

*"Placerville, a Unique Historical Past Forging into a Golden Future"*



**City Manager's Report**  
**February 11, 2014, City Council Meeting**  
**Prepared by: Dave Warren, Director of Finance**  
**Item #: 11.4**

**Subject:** Adopt a resolution:

1. Declaring a drought state of emergency; and
2. Urging Placerville ratepayers to begin reducing their baseline water consumption by 30% as prescribed by EID's Stage 2 Drought Alert; and
3. Directing City staff to seek State and Federal relief whenever possible.

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**Background:**

The City purchases water from the El Dorado Irrigation District (EID) as a wholesale ratepayer. On January 13, 2014, the EID began encouraging its ratepayers to begin conserving water due to continued dry weather conditions and lower than normal water supply levels. A few days later, Governor Brown issued a proclamation declaring a drought state of emergency on January 17<sup>th</sup> due to record breaking dry conditions statewide. The Governor urged Californians to voluntarily reduce their water usage by 20%. At the January 28<sup>th</sup> City Council meeting, staff reviewed the Governor's drought declaration, encouraged citizens to begin conserving water, and provided several water saving suggestions. A public notice was posted on the City's website outlining the drought information presented at the January 28<sup>th</sup> City Council meeting.

Due to little precipitation and further deterioration of water supplies both statewide and locally since January 13<sup>th</sup>, the EID Board of Directors held a special meeting on February 4<sup>th</sup> to discuss actions necessary to ensure adequate water supplies to its ratepayers under worsening conditions. After over three hours of discussion and public comment, the EID Board adopted a resolution declaring a Stage 2 Water Alert that urges all ratepayers, including the City of Placerville, to begin conserving water by 30% of baseline levels. Tonight, staff is recommending the City Council adopt a resolution declaring a drought state of emergency, urging Placerville ratepayers to begin reducing their baseline water consumption by 30% as prescribed by EID's Stage 2 Drought Alert, and directing City staff to seek State and Federal relief whenever possible.

**Analysis:**

Section 5 of the water supply agreement between the City and EID states, "The parties understand and agree that the City is subject to the District's then-current Drought Preparedness Plan and Drought Action Plan, and that during times of District-declared drought conditions, the District may impose drought water rates, restrict uses, and reduce or limit water service to City in accordance with those plans." The Section further states, "District shall notify City of its proposed actions as soon as known to District. The City agrees to implement and enforce such actions immediately upon their adoption by the District." Accordingly, the City is expected to urge its ratepayers to begin reducing their baseline water consumption by 30% as prescribed by EID's Stage 2 Drought Alert.

The Stage 2 Drought Alert also urges the following conservation measures:

1. City to identify the top 10% of residential and non-residential users, and target these ratepayers with a water efficiency outreach
2. Inform ratepayers of the following targeted, voluntary levels of water use during a Stage 2 drought with public outreach:
  - a. Indoor residential use – approximately 70% of base period
  - b. Irrigation only use – approximately 55% of base period
  - c. Non-residential – approximately 80% of base period
3. Ask ratepayers to voluntarily refrain from using City supplied water for these purposes:
  - a. Watering new or replacement turf
  - b. Irrigating new agricultural plantings
  - c. Filling any new swimming pool
  - d. Serving glasses of drinking water automatically at dining establishments
  - e. Using water from a fire hydrant – except for fighting fires, essential water quality uses, and toxic clean-up purposes

It's important to note that EID's Stage 2 Drought Alert also includes conservation activities contained in the Stage 1 Drought Alert including a prohibition on water waste and increased patrols and enforcement efforts. Attached are the applicable sections from EID's Drought Action Plan for your reference. Tonight, a representative from EID will be presenting an update on EID's water supplies and water conservation efforts.

Staff has begun mobilizing efforts in reducing water use in all areas of City operations including:

- Reducing irrigation levels in all parks and open space by 45%
- Inspecting all irrigation systems and making repairs as needed
- Deferring new plantings
- Heightened leak detection and repairs to City water mains and laterals
- Minimizing or deferring pressure washing activities
- Expanding use of pool covers during warmer conditions to further reduce evaporation
- Exploring the use of effluent from the Water Reclamation Facility for mobile construction use rather than hydrant water
- Washing fleet vehicles at car wash establishments, that use recycled water, whenever possible
- Urging all City employees and contractors to begin conserving water during day-to-day operations

If the attached resolution is adopted by the City Council tonight, staff will immediately post a public notice on the City's website and Facebook page urging residents to begin conserving 30% of their baseline consumption. Staff will also circulate a similar public notice with the March 10<sup>th</sup> utility bills. Water savings suggestions will also be provided with each notice.

#### **Options:**

1. Adopt the attached resolution as presented.
2. Adopt a resolution declaring a drought state of emergency and urging Placerville ratepayers to begin reducing their baseline water consumption by a similar level.
3. Take no action.

**Cost:**

The recommended conservation measures could have a significant negative impact on the City's water rate revenues for the remainder of Fiscal Year 2013/2014 and potentially through Fiscal Year 2014/2015. If all ratepayers achieved the 30% conservation level prospectively through June 30, 2014, the forecasted impact to the Water Enterprise Fund would be \$176,513.


**Budget Impact:**

If necessary, the potential \$176,513 rate revenue impact could be absorbed by the Water Enterprise Contingency for Unforeseen Expenditures and Operating Reserve. Additional analysis and recommendations will be provided in concert with the Mid-Year Budget Report that is tentatively scheduled to be presented to the City Council on February 25<sup>th</sup>.

**Recommendation:**

Adopt a resolution:

1. Declaring a drought state of emergency; and
2. Urging Placerville ratepayers to begin reducing their baseline water consumption by 30% as prescribed by EID's Stage 2 Drought Alert; and
3. Directing City staff to seek State and Federal relief whenever possible.

  
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M. Cleve Morris, City Manager

  
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Dave Warren, Director of Finance

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACERVILLE  
DECLARING A DROUGHT STATE OF EMERGENCY, URGING PLACERVILLE  
RATEPAYERS TO BEGIN REDUCING THEIR BASELINE CONSUMPTION BY  
30% AS PRESCRIBED BY EL DORADO IRRIGATION DISTRICT'S STAGE 2  
DROUGHT ALERT, DIRECTING STAFF TO SEEK STATE AND FEDERAL REIEF  
WHENEVER POSSIBLE**

**WHEREAS**, The City purchases water from the El Dorado Irrigation District as a wholesale ratepayer; and

**WHEREAS**, El Dorado Irrigation District began encouraging its ratepayers to begin conserving water due to continued dry weather conditions and lower than normal water supply levels on January 13, 2014; and

**WHEREAS**, Governor Brown issued a proclamation declaring a drought state of emergency on January 17, 2014, due to record breaking dry conditions statewide and urged Californians to voluntarily reduce their water usage by 20%; and

**WHEREAS**, City staff reviewed the Governor's drought declaration, encouraged Placerville citizens to begin conserving water, and provided several water saving suggestions at the City Council meeting held on January 28, 2014; and

**WHEREAS**, the City posted a public notice on the City's website outlining the drought information presented at the January 28, 2014, City Council meeting; and

**WHEREAS**, the El Dorado Irrigation District Board of Directors adopted a resolution on February 4, 2014, declaring a Stage 2 Water Alert that urges all ratepayers, including the City of Placerville, to begin conserving water by 30% of baseline levels; and

**WHEREAS**, the water supply agreement between the City and El Dorado Irrigation District stipulates that the City will implement and enforce such drought related actions immediately upon their adoption by the El Dorado Irrigation District Board of Directors.

**NOW, THEREFORE, BE IT HEREBY RESOLVED** that the City Council of the City of Placerville:

1. Declares a drought state of emergency; and
2. Urges Placerville ratepayers to begin reducing their baseline water consumption by 30% as prescribed by EID's Stage 2 Drought Alert; and
3. Directs City staff to seek State and Federal relief whenever possible.

The foregoing Resolution was introduced at a regular meeting of the City Council of the City of Placerville held on February 11, 2014, by Councilmember \_\_\_\_\_ who moved its adoption. The motion was seconded by Councilmember \_\_\_\_\_. The motion was passed by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Mayor, Carl Hagen

**ATTEST:**

\_\_\_\_\_  
City Clerk, Susan Zito

**Table 1 - Drought Stages Summary**

Water Supply Conditions	Drought Stage	Stage Title	Stage Objective	Response Actions
Normal Water Supply	<b>None</b> - Ongoing water conservation and enforcement of water waste prohibition.	Normal Conditions	Public awareness of water efficiency practices and prohibition of water waste.	Public outreach and education for ongoing water efficiency practices and the prohibition of water waste.
Slightly Restricted Water Supplies  Up to 15% Supply Reduction	<b>Stage 1</b> Introductory stage with voluntary reductions in use.	Water Alert	Initiate public awareness of predicted water shortage and encourage conservation.	Encourage voluntary conservation measures to achieve <b>up to a 15% demand reduction.</b>
Moderately Restricted Water Supplies  Up to 30% Supply Reduction	<b>Stage 2</b> Voluntary and mandatory reductions in water use.	Water Warning	Increase public awareness of worsening water shortage conditions.	Voluntary conservation measures are continued, with the addition of some mandatory measures to achieve <b>up to a 30% demand reduction.</b>
Severely Restricted Water Supplies  Up to 50% Supply Reduction	<b>Stage 3</b> Mandatory reductions in water use.	Water Crisis	Enforce mandatory measures and/or implement water rationing to decrease demands.	Enforce mandatory measures to achieve <b>up to a 50% demand reduction.</b>
Extremely Restricted Water Supplies  Greater than 50% Supply Reduction	<b>Stage 4</b> Water rationing for health and safety purposes.	Water Emergency	Enforce extensive restrictions on water use and implement water rationing to decrease demands.	Enforce mandatory measures to achieve <b>greater than 50% demand reduction.</b>

## 4.0 Stage 1 – Water Alert

A drought Stage 1 is considered a water alert, where water supplies are only slightly restricted. The response actions are intended to initiate public awareness of a possible water shortage in the near future, and to encourage water efficiency practices. Stage 1 actions target up to a 15 percent demand reduction through the implementation of voluntary measures. The following *New Actions* outlined in this section are activities that must be performed during this stage of a drought declaration.

At the beginning of a dry season there is no certainty as to whether the conditions will persist into a full drought. Accordingly, the initial phase of conservation is voluntary on the part of the customer, and the use of recycled water continues as normal. Staff should implement an outreach program to educate customers regarding the status of District water supplies, and the predicted water shortage; however, the education should be done without alarming customers as there is not yet a true emergency. This outreach can be complemented by the actions of the Department of Water Resources and the Regional Water Authority. To avoid confusion though, it is important to educate our customers that due to the District's multiple water sources and integrated infrastructure, the rest of the region and the state might be worse off than the District. Raising public awareness therefore represents one of the most important components of this Plan.

### 4.1 Engineering and Operations

#### *New Actions*

- 1) Monitor reservoir levels in coordination with dashboard drought risk assessment on a monthly basis.
- 2) Alert ditch customers of potential cutbacks, reminding them Item No. A-8 of their ditch application for service, and reduce potable water releases from valve blow-offs, if possible - *with customer services.*
- 3) Alert the Improvement District No. 97 property owners listed on the current County assessment roll of the water alert declaration, reminding them of paragraph 10 of the 2005 Interim Agreement for ID 97 and possible accommodations to decrease the releases to Clear Creek should the drought conditions continue - *with legal.*
- 4) Monitor water demands weekly at the water treatment plant to assess the amount of water savings accomplished.
- 5) Prepare to eliminate supplementation of potable water to the recycled water system - *with customer services.*
- 6) Identify areas of low pressure, both present and projected, and communicate this to local fire protection agencies.
- 7) Increase monitoring of canals and ditches for water theft.
- 8) Refer to the draft ditch operations guidelines in Appendix E of the Drought Preparedness Plan for further information on ditch management during a drought.
- 9) Alert regulatory agencies to the possibility of decreased stream flow.
- 10) Examine Deer Creek discharge requirements; and assess the need to work with stakeholders and the State Water Resources Control Board to temporarily reduce flows due to extraordinary circumstances.

## 4.2 Finance and Customer Services

### *New Actions*

- 1) Implement the Stage 1 drought rates as approved by Board action on March 26, 2012.
  - a) Add 15% drought surcharge to commodity rates only.
  - b) Apply to current water rates on all user classes.
- 2) Implement a project code or charge number for use by all employees to track time and expenses for all drought-related activities.
- 3) Alert ditch customers of potential cutbacks and remind them of Item No. A-8 of their ditch application for service - *with engineering and operations.*
- 4) Identify baseline and target levels of water usage per user class - *with water efficiency.*
- 5) Request assistance in programming and obtaining database information appropriate to the drought stage, customer requests, and cutback priorities.

## 4.3 Legal

### *New Actions*

- 1) When determined appropriate by the DRT, prepare materials for the declaration of a water alert for approval by the Board of Directors, consistent with applicable state law -*with engineering and operations.*
- 2) Alert the Improvement District No. 97 property owners listed on the current County assessment roll of the water alert declaration, reminding them of paragraph 10 of the 2005 Interim Agreement for ID 97 and possible accommodations to decrease the releases to Clear Creek should the drought conditions continue - *with engineering and operations.*
- 3) Track legislation relating to drought, especially as pertains to the management of water transfers/ground-water banking, and financing drought management.

## 4.4 Public Outreach

### *New Actions*

- 1) Create educational information regarding the stage of drought, what is expected from customers, and the consequences if demand reduction goals are not met.
- 2) Ensure that customers are aware that drought conditions may worsen quickly, causing rapid progression through the drought stages.
- 3) Educate recycled water users and community leaders on the consequences of ceasing potable water supplementation during a drought Stage 2.
- 4) Ensure that the public is aware of the water waste regulation and all associated penalties - *with water efficiency.*
- 5) Work with local and regional newspapers to secure op-ed space as-needed for public information and water supply/drought education.
- 6) Maintain drought information on website, and update throughout the drought.
- 7) Work with local restaurants to provide “serve if requested” table tents for glasses of drinking water - *with water efficiency.*

## 4.5 Recreation and Property

### *New Actions*

- 1) Implement new mooring facility policy when warranted by low lake levels.

## 4.6 Water Efficiency

### *New Actions*

- 1) Increase patrols for water waste, and enforce Administrative Regulation (AR) 1041, Water Waste Prohibition, with the following actions:
  - a) First reported failure to comply with AR – Issue a written warning notice of the water waste violation, and request that action be taken to stop the waste.
  - b) Second reported failure to comply with AR – Issue second written notice, and levy a fine on the violator’s water bill of \$45 or 20% of the two-month water bill, up to \$100, depending upon the severity of the violation.
  - c) Third reported failure to comply with AR within a 24-month period – the District may discontinue service of the water supply that has been wasted (raw, potable or recycled).
  - d) If service is discontinued due to violations of the AR, a reconnection fee of \$100 per disconnection event will be charged. Reconnection is also subject to satisfactory remediation of the water waste violation.
- 2) Increase educational efforts regarding water efficiency practices - *with public outreach.*
- 3) Identify base period and target levels of water usage per user class - *with customer services.*
- 4) Work with local restaurants to provide “serve if requested” table tents for glasses of drinking water - *with public outreach.*
- 5) Voluntary: Request customer compliance with these water saving guidelines.
  - a) Apply irrigation water during evening and early morning hours only (9 pm to 6 am);
  - b) Use weather information to regulate irrigation;
  - c) Inspect irrigation system for leaks and then repair or replace;
  - d) Adjust sprinkler run times to avoid runoff; and
  - e) Do not refill a swimming pool that has been drained.

## 5.0 Stage 2 – Water Warning

Drought Stage 2 action items are intended to increase public understanding of worsening water supply conditions, encourage community-oriented voluntary conservation measures, enforce some mandatory conservation measures, and implement water use reduction measures to decrease “normal” demand by up to 30 percent. Stage 2 activities include a continuation of activities described under Stage 1 and new actions. The achievement of the water use reduction goal is measured by overall performance of the entire customer population, based on EID production meters at the three main potable water treatment plants. It is important to note that user category demand reduction goals are not by individual customer, but are the goal for the customer category.

At the point of calling a Stage 2 Drought, the dashboard indicator alerts the DRT that the drought will continue and worsen; and customers are asked to contribute to a system-wide demand reduction of up to 30%. It is at this stage that potable water supplements to the recycled water system should be curtailed. The major emphasis by public outreach and customer service is to elevate customer awareness of the supply situation and encourage continued savings to achieve the 30% demand reduction goal.

### 5.1 Engineering and Operations

#### *New Actions*

- 1) Assess the need for a temporary change in the point of diversion for water taken from Folsom Reservoir to further upstream on the South Fork of the American River, possibly to supplement Sly Park’s Jenkinson Lake through the Hazel Creek Tunnel - *with legal*.
- 2) Stop all potable water supplementation to recycled water system.
- 3) Examine the risk of solids loading, line blocks, and other low-flow hazards, and then take appropriate action.
- 4) Monitor reservoir levels in coordination with dashboard drought risk assessment.
- 5) Provide 30-days written notice to all Improvement District No. 97 property owners listed on the current County assessment roll, notifying them of the water warning declaration and the planned decrease of releases into Clear Creek; and take to the Board for approval or ratification at the first available regular Board meeting - *with legal*.
  - a) After the 30-day notification period, decrease releases into Clear Creek to no more than 2.0 cfs.
- 6) Begin examination of source water quality for increasingly concentrated pollutants and higher temperatures.
- 7) Monitor water demands weekly at the water treatment plant to assess the amount of water savings accomplished.
- 8) Refrain from releasing water from valve blow-offs.
- 9) Seek alternate water sources, other than District potable water, for portable construction water tanks used for construction dust control.
- 10) Review all regulatory requirements relating to water quality and stream flow; and investigate how the District might be affected by these regulations in case of extreme drought.
- 11) Monitor source water quality for increasingly concentrated pollutants and higher temperatures.

## 5.2 Finance and Customer Services

### *New Actions*

- 1) Implement the Stage 2 drought rates as approved by Board action on March 26, 2012.
  - a) Add 30% drought surcharge to commodity rates only.
  - b) Apply to water rates in effect prior to drought declaration, and on all user classes.
- 2) Continue to monitor income based on customer deliveries and the financial solvency of the drought management activities.
- 3) Assess the fiscal consequences and present need for a larger drought management staff, particularly of temporary workers.
- 4) Consider adding customer service representatives to help with answering phones, assisting in customer questions regarding drought restrictions, and possibly extending hours later into the evening.

## 5.3 Legal

### *New Actions*

- 1) When determined appropriate by the DRT, prepare materials for the declaration of a water warning for approval by the Board of Directors, consistent with applicable state law *-with engineering and operations.*
- 2) Assess the need for a temporary change in the point of diversion for water taken from Folsom Reservoir to further upstream on the South Fork of the American River, possibly to supplement Sly Park's Jenkinson Lake through the Hazel Creek Tunnel *- with engineering and operations.*
- 3) Provide 30-days written notice to all Improvement District No. 97 property owners listed on the current County assessment roll, notifying them of the water warning declaration and the planned decrease of releases into Clear Creek; and take to the Board for approval or ratification at the first available regular Board meeting *- with engineering and operations.*
- 4) Review options for Area-of-Origin water rights.
- 5) Seek exceptions to U. S. Bureau of Reclamation contract shortage criteria, if needed.

## 5.4 Public Outreach

### *New Actions*

- 1) Work with regional partners to spread the word about drought and fire danger.
- 2) Secure an op-ed space in local and regional newspapers for an essay on water supply and use restriction in El Dorado County.
- 3) Continue to update the Drought Stage website link, including weekly updates on community demand response.
- 4) Assist the City of Placerville with water use reduction targets *- with water efficiency.*

## 5.5 Recreation and Property

### *New Actions*

- 1) Halt the use of fire pits and barbeques within the District's recreational areas.
- 2) Urge caution when filming within the District's recreational areas due to elevated fire danger.

## 5.6 Water Efficiency

### *New Actions*

- 1) Coordinate with the Sacramento region through RWA membership, especially water purveyors with a common border, in order to coordinate educational efforts to better reach customers.
- 2) Identify the top 10% of residential and CII<sup>3</sup> users, and target these customers with water efficiency outreach *-with customer services.*
- 3) Voluntary: Inform customers of these targeted levels of water use during a Stage 2 drought - *with public outreach.*
  - a) Indoor residential use – approximately 70% of base period.
  - b) Irrigation only use – approximately 55% of base period.
  - c) CII use – approximately 80% of base period.
- 4) Voluntary: Ask customers to refrain from using District-supplied water for these purposes - *with public outreach.*
  - a) Watering new or replacement turf.
  - b) Irrigating new agricultural plantings.
  - c) Filling any new swimming pool.
  - d) Serving glasses of drinking water automatically at dining establishments.
  - e) Using water from a fire hydrant – except for fighting fires, essential water quality uses, and toxic clean-up purposes.
- 5) Offer assistance to the City of Placerville to help meet their water use reduction targets - *with engineering and operations.*

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<sup>3</sup> CII is defined as all commercial, industrial, and institutional customers; which includes businesses, schools, community service districts, owner associations, churches, and public buildings and grounds.