Watering shall be limited to three days per week;
 - b. Water shall be limited to early morning (before 10 AM) and late evening (after 6 PM); and
 - c. Under no circumstance shall customers irrigate in a manner that creates runoff.
- C. No new or increased irrigation sales will be permitted until the drought emergency has been lifted by the Board of Directors.
- D. Winter water sales will be limited to existing customers at existing purchase volumes.
- E. Customers who request a reduction, or who voluntarily forego water delivery during the 2021 irrigation season, will not lose their priority of service once the drought emergency has been lifted by the Board of Directors.
- F. Drought pricing at Drought Contingency Plan, Stage 2 levels, will go into effect immediately and will remain in effect until the drought emergency has been lifted by the Board of Directors. Increases for summer water will be prorated from July 1, 2021 through the end of the irrigation season on October 14, 2021.

BE IT FURTHER RESOLVED that any violation of this Resolution shall entitle the District to all available legal remedies, including those set forth in the District's enabling legislation, its rules and regulations, and as set forth in Water Code section 377. The District's General Manager is directed to:

- A. Maintain a program for residents to report waste, unreasonable use, or theft of water throughout the District's boundaries; and
- B. Prepare by July 28, 2021, an enforcement procedure to impose civil fines and penalties for any violations of this Resolution and to publish the same with this Resolution.

BE IT FURTHER RESOLVED that in order to conserve supplies, including carryover storage, required for various beneficial uses of water, and to preserve the health and safety of the customers of the District, there is hereby declared a condition of drought necessitating the implementation of measures within the District's Drought Contingency Plan. The General Manager is authorized to identify additional operational actions and request additional conservation measures or water use limitations as determined necessary to meet the needs of public health and safety, including the need to adjust to meet or exceed the District's carryover storage target. Additional conservation

measures, as imposed, shall be specifically described and communicated to all customers through one or more of the following: newspaper, public posting, and website and reported to the Board of Directors at the next available board meeting.

BE IT FURTHER RESOLVED that District staff under the direction of the General Manager are authorized and directed to implement water conservation messaging as appropriate and necessary to inform customers of emergency drought conditions, the need to immediately implement the terms of this Resolution, and to communicate other water conservation messaging.

BE IT FURTHER RESOLVED that this Resolution shall be published in compliance with section 376 of the California Water Code.

BE IT FURTHER RESOLVED this Resolution shall become effective immediately upon adoption by the Board of Directors.

PASSED AND ADOPTED by the Board of Directors of Nevada Irrigation District at a meeting duly called and held within the District on the 1st day of July, 2021, by the following roll call vote:

AYES: Directors:
NOES: Directors:
ABSENT: Directors:
ABSTAINS: Directors:

President of the Board of Directors

Attest:

Secretary to the Board of Directors