

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: JENNIFER BURKE, DEPUTY DIRECTOR - WATER AND
ENGINEERING RESOURCES,
WATER DEPARTMENT
SUBJECT: LEGISLATION – MAKING WATER CONSERVATION A
CALIFORNIA WAY OF LIFE

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by the Water Department that the Council, by motion, submit a letter providing comments to the Legislature regarding the development of legislation implementing the Governor's "Making Conservation a California Way of Life" framework.

EXECUTIVE SUMMARY

In May 2016, Governor Brown issued Executive Order B-37-16 requiring the development of a water conservation framework for California. In April 2017, the Governor released the final framework. AB 968 and AB 1654 (Rubio) were introduced to implement the water conservation framework while preserving local control of water resources. In April 2017, the Mayor signed a letter of support for both AB 1654 and AB 968. AB 968 was held in the Assembly; AB 1654 was passed to the Senate. On July 11, 2017, the Senate Natural Resources and Water Committee, chaired by Senator Hertzberg, passed stripped down versions of the bills with the intent to amend the bills with input from the Senate, Assembly, Brown Administration and stakeholder groups. At the Committee hearing, Senator Hertzberg requested stakeholders to submit comments on the Committee's intent to develop legislation to implement the framework.

BACKGROUND

In January 2014, Governor Brown proclaimed a State of Emergency due to historic dry conditions, and subsequently issued three executive orders under the Statewide Drought Emergency in April 2014, April 2015, and May 2016. Under Executive Order B-37-16, issued in May 2016, Governor Brown directed five state agencies to develop a framework regarding long-term water use efficiency measures and improved planning for more frequent and severe droughts. The executive order directed the Department of Water Resources ("DWR") to work with the State Water Resources Control Board

(“Water Board”) to develop, by January 10, 2017, new water use targets as part of a permanent framework that builds on existing requirements to reduce state-wide urban water use by 20 percent by 2020 (SB x7-7 (2009)), as well as additional water shortage contingency plan requirements under the Urban Water Management Planning Act.

To develop the framework, DWR and the Water Board convened an Urban Advisory Group (UAG) to provide comments and suggestions for the framework. In November 2016, DWR released a draft of the conservation framework entitled “Making Water Conservation a California Way of Life, Implementing Executive Order B-37-16.” Several members of the UAG had concerns about the draft report and submitted a lengthy comment letter, signed by 116 California water suppliers and associations, that outlined acceptable alternatives relating to Water Use Target Setting and Urban Water Management Plan elements of the draft report. In April 2017, the Governor released the final framework, which did not incorporate any of the comments submitted by the coalition of water suppliers and associations.

Earlier this year, AB 968 and AB 1654 (Rubio) were introduced to implement the water conservation framework, preserving local control of water resources, and addressing the comments submitted by the coalition of water suppliers and associations. In April 2017, the Mayor signed a letter of support for both AB 1654 and AB 968. AB 968 was held in the Assembly; AB 1654 was passed to the Senate. In addition to the Rubio bills, AB 1668 and 1669 (Friedman) were competing bills to implement the Governor’s framework as written. AB 1669 was held in the Assembly; AB 1668 was passed to the Senate. On July 11, 2017, the Senate Natural Resources and Water Committee, chaired by Senator Hertzberg, passed stripped down versions of AB 1654 (Rubio) and AB 1668 (Friedman) with the intent to amend the bills with input from the Senate, Assembly, Brown Administration and stakeholder groups.

PRIOR CITY COUNCIL REVIEW

On May 2, 2017, the Council was provided a copy of the letter of support for AB 1654 and AB 968 (Rubio) under Written Communications.

ANALYSIS

At the July 11, 2017 Committee hearing, Senator Hertzberg requested stakeholders to submit comments on the Committee’s intent to develop legislation to implement the framework. Working together with other water agencies and associations throughout the state, the following policy principles were developed to guide the development of any legislation to implement the Governor’s framework:

Long-Term Water Use Efficiency:

1. Preserve the Legislature’s authority over long-term water use efficiency target setting. State agencies should not be granted the authority to set and revise water use efficiency targets. Commercial, industrial, and institutional (CII)

performance measures must be determined by a broad stakeholder task force and not state agencies.

2. Ensure that any water use efficiency target setting approach is flexible to account for the diversity among California's communities and the urban retail water suppliers that serve them. Legislation must include alternative pathways or functional equivalents to compliance, variances, and criteria for the data to be collected.
3. Protect water rights and preserve a water supplier's ability to use water it has a right to access.
4. Protect and create incentives for the further development of potable reuse and recycled water.
5. Provide for appropriate, progressive enforcement authority that accounts for urban retail water suppliers' authorities and responsibilities relative to their customers. The focus should be on corrective action instead of cease-and-desist orders.

Shortage Response Planning:

6. Preserve local decision-making to determine actions to avoid or mitigate shortages. The state should not dictate what actions are to be taken at any stage or specific actions that must be included in a water shortage contingency analysis.
7. Preserve and encourage investments in resilient water supplies. Potable reuse, recycled water, and desalination should all be considered fully reliable.
8. Ensure that annual water supply and demand assessments are based on and accurately reflect local conditions.
9. Maintain the existing legislative intent and challenge period for urban water management plans.
10. Recognize that energy use is only one aspect of water supply planning.

The City is also a member of the Association of California Water Agencies (ACWA), which is a statewide coalition of public water agencies representing more than 430 agencies that collectively are responsible for 90% of the water delivered across California. The City's letter includes the principles listed above and references support of ACWA's letter, dated July 21, 2017, which also includes the principals listed above.

FISCAL IMPACT

None.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

None.

NOTIFICATION

Not applicable

ATTACHMENTS

- Attachment 1 – Draft comment letter for “Making Conservation a California Way of Life”
- Attachment 2 – ACWA comment letter

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