

Staff Report

for the Board of Directors' Meeting of May 25, 2016

TO: Board of Directors

FROM: Chip Close, Water Operations Manager

DATE: May 16, 2016

SUBJECT: Long Term Conservation Management Resolution

OPERATIONS

RECOMMENDATION:

Adopt resolution number 2016-19 supporting local control for long term conservation management in California as recommended by the Water & Hydroelectric Operations Committee.

BACKGROUND:

On Feb. 2, 2016, the State Water Resources Control Board (SWRCB) adopted an emergency conservation regulation that will extend mandatory urban conservation regulation through October 2016. With improving statewide water supply conditions, SWRCB staff has begun reviewing ways in which the conservation regulations could be amended to lighten the restrictions. One reoccurring theme that continues to come out of the SWRCB office is a goal to implement permanent long term conservation policies.

The District is concerned that permanent conservation regulations could affect the ability in determining the appropriate water management strategies at the local level. The District has proactively invested hundreds of millions of dollars on infrastructure and drought resilient strategies to shelter the District's customers from the worst impacts of the drought. The SWRCB emergency approach largely overlooks the value of both water supply and water efficiency tools made possible by nearly a hundred years of local investments. The concern is that this approach could extend to longer term, permanent regulations.

It is anticipated that multiple neighboring agencies will adopt similar ACWA supported resolutions.

BUDGETARY IMPACT:

No budgetary impact

AC

attachment (1):

- Resolution 2016-19

LONG-TERM WATER CONSERVATION AND MANAGEMENT POLICY IN CALIFORNIA

WHEREAS, the Nevada Irrigation District (District) has invested billions of dollars in the past 95 years of its existence to build and prudently manage a diverse water supply portfolio to meet its customers' needs and provide reliable supplies during times of drought to Nevada, Placer and Yuba counties; and

WHEREAS, these local investments, together with investments made by other water providers in everything from water rights to local and regional water storage to efficient water conveyance were made with the public's support and are widely credited with keeping California's economy largely intact throughout the current multiyear drought; and

WHEREAS, the emergency drought regulation adopted in May 2015 and extended in February 2016 by the State Water Resources Control Board largely overlooked these investments and required local urban water suppliers to impose broad, one-sized-fits all mandatory reductions in water use on their customers, even where local hydrology and available local supply options did not warrant such stringent reductions; and

WHEREAS, in the District's case, its own supply and drought contingency plans developed and modeled for the District's unique hydrology, supply and customer needs, called for a 10-15% usage reduction for the 2014 and 2015 water seasons, and April 1 2016 water supply conditions warrant normal operations; and

WHEREAS, instead, the District was mandated to conserve and did in fact achieve 15% in 2014, and 27% in 2015; and

WHEREAS, as a result of prior conservation and above normal hydrology in the current water year, the District's and many other locally owned and operated reservoirs spilled in early 2016 and continue to spill water; and

WHEREAS, as a result of the overly burdensome and unnecessary (in the District's case) mandatory reductions in urban water use the District incurred a loss in revenue of 3.1 million dollars; and

WHEREAS, as the state's focus transitions from the emergency regulation to a potential long-term policy approach to conservation, the District believes it should be the state's policy to emphasize investments in drought-resiliency and ongoing water-use efficiency and to leave discretion with local water agencies to choose appropriate management strategies for current drought conditions; and

WHEREAS, the District along with numerous other California water agencies support a long-term policy that offers local control to develop and implement as necessary drought planning that is unique to each suppliers local supply and demand conditions, acknowledges and respects the water right priority system, incentivizes and encourages water use efficiency and promotes innovation; and

WHEREAS, drought planning and conservation efforts are best developed at the local level taking in to consideration local supply conditions, customer needs, local stakeholder input, and other unique local considerations; and

WHEREAS, state-imposed, inflexible conservation mandates should be avoided because such efforts stifle local control, including innovative efforts to respond to drought emergencies, may interfere with vested property rights, including water rights, and tend to be more costly to implement.

NOW, THEREFORE, BE IT RESOLVED, the Nevada Irrigation District supports a long-term policy that preserves local control over water management decisions and that results in an efficient and resilient water future that will allow local water agencies to continue planning for and investing in the water supply reliability actions needed to meet California's 21st century water needs.

PASSED AND ADOPTED by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 25th day of May 2016, by the following vote:

AYES: Directors:
NOES:
ABSTAINING:
ABSENT:

President

ATTEST:

Board Secretary