

DESERT WATER AGENCY
FEBRUARY 2, 2016



BOARD OF DIRECTORS
REGULAR MEETING AGENDA

REGULAR MEETING 8:00 A.M. OPERATIONS CENTER - 1200 SOUTH GENE AUTRY TRAIL – PALM SPRINGS – CALIFORNIA

About Desert Water Agency:

Desert Water Agency operates independently of any other local government. Its autonomous elected board members are directly accountable to the people they serve. The Agency is one of the desert's two State Water Contractors and provides water and resource management, including recycling, for a 325-square-mile area of Western Riverside County, encompassing parts of Cathedral City, Desert Hot Springs, outlying Riverside County and Palm Springs.

- 1. PLEDGE OF ALLEGIANCE**
- 2. APPROVAL OF MINUTES – January 19, 2016** **CIOFFI**
- 3. GENERAL MANAGER'S REPORT – POWERPOINT PRESENTATION** **KRAUSE**
- 4. COMMITTEE REPORTS – A. Executive – January 25, 2016** **CIOFFI**
- 5. PUBLIC INPUT:**
Members of the public may comment on any item not listed on the agenda, but within the jurisdiction of the Agency. In addition, members of the public may speak on any item listed on the agenda as that item comes up for consideration. Speakers are requested to keep their comments to no more than three (3) minutes. As provided in the Brown Act, the Board is prohibited from acting on items not listed on the agenda.
- 6. ITEMS FOR ACTION**
 - A. Request Adoption of Resolution No. 1126 Confirming and Establishing Accounts with Union Bank **KRIEGER**
 - B. Request Adoption of Resolution No. 1127 Amending Credit Card Agreement with First National Bank of Omaha **KRIEGER**
 - C. Request Board Action on Claim Submitted by Stephen Breimer **KRAUSE**
- 7. ITEMS FOR DISCUSSION**
 - A. State Water Contractors' Meeting – January 21, 2016 **RIDDELL**
- 8. PUBLIC INFORMATION** **KRAUSE**
 - A. Media Information
 - B. PI Activities
- 9. DIRECTORS COMMENTS AND REQUESTS**
- 10. CLOSED SESSION**
 - A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al
 - B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Agua Caliente Band of Cahuilla Indians vs. County of Riverside, et al
 - C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Desert Water Agency vs. U.S. Department of Interior

D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: 1.17 acre lot North of the Northeast corner of Sunrise Way and Mesquite Avenue,
APN No. 502-560-038

Agency Negotiators: Mark S. Krause, General Manager and Steven L. Johnson, Asst. General Manager

Negotiating Parties: Chris Thomsen, New Mesquite HOA

Under Negotiation: Price and terms of possible acquisition

E. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9 (d) (2)

Potential Case: One (1)

11. RECONVENE INTO OPEN SESSION – REPORT FROM CLOSED SESSION

12. ADJOURN

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting is asked to contact Desert Water Agency's Executive Secretary, at (760) 323-4971, at least 48 working hours prior to the meeting to enable the Agency to make reasonable arrangements. Copies of records provided to Board members which relate to any agenda item to be discussed in open session may be obtained from the Agency at the address indicated on the agenda.

**MINUTES
OF THE REGULAR MEETING
OF THE
DESERT WATER AGENCY
BOARD OF DIRECTORS**

January 19, 2016

DWA Board:	James Cioffi, President)	Attendance
	Joseph K. Stuart, Vice President)	
	Kristin Bloomer, Secretary-Treasurer)	
	Patricia G. Oygar, Director)	
	Craig A. Ewing, Director)	

DWA Staff:	David K. Luker, General Manager)
	Mark S. Krause, Asst. General Manager)
	Martin S. Krieger, Finance Director)
	Sylvia Baca, Asst. Secretary of the Board)
	Ashley Hudgens, Public Information Officer)
	Steve Johnson, Operations Engineer)

Consultant:	Michael T. Riddell, Best Best & Krieger)
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Public:	Tom Kieley III, Palm Springs resident)
	David Freedman, PS Sustainability Comm.)

17372. President Cioffi opened the meeting at 8:00 a.m. and asked everyone to join Vice President Stuart in the Pledge of Allegiance. **Pledge of Allegiance**

17373. Director Ewing made a motion to add a request to adopt Resolution No. 1125 to today's agenda. After a second by Director Oygar, the motion carried unanimously. **Agenda Addendum –
Adopt Resolution No.
1125**

17374. President Cioffi called for approval of the January 5, 2016 Regular Board meeting minutes. **Approval of 01/05/16
Regular Board Mtg.
Minutes**

Director Oygar moved for approval. After a second by Director Ewing, the minutes were approved as written.

17375. President Cioffi announced that today is the final Board meeting for retiring General Manager Luker, of which he has attended over 800 Board meetings. He then acknowledged Mr. Luker for his 23 years of dedicated service to Desert Water Agency. **General Manager
Luker's Last Meeting**

17376. President Cioffi called upon General Manager Luker to provide an update on Agency operations.

General Manager's Report

Mr. Luker provided updates for the following projects: 1) Foothill Reservoir No. 1 and No. 2 work has begun, 2) Southridge Reservoir No. 2 interior sand blasting and coating is complete, 3) Cathedral City North Reservoir work of interior sand blasting and coating will begin on January 18, 4) Andreas Reservoir No. 1 work of interior sand blasting and coating will begin on February 15 and exterior sand blasting and painting will also begin on February 15, and 5) Palm Oasis Forebay Reservoir work interior sand blasting and coating should begin on April 21 and exterior sand blasting and painting should also begin on April 21.

2015-2016 Potable Water Reservoir Maintenance Project Updates

Continuing his report, Mr. Luker stated during inspection of fire hydrants on Via Escuela (Southeast corner of Via Escuela and Mira Vista), staff found the riser for hydrant #1175 was corroded. The hydrant riser is scheduled to be replaced on January 15.

Fire Hydrant #1175 to be Replaced

Concluding his report, Mr. Luker stated a claim regarding a recent damaged hydrant incident will be brought to the Board for consideration at the next meeting.

Property Damage Claim

17377. President Cioffi read aloud Resolution No. 1125 Granting Retirement Status to David K. Luker.

Addendum – Adopt Resolution No. 1125 Granting Retirement Status to David K. Luker

Director Oygar moved to adopt Resolution No. 1125 Granting Retirement Status to David K. Luker. Vice President Stuart seconded the motion, which carried unanimously.

**RESOLUTION NO. 1125
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE DESERT WATER AGENCY
GRANTING RETIREMENT STATUS TO
DAVID K. LUKER**

Resolution No. 1125 Adopted

17378. President Cioffi noted the minutes for the January 13, 2016 Executive Committee were provided in the Board's packet.

Committee Reports –
Executive 01/13/16

In response to Director Oygar, Mr. Luker stated the Mary Pickford retrofit consists of toilets and urinals.

Responding to Director Oygar, Ms. Hudgens stated that rebates for commercial and residential have different criteria; commercial properties can be considered for more than two projects, on an as-needed basis. Further discussion regarding project criteria will be discussed with the Conservation & Public Affairs Committee.

President Cioffi stated the discussion on the Cathedral City sewer availability is regarding a new project on Palm Canyon across from Trader Joe's.

17379. President Cioffi opened the meeting for public input.

Public Input

Tom Kieley III, former DWA Board Member stated he was on the Board for Mr. Luker's first meeting as General Manager, and wanted to be here today for his last meeting. He then congratulated Mr. Luker on his upcoming retirement and thanked him for all that he has done for the Agency.

Tom Kieley III

There being no one else from the public wishing to address the Board, President Cioffi closed the public comment period.

17380. President Cioffi asked Secretary-Treasurer Bloomer to provide an overview of financial activities for the month of December 2015.

**Secretary-Treasurer's
Report – December
2015**

Secretary-Treasurer Bloomer reported that the Operating Fund received \$1,833,807 in Water Sales Revenue, \$79,204 in Reclamation Sales Revenue, and \$81,524 in Advanced Work-Order Deposits. Included in the Miscellaneous Receipts is \$19,212 from ACWA/JPIA (P.S. Museum damage reimbursement) and \$9,351 from SCE for Solar Field II Energy Rebate for October 2015. \$2,229,994 was paid out in Accounts Payable. Year-to-date Water Sales are 12% over budget, Year-to-date Total Revenues are 12% over budget and Year-to-date Expenses are 11% under budget. There were 22,166 active services as of December 31, 2015.

Operating Fund

Reporting on the General Fund, Secretary-Treasurer Bloomer stated \$4,373,372 was received in Property Tax Revenue. \$8,953 was received in Groundwater Replenishment Assessments from private pumpers. \$1,089,530 was paid out in State Water Project Charges and \$16,869 paid out to ACWA for 2016 Member Dues.

General Fund

Regarding the Wastewater Fund, \$19,007 was received in Sewer Capacity Charges. There are a total of 78 sewer contracts with 32 delinquent (41%). \$57,719 was paid out in Accounts Payable.

Wastewater Fund

17381. President Cioffi noted that the 2016 Board Committee Assignments reflected changes due to the reorganization of the Board.

Action Item:
2016 Board Committee
Assignments

Director Oygar made a motion to approve the 2016 Board Committee Assignments. After a second by Vice President Stuart, the motion carried unanimously.

17382. President Cioffi called upon General Manager Luker to report on the December Water Use Reduction Figures.

Discussion Items:
December 2015 Water
Use Reduction Figures

Mr. Luker reported that the Agency and its customers achieved a 9.5 percent reduction during December 2015 compared to December 2013. He noted that the SWRCB staff has recommended an 8 percent reduction from the mandatory 36 percent.

17383. President Cioffi asked Assistant General Manager Krause to report on the Lake Perris Seismic Remediation Project.

Lake Perris Seismic
Remediation

Mr. Krause stated that significant changes since the last report on November 5, 2015 for the completed work percentage has progressed from 23% to 33%. DWR's assessment of the excavation hazards near the Inlet/Outlet Tower differ from the contractor's consultant hazard assessment. DWR and the contractor are working on a revised plan and schedule to complete the left abutment blasting and excavation, which will likely require a change order and revised milestones.

Concluding his report, Mr. Krause said that the contractor's rock quarry processing plant continues to produce large quantities of unsuitable material with the contractor notifying DWR of a potential claim due to differing site conditions. Construction during El Niño winter poses potential risk due to storm water run-off. CDSM construction is proceeding with a 24-hour a day schedule for both rigs to help diminish the risk from storm water run-off.

17384. Vice President Stuart stated he received a telephone call from Nancy Wright, MSWD President, who informed him of their Board's reorganization; Nancy Wright, President and Russ Martin, Vice President.

Directors
Comments/Requests
MSWD Board
Reorganization

17385. At 8:40 a.m., President Cioffi convened into Closed Session for the purpose of (A) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al; (B) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), ACBCI vs. County of Riverside, et al; (C) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), DWA vs. U.S. Department of Interior; and (D) Conference with Real Property Negotiators, pursuant to Government Code Section 54956.8, Property-APN 502-560-038, Agency Negotiators: David K. Luker, General Manager and Mark S. Krause, Assistant General Manager, Negotiating Parties: Chris Thomsen, New Mesquite HOA, Under Negotiation: Price and terms of possible acquisition.

Closed Session:
A. Existing Litigation –
ACBCI vs. CVWD, et
al
B. Existing Litigation –
ACBCI vs. Riverside
County
C. Existing Litigation –
DWA vs. U.S.
Department of Interior
D. Conference with Real
Property Negotiators –
New Mesquite HOA

17386. At 9:09 a.m., President Cioffi reconvened the meeting into open session and announced there was no reportable action.

Reconvene – No
Reportable Action

17387. In the absence of any further business, President Cioffi Adjournment
adjourned the meeting at 9:10 a.m.

James Cioffi, President

ATTEST:

Kristin Bloomer, Secretary-Treasurer

**There is no memo provided
for this Agenda item:**

GENERAL MANAGER'S REPORT

**A video report on
2015 Capital Improvement Projects
will be presented**

February 2, 2016

Minutes
Executive Committee Meeting
January 25, 2016

Directors Present: Jim Cioffi, Joe Stuart

Staff Present: Dave Luker, Mark Krause, Martin Krieger, Steve Johnson, Ashley Hudgens

1. Discussion Items

A. Review Agenda for February 2, 2016 Regular Board Meeting

The proposed agenda for the February 2, 2016 Regular Board meeting was reviewed.

B. Rate Study

The Committee confirmed the rate cycle, schedule and general rate structure to be included in the rate study.

C. SGMA Update

The Committee discussed DWA's official status as "Exclusive", per DWR's website.

D. SWRCB Resolution

The Committee discussed the implication of the Human Rights to Water resolution, which will be brought to the Board at the February 16, 2016 meeting.

2. Other - None

3. Adjourn

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

FEBRUARY 2, 2016

**RE: REQUEST ADOPTION OF RESOLUTION NO. 1126 CONFIRMING AND
ESTABLISHING ACCOUNT(S) WITH UNION BANK**

Due to changes on Desert Water Agency's Board of Directors and the new General Manager and Assistant General Manager, it is necessary to revise the listing of the Agency's designated signers and provide new signature cards for its accounts with Union Bank. In order to accomplish this, Resolution No. 1126 has been prepared.

Staff requests adoption of Resolution No. 1126, and approval to submit an updated list of signers to Union Bank.

RESOLUTION NO. 1126

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE DESERT WATER AGENCY CONFIRMING
THE ESTABLISHMENT OF A
CHECKING ACCOUNT OR ACCOUNTS WITH UNION BANK
AND PROVIDING FOR WITHDRAWALS THEREFROM**

WHEREAS, this Board of Directors by previous resolution has established its checking accounts with Union Bank (formerly Union Bank of California), and has designated the procedures for withdrawal of funds therefrom; and

WHEREAS, the Agency desires to change the designation of persons authorized to make such withdrawals,

NOW, THEREFORE BE IT RESOLVED that this Agency maintain its checking accounts with the Union Bank, upon terms presently established and in accordance with all provisions of law, and that effective the date of this resolution, the following persons:

James Cioffi
Joseph K. Stuart
Patricia G. Oygard
Craig A. Ewing
Kristin Bloomer

Mark S. Krause
Martin S. Krieger
Steven L. Johnson
Lee L. Lahtinen

be and they are authorized, any two acting together, to withdraw funds from said checking accounts by checks, drafts or other items for and on behalf of this Agency. All checks of the Agency bearing the words "PAYROLL CHECK" may be signed by any one of the above named nine individuals.

BE IT FURTHER RESOLVED that the authority hereby conferred shall remain in force until Union Bank has received notification of the revocation thereof by the Board of Directors of this Agency.

BE IT FURTHER RESOLVED that a certified copy of this resolution be transmitted to the Bank, and that Resolution No. 1009 of this Agency is hereby rescinded.

ADOPTED this 2nd day of February, 2016.

ATTEST:

James Cioffi
President

Kristin Bloomer
Secretary-Treasurer

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

FEBRUARY 2, 2016

**RE: REQUEST ADOPTION OF RESOLUTION NO. 1127 AMENDING
DESERT WATER AGENCY CREDIT CARD AGREEMENT WITH
FIRST NATIONAL BANK OF OMAHA**

Due to changes on Desert Water Agency's Board of Directors and the new General Manager and Assistant General Manager, it is necessary to revise the listing of the Agency's designated signers for First National Bank of Omaha

Staff requests adoption of Resolution No. 1127 and approval to submit an updated list of signers to First National Bank of Omaha.

RESOLUTION NO. 1127

RESOLUTION OF THE BOARD OF DIRECTORS OF THE DESERT WATER AGENCY AMENDING CREDIT CARD AGREEMENT WITH FIRST NATIONAL BANK OF OMAHA

I, the undersigned, hereby certify to First Bank of Omaha (“Bank”) that I am Secretary-Treasurer of the Desert Water Agency, located in Palm Springs, California, and that I have been duly elected and am presently serving in that capacity. I further certify that the following resolution has been duly adopted by the Board of Directors, or other governing body, of the Corporation and such resolutions are in full force and effect as of the date hereof and have not been revoked and rescinded as of this date:

RESOLVED that:

1. The First National Bank of Omaha Commercial Card Agreement (“Agreement”) is approved.
2. The officials designated below (Authorized Officials”) are authorized to borrow money on behalf and in the name of Desert Water Agency, execute any notes, drafts, agreements and other documents and instruments, pledge and encumber property of the Agency (including, without limitation, bank accounts), and name the individuals at the Agency who shall be authorized to instruct First National Bank of Omaha to issue credit Cards to one or more employees of the Agency, and the signatures below are the genuine signatures of such persons.

Mark S. Krause	General Manager-Chief Engineer	_____
Steven L. Johnson	Assistant General Manager	_____
Martin Krieger	Finance Director	_____

3. This resolution shall continue to be in full force and effect until express written notice of its rescission, modification or termination has been received by the Bank. Any and all prior resolutions received and certified by the Bank shall continue to have full force and effect until the Bank receives such written notice. Any rescission, modification or termination of a resolution must be accompanied by written notification to the Bank.

IN WITNESS WHEREOF, I have subscribed my name to this document and affix the Agency's seal on the 2nd day of February, 2016.

Signed: _____
Kristin Bloomer, Secretary-Treasurer

**STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS**

FEBRUARY 2, 2016

**RE: REQUEST BOARD ACTION WITH REGARD TO CLAIM FOR
DAMAGES FILED BY STEPHEN BREIMER**

Attached for the Board's review is a claim form submitted to the Agency by Mr. Stephen Breimer. Mr. Breimer claims the Agency is responsible for property damage due to a broken hydrant that caused flooding.

As further investigation will be necessary to determine whether, or to what extent, Desert Water Agency may have responsibility, Staff requests that the Board deny Mr. Breimer's claim and instruct Staff to refer the matter to the ACWA Joint Powers Insurance Authority claims adjuster for handling and closure.

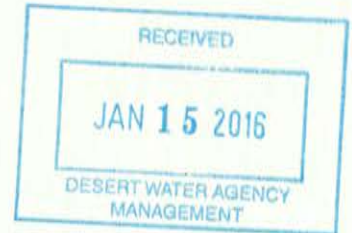


JOSEPH A. SEIVER
LITIGATION PARALEGAL
seiver@sbemp.com

REPLY TO:
Palm Springs, California

January 15, 2016

VIA HAND DELIVERY



Silvia Baca
Executive Secretary/Asst. Secretary of the Board
Desert Water Agency
1200 South Gene Autry Trail
Palm Springs, CA 92264

Re: Claim for Damages by Stephen Breimer

Dear Ms. Baca:

Enclosed please find a damage claim directed to the Desert Water Agency by Mr. Stephen Breimer, arising from an event occurring on December 17, 2015.

If you have any questions or need additional information, please contact this office.

Sincerely,

SBEMP, LLP

By: Joseph A. Seiver
Litigation Paralegal to David L. Baron, Esq.

JAS:JAS
ENCLOSURES
CC: Stephen Breimer

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

1800 E. Tahquitz Canyon Way
Palm Springs, California 92262
Tel. (760) 322-2275 • Fax (760) 322-2107

650 Town Center Drive, Ste. 1400
Costa Mesa, California 92626
Tel. (714) 435-9592 • Fax (714) 850-9011

103 Carnegie Center Blvd., Ste. 300
Princeton, New Jersey 08540
Tel. (609) 955-3393 • Fax (609) 520-8731

1955 Sunset Blvd.
San Diego, California 92103
Tel. (619) 501-4540

www.sbemp.com

Claim Form

(A claim shall be presented by the claimant or by a person acting on his behalf.)

RECEIVED

JAN 15 2016

DESERT WATER AGENCY
MANAGEMENT

NAME OF DISTRICT: DESERT WATER AGENCY

1	<p>Claimant name, address (mailing address if different), phone number, social security number, e-mail address, and date of birth.</p> <p><i>Effective January 1, 2010, the Medicare Secondary Payer Act (Federal Law) requires the District/Agency to report all claims involving payments for bodily injury and/or medical treatments to Medicare. As such, if you are seeking medical damages, we MUST have both your Social Security Number and your date of birth.</i></p> <p>Name: STEPHEN BREIMER Phone Number: (310) 859-6820</p> <p>Address(es): 423 W. VIA ESCUELA, PALM SPRINGS, CA 92262 Social Security No.: _____</p> <p>Date of Birth: _____</p> <p>E-mail: sfb@bhdri.com</p>
2	<p>List name, address, and phone number of any witnesses.</p> <p>Name: "Skip" of Desert Water Agency called at or around 1:00 pm, December 17, 2015, regarding the incident</p> <p>Address: _____</p> <p>Phone Number: () _____</p>
3	<p>List the date, time, place, and other circumstances of the occurrence or transaction, which gave rise to the claim asserted.</p> <p>Date: 12/17/2015 Time: 1:00 pm Place: 423 W. VIA ESCLUELA, PALM SPRINGS CA</p> <p>Tell What Happened (give complete information):</p> <p>PLEASE SEE NARRATIVE OF INCIDENT ATTACHED AT EXHIBIT "A"</p> <p>PLEASE SEE PHOTOGRAPHIC DOCUMENTATION OF DAMAGE ATTACHED AS EXHIBIT "B"</p> <p>DAMAGE ESTIMATES ARE PRELIMINARY, AND WHAT IS SUBMITTED WITH THIS CLAIM DOES NOT CONSTITUTE THE FINAL CLAIM</p> <p>NOTE: Attach any photographs you may have regarding this claim.</p>
4	<p>Give 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.</p> <p>PLEASE SEE ESTIMATES TO REPAIR DAMAGE PROVIDED BY CONTRACTORS ATTACHED AS EXHIBIT "C"</p> <p>PLEASE SEE SUMMARY OF ALL ESTIMATES TO DATE ATTACHED AS EXHIBIT "D"</p>
5	<p>Give the name or names of the public employee or employees causing the injury, damage, or loss, if known.</p> <p>_____</p> <p>_____</p>
6	<p>The amount claimed if it totals less than ten thousand dollars (\$10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars (\$10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.</p> <p>BASED UPON ESTIMATES RECEIVED TO DATE, THE CLAIM WOULD EXCEED THE AMOUNT</p> <p>OF A LIMITED CIVIL CLAIM</p>
<p>Date: 12/30/15 Time: 11:45am Signature: <i>[Signature]</i></p> <p>ANSWER ALL QUESTIONS. OMITTING INFORMATION COULD MAKE YOUR CLAIM LEGALLY INSUFFICIENT!</p>	

EXHIBIT “A”

NARRATIVE OF EVENTS BY MR. STEPHEN BREIMER REGARDING THE DAMAGES
CLAIM SUBMITTED TO DESERT WATER AGENCY

At 1:00 pm on December 17, 2015, I was called by a gentleman who identified himself only as "Skip" who stated that he was with the Desert Water Agency. Skip told me that fire hydrant on my street (the 400 block of West Via Escuela in Palm Springs), had burst, flooding my immediate neighbor's property (which is located at 447 West Via Escuela).

The flood waters had toppled the block wall separating my home, at 423 Via Escuela, from my neighbor's, and sent mud and decomposed granite across my property, which was deposited over my lawn, and into my swimming pool and swimming pool equipment. The mud and decomposed granite was further deposited in my victory herb garden, and damaged or destroyed tress and other vegetation on my property.

As a result of the flooding, I have had to have the block wall rebuilt, including the footings for the wall, and I will have to replace all of destroyed vegetation, including the herb garden, and trees. Certain mature fruit trees that were near the collapsed wall must also be removed and replaced, as part of the rebuilding of the wall. Additionally, displaced gravel and mud must be removed from the lawn, the lawn restored, or replaced as needed.

The pool must be drained, cleaned, and possibly resurfaced, depending on the extent of the damage, which has yet to be determined. At a minimum, it will have to be acid washed, and of course the pool will then have to be refilled. There is also the possibility, yet to be determined, of damage to the pool equipment.

My home has a rolling driveway gate at the street entrance, which is operated electrically. While the gate appears to roll normally, and operates from the entrance code box as well as from my automobile, the code box outside of the house next to the kitchen door and outside utility door no longer operates the gate. The precise problem has not been diagnosed, but a gate repair company will have to be engaged to determine the extent of the damage, and nature of the mechanical failure.

My general contractor, Linda Williamson, is supervising all of the clean-up and restoration crews, hiring subcontractors as needed, including supervising the installation of a temporary fenced to replace the downed block wall. Ms. Williamson will charge a management fee for such supervision, in addition to all of the subcontracted work.

Attached hereto and submitted to this claim are all estimates and receipts received to date. However, not all work that will need to be done has been determined or estimated, and as such this claim is necessarily preliminary and incomplete.

EXHIBIT “B”



Above & Left: Fire hydrant where it broke in front of 447 W. Via Escuela.
Far left: Street work was ongoing on Via Escuela in front of Breimer residence at 423 W. Via Escuela.



Left:
Water ran thru front yard of 447 heading east to property line block wall. It then ran south along the wall until the force broke thru the wall and the water flooded into the Breimer property at 423. The property line block wall is lined on the Breimer side with a Carolina Cherry hedge which is approximately 20+ feet high. Broken portions of the block wall currently lay across approximately 10-15 Carolina Cherry trees which will need to be replaced as well as on top of the Breimer herb garden.



These photos are taken from Breimer side property and are looking into the 447 property.

Below are additional wall damage photos. You can see the Carolina Cherries underneath portions of the damaged block wall.





Upper Left: This is where the wall broke off, the remaining wall is still standing but at a severe slant.

Above Center: This is a portion of the wall further to the north which shows the wall is still standing at a slant.

Above Right: This is the property line wall where it meets at the north west corner of the property before continuing along the front of the property at Via Escuela. Note the corner column is straight and shows how much the west side of the wall has been pushed.

Below: Once the water came thru the wall it rushed thru the gazebo bringing mud and debris with it.



The water continued across the south end of the property but was heading from the west side to the east side, bringing water, mud and debris into the pool equipment and the pool. All landscape gravel was washed away from the pool equipment into the grass. Below: Pool equipment and equipment area. You can see the water line on the water heater and pump which shows the height of the water as it passed thru the area.



The water and debris rushed into the pool...



The water continued east from the pool and the equipment area across the rest of the yard, spreading the mud, debris and the landscape gravel across the grass and other landscaped areas.



Finally the water rushed thru the covered parking area, across the driveway, and into the gate operator. It took the large electric gate off its track then rushed out onto the Via Norte side of the property and continued south toward Vista Chino.

Below is the gate operator and gate area.



The gate has been returned to it's track and the operator has dried out and appears to be working.

The photos on these pages represent the damage incurred on 12/17/15 to the Breimer residence at 423 W. Via Escuela.

EXHIBIT “C”

Linda Williamson
General Contractor Lic#841472

Interior & Exterior
Concepts, Creations & Construction

January 10, 2016

To: Stephen Breimer
423 W. Via Escuela
Palm Springs, CA 92264

Re: Repairs for Above-Referenced Property

Dear Mr. Breimer,

Attached please find a Statement for initial repairs completed to date on your flood-damaged property. There are additional repairs in the process of being completed to the gate on Via Norte and that repair bill will be submitted shortly.

In addition, attached is a breakdown for repairs still needed in order to repair and restore your property to pre-flood conditions.

Please don't hesitate to contact me should you have any questions. I look forward to restoring your property as soon as possible.

Kind regards,



Linda Williamson

January 10, 2016

STATEMENT - Completed Repairs

JOB LOCATION: 423 W. VIA ESCUELA
PALM SPRINGS, CA 92264

LABOR: \$1,200.00

[(2) Men @ \$15 per hour x 8 hrs = \$240 (5) days x \$240 = \$1,200]

Labor included: Removing all gravel & debris from lawn area;
Replacing/restoring pool equipment area;
Cleaning & restoring south end of property paths & flower beds;
Cleaning & restoring area behind & to east of pool house;
Cleaning debris from lawn & driveway in front of pool house;
Cleaning debris from gate tracks & surrounding area;
Cleaning herb garden and gazebo;
Hauling 45 ft of broken block from wall away from
property line;
Installing new posts and 45 ft of temporary fencing
at property line.

MATERIALS: \$ 208.79

Materials include: Temporary 45 ft. wire fence
with screen cloth covering & 6 metal posts

POOL & POOL EQUIPMENT REPAIR/RESTORE: \$1,154.55

Per attached Statement from Raul Cortez Pools:

Replaced 1.5 hp Century motor;
Replaced 220w Intermatic timer;
Drained & acid cleaned pool;
Cleaned pool heater burner assembly.*

* Will not guarantee continued performance of pool heater
since it was filled with water; Will not guarantee condition of
pool plaster following acid cleaning.

TOTAL ABOVE: \$2,563.34
Planning, Supervision, Overhead @ 15%: 384.01
TOTAL: \$2,947.34

Invoice - Raul Cortez Pools - Completed Repairs:

671344

Statement		DATE	12/31/15	TERMS
TO				
Stephen Ramirez				
423 W Via Escuela				
Palm Springs CA 92262				
IN ACCOUNT WITH				
Raul Cortez				
68658 Durango Rd				
Cathedral City CA. 92234				
1	1.5 hp Century 250 motor		449	54
1	Iskrambe 220 V Timer		80	01
	Repair Service		100	00
	Drain & Clean Pool		300	00
	Clean Pool Heater			
	Booster Assembly		225	00
	Broken Fire Hydrant			
CURRENT		OVER 30 DAYS	OVER 60 DAYS	TOTAL AMOUNT
				1154.55



LOWE'S HOME CENTERS, LLC
5201 EAST RAMON ROAD
PALM SPRINGS, CA 92264 (760) 865-901

- SALE -

SALES# 51025EWI 1101952 TRANS# 71900169 12-23-15

128251 50-FT PLANT TRAINING WIRE	14 94
3 0 4 98	
128247 200-FT TWIST TIE WITH	5 48
483055 BH 13 GA HD U-POST 7-FT I	31 20
5 0 6 24	
249292 6-FTX15-FT SUNSCREEN FABRIC	80 94
5 0 26 98	
44751 4 X 50-FT 16GA UNL WLD BR	59 00
SUBTOTAL	191 56
TAX	17 23
INVOICE 09163 TOTAL	208 79
VISA	208 79

VISA XXXXXXXXXXXX7524 AMOUNT 208 79 AUTHCD 031232
SWIPED REFID: 02609916364 12/23/15 11 49 32
CUSTOMER CODE: 00

Lowe's Receipt
Temporary Fence Materials

Breakdown - Additional Repairs Pending

Re: 423 W. Via Escuela

The following repairs must be made in order to restore property to it's pre-flood condition. All proposals follow this breakdown.

Steve Ellington Masonry Contract \$ 22,660.00
Demo/Rebuild 145' x 6' block wall

45' of the existing wall was demolished during flood, remaining 100' of wall is now standing at a 45 degree angle and must be demo'd then rebuilt to code. All demo'd block must be hauled away.

Reinaldo Yanes - Painter Proposal \$ 1,850.00
Prime, paint and seal wall to match existing.

Miguel Lopez - Landscaper \$ 19,625.00

Cut away and remove Carolina Cherry hedge and additional shrubs/bushes from both sides of 145' property line wall to enable trenching for footing and building of new replacement wall. \$2,500

Remove all plant debris to dump. \$250

Replace (45) established Carolina Cherries making a property line hedge currently 15'-20' tall, by importing (45) 24" boxed Carolina Cherries, planting at along new wall with mulch. Includes replacing all irrigation lines, as they will have been removed during the construction of the new wall footing. (45) Carolina Cherry 24" Boxes @ \$375 ea = \$16,875

TOTAL ABOVE:	\$ 44,135.00
Planning, Supervision, Overhead @ 15%:	6,620.25
TOTAL:	\$ 50,755.25

Note:

Included in the following Proposals is an additional quote from Raul Cortez Pools in the event the pool heater does not work (following the flooding) or in case the pool plaster fails following the acid wash. Should this work become necessary there will be an additional \$8,716.77 + 15% due.

Lic. # 497804

STEVE ELLINGTON MASONRY

68-675 Panorama Road
Cathedral City, CA 92234

TEL: (760) 320-9481

FAX: (760) 320-6831

Date 12-21-15

PROPOSAL AND CONTRACT

The undersigned, propose to furnish the materials and perform the labor, for the erection and completion of the following:
Demo. and rebuild aprox 145x6' high block wall with 6x8x16 smooth grey block

Masonry construction as set forth in Section(s) NA of the specifications and in accordance with plans
as furnished by NA date NA and NA
NA

on building erected for NA

Lot Block Tract
No. 423 Street W Via Escuela City of Palm Springs State of California.

The contract price is (\$ 22,660.00) Twenty two thousand six hundred sixty

Payable as follows: Ninety per cent (90%) of the value of the work covered by this contract, completed each month, due and payable by the tenth day of the month following. The ten percent (10%) balance due and payable within thirty-five (35) days after completion of the work covered by this contract. In the event that the sums called for in this contract are not paid when due and payable, they shall be considered delinquent accounts and the masonry contractor shall be entitled to add one per cent (1%) interest per month on all delinquent accounts.

Price includes all labor and materials to complete proposed job, also includes permits.

Trees to be trimmed by others before work starts. Property lines to be established by others.

The terms of completion of the work provided hereunder shall be extended for the extent of delays caused by inclement weather, strikes, accidents, delays of carrier, shortages of materials and labor, actions by labor unions, and other delays unavoidable or beyond control of the mason contractor. The above quotations are made for immediate acceptance and are subject to change unless so accepted. It is further agreed that should the undersigned bring any action to enforce the terms or conditions hereof, or if he is called upon to defend any action brought to enforce the terms or conditions hereof he shall be entitled to a reasonable sum for attorney's fees and costs incurred as a result of such action. It is understood and agreed that acceptance of this proposal shall constitute a contract, upon actual notice of such acceptance to the undersigned. All conditions on the reverse side of this proposal are incorporated into and become a part of this proposal and contract.

Respectfully submitted,

Date 12-21-15

STEVE ELLINGTON MASONRY

ACCEPTANCE:

By Steve Ellington
MASONRY CONTRACTOR

The above proposal is hereby accepted this day of , 20

Linda Williamson General Contractor
GENERAL CONTRACTOR, OWNER OR OTHER

By
SIGNATURE

PROPOSAL	
XCELENT PAINTING CO. 11050 BRYANT ST SPACE 229 YUCAIPA CA 92399 Phone(909)831-0889 Fax(909)570-9623 Reinaldo.yanes@yahoo.com	LINDA WILLIAMSON JANUARY 2, 2016 423 W. Via Escuela
EXTERIOR WORK - 145' x 6' Block Wall Cover surrounding area. Apply primer and 2 coats exterior paint w/ sealer on one side only.	

Including material and labor TOTAL \$1,850.00

STATEMENT

Miguel Lopez
(760) 534-0611

No.

DATE
1/7/16

TO: S BREMER
423 W. VAN ESCUELA
P. O. BOX 92269

AMOUNT REMITTED
[]

DETACH AND MAIL WITH YOUR REMITTANCE. YOUR CANCELLED CHECK IS YOUR RECEIPT.

DATE	DESCRIPTION	CHARGES	CREDITS	BALANCE
		PREVIOUS BALANCE ►		
	CUT + REMOVE 145' OF HEDGE + BUSHES FROM BOTH SIDES OF WALL			2500 ⁰⁰
	REMOVE ALL DEBRIS TO DUMP			250 ⁰⁰
	REPLACE 45 ESTABLISHED CAROLINA CHERRIES EACH 24" BOX @ 375 x 45			16,875 ⁰⁰
	INC REPAIR / REPLACE ALL IRRIGATION			TOTAL 19,625 ⁰⁰

CORTEZ POOLS
68658 DURANGO RD
CATHEDRAL CITY CA 92234

STEPHEN BREIMER
423 W VIA ESCUELA
PALM SPRINGS CA 92262

REPLASTER POOL 20X40 WHITE PLASTER	\$6200.00
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REPLACE 400H HAYWARD POOL HEATER INSTALLED AND DISPOSAL OF OLD HEATER	\$2516.77
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TOTAL	\$8716.77
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EXHIBIT “D”

SUMMARY OF ALL ESTIMATES

REPAIRS COMPLETED TO DATE:	\$2,947.34
<i>(See Statement, Completed Repairs 01/10/16)</i>	
ADDITIONAL REPAIRS PENDING:	\$50,755.25
<i>(See Breakdown, Additional Repairs Pending)</i>	
POTENTIAL ADDITIONAL REPAIRS:	\$8,716.77
<i>(See Cortez Pools Estimate to Replaster the Pool)</i>	
GRAND TOTAL:	\$62,419.36

January 15, 2016

Claim notes by Skip Kuhlman, Assistant Construction Superintendent

Re: Block Wall

I don't know if it makes a difference or not, but I was talking to Brian Cochran today and he remembers a gardener being at the location and told Brian that the block wall was always leaning. Brian also remembers talking to someone who may have been the property manager for 447 Via Escuela who also stated that the block wall always leaned.

Re: Vegetation/Herb Garden and Trees

I do remember seeing a box behind the block wall, but it didn't appear to be having anything growing in it. It seemed to be dirt. As far as the vegetation and trees, it seemed the only damage was where the block wall came down.

Re: Pool

The pool pump was smoking and Brian Cochran turned it off at the pump. The pool guys showed up and they turned the power off at the house, to the pump. They did say that the pump was smoking. They have turned the pump back on to see that, but I'm not sure.

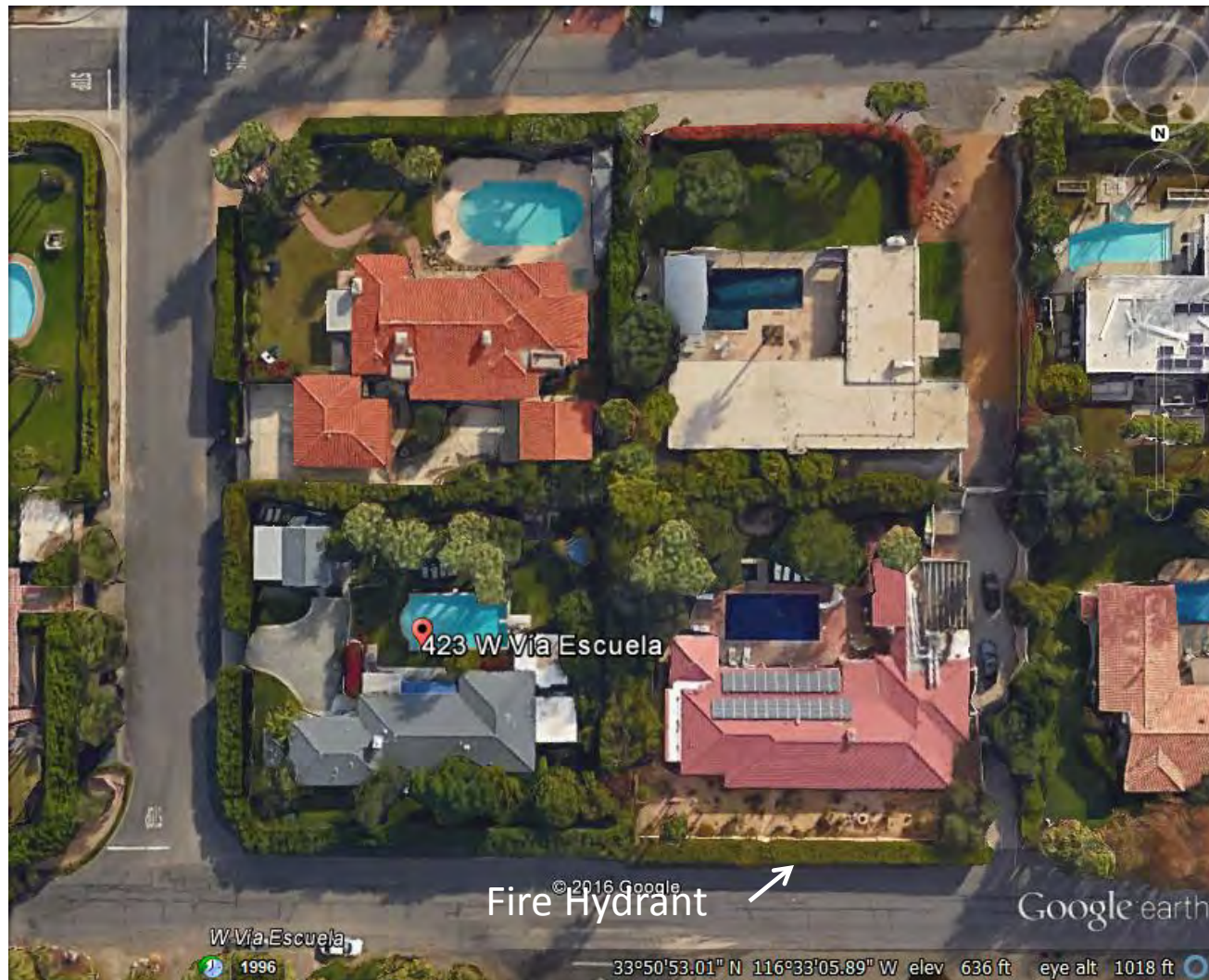
Re: Rolling Gate

I couldn't say whether the gate was on or off the track. There wasn't much debris or mud by the gate. When the pool guys arrived, they must have come through the gate because at that point the gate was open. They didn't say anything to us about the gate being off track.

423 W. Via Escuela Water Damage
12/17/2015

Stephen Breimer Claim
1/15/2016

Aerial of 423 W. Via Escuela



Path of Water Flow



447 W. Via Escuela (The Westerly House Next Door)



Hydrant Damage



Inside Pedestrian Gate 447 W. Via Escuela



Front Yard 447 W. Via Escuela



Erosion of Top Soil

447 W. Via Escuela



East Side of 447 W. Via Escuela
Water was trapped between these two walls to a
height indicated by the waterline



Collapse of Wall

Viewed from 447 W. Via Escuela



Collapse of Wall

Viewed from 447 W. Via Escuela



Collapsed Wall

Viewed from 423 Via Escuela

Note: Cherry trees under collapsed wall



Pool at 423 Via Escuela



Pool at 423 Via Escuela



Pool Equipment at 423 W. Via Escuela



Pool Equipment at 423 W. Via Escuela



Pool Equipment at 423 W. Via Escuela



Exit Point for Water Runoff East Driveway Access Gate



January 21, 2016

MEMORANDUM

TO: GENERAL MANAGER AND BOARD OF DIRECTORS
OF DESERT WATER AGENCY

FROM: BEST BEST & KRIEGER LLP

RE: JANUARY 21, 2016 MEETING OF THE BOARD OF DIRECTORS OF THE
STATE WATER CONTRACTORS, INC.

The January 21, 2016 meeting of the Board of Directors of the State Water Contractors, Inc., was conducted at the Tsakopoulos Library Galleria in downtown Sacramento.

1. Board Action Item.

The sole action item presented to the SWC Board was authorization for the General Manager to send a letter to DWR in support of hiring a consultant to recalculate pricing reports for bonds issued by DWR. In 1999, Metropolitan Water District filed a claim that the charges imposed by DWR to pay debt service on Water System Revenue Bonds had been miscalculated. The errors resulted from DWR's conversion of its reporting system in 1999, and involved 47 series of bonds that had been issued by DWR since that time. DWR agrees that the pricing reports have not been calculated correctly, and wishes to hire a consultant to help recalculate the reports correctly. DWR was seeking support from the Contractors for that expenditure, expected to be approximately \$132,000. The Board adopted a motion authorizing the General Manager to send a letter to DWR in support of that proposal.

2. Water Supply Report.

John Leahigh from DWR provided a very positive report regarding improvements in the State's water supply. The Project is off to a very good year in terms of total precipitation, but John cautioned that there is a very large hole to climb out of. The water shed was very dry following multiple years of drought and soaked up much of the precipitation that occurred early on, producing low runoff. In addition, much of the precipitation was in the form of snow, also producing little immediate runoff. However, with the soil reaching saturation, the runoff figures

were beginning to improve and were producing increased storage in the reservoirs. As of the date of the meeting, the storage at Oroville was at 1.2 million acre-feet. Diversions from the Delta (both State and Federal) were at 4,500 cubic feet per second. Salinity stopped being a problem in the Delta in early January, and outflow from the Delta as of the date of the meeting was at 42,000 cfs. Storage in the San Luis Reservoir was also increasing, and the CVP Contractors had repaid all of the debt owed to the SWP Contractors. In the Northern Sierra, total precipitation was at 114% of average to date, with another storm system scheduled to arrive the very next day. John reported that total precipitation in the Northern Sierra had just recently surpassed the total precipitation the previous year. Furthermore, climatologists expect storms to continue to accumulate in the Pacific and bring additional precipitation to California. In the San Joaquin basin, precipitation thus far has been remarkably better than last year, and was at 122% of average as of the date of the meeting. In the Tulare basin, precipitation was at 118% of average to date. The snow pack in the Northern Sierra was at 125% of average, well better than last year. The snow pack was also pretty good in the Central Sierra, but lagging somewhat in the Southern Sierra. As of the date of the meeting, storage in Lake Oroville was at 54% of average, storage in Shasta was at 60% of average, and storage in Folsom Reservoir had improved remarkably.

3. Energy Report.

It was reported that the energy markets have continued to decline due to a decline in the commodity markets. Energy costs were down 40% compared to last year due to an oversupply of gas. A similar trend occurred with respect to the price of oil, which was less than \$30 per barrel as of the date of the meeting. A lot of restructuring has occurred in the energy sector, with 42 companies having filed for bankruptcy. The restructuring is expected to continue until the markets rebalance, probably in the second half of 2017. Hydropower generation continued to be less than projected.

4. Pool 30 Aqueduct Repair.

A major leak was discovered Pool 30 of the California Aqueduct, near the Buena Vista pumping plant, requiring significant repair. DWR field personnel observed a “boil” in the aqueduct on Saturday, January 2, which was first estimated to result in water loss at the rate of 2

to 3 cfs. By January 3 (Sunday), the seep had increased to a flow of 4 cfs. DWR isolated the pool and began drawing it down at the rate of 1 1/2 feet per day, which was the maximum allowed rate of draw down. By January 5, the flow from the leak had increased to 5 cfs. By January 6th, the aqueduct had been sufficiently dewatered to allow DWR personnel to observe the opening in the lining. DWR immediately ordered three loads of grout, which stopped the leak. As the pool was further dewatered, however, DWR observed other areas in the pool that were extremely distressed and in need of repair. As of the date of the meeting, the plan was to remove approximately 900 feet of the aqueduct lining in that area, and replace it. One challenge was to excavate sufficient material to finally reach competent material that would be suitable for refilling and recompacting behind the aqueduct liner. DWR determined that the problem had not been caused by subsidence, but instead was probably caused by a high percentage of gypsum in the soil behind the liner, which dissolves upon contact with water resulting in loss of support for the aqueduct panels. The plan was to have the pool back online on February 10. Safety has been a large concern at the site, as traffic had to be restricted in order to perform the reconstruction work. The anticipated cost of the repair was not yet known, but was expected to be in the range of maybe \$8 million or \$9 million.

5. Legislative Report.

Both houses of the State Legislature returned from recess on January 4. The deadline date for submitting bills is February 19. At this point, spot bills are being introduced without any text, and therefore it is too soon to know what bills will be of concern to the Contractors. Governor Brown has released his proposed budget, which includes \$3.1 billion in “cap and trade” revenue. The budget proposes the use of \$323 million in funds for response to the drought.

6. CalWaterFix Workshop.

The State Water Contractors will be presenting an all day workshop on CalWaterFix in Sacramento on Tuesday, February 2, 2016. The workshop will present a “high level” review suitable for an audience which includes General Managers and members of the governing boards of the Contractors.

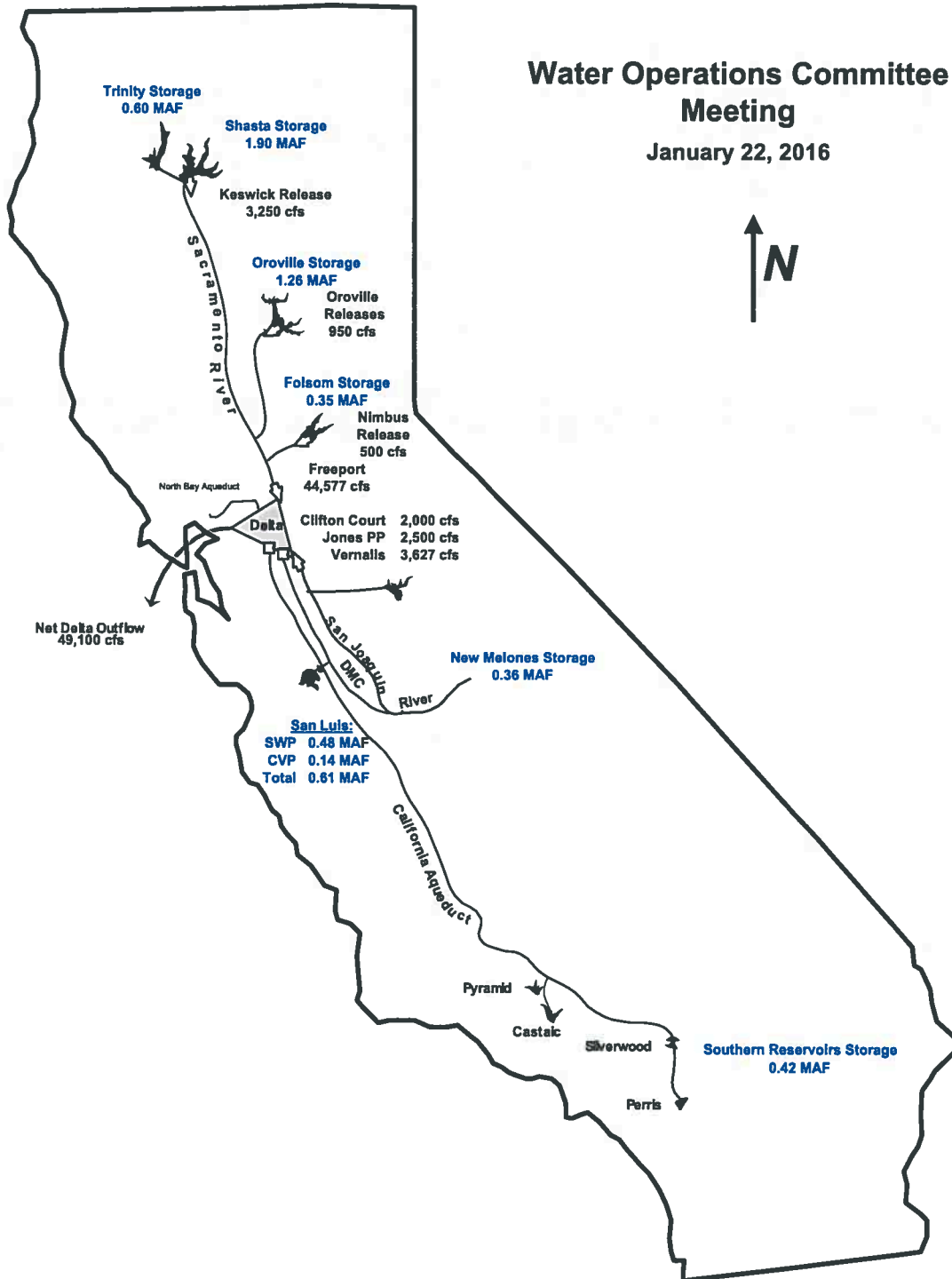
7. Business Process Objectives.

A report was provided regarding progress in addressing business process objectives for the year. A copy of that report is attached to this memo. Items of note included the upcoming State Water Contract amendments to provide for the extension of the Contracts, and also to provide for the improvements in the Delta. With regard to the amendments on the Contract extension, the legal team is working on language for the proposed amendment, which will become available soon. With respect to the Contract amendment for CalWaterFix, the Contractors' objectives have been to secure enhanced water management capability and to provide for the allocation of costs, while DWR's objective has been to ensure continued financial security for operation of the State Water Project. Other objectives identified in the report include the formation and implementation of the SWRDS Finance Committee, the development of a capital risk management strategy, the debt service reconciliation project (previously discussed) to deal with approximately \$120 million in overcharges on revenue bond debt service calculations, and execution of the sixth amendment to the tolling agreement for claims submitted on past DWR invoices.

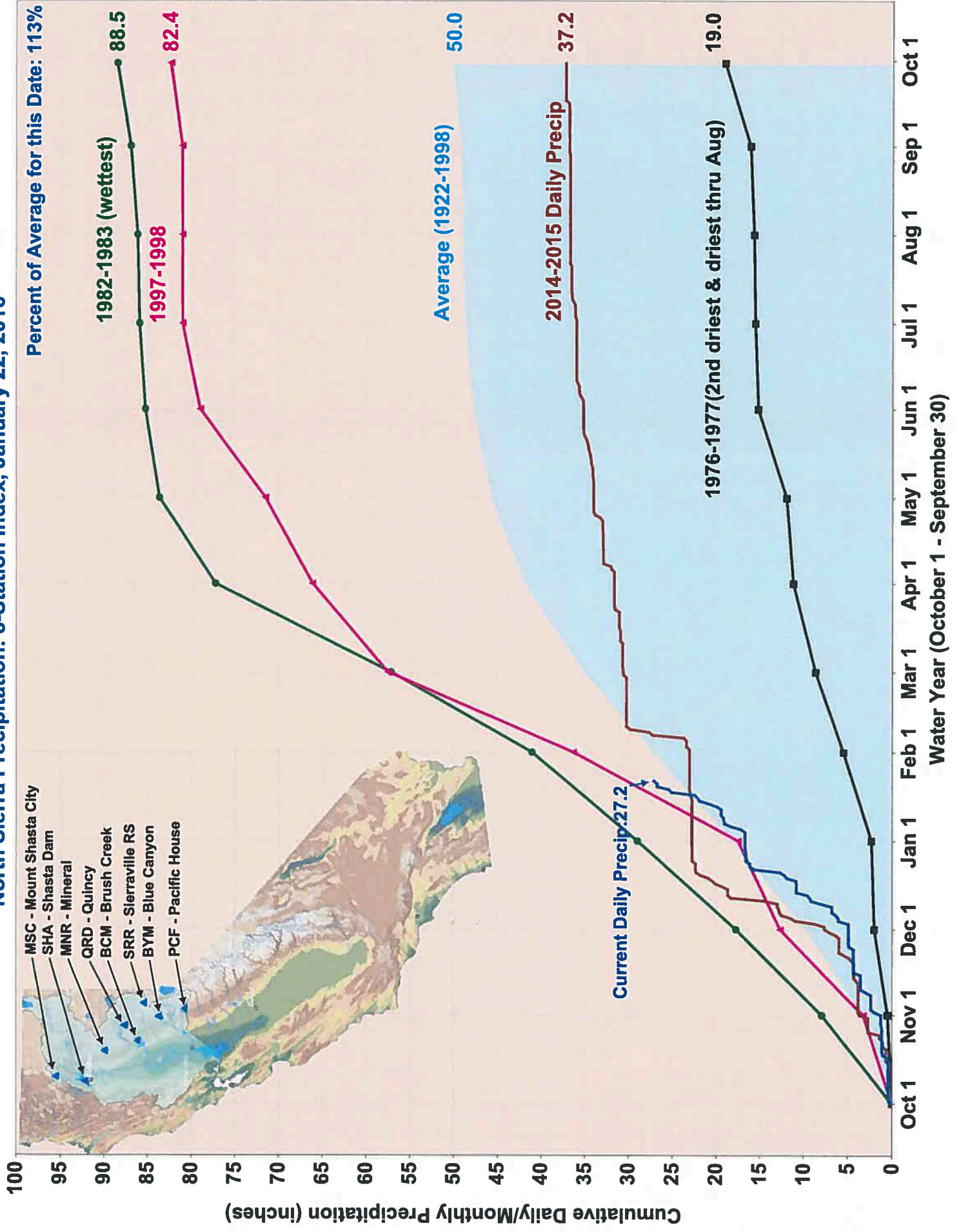
MICHAEL T. RIDDELL

Water Operations Committee Meeting

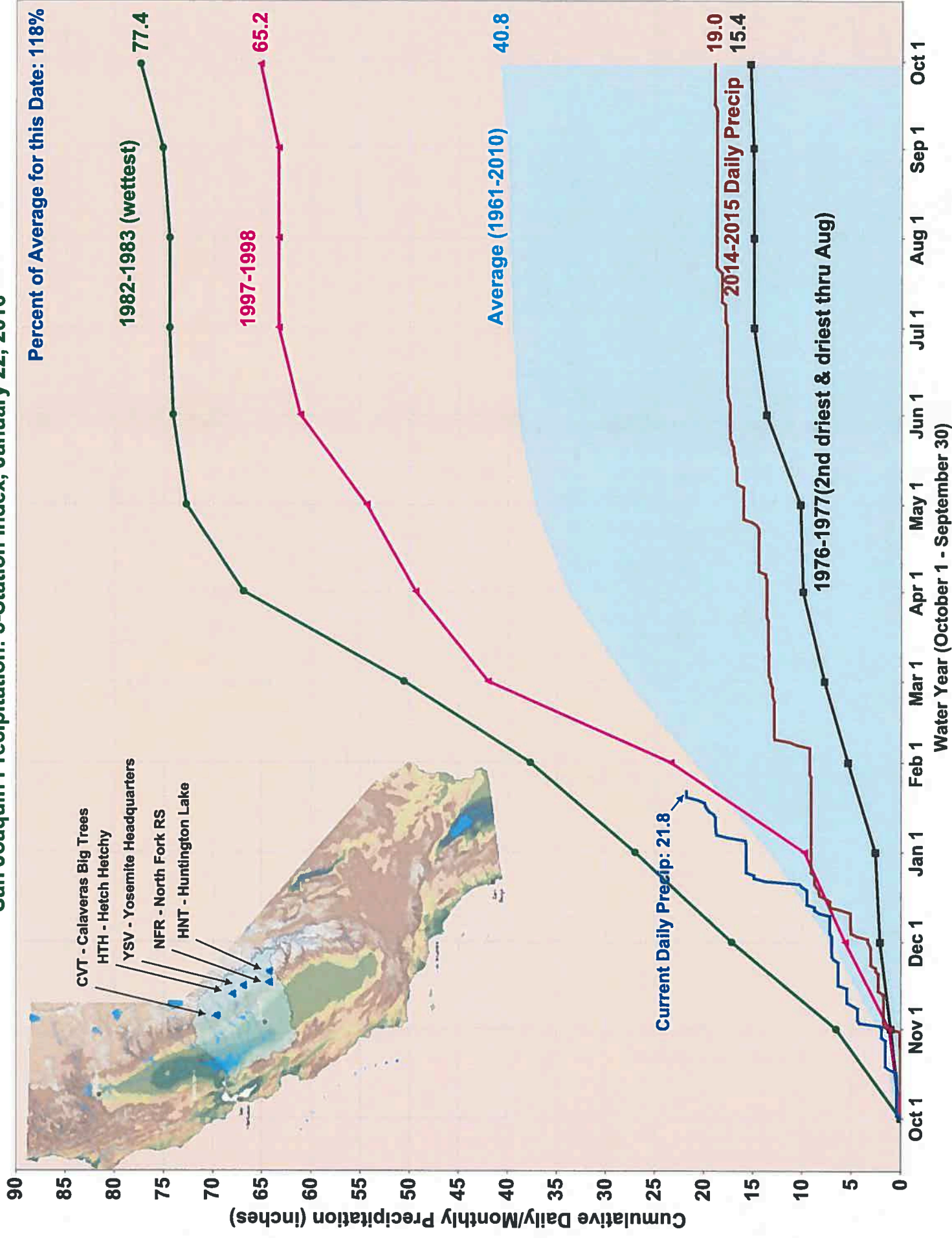
January 22, 2016



North Sierra Precipitation: 8-Station Index, January 22, 2016

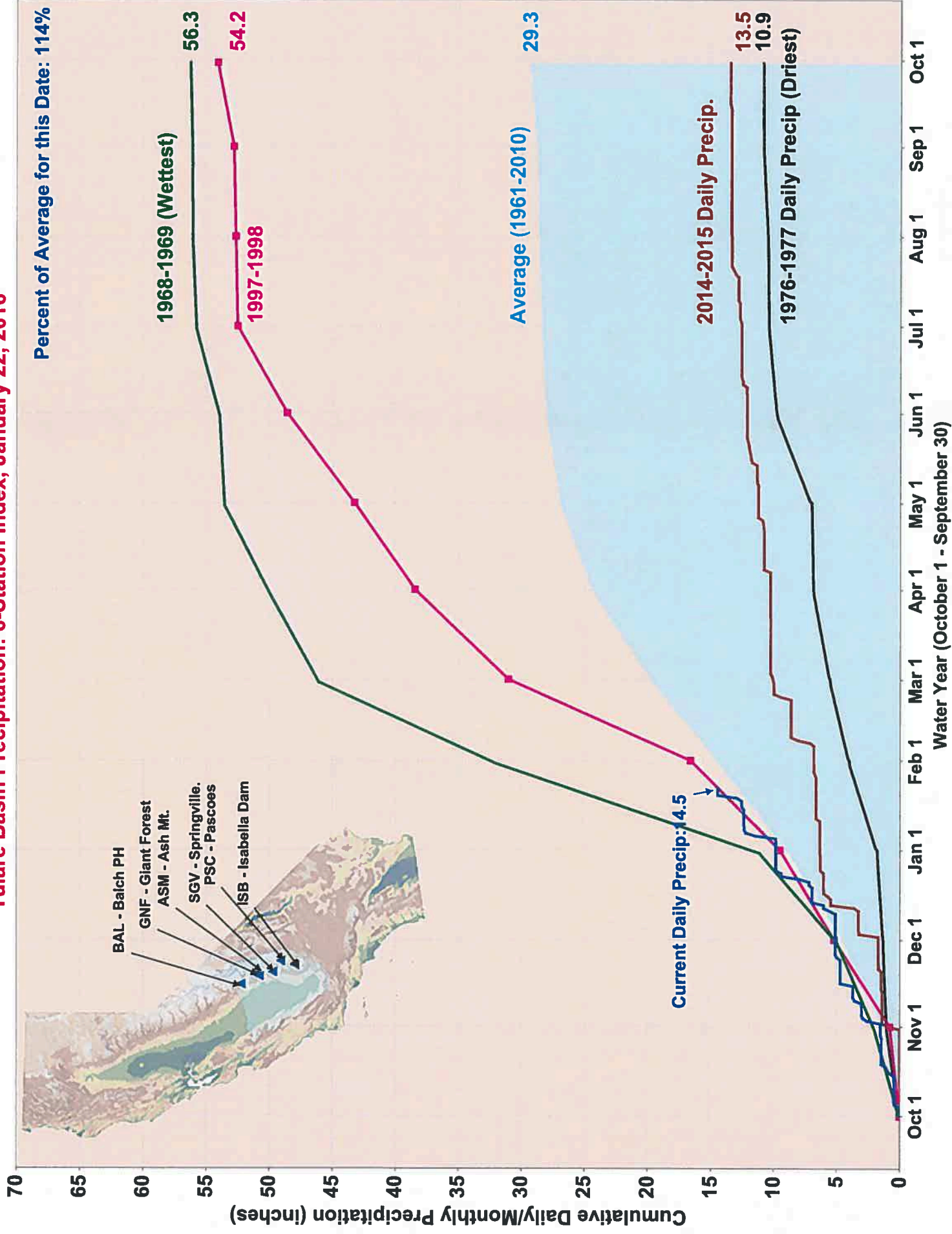


San Joaquin Precipitation: 5-Station Index, January 22, 2016



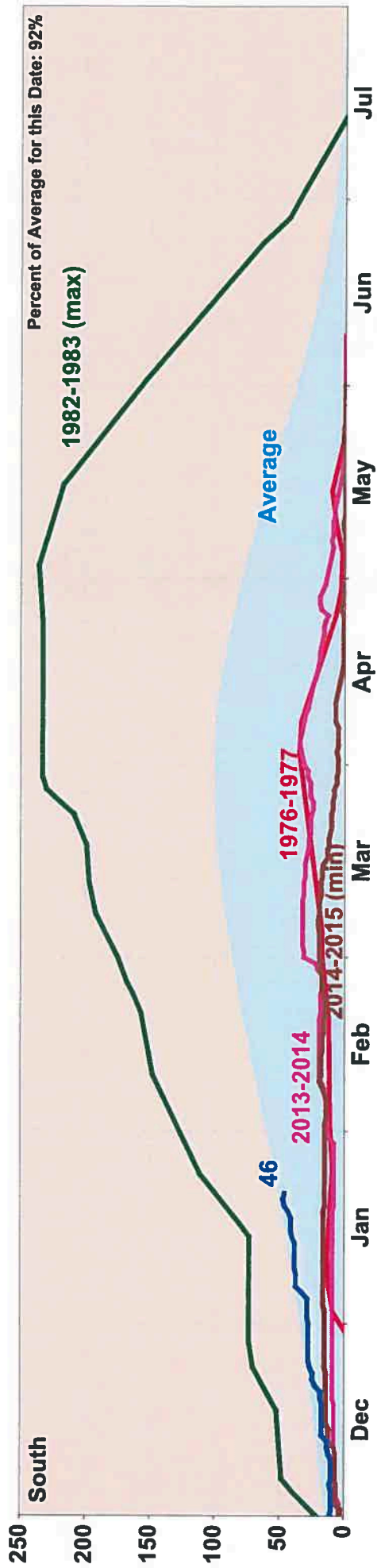
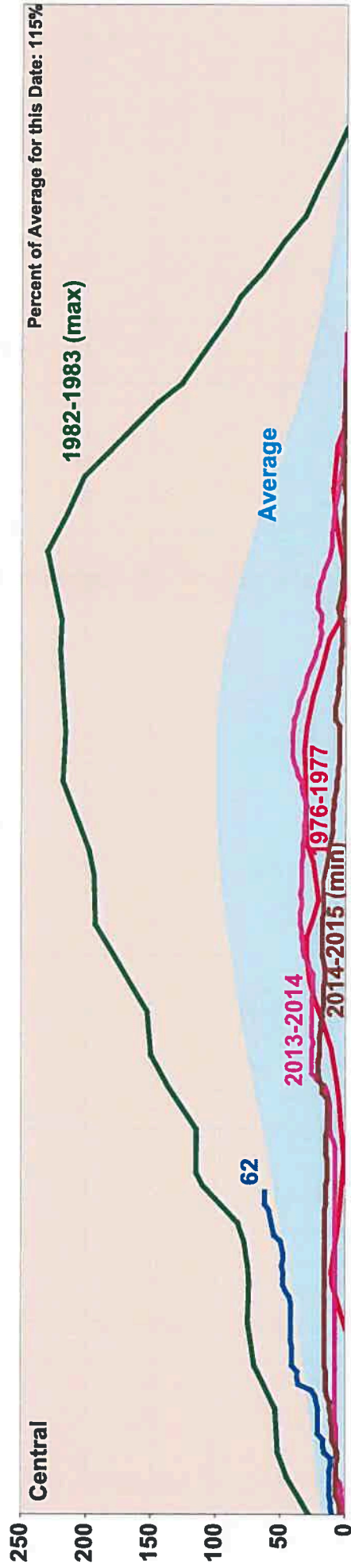
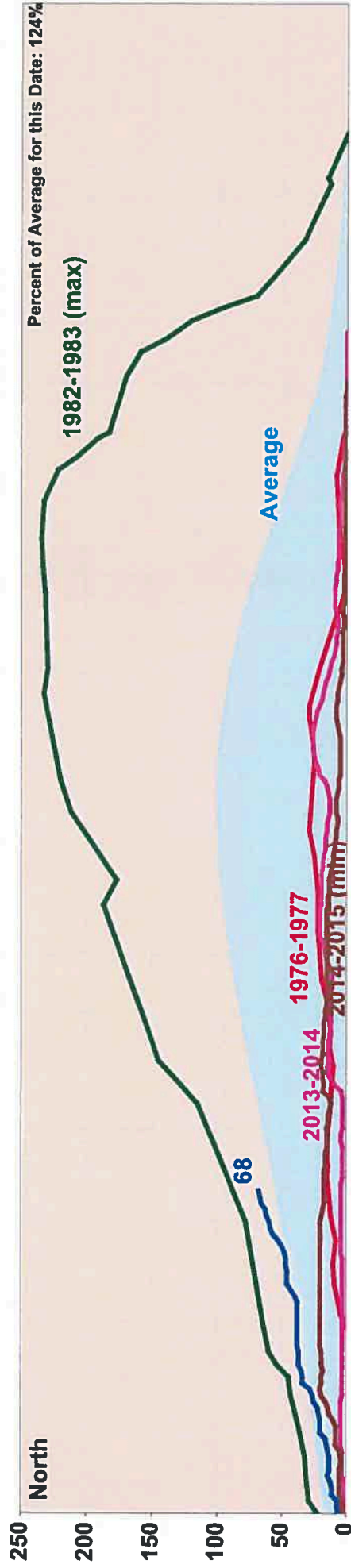
Total Water Year Precipitation

Tulare Basin Precipitation: 6-Station Index, January 22, 2016



Total Water Year Precipitation

California Snow Water Content, January 22, 2016, Percent of April 1 Average



Statewide Percent of April 1: 60%

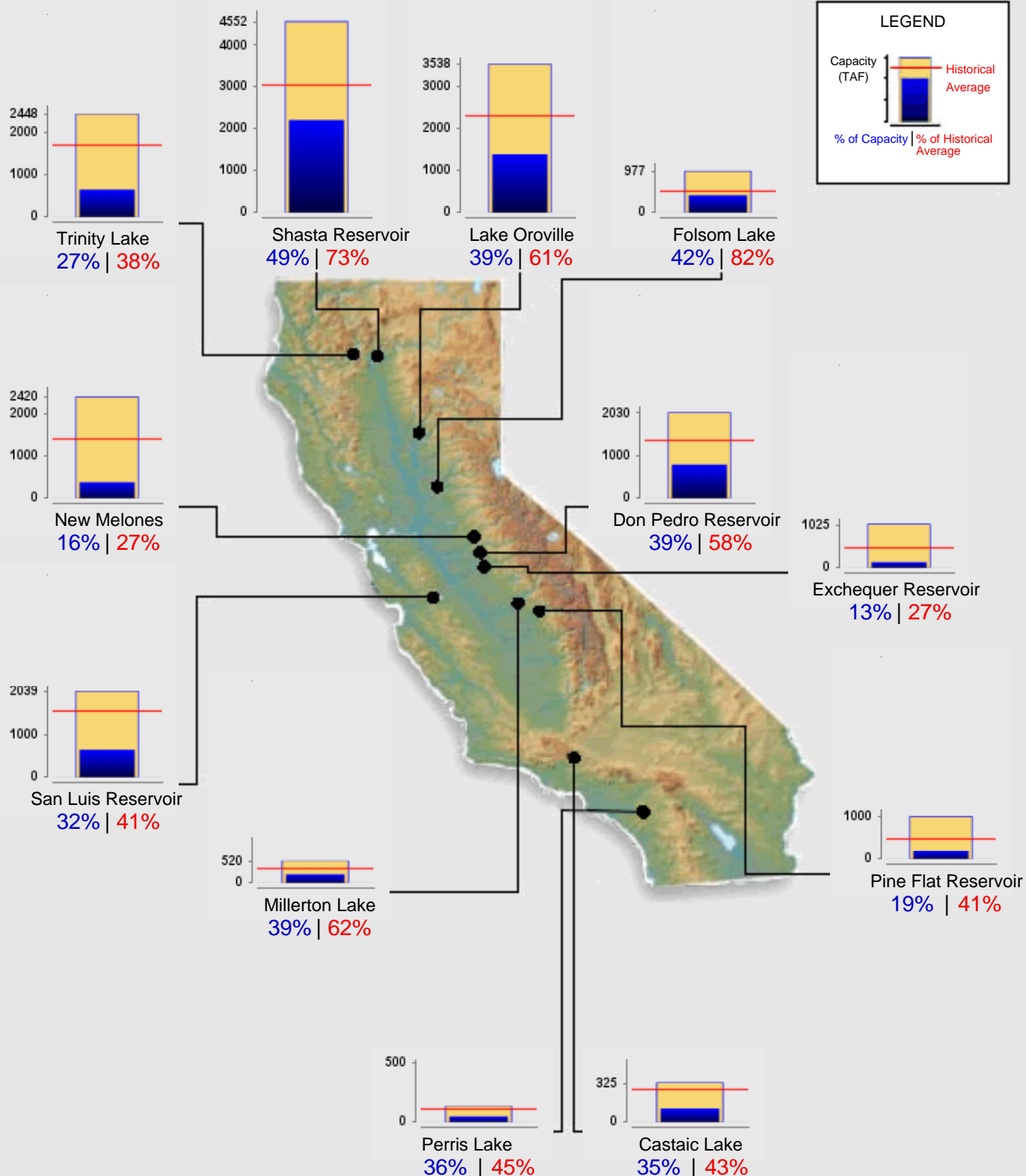
Statewide Percent of Average for Date: 113%



Reservoir Conditions

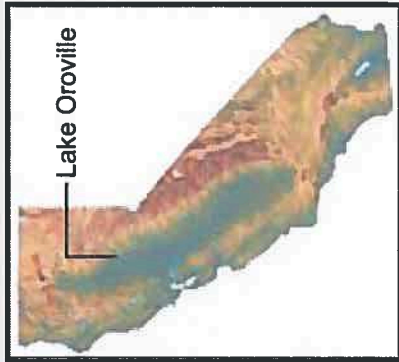
Ending At Midnight - January 27, 2016

CURRENT RESERVOIR CONDITIONS



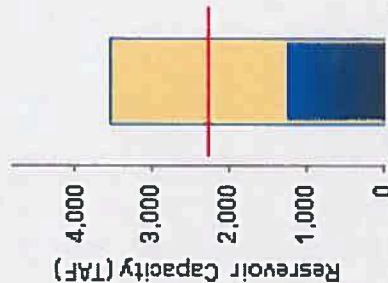


Reservoir Conditions - Lake Oroville



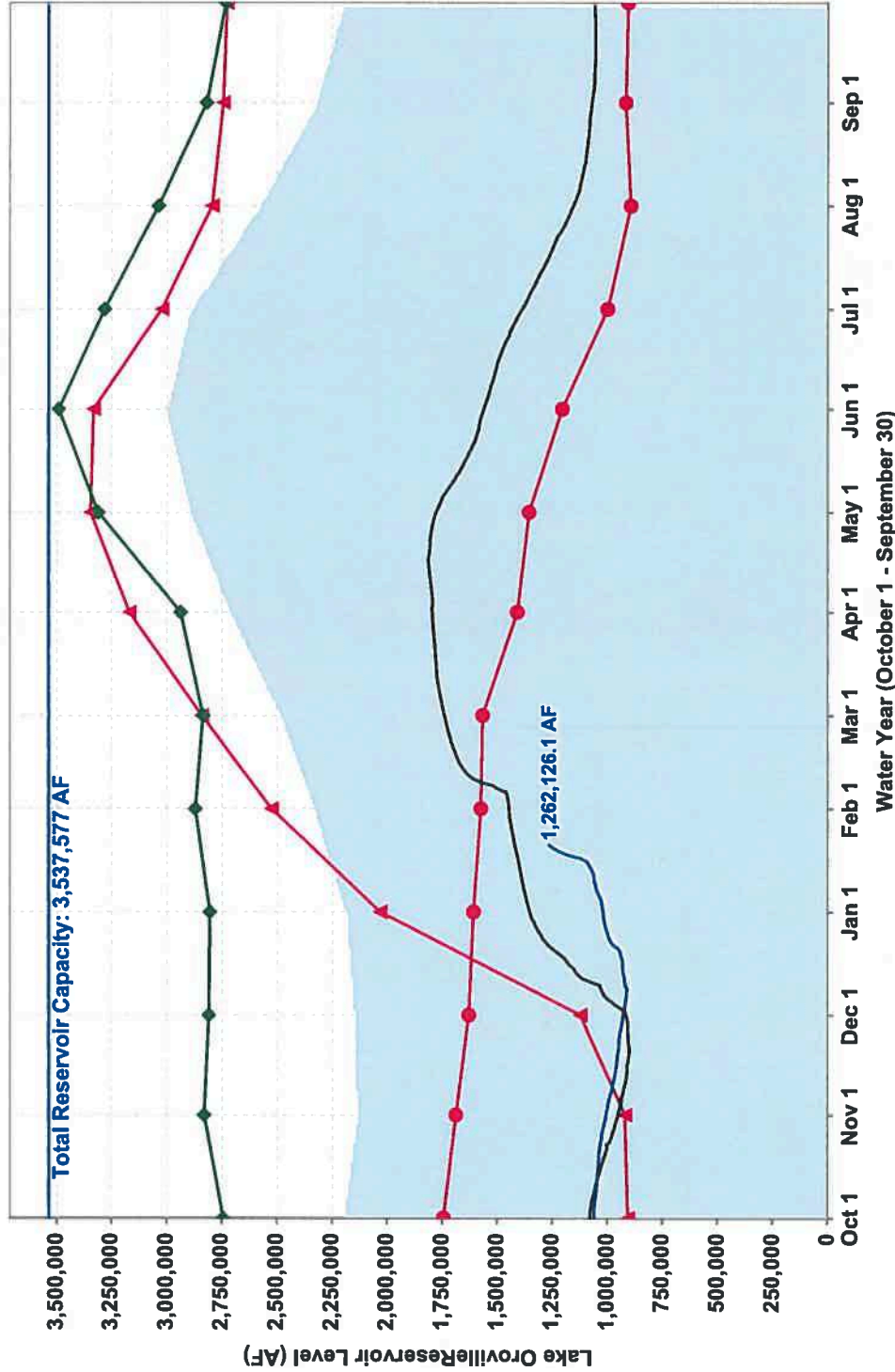
Lake Oroville Conditions

(as of Midnight - January 21, 2016)



Current Level: 1,262,126.1 AF
 (Total Capacity) | 56% (Historical Avg.)

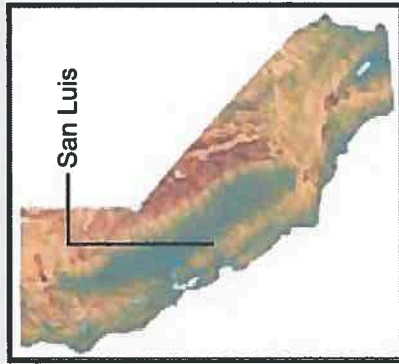
Lake Oroville Levels: Various Past Water Years and Current Water Year, Ending At Midnight January 21, 2016



Historical Average — Total Reservoir Capacity — 1976-1977 (Driest) — 1977-1978 — 1982-1983 (Wettest) — 2014-2015
 Current: 2015-2016

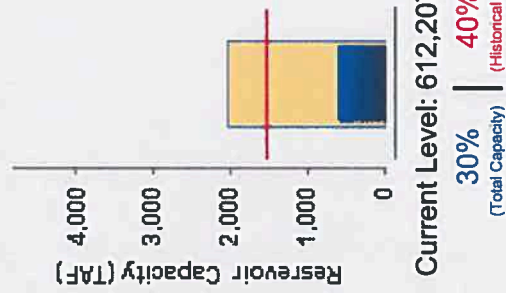


Reservoir Conditions - San Luis

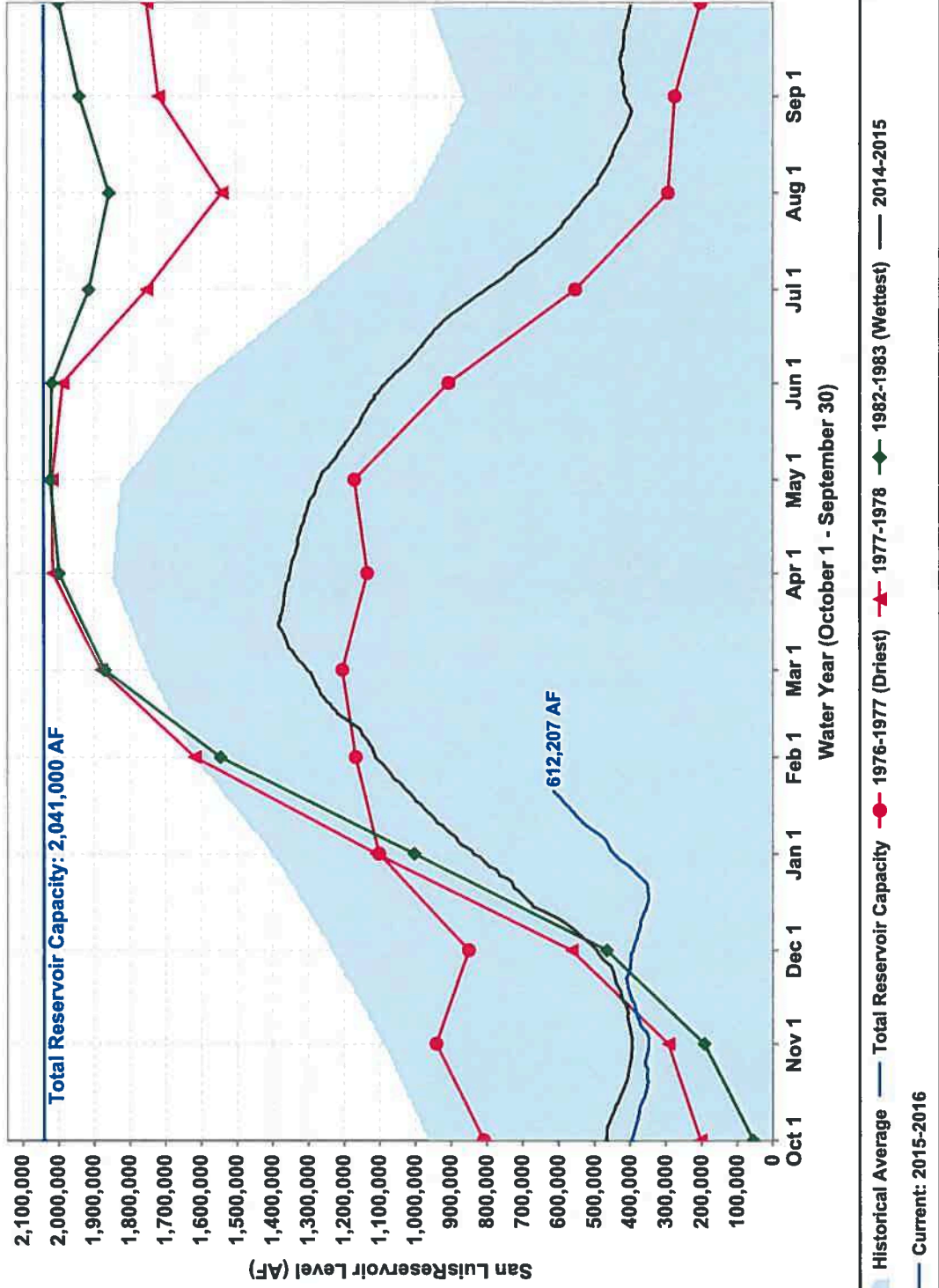


San Luis Conditions

(as of Midnight - January 21, 2016)



San Luis Levels: Various Past Water Years and Current Water Year, Ending At Midnight January 21, 2016





SWC FY 2015-16 BUSINESS PROCESSES OBJECTIVES

State Water Contractors
January 21, 2016



Business Process Goals

MISSION

Improve Fundamental
Management Controls of the
State Water Project

VISION

Enhance Fiscal Policies and
Administrative Measures for
the Operation of the SWRDS

GOALS	OBJECTIVES
1. RESPONSIBILITY	• Financial Organization
2. TRANSPARENCY	• Annual Financial Plan
3. CONTROLS	• SWRDS Finance Committee
4. REPORTING	• Financial / Managerial Reporting

Business Process Objectives (FY2015-16)

Priority 1

1. Financial Enhancements
2. Reporting
3. Implementation of Freeze-Go
4. Cash and Financing Oversight
5. Actual & Job Costing Oversight

Priority 2

6. Capital Projects & Financing Oversight
7. Estimated Costs & Cost Recovery Oversight (Statement of Charges)
8. Financial Audit & Dispute Oversight
9. Davis-Dolwig Act Funding

Primary Projects

Projects:

1. Contract Amendments
2. Interim SWRDS Finance Committee
3. Financial Management Enhancement Project
4. Forecasting
5. Risk Management
6. Cost to Debt Service Reconciliation
7. Audit and Dispute Oversight

Priorities:

1. Financial Enhancements
2. Reporting
3. Implementation of Freeze-Go
4. Cash and Financing Oversight
5. Actual & Job Costing Oversight
6. Capital Projects & Financing Oversight
7. Estimated Costs & Cost Recovery Oversight (Statement of Charges)
8. Financial Audit & Dispute Oversight
9. Davis-Dolwig Act Funding

Contract Amendments

1. Contract Extension Amendment
2. California WaterFix (BDGP) Contract Amendment

Amendment Objectives:

1. Enhanced management tools for greater flexibility
2. Allocate SWP BDGP costs proportionate to benefits received
3. DWR: To ensure terms and conditions allow continued financially sound operation of the State Water Project

Timeline:



State Water Contractors
Business Processes

January 21, 2016

5

Interim SWRDS Finance Committee

- Objective: Enhance the Financial Management of SWRDS
- Addressing Start-up Challenges:

1. Committee Role

Committee is one of the Cornerstones of Financial Enhancements

1. Provides Forum for Discussions and Channel for Making Recommendations to the Director Regarding SWRDS Financial Policies
2. Provides for Designation of SWRDS Chief Financial Manager (CFM)
3. Provides Guidance and Approval of SWRDS Financial Enhancement Work Plans Prior to Implementation

2. Committee Work Plan



Work Plans

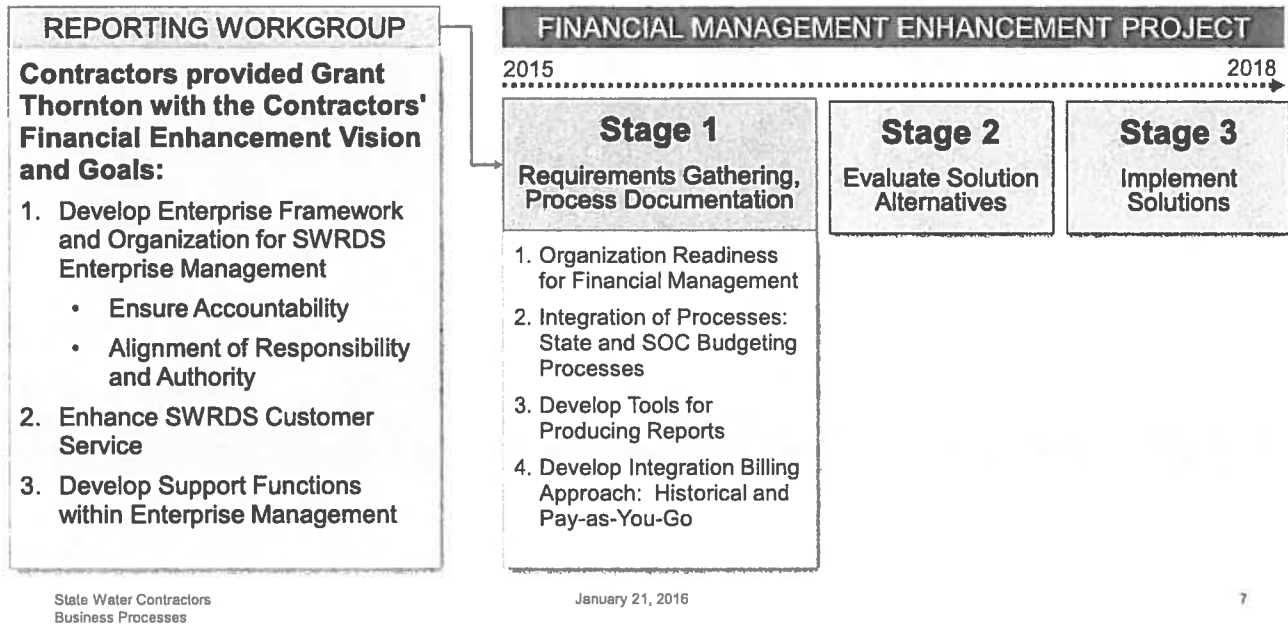
The road map to implement and maintain Comprehensive Financial Management during the life of the Enterprise

State Water Contractors
Business Processes

January 21, 2016

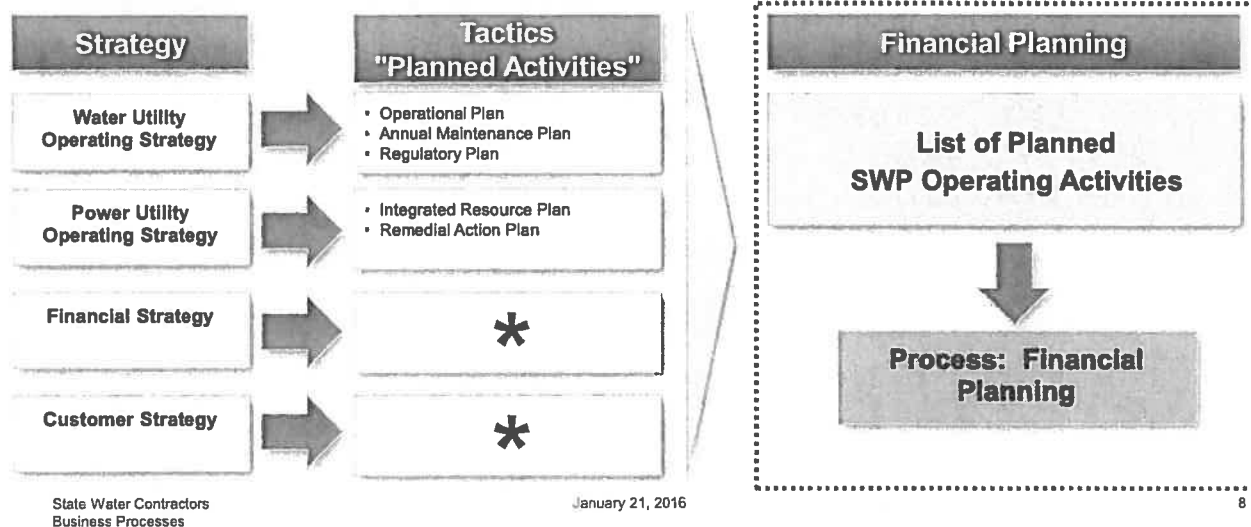
6

Financial Management Enhancement Project



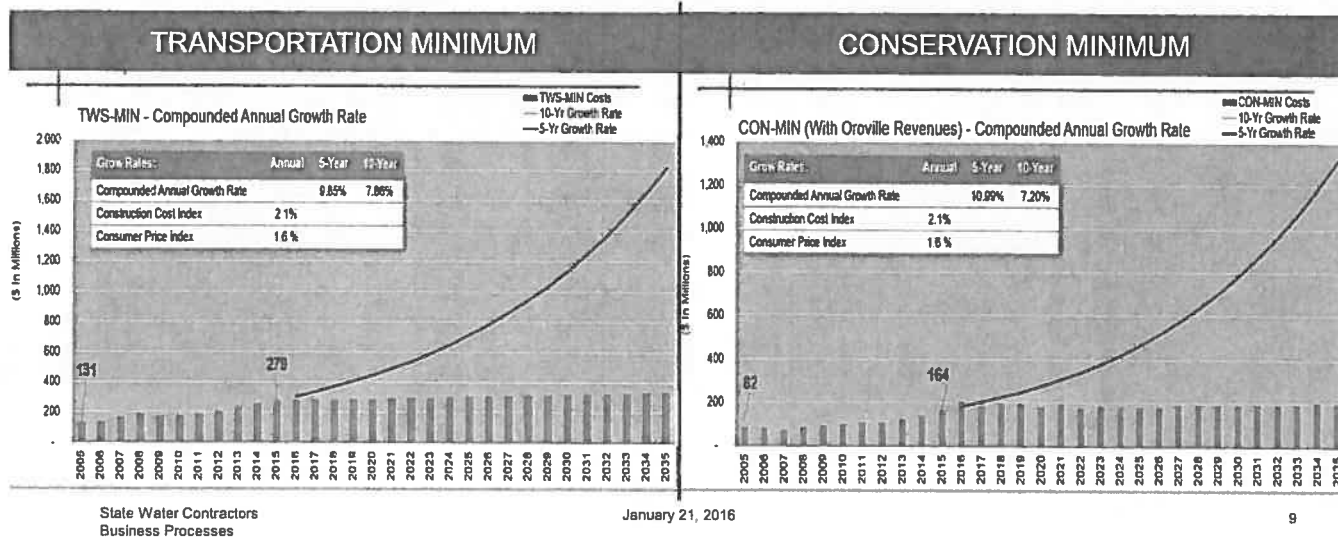
Forecasting

- Objective: Develop Contractors' Capital Risk Management Strategy Recommendation



Risk Management

- Objective: Addressing Statement of Charges Volatility Masking the High Cost Growth
 - Continued cost growth is unaffordable and coordinated action is required



Cost to Debt Service Reconciliation Project

- **Issue:** Exclusion of bond proceeds (Capital Costs) has resulted in approximately \$120 million overcharged in the WSRB Surcharge from 2001 to 2014
- **Settlement:** Project is critical in the determination of capital cost allocated to SWP Projects (Reach, Contractor) and SWP Debt Service
- **Impacts:**
 1. System Cash-Flow
 2. Springing Amendment Releases
 3. WSRB Surcharge Settlement/Correction
 4. Debt Service Reserve - SMIF Interest Refund

Audit and Dispute Oversight

- **Executed 6th Amendment to Tolling Agreement**
 - **Term:** December 2015 to December 2017
- **Completed Settlement of \$47M in Downstream Credits on Permanent Table A Transfers withheld from 1998 to 2014**
 - **Still under discussion:** Interest on Credits withheld from 1998 to 2014
- **Audit (Protest Item) Matrix Project**
 - **Objective:** Demonstrate audit findings/protest items relationship to internal control weaknesses that can increase contractors' financial risk.
 - **Goal:** Contractors' letter to Department regarding concerns
 - **Target:** March 2016
 - **Related:** (1) Financial management of the CA WaterFix Project
(2) Forecasting, Reporting, and Risk Management
(3) Capital Investment Program

State Water Contractors
Business Processes

January 21, 2016

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FY2015-16 Business Processes Objectives

Objective	Description	Priority
1 Financial Enhancements	Coordinate with DWR on funding and financing options for a new conveyance facility and expanding water management tools within the SWP contract. Coordinate with DWR to develop billing and reporting system to implement Freeze-Go. Support Contractor's SWRDS Finance Committee objectives.	●
2 Reporting	Coordinate with Contractors to develop business requirements for SWP reporting. Coordinate with DWR for inclusion of requirements in Financial Management Enhancement Project, Stage 1-3.	●
3 Cash and Financing Oversight	Work with DWR to finalize the Project Cost and Debt Service Reconciliation, and determine options for Habitat Restoration funding	●
4 Job Costing Oversight (Actual Costs)	Provide oversight over DWR's actual expenditures compared to estimated costs	●
5 Implementation of Freeze-Go	Coordinate with DWR on the development of the To-Be design and solution alternatives for the implementation of the integrated approach to billing that can accommodate both current and future "pay-as-you-go" billing methodologies.	●
6 Future Capital Projects and Capital Financing Oversight	Develop a process to track, plan and prioritize all existing and foreseeable capital projects which are funded by the SWP Contractors	●
7 Cost Recovery/Statement of Charges Oversight (Estimated Costs)	Provide oversight over DWR's estimated costs and recovery of those costs through review of the future project cost projections, the Delta Water Charge calculation, and Rate Management Credits review	●
8 Financial Audit and Dispute Oversight	Work with Contractors and DWR to identify and resolve existing and potential protest items	●
9 Davis-Dolwig Act Funding	Work with Contractors and DWR to obtain credits for past recreation costs	○

State Water Contractors
Business Processes

January 21, 2016

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**DESERT WATER AGENCY
MEDIA INFORMATION
JANUARY 2016**

DATE	PACKET PAGE	MEDIA SOURCE	ARTICLE
12/29/15	1-2	THE PUBLIC RECORD	California's Cumulative Water Savings Continue To Meet Governor's Ongoing Conservation Mandate
12/29/15	3	THE PUBLIC RECORD	CVWD Statement On Proposed Changes To Emergency Regulations
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SERVING ALL OF THE DESERT CITIES AND UNINCORPORATED AREAS OF RIVERSIDE COUNTY IN THE COACHELLA VALLEY

California's cumulative water savings continue to meet governor's ongoing conservation mandate

BY STAFF REPORTS

Californians have reduced water use by 27.1 percent in the five months since emergency conservation regulations took effect in June, continuing to meet Governor Edmund G. Brown, Jr.'s 25 percent mandate despite a decline in the statewide water-savings rate for October.

In October, when outdoor water use — and the opportunity for significant savings — typically drops off from the hot summer months, the statewide conservation rate was 22.2 percent, down from 26.4 percent in September. Adding to the challenge, October brought temperatures that were well above normal for most of the state. Nonetheless, average statewide water use declined from 97 gallons per person per day in September to 87 in October.

"We anticipated a dip in the conservation rate for October, but it is not because people are losing interest—they actually did quite well considering how unusually hot it was in October," said Felicia Marcus, chair of the State Water Resources Control Board. "It's harder to keep the percentages up in the fall and winter when little outdoor watering takes place. That's why the savings over the summer were so

important. Now, we need to keep finding ways to save water. While El Niño storms may bring significant rain this winter, the depth of our drought and the uncertainty of the amount, type, and location of precipitation means we have to continue conserving every way we can. In other words, unless we get a ton of snow in the Sierras that lasts through April, every drop saved today is one we'll be glad we have tomorrow."

The current drought emergency water conservation regulation adopted by the board in May expires in February 2016. Last month, the Governor issued an additional Executive Order giving the State Water Board authority to extend and revise the emergency water conservation regulations. State Water Board is soliciting public comment on what the next iteration of the regulation will look like. Following public review and comment, the Board tentatively plans to adopt the updated regulations by late January or early February.

At the same time, the State Water Board is reminding small water suppliers (those with 3,000 or fewer customers) that they are required to report water use by December 15. While large urban suppliers have been required to report water con-

servation information every month, small water suppliers must report only once. The regulations state that small water suppliers must limit outdoor landscape irrigation to no more than two days per week or reduce total potable water production by 25 percent as compared to 2013. The full report of information submitted by small water suppliers is expected to be available by mid-January 2016 here.

The State Water Board tracks water conservation for each of the state's urban water suppliers on a monthly basis, but compliance with individual water supplier conservation requirements and the statewide 25 percent mandate is based on cumulative savings. Cumulative tracking means that conservation savings will be added together from one month to the next and compared to the amount of water used during the same months in 2013.

October Conservation Data

- For June through October, the cumulative statewide reduction was 27.1 percent, compared with the same months in 2013. That equates to 913,851 acre-

Continued on page 2...

feet (297.8 billion gallons), or 76 percent of the 1.2 million acre-feet savings goal to be achieved by the end of February 2016:

- Statewide water savings for October was 22.2 percent (128,901 acre-feet or 41.9 billion gallons), a decrease from September's 26.2 percent savings. See fact sheet here.
- Statewide, the average water use for October was 87 residential gallons per capita per day (R-GPCD), a decrease from the 97 residential gallons per capita per day reported for September.
- Although October 2015 had the lowest level of monthly savings since June 2015, suppliers still saved more than three times the volume of water saved in October 2014.
- The last five months have been the hottest on record and October was no exception, with higher average temperatures than October 2013.

Enforcement Data

- Suppliers reported 69,999 compliance and enforcement actions taken in October, a decrease from the 77,868 actions suppliers reported in September. See the enforcement statistics for more information.
- The Office of Enforcement continues to work with suppliers that have not met their conservation standard. Since June, the State Water Board has issued:
 - Nine conservation orders;
 - 104 information orders;
 - 72 warning letters;
 - Four Administrative Civil Liability Complaints, and
 - Seven alternative compliance orders.

October saw a decrease in compliance by water suppliers. Of the 409 suppliers reporting for October, 69 percent met or were within one percentage point of meeting their conservation standard and 15 percent were between one and five percentage points of meeting their standard. For more information, visit the enforcement page.

Conservation Must Continue Through Winter

Residential water users are urged to keep up their efforts to conserve through the winter months. That includes complying with urban water supplier directives to switch to watering schedules of once a week as well as a prohibition against watering during a rain event and 48 hours directly following a rain event.

"We can't know when the drought will end, so we have to keep saving every drop we can," Chair Marcus said. "Predictions are just that, predictions. Having the odds in our favor, can give us hope, but not the certainty we need to relax our efforts."

Conservation programs put in place during the late spring and early summer months by most of the state's water suppliers have yielded dramatic reductions in water use and a reexamination of personal water-use habits. In addition to many effective local programs, state-funded turf removal and toilet replacement rebates are also now available. Information and rebate applications are available at: www.saveourwaterrebates.com/.

Background

In his April 1 Executive Order, Gov. Brown mandated a 25 percent water use reduction for cities and towns across California.

In May, the State Water Board adopted an emergency regulation requiring an immediate 25 percent reduction in overall potable urban water use. The regulation uses a sliding scale for setting conservation standards, so that communities that have already reduced their R-GPCD through past conservation will have lower mandates than those that have not made such gains since the last major drought. In his most recent Executive Order issued Nov. 13, the Governor directed the State Water Board to extend, and potentially modify, its drought emergency water conservation regulation if drought conditions persist through January 2016.

Each month, the State Water Board compares every urban water supplier's water use with their use for the same month in 2013 to determine if they are on track for meeting their conservation standard. Local water agencies determine the most cost effective and locally appropriate way to achieve their standard. The State Water Board will work closely with water suppliers to implement the regulation and improve local efforts that are falling short.

California has been dealing with the effects of an unprecedented drought. To learn about all the actions the state has taken to manage our water system and cope with the impacts of the drought, visit Drought.CA.Gov. Every Californian should take steps to conserve water. Find out how at SaveOurWater.com. **TPR**

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CVWD STATEMENT ON PROPOSED CHANGES TO EMERGENCY REGULATIONS

The State Water Resources Control Board released proposed staff recommendations for potential extension of the emergency regulations for urban water conservation. The following is a statement from Coachella Valley Water District (CVWD) General Manager Jim Barrett on the proposed recommendations.

"Coachella Valley Water District appreciates the ongoing opportunity to provide feedback to the State Water Resources Control Board through the Urban Water Conservation Workgroup. Recognizing the difficult task before the Water Board, we believe this initial framework is a decent starting point, but still far away from a fair, intelligible, explainable and quantifiable outcome that we all hope to accomplish.

An initial review of the document indicates CVWD would qualify for no more than a 4 percent change to its conservation mandate, based on the proposed climate adjustment. While we appreciate consideration for regions that are the hottest in the state, we would encourage the state to consider an adjustment more equitable to the circumstance.

We are especially disappointed that staff is recommending no adjustments for seasonal population. In the Coachella Valley, inability to count seasonal residents creates an artificially inflated per capita water use figure, which is the reason CVWD was given the 36 percent target. CVWD has worked hard to promote water conservation among seasonal customers and doesn't believe they should be given any special treatment. We just want them counted in the population.

CVWD looks forward to commenting on the proposed regulatory framework and continuing to participate in the process when the draft emergency regulation is released in mid-January. We remain optimistic that the Water Board will consider the many valuable and legitimate concerns raised by water districts throughout the state during the first comment period."

CVWD's initial comments on the potential changes to the emergency regulations can be found at www.cvwd.org. CVWD customers who would like to make independent comments to the Water Board can do so by emailing Kathy Frevert at Kathy.Frevert@waterboards.ca.gov by Jan. 6, 2016. **TPR**

Desert Hot Springs community divided over sewer plan

Kia Farhang, The Desert Sun, January 2, 2016

Loretta Rice pours a batch of chemicals in her toilet about once a month.

The retired Desert Hot Springs resident's home uses a septic tank, an individual waste treatment system. The chemicals keep it running smoothly.

Roughly 850 homeowners in the Mission Lakes Country Club have relied on septic tanks for years. The local water district wants to move the area to a sewer system to prevent water contamination, but residents are divided over the issue.

The septic tanks in Mission Lakes are clustered too closely together to work properly, said Mission Springs Water District General Manager Arden Wallum. At some point, the waste from those tanks will likely seep into the city's groundwater supply, contaminating water in Desert Hot Springs and elsewhere in the Coachella Valley.

"Once the groundwater is polluted, it's going to cost us 10 to 100 times more to treat it and correct the problem," Wallum said.

Installing sewers in the country club, which sits at the corner of Mission Lakes Boulevard and Little Morongo Road, could cost \$8 million to \$10 million, Wallum said. That would mean an average of about \$9,000 per home.

Wallum hopes to cover half the cost with federal grants. Homeowners would also be able to stretch their payments for the sewer system out over decades.

But Rice, like many Mission Lakes residents, is on a fixed income. Payments of a few hundred dollars per year would be "a hardship," she said.

Residents approved a ballot measure to start the sewerage process about a decade ago, Wallum said. But the district had to work on more urgent projects first, and the project window lapsed.

Greg Buenzli, a retired finance worker, supported the move in 2004. He thinks residents should pay for the project even if the water district can't get outside help.

"I don't know who else is gonna (pay). There's no such thing as a free lunch," Buenzli said.

Nancy Smith, who splits her time between a home in the country club and Washington, said some residents are selling their homes because they don't want to pay for the sewer upgrades.

"My understanding is we haven't had problems yet," she said. "It's an expense that I don't think is necessary here."

The water district is meeting with residents about the issue, and Wallum said he'll keep working on it.

"We won't give up until we have this area sewerage. It's the most important thing we can do right now to protect our groundwater. It's definitely necessary to protect our water supply," he said. "It's a good investment in the future."

Drought: Californians cut water use 20% in November

Ian James, The Desert, *January 5, 2016*

Californians have been meeting a state-mandated goal of reducing water use by more than 25 percent since mid-2015, even as their water-saving performance dipped and missed that target in November for a second straight month.

The State Water Resources Control Board announced the latest water conservation figures on Tuesday, saying Californians dialed back water use by 26.3 percent from June through November, the first six months the drought regulations were in effect.

Water suppliers in cities and towns across the state reported using 20.3 percent less water in November as compared to the same month in 2013, which the state is using as a baseline. That was down from 22.3 percent water savings in October.

Felicia Marcus, the board chair, said the cumulative six-month number is most important, and the test will be to keep it up.

"It's easy to point to the 20.3 as if it's a bad thing. But it's what we expected, and 20.3 is a lot for that month because this is not a month when people traditionally water outdoors," Marcus said during a meeting in Sacramento. She said the "goalpost" is for the state to achieve a reduction of 25 percent over the nine-month period ending in February, when the current emergency drought rules expire and new regulations are to take effect.

"We're still winning the race. And I just don't want anyone to impugn the heroic efforts that Californians are still making, because this means folks are saving a lot of water indoors to meet this number," Marcus said. "It is important for people to keep up the effort because we need to win this race."

State water officials have calculated that Californians cut back urban water use by 328.9 billion gallons from June through November, cumulatively amounting to 84 percent of the nine-month goal laid out in the drought regulations – enough to provide water to about five million people for a year.

The Coachella Valley's water districts have fallen short of their water-saving targets. The state has recently proposed a new round of drought regulations that would slightly decrease the mandatory water conservation targets for the area's water agencies.

Marcus said it may seem incongruous to be focusing on new drought regulations while it's raining and snowing over much of the state, and with a "conga line" of El Niño-influenced storms approaching. But she pointed out that the levels of many California reservoirs remain well below average and the drought is far from over.

The Coachella Valley's water agencies have been falling short of state-mandated water conservation targets. Statewide, however, Californians have met the goal of reducing water use by more than 25 percent during the six months from June through November.

Much will depend on how much rain and snow falls during the wet season between now and April 1, she said. "In the spirit of 'it's better to be safe than sorry,' we're going to need to keep going until we know we can ease up or let go."

The water board said in a monthly summary that while the state's water conservation performance remains strong, "continued water savings in the cooler winter months will be critical." The board adopted the regulations last year after Gov. Jerry Brown ordered the 25-percent reduction in water use.

State officials have sought to enforce the regulations in part by imposing \$61,000 fines last year against four water suppliers: the Coachella Valley Water District and the cities of Indio, Beverly Hills and Redlands.

The state's latest figures show that between June and November, Indio reduced water use 21.2 percent as compared to the same period in 2013, missing the state-mandated target of 32 percent. Customers of the Coachella Valley Water District cut back 26.5 percent during that period, failing to reach the state's goal of 36 percent. Officials from Indio and CVWD met with state officials last month to discuss the fines, and they have yet to pay.

Marcus said the state water board will continue to focus on enforcement.

"We're winning the race collectively," she said, "but that is in part because some folks are exceeding their individual targets while others are not."

In another decision during the meeting, the state board authorized the sale of up to \$1.2 billion in bonds to augment the Clean Water State Revolving Fund. Money in the fund is used to finance the construction of public wastewater plants and sewer system improvements, as well as water recycling plants and other projects.

Ian James can be reached by email at ian.james@desertsun.com and on Twitter: @TDSIanJames.

DROUGHT: Water district orders 70% cuts to irrigation

By JANET ZIMMERMAN / STAFF WRITER, *Published: Jan. 6, 2016*

After six months of failing to meet the state's water-reduction mandate, Riverside County's largest supplier on Wednesday imposed an immediate 70 percent cut to residential irrigation.

The move by Eastern Municipal Water District's board appears to be the most drastic of any Inland agencies, which have ordered reductions of 16 percent to 50 percent.

Eastern customers who fail to meet the new outdoor watering requirements face higher rates.

With El Niño-driven storms pounding the region, it is expected that residents will be able to turn off their sprinklers for much of the winter, said Kevin Pearson, spokesman for the district that serves 144,000 homes from Moreno Valley to Temecula and eastward to Hemet and San Jacinto.

"For every quarter-inch of rain, you can shut off sprinklers for a week," he said. "Let Mother Nature do the work."

About one-third of Eastern's customers will fail to meet the cut, Pearson said. Most of them will pay less than \$20 per month more for exceeding their allotment, but some will pay an additional \$50 per month, starting in February.

On Jan. 20, the district's board is expected to prohibit irrigation of decorative grass at shopping centers, city-maintained areas and ribbons of grass along sidewalks.

Eastern has been ordered by the State Water Resources Control Board to cut a cumulative 28 percent between June 2015 and February 2016. All of the state's 411 large suppliers must conserve between 8 and 36 percent to meet the 25 percent overall state reductions ordered by Gov. Jerry Brown.

In November, Eastern customers reduced a mere 8 percent, bringing the district's six-month cumulative total to 19.2 percent. Preliminary numbers for December show 12 percent conservation.

Failing to meet the goal, or to make an aggressive effort to conserve, could bring the district \$10,000-a-day fines. The state has warned hundreds of districts that they are at risk of follow-up actions and fined four agencies \$61,000 each for insufficient results, including the Redlands' water department.

Eastern is trying to avoid fines and a lower bond rating, which could cost the district millions of dollars a year in higher interest rates on loans, Pearson said.

George Kostyrko, spokesman for the state water board, said districts' compliance will be evaluated in February and officials will decide whether to take action. A move like Eastern's will be taken into account, he said.

"The idea here is we're not trying to fine people, we're trying to get people to cut back on outdoor water use until we know where we stand on water supply," he said.

EASTERN'S RATE STRUCTURE

Eastern Municipal Water District's rate structure has four tiers.

Each home is given an indoor allocation of 60 gallons per person per day for the total number of people in the home. In that tier, the price in most areas of the district is \$1.79 per billing unit, or 748 gallons.

The second tier, for outdoor use, is based on the amount of water needed to maintain a home's landscaped area. The cost is \$3.28 per billing unit.

Beyond that is the excessive tier, \$5.87 per unit in most areas, and the wasteful tier, which costs \$10.75 per unit.

Eastern's board voted Wednesday to move to Stage 4c of its drought-response plan. Under Stage 4c, the second tier is reduced by 70 percent and the third tier is eliminated. Customers who exceed their outdoor watering allowance automatically move into the fourth tier.

Date: Jan 6, 2016; Section: Local Extra - Southwest; Page: B1

While water conservation drops, overall savings top drought mandate

One district, whose customers used only 7% less last month, may tighten use limits.

JANET ZIMMERMAN

STAFF WRITER

Water conservation dropped again in November, but a six-month cumulative total of 26.3 percent savings continues to exceed the governor's ordered savings, according to figures released Tuesday by the state.

In November, residents across California cut their use by 20.3 percent compared with the same month in 2013, said Katheryn Landau, an environmental scientist with the State Water Resources Control Board.

Gov. Jerry Brown has ordered a 25 percent average reduction across the drought-plagued state.

Cumulative percentages for most Inland districts sagged in November, throwing suppliers further off their targets, which the state set at 8 percent to 36 percent, depending on past use.

Eastern Municipal Water District in Perris cut 8 percent in November, and preliminary numbers for December show a 12 percent decrease. The agency has failed to meet its 28 percent target every month since compliance became mandatory in June.

As a result, Eastern today is expected to order customers to cut outdoor water use by 70 percent. If drought stage 4c is approved by the board, the change would take effect immediately and show up on customers' bills starting in February.

Those who keep within their allotment pay \$3.28 per unit, which is 748 gallons. People who fail to cut their use pay the maximum of \$10.76 per unit. The change is expected to impact about one-third of Eastern's customers, according to a staff report.

Officials expected the fall water savings to be lower since the weather is cooler and people irrigate less outdoors. The greatest opportunity for savings was in the hottest months.

Water board Chairwoman Felicia Marcus said she was encouraged by the cumulative total since June 2015.

"The goalpost is 25 percent in February, so we're still winning the race," she said. "This means folks are saving a lot of water indoors to reach this number, and I don't want them to be discouraged."

In November, per-person daily use was 75 gallons, down from 87 gallons in October and 98 gallons in June. The state standard is 55 gallons per person per day.

Between June and November, Californians saved almost 329 billion gallons of water, a little more than 1 million acre-feet, which is enough to supply the populations of Orange and San Bernardino counties for a year, Landau said. The goal through February is 1.2 million acre-feet.

Even as El Niño-driven storms pounded the state Tuesday, water board officials warned that the effects on the drought won't be known until April, when the state determines the summer supply based on reservoir storage and snowpack.

The state's emergency water-saving rules expire next month. The board is expected to revise the regulation and extend it through October.

Last month, regulators proposed easing the targets for the extension to give a break to water providers in warmer regions such as the Inland area and those with recent population growth.

The revised rules would allow many communities to raise water use by as much as 4 percentage points while meeting the governor's savings requirements.

Water board staff members will release a draft of the updated emergency regulation later this month. The board will vote on the issue in early February.

California cut water use 20.3% in November; with the rain, what will happen?

Matt Stevens, January 6, 2015

A long-awaited rain comes to the state, regulators said Tuesday that California cut its water usage by 20.3% in November, staying on track to meet the target set by Gov. Jerry Brown.

The savings percentage, compared with November 2013, was the lowest in six months of reporting and moved California's cumulative savings to 26.3% from 27.1% in October. The November savings is still slightly above the 25% cutback that Brown called for.

Water officials have said they expect savings percentages to be lower during the colder, wetter months, when people typically use less water and there is less room to cut back.

Indeed, Felicia Marcus, chairwoman of the State Water Resources Control Board, nodded to El Niño, opening the meeting by apologizing for a late start on what she called a "gloriously gloomy day."

"We're in the watch-and-wait season," Marcus said of the anticipated rain's effect on the drought.

To cut water consumption by 25%, the water board assigned conservation standards to each of the state's 411 urban suppliers last year.

Suppliers with a history of high per-capita water use were ordered to cut as much as 36% from 2013 totals. Suppliers with a history of lower consumption were told to cut as little as 4%.

Some have struggled to meet their targets. In November, six suppliers fell more than 15 percentage points short of their targets. Seventy-five others missed their marks by 5 to 15 percentage points, water board officials said.

The board already has penalized a few water suppliers for falling short of their mandates. Meanwhile, water board staff members said Tuesday that they continue to warn other providers that they too could face fines if they fail to improve.

Many of the hardest-hit districts have complained that their individual targets failed to take into account local conditions. So last month, state water board staff suggested changes to the rules, which prescribe how each district will contribute to the 25% statewide cut.

The effect of the modifications — which would allow regulators to consider regional climate, local growth and other factors when calculating new targets — would be to lower the state's mandatory savings to 22%.

The relief could arrive at a crucial time for fledgling water districts. Water conservation has slipped statewide each month since July, according to the data released Tuesday.

For example, California cut its water consumption by 26.2% in September, 22.3% in October and 20.3% in November, compared with the same months in 2013.

Officials, though, remained upbeat about the state's conservation efforts. Aided by cooler temperatures and more rain than during the same month in 2013, officials noted that Californians used about 75 gallons of water per person per day in November — the lowest average of any month since the emergency regulation took effect.

"I want to be clear that the goal post is still the 25%," Marcus said. "We're still winning the race. I don't want [Californians] to be discouraged."

Water board staff members said Tuesday that they would release an updated draft of the emergency regulation by the middle of the month after taking public comments.

The board is likely to consider adopting the updated regulation by early February, just days before the current rules expire.

"It may seem incongruous to people that we are extending the conservation regulation when we have rain falling and snow falling," Marcus said. "But ... in the spirit of 'better to be safe than sorry,' we're going to need to keep going."

"We have to continue conserving until we don't have to."

Times staff writer Bettina Boxall contributed to this report.



Much of the torrential rain that fell on Southern California this week flowed right into the ocean

AP

Associated Press Jan. 8, 2016

By ELLIOT SPAGAT, Associated Press

SAN DIEGO (AP) — Much of the torrential rain that fell on Southern California this week flowed right into the ocean, just like it did before the state's epic drought.

That seemed like a good idea for many years, as storm drains provided a crucial defense against flooding. But with California entering what may be a fifth year of drought, water agencies slowly are moving to capture and store more of this precious resource.

"That was the 19th, 20th century thinking: 'Let's get that water out of here as fast as possible,'" said Deborah Bloome, senior director of policy at TreePeople, a nonprofit group that is working to increase rain capture in the Los Angeles area.

Now, people are more likely to see a rapidly disappearing flood — nearly 3 inches fell on much of Southern California this week — as a wasted opportunity.

The State Water Resources Control Board approved a broad plan Wednesday for capturing more rain. The regulator is launching a road show this month to explain how it will dole out \$200 million for projects to collect rain, part of a \$7.5 billion water bond voters approved in November 2014.

Los Angeles expects to collect 3.3 billion more gallons a year from projects now under construction. The city eventually plans to capture 20 billion more gallons than the 10 billion it collects during normal years and up to 26 billion gallons during wet years.

Still, many believe more can be done, through projects large and small.

"This is a source of water that has been neglected for far too long," said Peter Gleick, president of the Pacific Institute, which authored a 2014 report with the Natural Resources Defense Council that estimated urban California could capture an additional 630,000 acre-feet of rain a year, roughly enough for 1.2 million households. "It is untapped, and it has enormous potential."

Southern California imports a lion's share of its water from Northern California and the Colorado River, on aqueducts that stretch hundreds of miles. The drought has slashed water consumption across the state and renewed interest in developing new water sources, like recycling and seawater desalination.

California's rainy season usually runs from January to early March with short but intense storms, creating a limited window. Parched Southern California needs the water most and has long had reservoirs to capture some of it. But much of the water dumped by El Nino's storms streamed down gutters and curbs through a concrete jungle, into drains that go into the Pacific.

Los Angeles County captured 3.2 billion gallons during this week's storms as of Thursday afternoon, largely through 27 holding ponds, said Steven Frasher, a spokesman for the public works department. Water from the Los Angeles and San Gabriel rivers flowed into fields that percolate into aquifers for future pumping.

The Orange County Water District, which relies on rain capture for about 10 percent of its supplies to 2.4 million people south of Los Angeles, collected about 3.3 billion gallons from this week's storms as of Thursday afternoon. The captured water flows into the Army Corps of Engineers' Prado Dam and is slowly released 11 miles downstream on the Santa Ana River, to ponds that seep into an aquifer. The rest goes into the ocean.

"In a dry year, we capture essentially all of it. In a big, wet year, we lose more. On average, we capture about 50 percent," said Greg Woodside, the agency's executive director of planning and natural resources.

The San Diego region, unlike Los Angeles and Orange counties, lacks large ground aquifers that can store water. San Diego collected about 800 million gallons this week at nine reservoirs as of Thursday morning, city spokesman Kurt Kidman said.

The region gets 7 percent of its water from rain on average and about 20 percent during the last El Nino storms in 1998, said Dana Frieauf, water resources manager for the San Diego County Water Authority.

"There's the potential to do more," Frieauf said. "We have to look at the cost to our ratepayers and see what makes sense."

Modest efforts are taking hold across Southern California.

In Los Angeles, the city gutted a 16-foot-wide concrete street median that runs the length of 12 football fields and replaced it with vegetation that captures rain over 111 acres. The \$3.4 million project, completed in 2014, is designed to collect enough water to fill more than 27 Olympic-sized swimming pools a year.

Bloome's group, TreePeople, operates a 216,000-gallon underground cistern at Coldwater Canyon Park, collecting rain from a conference center roof and a parking lot to be pumped for irrigation.

Even smaller projects are being eyed for potentially big impact. In November, TreePeople unveiled a 1,320-gallon tank at a home in North Hollywood, which can be regulated remotely by computer to drain before major rain, ensuring there is room to capture water. The group plans to equip several more houses by next month.

"We want to show folks this works for El Nino," Bloome said.

CVWD customers miss December cut-back target; only hit 3.6 percent

Posted: Jan 12, 2016, By Carlos Herrera

The Coachella Valley is losing ground when it comes to water conservation. The numbers are in and water conservation isn't looking so great for Coachella Valley Water District customers.

Customers cut back a mere 3.6% last month, compared to the same month two years ago. That 3.6% is the lowest cut since Governor Brown first ordered the cutbacks. According to C.V.W.D. officials, they don't know if the low numbers are because of the lack of commitment by customers or the the lack of understanding about appropriate water use. "December numbers are very disappointing," spokesperson for C.V.W.D. Heather Engel said. Although the district was expecting low numbers, the results were far too low. "December historically in the valley is the lowest water-use month the entire year so the less water we use, the less opportunity there is for conservation," Engel said.

According to water officials, these results will probably bring consequences. Back in October the district was fined \$61,000, which now has to be paid by customers. This time around, according to Engel, the district will most likely face the same consequence. The district has several penalties in place for customers who don't meet their goals, but the fines do not seem to be working. About 25% of C.V.W.D. customers are paying those penalties. "People aren't taking it seriously because if they did, and if they were paying attention they would cut it down," Palm Desert resident Alice Baker said.

But, for those who still question what they can do to cut back on water use, C.V.W.D. has some suggestions:

- Turn off water sprinklers if it's raining
- Switch to desert landscape
- Do not overseed
- Install low-flow toilets and irrigation nozzles.

Meanwhile, the district hopes that this month's numbers are only a result of a one-month slip up. "I'm hoping that they (customers) are going to get back on the wagon and do their part and conserve and that our January numbers will be fabulous," Engel said. To reach that 36% goal, the district will continue patrolling the community and trying to find an effective way to cut water use and fine violators. It is also asking those who haven't changed their water habits, to please do so immediately.

RIVERSIDE: Council rejects water rebates

Money the city utility made selling unused water will be saved to delay future rate hikes.

By **ALICIA ROBINSON** / STAFF WRITER, Jan. 12, 2016

Riverside Public Utilities water customers won't be getting rebate checks from money the utility made selling unused water.

Instead, the Riverside City Council decided Tuesday, Jan. 12, to keep the \$761,000 from Western Municipal Water District's purchase of city water and use it to stave off or soften the next rate increase. The council voted 5-2 with councilmen Mike Soubirous and Paul Davis voting no.

Some, including Soubirous, wanted to give customers rebates, in part to thank them for conservation during the drought.

"Our ratepayers have had to deal with a lot," Soubirous said. "Give them back a token amount of money."

But utility officials said the small amount of money and the difficulty and cost in finding a fair way to divvy it up would make rebates impractical, and some council members preferred to keep the money for future needs.

"I think our ratepayers are better served by using this money within the utility on infrastructure," Councilman Mike Gardner said.

The city utility had extra water late last year because customers cut back due to state-mandated conservation, and a court judgment that caps how much water it can pump from the Bunker Hill Basin doesn't allow it to carry over unused water into future years.

Utility officials have warned that rate increases may be on the way. Water revenue has declined due to the drought, and officials want to speed up replacement of aging infrastructure to avoid water main breaks and other problems.

Date: Jan 12, 2016; Section: Local Extra - Southwest; Page: B3

Riverside mulls water rebate, rate hike delay

City Council will debate what to do with \$761,000 from a recent sale.

By ALICIA ROBINSON

STAFF WRITER

Riverside Public Utilities officials are proposing that the city use money from the recent sale of unused water to delay future rate increases rather than giving it back to customers as a rebate.

But even if council members support a rebate when they discuss the issue today, checks to most city water customers would likely be very small.

The city had extra water because, while a court judgment allows it to pump 55,000 acrefeet per year from the Bunker Hill basin, state-mandated conservation caused Riverside customers to cut back. An acre-foot is about 326,000 gallons, enough to supply two households for a year.

In November, council members approved selling up to 2,500 acre-feet of water to the Western Municipal Water District for an estimated \$1.6 million.

But the city actually only sold 1,441 acre-feet because Western didn't have the capacity to take and process more, Riverside Public Utilities Deputy General Manager Kevin Milligan said. That brought in a total of \$931,000, which became \$761,000 when Riverside's costs were subtracted.

A report to the council notes a projected shortfall of \$7.3 million from declining water use and recommends offsetting future rate increases with the money from Western.

Dividing it among users of the utility's 67,000 water meters would mean rebates of about \$12 or less for most residential customers, the report said, and utility officials believe the city charter section doesn't permit a rebate.

Milligan said he doesn't recall Riverside Public Utilities ever giving customers a rebate.

But Councilman Mike Soubrou, who wanted the council to agree to a rebate in November, said it's a way of thanking customers for conserving, and it wouldn't set a precedent for extra money at the utility.

"I don't care if it's 3 cents, I don't care if it's 25 cents, I don't care if it's \$5," Soubrou said. "I think it's a good faith thing to do."

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A water conservation slump in the Coachella Valley

Ian James, January 14, 2016

The Coachella Valley's largest water districts reported their worst water-saving performance yet in December, ending the month far from the state's mandatory conservation targets.

Customers of the Coachella Valley Water District reduced water use by just 3.6 percent last month as compared to the same month in 2013. Desert Water Agency's customers reduced water use by 9.5 percent.

The state has ordered the two agencies to cut back by 36 percent in response to the drought, and they have been failing to meet that goal during the past seven months. For both water districts, the December conservation percentages were their lowest since June, when California's emergency drought regulations took effect.

"We're disappointed with the December numbers of course because our customers were making great strides," said Katie Ruark, conservation manager for the Coachella Valley Water District.

CVWD's monthly conservation figure was down from 22.3 percent in November, while DWA's monthly percentage declined from 28 percent a month earlier.

Coachella Valley water agencies largely failed to reach state-mandated water conservation targets during the month of December. Only the city of Coachella exceeded its monthly goal. Here's a breakdown of how much customers in each of the valley's water districts cut back as compared to the same month in 2013.

Does the sharp drop in December represent a worsening slump in water conservation? Hard to say just yet. But if water-saving stats can be likened to batting averages, much of the Coachella Valley hasn't been hitting well at all lately.

"I'm hopeful that this is an anomaly and we'll see it push back up in January," Ruark said.

She said it's unclear what caused the dip in conservation numbers. December tends to be the month with the lowest water use, she said, so it's also "the month when we have the least amount we can conserve."

The drop in December brought CVWD's cumulative average down to 24.6 percent since June, as compared to the same period in 2013, which the State Water Resources Control Board selected as the baseline year.

In October, CVWD and Indio were fined \$61,000 apiece by the state for failing to meet their 36-percent targets. The latest numbers could again put CVWD on state officials' radar for potential penalties. The state has the authority to fine agencies that don't comply up to \$10,000 a day.

About one-fourth of CVWD's customers have been paying monthly penalty fees for failing to sufficiently cut back. Ruark appealed for people to do their part.

"If you have not changed your watering habits yet, we really need you to do so," she said. "We need to be giving this our attention."

During the drought, CVWD has prohibited outdoor watering on Mondays and Thursdays and has increased spending on conservation programs. The conservation budget was \$875,000 in 2013 and has grown to \$6.7 million this year. The water district, like others across Southern California, has been using some of that money to provide rebates to homeowners who replace lawns with desert landscaping.

Still, sprinklers can be found running on days when it's not allowed. Some people still hose off driveways. Water can still be seen running in gutters.

"My feeling is that there's just such an enormous waste of water in the desert," said Joan Taylor, conservation chair of the Sierra Club's local Tahquitz Group. "We have this wonderful fossil water here and it shouldn't be sprayed up into the air over turf. It's just nuts."

Taylor said she thinks water rates remain far too low compared with other areas. When she goes hiking in the mountains and looks down at the valley, she said it's distressing to see how many areas continue to be covered with green grass.

"I just don't think they're doing enough," Taylor said. "I think there's been such enormous waste that they can do better, and there should be fines."

CVWD has made 402 formal warnings to violators in the past three months and has issued 13 fines ranging from \$50 to \$100. The water district used to have just two employees doing enforcement work, Ruark said. But the hand-held devices used by meter readers have recently been reprogrammed so that they can report water waste, and 22 additional employees have been trained to help spot violations.

The district also plans to hire a consultant that will contact big water users – both residential and commercial – and offer to carry out individualized audits to suggest ways they can use less and stay within their prescribed "water budgets."

Customers of the Palm Springs-based Desert Water Agency have reduced water use by an average of 27 percent during the past seven months. Even though that's short of the state's target, DWA General Manager Dave Luker pointed out the area has been exceeding the statewide average – which at the end of November stood at 26.3 percent.

"Because we've always used less water during winter and we're seeing lots of visitors this time of year, achieving conservation gains is – and will be – a great challenge," Luker said via email. "We're incredibly proud of what valley residents and businesses have done so far, and we ask that customers of all shapes and sizes look for ways to do more."

The Indio Water Authority's customers cut back 19 percent last month, again missing their goal of 32 percent. The Mission Springs Water District, which was ordered to decrease water use by 28 percent, saw a 21-percent decrease in December. People in Coachella achieved a 25-percent reduction, exceeding their target of 24 percent. A figure wasn't available on Wednesday for the Myoma Dunes Water Company.

The State Water Resources Control Board adopted the emergency drought regulations last year in response to Gov. Jerry Brown's executive order in April mandating a statewide 25-percent cut in urban water use.

The Coachella Valley's 122 golf courses use nearly one-fourth of the groundwater that is pumped from the aquifer, as well as water from the Colorado River. Under the state's drought regulations, golf courses that use potable water are supposed to either limit outdoor watering to two days a week or reduce usage by 25 percent.

Groundwater levels have been declining for years in much of the valley even as water districts have brought water from the Colorado River to partially replenish the aquifer.

Homeowners in the Coachella Valley have long paid relatively low water rates, and the area has some of the highest levels of per-capita water use in California.

Managers of the Coachella Valley's water districts have urged the state water board to modify the drought rules and make adjustments to account for the desert's hot climate, large yards and seasonal "snowbird" population. A proposal by the board's staff would reduce the Coachella Valley's targets by 4 percentage points starting in February, when a new set of drought regulations are to take effect.

CVWD General Manager Jim Barrett said in a statement that it's unclear if the poor performance in December was "due to a lack of commitment by customers, a lack of understanding about appropriate water use during cool weather or perhaps complacency due to recent rains."

Barrett urged people to step up their efforts.

"Lush, green grass is no longer the standard in the Coachella Valley," he said. "It may be again someday, but during this drought emergency removing grass or allowing it to go golden are the best ways to reduce water use."

Date: Jan 14, 2016; Section: Front Page; Page: A4

WATER LEAK FORCES SHUTDOWN OF AQUEDUCT

No effect on deliveries to Southern California.

By SCOTT SMITH

THE ASSOCIATED PRESS

FRESNO A break in the California Aqueduct has halted the flow of water in the canal that supplies millions of Southern California residents, but there's no concern that taps will run dry, officials said Wednesday.

Reservoirs below the break hold enough water to supply customers until a work crew repairs the damaged canal lining, said Ted Thomas, a spokesman for the state's Department of Water Resources.

"Southern California won't even notice," he said. "There's going to be no interrupted deliveries."

The California Aqueduct begins in Northern California, and it supplies water to 25 million residents and nearly 1 million acres of farmland.

The break was first discovered Jan. 2 near Taft, a community about 35 miles southwest of Bakersfield. Repairs should be done no later than Feb. 20, Thomas said.

Thomas said that initially, up to 3 cubic feet of water was leaking every second. At that pace, 11 days of leaking water would be enough to supply roughly 70 families for a whole year.

The leaking water initially ran into an irrigation ditch.

It is being diverted into another section of the canal, so no water is being lost, Thomas said.

Construction began in the 1960s on the massive system of reservoirs, pumping stations and canals called the State Water Project, which includes the California Aqueduct.

In its lifetime, flows on the canal have been stopped for maintenance work.

The flow is typically low during this cooler time of year, Thomas said.

It's unclear what caused the break in the canal's lining, but Thomas said old age is a likely factor.

The leak wasn't planned, but the timing was ideal, said Armando Acuna, a spokesman for the Metropolitan Water District of Southern California.

"The best time to do it – if you have to have a shutdown – is in the winter months," he said. "Demand is lowest at that time as compared to having to do this in July."



Date: Jan 14, 2016; Section: Front Page; Page: A8

Groundwater storage will expand

The California Department of Water Resources awards state grants for Inland, Orange County projects.

By DAVID DANELSKI

STAFF WRITER

Inland and Orange County water providers expect to greatly increase their groundwater storage capacity, thanks to \$64.3 million in state grants announced Wednesday.

Most of the money – \$55 million – will go toward building wells, pump stations and pipelines needed to store water imported from the state's canals in the ground, said Mark Norton, the water resource and planning manager for the Santa Ana Watershed Project Authority.

Water from the California Water Project and the Colorado River Aqueduct will be stored underground when it is plentiful and used as needed during dry seasons, he said. The wells and recharge facilities will be built in the Chino, San Bernardino, San Jacinto and Lake Elsinore water basin areas.

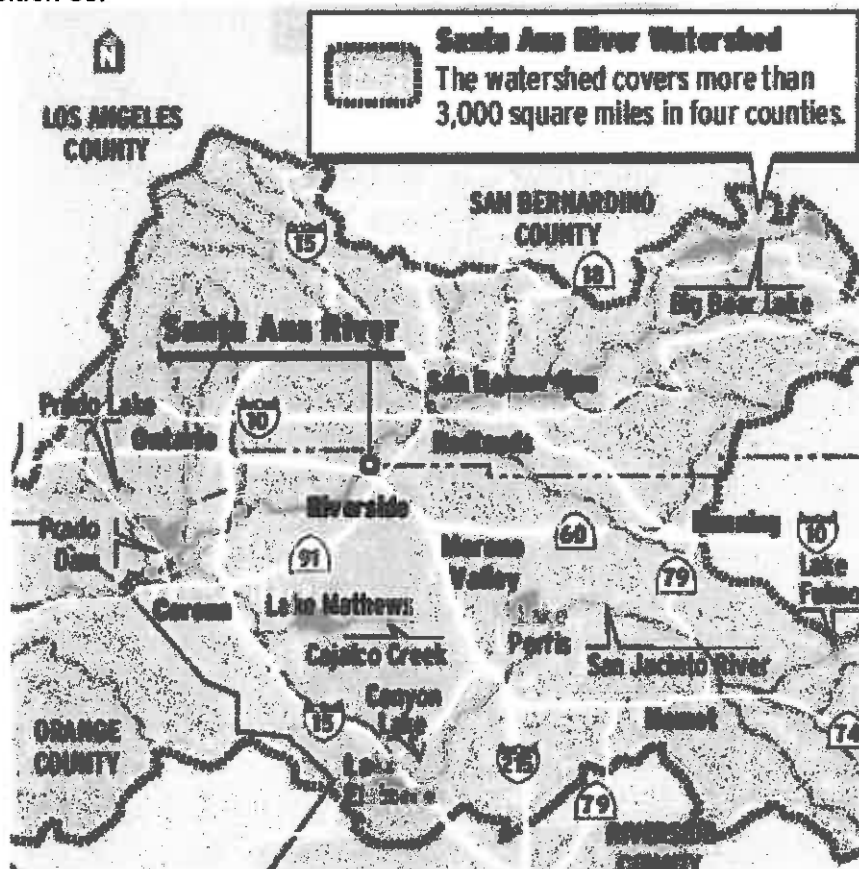
The authority expects those projects to store enough water to meet the annual needs of about 120,000 households, Norton said. Work is expected to begin in about six months and end within five years.

"This is very good news for us," Norton said, adding that the projects show cooperation among members of the watershed authority.

Those members will be contributing about \$50 million in additional funds for the groundwater storage projects. They include the Eastern, Western and San Bernardino Valley municipal water districts and the Orange County Water District.

The remainder of the grants announced Wednesday will go toward flood control work in Riverside County and a sewer pipeline in Orange County.

The \$64.3 million comes from \$5.4 billion on bonds for water and coastal protection projects approved by California voters in 2006 with the passage of Proposition 85.



Los Angeles Times

Judge orders MWD to release data on recipients of turf replacement rebates

Taylor Goldenstein, January 16, 2016

A Los Angeles County Superior Court judge ruled Friday that the Metropolitan Water District of Southern California must release the names and addresses of recipients of millions of dollars in turf replacement rebates.

The L.A. Department of Water and Power sued MWD in late July to block the release of the data to the San Diego Union-Tribune, a sister newspaper of the Los Angeles Times. Three other agencies — West Basin Municipal Water District, Foothill Municipal Water District and Upper San Gabriel Valley Municipal Water District — later joined the DWP suit.

Judge James C. Chalfant, in a 33-page ruling, said the DWP had failed to show that the public interest would be better served by keeping the names and addresses secret than by disclosing them — as required under the California Public Records Act. About 20% of rebate recipients were DWP customers, according to court records.

"The public cannot fully evaluate whether the program was fairly administered without inefficiency or favoritism without disclosure of project addresses and names," Chalfant wrote.

Under the rebate program, the MWD offered grants to individuals and businesses that replaced their turf with drought-tolerant landscaping. The program soared in popularity last year, as officials upped the budget from its typical \$20 million in past years to \$100 million, then \$340 million.

The data had remained private since August when Chalfant issued an order that temporarily prevented the MWD from giving it out. The MWD has already released detailed rebate information for agencies not involved in the suit.

Kelly Aviles, an attorney for the Union-Tribune, said she was "extremely pleased" with Friday's ruling.

"It sends a clear message to public agencies that they cannot use public funds and prevent the public from knowing what they did with those funds," Aviles said.

DWP spokesman Joe Ramallo said late Friday that the agency was "reviewing the judge's decision and will seek further advice from the city attorney and direction from our board on whether to appeal."

Tina Shim, an attorney for the DWP, argued during a hearing Thursday that releasing the data would violate the privacy of recipients who may not have known their information would be made public.

"We're concerned about a public agency's obligation to protect the privacy interests of private customers," Shim said. "These are private individuals. These are not public employees, these are not people who have committed any crimes, these are not people who have broken or violated any ordinances."

Chalfant wrote that there was not a "serious privacy invasion" because the same information is already available to the public through other means and because there is no stigma associated with participating in the rebate program. Chalfant also said that the MWD acted illegally by intentionally delaying disclosure of public records and was not always clear about whether it intended to disclose the records, the ruling stated. The Union-Tribune contended that the MWD had been working with the DWP to find a way to keep the records private without a lawsuit.

MWD spokesman Bob Muir said the agency was reviewing the ruling but said it "validated our claim that the information was public information."

Aviles said the MWD should immediately provide the records, but Muir said the agency would wait until the temporary restraining order is lifted.

Date: Jan 16, 2016; Section: Front Page; Page: A7

State could lessen water restrictions

Water board execs will meet Feb. 2 to revisit drought-era rules.

By **DAVID DANELSKI**

STAFF WRITER

California officials on Friday proposed easing some water-use restrictions as they weigh extending Gov. Jerry Brown's emergency conservation measures until October.

Executive with the State Water Resources Control Board told reporters that emergency measures will need to continue because the current El Niño storm season brings no guarantee of enough rain and snow to replenish state water supplies after four years of drought.

Since last year, California has been mandating a 25 percent cut in water use by cities and towns.

But water board officials said Friday they want to look at lessening conservation targets by up to 8 percent for some water agencies.

Communities that were especially hot or dry might get a reduction. Communities with fast population growth also might get reductions. And communities that have developed desalination plants, recycling plants or other sources of new water might get a break.

The board also seeks further rules that would penalize homeowners associations or other entities that impede homeowners from cutting water use in yards, such as by requiring grass lawns when waterconserving landscaping is available.

The water board is expected to adopt new rules at its Feb. 2 meeting.

Cris Carrigan, director of the board's office of enforcement, said that water board officials are still negotiating with the cities of Redlands and Indio, and the Coachella Valley Water District, which were fined \$61,000 each in November for repeated failure to meet their conservation goals.

Carrigan said that board officials and the providers are in talks to have the fines go toward increased water conservation measures in their jurisdictions.

The Associated Press

contributed to this report

Date: Jan 17, 2016; Section: Front Page; Page: A1

CAPTURING every DROP

El Niño has demonstrated to water districts that storm runoff can be an inviting source. Collecting it is all in the timing.

By JANET ZIMMERMAN and AARON ORLOWSKI

STAFF WRITERS

With recurring drought and the promise of a wet winter, water officials have a new appreciation for storm runoff.

Instead of funneling the water into concrete-lined channels and whisking it to the ocean to prevent flooding, inland suppliers are devising ways to capture the water for local use.

"We've been really efficient in getting rid of the water. It doesn't seem like a good idea now," said Dusty Williams, general manager and chief engineer for the Riverside County Flood Control and Water Conservation District.

With the state facing a fifth year of drought and imports from the State Water Project limited by environmental regulations, water agencies want to capture every drop, especially during strings of El Niño storms like the one in the last few weeks.

The State Water Resources Control Board also has begun pushing for rainwater collection and will begin distributing \$200 million for projects from the \$7.5 billion water bond approved by voters in November 2014.

In Riverside County, pending projects from Corona to Beaumont would increase the amount captured by 28,000 acrefeet, Williams said. Each acre-foot is enough to supply two families for a year.

The potential for such projects became clear during recent rains.

The Inland Empire Utilities Agency, a wholesaler serving Fontana, Rancho Cucamonga and other cities in western San Bernardino County, was able to bank 1,850 acre-feet of water – more than 602 million gallons, General Manager Joe Grindstaff said. That's enough to serve about 3,700 families for a year.

"This is water we diverted that otherwise would have gone to Orange County and out to the ocean. In those two days, we got 1 percent of our annual needs," he said.

The water is directed into recharge basins or percolation ponds, where sandy, gravelly soil allows the water to sink into underground basins. It can be pumped out, treated and sent to homes for washing dishes and watering lawns.

Grindstaff's agency, along with San Bernardino County Flood Control, Chino Basin Water Conservation District and the Chino Basin Watermaster, has 19 sites with multiple recharge basins. Water is directed into the ponds by five inflatable rubber dams installed across concrete channels that carry water from streets.

If this proves a wet winter, the utilities agency could capture an additional 20,000 acre-feet, he said. A dry year still can add 5,000 acre-feet.

Inland Empire Utilities Agencies has plans for another \$60 million in percolation ponds.

"It's become much more popular in the last 10 years. We realized how much of a difference that would make to our water supply in the long term," Grindstaff said.

'FILL IT UP'

Timing is important when it comes to catching runoff.

When the storms earlier this month dumped several inches of rain, water coursed off driveways, parking lots and streets of inland cities and into a network of gutters, where it drained, eventually, into the Santa Ana River.

Near the Riverside-Orange County border, the river ran through a marsh before stopping behind Prado Dam in Corona, where 12,100 acre-feet rose to within several feet of the legally allowed maximum height.

When the storms stopped, the water behind the dam was slowly released into recharge basins in Anaheim, where it is seeping into Orange County's aquifer.

If the entire pool behind Prado can be drained before the next storm, it's enough water for nearly 100,000 people for a year, according to the Orange County Water District.

That's what happens when one medium-size storm hits – local water managers can capture and save much of the water. But one storm isn't what worries flood control managers. It's El Niño's succession of storms, one after the other, that forces officials at Prado to let water gush through the dam and down the Santa Ana River to the ocean.

"Ideally, we'd love to drain it all the way, and then have it rain immediately and fill it up again," said Mike Markus, general manager at the Orange County Water District.

San Bernardino Valley Municipal Water District, a wholesaler, is working with the valley's conservation district and Western Municipal Water District in Riverside to greatly expand holding potential below Seven Oaks Dam near Highland.

The agencies will make improvements and add recharge basins that will allow them to double the volume of water that can be diverted when water is released from the dam – to 500 cubic feet per second, said Doug Headrick, general manager at Valley.

"We want it released at a controlled rate so we can take it out of the stream and put it in the ponds," he said.

GREAT POTENTIAL

Rainwater runoff has increased over the years, along with building projects that cover the ground in pavement.

Water is left with nowhere to go but downhill, picking up animal waste, trash and other contaminants along the way and dumping the pollution into rivers and the ocean. The increased volume also contributes to flooding and erosion.

According to a 2014 report by the Pacific Institute, capturing that runoff – for groundwater recharge and in rain barrels and cisterns – could increase water supplies in Southern California and the San Francisco Bay Area by as much as 630,000 acre-feet per year, the amount used by Los Angeles in a year.

Much of the rain that falls in the San Bernardino Valley goes to the ocean because there's nothing to slow it down. Luckily, it represents only 10 percent to 15 percent of all water recharged in the basin, Headrick said.

The rest comes from precipitation in the mountains, from 15 watersheds that drain into the Santa Ana River, Mill Creek, Lytle Creek and a dozen smaller streams.

"It's the snow falling in the mountains that gives us our reliability," he said.

Los Angeles Times

Water regulators propose further relaxation of conservation requirements

Matt Stevens, January 17, 2016

Water providers that have struggled in recent months to meet conservation targets could soon get some relief under the modified drought rules unveiled Friday by state regulators.

The proposed changes to California's emergency drought regulation reward water districts for investing in new local supplies and allow for adjustments to savings goals based on a district's climate and population growth.

Friday's proposal also allows water providers to reduce their "conservation standards" by as much as eight percentage points. A previous plan had said that a water district's target should drop by no more than four percentage points.

"We always said we were open to ... some adjustments if we had a little bit of time," said State Water Resources Control Board Chairwoman Felicia Marcus. "The attempt is to just try and be reasonable."

Last spring, Gov. Jerry Brown made history when he called for a statewide 25% reduction in urban water use. Regulators had to scramble to design a regulation that would achieve the cumulative reduction from June 2015 to February of this year.

Water board staff studied the residential water use in the state's 411 urban water districts and assigned each district a conservation standard. Water providers with a history of high usage were told to cut their consumption by as much as 36% compared to the same months in 2013. Other districts with a history of low use were told they needed to cut as little as 8% or even 4%.

As the water board staff rolled out the rules -- and then in the months that followed -- some water suppliers complained that the system and their targets were inequitable or unfair. The board convened a work group with various water experts and district managers to get input on how to change the regulation, if necessary.

Then, in November, Brown issued an executive order calling for an extension to the regulation, which expires next month.

After the water board released a framework outlining how they might update the drought rules, water suppliers, advocacy groups and other stakeholders submitted more than 200 comments, officials said.

The result was Friday's proposal, which gives consideration to a district's climate, growth and newly developed local water supply, as some local water officials had requested.

Hot inland and desert areas are expected to benefit from the climate adjustments. Areas such as those getting water from a new seawater desalination plant in Carlsbad could benefit from the credits given

for developing new local water supplies. Meanwhile, places that have recently experienced major local growth could see their targets get adjusted down, too.

Under the proposed regulation, a water district's conservation target can drop by no more than eight percentage points.

Collectively, officials said the adjustments and credits proposed by the water board staff members could drive statewide water savings below the 25% target.

About one-third of the state's urban water suppliers are already not meeting their savings goals, according to officials from the water board's office of enforcement. The adjustments should help many of those providers, but Cris Carrigan, the office's chief, said he "wouldn't rule out the possibility of future fines."

In another change, the proposed extension would also penalize homeowner associations or community service organizations for fining residents who wish to rip out their lawns or let them go brown.

Overall, though, Eric Oppenheimer, chief deputy director for the state water board, characterized the revisions as "modest."

Depending on how much rain and snow the state gets this winter, officials said they could revisit the rules in March or April. They could adjust or even eliminate the regulation at that time.

"The recent rain and snow are an extremely welcome start to the rainy season, however we have to keep conserving – El Niño or not," Marcus said. "We don't know what the next two months are going to bring."

"Even if we have promising Las Vegas odds, we are not going to bet on the weather," she added. "Weather probably has better odds than the lottery, but that's about all."

The water board is expected to consider adopting the extension to the emergency regulation at its meeting Feb. 2. The current regulation expires less than two weeks later.



CA drought: State could relax water-saving mandate

Sammy Roth, *January 18, 2016*

A new plan would make it easier for the Coachella Valley to comply with Gov. Jerry Brown's water-saving mandate, giving desert residents a reprieve after a relatively poor conservation performance over the last few months.

State officials proposed Friday to reduce conservation goals for areas with hot climates or growing populations, as well as regions that have invested in seawater desalination or water recycling. Coachella Valley water providers would see their targets cut by at least 4 percentage points, and possibly as much as 8 percentage points, the maximum allowed under the draft released Friday. The valley's two largest water providers — the Coachella Valley Water District and the Desert Water Agency — currently have 36 percent targets.

The draft regulation would lower Brown's statewide 25 percent conservation target by a few percentage points, but not lower than 20 percent, according to staff at the State Water Resources Control Board, who developed the proposal. The five-member board is likely to vote on the plan at a meeting next month, following a round of public comments.

The updated conservation mandate would last through October. Even if the state water board approves the changes next month, it could consider revising the targets again in April, depending on how much rain and snow El Niño brings to the drought-parched state.

"The bottom line is that the recent rain and snow are an extremely welcome start to the rainy season. However, we've got to keep conserving, El Niño or not," water board chair Felicia Marcus said in a conference call Friday. "Even if we have promising Las Vegas odds, we are not going to bet on the weather. Weather probably has better odds than the lottery, but that's about all."

For months, water agencies across the state have urged the water board to revise their mandatory conservation targets, which Brown instituted in June. Coachella Valley water officials have called the targets unfair, saying they don't take into account the region's scorching temperatures, its recent population growth and its seasonal influx of "snowbirds" from the Pacific Northwest and Canada.

Friday's proposal responds to several of those concerns. It would ease water-saving targets for hot regions — where huge amounts of water evaporate over the summer — by 2 to 4 percentage points. All six Coachella Valley water agencies would be eligible for the full 4 percentage points, due to the region's extreme summer heat.

Water providers would also be able to request lower targets based on the population growth their service territories have experienced since 2013, which will continue to be the baseline year for the cutbacks. Coachella Valley water agencies would be able to get an additional 4 percentage points at most, due to an overall 8-percentage-point cap on adjustments to the original targets.

The updated conservation mandate would maintain the same "degree of urgency" as the original targets, said Eric Oppenheimer, the state water board's chief deputy director.

"The goal here is to be responsive to the reasonable concerns that have been brought to light, while maintaining our vigilance," he said during Friday's conference call.

The new proposal wouldn't allow areas with large seasonal and tourist populations to lower their targets for that reason, a key sticking point for desert water officials. Coachella Valley Water District general manager Jim Barrett said last month he was "especially disappointed" that an earlier draft of the proposed changes also didn't give any slack to regions with high seasonal populations.

"CVWD has worked hard to promote water conservation among seasonal customers and doesn't believe they should be given any special treatment. We just want them counted in the population," Barrett said in a statement at the time.

The proposed changes are similar to those in an earlier draft released last month. The previous draft would have capped overall reductions at 4 percentage points, rather than the 8 percentage points under the new draft. The new draft would also allow San Diego County to get an 8-percentage-point credit for its new desalination plant in Carlsbad, rather than a 4-percentage-point credit.

Desert Water Agency spokesperson Ashley Hudgens criticized the proposal for limiting hot regions like the Coachella Valley to a climate-related adjustment of just 4 percentage points.

"The cap on climate at 4 percent is not something that we're pleased with," Hudgens said. "It doesn't make sense to me that you'd have an 8 percent cap overall, no cap on growth, and an 8 percent cap on (desalination), but for some reason you put the cap on climate?"

Coachella Valley water agencies largely failed to reach state-mandated water conservation targets during the month of December. Only the city of Coachella exceeded its monthly goal. Here's a breakdown of how much customers in each of the valley's water districts cut back as compared to the same month in 2013.

Statewide, California cities have exceeded Brown's overall 25 percent goal, cutting back 26 percent from June through November. But the Coachella Valley's six water agencies haven't met their targets, and most of them aren't close. State officials fined Indio and the Coachella Valley Water District \$61,000 apiece in October, saying they hadn't shown a serious commitment to conservation. Since then, the numbers for some agencies have gotten worse, with CVWD customers cutting back a dismal 3.6 percent in December.

California adopts rules for tracking water diversions

Ian James, January 21, 2016

Seeking better accounting of how much water is drawn from rivers and streams, state regulators approved new rules that will change how California tracks diversions of surface water.

The regulations adopted by the State Water Resources Control Board require all those who divert water to measure and report how much they use annually. The regulations apply to thousands of holders of water rights across the state, from farmers to water agencies.

Water board officials said previously some holders of water rights were required to report on diversions every three years instead of annually, and a number of them had been able to claim an exemption to avoid the measurement requirements.

Felicia Marcus, the board's chair, said during the meeting Tuesday in Sacramento that the purpose is to "manage the system better" by collecting more accurate and timely information on water use.

The emergency regulations put in place measures in Senate Bill 88, which was passed last year.

The California Farm Bureau Federation and the Wine Institute said in written comments ahead of the meeting that the board "should strive to make the process as practical, efficient, and understandable as possible."

Representatives of farm groups said they recognize the need to comply with the law but hope the board will take into account that complying may be difficult for those who run small farming operations.

"We are worried about the burden of the monitoring and the expense of the monitoring," Elizabeth Ponce of the Shasta County Farm Bureau said during the meeting.

Water researchers with the Public Policy Institute of California and the UC Davis Center for Watershed Sciences pointed out in a memo to the board that Colorado, some states in Australia and parts of Spain all collect real-time measurements from reservoirs, stream gauges, diversion points and monitoring wells "in one centralized accounting platform."

"Collecting accurate information on major diversions in real-time," they wrote, allows state water managers "to quickly and effectively model water management decisions... during times of scarcity."

The U.S. Forest Service requested "reasonable flexibility" to be able to comply with the requirements. Regional Forester Randy Moore noted in a letter that much of the state's water originates in national forests. He said water rights in the state's national forests total more than 2,900.

"We will be uniquely challenged to fully comply in the time frame currently proposed," Moore wrote.

The state board decided to phase in the requirements for measuring devices to be installed, and the timetable depends on the amounts of water used. Big water users that divert 1,000 acre-feet or more per year will be required to have measuring devices that can record the amounts of water flowing on an hourly basis by Jan. 1, 2017. For others that divert less, the requirements will kick in on July 1, 2017, or Jan. 1, 2018, and measurements will need to be recorded on a daily or weekly basis, depending on the amount.

The state will start requiring all diverters to report their monthly water use once a year. Violators could be fined up to \$500 per day.

Marcus said better monitoring and measurement is critical, especially in light of the continuing drought.

"We've historically not had a complete picture, and these past two years have made it even more essential to take this common sense move," she said in a statement.

The state water board said all of the reports on water diversions will be made public.

The new regulations relate to diversions of surface water but not to the pumping of water from wells or to measurements of groundwater levels.

Property owners in California have long been entitled to draw as much water from their wells as they wish. In many areas, that lack of regulation has led to an unbridled free-for-all of pumping and major declines in aquifers. Trying to bring the situation under control, Gov. Jerry Brown in 2014 signed the Sustainable Groundwater Management Act, which puts local agencies in charge of managing groundwater and also gives the state new authority to step in when necessary to keep aquifers from falling further.

The state runs a program collecting measurements of groundwater levels for a selection of wells across the state, with entities such as water districts and counties submitting the data. Lauren Hersh, a communications manager with the Department of Water Resources' Sustainable Groundwater Management Program, said new requirements for monitoring groundwater levels in basins that are deemed medium- or high-priority will be included in upcoming regulations.

In a separate decision, the state water board ended a more than decade-long dispute with the Morongo Band of Mission Indians by deciding not to revoke a license held by the tribe. In 2003, state officials issued a notice proposing to revoke the tribe's license for a right to use about 115 acre-feet of water per year from a spring in Millard Canyon, one of three such licenses held by the Morongo. State officials argued at the time that the agricultural water right had lapsed and had been forfeited because it wasn't used for many years.

The tribe attempted to challenge the proceedings by raising procedural objections, and the case eventually went before the California Supreme Court. The court's ruling favored the state in 2009, and the hearing process resumed.

But the state water board's staff said that in a separate case involving the Millview County Water District, the California Court of Appeal ruled in 2014 that such a water right can only be forfeited due to non-use if there is a "conflicting claim." The Coachella Valley Water District and Desert Water Agency had years ago filed protests voicing concerns that the use of that water by the Morongo tribe could diminish the amounts of water seeping downhill from Cabazon into the Coachella Valley's aquifer. But those protests later were dropped by the water districts.

CVWD attorney Gerald Shoaf has explained the water district's managers made the decision to withdraw the challenge in order to maintain relations with the tribe, especially given the possibility the district one day might decide to ask the Morongo for permission to run a water pipeline across the reservation.

In a memo ahead of Tuesday's meeting, the state water board's staff recommended the state not revoke the license because "there is not sufficient evidence to establish a conflicting claim."

Michael Fisher, a spokesperson for the Morongo Band of Mission Indians, said the tribe is thankful to the state water board for reviewing the matter.

The license allows for the use of enough water per year to cover roughly 115 acres with a foot of water. Fisher said that water is used entirely "for Morongo's groundwater recharge program to put water back into the local basin." He said the water flows naturally on the reservation and seeps into the ground to replenish the aquifer.

The Morongo tribe also holds other water rights. Water drawn from wells alongside a spring in Millard Canyon is piped to a bottling plant alongside I-10 on the reservation.

"It is our understanding from testimony received that water diverted for Nestle Waters North America is not diverted under the right involved in today's decision," George Kostyrko, a state water board spokesperson, said in an email. "It is also not an authorized use under the license terms and conditions of the water right involved in today's decision."

Gov. Jerry Brown calls for better water management

Jesse Marx, *January 21, 2016*

During his state of the state address on Thursday, Gov. Jerry Brown highlighted the need to better manage water and recharge aquifers while touting efforts at home to combat climate change.

"Our goal must be to preserve California's natural beauty and ensure a vibrant economy – on our farms, in our cities, and for all the people who live here," he said. "There is no magic bullet but a series of actions must be taken."

In November 2014, voters approved a \$7.5 billion bond to go towards water storage, recycling and desalination projects, as well as the cleaning of groundwater pollution and more.

Brown called the water bond "one of the bright spots in our contentious politics" and said that initiative, combined with the California Water Action Plan — a planning framework for elected officials, agencies, tribe and other stakeholders — "establishes a solid program to deal with the drought and the longer-term challenge of using our water wisely."

The governor and his top advisers often talk about pursuing an "all-of-the-above" approach to water issues in order to help California cope with growing demand for water and climate change.

He touched again on that concept Thursday while promoting the state and federal plan to change how water is diverted from the Sacramento-San Joaquin River Delta. That project, which Brown says is aimed at ensuring reliable water deliveries, would involve building two water tunnels beneath the delta and new water intakes to prevent problems with endangered fish that have disrupted the flows of water.

Farmers and other critics in the Central Valley have long bemoaned court rulings and the decisions of government officials that have curtailed water deliveries from the delta to protect the endangered delta smelt and other species.

"Pitting fish against farmer misses the point and grossly distorts reality," Brown said. "Every one of us and every creature that dwells here form a complex system which must be understood and respected."

Brown also highlighted last year's passage of Senate Bill 350, which was principally co-authored by Assembly member Eduardo Garcia of Coachella. It requires that the amount of electricity generated and sold to retail customers per year from eligible renewable energy resources be increased to 50 percent by 2031.

Brown referenced the bill while wagging a finger at nameless global warming deniers in Washington, DC. He pointed then to the recent climate agreement in Paris, where 195 countries agreed to keep temperature increases to less than 2 degrees Celsius, or 3.6 degrees Fahrenheit, through 2100.

"This will take decades and vast innovation," the governor said. "But with SB 350, we're on our way."

DROUGHT: Officials crack down on watering grass

Your lawns are safe under the new Eastern Municipal Water District policy. As is functional turf. What isn't safe are the strips between sidewalks and streets, the green patches on the grounds of apartment complexes and malls, and homeowner association common areas.

By JANET ZIMMERMAN, Jan. 21, 2016

Using fresh water to irrigate decorative grass around schools, industrial parks and other commercial areas is now prohibited in a 555-square-mile area of Riverside County served by Eastern Municipal Water District.

The district's board of directors on Wednesday approved a change to its drought plan that further cuts water use in its service area from Moreno Valley to Temecula and east to Hemet and San Jacinto. The rule took effect immediately.

Residential users are not impacted by the policy, which applies to commercial, industrial and institutional customers using potable water. They will be able to continue irrigating grass if recycled water is used.

Eastern is believed to be the first in the area to target such widespread commercial use. The action follows a crackdown on the district's residential customers, who were ordered Jan. 6 to cut their outdoor watering by 70 percent.

Despite its aggressive policies in the face of a fifth year of drought, Eastern still lags well behind its state-mandated conservation target of 28 percent. Between June and December last year, the district's cumulative conservation total was 19 percent.

This week's new commercial rule is aimed at "non-functional" turf that is rarely walked on except when it is mowed, Eastern spokesman Kevin Pearson said. The directive does not impact drought-tolerant landscaping or trees.

Non-functional turf includes the strips between sidewalks and streets, grassy berms, the green patches on the grounds of apartment complexes and malls, and homeowner association common areas, he said.

"There is significant opportunity for savings in areas that have no benefit to be irrigated," Pearson said. "These areas don't need to be green right now."

Customers who violate the rule will be given a written notice. The fine for a second violation is \$200, a third violation is \$400 and each subsequent offense is \$600.

The acre of grass in front of Mountain View Middle School in Moreno Valley can no longer be watered under the new rule, but 13 acres of sports fields can be. At the adjacent Valley View High School, 4 ½ acres of turf around the outside will have to go dry, but the 14.3 acres of fields can continue to be watered.

Also targeted is nearly 9 acres of decorative grass along Ramona Expressway and Indian Avenue in Perris, near a parking lot and Lowe's distribution center, according to an Eastern staff report.

The Meniffee campus of Mount San Jacinto Community College also will be affected but the school is working with Eastern to switch to its recycled water system, spokeswoman Karin Marriott said. The San Jacinto campus won't be impacted because it has its own well, she said.

The water district is working to expand recycled water use, Pearson said. More than 200 commercial customers are connected to the system, including Valley-Wide Recreation & Park District, the Sun City Golf Course, farms and about 16 schools.

Eastern board President Randy Record said he has long been frustrated by the amount of decorative turf in the region.

"If you're driving down Sanderson (Avenue) in Hemet, you can see a two-foot strip along the curb that's being watered. It can't be watered efficiently and you wouldn't want to have a picnic on it because you'd be risking your life," he said. "Nobody can use that grass so why do we have it?"

Los Angeles Times

El Niño inspires hope of 'major dent' in drought, but empty reservoirs point to long recovery

Rosanna Xia and Rong-Gong Lin II, January 23, 2016

Ever since climate experts first predicted El Niño last year, California officials have been tamping down expectations that this winter's rains would bring significant drought relief.

Four years of drought have just been too severe, they said, and it was uncertain that the rains would fall where they were needed most: in the northern mountains and valleys where California's water systems begin.

But after two months of steady rain and snow across Northern California, officials are beginning to see some rays of hope.

"It's starting to make a dent, definitely," said Alan Haynes, hydrologist for the National Weather Service in Sacramento. "If storms continue and we keep getting wet into the spring ... we have a good shot at filling up the reservoirs and building up the snowpack."

The water content in the snow in the northern Sierra Nevada is at 124% of average for this time of year; the central Sierra clocks in at 115% of average; and the southern Sierra at 92%. The statewide average is 113%.

But to come close to digging California out of the drought, the Sierras need 150% of average by April 1, state water officials estimate — an ambitious benchmark that is still a long way off.

"The most likely probability is we'll be about average for this year," Haynes said. "It doesn't dig us out of the hole ... but it's a good start."

Initial climate forecasts projected that Southern California would get the brunt of winter rains fueled by El Niño, a prospect that would bring relatively little drought relief because much of that rainwater flows into the ocean. Instead, storms have made a direct hit in the mountain areas where federal and state water projects capture rain and snow and deliver the water across the state.

The storms have sent steady amounts of water into California's largest reservoirs. Still, those reservoirs — Shasta Lake, Lake Oroville, Trinity Lake and New Melones Lake — are only at 42%, 36%, 24% and 15% of capacity, respectively.

Since the rains began, Lake Oroville has risen more than 27 feet — a number many boaters at the Bidwell Canyon Marina recited off the top of their heads. An island that had emerged in the middle of the lake during its driest days has since disappeared.

To get to their houseboat of 20 years, Tom and Debbie Pelton drove past clusters of evergreens where the water line used to be, down the original boat ramp that now serves as a road to the receding water still hundreds of yards away, down a well-worn path carpeted with gravel and mud, down another dirt slope and eventually onto a parking lot that had been built after the drought drained the lake to where it is today.

From there, they had another 100 feet to go — down a concrete ramp that opened this week.

They turned around and craned their necks, back up toward the evergreens: rings and rings etched into the looming slopes, a humble reminder of the lake's edge and where the water lines used to be.

"It's going to take years to recover from this," Tom Pelton said, motioning up to the evergreens and the ramp. Lake Oroville is the largest reservoir of the State Water Project, an approximately 700-mile system that ferries water all the way to Southern California. Built along the Feather River on the western edge of the Sierra, the lake is held back by the tallest dam in the United States, rising 44 feet higher than Hoover Dam.

At the lake's visitor center, a display flashes reminders that the lake still has a long way to go: the lake's maximum level is 900 feet above sea level. On Thursday evening, it was at 699.02 feet.

"As you look at the lake itself, visually, you still wonder where it is," said Chuck Hicks, who has lived in the area since the 1960s.

State snow survey chief David Rizzardo said the deficits at the reservoirs remain daunting.

"That's a tough task to do in one winter, filling up the reservoirs," said Rizzardo, as he jotted down new numbers from his computer and did some math. "More realistically, we're looking at — hey, if we can get somewhere in this above-average snowpack, and above-average rain, that goes a long way in digging ourselves out of the four-year effect of the drought."

The storms bearing down on Northern California so far have been steady and under control — a storm every couple of days dropping an inch or two of rain, then a day or two to recover. The weather systems have not prompted massive flows of mud or widespread flash flooding.

"I'd almost venture to say it's coming in an ideal fashion," Rizzardo said.

Since Dec. 1, Eureka has seen nearly 23 inches of rain, about 179% of the average. Since New Year's Day, Redding has seen nearly 10 inches of rain, more than double the average. A new storm was churning through the north Friday, expected to bring as much as 3 feet of snow to the highest peaks of the Sierra.

Still, there are important parts of the central and southern Sierra that are underperforming, said state climatologist Mike Anderson. Those mountains feed the San Joaquin and Tulare basins, which include cities such as Fresno and Bakersfield. The U.S. Bureau of Reclamation said Friday that reservoir levels in the Central Valley Project, a major source of water for California farmers, remain at low levels.

Climate experts forecast that Southern California will get hit by significant El Niño-influenced storms later this winter and perhaps as late as May. El Niño, an immense pool of warm water 1,000 to 2,000 miles south of California fueling atmospheric disturbances worldwide, can have the effect of strengthening the subtropical jet stream — a narrow band of strong winds in the atmosphere — that can push storms along a path east from Japan, said Bill Patzert, climatologist at NASA's Jet Propulsion Laboratory in La Cañada Flintridge.

In strong El Niño years, the subtropical jet stream is so powerful it can push storms all the way to Southern California and into the southern United States, Patzert said.

Recent storms are not coming directly from the El Niño-fueled pattern but from a typical path of winter storms riding the polar jet stream from the northern Pacific Ocean, Patzert said. Those storms enter Northern California with a lot of energy but are mostly wrung dry by the time they reach Southern California.

Los Angeles has not seen major storms in the last two weeks because of a mass of high pressure southwest of California, Stanford University climate scientist Daniel Swain said. But computer models suggest there will be a burst of jet stream energy that will emerge from the western Pacific Ocean around the end of January.

Even if California continues its wet winter, officials say it's important to understand that the state still has a limited supply of water and that conservation needs to be routine.

Southern California has consumed two-thirds of the drought backup supply of water stored with the Metropolitan Water District, and an average year of precipitation wouldn't make up what has been lost during the drought, said Deven Upadhyay of the MWD.

The drought could persist, particularly if a dry La Niña system develops after this strong El Niño, as has happened before.

Water is already overallocated in fast-growing California, Haynes said.

"This isn't the last of our water shortages, I would bet," Haynes said. "And most people can probably see that."

Agua Caliente tribe to keep up water fight, Grubbe says

Ian James, January 25, 2016

More than two and a half years ago, the Agua Caliente Band of Cahuilla Indians sued two Coachella Valley water districts in a case that could force changes in how water is managed locally and set a precedent for other tribes' disputes over water across the country.

Agua Caliente Chairman Jeff Grubbe said he thinks the case is going to take time and the tribe is not in a hurry.

"We're patient. This is a top priority for my membership and we're going to see it through no matter how long it takes," Grubbe told The Desert Sun. "We're going to keep fighting for those rights."

Grubbe answered questions about the lawsuit during an interview last week at the tribe's administration building, also touching on his conversations with President Obama and the tribe's plans for development in downtown Palm Springs.

He said the tribe's leaders are taking a long-term view with the federal lawsuit and hope to obtain rulings backing their rights to groundwater and granting them a "seat at the table" to help manage water alongside the water agencies.

The tribe sued the Desert Water Agency and the Coachella Valley Water District in May 2013 in an attempt to assert rights to a portion of the area's groundwater. The tribe accused the agencies of imperiling the aquifer by allowing groundwater levels to decline over the years and by using saltier, less pure Colorado River water to offset the amounts drawn out.

The water agencies have defended their efforts to deal with the long-term problem of groundwater overdraft and have insisted that water from the Colorado River meets or exceeds all drinking water standards.

"We attempted to sit down and work all these issues out with the water agencies, and it went nowhere," Grubbe said.

"We're still open to any sort of talks that they want to have, settlement talk, I mean, we're open. But I doubt they are. They're going to stay on their side and we'll stay on ours. We'll see what happens."

Deciding on one of several issues in the case, a federal judge ruled in March that the tribe has a "reserved right" to groundwater. CVWD and DWA appealed to the federal Ninth Circuit Court, which in June agreed to hear their case.

Grubbe said other tribes have been watching the lawsuit and have been supportive.

"We've had tribes throughout the country wanting to get involved," Grubbe said. "They're a little taken aback on how the water agencies have treated the tribe and how they're doing business."

He said one of the tribe's big concerns is the way in which the water districts use untreated water from the Colorado River to replenish the aquifer. Grubbe said he views the higher levels of total dissolved solids (also known as TDS) as a problem, as well as pesticides and other contaminants in the water that reaches the valley from the Colorado River.

"It's a contaminated water going into a pristine aquifer," he said. "We obviously would want to see that water cleaned – cleaned before it's put in the aquifer. It doesn't matter if it costs money. It's the right thing to do, I think."

The water districts strongly disagree. DWA General Manager Dave Luker said in an email that Colorado River water is used for drinking water by millions of people across the region.

"We believe it would be irresponsible not to utilize this resource for groundwater replenishment. Replenishment with Colorado River water also has water quality benefits," Luker said in an email. By diluting the amounts of the naturally occurring chromium-6 in the aquifer, he said, that water from the Colorado River has helped decrease the levels of the contamination in the water supply of the west valley.

"Desert Water Agency is the only local public water agency that has chromium-6 levels below the state's new strict standard. Colorado River water is also nitrate free," Luker said. "The idea of treating Colorado River water before recharging it is infeasible due to the infrequency of deliveries. If it was done, it would be astronomically expensive. Cost may be no object for the Tribe, but it is for DWA and its customers."

Luker also said it was the Agua Caliente tribe that broke off talks in 2014, and "they have made no suggestions that they are willing to settle."

California projects 15% of full water deliveries

Ian James, The Desert Sun 4:58 p.m. PST January 26, 2016

Winter storms have begun to raise the levels of California's reservoirs, and state water managers responded on Tuesday by slightly increasing their estimate of how much water will flow southward through the canals and pipelines of the State Water Project this year.

The Department of Water Resources is now projecting the state will be able to deliver 15 percent of full water allotments, up from an initial estimate of 10 percent in December.

The state still could increase that depending on the weather over the next couple of months. It's not clear how much this year's El Niño-influenced storms may help alleviate California's severe drought.

Water districts across Southern California have been coping with minimal deliveries of water through the State Water Project for several years. Last year, they received 20 percent of full allotments. In 2014, they received just 5 percent. That was down from a high of 80 percent in 2011.

In the Coachella Valley, that has meant less imported water flowing into a series of ponds near Palm Springs that were constructed decades ago to artificially replenish the supply of groundwater. Because the State Water Project doesn't reach the valley, the area's water districts trade their allotments of water for equivalent amounts from the Colorado River Aqueduct.

The higher estimate is good news because it will mean more water that the valley can use to replenish the desert aquifer, said Heather Engel, director of communications and conservation for the Coachella Valley Water District.

"Every little bit helps," Engel said. "Groundwater replenishment is a key part of our long-term planning, so this ties directly to our ability to replenish."

Groundwater levels have declined significantly over the years in much of the valley, even as imported water has helped partially counteract that trend.

A total of 29 public agencies receive water from the State Water Project. The water supplies about 25 million people as well as farmland.

The state Department of Water Resources said the levels of many reservoirs are still critically low but have risen significantly after recent storms.

Director Mark Cowin said in a statement that the modest increase in projected water deliveries "underscores the fact that we still have a critical water shortage after four-plus years of drought."

"One look at our low reservoirs tells us that we need a lot more wet weather before summer," Cowin said.

The department said the level of Lake Oroville in Northern California, for instance, is at 39 percent of its capacity and 60 percent of its average for the date. The level of San Luis Reservoir, one of the main reservoirs south of the Sacramento-San Joaquin River Delta, stands at 31 percent of its capacity and 41 percent of average for the date.

Snowpack in drought-stricken California hits five-year high

Scott Smith, Associated Press, January 27, 2016

Recent El Nino storms have boosted the Sierra Nevada snowpack to 115 percent of normal — more than the drought-stricken state has seen in five years, officials said Tuesday.

The electronic reading by the state Department of Water Resources was the highest since it reached 129 percent in 2011.

The Sierra snowpack contributes nearly one-third of California's water when it melts in the spring.

However, officials say the snowpack would have to be at 150 percent of normal by April 1 to ease the four-year drought.

State water managers have said reservoirs remain far below average levels for this time of year, despite the recent wet winter.

It said precipitation stands at 116 percent of normal in Northern California, where vast amounts of water are collected in reservoirs and sent through canals to farms and communities as far south as Southern California.

Key reservoirs are beginning to rise from the early winter storms but remain low. Lake Oroville in Butte County, the State Water Project's largest reservoir, is at 60 percent of its historical average for this time of year.

Officials on Tuesday slightly increased the amount the state intends to provide to cities and farms from 10 percent to 15 percent of their contracted supply. The figure still falls short of last year's 20 percent allocation.

"Our modest increase underscores the fact that we still have a critical water shortage after four-plus years of drought that we don't know when will end," said Mark Cowin, water agency director.

California's snowpack is deepest in five years after recent storms

Veronica Rocha, January 28, 2016

California's current snowpack is the deepest it has been in five years -- a modest, yet encouraging milestone in a period of prolonged drought.

Readings of the Sierra Nevada snowpack on Tuesday showed water content statewide was 18.7 inches, or 115% of the historical average for that date, according to the California Department of Water Resources.

Water officials say the good news is that California's snowpack and reservoirs have benefited from El Niño rainstorms. But they warned that it was too soon to determine whether winter rains were enough to make any major dent on the California's drought.

The snowpack's water content must be significantly greater than the April 1 average of 28 inches to have any considerable effect on the drought, according to the department.

Water levels in the state's reservoirs have increased since Dec. 1, but storage is still far below historical averages.

Water officials will take manual measurements at dozens of snow courses in a 10-day period next month to determine just how much water is in the state's snowpack.

In an average year, melting snowpack provides roughly one third of the water used by California cities and farms.

2015 was a brutal snowpack year, officials said.

Above-average temperatures and below-normal precipitation resulted in a historically meager snowpack, according to the department. The snowpack measured at only 23% of average last February. Snow water content levels dipped further in March 2015, measuring at only 19% of average.

The snowpack reached an all-time low on April 1, when water content readings came in at 5% of average. That milestone prompted Gov. Jerry Brown to order mandatory reductions in urban water use.

"The scant snowpack and subsequent drop in snowmelt runoff were large contributors to confirming California's fourth consecutive year of drought," the department said in a statement.

The last time the snowpack was higher was in 2011 when it reached 129% of average.

DESERT WATER AGENCY

PUBLIC INFORMATION ACTIVITIES

JANUARY 2016

Activities:

- | | |
|----------------------|--|
| 1/4/16 –
1/29/16 | Vicki Petek and Heather Marcks performed 63 Turf Buy Back post-conversion inspections. |
| 1/7/16 | Ashley Hudgens was on a live conservation segment with KESQ on water conservation during the rain. |
| 1/7/16 – 1/8/16 | Ashley Hudgens was on a prerecorded segment on the evening and morning news discussing the need to conserve despite the rainy weather. |
| 1/11/16 | Ashley Hudgens presented to Alpha Delta Kappa at Landau Elementary School on drought and conservation. |
| 1/14/16 | Ashley Hudgens was on a live conservation segment with KESQ on checking irrigation. |
| 1/14/16 | Ashley Hudgens was interviewed on KMIR about December conservation. |
| 1/21/16 | Ashley Hudgens was on a live conservation segment with KESQ on winter water saving tips. |
| 1/23/16 | Ashley Hudgens presented at the Water Conservation Action Plan meeting on how to save water. |
| 1/24/16 | Desert Water Agency provided the water trailer and water bottles for the Palm Springs Mayor's Race and Wellness festival. |
| 1/27/16 –
1/28/16 | Ashley Hudgens attended and presented at the Irrigation Leader workshop in Phoenix, AZ. |
| 1/28/16 | Desert Water Agency submitted a comment letter to the State Water Resources Control Board. |
| 1/29/16 | Ashley Hudgens was on a live conservation segment with KESQ on the DWA water waste app. |

Public Information Releases:

Water Conservation Reviews


City of Palm Springs – Irrigation
Canyon Country Club Estates
Canyon View Estates #1
Canyon View Estates #2
Canyon View Estates #3
Canyon View Estates #4

Canyon View Estates #5
Canyon View Estates #6
Canyon View Estates #7
Sahara Park
Sunnyview Villas
Sunshine Villas

Water Conservation Reviews are annual mailings sent to large water users. The Reviews include a 5-year consumption report, facility map, and information brochures. The purpose is to help customers save water by summarizing their consumption, and offering suggestions for reducing usage. Occasionally, after viewing, the recipient may contact DWA for assistance in the form of a Mobile Lab Evaluation

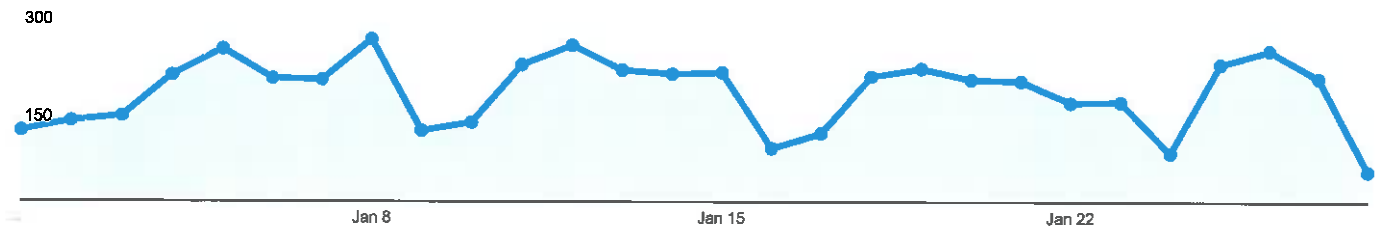
Audience Overview

Jan 1, 2016 - Jan 28, 2016

 All Sessions
100.00%

Overview

 Sessions



Sessions

4,737

Users

3,784

Pageviews

11,087

Pages / Session

2.34

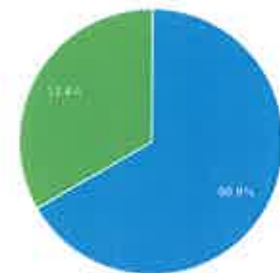
Avg. Session Duration

00:01:52

Bounce Rate

50.05%

 New Visitor  Returning Visitor



% New Sessions

66.56%

Language	Sessions	% Sessions
1. en-us	3,531	74.54%
2. (not set)	1,004	21.19%
3. en-ca	64	1.35%
4. en-gb	53	1.12%
5. en	13	0.27%
6. ko-kr	11	0.23%
7. es-es	7	0.15%
8. pt-br	6	0.13%
9. de	5	0.11%
10. en-in	3	0.06%



Desert Water Agency Facebook analytics January 2016

Reactions Organic Paid Post Clicks Link Comments & Shares									
Published	Post	Type	Targeting	Reach	Engagement			Promote	
01/27/2016 2:17 pm	Looking forward to a drizzle this weekend. Put your rain boots o			7		0 1		Boost Post	
01/26/2016 4:00 pm	Updated today: State Water Proj			114		0 2		Boost Post	
01/25/2016 8:12 am	Did you see our water truck at t			53		7 6		Boost Post	
01/22/2016 2:15 pm	What are you doing tomorrow? Come learn about how you can			305		14 16		Boost Post	
01/21/2016 1:07 pm	El Niño storms have been helpin			154		9 4		Boost Post	
01/20/2016 7:00 am	Did you notice the rain yesterd			401		24 15		Boost Post	
01/14/2016 10:11 am	Desert Water Agency customer			218		16 4		Boost Post	
01/10/2016 5:17 pm	As the Palm Springs Internation			130		6 3		Boost Post	
01/08/2016 10:11 am	Have you checked the mail late			66		0 1		Boost Post	
01/07/2016 12:00 pm	Get a healthy dose of water con			120		0 1		Boost Post	
01/06/2016 1:07 pm	More rain on the horizon! #Save			126		0 1		Boost Post	
01/05/2016 10:27 am	RAIN ALERT: Mother Nature is			363		7 17		View Results	
01/04/2016 12:17 pm	Winter weather helps you #save			55		2 0		Boost Post	

Desert Water Agency

Facebook analytics continued

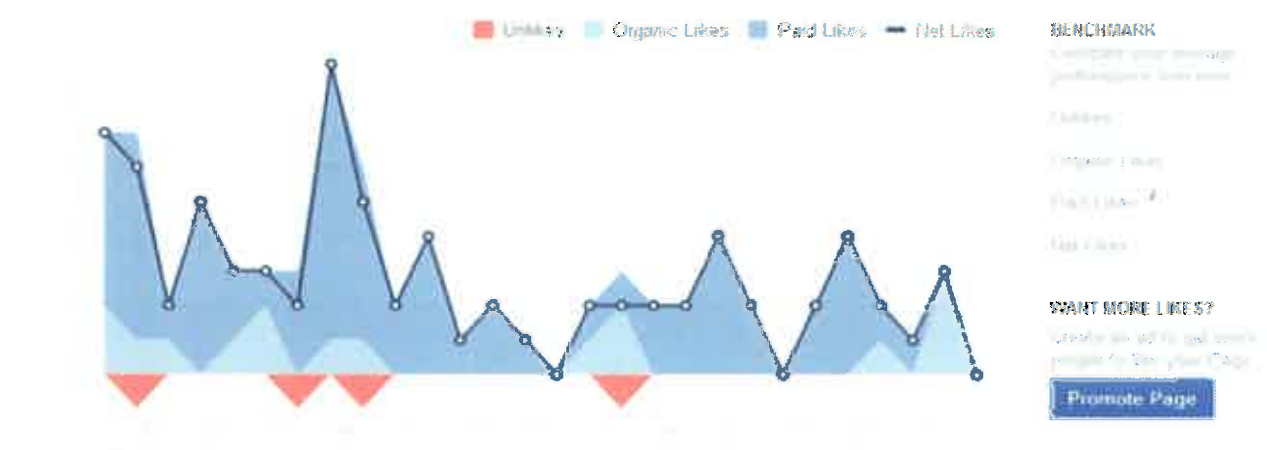
January 2016

Total Page Likes as of Today 651



Net Likes

Net likes shows the number of new likes minus the number of unlikes.



Where Your Page Likes Happened

The number of times your Page was liked, broken down by where it happened.





Desert Water Agency Twitter analytics January 2016

Jan 2016 • 17,545 tweets

Tweet highlights

Top Tweet

Get a dose of conservation with
[@JerrySteffen](#)'s forecast on today's
[@KESQ](#) nooncast w/ [@Bianca__Ree](#) &
[@TVJeffStahl](#)! #DontDismissTheDrought

[View Tweet activity](#)

Top Follower



KMIR News

[@KMIRNews](#) [Follow](#)

NBC News for Palm Springs and the Coachella Valley
 Where The News Comes First! News: 760.737.8444

[View profile](#)

[View follower's dashboard](#)

Enrich your Tweets with Twitter Cards

Using Twitter Cards gives you greater insight into your URL clicks, app installs and Retweets

Top mention



Sammy Roth

[@Sammy_Roth](#) [Follow](#)

[@TD3nathanbrown](#) This was my apartment complex last night. It's absurd, & against the drought rules. Tell [@DWAwater](#) [dwa.org/waterwaste](#)

[View Tweet](#)

Top media Tweet

In Dec, DWA customers saved 9.5% (cumulative now 27%). We need more to meet 35% CA requirement
[#DontDismissTheDrought](#)
[pic.twitter.com/XOmH5y9n0](#)



[View](#)

[View Tweet activity](#)

[View all Tweet activity](#)

Get your Tweets in front of more people

Promoted Tweets and content open up your reach on Twitter to more people

[Get started](#)

JAN 2016 TWEETS

Tweets
9

Tweets mentioned
3,310

Retweeted tweets
140

Retweets
6

Total followers
4