DESERT WATER AGENCY AUGUST 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.

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES – July 19, 2016

CIOFFI

3. GENERAL MANAGER'S REPORT

KRAUSE

4. **COMMITTEE REPORTS** – A. Executive – July 26, 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.

ITEMS FOR ACTION

A. Water Use Violation – Civil Penalty Hearing (s)

KRAUSE

ITEMS FOR DISCUSSION

A. Annual Review of Resolution Establishing Policy and Guidelines for Agency Investments

KRIEGER

B. State Water Contractors' Meeting – July 21, 2016

RIDDELL

C. Lake Perris Dam Seismic Remediation Update

KRAUSE

PUBLIC INFORMATION

METZGER

- 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 LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9 (d) (1)

Name of Case: Mission Springs Water District vs. Desert Water Agency

E. 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

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

July 19, 2016

DWA Board	James Cioffi, President Joseph K. Stuart, Vice President Kristin Bloomer, Secretary-Treasurer Patricia G. Oygar, Director Craig A. Ewing, Director	Attendance
DWA Staff:	Mark S. Krause, General Manager Steve Johnson, Asst. General Manager Martin S. Krieger, Finance Director Sylvia Baca, Asst. Secretary of the Board Ashley Metzger, Outreach/Conserv. Manager Irene Gaudinez, Human Resources Manager	
Consultant:	Michael T. Riddell, Best Best & Krieger)	
Public:	David Freedman, PS Sustainability Comm.	
17528. everyone to j	President Cioffi opened the meeting at 8:00 a.m. and asked oin Secretary-Treasurer Bloomer in the Pledge of Allegiance.	Pledge of Allegiance
17529. President Cioffi called for approval of the June 28, 2016 Special Board meeting minutes.		Approval of 06/28/16 Special Board Mtg. Minutes
Director Ewi	Director Oygar moved for approval. After a second by ng, the minutes were approved as written.	
17530. provide an uj	President Cioffi called upon General Manager Krause to odate on Agency operations.	General Manager's Report
and Los Felic fire hydrant	Mr. Krause stated on July 13 at approximately 8:30 a.m., staff a stolen fire hydrant at the north west corner of Sepulveda Rd. ces. As staff was driving in the area, they found another stolen on the south west corner of Zanjero Rd. and Yorba Rd. There I loss due to the thieves turning the valves off. A police report	Stolen Hydrant – Sepulveda/Los Felices

Mr. Krause stated on July 14 at approximately 10:00 a.m. Water Leak - Star

Assistant Construction Superintendent Kuhlman responded to a leak on Star Rd./Racquet Club Rd.

Rd., north of Racquet Club Rd. The Palm Springs Fire department observed a sinkhole forming under a truck parked directly over the leak and advised the owner to move his truck. Once the truck was moved, water shot across the street hitting a vehicle. The vehicle's owner was notified and he also moved his vehicle.

General Manager's Report (Cont.)

Concluding his report, Mr. Krause noted several meetings and General Manager's activities he participated in during the past several weeks.

Meetings & Activities

17531. President Cioffi noted the minutes for the July 14, 2016 Executive Committee were provided in the Board's packet.

Committee Reports Execute 07/14/16

President Cioffi noted the minutes for the July 14, 2016 Conservation & Public Affairs Committee were provided in the Board's packet.

Conservation & Public Affairs 07/14/16

17532. President Cioffi opened the meeting for public input. **Public Input**

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

17533. President Cioffi called upon Secretary-Treasurer Bloomer to provide an overview of financial activities for the month of June 2016.

Secretary-Treasurer's Report - June 2016

Secretary-Treasurer Bloomer reported that the Operating Operating Fund Fund received \$1,812,078 in Water Sales Revenue, \$162,213 in Reclamation Sales Revenue. \$12,944 was included in the Miscellaneous Receipts (SCE Solar II Energy Rebate-May). \$1,682,617 was paid out in Accounts Payable. Year-to-date Revenues and Expenses will be provided upon completion of the 2015-16 audit. There were 22,304 active services as of June 30, 2016 compared to 22,308 as of May 31, 2016.

Reporting on the General Fund, Secretary-Treasurer Bloomer stated \$223,453 was received in Property Tax Revenue. \$352,708 was received from CVWD (SWP Management Agreement-January thru March 2016). \$41,312 was received in SWP Refunds. \$13,357 was received from SCE for Whitewater Hydro Power Sales (March & April 2016). \$2,179,976 was paid out in State Water Project Charges.

General Fund

Regarding the Wastewater Fund, \$3,680 was received in Sewer Contract payments. There are a total of 72 contracts with 29 delinquent (40%). \$114,844 was paid out in Accounts Payable.

Wastewater Fund

17534. President Cioffi asked Assistant General Manager Johnson to present staff's request for the public hearing item for the purpose of Public Health Goals accepting and responding to public comments on Desert Water Agency Public Health Goals report.

Items for Action: Public Hearing Item/

Mr. Johnson stated that the Agency's water system complies with all the health-based drinking water standards and maximum contaminant levels (MCL's) required by the California Department of Health Services and the United States Environmental Protection Agency. He stated that the public hearing notice was posted on the Agency's bulletin board, Cathedral City City Hall, Palm Springs City Hall and Desert Hot Springs City Hall. It was also published in The Public Record on July 5 and July 12. There have been no written or verbal comments received from the public.

Action Items: (cont.) Public Hearing Item/ Public Health Goals

President Cioffi opened the public hearing. There being no one from the public wishing to speak on this item, he then closed the public hearing.

Open/Close Public Hearing

17535. President Cioffi called upon General Manager Krause to present staff's request for adoption of Resolution No. 1141 granting retirement status to Debbie Randall.

Request Adoption of Resolution No. 1141 Granting Retirement Status to Debbie Randall

Mr. Krause announced that Ms. Randall is retiring from the Agency after 24 years of dedicated service.

President Cioffi thanked Ms. Randall for her work over the years, he then read aloud Resolution No. 1141 highlighting Ms. Randall's years of dedicated service to Desert Water Agency.

Director Ewing moved for adoption of Resolution No. 1141. Vice President Stuart seconded the motion, which passed unanimously.

RESOLUTION NO. 1141 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DESERT WATER AGENCY GRANTING RETIREMENT STATUS TO DEBBIE RANDALL

Resolution No. 1141 Adopted

President Cioffi called upon General Manager Krause to Water Use Violations -17536. present the civil penalty hearing for water use violations.

Civil Penalty Hearing

Mr. Krause noted there have been more than 250 violations issued and have received three hearing requests, two of which will be heard today (neither appellant is present). The third will be heard at the August 2 meeting due to a scheduling conflict.

Mr. Krause announced the first appellant is Beverly Elmore. He then presented information and noted the violation: 1) Irrigating between the restricted hours of 7:00 a.m. and 7:00 p.m. The fine is \$50 and the reason for appeal is that there was a valve issue.

There was consensus by the Board that the appellant rectified the situation once it was brought to her attention.

Director Oygar made a motion to uphold the appeal and waive the penalty. After a second by Director Ewing, the motion passed unanimously.

Action Items: (Cont.) Water Use Violations -Civil Penalty Hearing

It was clarified that a violation did occur, but the Board is waiving the penalty fine.

Uphold Appeal (Violation Occurred)/Penalty Waived

Mr. Krause announced the second appellant is Gordon McKiel. He then presented his information and noted the violations: 1) Irrigating between the restricted hours of 7:00 a.m. and 7:00 p.m. and 2) Runoff from irrigation onto hardscape. The fine is \$100 and the reason for appeal is that there was a power outage that affected the irrigation timer.

President Cioffi noted this is Mr. McKiel's second violation and there is significant runoff.

Vice President Stuart made a motion to deny the appeal (violation occurred) and issue the penalty fine. After a second by Director Ewing, the motion passed unanimously.

Deny Appeal (Violation Occurred)/Penalty Fine Issued

17537. President Cioffi noted that Board packets included media and public information reports for June 2016.

Public Information -June 2016

Ms. Metzger announced that she will be speaking tonight at the Cathedral City Rotary Club. She reminded everyone of the Turf Buyback Program Workshop on July 21 at the Agency.

17538. President Cioffi asked General Manager Krause to report on the June Water Use Reduction Figures.

Items for Discussion: June Water Use Reduction Figures

Mr. Krause reported that the Agency and its customers achieved a 33 percent reduction during June 2016 compared to June 2013.

17539. President Cioffi asked General Manager Krause to report on Perris Dam Seepage the Perris Dam Seepage Recovery Project.

Recovery Project

Mr. Krause provided background on the Lake Perris reservoir, which was constructed in 1974. Since its construction, the water levels in the Perris north groundwater subbasin have risen close to 200 feet. It is estimated that 23-45 acre-feet of water seeps from this reservoir in the subbasin. In order to cease any contributions to the subbasin and to preserve water that DWA, CVWD and MWD have paid to transport to Lake Perris, DWR and MWD have agreed to undertake a Perris Seepage Recovery Project.

Continuing with his report, Mr. Krause stated that DWA, CVWD and MWD recently met to receive an update on MWD's progress. MWD is developing a funding agreement with DWR and will be presenting to its Board for approval in October. DWA staff plans to bring the details of construction and costs to the Board after the project planning is complete and is approved by MWD's Board.

Discussion Items: (Cont.)

Perris Dam Seepage Recovery Project

Concluding his report, Mr. Krause noted that electing to participate by submitting a signed Phase I proposal to participate form certifies eligibility to participate in the Sites Reservoir Project, acknowledges its level of participation and acknowledges the form is only valid for the project's Phase 1, and is not committing any funds at this time, but is committing to use best efforts to enter into an agreement with the authority and Phase 1 reservoir project agreement committee to become a member. Mr. Krause stated he intends to submit a Phase 1 proposal to participate form for 6,500 acre-feet of Class 1 water at a not to exceed cost of \$60/acre-foot for Phase 1 activities. The final call for participation ends on July 29 at 4:00 p.m.; interested parties applying after this closing will not be considered.

In response to Director Ewing, Agency Counsel Riddell stated that Mr. Krause's intent to sign the form does not commit the Agency.

17540. President Cioffi asked Assistant General Manager Johnson to report on the Whitewater Power Plant Update.

Whitewater Power Plant Update

Mr. Johnson stated after two years working with JTN Energy, the California Independent System Operator (CAISO) granted a certificate of compliance for the Whitewater Hydro Plant on July 8, satisfying the CAISO interconnection portion of the Re-MAT contract. The plant is officially operating under the Re-MAT power purchase agreement.

Continuing his report, Mr. Johnson said on July 5, MWD began delivering the remaining Quantification Settlement Agreement water to CVWD at the Whitewater Spreading Basin. At a rate of 180 cfs, the Whitewater Hydro should operate for the next 60 days with an anticipated total production of 1,464 MWh. Under the previous tariff, the amount of money generated would have been approximately \$38,000; with the Re-MAT contract, the allocation should produce approximately \$131,000, a 344% increase.

17541. Director Ewing announced he will be absent for the October 4 and November 1, 2016 Board meetings.

Directors Comments/Requests

There was discussion about the NWRA conference being held the same week as the November 15 Board meeting.

NWRA Conference/November 15 Board Mtg.

At 9:15 a.m., President Cioffi convened into Closed Session Closed Session: 17542. for the purpose of Conference with Legal Counsel, (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

A. Existing Litigation -ACBCI vs. CVWD, et

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), Desert Water Agency vs. U.S. Department of Interior; (D) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Mission Springs Water District vs. Desert Water Agency; and (E) Real Property Negotiators, pursuant to Government Code Section 54956.8, Property-APN 502-560-038, Agency Negotiators: Mark S. Krause, General Manager and Steve L. Johnson, Assistant General Manager, Negotiating Parties: Chris Thomsen, New Mesquite HOA, Under Negotiation: Price and terms of possible acquisition.

Closed Session:
(cont.)
B. Existing Litigation –
ACBCI vs. Riverside
County
C. Existing Litigation –
DWA vs. U.S. Dept. of
Interior
D. Existing Litigation –
MSWD vs. DWA
E. Real Property
Negotiators

17543. At 9:44 a.m., President Cioffi reconvened the meeting into open session and announced there was no reportable action.

Reconvene – No Reportable Action

17544. In the absence of any further business, President Cioffi adjourned the meeting at 9:45 a.m.

Adjournment

	James Cioffi, President	
ATTEST:		
Kristin Bloomer, Secreta	ry-Treasurer	

GENERAL MANAGER'S REPORT AUGUST 2, 2016

On July 23 at approximately 5:00 p.m., stand-by responded to a hit 2 inch backflow at 2218 Toledo Ave. This service is used for irrigation and we were able to turn the angle stop off. Staff made contact with the HOA to notify them what had happened and let them know that we could make repairs to the backflow and be billed or they can make repairs themselves. The water loss was metered and a police report was made.





General Manager's Meetings and Activities

Meetings:

7/15/16	Meeting Conference Call With Fiona Hutton – Contract Renewal
7/18/16	Meeting with MWD – Perris Dam Seepage Recovery Project
7/18/16	Meeting with MWD & CVWD – Exchange Agreement Coordination Meeting
7/20-21/16	SWC Meetings Sacramento
7/21/16	Meeting with CVWD & MWD – Perris Dam Seepage/Sites Reservoir Exchange
	Agreement Extension, 100,000 AF Exchange Agreement Extension
7/22/16	Snow Creek Security Position – Interviews
7/26/16	Executive Committee Meeting
7/26/16	Staff Meeting – 218 preparation
7/26/16	Meeting with RCFC&WCD – Murray Canyon Gaging Station and SGMA
7/27/16	Meeting Conference Call MWD, DWR, CVWD, DWA – Perris Dam Seepage Project
7/27/16	Meeting Conference Call DWA, CVWD, Site Reservoir JPA – Phase 1 Proposal to
	participate

Activities:

- Perris Reservoir Seepage Water Supply Recovery Finance Agreements, Water Rights, Costs
- Sites Reservoir Water Supply Opportunity Phase 1 Proposal to Participation Form
- E-Billing Working out initial glitches
- Outreach Talking Points KMIR
- USGS cooperative agreement Murray Canyon Gaging Station
- SWP Delta Charges Rate Study
- State Drinking Water Program Fees Comment Letter to State Board
- Well 6 and Well 32 Water Quality Remediation issues
- Whitewater Ranch Water Service Agreement Follow up to May 23 Meeting
- Rate Study
- Replenishment Assessment Charge 218
- Snow Creek Hydro SCE contract extension ongoing
- Whitewater Hydro SCE contract extension Just completed and first delivery
- SWP/DWA tax rates
- State and Federal Contractors Water Authority and Delta Specific Project Committee (Standing)
- Property Acquisition New Mesquite HOA Ongoing
- MSWD Lawsuit Ongoing
- Snow Creek Security Job Opening
- Snow Creek Security Weekly Meeting
- Fiona Hutton Contract Renewal
- CalWater Fix Policy Statement Change of Point of Diversion Hearings
- City of Palm Springs Paving Project Valve Box Adjustment Invoice

Minutes Executive Committee Meeting

July 26, 2016

Directors Present: Jim Cioffi, Joe Stuart

Staff Present: Mark Krause, Martin Krieger, Steve Johnson

1. Discussion Items

A. Review Agenda for August 2, 2016 Regular Board Meeting
The proposed agenda for the August 2, 2016 regular board meeting was reviewed.

- 2. Other None
- 3. Adjourn

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

AUGUST 2, 2016

RE: WATER USE VIOLATION – CIVIL PENALTY HEARINGS

Starting after the March 1st board meeting, staff began issuing water use violations under the new ordinance; to date, more than 275 violations have been issued. Recipients of the violations have 7 days to request a hearing in writing. Staff has received three such requests for a hearing on the violations since the last hearing on July 19. Three violations have hearings scheduled for today's board meeting.

The following is a summary of the procedure for the hearings.

Staff has provided the Board with the correspondence for each of the violations including photographic evidence. Photographs will also be projected during the hearing to provide the board and customer a common point of reference for discussion.

Staff will introduce each violation with a summary of the event. After the introduction the customer will be invited by the Board to speak concerning the violation. If the recipient of the violation is not present or does not wish to speak, staff will read the violation summary and submit the written petition into the record for board action.

Each petition will be discussed and voted on separately.

As a point of reference, staff has notified Agency customers concerning water conservation regulations in several different ways:

Recent Notifications

- 1. Published the ordinance in The Public Record
- 2. Published the ordinance in the Agency Website
- 3. Social media outlets
- 4. KMIR, KESQ, KPCC, the Joey English Show
- Desert Sun Valley Voice
- 6. Palm Desert Patch
- 7. Email to Palm Springs and Cathedral City Chambers
- 8. Emails to HOA in our contact list
- 9. Emails to high volume users

<u>Comprehensive Notifications – Since June 2015</u>

- 1. Direct mail to all customers
- 2. Bill Inserts
- 3. Bill on envelope messaging
- 4. Billboards
- 5. Online advertising (KESQ)
- 6. Television advertising (Time Warner)
- 7. Social media
- 8. Several public presentations on TV
- 9. Print and radio Interviews
- 10. DWA and CVWD websites

1. Palm Springs Villas II, 701 Los Felices Circle

- a. On Tuesday, May 24 at 11:01 a.m. a Desert Water Agency representative observed water use violations at said address and reported them.
 - i. Irrigating between the restricted hours of 7 a.m. and 7 p.m.
 - ii. Irrigating on a restricted day
 - iii. Runoff
- b. Fine amount \$200
 - i. Homeowners association
 - ii. Second violation
- c. Reason for petition
 - i. Power outage

Palm Springs Villas II HOA % PCM 27051 Towne Centre Dr #200 Foothill Ranch, CA 92610 May 24, 2016

RE: FINE ON ACCOUNT# ; Los Felices Cir

Dear Valued Customer:

Due to a water use violation observed and documented by a Desert Water Agency representative on Tuesday, May 24, 2016 at 11:01 am, you are being served with a complaint to impose a civil (monetary) penalty.

You have 7 days to request, in writing, a hearing on this violation. If you do request a hearing, you will need to come to the Agency and present information that refutes the alleged violation. If you do not request a hearing within 7 days of this complaint, the civil penalty of \$200.00 will be added onto your water bill

You were cited for:

- Outdoor irrigation shall be restricted to Mondays, Wednesdays and Fridays, before 7:00 a.m. and after 7:00 p.m.
- Runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures is prohibited.

This is a violation of Desert Water Agency's Ordinance No. 65. For a first violation within any 12-month period, the civil penalty shall be \$100 for a multi-family residential, commercial or institutional establishment or \$50 for a single-family residential customer.

For a second violation within any 12-month period, the civil penalty shall be \$200 for a multi-family residential, commercial or institutional establishment or \$100 for a single-family residential customer.

For a third and each subsequent violation within any 12-month period, the civil penalty shall be \$500 for a multi-family residential, commercial or institutional establishment or \$250 for a single-family residential customer.

Failure to pay the civil penalty on your water bill may result in termination of water service. In addition, the Agency staff shall be authorized to discontinue water service for any violation of the Ordinance.

If you have any additional questions, please contact us.

Thank you,

Ashley Metzger Outreach & Conservation Manager Desert Water Agency On behalf of General Manager Mark Krause









Ms. Ashley Metzger Outreach Manager **DESERT WATER AGENCY** 1200 South Gene Autry Trail Palm Springs, CA 92264

RE: Fine on Account Los Felices Circle

Dear Ms. Metzger:

On behalf of the Board of Directors of Palm Springs Villas II, I am writing to appeal the above referenced fine due to a power outage which caused equipment failure.

In addition to this appeal, I would like information on the procedure for requesting an exception to the current watering restrictions and allow us to water on more days. Our community has more than 800 trees covering more than 30 acres and current restrictions do not allow the time necessary to adequately cover the property. As a result, many trees are dying. Our residents and community management have been vigilant in saving water, and our usage is significantly lower than allowed.

Rebekah Ensley, our Community Manager, has the authority to work with Desert Water on these and any other matters.

Professionally,

Rob Strickland Secretary Palm Springs Villas II Homeowners Association Board of Directors

2. Huntington Gardens, 100 South Sunrise

- a. On Tuesday, June 28 at 3:39 p.m. a Desert Water Agency representative observed water use violations at said address and reported them.
 - i. Irrigating between the restricted hours of 7 a.m. and 7 p.m.
 - ii. Irrigating on a restricted day
 - iii. Runoff from irrigation onto hardscape
- b. Fine amount \$200
 - i. Commercial
 - ii. Second violation
- c. System malfunction

Huntington Gardens, LLC PO Box 3131 Huntington Beach, CA 92605 July 7, 2016

RE: FINE ON ACCOUNT# ; 100 Sunrise Way S

Dear Valued Customer:

Due to a water use violation observed and documented by a Desert Water Agency representative on Tuesday, June 28, 2016 at 3:39 pm, you are being served with a complaint to impose a civil (monetary) penalty.

You have 7 days to request, in writing, a hearing on this violation. If you do request a hearing, you will need to come to the Agency and present information that refutes the alleged violation. If you do not request a hearing within 7 days of this complaint, the civil penalty of \$200.00 will be added onto your water bill.

You were cited for:

• Outdoor irrigation shall be restricted to Mondays, Wednesdays, Fridays, Saturdays & Sundays before 7:00 a.m. and after 7:00 p.m.

** Saturdays and Sundays only allowed Through October 31, 2016**

• Runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures is prohibited.

This is a violation of Desert Water Agency's Ordinance No. 65. For a first violation within any 12-month period, the civil penalty shall be \$100 for a multi-family residential, commercial or institutional establishment or \$50 for a single-family residential customer.

For a second violation within any 12-month period, the civil penalty shall be \$200 for a multi-family residential, commercial or institutional establishment or \$100 for a single-family residential customer.

For a third and each subsequent violation within any 12-month period, the civil penalty shall be \$500 for a multi-family residential, commercial or institutional establishment or \$250 for a single-family residential customer.

Failure to pay the civil penalty on your water bill may result in termination of water service. In addition, the Agency staff shall be authorized to discontinue water service for any violation of the Ordinance.

If you have any additional questions, please contact us.

Thank you,

Ashley Metzger Outreach & Conservation Manager Desert Water Agency On behalf of General Manager Mark Krause



Hi Ashley:

Thank you very much for taking the time with me to discuss the penalty for the overrun water in the shopping center mentioned above. I have discussed with our Landscaper that we should apply for the Smart Controller System which is provided by the Water Department but unfortunately, we have a battery operated system and this will not work with the Smart Controller. It is apparent that our system malfunctioned and the sprinklers came on during unauthorized hours.

We are kindly requesting you to waive the Penalty of \$200. We have contacted our Landscape company and they are working on fixing this matter permanently to avoid this malfunction again.

Please let me know at your earliest convenience if you can waive the penalty for us. It will be greatly appreciated.

Thank you again,

Youssef Ibrahim
President
CalBRE Lic # 00882003
Premier Commercial Brokerage
1420 Bristol Street North, Suite 230
Newport Beach, CA 92660
(949) 250-3333 ofc
(949) 250-4181 fax

3. Don Karchmer, 595 Camino Calidad

- d. On Monday, July 11 at 11:50 a.m. a Desert Water Agency representative observed water use violations at said address and reported them.
 - i. Irrigating between the restricted hours of 7 a.m. and 7 p.m.
 - ii. Runoff from irrigation onto hardscape
- e. Fine amount \$50
 - i. Single-family home
 - ii. First violation
- f. Reason for petition
 - i. Extenuating circumstances

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



Mark S. Krause, General Manager-Chief Engineer Best, Best & Krieger, General Counsel Krieger & Stewart, Consulting Engineers

July 11, 2016

Hummer Investments
Don Karchmer
3300 Aluma Valley Dr
Oklahoma City, OK 73121

RE: FINE ON ACCOUNT# 595 Camino Calidad

Dear Valued Customer:

Due to a water use violation observed and documented by a Desert Water Agency representative on Monday, July 11, 2016 at 11:50 am, you are being served with a complaint to impose a civil (monetary) penalty.

You have 7 days to request, in writing, a hearing on this violation. If you do request a hearing, you will need to come to the Agency and present information that refutes the alleged violation. If you do not request a hearing within 7 days of this complaint, the civil penalty of \$50.00 will be added onto your water bill.

You were cited for:

 Outdoor irrigation shall be restricted to Mondays, Wednesdays, Fridays, Saturdays & Sundays before 7:00 a.m. and after 7:00 p.m.

** Saturdays and Sundays only allowed Through October 31, 2016**

 Runoff such that water flows onto adjacent property, non-irrigated areas, private and public walkways, roadways, parking lots, or structures is prohibited.

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Failure to pay the civil penalty on your water bill may result in termination of water service. In addition, the Agency staff shall be authorized to discontinue water service for any violation of the Ordinance.



If you have any additional questions, please contact us.

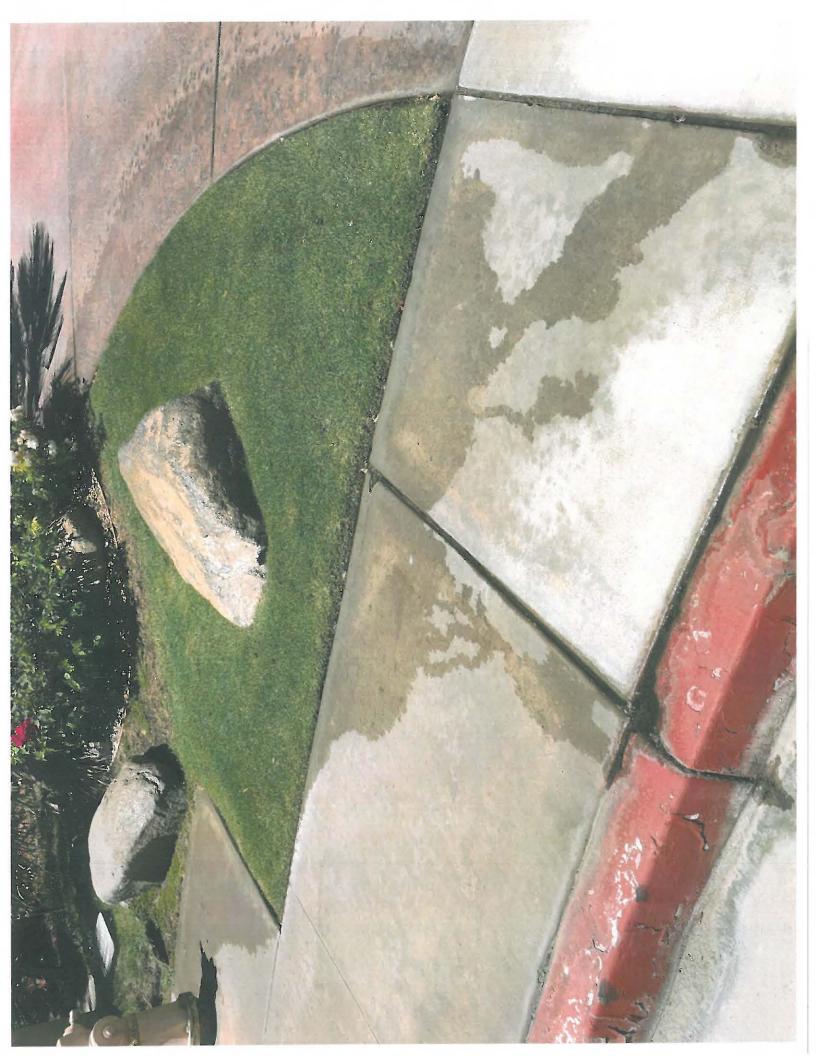
Thank you,

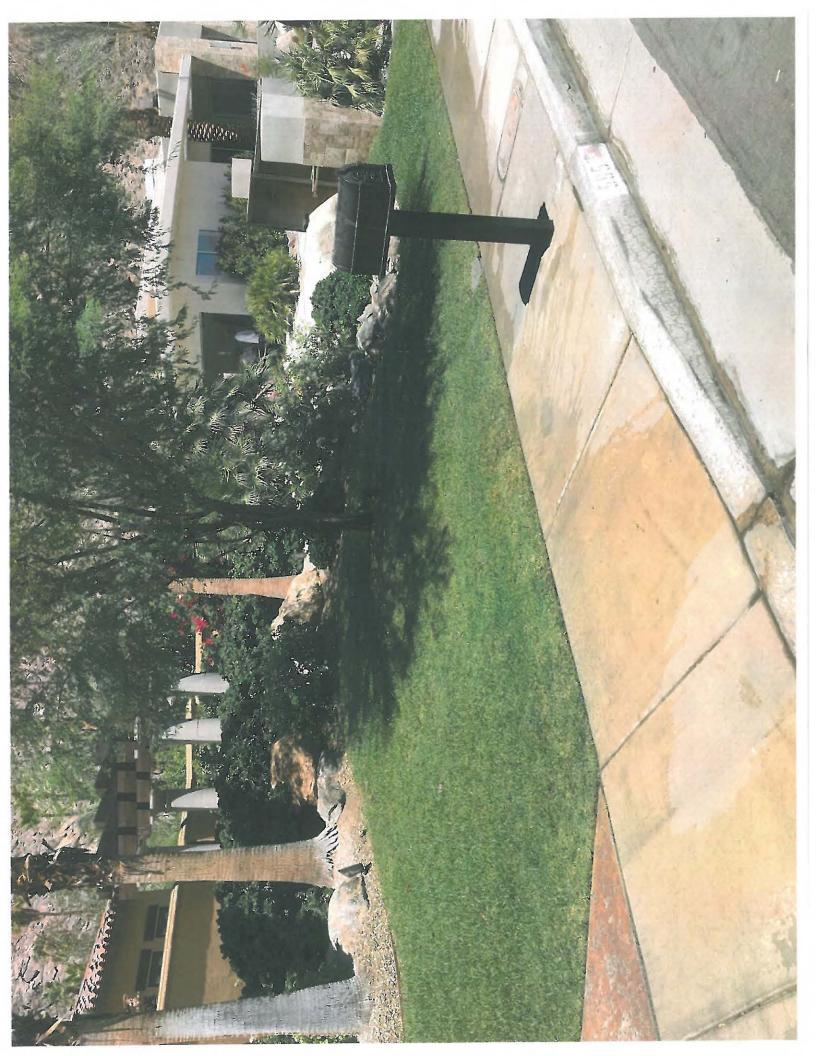
Ashley Metzger

Outreach & Conservation Manager

Desert Water Agency

On behalf of General Manager Mark Krause









Dear Mrs. Metzger,

It was nice visiting with you today. I sincerely appreciated you bringing the irrigation violation to my attention. We own a second home at 595 Camino Calidad. I have had several condos in the past and this is our first home. We have never had issues of keeping up with the water ordinances as the condominium associations were responsible. Due to four parents with many health issues, my wife and I are not able to get to the desert from Oklahoma as often as we would like. I have a gardener that mows and takes care of my yard. I don't have any idea as to programming or back up batteries etc. After receiving this citation, as I happened to be in Palm Springs last Thursday to Sunday, I immediately contacted him. He promised me he had been following rules of M-W-F and adding Saturday and Sunday schedules per the regulations. He did not know how or why but said he would get out to check things and correct any issues immediately. I received a text from him a few days ago that indicated the correct days were all set correctly as well as the times before 7am and after 7pm but there was some problem with timer or maybe it was the battery as I couldn't completely understand it and haven't spoken to him. He said that it was all repaired and working perfectly now. I completely understand that the water was running at 11:50am and clearly it was on a Monday. I am certainly at fault for the time being off. I also hope you understand that I don't voluntarily break the rules. It is often difficult to manage a property from out of state as you are aware. I hope you and the board will give me some consideration and understanding of the issue and accept my sincere apology. It seems that everyone might deserve one chance of making an honest mistake.

Kindest regards

Don

DON KARCHMER
PRESIDENT
INTERNATIONAL PIPE & SUPPLY, LLC
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OKLAHOMA CITY, OKLAHOMA 73121
DIRECT - 405-418-3017
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STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

AUGUST 2, 2016

RE: ANNUAL REVIEW OF RESOLUTION ESTABLISHING POLICY AND GUIDELINES FOR AGENCY INVESTMENTS

Attached for the Board's review are copies of Resolutions No. 886 (adopted November 16, 2004) and No. 1007 (adopted July 7, 2009) which established the policies and guidelines for Desert Water Agency investments. Government Code recommends that the Agency's investment policy be brought before the Board at least annually for review and/or discussion.

After review of the Government Code and legal consultation, it was determined that the Board need not re-adopt the investment policy annually if there are no proposed changes. Thus, as there have been no changes or modifications in Fiscal Year 2016/2017 to the Government Code §53600-53635 which affects the Agency's investments, Staff has no recommendations for revisions to the Agency's existing policy, and a new resolution is not necessary at this time. Therefore, this policy is brought to the Board for the purpose of review only.

RESOLUTION NO. 886

RESOLUTION OF THE BOARD OF DIRECTORS OF DESERT WATER AGENCY ESTABLISHING POLICY AND GUIDELINES FOR INVESTMENT OF AGENCY FUNDS

BE IT RESOLVED by the Board of Directors of the Desert Water Agency ("Agency") that the following is the Policy and Guidelines for investment of Agency Funds. The Board of Directors hereby delegates the investment authority of the Agency to the General Manager pursuant to this policy.

I. INTRODUCTION

This Agency investment policy is intended to provide guidelines and investment practice policy for maximizing the efficiency of the Agency's investment of funds and to protect those funds while enhancing the Agency's economic status. Government Code Section 53600.6 reads "The Legislature hereby finds that the solvency and creditworthiness of each individual local agency can impact the solvency and creditworthiness of the state and other local agencies within the state. Therefore, to protect the solvency and creditworthiness of the state and all of its political subdivisions, the Legislature hereby declares that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern".

Thus, this policy is written so that all Agency investment practices and the writing of this policy will be in compliance with Government Code Sections 53600 through 53686 as modified by recent legislative enactments that apply to the Agency.

II. SCOPE

This investment policy applies to all Agency funds, as pooled by enterprise function as follows:

- Operating Fund
- General Fund
- Wastewater Fund
- Bond Fund
- Any new fund created by the Board unless specifically exempted

III. OBJECTIVES

The first and primary objective of the Agency investment of public funds is to safeguard investment principal; second, to maintain sufficient liquidity within the portfolio to meet cash flow requirements; and third, to achieve a reasonable rate of return or yield on the portfolio consistent with these objectives. The portfolio will be actively managed in a manner that is responsive to the public trust and consistent with State law.

A. Safety of Principal

Safety of principal is the foremost objective of the Agency. Each investment transaction shall seek to preserve the principal of the portfolio, whether from institutional default, broker-dealer default or erosion of market value of securities. The Agency shall seek to preserve principal by mitigating two types of risk: credit risk and market risk.

- 1. <u>Credit Risk</u> Credit risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by investing in only very safe institutions and by diversifying the portfolio so that the failure of any one issuer would not unduly harm the Agency's cash flow.
- 2. <u>Market Risk</u> The risk of market value fluctuations due to overall changes in the general level of interest rates shall be mitigated by limiting the maximum maturity of the Agency portfolio to five years. It is explicitly recognized herein, however, that in a diversified portfolio, occasional measured losses are inevitable, and must be considered within the context of the overall investment return.

B. <u>Liquidity</u>

Liquidity is the second most important objective. Investments shall be made whose maturity date is compatible with cash flow requirements and which can be easily and rapidly converted into cash without substantial loss of value.

C. Return on Investment

Investments shall be undertaken to produce an acceptable rate of return after first considering safety of principal and liquidity.

IV. FIDUCIARY RESPONSIBILITY

Section 53600.3 of the Government Code declares each person, or governing body authorized to make investment decisions on behalf of local agencies to be a *trustee* and therefore a *fiduciary* subject to the *prudent investor standard*. The prudent investor standard is defined as: "care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency." These persons shall act with care, skill, prudence, and diligence under the circumstances then prevailing when investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing funds. Section 53600.5 further stipulates that the primary objective of any person investing public funds is to safeguard principal; secondly, to meet liquidity needs; and lastly, to achieve a return or yield on invested funds.

Investment officers acting in accordance with the written guidelines of this investment policy and exercising due diligence are relieved of personal responsibility for an individual security's credit risk or market price change, provided deviations from expectations of the security are reported in a timely manner and appropriate action is taken to control adverse developments.

V. AUTHORIZED INVESTMENTS

Investments shall be restricted to those authorized in Government Code Sections 53601 and 53635 as amended and as may be further restricted by this policy statement. All authorized investments are shown in Schedule I (attached) which defines the type of investments authorized, maturity limitations, portfolio diversification, credit quality standards and purchase restrictions that may apply.

VI. **PROHIBITED INVESTMENTS**

Prohibited investments include securities not listed in Schedule I, as well as inverse floaters, range notes, interest only strips that are derived from a pool of mortgages (Collateralized Mortgage Obligations) nor in any derivative or other investment that could result in zero interest accrual if held to maturity as outlined in Section 53601.6 of the Government Code.

VII. REPORTING

Government Code requires quarterly summary reporting of the investment portfolio, however, on a monthly basis the Board will be provided a report summarizing, by fund, each investment by type, issuer, maturity date, par and dollar amount invested in all securities, their market value, a statement denoting the ability of the Agency to meet its expenditure requirements for the next six months, or provide an explanation as to why the expenditure requirement cannot be met, and monthly statement of compliance of the investment portfolio with the policy and guidelines for investment of Agency funds or the manner in which the portfolio is not in compliance.

VIII. TRACKING AND EARLY SALE OF SECURITIES

All securities are to be purchased with the intent of holding them until maturity. However, in an effort to minimize market and credit risks, securities may be sold prior to maturity either at a profit or loss when economic circumstances, trend in short-term interest rates, or a deterioration in credit-worthiness of the issuer warrants a sale of the securities to either enhance overall portfolio yield or to minimize further erosion and loss of investment principal. In measuring a profit or loss. The sale proceeds will be compared to the original book value of the security plus cumulative interest earned on the security from the date of purchase to the date of sale.

IX. QUALIFIED INSTITUTIONS AND DEALERS

The Agency shall transact business only with banks, savings and loans, and registered investment securities broker/dealers. The purchase by the Agency of any investment other than those purchased directly from the issuer, will be purchased either from an institution licensed by the State as a broker/dealer, who is a member of the National Association of Securities Dealers, or a member of a federally regulated securities exchange, a national or state chartered bank, a federal or state association, or a brokerage firm designated as a primary government dealer by the Federal Reserve Bank.

Should an investment manager be assigned to manage a portion of the Agency invested funds, such manager shall have full discretion to invest the assigned funds within the guidelines of this policy. The investment manager will provide monthly reports detailing all asset information and performance results and maintain communication with the Agency at as reasonable frequency as market conditions warrant. Major market condition changes will be immediately called to the attention of the Agency. In all cases where an independent investment manager is utilized, no funds will be released until a signed acknowledgment of the managers willingness and commitment to abide by the guidelines of this policy is received by the Agency.

BE IT FURTHER RESOLVED that this investment policy will be periodically reviewed to ensure its compliance with any applicable legislative action and its consistency with the overall objectives of safety, liquidity and investment return as well as financial and economic trends. The foregoing investment policy not withstanding, the intent and purpose is to ensure that investment of Agency funds is performed within the guidelines of relevant Government Code sections and as may be further limited herein. This policy will be presented to the Board at least annually for its review.

Resolution No. 843 adopted March 19, 2002 establishing investment guidelines is hereby rescinded.

ADOPTED this 16th day of November, 2004.

Ronald E. Starrs

President

ATTEST:

F. Gillar Boyd, Jr. Secretary-Treasurer

DESERT WATER AGENCY Schedule 1

AUTHORIZED INVESTMENTS

MAX PORTFOLIO %

PURCHASE RESTRICTIONS

MATURITY

CREDIT QUALITY
RATINGS

collateral Reverse Repurchase Agreements on U.S. Treasury & Fed. Agency Securities in portfolio Medium Term Notes of U.S. Corp.	collateral Reverse Repurchase Agreements on U.S. Treasury & Fed. Agency Securities in portfolio	collateral	10. Repurchase agreements with 102% NONE	-	or State chartered banks or a licensed branch of a foreign bank	issued by National	7. State of California Local Agency NONE Investment Fund	mm		largest banks by size of deposits	ong 100	Agency as set forth in Government Code, Section 53601(a)	4. Obligations issued by Desert Water NONE	issued by the State or local agencies	other certificates of indebtedness	3. Registered warrants, notes, bonds or NONE	Government	issued by agencies of the Federal	2. Notes, bonds, bills certificates NONE	other certificates of indebtedness	1. U.S. Treasury notes, bills, bonds or NONE	INVESTMENTS
Mutual Funds that invest in eligible	ferm Notes of U.S. Corp.	tepurchase Agreements on sury & Fed. Agency in portfolio	se agreements with 102%	ized Certificates of	hartered banks or a ranch of a foreign bank	e CD's issued by National	alifornia Local Agency	assets exceeding \$5000	ial paper of U.S. Corp	nks by size of deposits	acceptance among 100	s set forth in Government tion 53601(a)	ns issued by Desert Water	the State or local agencies	ificates of indebtedness	d warrants, notes, bonds or	ent	agencies of the Federal	nds, bills certificates	ficates of indebtedness	sury notes, bills, bonds or	NVESTMENTS
20% maximum	30% maximum	Z Z E	NONE	\$2,000,000 any one bank		30% maximum	NONE		25% maximum*		40% maximum		NONE			NONE			NONE		NONE	
Issuer registered with SEC	NONE	ror temporary cash flow needs only	NONE	Gov. Code Sec. 53638		NONE	Set by State Treasurer		Max 10% with any issuer	issuer	Maximum 30% with any		NONE			NONE			NONE		NONE	
Immediate I ignidity	Max. 5 years	Max. 92 days	Max. 1 year	Max. 5 years		Max. 5 years	Immediate Liquidity		Max. 180 days		Max. 270 days		NONE			Max. 7 years			Max. 5 years		Max. 5 years	
Highest letter or numerical rating	"A" or better	NONE	NONE	NONE		NONE	Non-rated	Hanikikarianig	"Prime" highest letter or		NONE		NONE			NONE			NONE		NONE	(S&P/MOODY'S)

^{*} Increased from 15% to 25% in 2001

RESOLUTION NO. 1007

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DESERT WATER AGENCY AMENDING POLICY AND GUIDELINES FOR INVESTMENT OF DESERT WATER AGENCY FUNDS

WHEREAS, the Board of Directors has adopted Resolution No. 886 setting forth this Agency Investment Policy and Guidelines as required by law; and

WHEREAS, the Board wishes to amend its Investment Policy with regard to the amounts that may be invested in certificates of deposit, as allowed by law;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Desert Water Agency that effective April 21, 2009, Schedule 1, Item No. 9 (Collateralized Certificates of Deposit) of Resolution No. 886 be revised to read as follows:

	Authorized	Maximum	Purchase	Maturity	Credit Quality Ratings		
	Investments	Portfolio %	Restrictions		(S&P/Moody's)		
9.	Collateralized	\$20,000,000	Gov. Code	Maximum	NONE		
	Certificates of Deposit	with one bank	Sec. 53638	5 years			

ADOPTED this 7th day of July, 2009.

F. Thomas Kieley III, Presiden

Board of Directors Desert Water Agency

ATTEST:

Patricia G. Oygar, Secretary-Treasurer

Board of Directors
Desert Water Agency

DESERT WATER AGENCY Schedule 1

AUTHORIZED INVESTMENTS

MAX PORTFOLIO %

PURCHASE RESTRICTIONS

MATURITY

CREDIT QUALITY RATINGS (S&P/MOODY'S)

13.	12.	<u> </u>	10.	9.	8.	7.	ნ.	5.	4.	ယ	2.	
Mutual Funds that invest in eligible securities meeting requirements of California Government Code	Medium Term Notes of U.S. Corp.	Reverse Repurchase Agreements on U.S. Treasury & Fed. Agency Securities in portfolio	Repurchase agreements with 102% collateral	Collateralized Certificates of Deposit	Negotiable CD's issued by National or State chartered banks or a licensed branch of a foreign bank	State of California Local Agency Investment Fund	Commercial paper of U.S. Corp with total assets exceeding \$500 mm	Bankers Acceptance among 100 largest banks by size of deposits	Obligations issued by Desert Water Agency as set forth in Government Code, Section 53601(a)	Registered warrants, notes, bonds or other certificates of indebtedness issued by the State or local agencies	Notes, bonds, bills, certificates issued by agencies of the Federal Government	U.S. Treasury notes, bills, bonds or other certificates of indebtedness
20% maximum	30% maximum	NONE	NONE	\$20,000,000 any one bank	30% maximum	NONE	25% maximum	40% maximum	NONE	NONE	NONE	NONE
Issuer registered with SEC or 10% maximum with any one mutual fund	NONE	For temporary cash flow needs only	NONE	Gov. Code Sec. 53638	NONE	Set by State Treasurer	Max 10% with any issuer	Maximum 30% with any issuer	NONE	NONE	NONE	NONE
Immediate Liquidity	Max. 5 years	Max. 92 days	Max. 1 year	Max. 5 years	Max. 5 years	Immediate Liquidity	Max. 5 years	Max. 270 days	NONE	Max. 7 years	Max. 5 years	Max. 5 years
Highest letter or numerical rating	"A" or better	NONE	NONE	NONE	NONE	Non-rated	"Prime" highest letter or numerical rating	NONE	NC NT	Z CZ	NONE	NONE

J/JLT/BOARD/Staff Reports/Krieger/07 07 09

July 21, 2016

MEMORANDUM

TO: GENERAL MANAGER AND BOARD OF DIRECTORS

OF DESERT WATER AGENCY

FROM: BEST BEST & KRIEGER LLP

RE: JULY 20 AND JULY 21, 2016, MEETINGS OF THE BOARDS OF

DIRECTORS OF THE STATE WATER PROJECT CONTRACTORS

AUTHORITY AND THE STATE WATER CONTRACTORS, INC.

The July 20, 2016 meeting of the Board of Directors of the State Water Project Contractors Authority was conducted at the Senator Hotel in downtown Sacramento. The July 21, 2016, meeting of the Board of Directors of the State Water Contractors, Inc., was conducted at the Tsakopoulos Library Galleria in downtown Sacramento. In between the two Board meetings were committee meetings conducted in the Resources Building, involving discussions and presentations that will also be referenced in this memo.

1. State Water Project Contractors Authority Board Meeting

One of the topics of discussion at the meeting of the State Water Project Contractors Authority Board involved a decision by Kern County Water Agency to withdraw from the Delta Specific Project Committee so as to avoid its share of the DSPC dues that are levied each year to pay half of the general administrative budget of the State and Federal Contractors Water Agency. A decision by Kern County Water Agency to withdraw from the DSPC came from the KCWA Board of Directors in response to budgetary concerns resulting from low allocations of imported water and also reduced oil production tax revenues within the KCWA service area. The other members of the DSPC prefer to keep KCWA involved in the discussion of Delta issues because of the experience and expertise that certain KCWA representatives bring to the table. In addition, there is a conceptual problem with KCWA escaping its share of the dues used to fund the State and Federal Contractors Water Agency, since the joint powers agreement creating that agency makes KCWA a member independent of the DSPC, and also gives KCWA representation on its board independent of the DSPC. The other members of the DSPC discussed the resulting inequity. Metropolitan Water District

favored the concept of reducing every DSPC member's dues to maintain the same proportionality in contributions. However, that would result in greatly reduced revenue for the SFCWA, jeopardizing its ability to function. Following significant discussion, the members of the SWPCA Board favored the concept of keeping the dues assessments of all other members the same, so that the only revenue lost to SFCWA would be the lost dues assessment to KCWA. However, the matter will need to be discussed with Metropolitan Water District, whose representative was absent from the SWPCA Board meeting, to see if Metropolitan is willing to proceed on that basis for now, with additional discussion and decisions to occur subsequently to address the resulting inequity.

The SWPCA Board also convened in closed session to discuss the continued arrangement with Mary Lou Cotton to continue as the SWPCA General Manager. Mary Lou has been serving as a contract General Manager, but the contract has been with Kennedy Jenks Engineering, which has employed Mary Lou. Mary Lou is leaving the employment of Kennedy Jenks effective June 29, 2016. Pursuant to the terms of the existing contract with Kennedy Jenks, that departure automatically terminates the contract between SWPCA and Kennedy Jenks. Following her departure from Kennedy Jenks, Mary Lou will continue to act as a "sole proprietor" consultant. The SWPCA Board decided to continue to employ Mary Lou as its General Manager for a payment of \$5,000.00 per month, which is a 40% reduction from the amount previously paid to Kennedy Jenks for her services. The employment contract with Mary Lou is for a period of one year, until July 1, 2017. At that point, the SWPCA Board will again examine the issue and determine whether it wishes to continue the same arrangement upon the same terms.

2. <u>Delta Smelt Resiliency Strategy.</u>

Following the SWPCA Board meeting, several committee meetings were conducted at the Resources Building. One of the presentations included an explanation of the proposed Delta Smelt Resiliency Strategy, offered to the U.S. Fish and Wildlife Service in lieu of its proposal to amend the existing biological opinion to require greater flows through the Delta. A copy of the Delta Smelt Resiliency Strategy is attached to this memo for easy review. The key proposed measures include aquatic weed control, North Delta food web adaptive management projects, augmentation of outflows through the Delta resulting from the acquisition of additional

water supplies, reoperation of the Suisun Marsh salinity control gates, sediment supplementation in the low salinity zone, spawning habitat augmentation, roaring river distribution system food production, coordinated managed wetland flood and drain operations in Suisun Marsh, adjustment of fish salvage operations so that Smelt predators salvaged at the fish screens are not returned to the Delta where predation will continue, storm water discharge management measures, a Rio Vista research station and fish technology center, near-term Delta Smelt habitat restoration, and a restoration feasibility study for Frank's Tract.

3. Director Mark Cowin Policy Briefing.

At the committee meetings in the Resources Building, the group also received a visit from DWR Director Mark Cowin, who provided an interesting presentation regarding the upcoming proceedings before the State Water Resources Control Board to change the point of diversion to accommodate the proposed tunnel project. Hearings before the State Board were scheduled to begin the following week. Cowin stated that his office had been working with outside counsel as well as in-house counsel to prepare for the proceedings. He reminded the group that the tunnel project includes three additional points of diversion on the Sacramento River in the North Delta area. DWR has joined with the Bureau of Reclamation in submitting a petition for a change in the existing permit to not only retain the existing points of diversion but also add the three new points of diversion proposed for the tunnel project. Part one of the hearing process will involve the presentation by petitioners of their "case in chief", followed by the cases of those protesting the proposed change in the points of diversion. Part two of the proceedings will involve fish and wildlife impacts and flow criteria through the Delta. Motions have already been filed to disqualify proposed experts, and responses were filed the day before Mr. Cowin's discussion with the committee. He said that the proceedings are scheduled to begin on July 26, 2016, with opening statements by a number of parties. Resources Secretary Laird will be providing a policy statement in favor of the project on behalf of the Resources Agency. Following the policy statements, scheduled over two days (with a three-minute limit per statement), the hearing will proceed with a project description, engineering testimony, testimony regarding water operations, and testimony regarding modeling. All of this testimony will be subject to cross-examination by opposing parties. The brief to be prepared by the parties protesting the proposed change is due September 1, 2016. Then it will be necessary to wait for

completion of the biological opinion that must be prepared as part of the process. Cowin stated that his position is that there should be no objection since the proposal is to continue satisfying existing standards in the Delta. He said that a change in the plumbing should not matter so long as the existing standards are protected. It was pointed out that the Delta Reform Act now requires a re-evaluation of flow criteria, to accompany the proposed change in the points of diversion.

4. SWC Action Items.

At the SWC Board meeting, the Board undertook some action items at the beginning of the meeting. One of those was an item approving an expenditure of \$53,108.00 for a contract with Montgomery Watson Harza to develop a modeling tool to forecast State Water Project water supply allocations based upon changes in precipitation and hydrology. The objective here is to get an earlier estimate of changes in allocation, in advance of monthly announcements by DWR. The action items also included approval of an unbalanced exchange arrangement between Santa Clara Valley Water District and Antelope Valley-East Kern Water Agency, for up to 10,000 acre-feet of water in a "2 for 1" exchange. Another "2 for 1" exchange arrangement was approved between the Central Coast Water Authority and the San Luis Obispo County Flood Control and Water Conservation District.

6. Water Operations.

As of the date of the meeting, storage in Lake Oroville was at 2.56 million acrefeet, which was 95% of average as of that date. Releases from Oroville were at 9,000 cfs. Combined diversions from the Delta were at 4,800 cfs, including 4,000 cfs for the State Water Project and 800 cfs for the Central Valley Project. Diversions from the Delta had been at the rate of 7,100 cfs. However, a few days previously a decline in water quality in the Delta resulted in a violation of the standard, which prompted DWR to immediately reduce diversions to only 700 cfs for a period of two days. Water quality quickly recovered, and when it did the combined diversions were increased to 4,800 cfs. In the San Luis Reservoir, the Federal Contractors had already encroached into their "dead pool" storage, placing them in a negative balance condition. In effect, the CVP Contractors were simply out of water, and were borrowing from the SWP share of storage. This had resulted from a decision to preserve the cold water pool in Lake

Shasta, instead of releasing water from Shasta to satisfy Federal Contractor requirements, because the Contractors wanted to save the cold water in Shasta for use later in the year. Releases from Shasta were expected to increase by the end of July, however.

6. Revision in the Statement of Charges.

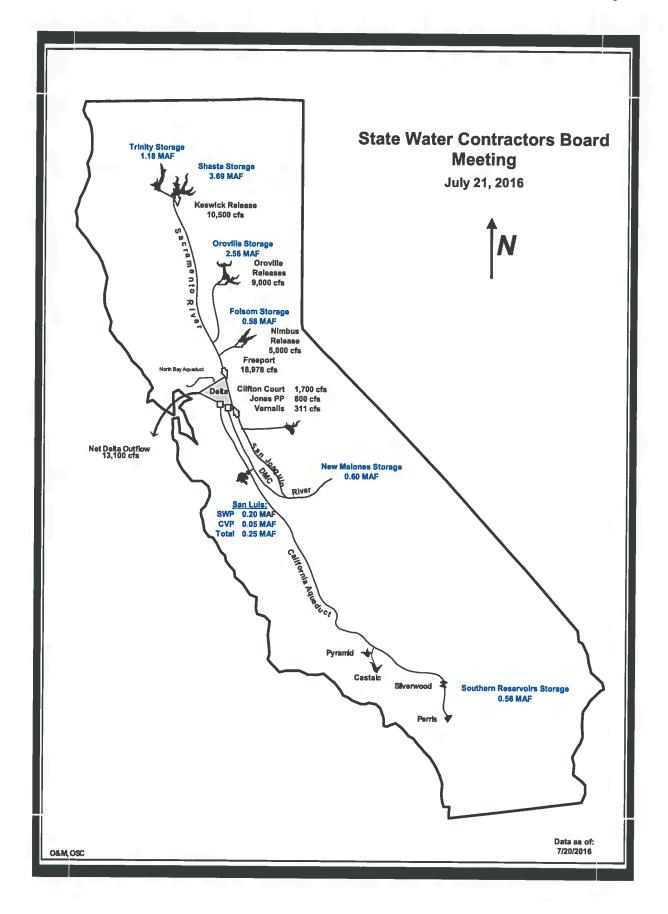
Dave Paulson from the State Water Project Analysis Office, reported that the July 1 revision of the statement of charges had been significantly decreased from the May estimate, by \$82 million. That prompted a lengthy discussion about efforts by DWR to refine its budgeting process so as to more accurately project what the charges will be each year. It is a complicated matter, but Paulson explained the efforts by DWR project managers to get a better handle on their budgeting process.

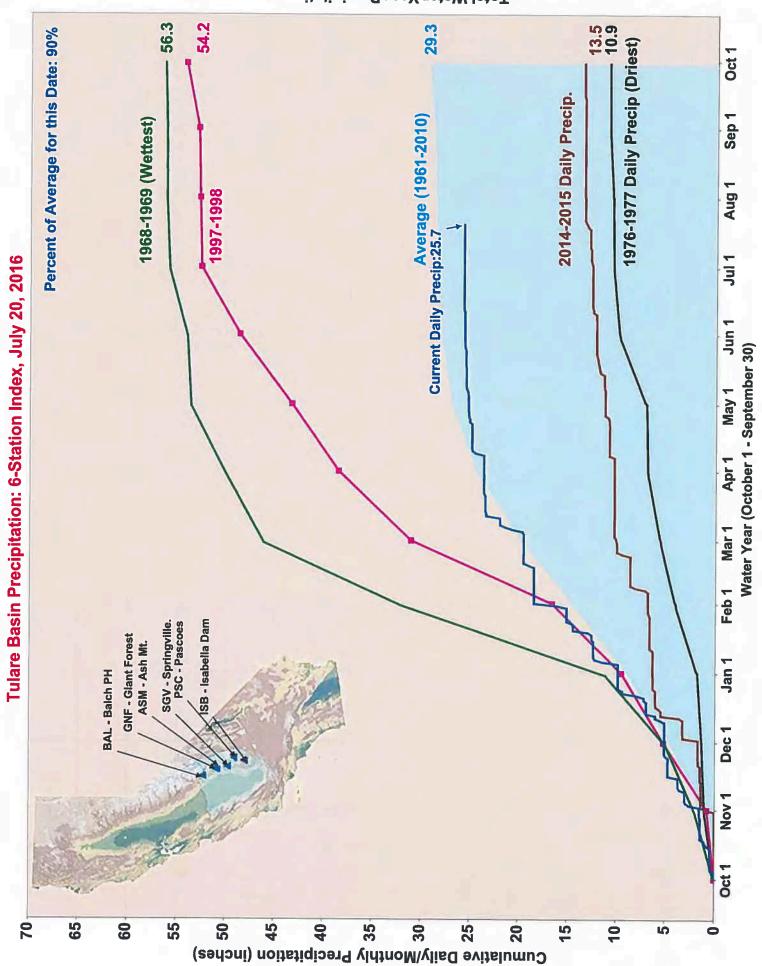
7. Report on Energy Objectives.

SWC Assistant General Manager Tim Haines provided an interesting report regarding energy objectives for the upcoming year. In 2015, approximately 65% of the energy utilized by the State Water Project was free from greenhouse gas emissions. This was due primarily to the fact that the State Water Project generates an enormous amount of clean energy from its own hydro facilities. In addition, the State Water Project purchases some hydroelectric power from other sources, as well as energy from other renewable sources. For years the cost of energy to move water was stable and relatively low, but in recent years it has been increasing at the rate of approximately 10% per year due to changes in the state-wide energy policy. A proposal has been made to expand the Independent System Operator ("ISO") to include five western states. The purported objective is to give California more access to green energy, including wind energy in Wyoming and other states. However, the State Water Project really does not need access to more green energy. In order to provide that access, the transmission system will need to be greatly expanded at significant expense, and therefore the State Water Project would be stuck with significant additional expense without significant additional benefit. The administration in California would like to achieve regionalization and will seek legislation to

expand the transmission system throughout the western United States. The Contractors intend to oppose that proposal.

MICHAEL T. RIDDELL



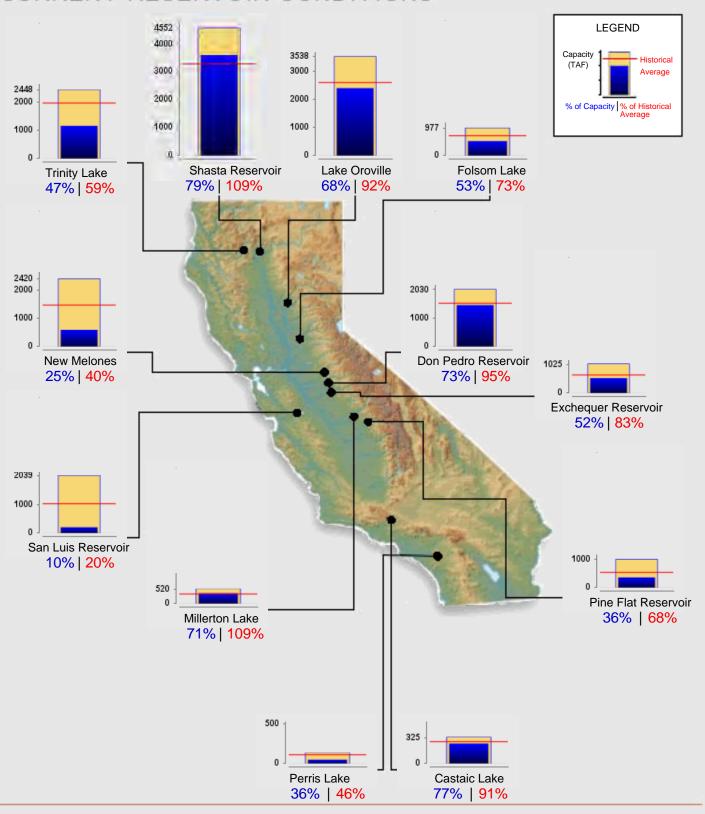




Reservoir Conditions

Ending At Midnight - July 27, 2016

CURRENT RESERVOIR CONDITIONS



Delta Smelt Resiliency Strategy July 2016





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Delta Smelt Resiliency Strategy

Introduction

The Delta Smelt Resiliency Strategy (Strategy) is a science-based document that has been prepared by the State of California (State) to voluntarily address both immediate and near-term needs of Delta Smelt, to promote their resiliency to drought conditions as well as future variations in habitat conditions. The Strategy relies on the MAST Report and Conceptual Models (IEP 2015) to articulate a suite of actions that can be implemented in the next few years that are intended to benefit Delta Smelt. Although the feasibility and effectiveness of each action included in the Strategy requires further exploration and study, the Strategy is an aggressive approach to implementing any actions that can be implemented in the near term, can be implemented by the State with minimal involvement of other entities, and have the potential to benefit Delta Smelt. State agencies that could implement this Strategy include Department of Water Resources (DWR), Department of Fish and Wildlife (DFW), and Division of Boating and Waterways (DBW). Several of the actions identified in this Strategy could also benefit other species, and coordination across various resource management agencies as appropriate may allow for benefits beyond Delta Smelt. All of the actions will be in compliance with applicable laws, including the Federal Endangered Species Act, California Endangered Species Act, California Environmental Quality Act, National Environmental Policy Act, and the Federal Clean Water Act. The Collaborative Science and Adaptive Management Program (CSAMP) will be used to determine the appropriate research approach to designing and assessing the outcomes of these management actions individually and synergistically. Additionally, it is expected that the Bureau of Reclamation (Reclamation) would participate in the implementation of this Strategy, including providing enhanced outflows in 2016, as described below.

Objective

The primary objective of this Strategy is to improve the status of Delta Smelt (e.g., generating a Delta Smelt population growth rate >1). The relatively positive response of the Delta Smelt population in 2011 suggests that it retains some ability to respond to improved conditions (Interagency Ecological Program 2015). The specific goals to achieve the primary objective consist of the following.

Goal 1: Improved Delta Smelt vital rates, including:

- Higher growth rates.
- Higher fecundity levels.

Goal 2: Improved habitat conditions, including:

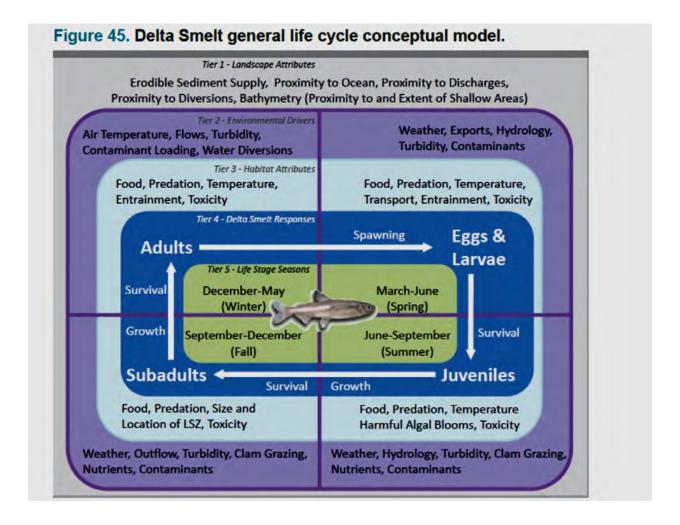
- Increased spawning and rearing habitat area
- Improved habitat quality.
- Increased food resources.
- · Higher turbidity.
- Reduced levels of invasive species (e.g., aquatic weeds, nonnative predators).

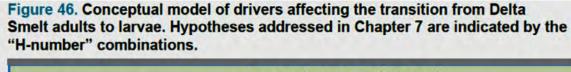
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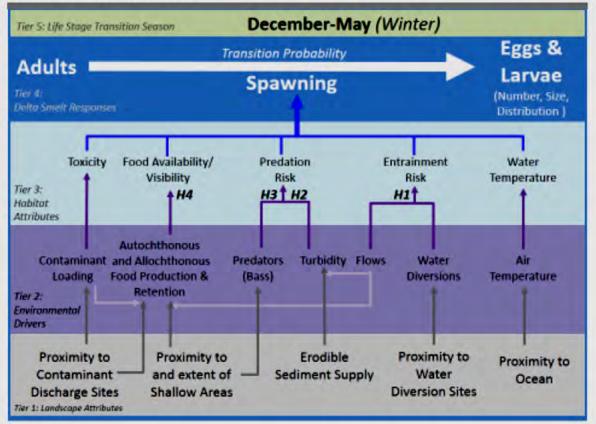
Reduced levels of harmful algal blooms.

Conceptual Models

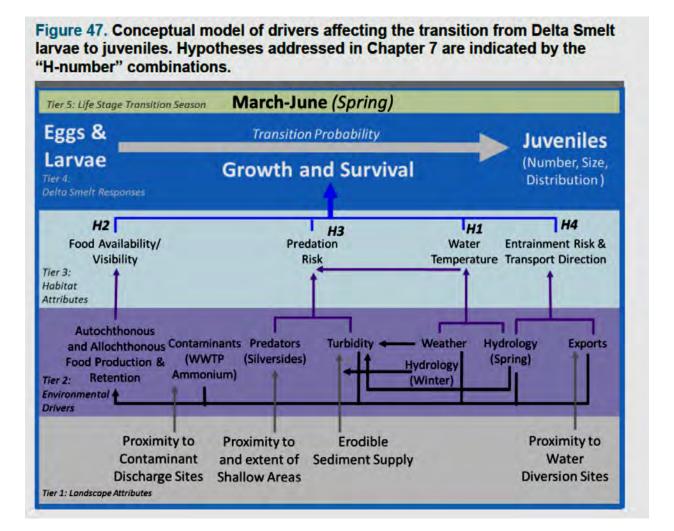
The Strategy is based on detailed CMs developed by the MAST Team (Interagency Ecological Program 2015) that are consistent with several other Delta Smelt CMs developed to date (e.g., Miller 2011). The CMs have a tiered structure with Delta Smelt performance (e.g., survival, growth, condition, fecundity) determined by Habitat Attributes, Environmental Drivers, and Landscape Attributes. Additionally, there are individual models for each Delta Smelt life history stage. Goal 1 of this Strategy is based on Tier 1, Delta Smelt Performance, of these CMs, and Goal 2 is based on Tier 3, Habitat Attributes. The following figures (45 through 49) are taken from the MAST report, and provide the basis for assessing management actions relevant to improvement of Delta Smelt status in the near-term (Interagency Ecological Program 2015).







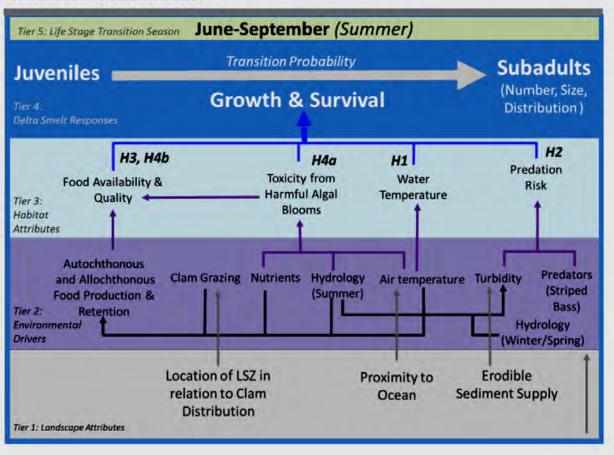
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4

July 2016

Figure 48. Conceptual model of drivers affecting the transition from Delta Smelt juveniles to subadults. Hypotheses addressed in Chapter 7 are indicated by the "H-number" combinations.



5

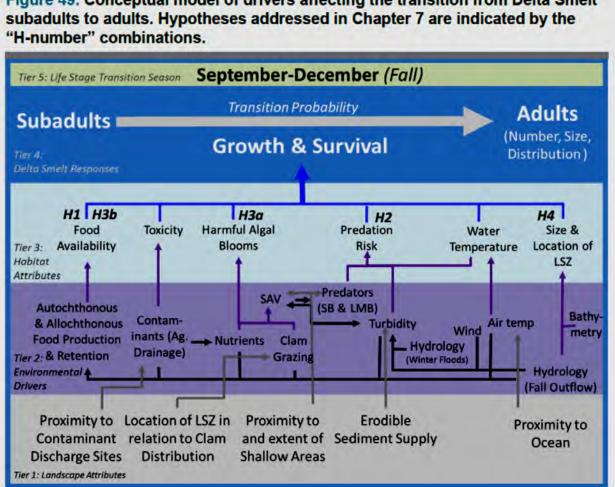


Figure 49. Conceptual model of drivers affecting the transition from Delta Smelt

Determining the Suite of Management Actions

Not all of the Environmental Drivers included in the CMs can be influenced through management actions (Figures 45–49 above). For example, weather and air temperature cannot be controlled. Similarly, water temperatures are driven by atmospheric temperatures and can only be affected by operations for a limited amount of time and require substantial water to do so. Some drivers are not well-understood or monitored and therefore have substantial uncertainty associated with management actions intended to address them. However, this Strategy is meant to address as many Environmental Drivers as possible to achieve the objective and goals described above, with acknowledgement that some management actions may not yield expected results. The linkage to the CM and objectives are articulated for all management actions.

Proposed Actions

The following lists, in no particular order, the proposed management actions meant to address as many Environmental Drivers and Habitat Attributes in the MAST CMs as possible. A brief summary of each management action is provided below, and the life stages, Environmental Drivers, and Habitat Attributes affected are also noted.

Aquatic Weed Control

Linkage to Conceptual Models: This management action would benefit all life stages and the Environmental Drivers affected would include Turbidity and Predators.

Summary of Action: DWR will coordinate with DBW to increase the treatment of aquatic weeds in the Delta to ensure the Strategy would provide maximum benefits to Delta Smelt habitat. The action will take place during 2017–2018 in locations permitted by U.S. Fish and Wildlife Service (USFWS) and determined to be beneficial to Delta Smelt. In addition to Franks Tract, likely treatment areas would include Sherman Lake, Decker Island, and Cache Slough Complex.

North Delta Food Web Adaptive Management Projects

Linkage to Conceptual Models: This management action would benefit juvenile and sub-adult life stages and the Habitat Attributes that would be affected include Food Availability and Quality.

Summary of Action: DWR will augment flow in the Yolo Bypass by closing Knights Landing Outfall Gates and route water from Colusa Basin into Yolo Bypass in July 2016 and in July and/or September in 2017 and 2018 to promote food production and export into areas where Delta Smelt are known to occur. Food web enhancement flows will also be considered for additional months in ways that will not conflict with agricultural and waterfowl management actions based on the availability of water to augment flows in the Yolo Bypass. DWR will also explore options for increasing outflow from the Yolo Bypass during the spring.

Outflow Augmentation

Linkage to Conceptual Models: The CMs suggest that seasonally augmented outflows could affect two Environmental Drivers: Turbidity and Hydrology. Habitat Attributes that could be affected include Predation Risk, Harmful Algal Blooms, and Food Availability and Quality. This management action would also test the recent hypothesis that the location of the Low Salinity Zone (LSZ) is important at times of year besides fall. The extent to which these Environmental Drivers and Habitat Attributes can be positively affected through outflow augmentation will be the subject of a targeted research action.

Summary of Action: This adaptive management effort will occur in the spring and summer of 2017 and 2018. In 2016, Reclamation will provide 85 thousand acre-feet (TAF) to 200TAF additional outflow above what is required under D-1641 for release in the summer. In the spring and summer of 2017 and 2018, DWR and/or Reclamation will provide up to an additional 250TAF of outflow above D-1641 requirements. A variety of methods may be used to augment outflow, including transfers from willing sellers, changes in export or other CVP/SWP Delta operations, and/or storage releases. These flows must be consistent with the 2009 salmon biological opinion as determined by NMFS and CDFW.

Reoperation of the Suisun Marsh Salinity Control Gates

Linkage to Conceptual Models: This management action is proposed as an alternative to the *Summer Outflow Augmentation* action described above and would benefit juvenile and sub-adult life stages. The primary Habitat Attribute that would be affected is Food Availability.

Summary of Action: DWR will operate the Suisun Marsh Salinity Control Gates to reduce salinity in the Suisun Marsh during summer months. This management action may attract Delta Smelt into the high-quality Suisun Marsh habitat and reduce their use of the less food-rich Suisun Bay habitat. This management action would need to be monitored closely to ensure it does not result in unintended salinity changes in Suisun Bay and the confluence area.

Sediment Supplementation in the Low Salinity Zone

Linkage to Conceptual Models: This management action would benefit all life stages and the primary Environmental Driver that would be affected is Turbidity.

Summary of Action: DWR will assess the feasibility of sediment supplementation in the LSZ to promote turbidity corresponding to outflow actions (described above for *Outflow Augmentation*). If this management action is determined to be feasible, DWR will implement sediment supplementation activities in 2017 and 2018 as a pilot project to evaluate its effectiveness and its potential as a long-term management program.

Spawning Habitat Augmentation

Linkage to Conceptual Models: The CMs do not include spawning substrates; however, spawning substrate is a component of the USFWS-designated critical habitat for Delta Smelt. Therefore, this management action could benefit spawning adults and eggs.

Summary of Action: DWR will evaluate the availability of suitable spawning substrates in Suisun Marsh and Cache Slough in 2016. If suitable substrate is determined to be absent or limiting, DWR will introduce sand and other likely-favored spawning substrates in key areas of Suisun Marsh and Cache Slough (i.e., where pre-spawning adults have been found in higher densities than in other parts of the estuary). This management action will be monitored to assess its effectiveness.

Roaring River Distribution System Food Production

Linkage to Conceptual Models: This management action would benefits juvenile and sub-adult life stages and the primary Environmental Driver that would be affected is Food Production.

Summary of Action: DWR will install drain gates on the western end of the Roaring River Distribution System that can be used for most months of the year to drain food-rich water from the canal into Grizzly Bay to augment Delta Smelt food supplies in that area. This area is also adjacent to the Tule Red Restoration Project, which is proposed to begin construction in 2016 as discussed below for *Near-term Delta Smelt Habitat Restoration*. In addition to new drain gates, DWR will repair of the existing outfall gate/water control structure on Montezuma Slough which, in addition to a new gate onto Grizzly Bay, would further increase operational flexibility to maximize export of productivity to adjacent open water habitat used by Delta Smelt.

Coordinate Managed Wetland Flood and Drain Operations in Suisun Marsh

Linkage to Conceptual Models: This management action would benefit all life stages and the primary Environmental Driver that would be affected is Contaminants and the Habitat Attribute that would be affected in Food.

Summary of Action: Based on the findings of a current study on Joice Island, DWR will coordinate with the Suisun Resource Conservation District and DFW to develop a management plan for managed wetland flood and drain operations that can promote food export from the managed wetlands to adjacent tidal sloughs and bays.

Adjust Fish Salvage Operations during Summer and Fall

Linkage to Conceptual Models: This management action would benefit all life stages and the primary Environmental Driver that would be affected is Predation.

Summary of Action: DWR and Reclamation will adjust summer salvage operations beginning in 2016 so that non-native salvaged fish will not be returned to the Delta. Collection and counting will still occur. Normal fish salvage operations will resume when monitoring indicates that juvenile Chinook salmon and steelhead are entering the Delta in the fall. In addition, USFWS will coordinate with DFW on an outreach program to ensure recreational anglers understand the benefit of catch, without release, of fish that prey on Delta Smelt.

Stormwater Discharge Management

Linkage to Conceptual Models: This management action would benefit all life stages. The Environmental Driver that would be affected is Contaminant Loading and the Habitat Attribute that would be affected is Toxicity.

Summary of Action: The State will provide funding to entities such as the Sacramento Stormwater Quality Partnership, and/or counties and cities whose stormwater discharges to Delta waterways under National Pollutant Discharge Elimination System Municipal Separate Storm Sewer System stormwater permits. The funding would enable the entities to implement additional actions to reduce contaminant loading in the Delta.

Rio Vista Research Station and Fish Technology Center

Linkage to Conceptual Models: This management plan would benefit all life stages. Although no specific Environmental Drivers would be affected, this management action would help guard the Delta Smelt population (Tier 1 in the MAST CM) against extinction by creating an additional refuge population.

Summary of Action: A new Delta field station in Rio Vista that will consolidate existing IEP Delta Smelt monitoring and research activities, and will include a new Fish Technology Center (FTC) is expected to be completed in 2019. The FTC will be designed to house a refuge population for Delta Smelt to be used for species conservation and research. Until construction, the primary activity will be to conduct technical studies to identify the potential uses of the refuge population as part of a conservation strategy for Delta Smelt. This information is a key data gap for a future management plan for a potential future conservation hatchery.

Near-term Delta Smelt Habitat Restoration

enhance fish habitat in the Yolo Bypass.

Linkage to Conceptual Models: This management action would benefit all life stages. The primary Environmental Drivers affected is Food Production and Predators, which affects two Habitat Attributes, Food Availability/Visibility and Predation Risk.

Summary of Action: DWR and other state agencies are planning restoration projects that are likely to benefit Delta Smelt, and are very close to breaking ground (Table 1). Construction of each project will take 1–4 years. Details on the timing and characteristics can be found at http://resources.ca.gov/ecorestore. In addition to these projects, the State's EcoRestore program, which includes the projects listed in Table 1, has committed to implementing restoration of 9,000 acres of inter-tidal wetland habitat in the Delta and Suisun Marsh by the end of 2018 and to initiate of work to

Table 1. Summary of Near-Term (2016–2019) Tidal Restoration Actions that Will Benefit Delta Smelt

Restoration Site	Tidal Wetland (acres)	Construction Begins
Tule Red	600	2016
Dutch Slough	660	2016
Hill Slough	750	2016
Decker Island	140	2017
Lower Yolo Ranch	1,600	2017
Bradmoor Island	280	2018
Prospect Island	1,500	2019
TOTAL	5,530	

Franks Tract Restoration Feasibility Study

Linkage to Conceptual Models: This management action would benefit all life stages. The primary Environmental Driver that would be affected is Food Production and Predators, which would affect two Habitat Attributes, Food Availability/Visibility and Predation Risk.

Summary of Action: Franks Tract is located near the confluence of the Sacramento and San Joaquin Rivers, and could support LSZ habitat. DFW will conduct a conceptual plan and feasibility study for restoring Franks Tract to reduce invasive aquatic weeds, reduce predation on Delta Smelt, increase turbidity, and improve food webs. The conceptual plan will be completed by the spring of 2017. If this management action is found to be feasible, the restoration of Franks Tract could begin as early as 2018.

Summary

The Strategy proposes a suite of near-term management actions that would address predation, turbidity, food availability and quality. Strategy implementation would also provide outflow augmentation that may interact with other actions to improve conditions such as contaminant exposure, food availability and quality, water temperatures, and salinity. The extent to which these Environmental Drivers and Habitat Attributes can be positively affected through outflow augmentation will be the subject of a targeted research program, which will be coordinated through the CSAMP. Other activities implemented by the Federal government, non-governmental organizations, and/or other stakeholders may complement the State's proposed management actions identified in this Strategy. Additionally, the State may opt to include additional management actions in this strategy on the basis of scientific information gleaned from implementation of this near-term Strategy.

Collaborative Science and Adaptive Management Program

The CSAMP will be used to determine the appropriate research approach to designing and assessing the outcomes of these management actions individually and synergistically. The CSAMP forum will oversee implementation and the synthesis of the results to inform subsequent management actions.

References Cited

Interagency Ecological Program. 2015. An updated conceptual model of Delta Smelt biology: our evolving understanding of an estuarine fish. Available:

http://www.water.ca.gov/iep/docs/Delta Smelt MAST Synthesis Report January%202015.pdf Accessed: July 7, 2016.

Miller, W.J. 2011. Revisiting assumptions that underlie estimates of proportional entrainment of delta smelt by State and federal water diversions from the Sacramento-San Joaquin Delta. San Francisco Estuary and Watershed Science, 9(1). Available: http://escholarsh ip.ucop.edu/uc/item/5941x1h8.Miller 2011. Accessed: July 7, 2016

STAFF REPORT TO DESERT WATER AGENCY BOARD OF DIRECTORS

AUGUST 2, 2016

RE: LAKE PERRIS SEISMIC REMEDIATION UPDATE

The Department of Water Resources (DWR), Operations Maintenance and Engineering Committee have issued their Perris Dam Seismic remediation of embankment contract update for June 2016. The highlights of the attached report are 70% of the work has been completed with 58% of the time elapsed. Thus far the contractor has completed the cement deep soil mixing (CDSM), the borrow pit material for the berm has been cleared and potholed and the new drain at the toe of the berm has been installed. The contractor continues to work on the following: the placement of material for the compacted berm, blasting of the left abutment haul road, filter rock processing for drain piping, placement of filter material for drain piping and the removal of the old drain pipe at the toe of the dam.

To date there have been \$802,614 (no change since update in April 2016) in change orders submitted. This amounts to a little more than 1% of the original contract. This amount does not include anticipated change orders resulting from work being performed on the left abutment haul road nor the quarry rock processing plant. It is still anticipated that the contractor will be submitting change orders for a change of site conditions for both of these items. Construction of the toe drain is behind schedule due to delays in the left abutment haul road construction and process of filter material.



State Water Contractors - OME Committee Meeting July 7, 2016



Perris Dam – Seismic Remediation of Embankment – Contract Update Specification 14-03 Contract No. C51484

Contract Summary

Notice To Begin Work:

August 20, 2014

Contract Completion:

November 20, 2017

Pulice Construction:

\$75,538,626 \$83,000,000

Engineers Estimate: Current Update:

70% of Work Completed, 58% Time Elapsed

Completed Work

Cement Deep Soil Mixing Complete Borrow Source Cleared and Potholed New Toe-Drain Line Pipe



<u>Safety</u>

DWR and Contractor continue to review left abutment safety hazard concerns. Contractor has successfully completed over 188 work days without a lost-time incident. 1 lost-time incident on project.

On-Going Work

Placement of Compacted Berm (R&R area); Left Abutment Road Blasting; Rock Processing; Placement of filter, and drain material for New Toe-Drain Line; R&R Old Toe-Drain pipe, filter, drain material.

Schedule

Construction sequencing was modified to allow CDSM construction before construction of the toe drain. Toe drain requires filter and drain material from quarry/processing via the left abutment road (both of which are behind schedule).

Construction Contract Challenges and Potential Impacts

Left Abutment Access Road Blasting

Contractor has resumed work on blasting and excavation of the road near the tower after placement of berm/ramp. DWR and the contractor have revised the plan and schedule to complete the left abutment blasting and excavation, liquidated damages are being assed for the LAAR milestone.



State Water Contractors - OME Committee Meeting July 7, 2016



Perris Dam – Seismic Remediation of Embankment – Contract Update Specification 14-03 Contract No. C51484

Quarry Rock Processing

Contractor is processing drain and filter in phase 2 production. The filter and drain material are required for the completion of the toe drains and blanket drain. Contractor continues to claim differing site condition as the cause of material processing problems.

Other Challenges
Weather and Heat

Contractor Pay Request

Month	Pay Request	Total Contract Paid to Date	Estimated Days*/Cost Ahead/Behind Schedule*
October	\$3,026,114	\$16,799,901	-90 days/ -\$12M
November	\$2,696,968	\$19,496,869	-120 days/ -\$10M
December	\$4,189,249	\$23,686,119	-150 days/ -\$8M
January	\$4,287,782	\$27,973,901	-150 days/ -\$5M
February	\$5,851,994	\$33,825,895	-180 days/ -\$1M
March	\$6,777,338	\$40,603,233	-210 days/ +\$3M
April	\$6,717,005	\$47,320,237	-240 days/ +\$7M
May	\$1,228,023	\$48,548,260	-270 days/ +\$6M
June	\$2,300,000	\$50,848,260	-300 days/ +\$6M

^{*} Days are based on Intermediate Milestone for Left Abutment Access Road. Costs are based on a uniform monthly payment for the contract duration.

Contractor Executed Change Orders

Change Order	Description	Date	Amount	Additional Time (Days)
1-10	See May Update	-	\$216,748	0
Adjustments	Differing Site, Working Limits, Fiber Cable Relocation, Shim Plates, Locate upper limit of Zone 4 material, and Modifying CDSM Cells	Pending	\$585,866	0

Total Adjustments and CCO

\$802,614

0

DESERT WATER AGENCY MEDIA INFORMATION JULY 2016

DATE	PACKET PAGE	MEDIA SOURCE	ARTICLE
07/02/16	1	THE DESERT SUN	Desert Water Agency Has Longterm Conservation Strategy
07/02/16	2-3	THE DESERT SUN	Water Agencies Shortsighted With Zero Conservation Goal
07/04/16	4-7	THE DESERT SUN	More Water Data Needed
07/07/16	8-9	LA TIMES	Fighting Off A Western Water War
07/10/16	10-11	PRESS ENTERPRISE	Experts Say State Should Stay Stingy With Water
07/12/16	12	THE PUBLIC RECORD	Indio Water Authority Expands Outdoor Watering Policy
07/13/16	13-15	LA TIMES	Groups' Water-train Initiative Loses Its Flow
07/14/16	16-17	THE DESERT SUN	Agency's Decision Could Expand Farmland In The Desert
07/14/16	18	PRESS ENTERPRISE	Desert Water Transfer Plan Moves Forward
07/17/16	19	PRESS ENTERPRISE	Corona Activates New Water Guidelines
07/21/16	20-26	THE DESERT SUN	Regulators Ordered Californians To Cut Use 25%. In the Desert, Golf Courses Cut Back 8%
07/25/16	27-28	LA TIMES	Judge: Yorba Linda Residents Can't Use A Referendum To Void Water Rate Hikes
07/27/16	29	THE DESERT SUN	Water Tunnels Pitched To Regulators



Desert Water Agency has longterm conservation strategy

Jim Cioffi, Special to The Desert Sun, July 2, 2016

Californians have made a giant leap forward in water conservation. In just one year, our community has achieved an unprecedented 27 percent reduction in water use – this is more than 3 billion gallons of water in our service area alone. Just last month as headlines on easing of mandatory restrictions appeared, Desert Water Agency customers reduced water use by 39 percent. The statewide drought isn't yet over. The State Water Resources Board required agencies to project another three years of drought conditions. Our standards in the valley have been relaxed due to our healthy groundwater supply, bolstered by years of long-term planning.

For the first time ever, the State Water Resources Board's mandatory restrictions factored in local water supply and drought-resilience.

The water agencies and our customers here will continue to use water wisely because it is the right (and smart) thing to do. The state's emergency regulation helped reinforce the importance of using water wisely but just because we're no longer forced to save, does not mean the savings will stop. Local agencies have been making advances for years, and we will continue to make them. DWA has set its own 10-13 percent conservation target for customers. This range is based on attaining long-term sustainability based on our supplies. We are confident that our customers will meet this target.

From funding our groundwater replenishment facilities to completing major landscape conversion projects, our customers have made large investments in the management of a healthy groundwater basin. Progressive investments and efficient water use need to remain part of our plan. We want to leave our basin in good health for generations to come.

As our customers continue to do their part – using water wisely day in and out – DWA is also working to make our system more efficient and protect it for the future. As you watch fireworks with your family and friends this Independence Day weekend, remember that some of our pipelines were in place before the Star-Spangled Banner became our national anthem in 1931. Our system needs an upgrade, not only to reduce water wasted by leaks, but to remain reliable. The older pipelines are smaller and less durable than the pipelines we install today. The most vulnerable pipelines only make up 20 percent of our system, but are responsible for more than 90 percent of the leaks in our system.

Replacing old and outdated infrastructure will help us save millions of gallons each year. Our agency has committed to a proactive replacement program that will target the unlined steel pipelines, reduce water lost to leaks, and cut staffing and material costs for emergency repairs. DWA plans to replace more than a mile of pipeline every year, which will require substantial investments. By taking this proactive approach to system maintenance DWA will save water, and cut expenses over the long term. As a not-for-profit public agency, our customers guide every decision we make.

It is for that reason and others that conservation is here to stay in our valley. Water conservation is becoming more of a way of life here. DWA and our customers have achieved great strides in becoming more efficient, and we need to continue this commitment together. For more information on saving water and DWA rebates, visit www.dwa.org.

Jim Cioffi is Desert Water Agency's board president. Email him at jcioffi@dwa.org.



Water agencies shortsighted with zero conservation goal

The Desert Sun Editorial Board, July 2, 2016

Coachella Valley water agencies are sending the wrong message to customers who've spent the last year struggling to conserve this most precious resource.

All six of the area's water suppliers have told state officials they're officially shooting for a zero percent conservation rate compared to 2013, the benchmark year the state has been using to rate progress on that front.

You read that right - a "zero percent" conservation target. The big donut. Zilch. Nada.

Though this is disappointing, no one should be surprised. The valley's water districts have argued all along that the desert region – note the word "desert" – is uniquely positioned to handle long dry spells like the current drought that has ravaged California, which is now in its fifth year.

The leaders of these agencies have long argued that our vast aquifer and the agreements that bring in Colorado River water give the Coachella Valley more than adequate cushion if Mother Nature continues to hold back the rain and snow.

Indeed, following the nearly "normal" precipitation of the recent El Nino winter, California Gov. Jerry Brown ordered the State Water Resources Board to allow local districts across the state to decide for themselves what conservation efforts are needed in their areas. Max Gomberg, the state board's climate and conservation manager, told The Desert Sun's Sammy Roth that he expected more than half of California's 400-plus water agencies to set a zero conservation target under the new policy. Agencies are now allowed to determine themselves just how much conservation is needed to guarantee their supplies assuming three more drought years.

The Desert Sun Editorial Board had urged the state to keep up the pressure for conservation, arguing in a May 1 Our Voice editorial that while it should take into consideration special factors in the desert water equation, "... the ultimate decision made must continue to build on the progress seen to date in changing our water culture, especially in the desert."

There have been promising signs of this needed change in how we view water.

Legions of desert residents have been swapping thirsty, nonnative turf landscapes for more appropriate, water-saving schemes. In May, the valley's water agencies saw some of the best figures yet for conservation, with Desert Water Agency reporting a 39 percent reduction from May 2013 and Myoma Dunes Mutual Water Company, which has among the highest per capita use in the state, notching a 37.6 percent cut. Even Coachella Valley Water District, the largest in the region, saw its customers cut back 28.8 percent, though it missed its original cut target of 32 percent.

Though local officials have consistently said our aquifer offers plenty of cushion, especially under such a "three-year" rule, we've been drawing out more water than has been going back in. That, obviously, cannot continue, and one way to have helped bring that back into balance would have been through continued mandated cuts in use.

For now it appears we'll have to rely on the good conscience of those in the desert community to continue on the path we've taken. It could be seen as a good sign that the overall reduction of about 25 percent seen across the desert came under a fairly weak mandate regime; weak, we say, because the water board issued only four fines statewide to agencies not meeting the mandate. The two issued here, against Indio Water Authority and CVWD, were refunded with the caveat that the money be used for conservation efforts.

CVWD and DWA also say that despite the zero targets, they continue to encourage conservation.

CVWD -- which approved a new rate structure that took effect July 1 that is expected to raise bills by more than 20 percent even for those who can remain within tightened water budgets – is eying a 20 percent overall usage cut by 2020. DWA says it expects its clients to continue with usage cuts in the 10 percent to 13 percent range.

The promising signs we've seen over the past year show why a continued state conservation mandate – or local policies absent such an order from Sacramento – would have been the wiser thing to do. As noted by the Pacific Institute's Peter Gleick, Gov. Brown's original 2014 call for a 20 percent voluntary cutback by urban users was a spectacular failure.

"There's no district in California that is doing enough to save water," Gleick told The Desert Sun's Roth. "The resources in the Coachella Valley are not adequate, and the potential to save more water is significant."

While there likely was room for less than a 25 percent cut – even here in the desert – the shortsighted notion of a "zero" target threatens to turn initial signs that some are sliding back to old bad habits into an avalanche. An actual, solid number – perhaps DWA's 10-13 percent "goal" – would provide the foundation for continuing needed changes in how we view and live with water here. Changing the culture is the only way to ensure the desert community can continue to thrive and grow.

After all, here in the Coachella Valley and across California we'll always been looking toward the next drought.



More Water Data Needed

Scientists call for more research about aquifers

lan James, The Desert , July 4, 2016

The more scientists study California's declining supplies of groundwater, the more they're emphasizing one basic point: We still don't know nearly enough about the water in our aquifers, and we need a lot more data.

That was one of the main takeaways in separate research by two groups of Stanford researchers last week.

In one study, scientists used data from thousands of oil and gas wells to examine water deep beneath the Central Valley and calculated there are vast quantities of groundwater more than 1,000 feet underground – the maximum depth considered in previous estimates. Their research underscored the fact that no one is monitoring deep aquifers despite the threat of potential contamination by the oil and gas industry.

In another report, researchers surveyed a group of water managers across California and found many agencies lack the data they need to adequately make decisions about groundwater.

For one thing, most areas of the state don't have meters on all of the wells that are running, "so the agencies that are trying to manage that groundwater have no idea how much groundwater is actually being pumped out of them," said Tara Moran, a researcher who leads the sustainable groundwater program as part of Stanford University's Water in the West program.

She said her group found in their survey that "a lot of data are either missing or highly uncertain," and that the information collected often isn't shared between agencies to enable decision-making.

The results show just how far California has to go as water managers take steps to follow through on the landmark 2014 law that aims to bring about sustainable management of groundwater.

And while the latest research reveals major gaps in groundwater data, other efforts to boost statewide controls on well-drilling have recently foundered. A bill that would have clamped down by prohibiting the drilling of most new wells in California's most water-stressed areas, encountered strong opposition and died in the Legislature last week.

With aquifers under enormous strains during California's five-year drought, scientists have been pointing to a need for better estimates of the amounts of water that can economically be pumped, as well as more information about water quality, salinity, natural recharge and the amounts being extracted, among other variables.

Moran said the new research on deep groundwater, in which she didn't participate, shows how information from oil and gas wells can be valuable in helping to fill in some of the blanks. She said the study also highlights the considerable uncertainty that remains.

"We really don't know enough about our groundwater systems," Moran said.

Water deep underground

To study California's deep reserves of groundwater, Stanford scientists Mary Kang and Robert Jackson looked to the main industry that regularly cores thousands of feet into the Earth: oil and natural gas. They analyzed information from 360 oil and gas fields across eight counties, including depth data for more than 34,000 oil and gas wells.

In their research, which was published in the *Proceedings of the National Academy of Sciences*, they expanded on previous estimates by going as deep as 3,000 meters, or nearly 1.9 miles, beneath the farmland of the Central Valley. Based on the data, they calculated the quantity of fresh groundwater at 2,700 cubic kilometers, nearly triple the amount in previous estimates.

It's not clear how much of that water might be economically feasible to pump and use in the future. Much of the water is deeper underground than existing wells can reach.

Then there's also the issue of salinity. Some of the deep groundwater has higher salt concentrations than water found at shallower levels, so desalination or other treatment would be necessary. In their estimate, the researchers included water with total dissolved solids of up to 3,000 parts per million, much saltier than the drinking water delivered to taps, which has total dissolved solids under 1,000 parts per million.

Nevertheless, the scientists said their estimates show substantial water reserves that may be usable in the future and that ought to be monitored and protected.

"There is quite a bit of groundwater that's of good enough quality that we could potentially use with relatively little treatment, or less treatment than we thought," said Kang, a postdoctoral researcher at Stanford's Earth System Science Department.

While the scientists call it a "windfall" of water, they also say their findings raise some concerns. If California keeps drawing water from deeper underground, that would accelerate the sinking of land in some areas. The ground has already been sinking by about a foot and a half per year in parts of the Central Valley due to heavy pumping, causing damage to canals and other infrastructure.

Kang and Jackson also found many cases of oil and gas activities occurring in aquifers with usable water. More monitoring is crucial, Kang said, to determine whether those vulnerable aquifers are being contaminated. In Kern County, for example, where the petroleum industry has flourished alongside agriculture, the researchers discovered about one-fifth of oil and gas projects are occurring in underground freshwater sources, while the remainder are occurring in aquifers with more saline water.

Due to the risk of potential contamination of usable water, Jackson suggested state officials consider requiring additional permits and data.

"We're lucky to have some extra water, but we need to think about how much to use, how much to save and how to protect it for the future, too," said Jackson, a professor of environmental science who has carried out other research on fracking and water quality.

"We're proposing a conversation about how best to use this freshwater resource," Jackson said. "We'd like to see more data collection and data transparency for groundwater in general."

Jay Famiglietti, the senior water scientist at NASA's Jet Propulsion Laboratory in Pasadena, said hydrologists have known that basins such as the Central Valley hold large quantities of brackish and saline water deep down.

He said using data from oil and gas fields is a great idea and researchers should do more of it. But taking those estimates from small-scale well fields and scaling them up to the entire Central Valley is difficult, he said, and there is a great deal of uncertainty.

Famiglietti, who is also a professor at the University of California, Irvine, said the study "points to the fact that we need a comprehensive, detailed hydrogeological exploration program, not only in California but in the other major aquifers of the United States."

"The important message is that someday it may be economically and technologically and environmentally feasible to extract that water," Famiglietti said. "And for that reason, we should begin thinking about protecting those waters today."

How much of California's deep groundwater is actually going to be usable will depend on a variety of questions ranging from economics to geology, said Peter Gleick, president of the Oakland-based Pacific Institute. "There's a huge difference between a theoretical estimate of how much groundwater there may be and a practical estimate of what we might ever be able to tap into."

During the drought, farms in the San Joaquin Valley have been pumping heavily to make up for the lack of surface water, and thousands of people in rural communities have been left with dry wells.

"Even if there's a lot down there, we know that our current use is unsustainable in many parts of the valley," Gleick said. And if Californians eventually decide to use deeper reserves, they'll be consuming more of the "fossil water" that has been underground for tens of thousands of years.

"This is more like oil in the ground than it is like water in a river or a reservoir," Gleick said. "It's not renewable."

Insufficient data

To diagnose the gaps in California's groundwater data, Moran and other Stanford researchers prepared a survey and distributed it by email through two listservs that focus on groundwater issues.

They received responses from about 100 people and focused their analysis on answers from about 50 of those people who have management authority over a specific area. The participants included employees of water agencies, officials of county, city and tribal governments, and farmers.

In one question, the participants were asked which improvement would most help them better manage groundwater. The top answer, with 46 percent, was "additional data."

In another question, 58 percent indicated they see a need for "standardized data collection methods and a common data-sharing platform."

"Right now you could have 15 or more agencies within a groundwater basin all collecting their own data in their jurisdictional area, but they may not be sharing it with other agencies," Moran said. "So if you actually need to make decisions at the basin scale about how to manage, those data ultimately need to be integrated between agencies and shared."

The survey involved researchers with the Water in the West program and also the Stanford Law School. They found that many local agencies in California don't have dedicated groundwater monitoring wells.

Based on the survey, Moran and her colleagues recommend a list of changes for agencies to build upon the requirements in the 2014 Sustainable Groundwater Management Act.

Among other things, they suggest local agencies should expand networks of monitoring wells; meter more wells to track the amounts pumped; and use their authority under the groundwater law to monitor private wells.

They're also calling for state and federal officials to require local agencies to use consistent monitoring standards and a common data platform so that information can be shared and used better.

Legislation scrapped

California's groundwater law gives local agencies a long grace period to meet various requirements – in many cases until 2022 to adopt plans for sustainable water use, and an additional 20 years to bring aquifers into balance.

Despite the law, a well-drilling boom has continued in areas where groundwater levels have been dropping. A bill introduced by Sen. Lois Wolk, D-Davis, would have clamped down by prohibiting the drilling of most new wells in places where aquifers are in "critical overdraft," and by requiring cities and counties in other areas to start requiring permits.

The bill, SB 1317, was strongly opposed by a variety of influential organizations, such as the Agricultural Council of California, the Association of California Water Agencies and the California Building Industry Association.

The legislation was pulled from consideration last week before it reached the Water, Parks, and Wildlife Committee. Craig Reynolds, Wolk's chief of staff, said supporters were far short of the necessary votes. Debi Ores, an attorney and legislative advocate for the Visalia-based Community Water Center, said her organization backed the bill because it would have slowed the declines in the state's most vulnerable aquifers.

"What we've learned is people are very protective over their ability to pump groundwater however they choose," Ores said, "regardless of whatever the negative impacts that pumping may have on their neighbors or the basin as a whole."

Los Angeles Times

Fighting off a Western water war

William Yardley, July 7, 2016

This may be what the start of a water war looks like.

Drought is draining the West's largest reservoir, Lake Mead, to historic low levels. Forecasts say climate change will make things worse. Headlines warn of water shortages and cutbacks. Members of Congress are moving to protect their states' supplies.

Yet if war is really imminent, why is one of the region's most experienced water managers doing the same thing he has done for years: tinkering?

"I like to describe this as another incremental step," said Tom Buschatzke, director of the Arizona Department of Water Resources.

Buschatzke was talking about a plan he is helping develop, along with water managers in California, Nevada and Mexico, that would voluntarily reduce water allocations from the Colorado River to those three states and Mexico. They hope to have it in place in time to avoid steeper, mandatory cuts that could begin as soon as 2018.

Would their plan change everything? Would it finally fix the increasingly inadequate blend of canals, conservation and compromises that somehow keeps water flowing to more than 25 million people, including a substantial chunk of those in Southern California?

But for Buschatzke, who has spent decades efficiently providing water for a desert population — Arizona uses less water now than it did 60 years ago even though the population has soared from 1.1 million to 6.7 million — the big fix is actually in the accumulation of all the little fixes he and others are constantly making. A federal grant for new technology that will better measure water use. Paying a farmer to fallow a field. Saying nice things about your colleagues across the state line and the fine folks in Washington. Keeping things collegial. Sharing. Saving. Preserving the process — and the peace.

"I don't think a water war is inevitable," he said. "I think we've proven over the last 20 years that we can effectively work together to find solutions that really work. And as long as we continue to do that, the water war won't happen."

The current project, called the drought contingency plan, is a tweak to a previous tweak. Nearly a decade ago, water managers recognized that Lake Mead was draining faster than predicted. They recalibrated plans for how they could handle cutbacks. Now, with Lake Mead dropping even faster, they are recalibrating again.

The goal, as has been the case for years, is for water users to limit how much they take out of Lake Mead. The less they take, the less likely the lake will drop to levels that prompt mandatory cuts.

Yet the cuts would not apply evenly. Under an agreement reached in the 1960s, California is not required to make any cuts, even if the lake drops so low that Arizona and Nevada lose everything.

But now, even California is willing to conserve because officials know that, in the event of catastrophe, they will be forced to share anyway. It is better to try to prevent the catastrophe in the first place — and keep the federal government from taking over a process the states want to control.

There is no firm draft of the drought contingency plan, but the gist of it has been floated at meetings for several weeks. Under the plan, Arizona and Nevada would take cuts before California, but California eventually could take cuts too — again, with the goal of staving off even more severe cuts if it does nothing.

Buschatzke, who speaks weekly with managers in other states, said he thinks California has a new appreciation for Arizona's endless search for efficiency.

"I think the drought in California, the severe impacts on the state water supply, have made them feel what it's like to be Arizona," he said.

That said, Arizona does not completely trust California. Nor does California necessarily go looking for ways to help. California has resisted legislation sponsored by Sen. <u>Jeff Flake</u>(R-Ariz.) that would ensure that any water Arizona chooses to leave in Lake Mead to prop up elevation levels actually stays in the lake, that another state cannot take it.

Arizona has an elaborate underground storage system and some residents want to fill it by drawing down all of the Colorado River water the state is allowed to take under the law. Water managers choose not to do so, believing it will help the state in the long run to safeguard Lake Mead. The Flake legislation would add protection for taking that approach.

"We have a finite amount of water to put underground," Buschatzke said, "And so every gallon that we don't put underground, that we put into Lake Mead, makes a difference. Our ability to continue to add to our underground storage is decreasing over time."

There are expensive and controversial ideas for solving the West's water problems: desalination; transforming sewage into tap water; scaling back agriculture; water markets. But until a cure-all comes along — and somebody agrees to pay for it — expect more nipping and tucking.

"We are offsetting that first shortage declaration by the action we are taking," Buschatzke said. There is strong interest in completing the drought contingency plan before top officials at the Bureau of Reclamation and the Department of Interior, agencies that oversee the Colorado River, are replaced by the next presidential administration.

If an agreement is reached, it may only delay the inevitable. But delaying a war is no small feat.

Date: Jul 10, 2016; Section: Front Page; Page: A1

Experts say state should stay stingy with water

Sure, winter rains replenished many reservoirs, but drought's far from over.

By SUZANNE HURT

STAFF WRITER

Water suppliers are loosening water-use restrictions and reporting they'll have enough water to meet demand for three years.

But is that a good idea in the midst of ongoing drought?

Although the end of the state's mandated water conservation targets is intended to give agencies more flexibility, some experts worry customers are being sent the message it's no longer vital to conserve.

Water officials expect people to keep conserving after suppliers were allowed to set their own water conservation goals for the rest of the year.

Felicia Marcus, who heads the State Water Resources Control Board, said Friday that the savings might be somewhat lower now that the state is no longer in such "extreme peril" after the winter's significant snow and rainfall levels.

Yet she's alarmed because some suppliers believe their ability to meet customers' water needs means they don't need to keep conserving. Conservation is just the "right thing to do" as drought cycles may become longer than the normal three to four years, she said.

"I have a lot of faith in the public. I think the public gets it," Marcus said. "It's appropriate to relax the standards locally it's not appropriate to say, 'Go use water with wild abandon.' "

'PROACTIVE WITH CONSERVATION'

The state's roughly 400 water suppliers were required to set their own water conservation goals and provide supporting documentation by June 22, but some submissions were incomplete as of Friday, state water officials reported.

The information is expected to be posted online by late in the month. The new, selfimposed targets will be in effect through January.

Californians continued to cut back on water use in May, even after state water officials stopped imposing their own conservation targets on suppliers.

State water use decreased by 28 percent in May 2016 compared with May 2013, and water use decreased by 24.5 percent from June 2015 to May 2016 compared with June 2012 to May 2013, when emergency conservation mandates were put in place.

Suppliers such as the Metropolitan Water District of Southern California say they'll keep pushing customers to reduce consumption. The agency told its 26 public agency clients by June 15 they expect to have enough water to meet demand.

Metropolitan officials are confident after spending nearly \$1 billion to develop diversified, drought-resilient local supplies and increase conservation since 1991. Water storage capacity grew from about 1 million acre-feet to about 5.8 million acrefeet by 2011, said Metropolitan board Chairman Randy Record, also president of the Perrisbased Eastern Municipal Water District board.

In April, Metropolitan's board agreed to spend \$100million for conservation programs and watersavings rebates during the next two years.

"We're going to continue to be very proactive with conservation," he said.

SOME SKEPTICAL

Kurt Schwabe, a UC Riverside professor of environmental economics and policy and research fellow at the Public Policy Institute of California Water Policy Center, said the state's stringent, rigid conservation mandates made sense during the drought's critical peak a year or so ago because developing strategies for all 400 suppliers would have taken too long.

"The amount of precipitation we received in the north gives us a little more breathing room to step back and consider more effective and flexible approaches," he said.

Since 2008, the state already has directed suppliers to reduce water use by 20 percent by 2020.

Yet Natural Resources Defense Council leaders are skeptical after so many water suppliers are setting conservation

targets at zero when the developed parts of the state – from about Sacramento to the Mexican border – remain in exceptional drought.

They believe suppliers are sending customers a confusing message, the council's senior policy analyst, Ed Osann, said.

"We just don't think it's prudent to be discarding conservation messaging or conservation targets at this time," Osann said.

Marcus said being able to meet customers' water demands should allow conservation targets to be set at lower rates, but not at zero.

Osann urged suppliers to provide financial incentives to replace water-guzzling landscaping and inefficient irrigation systems and components such as timed controllers.

Functional turf is still needed for sports, picnicking and active play. But there are plenty of places – such as highway medians, parkway strips and parking lot borders – where plants should be native or adapted to Southern California's climate.

Replacing unnecessary grass in public spaces will save water and educate business and homeowners about attractive alternatives, Osann said.

State officials will watch water use through the summer to see if stricter regulations are needed. The state is moving toward everyone using water more prudently all the time, Marcus said.

"That gives communities more resilience in the long run," she added.



FRANK BELLINO, STAFF PHOTOGRAPHER

The inlet channel that feeds Lake Elsinore remains low because of ongoing drought conditions.

BY THE NUMBERS

Number of water suppliers in the state:

About 400

Decrease in water use in May 2016 compared with May 2013:

28%

Decrease in water use from June 2015 to May 2016 compared with June 2012 to May 2013:

24.5%

Increase in water storage capacity by the Metropolitan Water District of Southern California from 1991 to 2011 (in acrefeet):

About 4.8 million

THE DESERT'S BUSINESS & PUBLIC AFFAIRS WEEKLY

The Public Record

VOLUME 38 - EDITION #5 PALM SPRINGS, CALIFORN \$1.50 - PER SINGLE ISSI

SERVING ALL OF THE DESERT CITIES AND UNINCORPORATED AREAS OF RIVERSIDE COUNTY IN THE COACHELLA VALLE.

INDIO WATER AUTHORITY EXPANDS OUTDOOR WATERING POLICY

Indio Water Authority (IWA) has expanded its outdoor watering hours to before 6 a.m. and after 6 p.m., seven days a week. This is an increase from the agency's previous Tuesday, Thursday, Saturday and Sunday watering schedule. The Drought Penalty Surcharge will remain in effect to further encourage water conservation, but will only apply to residents who exceed their water budget.

The decision to ease restrictions was based on local and statewide water supply conditions, as well as the State Water Resources Control Board's decision to change the way percentage savings requirements are calculated for water agencies throughout California.

"Our residents have made great strides in a collective effort to conserve water," said IWA General Manger Brian Macy. "Although conditions have begun to improve after five consecutive years of drought, we must continue to be diligent in our goal of long-term responsible water usage."

Mandatory water use restrictions include:

- Outdoor watering is allowed every day before 6 a.m. and after 6 p.m.
- Washing of hardscapes (sidewalks, driveways, pavement, etc.) is prohibited.
- Water run-off onto hardscapes is prohibited.
- Using a hose without a shut-off nozzle to wash vehicles is prohibited.
- Irrigating up to 48 hours after measurable rainfall is prohibited.
- Restaurants may only serve drinking water upon request.

Indio Water Authority continues to offer free indoor water conservation kits, outdoor irrigation audits and several rebates including:

- Washing machines
- Low-flow toilets
- · Turf removal
- Irrigation equipment
- Smart controllers

A mobile app and hotline, (760) 391-4129, are also available to report water waste. For more information, please contact Water Conservation Programs Coordinator Scott Trujillo at (760) 625-1810 or strujillo@indio.org.

For more information, visit www.indiowater.org.

Los Angeles Times

Groups' water-train initiative loses its flow

Bettina Boxall, July 13, 2016

Backers of a controversial ballot measure intended to shift billions of dollars in state bond money from high speed rail to water storage projects say they will rewrite the stalled initiative in an effort to gain broader support.

The original proposal, despite receiving hundreds of thousands of dollars from conservative and corporate agriculture interests, fell short of its money-raising goals and divided Central Valley growers.

The measure has been promoted as a means of redirecting money earmarked for California's proposed bullet train.

But it is fundamentally about water and would amend a key clause of the state constitution and direct more than \$10 billion in taxpayer money to water-storage projects sought by agri-business — particularly farmers on the west side of the San Joaquin Valley, where drought and environmental restrictions have slashed the region's irrigation deliveries.

Supporters hoped to take advantage of drought-driven water concerns and the public's dwindling enthusiasm for the \$64-billion bullet train project that would connect Southern California and the Bay Area.

They ran into opposition on several fronts, however, with some critics calling it a badly written attempt to weaken state environmental protections.

The measure's backers were originally aiming for the November ballot but, in the spring, decided to wait until 2018 to put it before voters. Still, they continued to raise money and collect signatures to qualify the existing language by a July 25 deadline.

It soon became clear that the effort would fall short. On July 1, they announced that they plan to start over again next year with revised language and a fresh signature-gathering campaign.

The delay will allow the initiative's proponents another shot at raising money, said Anthony Azevedo, a board member of the California Water Alliance, the farm group behind the initiative.

Rewriting the initiative could attract broader support, he said.

Growers in the Sacramento Valley and the east side of the San Joaquin Valley, for example, worry that the measure as written would undermine their chances of getting reservoir money from a 2014 water-bond funding that a state commission is getting ready to spend.

Environmentalists, meanwhile, see the constitutional amendment as an effort to put fish and wildlife at the end of the water line. And legal experts say the language is so confusing, it will spark endless litigation.

"It's going to be a big mess if it passes," said UC Berkeley environmental law professor Holly Doremus.

Aubrey Bettencourt, the water alliance executive director, said it was too soon to know how the measure will be revised, or if the constitutional amendment will be dropped. Her group hopes to work with people who had concerns, she said.

"We're going to start with the language we have and work from there."

As now worded, the initiative would amend Article X of the California Constitution to make the state's highest priority water uses domestic and irrigation.

Though the state Water Code has long done that, attorneys said putting it in the constitution could bolster legal challenges to state requirements for environmental flows in the Sacramento-San Joaquin Delta and rivers that supply the Central Valley.

"It could be a whole new ballgame," said Craig Wilson, a former chief counsel of the State Water Resources Control Board. "It could change the mandate of the water board from having to balance all the different reasonable uses."

The initiative would move \$8 billion of voter-approved rail bond money to reservoir and groundwater storage projects and take the \$2.7 billion earmarked for storage in the 2014 bond, which was approved by voters as Proposition 1.

In the process, the proposal would drop Prop. 1 spending criteria that stipulates that state funds can only pay for the public benefit portions of new storage — such as flood control, recreation and providing water for ecosystem improvements.

Initiative proponents say the additional storage would supply water for the environment. But the initiative suggests otherwise. One section specifies that water deliveries from the new facilities "shall only be made if their primary purpose" is for domestic and irrigation use.

"They want taxpayers to subsidize private benefits for their earmarked projects," argued Doug Obegi, a staff attorney for the Natural Resources Defense Council, an environmental group.

Despite endorsements from Congressman Devin Nunes, R-Tulare, and the California arm of Americans for Prosperity, the Koch-brothers backed nonprofit, the initiative campaign raised only about half the \$2 million it had budgeted for at the beginning of the year.

Many of the biggest contributions came from conservative donors and well-known farming operations on the San Joaquin Valley's west side, including growers with land in the sprawling Westlands Water District.

Azevedo, partnerships in the Stone Land Co. — where he is the farm manager — and Stone Land contributed a total of \$138,500 to the initiative campaign, according to the state Fair Political Practices Commission.

About 7,000 acres of Stone Land's 10,000 acres is in Westlands. As one of the last big districts to join the federal Central Valley Project, Westlands is among the first to suffer when south-of-the delta deliveries are cut due to drought or state and federal environmental restrictions.

"I'm living it," Azevedo said. "I don't have enough water to farm with. I have 1,500 acres of our ranch that is not being farmed right now."

The top single initiative donor, according to state campaign records, is Forrest Lucas, who contributed \$100,000 last month. The co-founder of Lucas Oil Products, a Corona-based company that makes lubricants and additives, he owns a large Missouri cattle ranch and lives in Indiana.

Lucas, who did not respond to interview requests, also founded Protect the Harvest in 2014. One of that organization's missions, according to its website, is to "respond to the activities of radical groups by opposing their efforts to pass laws or enact regulations that would restrict our rights, limit our freedoms, and hinder our access to safe, affordable food."

Bettencourt, whose family farms on the San Joaquin's Valley west side, is on the board of America's Food Security Foundation, which donated \$45,000 to the initiative.

The foundation is part of Ag America, a coalition dedicated to electing public officials with "a proven record of supporting American agriculture through the application of commonsense free market principles at all levels of government," according to the website.

David Guy, president of the Northern California Water Association of Sacramento Valley water suppliers, which opposed the initiative, said his group is willing to sit down with the alliance.

"It was just unfortunate the way this kind of evolved," he said. "If they want to try a different path, we'd welcome working with them on it."



Agency's decision could expand farmland in the desert

Ian James, The Desert Sun ,July 14, 2016

Water from the Colorado River could transform several thousand acres of desert into farmland under a change in policy adopted by the Coachella Valley's largest water district.

The Coachella Valley Water District's board made the change in a contentious 3-2 vote Tuesday, approving new guidelines that allow for water from the Colorado River to be supplied in a larger zone than in the past. The decision has the potential to open up new areas to agriculture, pushing farmland farther outward along the dry fringes of the eastern Coachella Valley.

The policy shift reflects the valley's unusual position as an area that is set to receive increasing volumes of water from the Colorado River in the coming years under a 2003 water transfer deal.

Despite the prolonged drought in the Southwest and the declining levels of Lake Mead, the valley continues to enjoy water rights that have made possible a lucrative farming economy, producing crops ranging from grapes to dates, carrots and peppers.

The district's new policy will effectively allow for the acreage of farmland in the Coachella Valley to grow by as much as 10 percent. As landowners apply to receive water, those new farms would further boost the agricultural economy and could also bring additional competition for established farms.

Some farmers and board members voiced concerns at Tuesday's meeting that the approach might jeopardize the valley's water rights if other districts object.

The debate over the policy is complex and reaches back to agreements signed many years ago. The district's new guidelines focus on the use of water from the Colorado River outside the boundaries of a 137,000-acre area known as Improvement District No. 1, or "ID1." That area was established in a 1934 contract in which the federal government agreed to build canals and deliver water to CVWD.

A tweak came in 2003 with the water transfer deal known as the Quantification Settlement Agreement, under which the Imperial Irrigation District agreed to sell increasing amounts of water to CVWD and the San Diego County Water Authority. A provision of the deal said CVWD could use the water outside of Improvement District No. 1 for its groundwater replenishment efforts.

Since 2009, the district has been using the Mid-Valley Pipeline to bring Colorado River water to Palm Desert – outside the ID1 area – to be combined with recycled water. That water has flowed to some golf courses and homeowners' associations, allowing them to reduce pumping from wells. But until now, the water district has provided Colorado River water outside that area only if properties have wells and would reduce pumping as a result.

Under the new guidelines, property owners in surrounding areas will be able to apply to receive water from the Colorado River regardless of whether or not they have wells or are pumping groundwater.

John Powell, Jr., the board's president, opposed that change. He said the 2003 water transfer agreement made clear the purpose was to ensure the Coachella Valley would have water supplies to prepare for population growth and help deal with the problem of groundwater overdraft.

"We obtained additional water to address the overdraft in the valley, and it should be used for that purpose," Powell said. He proposed a list of revisions, but the board voted down his proposal.

Powell explained his objections after the meeting, saying the board shouldn't unilaterally try to change past water agreements.

"I think it's a very dangerous position to take," he said, "because if we can do that and ignore the agreement, then certainly somebody else who's also a party to the agreement could do that also."

Groundwater levels have declined in large portions of the Coachella Valley over the past several decades, even as the inflows of water from the Colorado River have helped partially offset those declines. In recent years, the water table has risen near ponds that are used to replenish the aquifer in La Quinta, while the biggest declines in the aquifer have occurred away from those ponds in the middle of the valley.

Under the new guidelines, landowners can apply to the board to receive Colorado River water for 10-year terms. The board has the authority to approve or deny applications, and landowners are responsible for paying the costs of building pipelines to transport the water.

The water district has received requests from various landowners who want to farm on property outside the ID1 area, said Mark Johnson, the district's engineering director. He said the district's staff has estimated landowners could request water for as much as 7,640 additional acres in Oasis, North Shore and other areas in the eastern portion of the valley. If those projects are built, they will add to a distribution system that carries water to about 75,000 acres.

In the coming decades, residential areas are projected to gradually expand further into farming areas in parts of the eastern Coachella Valley. Some of the water from the Colorado River could eventually be used in new subdivisions for outdoor irrigation. But for now, Johnson said, any water piped to new areas will go primarily to farmland.

Much of the land now eligible for water has never been farmed before, Powell said. He said he thinks it would be prudent for the board to seek approval of the guidelines from the Metropolitan Water District of Southern California and the Imperial Irrigation District because they could object to the change.

Powell is president and CEO of Peter Rabbit Farms, and he voted "no" along with the board's other member who works in agriculture: Peter Nelson, a division manager with the company Paramount Citrus.

Nelson said he thinks the policy could lead to a sort of "gold rush" by encouraging people to farm in areas where they don't currently have water, thereby creating even more demand for limited supplies of water from the Colorado River.

The strains on the river have prompted negotiations between California, Arizona and Nevada on proposals to share in temporary water cutbacks in order to stave off a more severe shortage at Lake Mead. The negotiations have taken on new urgency as the reservoir has fallen to its lowest levels in history, and CVWD has been among the water districts involved in the talks.

At the same time, the Coachella Valley has been receiving more water each year through the Coachella branch of the All-American Canal under the terms of the Quantification Settlement Agreement, or QSA. The water transfer deal is bringing the valley, which previously received about 330,000 acre-feet from the Colorado River, an additional 41,000 acre-feet of water this year. That is set to grow to an additional 103,000 acre-feet in 2026.

Blaine Carian, a farmer who grows lemons, grapes and dates in Coachella and Oasis, said during the meeting that it would be "irresponsible" for the board to take a step that might put the area's water rights at risk.

"I just don't want to put the QSA in jeopardy and that's what worries me," Carian said. "Hopefully, this action isn't problematic."

Board member Patrick O'Dowd voted for the change together with Ed Pack and Cástulo Estrada. O'Dowd pointed out there are large portions of the ID1 area that aren't being farmed, so it's "more of a realignment to current land uses."

He called the guidelines an initial step to "begin the conversation of how we might most efficiently use the resources we have available."

"I don't think you're going to see real big, radical changes," he added, "and nothing's going to get done until each and every one of the applications comes before the board for consideration."

THE PRESS-ENTERPRISE PEcom

Desert water transfer plan moves forward

By JIM STEINBERG STAFF WRITER, July 14, 2016

The period for legal challenges to the controversial San Bernardino County Mojave Desert underground water transfer plan has passed, officials for Cadiz Inc. said this week.

"As a result, all challenges to the environmental review and approval of the Cadiz Water Project under the California Environmental Quality Act, the toughest environmental law in the U.S., are now final, having withstood scrutiny by state superior and appellate courts," the company said in a statement. "... The project has fully demonstrated that it can conserve enough water for 400,000 people without harming the environments," Scott Slater, Cadiz CEO and president, said in a statement.

Representatives of two environmental groups say the Cadiz statement ignores the U.S. Bureau of Land Management's ruling last October that the project's proposed use of railroad right of way for the pipeline is outside the scope of grants held under an 1875 railroad act.

"They still have no way to deliver the water," said Ileene Anderson, senior scientist for the Center for Biological Diversity, one of the plaintiff groups on the losing side of California superior and appellate court decisions.

The BLM administrative law decision last fall requires a full environmental review for a critical water pipeline to be built that could deliver such remote underground water to customers in parts of Orange County and other areas.

"They are really trying to create momentum," said David Lamfrom, California Desert associate director for the National Parks Conservation Association.

"Cadiz has been unsuccessful at getting its project going ... and there continue to be significant doubts about the veracity of their science," Lamfrom said in a telephone interview Wednesday.

In an email, Slater wrote that Cadiz hopes to secure a ruling that the proposal to use railroad right of way for a pipeline is appropriate.

That would be done either by an act of Congress, the BLM changing its mind or a lawsuit, he wrote.

He said that Rep. Ken Calvert, R-Corona, is working to have language enacted as part of an appropriations bill that would allow parties like Cadiz to use the railroad right of way over federal land for utilities and pipelines.

That effort to address the scope of railroad right of way grants over federal land has the support of 23 bipartisan members of the U.S. House from 10 states, said Courtney Degener, a Cadiz spokeswoman.

Anderson called Slater's proposed actions "speculative."

Lamfrom said the project's environmental impacts need to be independently vetted with a federally managed environmental review.

"We're in a drought that isn't going to go away, and California must do all it can to ensure we have secure water supplies," Rep. Paul Cook, R-Yucca Valley, said in the Cadiz statement.

"It's time to move ahead with this carefully planned project to bring more water and more jobs to our communities," he said.

THE PRESS-ENTERPRISE PEcom

Corona activates new water guidelines

Conservation plan calls for public outreach and investing in infrastructure.

By Patrick O'Neill Staff Writer, July 17, 2016

Corona has rolled out its first water conservation plan since Gov. Jerry Brown loosened statewide restrictions to combat the ongoing drought.

The Urban Water Management Plan, compiled by the city water department and approved by the City Council on July 6, calls for each resident to conserve about 6 gallons a day, or about 10 percent of his or her city- approved budget of 60 gallons per person. Those conservation goals are a more feasible alternative to the sweeping cutbacks Brown issued last spring, said Corona water and power General Manager Jonathan Daly. The governor had asked Corona to cut 28 percent of all water use compared with 2013, one of the lowest years for water use on record.

Still, Daly said the Water Department learned a lot from months of stringent statewide orders.

"I think in the end we learned that although it may not look like it, there is room for further savings," Daly said. "You learn people will do the right thing when asked to step up and conserve."

The five-year water plan is an update to a 2010 draft. It calls for more effective use through the replacement of aged pipes and meters to detect leaks in the system.

Though replacing infrastructure will help, the Water Department said it is counting on public cooperation to meet goals. The water plan describes public outreach actions to encourage conservation. In Corona, seven seasonal water technicians visit about six houses a day each to educate homeowners who have exceeded their allotment.

The city will offer training courses for landscapers and residents, public education seminars at schools and tours of the city facilities to show people what it takes and how much it costs to get water from the ground to the faucet. Corona also plans to restore programs such as Cash for Grass that have helped save water in the past. Last year, residents removed 470,000 square feet of turf through a state and city rebate system. Although the water situation does not seem as dire as it was last year, Daly said he still likes to remind people that "we live in a desert." "We're doing a good job, but unless it starts raining like crazy for a couple of years, we will continue to remind people that we live in an artificially irrigated area," Daly said. "We always need to save."



Regulators ordered Californians to cut water use 25%. In the desert, golf courses cut back 8%

lan James, July 21, 2016

During the past year of drought, while many Californians have heeded the call to conserve and managed to achieve water-savings of nearly 25 percent statewide, one group of water users hasn't measured up: the golf courses that spread out across thousands of acres in the desert.

A Desert Sun analysis of data provided by water districts reveals that golf courses in the Coachella Valley used just 8 percent less water during the 12-month period ending in May as compared to the same months in 2013.

That overall decrease in golf courses' water use includes groundwater pumped from wells as well as water from the Colorado River. When those two main sources are considered together, the records show the area's golf courses used more than 87,000 acre-feet of water, or 28.5 billion gallons, in those 12 months – enough to supply about 175,000 homes with typical levels of water use.

The numbers reveal that one of the country's biggest concentrations of golf courses – the valley has 121 in all – has been conserving much less than residential and other water customers, many of whom have been hit with penalties on bills if they miss their conservation targets.

Golf courses and country clubs have faced only occasional small fines of between \$50 and \$200 from the Coachella Valley Water District for incidents of wasting water. For the most part, the State Water Resources Control Board hasn't enforced its drought regulations for commercial properties that rely on private wells. And without any real threat of penalties or formal tracking of water use by regulators, some residents have been left wondering how much golf courses are actually conserving.

"They're awfully green," said Lynne Joy Rogers, who lives in La Quinta and sees a disconnect between the mounting strains on water supplies in the Southwest and the ponds, waterfalls and expanses of grass that continue to dominate the area's golf courses. "They're using far more water than they should be, and they need to cut back more."

The drought, one of the most severe in California's recorded history, is now in its fifth year. The state water board relaxed its emergency drought regulations in June after a wetter winter helped raise the levels of California's main reservoirs. With that change, none of the valley's golf courses are now under mandatory orders to cut back.

But during the past year, between June 2015 and May 2016, when the most stringent drought regulations were in effect, all golf courses using water from private wells were ordered to do one of two things: either limit watering to two days a week, which is impractical in the desert climate, or reduce their water use 25 percent from 2013 levels.

The monthly records provided by the Coachella Valley Water District and the Desert Water Agency show that requirement hasn't been met by the golf sector as a whole.

Within the overall 8-percent decrease in water use, golf courses' pumping of groundwater decreased substantially more, by 21 percent. That decline partly reflects one of the water districts' strategic priorities: connecting more golf courses to pipes carrying Colorado River water and recycled water in order to combat the long-term problem of declining groundwater levels.

In the past three years, the Coachella Valley Water District has started supplying an additional four golf courses with either Colorado River water or a mix of river water and recycled water, enabling those courses to use less water from their wells. A total of 67 golf courses, or 55 percent of the valley's total, continue to rely solely on groundwater pumped from wells.

At the same time, golf courses used 36 percent more water from the Colorado River as compared to three years ago.

Tracking golf courses' water use

The latest available figures from the Coachella Valley's two largest water agencies show golf courses have been using less groundwater and more water from the Colorado River during the past few years. When those two main water sources are considered together, water use by golf courses was down about 8 percent during the 12-month period ending in May as compared to the same months in 2013. The amounts of recycled water available for golf courses have also decreased due to conservation by other water users.

Representatives of golf courses say they've been making important progress in conserving water. They also acknowledge they have a long way to go – a gap underlined by the failure to meet the state's 25-percent mandate for reducing groundwater pumping even as the number of courses relying on wells shrank.

"I read the numbers the way you read the numbers. It hasn't been complied with. I don't think the state ever expected them to be complied with because there was no enforcement mechanism," said Craig Kessler, director of governmental affairs for the Southern California Golf Association. "I think everyone understood that it would fall short because up until 2014 there wasn't even legislation on the books that gave any agency of government in California the ability so much as to impose any regulation on groundwater use. So we're in the infancy of this."

An honor system

California has more than 850 golf courses, and about 14 percent of them are located in the Coachella Valley.

Nearly three years ago, representatives of the area's golf industry formed a water conservation task force together with officials of the Coachella Valley Water District. They've been meeting regularly since 2014 to plan long-term efforts to reduce water use.

"Golf courses are doing better or probably as well as they've done in the history of the Coachella Valley in terms of water conservation," Kessler said, "but this is definitely a work in progress. This is a long-term project."

Since June 2015, people who receive drinking water from the Coachella Valley Water District have cut back a cumulative 25.3 percent as compared to 2013, which state officials are using as the baseline year. The Desert Water Agency's customers reduced their water use 27.5 percent during the same period. Along with more than 400 other water suppliers across California, they've been submitting monthly reports to the state on how much they've saved.

Those two agencies, the largest of six in the area, also collect information about water use by golf courses and other businesses that rely on wells. But that information hasn't been reviewed by state regulators because the drought regulations didn't call for it.

Instead, golf courses and other commercial properties such as cemeteries were left with an honor system: They were supposed to keep records of their water use so they could demonstrate they were complying if anyone were to file a complaint. To date, the State Water Resources Control Board has received just one complaint of that type, about a cemetery in San Diego County, and in September the board ordered the cemetery to take additional steps to conserve.

Max Gomberg, the state board's climate and conservation manager, said golf courses and other "self-supplied" commercial properties could be subject to enforcement if the authorities determine they've been violating the rules. After the regulations were approved last year, he said, the agency's officials had to be judicious in choosing where to prioritize their enforcement efforts, and those individual businesses and institutions "weren't at the top of the list."

"We were really focused on meeting the overall goal. So I wouldn't say we've ignored this issue, because it was raised," Gomberg said. "But we had to take a careful look at where we were going to focus our resources."

Colorado River water hasn't fallen under any restrictions in the desert during the drought. The Coachella Valley Water District says the untreated river water is nonpotable and therefore exempt from the drought regulations, which require local agencies to submit monthly reports about potable water use only.

Gomberg said state officials' intent in focusing on "potable" water was to exclude recycled water generated by wastewater plants. He said what counts as potable water can be a complex question and "that's not defined in our regulation with a bright line."

"I think it does fall in that grey area. They're not treating it, but other people who use the same source, the Colorado River, and do treat it, it's clearly potable water," Gomberg said. "Water from the Colorado River is used for potable purposes in large swaths of Southern California."

Untreated water from the river flows to the valley through the Coachella branch of the All-American Canal. While much of that water is used for farming, increasing amounts have been routed to golf courses, homeowners' associations and other properties for outdoor irrigation.

During the past year, Colorado River water accounted for nearly 30 percent of golf courses' total water use, and recycled water made up 12 percent. The remainder, more than 58 percent, was pumped from wells.

The area's reliance on the Colorado River has been increasing even as the severely overallocated river faces growing pressures. While Lake Mead has reached its lowest levels in history this year, representatives of California, Arizona and Nevada have been in negotiations on proposals to share in temporary cutbacks to help prevent a more severe shortage.

At the same time, the Coachella Valley Water District is receiving gradually increasing volumes of water from the Colorado River under a 2003 water transfer deal, and the district has plans in the coming years to pipe more of that water to the middle of the valley to combat the long-term problem of declining groundwater levels.

Tracking water-saving progress

Golf courses now account for 22.6 percent of the area's total groundwater use, down slightly from 23.4 percent in 2013.

Agriculture, which accounts for roughly half of total water use in the Coachella Valley, has been exempt from the drought regulations. The area's farms used 4 percent more water during the 12-month period ending in May as compared to 2013. Meanwhile, all other nonfarm and nongolf water use – including water delivered to taps by agencies and water pumped by other well owners – dropped 18.4 percent during the same period.

As people have conserved during the drought, the area's treatment plants have churned out less recycled water, so golf courses have received about 1.3 percent less of that reclaimed water.

Water use: Golf, agriculture and other

Records provided by water districts show golf courses accounted for 22.6 percent of the Coachella Valley's

total groundwater pumping and 8.8 percent of the area's use of Colorado River water during the 12-month period ending in May 2016.

The figures come with some caveats. The Coachella Valley Water District and the Desert Water Agency prepared the data in response to a request by The Desert Sun. CVWD provided monthly figures by sector for golf sector, agriculture and other users. DWA released information about groundwater pumping by individual well owners, and The Desert Sun divided that data between properties with golf courses and those without.

Some of the water classified as being used by golf courses may actually include water that's used to irrigate adjacent common areas or homeowners' associations. On a number of properties, wells and water meters are shared by golf courses, country clubs and surrounding grassy areas in HOAs.

"If the entity is providing water for a golf course, then we put it in the golf category, but that doesn't mean that that entity may not also provide irrigation to things that are not golf," said Steve Bigley, CVWD's director of environmental services. The district's staff, he said, typically doesn't separate water use by sector.

"This is not part of our work to track how much water different users are using," Bigley said. Overall, he said, the figures reflect CVWD's progress toward a key goal of its water management plan: increasing deliveries of Colorado River water to wean golf courses from groundwater as much as possible.

Kessler, of the Southern California Golf Association, said the lack of meticulous recordkeeping over the years appears to skew the numbers somewhat because some of the water pumped by golf courses has increasingly gone to adjacent properties, and that hasn't been tracked.

"There's never been a powerful incentive in the past to split off some of this metering and to keep separate numbers and statistics. There is now," Kessler said.

Representatives of the area's golf courses have set a long-term goal of reducing their total water footprint 10 percent below 2010 levels by 2021. They agreed on that goal before the state water board adopted its drought regulations, and they chose a baseline year when golf courses happened to use less than during the state's benchmark year of 2013.

Judging against the available data for 2010, Kessler acknowledged the conservation performance "is disappointing at this point."

During the past year, the figures show golf courses have reduced their use of water from all sources – including groundwater, Colorado River water and recycled water – just 1.4 percent compared to 2010.

"It would help if CVWD had in its possession some of the same regulatory tools that urban water providers have in other parts of the state to create a combination of incentives and disincentives," Kessler said.

Under the current system, CVWD and DWA charge well owners per-volume fees based on the costs of importing water to recharge the aquifer. Kessler said it would help if the agencies had the authority to create "gentle sticks, gentle carrots" to encourage courses to stick to a water budget.

Budgets have been assigned by other urban districts that deliver water to golf courses in Southern California, and Kessler said that type of system has helped. He said the valley's Golf and Water Task Force has developed a budget model that would take into account differences in wind and other factors among the area's golf courses.

Establishing such a system, however, would require some changes because the local water districts don't have the authority to do it under state law, Kessler said. Those sorts of changes might be put in place as water districts take on new regulatory responsibilities under California's Sustainable Groundwater Management Act, which Gov. Jerry Brown signed in 2014.

"We have seen some traction on this voluntary system, but we remain concerned as to whether we'll get sufficient traction to get to what we know is the goal," Kessler said. "We're seeing some progress moving forward and we hope to see it accelerate, but it's an open question."

Conservation incentives

The pace of change may boil down in large part to dollars and cents. While golf remains a key pillar of the desert's resort economy, many country clubs across the country have been gradually losing members. That trend has squeezed budgets and put some courses out of business.

To help cover the costs of tearing out grass and putting in desert landscaping, CVWD began offering golf courses cash rebates last year and has provided up to \$105,000 to 14 courses. Those rebates, totaling nearly \$1 million, were funded with a state grant and covered a portion of the cost for each course to remove up to 7 acres of grass.

The rebates have been smaller than those offered by some other agencies in Southern California. Golf clubs have also spent their own money as part of those projects.

"There are courses in this community that realize, yes, we need to conserve," said Stu Rowland, director of golf operations at Rancho La Quinta Country Club. "We understand the issues of groundwater sustainability, and for those courses to take it upon themselves to invest in that, without just getting a million-dollar check for doing it, I think that shows a lot of the concern and the willingness of this area."

At the same time, Rowland agreed with Kessler that to achieve bigger water savings in the years ahead, "you need some sticks" – such as a budget system that would establish acceptable levels of water use and penalize any golf courses that don't comply. Those sorts of limits could help in an area where water prices are among the lowest in the state.

During the past 13 months, the area's two biggest water districts say they have issued a combined total of 470 fines for various violations of drought rules such as watering during restricted hours or hosing down driveways.

CVWD has received 22 complaints of water waste involving country clubs of golf courses for incidents such as broken sprinklers, irrigation runoff, or watering on restricted days. Conservation Manager Katie Ruark said the district issued country clubs and golf courses 11 fines, which can range from \$50 to \$200.

Detailed information about water use by individual golf courses has been largely kept confidential in recent years. The Coachella Valley Water District has declined repeated requests for records showing annual groundwater pumping by individual businesses such as golf courses, resorts and farms.

Until 2013, the district included that data in some of its annual reports. Then CVWD stopped releasing the information after The Desert Sun published the names of some of the area's biggest water users.

The issue prompted a lawsuit by the First Amendment Coalition in 2014. In a settlement, DWA resumed disclosing pumping data for businesses and organizations. CVWD later won the case in Riverside County Superior Court, with the judge backing its argument that the district didn't need to disclose the data.

The lack of data has made it impossible to track whether individual courses have followed the state's drought rules. In an investigation last year, The Desert Sun contacted more than 50 golf facilities in an effort to find out whether and how they were complying. Representatives of more than three-fifths of them didn't respond or declined to be interviewed.

Other managers of golf courses say they're making big progress in saving water.

Jonas Conlan, the golf course superintendent at Desert Princess Country Club in Cathedral City, said homeowners have generally welcomed the changes as grass has been ripped out and replaced with decomposed granite, boulders and native plants alongside portions of the 27-hole course.

"We have a little over 200 acres total on the golf course, and we'll probably have about a little over 10 percent of that after this fall converted to desert landscape," said Conlan, whose club has invested in the projects and also received a \$105,000 rebate from CVWD last year.

Standing in the shade next to a pond on a sweltering afternoon, Conlan explained that he keeps a close eye on the irrigation system to limit watering as much as possible. Along the edges of the course, some patches of green grass were sprinkled with golden blades

Two golfers began a game on the course, which was otherwise deserted. They sent balls sailing down a fairway in the 105-degree heat, one of them shouting: "Fore!"

Desert Princess relies on groundwater, so it was subject to the state's 25-percent cutback requirement.

Asked if the country club has met that target, Conlan said he thinks so. He said a breakdown needs to be prepared to separate the course's water use from the adjacent condos and homeowners' association, all of which share water from two wells.

"From my initial looks and estimates of it, we seem to be right around the 20 to 25 percent rate," Conlan said. "As we pencil out those numbers and figure that stuff out here, we'll probably be pretty close if not meeting that expectation."

Going forward, he said, the course should be able to easily sustain reductions of 25 percent or more, especially as more turf is removed.

Many of the Coachella Valley's golf courses were designed decades ago and use considerably more water than typical courses in Las Vegas or the Phoenix/Scottsdale area, where tighter rules have led to the construction of desert courses with much less grass.

Conlan and others in the golf business say they expect courses will continue saving more, especially as attitudes shift toward an acceptance of having a lot less grass.

"Everybody needs to understand that there's sort of a movement to go in a direction where we're saving water," Conlan said.

Within some golf clubs, Conlan said managers have faced opposition from those who "say they want to have it green and they'll pay for it green."

"But yet they have to understand that we can't necessarily have it all green because there's only a limited supply of water," he said. "It's going to take a little bit of time, but I think people know that this is the direction that we have to go."

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About the data

The Desert Sun obtained water data from Coachella Valley water districts in response to requests filed under the California Public Records Act.

The Coachella Valley Water District and the Desert Water Agency provided monthly data on the amounts of groundwater pumped, Colorado River water diverted and recycled water delivered since 2009. Small quantities of surface water that DWA collects from creeks were excluded from the analysis.

As part of the data provided, CVWD provided monthly figures for the golf sector. DWA provided figures for individual well owners, and the Desert Sun divided up those well owners between those with golf courses and those without. In the case of both agencies, some of the water use classified as being for golf may include water that's used for adjacent common areas or homeowners' associations.

One golf course, the O'Donnell Golf Club in Palm Springs, was not included. The golf club is a DWA drinking water customer and the agency declined to release the data, citing an exemption in the Public Records Act for utility customer information.

The water agencies released groundwater pumping information based on monthly billing of the "replenishment assessment charge." The agencies collect the fees from all well owners that pump more than 25 acre-feet of groundwater per year. Any other well owners that use less are exempt and not included in the data. CVWD said some well owners that should be assessed the fee may not yet be enrolled and therefore would also be left out.

Rebates for golf courses to remove grass

The Coachella Valley Water District has provided rebates to cover a portion of the costs for golf courses to remove up to 7 acres of grass and convert those areas to desert landscaping. Fourteen golf courses have received rebates totaling nearly \$1 million in the past year and a half. The rebates were funded with a state grant.

Avondale - \$67,050

Bermuda Dunes - \$31,800

Marrakesh Country Club – \$62,500

Cathedral City Country Club, Arroyo Course – \$102,450

Ironwood Country Club, North and South - \$105,000

Palm Desert Country Club, Championship – \$210,000 (two separate rebates combined)

Desert Princes Country Club, Cielo Vista Course - \$105,000

Golf Course at IW, East - \$61,800

La Quinta Resort and Club, Citrus Course - \$15,000

PGA West, Jack Nicklaus Tournament - \$23,400

Tri Palms Estate - \$34,200

PGA West, TPC Stadium - \$30,300

Shadow Mountain Golf Club - \$55,200

Palm Desert Resort CC – \$91,350

Source: Coachella Valley Water District

Los Angeles Times

Judge: Yorba Linda residents can't use a referendum to void water rate hikes

A sign calling for Yorba Linda residents to sign a petition to stop water rate increases is posted on a fence in Yorba Linda. (Christina House / For The Times)

By Matt Stevens, July 25, 2016

An Orange County Superior Court judge ruled Monday in a closely watched case that customers of a water district cannot void rate increases using a referendum.

The ruling comes in the protracted fight between a group of Yorba Linda residents and their water provider over a \$25-a-month rate increase. The dispute has at times become heated as both sides have accused the other of distorting facts. Two of the water district's five board members now face recalls, and one other board member announced last week that he would retire rather than face reelection in the fall.

Having failed to overturn the increase through the traditional process, the residents had submitted a referendum, demanding that the district repeal the new rates or put them up to a vote.

But the water district rejected the referendum, saying it was not valid under the law, so the residents sued the district in January asking the court to order the water provider to honor the referendum.

But on Monday, Judge Robert J. Moss denied that request. In court documents, Moss nodded to California's prolonged drought and wrote that the "consequences" of the court ordering the water district to repeal the rates or put them on the ballot "would be serious."

The water rates, Moss wrote, were "passed as an urgency measure enacted to avoid severe constraints on the district's ability to meet its fixed financial obligations during the current severe drought."

"This finding, coupled with the finding that the essential governmental function of providing safe, clean, potable water might be impaired if the referendum is allowed to proceed, compel the court to deny the petition," Moss wrote in his decision.

Ed Rakochy, a spokesman for the Yorba Linda Taxpayers Assn., which had sued the water district, said he was "very disappointed" by the decision.

"The judge missed the constitutional argument that the voters have a right to a referendum," Rakochy said. "There's no hard evidence that this was an emergency measure. It wasn't even passed as an emergency measure. It's like looking at a cat and saying, 'That's a nice dog.'

"In my humble opinion, I don't think the judge wants to rock the boat.... This is a safe decision. He can sit there and claim, 'Hey, we were in a drought."

Yorba Linda Water District spokesman Damon Micalizzi said, "It's unfortunate that it had to come to this, but as you can see, the judge's ruling validates everything we've done, every step of the way."

Across California, the drought and mandatory water conservation have been driving down water use, and in some cases, left gaping holes in the budgets of water providers, officials from various water districts have said. To help cover the deficits, some suppliers have chosen to raise water rates.

Many officials at those water districts said they were watching the <u>Yorba Linda</u> case and worrying about its potential effect on their own rate-making ability.

Had the court allowed water rate increases to be repealed through a referendum, officials said they were concerned that residents would turn to that option whenever they did not want to pay an increase. That kind of revenue instability would cause districts to default on debt obligations and eventually go bankrupt, officials warned.

But members of the Yorba Linda Taxpayers Assn. countered that although they did not want to hinder their district's ability to operate, the power to decide a rate increase should rest with the ratepayers – and that power should be easier for them to exercise than it is under voter-approved Proposition 218.

Leaders of the taxpayers group said they felt exploited by the hasty increase, which raised the basic service charge to \$41 from about \$16. They said the increase was excessive, and their attorneys argued that the residents had a constitutional right to repeal the rates through a referendum.

Moss disagreed, writing in his two-page order that "while voters have a right to challenge legislative enactments through the referendum process, that right is not unlimited."

The California Constitution, Moss wrote, "specifically precludes certain types of legislative enactments from the referendum process. Namely, statutes that are urgency statutes."

He wrote that the court was "persuaded" that the water rate hikes were an "urgency measure."

Rakochy, the spokesman for the residents' group, said he and his colleagues would "talk over" whether to appeal the ruling.

Citing loosened state conservation requirements and an anticipated increase in water sales, the water district's board unanimously adopted new water rates last week that reduced the basic service charge by about \$9. In setting the new rates, the board also rescinded the old ones, which is one of two specific actions that residents had demanded in their lawsuit.

But Rakochy said the decrease "hasn't changed our thinking."

"The rates need to go down more — \$9 is a joke," he said, adding that the water district should provide rebates to its customers to cover what the group says is higher-than-projected profits.

As the fight in Yorba Linda evolved, the rhetoric between the water district and some of its customers became heated and personal.

On the taxpayer association's Facebook page, a few residents called for a boycott of a local restaurant owned by one of the water district's board members. Meanwhile, water district board members have openly accused the group of attempting to seize political power.

Earlier this year the taxpayers association filed petitions with the Orange County registrar of voters to recall two of the water district's five board members; those petitions qualified Thursday, the registrar of voters said.

Two other board members had been up for reelection in the fall, but one of them, Michael Beverage, announced last week that he would not seek another term.

Yorba Linda Water District Board President Ric Collett said he hopes that the court decision will help sway voters to oppose the recall.

He said the lawsuit cost the district about \$250,000; the district's recent rate instability forced the district to refinance loans at a higher-than-normal rate, costing ratepayers an additional \$330,000, he added.

Collett said he would ask the district's legal counsel whether it would be appropriate to countersue the Yorba Linda Taxpayers Assn. and plaintiff Kent Ebinger to recover legal fees.

The taxpayer group, which Collett said has functioned under different names in the past, "has caused dissension in our community for too many years."

"It's time," Collett said, "to push back a little and say, 'Stop."



Water tunnels pitched to regulators

Federal, state leaders back \$15.7 billion project

Scott Smith, Associated Press, July 27, 2016

FRESNO- Representatives of California Gov. Jerry Brown and the Obama administration began making their pitch for approval Tuesday to build a pair of massive water tunnels under the SacramentoSan Joaquin River Delta.

They propose building the tunnels — each four stories high and running 35 miles long — to send Sacramento River water south to millions of residents and vast farmland in dry regions of the state. The project is estimated to cost of \$15.7 billion.

Backers face opposition, however, from deltaarea communities and farmers, who fear it will further degrade the hub of California's water system without producing more water for the droughtparched state.

State and federal officials told regulators at the opening of the hearing in Sacramento that the tunnels would correct design flaws in the water system that have led to the decline of the tiny Delta smelt and Chinook salmon populations and unreliable water deliveries.

California's water challenges are a top priority to the Obama administration, said Letty Belin, senior counselor to the deputy secretary at the U.S. Department of the Interior.

"Now is the time to act," she said. "The cost of doing nothing is too great."

To move forward, state and federal officials need approval of the State Please see TUNNELS, 10A Continued from 9A Water Resources Control Board to take water from the Sacramento River. Officials most prove that drawing water from the Sacramento River won't harm others.

Hearings on the project opened Tuesday and are expected to last months. A second hearing will follow, addressing the project's impact to wildlife and the environment.

Opponents such as state Sen. Cathleen Galgiani, a Democrat from Stockton representing delta residents, said the tunnels will siphon river water needed to dilute pollution in the delta.

She also fears that the project will end up costing taxpayers, despite current plans to make water agencies pay for it. "The proposed tunnels lacks comprehensive finance plan, and it's a financial risk that California is not prepared to take," Galgiani said.

The delta is fed by two of two big rivers that start high in the northern California mountains. It is the heart of the state's water system, providing water to twothirds of the state's residents, 3 million acres of farmland, and wildlife.

State and federal officials in the 1960s reengineered the delta to pump water from the southern end of the delta to farms and communities as distant as San Diego. The pumps, however, altered the delta's flow, pulling migrating fish off course.

John Laird, secretary of California's Natural Resources Agency, told regulators that the tunnels would correct the delta flows while also protecting the state's water system from an inevitable major earthquake and sealevel rise driven by climate change.

"The existing infrastructure does not work well," Laird said. "We have debated, litigated and legislated, but our ecosystem and supply problems have only worsened in the last three decades."

DESERT WATER AGENCY

PUBLIC INFORMATION ACTIVITIES

JULY 2016

Activities: 7/1/16-7/31/16	Vicki Petek conducted 5 turf buy back post-conversion and follow-up inspections.
7/7/16	Ashley Metzger was on a live conservation segment with KESQ on the annual water quality report.
7/11/16	Ashley Metzger presented at the Mizell Senior Center on drought and conservation.
7/14/16	Ashley Metzger was on a live conservation segment with KESQ on turf buy back.
7/19/16	Ashley Metzger presented to a Cathedral City Rotary Club on DWA background, drought and cost drivers.
7/21/16	Ashley Metzger was on a live conservation segment with KESQ on eBilling.
7/21/16	DWA hosted three turf buy back workshops. (landscapers, large-scale projects, single-family homes)
7/22/16	Ashley Metzger met with Palm Springs High School to discuss public service announcement options.
6/23/16	Ashley Metzger was on a live conservation segment with KESQ on pool water saving tips.
7/29/16	Ashley Metzger was interviewed by Joey English on various conservation programs (to air August 6).

Public Information Releases:

July 18 – Desert Water Agency launches eBilling service.

July 20 – Reminder regarding July 21 turf buy back workshops

Water Conservation Reviews

Canyon West Estates Plaza Villas

Centre Court Club Riviera Gardens Condos

Marabella Estates Sunrise Palms

Palm Springs Villas II City of Palm Springs

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

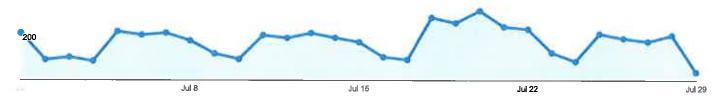
Jul 1, 2016 - Jul 29, 2016



Overview



400



Sessions
4,561

Users **3,676** Pageviews

10,305

Pages / Session 2.26

Avg. Session Duration 00:01:48

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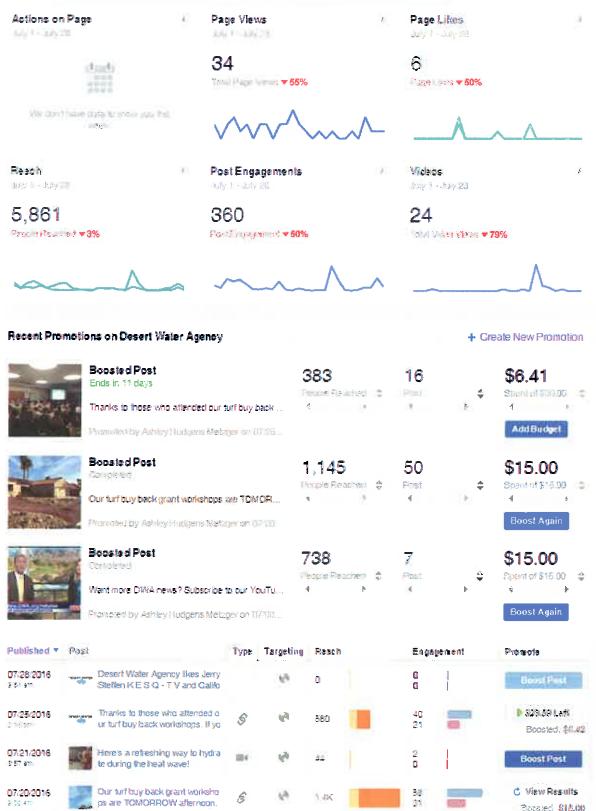
% New Sessions

65.62%

1. en-us 3,573 2. (not set) 842 18.4 3. en-ca 27 0.59% 4. en 26 0.57% 5. en-gb 25 0.55% 6. ko-kr 12 0.26% 7. zh-cn 6 0.13% 8. pt-br 5 0.11% 9. de-de 4 0.09%	ns
3. en-ca 27	78.34%
4. en 26	5%
5. en-gb 6. ko-kr 7. zh-cn 8. pt-br 25	
6. ko-kr 12	
7. zh-cn 6	
8. pt-br	
9. de-de	
10. de 3 0.07%	



Desert Water Agency Facebook Analytics July 2016



07/18/2016 2.13 sm	Do you want your DWA bill and usage information to come strai	(a)	100	16	0		Boost Past
07/15/2016	Not-for-profit public water agencies have had huge financial imp	15	6	64	2 0	 	Boost Pest
07/15/2016 (7.52 pm	DWA customers saved 33% in J une compared to 2013. Keep up		9	205	0 0		Boost Pest
07.13-2016 w.13 arc	Maybe the managoral majoture next week will change this?	ē	1,2	ð()	4	1	Boost Post
07/12/2016	There's an app for that!	\$	125	48	2	1	Boost Post
07/12/2016 11 74 om	Every day brings a new chance to #savewater1	95	150	10	0 0		Boost Post
07/11/2016	Desert Water Agency likes inlan d Empire Waterkeeper and Metr		1/5	0	Q II	1	Boost Past
07/07/2016 4 98 pm	The future is so bright. Don't mi	ું	q h	80	2		Boost Post
07/07/2016 1, 73 //	Want more DWA news? Subscribe to our YouTube channel for u	B	40	T38	4	1	C View Results Bosoled \$15.00
07/06/2016	Desert Water Agency's summer newsletter a here. Incide restric	3	44	265	14 8		Boost Post
87:05:2016 1:13:41	Water when it counts.	ħ	44	63	3	ł	Boost Post
07/05/2016	Use water wiselyforever!	10		362	2		C View Results Elimited: \$5.00
07/03/2D16	Have a safe, happy and water s avvy Fourth of July!	Ō	45	8.66	41 36	0	C View Results Brosted: \$5.99
67/61-2015 1.45 pm	Our most recent water quality re port is now available. Take a pe	1.5	6	485	17 12		Boost Pest
07/01/2016 9.59 m	Prepping for a party his weeken d? Remember, you can no long	n	49	287	14 7		Boost Past

Total Page Likes as of Today: 844





Desert Water Agency Twitter Analytics July 2016

Jul 2016 • 27 days so fer

TWEET HIGHLIGHTS

Top Tweet earned 14% more store

It's true - **#tapwater** is more regulated than pricey bottled water. Plus your snazzy reusable bottle cuts waste.

twitter.com/SFWateristatus

13 m

View Tweet activity

View all tweet actiony

Top Follower followed by 122% people



Tasty Cravings

Delicious delights of all things food. Food food food food... drool... Feed your eyes! Your daily food porn.

View profile

View followers dashboard

Top media Tweet earned SE impressions

Desert Water Agency customers saved 33% in June. Keep it up - conservation is a way of life! pic.twitter.com/PhjNWEZYXk



View Tweet activity

View all Tweet activity