

Staff Report

for the Board of Directors' Meeting of April 27, 2016

TO: Board of Directors

FROM: Chip Close, Water Operations Manager

DATE: April 19, 2016

SUBJECT: Long Term Water Conservation and Management Policy

OPERATIONS

RECOMMENDATION:

Adopt resolution number 2016-15 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. In recent weeks, the SWRCB Staff has indicated interest in pursuing permanent conservation regulation in the near future that could affect the ability of local agencies to determine 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 2016-15

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 to build and prudently manage a diverse water supply portfolio to meet our customers' needs and provide reliable supplies during times of drought to Nevada Placer and Yuba counties; and

WHEREAS, these local investments 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 mandatory reductions in water use on their customers, even where hydrology and available local supply options did not warrant such stringent reductions; and

WHEREAS, our customers responded heroically to the drought emergency and largely met the statewide goal of reducing urban water use by 30% through February 2016; and

WHEREAS, as a result of the mandatory urban water reductions the District incurred a reduction 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, we believe 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; and

WHEREAS, the District affirmatively supports a long-term policy that demands water use efficiency, promotes innovation in developing water shortage contingency plans, encourages increased storage, requires accountability at local water agencies, and preserves local control over water management decisions.

NOW, THEREFORE, BE IT RESOLVED, the Nevada Irrigation District supports a long-term policy that will result 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; and

BE IT FURTHER RESOLVED, the Nevada Irrigation District believes long-term water management policy is most appropriately developed and administered by the California Department of Water Resources, which already has the lead role in managing the state's Urban Water Management Plan / Water Shortage Contingency Plan process.

PASSED AND ADOPTED by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 27th day of April, 2016, by the following vote:

AYES: Directors:

NOES: Directors:

ABSENT: Directors:

ABSTAINS: Directors:

President of the Board of Directors

Attest:

Secretary to the Board of Directors