



Memo

To: Board of Directors
From: Karl Drew, General Manager
Date: April 11, 2014
Subject: Current Drought Situation

I attended the April 1, 2014 CLAWA Board Meeting to get an update on their response to the current drought. They adopted an ordinance declaring a water shortage emergency and adopting rules, regulations and restrictions on the use of agency water.

A copy of the CLAWA ordinance is attached for your reference. They are using calendar year 2013 as their base year. I have also prepared and attached a worksheet which shows our 2013 water purchases, the amounts available monthly for the various stages of allocation and our current year purchases.

While the CLAWA Board adopted this ordinance, the discussion of the board at the meeting suggested that they do not anticipate having to declare any of the stages of allocation this year. They are anticipating receiving all of their "carryover" water this year and about 500 acre feet from one of their water storage agreements. This would more than cover their anticipated demand for the year.

Overall the state situation has improved slightly with the rainfall received during the last couple of months.

ORDINANCE NO. 59

AN ORDINANCE OF THE BOARD OF DIRECTORS OF CRESTLINE-LAKE ARROWHEAD WATER AGENCY DECLARING A WATER SHORTAGE EMERGENCY AND ADOPTING RULES, REGULATIONS AND RESTRICTIONS ON THE USE OF AGENCY WATER

WHEREAS, Crestline-Lake Arrowhead Water Agency (hereinafter "Agency"), a public agency created by legislation codified as Act 9099a of Deering's Water Code - Uncodified Acts (hereinafter the "Crestline-Lake Arrowhead Water Agency Law"), provides water service on a retail basis directly to certain customers within its boundaries, and also provides supplemental water on a wholesale basis to other water purveyors, also located within the Agency's boundaries, for retail delivery to their own customers; and

WHEREAS, the Agency is one of twenty-nine State Water Contractors in the State of California which obtain water from the State Water Project, and all of the water which the Agency delivers comes from Silverwood Lake, a facility of the State Water Project; and

WHEREAS, due to extraordinarily low precipitation state-wide, the Governor of the State of California has declared a state-wide water shortage emergency; and

WHEREAS, the Agency has been advised by the California Department of Water Resources ("DWR"), which operates the State Water Project, that due to water shortage conditions, the Agency's allocation of water from the State Water Project for calendar year 2014 will be 0%, leaving the Agency to rely on its own stored water supplies within the State Water Project, and DWR cannot confirm that it will even be able to deliver the Agency's stored water to the Agency in 2014; and

WHEREAS, even if DWR is able to deliver enough stored water to the Agency in 2014 to satisfy the needs of the Agency's customers in 2014, continued dry conditions must be anticipated at this time, such that the ordinary demands and requirements of the Agency's customers cannot continue to be satisfied without depleting the Agency's water supply to the extent that a number of the Agency's customers would have insufficient water for human consumption, sanitation, and fire protection; and

WHEREAS, the Agency is authorized by Section 11, subsections (13) and (14), of the Crestline-Lake Arrowhead Water Agency Law to restrict the use of Agency water during a threatened or existing water shortage, and to prohibit the waste or the use of Agency water during such periods for any purpose other than domestic uses or such other uses as may be determined by the Agency to be necessary; and

WHEREAS, the Agency is further authorized by Water Code Sections 350, et seq., to declare a water shortage emergency and to impose such rules, regulations and restrictions on the use of Agency water as may be appropriate or necessary; and

WHEREAS, this Board of Directors determines that the adoption of rules, regulations and restrictions on the use of Agency water is necessary in order to (1) protect the health, safety, and welfare of the inhabitants and customers of the Agency, (2) assure the maximum beneficial use of the water supplies of the Agency, and (3) ensure that there will be sufficient water supplies to meet the basic needs of human consumption, sanitation and fire protection; and

WHEREAS, the Board of Directors further determines that the specific rules, regulations and restrictions established herein are necessary as emergency measures to cope with an existing water supply shortage which could become even worse in the future;

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of Crestline-Lake Arrowhead Water Agency as follows:

Section 1. Findings.

This Board of Directors finds that a water shortage emergency exists which requires the adoption and enforcement of this Ordinance. The Agency has received notice from DWR that its allocation of water from the State Water Project during calendar year 2014 will be 0%, and that DWR may not even be able to deliver carryover water not used by the Agency in previous years, that normally would be available for use by the Agency during a period of shortage. This unavailability of water will directly impact the wholesale and retail customers of the Agency, many of whom rely exclusively upon the Agency for their water supply. If such dry conditions continue, the ordinary demands and requirements of the Agency's customers cannot be satisfied without depleting the Agency's water supply to the extent that a number of the Agency's customers would have insufficient water for human consumption, sanitation, and fire protection. Therefore, the Agency must impose rules, regulations and restrictions on the use of Agency water designed to reduce consumption within the Agency's service area in order to preserve a supply of water necessary to protect the health, safety and welfare of the customers within the Agency's service area. The Agency's first priority in the implementation of these regulations and restrictions will be preservation of sufficient water to satisfy minimum domestic consumptive needs, ensure adequate fire protection, and preserve the health and safety of the inhabitants and customers of the Agency.

Section 2. Definitions.

- "Agency" -- Crestline-Lake Arrowhead Water Agency.
- "Board" -- Board of Directors of the Agency.
- "Retail customer" -- A customer receiving water service directly from the Agency, through a service connection, for his own use and not for resale or delivery to others.
- "Waste" -- Any unreasonable or non-beneficial use of water or any unreasonable method of use of water, including, but not limited to, the specific uses prohibited and restricted by this Ordinance as hereinafter set forth.

“Water users” -- Any person, firm, partnership, association, corporation or entity using water obtained from the water system of Crestline-Lake Arrowhead Water Agency.

“Wholesale customer” -- A customer having a connection to the Agency’s water system which purchases water from the Agency for resale or delivery to its own users, customers, or shareholders through its own water system; the term “wholesale customer” shall include camps.

Section 3. Water Supply Allocation Plan – Wholesale Customers.

During the pendency of the existing water shortage emergency, the Board will monitor the quantity of water available to the Agency from storage arrangements, exchange arrangements or other sources, and in its discretion may limit water deliveries to its customers in stages as hereafter set forth. Using 2013 as a base year, the Agency will determine the quantity of water which the Agency delivered to each wholesale customer during each month of 2013. Each such customer shall then be allowed to receive from the Agency, each month, at the Agency’s standard rate for wholesale water then in effect, no more than the following percentage of the quantity of water which the Agency delivered to that wholesale customer during the corresponding month of the base year, subject to such further limitations as may apply to any specific customer. The percentage shall depend upon the stage of allocation declared by the Board, as follows:

STAGE OF ALLOCATION DECLARED BY BOARD	PERCENTAGE OF WATER DELIVERED DURING CORRESPONDING MONTH OF BASE YEAR
STAGE 1 ALLOCATION	95%
STAGE 2 ALLOCATION	90%
STAGE 3 ALLOCATION	80%
STAGE 4 ALLOCATION	70%
STAGE 5 ALLOCATION	60%

During a Stage 1 Allocation, water taken for any month in excess of the applicable percentage shall be charged at twice the Agency’s standard rate for wholesale water in effect at the time of delivery. For Stage 2 through Stage 5 Allocations, water taken for any month in excess of the applicable percentage shall be subject to such surcharges as the Board may establish by resolution, at the time each such stage of allocation is declared by the Board.

Section 4. Water Supply Allocation Plan -- Retail Customers.

A. Allowable Consumption. Using 2013 as a base year, the Agency will determine the quantity of water that the Agency delivered to each retail customer during each month of 2013. When a stage of allocation is declared by the Board as set forth in Section

3 above, each such customer shall then be allowed to receive from the Agency, each month, a percentage of the quantity of water which the Agency delivered to that retail customer during the corresponding month of the base year, provided that a retail customer using water for residential purposes shall not be restricted to less than a quantity equal to 55 gallons per person per day to satisfy minimum health and safety needs. The percentage shall equal the same percentage set forth in Section 3 above, for each such stage of allocation declared by the Board. Whenever a stage of allocation is declared by the Board, the Agency shall inform each retail customer in writing of the percentage of base year consumption that each customer is allowed to use each month in order to comply with this restriction.

B. Prohibited Uses. This Board finds the following uses constitute waste, and therefore retail customers are urged to avoid the following practices at all times, and such practices shall be prohibited for the Agency's retail customers during all phases of allocation declared by this Board:

- (i) Running water into streets or gutters.
- (ii) Washing automobiles or equipment with running water (as opposed to use of a bucket, other container or a commercial wash establishment using recycled or reclaimed water).
- (iii) Washing down buildings (except windows), walks, driveways or streets.
- (iv) Sprinkling for dust control.
- (v) Water displays or ornamental water use (fountains, etc.) except when the display uses reclaimed or recycled water.
- (vi) Dripping faucets, or other leaks, or unattended or excessively running hoses.
- (vii) Watering lawns, parks, playgrounds or ball fields more than twice per week, which watering must occur after 9:00 p.m. and before 3:00 a.m.; provided there shall be no prohibition against watering with reclaimed water.

C. Installation and Use of Shut-off Valves. Each retail customer of the Agency is hereby required to install a shut-off valve on the customer's side of the meter, outside of the meter box, to allow on-site plumbing to be drained as necessary to prevent loss of water from frozen or broken pipes. It shall be the customer's responsibility to turn off the shut-off valve upon leaving the premises, and to insulate exposed pipes and valves to protect the pipes and valves against breaks when freezing conditions occur.

D. Construction Water Use. Whenever the Board declares a stage of allocation pursuant to this ordinance, the Board shall also establish the rates and charges to be imposed for the use of water at construction sites or in aid of construction. The rates and charges

shall be established in amounts designed to discourage the use of water for construction purposes, as determined by the Board to be appropriate under the circumstances.

Section 5. Adjustment of Base Quantities.

The base quantities established for wholesale and retail customers pursuant to Section 3 and Section 4 of this ordinance may be adjusted by the Board, as the Board in its discretion deems necessary, in order to equitably apply the provisions of this Ordinance and to achieve the purposes and objectives set forth herein. Customers seeking an adjustment must apply to the Board in writing and provide documentation to demonstrate that the adjustment is necessary in order to avoid inequitable application of this Ordinance. Upon granting or denying a requested adjustment, the decision of the Board shall be final.

Section 6. Use of Surcharge Revenues.

The surcharge revenues collected by the Agency as a result of customer consumption in excess of the base quantities set forth in Section 3 of this ordinance shall be used by the Agency to assist in defraying the cost of measures employed by the Agency to cope with the water shortage emergency which necessitates the adoption of this Ordinance.

Section 7. Moratorium on Service Commitments and Connections.

Until the Board determines that a water shortage emergency no longer exists, the Agency shall not make any oral or written commitments to provide any new retail service and shall not approve the installation of a new or additional turnout to a wholesale customer. Any such commitment shall be without authority from this Board and, therefore, shall be void and unenforceable.

Section 8. Use of Water Saving Kits.

The Agency shall provide a water saving kit, free of charge, to each retail customer of the Agency who needs and requests one, so long as the Agency has a stockpile of kits. Retail customers are urged to use such kits. Furthermore, the Agency's wholesale customers are urged to assist their own retail customers in obtaining and installing water saving devices to minimize water consumption within their service areas.

Section 9. Lawns, Parks, Playgrounds and Ballfields.

Retail customers, schools and camps which receive water directly from the Agency are urged at all times to refrain from, and during any stage of allocation shall be prohibited from, watering lawns, parks, playgrounds or ballfields more than twice per week, with such watering to occur after 9:00 p.m. and before 3:00 a.m. There shall be no prohibition against watering with reclaimed water.

Section 10. Compliance.

Failure to comply with the provisions of this Ordinance shall constitute a misdemeanor punishable under Section 13 of the Crestline-Lake Arrowhead Water Agency Law. Upon conviction of such a misdemeanor, that person shall be punished by imprisonment in the county jail for not more than thirty (30) days or by a fine of not more than Three Hundred Dollars (\$300), or by both fine and imprisonment. The Agency reserves the right to take such civil enforcement action or other action as may be available or appropriate to compel compliance with the provisions of this Ordinance, including the right to discontinue service to customers who violate the provisions of this Ordinance.

Section 11. Rules and Regulations.

This Ordinance shall augment, and not supersede, the provisions set forth in the Agency's Rules and Regulations. Customers are urged to pay particular attention to Section 3.13(d) of the Agency's Rules and Regulations, which specifically prohibits the waste of water by causing or permitting the overflow of water storage reservoirs.

Section 12. Severability.

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid by a court of competent jurisdiction, such decision shall not affect the remaining portions of this Ordinance and those shall remain in full force and effect.

Section 13. Supersession..

This Ordinance shall supersede Ordinance No. 44, adopted by the Board in 1991.

Section 14. CEQA Exemption.

This Board finds and determines that the adoption of this Ordinance and implementation of the measures set forth herein are exempt from environmental assessment pursuant to Section 15269(c) of Title 14 of the California Code of Regulations, which sets forth the State Guidelines for Implementing the California Environmental Quality Act, and directs the Agency's General Manager to file a Notice of Exemption with the County Clerk for the County of San Bernardino.

Section 15. Publication and Notice.

A copy of this Ordinance shall be published one time in a newspaper of general circulation within the Agency within ten (10) days after the adoption hereof pursuant to Government Code Section 6061. In addition, copies shall be mailed to each wholesale customer of the Agency.

ADOPTED this 3rd day of April, 2014.



President of the Board of Directors
CRESTLINE-LAKE ARROWHEAD WATER AGENCY

ATTEST:




Secretary of the Board of Directors
CRESTLINE-LAKE ARROWHEAD WATER AGENCY

CERTIFICATION

I, Jennifer Spindler, Secretary of the Board of Directors of the Crestline-Lake Arrowhead Water Agency, hereby certify that the foregoing is a full, true and correct copy of the Ordinance adopted by the Board of Directors of said Agency at the regular meeting of said Board held on the 3rd day of April, 2014, by the following vote:

AYES: Directors Pleasant, Risher, Sutton, Eaton & Wood
NOES:
ABSENT:
ABSTAIN:



Jennifer Spindler, Secretary

