



**DUBLIN SAN RAMON SERVICES DISTRICT
Board of Directors**

NOTICE OF REGULAR MEETING

TIME: 6:00 p.m.
PLACE: Regular Meeting Place
7051 Dublin Boulevard, Dublin, CA

DATE: Tuesday, February 18, 2014

AGENDA

(NEXT RESOLUTION NO. 8-14)

(NEXT ORDINANCE NO. 332)

Our mission is to provide reliable water and wastewater services to the communities we serve in a safe, efficient and environmentally responsible manner.

BUSINESS:

REFERENCE

Recommended Action **Anticipated Time**

1. CALL TO ORDER
2. PLEDGE TO THE FLAG
3. ROLL CALL – Members: Benson, Duarte, Halket, Howard, Vonheeder-Leopold
4. SPECIAL ANNOUNCEMENTS/ACTIVITIES
5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC)

At this time those in the audience are encouraged to address the Board on any item of interest that is within the subject matter jurisdiction of the Board and not already included on tonight’s agenda. Comments should not exceed five minutes. Speakers’ cards are available from the District Secretary and should be completed and returned to the Secretary prior to addressing the Board. The President of the Board will recognize each speaker, at which time the speaker should proceed to the lectern, introduce him/herself, and then proceed with his/her comment.

6. REPORTS
 - A. Reports by General Manager and Staff
 - Event Calendar
 - Correspondence to and from the Board
 - B. Committee Reports
 - Finance
 - C. Agenda Management (consider order of items)

February 10, 2014

7. APPROVAL OF MINUTES - Regular Meeting of
February 4, 2014

District Secretary	Approve by Motion
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BUSINESS:

REFERENCE

<u>Recommended Action</u>	<u>Anticipated Time</u>
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8. **CONSENT CALENDAR**

Matters listed under this item are considered routine and will be enacted by one Motion, in the form listed below. There will be no separate discussion of these items unless requested by a Member of the Board of Directors or the public prior to the time the Board votes on the Motion to adopt.

- | | | | | |
|----|--|---------------------------------|------------------------------|--|
| A. | Notice of Rejection of Claim – Mr. Eric Pierson c/o Berg Injury Lawyers | Organizational Services Manager | Reject by Motion | |
| B. | Approve the Agreement with the City of Pleasanton Regarding a Permanent Pharmaceutical Waste Collection Program | Organizational Services Manager | Approve by Resolution | |
| C. | Adopt Revised Day of Service Policy Regarding Eligibility for Compensation for Board Members and Rescind Resolution No. 3-13 | General Manager | Approve Policy by Resolution | |
| D. | Upcoming Board Calendar | General Manager | Accept by Motion | |

9. **BOARD BUSINESS**

- | | | | | |
|----|--|---------------------------------|--|--------|
| A. | Accept Monthly Water Supply Report | General Manager | Accept by Motion | 5 min |
| B. | Adopt a Declaration of a Community Drought Emergency | Operations Manager | Approve by Resolution | 5 min |
| C. | Endorse District Drought Response Action Plan | Operations Manager | Approve by Motion | 10 min |
| D. | Receive Fiscal Analysis of Stage 2 Water Shortage Condition Rate Implementation | Financial Services Manager | Receive Presentation & Provide Direction | 15 min |
| E. | Endorse Association of California Water Agencies' (ACWA) Statewide Water Action Plan | Organizational Services Manager | Approve by Resolution | 5 min |
| F. | Second Reading: Adopt Ordinance Repealing and Replacing Chapter 6.10 (Personnel Merit System) of the District Code | Organizational Services Manager | Waive Reading by Motion & Adopt by Ordinance | 5 min |

10. **BOARDMEMBER ITEMS**

- Submittal of Written Reports from Travel and Training Attended by Directors

BUSINESS:

REFERENCE

	<u>Recommended Action</u>	<u>Anticipated Time</u>
11. <u>CLOSED SESSION</u>		
A. Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9: One case. Receipt of a claim pursuant to the Tort Claims Act from Mr. Eric Pierson.		10 min
12. <u>REPORT FROM CLOSED SESSION</u>		
13. <u>ADJOURNMENT</u>		

BOARD CALENDAR*

<u>Committee & Board Meetings</u>	<u>Date</u>	<u>Time</u>	<u>Location</u>
Regular Board Meeting	March 4, 2014	6:00 p.m.	District Office

*Note: Agendas for regular meetings of District Committees are posted not less than 72 hours prior to each Committee meeting at the District Administrative Offices, 7051 Dublin Boulevard, Dublin, California

All materials made available or distributed in open session at Board or Board Committee meetings are public information and are available for inspection at the front desk of the District Office at 7051 Dublin Blvd., Dublin, during business hours, or by calling the District Secretary at (925) 828-0515. A fee may be charged for copies. District facilities and meetings comply with the Americans with Disabilities Act. If special accommodations are needed, please contact the District Secretary as soon as possible, but at least two days prior to the meeting.

**DUBLIN SAN RAMON SERVICES DISTRICT
MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS**

February 4, 2014

A regular meeting of the Board of Directors was called to order at 6:00 p.m. by President Georgean M. Vonheeder-Leopold. Boardmembers present: President Georgean M. Vonheeder-Leopold, Vice President Edward R. Duarte, Director D.L. (Pat) Howard, Director Richard M. Halket, and Director Dawn L. Benson. District staff present: Bert Michalczyk, General Manager; Rhodora Biagtan, Interim Engineering Services Manager; John Archer, Interim Financial Services Manager/Treasurer; Dan Gallagher, Operations Manager; Michelle Gallardo, Interim Organizational Services Manager; Carl P.A. Nelson, General Counsel; and Nancy Gamble Hatfield, District Secretary.

1. CALL TO ORDER
2. PLEDGE TO THE FLAG
3. ROLL CALL - Members: Benson, Duarte, Halket, Howard, Vonheeder-Leopold
4. SPECIAL ANNOUNCEMENTS/ACTIVITIES
5. PUBLIC COMMENT (MEETING OPEN TO THE PUBLIC) – 6:01 p.m.
6. REPORTS
 - A. Reports by General Manager and Staff
 - Event Calendar – General Manager Michalczyk reported on the following:
 - o On Wednesday, January 22, 2014 the District had a sanitary sewer overflow (SSO) along the Ironhorse Trail in a remote area away from direct public exposure. The SSO did not affect any residents or businesses, nor make its way into surface waters and was fully contained. Operations Manager Gallagher reported that District staff learned of this situation on that Wednesday morning when they were contacted by the fire department. A nearby resident made a call to the fire department thinking the steam was a fire. This SSO was caused by the accumulation of roots in one of the District’s manholes. Approximately 24,000 gallons came out of the manhole and almost the entire overflow was pumped back into the sewer and cleaned up. The remainder soaked into the ground. None of the overflow entered any waterway. A report was made to the Regional Water Quality Control Board.
 - o On Tuesday, February 11, 2014 San Ramon Mayor Bill Clarkson will give his annual “State of the City Address” at the Wedgewood Banquet Center in San Ramon. Directors need to notify District Secretary Hatfield this evening if interested in attending as the chamber has extended the sign up period only until tomorrow morning.

DRAFT

- o On Wednesday, February 26, 2014 Dublin Mayor Tim Sbranti will give his annual “State of the City Address” at the Shannon Community Center. The lunch has been twice rescheduled. Directors should confirm their availability to attend with this rescheduled date.
- Correspondence to and from the Board

Date	Format	From	To	Subject
1/23/14	Letter	Jonathan & Amy Lambert	Board of Directors	Installation of AT&T Cellular Base Station (CBS) at the Dublin Ramon Services District Water Tank located at 8208 Rhoda Avenue
1/24/14	Letter	Ngoc Nguyen	Board of Directors	Installation of AT&T Cellular Base Station (CBS) at the Dublin Ramon Services District Water Tank located at 8208 Rhoda Avenue
1/31/14	Letter	Edwin Kokko & Gretchen Hellman	Board of Directors	Installation of AT&T Cellular Base Station (CBS) at the Dublin Ramon Services District Water Tank located at 8208 Rhoda Avenue
Received 1/31/14 Dated 12/15/13	Petition	Rhoda/Vomac Neighbors Against Cell Site	Rhoda/Vomac Neighbors Against Cell Site	Installation of AT&T Cellular Base Station (CBS) at the Dublin Ramon Services District Water Tank located at 8208 Rhoda Avenue
Received 1/31/14 Dated 12/15/13	Letter (copied to District)	Rhoda/Vomac Neighbors Against Cell Site	Dublin Community Development Director	Installation of AT&T Cellular Base Station (CBS) at the Dublin Ramon Services District Water Tank located at 8208 Rhoda Avenue

B. Committee Reports
Water

January 23, 2014

President Vonheeder-Leopold invited comments on recent committee activities. Directors felt the available staff reports adequately covered the many matters considered at committee meetings and made a few comments about some of the committee activities.

C. Agenda Management (consider order of items) – No changes were made.

7. APPROVAL OF MINUTES – Regular Meeting of *January 21, 2014* and Special Meeting of *January 30, 2014*

Director Howard MOVED for the approval of the January 21, 2014 minutes. Director Benson SECONDED the MOTION, which CARRIED with FIVE AYES.

Director Benson MOVED for the approval of the January 30, 2014 minutes. V.P. Duarte SECONDED the MOTION, which CARRIED with FOUR AYES, ONE ABSTENTION (Halket).

8. CONSENT CALENDAR

V.P. Duarte MOVED for approval of the items on the Consent Calendar. Director Howard SECONDED the MOTION, which CARRIED with FIVE AYES.

- A. Approve Board Committee Charters for 2014 – Approved
- B. Approve Amendment to Personal Services Agreements between Senior Managers R. Biagtan, D. Gallagher, J. Archer and M. Gallardo and Dublin San Ramon Services District – Approved – Resolution No. 3-14, Resolution No. 4-14, Resolution No. 5-14 and Resolution No. 6-14
- C. Authorize Execution of Amendment No. 12 to the Agreement for Personal Services between Bert L. Michalczyk and the Dublin San Ramon Services District – Approved – Resolution No. 7-14
- D. Upcoming Board Calendar – Approved
- E. Report of Checks and Electronic Disbursements Made – Approved

Date Range	Amount
12/30/13 – 1/27/14	\$3,662,975.94

9. BOARD BUSINESS

A. Receive Presentation on Status of District Water Supply - 2014

General Manager Michalczyk addressed the Board stating that staff from the District and Zone 7 would be presenting a lot of information during three presentations; however, no decisions need to be made at this time on the status of the water supply. He explained staff is seeking general policy level guidance and will return on February 18, 2014 to ask the Board to consider a declaration of a drought emergency and endorse a District action plan. It is anticipated that in late April or so, the Board will be asked to make the hard decisions related to the

drought and mandatory measures and rate adjustments. Mr. Michalczyk stated that the overall impression he wanted to leave the Board with is that the water supply condition is a very serious situation, but that the situation is not desperate. The District has to consider various options and move forward in a logical manner.

Mr. Michalczyk stated that there would be three separate presentations:

- Status of the District Water Supply 2014 in which he would discuss current hydrological conditions and policy framework for the District response;
- Ms. Amparo Flores from Zone 7 would discuss the water supply constraints that Zone 7 faces and actions they are taking in response; and
- District Operations Manager Dan Gallagher would discuss concepts to possibly include in action plans so as to receive Directors' thoughts and ideas.

Mr. Michalczyk discussed the following topics in his presentation: precipitation; snow water content, long-term precipitation forecasts; Lake Oroville storage; Department of Water Resources (DWR) water delivery allocations; other anticipated water supplies including Lake Del Valle, recycled water, possible future rainfall, etc.; policy level actions taken by Governor Jerry Brown, Zone 7; status and actions of other local and regional water suppliers; and upcoming District Board actions.

Highlights of Mr. Michalczyk's presentation were:

- Six of the last seven years have been below normal to critically dry years;
- 2013 was the driest calendar year on record since California has been collecting data;
- 2014 is starting out to be an even worse water year;
- The current water supply situation is worse than the 1976-77 drought;
- The 2013-2014 water year that started in October 1, 2013 and ends September 30, 2014 shows California has received only about 9% of the average rainfall; and
- The DWR is stating that the water allocation from the State Water Project (SWP) is projected to be 0%.

Directors asked questions about and discussed the impact on agriculture with this drought, the 20% reduction requested by the Governor, associated baselines, recall of potable water construction meters use, and local restaurants only serving water upon request.

Mr. Michalczyk acknowledged Zone 7 Director Angela Ramirez Holmes seated in the audience and then invited Zone 7 Engineer Amparo Flores to give her presentation.

Ms. Flores discussed the following topics in her presentation titled “2014 Drought Emergency Response Plan – Zone 7 Action Plan”:

- The SWP;
- Factors affecting SWP operations;
- Impacts of regulations;
- Worst-case scenario for imported water;
- Local water supply conditions for 2014;
- The 2014 supply outlook through mid-January;
- The 2014 supply outlook and worst-case view;
- The 2014 supply and demand worst-case scenario;
- The supply opportunities for the 2014 drought;
- The 2014 drought response plan options; and
- Next steps being taken by Zone 7.

Directors asked Ms. Flores issues associated with filling Lake Del Valle and senior water rights on the SWP.

District Operations Manager Gallagher next gave a presentation titled the “DSRSD Drought Actions and Ideas” and discussed the following topics:

- Actions taken to date by the District;
- Potential short to mid-term initiatives;
- Increase recycled water use;
- Conservation price signals;
- Leveraging partnerships;
- Public outreach options;
- What District customers can do to reduce water usage; and
- Possible long-term initiatives.

V.P. Duarte asked questions about getting recycled water hookups accomplished. Mr. Gallagher explained that getting pipeline under I-680 could be a challenge and that possibly this could be done via a Zone 7 drainage canal. The City of Dublin is interested in keeping grass alive at parks on the west side, so using recycled water could be a possible way to do this.

Director Benson asked if the District will reach out to restaurants about water conservation so that water is poured upon request rather than in the normal course of business. She also asked about getting outreach to children because of their positive influence on parents’ behavior.

Mr. Gallagher responded that staff does intend to remind restaurants that pouring water upon request is a good policy to follow. He also agreed school children are an excellent way to modify parents' behavior.

Director Halket asked about the status of the District's cash for grass program.

Mr. Gallagher commented that there is minimal use of the District's program whereby customers are compensated for removing grass and planting drought tolerant plants. The program needs to be further evaluated for effectiveness.

Director Howard asked if all of the recycled water efforts for west Dublin would be funded through DERWA.

Mr. Gallagher explained the projects would be District projects, not DERWA projects, with temporary connections. The District can also encourage EBMUD to hook up more customers in their service area.

Director Halket emphasized the importance of the retailers delivering a consistent message to customers and the necessity of instituting drought rates. He thanked staff and Ms. Flores for their excellent presentations.

Mr. Michalczyk cautioned the Board that all of these activities have cost implications for the District, and when coupled with significantly lower water sales constitutes the rationale behind the District's system of staged water rates, which the Board may be asked to consider in April.

At 7:17 p.m. President Vonheeder-Leopold called a recess.

At 7:35 p.m. President Vonheeder-Leopold called the Board meeting came back in session.

B. Receive Water Quality Briefing - Actions Taken and Future Actions

General Manager Michalczyk reported that staff is requesting policy level guidance from the Board related to the need for and the relative priority of water quality improvement projects included in Zone 7's next 10-year Capital Improvement Program (CIP). Additionally, he stated this is an opportunity for Principal Engineer – Supervisory Judy Zavadil to give a presentation on work accomplished in the mid-2000s related to water quality, since some of the Directors were not on the Board at that time. Staff also is requesting policy level direction from the Board as to whether or not they desire the District to resume its "District-alone" water quality improvement program that was placed on hold several years ago by the Board.

Engineering Services Manager Biagtan reported that in addition to managing drought actions, Zone 7 is working on their next 10-year CIP. Some of the CIP

projects include water quality; historically, the District spent significant time and resources working with Zone 7 to improve the quality of water delivered to customers. Only Directors Howard and Halket were on the Board in the mid-2000s and may remember the actions the District took in this regard. The District worked with Zone 7 at that time, which resulted in several projects including the Mocho Groundwater Demineralization project. However, with the downturn in the economy, and the concern about rate increases and water reliability, Zone 7 delayed several water quality projects. Ms. Biagtan stated that in preparation of Zone 7's 10-year CIP, staff is seeking direction regarding the District's input on the schedule for Zone 7 water quality projects and direction regarding the District's independent pursuit of water quality improvements. She invited Principal Engineer Zavadil to discuss the past and current District and Zone 7 water quality actions.

Ms. Zavadil gave a presentation titled "DSRSD Water Quality Actions" and discussed the following topics:

- Definition of water quality;
- Taste and odor main complaints;
- How hardness of water is measured;
- 2012 hardness of water;
- Water quality impacted by location in the Valley;
- Zone 7 water quality policy goals;
- DSRSD water quality enhancement study;
- 2004 water quality survey and quantitative taste test results;
- Water quality parameter vs. flavor rating;
- Correlations of flavor rating with water quality parameter;
- DSRSD and Zone 7 water quality actions;
- Mocho Well Demineralization;
- Taste and odor study from 2009;
- Zone 7 water quality projects, and
- Water quality policy direction needed.

V.P. Duarte asked about current customers' impressions and comments about water quality.

Ms. Zavadil explained that the District tracks customer comments about how the water tastes or looks if the customer can describe their complaint to some degree, e.g., chlorinous odor, earthy/musty, or cloudy, etc. These water complaints are shared with Zone 7.

V.P. Duarte asked if there was any conceptual estimates on the scope of work and what would be built to allow the District to unilaterally improve water quality delivered to its customers.

Ms. Zavadil stated that extensive facility plans and cost estimates were prepared; those showed that even the best option would result in an estimated 30% rate increase.

Mr. Michalczyk mentioned that during the time of these studies, customers expressed a willingness to pay up to 10%, but not 30%, more for water quality improvements. He stated that at that time the Board decided that it would be better for Zone 7 to pay for and make water quality improvements because of the economies of scale—such improvements would have only created a 6% increase for Zone 7 rates.

Director Halket noted that tonight staff wanted comments and direction from the Board on the Zone 7 CIP. He pointed out the significant differences between 2004 and 2008, and that improving filtration and activated carbon is good, but losing up to 15% of water supply does not make sense with today's short and long-term water shortage conditions. He suggested the District needs to live with the water it has for now and believes the focus should be on supply. He stated he does want to see future projects in Zone 7's CIP and timeline.

Director Howard agreed that water reliability is the main issue, but noted that money may also need to be spent in the near-term to deal with chromium issues.

Speaker: Zone 7 Director Angela Ramirez, addressed the Board and asked them to consider the longer-term perspective even though there are water shortage concerns now. She noted that input from the DSRSD Board will be helpful because the Zone board will be making 10-year decisions for their CIP. She also mentioned that the chromium issues are still being discussed and no decision has yet been made.

President Vonheeder-Leopold mentioned that Zone 7 does not approach their CIP like the District does and it is important they keep water quality projects in the CIP even if delayed to future years. She stated that the most important issue is supply, then taste and odor issues.

Director Howard commented that the water quality in this area has definitely improved since 1976 when he moved to Dublin.

By consensus, the Board supported the schedule for water quality projects proposed in the draft Zone 7 Capital Improvement Program. By consensus, the Board was not supportive of the District re-starting its efforts to improve water quality through a DSRSD-alone project or projects.

- C. Discuss Water Expansion Fund Management Policy, Priority for Addressing Emerging Issues and Action Plan

General Manager Michalczyk reported that this agenda item revolves around long- term financial projections for the District's Water Expansion fund. He stated that this is perhaps the most critically vulnerable fund maintained by the District and as such, it has to be very closely monitored and managed. In the 2009 - 2010 timeframe, this fund required the imposition by the Board of a Temporary Infrastructure Charge (TIC) on District water customers. Since that time, the fund has significantly recovered and is currently healthy. However, some long-term issues have still not been fully resolved that could have potential negative effects on the fund if it is not properly and prudently managed.

Mr. Michalczyk gave a presentation titled "Water Expansion Fund Management Policy – Priority for Addressing Emerging Issues and Action." He explained that the Finance Committee reviewed various emerging issues affecting the fund and prioritized their resolution as follows: 1) extend life of water capacity rights (*completed in October 2013*); 2) delay capacity payment to building permit (*completed in December 2013*); 3) closeout of Windemere BLC Reimbursement Agreement (*in progress*); 4) conditionally "un-suspension" of fee credit program with three developers (*in progress*); 5) Clean Water Revival closeout (*in progress*); 6) update Water System Master Plan (*in progress*); and, 7) pay back the Temporary Infrastructure Charge (TIC) (*in progress*). Many of the "*in progress*" issues will need to be addressed over a multi- year timeframe.

Mr. Michalczyk explained that staff and the Finance Committee undertook a detailed and extremely complicated analysis of the Water Expansion fund. He noted that the analysis was done under two fundamental scenarios: development will proceed as currently planned and future development projections are stressed. The key parameter to focus on in the summary charts is the projected year-ending fund balance as it relates to the target fund balance set by contract and policy, which is essentially to maintain two years of debt service reserves. Mr. Michalczyk showed tables for each scenario that show the impact of each of the emerging issues, addressed in the priority order recommended by the Finance Committee. He explained a Water Expansion Fund Management policy will be developed and presented in March 2014 for consideration by the Board. The policy will be consistent with the order of priorities decided upon by the Board tonight and that will also identify protocols to be followed for the long-term management of this fund.

The suggested action plan prepared by the Finance Committee for the Water Expansion fund is to: 1) brief the Board on the "big picture;" 2) continue to negotiate with Windemere BLC for a close-out deal; 3) conditionally "un-suspend" the credit against fee reimbursements; 4) affirm commencement of Water System Master Plan; 5) establish a conditional TIC repayment program (to be done at the end of each fiscal year; transfer available Water Expansion fund dollars to the Water Rate Stabilization fund; and extend proper fund balance projected to be maintained); 6) prepare a "Water Expansion Fund Management policy" consistent with this plan for the Board's consideration in March 2014.

President Vonheeder-Leopold clarified that this proposed Water Expansion Fund Management policy will be specific to this fund although there are other financial policies in place that discuss fund balances and targets.

Mr. Michalczyk confirmed this as correct explaining the policy to be developed will establish how the decision is made at the end of the year to transfer money to the Rate Stabilization fund for TIC repayment.

Director Halket commented that the Water Rate Stabilization fund is unique in the sense it provides a safety net against unforeseen events and protects the District, ratepayers, bond holders and developers.

Director Benson stated she likes the policy concepts proposed by the Finance Committee.

V.P. Duarte commented favorably on the rigorous analysis and that he endorses the proposal.

President Vonheeder-Leopold stated that staff should be given a great deal of credit for the analysis and this presentation; she commented on how this big picture analysis helped to bring many things into focus.

Mr. Michalczyk emphasized the importance of committing to a formal policy for the future long-term management of this fund as staff and the Board changes will occur over the coming years.

Director Benson stated that she likes the idea of paying down \$750,000 of the TIC.

Director Benson MOVED to direct staff to prepare a Water Expansion Fund Management policy in accordance with the priorities recommended by the Finance Committee. V.P. Duarte SECONDED the MOTION, which CARRIED with FIVE AYES.

D. First Reading: Introduction of Ordinance Repealing and Replacing Chapter 6.10 (Personnel Merit System) of the District Code

President Vonheeder-Leopold read aloud the title of the ordinance. She noted that the second reading of the ordinance will occur on February 18, 2014.

Director Halket MOVED TO WAIVE the reading of the Ordinance Repealing and Replacing Chapter 6.10, Section 6.10.010 of its District Ordinance Code to Update the Definition, Purpose, Administration and Positions Covered by the Personnel Merit System. Director Howard SECONDED the MOTION, which CARRIED with FIVE AYES.

President Vonheeder-Leopold invited public discussion. There was none.

The Board asked staff to withhold any presentation on this item until the second reading in deference to tonight's long meeting.

10. BOARDMEMBER ITEMS

Director Benson thanked staff for the work they did for the January 30, 2014 joint meeting at the Dublin City Council Chambers where California Natural Resources Secretary John Laird spoke on the California Water Action Plan. She also noted that the External Affairs and Personnel Committee meetings will be held on the same evening during the remainder of 2014.

V.P. Duarte commented that he attended the January 30, 2014 excellent presentation by California Natural Resources Secretary John Laird.

President Vonheeder-Leopold reported that she received lots of positive comments about the January 30, 2014 John Laird presentation. She noted that another update may be planned for June 2014. President Vonheeder-Leopold gave General Manager Michalczyk a copy of the Reunion Dinner booklet titled "37 Years of Service – Providing Fire Suppression, Fire Prevention, EMS and Education for the Communities of Dublin and San Ramon." The booklet was in celebration of the Valley Community Services District from 1960 – 1978, Dublin San Ramon Services District from 1978 – 1988, and Dougherty Regional Fire Authority from 1988 – 1997.

11. ADJOURNMENT

President Vonheeder-Leopold adjourned the meeting at 8:41 p.m.

Submitted by,

Nancy Gamble Hatfield
District Secretary



**Dublin San Ramon Services District
Summary & Recommendation**

Reference Organizational Services Manager	Type of Action Reject Claim	Board Meeting of February 18, 2014
Subject Notice of Rejection of Claim – Mr. Eric Pierson c/o Berg Injury Lawyers		
<input checked="" type="checkbox"/> Motion	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Resolution
<input type="checkbox"/> Ordinance	<input type="checkbox"/> Informational	<input type="checkbox"/> Other
REPORT:	<input type="checkbox"/> Verbal	<input type="checkbox"/> Presentation
	<input checked="" type="checkbox"/> Staff	M. Gallardo
		<input type="checkbox"/> Board Member

Recommendation:

The Organizational Services Manager recommends the Board of Directors reject, by Motion, the personal injury claim filed on December 2, 2013 against Dublin San Ramon Services District by Berg Injury Lawyers, attorneys for Mr. Eric Pierson of Pleasanton, California.

Summary:

On December 2, 2013 the Organizational Services Manager received a personal injury claim from Berg Injury Lawyers on behalf of their client, Mr. Eric Pierson.

Berg Injury Lawyers state that their client is requesting reimbursement for damages related to an incident that occurred on June 12, 2013 on Glynnis Rose Drive, at or near the intersection of Roscommon Way, in Dublin. On the date of the incident, Mr. Pierson was running on the sidewalk of Glynnis Rose Drive when his foot fell through a broken, cracked, uneven and/or defective water main cover on the concrete sidewalk. Initial treatment required Mr. Pierson to be transported to the hospital for further examination.

Reimbursement of damages includes, but is not limited to, medical expenses, property damage, and general damages.

On advisement of the District’s insurance adjusters, Carl Warren and Company, staff recommends the Board reject the personal injury claim, as the property which allegedly caused the personal injury to Mr. Pierson is not owned or maintained by Dublin San Ramon Services District. Upon rejection, a denial notice will be forwarded to the claimant’s attorney in compliance with the California Tort Claims Act.

The claimant has been notified that this matter will be considered by the Board at this meeting.

Committee Review			Legal Review	Staff Review		
COMMITTEE ---	DATE ---	RECOMMENDATION --	Yes	ORIGINATOR M. Gallardo	DEPARTMENT Organizational Services	REVIEWED BY
ATTACHMENTS <input type="checkbox"/> None						
<input type="checkbox"/> Resolution	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Task Order	<input type="checkbox"/> Staff Report	<input type="checkbox"/> Ordinance		
<input checked="" type="checkbox"/> Cost \$0.00	<input type="checkbox"/> Funding Source A. B.		Attachments to S&R 1. Claim filed by Eric Pierson c/o Berg Injury Lawyers 2. Alameda County Fire Dispatch Report (#1315525) 3. Letter – Invite to DSRSD Board Meeting (Dated 2/12/14)			



Dublin San Ramon Services District
 7051 Dublin Blvd
 Dublin, CA 94568

Attachment 1 to S&R

A. THE NAME AND POST OFFICE ADDRESS OF THE CLAIMANT:
 Eric Pierson
 4655 Augustine St.
 Pleasanton, CA 94588

 DAYTIME TELEPHONE: (510) 565-9408
 EVENING TELEPHONE: (510) 565-9408

B: THE POST OFFICE ADDRESS TO WHICH THE PERSON PRESENTING THE CLAIM DESIRES NOTICES TO BE SENT:

 Berg Injury Lawyers
 Veronica L. Fernandez, Esq
 1317 Oakdale Rd., Suite 500
 Modesto, CA 95355

 TELEPHONE: (209) 575-3600

C. THE DATE, PLACE, AND OTHER CIRCUMSTANCES OF THE OCCURRENCE OR TRANSACTION WHICH GAVE RISE TO THE CLAIM ASSERTED:

DATE OF OCCURRENCE: _____ TIME OF OCCURRENCE: _____

PLACE OF OCCURRENCE: _____

CIRCUMSTANCES:
 See Page 2

D. A GENERAL DESCRIPTION OF THE INDEBTEDNESS, OBLIGATION, INJURY, DAMAGE OR LOSS INCURRED SO FAR AS IT MAY BE KNOWN AT THE TIME OF PRESENTATION OF THE CLAIM:

 See Page 2

E. THE NAME OR NAMES OF THE PUBLIC EMPLOYEE OR EMPLOYEES CAUSING THE INJURY, DAMAGE, OR LOSS, IF KNOWN.
 See Page 2

F. AMOUNT OF CLAIM: \$ _____
 (if less than \$10,000.00)

JURISDICTION OF CLAIM: _____ MUNICIPAL COURT (CLAIMS TO \$25,000)
 SUPERIOR COURT (CLAIMS OVER \$25,000)

BASIS OF COMPUTATION:
 Medical expenses, property damage, general damages, etc.

DECLARATION
 I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA
 THAT THE FOLLOWING INFORMATION IS TRUE AND CORRECT

SIGNATURE OF CLAIMANT OR REPRESENTATIVE: *Veronica L. Fernandez* DATE: 4/27/13
 Veronica L. Fernandez

C. THE DATE, PLACE AND OTHER CIRCUMSTANCES OF THE OCCURRENCE OR TRANSACTION WHICH GAVE RISE TO THE CLAIM ASSERTED: (Cont'd)

DATE OF OCCURRENCE:
06/12/2013

TIME OF OCCURRENCE:
Approximately 7:30 pm

PLACE OF OCCURRENCE:
Glynnis Rose Drive, at or near its intersection with Roscommon Way, in the City of Dublin, County of Alameda, State of California.

CIRCUMSTANCES:
On June 12, 2013, at approximately 7:30 p.m., Claimant Eric Pierson, was running on the sidewalk on Glynnis Rose Drive, at or near Roscommon Way, in the City of Dublin, County of Alameda, State of California, when his foot fell through a broken, cracked, uneven and/or defective water main cover on the concrete sidewalk that created a dangerous and/or hazardous condition. Thereafter, Claimant fell striking his body against the concrete sidewalk.

D. A GENERAL DESCRIPTION OF THE INDEBTEDNESS, OBLIGATION, INJURY, DAMAGE OR LOSS INCURRED SO FAR AS IT MAY BE KNOWN AT THE TIME OF PRESENTATION OF THE CLAIM. (Cont'd)

The Dublin San Ramon Services District and all of its agents, employees, and/or departments (hereafter, collectively known as "Defendants") knew, or should have known after a reasonable time, of the existence of said dangerous/hazardous condition caused by this broken, cracked, uneven, defective, faulty, poorly designed, and/or negligently maintained water main cover. Defendants failed to properly design, inspect, repair, maintain and/or warn the members of the public, including Claimant, of the dangerous/hazardous condition. Claimant had no knowledge of the dangerous/hazardous condition prior to his trip and fall. The dangerous/hazardous condition in the water main cover on the concrete sidewalk was the direct and proximate cause of Claimant's injuries.

Defendants' actions/inactions were the actual and proximate cause of Claimant's injuries. Including, but not limited to, rib fracture, trauma to his right ankle, right arm, and hip, as well as multiple abrasions and contusions, and injury to his person and spirit in general.

E. THE NAME OR NAMED OF THE PUBLIC EMPLOYEE OR EMPLOYEES CAUSING THE INJURY, DAMAGE OR LOSS, IN KNOWN. (Cont'd)

The Dublin San Ramon Service District and all of its agents, employees, and departments.

Incident Report

ALAMEDA COUNTY FIRE DEPARTMENT..

2013-1315525 -000

Narratives

Narrative Name	CAD Narrative
Narrative Type	CAD Narrative
Author	- ,
Narrative Text	20130040812 E Type:EMS EMS RESPONSE Sub Type:32B03 UNKNOWN PROBLEM UNKNOWN STATUS/OTHER CODDisp: COMMENTS: ProQA dispatch code: 32B03Responder script: You are responding to a patient with an unknown problem (mandown). The patient : of unknown age, whose consciousness is unknown andwhose breathing is uncertain. Unknown status/Other codes not applicable.Chief complaint: MAN DOWNPER PD GO THE GLYNISSROSE AND CENTRAL PARKWAYDR/CENTRAL PW DU" at: 06/12/13 20:47:30CM/GLYNIS ROSE" at: 06/12/13 20:50:02

Narrative Name	New Narrative
Narrative Type	Incident
Narrative Date	00:17:21 Thursday, June 13, 2013
Author	
Author Rank	C
Author Assignment	I
Narrative Text	At 2043 hours on Wednesday June 12, 2013 we were dispatched to a medical assist. One unit was assigned to this incident. Three personnel responded. We arrived on scene at 2049 hours and cleared at 2052 hours. The incident occurred at On ROSE CM at GLYNIS ROSE, dublin. The local station is 17. The general description of this property is residential street, road or residential driveway. The primary task(s) performed at the scene by responding personnel was investigation. No mutual/automatic aid was given or received.

Alarm number 1315525 has been assigned to this incident.

Delayed arrival on scene due to change of location. In Sta 17 district.

Cancelled on arrival by PP+ who were already on scene. No patient contact.
E18 cleared

Narrative Name	ADMIN: RCuevas
Narrative Type	ADMIN: RCuevas
Narrative Date	15:19:25 Wednesday, December 18, 2013
Author	584 - CUEVAS, ROSALIE
Author Rank	ADMIN
Author Assignment	7
Narrative Text	12/24/13--Released approved report (12/16 Caminada) to DSRSD redacted EMS.

End of Report



7051 Dublin Boulevard
Dublin, CA 94568-3018

ph: (925) 828-0515
fax: (925) 829-1180
www.dsrdsd.com

February 12, 2014

Mr. Eric Pierson
c/o Veronica Fernandez, Esq.
Berg Injury Lawyers
1317 Oakdale Road, Suite 500
Modesto, CA 95355

SUBJECT: Claim for Monetary Damages Resulting from Personal Injuries As a Result of Dangerous Conditions/Faulty Equipment – Mr. Eric Pierson

Dear Ms. Fernandez:

This correspondence is to advise you that your claim for reimbursement for personal injuries on behalf of Mr. Eric Pierson will be included as an item on the next agenda of the regularly scheduled meeting of Dublin San Ramon Services District's Board of Directors on Tuesday, February 18, 2014 at 6:00 p.m. If you would like to address the Board on the matter of your claim, you may do so at that time.

Staff's recommendation is to deny your claim, as the property which allegedly caused the personal injury to Mr. Pierson is not owned or maintained by Dublin San Ramon Services District.

A copy of the Board agenda will be available for viewing/downloading on the District's website www.dsrdsd.com after 5:00 p.m. on Friday, February 14, 2014.

Respectfully,

Michelle L. Gallardo
Interim Organizational Services Manager

CC:/ E. Pierson Claim File

DECLARATION OF SERVICE BY MAIL

**State of California
County of Alameda**

I am employed in the County of Alameda, State of California. I am over the age of 18 and not a party to the within cause or claim; my business address is:

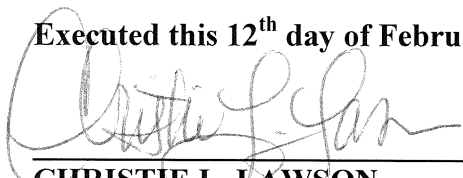
**Dublin San Ramon Services District
7051 Dublin Boulevard
Dublin, California 94568**

I served the foregoing document: Claim for Monetary Damages Resulting from Personal Injuries As a Result of Dangerous Conditions/Faulty Equipment, by depositing a true copy thereof in the United States Mail in Dublin, California, on February 12, 2014 enclosed in a sealed envelope with the postage thereon fully prepaid, addressed as follows:

**Mr. Eric Pierson
c/o Veronica Fernandez, Esq.
Berg Injury Lawyers
1317 Oakdale Road, Suite 500
Modesto, CA 95355**

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 12th day of February, 2014 at Dublin, California



**CHRISTIE L. LAWSON
HUMAN RESOURCES TECHNICIAN**



**Dublin San Ramon Services District
Summary & Recommendation**

Reference Organizational Services Manager	Type of Action Approve Agreement	Board Meeting of February 18, 2014
Subject Approve the Agreement with the City of Pleasanton Regarding a Permanent Pharmaceutical Waste Collection Program		
<input type="checkbox"/> Motion	<input type="checkbox"/> Minute Order	<input checked="" type="checkbox"/> Resolution
<input type="checkbox"/> Ordinance	<input type="checkbox"/> Informational	<input type="checkbox"/> Other
REPORT:	<input type="checkbox"/> Verbal	<input type="checkbox"/> Presentation
	<input checked="" type="checkbox"/> Staff	M. Gallardo
		<input type="checkbox"/> Board Member

Recommendation:

The Organizational Services Manager recommends the Board of Directors approve, by Resolution, an agreement between the City of Pleasanton and Dublin San Ramon Services District to establish a permanent bin, located in the City of Pleasanton Police Department, to collect pharmaceutical waste and reduce pharmaceuticals in California waters.

Summary:

One of the District’s core values is to protect public health and the environment. The District is committed to minimize pharmaceuticals, personal care products and emerging contaminants in source waters. Since 2008, the District has participated in one-day “Drug Take Back” events with the cities of Dublin and Pleasanton police and collected a total of 3,235 pounds of pharmaceutical waste. However, staff believes the District could collect much more with a permanent collection bin located in the Tri-Valley. The City of Pleasanton Police Department has offered to host such a bin in their lobby. Per the Agreement, the District will provide the bin and pay the costs to properly dispose of the pharmaceutical waste.

There is growing concern about adverse effects of drugs released into the environment through treated wastewater. Several American Water Works Association Research Foundation studies have shown that exposure to certain pharmaceuticals results in abnormal development in reproduction in fish and other wildlife, even when the exposures are at very low levels. For many years, consumers were taught to flush their unused and expired pharmaceuticals down the drain, an improper means of disposal. Removing unused and expired drugs from customers’ homes reduces the chances of poisoning children and of enabling teenagers and young adults to abuse prescription drugs.

Currently in Alameda County, the only permanent collection sites that collect both controlled and uncontrolled pharmaceuticals are located in San Leandro and San Ramon. There are no permanent pharmaceutical waste collection sites in the Tri-Valley. Since February 2009, the Central Contra Costa Sanitary District has had permanent collection sites (13 sites now) and has collected close to 50,000 pounds of pharmaceutical waste. Also, it is more efficient and cost effective to keep pharmaceutical waste out of the wastewater than to try to remove it later.

Approximately \$10,000 is the annual cost of hiring a third party to properly dispose of the pharmaceutical waste and this will be funded by the Clean Water Program budget.

Committee Review			Legal Review	Staff Review		
COMMITTEE	DATE	RECOMMENDATION	Yes	ORIGINATOR	DEPARTMENT	REVIEWED BY
---	---	---		S. Stephenson	Organizational Services	
ATTACHMENTS <input type="checkbox"/> None						
<input checked="" type="checkbox"/> Resolution	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Task Order	<input type="checkbox"/> Staff Report	<input type="checkbox"/> Ordinance		
<input checked="" type="checkbox"/> Cost \$10,000 annually	<input type="checkbox"/> Funding Source A. Clean Water Program B.		Attachments to S&R 1. 2. 3.			

RESOLUTION NO. ____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT APPROVING AN AGREEMENT BETWEEN THE CITY OF PLEASANTON AND DUBLIN SAN RAMON SERVICES DISTRICT REGARDING A PERMANENT PHARMACEUTICAL COLLECTION PROGRAM TO REDUCE DISPOSAL OF PHARMACEUTICALS TO CALIFORNIA WATERS

WHEREAS, there is a growing concern about the potentially adverse effects of pharmaceuticals released into the environment through treated wastewater; and

WHEREAS, several American Water Works Association Research Foundation studies have shown that exposure to certain pharmaceuticals results in abnormal development and reproduction in fish and other wildlife, even at very low levels; and

WHEREAS, it is desirable to reduce the disposal of pharmaceutical wastes to waters of the State of California; and

WHEREAS, many consumers were taught to flush their unused and expired pharmaceuticals down the drain, an improper means of disposal; and

WHEREAS, there are not a lot of options for permanent, proper disposal of unused and expired pharmaceuticals in the Tri-Valley; and

WHEREAS, removing unused and expired pharmaceuticals from customers' homes reduces the chances of poisoning children; and

WHEREAS, removing unused and expired pharmaceuticals from customers' homes reduces the chances of abuse of prescription drugs by teenagers and young adults, a growing community concern; and

WHEREAS, unwanted or expired pharmaceuticals lawfully in the possession of residents often include controlled substances (i.e., those substances listed in the most recent schedules is

Res. No. _____

published in the Drug Enforcement Agency regulations, Title 21 of the Code of Federal Regulations, Sections 1308.11 through 1308.15).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the counties of Alameda and Contra Costa, California, as follows:

That certain Agreement titled, "Agreement Between the City of Pleasanton and Dublin San Ramon Services District Regarding a Pharmaceutical Waste Collection Program," a copy of which is attached hereto, marked Exhibit "A," and by this reference incorporated herein, is hereby approved, and the General Manager and District Secretary are hereby authorized and directed to execute and to attest thereto respectively, said Agreement for and on behalf of the District.

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, counties of Alameda and Contra Costa, at its regular meeting held on the 18th day of February 2014, and passed by the following vote:

AYES:

NOES:

ABSENT:

Georgean M. Vonheeder-Leopold, President

ATTEST: _____
Nancy G. Hatfield, District Secretary

**AGREEMENT
BETWEEN THE CITY OF PLEASANTON AND
DUBLIN SAN RAMON SERVICES DISTRICT
REGARDING A PHARMACEUTICAL WASTE COLLECTION PROGRAM**

This Agreement ("**Agreement**") is entered into effective as of _____ ("**Effective Date**") by and between Dublin San Ramon Services District ("DSRSD"), a public agency, and the City of Pleasanton ("City"). DSRSD and the City of Pleasanton are collectively referred to herein as the "Parties."

WHEREAS, there is a growing concern about the potentially adverse effects of pharmaceuticals released into the environment through treated wastewater;

WHEREAS, abuse of prescription drugs, including controlled substances (i.e., those substances, listed in the most recent schedules, are published in the Drug Enforcement Agency regulations, Title 21 of the Code of Federal Regulations, Sections 1308.11 through 1308.15), by teenagers and young adults is a community concern;

WHEREAS, the City and DSRSD desire to form a partnership to legally collect certain unwanted or expired pharmaceuticals, including prescribed and controlled substances ("pharmaceuticals"), from Alameda County residents as described in this Agreement.

NOW THEREFORE, the Parties agree as follows:

Section 1. The City, through its Police Department, and DSRSD will develop guidelines and procedures for managing, collecting, storing, and disposing of unwanted or expired pharmaceuticals other than medical sharps (including but not limited to needles, syringes and lancets), which pharmaceuticals are collectively referred to herein as "pharmaceutical waste." The collection of pharmaceutical waste will be under the supervision of the Pleasanton Police Department.

Section 2. DSRSD will provide a secure collection box and transport containers (from the registered and licensed pharmaceutical waste transport vendor) for the collection of pharmaceutical waste. The collection box and transport containers will be delivered to Pleasanton Police Department. DSRSD will provide the keys for the collection box and the transport containers to the Pleasanton Police Department. The Pleasanton Police Department will be responsible for notifying DSRSD when transport containers are full (so that DSRSD can arrange for its timely pick-up) and for the routine cleaning of the collection box and the transport containers, for changing of the transport containers inside the collection box, and for maintenance, repair and replacement of the collection box.

Section 3. DSRSD will retain and pay for a vendor who is duly registered with the Drug Enforcement Administration and otherwise duly licensed to transport and dispose of the pharmaceutical waste that is collected. DSRSD will manage the vendor contract, schedule pick-ups of pharmaceutical waste from the Pleasanton Police Department at 4833 Bernal Ave, Pleasanton, CA, 94566, in consultation with the

Pleasanton Police Department, and pay for all costs of the vendor's pharmaceutical waste transport and disposal.

Any contract DSRSD enters into with a vendor for the transportation and disposal of pharmaceutical waste shall contain a provision that the vendor will indemnify the City of Pleasanton against all claims, costs and liability for any damages, including consequential damages, from any cause arising directly or indirectly from the service provided under the contract, except when arising from the City's active negligence or willful misconduct. The contract between DSRSD and the vendor will also contain a provision requiring the vendor to have general liability insurance and name the City of Pleasanton as an additional insured as to all services performed by the vendor under the contract. The contract between DSRSD and the vendor shall also require the vendor to obtain and maintain in force a City of Pleasanton business license.

Section 4. The Pleasanton Police Department will supervise and manage the collection of pharmaceutical waste at 4833 Bernal Ave, Pleasanton, CA, 94566. The Pleasanton Police Department will remove the pharmaceutical waste from the collection containers and temporarily store pharmaceutical waste at the Pleasanton Police Department, 4833 Bernal Ave, Pleasanton, CA, 94566, California, until collection by the disposal vendor, and City shall bear all costs associated with these activities.

Section 5. The City and DSRSD will cooperate to conduct periodic evaluations and maintain such records and logs as they deem appropriate to determine types, quantities and other information about the pharmaceutical waste collected under this Agreement.

Section 6. The City and DSRSD will meet regularly to assess and investigate ways to improve the effectiveness of the collection of pharmaceutical waste under this Agreement.

Section 7. The City and DSRSD will cooperate to promote the pharmaceutical waste collection program to Alameda County residents. All such costs of promotion to Pleasanton residents will be shared by the City and DSRSD, and such costs of promotion to Alameda County residents shall be borne by DSRSD.

Section 8. Except as otherwise specified herein, each Party shall be responsible for all costs and liabilities to the extent arising from or related to its actions or omissions under this Agreement.

Section 9. DSRSD agrees to indemnify and hold harmless the City of Pleasanton for DSRSD's share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys' fees, to the extent arising out of the willful misconduct or the negligent acts, errors or omissions of DSRSD, its officers or employees in the performance of this Agreement.

Section 10. The City of Pleasanton agrees to indemnify and hold harmless DSRSD for the City's share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys' fees, to the extent arising out of the willful misconduct or the negligent acts, errors or omissions of the City, its officers or employees in the performance of this Agreement.

Section 11. This Agreement may be terminated unilaterally by either Party upon thirty (30) days advance written notice to the other Party, and may be cancelled immediately by written mutual consent.

Section 12. Nothing contained in this Agreement is intended to or confers upon any person, other than the Parties, any rights or remedies hereunder.

Section 13. This Agreement may be amended only by a written document executed by both Parties.

Section 14. This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings, representations or statements between the Parties with respect to the subject matter hereof.

Section 15. If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged remain in full force and effect.

Section 16. This Agreement may be executed in one or more counterparts, each of which is deemed an original and all of which taken together constitute one instrument.

Section 17. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, this Agreement is signed and agreed to by the City and DSRSD.

City of Pleasanton

Dublin San Ramon Services District

By: _____
Nelson Fialho, City Manager

By: _____
Bert Michalczyk, General Manager

Attest:

Attest:

By: _____
Karen Diaz, City Clerk

By: _____
Nancy Gamble Hatfield, District Secretary

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Jonathan Lowell, City Attorney

By: _____
Carl P. A. Nelson, General Counsel



**Dublin San Ramon Services District
Summary & Recommendation**

Reference General Manager	Type of Action Adopt Revised Policy	Board Meeting of February 18, 2014
Subject Adopt Revised Day of Service Policy Regarding Eligibility for Compensation for Board Members and Rescind Resolution No. 3-13		
<input type="checkbox"/> Motion	<input type="checkbox"/> Minute Order	<input checked="" type="checkbox"/> Resolution
<input type="checkbox"/> Ordinance	<input type="checkbox"/> Informational	<input type="checkbox"/> Other
REPORT:	<input type="checkbox"/> Verbal	<input type="checkbox"/> Presentation
	<input checked="" type="checkbox"/> Staff	B. Michalczyk
		<input type="checkbox"/> Board Member

Recommendation:

The General Manager recommends that the Board of Directors adopt, by Resolution, a revised Day of Service policy, and rescind Resolution No. 3-13.

Summary:

The Day of Service policy was most recently revised by the Board on February 19, 2013. Among the revisions made at that time was a loosening of the timeframe for submittal of written reports for events which qualified as a day of service and which were not meetings noticed in accordance with the Brown Act. That loosening of the submittal requirements was in conformance with one part of the law (AB 1234). However, further review disclosed that the Community Services District Act (CSD Act) under which the District is organized has a stricter standard for the submittal of written reports. The CSD Act requires submittals of the written report at the next regular meeting of the Board of Directors following the qualifying event. By law, failure to submit the written report at that time disqualifies a Board Member from being eligible for Day of Service compensation for the qualifying event.

The CSD Act does not define what constitutes a written report. Accordingly, also included in the revised policy are guidelines for what would constitute a written report.

The proposed revisions to the Day of Service policy bring it into conformance with the CSD Act.

Committee Review			Legal Review	Staff Review		
COMMITTEE ---	DATE ---	RECOMMENDATION ---	Yes	ORIGINATOR BLM	DEPARTMENT Executive	REVIEWED BY
ATTACHMENTS <input type="checkbox"/> None						
<input checked="" type="checkbox"/> Resolution	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Task Order	<input type="checkbox"/> Staff Report	<input type="checkbox"/> Ordinance		
<input checked="" type="checkbox"/> Cost \$0	<input type="checkbox"/> Funding Source A. B.		Attachments to S&R 1. "Track Changes" version of the revised policy 2. 3.			

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT ADOPTING A REVISED DAY OF SERVICE POLICY AND RESCINDING RESOLUTION NO. 3-13

WHEREAS, on June 16, 2009 the Board adopted a revised Day of Service policy (“policy”); and

WHEREAS, the policy was last revised on February 19, 2013 and among the changes made at that time was a loosening of the timing requirements for submittal of the required written reports for certain specified events; and

WHEREAS, the timing requirements specified in the policy were not fully in accordance with the Community Services District Act under which the District is organized; and

WHEREAS, it is necessary to conform the timing requirements for submittal of written reports contained in the policy with those of the Community Services District Act.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California as follows:

The revised Day of Service policy, attached as Exhibit “A” be adopted, and Resolution No. 3-13 is hereby rescinded and attached as Exhibit “B.”

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 18th day of February 2014, and passed by the following vote:

AYES:

NOES:

ABSENT:

Georgan M. Vonheeder-Leopold, President

ATTEST: _____
Nancy G. Hatfield, District Secretary



POLICY

Dublin San Ramon Services District

Policy No.:		Board Business
Type of Policy:		
Policy Title:	Day of Service	
Policy Description:	Definition of a Compensable Day of Service for a Director	

Approval Date:		Last Review Date:	2014
Approval Resolution No.:		Next Review Date:	2018
Rescinded Resolution No.:	3-13	Rescinded Resolution Date:	February 19, 2013

It is the policy of the Board of Directors of Dublin San Ramon Services District:

That each Director shall exhibit good judgment in the matter of compensation for service, and shall have proper regard for the propriety and economy of conducting District business.

1. Compensation for Days of Service

Directors may, upon submittal of the District’s monthly Board of Director’s Timesheet, receive an amount of compensation not to exceed that approved by the Board of Directors. The amount of compensation shall be set in accordance with Water Code section 20200 *et seq.*, as amended. Compensation shall be earned for each day’s service rendered as a member of the Board, and cannot exceed a total of ten [10] days in any calendar month. Except for the Board and Committee meetings described in subsections 2 a and b of this policy, in order to be eligible for compensation for a day of service, the Board must have previously approved the Director’s representation of the District, and the Director must deliver a written report to the Board regarding his or her attendance at a qualifying event at the next regular Board meeting following the qualifying event. If the written report is not submitted at the next regular Board meeting following the qualifying event the Director is no longer eligible for and shall not be paid compensation for the day(s) of service associated with the qualifying event. (Gov. Code. Section 61047, subdivisions (e)(2) through (e)(5).)

2. Services Eligible for Compensation

The following activities are eligible for compensation as a day of service:

- a. Attendance in a policy maker role at District meetings noticed in accordance with the Brown Act (Government Code sec. 54950 *et seq.*). This is specifically limited to:
 - Regular Board Meetings
 - Special Board Meetings
 - Adjourned Regular Board Meetings
 - Regular, Adjourned, and Special Meetings of Board Standing Committees, including Liaison Committees
 - Emergency Meetings of the Board or a Standing Committee

- b. Attendance in a policy maker role at meetings of a Joint Powers Authority (JPA) of which the District is a Member and that have been noticed in accordance with the Brown Act (Government Code sec. 54950 *et seq.*), including:
 - Regular JPA Meetings
 - Special JPA Meetings
 - Adjourned Regular JPA Meetings
 - Regular, Adjourned, and Special Meetings of Standing Committees of the JPA, including Liaison Committees
 - Emergency Meetings of the JPA or a Standing Committee of the JPA

JPA's, include but are not limited to LAVWMA, DERWA, WateReuse Finance Authority, Union Sanitary District Financing Authority, or CSRMA.

- c. Attendance at professional, technical, and trade association meetings, conferences, (and the board and/or committee meetings of these groups for which the Director is a member of the board and/or a committee) activities, and organized educational activities, training sessions and events, including but not limited to ethics training pursuant to Government Code section 53234 *et seq.*, as it may be amended from time to time, including but not limited to CASA, CSRMA, ACWA, CSDA, Sanitation and Water Agencies of Contra Costa County, EDAB, WateReuse and NWRI. Travel on the day before or the day after the activity shall not be eligible for compensation as a day of service.

- d. As a principal speaker, panel member or representing the District in an official capacity at a public event, service club, homeowner association, chamber of commerce or other business or neighborhood group including meetings with neighbors of the wastewater treatment facilities (when those meetings are open and held at the wastewater treatment plant).

- e. Representation of the District at a public meeting or public hearing of another public agency (e.g., Board of Supervisors, City Council, LAFCO, SWRCB, RWQCB, BAAQMD) at which that agency has agendaized business that involves the District.

3. Activities and/or Events Ineligible for Compensation

- a. Compensation will only be paid for one day of service if a Director attends two or more meetings or activities on one day which meetings are otherwise separately eligible for compensation.
- b. Compensation will not be paid for attendance at a meeting of an ad hoc or advisory committee of the Board that does not have a continuing subject matter jurisdiction or a meeting schedule fixed by formal action of the Board.
- c. Compensation will not be paid for attendance at meeting of a Standing or Liaison Committee of the Board on which the Director does not serve.
- d. Compensation will not be paid for any meeting with District staff unless the meeting is a Board or Committee meeting noticed pursuant to the Brown Act.

4. Review and Approval

Principal responsibility for compliance with this policy rests with each Director. The General Manager shall review Director's timesheets and written reports to determine conformance with this policy prior to approving payment. If a Director disagrees with the General Manager's determination, the Director submitting the timesheet shall refer the matter to the President of the Board (or Vice President if the timesheet is that of the President) for consideration. The submittal of a timesheet by a Director shall be deemed an acknowledgement by that Director that the timesheet, in the exercise of his or her judgment, complies with the terms of this policy, that any required approval of the Board was obtained in a timely manner, that any required written report has been submitted, and that the Director has considered any issues that the General Manager has identified. If the matter is referred to the Board President (or the Vice President as the case might be), they shall approve the timesheet unless they believe it substantially deviates from this policy. Directors may appeal any timesheet disapproved by the President or Vice President by submitting the matter to the Board as an agenda item at a regular meeting not later than 60 days after the day for which reimbursement is requested.

5. Contents of Written Reports

Written reports submitted in accordance with this Policy shall consist of one or more of the following:

- A handwritten report of the Director's activities;
- A typewritten report of the Director's activities;
- Copies of agendas for the qualifying event;
- Copies of handouts distributed at the qualifying event;
- Copies of business cards from contacts made by the Director;
- Copies of notes the Director took while attending the qualifying event;
- Certificates the Director received for attending the qualifying event;
- Remarks made at the qualifying event if a Director was a speaker (bullet points or script);
- Other similar written materials.

All materials should give a member of the public a sense of the business purpose of the qualifying event as well as the Director's role at the qualifying event.

DSRSD Policy

Page 4 of 4

Policy No.:

Policy Title: Day of Service

6. Administration

The General Manager shall administer this policy and shall institute appropriate accounting and control procedures to ensure the policy is being followed.

7. Previous Policies Superseded

This policy supersedes all previously adopted District policies related to compensation for a day of service by a Director.

H:\Board\2014\02-18-14\Day of Service Policy\Revised Day of Service Policy Clean.docx

RESOLUTION NO. 3-13

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT ADOPTING THE REVISED DAY OF SERVICE POLICY AND RESCINDING RESOLUTION NO. 17-09

WHEREAS, on June 16, 2009, the Board adopted a revised Day of Service policy; and

WHEREAS, all District policies are reviewed at least every four years; and

WHEREAS, the External Affairs Committee reviewed the Day of Service Policy and proposed revisions to that policy.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California as follows:

That the revised Day of Service policy, attached as Exhibit "A" be adopted, and Resolution No. 17-09 is hereby rescinded and attached as Exhibit "B."

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, Counties of Alameda and Contra Costa, at its regular meeting held on the 19th day of February 2013, and passed by the following vote:

AYES: 5 - Directors D.L. (Pat) Howard, Georgan M. Vonheeder-Leopold, Edward R. Duarte, Richard M. Halket, Dawn L. Benson

NOES: 0

ABSENT: 0


Dawn L. Benson, President

ATTEST: Nancy G. Hatfield
Nancy G. Hatfield, District Secretary



POLICY

Dublin San Ramon Services District

Policy No.:	P100-13-1	Board Business
Type of Policy:		
Policy Title:	Day of Service	
Policy Description:	Definition of a Compensable Day of Service for a Director	

Approval Date:	February 19, 2013	Last Review Date:	201 4 3
Approval Resolution No.:	3-13	Next Review Date:	201 8 7
Rescinded Resolution No.:	17-093-13	Rescinded Resolution Date:	June 16, 2009 <u>February 19, 2013</u>

It is the policy of the Board of Directors of Dublin San Ramon Services District:

That each Director shall exhibit good judgment in the matter of compensation for service, and shall have proper regard for the propriety and economy of conducting District business.

1. Compensation for Days of Service

Directors may, upon submittal of the District's monthly Board of Director's Timesheet, receive an amount of compensation not to exceed that approved by the Board of Directors. The amount of compensation shall be set in accordance with Water Code section 20200 *et seq.*, as amended. Compensation shall be earned for each day's service rendered as a member of the Board, and cannot exceed a total of ten [10] days in any calendar month. Except for the Board and Committee meetings described in subsections 2 a and b of this policy, in order to be eligible for compensation for a day of service, the Board must have previously approved the Director's representation of the District, and the Director must deliver a written report to the Board regarding his or her attendance at a qualifying event at the next regular Board meeting within 30 days following the qualifying event. If the written report is not submitted at the next regular Board meeting following the qualifying event the Director is no longer eligible for and shall not be paid compensation for the day(s) of service associated with the qualifying event. (Gov. Code. Section 61047, subdivisions (e)(2) through (e)(5).) Payment for a Day of Service may be submitted and approved in advance of the submittal of the Director's written report. If payment is made but a written report is not submitted within the required time frame, the General Manager shall report such situation to the Board.

2. Services Eligible for Compensation

The following activities are eligible for compensation as a day of service:

- a. Attendance in a policy maker role at District meetings noticed in accordance with the Brown Act (Government Code sec. 54950 *et seq.*). This is specifically limited to:
 - Regular Board Meetings
 - Special Board Meetings
 - Adjourned Regular Board Meetings
 - Regular, Adjourned, and Special Meetings of Board Standing Committees, including Liaison Committees
 - Emergency Meetings of the Board or a Standing Committee

- b. Attendance in a policy maker role at meetings of a Joint Powers Authority (JPA) of which the District is a Member and that have been noticed in accordance with the Brown Act (Government Code sec. 54950 *et seq.*), including:
 - Regular JPA Meetings
 - Special JPA Meetings
 - Adjourned Regular JPA Meetings
 - Regular, Adjourned, and Special Meetings of Standing Committees of the JPA, including Liaison Committees
 - Emergency Meetings of the JPA or a Standing Committee of the JPA

JPA's, include but are not limited to LAVWMA, DERWA, WateReuse Finance Authority, Union Sanitary District Financing Authority, or CSRMA.

- c. Attendance at professional, technical, and trade association meetings, conferences, (and the board and/or committee meetings of these groups for which the Director is a member of the board and/or a committee) activities, and organized educational activities, training sessions and events, including but not limited to ethics training pursuant to Government Code section 53234 *et seq.*, as it may be amended from time to time, including but not limited to CASA, CSRMA, ACWA, CSDA, Sanitation and Water Agencies of Contra Costa County, EDAB, WateReuse and NWRI. Travel on the day before or the day after the activity shall not be eligible for compensation as a day of service.

- d. As a principal speaker, panel member or representing the District in an official capacity at a public event, service club, homeowner association, chamber of commerce or other business or neighborhood group including meetings with neighbors of the wastewater treatment facilities (when those meetings are open and held at the wastewater treatment plant).

- e. Representation of the District at a public meeting or public hearing of another public agency (e.g., Board of Supervisors, City Council, LAFCO, SWRCB, RWQCB, BAAQMD) at which that agency has agendaized business that involves the District.

3. **Activities and/or Events Ineligible for Compensation**

- a. Compensation will only be paid for one day of service if a Director attends two or more meetings or activities on one day which meetings are otherwise separately eligible for compensation.
- b. Compensation will not be paid for attendance at a meeting of an ad hoc or advisory committee of the Board that does not have a continuing subject matter jurisdiction or a meeting schedule fixed by formal action of the Board.
- c. Compensation will not be paid for attendance at meeting of a Standing or Liaison Committee of the Board on which the Director does not serve.
- d. Compensation will not be paid for any meeting with District staff unless the meeting is a Board or Committee meeting noticed pursuant to the Brown Act.

4. **Review and Approval**

Principal responsibility for compliance with this policy rests with each Director. The General Manager shall review Director's timesheets ~~for~~ and written reports to determine conformance with this policy prior to approving payment. If a Director disagrees with the General Manager's determination, the Director submitting the timesheet shall refer the matter to the President of the Board (or Vice President if the timesheet is that of the President) for consideration. The submittal of a timesheet by a Director shall be deemed an acknowledgement by that Director that the timesheet, in the exercise of his or her judgment, complies with the terms of this policy, that any required approval of the Board was obtained in a timely manner, that any required written report has been submitted, and that the Director has considered any issues that the General Manager has identified. If the matter is referred to the Board President (or the Vice President as the case might be), they shall approve the timesheet unless they believe it substantially deviates from this policy. Directors may appeal any timesheet disapproved ~~timesheet~~ by the President or Vice President by submitting the matter to the Board as an agenda item at a regular meeting not later than 60 days after the day for which reimbursement is requested.

5. Contents of Written Reports

Written reports submitted in accordance with this Policy shall consist of one or more of the following:

- A handwritten report of the Director's activities;
- A typewritten report of the Director's activities;
- Copies of agendas for the qualifying event;
- Copies of handouts distributed at the qualifying event;
- Copies of business cards from contacts made by the Director;
- Copies of notes the Director took while attending the qualifying event;

- [Certificates the Director received for attending the qualifying event;](#)
- [Remarks made at the qualifying event if a Director was a speaker \(bullet points or script\);](#)
- [Other similar written materials.](#)

[All materials should give a member of the public a sense of the business purpose of the qualifying event as well as the Director's role at the qualifying event.](#)

6. Administration

The General Manager shall administer this policy and shall institute appropriate accounting and control procedures to ensure the policy is being followed.

7. Previous Policies Superseded

This policy supersedes all previously adopted District policies related to compensation for a day of service by a Director.

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**Dublin San Ramon Services District
Summary & Recommendation**

Reference General Manager	Type of Action Accept Report	Board Meeting of February 18, 2014
Subject Upcoming Board Calendar		
<input checked="" type="checkbox"/> Motion	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Resolution
<input type="checkbox"/> Ordinance	<input checked="" type="checkbox"/> Informational	<input type="checkbox"/> Other
REPORT:	<input type="checkbox"/> Verbal	<input type="checkbox"/> Presentation
	<input checked="" type="checkbox"/> Staff	B. Michalczyk
		<input type="checkbox"/> Board Member

Recommendation:

The General Manager recommends that the Board of Directors accept, by Motion, the attached upcoming Board calendar.

Summary:

The attached Board calendar presents items anticipated by staff to be presented to the Board at the next two Board meetings. This report represents the most current information available to staff as of the preparation of this agenda. Items that are listed may be deferred or eliminated for various reasons including but not limited to staff work not being fully complete, the need for further management, Committee and/or legal review, needed material or information not being received by the District in a timely fashion, etc. Furthermore, matters not listed may be placed on the Board agenda.

This report should be used only as a general guide of what business the District Board will be considering in the near future. The District Secretary should be contacted to confirm the contents of specific agendas. Agendas will be finalized in accordance with the requirements of the Brown Act (generally 72 hours for regular meetings and 24 hours for special meetings).

Committee Review			Legal Review	Staff Review		
COMMITTEE ---	DATE ---	RECOMMENDATION ---	Not Required	ORIGINATOR BLM	DEPARTMENT Executive	REVIEWED BY
ATTACHMENTS <input type="checkbox"/> None						
<input type="checkbox"/> Resolution	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Task Order	<input type="checkbox"/> Staff Report	<input type="checkbox"/> Ordinance		
<input checked="" type="checkbox"/> Cost \$0	<input type="checkbox"/> Funding Source A. B.	Attachments to S&R 1. Upcoming Board Calendar 2. 3.				

TENTATIVE BOARD ITEMS

2/12/2014 1:22:20 PM

Board Mtg	Agenda Item	Water	WWC	Finance	Personnel	Ext. Aff.
3/4/2014	Adopt Water Expansion Fund Management Policy					
	Closed Session - Conference with Labor Negotiators Pursuant to Government Code Section 54957.6					
	Employer/Employee Organization Relations Resolution - Update					
	Lease Agreement with AT&T for Cell Tower at Reservoir 1A					
	Adopt Miscellaneous Fees and Charges			2/10/2014		
3/18/2014	PERS Update Presentation					
	Approve Updated Bay Area Integrated Regional Water Management Plan (Proposition 84 Grant)					
	Add CIP T00-76 Dublin Trunk Relief Sewer Project to 2-Year CIP Budget for FYEs 2014 and 2015 and Authorize Task Order with Carollo Engineers, Inc.					
	Policy - Approve Revised Guidelines for Conducting District Business					
	Power Sharing Agreement with AT&T for R300					
	Policy - Consider Changes to Capital Financing and Debt Management Policy			3/10/2014		
	Policy - Consider Changes to Purchasing Policy			3/10/2014		
	Policy - Consider Changes to Surplus Personal Property Policy			3/10/2014		
	Tri-Valley Utility Coordination/Integration - Discussion					3/11/2014
	Policy - Consider Changes to Director Travel and Expenses Policy					3/11/2014



**Dublin San Ramon Services District
Summary & Recommendation**

Reference General Manager	Type of Action Accept Report	Board Meeting of February 18, 2014
Subject Accept Monthly Water Supply Report		
<input checked="" type="checkbox"/> Motion	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Resolution
<input type="checkbox"/> Ordinance	<input checked="" type="checkbox"/> Informational	<input type="checkbox"/> Other
REPORT:	<input type="checkbox"/> Verbal	<input checked="" type="checkbox"/> Presentation
	<input checked="" type="checkbox"/> Staff	B. Michalczyk
		<input type="checkbox"/> Board Member

Recommendation:

The General Manager recommends that the Board of Directors accept, by Motion, the attached Monthly Water Supply Report.

Summary:

The attached Water Supply Report has traditionally been presented to the Water Committee each month through the winter season. Given the seriousness of the water supply issues facing the State, the Livermore-Amador Valley and the District this report is being presented to the full Board for information purposes. The information therein provides context for the decisions the Board is being asked to make at tonight’s meeting regarding:

- Declaration of a State of Emergency;
- Endorsement of the District Drought Response Plan;
- Informational discussion about a future Board decision on Staged Water Rates; and
- Endorsement of the long-term State Wide Action Plan.

Committee Review			Legal Review	Staff Review		
COMMITTEE ---	DATE ---	RECOMMENDATION ---	Not Required	ORIGINATOR BLM	DEPARTMENT Executive	REVIEWED BY
ATTACHMENTS <input type="checkbox"/> None						
<input type="checkbox"/> Resolution	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Task Order	<input type="checkbox"/> Staff Report	<input type="checkbox"/> Ordinance		
<input checked="" type="checkbox"/> Cost \$0	<input type="checkbox"/> Funding Source A. B.		Attachments to S&R 1. Monthly Water Supply Report of Conditions through Jan 31, 2014 2. 3.			
H:\Board\2014\02-18-14\Monthly Water Supply report\Water Supply Report S&R.docx						

MEMORANDUM

DATE: February 14, 2014
TO: Board of Directors
FROM: Bert Michalczyk
SUBJECT: Water Year 2014 Water Supply Outlook and Conservation Report

Each year various agencies closely monitor precipitation, snow water content, reservoir levels and runoff to project the water supply situation for California for the irrigation season (summer and fall). The projections are made on a “Water Year” basis that runs from October 1 through September 30 of the following year. The District monitors this information throughout the wet season to be prepared for action if needed in the Spring of the year once the water supply picture becomes clear. Reports are made to the Water Committee on a monthly basis.

Uncertainties

As Water Year 2014 progresses, there remains a great deal of uncertainty about the reliability of water supplies from the Sacramento-San Joaquin Delta. This uncertainty develops due to interwoven legislation, regulation, legal actions and basic hydrology of the Delta. This situation has existed in some form for several decades but has become particularly critical in recent years. It is very likely that the uncertainties will continue for at least several years into the future. Attachment A provides specific information about what is driving the various legislative, regulatory and legal uncertainties related to the Delta water supply. The remainder of this memorandum addresses the hydrology of the Delta and the water supply as it is developing in WY 2014.

Hydrologic Conditions Water Year to Date

February Preliminary The month of February has started off with precipitation levels greater than we have seen since December of 2012. The recent storms over the weekend of February 8 and 9 raised precipitation levels to 24% of normal and snowpack levels to 17% of normal. However, as of the date of this report to the Water Committee, there have been no updates to delivery allocation schedules as a result of the storms and none are anticipated based on that one event.

Precipitation As of February 1, Northern Sierra precipitation is significantly below normal levels for this time of the year (17%) in the Sacramento, Feather, American and Yuba River basins where our water supply physically originates. This is extremely low. It must be cautioned that there still remains 8-10 weeks of the traditional wet season and this value can easily change significantly with a couple of storms. Nevertheless, following an extremely dry year in 2013 the severe lack of January precipitation has become a significant cause for concern.

Precipitation Outlook The National Oceanic and Atmospheric Administration (NOAA) issues long-range weather outlooks. Those currently extend through mid-April 2014. The current 90 day outlook is for significant chance of below normal precipitation for Northern California

during that period. More optimistically, the one month outlook is for an equal chance of above or below normal precipitation for February. The NOAA 90 Day Precipitation Outlook Map is presented in Attachment B.

Snowpack Snowpack survey data through February 1 in the northern Sierra snowpack (really snow water content) shows the snowpack at only 5% of normal for this time of the year and at 3% of the traditional maximum snowpack which occurs on April 1.

Reservoir Storage The key reservoir that affects water deliveries to the District is Lake Oroville. As of January 1 Oroville is filled to 36% capacity and is 54% of what it would normally be at this time of the year.

Unimpaired Runoff Attachment C is developed from data produced by DWR and is a summary of 2014 Northern California unimpaired runoff projections. The DWR data represents the maximum amount of water that **could** be pumped (but which will be limited further due to legal restrictions on pumping). As of February 1 the data indicates that 2014 will see about 33% of normal unimpaired runoff and that statistically there is virtually no chance that average or greater than average unimpaired runoff would occur.

Water Year Type As of early February and based on criteria that included rainfall, snow pack, reservoir storage and runoff, DWR is projecting that the Northern California Regional Water Supply Index would classify 2014 as a “Critical” year in terms of post-winter runoff.

Agency Situations and Positions

California Situation - Short Term On January 17, 2014, Governor Brown proclaimed a State of Emergency throughout California due to current drought conditions and called on Californians to reduce their water usage by 20%.

California Situation – Long Term Senate Bill 7X7 passed as part of the comprehensive water reform package in November 2009 calls for a permanent 10% reduction in per capita water usage by 2015 and 20% by 2020.

DWR Allocation On January 31, 2014 DWR updated its water delivery allocations for Water Year 2014 to its contractors based on then-current conditions. As of that date, they are projecting deliveries of 0% for the year. This action is unprecedented in the history of the State Water Project. A copy of that allocation is included as Attachment D.

Zone 7 Situation Zone 7 has accepted delivery requests from DSRSD for 2014. However, on January 29, the Zone 7 Board of Directors declared a drought emergency within its service area and approved a number of projects and activities to minimize the impact of the drought. The Zone 7 declaration was focused on streamlining the process for implementing various capital projects that will give the Zone better capabilities to manage the supply that is available to them. On the demand side, the Zone 7 declaration did not call for a specific level of conservation, but rather authorized and directed their General Manager to “...establish appropriate levels of conservation consistent with the California State of Drought Emergency and local conditions”. That level has not yet been established. However, the basis for Zone 7’s drought response planning are demand reductions of 5% indoor and 40% outdoor (about 20% overall system wide and voluntary for the moment).

District Situation and Position

Current District Situation In May 2013, the Board placed the District into a “Baseline” water shortage condition where it officially remains at the present time. A Baseline water shortage conditions essentially means that the District is seeking to maintain or slightly improve upon WY 2013 per capita water usage of 131 gpcpd. This usage level meets the State mandate of 20% water use reduction by 2020. On February 18, 2014 the District Board will be asked to:

- Declare a State of Emergency;
- Establish a system-wide target of 20% water curtailment (consisting of 5% indoor and 40% outside water use); and
- Endorse the District’s Drought response Action Plan.

The water shortage stage (which affects rates) will be formally considered by the Board in approximately April 2014 once clearer and near final hydrology information is available.

Actual District Conservation Senate Bill 7x7 of 2009 requires the District to measure conservation on a per capita basis as compared to a ten-year baseline period that the District was allowed to select using a number of allowable approaches. The District, in adopting its most recent Urban Water Management Plan, selected a Baseline period of 1997 through 2006 and also projected per capita water use during each year of the five year UWMP. The District conservation targets and the actual conservation in the District are as follows:

- | | | |
|---|----------------------------------|------------|
| • Baseline | 1997-2006 per capita usage | 204 gpcpd; |
| • Interim Target | 10% per capita reduction by 2015 | 183 gpcpd; |
| • Final Mandate | 20% per capita reduction by 2020 | 163 gpcpd; |
| • Urban Water Management Plan projection for 2014 | | 143 gpcpd; |
| • District conservation levels as of January 1 | | 136 gpcpd. |

District conservation trends on a per person basis are shown in Attachment E.

Summary

The following pages summarize the data discussed above in a tabular fashion for the past seven water years as well as month by month for the current water year.

District Actions Needed

1. On February 18, 2014 the Board considered the following actions:
 - Declare a State of Emergency;
 - Establish a system-wide target of 20% water curtailment (consisting of 5% indoor and 40% outside water use); and
 - Endorse the District’s Drought Response Action Plan.
2. Staff will be monitoring the situation as the water year unfolds and providing regular briefings to the Water Committee.
3. Staff will be updating the District’s website and releasing information in other formats in response to conditions.

4. Further Board action, which is traditionally taken in June of the Water Year prior to the peak usage season will be accelerated to the April 2014 time frame when near final hydrology data is available. However, if conditions warrant, the Board can take action before that time.
5. No further formal action is needed at this time.

TABULAR SUMMARY OF HISTORIC HYDROLOGICAL AND WATER SUPPLY CONDITIONS¹							
	WY2007	WY2008	WY2009	WY 2010	WY 2011	WY 2012	WY 2013
Precipitation ²	75%	73%	93%	107%	145%	80%	85%
Snowpack ³	52%	101%	89%	126%	165%	74%	49%
Oroville Storage (% of Normal)	101%	90%	59%	78%	135%	115%	92%
Oroville Storage (% of Capacity)	62%	55%	38%	50%	86%	99%	79%
Unimpaired Runoff							
Percent of Normal Year ⁴	53%	58%	64%	84%	138%	63%	64%
Water Supply Index	Critical	Critical	Dry	Below Normal	Wet	Below Normal	Dry
Water Delivery Allocation							
DWR to State Water Cont.	60%	35%	40%	50%	80%	65%	35%
Statewide and Regional Conservation							
State of California Short Term	----		20%		Strongly encourage conservation and minimal water use		
State of California Long Term	---			10% per capita reduction target by 2015 20% per capita reduction mandate by 2020			
Zone 7	Voluntary 10%						
DSRSD CONSERVATION SUMMARY⁵							
Pre SB 7X7 Methodology							
Target	Voluntary 10%		Stage I- Vol. 20%				
% Achieved	2.4%	4.5%	13.8%	21.1%	21.5%	26.8%	
Post SB 7X7 Methodology							
SB 7x7 Baseline							204
2015 Target							183
2020 Mandate							163
UWMP Prediction							138
Actual							126

¹ Unless noted, data shown is for June of the Water Year shown.

² Percent of Normal; 8 Station Northern Sierra for the water year

³ Percent of Normal; Northern Sierra Average as of April 1 which is historically peak snowpack for the year

⁴ Runoff in percent of average year for Sacramento River watershed

⁵ Expressed on a per account basis with the baseline year (July 06 to June 07 for WY 2007 through 2012).

TABULAR SUMMARY OF HYDROLOGICAL AND WATER SUPPLY CONDITIONS FOR WY 2014 ⁶								
	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	June 2014
Precipitation ⁷	27%	26%	19%	17%				
Snowpack ⁸	NA	NA	11%	5%				
Oroville Storage (% of Normal)	67%	72%	58%	54%				
Oroville Storage (% of Capacity)	41%	43%	36%	36%				
Projected Unimpaired Runoff								
Chance of Normal Year ⁹	NA	65%	45%	33%				
Chance of Average Year	NA	20%	Nil	Nil				
Projected Type of Water Year								
Water Year Classification	NA	Dry	Critical	Critical				
Water Delivery Allocation								
DWR to State Water Cont.	NA	5%	5%	0%				
Adopted Statewide and Regional Conservation Targets								
California Short Term Policy	<u>January 17, 2014</u> : Governor Brown proclaimed that a state of emergency exists due to current drought conditions and called on Californians to curtail water usage by 20%							
California Long Term Policy	10% per capita reduction interim target by 2015 and 20% per capita reduction mandated by 2020							
Zone 7	<u>January 29, 2014</u> : Zone 7 declared a drought emergency within its service area and authorized and directed its General Manager to "...establish appropriate levels of conservation consistent with the California State of Drought Emergency and local conditions" which has been established at 20% system-wide and is based on 5% indoor curtailment and 40% outside curtailment							
DSRSD CONSERVATION SUMMARY ¹⁰								
DSRSD Stage	<u>May, 2013</u> : For rate purposed - Baseline water shortage condition (i.e. maintain current per person water use) and <u>Feb. 18, 2014</u> declared State of Drought Emergency and set target curtailment consistent with Zone 7							
SB 7x7 Baseline	204							
2015 Target	183							
2020 Mandate	163							
UWMP Prediction	138 for CY 2013			143 for CY 2014				
Current	132	134	135	136				

⁶ Data shown is current as of the beginning of month shown

⁷ Percent of Normal at this time of year; 8 Station Northern Sierra

⁸ Percent of Normal at this time of year; Northern Sierra Average

⁹ Projected water year runoff in percent of average year for Sacramento River watershed

¹⁰ Values shown are in gallons per person per day

ATTACHMENT A
WATER SUPPLY UNCERTAINTIES

Significant changes from prior report highlighted in yellow

DELTA PLANNING

Bay Delta Conservation Plan: The Bay Delta Conservation Plan (BDCP) is designed to be a planning process for meeting the requirements of endangered species laws and achieving the co-equal goals of (1) conservation and management of the Delta's ecological functions and (2) improving current water supplies and the reliability of Central Valley Project (CVP) and State Water Project (SWP) water deliveries. Significant opposition to the Plan and the process has been voiced by residents and entities from Delta and Central Valley communities, and by some state and federal water contractors which question who will pay for water for wildlife refuges and for environmental uses under the BDCP, as well as who will pay for construction and operations costs of any conveyance facilities. The end of the BDCP process cannot now be predicted with any degree of confidence. In July 2012, the state and federal governments announced their joint commitment to a proposed BDCP that would include two gravity-fed tunnels with a diversion capacity of 9,000 cubic feet of water per second (cfs), each of which would be 40 feet in diameter and 35 miles long, plus restoration of 113,000 acres of freshwater marsh, 50,000 of which would be restored in the next 15 years. Current estimates say the tunnels will take at least 10 years to build, will result in excavation and the need to dispose of 7 million cubic yards of "tunnel muck," and will cost an estimated \$24.5 - 28 Billion to construct and operate the conveyance facility as well as fund the mitigation and adaptive management for the 50-year implementation period. Current estimates indicate that 60 - 70% of that cost would be paid by water users (and approximately 60% of that amount would be paid by SWP contractors), with the balance coming from a variety of state and federal sources. Construction costs for the 9,000 cfs dual-bore tunnel are now estimated at \$14.5 Billion.

The draft BDCP and draft EIR/EIS were released for 124 days of public comment on December 9, 2013; comments are due by April 14, 2014. The draft documents are more than 41,000 pages. An initial 7-page errata sheet was issued on January 3, 2014, and more are expected. DWR's current schedule is vague, but apparently calls for the Certification of the EIR, Plan approval and the federal Record of Decision no earlier than the winter of 2014. Intended beneficiaries do not yet fully know what benefits they can anticipate, and federal agencies have given no indication of if or when they will do a feasibility analysis that is required before federal funds for the implementation of the BDCP could be appropriated. Current estimates are that only about 25% of CVP contractors would actually receive any water supply benefits if the project is fully implemented. The principal unknown is how the new system would be operated, which will determine water supply, water quality, and fisheries impacts. Fisheries agencies have suggested that current science requires high flows through the Delta and to the sea; such flow requirements would mean that future exports would be less than what contractors currently receive. Export contractors – especially irrigation entities -- are hoping to see far lower flows for fish and water quality protection so that farmers and ranchers can avoid having to pay large amounts of money for less water. Operations criteria will have to take into account the recent hydrology, which indicates that between 1949 and 2009, Sacramento River flow conditions in 47% of all years were "below normal," dry, or critically dry. In July 2013, federal agencies submitted comments on the administrative draft EIR/EIS which raised numerous difficult issues; some commentators have suggested that the federal fisheries agencies may believe that the proposed project may not be "permissible" under the Federal Endangered Species Act (FESA). The interplay between state and federal fisheries agencies and the CVP and SWP will be critical to ultimate governmental determinations concerning the proposed BDCP.

Some stakeholders (including ACWD, CCWD, EBMUD, SFPUC, San Diego and the San Diego County Water Authority, numerous environmental groups, Contra Costa County, and the Contra Costa Council, plus 22 Democratic members of the State Senate or Assembly) urged DWR to add a “Portfolio Alternative” that would include, among other things, a smaller conveyance facility because their studies to date indicate a 3,000 cfs conveyance could meet the BDCP’s and Delta Plan’s water supply and ecosystem restoration goals. DWR now estimates that the capital construction cost for a single-bore 3,000 cfs tunnel would be \$8.56 Billion (down from the previously estimated \$11.5 billion). DWR did not analyze this alternative (or the suite of proposed actions making up the Portfolio Alternative) in the EIR. Zone 7 signed a multi-agency letter favoring the BDCP proposal and opposing the Portfolio Alternative. A number of environmental groups have announced opposition to the BDCP, but agricultural interests that joined them in opposing the proposed Peripheral Canal in 1982 support the current proposal. The key question for many water agencies will be their share of the costs burdens for the proposed project. DWR has indicated that up to \$1.2 billion will be needed for completion of planning and environmental work over the next 3 years – apparently CVP and SWP contractors are each being asked to put up \$250 Million for those purposes, and DWR is seeking commitments in the near-term future (perhaps as early as the spring of 2014, according to a report concerning Westlands Water District, which has apparently indicated that it is being asked to contribute \$162 Million.) If the project is ultimately approved and implemented, the earliest construction could begin is 2017 (engineering work to date is only at the 10% level), and the earliest date for operation of the new conveyance would be 2027.

Delta Stewardship Council’s Delta Plan and EIR: The 2009 legislative package that included the Delta Reform Act tried to address long-standing issues about Delta planning and the possibility of insuring water supply reliability and simultaneously reaching the co-equal goal of restoring/enhancing the Delta ecosystem. At the heart of this measure was establishment of the Delta Stewardship Council and a mandate that it develop a Delta Plan and the necessary environmental analysis by December 31, 2011. The goal of the Plan was to provide guidance to state and local agency actions to meet the coequal goals. (That statutory deadline was not met.) On May 16-17, 2013, the Council adopted the Delta Plan, certified the completion of the EIR, and approved the process for implementing the regulations. The adopted Plan contains 14 policies, which the Council has attempted to turn into legally enforceable state regulations. No substantial action based on the Plan will happen very quickly, and the EIR has been the subject of substantial criticism from all sides. Numerous parties filed suit in Sacramento Superior Court challenging the Plan and arguing that it is not consistent with the 2009 legislation because it does not achieve the co-equal goals of Delta ecosystem restoration and water supply reliability, and challenging the regulations. Those cases are all pending.

The Delta Plan calls for adoption of Delta flow objectives by June 2014; implementation measures to reach those objectives would then be analyzed and recommended to the SWRCB in approximately one year after that. The SWRCB has started the process for setting those objectives, in conjunction with its triennial review of the Water Quality Control Plan for the Delta (WQCP), and has indicated that it will seek to set flow objectives for “6 to 9 primary tributaries” by June, 2018. The State Water Contractors (SWC) asked the SWRCB to delay setting the objectives until completion of the BDCP, but the SWRCB said it will try to adopt the new objectives more quickly; however, it postponed a planned November 12 – 14 workshop on the science of Delta outflows and related stressors until February 10 – 11, 2014. This effort will inevitably be controversial, since an earlier and non-precedential SWRCB decision related to flow objectives established criteria that would dedicate between 50% and 75% of the available flows in the Delta to in-stream uses, which would result in drastic cutbacks in water available for export.

On December 31, 2012, the SWRCB released its proposed revisions to flow requirements (plus a 2000-page environmental analysis) for the San Joaquin River and 3 tributaries (Merced, Stanislaus, and Tuolumne Rivers), which featured establishment of a threshold of 35% of the unimpaired flow of the

tributaries to be set aside for Delta protection. Historically about 20% of unimpaired flow in those rivers reached the Delta. Water users and water rights holders on those rivers are vigorously resisting implementation of that threshold, arguing that it would result in a supply cut of 15% in average water years, and up to 50% in dry years. The SWRCB began a hearing on San Joaquin flows on March 20, 2013. A “final” version of the WQCP objectives and environmental impact analysis was issued in May, but the SWRCB has now postponed any action on this still-controversial subject until an as-yet unknown date in 2014.

California Water Action Plan: On October 31, 2013, CalEPA, the Department of Food & Agriculture, and the Natural Resources Agency issued a draft Water Action Plan for the State, in response to direction from the Governor to identify key actions for the next one to five years to address urgent needs and “provide the foundation for sustainable management of California’s water resources.” The final plan was issued in conjunction with the Governor’s “State of the State” address on January 22, 2014. The 22-page plan is broad and general, and does not call for any specific actions; it is intended to be a broad-brush guide for state efforts to enhance water supply reliability, restore damaged and destroyed ecosystems, and improve the resilience of infrastructure. Part of the scientific backdrop for this Plan is a recent study, based on satellite data collected by NASA, which indicates that the Sacramento and San Joaquin basins contained about 24 Million AF less water in March 2010 than in October 2003, with about 2/3 of the decline due to groundwater depletion.

LEGISLATION

2014 Water Bond: The November 2009 water legislation package passed on to the voters the question of whether to authorize issuance of \$11.14 billion in General Obligation bonds, for which debt service payments of about \$700 million per year would have to come from the State’s General Fund. The bond issue was originally expected to be on the November 2010 ballot, but the Legislature subsequently passed a bill requested by the previous Governor delaying the election to 2012, largely because of the state’s precarious financial situation. The Legislature and the Brown administration may wish to make changes in the components of the bond package prior to placing it before the voters. The earliest possible date for the election would be in 2014, but some legislators are now talking about waiting until 2016. A number of proposals for a down-sized bond package have been discussed this year, ranging from \$5.8 billion (Assemblyman Logue) and \$6.475 billion (Sen. Wolk), to \$8.2 billion (ACWA). Committee hearings are expected to be conducted in the Legislature in March 2014.

DELTA ECOSYSTEM ISSUES

Delta Smelt and Salmonid Species: Federal litigation concerning the interaction of the Federal Endangered Species Act (FESA) and NEPA with the operations of the Bureau of Reclamation’s Central Valley Project (CVP) and the Department of Water Resources’ (DWR) State Water Project (SWP) has dominated all considerations of Delta water export operations in the last few years. Most of that litigation has concerned the balance between water exports and the need to restrict or limit exports in an effort to protect Delta smelt and a variety of salmonid species. For both smelt and salmonids, litigation challenging the Biological Opinions is on appeal to the 9th Circuit US Court of Appeal. In the meantime, Delta operations are being managed in accordance with those BiOps, while the federal fisheries agencies are working on new BiOps, under court-established deadlines (12/1/13 for smelt (but state and federal officials have asked the court for a 3-year delay in that deadline); and 4/30/16 for salmon). The 2013 fall mid-water trawl, which is one of the key scientific indicators of the abundance of critical fish species, showed that the four species of greatest concern were at near-record lows this year; in particular, Delta smelt were at the 2nd-lowest year on record. (Since the decline of pelagic organisms (i.e., aquatic species that feed in the middle of the water column), such as Delta smelt, began in the Delta in 2002, the smelt index has ranged from a high of 151 to a low of 4 (it was 7 in 2008 and 2013), as compared to values that

were occasionally greater than 1000 in prior years). The population indices used to track 4 key fish species have declined by 95.6% to 99.8% since the trawl began in 1967. The combination of record low precipitation and fish-related operations restrictions makes export operations particularly difficult to predict for the 2013-2014 water year, and may limit the use of cross-Delta water transfers or recovery of water in groundwater banks that might otherwise have been available to assist in areas dependent on Delta export pumping.

Ammonia in Wastewater Discharges: On December 9, 2010, the Central Valley Regional Water Quality Control Board (RWQCB) unanimously adopted a new NPDES discharge permit for the large regional wastewater treatment plant operated by the Sacramento Regional Sanitation District (SacReg). Zone 7, Alameda County Water District, and Santa Clara Valley Water District (SCVWD), plus a number of other water agencies, had for 10 years sought to have the RWQCB order SacReg to significantly reduce the volume of pathogens and certain chemical contaminants in its effluent – particularly ammonium, which is believed to have a substantial adverse impact on Delta smelt. A partial settlement was reached late in April 2013, and SacReg is commencing implementation of remedial measures. Remaining issues in the litigation concern the NPDES permit requirement for tertiary treatment to remove pathogens and other pollutants from the discharge, and trial on the merits is scheduled to begin April 4, 2014. Settlement negotiations are anticipated.

LOCAL WATER SUPPLY CONTRACTS

State Water Project Contract: On May 1, DWR began what was originally planned to be three months of public negotiations with the SWC on contract amendments to the contract term and on certain financial provisions of the current basic water supply contract between DWR and each member of the SWC. DWR wants to issue 30-year bonds for its debt financing, but there are only 21 years left on the present contract. DWR has urged a 40-year extension, but some of the SWC have argued that it should be 75 years. DWR uses revenue bond financing for capital improvements and upgrades of existing systems; in recent years it has sold as much as \$200 Million in such bonds per year, and it estimates that it needs \$2.5 Billion to repair, restore, and strengthen existing infrastructure. DWR also estimates that the BDCP improvements would require the SWC to pay another \$10 Billion, and the current contract negotiations would put the necessary financial accounting and oversight mechanisms in place for that as well. Negotiations are ongoing, with 4 sessions held in October, 2 in November, 1 in December, and 4 scheduled in January, plus 2 more in February. Zone 7 participates.

BBID transfer to Zone 7: Since 1995, an important part of Zone 7's water supply portfolio has been an annual transfer of up to 5,000 AF of Delta water to Zone 7 from Byron Bethany Irrigation District (BBID). On December 14, 2012, DWR told BBID that the transfer was being made without DWR's consent, and that the water had to be "repaid" to DWR. Both BBID and Zone 7 are vigorously objecting to DWR's position and resisting the demand that Zone 7 "repay" any previously transferred water.

PERTINENT WATER RELATED LITIGATION

Area of Origin Litigation: The Tehama-Colusa Canal Authority (TCCA), a joint powers authority located in the northern part of the Sacramento Valley, filed suit on February 11, 2010 in federal district court in Sacramento against the United States, alleging that the Bureau of Reclamation illegally failed to deliver full contract amounts of water to TCCA members before exporting water from the Delta. Their argument was based on "area of origin" protections contained in the California Water Code, with which Reclamation is required to comply. The case is significant because it has the potential to deepen the split between water users in areas where the water arises and water users in dry areas served primarily by exports, particularly because the plaintiffs are asserting that their location and the protective statute give them a higher priority claim to CVP water, including stored water. If the Plaintiffs ultimately prevail, that

will further limit the amount of water that can be exported from the Delta by the CVP. A federal trial court judge and the 9th Circuit ruled for the federal defendants on July 29, 2011 and July 1, 2013, respectively; on October 15, 2013 the 9th Circuit denied TCCA's petition for rehearing. A petition for *certiorari* seeking review by the U.S. Supreme Court was filed in mid-January, 2014; any opposition to the petition must be filed by February 14, 2014. 4 SWP contractors (Butte Co., Solano Co. Water Agency, Napa Co. Flood Control and Water Conserv. District, and Yuba City) sued DWR in 2008 alleging that DWR sends water to export contractors (like Zone 7) without fulfilling its obligations to protect the rights of contractors who benefit from area of origin laws. In October 2013, DWR and these 4 contractors reached a settlement which will result in preferential deliveries to the 4 plaintiff SWP contractors (all north of the Delta and with relatively small water entitlements), and have a small adverse impact on all south of Delta contractors in some years. Current estimates are that the reductions will probably be in the range of 1 – 2% of south-of-Delta SWP contractors' entitlements in dry years.

WATER SUPPLY RELIABILITY IMPROVEMENT EFFORTS

Regional Activities: Contra Costa Water District's Los Vaqueros Expansion Project (LVE) is complete, and the Reservoir is filled to about 125,000 AF. Federal and state agencies are leading a study effort to consider a further expansion of the Reservoir, and numerous water agencies have signed a Memorandum of Understanding concerning those studies, including Zone 7, the other South Bay Aqueduct agencies (ACWD and SCVWD), EBMUD, and the San Luis and Delta Mendota Water Authority. Federal and state studies dating back to the 1960's indicated that the Los Vaqueros site could accommodate a reservoir with as much as 1 million acre-feet (AF) of storage capacity. In January, 2013 the Boards of Directors of EBMUD and CCWD accepted principles of agreement for a new partnership arrangement concerning LVE, and a demonstration project under which 5,000 AF of EBMUD water would be stored in the reservoir for up to 5 years is under way. CCWD reached a similar understanding with ACWD on April 3, 2013 for a 1,000 AF pilot project, which has now being expanded to 5,000 AF. EBMUD is also working with the Yuba County and Placer County Water Agencies on annual purchase of up to 67,000 AF, and on a pilot program to convey transfer water to some of San Francisco's wholesale customers. EBMUD's Freeport facilities can be used to convey water made available by Yuba or Placer, but which cannot be delivered south of the Delta due to export restrictions at the DWR pumps; arrangements of this nature, especially if implemented jointly with CCWD, could provide supply and reliability benefits to numerous Bay Area water agencies. EBMUD's Mokelumne River facilities were also used in 2013 to successfully convey 2,000 AF of transfer water from the Woodbridge Irrigation District (near Lodi) to CCWD. EBMUD is also renewing consideration of a conjunctive use idea with a number of entities in San Joaquin County.

San Francisco purchased an option to buy up to 2,240 AF/year of dry year water from Oakdale Irrigation District. If it exercises the option, the reported price for SF would be \$700/AF, in marked contrast to the \$6.50/AF paid by most Oakdale farmers, the \$29.50 now paid by most Modesto farmers, and the \$100 - 125/AF for which Oakdale and SSJID sold water in 2013 to west side CVP contractors and Modesto ID sold water to Turlock ID. Numerous discussions of similar water transfers, interties, and cooperative arrangements are underway, involving water agencies throughout the Bay Area region and in the Central Valley; e.g., Zone 7, CCWD, and EBMUD are discussing a possible link between CCWD facilities (which have a large and robust intertie with EBMUD's Mokelumne Aqueduct) and Bethany Reservoir, the forebay for the South Bay Aqueduct. Numerous transfer arrangements are under discussion or being implemented among irrigation agencies and individual farmers, with published prices ranging as high as \$1,100 per AF. Several of the 26 water utilities that buy wholesale water from San Francisco's Hetch Hetchy system are considering establishment of a new institutional mechanism for transferring water between such utilities, in order to make more efficient use of the available resource within the region. ACWD and the City of Hayward are both purchasers from San Francisco.

Federal authorities are also investigating raising the elevation of San Luis Dam by 20 feet, in a \$360 Million project to improve seismic protection and to add 120,000 AF of storage capacity for the benefit of both the CVP and SWP. As dry conditions persist, large numbers of new deep wells are being installed in the Central Valley, resulting in declining aquifers and land subsidence in an area that may be as large as 1,200 square miles; many of these new wells are needed to irrigate hundreds of thousands of acres of permanent tree and vine crops that have been planted in recent years (in lieu of previous field crops like tomatoes and cotton) despite the lack of reliable and consistent imported water supplies. California now has well over 800,000 acres of almond trees, as compared to about 400,000 acres in 1995, and since such trees need an average of 3 to 4 acre-feet of water per acre to survive, this increase in almond production has “hardened” annual demand for water in areas which used to be annual field/row crops or pasture.

Five local water entities (Zone 7, ACWD, CCWD, EBMUD and the SFPUC) and the WaterReuse Foundation are participating in projects being funded by the Water Research Foundation to study the potential for Direct Potable Reuse (DPR). The projects will begin early in 2014 and support research needs of the California Department of Public Health for compliance with the statutory mandates of SB 918 (2010) to investigate the feasibility of developing regulatory criteria for protection of public health by 2016; as a result of this work, DPR could ultimately be permitted for groundwater recharge and/or for surface water augmentation.

San Diego Desalination: Construction is more than 25% complete, and is on schedule and under budget, on a desalination plant that is expected to produce up to 50,000 AFA in San Diego County; San Diego views it as a new long-term reliable source of drinking water, and will be paying an estimated \$1900 to \$2200/AF to achieve that reliability. Operations are expected to begin in 2016. A second such plant, with a production capacity of 56,000 AFA, is nearing the end of the planning and permitting phase; it will be located in Huntington Beach if the planning and permitting processes can be successfully completed. After adopting a report on the success of the City’s 2-year 1 million gallon per day (mgd) demonstration project, San Diego’s City Council acted in April 2013 to pursue implementation plans for a “water purification” project to augment City drinking water supplies with up to 15 mgd of purified water that would be conveyed to San Vicente Reservoir to blend with stored Colorado River water. A 2013 public opinion poll indicated that 73% of the San Diego residents who were surveyed favored the project. Initial estimates are that the project would cost about \$370 Million, and could eventually be expanded to 88 mgd.

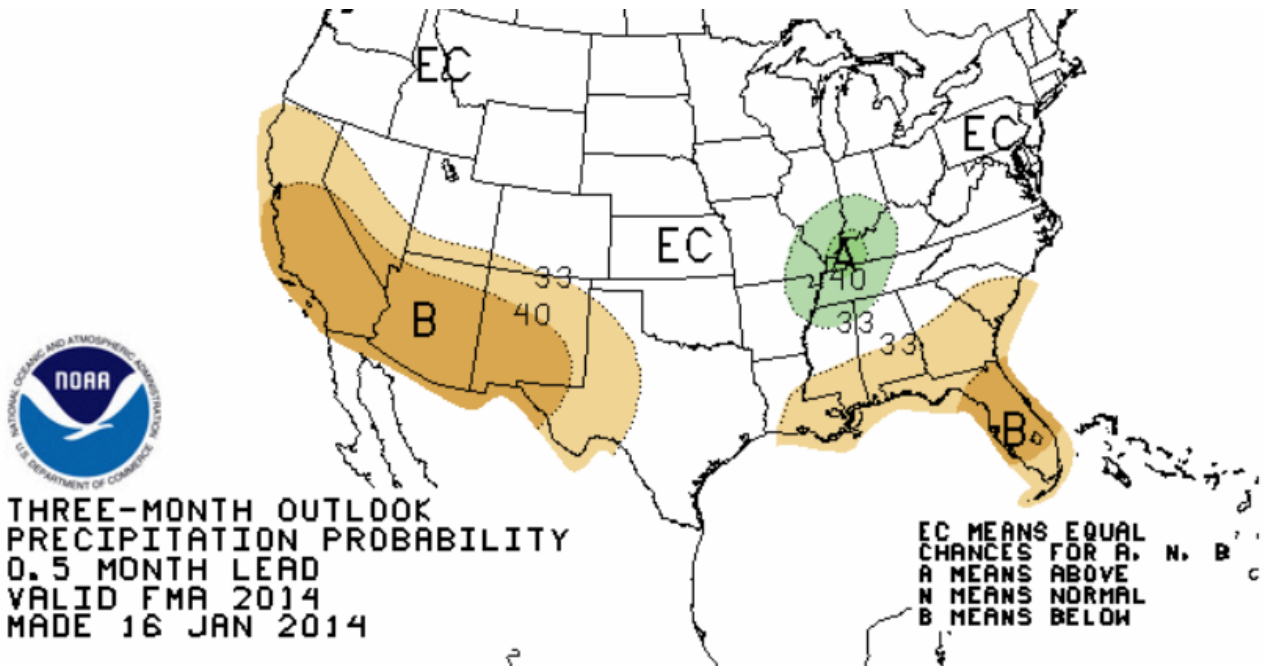
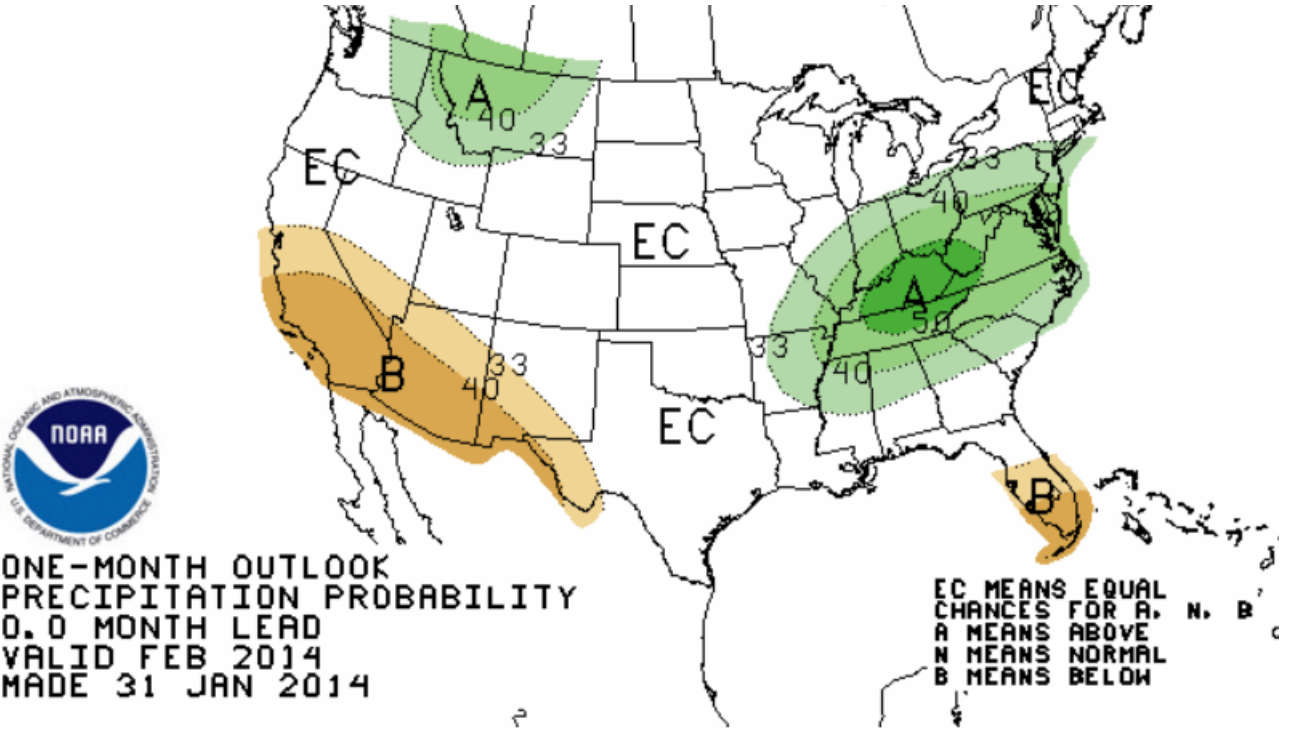
Coalition to Support Near Term Delta Projects: Largely because of similar concerns about controversy surrounding the BDCP and the concern that it will be decades before it can come to fruition, a series of water agencies, environmental groups, and others developed a consensus position on a number of projects on which immediate actions could be taken, and for which \$500 million in previously-approved bond funds are potentially available. Projects include specific actions related to water supply, water quality, levees, and ecosystem restoration. Participants include entities which do not always agree on Delta matters, including the Planning and Conservation League, Metropolitan Water District (MWD), Westlands Water District, Central Delta Water Agency, and Contra Costa Water District. These entities are working to get the necessary stakeholder support and a wide-spread consensus; the first projects will probably involve levee work. Several of the near term project ideas, including operable flow gates and temporary flow barriers are among the things being considered during the current drought conditions, and were generally referred to in the legislation introduced by 4 U.S. Senators on February 11, 2014.

OTHER WATER SUPPLY RELIABILITY AND UNCERTAINTY FACTORS:

Colorado River: Although it does not directly impact the District or Zone 7, a number of factors suggest that continuing uncertainty about southern California’s reliance on the Colorado River will increase. The original 1922 allocation of Colorado River water (among 7 western states) was based on a short period of

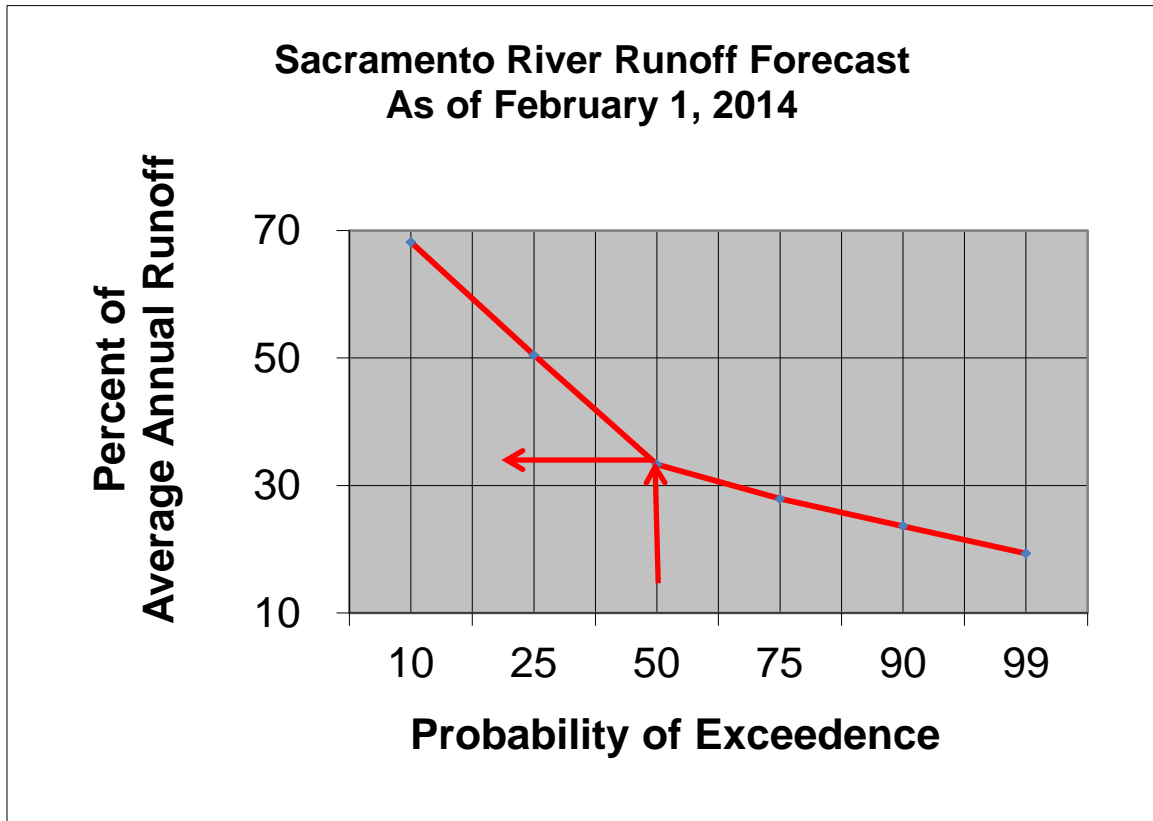
hydrologic history which was wetter than any period since then. The assumption then was that the River would yield 15 MAFA; the U.S. now believes that the actual yield is closer to 12 MAFA. Snowpack in the watershed is currently less than 50% of average, which could reduce storage in Lakes Powell and Mead to the point where water deliveries to California are curtailed. As a result, southern California's ability to rely on transfers from Imperial Irrigation District (IID) to San Diego (which gets 33% of its water from these transfers), or on full deliveries from the Colorado to the MWD is now less certain. The complex set of agreements which resulted in transfers of water from IID to San Diego requires IID to meet certain water conservation goals; this has proved to be difficult for IID, and the conservation programs are very controversial among its agricultural water users. MWD has put over 2.7 MAF in storage in southern California, but in the long run a reduction in Colorado River water would tend to put added emphasis (i.e., water demand) on exports from the Delta to southern California. Storage in the key Colorado reservoirs (Lakes Powell and Mead) is well below 50% of capacity, and 2013 marked the worst 14 years of hydrologic history on the River since records have been kept; in contrast, in 2000, the combined Mead and Powell storage was 95% of capacity. In anticipation of further decline in the reliability of Colorado River supplies, Arizona adopted and refined its comprehensive groundwater management statutes in the 1980's and 1990's, and these laws are the basis for an extensive groundwater banking program. California has no such legislation, and although there is extensive groundwater management planning in many areas (such as the Tri-Valley), there is nothing on a statewide or Central Valley-wide basis that can be used to offset drought conditions.

**ATTACHMENT B
NOAA PRECIPITATION FORECASTS**



**ATTACHMENT C
FORECAST OF UNIMPAIRED RUNOFF**

- Expected unimpaired runoff (50% probability)= 33% of average
- Chance of average (100%) or greater than average runoff = Nil



**ATTACHMENT D
CURRENT DWR DELIVERY ALLOCATION**

State of California

DEPARTMENT OF WATER RESOURCES
CALIFORNIA STATE WATER PROJECT

California Natural Resources Agency

NOTICE TO STATE WATER PROJECT CONTRACTORS



Date: JAN 31 2014

Number: 14-02

Subject: 2014 State Water Project Allocation – Zero Percent

From:



Carl A. Torgersen
Department of Water Resources

Due to the persistent dry conditions, the Department of Water Resources (DWR) is decreasing the previously approved 2014 Table A Allocation from five percent to zero percent. DWR plans to meet current urgent demands by allowing State Water Project (SWP) contractors to use their existing carryover. Existing carryover amounts (at the end of 2013), and 2014 allocation amounts, for each SWP contractor are shown on the attached table. The total combined carryover amount for all SWP contractors is 463,277 acre-feet.

This decrease is made consistent with the long-term water supply contracts and public policy. DWR considered several factors, including existing storage in SWP conservation reservoirs, SWP operational constraints such as the conditions of the recent Biological Opinions for Delta smelt and salmonids and the longfin smelt incidental take permit, and 2014 contractor demands. DWR may revise allocations if warranted by the year's developing hydrologic and water supply conditions.

If you have any questions or need additional information, please contact Robert Cooke, Chief of DWR's State Water Project Analysis Office, at (916) 653-4313.

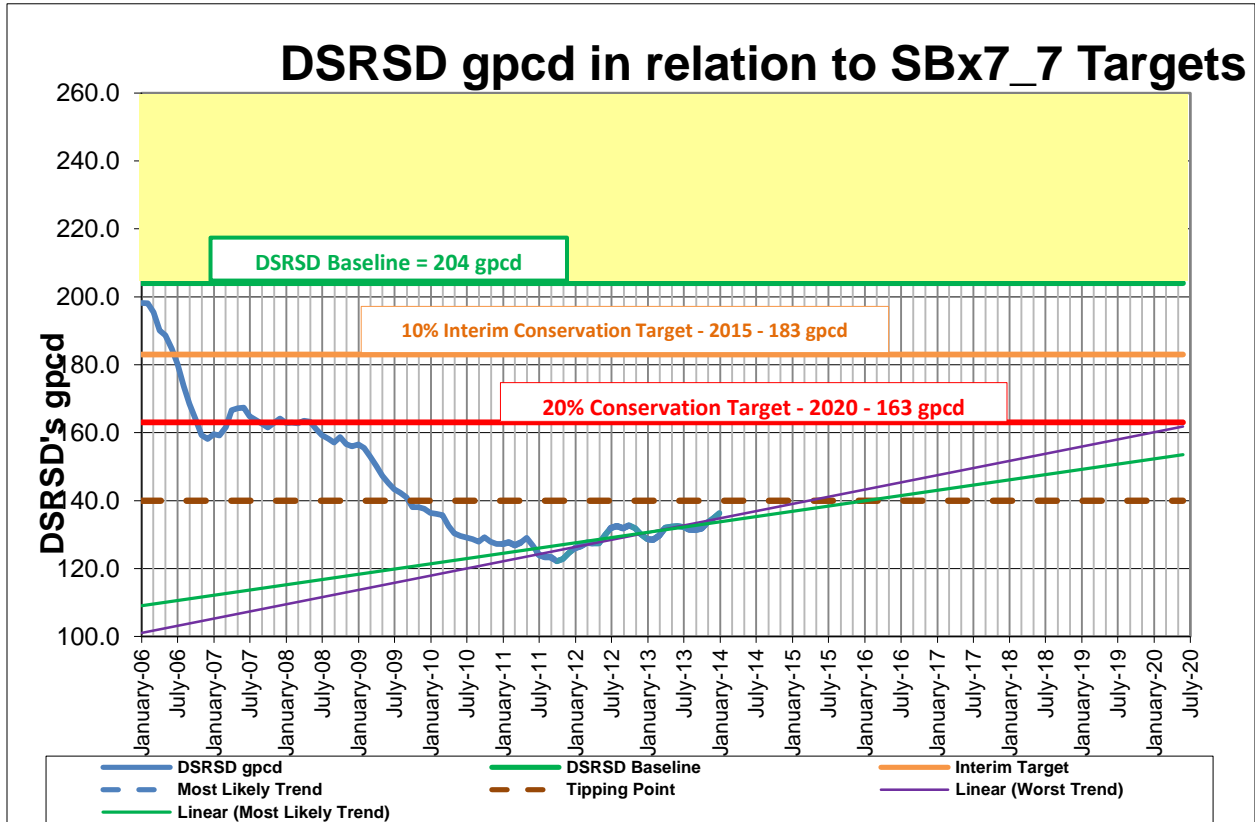
Attachment

2014 STATE WATER PROJECT ALLOCATION
(ACRE-FEET)

SWP CONTRACTORS	TABLE A	INITIAL REQUEST	APPROVED ALLOCATION	2014 CARRYOVER
<u>FEATHER RIVER</u>				
County of Butte	27,500	27,500	0	392
Plumas County FC&WCD	2,500	2,500	0	478
City of Yuba City	9,600	9,600	0	6,855
Subtotal	39,600	39,600	0	7,725
<u>NORTH BAY</u>				
Napa County FC&WCD	29,025	29,025	0	13,407
Solano County WA	47,706	47,706	0	10,730
Subtotal	76,731	76,731	0	24,137
<u>SOUTH BAY</u>				
Alameda County FC&WCD, Zone 7	80,619	80,619	0	18,191
Alameda County WD	42,000	42,000	0	10,459
Santa Clara Valley WD	100,000	100,000	0	37,579
Subtotal	222,619	222,619	0	66,229
<u>SAN JOAQUIN VALLEY</u>				
Oak Flat WD	5,700	5,700	0	1,625
County of Kings	9,305	9,305	0	676
Dudley Ridge WD	48,350	48,350	0	11,093
Empire West Side ID	3,000	3,000	0	349
Kern County WA	982,730	982,730	0	36,166
Tulare Lake Basin WSD	87,471	87,471	0	3,320
Subtotal	1,136,556	1,136,556	0	53,229
<u>CENTRAL COASTAL</u>				
San Luis Obispo County FC&WCD	25,000	25,000	0	7,332
Santa Barbara County FC&WCD	45,486	45,486	0	13,648
Subtotal	70,486	70,486	0	20,980
<u>SOUTHERN CALIFORNIA</u>				
Antelope Valley-East Kern WA	144,844	144,844	0	12,428
Castaic Lake WA	95,200	95,200	0	38,482
Coachella Valley WD	138,350	138,350	0	0
Crestline-Lake Arrowhead WA	5,800	5,800	0	1,882
Desert WA	55,750	55,750	0	0
Little Rock Creek ID	2,300	2,300	0	805
Metropolitan WDSC	1,911,500	1,911,500	0	214,400
Mojave WA	82,800	82,800	0	3,839
Palmdale WD	21,300	21,300	0	3,670
San Bernardino Valley MWD	102,600	102,600	0	10,207
San Gabriel Valley MWD	28,800	28,800	0	0
San Geronio Pass WA	17,300	17,300	0	5,264
Ventura County WPD	20,000	20,000	0	0
Subtotal	2,626,544	2,626,544	0	290,977
TOTAL	4,172,536	4,172,536	0	463,277

SWPAO
1/23/2014

**ATTACHMENT E
DSRSD WATER CONSERVATION TRENDS**





**Dublin San Ramon Services District
Summary & Recommendation**

Reference Operations Manager	Type of Action Declare State of Emergency	Board Meeting of February 18, 2014
Subject Adopt a Declaration of a Community Drought Emergency		
<input type="checkbox"/> Motion	<input type="checkbox"/> Minute Order	<input checked="" type="checkbox"/> Resolution
<input type="checkbox"/> Ordinance	<input type="checkbox"/> Informational	<input type="checkbox"/> Other
REPORT:	<input checked="" type="checkbox"/> Verbal	<input type="checkbox"/> Presentation
	<input checked="" type="checkbox"/> Staff	D. Gallagher
		<input type="checkbox"/> Board Member

Recommendation:

The Operations Manager, acting as the District’s Drought Coordinator, recommends that the Board, by Resolution, declare a Community Drought Emergency. The authority for the District to make this declaration is found in the California Emergency Services Act and California Water Code Sections 100, 13576, §§ 350 et seq., 375 et seq., and § 71640 et seq., and Govt. Code § 61100, sub. (a). The proposed resolution also includes an increase of \$150,000 in the approved operating budget to cover expenses related to the drought and the corresponding limitations in the water supply.

Summary:

On January 17, 2014, the Governor issued a Proclamation of a State of Emergency referencing the record dry conditions under which the state’s water supplies have dipped to alarming levels, creating an extreme peril to the safety of persons and property in California with which local authorities are unable to cope (Attachment 1.) On January 29, 2014, the Board of Zone 7 adopted a resolution proclaiming a State of Local Drought Emergency (Attachment 2.) On January 31, 2014, the Department of Water Resources announced that the anticipated allocation of water to customers of the State Water Project was being reduced from five percent to zero. At the February 4, 2014 District Board meeting, Zone 7 Engineer Amparo Flores made a presentation about the curtailment of the water supply available to Zone 7’s customers that would result if no water was delivered from the State Water Project to Zone 7.

Staff and District General Counsel recommend that the Board consider adopting its own resolution proclaiming a State of Emergency based on the current drought conditions and the resulting impact on the water supply. Although this action will not itself have any immediate effect, it will be an effective step towards facilitating the sort of activities that the District may need to undertake to mitigate or prevent an emergency for our customers. With such a proclamation in place, the District will be authorized to make expenditures deemed necessary, and to “promulgate orders and regulations necessary to provide for the protection of life and property.” The declaration will better enable District management to respond in real time to the developing conditions.

A resolution proclaiming a state of emergency would allow exceptions to competitive bidding statutes and California Environmental Quality Act (CEQA) as they apply to specific activities the District seeks to pursue. For example, the Public Contract Code provisions governing the District’s contracting and purchasing procedures expressly authorize “the board of directors may act pursuant to ... Section 22050 in the case of an emergency.” To invoke this exception to the normal CEQA procedures, the governing body is to “make a finding, based on substantial evidence set forth in the minutes ..., that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency.” The proposed resolution of a Community Drought Emergency would delegate responsibility to the General Manager for making decisions about invoking exceptions to normal contracting and purchasing requirements.

Committee Review			Legal Review	Staff Review		
COMMITTEE	DATE	RECOMMENDATION	Yes	ORIGINATOR	DEPARTMENT	REVIEWED BY
---	---	---		D. Gallagher	Operations	
ATTACHMENTS <input type="checkbox"/> None						
<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Minute Order <input type="checkbox"/> Task Order <input type="checkbox"/> Staff Report <input type="checkbox"/> Ordinance						
<input checked="" type="checkbox"/> Cost \$150,000 (proposed increase in the operating budget)		<input type="checkbox"/> Funding Source A. Water Enterprise (Fund 600.70.70.000.4.427) B.		Attachments to S&R 1. Governor Brown’s Proclamation of a State of Emergency 2. Zone 7 Proclamation of Local Drought Emergency 3. Personnel Rule 2.03 - Appointments		

Similarly, CEQA contains a statutory exemption for “specific actions necessary to prevent or mitigate an emergency.” (Govt. Code §§ 21080, subd. (b)(4).) The phrase describes the sort of activities District management is investigating. The proposed resolution of a Community Drought Emergency would delegate responsibility to the General Manager for making decisions regarding invoking exemptions to CEQA.

To accomplish water use curtailment goals it may be deemed necessary to fill vacancies, make temporary assignments using existing staff, and/or hire temporary personnel or consultants if additional resources are needed in a specific area. Existing District policies and procedures require developing an eligibility list for appointments that may impede or slow down the District’s ability to secure the necessary staffing to accomplish critical tasks. The proposed resolution of a Community Drought Emergency asks the Board to affirm the existing language in Personnel Rule 2.03 (Attachment 3) that allows the General Manager in an emergency to make appointments without the requirement for first establishing an eligibility list.

Finally, the resolution includes a proposed increase in the operating budget of \$150,000 from the Water Enterprise Fund to make expenditures as necessary in order to accomplish the desired degree of curtailment. The proposed Drought Response Action Plan includes a description of the various actions items that staff plans to implement, some of which may require funding over and above the previously approved budget.

The resolution proclaiming a state of emergency based on the current drought conditions is a useful step in streamlining actions to facilitate the protection of the District’s limited potable water supplies, and for the District to be in a better position to quickly take the steps needed to mitigate or prevent the current threat to the public health and safety of the District’s customers.

The water supply situation will be continuously monitored and further action by the Board may be required by late April when final hydrologic data is available, or earlier if conditions warrant.

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT TO
DECLARE A COMMUNITY DROUGHT EMERGENCY

WHEREAS, the State of California has and continues to experience record dry conditions, with 2013 being the driest year on record and January 2014 being similarly critically dry; and

WHEREAS, the Governor of the State of California issued a Proclamation of a State of Emergency on January 17, 2014, and encouraged all Californians to reduce their water usage by 20%; and

WHEREAS, the Zone 7 Water Agency issued a Proclamation of a Local Drought Emergency on January 29, 2014, and authorized their General Manager to “establish appropriate levels of conservation consistent with the California State of Drought Emergency and local conditions”; and

WHEREAS, the Zone 7 Water Agency General Manager has established a current target level of conservation of 20% but currently with no mandatory measures, and achieving the system wide target for demand reductions based on 5% for indoor water use and 40% for outdoor water use; and

WHEREAS, on January 31, 2014, the Department of Water Resources reduced from five percent to zero the anticipated allocation of water to customers of the State Water Project, including the Zone 7 Water Agency; and

WHEREAS, the Zone 7 Water Agency supplies all of the potable water currently available to Dublin San Ramon Services District for distribution and use by its customers; and

WHEREAS, the California Emergency Services Act and the California Water Code empowers local agencies to declare a state of emergency, which allows the agency to expend funds and promulgate orders and regulations necessary to provide for the protection of life and property, and to invoke exceptions allowed by law to normal contracting, purchasing, and California Environmental Quality Act (CEQA) requirements so that the Agency can more quickly take action and respond to rapidly changing conditions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the Counties of Alameda and Contra Costa, California, that:

1. A State of Emergency exists in the community we serve as a result of the ongoing drought and the resulting impacts on the water supply.
2. Staff is directed to pursue a goal of curtailing overall District water usage by twenty percent (20%) compared to the same period last year.

3. The State of Emergency shall exist until either (a) the Board takes action to rescind this State of Emergency, (b) Zone 7's Board rescinds its January 29, 2014 Proclamation of a Local Drought Emergency, or (c) the Board fails to renew this State of Emergency at a regular Board Meeting, whichever occurs first.
4. As it relates to contracting and purchasing actions associated with the District's response to the need for curtailing water usage under this Declaration of a Community Emergency, the General Manager is hereby authorized to make decisions about invoking exceptions to normal contracting and purchasing requirements as allowed by California law.
5. As it relates to the California Environmental Quality Act (CEQA) and actions associated with the District's response to the need for curtailing water usage under this Declaration of a Community Emergency, the General Manager is hereby authorized to make decisions regarding invoking exemptions to CEQA as allowed by California law.
6. As it relates to obtaining staffing resources to accomplish actions associated with the District's response to the need for curtailing water usage under this Declaration of a Community Emergency, the Board affirms the existing language included in Personnel Rule 2.03 that allows the General Manager in an emergency to make appointments without the requirement for first establishing an eligibility list.
7. Increase the operating budget (600.70.70.000.4.427) for FYE 2014 by \$150,000 from \$17,237,168 to \$17,387,168 to cover anticipated additional expenses necessary for accomplishing the goal of curtailing District water use.
8. The General Manager is authorized and directed to undertake actions related to the District's response to this drought in accordance with the authority and approval of this resolution.

ADOPTED by the Board of Directors of Dublin San Ramon Services District at its regular meeting held on the 18th day of February 2014, and passed by the following vote:

AYES:

NOES:

ABSENT:

 Georgan M. Vonheeder-Leopold, President

ATTEST: _____
 Nancy G. Hatfield, District Secretary

A PROCLAMATION OF A STATE OF EMERGENCY

WHEREAS the State of California is experiencing record dry conditions, with 2014 projected to become the driest year on record; and

WHEREAS the state's water supplies have dipped to alarming levels, indicated by: snowpack in California's mountains is approximately 20 percent of the normal average for this date; California's largest water reservoirs have very low water levels for this time of year; California's major river systems, including the Sacramento and San Joaquin rivers, have significantly reduced surface water flows; and groundwater levels throughout the state have dropped significantly; and

WHEREAS dry conditions and lack of precipitation present urgent problems: drinking water supplies are at risk in many California communities; fewer crops can be cultivated and farmers' long-term investments are put at risk; low-income communities heavily dependent on agricultural employment will suffer heightened unemployment and economic hardship; animals and plants that rely on California's rivers, including many species in danger of extinction, will be threatened; and the risk of wildfires across the state is greatly increased; and

WHEREAS extremely dry conditions have persisted since 2012 and may continue beyond this year and more regularly into the future, based on scientific projections regarding the impact of climate change on California's snowpack; and

WHEREAS the magnitude of the severe drought conditions presents threats beyond the control of the services, personnel, equipment and facilities of any single local government and require the combined forces of a mutual aid region or regions to combat; and

WHEREAS under the provisions of section 8558(b) of the California Government Code, I find that conditions of extreme peril to the safety of persons and property exist in California due to water shortage and drought conditions with which local authority is unable to cope.

NOW, THEREFORE, I, EDMUND G. BROWN JR., Governor of the State of California, in accordance with the authority vested in me by the state Constitution and statutes, including the California Emergency Services Act, and in particular, section 8625 of the California Government Code **HEREBY PROCLAIM A STATE OF EMERGENCY** to exist in the State of California due to current drought conditions.

IT IS HEREBY ORDERED THAT:

1.State agencies, led by the Department of Water Resources, will execute a statewide water conservation campaign to make all Californians aware of the drought and encourage personal actions to reduce water usage. This campaign will be built on the existing Save Our Water campaign (www.saveourh20.org) and will coordinate with local water agencies. This campaign will call on Californians to reduce their water usage by 20 percent.

2.Local urban water suppliers and municipalities are called upon to implement their local water shortage contingency plans immediately in order to avoid or forestall outright restrictions that could become necessary later in the drought season. Local water agencies should also update their legally required urban and agricultural water management plans, which help plan for extended drought conditions. The Department of Water Resources will make the status of these updates publicly available.

3.State agencies, led by the Department of General Services, will immediately implement water use reduction

plans for all state facilities. These plans will include immediate water conservation actions, and a moratorium will be placed on new, non-essential landscaping projects at state facilities and on state highways and roads.

4.The Department of Water Resources and the State Water Resources Control Board (Water Board) will expedite the processing of water transfers, as called for in Executive Order B-21-13. Voluntary water transfers from one water right holder to another enables water to flow where it is needed most.

5.The Water Board will immediately consider petitions requesting consolidation of the places of use of the State Water Project and Federal Central Valley Project, which would streamline water transfers and exchanges between water users within the areas of these two major water projects.

6.The Department of Water Resources and the Water Board will accelerate funding for water supply enhancement projects that can break ground this year and will explore if any existing unspent funds can be repurposed to enable near-term water conservation projects.

7.The Water Board will put water right holders throughout the state on notice that they may be directed to cease or reduce water diversions based on water shortages.

8.The Water Board will consider modifying requirements for reservoir releases or diversion limitations, where existing requirements were established to implement a water quality control plan. These changes would enable water to be conserved upstream later in the year to protect cold water pools for salmon and steelhead, maintain water supply, and improve water quality.

9.The Department of Water Resources and the Water Board will take actions necessary to make water immediately available, and, for purposes of carrying out directives 5 and 8, Water Code section 13247 and Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division are suspended on the basis that strict compliance with them will prevent, hinder, or delay the mitigation of the effects of the emergency. Department of Water Resources and the Water Board shall maintain on their websites a list of the activities or approvals for which these provisions are suspended.

10. The state's Drinking Water Program will work with local agencies to identify communities that may run out of drinking water, and will provide technical and financial assistance to help these communities address drinking water shortages. It will also identify emergency interconnections that exist among the state's public water systems that can help these threatened communities.

11.The Department of Water Resources will evaluate changing groundwater levels, land subsidence, and agricultural land fallowing as the drought persists and will provide a public update by April 30 that identifies groundwater basins with water shortages and details gaps in groundwater monitoring.

12.The Department of Water Resources will work with counties to help ensure that well drillers submit required groundwater well logs for newly constructed and deepened wells in a timely manner and the Office of Emergency Services will work with local authorities to enable early notice of areas experiencing problems with residential groundwater sources.

13.The California Department of Food and Agriculture will launch a one-stop website (www.cdffa.ca.gov/drought) that provides timely updates on the drought and connects farmers to state and federal programs that they can access during the drought.

14.The Department of Fish and Wildlife will evaluate and manage the changing impacts of drought on threatened and endangered species and species of special concern, and develop contingency plans for state Wildlife Areas and Ecological Reserves to manage reduced water resources in the public interest.

15. The Department of Fish and Wildlife will work with the Fish and Game Commission, using the best available science, to determine whether restricting fishing in certain areas will become necessary and prudent as drought conditions persist.

16. The Department of Water Resources will take necessary actions to protect water quality and water supply in the Delta, including installation of temporary barriers or temporary water supply connections as needed, and will coordinate with the Department of Fish and Wildlife to minimize impacts to affected aquatic species.

17. The Department of Water Resources will refine its seasonal climate forecasting and drought prediction by advancing new methodologies piloted in 2013.

18. The California Department of Forestry and Fire Protection will hire additional seasonal firefighters to suppress wildfires and take other needed actions to protect public safety during this time of elevated fire risk.

19. The state's Drought Task Force will immediately develop a plan that can be executed as needed to provide emergency food supplies, financial assistance, and unemployment services in communities that suffer high levels of unemployment from the drought.

20. The Drought Task Force will monitor drought impacts on a daily basis and will advise me of subsequent actions that should be taken if drought conditions worsen.

I FURTHER DIRECT that as soon as hereafter possible, this Proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Proclamation.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 17th day of January, 2014.

EDMUND G. BROWN JR.,
Governor of California

ATTEST:

DEBRA BOWEN,
Secretary of State

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO.

INTRODUCED BY
SECONDED BY

Proclamation of State of Local Drought Emergency

WHEREAS, Zone 7 of the Alameda County Flood Control and Water Conservation District is responsible for providing a reliable supply of high quality water to the Livermore-Amador Valley; and

WHEREAS, Zone 7 is responsible for managing the local groundwater basin in a sustainable fashion to provide annual and drought year water supplies; and

WHEREAS, California Governor Jerry Brown has officially declared a drought emergency for the State of California; and

WHEREAS, the federal government has declared Alameda County as a federal natural disaster county; and

WHEREAS, the Department of Water Resources has informed Zone 7 that the current dry conditions far exceed any previously recorded and that methods for determining safe allocations for State Water Project deliveries South of the Delta are nearly impossible; and

WHEREAS, DWR announced last week that if dry conditions continue, it will likely reduce the allocation of water supply from 5% to zero, which could also prevent any water from being moved through the South Delta Pumping Plant to contractors South of the Delta, including Zone 7; and

WHEREAS, the National Weather Service announced that the 90-day forecast is for continuing dry weather; and

WHEREAS, if no water is conveyed through the Delta, access to Zone 7's remotely-stored water may be minimal (i.e., water stored outside the local groundwater basin or Lake Del Valle in Semitropic, Cawelo or San Luis Reservoir).

WHEREAS, potential environmental impacts of some projects have already been reviewed as part of either Zone 7's Well Master Plan EIR or the Mitigated Negative Declaration for the Vulcan discharge pipeline, which were both adopted in accordance with California Environmental Quality Act (CEQA) guidelines.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District does hereby declare a state of drought emergency within its service area (the Livermore-Amador Valley); and

BE IT FURTHER RESOLVED that the Zone 7 Board of Directors hereby accepts and approves the Drought Emergency Response Plan; and

BE IT FURTHER RESOLVED that the General Manager is hereby authorized and directed to establish appropriate levels of conservation that are consistent with the California State of Drought Emergency and local water supply conditions; and

BE IT FURTHER RESOLVED that the General Manager is hereby authorized and directed to identify and pursue emergency projects that will minimize impacts on water deliveries in the Livermore-Amador Valley.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on January 29, 2014.

By _____
President, Board of Directors



Dublin San Ramon Services District

PERSONNEL RULE 2.03

Effective Date: 9/7/05

Sheet 1 of 2

Subject: PERSONNEL RULE – APPOINTMENTS

Approved by: Bert L. Michalczyk, General Manager

PERSONNEL RULE - APPOINTMENTS

No person shall be appointed to or employed by the District who is related to an elected official of the District.

No person shall be appointed to or employed by the District if the appointment will result in one family member directly supervising another family member. Members of the employee's immediate family are defined as mother, father, sister, brother, son, daughter, step-children, in-laws, or grandparents.

Per marital status discrimination law, these guidelines do not apply to spouses except in issues of safety, security, morale, or conflict of interest.

The General Manager has been delegated the power to appoint and dismiss employees and shall be known as the "appointment power or authority."

1. Kinds of Appointments

a. Regular Appointments

Regular appointments shall be made by the General Manager, or designee, from established Eligibility Lists. Candidates appointed to a regular position shall be considered in a "probationary" status until successfully completing the probationary period.

b. Emergency Appointments

If an emergency exists which threatens life, property, or the operation of necessary District services, the General Manager, or designee, may employ such persons as are necessary to meet the emergency for a period not to exceed six (6) months.

c. Limited-Term Appointments

Limited-term appointments shall be made by the General Manager, or designee, from Eligibility Lists. Candidates appointed to limited-term positions shall be at will and the assignment shall be for a specific project or projects and shall not exceed five (5) years.



**Dublin San Ramon Services District
Summary & Recommendation**

Reference Operations Manager	Type of Action Endorse Drought Response Action Plan	Board Meeting of February 18, 2014
Subject Endorse District Drought Response Action Plan		
<input checked="" type="checkbox"/> Motion	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Resolution
<input type="checkbox"/> Ordinance	<input checked="" type="checkbox"/> Informational	<input type="checkbox"/> Other
REPORT:	<input checked="" type="checkbox"/> Verbal	<input type="checkbox"/> Presentation
	<input checked="" type="checkbox"/> Staff	D. Gallagher
		<input type="checkbox"/> Board Member

Recommendation:

The Operations Manager, acting as the District’s Drought Coordinator, recommends the Board endorse, by Motion, the District’s Drought Response Action Plan.

Summary:

The District Drought Response Action Plan includes the following key elements:

1. Set a target water use curtailment of 20% system wide, with a goal of achieving this level of conservation via a 5% reduction in indoor water use and a 40% reduction in outdoor water use;
2. Fully cooperate with requests from Zone 7 related to curtailing water use;
3. Pursue the list of actions described in the attached Drought Response Action Plan and implement those actions that staff determines will result in appropriate levels of conservation if they are deemed economically feasible;
4. Convert existing potable irrigation customers to recycled water in locations where recycled water is reasonably close as determined by staff;
5. Staff will revisit the Drought Response Action Plan from time to time as conditions warrant; and
6. Staff will report to the Board on a timely basis the activities that are undertaken and the results that are achieved.

If the drought persists and the water supply is adversely impacted as currently anticipated, staff would propose Board action in approximately April concerning the following possible actions:

- Adopt other than the current baseline water rates via enactment of a Water Shortage Stage under the District’s rate structure;
- Adopt appropriate affordability programs such as “Conservation Pays” for already low-water using customers;
- Direct District participation in enhanced rebate programs “Cash for Grass” to encourage further market penetration;
- Adopt appropriate mandatory conservation requirements, limitations, or prohibitions; and
- Enact appropriate enforcement action for failure to comply with mandatory conservation measures.

Committee Review			Legal Review	Staff Review		
COMMITTEE ---	DATE ---	RECOMMENDATION ---	Yes	ORIGINATOR D. Gallagher	DEPARTMENT Operations	REVIEWED BY
ATTACHMENTS <input type="checkbox"/> None						
<input type="checkbox"/> Resolution	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Task Order	<input type="checkbox"/> Staff Report	<input type="checkbox"/> Ordinance		
<input checked="" type="checkbox"/> Cost \$0	<input type="checkbox"/> Funding Source A. B.		Attachments to S&R 1. Drought Response Action Plan			

DROUGHT RESPONSE ACTION PLAN FEBRUARY 18, 2014

PURPOSE

This Plan describes the actions District staff will undertake in the coming weeks and months in response to the on-going drought and the limitations in the community's water supply. Additional policy issues will be considered by the Board in approximately April when the results of the current wet season and the corresponding impacts on the State's water supply are more certain.

BACKGROUND

On January 17, 2014 Governor Brown proclaimed a State of Emergency throughout California due to current drought conditions and called on Californians to reduce their water usage by 20%.

On January 29, 2014 the Zone 7 Board of Directors declared a local State of Emergency due to drought conditions in the Livermore-Amador Valley. In addition, the Zone 7 Board of Directors authorized their General Manager to "establish appropriate levels of conservation consistent with the California State of Drought Emergency and local conditions", and to identify and pursue emergency projects that will minimize impacts on water deliveries in the Livermore-Amador Valley. Zone 7 has adopted a 20% level of conservation that is based on water use curtailments of 5% for indoor water use and 40% for outdoor water use.

Currently other regional and local agencies have asked their customers to reduce water use by the following levels:

Alameda County Water District	20% voluntary
Cal Water (Livermore)	"Use water wisely"
City of Livermore	Council will consider 20% voluntary on February 24
City of Pleasanton	20% voluntary
Contra Costa Water District	"Use water wisely"
EBMUD	10% voluntary
Marin Municipal Water District	25% voluntary
San Francisco Public Utilities Commission	10% voluntary
Santa Clara Valley Water District	10% voluntary
Zone 7 Water Agency	20% voluntary

FISCAL IMPACT

The full benefit to the water supply of the various initiatives and concepts will not be known until staff completes an investigation and analysis of each idea. At this time staff anticipates that many of these proposed actions can be accommodated within the District's current operating budget for FYE 2014.

The proposed declaration of a Community Drought Emergency includes an increase in the approved budget for FYE 2014 to make expenditures to complete action items described in the Drought Response Action Plan, because some of the action items described herein may require funding over and above the previously approved budget. Expenditures needed to implement the various conservation initiatives and concepts will be reported to the Board at regular intervals.

DROUGHT RESPONSE ACTION PLAN ACTIVITIES

The current Drought Response Action Plan includes the following key activities:

- Achieving 20% system-wide curtailment in water usage, primarily through reductions in outdoor water use.
- Investigating and implementing various ideas to reduce potable water use.
- Ongoing monitoring of the water supply and the impact of the drought on Zone 7's ability to deliver water.

These actions are consistent with the District's 2011 Urban Water Management Plan and the Water Shortage Contingency Plan adopted by the Board.

Immediate Water Use Curtailments.

Staff has already implemented a number of actions to immediately decrease potable water use and to set an example for our customers. Actions already taken to date include the following:

- Turning off potable irrigation systems at all District facilities (i.e., primarily remote pump stations);
- Only cleaning sewers with recycled water (except for SSO's and emergencies);
- Ceasing all hydrant flushing (except for critical areas with identified water quality problems); and
- Exchanging all potable hydrant meters for purple recycled water hydrant meters for construction use.

Focused Public Outreach. District customers will be asked to reduce their water use as much as possible by following tips and ideas the District will provide through public outreach activities and on the District website. These efforts will seek to reduce potable water use even more than the percentage that customers have already reduced their usage in recent years (i.e., SB7x7 20% by 2020). Outreach activities will include the following:

- Posting a "Save Our Water" campaign on the District website; and
- Speaking to groups including Rotary, Lions, HOA's, etc.; and
- Making presentations to local City Councils; and
- Conducting neighborhood meetings to explain the water situation and tips for conserving water; and
- Conducting more landscape water audits; and
- Meeting with local fire departments to discuss and review the locations of recycled water hydrants;
- Developing consistent messages with other Tri-Valley and regional water agencies;
- Publicizing the availability of recycled water for contractors and possibly even the public; and
- Making presentations to students in local schools about the importance of conserving water.

This list is not intended to be all-inclusive, and additional outreach activities may be implemented if deemed necessary and appropriate by staff.

Expanded Recycled Water Use. DSRSD has invested millions of dollars in recycled water treatment and distribution facilities that have resulted in a "drought proof" supply of water for non-potable uses. The District's recycled water system currently has more capacity than the existing connected customers can utilize. A significant focus of staff's efforts to address the on-going drought will be to expand and maximize the utilization of this valuable resource.

District Code Section 3.20.110 (a) Duty to Connect – Recycled Water states that "Recycled Water ...shall be used for nonpotable irrigation uses within the District's water service area, wherever there is not an alternative higher or better use for the recycled water, its use is economically justified, financially and technically feasible, and consistent with legal requirements, preservation of public health, safety, and welfare, and the environment." These efforts will seek to reduce potable water use by shifting as much landscape irrigation as possible to recycled water. If the drought persists and outdoor potable irrigation use is restricted or even banned, these efforts may help preserve key parks, school athletic fields, and possibly even key trees in residential areas.

Anticipated conversions to recycled water include the following categories of customers:

- Catagory 1. Construction meters (installed on fire hydrants).
- Catagory 2. Existing irrigation customers using potable water if they are located reasonably close to existing and/or temporary recycled water infrastructure. District Policy P300-10-3, paragraph III states "Recycled water service shall be provided to all existing and new customers when service is requested subject to when it is in conformance with all laws and regulations governing the use of recycled water; on a case-by-case determination of the economic, environmental, and institutional feasibility of doing so, the feasibility will be determined at the sole discretion of the District using such tests as are appropriate unless there is a finding by the District that it is in the best interest of the District to proceed with a project on other grounds; and the availability of recycled water." For this program staff is aware that some existing potable irrigation customers may be reluctant to convert to recycled water. Such conversions will be required of these customers if they meet the criteria established in the District Code. If conditions persist, in April potable water customers that could have but are not connected to recycled water will become the first priority for potable water shutoff.
- Catagory 3. Existing irrigation customers using potable water that the District could serve with minimal investment in new recycled water infrastructure.
- Catagory 4. Existing irrigation customers using potable water that the District could serve with temporary extensions of recycled water infrastructure. Temporary piping would consist of plastic pipe installed above ground where possible, possibly utilizing storm sewers or drainage ditches to cross busy streets and/or the freeway.
- Catagory 5. Individual use of recycled water if allowed by regulations and permits. The District is currently seeking regulatory approval to distribute recycled water to members of the public at one or more locations throughout the District. If approved by the regulatory agencies, this program would allow District customers to fill buckets, tanks, and other covered containers with recycled water at specified locations, which the individuals

would transport and utilize for approved uses at their homes and/or businesses. The existing recycled water loading station at the WWTP is considered a prime location to implement this program.

Specific actions that would be undertaken in accordance with the above programmatic approach would be:

- Finish converting Dublin High School to use recycled water for irrigation;
- Convert irrigation customers that are close to the recycled water distribution system;
- Install temporary piping, if feasible, to convey recycled water to areas that currently do not have recycled water service, including Western Dublin and Santa Rita Jail;
- Allow residents to pick up recycled water at the WWTP for use at home, if allowed by regulatory authorities;
- Convert District pump stations to use recycled water for irrigation, if determined to offer acceptable conservation compared to the expense;
- Encourage and assist Pleasanton to expedite converting Val Vista Park to use recycled water;
- Encourage and assist Pleasanton to expedite converting other customers in proximity to the wastewater treatment plant to use recycled water via temporary piping;
- Encourage EBMUD to accelerate connecting San Ramon customers to recycled water; and
- Installing more recycled water hydrants throughout the service area as the existing budget allows.

This list is not intended to be all-inclusive, and additional recycled water ideas may be investigated and implemented if deemed necessary and appropriate by staff.

Enhanced Customer Service.

The District recently installed an Advanced Metering Infrastructure (AMI) system, which provides extremely powerful tools for managing customer water use and conservation in addition to improving overall billing efficiencies. Staff is only beginning to utilize the capabilities of the AMI system, so while it will be a goal to undertake the following actions, system capabilities could preclude us from doing so immediately. The actions will include:

- Using AMI to notify customers when their usage is approaching the next tier;
- Using AMI to allow customers to monitor their daily water usage from a website; and
- Using AMI to alert staff when customers have leaks.

This list is not intended to be all-inclusive, and additional customer service activities may be developed and implemented if deemed necessary and appropriate by staff.

Affordability and Enticement Programs.

Various affordability and enticement programs will be developed for Board consideration in April. These would offer monetary incentives to customers that make significant efforts to reduce water use or to invest in appliances or landscaping that significantly reduce water use. These affordability and enticement programs would only be implemented if the Board adopts a Water Shortage Rate stage in April and subsequently approves the program. At least the following programs would be developed for Board consideration:

- Adding a District-alone component to further incentivize existing Zone 7 rebate programs for toilets, wash machines and landscape conversions; and
- A “Conservation Pays” incentive program for current Tier 1 usage level customers who achieve even further levels of conservation.

This list is not intended to be all-inclusive, and additional affordability and enticement programs may be developed and implemented if deemed necessary and appropriate by staff.

Fully cooperate with requests from Zone 7.

Zone 7 has adopted a Drought response plan. Some actions being contemplated by Zone 7 will require District effort to fully implement. This element of the District’s Drought Response Plan calls for the District to coordinate with and assist Zone 7 in all reasonable ways.

A specific action is related to Zone 7’s request that DSRSD pursue implementing the existing intertie agreements with EBMUD as a possible source of additional water. However, the viability of using the interties will depend upon the condition of EBMUD’s water supply, which has also been severely impacted by the drought, and EBMUD’s willingness to share water under these circumstances.

Staff will continue to work closely with Zone 7 to coordinate deliveries to retailers and the ever evolving limitations in the water supply.

This list is not intended to be all-inclusive, and additional efforts needed to help Zone 7 achieve the goals of their drought response plan will be developed and implemented if deemed necessary and appropriate by staff.

IMPLEMENTATION OF THE DROUGHT RESPONSE ACTION PLAN

The Drought Response Action Plan described above includes a number of ideas and concepts that must be investigated and analyzed before they can be implemented by staff. In some cases regulatory approval may be required before certain ideas can be considered. It is entirely possible that specific ideas may be deemed economically unfeasible or existing regulations may prohibit their implementation. Accomplishing some of these actions may require making temporary assignments for existing staff, or even hiring temporary help and/or working with consultants. With the exception of the affordability and enticement programs described above, the ideas described in this Drought Response Action Plan will be implemented if or when determined appropriate by staff.

STATUS REPORTS AND ACHIEVEMENTS

While the State of Emergency exists, staff will report the status of activities undertaken on the various aspects of the Drought Response Action Plan and the results achieved at regular intervals afterwards.



**Dublin San Ramon Services District
Summary & Recommendation**

Reference Financial Services Manager	Type of Action Receive Presentation & Provide Direction	Board Meeting of February 18, 2014
Subject Receive Fiscal Analysis of Stage 2 Water Shortage Condition Rate Implementation		
<input type="checkbox"/> Motion	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Resolution
<input type="checkbox"/> Ordinance	<input checked="" type="checkbox"/> Informational	<input type="checkbox"/> Other
REPORT:	<input type="checkbox"/> Verbal	<input checked="" type="checkbox"/> Presentation
	<input checked="" type="checkbox"/> Staff	J. Archer
		<input type="checkbox"/> Board Member

Recommendation:

The Financial Services Manager recommends the Board of Directors receive a presentation on the Stage 2 Water Shortage Condition Rate Implementation and provide direction to staff.

Summary:

Based on the water usage reduction goals of 20% currently recommended by the Zone 7 Water Agency, staff has started to investigate the potential impact on the District and its customers. The attached staff report outlines the potential customer impact of increasing the water rates to the Stage 2 Water Shortage Condition Rate.

Committee Review			Legal Review	Staff Review		
COMMITTEE Finance	DATE 2-10-14	RECOMMENDATION —	Not required	ORIGINATOR J. Archer	DEPARTMENT Finance	REVIEWED BY B. Michalczyk
ATTACHMENTS <input type="checkbox"/> None						
<input type="checkbox"/> Resolution	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Task Order	<input checked="" type="checkbox"/> Staff Report	<input type="checkbox"/> Ordinance		
<input checked="" type="checkbox"/> Cost \$0	<input type="checkbox"/> Funding Source A. B.		Attachments to S&R 1. Finance Committee Staff Report – February 10, 2014 2. 3.			



STAFF REPORT

FINANCE COMMITTEE
February 10, 2014

Fiscal Analysis of Stage 2 Water Shortage Condition Rate Implementation

BACKGROUND

Due to the drought emergency, staff has performed a preliminary review of the fiscal impact on the Water Operations fund as well as the potential effect to major customer billings.

SUMMARY

An analysis of the District's water funds shows that if system-wide water use is curtailed by 20%, the District will be able to meet its financial obligations, policies and goals established for the Water Operations fund, including achieving targeted fund balances and meeting legally required debt covenants, provided it adopts Stage 2 water shortage condition rates. This remains a strategically important goal for the District to retain its credit rating for the Water fund and its debt issues. The adoption of Stage 2 rates does not need to happen immediately, but will need to be considered in the April 2014 timeframe. This timing will also allow a better assessment of 2014 hydrologic conditions and possible revised State water delivery allocations.

DISCUSSION

2014 Stage 2 Water Savings Rate, Customer Impact

Based on the water usage reduction goals of 20% currently recommended by the Zone 7 Water Agency, staff investigated the potential impact on the District and its customers. When the revised water rates were adopted in 2013, adjustments were made to the District's rate structure to achieve the following primary long-term goals:

- Make cash flow more steady and predictable;
- Meet the current, minimum debt coverage with ratepayer revenue;
- Adequately fund replacement reserves for water and recycled water assets;
- Build up a water rate stabilization fund; and
- Motivate efficient water use.

Additionally, during times of water shortages, a "staged" system of rates was developed to accomplish the following secondary short term goals during that water shortage condition:

- Maintain the financial integrity of the fund allowing it to continue to meet its financial obligations, policies and established goals;
- Minimize the impact of higher rates on low usage customers;

- Minimize the impact of higher rates on customers who achieve reduction targets;
- Encourage reduced water consumption; and
- Generate additional income (from revenue generated in the highest tiers) to fund conservation programs.

If the current situation continues, it will be critical for the District to institute its adopted Water Shortage Condition rates. The Stage 2 rates correspond with a 20% reduction in usage. The attachments highlight the potential customer impact of a DSRSD rate increase. It must be noted that the examples assume NO increase in the Zone 7 rates. As of this report the Zone has not indicated if a rate increase would be necessary to cover the revenue lost from lower water deliveries. Attachment A highlights the impact on residential customers based on average consumption rates. Attachment B provides bill impacts on several of the District’s major customers based on usage.

Notice that in most cases, the impact to the total potable water bill paid by customers is reduced if the reduction targets (20%) are met. Irrigation accounts, while showing a slight increase at a 20% water savings, could completely offset the effect of the Stage 2 rates by reducing their overall usage by approximately 27%. (Note: the Zone 7 target of 20% is based on 5% indoor water use curtailment and 40% outdoor water use curtailment).

Recycled Water Conversion Analysis

A key element of the District’s drought preparedness plan will be to convert certain irrigation customers from potable to recycled water. This obviously conserves potable water resources on a gallon for gallon basis, but it will also allow those customers who conserve to avoid having to curtail their irrigation usage. Doing so will also have the added benefit for those customers of a lower water bill because they will be buying water at the recycled water rate (\$3.39 per ccf) rather than the higher irrigation rate (\$5.13 per ccf¹). Attachment C presents an example of this situation for one conversion, – that of Dublin High School.

Recommendation

Receive report and provide appropriate direction to staff.

Attachments:

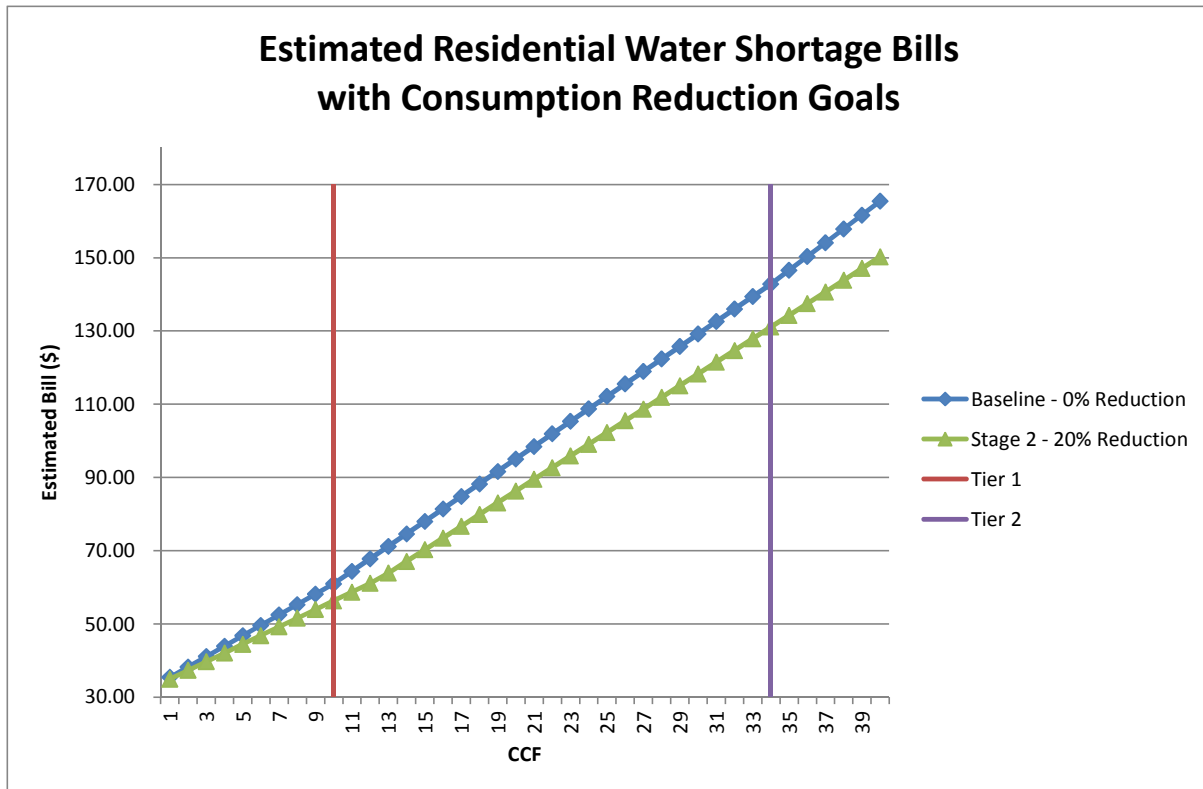
A – Residential Water Shortage Bill Impacts at Stage 2 Rates

B – High Consumption Customers Water Shortage Condition Bill Impacts

C – Fiscal Impact of Conversion from Potable to Recycled Irrigation at Dublin High School

¹ Consists of the Zone 7 pass through of \$2.33 per ccf plus the Stage 2 DSRSD Water Shortage Condition rate of \$2.80 per ccf.

Residential Water Shortage Bill Impacts at Stage 2 Rates		
	Normal Water Conditions 0%	Moderate Shortage Stage 2 20%
Demand Reduction Goal		
Customer Using 19 CCF (Average Winter Use)		
<i>Assuming No Change in Use (19 CCF)</i>		
Total Bi-Monthly Bill	\$91.65	\$98.27
<i>Assuming Reduced Usage</i>		
Revised CCF Usage		15 CCF
Total Bi-Monthly Bill		\$82.27
Variance from Normal Water Conditions (\$)		(\$9.38)
Variance from Normal Water Conditions (%)		-10.23%
Customer Using 23 CCF (Average Annual Use)		
<i>Assuming No Change in Use (23 CCF)</i>		
Total Bi-Monthly Bill	\$105.29	\$114.27
<i>Assuming Reduced Usage</i>		
Revised CCF Usage		18 CCF
Total Bi-Monthly Bill		\$94.27
Variance from Normal Water Conditions (\$)		(\$11.02)
Variance from Normal Water Conditions (%)		-10.47%
Customer Using 30 CCF (Average Summer Use)		
<i>Assuming No Change in Use (30 CCF)</i>		
Total Bi-Monthly Bill	\$129.16	\$142.27
<i>Assuming Reduced Usage</i>		
Revised CCF Usage		29 CCF
Total Bi-Monthly Bill		\$118.27
Variance from Normal Water Conditions (\$)		(\$10.89)
Variance from Normal Water Conditions (%)		-8.43%



**High Consumption Customers
Water Shortage Condition
Bill Impacts**

Potable non-irrigation

Customer	Normal (Baseline)	Stage 2 (0% Reduction)	Variance	Bill Impact	Stage 2 (20% Reduction)	Variance	Bill Impact
Federal Correctional Institution	513,360	554,215	40,855	7.96%	463,339	(50,021)	-9.74%
County of Alameda (Santa Rita Jail)	433,692	433,692	0	0.00%	350,861	(82,831)	-19.10%
Dublin Unified School District	275,300	299,401	24,101	8.75%	254,154	(21,146)	-7.68%
USAG CSTC (Camp Parks)	154,014	162,911	8,897	5.78%	142,169	(11,845)	-7.69%
Amador Lakes Apartments	131,383	142,082	10,699	8.14%	118,394	(12,989)	-9.89%
Avalon Bay Communities Inc	130,531	140,123	9,592	7.35%	119,249	(11,282)	-8.64%
San Ramon Valley Unified School District	69,707	74,270	4,564	6.55%	64,691	(5,016)	-7.20%
City of Dublin	62,494	66,846	4,352	6.96%	58,029	(4,465)	-7.14%
City of San Ramon	17,006	17,972	966	5.68%	16,117	(890)	-5.23%

Potable irrigation

Customer	Normal (Baseline)	Stage 2 (0% Reduction)	Variance	Bill Impact	Stage 2 (20% Reduction)	Variance	Bill Impact
Federal Correctional Institution	1,131	1,187	56	4.93%	1,145	14	1.21%
County of Alameda (Santa Rita Jail)	3,437	3,437	0	0.00%	3,062	(375)	-10.91%
Dublin Unified School District	98,940	131,073	32,133	32.48%	106,832	7,891	7.98%
USAG CSTC (Camp Parks)	45,522	57,892	12,369	27.17%	48,560	3,038	6.67%
Amador Lakes Apartments	92,335	122,824	30,490	33.02%	99,822	7,488	8.11%
Avalon Bay Communities Inc	69,711	81,995	12,285	17.62%	72,728	3,017	4.33%
San Ramon Valley Unified School District	78,247	103,725	25,478	32.56%	84,504	6,257	8.00%
City of Dublin	357,751	468,200	110,448	30.87%	384,876	27,125	7.58%
City of San Ramon	107,543	139,853	32,311	30.04%	115,478	7,935	7.38%

Total potable water

Customer	Normal (Baseline)	Stage 2 (0% Reduction)	Variance	Bill Impact	Stage 2 (20% Reduction)	Variance	Bill Impact
Federal Correctional Institution	514,491	555,402	40,911	7.95%	464,484	(50,007)	-9.72%
County of Alameda (Santa Rita Jail)	437,129	437,129	0	0.00%	353,923	(83,206)	-19.03%
Dublin Unified School District	374,241	430,474	56,234	15.03%	360,986	(13,255)	-3.54%
USAG CSTC (Camp Parks)	199,537	220,803	21,266	10.66%	190,729	(8,808)	-4.41%
Amador Lakes Apartments	223,718	264,907	41,189	18.41%	218,216	(5,501)	-2.46%
Avalon Bay Communities Inc	200,241	222,118	21,877	10.93%	191,976	(8,265)	-4.13%
San Ramon Valley Unified School District	147,953	177,995	30,042	20.30%	149,195	1,242	0.84%
City of Dublin	420,245	535,045	114,800	27.32%	442,905	22,660	5.39%
City of San Ramon	124,549	157,826	33,277	26.72%	131,594	7,046	5.66%

Notes:

- 1) Santa Rita Jail is billed at the Limited Access rate (essentially a Zone 7 cost of water "pass through"), which is unaffected by water shortage conditions
- 2) Stage 2 bill impacts based on 20% reduction in consumption.
- 3) Potable irrigation consumption (excluding Santa Rita Jail) would need to decrease by approximately 27% for neutral bill impact.
- 4) Based on FYE13 consumption at calendar year 2014 rates.

Fiscal Impact of Conversion from Potable to Recycled Irrigation at Dublin High School

	Normal Baseline	Stage 2 0% Reduction	Recycled 0% Reduction
FYE13 Consumption (CCF)	20,129	20,129	20,129
Zone 7 Cost of Water	\$ 2.33	\$ 2.33	\$ -
Consumption Charges	\$ 1.44	\$ 2.80	\$ 3.39
Fixed Costs	8,303.31	8,303.31	8,303.31
Zone 7 Costs	46,900.57	46,900.57	-
Consumption Costs	28,985.76	56,361.20	68,237.31
Annual Irrigation Cost	84,189.64	111,565.08	76,540.62

Variance (\$)	27,375.44	(7,649.02)
Variance (%)	32.52%	-9.09%

Note:

1) Based on FYE13 consumption at calendar year 2014 rates.

2) Potable irrigation consumption would need to decrease by approximately 27% for neutral bill impact.



**Dublin San Ramon Services District
Summary & Recommendation**

Reference Organizational Services Manager	Type of Action Endorse Plan	Board Meeting of February 18, 2014
Subject Endorse Association of California Water Agencies' (ACWA) Statewide Water Action Plan		
<input type="checkbox"/> Motion	<input type="checkbox"/> Minute Order	<input checked="" type="checkbox"/> Resolution
<input type="checkbox"/> Ordinance	<input type="checkbox"/> Informational	<input type="checkbox"/> Other
REPORT:	<input type="checkbox"/> Verbal	<input type="checkbox"/> Presentation
	<input checked="" type="checkbox"/> Staff	S. Stephenson
		<input type="checkbox"/> Board Member

Recommendation:

The Organizational Services Manager recommends the Board of Directors endorse, by Resolution, the Association of California Water Agencies' (ACWA) Statewide Water Action Plan (SWAP).

Summary:

The Association of California Water Agencies (ACWA) prepared the Statewide Water Action Plan, Attachment 1, that is generally consistent with the California Water Action Plan, Attachment 2.

On Thursday, January 30, 2014 the Tri-Valley water agencies jointly hosted a presentation from California Natural Resources Secretary John Laird regarding the California Water Action Plan. One hundred and twenty people attended: elected officials, business owners, water agency staff, and members of the general public.

For a quick analysis of the similarities and differences between the two plans, see Attachment 3, "Comparison of ACWA's Statewide Water Action Plan for California and Brown Administration's California Water Action Plan" and Attachment 4, ACWA January 30, 2014 memo regarding "Final California Water Action Plan."

As of January 24, 2014, 86 water agencies have endorsed ACWA's Statewide Water Action Plan (SWAP). See Attachment 5 for a list of ACWA's Statewide Water Action Plan Supporters.

Committee Review			Legal Review	Staff Review		
COMMITTEE ---	DATE ---	RECOMMENDATION ---	Not required	ORIGINATOR S. Stephenson	DEPARTMENT Organizational Services	REVIEWED BY
ATTACHMENTS <input type="checkbox"/> None						
<input checked="" type="checkbox"/> Resolution	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Task Order	<input type="checkbox"/> Staff Report	<input type="checkbox"/> Ordinance		
<input checked="" type="checkbox"/> Cost \$0	<input type="checkbox"/> Funding Source A. B.		Attachments to S&R 1. ACWA Statewide Water Action Plan 2. California Water Action Plan 3. Comparison of ACWA's Statewide Water Action Plan for California and Brown Administration's California Water Action Plan 4. ACWA January 30, 2014 Memo 5. List of ACWA's Statewide Water Action Plan Supporters			
H:\Board\2014\02-18-14\Statewide Water Action Plan\Statewide Water Action Plan S&R.docx						81 of 142

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT ENDORSING THE STATEWIDE WATER ACTION PLAN PREPARED BY THE ASSOCIATION OF CALIFORNIA WATER AGENCIES

WHEREAS, a broad cross-section of water interests convened by the Association of California Water Agencies (ACWA) developed a Statewide Water Action Plan to address overall water supply reliability and ecosystem health in California; and

WHEREAS, the ACWA Board of Directors unanimously approved the Statewide Water Action Plan at its September 27, 2013 meeting and directed that it be submitted to California Governor Jerry Brown as the water community's recommendations for developing the Administration's water plan; and

WHEREAS, ACWA's Statewide Water Action Plan outlines 15 actions to improve water supply reliability, protect water rights, protect the integrity of the state's water system and promote better stewardship; and

WHEREAS, the plan also includes guiding principles for implementation to help ensure actions benefit the entire state, respect water rights and contract terms, and reflect a new regulatory approach that can better meet the needs of California water users and ecosystems; and

WHEREAS, the Statewide Water Action Plan provides context for a Delta solution and other critical actions as components of a broader set of strategies to secure California's water future; and

WHEREAS, when implemented together, this suite of statewide actions will serve as a sustainable path forward for California; and

WHEREAS, ACWA's Statewide Water Action Plan is generally consistent with the recently approved California Water Action Plan; and

Res. No. _____

WHEREAS, the California Water Action Plan was the subject of a community meeting on January 30, 2014 in Dublin, California.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DUBLIN SAN RAMON SERVICES DISTRICT, a public agency located in the counties of Alameda and Contra Costa, California, as follows:

That the Board endorses ACWA's Statewide Water Action Plan.

ADOPTED by the Board of Directors of Dublin San Ramon Services District, a public agency in the State of California, counties of Alameda and Contra Costa, at its regular meeting held on the 18th day of February 2014, and passed by the following vote:

AYES:

NOES:

ABSENT:

Georgean M. Vonheeder-Leopold, President

ATTEST: _____
Nancy G. Hatfield, District Secretary



ASSOCIATION OF CALIFORNIA WATER AGENCIES

STATEWIDE WATER

ACTION PLAN FOR CALIFORNIA



**Association
of California
Water Agencies**
Since 1910
Leadership • Advocacy
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About the Statewide Water Action Plan

The Association of California Water Agencies (ACWA) convened a broad cross-section of member water interests in spring 2013 to develop a statewide plan addressing the state's overall water supply reliability and ecosystem health. The goal was to craft a specific plan that could be broadly supported by water interests throughout the state and serve as a sustainable path forward for California.

The resulting Statewide Water Action Plan was completed in September and unanimously approved by the ACWA Board of Directors on Sept. 27, 2013. ACWA submitted the Statewide Water Action Plan to California Governor Edmund G Brown Jr. on Oct. 2, 2013, as the water community's recommendations for developing the Administration's water plan for the state.

Association of California
Water Agencies

Contacts and Location:

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Randy Record

ACWA President

John Coleman

ACWA Vice President

Timothy Quinn

Executive Director

ACWA's mission is to assist its members in promoting the development, management and reasonable beneficial use of good quality water at the lowest practical cost in an environmentally balanced manner.

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ASSOCIATION OF CALIFORNIA WATER AGENCIES

STATEWIDE WATER ACTION PLAN FOR CALIFORNIA

Introduction

California's complex water management system is facing unprecedented challenges. Local investments in water supply reliability and ecosystem health have built upon the legacy infrastructure projects that served us well in the past, but the backbone water supply system we rely on today no longer satisfies the state's needs. California's statewide water system cannot respond effectively to our growing population, changing ecosystem needs, increasing flood risks and consecutive years of drought. Climate change and its impacts on public safety and long-term water supply reliability also pose a significant challenge to this generation of water and flood managers.

These problems are extraordinary, and their solutions will require an extraordinary commitment from state, local and federal agencies. They also will require a more evolved regulatory approach that will allow the system to operate efficiently and predictably to meet 21st century water supply and ecosystem needs.

The state has recognized the need for action in venues and initiatives such as the Department of Water Resources' (DWR) California Water Plan, the Delta Stewardship Council's Delta Plan, and the multi-agency Bay Delta Conservation Plan (BDCP). Now California's public water agencies are stepping forward to recommend this set of principles and actions to enhance these individual efforts and integrate them in a comprehensive Statewide Water Action Plan. Our recommended plan, submitted to the Governor for his consideration, provides context for a Delta solution and other critical actions as components of a broader set of strategies to address overall water supply reliability and ecosystem health in California.

When implemented together, this suite of statewide actions will serve as a sustainable path forward for California. Governor Brown's leadership and commitment will be central to the success of this action plan and to moving water policy forward in California.

Guiding Principles for Implementation of the Statewide Water Action Plan

1. **Long-term water supply reliability and improved ecosystem health** are the core objectives of this statewide water action plan. In the course of achieving them, however, we must ensure that one region's increased reliability does not adversely affect another's near- or long-term water supplies.
2. **A new regulatory approach** is essential to reflect today's realities and better serve the needs of California water users and the ecosystem. This is critical if we are to reduce scientific uncertainty and incorporate new understanding of operational and ecosystem dynamics. Under the current approach, regulatory agencies tend to focus only on their specific goals, resulting in duplicative and contradictory requirements that fail to deliver benefits to our water supply, water quality or ecosystem. To combat this, state agencies should commit to using collaborative processes as extensively and transparently as possible to achieve regulatory goals in a way that satisfies water supply, water quality, and ecosystem needs. This new approach should embrace enhanced sharing of data, consistent use of peer-reviewed science (including climate change models), coordinated review under the California Environmental Quality Act (CEQA), and improved integration and coordination of all related processes. This approach will help ensure continued ecosystem protections and increase the water community's confidence that regulatory investments will achieve benefits.
3. **The best available science** should be used to support every action, report or decision made as part of this Statewide Water Action Plan. The science should be inclusive, objective, transparent, and peer reviewed.
4. **Water rights and contract terms**, including area-of-origin protections, are foundational to our water system and should be respected and adhered to whenever projects and initiatives are implemented. State and federal facilities should be operated consistent with the conditions of water rights, contracts, and other entitlements.
5. **Bold actions guided by strong leadership** at the state, federal and local levels are essential for the successful implementation of this action plan. In particular, increased commitments by federal partners are needed to ensure the plan moves forward. The Department of Water Resources should provide leadership and support for these efforts from the department's highest level.
6. **Financing:** The state should fund investments that provide broad public benefits such as improved water supply reliability, water quality and ecosystem health. The state should also incentivize local projects that advance statewide water priorities and require public assistance to be cost effective.

Statewide Actions

To be most effective, the following suite of statewide actions should be implemented as a comprehensive package. Indeed, many elements — including a Delta conveyance solution — are much more likely to succeed if they are part of a broader action plan. Statewide support for the action plan is essential. Advancing all elements of the plan simultaneously will help secure and maintain that support and build a statewide coalition capable of achieving these ambitious goals.

1. Storage

California's water infrastructure has proven inadequate to meet the state's needs in a two-year drought, let alone a multi-year drought. This deficiency, coupled with the already measurable effects of climate change, makes construction of new storage facilities and expansion of existing storage imperative. A wide range of options should be on the table, including new surface water projects; re-operation and expansion/enlargement of existing storage projects; groundwater and conjunctive use; and development of other local and regional storage facilities. Additional storage will add flexibility to the water management system and help ensure a more reliable water supply to serve California's diverse needs, including drought resilience and ecosystem protection (e.g., improved temperatures and flows for fish).

Actions

- **Studies.** In coordination with DWR, the responsible state, federal or local water agency proponents of projects should complete storage studies by June 2014 and formally determine whether a particular project is environmentally and economically sound and will provide benefits for water supply and the ecosystem.
- **Permitting.** Within six months of a local determination based on these studies, DWR and the California Department of Fish and Wildlife (CDF&W) should begin coordinating with local agencies to expedite permitting and CEQA compliance for new storage facilities. For storage projects found to have statewide benefit, DWR and CDF&W should take the lead in expediting the permitting process.

The state also should coordinate with federal agencies as needed on permitting, the National Environmental Policy Act (NEPA), water rights issues and potentially construction.

- **Financing.** Under comprehensive water legislation enacted in 2009, the California Water Commission is tasked with defining and quantifying the public benefits of water storage projects eligible for funding with state dollars. By June 2014, local water agencies that would receive identifiable water supply benefits from water storage projects should provide a plan outlining their commitment and steps they will take to pay for those benefits. This Statewide Water Action Plan recommends that any water bond that moves forward in 2014 provide for continuous appropriation of funding for the public benefits of storage as outlined in the bond measure currently slated for the November 2014 ballot.
- **Construction.** By January 2018, construction should commence for new groundwater and surface water storage projects with an initial target of 1.5 million acre-feet of new storage capacity, as documented in the 2000 CALFED Record of Decision.
- **Local Construction.** As soon as practicable, construction of local facilities with a target of 1 million acre-feet should be completed.
- **Reoperation.** DWR should complete its study of reservoir reoperation by June 2014, including reoperation of existing reservoirs and integration of new storage into system operations.

2. Water Use Efficiency

Water conservation and water use efficiency are central elements of the state's strategy to enhance water supply reliability, restore ecosystems and respond to climate change and a growing population. It should continue to be the state's policy to encourage investments in water conservation and water use efficiency by ensuring that the right to conserved water remains with the conserving entity. Local and regional water agencies have made significant multi-decade investments in water conservation and water use-efficiency activities and continue to do so under new state requirements

enacted in law. The state should acknowledge that local agencies are in the best position to determine compliance with these requirements and should respect local determinations as sufficient.

Actions

- The state should provide funding for water use efficiency activities in disadvantaged communities and support programs that are not locally cost effective but contribute broad benefits to California.
- DWR and local water agencies should coordinate with groundwater management agencies where applicable to enhance conjunctive use opportunities and minimize potential impacts on groundwater recharge that may result from water use efficiency and conservation efforts.

3. Water Supply Assurances

California law establishes a goal of improving water supply reliability throughout the state. Water supply reliability in regions that rely on water conveyed across the Delta is of obvious importance to the California economy. A BDCP is being developed in part to improve and protect water supply reliability for the agencies that will benefit from its completion. However, it is important that these improvements be accomplished in a manner consistent with this principle.

When the Central Valley Project (CVP) and the State Water Project (SWP) were built, assurances were incorporated in their authorizing statutes that water needed to meet present and future beneficial uses in the areas of origin (i.e., the Sacramento Valley, the east side of the San Joaquin Valley and the Delta) would be available to those areas when needed. All of California has benefited from these fundamental assurances. The state should commit to implementing an action plan that augments storage and modifies regulatory approaches to ensure that positive storage balances can be maintained at all times to provide for improved water supply reliability and ecosystem health and protection of the state's economy.

Actions

- As the state implements this plan, all relevant agencies should adhere to water rights protections in state law and comply with existing water rights and contractual requirements.
- The Administration should continue to affirm through its policies and actions that the

implementation of a BDCP will not adversely affect existing water rights of those in the watershed of the Delta, nor will it impose any obligations on area-of-origin water users, including in the Delta, to supplement flows in and through the Delta.

- Those seeking to secure permits for a BDCP will be responsible for meeting all applicable conditions in their BDCP permits, including any obligations in those permits for Delta flow, which as required by law must avoid redirected impacts to area-of-origin water users, including in the Delta, unless provided for in voluntary agreements or settlements.

4. Operational Assurances

Recent modeling indicates that, in the driest 10% of years, some major reservoirs will hit "dead pool," the condition in which water levels fall below a dam's lowest outlets and no operable storage exists to deliver water for supply, environmental, and power generation purposes. The ramifications of hitting dead pool at that frequency could be catastrophic for water users who rely on these facilities for a portion of their supply, for the environment, and particularly for affected water agencies that do not have another viable source of water supply for their customers.

Allowing reservoirs to reach dead pool is not sound policy and is at odds with overall efforts by the state and federal governments to address California's water supply reliability and ecosystem health. Adaptive strategies that address this issue are critical to ensure that the operational rules for California's water delivery system will provide the water supply assurances needed by water users throughout the state. It should be the policy of the state to adopt regulations, develop operating rules, or take other actions that will ensure that reservoirs are not drawn to dead pool conditions, even in multiple dry years.

Actions

- The Administration should develop a strategy in coordination with state agency leadership and federal agency partners by January 1, 2015, to ensure reservoirs are not driven to dead pool levels. This strategy should identify needed regulatory changes, infrastructure improvements including increased storage capacity, and changes in reservoir operations, as well as support for additional local resources development.

- Initial actions identified through this process that can be implemented prior to January 1, 2015, should be included as part of the report outlined in the Governmental Coordination section of this Statewide Water Action Plan.
- As part of this strategy, the Governor should direct state agencies to implement new and existing water management and water quality programs in a manner that will help ensure California's reservoirs do not reach dead pool conditions.

5. Improved Regional Self-Reliance

In addition to water use efficiency and water conservation, California's water agencies utilize a variety of methods to increase local water supplies and reliability for water users and the environment. The state should continue to support development of local and regional water resources that improve each region's water supply reliability and, where applicable, augment imported water supplies. This includes surface water diversions for in-basin uses, conjunctive use, stormwater capture, recycled water, desalination, and groundwater cleanup. Projects and programs that achieve multiple benefits should be a priority.

Actions

- Local agencies should improve self-reliance by planning and implementing projects consistent with decisions made by local and regional water agencies.
- DWR should consult with local and regional agencies to develop a statewide strategy to improve regional supplies, in accordance with the Sacramento-San Joaquin Delta Reform Act.
- The state should continue to support Integrated Regional Water Management Plan (IRWMP) efforts that successfully provide for regional and local needs.
- DWR should work with existing IRWMP programs and stakeholders to evaluate the state's Integrated Regional Water Management program and identify areas for improvement, including streamlining the application process, developing specific criteria to determine successful plan implementation, and reducing transaction costs. This effort should include ways to enhance the program's effectiveness in serving disadvantaged communities in IRWMP-eligible areas.

6. Headwaters

Because nearly all of the state's water supplies originate in California's headwaters, more effectively managing these areas is integral to optimizing the water supplies that nature provides. Adapting to climate change and improving watershed resiliency to reduce the likelihood of catastrophic wildfires and increase water yield and quality will require substantial investments by the state.

Actions

- State land and resource management agencies with jurisdiction in headwaters areas should draft a joint report to the Governor and the Legislature analyzing the impacts of climate change on headwaters. The report should identify the benefits that headwaters currently provide, identify models to assess the impacts of climate change on these resources and outline strategies to adapt to those impacts. The appropriate state agencies should invite their federal agency partners to participate in the development of the report.
- The Natural Resources Agency, in consultation with the Sierra Nevada Research Institute (UC Merced) and the U.S. Departments of Agriculture and the Interior, should provide a report to the Governor outlining and prioritizing investments that can be made on public lands to improve the condition and functions of California's headwaters to benefit water supply reliability for the state.
- Working with local agencies, the state should assess and support solutions for legacy issues affecting water quality and supply to improve the condition of affected watersheds.
- The state should seek to partner with the U.S. Forest Service in meadow restoration projects that can control excessive soil erosion and sediment delivery in California's watersheds to help maintain reservoir storage capacity, reduce flood risks and increase conjunctive use capability.

7. Water Quality

Protecting water quality is a critical aspect of water management in California. The state should continue to pursue actions to protect, maintain and enhance surface water and groundwater quality for all applicable beneficial uses, consistent with meeting all applicable standards, agreements and regulatory requirements.

Actions

- The Department of Public Health should fund the development and use of new analytical methods and cost-effective treatment technologies to better detect and remove chemical and microbial contaminants from drinking water supplies.
- The state should provide funding support for local water agencies to develop and implement salt and nutrient management plans that will reduce salinity in surface and groundwater supplies and provide enhanced conjunctive use opportunities.
- The State Water Resources Control Board and the Regional Boards should review and better match water quality standards to the locally appropriate and demonstrated use of the water. Water quality program expenditures should be focused where they will provide the greatest water quality benefits. Source water quality for municipal uses should continue to be protected.
- The state should continue to develop solutions for assisting disadvantaged communities that do not have safe drinking water.

8. Bay Delta Conservation Plan

A Delta solution, including a BDCP, is a critical component of a broader set of actions that will address water supply reliability and ecosystem health in California.

Actions

- Within the scope of existing regulatory statutes, all state agencies involved in developing a BDCP should exercise their discretion and authority to ensure the final project is consistent with the principles of this Statewide Water Action Plan.
- A Delta solution is expected to provide substantial public benefits, which will be funded from public sources including a revised 2014 water bond. The state should work with its federal partners to secure long-term, non-reimbursable federal funding to pay for the federal share of these public benefits.
- Any large construction project, including a BDCP, may have adverse impacts related to the project's "footprint." Where feasible, a BDCP should be designed to avoid or minimize adverse impacts in the first place. When adverse impacts cannot be avoided, the permittees of a BDCP should

mitigate project-related environmental impacts, including water supply impacts, in accordance with existing law.

- The permittees of a BDCP, including the Central Valley Project and State Water Project contractors, should work collaboratively with other water users in good faith on all statewide water issues to find mutually acceptable solutions on the broader statewide water issues.

9. Levee Improvement and Maintenance

Levees in the Delta and throughout California are key features of the state's water system and are subject to many risks, including those associated with earthquakes and floods. To protect against and prepare for future levee failures, the state should continue to support and prioritize the maintenance of levees in accordance with state law, including critical near-term actions and the Central Valley Flood Protection Plan.

Actions

- The Delta Stewardship Council should complete its prioritization plan by July 1, 2014.
- The state should continue to support DWR's Delta Levee Maintenance and Special Projects programs and provide support for local flood protection measures throughout the Central Valley by partnering with local agencies in projects that can incorporate public benefits.

10. Emergency Preparedness and Public Safety

Recent events in California and other states have demonstrated that water-related emergencies can have significant impacts and put public safety at risk. A robust emergency response plan is essential for minimizing disruption due to floods, earthquakes, wildfires, power outages or contamination of drinking water supplies. The state, working with federal partners, should continue efforts to improve response strategies to enhance public safety during these unforeseen events.

Actions

- DWR should implement pertinent recommendations of the Sacramento-San Joaquin Delta Multi-Hazard Coordination Task Force Report of 2012.

- To reduce the risk of catastrophic wildfires, the California Department of Forestry and Fire Protection (CAL FIRE) should review and, if necessary, revise relevant state regulations to better accommodate and effectuate the use of forest management tools such as forest thinning, biomass removal and controlled burns that reduce fuel loading.
- DWR should coordinate with the California Governor's Office of Emergency Services and the U.S. Army Corps of Engineers to ensure public safety in the Delta and upstream will not be compromised by actions that might otherwise degrade the performance of flood management facilities; create or redirect hydraulic impacts; or, interfere with or impede flood facility improvements, operations or maintenance.
- DWR should implement the pathway strategy adopted in its draft Delta Flood Emergency Preparedness and Response Plan and supported by the U.S. Army Corps of Engineers. This effort includes all measures to facilitate restoration of an emergency freshwater pathway to water export facilities in approximately six months.

11. Bay-Delta Water Quality Control Plan

Multiple regulatory agencies, including, but not limited to, the State Water Resources Control Board (State Water Board), National Oceanic and Atmospheric Administration (NOAA) Fisheries, U.S. Fish and Wildlife Service (USFWS), CDF&W, U.S. Environmental Protection Agency (USEPA), DWR, Army Corps of Engineers, and the Delta Stewardship Council are tasked with making decisions affecting California's water supplies. Continued coordination among these agencies is essential to avoid duplicative and possibly conflicting policies and regulations, and to make the most efficient use of the state's resources. Negotiated programs and planning efforts have been and likely will be the most effective tools to protect beneficial uses in the Bay-Delta. The State Water Board has the opportunity to lead this coordination through its review and update of the 2006 Water Quality Control Plan (Bay-Delta Plan). In its review of the Bay-Delta Plan, the State Water Board should:

Actions

- Encourage and facilitate negotiated programs, planning efforts and settlements that will implement flow and non-flow actions consistent

with the need to protect beneficial uses and public trust balancing.

- Require a tri-annual review of water quality objectives and implementation accountability through annual reports by local agencies, state offices, departments and boards with responsibility to implement the Bay-Delta Plan.

12. Water Bond

Significant investments in California's water infrastructure, water management improvements and ecosystem health are critically needed and long overdue.

Actions

- The water bond currently set for the November 2014 ballot should be modified, consistent with the ACWA Board of Directors' Water Bond Policy Principles, in early 2014 to ensure its placement on the November ballot. An appropriately crafted general obligation bond can fund broad public benefits associated with investments identified in this Statewide Water Action Plan. Priorities for funding should include new surface and groundwater storage; local and regional projects that support greater regional self-sufficiency; investments in Delta ecosystem restoration; safe drinking water projects and water quality improvements; water conservation and water use efficiency; and watershed management.

13. Groundwater Resources

Many regions of the state rely on groundwater for a significant portion of their water supply. In recent years, climate change, regulatory restrictions on surface water supplies, and increased demands have forced greater reliance on groundwater as a principal or supplemental supply for urban, agricultural and environmental uses. More sustainable management of groundwater is needed, but in order to succeed the state must invest in improvements to its water storage and Delta conveyance infrastructure to optimize both surface and groundwater supplies. Consistent with ACWA's strategic policy document, *Sustainability from the Ground Up: A Framework for Groundwater Management in California*, the state should support and incentivize effective local and regional groundwater management, resolve conflicting state regulatory requirements and streamline its policies to optimize and increase surface and groundwater storage opportunities.

Actions

- DWR should convene a multi-agency workgroup with participation by local groundwater agencies to coordinate, review and facilitate implementation of local and regional groundwater management performance objectives.
- Groundwater recharge, banking and conjunctive use projects are critical to the future sustainability of California's groundwater resources. DWR and State Water Board (and Regional Boards) should support and facilitate these activities when programs are implemented as part of an IRWMP or legally recognized groundwater management plan.
- DWR, in consultation with other agencies that gather data, should develop a single data portal on a publicly accessible website for groundwater quality information. DWR also should continue to expand the CASGEM database for groundwater quantity.
- The state, through the Regional Boards, should support and incentivize local agencies' efforts to develop long-term, sustainable solutions for cleanup of existing groundwater contamination and prevention of future contamination.

14. Water Transfers

Water transfers can provide much-needed flexibility in meeting water supply and environmental needs and have proven invaluable in dry years and droughts. A well-defined set of policies and procedures that provide certainty to transferring parties is essential to facilitate future transfers and promote local and statewide economic, social and environmental sustainability.

While federal and state laws promote transfers, DWR's current approval processes should be streamlined. These issues should be resolved as expeditiously as possible so water transfers can be implemented quickly — when they are needed — without adversely affecting third parties.

Actions

- DWR should convene stakeholder meetings, including with the U.S. Bureau of Reclamation, to identify and resolve, at a minimum, the following issues by December 1, 2013:

- Identify a process to expedite transfers within a region;
 - Assess the role of CEQA in water transfers,
 - Review DWR and Reclamation processes and criteria that are used to determine what water is transferable; and
 - Investigate and review contracting practices within Reclamation and DWR for approving agreements to use conveyance and storage facilities of the Central Valley Project and the State Water Project.
- DWR also should review the 2002 SWRCB report, *Water Transfers Issues in California*, for background and relevant recommendations to further facilitate water transfers.

15. Governmental Coordination

For this plan to be successful, improved coordination among state agencies and between the state and federal government will be critical.

Actions

- The Governor and state agency leadership should follow up with their federal counterparts, including the President, to assess actions, policy direction and commitments in response to the memo from the President's Council on Environmental Quality (CEQ) to his cabinet directing that a BDCP be a priority for the Obama Administration. The state should further coordinate with federal agencies to advance other actions identified in the CEQ memo, including conservation and water use efficiency, enhancing water supplies and storage, and facilitating water transfers during times of shortage.
- The secretaries of the Natural Resources Agency, California Environmental Protection Agency and the Health and Human Services Agency, in coordination with their respective boards, departments, offices, councils, commissions and conservancies that have a role in implementation of this plan, should produce within 90 days of the Governor's approval of this plan a joint report that details how the agencies and entities they oversee will exercise their authorities to implement this plan in an expeditious and integrated manner.

Statewide Water Action Plan Participation

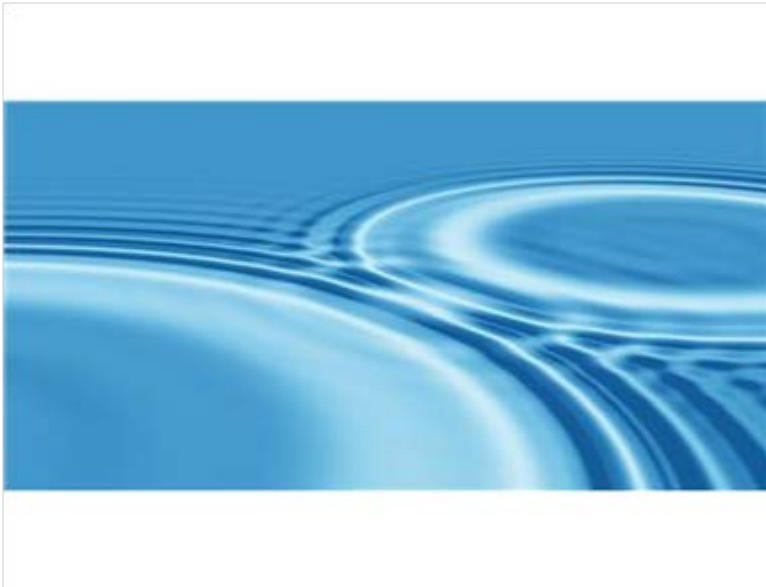


** Participation in plan development does not necessarily imply formal endorsement of final document.*



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California Water Action Plan





Among all our uncertainties, weather is one of the most basic. We can't control it. We can only live with it, and now we have to live with a very serious drought of uncertain duration.

Right now, it is imperative that we do everything possible to mitigate the effects of the drought. I have convened an Interagency Drought Task Force and declared a State of Emergency. We need everyone in every part of the state to conserve water. We need regulators to rebalance water rules and enable voluntary transfers of water and we must prepare for forest fires. As the State Water Action Plan lays out, water recycling, expanded storage and serious groundwater management must all be part of the mix. So too must be investments in safe drinking water, particularly in disadvantaged communities. We also need wetlands and watershed restoration and further progress on the Bay Delta Conservation Plan.

It is a tall order.

But it is what we must do to get through this drought and prepare for the next.

Edmund G. Brown Jr.
State of the State Speech, January 22, 2014

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California Water Action Plan: Actions for Reliability, Restoration and Resilience

Introduction

California has seen many flood events, including the most recent flood of 1995 when 48 of 58 counties declared a state of emergency. After two years of dry weather and shrinking reservoir supplies, we are reminded once again that nothing focuses Californians' attention on our limited water resources like drought.

There is broad agreement that the state's water management system is currently unable to satisfactorily meet both ecological and human needs, too exposed to wet and dry climate cycles and natural disasters, and inadequate to handle the additional pressures of future population growth and climate change. Solutions are complex and expensive, and they require the cooperation and sustained commitment of all Californians working together. To be sustainable, solutions must strike a balance between the need to provide for public health and safety (*e.g.*, safe drinking water, clean rivers and beaches, flood protection), protect the environment, and support a stable California economy. This action plan lays out our challenges, our goals and decisive actions needed now to put California's water resources on a safer, more sustainable path. While this plan commits the state to moving forward, it also serves to recognize that state government cannot do this alone. Collaboration between federal, state, local and tribal governments, in coordination with our partners in a wide range of industry, government and nongovernmental organizations is not only important—it is essential. The input and contributions received from all of these partners throughout the drafting of this action plan have resulted in a comprehensive and inclusive plan.

Challenges for Managing California's Water Resources

Water has always been a scarce resource in California. Most of the precipitation falls on the west-facing slopes of Northern California mountain ranges, yet most of the population and irrigated farmland is located in the drier southern half of the state. Precipitation is highly variable year-to-year, but the long warm summers are always dry. In the mid-20th century, state, federal and local agencies vastly expanded the state's system of reservoirs, canals, pumps and pipelines to store water and deliver it to agricultural and urban users in dry areas. Also, in the late 20th century, significant investments were made in the state's flood protection system, including levees and bypasses. These changes to the physical infrastructure have resulted in unintended consequences to the natural world. In general, there is broad consensus about our challenges.

Uncertain water supplies – Reductions in water from major watersheds like the Colorado River watershed and the Sacramento-San Joaquin Delta (Delta) watershed—due to hydrologic and declining environmental conditions—have made these water supplies less reliable. Moreover, climate change impacts to these sources and the Cascade and Sierra headwaters will further strain supply reliability throughout the state. These sources are foundational supplies around which communities develop and manage local resources through strategies such as water use efficiency, recycled water, and groundwater recharge. The unreliable nature of these supplies threatens local, regional and statewide economies. **Collectively, the actions in this plan will contribute to more reliable water supplies.**

Water scarcity/drought – California’s hydrology has always included extended dry periods. Much of California’s water system was originally designed to withstand a seven-year dry period without severe damage to the economy and environment. Today some regions and many communities struggle to maintain adequate water supplies after only a year or two of dry conditions. Climate change makes this situation even more challenging. Less outflow of water coming from the Cascades and Sierras during periods of drought increases seawater intrusion into the Delta. Improving our ability to manage scarce water supplies and over-stressed groundwater basins and better coordination of major reservoir operations is essential to economic and environmental sustainability. Taking action to address drought is especially urgent for agriculture where crops wither without water, and the world’s growing population and food demand create food security concerns. **This action plan includes both immediate steps for 2014 as well as actions that will better prepare California for future droughts.**

Declining groundwater supplies – Groundwater accounts for more than one-third of the water used by cities and farms – much more in dry years, when other sources are cut back. Some of California’s groundwater basins are sustainably managed, but unfortunately, many are not. Inconsistent and inadequate tools, resources and authorities make managing groundwater difficult in California and impede our ability to address problems such as overdraft, seawater intrusion, land subsidence, and water quality degradation. Pumping more than is recharged lowers groundwater levels – which makes extracting water more expensive and energy intensive. Under certain conditions, excessive groundwater pumping could mobilize toxins that impair water quality and cause irreversible land subsidence which damages infrastructure and diminishes the capacity of aquifers to store water for the future. When properly managed, groundwater resources will help protect communities, farms and the environment against the impacts of prolonged dry periods and climate change. **The strategies identified in this action plan will move California toward more sustainable management of our groundwater resources.**

Poor water quality – It is a fact that millions of Californians rely, at least in part, on contaminated groundwater for their drinking water. While most water purveyors blend or treat water to meet public health standards, many disadvantaged communities cannot afford to do so. In addition, domestic wells are drying up in many areas. All Californians have a right to safe, clean, affordable and accessible water adequate for human consumption, cooking and sanitary purposes. Safe water is necessary for public health and community prosperity. **The methods set forth in this action plan will improve the organization of our water quality programs and create new tools to help ensure that every Californian has access to safe water.**

Declining native fish species and loss of wildlife habitat – California’s once robust native fish populations are at or near historic lows. Federal and state fish agencies now list many species of salmon and other fish as endangered and threatened. Wildlife habitat is also being lost at a rapid pace. Climate change further threatens the state’s natural biodiversity. Many do not understand that our fish and wildlife are part of the complex system that provides and protects California’s water resources. Tourism and fishing which provide economic benefits to local communities and to the state are also reliant on healthy ecosystems. Declining species and lost habitat disrupt the cultural, spiritual and ecological practices of California’s Native American tribes. Simply put, California’s diverse and unique ecosystems are irreplaceable and their loss threatens the sustainability of all of California’s communities. **The objectives in this action plan include aggressive ecosystem restoration and other steps that will restore fish populations and benefit wildlife.**

Floods – Over 7 million Californians live in a floodplain. Historically, flooding has occurred in all regions of the state. Our state’s capital, Sacramento, has one of the lowest levels of flood protection of any major city in the nation. Climate change will only exacerbate this problem. More precipitation will fall as rain rather than snow, snowmelt will occur earlier, and there will be more extreme weather events. **This action plan will serve to coordinate and streamline flood control efforts and result in multi-benefit flood projects, helping to mitigate the significant investments needed to improve flood protection for existing communities and infrastructure.**

Supply disruptions – Many parts of California’s water system are vulnerable to earthquakes and flooding, particularly the Delta, which serves as the conveyance hub for a substantial percentage of all water supplies in the Bay Area, the San Joaquin Valley, and Southern California. A large earthquake along any of five major faults or a major storm-induced levee failure could render this water supply unreachable or unusable for urban and agricultural needs for months. **The combined benefits of many of the actions in this plan will better prepare us to manage through potential disruptions in the system.**

Population growth and climate change further increase the severity of these risks – The state’s population is projected to grow from 38 million to 50 million by 2049.¹ The effects of climate change are already being felt and will worsen. The Sierra snowpack is decreasing, reducing natural water storage and altering winter and spring runoff patterns. This is most likely the result of higher temperatures and may also be related to air pollution that deposits fine particulate on the surface of snow, changing its reflectivity and causing it to absorb more heat and melt faster. Higher river and ocean water temperatures will make it harder to maintain adequate habitat for native fish species. Higher ocean temperatures will alter the already changing weather patterns. Sea level rise threatens coastal communities and islands in the Delta. Sea level rise also amplifies the risk that the pumps that supply cities and farms with Delta water will be inundated with seawater in a large earthquake or storms that breach levees. **The strategies identified in this action plan will help protect our resources from more frequent and more severe dry periods which threaten the health of our natural systems and our ability to meet our diverse water supply and water quality needs.**

Goals: Reliability, Restoration and Resilience

The California Water Action Plan has been developed to meet three broad objectives: more reliable water supplies, the restoration of important species and habitat, and a more resilient, sustainably managed water resources system (water supply, water quality, flood protection, and environment) that can better withstand inevitable and unforeseen pressures in the coming decades. Over the next five years, the actions discussed below will move California toward more sustainable water management by providing a more reliable water supply for our farms and communities, restoring important wildlife habitat and species, and helping the state’s water systems and environment become more resilient.

¹ <http://www.dof.ca.gov/research/demographic/reports/projections/view.php> California’s population will cross the 50 million mark in 2049 and grow to nearly 52.7 million by 2060.

Working Together and Continued Collaboration is Essential

Despite the many challenges for water management in California, there is good progress to report. There are thousands of important projects that are being planned or implemented by all levels of government as well as by conservationists, tribes, farmers, water agencies and others. State, regional and local agencies have increasingly been pursuing a strategy of making regions more self-reliant by reducing water demand and by developing new or underused water resources locally. In the future, most new water will come from a combination of improved conservation and water use efficiency, conjunctive water management (i.e., coordinated management of surface and groundwater), recycled water, drinking water treatment, groundwater remediation, and brackish and seawater desalination. There is increased focus on projects with multiple benefits, such as stormwater capture and floodplain reconnection, that can help simultaneously improve the environment, flood management and water supplies. These diversified regional water portfolios will relieve pressure on foundational supplies and make communities more resilient against drought, flood, population growth and climate change.

This Water Action Plan does not replace these local efforts. It complements and leverages them. Collaboration is essential. Successful implementation of this plan will require increased collaboration between state, federal and local governments, regional agencies, tribal governments, and the public and the private sectors. The Legislature is also a key partner.

Water has shaped California's past, its present, and will help define its future. Water has always been among the state's most contentious issues. California is at its best when people come together in the face of adversity to solve difficult problems. Only by working together can we improve and sustain the state's water future for generations to come.

Actions

1. Make conservation a California way of life;
2. Increase regional self-reliance and integrated water management across all levels of government;
3. Achieve the co-equal goals for the Delta;
4. Protect and restore important ecosystems;
5. Manage and prepare for dry periods;
6. Expand water storage capacity and improve groundwater management;
7. Provide safe water for all communities;
8. Increase flood protection;
9. Increase operational and regulatory efficiency;
10. Identify sustainable and integrated financing opportunities.

Together, these actions address the most pressing water issues that California faces while laying the groundwork for a sustainable and resilient future and are critical to moving the state forward now. They reflect an integration of new ideas with the ongoing important work that the state and federal government, local agencies, and others are already engaged in and require coordination and collaboration across levels of government. They will not address all of our challenges. Some of these actions are new proposals. Some are currently being planned and should be completed more rapidly, implemented in a better way, or on a larger scale. Success will require the cooperation of many partners; the state's role is to lead, help others, and remove barriers to action.

1. MAKE CONSERVATION A CALIFORNIA WAY OF LIFE

Conservation must become a way of life for everyone in California. Much has changed in the past half century, and our technology, values and awareness of how we use water have helped to integrate conservation into our daily lives. There is more that can be done and all Californians must embrace this effort. In 2009, the state adopted the Water Conservation Act through the passage of Senate Bill X7 7 requiring that we achieve a 20 percent reduction in urban per capita water use by December 31, 2020, promoting expanded development of sustainable water supplies at the regional level, and requiring agricultural water management plans and efficient water management practices for agricultural water suppliers. Conservation and efficiency are also keys to reducing the energy needed to pump, transport, treat and deliver water – an important action included in the state’s Climate Change Scoping Plan for reducing greenhouse gas emissions. We must continue to build on our existing efforts to conserve water and promote the innovation of new systems for increased water conservation.

- **Expand Agricultural and Urban Water Conservation and Efficiency to Exceed SBX7 7 Targets**
The administration will expand existing programs to provide technical assistance, shared data and information, and incentives to urban and agricultural local and regional water agencies, as well as local governmental agencies, to promote agricultural and urban water conservation in excess of the amounts envisioned by SBX7 7. We will work collaboratively with stakeholders to identify and remove impediments to achieving statewide conservation targets, recycling and stormwater goals; to evaluate and update targets for additional water use efficiency, including consideration of expanding the 20 percent by 2020 targets by holding total urban water consumption at 2000 levels until 2030, achieving even greater per capita reductions in water use. The administration will also work with local and regional entities to develop performance measures to evaluate agricultural water management.
- **Provide Funding for Conservation and Efficiency**
The administration will work with the Legislature to expand funding for urban and agricultural water use efficiency research, and the development and implementation of efficiency standards through existing and new programs that save water and the energy associated with water use. Conservation programs must include numeric targets and be designed to achieve the state-developed targets and performance measures.
- **Increase Water Sector Energy Efficiency and Greenhouse Gas Reduction Capacity**
The administration will continue supporting the collection of regional data and development of efficiency standards that save water and energy associated with water use and will provide guidance on conservation rates and sustainable financing that achieve water and energy savings. The administration will also continue to collaborate with water and wastewater agencies and energy utilities to educate consumers on the water-energy nexus. The administration will work with the Legislature to eliminate barriers to co-funding projects with water and energy benefits and expand and prioritize funding and technical support for water and wastewater agencies that achieve energy efficiency co-benefits and greenhouse gas reductions.
- **Promote Local Urban Conservation Ordinances and Programs**
Local agencies are increasingly conserving water by prohibiting certain types of wasteful water use. Examples include: prohibiting watering hard surfaces such as sidewalks, walkways, driveways or parking areas; prohibiting outdoor watering during periods of rain; and not serving water to customers in restaurants unless specifically requested. Local agencies are also pioneering incentive programs, for example, converting lawns to drought tolerant landscapes—and programs to capture rainwater.

2. INCREASE REGIONAL SELF-RELIANCE AND INTEGRATED WATER MANAGEMENT ACROSS ALL LEVELS OF GOVERNMENT

While California has vast infrastructure to store and deliver water miles from its origin, the majority of infrastructure management and investment resides at the local and regional levels. Sometimes that management is done by agencies responsible for multiple functions such as flood management, water supply and water quality. Other times, individual agencies handle those functions separately. Over the past decade, the state has provided technical and financial assistance to regions to incentivize inter-agency/stakeholder cooperation in planning and implementing multi-objective actions that provide both regional and statewide benefits to water resources management and protection. Called "integrated water management," this approach balances the objectives of improving public safety, fostering environmental stewardship, and supporting economic stability. Developing local supplies can also save energy by reducing the distance that water must be transported. State grants are provided to both incentivize regional integration and leverage local financial investment.

Ensuring water security at the local level includes efforts to conserve and use water more efficiently, to protect or create habitat for local species, to recycle water for reuse, to capture and treat stormwater for reuse, and to remove salts and contaminants from brackish or contaminated water or from seawater. But, mostly it requires integrating disparate or individual government efforts into one combined regional commitment where the sum becomes greater than any single piece.

- **Support and Expand Funding for Integrated Water Management Planning and Projects**
The administration will work with the Legislature to enhance the Integrated Water Management Planning program. Providing funding for regionally-driven, multi-benefit projects that prioritize protection of public health is critical. The administration will target funding to local regional projects that increase regional self-reliance and result in integrated, multi-benefit solutions for ensuring sustainable water resources.
- **Update Land Use Planning Guidelines**
The Governor's Office of Planning and Research (OPR) will engage local land use authorities, California Native American tribes, and water agencies to amend the general plan guidelines to promote greater consistency between local land use plans and decisions and integrated regional water management plans and decisions. OPR will also work with the Legislature to determine whether water should be a mandatory feature of the general plan guidelines.
- **Legislation for Local and Regional Self Reliance**
The administration will work with the Legislature to encourage local governments to adopt or amend local ordinances that enhance local and regional water supply reliability and conservation, such as ordinances that establish minimum requirements for infiltration or injection of water into the groundwater table, detection and prevention of utility system leaks, landscaping measures, and indoor/outdoor water use efficiency standards.
- **Provide Assistance to Disadvantaged Communities**
The administration will provide technical assistance, tools, and allocate dedicated funds for grant administration, project development, and stakeholder collaboration to under-represented and economically-disadvantaged communities to promote greater participation and success in regional grant programs.

- **Demonstrate State Leadership**
All state agencies should take a leadership role in designing new and retrofitted state owned and leased facilities to increase water efficiency, use recycled water, and incorporate stormwater runoff capture and low-impact development strategies.
- **Encourage State Focus on Projects with Multiple Benefits**
The administration will direct agencies and departments to evaluate existing programs and propose modifications to incentivize and co-fund multi-benefit projects that promote integrated water management, such as stormwater permits that emphasize stormwater capture and infiltration, which provide both flood protection and groundwater recharge benefits, and agricultural groundwater recharge projects that emphasize water quality and conjunctive use. The commitment to emphasize multiple benefit projects will be applied to most of the actions in this plan.
- **Increase the Use of Recycled Water**
California needs more high quality water, and recycling is one way of getting there. The state will adopt uniform water recycling criteria for indirect potable reuse of recycled water for groundwater recharge. Technical and financial assistance will be provided to projects that meet these criteria. The administration will also develop criteria for direct potable reuse and will seek to consolidate the state's recycling programs in the State Water Resources Control Board to promote program efficiencies.
- **Streamline Permitting for Local Water Reuse or Enhancement Projects**
The administration will review and propose measures to streamline permitting for local projects that make better use of local water supplies such as recycling, stormwater capture, and desalination of brackish and seawater as well as projects that provide multiple benefits, such as enhancing local water supplies while improving wildlife habitat.

3. ACHIEVE THE CO-EQUAL GOALS FOR THE DELTA

The Delta is California's major collection point for water, serving two-thirds of our state's population and providing irrigation water for millions of acres of farmland. The region supports farming, wetland and riparian habitats, as well as numerous fish and wildlife species. In recent years, important fish populations have declined dramatically, leading to historic restrictions on water supply deliveries. Moreover, the current system relies on water flowing through a network of fragile levees from the northern part of the Delta to the pumps in the south, where two out of three fish trapped near the pumps die. These levees were not designed to resist a significant seismic event, the probability of which is greater than 60 percent over the next 50 years. They are also vulnerable to major floods and rising sea levels, all of which puts unacceptable risk on the people who live in the Delta as well as the water supply for 25 million people and 3 million acres of farmland. Plans are underway to address these problems. The issues are contentious and have been for decades. But, the status quo in the Delta is unacceptable and it would be irresponsible to wait for further degradation or a natural disaster before taking action.

The Delta Stewardship Council was created in legislation to achieve the state-mandated co-equal goals of providing a more reliable water supply for California and to protect, restore and enhance the Delta ecosystem. Those two goals are to be achieved in a manner that protects and enhances the unique cultural, recreational, natural resource and agricultural values of the Delta as an evolving place. The council recently adopted its Delta Plan and will establish a high-level interagency coordinating body to commence implementation of a suite of actions designed to achieve the co-equal goals. The Implementation Committee can play a strong role in moving forward on the actions included in this plan, which include and build on many of the priorities included in the council's Delta Plan.

- **Begin Implementation of the Delta Plan**

The administration directs all of its relevant agencies to fully participate in the Implementation Committee established by the Delta Stewardship Council and to work with the Delta Science Program, the Interagency Ecological Program, and others to implement the Delta Science Plan to enhance water and natural resource policy and management decisions.

- **Complete Comprehensive Plans to Recover Populations of Threatened and Endangered Species in the Delta and Improve Water Supply Reliability for Users of Delta Water**

State and federal agencies will complete planning for a comprehensive conservation strategy aimed at protecting dozens of species of fish and wildlife in the Delta, while permitting the reliable operation of California's two biggest water delivery projects. The Bay Delta Conservation Plan (BDCP) will help secure California's water supply by building new water delivery infrastructure and operating the system to improve the ecological health of the Delta. It will also restore or protect approximately 145,000 acres of habitat to address the Delta's environmental challenges. The BDCP is made up of specific actions, called conservation measures, to improve the Delta ecosystem. It includes 22 conservation measures aimed at improving water operations, protecting water supplies and water quality, and restoring the Delta ecosystem within a stable regulatory framework. The project will be guided by 214 specific biological goals and objectives, improved science, and an adaptive management approach for operating the water conveyance facilities and implementing other conservation measures including habitat restoration and programs to address other stressors. As the Delta ecosystem improves in response to the implementation of the conservation measures, water operations would become more reliable, offering secure water supplies for 25 million Californians, an agricultural industry that feeds millions, and a thriving economy.

State and federal agencies will complete the state and federal environmental review documents; seek approval of the BDCP by the state and federal fishery agencies; secure all permits required to implement the BDCP; finalize a financing plan; complete the design of BDCP facilities; and begin implementation of all conservation measures and mitigation measures, including construction of water conveyance improvements. Once the BDCP is permitted, it will become part of the Delta Plan.

- **Restore Delta Aquatic and Intertidal Habitat**

In coordination with restoration proposed by the BDCP, a specific set of projects or acreage for restoration will be identified in the six priority areas listed in the Delta Plan: (1) Yolo Bypass; (2) Cache Slough Complex; (3) the confluence of the Cosumnes and Mokelumne rivers; (4) the lower San Joaquin River floodplain; (5) Suisun Marsh; and, (6) western Delta/eastern Contra Costa County. The Department of Water Resources, in consultation and coordination with the Department of Fish and Wildlife, the Delta Science Program, and the Delta Plan Implementation Committee will initiate projects to restore 8,000 acres of intertidal and associated subtidal habitat in the Delta and Suisun Marsh. These agencies will also coordinate with federal agency partners to ensure consistency with federal restoration efforts or requirements.

- **Implement Near-Term Delta Improvement Projects**

In coordination with restoration proposed in BDCP, the Department of Water Resources will initiate a project to remove fish passage barriers within the Yolo Bypass and modify the Fremont Weir to increase the amount and quality of fish rearing habitat by improving access to seasonal floodplain habitat.

- **Maintain Important Infrastructure**

The Department of Water Resources will continue implementation of the Delta Levees Subventions, Delta Special Projects, and Floodway Corridor Programs to provide financial assistance to local agencies for repair and improvement of levees and other multipurpose projects in the Delta.

- **Bay Delta Water Quality Control Plan**

The State Water Resources Control Board will complete its update of the Water Quality Control Plan for the Delta and its upstream watersheds. The plan establishes both regulatory requirements and recommended actions. The State Water Resources Control Board's action will balance competing uses of water including, municipal and agricultural supply, hydropower, fishery protection, recreation, and other uses.

4. PROTECT AND RESTORE IMPORTANT ECOSYSTEMS

Streams and rivers once ran freely from high in the mountains to downstream reaches, meandering naturally through lowland and floodplain habitats, connecting with coastal estuaries and the Pacific Ocean. The variability of natural water flows in this complex system created vibrant and resilient habitat for many species and functioned to store water, recharge groundwater, naturally purify water, and moderate flooding. Over 80 percent of the Central Valley's historical floodplain, riparian and seasonal wetland habitats have been lost in the last 150 years. This loss affects the physical and ecological processes of the Central Valley and beyond, contributes to the decline of salmon and steelhead, restricts habitat for waterfowl and other species, and impacts water supply, flood protection, and sediment control. In watersheds around the state, fish and wildlife no longer have access to habitat or enough cold, clean water at key times of the year. In response to these losses and ecological challenges, as well as in anticipation of the effects of climate change on the timing, volume and temperature of water flows, activities to protect and restore the resiliency of our ecosystems will help support fish and wildlife populations, improve water quality, and restore natural system functions. This effort will increase collaboration and transparency and ensure that management decisions are supported by the best available science.

- **Restore Key Mountain Meadow Habitat**

The Department of Fish and Wildlife, in coordination with other state resource agencies, will restore 10,000 acres of mountain meadow habitat in strategic locations in the Sierra Nevada and Cascade mountain ranges, which can increase groundwater storage and provide habitat for more than 100 native species, many of which are at risk as threatened or endangered. The department will also coordinate with federal agencies, local governments, conservation organizations, tribes, and others as necessary on this action to maximize efforts and avoid duplication.

- **Manage Headwaters for Multiple Benefits**

Watersheds in the Cascades, Sierra Nevada and other forested areas of the state are the places of origin for more than two-thirds of the state's developed water supply. Water originating in the Cascades and Sierra Nevada supplies all or part of the need for 23 million Californians and millions of acres of agricultural land. Up to one-half of the fresh water flowing into the Delta begins as snow and rain in these watersheds.

Many of these crucial watersheds are in poor health due to a number of factors. A changing climate of warmer temperatures will exacerbate the diseases and pests that create additional fire risk and, with more precipitation falling as rain instead of snow, create significant operational challenges for our reservoirs. Large, intense fires such as the recent Rim Fire will produce tons of sediment, much of which will end up in reservoirs, significantly reducing storage capacity and impacting water quality.

In order to reduce the significant risks posed to the water resources flowing from the Cascade, Sierra and other watersheds in the state, there is a critical need to address the following:

- Restore forest health through ecologically sound forest management. Overgrown forests not only pose a risk of catastrophic fire, but can significantly reduce water yield.
- Protect and restore degraded stream and meadow ecosystems to assist in natural water management and improved habitat. Meadows provide a natural storage opportunity, critically important with a changing climate, while properly functioning stream systems reduce downstream sedimentation and enhance critical aquatic habitat.
- Support and expand funding for protecting strategically important lands within watersheds to ensure that conversion of these lands does not have a negative impact on our water resources. By working with willing landowners, protection of key lands from conversion will result in a healthier watershed by reducing polluted runoff and maintaining a properly functioning ecosystem.
- **Bring Back Salmon to the San Joaquin River**

The Department of Fish and Wildlife and the Department of Water Resources will lead the state's effort to achieve the goals of restoring flows to the San Joaquin River from Friant Dam to the confluence of the Merced River, and bring back a naturally-reproducing, self-sustaining Chinook salmon fishery while reducing or avoiding adverse water supply impacts. Chinook will be reintroduced pursuant to the San Joaquin River Restoration Program, and the Department of Fish and Wildlife will complete construction of the conservation hatchery and research facility. The Department of Water Resources will perform activities that support the implementation of channel and structural improvements that result in restoring fish and flows. The administration will work with the Legislature and others to secure further funding as necessary to achieve these activities and the restoration goal.
- **Protect Key Habitat of the Salton Sea Through Local Partnership**

The Natural Resources Agency, in partnership with the Salton Sea Authority, will coordinate state, local and federal restoration efforts and work with local stakeholders to develop a shared vision for the future of the Salton Sea. The Salton Sea is one of the most important migratory bird flyways in North America and is immediately threatened with reduced inflows and increasing salinity. The Department of Fish and Wildlife and the Department of Water Resources will begin immediately to implement the first phase of this effort with the construction of 600 acres of near shore aquatic habitat to provide feeding, nesting and breeding habitat for birds. This project is permitted to increase to 3,600 acres and could be scaled even greater with additional resources. Concurrently, the Natural Resources Agency and the Salton Sea Authority are developing a roadmap for the Salton Sea that will evaluate additional restoration projects and identify economic development opportunities through renewable energy development.
- **Restore Coastal Watersheds**

The Department of Fish and Wildlife in coordination with other state resource agencies and other stakeholders, as appropriate, will develop at least 10 off-channel storage projects, modernize at least 50 stream crossings, and also implement at least 10 large-scale habitat projects along the California coast in strategic coastal estuaries to restore ecological health and natural system connectivity, which will benefit local water systems and help defend against sea level rise.

- **Continue Restoration Efforts in the Lake Tahoe Basin**

California, in partnership with the state of Nevada and the federal government, will continue its efforts to protect the beautiful and unique waters of Lake Tahoe. The Natural Resources Agency will maintain its role in leading the coordination of the state departments, the boards, and the conservancy involved in the bi-state efforts underway to restore, preserve and enhance the Lake Tahoe region. California's restoration efforts at Lake Tahoe include, among other things, support of the Tahoe Regional Planning Agency's implementation of its Regional Plan Update, putting into place the science provisions contained in the recently enacted SB 630, and support for projects contained in the region's Environmental Improvement Program.

- **Continue Restoration Efforts in the Klamath Basin**

The Department of Fish and Wildlife and the Natural Resources Agency will continue to work with diverse stakeholders to implement the Klamath Basin restoration and settlement agreements. Those agreements include measures to improve water quality in the Klamath River, restore anadromous fish runs, including Chinook and Coho salmon, and improve water reliability for agricultural and other uses by providing a drought planning mechanism for low water years. The administration will work with Congress to secure the necessary federal authorizations for the agreements and secure the necessary funding for removal of four hydroelectric dams on the Klamath River and funding for the necessary basin restoration.

- **Water for Wetlands and Waterfowl**

The Department of Fish and Wildlife in coordination with other state resource agencies will develop and implement a water acquisition, management, and water use efficiency strategy in coordination with the U.S. Fish and Wildlife Service, U.S. Bureau of Reclamation, Central Valley Project Improvement Act refuge water program, and Central Valley Joint Venture to secure reliable and affordable water for managed wetlands statewide. The administration will work with the Legislature, and others, to secure funding to acquire water and to replace or repair the most in need conveyances for delivering water for wetlands.

- **Eliminate Barriers to Fish Migration**

This action has three parts. First, in coordination with the Central Valley Project Improvement Act Anadromous Fish Screen Program, the Department of Fish and Wildlife will create and publish a Priority Unscreened Diversion List in the Central Valley area. Second, the administration will work with the Legislature and others to secure funding to install or repair the top 10 unscreened diversions on the priority list described above. Third, in smaller watersheds around the state, the Department of Fish and Wildlife will complete a comprehensive analysis, working with other state and federal agencies, to optimize barrier removal projects and river and stream priorities, and then complete culvert and bridge improvement and small dam removal projects to provide anadromous fish species access to historic spawning and rearing habitat.

- **Assess Fish Passage at Large Dams**

The Department of Fish and Wildlife, in coordination with state and federal resource agencies, will develop an evaluation and feasibility process for addressing fish passage at California's rim dams and develop rim dam solution plans for the most feasible locations. Rim dams are the large dams at the base of most major river systems in California. They are too integral to California's water infrastructure to consider removing, but, where feasible, passage around the rim dams may be necessary to recover salmon and steelhead, because 95 percent of the historical habitat for these fish is above the dams. This action will require coordination with local water agencies and dam owners and operators, as well as other stakeholders.

- **Enhance Water Flows in Stream Systems Statewide**

The State Water Resources Control Board and the Department of Fish and Wildlife will implement a suite of individual and coordinated administrative efforts to enhance flows statewide in at least five stream systems that support critical habitat for anadromous fish. These actions include developing defensible, cost-effective, and time-sensitive approaches to establish instream flows using sound science and a transparent public process. When developing and implementing this action, the State Water Resources Control Board and the Department of Fish and Wildlife will consider their public trust responsibility and existing statutory authorities such as maintaining fish in good condition.

- **Achieve Ecological Goals through Integrated Regulatory and Voluntary Efforts**

The San Francisco Bay and Sacramento-San Joaquin River Delta are some of the most studied ecosystems in the nation. Similarly, there are many scientific and management plans about the decline of salmon and steelhead in California. A fundamental ecological principle is that aquatic species and estuarine ecosystems need enough cold, clean water at the right times of year to ensure species abundance and health and ecological function. Integration across and between all voluntary and regulatory efforts may be necessary to truly achieve basic ecological outcomes.

As a goal, the state must continue to consider how to provide water flows necessary to meet current state policy, such as significantly increasing salmon, steelhead and trout populations while also supporting viable, self-sustaining populations of a broad range of other native aquatic species, and ensure sustainable river and estuary habitat conditions for a healthy, functional Bay Delta ecosystem. The administration, with the involvement of stakeholders, will build on the work in tributaries to the Sacramento and San Joaquin rivers, analyze the many voluntary and regulatory proceedings underway related to flow criteria, and make recommendations on how to achieve the salmon and steelhead and ecological flow needs for the state's natural resources through an integrated, multi-pronged approach.

5. MANAGE AND PREPARE FOR DRY PERIODS

Water supply reliability is critical to maintaining California's economy. Temporary shortages caused today by extended, severe dry periods will become more frequent with climate change. Effective management of water resources through all hydrologic conditions will reduce impacts of shortages and lessen costs of state response actions. Many actions will help to secure more reliable water supplies and consequently improve drought preparedness. The actions identified below are specifically designed to address drought conditions and make California's water system more resilient.

- **Revise Operations to Respond to Extreme Conditions**

State natural resources and water quality agencies, in collaboration with their federal counterparts, will implement a series of administrative solutions through a transparent process to make water delivery decisions and propose options to address water quality and supply objectives in extreme conditions. Through these state agencies, the administration will exercise the maximum administrative discretion and flexibility possible to address the current dry conditions now and into 2014. Especially in drought conditions, adaptive management can have substantial fishery, water quality, and water supply benefits. The identification of such opportunities requires continued improved water forecasting and prompt inter and intra agency coordination and communication. It also requires an effective coordination mechanism involving the Department of Water Resources, the U.S. Bureau of Reclamation, the State Water Project and the Central Valley Project contractors, the state and federal fishery agencies, and the State Water Resources Control Board, at a minimum.

- **Streamline Water Transfers**

State agencies, in collaboration with their federal counterparts, will take all feasible steps to streamline water transfer processes to address both extreme situations and normal system operations. These include refining the schedule for the water transfer process, while considering cumulative, ground and surface water and third party impacts; and ensuring that transfers are based on measured water use. The administration will also improve outreach in support of local water transfer programs.

6. EXPAND WATER STORAGE CAPACITY AND IMPROVE GROUNDWATER MANAGEMENT

On average, the state receives about 200 million acre-feet of water per year in the form of rain and snow. In reality, the average rarely occurs, as California has the most variable weather conditions in the nation and climate change may increase the variability. Storage, whether surface storage or groundwater storage, can hold water when it flows heavily for use at times when it does not and create greater flexibility in the system. Above ground (surface storage) can be in the form of large on-stream dams and reservoirs, or smaller on stream and off stream reservoirs. Groundwater storage consists of replenishing groundwater basins either directly through injection, or by allowing water to percolate into the ground naturally or from constructed spreading basins and some forms of stormwater capture. Surface storage can be operated in conjunction with groundwater storage to increase opportunities for groundwater recharge during high flow periods and thereby increase comprehensive water management benefits. Constructing surface storage can be challenging for environmental or financial reasons. Developing groundwater storage can be challenging because many basins are contaminated and this method of storage also requires an ability to measure and withdraw water.

The bottom line is that we need to expand our state's storage capacity, whether surface or groundwater, whether big or small. Today, we need more storage to deal with the effects of drought and climate change on water supplies for both human and ecosystem needs. Climate change will bring more frequent drought conditions and could reduce by half our largest natural storage system—the Sierra snowpack—as more precipitation falls as rain rather than snow, and as snow melts earlier and more rapidly. Moreover, we must better manage our groundwater basins to reverse alarming declines in groundwater levels. Continued declines in groundwater levels could lead to irreversible land subsidence, poor water quality, reduced surface flows, ecosystem impacts, and the permanent loss of capacity to store water as groundwater.

Demand for water goes well beyond water supply and flood management, the traditional purposes for which California's major reservoirs were built. Today, water storage is also needed to help provide widespread public and environmental benefits, such as seasonal fish flows, improved water quality, water cool enough to sustain salmon, and increased flexibility to meet multiple demands, especially in increasingly dry years. The financing of additional water storage in California must reflect not just specific local benefits, but also these broader public benefits.

- **Provide Essential Data to Enable Sustainable Groundwater Management**

The administration will expand and fund the California Statewide Groundwater Elevation Monitoring Program, which provides essential data to characterize the state's groundwater basins, including identifying basins in decline. In coordination with federal, tribal, local and regional agencies, state agencies will conduct groundwater basin assessments and develop assessment reports.

- **Support Funding Partnerships for Storage Projects**

The administration will work with the Legislature to make funding available to share in the cost of storage projects if funding partners step forward. The state will facilitate among willing local partners and stakeholders the development of financeable, multi-benefit storage projects, including working with local

partners to complete feasibility studies. For example, the Sites Project Joint Powers Agreement, formed by a group of local government entities in the Sacramento Valley, is a potential emerging partnership that can help federal and state government determine the viability of a proposed off stream storage project – Sites Reservoir.

- **Update Bulletin 118, California’s Groundwater Plan**

The Department of Water Resources, in consultation with the U.S. Bureau of Reclamation, U.S. Geological Survey, the State Water Resources Control Board, and other agencies and stakeholders will update Bulletin 118 using field data, California Statewide Groundwater Elevation Monitoring, groundwater agency reports, satellite imagery, and other best available science, so that this information can be included in the next California Water Plan Update and be available for inclusion in future water management and land use plans. The Bulletin 118 update should include a systematic evaluation of major groundwater basins to determine sustainable yield and overdraft status; a projection of California’s groundwater resources in 20 years if current groundwater management trends remain unchanged; anticipated impacts of climate change on surface water and groundwater resources; and recommendations for state, federal and local actions to improve groundwater management. In addition, the Bulletin 118 update should identify groundwater basins that are in a critical condition of overdraft.

- **Improve Sustainable Groundwater Management**

Groundwater is a critical buffer to the impacts of prolonged dry periods and climate change on our water system. The administration will work with the Legislature to ensure that local and regional agencies have the incentives, tools, authority and guidance to develop and enforce local and regional management plans that protect groundwater elevations, quality, and surface water-groundwater interactions. The administration will take steps, including sponsoring legislation, if necessary, to define local and regional responsibilities and to give local and regional agencies the authority to manage groundwater sustainably and ensure no groundwater basin is in danger of being permanently damaged by over drafting. When a basin is at risk of permanent damage, and local and regional entities have not made sufficient progress to correct the problem, the state should protect the basin and its users until an adequate local program is in place.

- **Support Distributed Groundwater Storage**

The administration will support a comprehensive approach to local and regional groundwater management by funding distributed groundwater storage projects that are identified in groundwater management plans and removing barriers to implementation.

- **Increase Statewide Groundwater Recharge**

The administration will work with the Legislature to discourage actions that cause groundwater basin overdraft and provide incentives that increase recharge. State agencies will work with tribes and federal, regional and local agencies on other actions related to promoting groundwater recharge and increasing storage, including improving interagency coordination, aligning land use planning with groundwater recharge, and identifying additional data and studies needed to evaluate opportunities, such as capturing and recharging stormwater flows and other water not used by other users or the environment.

- **Accelerate Clean-up of Contaminated Groundwater and Prevent Future Contamination**

Throughout the state, groundwater basins are contaminated by historic manufacturing, farming practices and other current uses. The State Water Resources Control Board and the Department of Toxic Substances Control will develop recommendations and take action to prevent the spread of

contamination, accelerate cleanup, and protect drinking water in urban areas. The State Water Resources Control Board will continue to implement appropriate control measures to address these sources through its water quality permitting authority.

7. PROVIDE SAFE WATER FOR ALL COMMUNITIES

All Californians have a right to safe, clean, affordable and accessible water adequate for human consumption, cooking, and sanitary purposes. Disadvantaged communities, in particular, often struggle to provide an adequate supply of safe, affordable drinking water. The reasons for this are numerous: changes in drinking water quality standards, pollution, aging infrastructure, lack of funding for basic infrastructure, lack of funding for ongoing operation and maintenance, and unreliable supplies resulting in service interruptions are among the most common. Programs designed to protect the quality of our waters for drinking and other uses are housed in multiple agencies, reducing their effectiveness and ability to meet communities' needs.

- **Consolidate Water Quality Programs**

The administration is pursuing consolidation of the drinking water and surface and groundwater quality programs into a single agency to achieve broader program efficiencies and synergies that will best position the state to respond to existing and future challenges. This initiative will also better restore and protect water quality and public health for disadvantaged communities.

- **Provide Funding Assistance for Vulnerable Communities**

The administration will work with the Legislature to establish a stable, long-term funding source for provision of safe drinking water and secure wastewater systems for disadvantaged communities. The funding will be made available through a framework of statutory authorities for the state, tribes, regional organizations, and county agencies that will assess alternatives for providing safe drinking water and wastewater, including regional consolidation, and to develop, design, implement, operate and manage these systems for small disadvantaged communities impacted by contaminated drinking water and lack of sanitary wastewater infrastructure.

- **Manage the Supply Status of Community Water Systems**

The state will identify drought-vulnerable public water systems and monitor the status of these systems to help prevent or mitigate any anticipated shortfalls in supply and to secure alternative sources of water for the communities when needed. The state will also work with local governments and agencies to identify drought-vulnerable areas served by domestic wells and collaborate to prevent or mitigate any anticipated shortfalls.

8. INCREASE FLOOD PROTECTION

California's exposure to flood risk presents an unacceptable threat to public safety, infrastructure, and our economy. More than 7 million people and \$580 billion in assets are exposed to flood hazards in the state and the lack of sufficient and stable funding for flood management exacerbates the state's risk.

When California floods, public safety and health is endangered, critical infrastructure is damaged, vital services become isolated or interrupted, vast agricultural areas are rendered unproductive, and water supplies are threatened or impacted. The effects of climate change on the state's water runoff patterns will magnify these challenges. Actions by state, local, tribal and regional governments, however, can reduce flood risks and improve

the state's preparedness and resiliency when flooding inevitably occurs. Flood projects done in an integrated, regionally-driven way can also achieve multiple benefits. It is possible through collaborative planning efforts to integrate our flood and water management systems, and implement flood projects that protect public safety, increase water supply reliability, conserve farmlands, and restore ecosystems.

- **Streamline and Consolidate Permitting**

The administration will convene a task force of federal, state and local permitting and flood management agencies, to develop a programmatic regulatory permitting process to replace current site-by-site mitigation requirements and expedite permitting of critical maintenance activities and flood system improvement projects. The effort to streamline and consolidate will also incorporate regional advanced mitigation as a means to expedite planning.

- **Create a Delta Levee Assessment District**

The administration, in consultation with the Delta Protection Commission and the Department of Water Resources, will sponsor legislation establishing a Sacramento-San Joaquin River Delta levee assessment district with authority to collect fees needed to repair and maintain more than 1,000 miles of Delta levees, many of them privately constructed before modern engineering standards were in place.

- **Improve Access to Emergency Funds**

The administration will sponsor legislation revising the California Disaster Assistance Act to enhance the Governor's Office of Emergency Services' ability to advance funds for flood response efforts in close coordination with the Department of Water Resources.

- **Better Coordinate Flood Response Operations**

The Governor's Office of Emergency Services, working in coordination with the Department of Water Resources, the U.S. Army Corp of Engineers, and others, will develop and implement a common interagency protocol that all jurisdictions and agencies at all levels of government operating in the Delta in an emergency will use to establish joint field incident commands for flood operations and other emergency response functions.

- **Prioritize Funding to Reduce Flood Risk and Improve Flood Response**

An estimated \$50 billion is needed to reduce flood risk statewide. The administration will focus on the highest risk areas and develop proposals to fund projects through a combination of financing options.

- **Identify State Funding Priorities for Delta Levees**

The Delta Stewardship Council, in consultation with the Department of Water Resources, the Central Valley Flood Protection Board, the Delta Protection Commission, local agencies, and the California Water Commission, should develop funding priorities for state investments in Delta levees. These priorities will be consistent with the provisions of the Delta Reform Act in promoting effective, prioritized strategic state investments in levee operations, maintenance, and improvements in the Delta for both levees that are a part of the State Plan of Flood Control and non-project levees.

- **Encourage Flood Projects That Plan for Climate Change and Achieve Multiple Benefits**

State agencies engaged in planning and implementing flood projects, such as those outlined in the Central Valley Flood Protection Plan, will factor in the effects of climate change as well as pursue projects that provide the greatest number of benefits in addition to flood and public safety. Projects should be developed in a manner that anticipates the extremes that are predicted to worsen due to climate change, and pursue multiple benefits as a climate adaptation strategy like increasing water supply reliability,

giving rivers more room to move through widening floodways, conserving farmlands, and restoring ecosystems.

9. INCREASE OPERATIONAL AND REGULATORY EFFICIENCY

Efficiently operating the State Water Project and Central Valley Project, while complying with the requirements of state and federal endangered species acts and operating consistent with the conditions of water rights, contracts and other entitlements, is a delicate balancing act. Current coordination efforts, while longstanding and intended to cover a broad range of conditions, do not reflect the entire Delta watershed, nor do they effectively integrate all of the activities that other agencies and organizations are undertaking to improve the ecosystem.

- **Prepare for 2014 and Beyond Through Better Technology and Improved Procedures**

The administration will work with federal and regional counterparts to improve coordination of operations of all major water supply (storage facilities and direct diversions), flood control, hatchery facilities, and habitat restoration projects to improve water supply and fishery conditions. The goals are to improve water project near-term operational flexibility for water year 2014 and build upon those actions in subsequent years. Better technology can result in improved coordination and more accurate data for decision making. Examples of better technology and improved coordination include but are not limited to the following:

- Improve data availability, communication procedures, and analytical methods used to monitor and communicate risks to listed fish species and to water supplies when making regulatory decisions associated with implementation of incidental take provisions in the existing biological opinions.
- Develop a pilot project to test if a new index for Old River and Middle River reverse flows enables compliance with biological opinion requirements.
- Develop and employ new turbidity models to improve real-time turbidity management in the south Delta.
- Analyze through the South Delta Science Collaborative associated operational approaches for minimizing loss of salmon in the area of the Old River barrier and effects of the operations on water supply.
- Develop a Delta smelt life cycle model to help manage operations to avoid entrainment of smelt at the water project's intakes.
- Implement a 3.5-year study to enhance and modernize Delta smelt monitoring (fish abundance and geographic distribution in the Delta), to improve the ability to protect fish populations while minimizing the impacts of fish protective measures on water project operations.
- Work with federal agencies to improve coordination of hatchery fish releases with hydrologic conditions and water project operations to improve fish survival.
- Improve state and federal interagency coordination and water contractor coordination on real-time forecasting and management associated with meeting water quality control objectives, to optimize project operations and avoid redirected fishery impacts.

- Fund and revive the National Hydrological Dataset for California to improve high-quality framework geospatial data and the precision and accuracy of mapping and scientific studies.
- **Improve and Clarify Coordination of State Bay Delta Actions**
The problems affecting the Delta need to be addressed on multiple fronts, including habitat loss, export conveyance, water projects operations, pollution control, and flows. The principal state entities charged with addressing these issues are the Delta Stewardship Council, Department of Water Resources, Department of Fish and Wildlife, and the State Water Resources Control Board. Several federal agencies exercise regulatory authority related to these issues. There are also multiple water districts, private parties, nongovernmental organizations and tribal communities with a profound stake in these issues.

A coordinated approach to managing the Delta is essential to serve the needs of California’s residents. State agencies will commit to using collaborative processes to achieve water supply, water quality and ecosystem goals. This approach embraces enhanced sharing of data, consistent use of peer-reviewed science, coordinated review under the California Environmental Quality Act, improved integration of related processes, and encouragement of negotiated resolutions.

- The Delta Stewardship Council, Department of Water Resources, Department of Fish and Wildlife, and the State Water Resources Control Board will ensure all relevant information is shared and will assist each other, as appropriate, to complete respective efforts to improve Delta conditions.
- State entities will encourage negotiated agreements among interested parties to implement flow and non-flow actions to meet regulatory standards and support all beneficial uses of water. State staff will participate in these processes to the maximum extent possible when requested.
- The Delta Stewardship Council’s Implementation Committee, which includes leaders from all the affected state entities, will meet regularly to review progress in coordination.
- The administration will direct relevant agencies and departments to work with the Delta Science Program, the Interagency Ecological Program, and others conducting science in the Delta to implement the Delta Science Plan, committing resources and funding for shared science to achieve integrated, collaborative and transparent science to enhance water and natural resource policy and management decisions.

10. IDENTIFY SUSTAINABLE AND INTEGRATED FINANCING OPPORTUNITIES

California has a long history of making sound financial investments in water resources. However, our current investments are not keeping pace with the need. Our infrastructure is aging, levees are in need of repair, communities are without safe water, and our environment, farms and economy are suffering from unreliable and degraded water supplies. The effects of climate change will only accelerate the challenges facing our water resources and infrastructure. This plan includes actions that will require multiple funding sources. We have access to a variety of funding sources including federal grants and loans, general obligation bonds, revenue bonds, rate payer dollars, local initiatives, user fees, beneficiary fees, local and statewide taxes, private investment, public-private partnerships, and more. A better understanding of the variety and types of funds and financing available for water investment will help us to make the best, most efficient and sustainable uses of the funding available.

- **Remove Barriers to Local and Regional Funding for Water Projects**

The administration will work to clarify the 1996 Right to Vote on Taxes Act's (Proposition 218) applicability to water related fees and taxes, including sponsoring legislation if necessary.

- **Develop Water Financing Strategy**

The administration will develop a water financing strategy that leverages various sources of water-related project funding and proposes options for eliminating funding barriers, including barriers to co-funding multi-benefit projects. The strategy will identify all potential funding sources for water-related projects including cap and trade auction revenue under AB 32, energy efficiency funds, user and beneficiary fees, polluter fees, local measures, and other sources and will establish principles to guide the use of these funding sources. The strategy will consider measures for energy efficiency and renewable energy to achieve greenhouse gas reductions that would be a co-benefit of water infrastructure investments.

- **Analyze User and Polluter Fees**

The administration will direct agencies to identify areas where user and/or polluter fees may be appropriate. The agencies will assess the following: areas where users may not be fully funding the costs or impacts associated with their use, instances where polluters are not able to diminish their pollution and have not adequately accounted for the impacts of that pollution, and opportunities to use fees to incentivize positive behavior. The agencies will provide recommendations on fees, who would pay them, how they would be collected, and how they would be used.

Conclusion

All Californians have a stake in our water future. These actions set us on a path toward reliability, restoration, and resilience in California water. We must adapt to this “new normal” and recapture California’s resource management leadership and our economic and environmental resilience and reliability. There are no silver bullets or single projects that will “fix the problem.” We must have a portfolio of actions to comprehensively address the challenges this state faces. Some actions must be taken immediately to address current risks such as the looming drought and inadequate safe drinking water. Additionally, over the next five years, we must address fundamental changes in our approach to water resource management and be prepared for the changes the future holds.



Comparison of ACWA’s Statewide Water Action Plan for California and the Brown Administration’s California Water Action Plan

ACWA’s Board of Directors unanimously approved a Statewide Water Action Plan for California on Sept. 27, 2013. Developed by a broad cross-section of member water interests convened by ACWA over several months, the plan outlines 15 actions to improve water supply reliability, protect water rights, protect the integrity of the state’s water system and promote better stewardship. It also includes guiding principles for implementation of the plan to help ensure actions benefit the entire state, respect water rights and contract terms, and reflect a new regulatory approach that can better meet the needs of water users and ecosystems.

ACWA submitted the Statewide Water Action Plan to Governor Brown on Oct. 2, 2013 as the water community’s recommendations for developing the Administration’s water action plan for the state. On January 27, 2014, the California Natural Resources Agency, California Environmental Protection Agency and the California Department of Food and Agriculture released the final California Water Action Plan. Below is a comparison of the two plans.

Key Elements of ACWA’s Statewide Water Action Plan Compared to the Brown Administration’s California Water Action Plan

Actions to Improve Statewide Water Supply

ACWA’s SWAP	California Water Action Plan	Notes
<ul style="list-style-type: none"> ✓ Expand water storage capacity (both surface and groundwater) (pg. 3) 	<ul style="list-style-type: none"> ✓ Expand both surface and ground water storage (pg. 13) ✓ Support funding partnerships for storage projects (pg. 13) 	<ul style="list-style-type: none"> • The Administration’s Plan emphasizes groundwater storage and management opportunities (pg. 13-14), but is not inconsistent with additional surface storage provisions in ACWA’s SWAP. See the groundwater section of this document for the groundwater-related actions. • The storage section in the Administration’s Plan specifically mentions the Sites Project Joint Powers Agreement as an example of collaboration. (pg. 13)

Comparison of ACWA's Statewide Water Action Plan for California and the Brown Administration's California Water Action Plan

ACWA's SWAP	California Water Action Plan	Notes
<ul style="list-style-type: none"> ✓ Invest in water use efficiency and water conservation activities (pp. 3-4) 	<ul style="list-style-type: none"> ✓ Facilitate expansion of existing agricultural and urban water conservation and water use efficiency programs to exceed SBX7 7 targets (pg. 5) ✓ Increase water sector energy efficiency and greenhouse gas reduction capacity (pg. 5) 	<ul style="list-style-type: none"> • The Administration's Plan indicates the State will work with the Legislature to expand funding for water use efficiency programs. Programs must include numeric targets and be designed to achieve state-developed targets and performance measures. (pg. 5) • The Administration's Plan includes additional details in this section on the water-energy nexus. (pg. 5)
<ul style="list-style-type: none"> ✓ Advance regional self-reliance/ Integrated Regional Water Management Plans (pg. 5) 	<ul style="list-style-type: none"> ✓ Streamline permitting for projects to increase local water supplies (pg. 7) ✓ Increase the use of recycled water (pg. 7) ✓ Support and enhance IRWMP program, targeting funding to those projects that result in multi-benefit solutions (pg. 6) ✓ Work more closely to promote land use decisions with sustainable water management (pg. 6) ✓ Provide assistance to disadvantaged communities (pg. 6) 	<ul style="list-style-type: none"> • The Administration's Plan indicates the state will adopt criteria for indirect and direct potable water reuse of recycled water, which is required by SB 918 (Ch. 700 Stat. 2010). ACWA recommended this action in its Groundwater Framework. The Administration also indicated it will seek to consolidate the state's recycling programs in the State Water Resources Control Board. (pg. 7) • ACWA included a recommendation in its Groundwater Framework regarding bridging the gap between land use decisions and sustainable water management. (pg. 31)
<ul style="list-style-type: none"> ✓ Facilitate water transfers (pg. 8) 	<ul style="list-style-type: none"> ✓ The Administration's Plan does not include an action item related to water transfers 	<ul style="list-style-type: none"> • While this action item does not appear in the Administration's Plan, the Administration has indicated voluntary transfers are a priority for California.

Comparison of ACWA's Statewide Water Action Plan for California and the Brown Administration's California Water Action Plan

ACWA's SWAP	California Water Action Plan	Notes
<ul style="list-style-type: none"> ✓ Protect and improve water quality (pp. 5-6) 	<ul style="list-style-type: none"> ✓ Complete consolidation of drinking water and surface and groundwater quality programs; provide long-term funding for disadvantaged communities; identify drought-vulnerable small systems (pg. 15) 	<ul style="list-style-type: none"> • This action in the Administration's Plan transfers the CDPH Drinking Water Program to the State Water Resources Control Board. Originally opposed to this move, ACWA is now working with the Administration to ensure that the transfer does not disrupt this critical program. As noted above, the Administration has indicated the CDPH recycling program will also be consolidated to the Water Board.
<ul style="list-style-type: none"> ✓ Pass a water bond (pg. 7) 	<ul style="list-style-type: none"> ✓ Develop water financing strategy to identify all potential sources of revenue. Mentions general obligation (G.O.) bond as one financing opportunity, along with federal grants and loans, cap and trade auction revenue, revenue bonds, fees, taxes, private investments etc. (pg. 19) ✓ Review changes needed to Prop. 218 that would allow water agencies to assess funds for sustainable water management (pg. 18) ✓ Analyze user and polluter fees (pg. 19) 	<ul style="list-style-type: none"> • The Administration's Plan lays the foundation for possible agreement on the 2014 water bond and clearly contemplates going beyond G.O. Bond financing of public benefits in the future. • The Administration's Plan also includes cap-and-trade auction revenue as a potential funding source and language about energy efficiency measures that would be a co-benefit of water infrastructure investments.

Actions to Protect Water Rights

ACWA's SWAP	California Water Action Plan	Notes
<ul style="list-style-type: none"> ✓ Respect area of origin commitments (pg. 4) 	<ul style="list-style-type: none"> ✓ Includes a statement in the operational and regulatory efficiency section that states "efficiently operating the State Water Project and Central Valley Project, while complying with the requirements of state and federal endangered species acts and operating consistent with the 	<ul style="list-style-type: none"> • ACWA will continue advocating to the Administration to satisfy the water supply assurances commitments of the SWAP.

Comparison of ACWA's Statewide Water Action Plan for California and the Brown Administration's California Water Action Plan

ACWA's SWAP	California Water Action Plan	Notes
	conditions of water rights, contracts and other entitlements, is a delicate balancing act." (pg. 17)	
✓ Ensure that reservoirs are not operated to "dead pool" as a result of state regulations or actions (pp. 4-5)	✓ Does not include specific actions that address the operational concerns related to this issue, although the Administration's Plan does state in the <i>Manage and Prepare for Dry Periods</i> section that state and federal agencies will implement a series of administrative solutions to make water delivery decisions and propose options in extreme conditions (pg. 12)	<ul style="list-style-type: none"> • The Administration has acknowledged the issue, and ACWA and its affected members will continue working on efforts to address it with State agencies.

Actions to Protect the Integrity of the System

ACWA's SWAP	California Water Action Plan	Notes
✓ Complete a Bay Delta Conservation Plan, consistent with the Statewide Water Action Plan (pg. 6)	<ul style="list-style-type: none"> ✓ Complete the current Bay Delta Conservation Plan. Once the BDCP is permitted, it will become part of the Delta Plan (pg. 8) ✓ Identify improvement and restoration projects based in part on priority areas listed in the Delta Stewardship Council's (DSC's) Delta Plan (pp. 8-9) 	<ul style="list-style-type: none"> • The Administration's Plan indicates many of the actions build on the priorities in the DSC's Delta Plan and directs all relevant agencies to fully participate in the Delta Plan Implementation Committee and to work with the Delta Science Program. (pg. 8)
✓ Continue to support DWR's Delta Levee Maintenance and Special Projects programs (pg. 6)	<ul style="list-style-type: none"> ✓ Continue implementation of the Delta Levee Subventions, Delta Special Projects and Floodway Corridor Programs (pg. 9) ✓ Develop prioritization plan for state investments in Delta levees (pg. 16) 	<ul style="list-style-type: none"> • ACWA's SWAP says that DSC should complete its levee prioritization plan by July 1, 2014. (pg. 6) • The Administration's Plan does not include a deadline for the completion of a prioritization plan.
✓ Prepare for emergencies to protect public safety (pg. 6-7)	✓ Develop funding, streamline permitting and coordinate response protocols to	<ul style="list-style-type: none"> • The Administration's Plan and SWAP appear to be in conformance on this issue.

Comparison of ACWA's Statewide Water Action Plan for California and the Brown Administration's California Water Action Plan

ACWA's SWAP	California Water Action Plan	Notes
	<p>reduce flood risk and impacts (pg. 16)</p> <p>✓ Encourage flood projects that plan for climate change and achieve multiple benefits (pg. 16)</p>	
<p>✓ Improve and expand groundwater management (pp. 7-8)</p>	<p>✓ Update Bulletin 118 (pg. 14)</p> <p>✓ Outline strategy for sustainable groundwater management (pg. 14)</p> <p>✓ Support and expand the California Statewide Groundwater Elevation Monitoring (CASGEM) program (pg. 13)</p> <p>✓ Advance groundwater quality improvements (pg. 12)</p> <p>✓ Increase statewide groundwater recharge (pg. 14)</p>	<ul style="list-style-type: none"> • The recommendations on page 13-14 were in the storage section, renamed to reflect action on groundwater management. • Many of the groundwater recommendations are similar to ACWA's Groundwater Framework. • The Administration's plan suggests action by the state when local or regional entities have not made sufficient progress.

Actions to Promote Better Stewardship

ACWA's SWAP	California Water Action Plan	Notes
<p>✓ Invest in headwaters management to sustain the environment and improve statewide water quality and supply. Areas include climate change, legacy issues and meadow restoration. (pg. 5)</p>	<p>✓ Manage Headwaters for Multiple Benefits through sound forest management meadow restoration, and expanded funding for strategically important watersheds (pg. 9)</p>	<ul style="list-style-type: none"> • This section includes new actions on headwaters investments. This addition is consistent with ACWA's comment letter.
<p>✓ Coordinate state and federal regulatory actions (pg. 8)</p> <p>✓ New regulatory approach needed (pg. 2)</p>	<p>✓ Improve and clarify coordination of State Bay Delta actions (pg. 18)</p> <p>✓ Working Together and Continued Collaboration is Essential (pg. 4)</p>	<ul style="list-style-type: none"> • The final version focuses more on collaboration, including actions the state will take to initiate efforts with other partners. • The Administration's Plan opens the door to a more collaborative approach to regulation, but there will be a lot of "devil in the details."
<p>✓ Bay Delta Water Quality Control Plan: Implement flow regulations through a collaborative, science-based process that protects</p>	<p>✓ Complete the Bay Delta Water Quality Control Plan establishing requirements, recommended actions and balancing competing uses of water (pg. 9)</p>	

Comparison of ACWA's Statewide Water Action Plan for California and the Brown Administration's California Water Action Plan

ACWA's SWAP	California Water Action Plan	Notes
beneficial uses and public trust balancing (pg. 7)		

Additional Actions

ACWA SWAP	California Water Action Plan	Notes
<ul style="list-style-type: none"> ✓ The ACWA SWAP did not specify in its document restoration projects for individual areas or watersheds 	<ul style="list-style-type: none"> ✓ Implement actions for San Joaquin River, Salton Sea, Klamath Basin, Lake Tahoe and Coastal watershed restoration (pp. 10-11) ✓ Develop and implement managed wetlands program (pg. 11) ✓ Address fish passage at California's rim dams (pg. 11) ✓ Enhance flows statewide in at least five streams that support critical habitat for anadromous fish (pg. 12) 	<ul style="list-style-type: none"> • Allocation of effort and funds among California headwaters and watersheds will require the active involvement of ACWA members during implementation.
<ul style="list-style-type: none"> ✓ While climate change was mentioned in the context of a major policy challenge for sustainable water system (pg. 1), the SWAP did not include specific actions related this issue or the water-energy nexus 	<ul style="list-style-type: none"> ✓ The Administration will continue to work with water/wastewater agencies and energy utilities on water-energy nexus education programs (pg. 5) ✓ The Administration will work with the Legislature to eliminate barriers to co-funding and expand/prioritize funding projects with water and energy benefits (pg. 5) 	<ul style="list-style-type: none"> • The Administration's Plan calls out the Global Warming Solutions Act (AB 32) and the role of water conservation and efficiency in reducing energy needed to pump, transport, treat and deliver water (pg. 5) • The addition of these actions and other energy-related items throughout the document illustrate the increased overall focus on the impacts on water policy of climate change and energy use/generation.

**For additional information, please contact Danielle Blacet, ACWA Special Projects Manager, at 916-441-4545 or danielleb@acwa.com.



January 30, 2014

To: Statewide Water Action Plan Principals Group
Statewide Water Action Plan Drafting Team

Copies: Tim Quinn, Cindy Tuck

From: Danielle Blacet

Re: Final California Water Action Plan

The California Natural Resources Agency, the California Environmental Protection Agency, and the California Department of Food and Agriculture on January 27 released the final [California Water Action Plan](#), laying out goals and a vision for the next five years. According to the press release, “The plan will guide state efforts to enhance water supply reliability, restore damaged and destroyed ecosystems, and improve the resilience of our infrastructure.”

This memo provides a snapshot of the key additions/changes between the October 31, 2013 draft and final versions of the Action Plan. In addition, we provide details on whether elements of ACWA’s November 21, 2013 comment letter were incorporated into the final Action Plan.

Overall, the final Action Plan retains the same structure and goals including the same ten action “elements,” although the wording in several of them has been revised or expanded. One example is *Expand Water Storage Capacity* has been revised to *Expand Water Storage Capacity and Improve Groundwater Management* (page 13). The final Action Plan also includes Governor Brown’s statement regarding the Action Plan from his State of the State Speech as the preface to the document.

KEY ADDITIONS/CHANGES

Increased Focus on Collaboration

The introduction features a new section titled *Working Together and Continued Collaboration is Essential* (page 4). While it mainly incorporates language from different sections of the draft document, it does call out that the Action Plan was not created to replace local efforts but to complement and leverage them. Additionally, in many sections of the document there is new text referencing the State’s plans to collaborate and/or partner with local, regional and federal entities. This is consistent with ACWA’s recommendations.

New Action on Headwaters Investments

Also consistent with comments on the initial draft, the final Action Plan includes a new action on Managing Headwaters for Multiple Benefits in the *Protect and Restore Important Ecosystems* section

(page 9). The action includes three main objectives: restore forest health through ecologically sound forest management, protect and restore meadow ecosystems and support and expand funding for protecting strategically important lands within watersheds. Within this section there is also a new action item regarding the continuation of restoration efforts in the Lake Tahoe Basin.

New Storage Actions

The final Action Plan includes a new reference to working with local partners on feasibility studies for storage projects (page 13). The Sites Project Joint Powers Agreement is provided as an example of a potential emerging partnership to determine the feasibility of building Sites Reservoir.

In addition, the storage section contains two new actions, both of which are related to groundwater (page 13-14):

- The Administration will expand and fund the California Statewide Groundwater Elevation Monitoring Program (CASGEM)
- The Administration will work with the Legislature to provide incentives for actions that increase groundwater recharge and discourage actions that cause groundwater basin overdraft. This action item also includes a reference to aligning land use planning with groundwater recharge, which was a recommendation in the Groundwater Framework.

Increased Focus on Energy and Climate Change

The final Action Plan includes new text and actions throughout the document addressing the impacts of climate change and the water-energy nexus. Some of the highlights are:

- The Administration will continue to work with water/wastewater agencies and energy utilities on water-energy nexus education programs (page 5)
- The Administration will work with the Legislature to eliminate barriers to co-funding and expand/prioritize funding projects with water and energy benefits (page 5)
- The final Action Plan calls out the Global Warming Solutions Act (AB 32) and the role of water conservation and efficiency in reducing energy needed to pump, transport, treat and deliver water (page 5)
- The Administration's financing strategy will identify all potential funding sources for water-related projects including cap and trade auction revenue under AB 32 and energy efficiency funds (page 19)

Revised Flood Protection Actions

The final Action Plan includes a new action encouraging flood projects that plan for climate change and achieve multiple benefits. (page 16) In addition, the final Action Plan does not include the bullet indicating that the Administration would review Proposition 218 to exempt certain flood management agencies as public safety utilities.

Water Transfers

The Streamline Water Transfers action is not in the final Action Plan (it was previously in the *Manage and Prepare for Dry Periods* section). Staff is working to determine the reason for this change.

Operational and Regulatory Efficiency

The final Action Plan includes a new action indicating that the Administration will direct relevant agencies and departments to work with the Delta Science Program, Interagency Ecological Program and others conducting science in the Delta to implement the Delta Science Plan and ensure the State uses integrated, collaborative and transparent science to inform water and natural resource policy and management decisions (page 18). This is consistent with the third principle in ACWA's Statewide Water Action Plan (page 2).

ACWA COMMENT LETTER

ACWA submitted comments on the draft Action Plan on November 21, 2013. We requested that additional language be included on water supply assurances, headwaters, state and federal agency collaboration and the water bond. We also asked the State to develop an aggressive implementation plan once the Administration finalized the Action Plan.

As noted above, the final Action Plan includes additional language on headwaters and increased collaboration. The 2014 water bond is not mentioned in the final plan, and there was no additional text included on water supply assurances.

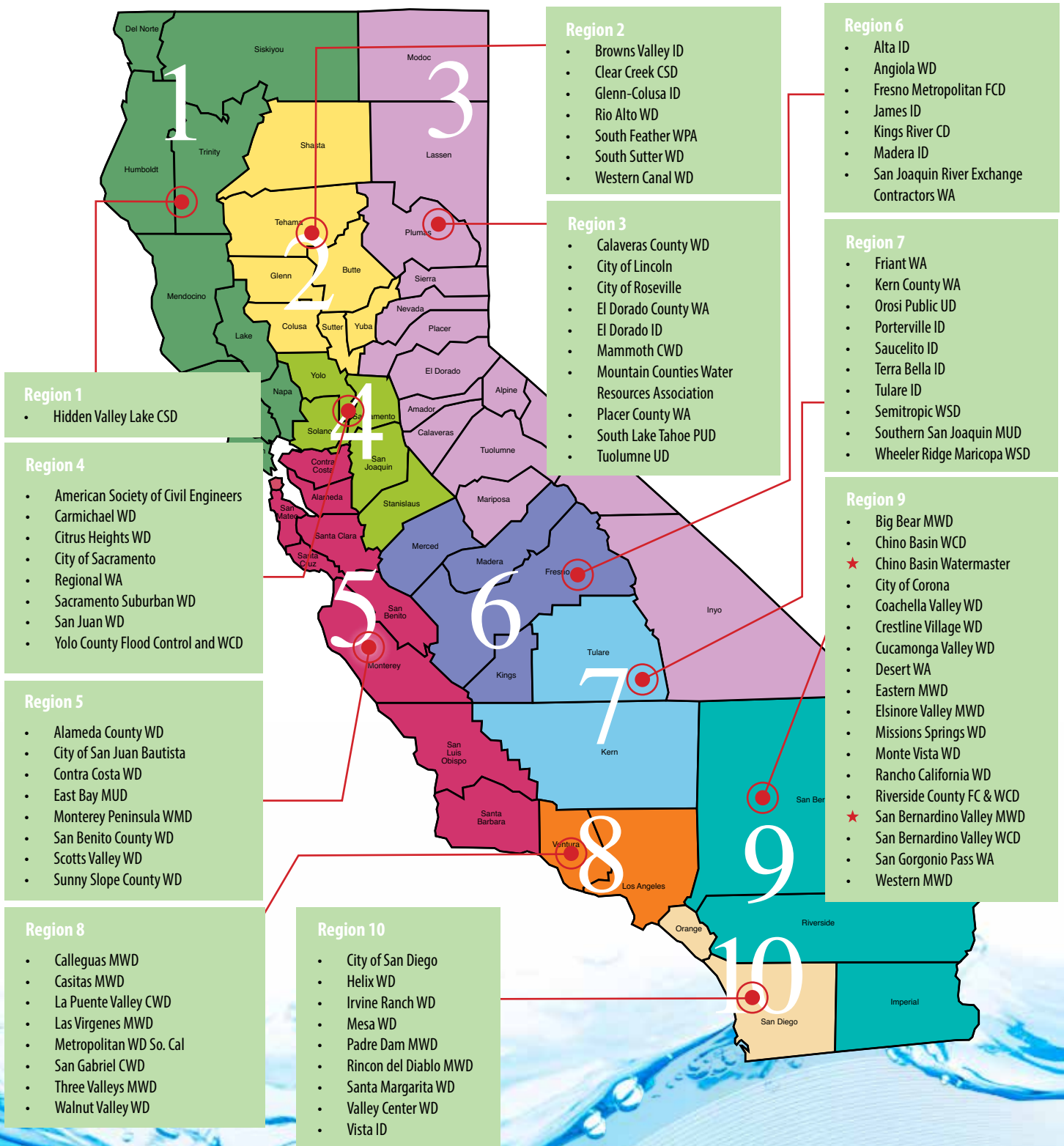
NEXT STEPS

We will continue to provide information and updates regarding ACWA's efforts to work with the Administration on the implementation of the California Water Action Plan consistent with ACWA's Statewide Water Action Plan. As noted in our November 21 comment letter, we plan to actively engage and partner with the State on the development of specific actions related to storage (both for large and distributed surface and groundwater projects), water transfers, Integrated Regional Water Management Plans, operational concerns including those related to the "dead pool" challenge, groundwater management and consolidation of the water quality programs.

Please let me know if you have any questions. Thank you for your continued leadership on this issue.

ACWA's Statewide Water Action Plan Supporters

As of January 24, 2014, the following organizations have adopted support resolutions or sent letters of support for ACWA's Statewide Water Action Plan organized by ACWA region.





Dublin San Ramon Services District
Summary & Recommendation

Reference Organizational Services Manager	Type of Action Second Reading/Adopt Ordinance	Board Meeting of February 18, 2014
Subject Second Reading: Adopt Ordinance Repealing and Replacing Chapter 6.10 (Personnel Merit System) of the District Code		
<input checked="" type="checkbox"/> Motion	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Resolution
<input checked="" type="checkbox"/> Ordinance	<input type="checkbox"/> Informational	<input type="checkbox"/> Other
REPORT:	<input type="checkbox"/> Verbal	<input type="checkbox"/> Presentation
<input checked="" type="checkbox"/> Staff	M. Gallardo	<input type="checkbox"/> Board Member

Recommendation:

The Organizational Services Manager recommends the Board of Directors waive, by Motion, the second reading of an Ordinance repealing Chapter 6.10 (Personnel Merit System) of the District Code and replacing Chapter 6.10 (Personnel Merit System) to the District Code; and adopt the Ordinance.

Summary:

The first reading of the Ordinance was conducted at the February 4, 2014 Board meeting. District staff has over the past several months worked to revise and modify, consistent with the provisions of Government Code Section 61000 – 61226.5, Chapter 6.10 of the District Code (Personnel Merit System). The proposed Code is being presented to the Board for adoption by Ordinance.

The revisions and modifications proposed are consistent with the Government Code and generally seek to simplify and reorganize the District Code, while making other non-substantive changes. Where appropriate, and as provided for by law, certain employment related provisions and statements have been removed from the District Code. Generally, unless no longer applicable to District operations, the provisions and statements remain in the District Personnel Rules or other related procedures and/or policies, as well as Memoranda of Understanding.

Attached is a red-lined version of Chapter 6.10 highlighting the proposed changes. A public notice was published for this item. Copies of the proposed Code are available for public review at the District Office Library.

Committee Review			Legal Review	Staff Review		
COMMITTEE ---	DATE ---	RECOMMENDATION ----	Yes	ORIGINATOR M. Gallardo	DEPARTMENT Organizational Services	REVIEWED BY
ATTACHMENTS <input type="checkbox"/> None						
<input type="checkbox"/> Resolution	<input type="checkbox"/> Minute Order	<input type="checkbox"/> Task Order	<input type="checkbox"/> Staff Report	<input checked="" type="checkbox"/> Ordinance		
<input checked="" type="checkbox"/> Cost \$0	<input type="checkbox"/> Funding Source A. B.	Attachments to S&R 1. Original Code language with proposed revision markups 2. 3.				

ORDINANCE NO. ____

ORDINANCE OF DUBLIN SAN RAMON SERVICES DISTRICT REPEALING AND REPLACING CHAPTER 6.10, SECTION 6.10.010 OF ITS DISTRICT ORDINANCE CODE TO UPDATE THE DEFINITION, PURPOSE, ADMINISTRATION AND POSITIONS COVERED BY THE PERSONNEL MERIT SYSTEM

WHEREAS, the District Ordinance Code was recodified on November 2, 2010 in its entirety; and

WHEREAS, Chapter 6.10 of the District Ordinance Code provides the regulations of the Personnel Merit System; and

WHEREAS, Section 6.10.010 of the District Ordinance Code currently provides the definition, purpose, administration and positions covered by the Personnel Merit System; and;

WHEREAS, one of the primary purposes of Section 6.10.010 of the District Ordinance Code is to adopt a personnel merit system which supports recruitment and retention of the best qualified persons available for service with the District, to promote and increase economy and efficiency in the service of the District, and to provide a comprehensive personnel system for the District classified service; and

WHEREAS, Section 61051(b) of the Community Services District Law grants the General Manager the power and duty to appoint, supervise, discipline and dismiss District employees consistent with the employee relations system established by the Board as authorized by Section 61065(b) of that Law; and

WHEREAS, the current definition of the term “classified service” in District Code Section 6.10.010A currently exempts several categories of “employees” from the District’s classified service; and

WHEREAS, the Board desires to instead include Senior Managers, and any other position that may be expressly exempted by the Board, in the list of offices, employments, and positions exempted from classified service, as specified in District Code Section 6.10.010D; and

WHEREAS, pursuant to Sections 25128 and 61060 of the Government Code, three (3) copies of the proposed revised Sections 6.10.010 of the District Ordinance Code have been on file in the office of the District Secretary since January 27, 2014 and available for use and examination by the public during regular business hours.

Ord. No. _____

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of Dublin San Ramon Services District as follows:

SECTION 1. Section 6.10.010 of the District Ordinance Code, titled “Regulations,” is hereby repealed and replaced by the new Section 6.10.010, titled “Regulations,” in the form in which it appears in Exhibit 1. Notwithstanding the preceding sentence, wherever a provision of the new Section 6.10.010 is substantially the same as the previous version of Section 6.10.010, the provision shall be deemed to be a continuation of the previous version of the provision and not a new enactment.

SECTION 2. In the event that any section, sub-section, sentence, clause or phrase of this Ordinance, or the amendments to the District Ordinance Code enacted hereby, shall be adjudged or declared unconstitutional, illegal, and/or invalid by a court of competent jurisdiction, all other sections, sub-sections, sentences, clauses, or phrases hereof not so adjudged or declared shall remain in full force and effect.

SECTION 3. This Ordinance will be effective March 20, 2014.

ADOPTED by the Board of Directors of Dublin San Ramon Services District at its regular meeting held on the 18th day of February 2014, by the following vote:

AYES:

NOES:

ABSENT:

Georgean M. Vonheeder-Leopold, President

ATTEST:

Nancy G. Hatfield, District Secretary

Chapter 6.10 PERSONNEL MERIT SYSTEM

Sections:

[6.10.010](#) Regulations.

6.10.010 Regulations.

A. Definitions. In this chapter, the following definitions apply:

“**Classified service**” means all employees of the District unless expressly excluded by this Code.

“**Personnel rules**” means the set of rules formulated by the General Manager to implement this chapter.

B. Purpose. A personnel merit system is adopted to accomplish the following purposes:

1. To recruit and retain the best qualified persons available for service with the District.
2. To promote and increase economy and efficiency in the service of the District.
3. To provide a comprehensive personnel system for the District classified service, so that:
 - a. The appointment of persons to, the transfer, promotion, demotion and suspension of persons in, and the separation of persons from that service is effected solely on the basis of merit, fitness and efficiency, and without regard to the individual’s actual or perceived race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation or other legally protected classification.
 - b. Positions involving comparable duties and responsibilities will be similarly classified and compensated.
 - c. Tenure of employment is subject to satisfactory performance of duties and responsibilities and the appropriation of sufficient funds.

C. Administration of the System. The General Manager shall administer the personnel system specified in this chapter and is responsible for seeing that the policies of the chapter are implemented and enforced. The General Manager shall formulate and approve personnel rules and revisions implementing this chapter. The General Manager shall formulate a classification plan consisting of job classifications of all District positions, titles, salaries, and job descriptions that shall be approved by the Board.

The General Manager shall formulate and maintain a compensation plan specifying all steps of salary for all classifications, which shall be in conformance with compensation specified in applicable MOUs, Personal Services Agreements (PSAs) or any other document duly approved by the Board.

The plans, rules, programs or amendments formulated by the General Manager shall have the same legal effect as if a part of this chapter. In cases of conflicting language, the applicable memorandum of understanding shall supersede the language in this document.

D. Positions Covered by the System. This chapter applies to each office, employment and position in the District, except as follows:

1. Elected positions.
2. The General Manager.
3. Senior Manager classification(s)
4. District Secretary and/or Treasurer.
5. Members of any appointed board, commission or committee.
6. Any person engaged under personal services agreement or other contract to supply expert, professional, technical or other services
7. Volunteer personnel.
8. Student interns or temporary personnel, as defined in the District Personnel Rules.
9. Any other position that may be expressly exempted by the Board.

E. Grounds for Discipline. The General Manager may take disciplinary actions including suspension, dismissal, demotion or other punitive action against any employee in the classified service. The employee shall receive written notice stating the cause for such action, in accordance with the procedure established in the personnel rules. The disciplinary action shall be for good cause, including but not limited to the reasons listed in the personnel rules formulated by the General Manager.

1. Grounds for disciplinary action may include but are not limited to:
 - a. Fraud, misrepresentation of fact, or concealment in securing appointment.
 - b. Incompetence and/or inefficiency (i.e., failure to skillfully perform job functions).
 - c. Inexcusable neglect of duty; refusal to accept overtime assigned as necessary to meet District needs when time or service are of the essence.
 - d. Insubordination, including improper conduct toward a supervisor or refusal to perform tasks assigned by a supervisor in the appropriate manner.
 - e. Dishonesty.

- f. Possession, distribution, sale, use, or being under the influence of alcoholic beverages or illegal drugs while on District property, while on duty, or while operating a vehicle on District business.
 - g. Unauthorized, unjustified, or excessive absence including abuse of any of the District's policies or procedures relating to leaves of absence, including repeated tardiness.
 - h. Convictions for certain felonies and misdemeanor offenses.
 - i. Any conduct that injures or threatens injury to the District's interests or those of its employees or of the public it serves.
 - j. Disobedience of safety rules, regulations, policies, practices, house rules, and procedures including the wearing of safety equipment as directed; any action that indicates a lack of concern for injury to self or others.
 - k. Misusing, destroying, or damaging property of the state, city, county, District, another employee or a District visitor.
 - l. Violation of District personnel policies and rules.
 - m. Any other failure of good behavior or acts during duty hours that are incompatible with public service.
 - n. Failure to maintain a valid California motor vehicle driver's license and a good driving record in accordance with District insurability requirements.
 - o. Theft or unauthorized removal or possession of property from the District, other employees, or anyone else.
 - p. Actual or threatened physical violence towards another employee.
 - q. Possession or use of dangerous or unauthorized materials, such as explosives, firearms, or other similar items, while on District property, while on duty, or while operating a vehicle leased or owned by the District.
 - r. Harassment of another employee.
 - s. Any other reasons listed in the personnel merit system.
2. Grounds for suspension, with or without pay, may include but are not limited to:
- a. Disciplinary reasons as stated.
 - b. During an investigation period.

- c. In anticipation of the result of an investigation of charges against an employee.
- d. An emergency situation in which the employee's continued presence at work would do harm to the individual, to other District employees, or to the general public.

In the event charges brought against an employee are dismissed for insufficient evidence or if an employee is cleared of all charges as a result of the investigation, the employee shall suffer no loss of pay or other benefits for the period of the suspension.

F. Appeals.

1. Appeals of Dismissals, Demotions, and Suspensions.

a. Any regular, non-probationary employee in the classified service may appeal a decision by the General Manager to dismiss, demote, or suspend that employee. The appeal, which must include a request to invoke nonbinding arbitration, shall be filed with the General Manager in writing, within 10 calendar days from the date of the notice of the disciplinary action. Failure to timely submit an appeal shall be deemed a waiver of the right to an appeal and the disciplinary action imposed by the General Manager shall become final.

b. On or after the date that an appeal is received, the District will request the State Mediation and Conciliation Service or the American Association of Arbitrators to provide a list of seven impartial persons to act as a hearing officer. A copy of the list shall be provided to the employee and/or the employee's representative. Representatives of the two parties shall meet or confer by telephone within 10 calendar days after receipt of the list to select a hearing officer. If the parties are unable to mutually agree to a hearing officer from the list, then the parties shall alternately strike names from the list until one name remains and that person shall be the duly selected hearing officer. The procedure to determine who strikes the first name shall be determined by lot. If either party refuses to participate in the selection process, the other party shall select the hearing officer from the list.

c. Upon conclusion of the evidentiary hearing, the hearing officer shall provide the General Manager and the employee and the employee representative, if any, with copies of his/her decision on the merits of the appeal with references to, and a discussion of, the evidence supporting the decision. The hearing officer's decision shall be advisory only and is nonbinding on either party.

d. After the hearing officer's decision is issued, either party may request review of that decision by the District's Board of Directors. Any request for review must be made within 30 calendar days of the date of the hearing officer's decision. If neither party requests review of the hearing officer's decision by the Board of Directors, then the hearing officer's decision shall be final.

e. The hearing officer's fees and expenses of any appeal under this section shall be borne equally by the parties. If either party requires a transcript of the hearing before the hearing officer, that party shall bear the entire cost of such transcript.

f. In the event of review of the hearing officer's decision by the Board of Directors, each party may submit a written statement or argument regarding the hearing officer's opinion. This written statement or argument shall not exceed five pages in length. Any decision by the Board of Directors shall be based solely on the record established during the hearing. No new evidence will be allowed and a new hearing shall not be conducted before the Board of Directors. The Board of Directors shall review the record and render a decision within 60 calendar days of receipt of a request for Board review. Any decision by the District's Board of Directors shall be final.

g. No employee shall be subject to harassment, discrimination, or any reprisal for utilizing any part of this appeal process.

h. The timeline set forth in this appeal process may be extended by mutual agreement of the parties.

The appeals process as outlined above may change if necessary to remain compliant with federal, state, and local laws.

2. Appeals to the General Manager. Any of the actions listed below may be appealed within 10 calendar days after the action, by filing a written appeal with the General Manager:

a. Rejection of an application of a regular, non-probationary District employee for an examination, or disqualification of a regular non-probationary District employee in any portion of an examination.

b. Refusal by the General Manager to place the name of a District employee on an eligibility list.

c. Allocation of an employee position from one class to another class.

The General Manager shall establish procedures for reviewing the preceding appeals. The decision of the General Manager with regard to any such appeal is final and binding. Within 10 calendar days of making a decision, the General Manager shall submit a written statement to the District's Board of Directors that includes a summary of the nature of the appeal, the findings of fact, and any actions taken in response to the appeal. A copy of this written statement shall be provided to the appellant.

G. Incompatible Activities. An employee in the classified service shall not engage in any outside employment, activity or enterprise if it:

1. Involves the use for private gain or advantage of District-compensated employee time or District facilities, equipment and supplies, or the badge, uniform, prestige or influence of the employee's office or employment.
2. Involves receipt or acceptance by the employee of any money or other consideration from anyone other than the District for the performance of an act which the employee, if not performing the act, would be required or expected to render in the regular course or hours of the employee's employment or as a part of his/her duties as a District employee.
3. Involves participation in any political activity prohibited by pertinent provisions of state and/or federal law.
4. Involves divulging confidential information to anyone to whom issuance of such information has not been authorized.
5. Involves participation in any employment or other activity which interferes with the effective performance of his/her job duties with the District or adversely affects the productivity, effective performance, or the health and safety of the employee or individuals with whom he/she works.
6. Employee organizations.

Employees of the classified service may join employee organizations of their own choice in accordance with the California Government Code. Such employees also have the right to refuse to join or participate in the activities of employee organizations. Each employee has the right to represent himself or herself individually in employment relations with the District. An employee shall not be discriminated against, granted preferential treatment, or have equitable treatment withheld because of either membership or non-membership in an employee organization. [Ord. 74, 1969; Ord. 118, 1975; Ord. 130, 1977; Ord. 188, 1984; Ord. 270, 1996; Ord. 273, 1997; Ord. 282, 1998; Ord. 320, 2007; Ord. 327, 2010; Ord. __, 2014]

Chapter 6.10 PERSONNEL MERIT SYSTEM

Sections:

[6.10.010](#) Regulations.

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“**Classified service**” means all employees of the District unless expressly excluded by this Code. ~~except: elected officials; the General Manager; Senior Managers; District Secretary; District Treasurer; members of any appointed board, commission or committee; any person engaged under contract or personal services agreement to supply expert, professional, technical or other services; volunteer personnel; and student interns or temporary personnel, as defined in the District personnel rules.~~

“**Personnel rules**” means the set of rules formulated by the General Manager to implement this chapter.

B. Purpose. A personnel merit system is adopted to accomplish the following purposes:

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 - a. The appointment of persons to, the transfer, promotion, demotion and suspension of persons in, and the separation of persons from that service is effected solely on the basis of merit, fitness and efficiency, and without regard to the individual’s actual or perceived race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, ~~or~~ sexual orientation or other legally protected classification.
 - b. Positions involving comparable duties and responsibilities will be similarly classified and compensated.
 - c. Tenure of employment is subject to satisfactory performance of duties and responsibilities and the appropriation of sufficient funds.

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3. Senior Manager classification(s)
- ~~4~~3. District Secretary and/or Treasurer ~~with respect to their duties to the Board.~~
- ~~5~~4. Members of any appointed board, commission or committee.
- ~~6~~5. Any person engaged under personal services agreement or other contract to supply expert, professional, technical or other services.
- ~~7~~6. Volunteer personnel.
- ~~8~~7. Student interns or temporary personnel, as defined in the District Personnel Rules.
9. Any other position that may be expressly exempted by the Board.

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 - c. Inexcusable neglect of duty; refusal to accept overtime assigned as necessary to meet District needs when time or service are of the essence.

- d. Insubordination, including improper conduct toward a supervisor or refusal to perform tasks assigned by a supervisor in the appropriate manner.
- e. Dishonesty.
- f. Possession, distribution, sale, use, or being under the influence of alcoholic beverages or illegal drugs while on District property, while on duty, or while operating a vehicle on District business.
- g. Unauthorized, unjustified, or excessive absence including abuse of any of the District's policies or procedures relating to leaves of absence, including repeated tardiness.
- h. Convictions for certain felonies and misdemeanor offenses.
- i. Any conduct that injures or threatens injury to the District's interests or those of its employees or of the public it serves.
- j. Disobedience of safety rules, regulations, policies, practices, house rules, and procedures including the wearing of safety equipment as directed; any action that indicates a lack of concern for injury to self or others.
- k. Misusing, destroying, or damaging property of the state, city, county, District, another employee or a District visitor.
- l. Violation of District personnel policies and rules.
- m. Any other failure of good behavior or acts during duty hours that are incompatible with public service.
- n. Failure to maintain a valid California motor vehicle driver's license and a good driving record in accordance with District insurability requirements.
- o. Theft or unauthorized removal or possession of property from the District, other employees, or anyone else.
- p. Actual or threatened physical violence towards another employee.
- q. Possession or use of dangerous or unauthorized materials, such as explosives, firearms, or other similar items, while on District property, while on duty, or while operating a vehicle leased or owned by the District.
- r. Harassment of another employee.
- s. Any other reasons listed in the personnel merit system.

2. Grounds for suspension, with or without pay, may include but are not limited to:
 - a. Disciplinary reasons as stated.
 - b. During an investigation period.
 - c. In anticipation of the result of an investigation of charges against an employee.
 - d. An emergency situation in which the employee's continued presence at work would do harm to the individual, to other District employees, or to the general public.

In the event charges brought against an employee are dismissed for insufficient evidence or if an employee is cleared of all charges as a result of the investigation, the employee shall suffer no loss of pay or other benefits for the period of the suspension.

F. Appeals.

1. Appeals of Dismissals, Demotions, and Suspensions.
 - a. Any regular, non-probationary employee in the classified service may appeal a decision by the General Manager to dismiss, demote, or suspend that employee. The appeal, which must include a request to invoke nonbinding arbitration, shall be filed with the General Manager in writing, within 10 calendar days from the date of the notice of the disciplinary action. Failure to timely submit an appeal shall be deemed a waiver of the right to an appeal and the disciplinary action imposed by the General Manager shall become final.
 - b. On or after the date that an appeal is received, the District will request the State Mediation and Conciliation Service or the American Association of Arbitrators to provide a list of seven impartial persons to act as a hearing officer. A copy of the list shall be provided to the employee and/or the employee's representative. Representatives of the two parties shall meet or confer by telephone within 10 calendar days after receipt of the list to select a hearing officer. If the parties are unable to mutually agree to a hearing officer from the list, then the parties shall alternately strike names from the list until one name remains and that person shall be the duly selected hearing officer. The procedure to determine who strikes the first name shall be determined by lot. If either party refuses to participate in the selection process, the other party shall select the hearing officer from the list.
 - c. Upon conclusion of the evidentiary hearing, the hearing officer shall provide the General Manager and the employee and the employee representative, if any, with copies of his/her decision on the merits of the appeal with references to, and a discussion of, the evidence supporting the decision. The hearing officer's decision shall be advisory only and is nonbinding on either party.

d. After the hearing officer's decision is issued, either party may request review of that decision by the District's Board of Directors. Any request for review must be made within 30 calendar days of the date of the hearing officer's decision. If neither party requests review of the hearing officer's decision by the Board of Directors, then the hearing officer's decision shall be final.

e. The hearing officer's fees and expenses of any appeal under this section shall be borne equally by the parties. If either party requires a transcript of the hearing before the hearing officer, that party shall bear the entire cost of such transcript.

f. In the event of review of the hearing officer's decision by the Board of Directors, each party may submit a written statement or argument regarding the hearing officer's opinion. This written statement or argument shall not exceed five pages in length. Any decision by the Board of Directors shall be based solely on the record established during the hearing. No new evidence will be allowed and a new hearing shall not be conducted before the Board of Directors. The Board of Directors shall review the record and render a decision within 60 calendar days of receipt of a request for Board review. Any decision by the District's Board of Directors shall be final.

g. No employee shall be subject to harassment, discrimination, or any reprisal for utilizing any part of this appeal process.

h. The timeline set forth in this appeal process may be extended by mutual agreement of the parties.

The appeals process as outlined above may change if necessary to remain compliant with federal, state, and local laws.

2. Appeals to the General Manager. Any of the actions listed below may be appealed within 10 calendar days after the action, by filing a written appeal with the General Manager:

a. Rejection of an application of a regular, non-probationary District employee for an examination, or disqualification of a regular non-probationary District employee in any portion of an examination.

b. Refusal by the General Manager to place the name of a District employee on an eligibility list.

c. Allocation of an employee position from one class to another class.

The General Manager shall establish procedures for reviewing the preceding appeals. The decision of the General Manager with regard to any such appeal is final and binding. Within 10 calendar days of making a decision, the General Manager shall submit a written statement to the

District's Board of Directors that includes a summary of the nature of the appeal, the findings of fact, and any actions taken in response to the appeal. A copy of this written statement shall be provided to the appellant.

G. Incompatible Activities. An employee in the classified service shall not engage in any outside employment, activity or enterprise if it:

1. Involves the use for private gain or advantage of District-compensated employee time or District facilities, equipment and supplies, or the badge, uniform, prestige or influence of the employee's office or employment.
2. Involves receipt or acceptance by the employee of any money or other consideration from anyone other than the District for the performance of an act which the employee, if not performing the act, would be required or expected to render in the regular course or hours of the employee's employment or as a part of his/her duties as a District employee.
3. Involves participation in any political activity prohibited by pertinent provisions of state and/or federal law.
4. Involves divulging confidential information to anyone to whom issuance of such information has not been authorized.
5. Involves participation in any employment or other activity which interferes with the effective performance of his/her job duties with the District or adversely affects the productivity, effective performance, or the health and safety of the employee or individuals with whom he/she works.
6. Employee organizations.

Employees of the classified service may join employee organizations of their own choice in accordance with the California Government Code. Such employees also have the right to refuse to join or participate in the activities of employee organizations. Each employee has the right to represent himself or herself individually in employment relations with the District. An employee shall not be discriminated against, granted preferential treatment, or have equitable treatment withheld because of either membership or non-membership in an employee organization. [Ord. 74, 1969; Ord. 118, 1975; Ord. 130, 1977; Ord. 188, 1984; Ord. 270, 1996; Ord. 273, 1997; Ord. 282, 1998; Ord. 320, 2007; Ord. 327, 2010; ~~Ord. ., 2014.~~]