

Staff Report

TO: Board of Directors

FROM: Chip Close, Director of Water Operations
Thor Larsen, Water Resources Superintendent

DATE: February 8, 2023

SUBJECT: Rescind 2022 Drought Contingency Plan Measures and Make a Declaration of Surplus Water for 2023

WATER OPERATIONS

RECOMMENDATION:

Adopt Resolution No. 2023-11 - Rescinding Resolution 2022-29 (Enacting Drought Contingency Plan Stage II Measures) and Make a Declaration of Surplus Water Availability for 2023.

BACKGROUND:

Beginning in the winter of 2019/2020 state wide precipitation numbers have been well below average, peaking in 2020/2021 with precipitation being only 49% of average. The dry conditions led the State into the second extreme drought in the last ten years. The severity of drought led to Governor Newsom's enactment of a number of Emergency Orders that required implementation of water purveyor's drought contingency plan (DCP) at a level to achieve savings of up to 20% as compared to 2020. While the District was fortunate to have a more robust water supply than many water purveyors in California, compliance with the Executive Order was accomplished through the adoption of Resolution 2022-29 which enacted portions of the DCP Stage II.

Thankfully, the start of the 2022/2023 winter has provided significant amounts of precipitation and snowpack to greatly improve the District's current and forecasted water supply portfolio. As of 1/26/2023 the District's Bowman Lake Reporting Station has received 57.14 inches of precipitation which is 163% of average for this date. The robust storm systems have filled and spilled the District's lower elevation reservoirs and led to a snowpack that is 184% of average which is anticipated to fill all of the District's higher elevation reservoirs. Current District reservoir storage is 230,323 AF, which is 120% of average for this time of year.

The forecasted April – July runoff from the Department of Water Resources will be forecasted the beginning of February for the Yuba River basin. Current DWR data shows the central Sierra snowpack to be 211% of average. PG&E will be determining the amount of water available to purchase per the Coordinated Operating Agreement, but does not have an estimated amount at this time. Given the early forecast, and the lack of specific PG&E numbers, Staff has performed the water availability analysis with a conservative 50% of yet to come precipitation and runoff.

The accumulation of the information above indicates that the forecasted available water supply for April 1 is 357,000-acre feet which is 122,000-acre feet more than any trigger point for the enactment of the Districts Drought Contingency Plan. As a result, there is enough supply available to be in “normal operations” and resolution 2022-29 enacting Stage II drought measures is no longer applicable. Staff is recommending the Board rescind the resolution as we move toward the 2023 irrigation season.

In addition to allowing for the rescinding of drought contingency plan measures, the robust 2023 water supply forecast is in excess of the needs of current internal District customer demands. This allows for a declaration of surplus water conditions per California Water Code Section 22259. This declaration is important as the District provides water service to roughly 35 outside District customers per an annual contract. In addition, the City of Grass Valley and the City of Nevada City are also outside District customers supplied via long-term surplus water supply agreements. The surplus water declaration allows the District to continue to provide these services and explore assisting other neighboring out of District municipalities with additional supplies via temporary transfer agreements.

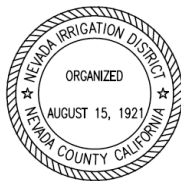
BUDGETARY IMPACT:

While it is anticipated that lifting of drought conditions will lead to expanded water sales, the total volume and revenue is unknown at this time.

AC

Attachments: (2)

- Resolution 2023-11
- Resolution 2022-29



RESOLUTION NO. 2023-11
OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT

**RESCINDING RESOLUTION 2022-29 (ENACTING DROUGHT
CONTINGENCY PLAN STAGE II MEASURES) AND
DECLARING SURPLUS WATER CONDITIONS FOR 2023**

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, 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 a three-year dry cycle with the 2020/2021 water year precipitation being the driest at 49% of average and snowpack runoff efficiency being historically low leading to a critical dry year classification; and

WHEREAS, on March 28, 2022 Governor Newsom signed Executive Order N-7-22 requiring water suppliers to enact portions of their drought contingency plan to achieve a 20% reduction in water use as compared to 2020, and

WHEREAS, on May 14, 2022, the State Water Resources Control Board released draft regulations that, among other requirements, mandated each urban water supplier, including the District, to “implement by June 10, 2022, at a minimum, the demand reduction actions identified in the supplier’s water shortage contingency plan for a shortage level of ten to twenty percent”; and

WHEREAS, the District complied with the conservation mandates by equitably allocating responsibility for conservation across all District customers (treated and irrigation, etc.) and in a way that, to the extent possible, minimized revenue impacts on District operations; through the adoption of Resolution 2022-29, and

WHEREAS, the 2022/2023 water year has provided robust precipitation with 57.14” of precipitation to date at the District’s point of measurement, which equates to 163% of average, and snow pack accumulation at 185% of average, eclipsing the normal total expected for the April 1 target; and

WHEREAS, the District’s current water storage is at 230,323-acre feet, which is 120% of average for this date with lower elevation reservoirs full and spilling, and high elevation reservoirs are forecasted to fill and spill once snow runoff begins; and

WHEREAS, the forecasted available water supply for April 1, 2023 is 357,000-acre feet, 122,000-acre feet above the threshold for implementation of the Drought Contingency Plan as established in the District’s urban and agricultural water management plans; and

WHEREAS, the current and forecasted available water supply is in excess of the needs of current internal customer demands and can be classified as surplus water conditions per California Water Code Section 22259.

NOW, THEREFORE, BE IT RESOLVED AND PROCLAIMED by the Board of Directors of the Nevada Irrigation District that Resolution # 2022-29 is rescinded, including the District’s water conservation program under Water Code §§ 375 et seq. given that emergency drought conditions no longer exist within the District’s service area, which includes portions of Nevada County, Placer County, and Yuba County.

BE IT FURTHER RESOLVED given the District’s fortunate water supply position and the likely ongoing need for water by neighboring out-of-District municipalities and private water users, the District declares surplus and authorizes local water sales, at the discretion of the General Manager, to traditional surplus water purchasers. The District’s General Manager is authorized and delegated responsibility to establish rules and regulations for such surplus water sales, including eligibility for surplus water, price, terms, limitations on volume and delivery season, and other requirements in the discretion of the General Manager.

BE IT FURTHER RESOLVED, that Nevada Irrigation District, as required by the State of California, will continue to encourage and impose 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, unless the use is related to health and safety purposes.
- 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 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 8th day of February, 2023, 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



RESOLUTION NO. 2022-29
OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT
**ENACTING DROUGHT CONTINGENCY PLAN STAGE II MEASURES 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 a multiyear dry cycle with precipitation at 70% of average, combined with earlier than normal precipitation runoff into the District's water storage facilities; and

WHEREAS, drought conditions continued in the 2020/2021 water year with precipitation being 49% or worse as compared to average and snowpack runoff efficiency being historically low, leading to a critical dry year classification; 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, 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, due to worsening drought conditions, including lack of snowpack runoff, the Board of Directors of the District on June 1, 2021, adopted Resolution No. 2021-21, escalating drought response and imposing conservation measures to achieve a 20% reduction in water use from all District customers; and

WHEREAS, the 2021/2022 water year began with record-breaking precipitation events in October and December, leading to precipitation totals in February above 100% of average, prompting the District’s Board of Directors to adopt Resolution 2022-10, Reducing the Severity of Emergency Response Due to Drought by Adopting Stage I Drought Contingency Plan Requirements; and

WHEREAS, the lack of appreciable precipitation for the months of January through March 2022 set the record for the driest in history for that time period, and enhanced already critical drought conditions throughout California; and

WHEREAS, on March 28, 2022, Governor Newsom issued Executive Order N-7-22 that requires the State Water Resources Control Board to adopt emergency regulations requiring all urban water suppliers implement water shortage contingency plans for a shortage level of up to twenty percent (Stage II); and

WHEREAS, on May 14, 2022, the State Water Resources Control Board released draft regulations that, among other requirements, mandate each urban water supplier, including the District, to “implement by June 10, 2022, at a minimum, the demand reduction actions identified in the supplier’s water shortage contingency plan...for a shortage level of ten to twenty percent”; and

WHEREAS, as required by Executive Order N-7-22, the State Water Resources Control Board has agendized and is expected to adopt the drought-related emergency regulation for water conservation at its meeting on May 24, 2022; and

WHEREAS, the District is unique in that it is both an urban retail water supplier providing treated water for potable consumption and agricultural water supplier providing untreated water for irrigation and other beneficial uses; and

WHEREAS, the Executive Order N-7-22 and emergency regulations focus solely on treated water conservation, while the District, given its unique characteristics, can implement conservation measures on both irrigation and treated water customers to achieve the required water conservation targets; and

WHEREAS, both treated and raw water conservation by the District's customers result in increased carryover storage in the District's reservoirs and available for use by District customers in future years; and

WHEREAS, April 2022 storms improved the District's water supplies with storage at 108% of average, May 1 snow survey improving from 55% of average in April to 66% of average in May, and a carryover forecast of 144,000 acre-feet, which when combined results in surplus water conditions for District water service needs; and

WHEREAS, given the District's current water supply, in the absence of Governor Newsom's Executive Order N-7-22, the District's urban and agricultural water management plans would not require implementation of any drought stage; and

WHEREAS, the District intends to comply with Executive Order N-7-22 and the emergency regulations through a modified implementation of Stage II of the Drought Contingency Plan (last adopted on June 30, 2021, under the Urban Water Management Plan) that applies to both treated and raw/irrigation water District customers, and

WHEREAS, state-mandated conservation regulations, when not necessitated at the local level, have in prior years negatively impacted the District's operation of powerhouses that generate hydroelectric power and recreational facilities resulting in a decline in usage and resultant revenues; and

WHEREAS, the District seeks to comply with the conservation mandates in a way that equitably allocates responsibility for conservation across all District customers (treated and irrigation, etc.) and in a way that minimizes revenue impacts on District operations; and

WHEREAS, water conserved by the District's customers in 2022 will be carried over in storage for the beneficial use of the District's customers, including possible public health and safety uses of District customers in future years; 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 compliance with Executive Order N-7-22 and the State Water Resources Control Board's emergency drought regulations, it is necessary to impose enhanced water conservation measures and water use restrictions on the District's customers (treated and irrigation) and all other recipients of District water, including surplus water purchasers Nevada City and the City of Grass Valley; 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 implement demand reduction actions to achieve a 10% to 20% reduction in total District water use, resulting in a projected increase in carryover storage of approximately 10,000 acre-feet.

BE IT FURTHER RESOLVED that the District's carryover storage target for the upcoming 2022/2023 water year shall be at least 120,000 acre-feet total District storage at the end of October 2022.

BE IT FURTHER RESOLVED given the District's fortunate water supply position in the midst of statewide critical drought conditions, and the critical need for water from neighboring out-of-District municipalities and private water users, the District declares a surplus and authorizes local water sales, at the discretion of the General Manager, to traditional surplus water purchasers. The District's General Manager is authorized and delegated responsibility to establish rules and regulations for such surplus water sales, including eligibility for surplus water, price, terms, limitations on volume and delivery season, and other requirements in the discretion of the General Manager.

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, unless the use is related to health and safety purposes.
- 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 Stage II:

- A. All District treated water customers will be required to reduce water use by 20% compared to 2013 usage.
- B. Outdoor irrigation shall be limited to the following:
 - a. Watering shall be limited to three days per week;
 - i. Odd address number can irrigate outdoors on Tuesday, Thursday, and Saturday
 - ii. Even address number can irrigate outdoors on Wednesday, Friday, and Sunday
 - b. Outdoor watering 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.
- D. Consistent with the State Water Resources Control Board's emergency drought regulation, the District will notify all commercial, industrial, and institutional water users that the use of potable water is prohibited for the irrigation of non-functional turf except as required for trees and other perennial non-turf plantings

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 Stage II:

- A. All District irrigation water customers are strongly encouraged to implement irrigation efficiency practices.
 - a. Flood irrigation is strongly discouraged
 - b. Under no circumstance shall customers irrigate in a manner that creates runoff
- B. Outdoor irrigation of ornamental landscape and turf shall be limited to the following:
 - a. Watering shall be limited to three days per week;
 - i. Odd address number can irrigate outdoors on Tuesday, Thursday, and Saturday
 - ii. Even address number can irrigate outdoors on Wednesday, Friday, and Sunday
 - b. Water shall be limited to early morning (before 10 AM) and late evening (after 6 PM)
- C. Customers who request a reduction, or who voluntarily forego water delivery

- during the 2021 & 2022 irrigation season, will not lose their priority of service once the drought conservation measures have been lifted by the Board of Directors, or if hardship is experienced and original allotment is requested prior to drought being lifted.
- D. New or increased irrigation sales will be limited to 1 miners inch until the drought conservation measures have been lifted by the Board of Directors.
 - E. Fall water sales will not be available until drought emergency has been lifted by the Board of Directors
 - F. Winter water sales will be limited to existing customers at existing purchase volumes until drought emergency is lifted by the Board of Directors

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.

BE IT FURTHER RESOLVED that in order to conserve supplies for various beneficial uses statewide, 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.

Resolution No. 2022-29
Declaration of Drought
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BE IT FURTHER RESOLVED this Resolution supersedes Resolution No. 2022-10.

PASSED AND ADOPTED by the Board of Directors of Nevada Irrigation District at a meeting duly called and held within the District on the 25th day of May 2022, by the following roll call vote:

AYES: Directors: Heck, Johansen, Hull, Bierwagen
NOES: Directors: Peters
ABSENT: Directors: None
ABSTAINS: Directors: None



President of the Board of Directors

Attest:



Secretary to the Board of Directors